

MINUTES OF THE FINANCE COMMITTEE MEETING
OF THE BOARD OF REGENTS OF THE DEL MAR COLLEGE DISTRICT
July 22, 2003

The Finance Committee Meeting of the Board of Regents of the Del Mar College District opened in the Isensee Board Room, Harvin Student Center, Del Mar College East Campus, 101 Baldwin, Corpus Christi, Texas, at 10:00 a.m. on Tuesday, July 22, 2003, with the following present:

From the Committee:

Ms. Beverly Winters, Chairperson; Mrs. Chris Adler, Dr. Haysam Dawod, Mrs. Olga Gonzales, Mr. Gabe Rivas, Mrs. Dorothy Spann, and Mr. Guy Watts.

From the College:

Dr. Gustavo Valadez Ortiz, President; Mr. José Alaniz, Vice President, Business and Finance; Mr. Rudy Duarte for Mr. José Rivera, Vice President of Student Development and Community Learning; Mr. John Johnson, Internal Auditor; Ms. Claudia Jackson, Assistant to the President for Community Relations; Mrs. Vickie Natale, Dean of Administrative Services; Ms. Barbara Riley, Executive Administrative Assistant to Vice President of Business and Finance; and other administrators, faculty, and staff.

From the Attorney's Office:

Mr. Stephen Hilmy.

Others:

Mr. Larry Jordan and Mr. Gavino Sotelo, financial advisory firm of Estrada Hinojosa; Mr. Paul Jasin and Mr. James Breeding, Standard & Poor's; Mr. Douglas Benton and Ms. Sarrah Angelos, Moody's Investor Services; Mr. Bill Wilson, WKMC Architects; and other interested citizens.

Ms. Beverly Winters, chairperson of the Finance Committee, presided and called the meeting to order. With a quorum present, she requested a moment of silence.

Ms. Winters announced that the Committee would be holding discussions with bond rating companies at today's meeting.

Mr. Gabe Rivas, vice president of the Board and chairperson of the Buildings and Grounds Committee, began with an introduction of Board members and a brief summary of their duties and responsibilities. Dr. Gustavo Valadez, president of the College, followed with background information on the College, the College's mission, faculty and staff, programs, student enrollment trends, long-range plans, the learning college concept, and the bond program passage. Mr. Bill Wilson, the College's coordinating architect, described the processes and an analysis of the bond program.

Mrs. Gonzales, president of the Board, complimented the efforts of all College employees for the success of the College, and reviewed several of those areas. Mr. Jose Alaniz, vice president of

Business and Finance, addressed the general financial condition of the College, fund balances, district valuations and tax rates, funding trends and resources, the College's reaction to the budget shortfall, the College operating budget concepts and priorities, past bond issues, and the maintenance of facilities after the bond construction. (Mr. Watts arrived at 10:47 a.m.)

Mr. Paul Jasin and Mr. James Breeding, representatives from Standards & Poors, informed the Committee that no additional information was necessary, as they felt any questions they may have had were answered during the College's review, and with the background information that was provided.

Mrs. Spann made a motion, seconded by Dr. Dawod, to approve the minutes of the Finance Committee meeting, July 1, 2003, and the motion carried by unanimous vote of those present.

Mr. Jasin and Mr. Breeding reviewed the process that would be used by their firm to determine the credit rating.

The Finance Committee meeting recessed at 11:06 a.m. for a scheduled Buildings and Grounds Committee meeting, to be followed by a Called meeting.

The Committee reconvened at 2:14 p.m.

Mrs. Gonzales welcomed representatives, Mr. Douglas Benton and Ms. Sarrah Angelos, from the bond rating firm of Moody's. Mr. Alaniz announced that, in the interest of time and since the firm was provided with background information on the College, the representatives would ask the Board and administration related questions.

Mr. Benton and Ms. Angelos asked several questions related to debt service, the bond program, district valuations and tax rate, general financial condition of the College, the College's budget concept and priorities, fund balances, funding trends, the College's reaction to budget shortfalls, enrollment growth, and tuition and fees. Mr. Benton informed the Committee that their firm would release the ratings August 8th, and reviewed the process they would undertake in assigning the credit rating.

With no further business, the meeting adjourned at 3:28 p.m.