

August 18, 2022

NOTICE OF CALLED MEETING

The **Called Meeting** of the Board of Regents of the Del Mar College District will convene at **1:00 p.m., Tuesday, August 23, 2022**, at the Center for Economic Development, 3209 S. Staples, Room 106, Corpus Christi, Texas.

AGENDA

CALL TO ORDER

QUORUM CALL

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

DMC VISION STATEMENT: *Del Mar College will be the premier choice for life-changing educational opportunities, provided by responsive, innovative faculty and staff who empower students to improve local and global communities.*

Del Mar College is streaming live audio and video from the official Board of Regents meetings on the College's website in real-time, with the exception of portions of the meeting considered as "closed session" by statute.

GENERAL PUBLIC COMMENTS (Non-Agenda Items) – 3-minute time limit

- Specific public comments will be allowed on agenda items prior to action by the Board.
- General Public Comments may be moved on the agenda at the discretion of the Board Chair and as an accommodation to those in attendance.
- Pursuant to the Texas Open Meetings Act, the College is limited in responding to public comments or inquiries as follows:
 1. Provide a statement of specific factual information in response to an inquiry.
 2. Recite existing policy in response to an inquiry.
 3. Propose placing the subject of the inquiry on the agenda for a subsequent meeting.

(Tex. Govt. Code Section § 551.042)

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

1. Discussion and possible action related to approval of Administration’s recommendation for a one-time employee payment and funding source
.....Ms. Tammy McDonald
(Goal 4: Learning Environments and 6: Financial Effectiveness and Affordability)

Public comments for this agenda item

2. Discussion and possible action related to the Order of the Board of Regents of the Del Mar College District: 2022-2023 Maintenance and Operations Budget and the 2022-2023 Debt Service BudgetMr. Raul Garcia
(Goal 6: Financial Effectiveness and Affordability)

Public comments for this agenda item

3. Discussion and possible action related to the Order of the Board of Regents of the Del Mar College District: Tax Rates for 2022-2023.....Mr. Raul Garcia
(Goal 6: Financial Effectiveness and Affordability)

Public comments for this agenda item

4. Discussion and possible action related to the Order of the Board of Regents of the Del Mar College District: 2022-2023 Tax Levy of \$0.266104 per \$100 of taxable value for the Del Mar College District.....Mr. Raul Garcia
(Goal 6: Financial Effectiveness and Affordability)

Public comments for this agenda item

5. Discussion and possible action related to the Resolution of the Board of Regents of the Del Mar College District: 2022-2023 Tax Exemptions.....Mr. Raul Garcia
(Goal 6: Financial Effectiveness and Affordability)

Public comments for this agenda item

6. CLOSED SESSION pursuant to:
 - A. **TEX. GOV'T CODE § 551.074(a)(1)**: (Personnel Matters), regarding the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; including, 1.) Annual Evaluation of College President and President’s Contract, with possible discussion and action in open session, and,
 - B. **TEX. GOV'T CODE § 551.071**: (Consultation with Legal Counsel), regarding pending or contemplated litigation, or a settlement offer, and the seeking of legal advice from counsel, with possible discussion and action in open session.

CALENDAR: Discussion and possible action related to calendaring dates.

ADJOURNMENT

PUBLIC NOTICE is given that the Board may elect to go into executive session at any time during the meeting in order to discuss matters listed on the agenda, when authorized by the provisions of the Open Meetings Act, Chapter 551 of the Texas Government Code.

Item 1

TO: Mark Escamilla, Ph.D.
President and CEO

FROM: Tammy McDonald *TMC*
Vice President of Administration and Human Resources

DATE: August 16, 2022

RE: One-Time Employee Payment Information & Funding Recommendation

SUMMARY:

In the August 8, 2022 Board of Regents Regular Board Meeting, the Board requested that staff bring information for consideration for a one-time payment to employees and to recommend a funding source for the expense. The presentation today addresses this request.

STAFF RECOMMENDATION:

Action from the Board of Regents to approve the recommendation from Administration for a one-time payment to employees and the use of the funding source as discussed and agreed upon.

LIST OF SUPPORTING DOCUMENTS:

Presentation

Proposed One-Time Payment to Employees

Board of Regents Called Meeting
August 23, 2022

Tammy McDonald, MBA



DEL MAR COLLEGE

Proposed One-Time Employee Payment

- **All Full-time employees employed on the day of payment distribution receive a one time payment through payroll of \$1,000 gross (before applicable employee taxes are deducted)**
- **All Part-time employees that are active on the day of payment distribution receive a payment through payroll of \$500 gross (before applicable employee taxes are deducted)**

Proposed One-Time Employee Payment Snapshot on August 15th

- **746 full-time**
 - 746 x 1,000 \$ 746,000
 - 10% applicable employer taxes \$ 74,600
 - Total - FT \$ 820,600
- **589 part-time with current active status**
 - 589 x 500 \$ 294,500
 - 10% applicable employer taxes \$ 29,450
 - Total - PT \$ 323,950
- **Grand Total (Estimate) \$1,144,550**
- **Proposed payment date between mid to late October 2022**

Proposed One-Time Employee Payment Funding Source Recommendation

**As allowed under DMC Policy B4.1.1 Financial
Reserves, section (a):**


- **Administration is recommending the Board of Regents approve the use of the FY22 Budget Contingency line item of \$1,663,863 to fund this expense.**

Thank you



Item 2

TO: MARK ESCAMILLA, Ph.D., PRESIDENT OF COLLEGE

FROM: RAUL GARCIA, CPA, Vice President and Chief Financial Officer 

DATE: AUGUST 23, 2022

RE: BOARD AGENDA: Adoption of the 2022-2023 Maintenance and Operations budget and Adoption of the 2022-2023 Debt Service Budget

The College has worked with various budget stakeholders including budget managers, faculty, staff, and the various College Councils to align financial resources with strategic initiatives and to deliver a balanced budget for fiscal year 2022-2023. A public Budget Workshop was held for the Board of Regents on July 26, 2022, with an update on August 9, 2022, to receive comments from the Board of Regents and the public on the College's proposed budget.

-The proposed 2022-2023 Maintenance and Operations Budget is \$114,706,068.

-The proposed 2022-2023 Debt Service Budget is \$22,518,888, representing the principal and interest obligations for the 2022-2023 on the College's existing general obligation bond debt.

The appropriate Public Notices of the public hearing for the proposed 2022-2023 budget have been published and the College held a Public Hearing on the Proposed Budget for 2022-2023 on Tuesday, August 23, 2022, at 12:00 p.m., to receive public comments.

Action Item: Discussion and possible action related to Order of the Board of Regents of the Del Mar College District: 2022-2023 Maintenance and Operations Budget and the 2022-2023 Debt Service Budget.



DEL MAR COLLEGE

Public Hearing

**Proposed Budget
For Fiscal Year 2023**

Raul Garcia, CPA, MBA

August 23, 2022



Agenda

Strategic Initiatives

Operating Revenue Budget

Operating Expense Budget

Questions

Strategic Plan Initiatives

Expand Programming Oso Creek Campus

Oso Creek Operational Expenses

- Goal 1 – Obj 1: Completion
- Goal 2 – Obj 1: Educational Opportunities
- Goal 4 – Obj 4: Facilities

Expand Programming in Service Area

- Goal 1 – Obj 1: Completion
- Goal 2 – Obj 1: Educational Opportunities
- Goal 4 – Obj 4: Facilities
- Goal 5 – Obj 1: Educational Offerings, Obj 2: Employment

Recruit & Retain Exceptional Faculty & Staff

- Goal 4 – Obj 1: Personnel Recruitment & Retention, Obj 4: Facilities
- Goal 5 – Obj 1: Educational Offerings

.....

Proposed Revenue Budget FY 2023

Description	Budget FY 2022	Increase/ (Decrease)	Proposed Budget FY 2023	% Change
State Appropriations	\$ 17,359,105	-	\$ 17,359,105	0%
Insurance Contribution	4,263,497	17,874	4,281,371	0.4%
Retirement Contribution	1,564,963	306,213	1,871,176	20%
Total State Funding	23,187,565	324,087	23,511,652	1%
Tuition & Fees	25,962,825	(1,586,996)	24,375,829	-6%
Property Taxes	60,390,356	5,166,087	65,556,443	9%
Miscellaneous	1,383,413	(121,269)	1,262,144	-9%
Total Proposed Revenues	\$ 110,924,159	\$ 3,781,909	\$ 114,706,068	3%

Proposed
Salary &
Benefit
Increases
Budget
FY 2023

<u>Employee Type</u>	<u>Description</u>	<u>Amount</u>
Faculty - Full-Time	1 Yr. Experience Pay & 3% to schedules for Rank, Education & Base; includes budget costs for promotions & summer pay	\$ 985,585
	Benefits	131,152
Total Faculty		1,116,737
Exempt	3% Increase	452,240
	Benefits	60,179
Total Exempt		512,419
Non-Exempt	4% Increase	353,843
	Benefits	47,086
Total Non-Exempt		400,929
Total Salary & Benefit Increase		\$2,030,085



Proposed Expense Budget FY 2023

Description	Budget FY 2022	Increase/ (Decrease)	Proposed Budget FY 2023	% Change
Faculty Salaries	\$ 34,874,576	(1,406,889)	\$ 33,467,687	-4%
Exempt Salaries	13,504,527	846,490	14,351,017	6%
Exempt Salaries - Instructional	2,982,420	45,235	3,027,655	2%
Non-Exempt Salaries	11,941,243	(329,653)	11,611,590	-3%
Non-Exempt Salaries - Instructional	70,165	2,242,726	2,312,891	3196%
Benefits	20,279,228	350,283	20,629,511	2%
Total Salaries & Benefits	83,652,159	1,748,192	85,400,351	2%
Non-Salary Expenses	25,608,137	1,976,989	27,585,126	8%
Contingency	1,663,863	56,728	1,720,591	3%
Total Non-Salary Expenses	27,272,000	2,033,717	29,305,717	7%
Total Proposed Expenses	\$ 110,924,159	\$ 3,781,909	\$ 114,706,068	3%

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M & O Expense Detail Proposed Budget FY 2023

Description	Budget FY 2022	Increase/ (Decrease)	Proposed Budget FY 2023	% Change
Salaries & Benefits				
Faculty Salaries	\$ 34,874,576	(1,406,889)	\$ 33,467,687	-4%
Exempt Salaries	13,504,527	846,490	14,351,017	6%
Exempt Salaries - Instructional	2,982,420	45,235	3,027,655	2%
Non-Exempt Salaries	11,941,243	(329,653)	11,611,590	-3%
Non-Exempt Salaries - Instructional	70,165	2,242,726	2,312,891	3196%
Benefits	20,279,228	350,283	20,629,511	2%
Total Salaries & Benefits	83,652,159	1,748,192	85,400,351	2%
Non-Salary Expenses:				
Contract Instruction	151,600	-	151,600	0%
Supplies, Postage, Dupl, Copier Rental	3,110,202	333,686	3,443,888	11%
Maintenance & Repairs	1,589,223	5,817	1,595,040	0%
Equipment	780,753	293,272	1,074,025	38%
Student Recruiting & Marketing	1,030,908	30,000	1,060,908	3%
Audit & Legal, Tax Appraisal, Coll Fees	1,612,210	14,085	1,626,295	1%
Consultants & Contract Labor	2,970,704	305,792	3,276,496	10%
Accreditation	80,047	(5,000)	75,047	-6%
Special Pop Interpreter	114,397	-	114,397	0%
Comp Software, Hardware, License & Serv	2,577,607	116,676	2,694,283	5%
Travel & Professional Development	486,036	50,887	536,923	10%



M & O Expense Detail Proposed Budget FY 2023

Description	Budget FY 2022	Increase/ (Decrease)	Proposed Budget FY 2023	% Change
Non-Salary Expenses - Continued				
Election	-	190,000	190,000	-
Security	1,058,300	456,700	1,515,000	43%
Recruitment	32,000	-	32,000	0%
Food Beverage	87,133	2,168	89,301	2%
Library	269,476	-	269,476	0%
Bad Debt	250,000	(98,293)	151,707	-39%
Membership & Dues	237,829	13,141	250,970	6%
Utilities & Telephone	3,354,392	(528,945)	2,825,447	-16%
Insurance	2,705,000	1,019,250	3,724,250	38%
Bank & Collection Fees	192,800	-	192,800	0%
Campus Police	513,000	(210,142)	302,858	-41%
Tuition Bond Transfers Out	1,951,000	4,500	1,955,500	0%
Miscellaneous	453,520	(16,605)	436,915	-4%
Total Non-Salary	25,608,137	1,976,989	27,585,126	8%
Contingency	1,663,863	56,728	1,720,591	3%
Total Proposed Expenses	\$ 110,924,159	\$ 3,781,909	\$ 114,706,068	3%

Thank you!



ORDER OF THE BOARD OF REGENTS
OF THE
DEL MAR COLLEGE DISTRICT
BUDGETS
2022-2023

BE IT ORDERED by the Board of Regents of the Del Mar College District (“District”) that,

WHEREAS, budgets for the Del Mar College District have been prepared and submitted to the Board of Regents of the District in the manner required by law; and

WHEREAS, a meeting has been called and held as a public hearing for the purpose of considering the adoption of a maintenance and operation budget and debt service budget, after public notice of such meeting as required by law; and

WHEREAS, all taxpayers and other persons of the District desiring to do so have been given the opportunity to be present and to participate in such hearing;

THEREFORE, that certain budgets presented to the Board at this meeting and filed among the official documents of this District, be and it is hereby adopted as the budgets for the Del Mar College District for the fiscal year beginning September 1, 2022 and ending August 31, 2023.

The foregoing Order was duly offered by _____, seconded by _____, and after discussion, was adopted by the Board of Regents of the Del Mar College District at the meeting duly called and held in Corpus Christi, Texas, on August 23, 2022, at which ____ members were present, by the following vote: ____ for, ____ against and ____ abstaining.

Carol A. Scott, Chair
Board of Regents
Del Mar College District


ATTEST:

Libby Averyt, Secretary

(Seal)

Item 3



TO: MARK ESCAMILLA, Pd.D., PRESIDENT OF COLLEGE
FROM: RAUL GARCIA, CPA, Vice President and Chief Financial Officer 
DATE: AUGUST 23, 2022
RE: BOARD AGENDA: Adoption of the 2022-2023 Tax Rates

The College conducted a Budget Workshop on July 26, 2022, with an update on August 9, 2022, to review the proposed 2022-2023 Maintenance and Operations Budget and the proposed 2022-2023 Debt Service Budget, including the respective tax rates necessary to generate the ad valorem revenues to support each budget. The \$114,706,068 proposed Maintenance and Operations Budget has a proposed M & O Tax Rate of \$0.196870 per \$100 of taxable value. The \$22,518,888 proposed Debt Service Budget has a proposed Debt Service Tax Rate of \$0.069234 per \$100 of taxable value.

The proposed Combined Tax Rate for 2022-2023 is \$0.266104 per \$100 taxable value, which is \$0.17236 less than the previous year. This combined tax rate represents a 5.79% increase in total tax revenues (percentage by which the proposed tax rate exceeds the lower of the voter-approval tax rate or the no-new revenue tax rate calculated under Chapter 26, Texas Tax Code) from properties on the tax roll in the preceding tax year due to the increase in appraisal values within the College District.

The appropriate Public Notices of Tax Revenues Increases have been published and the College held a Public Hearing on the Proposed Tax Rates on Tuesday, August 23, 2022, at 12:30 p.m., to receive public comments.

Action item: Discussion and possible action related to the Order of the Board of Regents of the Del Mar College District: Tax Rates for 2022-2023.



DEL MAR COLLEGE

Public Hearing

Proposed Tax Rates

For Fiscal Year 2023

Raul Garcia, CPA, MBA

August 23, 2022



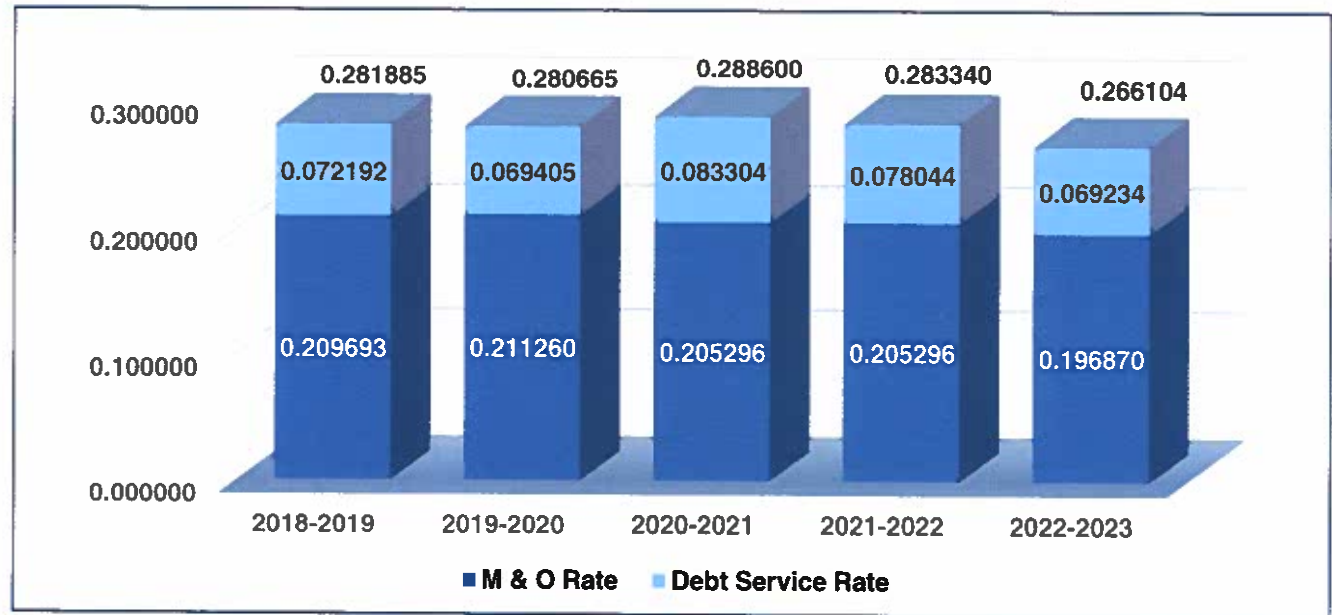


Agenda

- Property Tax Rate History
- Property Tax Revenue – FY 2019 to FY 2023
- Questions



Tax Rate History



	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Annual Homeowner Property Tax	\$ 514	\$ 511	\$ 526	\$ 516	\$ 534

* Based on 2022 Average Taxable Homestead Value of \$200,675

Property Tax Revenue FY 2023

Revenues	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
M & O	\$ 54,657,608	\$ 58,222,474	\$ 58,222,474	\$ 60,390,356	\$ 65,556,443
Debt Service	18,565,219	19,038,437	23,476,669	22,761,988	22,518,888
Total Revenue	\$ 73,222,827	\$ 77,260,911	\$ 81,699,143	\$ 83,152,344	\$ 88,075,331
Total Combined Tax Rates	0.281885	0.280665	0.288600	0.283340	0.266104

Thank you!



ORDER OF THE BOARD OF REGENTS
OF THE
DEL MAR COLLEGE
TAX RATE
2022

BE IT ORDERED by the Board of Regents (“Board”) of the Del Mar College District (“District”) that,

WHEREAS, the Board has duly and properly considered a proposal to increase total tax revenues from properties on the tax roll in 2022 by 5.79 percent; and

WHEREAS, the Board has duly and properly called and held the public hearing required by the Texas Property Tax Code (“Code”) after giving the public notice required by the Code and by law; and

WHEREAS, all taxpayers and other persons desiring to do so have been given the opportunity to be present and to participate in such hearing; and

WHEREAS, the Board has duly and properly given and published notice of these meetings as required by law;

NOW THEREFORE, the Board hereby approves and adopts the proposal to increase total tax revenues from properties on the tax roll in the preceding year by 5.79 percent, thereby increasing the total combined tax rate to be levied for 2022 to Twenty six and 6104/10,000 (\$0.266104) on each One Hundred Dollars (\$100.00) property valuation in the District. THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR’S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 7.94 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$-8.43.

The foregoing Order was duly offered by _____ seconded by _____, and after discussion, was adopted by the Board of Regents of the Del Mar College District at a meeting duly called and held in Corpus Christi, Texas on August 23, 2022, at which ____ members were present, by the following vote: ____ for, ____ against and ____ abstaining.

Carol A. Scott, Chair
Board of Regents
Del Mar College District

ATTEST:

Libby Averyt, Secretary

(Seal)

Item 4

**TAX LEVY FOR 2022
OF THE
DEL MAR COLLEGE DISTRICT**

BE IT ORDERED by the Board of Regents of the Del Mar College District that the following taxes are hereby levied for the year 2022 on all property, real, personal and mixed, located within the boundaries of the Del Mar College District and subject to taxation by it for the year 2022 under the laws of this State, and of the United States; a total ad valorem tax of Twenty Six and 6104/10,000 Cents (\$0.266104) on each One Hundred Dollars (\$100.00) property valuation in the District, for the purposes and in the specific amounts which follow:

I.

An ad valorem tax of Nineteen and 6870/10,000 Cents (\$0.196870) on each One Hundred Dollars (\$100.00) property valuation for the local maintenance fund of the Del Mar College District.

II.

An ad valorem tax of Six and 9234/10,000 Cents (\$0.069234) on each One Hundred Dollars (\$100.00) property valuation for the interest and sinking fund of the Del Mar College District Limited Tax Refunding Bonds, Series 2013 (\$9,010,000); Del Mar College District Limited Tax Refunding Bonds, Series 2014 (\$8,995,000); Del Mar College District Limited Tax Refunding Bonds, Series 2015 (\$23,580,000); Del Mar College District Limited Tax Bonds, Series 2016 (\$67,645,000); Del Mar District Tax Bonds, Series 2017 (\$9,070,000); Del Mar College District Limited Tax Bonds, Series 2018A (\$44,275,000); Del Mar College District Limited Tax Bonds, Series 2018B (\$57,305,000); Del Mar College District Limited Tax Bonds, Series 2020A (\$22,150,000); Del Mar College District Limited Tax Bonds, Series 2020B (\$56,285,000); and Del Mar District Limited Tax Refunding Bonds, Series 2021 (\$8,435,000).

The foregoing Order was duly offered by _____, seconded by _____, and after discussion, was adopted by the Board of regents of the Del Mar College District at a meeting duly called and held in Corpus Christi, Texas, on August 23, 2022, at which ___ members were present, by the following vote: ___ for, ___ against and ___ abstaining.

ATTEST:


Libby Averyt, Secretary

Carol A. Scott, Chair

SIGNED AND SWORN TO BEFORE ME, the undersigned authority, by Carol A. Scott, Chair, Board of Regents, on this the 23rd day of August, 2022, to certify which witness my signature and seal of office.

Jessica A. Alaniz
Notary Public, State of Texas

Item 5

TO: MARK ESCAMILLA, Pd.D., PRESIDENT OF COLLEGE
FROM: RAUL GARCIA, CPA, Vice President and Chief Financial Officer 
DATE: AUGUST 23, 2022
RE: BOARD AGENDA: Resolution Adopting the 2022-2023 Tax Exemptions

The Del Mar College Board of Regents must annually approve those individuals and organizations that will be granted specific tax exemptions. Traditionally, the College has provided the following tax exemptions:

- | | |
|---|---------------------|
| 1) Homestead Exemption | \$5,000 |
| 2) Persons 65 years or older | \$50,000 |
| 3) Qualified Disabled Veterans | Statutory Exemption |
| 4) Person under 65 years, qualified disability benefits | \$50,000 |
| 5) Qualified Charitable Organizations | Statutory Exemption |

Action item: Discussion and possible action related to the Resolution of the Board of Regents of the Del Mar College District: Tax Exemptions for 2022-2023.

RESOLUTION OF THE BOARD OF REGENTS
OF THE
DEL MAR COLLEGE DISTRICT

RESOLVED, that for the tax year 2022 all persons who qualify by law are granted an exemption in the amount of Five Thousand Dollars (\$5,000.00) of the appraised value of their homestead property; and

RESOLVED FURTHER, that for the tax year 2022 persons of the age of sixty-five (65) or older are granted an additional exemption in the amount of Fifty Thousand Dollars (\$50,000.00) of the appraised value of their homestead property, and qualified disabled veterans are granted the statutory exemption; and

RESOLVED FURTHER, that for the tax year 2022 each person under sixty-five (65) years of age who is qualified for the payment of disability insurance benefits as defined under Federal Old-Age, Survivors, and Disability Insurance (or its successor) is hereby granted an additional exemption from taxation, in accordance with Section 11.13(d) of the Property Tax Code ("Code"), the total amount of which is equal to Fifty Thousand Dollars (\$50,000.00) of the appraised value of such person's residence homestead property, as that term is defined by the State Constitution and law, provided the owner of such residence homestead property, or his or her duly authorized agent or attorney, applies at the office of the Nueces County Tax Appraisal District for said exemption in accord with the requirements established by the Tax Assessor-Collector or the Nueces County Tax Appraisal District, as permitted by law; and

RESOLVED FURTHER, that for the tax year 2022 each disabled veteran is entitled to the mandatory exemption provided in Section 11.22 of the Code; and

RESOLVED FURTHER, that for the tax year 2022 each qualified charitable organization that has been granted exemption by the City of Corpus Christi is entitled to the tax exemption provided under Section 11.184 of the Texas Tax Code.

The forgoing Resolution was duly offered by _____, seconded by _____, and after discussion, was adopted by the Board of Regents of the Del Mar College District at a meeting duly called and held in Corpus Christi, Texas, on August 23, 2022, at which ___ members were present, by the following vote: ___ for, ___ against and ___ abstaining.

ATTEST:

Libby Averyt, Secretary

Carol A. Scott, Chair
Board of Regents
Del Mar College

(Seal)