

#### December 9, 2022

#### NOTICE OF MEETING

The **Regular Meeting** of the Board of Regents of the Del Mar College District will convene at **1:00 p.m.**, **Tuesday**, **December 13**, **2022**, at the Oso Creek Campus, Culinary Arts Building, Community Room, 7002 Yorktown Blvd., 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)

#### **NOVEMBER BOARD OF REGENTS ELECTION:**

Special Recognitions – Susan Hutchinson, Board of Regent Ed Bennett, Board of Regent

Swearing in of the duly elected members of the Board of Regents.

The oath of office will be administered to the duly elected Regents.

Reorganization of the Board of Regents – Election of Officers

Following the swearing in of those persons elected to the Board of Regents, it will be appropriate to elect officers of the Board.

Chair First Vice Chair Second Vice Chair Secretary

#### **RECOGNITIONS:**

#### **REGENT'S REPORT:**

• Texas Higher Education Coordinating Board Leadership Conference, December 7-8, 2022 (Goal 5: Workforce Development, Community Partnerships, and Advocacy)

#### **STAFF REPORTS:**

- Diversity Equity and Inclusion Development Committee (Goal 2: Recruitment and Persistence)
- Season Celebration, Friday, December 16, 2022, 11:00 a.m., Oso Creek Campus (Goal 5: Workforce Development, Community Partnerships, and Advocacy)
- Fall Graduation, American Bank Center, 7:00 p.m., December 16, 2022 (Goal 1: Completion)

#### PENDING BUSINESS:

Status Report on Requested Information

(Goal 5: Workforce Development, Community Partnerships, and Advocacy)

#### CONSENT AGENDA

#### Notice to the Public

The following items are of a routine or administrative nature. The Board of Regents has been furnished with background and support material on each item, and/or it has been discussed at a previous meeting. All items will be acted upon by one vote without being discussed separately unless requested by a Board member or a citizen, in which event the item(s) will immediately be withdrawn for individual consideration in their normal sequence after the items not requiring separate discussion have been acted upon. The remaining items will be adopted by one vote.

#### **CONSENT MOTIONS:**

(At this point the Board will vote on all motions not removed for individual consideration.)

#### ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

1. Approval of Minutes:

Regular Board Meeting, November 8, 2022
Called Meeting, November 17, 2022

(Goal 5: Workforce Development, Community Partnerships, and Advocacy)

2. Acceptance of Investments for November 2022 (Goal 6: Financial Effectiveness and Affordability)

3. Acceptance of Financials for November 2022 (Goal 6: Financial Effectiveness and Affordability)

Public comments for consent agenda items

#### **REGULAR AGENDA**

4.	Discussion and possible action related to the 2022 Annual Comprehensive Financial
	Report (ACFR) for the Fiscal Year Ended August 31, 2022 and 2021
	Mr. Raul Garcia
	(Goal 6: Financial Effectiveness and Affordability)

- 6. CLOSED SESSION pursuant to:
- A. <u>TEX. GOV'T CODE § 551.071</u>: (Consultation with Legal Counsel), regarding pending or contemplated litigation, or a settlement offer, with possible discussion and action in open session, and the seeking of legal advice from counsel on pending legal or contemplated matters or claims, with possible discussion and action in open session; and,
- B. <u>TEX. GOV'T CODE § 551.074(a)(1)</u>: (Personnel Matters), regarding the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, including 1.) the letter of resignation submitted by Regent Villarreal, and, 2.) the At Large Regent vacancy, 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 revision of the Open Meetings Act, Chapter 551, of the Texas Government Code.

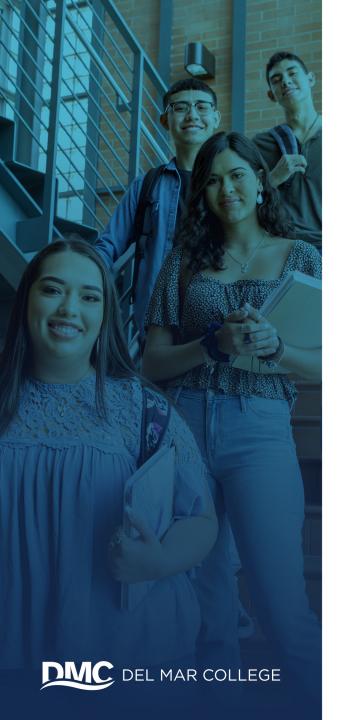
# Staff Reports

### **Student Enrollment Update**

Patricia Benavides-Dominguez
Vice President for Student Affairs
and
Lenora Keas
Executive Vice President and COO



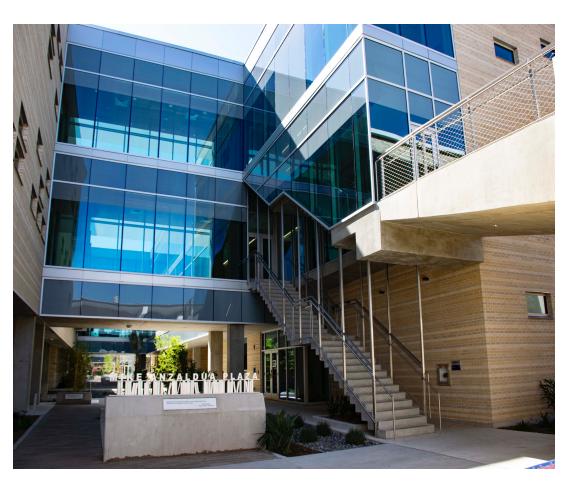




# Overview of Enrollment Trends

- Enrollment Trends and the Impact of Providing Students with Options in Course Offerings
- Students Transitioning Back to Credit and Continuing Education Courses
- Impact of Flexible Semesters and Eight-week Terms
- Overall Enrollment and the Number of Students Being Served
- Impact to Contact Hours

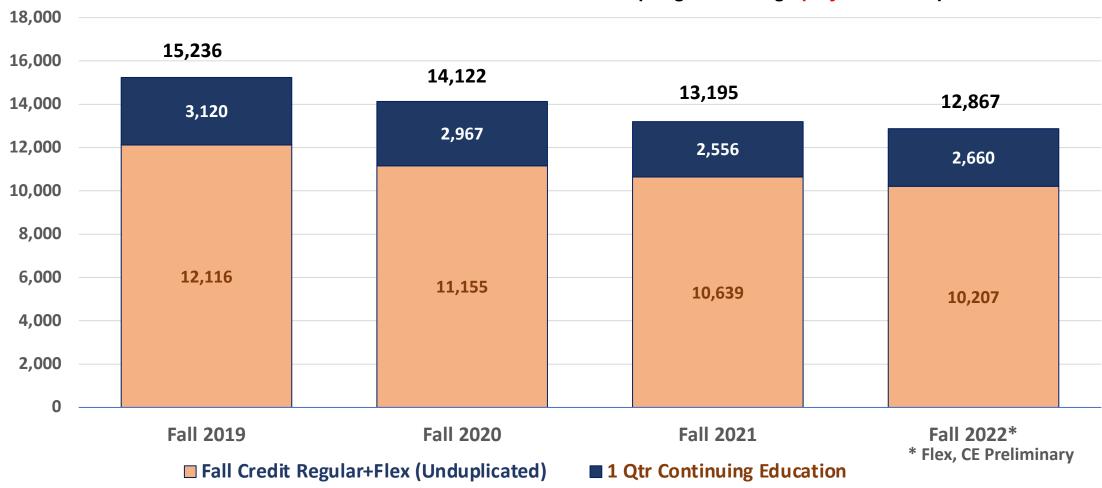
# Overview of Enrollment Trends Looking Forward to Spring 2023



- Enrollment for Spring 2023 began November 7<sup>th</sup> and runs through Mid-January 2023
- Students are Transitioning Back
- Enrollment for Spring 2023 is Trending up by 6% for Credit Courses
- Continuing Education has Over 450
   Enrollments for the Second Quarter which Began December 1<sup>st</sup>
- Showing the Impact of Flexible Semesters and Eight-week Terms

# Unduplicated Fall Credit and Continuing Education Headcount Individual Students Enrolled

Total Fall 2022 Headcount is a 2.5% decrease from Fall 2021. Spring is trending up by 6% at this point in time.

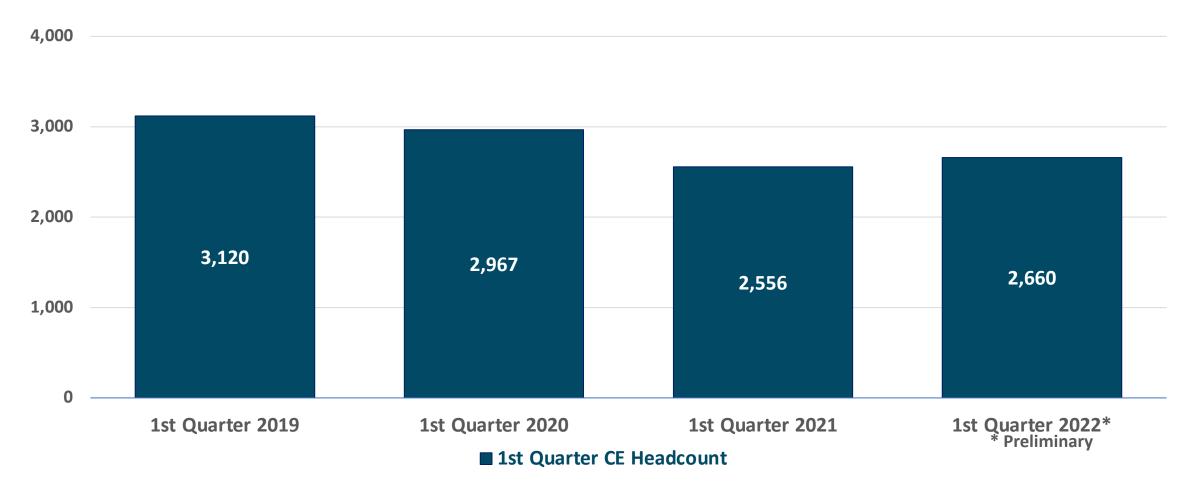


Note: A student is counted only once during the term regardless of when the class is reported on CBM001/CBM0C1.



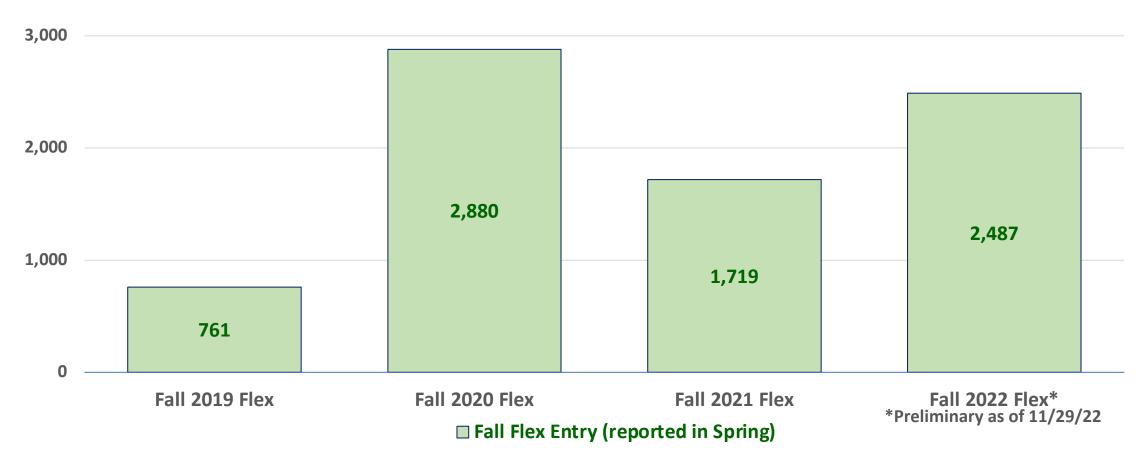
# **Enrollment Trends First Quarter Continuing Education Headcount**

1st Quarter 2022 CE Headcount is a 4.1% increase from 1st Quarter 2021.



# **Enrollment Trends Fall Flex – Eight Week Terms for Credit Headcount**

Fall 2022 Flex Headcount is a 44.7% increase from Fall 2021.

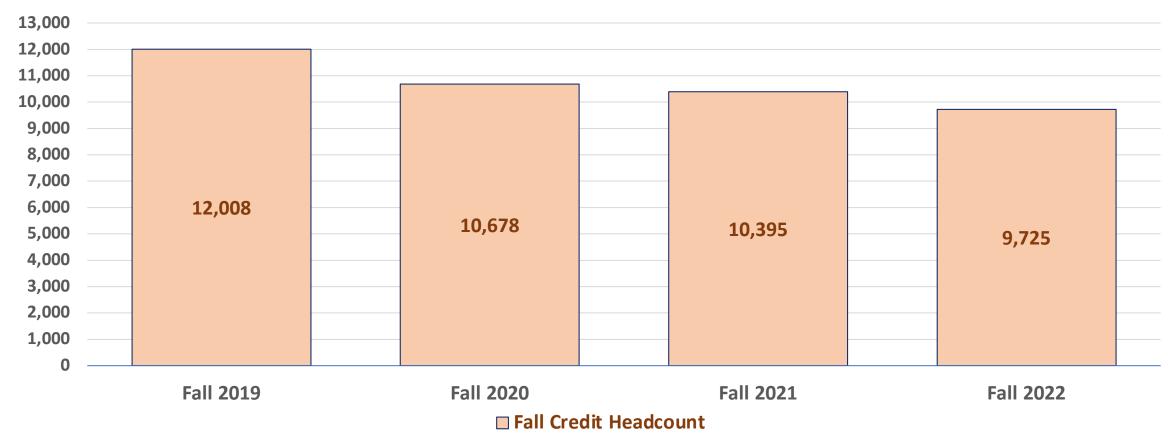


Note: Enrollment in classes with the census date after 12th class day is reported on CBM001/CBM0C1 as "flex entry" in the semester following.



# **Enrollment Trends Fall Credit Headcount**

Fall 2022 Headcount is a 6.4% decrease from Fall 2021.

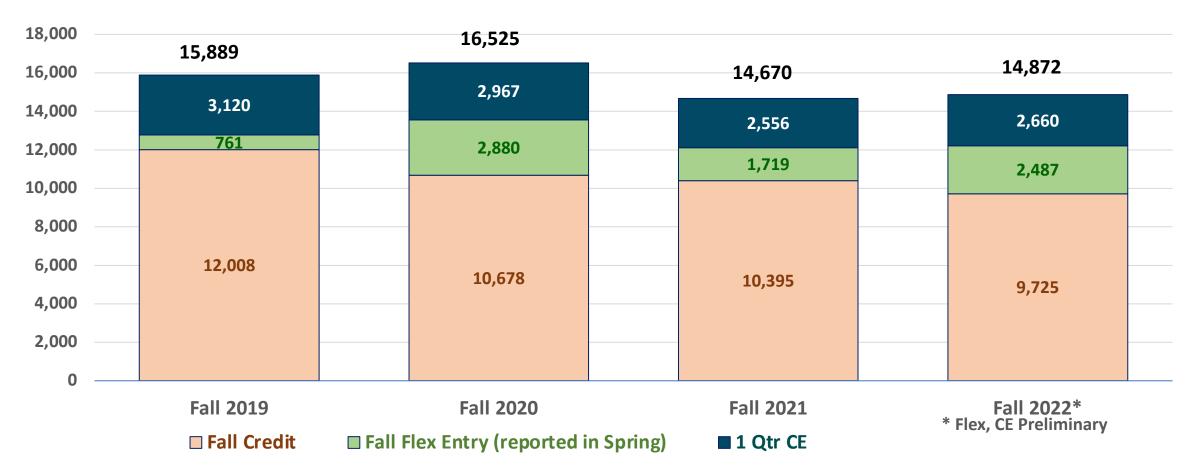




# Enrollment Trends

#### **Fall Credit and Continuing Education Headcount**

Total Fall 2022 Headcount is a combined 1.4% increase from Fall 2021.

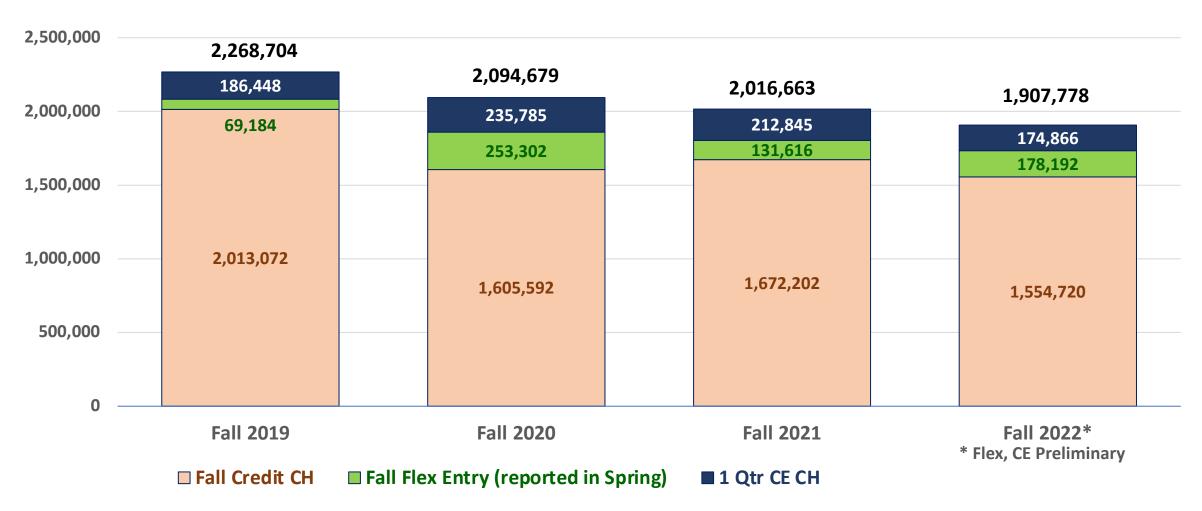


Note: Enrollment in classes with the census date after 12th class day is reported on CBM001/CBM0C1 as "flex entry" in the semester following.



#### **Fall Credit and Continuing Education Contact Hours**

Total Fall 2022 Contact Hours is a 5.4% decrease from Fall 2021.



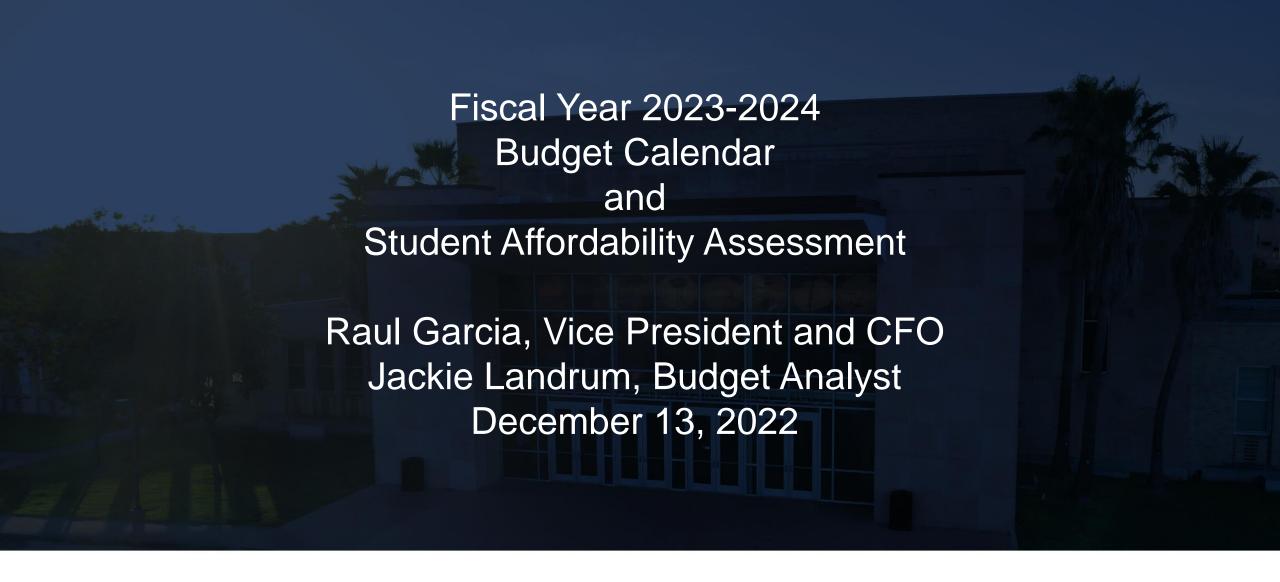
Source: CBM004/CBM0CS Reports.

# Thank you!



# Budget Calendar and Student Affordability Assessment

Mr. Raul Garcia, Vice President and CFO







### **AGENDA**

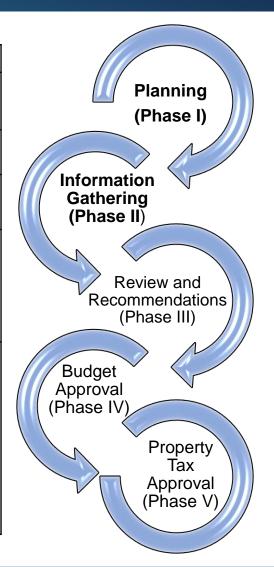
- 2023 2024 BUDGET PLAN CALENDAR
- SERVICE DISTRICT'S HOUSEHOLD ECONOMIC INDICATORS
- STUDENT AFFORDABILITY INDICATORS
- DEL MAR COLLEGES TUITIONS AND FEES
- FACTORS INFLUENCING POSSIBLE FISCAL YEAR 2024 TUITION RATE CHANGE

### **BUDGET CALENDAR PLAN**



### FY 2024 BUDGET PLAN CALENDAR

Month	Date	Activity
Oct.	17 to Nov. 14	Tuition and fee assessment
	25	Budget plan calendar development
Nov.	7	Tuition and fee update with Student Government
Dec.	13	Regular Board Meeting
	13	Tuition and fee update
Jan.	11 to 12	Preliminary operating budget assumptions
	17	Budget kick-off meeting and Budget worksheet distribution
	18 and 19	Budget worksheet training
Feb.	14	Regular Board Meeting
		Tuition and fee change approval
	7	Preliminary salary, and open and new position requests assessment
	10	Technology & facility maintenance budget worksheets requests due to fiscal office
	27	Budget Request worksheet submission from Chairs to Deans and Directors



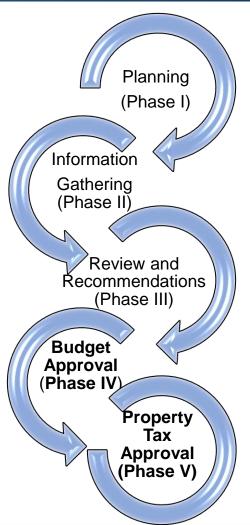
# FY 2024 BUDGET PLAN CALENDAR (Continued)

Month	Date	Activity
Mar.	17	Budget Request worksheet submission from Deans and Directors to V.P.'s
	31	Preliminary property value Assessment (Appraisal District)
	31	Executive's Budget Request worksheet review/approval and submission to Fiscal Office (General Counsel, Executive Vice President Vice Presidents, and Executive Directors)
	31	Final Salary, and Open and New Positions requests submission (H.R.)
Apr.	1 <sup>st</sup> -21st	Budget worksheet crosscheck with Strategic Unit Assessment Plan. (CFO and Dean of Institutional Effectiveness and Assessment)
May	9	<ul> <li>Regular Board Meeting</li> <li>Budget update</li> </ul>
Jun.	13	<ul> <li>Regular Board Meeting</li> <li>Budget update</li> </ul>
	30	Preliminary Budgets sent to Departments
Jul.	25	Regular Board Meeting     Budget workshop
	TBD	Certified appraisals (Appraisal District)
	31	Preliminary Budgets sent to Departments



# FY 2024 BUDGET PLAN CALENDAR (Continued)

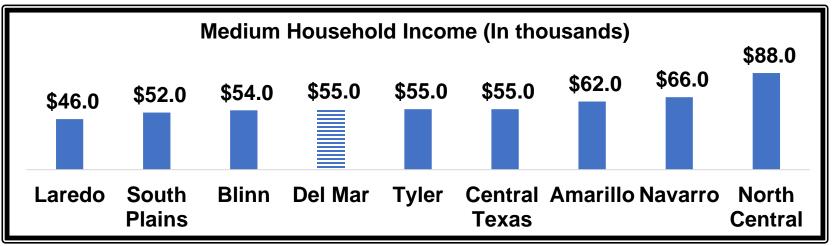
Month	Date	Activity	]
Aug.	5	Publish Tax Rate Notice on DMC website	
	8	<ul> <li>Regular Board Meeting-Budget Update</li> <li>Board to adopt action items:</li> <li>An order to conduct a public hearing for the FY 2023-2024 proposed College budget</li> <li>An order to conduct a public hearing for the FY 2023-2024 proposed property tax rate</li> </ul>	
	13	<ul> <li>Publish notice for the budget and tax rate public hearings</li> <li>Newspaper publication of the budget and tax rate public hearings</li> </ul>	
	22	<ul> <li>Board Public hearing:</li> <li>Public comments on the proposed property tax rate</li> <li>Public comments on the proposed Budget</li> </ul>	
		<ul> <li>Board to adopt action items:</li> <li>M&amp;O Budget</li> <li>Debt Service Proposed Budget</li> <li>M&amp;O Proposed Tax Rate</li> <li>Debt Service Proposed Tax Rate</li> <li>Proposed Tax Exemptions</li> </ul>	

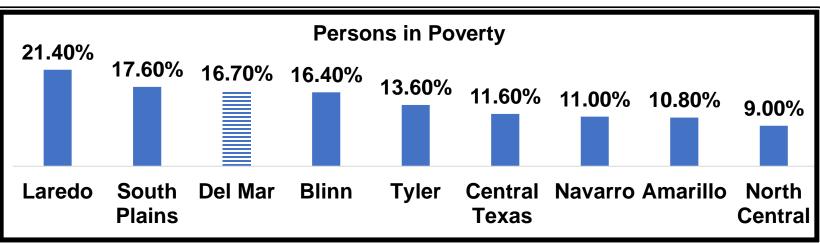


### STUDENT AFFORDABILITY



# SERVICE DISTRICT'S HOUSEHOLD ECONOMIC INDICATORS







Source: U.S. Business Census July 1, 2021 Estimates

### STUDENT AFFORDABILITY INDICATORS

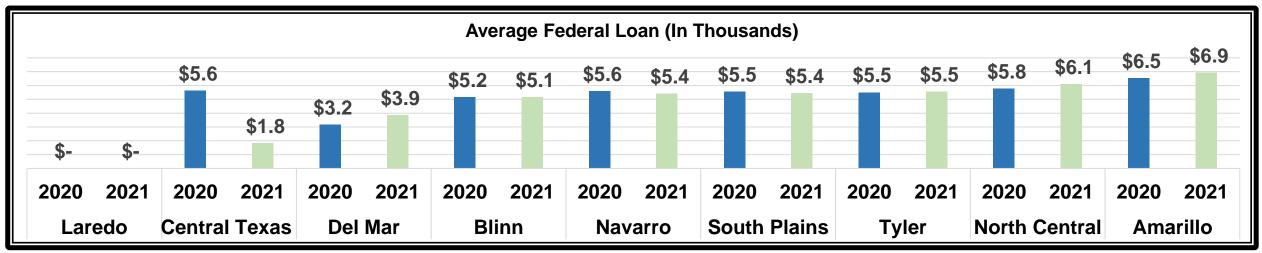
College	Average Net Price	2022- 2023 Tuition and fees 15 Hours for both Fall and Spring	Annual Avg. Financial Aid Award	Students Receiving Financial Aid
Laredo	\$5,780	4,080	\$ 8,332	94%
Navarro	11,056	2,798	7,190	67%
Del Mar	5,617	3,380	5,911	70%
Tyler	11,203	2,962	5,728	73%
South Plains	6,758	3,387	5,679	76%
Central Texas	6,285	3,000	5,039	75%
Blinn	12,530	4,460	4,886	52%
North Central	5,778	3,150	4,231	54%
Amarillo	6,302	2,670	4,021	90%

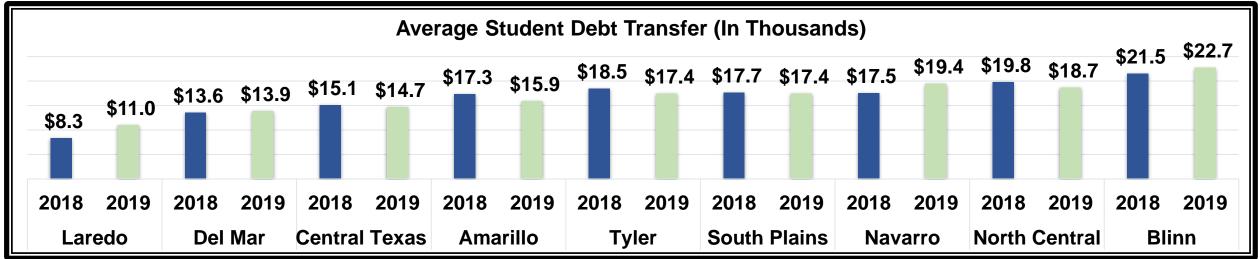
**Source: 1. College for all Texans** 



<sup>2.</sup> The Federal National Center for Education Statistics
(Full-time Beginning Undergraduates for the 2020 – 2021 year.

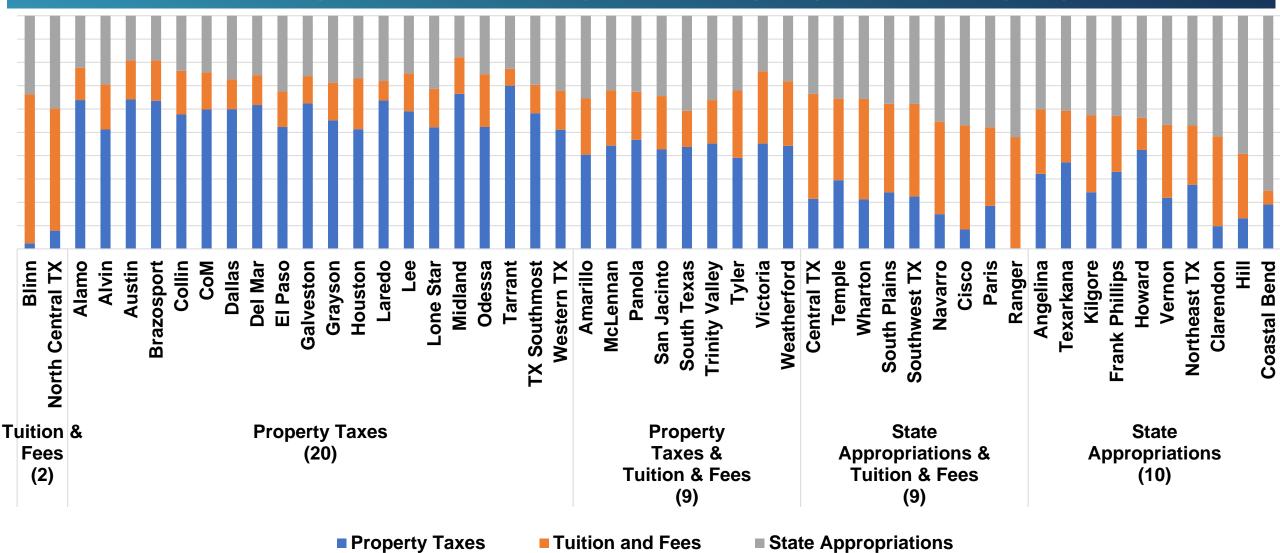
### STUDENT DEBT





Source: National Center for Education Statistics
Texas Public Higher Education Almanac

# FY 2021 PROPERTY TAXES, TUITION AND FEES, AND STATE APPRORPIATIONS REVENUES



### GENERAL TUITION AND FEE STRUCTURE

Description	Fall 2021 Rates	Part-Time (Fall 2021 8 Cr. Hrs.)	Full-Time (Fall 2021 15 Cr. Hrs.)
Semester Rate Per Credit Hour			
In District Tuition	\$ 69	552	\$ 1,035
General Use Fee	12	96	180
Building Use Fee	12	96	180
Matriculation Fee	12	96	180
Subtotal	\$ 105	\$ 840	\$ 1,575
Semester Rate Per Student			
Instructional Support Fee	\$ 70	70	\$ 70
Student Services Fee	15	15	15
Subtotal	\$ 85	\$ 85	\$ 85
Grand total	\$ 190	\$ 925	\$ 1,660

Fall 2022 Rates	Part-Time (Fall 2022 8 Cr. Hrs.)	Full-Time (Fall 2022 15 Cr. Hrs.)
\$ 71 12	568 96	\$ 1,065 180
12	96	180
12 \$ 107	96 \$ 856	180 \$ 1,605
Ψ101	Ψ σσσ	Ψ 1,000
\$ 70	70	\$ 70
15	15	15
\$ 85	\$ 85	\$ 85
\$ 192	\$ 941	\$ 1,690

### FALL TUITION AND FEE RATE CHANGE HISTORY

	Tuitio	n & Fees pe	er 1 semes	ter hour	Fees po	er term				
	In District	Desilation or	O a m a mal		l., ot., oti o o ol		* \$ Change	** Cost of	•	0/
1	In- District	Building	General	Matriculation	Instructional		for 1 SCH	Attendance	\$	%
Fall Term	Tuition	Use Fee	Use Fee	Fee	Support Fee	Services Fee		(P-T Student)	Change	Change
2010	\$ 5.00	\$ 2.00	\$ 2.00	\$ -	\$ 8.00	\$ -	\$17.00	\$ 1,362.00	\$ 160.00	13.3%
2011	8.00	-	-	-	10.00	-	18.00	1,510.00	148.00	10.9%
2012	1.00	-	-	-	-	-	1.00	1,526.00	16.00	1.1%
2013	3.00	-	-	2.00	2.00	-	7.00	1,610.00	84.00	5.5%
2014	1.00	-	ı	-	-	-	1.00	1,626.00	16.00	1.0%
2015	-	-	ı	-	-	-	-	1,626.00	-	0.0%
2016	-	-	ı	-	•	-	-	1,626.00	-	0.0%
2017	5.00	-	ı	-	•	-	5.00	1,706.00	80.00	4.9%
2018	3.00	-	ı	-	-	8	11.00	1,770.00	64.00	3.8%
2019	3.00	-	ı	-	•	-	3.00	1,818.00	48.00	2.7%
2020	2.00	-	-	-	-	-	2.00	1,850.00	32.00	1.8%
2021	-	-	-	-	-	-	-	1,850.00	-	0.0%
2022	2.00	-	-	-	-	-	2.00	1,882.00	32.00	1.7%

<sup>\*</sup> SCH: Semester Credit Hour

<sup>\*\* -</sup> Register in the fall and spring terms at 8 credit hours each term

# FACTORS INFLUENCING POSSIBLE FISCAL YEAR 2024 TUITION RATE CHANGE

Semester Hour Rate Change	New Tuition Rate	Part-Time (Fall & Spring Terms 8 Cr. Hrs. each)	Amount Change	% Rate Change
\$ 1	72	1,898	16	0.9%
2	73	1,914	32	1.7%
3	74	1,930	48	2.6%
4	75	1,946	64	3.4%
5	76	1,962	80	4.3%

Semester Hour Rate Change	Tuition Rate	Estimated Annual Revenue
\$ 1	\$ 72	\$ 135,000
2	73	270,000
3	74	405,000
4	75	540,000
5	76	675,000

- Student Affordability
- Opening of City's Police Training Academy
- Student Success Initiatives e.g. Student Advising
- Inflation Escalation of Operating Costs
- Deferred Maintenance Plan
- Services at Aransas County

- Robust Academic Equipment Plan
  - Equipment Needs for Workforce Programs e.g. Pilot Program, Transportation, Construction etc.
- Technology
  - Cyber Security
  - Academic Program and Student Support Related

Q&A



### **Foundation Annual Update**

Matthew Busby Associate Vice President of Development

# 2022 DMC Foundation Update for DMC Board of Regents

Matthew Busby, CFRE Associate Vice President of Development

December 13, 2022





### Development

- Donor relations & stewardship
- Major and planned gifts
- Regular giving campaigns
- Special events
- Corporate/Foundation grants with DMCF as fiscal agent



### **Foundation Services**

- Scholarship application and awarding management
- DMCF financial reporting
- Investment management
- Donor database management



# **DMC** Foundation

# **Fundraising**

- FY 2022 = \$3.18 million
- Prior 5-year average = \$3.13 million (FY 2017-2021)

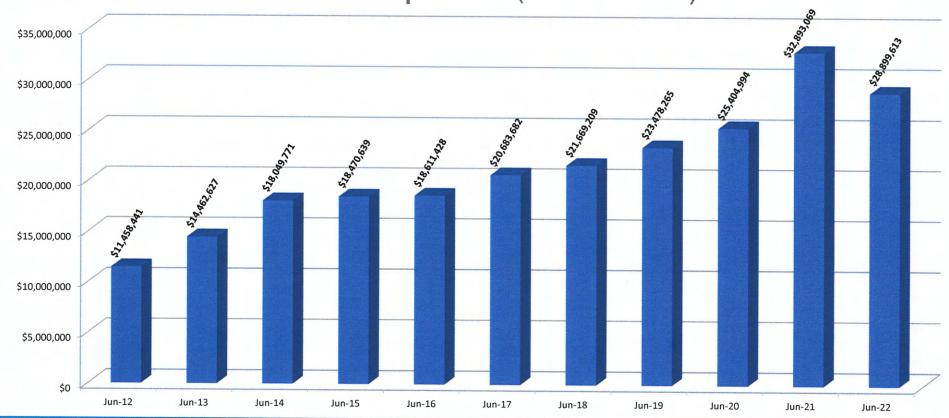
# Net Assets

- FY 2022 = \$28.89 million
- Oct. 2022 = \$27.52 million

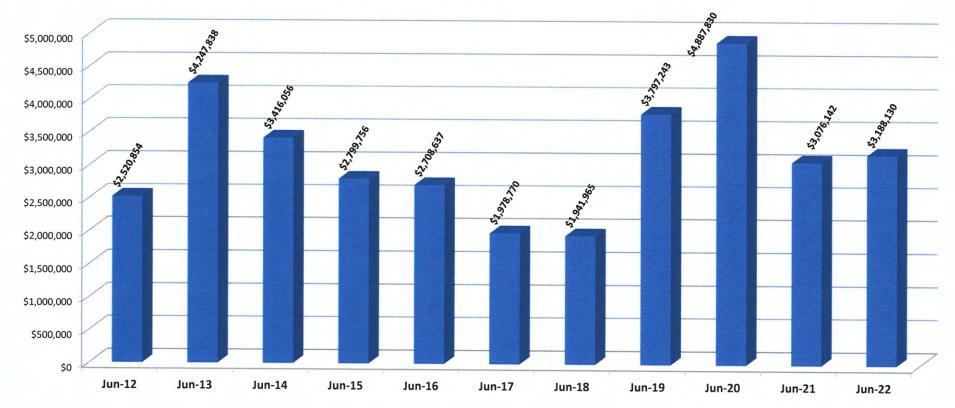
# Scholarships Awarded

- \$1.99 million for 2021-2022 year
- 1,662 students served

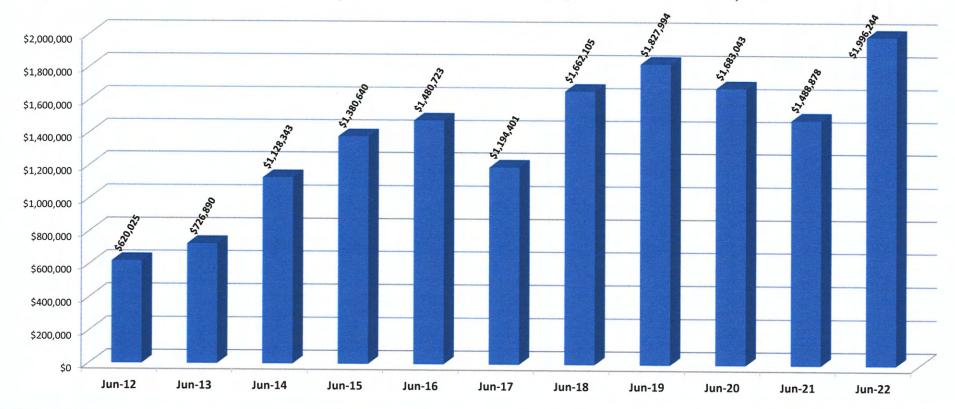
10-Year Net Asset Snapshot (2012-2022)



# 10-Year Fundraising Snapshot (2012-2022)

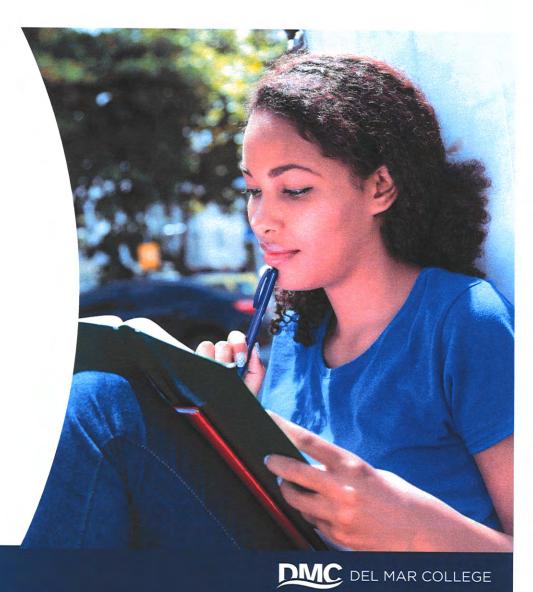


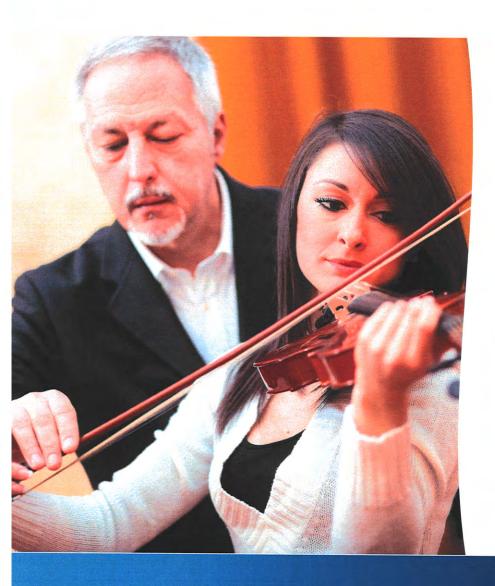
# 10-Year Scholarships Awarded (2012-2022)



# Fundraising Focus

- Increase one-on-one fundraising
  - Build relationships
  - Share DMC story
  - Meaningful & significant giving
- Major gift focus
  - Portfolio-relationship management
  - Engagement goals & tracking in donor database
- Efficiency, effectiveness, experience
- 2019-2021 event fundraising analysis





# **Event Analysis**

- Analyzed three events 2019 2021
  - Bernie's Famous Crawfish Boil
  - Over the Edge
  - Stringers for Scholarships
- Assessed
  - Gross
  - Net
  - True net (net minus staff costs)
  - True cost to raise a dollar (TCRD)
- Shift Implemented

### **Meet Sofia**



Female (59%)

Hispanic (69%)

24 years old (average age)

From Nueces or San Patricio County (88%)

Part-time student (78%)

Meet Sofia. 'Sofia' is the name given to the profile of the average student at Del Mar College. 'Sofia' is being introduced to better convey who the college serves in a more personal way. Important notes about 'Sofia' are that she is 24 years old, Hispanic, female, from the local area, and attending class part-time.

Often 'Sofia' is the first in her family to attend college, low-income, works one or more jobs and is a single parent. Her pursuit of education is to get a better job or transfer to a university. Helping 'Sofia' achieve her goals, better her and her family's lives and become prepared to enter the local workforce is the primary goal of the College and Foundation.

#### **Del Mar College**

- 86 years strong, DMC was founded in 1935, and has awaded more than 65,350 degrees and certificates
- Today DMC serves more than 24,000 learners each year in academic, career and technical and continuing education courses
- Programs offered at three campuses and three centers with over 100 degree and certificate options within eight pathways
- Serves 4-county area with population of nearly 500,000 (Aransas, Kenedy, Nueces, San Patricio)

Sources: DMC Statistical Profile 2019-2020, DMC Planning and Institutional Effective

#### **Del Mar College Foundation**

- Independent nonprofit governed by a diverse board with singular focus to support Del Mar College
- Helped 1,789 students with \$1.8 million in scholarships during FY 2019
- Provides student emergency aid and other program support
- Typical Foundation Scholar is:

   low-to-middle income (84%)
   working (57%)

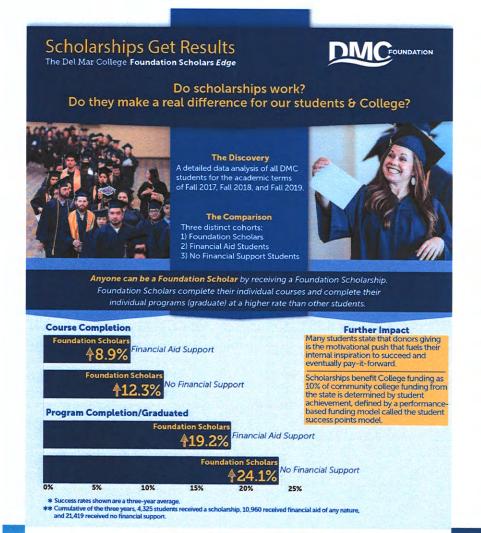
   first in their family to attend college (46%)
   single parent (21%)



# Meet Sofia

- Average student profile
  - Female (59%)
  - Hispanic (69%)
  - 24 years old (average age)
  - Local (88% from Nueces or San Patricio)
  - Part-time (78%)
- Typical Foundation scholar is also:
  - First in family to attend college (46%)
  - Low-to-middle income (84%)
  - Works while attending college (57%)
  - Single parent (21%)





# Scholarship Impact

Foundation scholars demonstrate increased course & program completion

- 19.2% higher program completion rate over student w/ financial aid
- 24.1% higher program completion rate over students w/ no financial support

Three-year average based on fall 2017, 2018, 2019 data.

361.698.1317 | foundation@delmar.edu | www.delmar.edu/foundation

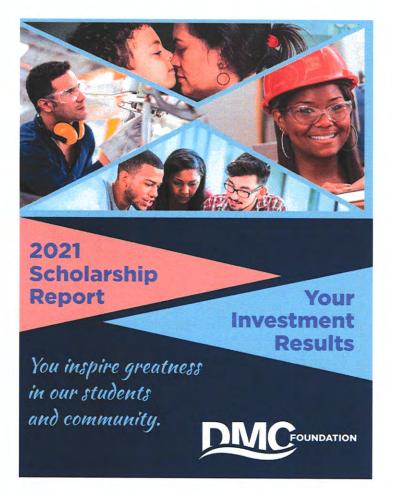
Revised: 11.1.2021

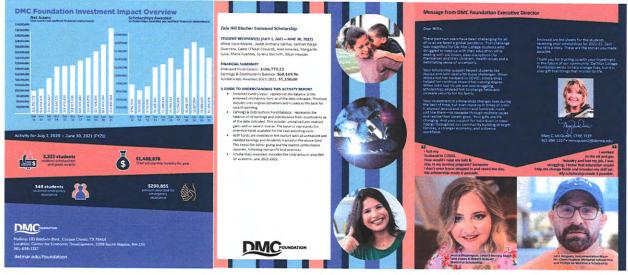


# Stewardship

Designing the donor experience:

- Annual scholarship reception for donors & students.
- Custom donor experiences, program tours, etc.
- Sharing stories reporting results expressing gratitude.





## Annual scholarship report to donors

- Balance in fund and amount distributed
- Names and bios of recipients
- Snapshot of DMC Foundation
- Sent in Spring

# Online Giving

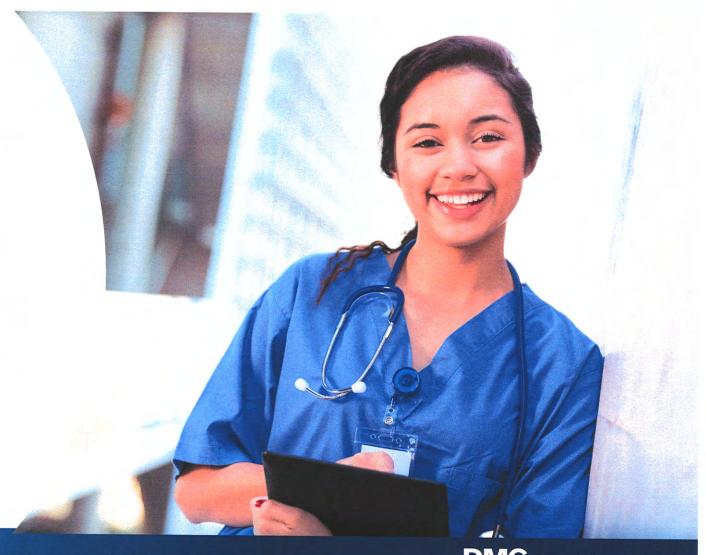
- FY 2022 = \$75,359 with 346 transactions
- 40+ custom online giving pages
- Enhances:
  - Experience of donor
  - Efficiency of operations
  - Effectiveness of giving
- Expands giving methods: Venmo, PayPal, Google Pay, Apple Pay, Credit, Debit, ACH



DMC DEL MAR COLLEGE

# Student Emergency Aid

- FY22
  - 283+ students helped
  - \$153,581 awarded
- Oct. 2022
  - 223+ students helped
  - \$108,472 awarded



DMC DEL MAR COLLEGE

# Questions?



# **Professional Service Contract Review**

Tammy McDonald
Vice President of Administration and Human Resources

### <u>List of Professional Service Contracts Presented to the Board of Regents</u> Updated 11/30/2022

Provider Name	Service Provided	RFP/RFQ Y/N	Contract Origination Date	Contract	Maximum Expiration Date	Auto Renew Y/N	DMC Exec Team Contact	Board Action	
egal:		West of the			Date	1714	DIVIC Exec Team Contact	Board Action	Status
raves Doughtery Hearon & Moody	Legal	No	11/23/2004	Term	N/A	Yes	A. Rivera	No Board action found	
nancial:								pro board action/band	
eaver	Internal Audit	W	2442224						
ollier Johnson Woods	Annual Financial Audit	Yes	3/1/2021	1 year+ 4- 1 year extensions	8/31/2026	No	T. McDonald	Approved by Board on December 08, 2020	
trada Hinojosa		Yes	9/1/2019	1 year + 4- 1 year extensions	8/31/2024	No	R. Garcia	Approved by Board on June 11, 2019	
cCall Parkhurst Horton		Yes	2/20/2020	5 years + 2- 1 year extensions	2/20/2027	No	R. Garcia	No Board action found	
itterson & Associates		Yes	4/23/2021 3/23/2007	Term Term	N/A	No	R. Garcia/A. Rivera	No Board action found	
fells Fargo		Yes	9/1/2020		N/A	Yes	R. Garcia		
olumbia Advisory Group, LLC		No	10/1/2019	2 years + 1- 2 years extensions 3 years + 3- 1 year extensions	8/31/2024 10/1/2025	No	R. Garcia	Approved by Board on June 9, 2020	
	internation security	INO	10/1/2019	3 years + 3- 1 year extensions	10/1/2025	No	A. Kolahdouz/L. Keas	Engaged through Board approved co-op.	
eneral Facilities:									
e Corey, RAS	ADA/Accessibility	N/A	As Needed		N/A	No	T. McDonald/L. White	No Board action found	
							Trinie Bondidy E. White	no board action jound	
· · · · · · · · · · · · · · · · · · ·									
14 Bond Contracts:									
CM			The state of the s						Contract extension approved by Board on August 10, 20
CM	Construction Management	Yes	06/2016	1 year + 5 - 1 year extensions	8/31/2022	No	J. Strybos	Approved by Board on May 12, 2015	
sk Engineering	Geotechnical Investigations/Construction Materials								cost extension in process through 12/31/2022.
ck Engineering	Testing	Yes	10/15/2015	1/1/2020	1/1/2023	No	J. Strybos	Approved by Board on August 11, 2015	
M Commercial Inc. dba Victory Building Team rt Enterprises, Ltd.		Yes	10/26/2021	Project completion	3/31/2023	No	1. Strybos	Approved by Board on October 5, 2021	Project Completion Date Revised
rt Emerprises, Ltd.	Heritage Campus Roof Replacements	Yes	8/26/2021	Project completion	8/1/2023	No	J. Strybos	Approved by Board on June 8, 2021	Topace completion Date Revised
M Commercial Inc. dba Victory Building Team	Maria Buildian Barraria		La Landina		300 days from notice to				
to commercial inc. and victory building feam	Music Building Renovations	Yes	12/8/2021	Project completion	proceed	No	J. Strybos	Approved by Board on November 9, 2021	
E. Beecroft Co., Inc.	And to the second				550 days from notice to				
e. beecroft co., me.	White Library Renovations Windward Campus Central Plant Phase 1	Yes	2/14/2022	Project completion	proceed	No	J. Strybos	Approved by Board on December 14, 2021	
exas Chiller Systems, LLC	improvements		or de la compa		300 days from notice to				
No Chine Systems, Ele	unprovements	Yes	6/7/2022	Project completion	proceed	No	J. Strybos	Approved by Board on April 12, 2022	
16 Bond Contracts:									
ensler/Turner Ramirez Architects	South Side Campus Phase 1-A Project	Yes	e too too in		TBD upon project				
	South Side Campus Phase 1-A Project	462	5/23/2018	Project completion + 1 year	completion	No	J. Strybos	Approved by Board on February 6, 2018	
Iton Construction Corp./Coastcon Corp.	South Side Campus Phase 1-A Project Bid Package 1	Yes	7/16/2019	Project completion + 1 year	11/1/2022	No	I Charles		No cost extension issued on 07/09/2020. Substantial Cor
			7-7-	Jeur completion : 1 Jeur	TBD upon project	INO	J. Strybos	Approved by Board on May 14, 2019	issued October 6, 2021
Iton Construction Corp./Coastcon Corp.	South Side Campus Phase 1-A Project Bid Package 2	Yes	12/12/2019	Project completion + 1 year	completion	No	J. Strybos		Temporary Certificate of Occupancy Issued Date: 04/27/2
				Substantial Completion Date of	completion	140	J. Strybos	Approved by Board on October 1, 2019	10/26/2022 (Main Bldg.)
				South Side projects no later than					
ommand Commissioning LLC.	South Side Campus- Commissioning Services	No	6/8/2020	07/15/2022	7/15/2022	No	J. Strybos	N/A	
	South Side Campus Pedestrian Bridge/Multi-Use				150 days from notice to	1.00	3. 3tt y003	N/A	
larshall Company	Trail	Yes	9/5/2021	Project completion	proceed	No	J. Strybos	Approved by Board July 27, 2021	Substantial Completion issued March 8, 2022; Under war
					The state of the s	litto	7. 3tt yb03	Approved by Board July 27, 2021	period until 06/01/2023
IQ Contracts									
ntech Solutions, Inc.						100000000000000000000000000000000000000			
	Building Envelope and Roofs	Υ	12/7/2020	2 years + 3- 1 year extensions	12/7/2025	N	J. Strybos	Approved by Board on September 8, 2020	
pan Engineering	Civil Engineering	Υ	12/10/2020	2 years + 3- 1 year extensions	12/10/2025	N	J. Strybos	Approved by Board on September 8, 2020	
ner Ramirez Architects	Architectural and Engineering Services	Υ	12/1/2020	2 years + 3- 1 year extensions	12/1/2025	N	J. Strybos	Approved by Board on September 8, 2020	
ility Programming and Consulting	Space Programming, Demographic Studies	Υ	12/17/2020	2 years + 3- 1 year extensions	12/17/2025	N	J. Strybos	Approved by Board on September 8, 2020	
nac & Associates, LLP	Architectural and Engineering Services	Υ	12/14/2020	2 years + 3- 1 year extensions	12/14/2025	N	J. Strybos	Approved by Board on September 8, 2020  Approved by Board on September 8, 2020	
V, LLC	Architectural and Engineering Services	Υ	12/8/2020	2 years + 3- 1 year extensions	12/8/2025	N	J. Strybos	Approved by Board on September 8, 2020 Approved by Board on September 8, 2020	
uger Architects, Inc.	Architectural and Engineering Services	Υ	12/11/2020	2 years + 3- 1 year extensions	12/11/2025	N	J. Strybos	Approved by Board on September 8, 2020 Approved by Board on September 8, 2020	
hter Associates Architects, Inc.	Architectural and Engineering Services	Υ	12/10/2020	2 years + 3- 1 year extensions	12/10/2025	N	J. Strybos	Approved by Board on September 8, 2020 Approved by Board on September 8, 2020	
ck Engineering and Testing Laboratory, Inc.	GeoTech and Construction Materials Testing	Υ	4/12/2021	2 years + 3- 1 year extensions	4/12/2026	N	J. Strybos	Approved by Board on September 8, 2020 Approved by Board on September 8, 2020	
ridde, Callins and Associates, Inc.	Mechanical and Electrical Engineering	Υ	12/16/2020	2 years + 3- 1 year extensions	12/16/2025	N		Approved by Board on September 8, 2020 Approved by Board on September 8, 2020	
	GeoTech, Construction Materials Testing and							pp. 5.20 by bourd on September 8, 2020	
rracom Consultants, Inc.	Assessments	Υ	12/11/2020	2 years + 3- 1 year extensions	12/11/2025	N	J. Strybos	Approved by Board on September 8, 2020	
inson Professional Services	Architectural and Engineering Services	Υ	10/25/2021	1 year + 3- 1 year extensions	10/25/2026	N		Approved by Board on September 8, 2020	
								Epitember 3, 2020	
netruction (Pastoration (Non-Incurence Co. 1)							The state of the s		
instruction/Restoration (Non-Insurance Repairs); one									
one	Proportio Mindress								
one	Property/Windstorm	Yes	5/1/2020	4/30/2021	4/30/2025	Yes	T. McDonald	Approved by Board on March 17, 2020	
one surance:	Property/Windstorm	Yes	5/1/2020	4/30/2021	4/30/2025	Yes	T. McDonald	Approved by Board on March 17, 2020	
urance: den Insurance	Property/Windstorm	Yes	5/1/2020	4/30/2021	4/30/2025	Yes	T. McDonald	Approved by Board on March 17, 2020	
urance: rden Insurance mpus Services:					4/30/2025				
ne  wrance: den insurance  mpus Services: M industries	Custodial Services	Yes	2/1/2017	2 years + 3-1 years extensions		No			New contract in process
ne  urance: den Insurance  mpus Services:	Custodial Services Campus Bookstore	Yes Yes			4/30/2025 10/31/2026 3/31/2027	No	J. Strybos	Approved by Board on March 17, 2020  Approved by Board on September 13, 2022  Presented to the Board on October 8, 2019	New contract in process

# **PENDING BUSINESS**

Item	Date	Request	Due	Status
1		Foundation Yearly Update	December	December Agenda
2		Preview of Student Charges	December	December Agenda
3		Professional Contract Review by Board of Regents	December	December Agenda
4		Internal Audit Report to the Board	February	
5		THECB Strategic Plan	February	
6		Quarterly Financial Report	February	
7		Quarterly Investment Report	February	
8		BOR Annual Self-Evaluation Priorities	February	
9		Student Charges	February	
10		Annual Ethics Update	February	
11		Report on Tax Collections	March	
12		Workshop: New Strategic Plan: External Influences and Educational Trends	March	
13		Strategic Enrollment Ma18agement (SEM)	March	
14		Enrollment Update	April/May	
15		HEERF Update	May	
16		Clery Act	October	
17		CEO Annual Report to the Board – Title IX/SB212	October	
18		Tax Abatement Yearly Review	November	

# Consent Agenda Item 1

# MINUTES OF THE REGULAR MEETING OF THE BOARD OF REGENTS OF THE DEL MAR COLLEGE DISTRICT

November 8, 2022

The Regular Meeting of the Board of Regents of the Del Mar College District convened at the Oso Creek Campus, Culinary Arts Building, Tres Grace Community Room, 7002 Yorktown Blvd., Corpus Christi, Texas, at 1:00 p.m. on Tuesday, November 8, 2022, with the following present:

#### From the Board:

Ms. Carol Scott, Dr. Nicholas Adame, Ms. Libby Averyt, Mr. Rudy Garza, Jr., Ms. Susan Hutchinson, Mr. Bill Kelly, and Dr. Linda Villarreal.

#### From the College:

Dr. Mark Escamilla, President and CEO; Ms. Lenora Keas, Executive Vice President and COO; Mr. Raul Garcia, Vice President and CFO; Dr. Jonda Halcomb, Vice President and Chief Academic Officer; Ms. Tammy McDonald, Vice President of Administration and Human Resources; Ms. Patricia Benavides-Dominguez, Vice President for Student Affairs; Mr. Augustin Rivera, Jr., General Counsel; Mr. John Strybos, Vice President and Chief Physical Facilities Officer; Ms. Mary McQueen, Vice President of Advancement and Government Relations; Ms. Delia Perez, Director of CEO Office and Board Relations, and other staff and faculty.

#### **AGENDA**

#### CALL TO ORDER QUORUM CALL

Ms. Scott called the meeting to order with a quorum present. She requested a moment of silence followed by the Pledge of Allegiance and Del Mar College Vision Statement.

**GENERAL PUBLIC COMMENTS** – The public was given the opportunity to provide public comments (both general and specific to any agenda item).

There were no public comments made for this meeting.

#### **RECOGNITIONS:**

Ms. Keas recognized Dr. Leonard Rivera, Dean of Continuing Education and Off Campus Programs, Ms. Rachel Benavides, Director of Adult Education Initiatives, and the Continuing Education Department for receiving the Star Award from the Texas Higher Education Coordinating Board for Workable Stackable Credentials. The award is in recognition of providing exceptional contributions and created postsecondary credentials of value for local targeted occupations in the workforce. The

result in the redesign and alignment of short-term credentials prepared continuing education students for employment and increased student accessibility to credit courses. The stackable courses take an industry-based credential and open the door for students to progress to a level one certificate and associates degrees. Chair Scott and Dr. Escamilla congratulated Dr. Rivera, Ms. Benavides, and their team. Dr. Rivera provided words of appreciation and gratitude.

Ms. McQueen recognized the College Relations team, including Ms. Monica Benavides, Creative Service Manager for winning eight medallions at the National Council for Marketing & Public Relations event. The awards include recognition for the storyboards shared with the public in a multitude of streams that include gold medallion winner for the Oso Creek brochure and the College's rebranding. Ms. Benavides provided words of appreciation and gratitude.

#### 

• Students Engaged in Direct Advising (SENDA) Grant (Goal 3: Academic Preparedness and Student Learning)

Ms. Benavides-Dominguez reviewed Project SENDA's history and stated the overall goal is to ensure the implementation of advising best practices across the College. To date, 107 unique faculty and staff have participated in the course offerings and will assist the institution in continuing to meet objectives set forth by the project. Ms. Benavides-Dominguez reviewed the Hispanic students earning associate degrees totals as well as stating the targets were met and exceeded. The time to completion has also been decreased from 5.1 years to 4.9 years. She thanked Mr. David Barrera, Grant Director, and Ms. Leticia Wilson, Director of Advising Initiatives.

Dr. Escamilla expressed his gratitude for the hard work the faculty and staff who train and improve their advising.

#### **REGENT'S REPORT:**

Chair Scott and Dr. Escamilla provided an overview of the recommendations from the Texas Commission on Community College Finance. Chair Scott stated the recommendations were voted on at the October 17, 2022, meeting and passed unanimously.

Chair Scott mentioned that Dr. Harrison Keller, Commissioner of Higher Education for the State of Texas and a group of South Texas presidents and trustees will attend a Workshop in Corpus Christi to discuss the recommendations on November 9, 2022.

Dr. Escamilla stated that three primary pillars have been developed to support the recommendations across the State but it must still go through the legislative process. He reviewed the final recommendations and provided detailed information for each of the following: 1) State Funding for Outcomes; 2) Affordability for Students; and 3) Investments in College Capacity.

Chair Scott provided commentary regarding the College competing with ourselves on outcomes-based funding. She stated that the State will now recognize credentials of value and include degrees, certificates, dual credit, and continuing education credentials, as well as students that transfer to a four-year institution.

Chair Scott and Dr. Escamilla responded to questions from the Board of Regents.

• 2022 ACCT Congress (Goal 5: Workforce Development, Community Partnerships, and Advocacy)

Regents Kelly, Adame, Garza and Scott provided highlights from the ACCT Congress Conference they attended.

Dr. Escamilla stated it is critical that the Regents attend nationwide conferences as well as statewide conferences to be able to hear other ideas and thanked the Regents that attended for their time.

#### **STAFF REPORTS:**

Ms. Keas introduced Mr. Mike Culbertson, the Interim Chief Executive Officer, of Corpus Christi Regional Economic Development Corporation (CCREDC). Mr. Culbertson discussed how the CCREDC provides compliance reviews for the City of Corpus Christi, Nueces County, San Patricio County, Del Mar College, San Patricio County Drainage District, Corpus Christi Business & Job Development Corporation (Type A Board), and Corpus Christi B Corporation (Type B Board). The compliance procedures review all the requirements from the agreements, use of standard documents to test compliance, all of the company's assertions, and report on findings to Del Mar College President. Mr. Culbertson reviewed existing Tax Abatement Agreements with M&G Resins and EPIC Y-Grade. He also reviewed the ten-year period net of incentives with M&G Resins and EPIC Y-Grade total Del Mar College taxes with investments in the amount of \$18.1 million.

Dr. Escamilla provided comments regarding abatements and thanked Mr. Culbertson for his work with the College.

Mr. Culbertson responded to questions from the Board of Regents.

Enrollment Update......Ms. Patricia Benavides-Dominguez and Ms. Lenora Keas

#### (Goal 2: Recruitment and Persistence)

Ms. Benavides-Dominguez began the enrollment update presentation by providing an overview of enrollment which included information from the State of Texas Biennium; base year for contact hours, formula funding, credit headcount and contact hours, dual credit, and annual credit and continuing education contact hours. Ms. Benavides-Dominguez introduced Ms. Lenora Keas.

Ms. Keas discussed how the Texas Legislature funds community colleges on a base year during periods beginning the summer semester of the even numbered years prior to a legislative session. The base year begins in the Summer I semester and continues through the end of the following semester. The funding is calculated on certified contact hours earned during a semester. Contact hours are based on the total number of hours of instruction for each student and for each course that is taken. The census date for counting contact hours varies depending on the variety of enrollment periods during a semester. She stated that State appropriations based on contact hours presently is approximately 15% of the total \$114 million operating budget.

Chair Scott provided comments regarding a possible new funding model.

Ms. Benavides-Dominguez reviewed the funding comparison between large college groups for 2022-2023.

Dr. Escamilla provided comments regarding Continuing Education contact hours.

Ms. Benavides-Dominguez stated how formula funding has changed over time. The student Success Point rate will be \$264.78. The credit contact hours are down by 3% and the continuing education contact hours are up by 35.9%. Student Success Points funding allocates funds among institutions based on their performance on certain defined student success metrics. Ms. Benavides-Dominguez provided detailed information regarding the Annual Weighted Success Points total, Spring Credit Headcount total, Fall Credit Headcount total, and Summer I and II Headcount totals. Enrollment struggles are still being experienced due to the pandemic and inflation. The College continues to focus on increasing second eight weeks.

Ms. Benavides-Dominguez provided information regarding the Dual Credit program, which continues to grow. Although, from fall '20 to fall '21, enrollment took a slight dip. Overall, there is a five-year increase of 16.5%. The College currently has thirty-five high schools participating in the Dual Credit program. The College is in nine counties in its service area, and continually strives to strengthen their ISD partnerships.

Ms. Keas provided data regarding Continuing Education for the 2021-2022 year which had over 13,000 students enrolled. She stated that during the pandemic, the Transportation Services/CDL program, and health programs continued successfully. Ms. Keas reviewed the total annual contact hours for credit and continuing education courses, and stated the College continues to promote registration and leverage the HEERF

program, funds to assist with enrollment, and continues to work with their partners to stimulate enrollment.

Ms. Benavides-Dominguez discussed fall headcounts for the College and large college cohorts. Del Mar College's fall 2021 headcount was 10,395 and the fall 2022 preliminary headcount was 9,725.

Dual credit students are monitored annually to see how many are earning a credential by high school graduation, how many enroll at Del Mar College upon completing high school, and how many earn a degree within one year of completing high school. The cohort of 2021 had 1,220 seniors, which was 9.3%, earning a credential, 28.4% enrolled at Del Mar College, and 13.1% earned a credential within one year of completing high school.

Ms. Benavides-Dominguez reviewed the full-time First Time in College (FTIC) retention numbers including comparison with other Texas community colleges.

Ms. Benavides-Dominguez and Ms. Keas responded to questions from the Board of Regents.

• Higher Education Emergency Relief Funds (HEERF) Update.......Mr. Raul Garcia (Goal 6: Financial Effectiveness and Affordability)

Ms. Keas began with a review of the HEERF funding received by the College and how the funds were allocated to support the College and students. She introduced Mr. Garcia to continue with the presentation. He provided a history of the receipt of HEERF II and III funds which will be completed and allocated by May or June of 2023.

Ms. Patricia Benavides-Dominguez continued with an overview of how HEERF funding was directly allocated to students in the amount of \$11.4 million for emergency assistance.

Mr. Garcia stated the HEERF grant provided funding for lost revenues caused by the pandemic with a reported value. The College billed the grant close to \$3.9 million dollars which includes or is related to tuition, fees, revenues, food services, and childcare.

Ms. Tammy McDonald provided details regarding the College's voluntary COVID-19 vaccination incentive program for employees and students.

Ms. Benavides-Dominguez provided information regarding the Success Outreach Plan which allotted \$4.6 million. HEERF funds were also used to help eliminate some student debt. The College was also able to use HEERF funds to run student focus, financial aid campaign ads.

Dr. Jonda Halcomb provided information how the HEERF funds were used for professional development including workshops and training for faculty to use equipment

needed for e-Learning classes should the need arise due to COVID-19 or a weather event.

Dr. Larry Lee provided information regarding the HEERF funds used for equipment and software. The funding afforded the College greater flexibility in delivering instruction, provided around the clock technical and student support capabilities, and expanded the ability to perform its business remotely, all in a safer online environment. Dr. Lee provided a summary of the greatly enhanced technology capacity the IT Department including cyber security, network services, remote learning technology, virtual student support, and virtual desktops.

Mr. John Strybos provided information regarding HEERF funds used for health and safety enhancements that included emergency generators to support IT connectivity, indoor air quality, social distancing furniture, decontamination, and touchless restroom fixtures and water fountains.

Ms. Benavides-Dominguez, Ms. Keas, Mr. Garcia, and Dr. Escamilla responded to questions from the Board of Regents.

• SACSCOC Substantive Change Virtual Verification Follow-Up Visit for Level 2, RN to BSN, October 2-5, 2022 (Goal 5: Workforce Development, Community Partnerships, and Advocacy)

Dr. Escamilla provided detailed information regarding the SACSCOC in-person visit to confirm findings on prior virtual visits which took place from October 2 – 5, 2022. SACSCOC Vice President, Dr. Mike Hoffer, and Chair of the Reaffirmation Review Committee, Jane McGuire spent a couple of days meeting with faculty, staff, and students. They concluded their visit for the final steps to the Level 2 change.

• Elections Accommodations at Del Mar College (Goal 5: Workforce Development, Community Partnerships, and Advocacy)

Dr. Escamilla discussed the importance of the Oso Creek Campus providing accommodations to facilitate the democratic process and partnering with Nueces County for the November 8, 2022, election. Del Mar College also has voting locations at the Heldenfels Administration Building on the Heritage Campus and the Emergency Training Building or the Dome at the Windward Campus.

• Fall Graduation, American Bank Center, 7:00 p.m., December 16, 2022 (Goal 1: Completion)

Dr. Escamilla reminded everyone about the Fall Graduation taking place on December 16, 2022, at 7 p.m. at the American Bank Center.

• Oso Creek Campus Update (Goal 4: Learning Environments)

Dr. Escamilla provided an update regarding the construction of the Oso Creek Campus. The Temporary Certificate of Occupancy of the Administration Building was issued on October 26, 2022. There are two bus stops under construction on the campus by the Corpus Christi Regional Economic Transportation Authority. Also, the City of Corpus Christi Police Training Academy has advertised for construction bids.

Dr. Escamilla also announced the registration for the Spring 2023 semester has begun.

#### **PENDING BUSINESS:**

Status Report on Requested Information (Goal 5: Workforce Development, Community Partnerships, and Advocacy)

Chair Scott reviewed the list of pending business.

#### **CONSENT AGENDA**

#### ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

1. Approval of Minutes:

Workshop, September 13, 2022

Regular Board Meeting, September 13, 2022

Regular Board Meeting, October 11, 2022

(Goal 5: Workforce Development, Community Partnerships, and Advocacy)

- 2. Acceptance of Investments for October 2022
  - (Goal 6: Financial Effectiveness and Affordability)
- 3. Acceptance of Financials for September 2022 (Goal 6: Financial Effectiveness and Affordability)

Regent Garza made a motion to approve the consent agenda items. Regent Villarreal seconded the motion. There was no further discussion from the Board. There were no public comments. A vote was taken by show of hands, and the motion carried unanimously 7-0, amongst Regents present, with Regents Scott, Adame, Averyt, Garza, Hutchinson, Kelly, and Villarreal in favor.

#### REGULAR AGENDA

At 3:00 p.m., the Chair announced that the Board was going into Closed Session.

#### 4. **CLOSED SESSION pursuant to:**

- A. <u>TEX. GOV'T CODE § 551.071</u>: (Consultation with Legal Counsel), regarding pending or contemplated litigation, or a settlement offer, with possible discussion and action in open session, and the seeking of legal advice from counsel on pending legal or contemplated matters or claims, with possible discussion and action in open session; and,
- B. <u>TEX. GOV'T CODE § 551.074(a)(1)</u>: (Personnel Matters), regarding the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, with possible discussion and action in open session.

The Board of Regents reconvened in Open Session at 3:47 p.m. with no action taken.

**CALENDAR**: Discussion held regarding upcoming calendar dates.

**ADJOURNMENT:** The meeting was adjourned at 3:50 p.m.

MINUTES REVIEWED BY GC: /s/ARjr

# MINUTES OF THE CALLED MEETING OF THE BOARD OF REGENTS OF THE DEL MAR COLLEGE DISTRICT

November 17, 2022

The Called Meeting of the Board of Regents of the Del Mar College District convened at the Center for Economic Development, 3209 S. Staples, Room 106, Corpus Christi, Texas, at 11:03 a.m. on Thursday, November 17, 2022, with the following present:

#### From the Board:

Ms. Carol Scott and Mr. Rudy Garza, Jr.

#### From the College:

Dr. Mark Escamilla, President and CEO; Mr. Raul Garcia, Vice President, and CFO; Mr. Augustin Rivera, Jr., General Counsel; Ms. Jessica Alaniz, Director of Risk Management and Elections Administrator; Ms. Delia Perez, Director of CEO Office and Board Relations, and other staff and faculty.

#### CALL TO ORDER/QUORUM CALL

Chair Scott called the meeting to order with a quorum present. She requested a moment of silence followed by the Pledge of Allegiance and Del Mar College Vision Statement.

**GENERAL PUBLIC COMMENTS** – The public was given the opportunity to provide public comments (both general and specific to any agenda item).

There were no public comments.

#### **ITEMS OF BUSINESS:**

1. Canvassing of election returns of the November 8, 2022, Special Election
The Del Mar College Special Election was held on Tuesday, November 8, 2022.
The Board of Regents will canvass the election returns and declare the official results.

(Goal 5: Workforce Development, Community Partnerships, and Advocacy)

Mr. Augustin Rivera, Jr., General Counsel, explained that he and Ms. Jessica Alaniz, Elections Administrator, were providing information regarding the November 8, 2022, Special Election. Mr. Rivera stated pursuant to the Election Code, the Board is required to canvass and then certify the results of the election. The College was provided the official certification of vote totals from Ms. Kara Sands, Nueces County Clerk.

The election returns were specifically from the November 8, 2022 Special Election that was initiated by citizens from the Robstown Independent School District regarding possible annexation. The total for the proposition was 1,074 votes, and the total against the proposition was 1,780 votes. Also, precinct by precinct votes of the twelve precincts were

provided including votes cast, under votes, over votes, and, absentee ballots. The vote took place within the territory that petitioned to be annexed.

Mr. Rivera stated that under Texas law only two Regents are required to canvass the election returns.

Ms. Alaniz and Mr. Rivera responded to questions from the Board of Regents.

2. Discussion and possible action on Order Canvassing Special Election Returns (Goal 5: Workforce Development, Community Partnerships, and Advocacy)

Mr. Rivera read the proposed Order as follows:

#### ORDER CANVASSING SPECIAL ELECTION RETURNS

It is hereby ORDERED by the Board of Regents ("Canvassing Authority") of the Del Mar College District ("District") that:

WHEREAS, a Special Election was called and held in and for the District on November 8, 2022, after due notice and in accordance with the laws of this State; and

WHEREAS, this Canvassing Authority finds that the vote in this election has in all respects been properly and lawfully returned and reported to this Canvassing Authority; and

WHEREAS, said vote has been carefully and properly canvassed by this Canvassing Authority and the results determined in the manner provided by law;

# THEREFORE, BE IT ORDERED BY THE BOARD OF REGENTS OF THE DEL MAR COLLEGE DISTRICT, THAT:

- 1. The Board of Regents officially finds and determines that said election was duly ordered; proper notice of said election was duly given; proper election officers were duly appointed prior to said election; said election was duly held; the District has complied with the Federal Voting Rights Act and the Texas Election Code; due returns of the result of said election have been made and delivered; and the Board of Regents has duly canvassed said returns, all in accordance with law and the Order calling the election.
- 2. The Board of Regents, from these returns, hereby finds that the following votes were cast in the Election by voters who were resident, qualified voters of the District as indicated on the election results which are attached as Exhibit "A" to this Order, the totals of which are included below:

#### **PROPOSITION A**

1,074 VOTES: FOR

"APPROVING THE ANNEXATION BY THE DEL MAR COLLEGE DISTRICT OF THE FOLLOWING TERRITORY: THE TERRITORY COMPRISING THE ROBSTOWN INDEPENDENT SCHOOL DISTRICT, AND AUTHORIZING THE IMPOSITION OF AN AD VALOREM TAX FOR JUNIOR COLLEGE PURPOSES, WHICH IS CURRENTLY SET AT A RATE OF \$0.283340, PER \$100 VALUATION OF TAXABLE PROPERTY."

1,780 VOTES: AGAINST

 The Board of Regents officially finds, determines, and declares the result of said election to be that the PROPOSITION A so submitted did not receive a favorable majority vote and did not carry.

APPROVED BY THE BOARD OF REGENTS OF THE DEL MAR COLLEGE DISTRICT AT A SPECIAL MEETING HELD ON THE 17<sup>TH</sup> DAY OF NOVEMBER, 2022, AT WHICH MEETING A QUORUM MEETING THE REQUIREMENTS OF SECTION 67.004 OF THE TEXAS ELECTION CODE WAS PRESENT.

Chair Scott made a motion to approve the Order Canvassing Special Election Returns. Regent Garza seconded the motion. There was no further discussion from the Board. There were no public comments. A voice vote was taken, and the motion carried unanimously 2-0, amongst Regents present, with Regents Scott and Garza in favor.

The Called Meeting was adjourned at 11:11 a.m.

MINUTES REVIEWED BY GC: /s/ARjr

# Consent Agenda Item 2



To:

Mark Escamilla, Ph.D. President of the College

Via:

Raul Garcia, CPA, MBA, Vice President and CFO

From:

Catherine West, Ed.D., CPA, Director of Accounting and Budget Officer

Date:

December 5, 2022

Subject:

Monthly Investment Activity

Listed below is the investment for November 30, 2022, which was purchased in accordance with the investment policy of Del Mar College:

Purchase	Maturity		Principal	Maturity		Days to	Yield to
<u>Date</u>	<u>Date</u>	<b>Fund</b>	<b>Amount</b>	Value	<b>Type</b>	<b>Maturity</b>	<b>Maturity</b>
11/21/2022	5/26/2023	Local Main	2,921,415	3,000,000	CP	186	5.21%

The College has the following investments in accordance with the College's investment policy:

Source		Amount		Interest	Yield
Wells Fargo Stage Coach Sweep	S	5,179,338.75	S	25,439.82	3.59%
Logic Investment Pool		27,214,445.32		96,925.59	3.93%
			S	122,365.41	

# Consent Agenda Item 3

# DEL MAR COLLEGE INCOME/EXPENSE STATEMENT CURRENT OPERATING FUNDS For the Two Months Ended October 2022

		FY	<b>/</b> 202	3			FY	2022	2	
		BUDGET		INC/EXP	% Spent YTD		BUDGET		INC/EXP	% Spent YTD
DEVENUES:										
REVENUES: STATE FUNDING										
BASE APPROPRIATION	Φ.	17,359,104	\$	4,166,186	24%	\$	17,359,105	\$	4,166,187	24%
INSURANCE CONTRIBUTION	φ	4,281,371	φ	713,562	17%	φ	4,263,497	φ	710,583	17%
RETIREMENT CONTRIBUTION		1,871,176		311,862	17%		1,564,963		260,827	17%
TOTAL STATE FUNDING	\$	23,511,651	\$	5,191,610	22%	\$	23,187,565	\$	5,137,597	22%
	۳	20,011,001	Ψ	0,101,010	22 /0	۳	20,107,000	Ψ	0,101,007	22 70
OTHER REVENUES	_		_			_		_		
TUITION & FEES	\$	24,375,830	\$	5,308,438	22%	\$	25,962,825	\$	5,136,034	20%
PROPERTY TAXES		65,556,443		13,645,462	21%		60,390,356		2,525,042	4%
MISCELLANEOUS	_	1,262,144	_	309,451	25%	_	1,383,413	•	66,176	5%
TOTAL OTHER REVENUES	\$	91,194,417	\$	19,263,350	21%	\$	87,736,594	\$	7,727,251	9%
EXPENDITURES:										
SALARIES & BENEFITS										
FACULTY SALARIES	\$	33,467,687	\$	5,467,165	16%	\$	34,874,576	\$	5,478,569	16%
EXEMPT SALARIES		17,378,672		2,703,218	16%		16,486,947		2,576,629	16%
NON EXEMPT SALARIES		13,924,481		1,498,059	11%		12,011,408		1,288,027	11%
BENEFITS		20,629,511		3,044,768	15%		20,279,228		2,904,288	14%
TOTAL SALARIES & BENEFITS	\$	85,400,351	\$	12,713,209	15%	\$	83,652,159	\$	12,247,513	15%
NON-SALARY										
CONTRACT INSTRUCTION	\$	151,600	\$	_	0%	\$	151,600	\$	_	0%
SUPPLIES, POSTAGE, DUPL., COPIER RENTAL	•	3,443,888	Ψ	206,694	6%	*	3,110,202	*	538,043	17%
MAINTENANCE & REPAIRS		1,595,040		202,597	13%		1,554,478		160,241	10%
EQUIPMENT		1,074,025		59,829	6%		780,753		131,298	17%
STUDENT RECRUITING AND MARKETING		1,060,908		110,961	10%		1,030,908		41,133	4%
AUDIT & LEGAL, TAX APPRAISAL, COLL. FEES		1,626,295		1,501	0%		1,612,210		252,302	16%
CONSULTANTS & CONTRACT LABOR		3,276,496		381,478	12%		2,970,704		320,590	11%
ACCREDITATION		75,047		11,827	16%		80,047		10,777	13%
SPECIAL POP. INTERPRETOR		114,397		-	0%		114,397		-	0%
COMP. SOFTWARE, HARDWARE, LICENSE & SERV.		2,694,283		306,065	11%		2,577,607		324,321	13%
TRAVEL & PROFESSIONAL DEVELOPMENT		536,923		45,269	8%		486,036		41,925	9%
ELECTION		190,000		-	0%		-		-	0%
SECURITY		1,515,000		124,444	8%		1,058,300		300,804	28%
RECRUITMENT		32,000		1,119	3%		32,000		1,010	3%
FOOD BEVERAGE		89,301		8,148	9%		87,133		2,571	3%
LIBRARY		269,476		14,135	5%		269,476		25,547	9%
BAD DEBT		151,707		25,285	17%		250,000		41,666	17%
MEMBERSHIP & DUES		242,044		65,454	27%		228,903		66,018	29%
MEMBERSHIP & DUES/INDIRECT ADVOCACY		8,926		-	0%		8,926		-	0%
UTILITIES & TELEPHONE		2,825,447		470,907	17%		3,354,392		559,065	17%
INSURANCE		3,724,250		620,708	17%		2,705,000		450,833	17%
BANK & COLLECTION FEES		192,800		8,346	4%		192,800		37,673	20%
CAMPUS POLICE		302,858		900	0%		513,000		10,218	2%
TUITION BOND TRANSFERS OUT		1,955,500		325,917	17%		1,951,000		325,167	17%
MISCELLANEOUS		436,915		33,351	8%		488,265		27,432	6%
TOTAL NON-SALARY	\$	27,585,126	\$	3,024,934	11%	\$	25,608,137	\$	3,668,633	14%
CONTINGENCY	\$	1,720,591		-	0%	\$	1,663,863		-	0%
TOTAL CONTINGENCY	\$	1,720,591	\$	-	0%	\$	1,663,863	\$	-	0%
TOTAL EXPENDITURES	\$	114,706,068	\$	15,738,144	14%	\$	110,924,159	\$	15,916,148	14%

\$

8,716,818

8,716,818

\$

(3,051,300)

(3,051,300)

NET INCOME FROM OPERATIONS

**CURRENT NET FUNDS AVAILABLE FOR OPERATIONS** 

# DEL MAR COLLEGE BALANCE SHEET CURRENT OPERATING FUNDS As of October 31, 2022

	FY2023			FY2022	Change	
ASSETS:						
CASH	\$	5,297,787	\$	4,395,392	\$	902,395
INVESTMENTS	Ψ	58,275,656	*	48,349,314	*	9,926,342
PREPAID EXPENSE		-		5,629		(5,629)
ACCOUNTS RECEIVABLE						,
ACCRUED INTEREST		81,708		39,421		42,287
STUDENT & OTHER RECEIVABLES		1,218,339		780,183		438,156
PROPERTY TAX RECEIVABLE		1,456,865		1,343,802		113,063
DEFERRED OUTFLOWS		7,656,792		9,865,098		(2,208,306)
TOTAL ASSETS	\$	73,987,147	\$	64,778,839	\$	9,208,308
LIABILITIES: ACCOUNTS PAYABLE:						
ACCOUNTS PAYABLE	\$	1,677,358	\$	2,267,834	\$	(590,476)
ESTIMATED SICK LEAVE & VAC. PAYABLE	Ψ	7,828,648	Ψ	7,703,971	Ψ	124,677
NET PENSION LIABILITY		77,505,362		83,266,173		(5,760,811)
DEFERRED INCOME:		, ,				( , , , ,
DEFERRED TUITION		4,229,675		4,948,900		(719,225)
DEFERRED INFLOW PENSION PLAN		17,674,078		19,133,666		(1,459,588)
REVENUE BOND PAYABLE		325,917		325,167		750
TOTAL LIABILITIES	\$	109,241,038	\$	117,645,711	\$	(8,404,673)
FUND BALANCE:						
UNRESTRICTED FUND BALANCE FROM OPERATIONS	\$	34,951,939	\$	34,119,169	\$	832,770
RISK RESERVE		8,600,000		8,600,000		-
FUND BALANCES REDUCTION DUE TO GASB 68 & 75		(87,522,648)		(92,534,741)		5,012,093
CURRENT YEAR INCOME IN EXCESS OF EXPENSE		8,716,818		(3,051,300)		11,768,118
TOTAL FUND BALANCE	\$	(35,253,891)	\$	(52,866,872)	\$	17,612,981
TOTAL LIADULTIES AND FUND DAY ANGES	_	70 007 447		04 770 000	_	0.000.000
TOTAL LIABILITIES AND FUND BALANCES	\$	73,987,147	\$	64,778,839	\$	9,208,308

# **Del Mar College**

## **Financial Record System**

## **Bank 41 Colleague**

## Disbursements for dates 10/01/2022 thru 10/31/2022

Check	Date	Payee	Amount		Description
75556	10/4/2022	ABC Safes and Keys LLC	\$	800.00	Office Supplies
75557	10/4/2022	AT & T		39.24	Telephone
75558	10/4/2022	Beacon Technologies		450.00	Maint Agree-Software
75559	10/4/2022	Bugpro Inc		200.00	Repairs & Maintenance
75560	10/4/2022	Camacho Demolition LLC		10,378.73	Hazardous Waste
75561	10/4/2022	Fleetpride		75.57	Repairs & Maintenance
75562	10/4/2022	Flowers Baking Company		203.14	Food Supplies
75563	10/4/2022	Gulf Coast Mailing Services LL		401.70	Postage
75564	10/4/2022	Hanson Professional Services		34,963.00	Consultants
75565	10/4/2022	HEB Grocery Company		71.96	Food Supplies
75566	10/4/2022	Labster Inc		2,970.00	Software Desk Lic Fees
75567	10/4/2022	Malek Inc		5,288.00	Const Cost - Contractors
75568	10/4/2022	Patterson Dental Company		587.86	Instructional Supplies
75569	10/4/2022	Puffer Sweiven LP		252.00	Repairs & Maintenance
75570	10/4/2022	Sam's Club		271.35	Food Supplies
75571	10/4/2022	South Texas Music Mart		45.00	Repairs & Maintenance
75572	10/4/2022	Sprint LLC		74.50	Telephone
75573	10/4/2022	Time Warner Cable		905.83	Telephone
75574	10/4/2022	Time Warner Cable		903.72	Telephone
75575	10/4/2022	UniFirst		824.19	Uniforms
75576	10/4/2022	UniFirst		1.40	Uniforms
75577	10/4/2022	United Refrigeration Inc		173.38	HVAC
75578	10/4/2022	VWR International LLC		11,469.69	> 5,000 Equipment Capitalized
75579	10/4/2022	Woody's Truck Center		119.76	Repairs & Maintenance
75580	10/6/2022	Aircraft Technical Publishers		18,002.00	Software Desk Lic Fees
75581	10/6/2022	American Physical Therapy Assn		4,750.00	Accreditation Expense
75582	10/6/2022	Coastal Welding Supply Inc		3,717.27	Instructional Supplies
75583	10/6/2022	Command Commissioning Llc		4,943.75	Consultants
75584	10/6/2022	DEX Imaging LLC		476.56	Copier Rental
75585	10/6/2022	Enlightened Images		9,800.00	Advertising
75586	10/6/2022	Facility Solutions Group		543.20	Electrical
75587	10/6/2022	Flowers Baking Company		68.64	Food Supplies
75588	10/6/2022	Gobi Library Solutions from EB		74.17	Library Books
75589	10/6/2022	GreatAmerica Financial Service		548.00	Maint Agree-Equip
75590		HEB Grocery Company		112.21	Food Supplies
75591	10/6/2022	ITHAKA		2,595.00	Library - Elec Resource
75592		Jobelephantcom Inc		650.00	Recruitment
75593		Lawrence Greenwood			Instructional Supplies
75594		McComb Relocation Services		8,940.00	Contract Labor
75595		Msi Laboratory Services, Inc		-	Contract Labor
75596		Nueces County WCID #3			Water
75597		NurseTim Inc			Software Desk Lic Fees
75598	10/6/2022	PASCO Scientific		1,444.60	Instructional Supplies

# **Del Mar College**

## **Financial Record System**

## **Bank 41 Colleague**

## Disbursements for dates 10/01/2022 thru 10/31/2022

Check	Date	Payee	Amount	Description
75599	10/6/2022	Patterson Dental Company	24.78	Instructional Supplies
75600	10/6/2022	Pocket Nurse	20,378.25	< 5,000 Equip Not Cap INVT
75601	10/6/2022	RDA Promart	48.66	Instructional Supplies
75602	10/6/2022	Republic Services Inc	3,133.79	Disposal Trash
75603	10/6/2022	Ricoh USA Inc	102.75	Copier Rental
75604	10/6/2022	Ricoh USA Inc	28.44	Copier Rental
75605	10/6/2022	Robstown Hardware Company Inc	98.15	Site Supplies
75606	10/6/2022	Sam's Club	187.42	Food Supplies
75607	10/6/2022	Shi Government Solutions	1,096.50	IT License Fees
75608	10/6/2022	Stridde Callins & Associates	900.00	Consultants
75609	10/6/2022	Thomson Reuters- West	2,023.56	Software Desk Lic Fees
75610	10/6/2022	Time Warner Cable	831.22	Telephone
75611	10/6/2022	Tx Dpt of State Health Svcs	93.00	Hazardous Waste
75612	10/6/2022	Tx Dpt of State Health Svcs	57.00	Hazardous Waste
75613	10/6/2022	UniFirst	83.77	Supplies - Other
75614	10/6/2022	US Foods Inc	647.73	Food Supplies
75615	10/6/2022	VTX Communications LLC	608.00	Telephone
75616	10/6/2022	VWR International LLC	8,118.17	Instructional Supplies
75617	10/7/2022	Annuity Investment	50.00	A/P - TSA
75618	10/7/2022	Fiduciary Trust Company of New	20.00	A/P - TSA
75619	10/7/2022	IRS Austin Service Center	25.00	A/P - IRS Levy
75620	10/7/2022		16,018.00	A/R - Students
75621	10/7/2022		4,553.00	A/R - Students
75622	10/11/2022	AT & T	39.24	Telephone
75623	10/11/2022	AT & T	996.64	Telephone
75624	10/11/2022	AT & T	7,280.57	Telephone
75625	10/11/2022	AT & T	3,287.78	Telephone
75626	10/11/2022	Bay Area Time	1,350.00	Supplies - Other
75627	10/11/2022	Bugpro Inc	2,224.00	Repairs & Maintenance
75628	10/11/2022	Critical Start LLC	40,971.34	Maint Agree-Software
75629	10/11/2022	Discount School Supply	1,653.31	Instructional Supplies
75630	10/11/2022	First Baptist Church of Rockpo	1,800.00	Rent Expense
75631	10/11/2022	FS.Com, Inc	550.00	Supplies - Other
75632	10/11/2022	Gobi Library Solutions from EB	109.72	Library Books
75633	10/11/2022	Home Depot	2,197.42	Instructional Supplies
75634	10/11/2022	Interstate Batteries of	107.95	Instructional Supplies
75635	10/11/2022	Lawrence Greenwood	466.00	Instructional Supplies
75636	10/11/2022	Layer 3 Communications LLC	3,317.51	Maint Agree-Software
75637	10/11/2022	McKesson Medical-Surgical Gove	119.11	Instructional Supplies
75638	10/11/2022	Move It Storage - Ayers Street	545.00	Rent Expense
75639	10/11/2022	Msi Laboratory Services, Inc	3,500.00	Repairs & Maintenance
75640	10/11/2022	RDA Promart	26.48	Instructional Supplies
75641	10/11/2022	Republic Services Inc	812.64	Supplies - Other

# **Del Mar College**

## **Financial Record System**

## **Bank 41 Colleague**

## Disbursements for dates 10/01/2022 thru 10/31/2022

Check	Date	Payee	Amount	Description
75642	10/11/2022	Smarterservices LLC	10,725.00	Software Desk Lic Fees
75643	10/11/2022	T-Mobile USA Inc	5,335.15	Telephone
75644	10/11/2022	Texas Higher Education Coordin	21,939.12	Grants & Contracts
75645	10/11/2022	U.S. Bank Voyager Fleet System	17,211.48	Fuel/Oil
75646	10/11/2022	US Foods Inc	1,250.68	Instructional Supplies
75647	10/13/2022	B. E. Beecroft Company, Inc	1,071,772.90	Contractors
75648	10/13/2022	Command Commissioning Llc	32,053.15	Consultants
75649	10/13/2022	EAN Services LLC	446.00	Travel
75650	10/13/2022	Gulf Coast Nut &	43.27	Repairs & Maintenance
75651	10/13/2022	Home Depot	2,561.57	Instructional Supplies
75652	10/13/2022	Hose of South Texas	132.06	Supplies - Other
75653	10/13/2022	Interstate Batteries of	119.10	P & S - Other
75654	10/13/2022	Jean's Restaurant Supply	6,648.16	Instructional Supplies
75655	10/13/2022		2,050.02	Funds Held for Others
75656	10/13/2022	JL Squared Construction	42,032.00	Contract Labor
75657	10/13/2022	Laerdal Medical Corp	5,663.75	Supplies - Other
75658	10/13/2022	Lone Star Piano Tuning	130.00	Contract Labor
75659	10/13/2022	MediaValet Inc	18,200.00	Production, Publications & Prom
75660	10/13/2022	Patterson Dental Company	2,418.40	Instructional Supplies
75661	10/13/2022	Pfluger Architects Inc	121,600.00	Consultants
75662	10/13/2022	Pitney Bowes Inc	201.00	Postage
75663	10/13/2022	Pocket Nurse	4,491.59	< 5,000 Equip Not Cap INVT
75664	10/13/2022	Port Enterprises Ltd	287,946.31	Const Cost - Contractors
75665	10/13/2022	Sam's Club	206.39	Funds Held for Others
75666	10/13/2022	Stridde Callins & Associates	825.00	Consultants
75667	10/13/2022	Time Warner Cable	826.70	Telephone
75668	10/13/2022	Time Warner Cable	826.70	Telephone
75669	10/13/2022	Time Warner Cable	295.27	Telephone
75670	10/13/2022	Time Warner Cable	6,917.51	Other General Expense
75671	10/13/2022	University of Texas At Austin/	1,200.00	Memberships & Dues
75672	10/13/2022	US Foods Inc	32.99	Instructional Supplies
75673	10/13/2022	VWR International LLC	1,362.38	Instructional Supplies
75674	10/14/2022	Interstate Batteries of	257.39	Supplies - Other
75675	10/14/2022		1,732.00	A/R - Students
75676	10/18/2022	Command Commissioning Llc	25,512.60	Consultants
75677	10/18/2022	Fleetpride	25.19	Repairs & Maintenance
75678	10/18/2022	Flowers Baking Company	106.14	Food Supplies
75679	10/18/2022	Gulf Coast Mailing Services LL	114.00	Duplicating
75680	10/18/2022	Home Depot	757.17	Building Structure
75681	10/18/2022	Hose of South Texas	460.77	Instructional Supplies
75682	10/18/2022	IBM Corporation	·	Software Desk Lic Fees
75683	10/18/2022	Medical Assisting Education Re	750.00	Accreditation Expense
75684	10/18/2022	Panopto Inc	53,381.85	IT License Fees

# **Financial Record System**

# **Bank 41 Colleague**

Check	Date	Payee	Amount	Description
75685	10/18/2022	Pocket Nurse	4,528.18	< 5,000 Equip Not Cap INVT
75686	10/18/2022	Ricoh USA Inc	554.57	Copier Rental
75687	10/18/2022	Stewart Dean Bearing Inc	105.00	HVAC
75688	10/18/2022	Sutherlands Inc	186.62	Instructional Supplies
75689	10/18/2022	Third Coast Distributing	28.90	Supplies - Automotive
75690	10/18/2022	United Parcel Service Inc	17.97	Postage
75691	10/18/2022	United Refrigeration Inc	475.02	HVAC
75692	10/18/2022	VWR International LLC	24,845.04	Instructional Supplies
75693	10/18/2022	Woody's Truck Center	532.00	Repairs & Maintenance
75694	10/20/2022	American Association for	519.75	Memberships & Dues
75695	10/20/2022	AT & T	8,598.27	Telephone
75696	10/20/2022	AT & T	2,460.03	Telephone
75697	10/20/2022	AT & T	496.83	Telephone
75698	10/20/2022	AT & T	2,423.22	Telephone
75699	10/20/2022	Enterprise Tolls	22.35	Travel
75700	10/20/2022	EAN Services LLC	3.27	Professional Development
75701	10/20/2022	Enterprise Tolls	21.69	Travel
75702	10/20/2022	Enterprise Tolls	6.00	Travel
75703	10/20/2022	Enterprise Tolls	15.50	Travel
75704	10/20/2022	Enterprise Tolls	4.91	Professional Development
75705	10/20/2022	Facility Solutions Group	1,429.40	Electrical
75706	10/20/2022	Genesis Drug Testing	420.00	Instructional Supplies
75707	10/20/2022	Gobi Library Solutions from EB	503.44	Library Books
75708	10/20/2022	The Goodyear Tire & Rubber Com	21.00	Repairs & Maintenance
75709	10/20/2022	GoTo	100.00	Telephone
75710	10/20/2022	Great Openings	2,534.74	< 5,000 Furn and Fix Not Cap
75711	10/20/2022	Gulf Coast Nut &	102.34	Repairs & Maintenance
75712	10/20/2022	HEB Grocery Company	78.53	Instructional Supplies
75713	10/20/2022	Home Depot	10,524.65	Building Structure
75714	10/20/2022	Hose of South Texas	165.00	Supplies - Other
75715	10/20/2022	Jobelephantcom Inc	219.00	Recruitment
75716	10/20/2022	Konica Minolta	5,634.91	Copier Rental
75717	10/20/2022	Lone Star Piano Tuning	390.00	Repairs & Maintenance
75718	10/20/2022	National Association of	315.00	Instructional Supplies
75719	10/20/2022	Ricoh USA Inc	889.25	Copier Rental
75720	10/20/2022	San Patricio County Appraisal	1,501.20	Tax Appraisal Fee
75721	10/20/2022	Solid Border Inc	15,990.00	IT License Fees
75722	10/20/2022	TASB Risk Management Fund	1,475.34	Workman's Comp
75723	10/20/2022	Texas Higher Education Coordin	7,786.97	Grants & Contracts
75724	10/20/2022	Texas Higher Education Coordin	77,530.18	Grants & Contracts
75725	10/20/2022	Time Warner Cable	1,948.00	Telephone
75726	10/20/2022	Time Warner Cable	1,306.83	Telephone
75727	10/20/2022	Time Warner Cable	7,538.58	Telephone

# **Financial Record System**

# **Bank 41 Colleague**

Check	Date	Payee	Amount	Description
75728	10/20/2022	Turnitin LLC	50,200.00	IT License Fees
75729	10/20/2022	US Foods Inc	1,471.24	Instructional Supplies
75730	10/20/2022	VWR International LLC	36,844.53	Instructional Supplies
75731	10/21/2022	Annuity Investment	50.00	A/P - TSA
75732	10/21/2022	Fiduciary Trust Company of New	20.00	A/P - TSA
75733	10/21/2022	IRS Austin Service Center	25.00	A/P - IRS Levy
75734	10/25/2022	B. E. Beecroft Company, Inc	1,350,055.45	Contractors
75735	10/25/2022	Beacon Technologies	450.00	Maint Agree-Software
75736	10/25/2022	Carroll Systems	82,585.32	Contractors
75737	10/25/2022	Corpus Christi Electric Co Inc	45.39	Supplies - Other
75738	10/25/2022	Corpus Christi Safe & Lock Co	10.62	Building Structure
75739	10/25/2022	Gobi Library Solutions from EB	760.30	Library Books
75740	10/25/2022	GradLeaders USA LLC	6,345.83	Software Desk Lic Fees
75741	10/25/2022	Grimco, Inc	113.82	Supplies - Other
75742	10/25/2022	Hanson Professional Services	30,805.00	Consultants
75743	10/25/2022	Home Depot	6,920.03	Instructional Supplies
75744	10/25/2022	Lawrence Greenwood	6,017.00	Instructional Supplies
75745	10/25/2022	Layer 3 Communications LLC	33,149.49	> 5,000 Equipment Capitalized
75746	10/25/2022	Liquid Environmental Solutions	2,285.90	Contractors
75747	10/25/2022	McKesson Medical-Surgical Gove	138.29	Instructional Supplies
75748	10/25/2022	North American Process	1,000.00	Memberships & Dues
75749	10/25/2022	Pearson Education	1,485.43	Instructional Supplies
75750	10/25/2022	Puffer Sweiven LP	539.77	Repairs & Maintenance
75751	10/25/2022	RDA Promart	593.29	Instructional Supplies
75752	10/25/2022	Republic Services Inc	1,605.09	Disposal Trash
75753	10/25/2022	Robstown Hardware Company Inc	690.47	Site Supplies
75754	10/25/2022	Sam's Club	196.74	Funds Held for Others
75755	10/25/2022	Software One Inc	1,300.44	IT License Fees
75756	10/25/2022	Spec's Liquor Stores	27.58	Instructional Supplies
75757	10/25/2022	TBS Toshiba Business Solutions	544.95	Copier Rental
75758	10/25/2022	Tx Dpt of State Health Svcs	688.00	Supplies - Other
75759	10/25/2022	US Omni & TSACG Compliance Ser	750.00	Consultants
75760	10/25/2022	VWR International LLC	1,090.72	Instructional Supplies
75761	10/25/2022	Woody's Truck Center	124.90	Repairs & Maintenance
75762	10/27/2022	Apollo Towing Service	118.80	Repairs & Maintenance
75763	10/27/2022		25.00	A/R - Students
75764	10/27/2022	Sarai E. Chirino	40.58	Site License or Renewal Fees
75765	10/27/2022	Corpus Christi Caller-Times	3,705.52	Advertising
75766	10/27/2022	Flowers Baking Company	224.42	Food Supplies
75767	10/27/2022	Fulton Coastcon a Joint Ventur	1,301,822.05	Contractors
75768	10/27/2022	Gobi Library Solutions from EB	198.58	Library Books
75769	10/27/2022	Guard Master Fire & Safety	1,248.00	Contract Labor
75770	10/27/2022	Gulf Coast Mailing Services LL	400.80	Postage

# **Financial Record System**

# **Bank 41 Colleague**

Check	Date	Payee	Amount	Description
75771	10/27/2022	Gulf Coast Nut &	124.47	Repairs & Maintenance
75772	10/27/2022	HEB Grocery Company	202.79	Food Supplies
75773	10/27/2022		25.00	A/R - Students
75774	10/27/2022	Home Depot	680.82	HVAC
75775	10/27/2022	The Myers-Briggs Company	195.00	Software Desk Lic Fees
75776	10/27/2022	Patterson Dental Company	5,064.95	Instructional Supplies
75777	10/27/2022	Proforma Total Print Source	2,514.06	Funds Held for Others
75778	10/27/2022	RDA Promart	707.03	Instructional Supplies
75779	10/27/2022		90.00	A/R - Students
75780	10/27/2022	Sam's Club	712.74	Food Supplies
75781	10/27/2022	Sutherlands Inc	92.96	Instructional Supplies
75782	10/27/2022	TASB Risk Management Fund	1,000.00	Insurance - Auto
75783	10/27/2022	Third Coast Distributing	321.53	Supplies - Automotive
75784	10/27/2022		50.00	A/R - Students
75785	10/27/2022	Uline	354.65	Office Supplies
75786	10/27/2022	UniFirst	532.05	Supplies - Other
75787	10/27/2022	VWR International LLC	858.20	Instructional Supplies
75788	10/31/2022	Annuity Investment	1,139.98	A/P - ORP
75789	10/31/2022	Annuity Investment	150.00	A/P - TSA
75790	10/31/2022	Fiduciary Trust Company of New	5,894.30	A/P - ORP
75791	10/31/2022	Galic	300.00	A/P - TSA
75792	10/31/2022	National Life Insurance Compan	326.11	A/P - ORP
75793	10/31/2022	National Life Insurance Compan	3,329.48	A/P - ORP
75794	10/31/2022	National Life Insurance Compan	6,259.00	A/P - TSA
75795	10/31/2022	Newport Trust Company	2,911.64	A/P - ORP
75796	10/31/2022	Newport Trust Company	2,000.00	A/P - TSA
75797	10/31/2022		7,196.25	A/R - Students
75798	10/31/2022	Putnam Investments (TSA)	750.00	A/P - TSA
75799	10/31/2022	Yvonne V. Valdez Trustee	350.00	A/P - Bankruptcy
E0030946	10/4/2022	Diana I. Robison	284.00	Travel
E0030947	10/4/2022	Airgas USA	19,707.96	> 5,000 Equipment Capitalized
E0030948	10/4/2022	Amazon.Com LLC	4,626.68	Instructional Supplies
E0030949	10/4/2022	Aquatic Renovations	1,350.62	Repairs & Maintenance
E0030950	10/4/2022	CC Lawn Pros, LLC	4,875.00	Contractors
E0030951	10/4/2022	City of Corpus Christi	201.54	Gas
E0030952	10/4/2022	Corpus Christi Freightliner	185.19	Repairs & Maintenance
E0030953	10/4/2022	Deaf and Hard of Hearing Cente	420.00	Contract Labor
E0030954	10/4/2022	Ferguson Enterprises Inc	63.47	Plumbing
E0030955	10/4/2022	Gateway Printing & Office Supp	1,193.01	Other General Expense
E0030956	10/4/2022	Grainger Inc	1,898.56	HVAC
E0030957	10/4/2022	Johnstone Supply	1,281.15	HVAC
E0030958	10/4/2022	Labatt Food Service LLC	915.77	Food Supplies
E0030959	10/4/2022	LK Jordan & Associates	4,850.73	Contract Labor

# **Financial Record System**

# **Bank 41 Colleague**

Check	Date	Payee	Amount	Description
E0030960	10/4/2022	Pepsi Cola Corpus Christi	107.23	Food Supplies
E0030961	10/4/2022	Rodgers Speaks!	3,250.00	Professional Development
E0030962	10/4/2022	Safeguard System Inc	156.00	Repairs & Maintenance
E0030963	10/4/2022	Southern Computer Warehouse In	4,362.74	< 5,000 Computer Not Cap INVT
E0030964	10/4/2022	Texas Book Company	124.90	Participant Support Costs
E0030965	10/4/2022	TK Elevator Corporation	625.64	Repairs & Maintenance
E0030966	10/4/2022	Victory Building Team	937,326.11	Contractors
E0030967	10/4/2022	You Name It Specialties Inc	2,421.63	Production, Publications & Prom
E0030968	10/6/2022	Patricia S. Benavides-Domingue	251.58	Travel
E0030969	10/6/2022	Sarah L. Contreras	316.49	Funds Held for Others
E0030970	10/6/2022	Cynthia Garcia	945.00	Contract Labor
E0030971	10/6/2022	Cody A. Gregg	335.50	Travel
E0030972	10/6/2022	Claudia L. Hurt	1,498.08	Professional Development
E0030973	10/6/2022	Kristina R. Wilson	252.72	Food & Beverage
E0030974	10/6/2022	Airgas USA	7,509.01	Instructional Supplies
E0030975	10/6/2022	Americo Fin & Annuity Ins Co	25.00	A/P - TSA
E0030976	10/6/2022	Arc Document Solutions Llc	42.68	P & S - Other
E0030977	10/6/2022	CC Lawn Pros, LLC	4,631.25	Contractors
E0030978	10/6/2022	Colonial Security Life Ins	47.01	A/P - Optional Life
E0030979	10/6/2022	Corpus Christi Athletic Club	69.83	Corpus Christi Athletic Club
E0030980		Del Mar College Foundation		Foundation Contributions
E0030981		Felix Diesel Service Inc	25,179.79	Repairs & Maintenance
E0030982	10/6/2022	Ferguson Enterprises Inc		Plumbing
E0030983		Gateway Printing & Office Supp	11,231.93	< 5,000 Furn and Fix Not Cap
E0030984	10/6/2022	Grainger Inc	5,496.14	Instructional Supplies
E0030985	10/6/2022	Graves Dougherty Hearon	2,225.00	Legal Fees
E0030986	10/6/2022	Johnstone Supply	2,813.85	HVAC
E0030987	10/6/2022	Labatt Food Service LLC	786.80	Instructional Supplies
E0030988	10/6/2022	LK Jordan & Associates	2,000.15	Contract Labor
E0030989	10/6/2022	Metlife	112.50	A/P - TSA
E0030990	10/6/2022	O'Reilly Auto Parts	72.92	Supplies - Automotive
E0030991		Parchment LLC	4,126.25	Transcript Fee
E0030992	10/6/2022	Reliastar Life Insurance Co	75.00	A/P - TSA
E0030993	10/6/2022	Safeguard System Inc	177.75	Repairs & Maintenance
E0030994	10/6/2022	Schneider Electric	6,100.00	Software Desk Lic Fees
E0030995	10/6/2022	Shi Government Solutions	231.84	Software Desk Lic Fees
E0030996	10/6/2022	Shoreline Plumbing Co	100,000.00	Contractors
E0030997		Southern Computer Warehouse In	•	< 5,000 Computer Not Cap INVT
E0030998		Southern Tire Mart	·	Repairs & Maintenance
E0030999		You Name It Specialties Inc		Production, Publications & Prom
E0031000		Tyler A. Brownlee	437.60	
E0031001		Enrique Graf	3,500.00	Performers - Cultural
E0031002		Liana Joslin		Travel
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# **Financial Record System**

# **Bank 41 Colleague**

Check	Date	Payee	Amount	Description
E0031003	10/11/2022	Gary G. McKinny	35.01	Travel
E0031004	10/11/2022	Lucia G. Perez	107.50	Travel
E0031005	10/11/2022	Angela Saiz	28.00	Travel
E0031006	10/11/2022	Gwynell M. Westervelt	1,338.40	Travel
E0031007	10/11/2022	Misty E. Wharton	1,146.46	Funds Held for Other Additions
E0031008	10/11/2022	Ms. Karen F. Williams	579.00	Professional Development
E0031009	10/11/2022	Airgas USA	1,144.58	Repairs & Maintenance
E0031010	10/11/2022	Altex Electronics	1,068.95	PC Maintenance Supplies
E0031011	10/11/2022	Amazon.Com LLC	10,507.09	Library Books
E0031012	10/11/2022	CC Lawn Pros, LLC	3,600.00	Contractors
E0031013	10/11/2022	Cintas Corporation	1,953.34	Contractors
E0031014	10/11/2022	Connection	6,761.00	IT License Fees
E0031015	10/11/2022	Dijah Speaks LLC	4,000.00	Contract Labor
E0031016	10/11/2022	Everest Water and Coffee LLC	877.00	Food Supplies
E0031017	10/11/2022	Ferguson Enterprises Inc	21.06	Supplies - Other
E0031018	10/11/2022	Fisher Scientific Company LLC	2,869.44	Instructional Supplies
E0031019	10/11/2022	Grainger Inc	2,020.07	HVAC
E0031020	10/11/2022	Iconic Sign Group LLC	9,800.00	Advertising
E0031021	10/11/2022	Labatt Food Service LLC	413.20	Food Supplies
E0031022	10/11/2022	LK Jordan & Associates	2,354.22	Contract Labor
E0031023	10/11/2022	Made in Corpus Christi LLC	725.00	Consultants
E0031024	10/11/2022	Meeder Public Funds, Inc.	2,166.00	Consultants
E0031025	10/11/2022	Pepsi Cola Corpus Christi	324.47	Food Supplies
E0031026	10/11/2022	Shoreline Plumbing Co	2,976.47	SC NC Plumbing
E0031027	10/11/2022	Southern Computer Warehouse In	5,128.30	Supplies - Other
E0031028	10/11/2022	Southern Tire Mart	40.00	Repairs & Maintenance
E0031029	10/11/2022	You Name It Specialties Inc	2,591.08	Production, Publications & Prom
E0031030	10/13/2022	Kristina A. Arellano	1,681.06	Professional Development
E0031031	10/13/2022	Celia Garza	294.39	Travel
E0031032	10/13/2022	Mr. Gary L. Griffith	45.00	Repairs & Maintenance
E0031033	10/13/2022	Chad J. Hector	31.26	Travel
E0031034	10/13/2022	Krista L. Heideman	7.66	Instructional Supplies
E0031035	10/13/2022	Mr. Daniel W. Korus	250.25	Travel
E0031037	10/13/2022	Jessica M. Montalvo-Cummings	574.85	Travel
E0031038	10/13/2022	Victoria L. Pannone	180.64	Travel
E0031039	10/13/2022	Lorette B. Williams	112.50	Travel
E0031040	10/13/2022	ABM Industry Groups LLC	110,928.81	Contractors
E0031041	10/13/2022	Amazon.Com LLC	1,128.19	Supplies - Other
		Amtech Solutions, Inc.	3,379.08	Consultants
E0031043		ARM Construction	1,500.00	SC NC Building Structure
E0031044	10/13/2022	Bird's Rubber Stamps	403.00	Instructional Supplies
E0031045	10/13/2022	Corpus Christi Freightliner	941.04	Repairs & Maintenance
E0031046	10/13/2022	Corpus Christi Produce	1,049.96	Food Supplies

# **Financial Record System**

# **Bank 41 Colleague**

Check	Date	Payee	Amount	Description
E0031047	10/13/2022	EAN Services LLC	741.47	Funds Held for Others
E0031048	10/13/2022	Everest Water and Coffee LLC	505.70	Food Supplies
E0031049	10/13/2022	Felix Diesel Service Inc	2,401.44	Repairs & Maintenance
E0031050	10/13/2022	Fisher Scientific Company LLC	19,677.70	< 5,000 Equip Not Cap INVT
E0031051	10/13/2022	Grainger Inc	780.87	HVAC
E0031052	10/13/2022	Graves Dougherty Hearon	2,940.00	Legal Fees
E0031053	10/13/2022	Labatt Food Service LLC	2,178.09	Instructional Supplies
E0031054	10/13/2022	O'Reilly Auto Parts	1,474.87	P & S - Other
E0031055	10/13/2022	Pepsi Cola Corpus Christi	226.56	Food Supplies
E0031056	10/13/2022	Southern Computer Warehouse In	2,675.86	< 5,000 Computer Not Cap INVT
E0031057	10/13/2022	Texas Book Company	118.00	Funds Held for Others
E0031058	10/13/2022	Texas Wilson Office Furniture	21,182.40	< 5,000 Furn and Fix Not Cap
E0031059	10/13/2022	You Name It Specialties Inc	3,775.00	Advertising
E0031060	10/18/2022	Raul Garcia	191.12	Food & Beverage
E0031061	10/18/2022	Jonda L. Halcomb	206.01	Food & Beverage
E0031062	10/18/2022	Willie A. Herrera	380.00	Travel
E0031063	10/18/2022	Cynthia A. Longoria	185.63	Travel
E0031064	10/18/2022	Margarita E. Longoria	500.00	Funds Held for Others
E0031065	10/18/2022	Michael D. McDaniels	168.60	Travel
E0031066	10/18/2022	Robert P. Montez	235.63	Travel
E0031067	10/18/2022	Bradley W. Moore	251.90	Travel
E0031068	10/18/2022	Candace E. Moreland	236.90	Travel
E0031069	10/18/2022	George D. Obermiller	39.42	Travel
E0031070	10/18/2022	Yvonne Penaflor	26.88	Travel
E0031071	10/18/2022	Corlea L. Redding-Cervantes	118.00	Travel
E0031072	10/18/2022	Sydney L. Saumby	57.74	Travel
E0031073	10/18/2022		312.50	Funds Held for Other Additions
E0031075	10/18/2022	All Points Environmental LLC	24,870.50	Consultants
E0031076	10/18/2022	Amazon.Com LLC	5,884.91	Instructional Supplies
E0031077	10/18/2022	Bird's Rubber Stamps	325.50	Office Supplies
E0031078	10/18/2022	CC Lawn Pros, LLC	8,975.00	Contractors
E0031079	10/18/2022	City of Corpus Christi	44,547.26	Water
E0031080	10/18/2022	David F Trujillo & Associates	7,500.00	Contract Labor
E0031081	10/18/2022	Fisher Scientific Company LLC	416.00	Instructional Supplies
E0031082	10/18/2022	Grainger Inc	4,664.59	HVAC
E0031083	10/18/2022	Labatt Food Service LLC	3,558.31	Food Supplies
E0031084	10/18/2022	LK Jordan & Associates	8,179.09	Contractors
E0031085	10/18/2022	Mira's Sports & More	3,727.50	Funds Held for Other Additions
E0031086	10/18/2022	Nueces Electric Cooperative	1,371.27	Electricity
E0031087	10/18/2022	Pepsi Cola Corpus Christi	1,688.13	Food Supplies
E0031088	10/18/2022	Procare Software	948.00	Software Desk Lic Fees
E0031089	10/18/2022	Southern Tire Mart	55.00	Repairs & Maintenance
E0031090	10/18/2022	Terracon Consultants Inc	5,551.89	Consultants

# **Financial Record System**

# **Bank 41 Colleague**

Check	Date	Payee	Amount	Description
E0031091	10/18/2022	You Name It Specialties Inc	1,935.41	Production, Publications & Prom
E0031092	10/20/2022	Patricia S. Benavides-Domingue	56.00	Food & Beverage
E0031093	10/20/2022	Sarah L. Contreras	1,028.00	Funds Held for Others
E0031094	10/20/2022	Cynthia Garcia	1,350.00	Contract Labor
E0031095	10/20/2022	Larry D. Lee	3,250.00	Consultants
E0031096	10/20/2022	Graciela M. Martinez	218.89	Travel
E0031097	10/20/2022	Erinn C. McComb	531.99	Travel
E0031098	10/20/2022	Theresa M. Moffitt	327.00	Travel
E0031099	10/20/2022	Robert T. Muilenburg	1,752.00	Funds Held for Others
E0031100	10/20/2022	Gary D. Rivera	271.91	Travel
E0031101	10/20/2022	Leonard Rivera	47.37	Food & Beverage
E0031102	10/20/2022	Laura N. Wright	23.43	Office Supplies
E0031103	10/20/2022	Altex Electronics	222.45	PC Maintenance Supplies
E0031104	10/20/2022	Amazon.Com LLC	1,662.89	Electrical
E0031105	10/20/2022	Americo Fin & Annuity Ins Co	25.00	A/P - TSA
E0031106	10/20/2022	Cintas Corporation	2,240.12	Contractors
E0031107	10/20/2022	Colonial Security Life Ins	47.01	A/P - Optional Life
E0031108	10/20/2022	Corpus Christi Athletic Club	152.10	Corpus Christi Athletic Club
E0031109	10/20/2022	Del Mar College Foundation	87.76	Foundation Contributions
E0031110	10/20/2022	Felix Diesel Service Inc	10,489.78	Repairs & Maintenance
		Fisher Scientific Company LLC		Instructional Supplies
		Garda CL Southwest Inc		Security Services
E0031113	10/20/2022	Gateway Printing & Office Supp	6,776.81	Office Supply Payable
E0031114	10/20/2022	Grainger Inc	3,049.96	HVAC
E0031115	10/20/2022	Henry Schein Inc	632.23	Repairs & Maintenance
E0031116	10/20/2022	Labatt Food Service LLC	1,155.36	Instructional Supplies
E0031117	10/20/2022	Landauer Inc	873.88	Supplies - Other
E0031118	10/20/2022	LK Jordan & Associates	2,410.80	Contractors
E0031119	10/20/2022	Metlife	112.50	A/P - TSA
E0031120	10/20/2022	O'Reilly Auto Parts	380.59	Supplies - Automotive
E0031121	10/20/2022	Pepsi Cola Corpus Christi	936.77	Food Supplies
E0031122	10/20/2022	RegisterBlast	457.50	Hobet Test
E0031123	10/20/2022	Reliastar Life Insurance Co	75.00	A/P - TSA
E0031124	10/20/2022	Safeguard System Inc	246.88	Repairs & Maintenance
E0031125	10/20/2022	Shoreline Plumbing Co	12,407.56	Supplies - Other
E0031126	10/20/2022	Southern Computer Warehouse In	25,912.31	Maint Agree-Software
E0031127	10/20/2022	Toyota Lift of Texas	55.00	Contract Labor
E0031128	10/20/2022	Wittigs Office Interiors Inc	200.00	< 5,000 Furn and Fix Not Cap
E0031129	10/20/2022	You Name It Specialties Inc		Production, Publications & Prom
E0031130		Esther M. Castillo		Instructional Supplies
E0031131		Gerardo J. Cobarruvias		Funds Held for Others
E0031132		Sarah L. Contreras	95.00	Travel
		Belinda De la Cruz	28.00	Travel
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# **Financial Record System**

# **Bank 41 Colleague**

Check	Date	Payee	Amount	Description
E0031134	10/25/2022	Nathan J. Ditzler	33.72	Instructional Supplies
E0031135	10/25/2022	Amador R. Elizondo	420.00	Travel
E0031136	10/25/2022	Graciela M. Martinez	18.00	Travel
E0031137	10/25/2022	Matthew D. Perry	292.38	Travel
E0031138	10/25/2022	Rachel N. Perry	39.05	Instructional Supplies
E0031139	10/25/2022	Melissa L. Stuive	219.00	Travel
E0031140	10/25/2022	Alpha Building Corporation	28,974.73	Contractors
E0031141	10/25/2022	Altex Electronics	27.95	Supplies - Other
E0031142	10/25/2022	Amazon.Com LLC	3,654.97	Instructional Supplies
E0031143	10/25/2022	Anderson Marketing Group	19,593.42	Advertising
E0031144	10/25/2022	CC Lawn Pros, LLC	2,925.00	Contractors
E0031145	10/25/2022	Commission on Accreditation	2,300.00	Accreditation Expense
E0031146	10/25/2022	EAN Services LLC	810.89	Travel
E0031147	10/25/2022	Ellucian Company Lp	42,180.00	Maint Agree-Software
E0031148	10/25/2022	Fisher Scientific Company LLC	450.04	Instructional Supplies
E0031149	10/25/2022	Gateway Printing & Office Supp	9,988.51	Office Supply Payable
E0031150	10/25/2022	Grainger Inc	154.53	Supplies - Other
E0031151	10/25/2022	Gulf Coast Paper Co Inc	399.10	Instructional Supplies
E0031152	10/25/2022	Labatt Food Service LLC	7,777.81	Instructional Supplies
E0031153	10/25/2022	LK Jordan & Associates	2,839.13	Contract Labor
E0031154	10/25/2022	Nalco Company LLC	3,272.69	Chemical-Water Treatment
E0031155	10/25/2022	O'Reilly Auto Parts	230.37	P & S - Other
E0031156	10/25/2022	Pepsi Cola Corpus Christi	271.35	Food Supplies
E0031157	10/25/2022	Safeguard System Inc	1,575.00	Contract Labor
E0031158	10/25/2022	South Texas Restaurant	660.11	Repairs & Maintenance
E0031159	10/25/2022	Southern Computer Warehouse In	1,061.85	Supplies - Other
E0031160	10/25/2022	Terracon Consultants Inc	5,000.00	Architect Fees
E0031161	10/25/2022	Texas Book Company	23.40	Instructional Supplies
E0031162	10/25/2022	TK Elevator Corporation	7,982.28	Repairs & Maintenance
E0031163	10/25/2022	Touchnet Information System	4,914.70	Student Ref Exp
E0031164	10/25/2022	You Name It Specialties Inc	428.74	Production, Publications & Prom
E0031165	10/27/2022	Dale C. Anderson	222.50	Travel
E0031166	10/27/2022	Andrea M. Avalos	128.21	Travel
E0031167	10/27/2022	Christine V. Benavides	32.51	Travel
E0031168	10/27/2022	Shao-Shan Chen	1,289.16	Travel
E0031169	10/27/2022	Joseph M. Dudek	65.00	Travel
E0031170	10/27/2022	Jason Flores	367.50	Travel
E0031171	10/27/2022	George P. Lister	445.63	Travel
E0031172	10/27/2022	Mendy L. Meurer	509.93	Professional Development
E0031173	10/27/2022	Robert J. Mirabal	43.76	Travel
E0031174	10/27/2022	Jessica M. Montalvo-Cummings	532.21	Travel
E0031175	10/27/2022	Victoria L. Pannone	309.00	Travel
E0031176	10/27/2022	David T. Sutanto	1,366.51	Travel

# **Financial Record System**

# **Bank 41 Colleague**

Check	Date	Payee	Amount	Description
E0031177	10/27/2022	Omar Villarreal	29.00	Travel
E0031178	10/27/2022	Chun Wai Newman Wong	744.97	Travel
E0031179	10/27/2022	Amazon.Com LLC	4,187.96	Office Supplies
E0031180	10/27/2022	Anderson Marketing Group	90,418.59	Advertising
E0031181	10/27/2022	Cintas Corporation	872.51	Contractors
E0031182	10/27/2022	Colonial Security Life Ins	246.42	A/P - Optional Life
E0031183	10/27/2022	Concentra Medical Center	980.50	Employee Med Exam
E0031184	10/27/2022	Corpus Christi Athletic Club	3,152.24	Corpus Christi Athletic Club
E0031185	10/27/2022	Del Mar College Foundation	2,914.71	Foundation Contributions
E0031186	10/27/2022	Ellucian Company Lp	21,090.00	Maint Agree-Software
E0031187	10/27/2022	Everest Water and Coffee LLC	267.00	Food Supplies
E0031188	10/27/2022	Fisher Scientific Company LLC	618.77	Instructional Supplies
E0031189	10/27/2022	Gateway Printing & Office Supp	577.92	< 5,000 Furn and Fix Not Cap
E0031190	10/27/2022	Grainger Inc	1,202.80	Instructional Supplies
E0031191	10/27/2022	Graves Dougherty Hearon	3,975.80	Other General Expense
E0031192	10/27/2022	Jefferson National Life	2,112.32	A/P - ORP
E0031193	10/27/2022	Metlife	4,033.10	A/P - ORP
E0031194	10/27/2022	Nalco Company LLC	1,603.44	Chemical-Water Treatment
E0031195	10/27/2022	O'Reilly Auto Parts	525.24	Supplies - Automotive
E0031196	10/27/2022	Pepsi Cola Corpus Christi	725.37	Food Supplies
E0031197	10/27/2022	Reliastar Life Insurance Co	1,596.25	A/P - ORP
E0031198	10/27/2022	Safeguard System Inc	140.00	Contract Labor
E0031199		SecureTech	741.45	Consultants
E0031200	10/27/2022	Shoreline Plumbing Co	1,352.25	SC NC Plumbing
E0031201	10/27/2022	Southern Computer Warehouse I	n 2,512.62	< 5,000 Computer Not Cap INVT
E0031202	10/27/2022	Texas Book Company	·	Funds Held for Others
E0031203	10/27/2022	USAA Annuity Life Insurance Co	1,474.87	A/P - ORP
E0031204	10/27/2022	Victory Capital Advisers Inc	8,205.12	A/P - ORP
E0031205	10/27/2022	You Name It Specialties Inc		Production, Publications & Prom
			Total: \$ 7,187,955.08	_

# **Financial Record System**

# Checks Over 10,000

Check	Date	Payee	Amount		Description
75560	10/4/2022	Camacho Demolition LLC	\$	10,378.73	Hazardous Waste
75564	10/4/2022	Hanson Professional Services		34,963.00	Consultants
75578	10/4/2022	VWR International LLC		11,469.69	> 5,000 Equipment Capitalized
75580	10/6/2022	Aircraft Technical Publishers		18,002.00	Software Desk Lic Fees
75597	10/6/2022	NurseTim Inc		22,140.00	Software Desk Lic Fees
75600	10/6/2022	Pocket Nurse		20,378.25	< 5,000 Equip Not Cap INVT
75620	10/7/2022			16,018.00	A/R - Students
75628	10/11/2022	Critical Start LLC		40,971.34	Maint Agree-Software
75642	10/11/2022	Smarterservices LLC		10,725.00	Software Desk Lic Fees
75644	10/11/2022	Texas Higher Education Coordin		21,939.12	Grants & Contracts
75645	10/11/2022	U.S. Bank Voyager Fleet System		17,211.48	Fuel/Oil
75647	10/13/2022	B. E. Beecroft Company, Inc		1,071,772.90	Contractors
75648	10/13/2022	Command Commissioning Llc		32,053.15	Consultants
75656	10/13/2022	JL Squared Construction		42,032.00	Contract Labor
75659	10/13/2022	MediaValet Inc		18,200.00	Production, Publications & Prom
75661	10/13/2022	Pfluger Architects Inc		121,600.00	Consultants
75664	10/13/2022	Port Enterprises Ltd		287,946.31	Const Cost - Contractors
75676	10/18/2022	Command Commissioning Llc		25,512.60	Consultants
75684	10/18/2022	Panopto Inc		53,381.85	IT License Fees
75692	10/18/2022	VWR International LLC		24,845.04	Instructional Supplies
75713	10/20/2022	Home Depot		10,524.65	Building Structure
75721	10/20/2022	Solid Border Inc		15,990.00	IT License Fees
75724	10/20/2022	Texas Higher Education Coordin		77,530.18	Grants & Contracts
75728	10/20/2022	Turnitin LLC		50,200.00	IT License Fees
75730	10/20/2022	VWR International LLC		36,844.53	Instructional Supplies
75734	10/25/2022	B. E. Beecroft Company, Inc		1,350,055.45	Contractors
75736	10/25/2022	Carroll Systems		82,585.32	Contractors
75742	10/25/2022	Hanson Professional Services		30,805.00	Consultants
75745	10/25/2022	Layer 3 Communications LLC		33,149.49	> 5,000 Equipment Capitalized
75767		Fulton Coastcon a Joint Ventur		1,301,822.05	Contractors
E0030947	10/4/2022	Airgas USA		19,707.96	> 5,000 Equipment Capitalized
E0030966	10/4/2022	Victory Building Team		937,326.11	Contractors
E0030981	10/6/2022	Felix Diesel Service Inc		25,179.79	Repairs & Maintenance
E0030983		Gateway Printing & Office Supp		11,231.93	< 5,000 Furn and Fix Not Cap
E0030996	10/6/2022	Shoreline Plumbing Co		100,000.00	Contractors
E0030997		Southern Computer Warehouse In		26,327.25	< 5,000 Computer Not Cap INVT
E0031011	10/11/2022	Amazon.Com LLC		10,507.09	Library Books
E0031040		ABM Industry Groups LLC			Contractors
E0031050		Fisher Scientific Company LLC		19,677.70	< 5,000 Equip Not Cap INVT
E0031058		Texas Wilson Office Furniture		21,182.40	< 5,000 Furn and Fix Not Cap
E0031075	10/18/2022	All Points Environmental LLC		24,870.50	Consultants
E0031079	10/18/2022	City of Corpus Christi		44,547.26	Water
E0031110	10/20/2022	Felix Diesel Service Inc		10,489.78	Repairs & Maintenance
E0031125					'

# Financial Record System

# Checks Over 10,000

Check	Date	Payee	Amount	Description	
E0031126	10/20/2022	Southern Computer Warehouse In		25,912.31 Maint Agree-Software	
E0031140	10/25/2022	Alpha Building Corporation		28,974.73 Contractors	
E0031143	10/25/2022	Anderson Marketing Group		19,593.42 Advertising	
E0031147	10/25/2022	Ellucian Company Lp		42,180.00 Maint Agree-Software	
E0031180	10/27/2022	Anderson Marketing Group		90,418.59 Advertising	
E0031186	10/27/2022	Ellucian Company Lp		21,090.00 Maint Agree-Software	
E0031202	10/27/2022	Texas Book Company		18,465.29 Funds Held for Others	
		To	tal: \$	6,512,065.61	

# Regular Agenda Item 4



To: Mark Escamilla, PH.D., President of the College

From: Raul Garcia, CPA, Vice President and Chief Financial Officer

Date: December 13, 2022

Subject: Board Agenda: Annual Comprehensive Financial Report (ACFR) for the Fiscal Years

Ended August 31, 2022 and 2021.

#### SUMMARY:

Ms. Brigid Cook of Collier, Johnson and Woods, P.C. will present the College's Annual Comprehensive Financial Report (ACFR) for the fiscal years ended August 31, 2022 and 2021.

#### **BACKGROUND:**

In accordance with State legal requirements prescribed by Texas Education Code section 44.008, Del Mar College's ACFR for the fiscal years ended August 31, 2022 and 2021 has been audited by Collier, Johnson and Woods, P.C. The purpose of the ACFR is to provide financial information about the College's financial condition and performance and submitted to the Board of Regents for review and approval.

#### STAFF RECOMMENDATION:

It is recommended that the Board approve the College's ACFR for the fiscal years ended August 31, 2022 and 2021.

#### LIST OF SUPPORTING DOCUMENTS:

1. Del Mar College Annual Comprehensive Financial Report for the fiscal years ended August 31, 2022 and 2021.

555 N. Carancahua Suite 1000 Corpus Christi, Texas 78401-0839 361-884-9347 • Fax 361-884-9422 www.cjw-cpa.com

December 13, 2022

Board of Regents Del Mar College District Corpus Christi, Texas

We have audited the financial statements of the Del Mar College District (the College) and its discretely presented component unit, the Del Mar College Foundation (the Foundation), for the years ended August 31, 2022 and 2021 and June 30, 2022 and 2021, respectively. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, Government Auditing Standards, State of Texas Single Audit Circular and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 26, 2022. Professional standards also require that we communicate to you the following information related to our audit.

#### **Significant Audit Matters**

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the College are described in Note 2 to the financial statements. As described in Note 2 to the financial statements, the College changed accounting policies related to accounting and financial reporting for leases by adopting Statement of Government Accounting Standards (GASB Statement) No. 87, *Leases*, in 2022. Accordingly, the cumulative effect of the accounting change as of the beginning of 2021 is reported in Note 2(T) to the financial statements. We noted no transactions entered into by the College during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the College were:

Board of Regents Del Mar College District Page -2-

Management's estimate of the pension liability is based on information provided by Teacher Retirement System of Texas (TRS). Management's evaluation of information provided as well as the census information provided to TRS is an integral part of the pension estimate. We evaluated the key factors used to develop the pension liability in determining that it is reasonable in relation to the financial statements taken as a whole. The disclosure of Defined Benefit Pension Plan in Note 11 to the financial statements provides information required related to GASB No. 68 standards.

Similarly, management's estimate of the OPEB liability is based on information provided by Texas Employees Group Benefits Program which is administered by the Employees Retirement System of Texas (ERS). Management's evaluation of information provided as well as the census information provided to ERS is an integral part of the OPEB estimate. We evaluated the key factors used to develop the OPEB liability in determining that it is reasonable in relation to the financial statements taken as a whole. The disclosure of Defined Benefit OPEB Plan in Note 16 to the financial statements provides information required related to GASB No. 75 standards.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. During the completion of audit procedures, we encountered no misstatements, both individually or in the aggregate, to the financial statements taken as a whole.

#### Disagreements with Management

For purposes of this letter, a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

#### Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 8, 2022.

Board of Regents Del Mar College District Page -3-

#### Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the College's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

#### Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the College's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

#### Other Matters

We applied certain limited procedures to Management's Discussion and Analysis on pages 19 through 37 and Pension and OPEB Disclosures on pages 95 through 98, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on schedules required by the Texas Higher Education Coordinating Board on pages 99 through 102, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the transmittal letter and statistical tables, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Board of Regents Del Mar College District Page -4-

\*\*\*\*\*\*

#### **Restriction on Use**

This information is intended solely for the use of the Board of Regents and management of the Del Mar College District and is not intended to be, and should not be, used by anyone other than these specified parties.

Collier, Johnson & Woods



# DEL MAR COLLEGE



# **Annual Comprehensive Financial Report**

For the Fiscal Years Ended August 31, 2022 and 2021

Del Mar College
101 Baldwin Blvd | Corpus Christi, TX 78404
delmar.edu



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# Annual Comprehensive Financial Report

For the Fiscal Years Ended August 31, 2022 and 2021

Prepared by

Raul Garcia, CPA, MBA Vice President and Chief Financial Officer

John Johnson *Comptroller* 

Catherine West, CPA, Ed.D.

Director of Accounting and Budget Officer

Del Mar College 101 Baldwin Blvd., Corpus Christi, Texas 78404-3897 www.delmar.edu



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# Del Mar College annual comprehensive financial report FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021

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# Del Mar College annual comprehensive financial report FOR THE YEARS ENDED AUGUST 31, 2022 AND 2021

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# Introduction Section







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#### **Transmittal Letter**

December 8, 2022

To: President Mark Escamilla, Ph.D.

Members of the Board of Regents and
Citizens of the Del Mar College District

Del Mar College has completed the Annual Comprehensive Financial Report (ACFR) for the years ended August 31, 2022 and 2021. Our report has been audited by Collier, Johnson, and Woods, P. C. as legally required by the Texas Education Code Section 44.008. The purpose of the ACFR is to provide financial information about the College's financial condition and performance. The financial report is prepared in accordance with Generally Accepted Accounting Principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB) and complies with the Annual Financial Reporting Requirements for Texas Public Community Colleges as set forth by the Texas Higher Education Coordinating Board (THECB). The notes to the financial statements are considered an integral part of the financial statements and should be read in conjunction with the financial statements.

The College's management assumes responsibility for establishing and maintaining an internal control framework to provide reasonable assurance that the ACFR is presented in a manner that is free of material misstatements. The concept of reasonable assurance recognizes that: the cost of a control should not exceed the benefits likely to be derived; the valuation of costs and benefits requires estimates and judgments by management. This letter of transmittal complements and should be read in conjunction with the Management's Discussion and Analysis (MD&A) which immediately follows the independent auditor's report. The MD&A includes a narrative introduction, overview, and analysis of the basic financial statements.

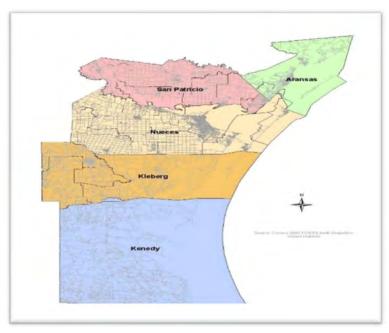
#### **Annual Comprehensive Financial Report**

The ACFR contains a wealth of financial information, which is why it is divided into four sections: the Introductory, Financial, Statistical, and Federal and State Awards. The Introductory section includes this transmittal letter, a listing of the Board of Regents and Administration, the Certificate of Excellence in Financial Reporting, and an organization chart. The Financial section includes the independent auditor's report on the basic financial statements, MD&A, the basic financial statements, notes to the financial statements, and the required supplementary information. The Statistical section includes selected unaudited financial and demographic information that is presented on a multi-year basis. Lastly, the Federal and State Awards section includes the independent auditor's reports on the College's internal controls and compliance with grant requirements, expenditure schedules, and finding and question cost reports. The College's financial records are maintained on the accrual basis of accounting, whereby all revenues are recorded when earned, and all expenses are recorded when incurred.

#### **College Profile**

Del Mar College District (DMC) is an independent political subdivision of the State of Texas

located in Nueces County. The College started in 1935 under the Corpus control of Christi Independent School District's Board of Trustees. In 1951, the College became an independent political subdivision, legally named Corpus Christi Junior College District. In 1999, the College's Board of Regents adopted Del Mar College District as the official name. The College provides access to a wide range of affordable academic programs, and we are accredited by the Southern Association of Colleges Schools Commission on and Colleges (SACSCOC). The



College successfully completed the 10-year reaffirmation based on our compliance with 74 SACSCOC standards with no recommendations for improvements.

The College serves over 24,000 learners in academic, career and technical, and continuing education courses. Our eight instructional pathways are designed to help students map and complete their degree, certificate, or continuing education program on a timely basis. Our pathways include Architecture, Aviation, and Automotive; Business Administration and Entrepreneurship; Communication, Fine Arts & Social Sciences; Health Sciences; Industrial Technology; Kinesiology & Education; Public Service and Science, Technology, Engineering, and Math (STEM). Our workforce and certificate programs are designed for students intending to enter the workforce immediately by preparing them with industry-related skills and knowledge. From the lens view of the industry, our programs are aligned with industries that help drive our economy, and our academic programming is designed to bridge the skill set requirements of the industry. The following are examples of our programs closely aligned with the largest growing occupations reported by the Texas Workforce Commission.

Accounting	Health Information Technology	
Air Conditioning Applied Technology	Industrial Machining	
Automotive Applied Technology	Kinesiology	
Child Development and Early Childhood	Medical Assisting	
Construction Management	Millwright – Industrial Maintenance Mechanic	
Dental Assisting	Nurse Education	
Electrician	Pharmacy Technician	
Emergency Medical Technician-Paramedic	Radiologic Technology	
Fire Science/Firefighter	Welding Applied Technology	

We take great pride in the fact that our 2019-2020 student graduates continued their education at one of seven Texas public university systems or private institutions, including Texas A&M (50.6%), University of Texas (14.7%), Texas State University (5.6%), University of Houston (1.4%), University of North Texas (0.6%) and Baylor University (0.9%).

#### Del Mar's Vision, Mission, Values and Strategic Plan

Del Mar's Board of Regents ratified the mission, vision, values, and five-year Strategic Plan for the 2020-2024 years on September 10, 2020. The "Aspire. Engage Achieve." strategic plan focuses on student success and the alignment of academic programs with workforce demands. It is designed using the integrated planning model developed by the Society of College & University Planning. Key stakeholder groups were engaged in developing the new plan, including students, faculty, staff, community members, and the Del Mar College Board.

**Vision:** 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.

**Mission:** Del Mar College is a multi-campus community college providing access to affordable degree and certificate programs, customized workforce development, and continuing education opportunities for the successful educational advancement and lifelong learning needs of our communities.

#### Strategic Plan: Aspire. Engage. Achieve.

**Goal 1: Completion** – Create coherent and seamless pathways that guide students to achieve their educational goals.

Goal 2: Recruitment and Persistence – Recruit and attract students to Del Mar College and provide resources to support continuous enrollment until achievement of their educational goals.

Goal 3: Academic Preparedness and Student Learning – Accelerate student attainment of academic preparedness and ensure optimal levels of learning in all instructional delivery formats. Goal 4: Learning Environments – Provide engaging, effective, and student-ready environments with accomplished and qualified personnel to facilitate learning and productivity.

Goal 5: Workforce Development, Community Partnerships, and Advocacy – Strengthen connections with workforce and community partners, educational agencies, and governmental bodies and officials.

Goal 6: Financial Effectiveness and Affordability – Ensure financial capacity, demonstrate fiscal stewardship, and maintain affordability for students.

#### **College Response to COVID-19**

At the start of the COVID-19 pandemic, the College elevated its digital focus delivery of instruction and student services to comply with the COVID-19 protocols mandated by federal, state, and local agencies. This included recommended but not required social distancing, facial coverings, and vaccinations. In May of 2021, the college transitioned to "Phase 3" of its return to campus plan, and as a result, the College is now open to all students and employees. Throughout the pandemic, protecting the health of students, faculty, and staff have remained the College's highest priority. While instruction has returned to face-to-face delivery, the College continues to deliver a portion of courses and programs virtually.

#### **Financial Outlook**

The College's financial outlook continues to weigh on the uncertainty and the longevity of the pandemic, inflation, and the economy. Despite these vulnerabilities, our forward motion focuses on our value proposition to our students to ensure that our students gain the necessary knowledge, skills, and experience to achieve their goals of academic completion. This is predicated on the College's financial and operational agility to adjust our operations in response to adverse external environmental conditions such as the pandemic. We believe operating plans, including Guided Pathways, Student Engaged in Directed Advising (SENDA), and improvements to our instructional delivery space will help drive up the trajectory of the College's performance resulting in the following student outcomes.

#### **Student Outcomes**

- 1. Reduce years to degree completion
- 2. Reduce student's average credit enrollment to degree completion
- 3. Reduce student debt
- 4. Increase first- and second-year student persistence rates
- 5. Increase the annual number of students earning an associated degree
- 6. Increase the annual number of students earning a certificate
- 7. Increase the three-year graduation rates of Hispanic students
- 8. Faculty will be trained and certified in academic, financial, and culturally inclusive advisement

#### **Guided Pathways**

The Guided Pathways initiative will help the College achieve many of the above-listed student outcomes. Other planned activities include course mapping into eight associate degree metamajors, degree and transfer mapping into predictable course scheduling, and increasing student advisors and other student support services. The course mapping will reduce the complexity of student enrollment choices by detailing the class requirements leading to on-time degree completion. It will also reduce the number of unnecessary credit courses toward their degree or certificate attainment. In addition, course mapping will provide a pathway for continued educational attainment at a four-year institution. The College will forge sound business partnerships with four-year higher education institutions to secure our students' successful transfer. Accordingly, the College will create, revise and implement articulation agreements that align the academic programs at both institutions with a career outlook and income by field of study.

The College's student transferring process will be updated to include a structured pathway toward program completion with an online delivery platform to allow easy student access. In addition, the College will make course scheduling changes easier for students to plan and organize around their work schedule and family obligations.

#### **SENDA Operating Initiatives**

SENDA is an advisory initiative to help our students make informed academic choices to stay on track toward on-time academic completion. The student advising framework includes monitoring and advising academic progress at the 15/30/45 credit hour course enrollment; delivering other supportive services when they go off track; academic planning for transitioning to a four-year institution and career choices; delivering technology-driven financial literacy content; instituting financial peer coaching; and providing virtual career tours. There is also a plan to increase the number of advisors and leverage technology to maintain an effective and quality advisory framework. The College has secured a 5-year Hispanic Serving Institution grant valued at \$2.8 million from the U.S. Department of Education to help fund this intrusive advisory framework.

#### **Instructional Delivery Space and Capital Plan**

The College's instructional delivery space framework is a one-college multi-campus consisting of multiple campuses throughout our service district, including our Heritage, Windward, Oso Creek, Center for Economic Development, and Northwest Center. In addition, the College continues to move forward with executing the 2014 and 2016 voter-approved bond referendums valued at \$296 million. The student-centric capital plan was developed in collaboration with front-line student service employees, administrators, faculty, students, and the Board of Regents with consideration to student educational attainment and lifelong learning needs, improving the learning environment and enhancing student life. The following are a few project highlights.

PROJECTS	STATUS	CAMPUS	PROJ. TYPE	BUDGET (\$000)	COMPLETION
New Multi-building Oso Creek	In	Oso	New	\$117,000	Q4 - 2022
Campus	Progress	Creek	Building		
		(South)			
Fine Arts Music Bldg.	In	Windward	Renovation	\$9,000	Q2 - 2023
	Progress	(West)			
Heldenfels - New Student Center	Planned	Heritage	Renovation	\$6,000	Q4 - 2024
		(East)			
White Library	In	Heritage	Renovation	\$23,600	Q4 - 2024
	Progress	(East)			
Police Station	In	Heritage	New	\$2,949	Q2 - 2023
	Progress	(East)	Building		

#### **Economy**

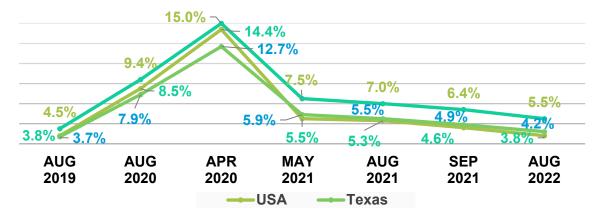
Overall, Texas and Del Mar College District's economic activity has improved from the downside effects of the pandemic as measured by the District's, labor market information, State tax collections and Housing Market. The following economic data points include information relating to the Corpus Christi Metropolitan Service Area (Aransas, San Patricio, and Nueces counties). These counties represent nearly 95% of the District's labor force. In addition, the majority of our fall 2021 students (90%) enrolled at Del Mar College reside in any one of these three counties.

#### Labor Market

Texas labor markets have rebounded from the downside effects of the pandemic based on the following employment indicators. Based on economic indicators reported by the Bureau of Labor Statistics and the Texas Workforce Commission, Texas experienced low job openings, elevated layoffs, and high unemployment rates during the pandemic. From January 2020 to August 2020, the reported low number of monthly job openings varied from 287 thousand to 531 thousand. During the same period, the reported elevated number of monthly layoffs varied from 137 to 816. Lastly, the Texas unemployment rate, as reported by Texas Workforce Commission, peaked at 12.7% in April 2020.

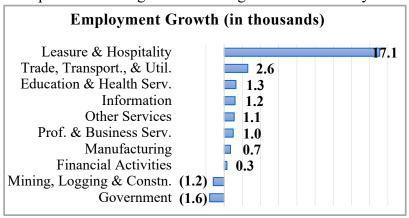
Fast forward to today, Texas is experiencing a tight labor market based on the three indicators previously described. The number of job openings improved from January 2022 to August 2022 with an increase in the number of monthly job openings varying from 929 thousand to 1.0 million. The number of layoffs also improved during the same period with a reported decrease in the number of monthly layoffs varying from 93 to 123. In addition, the reported unemployment rate for the state of Texas hit a low of 4.2%, nearing pre-pandemic levels of 3.7% (August 2019). The College's district also hit an unemployment low of 5.5% in August 2022, nearing pre-pandemic levels of 4.5% (August 2019).

#### **Unemployment Rate History**



Based on the Labor Market Information reported by the Texas Workforce Commission, the District added over 22,000 (13.5%) jobs from April 2020 to August 2022. The growth came mainly from

industries most affected by the economic slowdown caused by the pandemic's health and safety protocols, such as social distancing and stay-at-home orders. The most improved industries include Information (1.2 thousand); Education and Health Services (1.3 thousand); Transportation, Trade. Utilities (2.6 thousand); and Leisure and Hospitality (17.1 thousand).



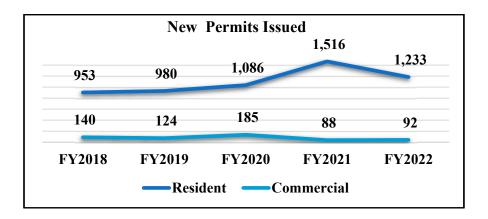
#### State Tax Collections

The College's main source of funding for our State Appropriations revenue is state taxes. According to the figures published by the Texas Comptroller of Public Accounts, tax collections have rebounded from the lows caused by the pandemic. The reported 2020 collections valued at \$57.4 billion declined by \$2 billion or 3.4% on a year-over-year basis. There were no downside effects from this decline to Del Mar College's state appropriation revenue. Tax collections rebounded the following year in 2021, with an increase in tax collections valued at \$4.1 billion. Fast forward to today, the 2022 tax collections hit an all-time high of \$77.2 billion. On a year-over-year basis, tax collections increased by \$15.8 billion or 25.6%, mainly from sales (\$6.9 billion), oil production (\$2.9 billion), and natural gas production (\$2.9 billion).

#### **Housing Market**

The College's property tax revenues is dependent in part to the District's real-estate activity. Based on figures published by Texas Real Estate Research Center at Texas A&M, "the Center," the Corpus Christi MSA housing market activity is experiencing a softening in activity relative to the highs of the pandemic. The upward trajectory of interest rates appears to contribute in part to the market activity slowdown. The average 30-year mortgage rate published by Freddie Mac sharply increased from January 2022 rate of 2.74% to the most recently reported September rate of 6.11%. Single-family home sales volume declined on a year-over-year basis from 3,962 (August 2021) to 3,893 (August 2022) or -1.8%. The average number of days to sell a single-family home on a year-over-year basis declined from 77 days (August 2021) to 73 days (August 2022). The reported average medium sales price for the month of August 2022 is \$300,500 representing an increase of

the previous year \$271,000 or 9.8%. As reported by the City of Corpus Christi, new permits for residential property for the 12 months ended August 2022 decreased to 1,233 permits from the prior year's 1,516 or -18.7%. New permits for commercial property reported for the 12 months ended August 2022 increased to 92 from the previous year's 88 permits or 4.5% as illustrated in the following chart.



#### **Budget Controls**

DMC's annual budget is modeled around the strategic plan supported by multiple revenue streams, including grants, tuition, ad valorem taxes, and state appropriations. The College's budget is prepared under the direction of the Vice-President and Chief Financial Officer (CFO), and the Budget Office with collaboration from the Budget Committee and personnel from all areas of the College. The budget process includes the solicitation of information from various cost center budget stakeholders, including Chairs, Deans, Managers, and Senior Leadership. Budget requests are measured against the annual department's Unit Assessment, including planned operating activities, measured outcomes, findings/results, and resource requests. The budget requests are reported by departmental, function, and object code and reviewed by the Budget Committee.

The Board of Regents approves the proposed detailed operating budget plan on or before September 1 in accordance with the Texas Education Code (Section 51.0051). A copy of the Board-approved annual operating budget and any subsequent amendments thereto are submitted to the Governor, Legislative Budget Board, the Legislative Reference Library, and the Texas Higher Education Coordinating Board by December 1. Thereafter, the Vice-President and CFO will report to the Board of Regents monthly on the state of the budget relative to the operating revenue and expense results.

#### Other Information

Awards: Del Mar College is honored to have been awarded the first in five years the Distinguished Budget Presentation Award on our fiscal year 2021 budget report from the Government Finance Officers Association of the United State and Canada (GFOA). In addition. DMC has been awarded the GFOA's Certificate of Achievement for Excellence in Financial Reporting and the Award for Outstanding Achievement in Popular Annual Financial Reporting for the fiscal year 2020. The College believes this tradition of excellence in financial reporting will continue for fiscal years 2021 and 2022.

Independent Audits: The College has multiple state and federal statutory reporting and compliance audit requirements. The State of Texas requires an audit by an independent certified public accountant in accordance with The Texas Education Code section 44.008. An audit of our federal and state grants is also required in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Part 200.501), Audits of States, Local Governments and Non-Profit Organizations, and the Texas Single Audit Circular. The College has engaged Collier, Johnson, and Woods, P. C. accounting firm to perform these audits. An unmodified opinion is the highest level of assurance that an independent auditor can issue in an audit. The fiscal year 2021 audits on major federal and state programs disclosed no instances of noncompliance, and they did not identify a material deficiency in internal control over financial reporting. The auditors issued an unmodified opinion for the following.

- Del Mar College District's Annual Comprehensive Financial Report
- Compliance for major federal programs
- Compliance for major state programs

The College community welcomes the opportunity to submit this application for the Comprehensive Annual Financial Report. The support of the President, the College's Board of Regents, faculty, and staff contribute to the high standard of financial stewardship and quality throughout the organization. It is with sincere appreciation that we thank all the individuals and departments for their support in this effort.

Respectfully submitted,

Raul Garcia, CPA, MBA

Vice President and Chief Financial Officer

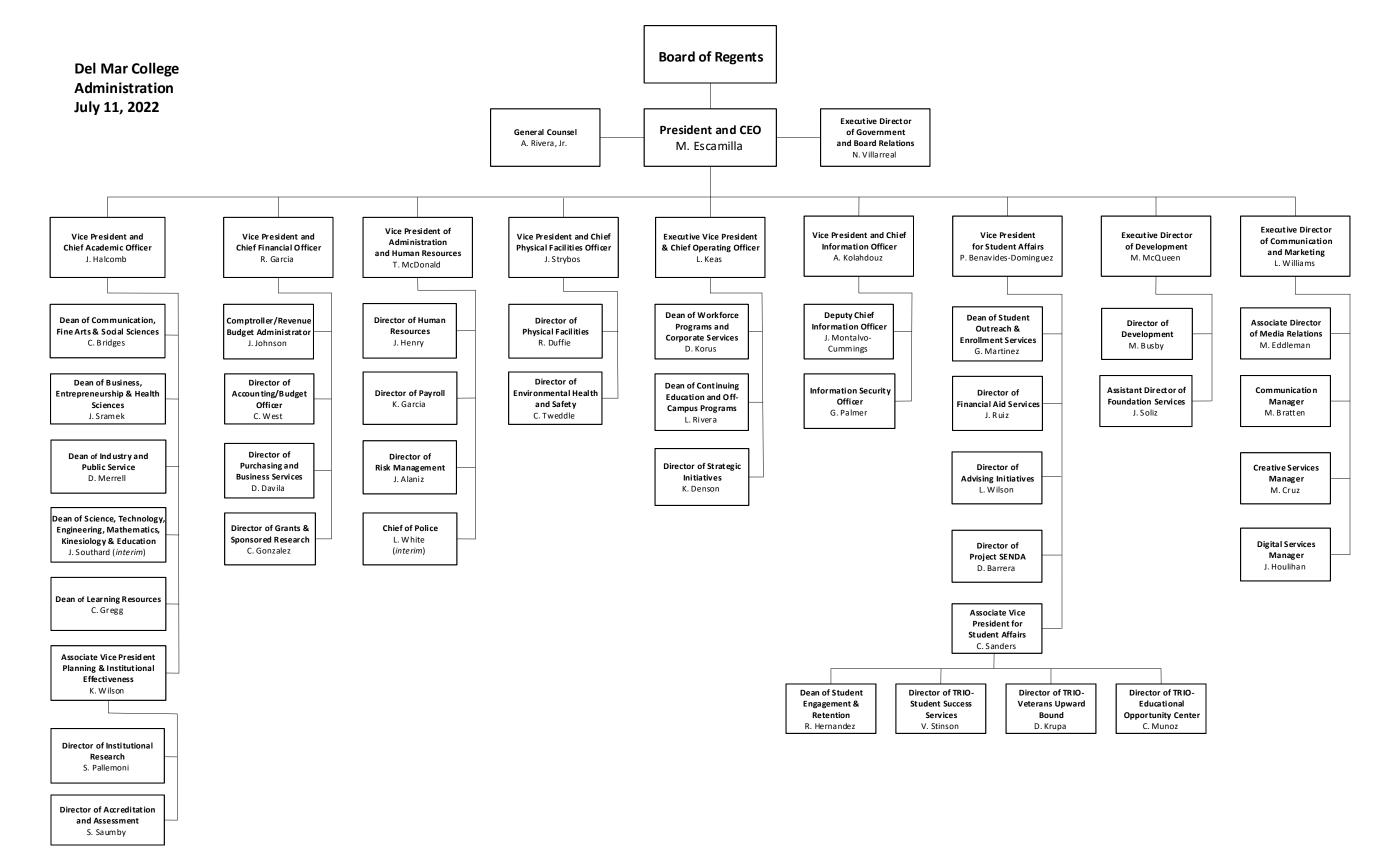
#### Del Mar College Board of Regents As of December 8, 2022

The Board of Regents, the governing body for Del Mar College, is elected by the citizens of the Del Mar College District. Three positions are filled every two years, with board members serving staggered six-year terms. In 1989, the Board adopted a modified single-member district plan with five Regents elected to represent single-member districts and four members elected at large. Vacancies on the Board are filled for an unexpired term according to Board bylaws.

	<b>Term Ending</b>	Position
Carol Scott, Chair	2026	At-Large
Dr. Nicholas L. Adame, First Vice Chair	2026	At-Large
Susan Hutchinson, Second Vice Chair	2022	District 2
Libby Averyt, Secretary	2022	At-Large
Ed Bennett	2022	District 5
Rudy Garza, Jr.	2024	District 1
Dr. Linda P. Villarreal	2024	At-Large
William "Bill" J. Kelly	2024	District 3
Dr. Laurie Turner	2026	District 4

#### Administration

Auministration									
President and CEO	Dr. Mark S. Escamilla								
General Counsel	Augustin Rivera, Jr.								
Executive Vice President and Chief Operating Officer	Lenora Keas								
Vice President and Chief Academic Officer	Dr. Jonda Halcomb								
Vice President of Administration and Human Resources	Tammy McDonald								
Vice President and Chief Financial Officer	Raul Garcia								
Vice President of and Chief Information Officer	Ali Kolahdouz								
Vice President and Chief Facilities Officer	John Strybos								
Vice President for Student Affairs	Patricia Benavides-Dominguez								
Associate Vice President for Student Affairs	Cheryl G. Sanders								
Executive Director of Communication and Marketing	Lorette Williams								
Executive Director of Development	Mary McQueen								
Dean, Communication, Fine Arts and Social Sciences	Dr. Cynthia Bridges								
Dean, Business, Entrepreneurship and Health Sciences	Jennifer Sramek								
Dean, STEM, Kinesiology And Education	Dr. Jack Southard								
Dean, Industry and Public Service	Davis Merrill								
Dean, Learning Resources	Cody Gregg								
Dean, Student Engagement and Retention	Rita Hernandez								
Dean, Student Outreach and Enrollment Services	Graciela Martinez								
Dean, Continuing Education and Off-Campus Programs	Dr. Leonard Rivera								
Dean, Workforce Programs and Corporate Services	Dan Korus								





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# Financial Section







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#### INDEPENDENT AUDITOR'S REPORT

December 8, 2022

Board of Regents Del Mar College District Corpus Christi, Texas

#### Report on the Audit on the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the Del Mar College District (the College) and its discretely presented component unit, as of and for the years ended August 31, 2022 and 2021 and June 30, 2022 and 2021, respectively, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Del Mar College District and its discretely presented component unit, as of August 31, 2022 and 2021 and June 30, 2022 and 2021, respectively, and the respective changes in financial position and, where applicable, cash flow thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Del Mar College District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Change in Accounting Principle

As discussed in Note 2(T) to the financial statements, in 2022, the Del Mar College District adopted new accounting guidance, *GASB No. 87, Leases*. Our opinions are not modified with respect to this matter.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to
  fraud or error, and design and perform audit procedures responsive to those risks. Such procedures
  include examining, on a test basis, evidence regarding the amounts and disclosures in the financial
  statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness on the College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Consider whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the other required supplementary information on pages 19 through 37, and pages 95 through 98 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the College's basic financial statements. Schedules A through D on pages 99 through 102 are required by the Texas Higher Education Coordinating Board, and are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards (Schedule E) on pages 145 through 147 is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is not a required part of the basic financial statements. The Schedule of Expenditures of State Awards (Schedule F) on pages 155 and 156 is presented for purposes of additional analysis as required by the State of Texas Single Audit Circular issued by the Governor's Office of Budget and Planning and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules required by the Texas Higher Education Coordinating Board; Schedule of Expenditures of Federal Awards; and Schedule of Expenditures of State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

#### Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

#### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2022, on our consideration of the College's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Collier, Johnson & Woods

# MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### Introduction

This section of Del Mar College's Annual Comprehensive Financial Report presents Management's Discussion and Analysis of the College's financial position and activities for the years ended August 31, 2022, and 2021, and comparative information for the year ended August 31, 2020. Since this Management's Discussion and Analysis is designed to focus on current activities, resulting change and currently known facts, it should be read in conjunction with the College's Basic Financial Statements and the footnotes. Responsibility for the completeness and fairness of this information rests with the College.

#### **Financial Section**

The financial section of this annual report consists of three parts – Management's Discussion and Analysis, the Basic Financial Statements, and schedules required by the Texas Higher Education Coordinating Board. The financial statements, consisting of the Statements of Net Position; the Statements of Revenues, Expenses, and Changes in Net Position; and, the Statements of Cash Flows are prepared in accordance with U. S. Generally Accepted Accounting Principles (GAAP) as established by the Governmental Accounting Standards Board (GASB).

These three statements will assist the reader in determining whether the College, as a whole, is performing financially better as compared to the prior year. These statements are prepared under the accrual basis of accounting, whereby revenues and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged.

The Statements of Net Position include all assets and liabilities as well as deferred inflows and outflows of resources. The College's net position (which is the difference between assets plus deferred outflows, and liabilities plus deferred inflows) is one indicator of the College's financial health.

Over time, increases or decreases in net position indicate the improvement or erosion of the College's financial health, when considered with non-financial facts, such as enrollment levels and the condition of the facilities.

The Statements of Revenues, Expenses and Changes in Net Position present the revenues earned and expenses incurred during the year. Activities are reported as either operating or non-operating. The College's dependency on state allocations and ad-valorem taxes will result in operating deficits, because state allocations and ad-valorem taxes are non-operating revenues.

Another important factor to consider, when evaluating financial viability, is the College's ability to meet financial obligations as they mature. The Statements of Cash Flows present information related to cash inflows and outflows summarized by operating, non-capital financing, capital and related financing and investing activities.

# MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Overview of the Financial Statements and Financial Analysis**

Following is management's discussion and analysis of the financial activity of Del Mar College for the fiscal years ended August 31, 2022 and 2021. The discussion and analysis provides summary financial information reflected in the statements and therefore, should be read in conjunction with the accompanying financial statements and footnotes. The financial statements consist of the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, the Statement of Cash Flows, the Notes to Financial Statements, and the Required Supplementary Information. An accrual basis of accounting is employed. This means transactions are recorded as incurred rather than when cash changes hands. Each one of these statements will be discussed.

Financial Statements for the College's component unit, the Del Mar College Foundation (Foundation) are issued independent of the College. The Foundation's financial information for fiscal years 2022 and 2021 is shown on separate pages behind the College's basic financial statements. Refer to Note 23 in the Notes to the Financial Statements for more detail on the Foundation.

The following summary and management discussion and analysis of the results is intended to provide readers with an overview of the basic financial statements.

#### **Financial Highlights**

Some of the financial highlights of fiscal year 2022 are as follows:

- Operating revenues increased approximately 41.0% or \$9.5 million from the prior year to the current year, due primarily to an increase in Coronavirus Aid, Relief, and Economic Security Act (CARES) funding received in the form of federal grants
- Capital depreciable assets increased \$49.7 million with the ongoing construction of the new OSO Creek Campus, and renovations of facilities on the Heritage and Windward Campuses.
- Certified net assessed property values increased 3.74% from \$29.1 billion in the prior year to \$31.6 billion in the current year; the assessed tax rate decreased from .288600 to .283340, resulting in an increase in tax revenues totaling \$3.3 million
- In the fiscal year ended August 31, 2022 total District revenues exceeded total expenses by \$9.6 million as a result of careful budgeting, additional funding from the "Higher Education Emergency Relief Fund" for tuition losses incurred due to the pandemic, and prudent fiscal management conservation of resources.

# MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Statement of Net Position**

The Statement of Net Position presents all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector Colleges. Net position, the difference between assets and liabilities, is one way to measure the financial health of the College. The Statement of Net Position is a point in time financial statement. The purpose of the Statement of Net Position is to present, to the readers of the financial statements, a fiscal snapshot of the Del Mar College District.

The Statement of Net Position presents end-of-year data concerning Assets (current and noncurrent), Deferred Outflows, Liabilities (current and noncurrent), Deferred Inflows, and Net Position. Current assets are things of value, which are available to the College in the short term, which is considered to be one year or less. Current liabilities are amounts owed which are expected to be paid in one year or less. Deferred outflows of resources represent a consumption of net position applicable to a future period. The College's deferred outflows of resources include deferred outflows related to pensions and other post-employment benefits. Deferred inflows of resources represent an acquisition of net position applicable to a future reporting period. The College's deferred inflows of resources include deferred inflows related to pensions and other post-employment benefits.

From the data presented, readers of the Statement of Net Position are able to determine the assets available to continue the operations of the College. They are also able to determine how much the College owes vendors and bond holders. Finally, the Statement of Net Position provides a picture of the net position (Total Assets and Deferred Outflows of Resources minus Total Liabilities and Deferred Inflows of Resources) and their availability for expenditure by the College.

Net Position is divided into three major categories. The first category, the net investment in capital assets, represents the College's equity in property, plant and equipment owned by the college, net of debt. The next category is the restricted component of net position. Expendable restricted resources are available for expenditures by the College but must be spent for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on the use of the assets. The final category is unrestricted. These resources are available to the College for any lawful purpose of the College.

# MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

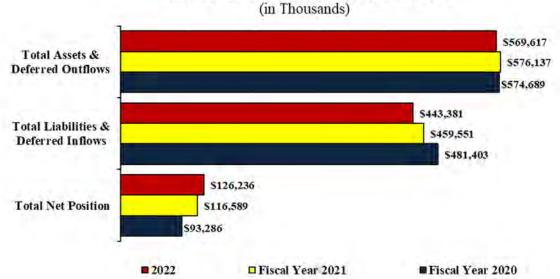
### **Statement of Net Position (Continued)**

#### Statement of Net Position Comparison - Fiscal Year 2022, 2021 and 2020

(In Thousands)

	Fiscal Year	Fiscal Year	Fiscal Year	2022-2021	2021-2020	
	2022	2021	2020	Variance	Variance	
Current Assets	\$ 97,982	\$ 90,555	\$ 88,810	\$ 7,427	\$ 1,745	
Non-Current Assets:						
Capital Assets, Net						
of Depreciation	408,934	359,239	296,614	49,695	62,625	
Lease Receivable	2,690	2,877		(187)	2,877	
Restricted Cash & Investments	51,708	112,672	176,444	(60,964)	(63,772)	
Total Assets	561,314	565,343	561,868	(4,029)	3,475	
Deferred Outflows	8,303	10,794	12,821	(2,491)	(2,027)	
<b>Total Assets &amp; Deferred</b>						
<b>Outflows of Resources</b>	569,617	576,137	574,689	(6,520)	1,448	
Current Liabilities	47,077	41,286	47,062	5,791	(5,776)	
Non-Current Liabilities	375,939	396,254	408,870	(20,315)	(12,616)	
Total Liabilities	423,016	437,540	455,932	(14,524)	(18,392)	
Deferred Inflows	20,365	22,011	25,471	(1,646)	(3,460)	
<b>Total Liabilities &amp; Deferred</b>						
Inflows of Resources	443,381	459,551	481,403	(16,170)	(21,852)	
Net Position:						
Net Investment in Capital Assets	147,325	140,281	126,543	7,044	13,738	
Restricted	8,541	8,176	8,432	365	(256)	
Unrestricted	(29,630)	(31,871)	(41,689)	2,241	9,818	
<b>Total Net Position</b>	\$126,236	\$ 116,586	\$ 93,286	\$ 9,650	\$ 23,300	

### Statement of Net Position Comparison - Fiscal Year 2022, 2021 and 2020



# MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Statement of Net Position (continued)**

#### 2021-2022

- For fiscal year 2022, total assets and deferred outflows of resources decreased by approximately \$6.5 million. Items having the largest impact on this change include a decrease in cash and investments of \$53.8 million primarily due to continued building construction costs on the Oso Creek Campus. The increase in capital assets of \$49.7 million is a direct reflection of that decrease. Deferred outflows of resources decreased by \$2.5 million primarily due to changes in actuarial assumptions related to the pension plan.
- Total liabilities and deferred inflows of resources decreased by \$16.2 million. Items having the largest impact on this included a \$11.6 million decrease in the College's proportionate share of the TRS's net pension liability. This is partially offset by a \$6.5 million increase in the College's proportionate share of the ERS's OPEB liability. Deferred inflows related to pension increased by \$8.3 million due to differences between projected and actual investment earnings. Deferred inflows related to OPEB decreased by \$9.8 primarily due to changes in actuarial assumptions. Another contributing factor for the reduction in total liabilities include principal payments of \$15.1 million on outstanding bonds. Current liabilities increased by \$5.8 million largely due to an increase of \$3 million of remaining HEERF funds which remained unspent at year end an increase of \$3.2 million in accounts payable for items purchased for new Oso Creek campus which opened in July.
- The College's net position increased by \$9.7 million. This increase was largely due to the College's substantial investment in net capital assets, an increase over the prior year of \$7 million. Unrestricted net position increased by \$2.2 million. This was mostly attributable to increased maintenance ad valorem tax collections of \$3.5 million. Net tuition and fees decreased by \$1.8 million due to enrollment declines caused by the pandemic.

#### 2020-2021

- For fiscal year 2021, total assets and deferred outflows of resources decreased by approximately \$1.4 million. Items having the largest impact on this change include a decrease in cash and investments of \$58.5 million primarily due to continued building construction costs on the Oso Creek Campus. The increase in capital assets of \$62.6 million is a direct reflection of that decrease. Accounts receivable decreased by \$1.4 million due to enrollment declines caused by the ongoing pandemic. Prepaid expenses included within the current asset category decreased by \$2 million due to delivery of the X-RAY equipment and an industrial process trainer included in the prior year.
- Total liabilities and deferred inflows of resources decreased by \$21.9 million. The largest contribution factor was bond principal payments of \$11.3 million and bond premium amortization of \$2.9 million. In addition, current liabilities decreased by \$5 million largely due to a decrease in construction costs to vendors on capital construction improvement projects of \$4.1 million and a decrease in unearned revenue of \$1.5 million from a loss in

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

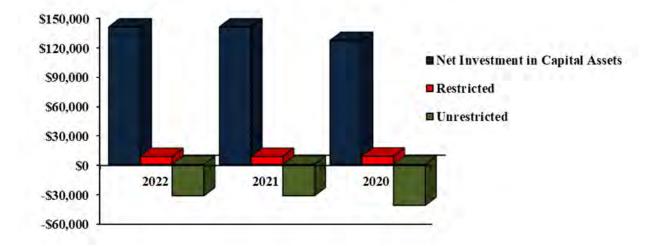
#### **Statement of Net Position (continued)**

comparative subsequent fiscal year fall enrollments of 12.5%. Deferred inflows related to OPEB decreased by \$5.8 million. This amount represents a decrease in the total OPEB liability from assumption changes.

• The College's net position increased by \$23.3 million. This increase was in part due to the College's substantial investment in net capital assets, an increase over the prior year of \$13.7 million. Unrestricted net position increased by \$9.8 million. This was mostly attributable to increases in operating federal, state, and local revenues of \$2.5 million, \$1.7 million savings in instructional salaries, \$2.2 million in Cares Act funding for lost tuition revenue due to enrollment declines caused by pandemic, and prudent fiscal monitoring of operating expenses which were maintained at the previous year level.

The following is a graphic illustration of net position at August 31, 2022, 2021 and 2020:

Net Position Comparison - Fiscal Year 2022, 2021 and 2020 (in Thousands)



# MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### Statement of Revenues, Expenses and Changes in Net Position

Changes in total net position, as presented on the Statement of Net Position, are based on the activity presented in the Statement of Revenues, Expenses, and Changes in Net Position. The purpose of the statement is to present the revenues earned by the College, both operating and non-operating, and the expenses incurred by the College, operating and non-operating, and any other revenues, expenses, gains and losses received or spent by the College.

Generally speaking, operating revenues are received for providing goods and services to the various customers and constituencies of the College. Operating expenses are those expenses paid to acquire or produce the goods and services provided in return for the operating revenues, and to carry out the mission of the College. Non-operating revenues are revenues received for which goods and services are not provided. Non-operating expenses are those expenses incurred as the result of activities other than the primary function of the College.

### Statement of Revenues, Expenses and Changes in Net Position Years Ended August 31, 2022 Through 2020

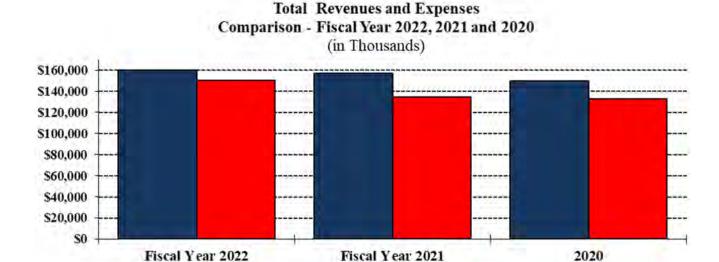
(In Thousands)

	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	2022-2021 Variance	2021-2020 Variance
Operating Revenues	\$ 32,665	\$ 23,174	\$ 22,658	\$ 9,491	\$ 516
Non-Operating Revenues	127,165	134,079	126,858	(6,914)	7,221
<b>Total Revenues</b>	159,830	157,253	149,516	2,577	7,737
Operating Expenses	140,402	124,138	122,505	16,264	1,633
Non-Operating Expenses	10,063	10,645	10,024	(582)	621
Total Expenses	150,465	134,783	132,529	15,682	2,254
Contributions from Other Agencies	285	830	60	(545)	770
Increase (Decrease) in Net Assets	9,650	23,300	17,047	(13,650)	6,253
Net Assets Beginning of Year	116,586	93,286	76,239	23,300	17,047
Net Assets End of Year	\$ 126,236	\$ 116,586	\$ 93,286	\$ 9,650	\$ 23,300

# MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Statement of Revenues, Expenses and Changes in Net Position (continued)**

The following is a graphic illustration of total revenues and expenses at August 31, 2022, 2021 and 2020:



■ Total Expenses

Operating revenues consisted of the following:

### Operating Revenues Years Ended August 31, 2022 through 2020

■ Total Revenues

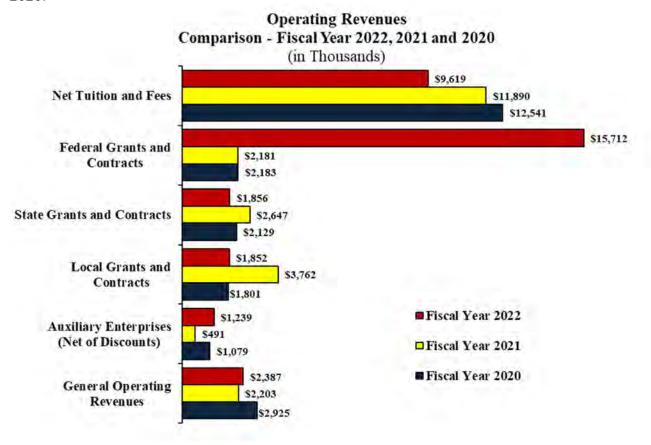
(In Thousands)

	Fiscal Year Fiscal Year		Fiscal Year		2022-2021		202	21-2020		
<b>Operating Revenues</b>	2022		2021		2020		<u>Variance</u>		Va	ariance
Tuition and Fees	\$	26,593	\$	28,403	\$	30,335	\$	(1,810)	\$	(1,932)
Scholarship Allowances and Discounts		(16,974)		(16,513)		(17,794)		(461)		1,281
Federal Grants and Contracts		15,712		2,181		2,183		13,531		(2)
State Grants and Contracts		1,856		2,647		2,129		(791)		518
Local Grants and Contracts		1,852		3,762		1,801		(1,910)		1,961
Auxiliary Enterprises (Net of Discounts)		1,239		491		1,079		748		(588)
General Operating Revenues		2,387		2,203		2,925		184		(722)
Total	\$	32,665	\$	23,174	\$	22,658	\$	9,491	\$	516

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Statement of Revenues, Expenses and Changes in Net Position (continued)**

The following is a graphic illustration of total operating revenues at August 31, 2022, 2021 and 2020:



Key factors impacting total operating revenues:

#### 2021-2022

- Tuition and Fees, net of discounts, were down \$2.3 million. This decrease was due to a 7% enrollment decline over the previous year.
- Federal grants and contracts increased by \$13.5 million. The majority of this increase was due to additional funds received over the previous year for the CARES Act Higher Education Emergency relief fund for enrollment losses, student financial needs, and health and safety supplies needed for the ongoing pandemic.
- Local grants and contract decreased by \$1.9 million. This was partially due to a decrease of \$2 million in funding from Gulf Coast Growth Ventures and the City of Corpus Christi for the completion of the process technology pilot plant project.
- The College auxiliary services sustained losses in the prior year which were partially reimbursed by the CARES Act Higher Education Relief fund. The amount reimbursed totaled \$523 thousand.

# MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Statement of Revenues, Expenses and Changes in Net Position (continued)**

#### 2020-2021

- Revenue from tuition and fees decreased \$1.9 million over 2020. The decrease in revenue was due to a 10.75% enrollment decline caused by the ongoing pandemic.
- The decrease in Scholarship Allowances and Discounts of \$1.3 million mostly resulted from decrease Pell Grant funding to students of \$1.1 million.
- Due to the continued circumstances directly related to COVID-19 which forced the closure of most on-campus instruction, the college auxiliary services sustained losses of \$588 thousand. The majority of these losses were within campus dining, vending machine, and auditorium rental facilities.
- The decrease in General operating revenues of \$722 thousand was due largely to a decrease in indirect costs and administrative fees earned on contract instruction and grants. This totaled \$1 million and was offset by increased book and supplies revenues of \$304 thousand.
- Local grants and contracts increased by \$2 million due to funds received from Gulf Coast Growth Ventures and the City of Corpus Christi who each contributed approximately \$1 million respectively for the process technology pilot plant project.

Operating expenses consisted of the following:

# Operating Expenses Years Ended August 31, 2022 through 2020

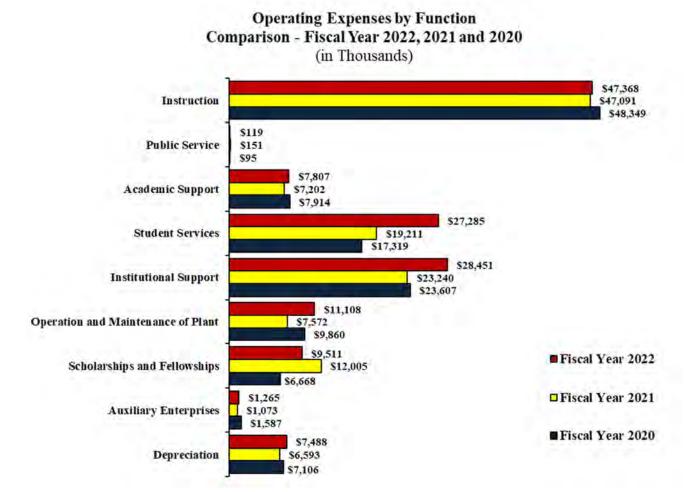
(In Thousands)

Operating Expenses	Fiscal Year 2022		Fiscal Year 2021		Fiscal Year 2020		2022-2021 Variance		2021-2020 Variance	
Instruction	\$	47,368	\$	47,091	\$	48,349	\$	277	\$	(1,258)
Public Service		119		151		95		(32)		56
Academic Support		7,807		7,202		7,914		605		(712)
Student Services		27,285		19,211		17,319		8,074		1,892
Institutional Support		28,451		23,240		23,607		5,211		(367)
Operation and Maintenance of Plant		11,108		7,572		9,860		3,536		(2,288)
Scholarships and Fellowships		9,511		12,005		6,668		(2,494)		5,337
Auxiliary Enterprises		1,265		1,073		1,587		192		(514)
Depreciation		7,488		6,593		7,106		895		(513)
Total	\$ 1	140,402	\$	124,138	\$	122,505	\$	16,264	\$	1,633

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Statement of Revenues, Expenses and Changes in Net Position (continued)**

The following is a graphic illustration of total operating expenses at August 31, 2022, 2021 and 2020:



Key factors impacting total operating expenses:

#### 2021-2022

For the fiscal year, operating expenses increased by \$16.3 million. Items having the largest impact on this increase were:

• Salaries increased by \$4.5 million. Salary for all full-time faculty, exempt and non-exempt employees increased by 4%. Total cost of these raises was approximately \$2.4 million. In addition, the Board approved a one-time inflation relief payment of \$1,000 to all full-time employees and \$500 to part-time. Total cost of the payment was \$1.1 million. An additional \$1 million was for new positions and upgrades.

# MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Statement of Revenues, Expenses and Changes in Net Position (continued)**

- Employee benefits decreased by \$2.4 million. At fiscal year end the College recorded its portion of pension and other post-employment obligation costs as calculated by the Employee Retirement System and Teachers Retirement System of Texas. For the current year the net adjustment for both decreased benefit costs by \$4.5 million. Additional cost for health insurance prior to the adjustment was \$290 thousand.
- Total other expenses increased by \$14.2 million. Student service expenses increased by \$8.1 million. Funding of \$5.9 million under the CARES and HEERF grants provided a portion of this funding with an additional \$1.6 million coming from the unrestricted plant fund. Funds were used to purchase supplies and non-capitalized equipment for the new Oso Creek campus. In addition, \$3.8 million of the grant funds referred to previously were used to also purchase equipment and supplies to enhance instructional support service.

#### 2020-2021

For the fiscal year, operating expenses increased by \$1.6 million. Items having the largest impact on this increase were:

- Salaries decreased by \$1.1 million. The largest contributing factor to this decrease was the reduction in instruction and academic support salaries of \$1.3 million due to a loss in enrollment of 10.75% caused by the ongoing pandemic. Salary for all full-time faculty, exempt and non-exempt employees increased by 1%. Total cost of these raises was approximately \$615 thousand.
- Employee benefits decreased by \$1.7 million. At fiscal year end the College recorded its portion of pension and other post-employment obligation costs as calculated by the Employee Retirement System and Teachers Retirement System of Texas. For the prior year net adjustments for both decreased benefit costs by \$195 thousand. For the current year the net adjustment for both decreased benefit costs by \$1.4 million.
- Other expenses increased by \$4.4 million. Scholarships and Fellowships increased by \$5.3 million mostly the result of funds disbursed to students under the CARES and HEERF grants to provide additional financial support during the pandemic. During the prior year the remaining balance of depreciation was taken on the Northwest Center. This reduced building depreciation by \$823 thousand.

# MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Statement of Revenues, Expenses and Changes in Net Position (continued)**

Non-operating revenues and expenses consisted of the following:

### Non-Operating Revenues and Expenses Years Ended August 31, 2022 through 2020

(In Thousands)

Non-Operating Revenues	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	2022-2021 Variance	2021-2020 Variance
State Appropriations	\$ 24,081	\$ 23,517	\$ 25,500	\$ 564	\$ (1,983)
Maintenance Ad Valorem Taxes	60,516	57,023	58,319	3,493	(1,296)
Debt Service Ad Valorem Taxes	23,000	23,200	19,158	(200)	4,042
Federal Revenue, Non Operating	20,756	27,236	20,413	(6,480)	6,823
Investment Income	1,307	1,100	3,442	207	(2,342)
Change In Fair Value of Investments	(4,960)	(330)	-	(4,630)	(330)
Other Non-Operating Revenues	2,465	2,332	26	133	2,306
<b>Total Non-Operating Revenues</b>	127,165	134,078	126,858	(6,913)	7,220
Non-Operating Expenses					
Interest on Capital Related Debt	9,851	10,464	9,020	(613)	1,444
Bond Issuance Costs	-	75	925	(75)	(850)
Other Non-Operating Expenses	8	12	7	(4)	5
Loss on Disposal of					
Capital Assets	204	94	72	110	22
<b>Total Non-Operating Expenses</b>	10,063	10,645	10,024	(582)	621
<b>Net Non-Operating Revenues</b>	\$ 117,102	\$ 123,433	\$ 116,834	\$ (6,331)	\$ 6,599

Key factors impacting non-operating revenues and expenses:

#### 2021-2022

- Maintenance ad valorem taxes collected during the year increased by \$3.5 million. The additional tax revenue resulted from a 3.74% increase in property tax values. The property tax rate decreased from .288600 to .283340 per hundred-dollar valuation.
- State appropriations increased by \$564 thousand. At fiscal year end the College recorded the States portion of pension and other post-employment obligations as calculated by the Employee Retirement System and Teachers Retirement System of Texas.
- The increase in investment income of \$207 thousand resulted from an increase in the average interest yield rate from .383% to 0.501%.

# MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Statement of Revenues, Expenses and Changes in Net Position (continued)**

- The decrease in the Change in Fair Value of Investments of \$5 million was due to the increase in market interest rates during the fiscal year compared to the interest rate yield of the majority of the investments in the College's investment portfolio that were purchased during the COVID pandemic when the market interest rates were near zero.
- The decrease in Federal revenue of \$6.5 million was largely due to a reduction in COVID related funding to support students and provide educational institutions with monies to purchase protective equipment, and other needs when compared to the amount received in the prior year.
- Other non-operating expenses decreased by \$582 was mostly due the reduction of interest paid on capital related debt.

#### 2020-2021

- Maintenance ad valorem taxes collected during the year decreased by \$1.3 million. The decrease in tax revenue resulted from current year collections falling by 1.23%. In addition, a refund of \$366 thousand was made to a local industry who had filed a lawsuit on a prior year assessed property valuation. The maintenance property tax rate decreased from .211260 to .205296 per hundred-dollar valuation. Debt service tax revenue increased by \$4 million due to an increase in the debt service tax rate from .069405 to .083304 per hundred-dollar valuation. The increase in the tax rate was necessary to pay for the additional debt requirement created by the issuance of the Limited Tax Bond Series 2020A and 2020B at the end of the prior year
- The decrease in investment income of \$2.3 million resulted from the declining average yield rate from 1.502% to 0.383%.
- Other non-operating revenues increased by \$2.3 million due to CARES and HEERF federal funds received for tuition losses incurred for lower enrollments due to the ongoing pandemic.
- Interest on capital related debt increased by \$1.4 million due to additional debt service requirements for the issuance of the Limited Tax Bond Series, 2020A and 2020B of \$3.2 million at the end of the prior fiscal year, offset by the gradual decrease of interest payments due and premiums amortized.
- The increase in Federal revenue was largely due to COVID related funding received to support students and provide educational institutions with monies to purchase personal protective equipment, expand virtual learning capabilities, and purchase personal computers for both faculty and staff to allow them to work remotely. Funds received exceeded the amount funded in the prior year by \$9 million. Pell fund grants to students decreased by \$2.2 million due to lower enrollment.

# MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Statement of Cash Flows**

The final statement presented by Del Mar College is the Statement of Cash Flows. The Statement of Cash Flows presents detailed information about the cash activity of the College during the year. The statement is divided into five parts. The first part deals with operating cash flows and shows the net cash used by the operating activities of the College. The second section reflects cash flows from non-capital financing activities. This section reflects the cash received and spent for non-operating, non-investing, and non-capital financing purposes. The third section reflects the cash flows from investing activities and shows the purchases, proceeds, and interest received from investing activities. The fourth section deals with cash flows from capital and related financing activities. This section deals with the cash used for the acquisition and construction of capital assets and related items. The fifth section reconciles the net cash used to the operating income or loss reflected on the Statement of Revenues, Expenses, and Changes in Net Position.

Condensed financial information from the Statement of Cash Flows is as follows:

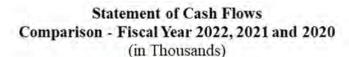
### Statement of Cash Flows Years Ended August 31, 2022 through 2020

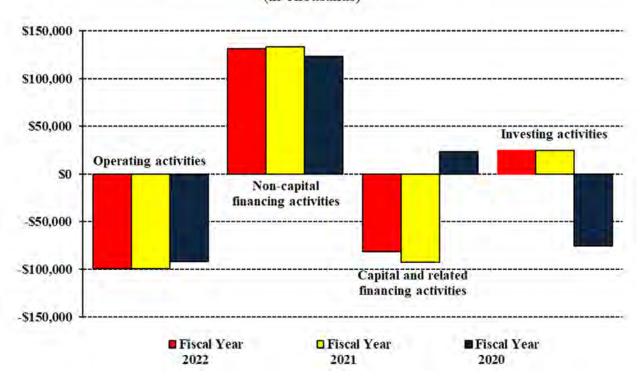
(In Thousands)

	Fiscal Year		Fiscal Year Fiscal Year		F	iscal Year
Cash provided (used) by:		2022	2021			2020
Operating activities	\$	(99,872)	\$	(99,892)	\$	(92,052)
Non-capital financing activities		131,515		133,129		123,137
Capital and related financing activities		(81,811)		(92,856)		23,536
Investing activities		24,751		24,699		(76,344)
Net change in cash and cash equivalents		(25,417)		(34,920)		(21,723)
Cash and cash equivalents - September 1		56,259		91,179		112,902
Cash and cash equivalents - August 31	\$	30,842	\$	56,259	\$	91,179

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Statement of Cash Flows (continued)**





#### **Capital Asset and Debt Administration**

The College had \$409 million invested in capital assets at August 31, 2022 and \$359 million at August 31, 2021. Additions of \$54.9 million were added to construction work in progress for costs of \$32.6 million associated with the new Main, STEM, and Culinary buildings on the Oso Creek Campus, \$7.1 million for re-roofing of multiple buildings on Heritage and Windward campuses, \$4.5 million for the Fine Arts Music renovations, \$2.8 million for redesign and renovations at Heritage and Windward campus buildings including Harvin, Heldenfels, and Memorial, \$3.2 million for the White Library renovation, \$2.1 million for the new police station facility \$1.3 million for the new ERP implementation program, \$1.0 million for the Central Plant at the Oso Creek Campus, \$74 thousand for the Workforce Development Center, and \$227 thousand for the campus edge project. \$826 thousand in construction work in progress was moved to buildings with the completion of the Pilot Plant Phase II for \$557 thousand, additional completion cost associated with Workforce Development Center moved in the prior year for \$42 thousand, and \$227 thousand for improvements completed as part of the campus edge project. New equipment purchases of \$3.2 million were made during the year. In the prior year, new equipment purchases were made totaling \$4.3 million.

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Capital Asset and Debt Administration (Continued)**

Capital assets are net of accumulated depreciation of \$120 million and \$116 million for fiscal years 2022 and 2021, respectively. Depreciation charges totaled \$7.5 million and \$6.6 million for fiscal years 2022 and 2021, respectively.

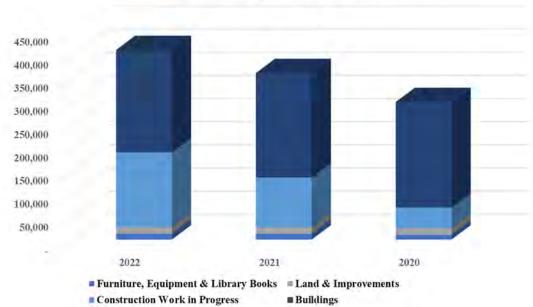
The College had \$529.1 million in capital assets, and \$120.0 million in accumulated depreciation on August 31, 2022.

### **Capital Assets (Net of Depreciation)** Years Ended August 31, 2022 through 2020

(In Thousands)

	2022	2021	2020
Land	\$ 12,649	\$ 12,649	\$ 12,649
Construction in Progress	161,411	107,365	45,091
Buildings and Improvements	220,693	225,377	227,428
Land Improvements	1,556	1,341	1,187
Library Books	659	634	700
Furniture, machinery, vehicles,			
and other equipment	11,843	11,697	9,559
Right-to-use-Leased Equipment	122	176	0
Net capital assets	\$ 408,933	\$ 359,239	\$ 296,614

#### **Capital Asset Comparison** Fiscal Years 2022, 2021 and 2020 (in Thousands)



# MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Capital Asset and Debt Administration (Continued)**

Total bond payable liability balances at August 31, 2022, 2021, and 2020 are as follows:

	(In Thousands)					
Outstanding Debt - Bonds		2022	2022 2021			2020
Del Mar College District Limited Tax Refunding Bonds, Series 2011	\$	-	\$	-	\$	12,395
Del Mar College District Limited Tax Refunding Bonds, Series 2013		7,375		7,405		8,365
Del Mar College District Limited Tax Refunding Bonds, Series 2014		1,330		4,535		5,950
Del Mar College District Limited Tax Refunding and Improvement Bonds, Series 2015		11,875		12,125		12,370
Del Mar College District Limited Tax Bonds, Series 2016		60,120		61,505		62,835
Del Mar College District Combined Fee Revenue Refunding Bonds, Series 2016		9,910		11,300		12,620
Del Mar College District Limited Tax Bonds, Series 2017		7,225		7,575		7,910
Del Mar College District Limited Tax Bonds, Series 2018A		41,855		42,670		43,445
Del Mar College District Limited Tax Bonds, Series 2018B		54,305		55,355		56,355
Del Mar College District Limited Tax Bonds, Series 2020A		22,150		22,150		22,150
Del Mar College District Limited Tax Bonds, Series 2020B		56,285		56,285		56,285
Del Mar College District Limited Tax Bonds, Series 2021		4,230		8,435		-
Total	\$	276,660	\$	289,340	\$	300,680

The College's bond ratings for the two issuances dated June 1, 2020, are "Aa2", and "AA+" by Moody's Investor Service and Fitch Ratings, Inc., respectively. Certain of the District's outstanding tax supported debt has an underlying rating of "Aa2" by Moody's and/or "AA" by Standard and Poor's Global. See Notes 8 and 9 for additional information.

# MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Economic Factors That Will Affect the Future**

The District relies upon three primary revenue sources: local taxes, tuition and fees, and state appropriations. Over the past two fiscal years, the District has responded to declining enrollments, due to the impact of the COVID -19 pandemic, by taking advantage of significant increases in property tax valuations. While we can't precisely predict when enrollments will return the College expects to see a significant growth in the new future due to the opening of the new OSO Creek Campus and reduction in the effects of the pandemic

The economic outlook for the College District is strong and directly tied to the increase in capital investment by industry within the Coastal Bend region. The Corpus Christi Economic Development Board identified demand for an educated workforce as key to the Coastal Bend's expansion in the petro-chemical industrial presence. The region continues to benefit from the worldwide demand for natural gas. Because the Port of Corpus Christi is strategically located on the western Gulf of Mexico with a 36 mile, soon to be 54-foot-deep channel, the port remains the leading energy export seaport in the United States. Deepening of the Port of Corpus Christi and the investment of \$1 billion in a new harbor bridge to link Nueces County to the Northshore of the region are strategic investments which will solidify the continued growth.

The Coastal Bend continues to be a strong market for business growth. During the current fiscal year Gulf Coast Growth Ventures, a joint venture by ExxonMobil and Saudi Arabian Basic Industries Corporation (SABIC) began operations of its \$9.5 billion ethylene cracker plant which created nearly 500 jobs. In addition, Cheniere Energy completed construction of their newest liquid natural gas (LNG) expansion. Currently, Tesla has expressed interest in constructing a \$375 million lithium refining plant, approximately 20 miles west of Corpus Christi near the city of Robstown.

In order to position the College for any possible losses in revenues, administration leaders with approval of the Board of Directors, created a "Risk Reserve Fund" from unrestricted operating reserves added during fiscal year 2020 of \$8.6 million. This reserve continues to make funds available should unanticipated potential losses occur from reduced state funding, reduced property tax collections, loss in tuition revenue or catastrophic loss in future periods.

#### **Request for Information**

This financial report is intended to provide a general overview of Del Mar College's finances. Requests for additional financial information may be addressed to Del Mar College Comptroller's Office, 101 Baldwin Blvd., Corpus Christi, Texas 78404.

John Johnson Comptroller Del Mar College



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### Del Mar College Statements of Net Position

State Medical Control of Tree 1	August 31,					
		2021				
ASSETS	2022	(Restated)				
Current Assets:						
Cash and Cash Equivalents (Note 4)	\$ 29,001,709	\$ 33,945,704				
Short Term Investments (Note 4)	57,816,547	45,665,447				
Accounts Receivable, Net (Note 6)	8,893,254	8,126,315				
Taxes Receivable (Note 6)	1,998,708	1,857,367				
Prepaid Expenses	271,808	959,819				
Total Current Assets	97,982,026	90,554,652				
Noncurrent Assets:						
Restricted Cash and Cash Equivalents (Note 4)	1,840,628	22,313,276				
Restricted Investments (Note 4)	49,867,278	90,358,510				
Lease Receivable (Note 10)	2,690,680	2,877,340				
Capital Assets, Net (Note 7)  Total Noncurrent Assets	408,933,825 <b>463,332,411</b>	359,239,472 474,788,598				
Total Assets	561,314,437	565,343,250				
Deferred Outflows of Resources	301,014,407	303,543,230				
Deferred Loss on Refunding Bonds	645,564	928,873				
Deferred Outflows Related to Pensions (Note 11)	6,568,541	8,646,766				
Deferred Outflows Related to OPEB (Note 16)	1,088,251	1,218,332				
Total Deferred Outflows of Resources	8,302,356	10,793,971				
<b>Total Assets and Deferred Outflows of Resources</b>	569,616,793	576,137,221				
LIABILITIES	307,010,775	370,137,221				
Current Liabilities:						
Accounts Payable and Accrued Liabilities (Note 6)	13,252,469	10,087,409				
Accrued Compensable Absences - Current Portion (Note 8 and 14)	757,937	743,251				
Net OPEB Liability - Current Portion (Note 11)	1,378,047	2,042,618				
Funds Held for Others	2,240,556	2,102,665				
Unearned Revenues (Note 6)						
	16,622,766	13,630,365				
Bonds Payable - Current Portion (Note 8)  Total Current Liabilities	12,825,000	12,680,000				
Noncurrent Liabilities:	47,076,775	41,286,308				
Accrued Compensable Absences (Note 8 and 14)	7,119,737	7,006,137				
Lease Liability (Note 10)	126,432	179,079				
Net Pension Liability (Note 11)	10,452,505	22,030,050				
Net OPEB Liability (Note 16)	65,674,810	59,193,505				
	· · ·	· · ·				
Bonds Payable (Note 8)  Total Noncurrent Liabilities	292,565,618 375,939,102	307,845,119 <b>396,253,890</b>				
Total Liabilities	423,015,877	437,540,198				
Deferred Inflows of Resources	423,013,077	457,540,170				
Deferred Inflows Related to Pensions (Note 11)	11,207,366	2,869,576				
Deferred Inflows Related to OPEB (Note 16)	6,466,712	16,264,090				
Deferred Inflows Related to Lease Receivable (Note 10)	2,690,723	2,877,363				
Total Deferred Inflows of Resources	20,364,801	22,011,029				
Total Liabilities and Deferred Inflows of Resources	443,380,678	459,551,227				
NET POSITION, AS RESTATED	443,300,070	437,331,221				
Net Investment in Capital Assets	147,325,367	140,280,943				
Restricted for:	117,323,307	110,200,515				
Expendable						
Debt Service	8,539,483	8,173,897				
Loan Funds	1,423	1,713				
Unrestricted	(29,630,158)	(31,870,559)				
<b>Total Net Position (Schedule D)</b>	\$ 126,236,115	\$ 116,585,994				
C - Ni-to-to-Financial Chatananta						

(Continued)

See Notes to Financial Statements

### Del Mar College Component Unit Statements of Financial Position

Del Mar College Foundation, Inc.

	<b>June 30</b> ,							
ASSETS		2022		2021				
Cash and Cash Equivalents (Note 4)	\$	2,833,761	\$	1,647,432				
Accounts Receivable		10,382		51,938				
Investments (Note 4 and 23)		9,690,416		16,141,257				
Unconditional Promises to Give (Note 6)		278,935		289,900				
Total Current Assets		12,813,494		18,130,527				
Endowment Investments (Note 4)		15,017,373		13,864,583				
Long-Term Unconditional Promises to Give (Note 6)		367,458		145,044				
Beneficial Interest in Irrevocable Charitable Trust (Note 23)		785,484		825,481				
Total Assets		28,983,809		32,965,635				
LIABILITIES								
Accounts Payable		6,264		23,231				
Due to Del Mar College		77,932		49,335				
Total Liabilities		84,196		72,566				
NET ASSETS								
Without Donor Restrictions		6,832,300		7,750,020				
With Donor Restrictions		22,067,313		25,143,049				
Total Net Assets	\$	28,899,613	\$	32,893,069				

See Notes to Financial Statements.

### Del Mar College Statements of Revenues, Expenses and Changes in Net Position

	Year Ende	l August 31,			
		2021 (Restated)			
<b>Operating Revenues</b>	2022				
Tuition and Fees (net of discounts of \$16,974,141					
and \$16,512,629, respectively)	\$ 9,619,277	\$ 11,890,143			
Federal Grants and Contracts	15,711,535	2,180,811			
State Grants and Contracts	1,855,831	2,646,861			
Local Grants and Contracts	1,852,274	3,761,525			
Auxiliary Enterprises	1,239,174	491,537			
General Operating Revenues	2,386,870	2,203,214			
Total Operating Revenues (Schedule A)	32,664,961	23,174,091			
Operating Expenses					
Instruction	47,368,438	47,091,274			
Public Service	119,430	150,811			
Academic Support	7,806,899	7,201,562			
Student Services	27,285,414	19,210,872			
Institutional Support	28,450,829	23,240,007			
Operation and Maintenance of Plant	11,107,937	7,572,279			
Scholarships and Fellowships	9,510,978	12,005,369			
Auxiliary Enterprises	1,264,698	1,073,036			
Depreciation	7,487,351	6,592,389			
Total Operating Expenses (Schedule B)	140,401,974	124,137,599			
Operating Loss	(107,737,013)	(100,963,508)			
Non-Operating Revenues (Expenses)					
State Appropriations	24,081,016	23,516,879			
Maintenance Ad Valorem Taxes	60,515,606	57,023,250			
Debt Service Ad Valorem Taxes	23,000,450	23,200,091			
Federal Revenue, Non Operating	20,756,257	27,236,182			
Loss on Disposal of Capital Assets	(203,695)	(94,275)			
Investment Income	1,307,263	1,100,553			
Change in Fair Value of Investments	(4,960,357)	(329,835)			
Interest on Capital Related Debt	(9,850,928)	(10,464,504)			
Bond Issuance Costs	-	(74,658)			
Other Non-Operating Revenues	2,464,571	2,331,401			
Other Non-Operating Expenses	(8,049)	(11,500)			
Net Non-Operating Revenues (Schedule C)	117,102,134	123,433,584			
Capital Contributions					
Contributions from Other Agencies	285,000	829,997			
Increase in Net Position	9,650,121	23,300,073			
Net Position	116 -0 - 00 :	22 22 22			
Net Position - Beginning of Year, As Restated (Note 2)	116,585,994	93,285,921			
Net Position - End of Year	\$ 126,236,115	\$ 116,585,994			

See Notes to Financial Statements

(Continued)

### Del Mar College Component Unit Statements of Activities

Del Mar College Foundation, Inc.

Year Ended June 30, 2022 With Comparative Totals
For the Year Ended June 30, 2021

	Without Donor		With Donor		Total			
	R	Restrictions Restrictions		2022		2021		
Support, Revenue and Gains:								
Scholarship Contributions	\$	47,781	\$	1,689,757	\$	1,737,538	\$	1,604,930
Designated Scholarship Contributions		-		332,302		332,302		378,848
Grants, Managed Funds, and Other Contributions		194,549		923,741		1,118,290		1,092,364
Net Investment Income		(1,206,924)		(2,889,137)		(4,096,061)		7,129,448
Contributed Services and Expenses		818,396		-		818,396		751,835
Net Assets Released from Restrictions		3,084,052		(3,084,052)		-		_
<b>Total Support, Revenue and Gains</b>		2,937,854		(3,027,389)		(89,535)		10,957,425
Program Expenses:								
Foundation Services		3,468,805		-		3,468,805		3,065,470
Development Services		435,116		-		435,116		403,880
Total Program Expenses		3,903,921		-		3,903,921		3,469,350
<b>Change in Net Assets</b>		(966,067)		(3,027,389)		(3,993,456)		7,488,075
Transfers and Reclassifications		48,347		(48,347)		-		-
Net Assets, Beginning of Year		7,750,020		25,143,049		32,893,069		25,404,994
Net Assets - End of Year	\$	6,832,300	\$	22,067,313	\$	28,899,613	\$	32,893,069

See Notes to Financial Statements.

### Del Mar College Statements of Cash Flows

	Year Ended August 31,		
	•	2021	
	2022	(Restated)	
Cash Flows from Operating Activities:			
Receipts from Students and Other Customers	\$ 8,161,670	\$ 14,041,835	
Receipts from Grants and Contracts	23,285,094	6,732,359	
Receipts from Student Organizations and Other Agency Transactions	1,367,402	1,321,045	
Payments to Student Organizations and Other Agency Transactions	(1,229,511)	(1,184,496)	
Payments to Suppliers for Goods and Services	(39,535,189)	, , , , , , , , , , , , , , , , , , , ,	
Payments to or on Behalf of Employees	(73,021,765)	(79,660,273)	
Payments for Scholarships and Fellowships	(21,289,323)	(12,005,369)	
Other General Operating Receipts	2,311,870	2,128,214	
Net Cash Used by Operating Activities	(99,949,752)	(99,920,229)	
Cash Flows from Non-Capital Financing Activities:			
Receipts from State Appropriations	23,948,284	23,783,260	
Receipts from Ad Valorem Taxes	83,374,715	80,375,194	
Receipts from Non Operating Federal Revenue	24,269,109	28,998,903	
Net Cash Provided by Non-Capital Financing Activities	131,592,108	133,157,357	
Cash Flows from Capital and Related Financing Activities:			
Proceeds on Issuance of Capital Debt	-	8,435,000	
Purchases of Capital Assets	(57,100,399)	(68,482,158)	
Payments on Capital Debt - Principal	(12,680,000)	(19,775,000)	
Payments on Capital Debt - Interest	(12,030,169)	(12,959,093)	
Payments on Capital Debt - Bond Issuance Costs	-	(74,658)	
Net Cash Used by Capital and Related Financing Activities Cash	(81,810,568)	(92,855,909)	
Flows from Investing Activities:			
Proceeds from Sales and Maturities of Investments	113,742,337	189,992,637	
Interest on Investments	1,371,794	1,456,551	
Purchase of Investments	(90,362,562)	(166,750,421)	
Net Cash Provided by Investing Activities	24,751,569	24,698,767	
Decrease in Cash and Cash Equivalents	(25,416,643)	(34,920,014)	
Cash and Cash Equivalents—September 1	56,258,980	91,178,994	
Cash and Cash Equivalents—August 31	\$ 30,842,337	\$ 56,258,980	
See Notes to Financial Statements			

(Continued)

# **Exhibit 3 Continuation**

# **Del Mar College Statements of Cash Flows**

	Year Ended August 31,				
		2021			
	2022	(Restated)			
Reconciliation of Net Operating Loss to Net Cash					
<b>Used by Operating Activities:</b>					
Operating Loss  Adjustments to Reconcile Net Loss to Net Cash  Used by Operating Activities:	(107,737,013)	(100,963,508)			
Depreciation Expense	7,487,351	6,592,389			
Bad Debt Expense	151,709	102,494			
Changes in Assets, Deferred Outflows of Resources,					
Liabilities, and Deferred Inflows of Resources:					
Receivables, Net	(1,898,728)	1,253,119			
Prepaid Expenses	688,011	1,974,606			
Lease Receivable	186,660	(2,877,340)			
Accounts Payable and Accrued Liabilities	3,165,060	(5,892,847)			
Compensated Absences	128,286	568,771			
Funds Held for Others	137,891	136,549			
Unearned Revenues	2,992,401	(1,524,802)			
Net Pension Liability	(11,577,545)	1,458,154			
Net OPEB Liability	5,764,087	954,103			
Net Lease Liability		179,079			
Deferred Outflows of Resources	2,208,306	1,579,354			
Deferred Inflows of Resources	(1,646,228)	(3,460,350)			
<b>Net Cash Used by Operating Activities</b>	(99,949,752)	(99,920,229)			
Noncash Investing, Capital and Financing Activities:					
Contribution of Capital Assets	\$ 285,000	\$ 829,997			
Change in Fair Value of Investments	(4,960,357)	(329,835)			
Total Noncash Investing, Capital and Financing Activities	\$ (4,675,357)	\$ 500,162			

See Notes to Financial Statements

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Note 1 - Reporting Entity**

Del Mar College District, the College, was established in 1935, in accordance with the laws of the state of Texas, to serve the educational needs of Corpus Christi and the surrounding communities. The College is considered to be a special purpose, primary government engaged in business type activities. While the College receives funding from local, State and Federal sources, and must comply with the spending, reporting, and record keeping requirements of these entities, it is not a component unit of any other governmental entity.

#### **Discrete Component Unit**

Using the criteria established by GASB Statement No. 61, *The Financial Reporting Entity: Omnibus-An Amendment of GASB Statements No. 14 and No. 34*, the College's management has determined the Del Mar College Foundation ("the Foundation") should be reported as a discrete component unit of the College because of the nature and significance of its relationship with the College. The Foundation is a component unit if the Foundation raises and holds economic resources for the direct benefit of the College and the Foundation is significant compared to the College.

Del Mar College Foundation ("the Foundation") is a Texas nonprofit corporation, chartered in 1983, to provide supplemental financial resources to advance the institutional goals and expand the educational services of the College. It is the intention of the Foundation to support educational initiatives which will enhance the quality of facilities and instruction, increase and diversify educational services, and improve accessibility to educational opportunities for students, faculty, staff, and residents of the geographic areas served by the College. The Foundation is accounted for separately in the Basic Financial Statements of the College and has a June 30 fiscal year end. The Foundation's Notes to Financial Statements are disclosed in Note 23. Complete financial statements of Del Mar College Foundation can be obtained from the administrative offices of the Foundation.

#### **Note 2 - Summary of Significant Accounting Policies**

#### A. Reporting Guidelines

The significant accounting policies followed by the College in preparing these financial statements, are in accordance with the *Texas Higher Education Coordinating Board's Annual Financial Reporting Requirements for Texas Public Community Colleges*. The College applies all applicable GASB pronouncements. The College is reported as a special-purpose government engaged in business-type activities.

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

## **Note 2 - Summary of Significant Accounting Policies (Continued)**

#### B. Nature of Operations

Del Mar College is a political subdivision of the State of Texas located in Nueces County. The College offers academic, general occupational, developmental, and continuing adult education programs. The College is governed by a nine member Board of Regents who serve staggered sixyear terms. Five Regents are elected to represent single-member districts and four members are elected at large. Three positions are filled every two years. Vacancies on the Board are filled for an unexpired term according to Board bylaws.

## C. <u>Tuition Discounting</u>

#### Texas Public Education Grants

Certain tuition amounts are required to be set aside for use as scholarships for qualifying students. This set aside, called the Texas Public Education Grant (TPEG), is shown with tuition and fees revenue amounts as a separate set aside amount (Texas Education Code §56.0333). When the award is used by the student for tuition and fees, the amount is recorded as a tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

#### Title IV, Higher Education Agency Program Funds

Certain Title IV HEA Program funds are received by the College to pass through to the student. These funds are initially received by the College and recorded as revenue. When the award is used by the student for tuition and fees, the amount is recorded as a tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

#### Other Tuition Discounts

The College awards tuition and fees scholarships from institutional funds to students who qualify. When these amounts are used for tuition and fees, the amount is recorded as a tuition discount. If the amount is dispersed directly to the student, the amount is recorded as a scholarship expense.

#### D. Basis of Accounting

The financial statements of the College have been prepared on the accrual basis, whereby all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal or contractual obligation to pay. The College's financial statements are prepared using the economic resources measurement focus. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

## **Note 2 - Summary of Significant Accounting Policies (Continued)**

#### E. Budgetary Data

Each community college in Texas is required by law to prepare an annual operating budget of anticipated revenues and expenditures for the fiscal year beginning September 1. The District's Board of Regents adopts the budget, which is prepared on the accrual basis of accounting. A copy of the approved budget and subsequent amendments must be filed with the Texas Higher Education Coordinating Board, Legislative Budget Board, Legislative Reference Library, and Governor's Office of Budget and Planning by December 1.

#### F. Cash and Cash Equivalents

The College's cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments with original maturities of three months or less from the date of acquisition.

#### G. Investments

Investments consist of balances in privately managed public funds investment pools, commercial paper and investments in United States (U.S.) securities and U.S. Agency securities. The College reports all investments at fair value, except for investment pools. The College's investment pools are valued and reported at amortized cost, which approximates fair value. (The governing board has designated public funds investment pools to be short-term and included in cash and cash equivalents.) Fair values are based on published market rates. Short-term investments have an original maturity greater than three months but less than one year at time of purchase. Long-term investments have an original maturity of greater than one year at the time of purchase. Restricted cash and investments are for capital projects funded by external debt issuances and reserves set aside in accordance with bond covenants for certain bond issuances.

## H. Capital Assets

Capital assets are stated at cost. Donated capital assets are valued at their estimated acquisition value on the date received. Purchases of items with a life expectancy of greater than one year and with a cost in excess of \$5,000 are considered capital assets. Renovations to buildings, infrastructure and land improvements that significantly increase the value or extend the useful life of the structure are capitalized.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are charged to operating expense in the year in which the expense is incurred.

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Note 2 - Summary of Significant Accounting Policies (Continued)**

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The following lives are used:

Buildings 50 years
Facilities and Other Improvements 20 years
Library Books 15 years
Furniture, Machinery, Vehicles and Other Equipment 10 years
Telecommunications and Peripheral Equipment 5 years
Weeken of Anti-

Works of Art Not depreciated

# I. Other Post-Employment Benefits (OPEB)

The fiduciary net position of the Employees Retirement System of Texas (ERS) State Retiree Health Plan (SRHP) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes, for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to the other post-employment benefits; OPEB expense; and information about assets, liabilities and additions to/deductions from SRHP's fiduciary net position. Benefit payments are recognized when due and are payable in accordance with the benefit terms.

#### J. Pensions

The College participates in the Teacher Retirement System of Texas (TRS) pension plan, a multiple-employer cost sharing defined benefit pension plan with a special funding situation. The fiduciary net position of TRS has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes, for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, and liabilities and additions to/deductions from TRS's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable, in accordance with the benefit terms. Investments are reported at fair value.

#### K. Deferred Outflows of Resources

In addition to assets, the College is aware that the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. Governments are permitted only to report deferred outflows in circumstances specifically authorized by the GASB. Typical deferred outflows for community colleges are deferred charges on refunded debt, pensions and OPEB.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

# **Note 2 - Summary of Significant Accounting Policies (Continued)**

The gain or loss on the early retirement of debt is deferred and amortized over the shorter of (1) the remaining amortization period that was used in the original refunding or (2) the life of the newly issued debt.

#### L. Funds Held in Trust for Others

At August 31, 2022 and 2021, the College held, in trust funds, amounts of \$2,240,556 and \$2,102,665 respectively, that pertain primarily to student organizations. These funds are not available to support the College's programs.

#### M. Unearned Revenues

Unearned revenues include the (1) amounts received for tuition and fees for the fall term of the next fiscal year and are not revenue in the current year, (2) unearned lease revenue that has not been earned, and (3) amounts received from grants and contract sponsors that also have not been earned.

#### N. Bond Discounts/Premiums

Bond discounts/premiums are deferred and amortized over the term of the bond. Bond discounts/premiums are presented as a reduction/addition of the face amount of bonds payable.

#### O. Deferred Inflows of Resources

In addition to liabilities, the College is aware that the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. Governments are permitted only to report deferred inflows in circumstances specifically authorized by the GASB.

#### P. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### Q. Operating and Non-Operating Revenue and Expense Policy

The College distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the College's principal ongoing operations. As business-type activities, the College's operating revenues and expenses generally result from providing services in connection with the college's principal

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Note 2 - Summary of Significant Accounting Policies (Continued)**

ongoing operations. The principal operating revenues are tuition and related fees, net of discounts. The College also recognizes as operating revenue Federal/State/Local Grants, Non-Governmental Grants and Contracts, Auxiliary Enterprises, and Other Operating Revenues. The Texas Higher Education Coordinating Board requires colleges to classify the revenue received for federal Title IV grant programs (i.e. Pell grants) as operating revenue rather than non-operating revenue. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets. The operation of the bookstore is not performed by the College.

#### R. Restricted and Unrestricted Resources

When both restricted and unrestricted resources are available for use, it is the College's policy to use restricted resources first when allowable, then unrestricted resources as they are needed.

#### S. Net Position

The College's net position is classified as follows:

Net investment in capital assets: This represents the College's total investment in capital assets, net of outstanding debt obligations related to those capital assets.

Restricted net position: Restricted expendable net position includes resources in which the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

Unrestricted net position: Unrestricted net position represents resources derived from student tuition and fees, state appropriations, sales and services of educational departments and auxiliary enterprises which are substantially self-supporting activities that provide services for students, faculty and staff. These resources are used for transactions relating to the educational and general operations of the College, and may be used at the discretion of the governing board to meet current expenses for any purpose. When an expense is incurred that can be paid using either restricted or unrestricted resources, the College's policy is to first apply the expense towards restricted resources.

#### T. Prior Year Restatement

The College implemented GASB 87 *Leases* that requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. This change represents a change in a generally accepted accounting principle and is applied retrospectively, accordingly the College was required to restate beginning net positions in the initial adoption period.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

# **Note 2 - Summary of Significant Accounting Policies (Continued)**

The effect of the change was to reduce beginning net positions by the following amounts as of September 1, 2020:

Net Position, beginning of year as originally reported August 31, 2021 \$ 116,588,884

Prior period adjustments - implementation of GASB 87:

Effect on College's positions as Lessor (23)

Effect on College's positions as Lessee (2,867)
Total Effect (2,890)

Net Position, beginning of the year as restated 2021 \$ 116,585,994

#### **Note 3 - Authorized Investments**

Del Mar College is authorized to invest in obligations and instruments as defined in the Public Funds Investment Act (Sec. 2256.001 Texas Government Code). Such investments include (1) obligations of the United States or its agencies, (2) constant-dollar, Texas Local Government Investment Pools, (3) money market mutual funds, (4) certificates of deposit, and (5) other instruments and obligations authorized by statute.

#### **Note 4 - Deposits and Investments**

Cash and cash equivalents included on Exhibit 1, Statement of Net Position, consist of the items reported below:

Reconciliation of Cash and Cash Equivalents to Exhibit 1, Statement of Net Position

	2022			2021				
	College		Foundation		College		Foundation	
Demand Deposits	\$	117,701	\$	657,755	\$	150,942	\$	1,029,997
Money Market		-		2,175,191		-		616,620
Sweep Account		1,191,715		-		2,706,514		-
Logic Pool		29,512,955		-		53,382,182		-
Certificate of Deposit		-		5		-		-
Petty Cash on Hand		19,966		810		19,342		815
<b>Total Cash and Deposits</b>		30,842,337	\$	2,833,761		56,258,980	\$	1,647,432
Exhibit 1								
Cash and Cash Equivalents	\$	29,001,709	\$	2,833,761	\$	33,945,704	\$	1,647,432
Restricted Cash and Cash Equivalents		1,840,628				22,313,276		
	\$	30,842,337	\$	2,833,761	\$	56,258,980	\$	1,647,432

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

# **Note 4 - Deposits and Investments (Continued)**

Investments included on Exhibit 1, Statement of Net Assets, consist of the items reported below:

#### Reconciliation of Investments to Exhibit 1, Statement of Net Position

Type of Security	2	022	2021			
	College	Foundation	College	Foundation		
Municipal Notes	\$ 42,251,552	\$ -	\$ 57,298,792	\$ -		
Mutual Funds	-	23,566,781	-	28,894,823		
Commercial Paper	13,497,061	-	41,723,111	-		
U.S. Government Agencies	51,935,212	-	37,002,054	-		
Alternative Investments	-	1,141,008	-	1,111,017		
<b>Total Investments</b>	\$ 107,683,825	\$ 24,707,789	\$ 136,023,957	\$ 30,005,840		
Exhibit 1						
Short Term Investments	\$ 57,816,547	\$ 9,690,416	\$ 45,665,447	\$ 16,141,257		
Restricted Investments	49,867,278	15,017,373	90,358,510	13,864,583		
	\$ 107,683,825	\$ 24,707,789	\$ 136,023,957	\$ 30,005,840		

#### **Interest Rate Risk**

#### College

In order to limit interest and market rate risk from changes in interest rates, the College's adopted Investment Policy sets a maximum stated maturity limit of two years for operating funds and five years for reserve funds. The maximum weighted average maturity (WAM) is restricted to one-year for the operating and reserve funds portfolios and compared quarterly to the six-month and one year Treasury Bill. As of August 31, 2022, the College's portfolio had no holdings with stated maturities beyond 764 days.

#### Foundation

In order to limit interest and market rate risk from changes in interest rates, the Foundation's Investment Policy sets a maximum stated maturity limit of one year for capital campaigns, special projects and short-term funds. Short-term funds will be held in limited-risk investment vehicles.

The Foundation's endowment assets will have a long-time life span which parallels the life of the institution. As such, assets are invested in funds with maturities that extend well beyond a normal market cycle. However, by careful management and sufficient portfolio diversification, there will be lessened volatility in the investments, which will help to assure a reasonable consistency of return.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

# **Note 4 - Deposits and Investments (Continued)**

#### Credit Risk

#### College

In accordance with state law and the College's investment policy, investments in U.S. government agencies, mutual funds, and local governmental investment pools must be rated at least AAA; commercial paper must be rated at least A-1 or P-1; investments in municipal notes must be rated at least AA.

As of August 31, 2022, the College's investments in local governmental investment pools were all rated AAA by Standard and Poor's. The College's commercial paper investments were rated A-1 by Standard and Poor's and P-1 by Moody's.

#### **Foundation**

It is the Foundation's investment policy to invest in equity securities, fixed income investment bonds and various other investment alternatives as deemed appropriate. The principal category of equity investments are common stocks, with emphasis on high quality, investment grade, dividend-paying stocks in companies that are financially sound and that have favorable prospects for earnings growth. In recognition of the increasing opportunities available in today's dynamic investment universe to seek returns that may be less correlated to the traditional broad equity and fixed income markets, the Trustees may allocate up to 30% of the Fund Assets to alternative investments. Fixed Income bonds are invested in domestic, high quality corporate bonds with a minimum of an AA rating.

#### Concentration of Credit Risk

#### College

The College recognizes over-concentration of assets by market sector or maturity as a risk to the portfolio. The adopted Investment Policy establishes diversification as a major objective of the investment program and sets diversification limits for all authorized investment types which are monitored on at least a quarterly basis.

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

# **Note 4 - Deposits and Investments (Continued)**

Diversification limits are set as follows:

	Percentage of Portfolio			
<b>Investment Type</b>	Allowable	Actual		
U.S. Obligations	80%	0%		
U.S. Agencies/Instrumentalities	75%	38%		
Certificates of Deposit	75%	0%		
Repurchase Agreements	100%	0%		
Local Governmental Investment Pools	100%	21%		
Money Market Mutual Funds	50%	1%		
Commercial Paper	30%	10%		
Bankers Acceptances	20%	0%		
Mutual Funds	10%	0%		
State & Municipal Obligations	30%	30%		
Corporate Obligations	25%	0%		
Negotiable Certificates of Deposit	25%	0%		
Interest Bearing Accounts - Texas Banks	100%	0%		

#### Foundation

The Foundation recognizes over-concentration of assets by market sector or maturity as a risk to the portfolio. The Investment Policy establishes diversification as a major objective of the investment program and sets diversification limits for all authorized investment types which are monitored on at least a quarterly basis. The general policy is to diversify investments of long-term funds among both equity and fixed-income securities so as to provide a balance that will enhance total return while avoiding undue risk concentration in any single asset class or investment category. As a long-term guideline, the investment categories should be equities 0%-66%, alternatives 0%-30%, and fixed income 0%-50% and cash 0% to 20%.

#### Custodial Credit Risk

#### College

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the College will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The College's Investment Policy and state law require that a third party hold collateral for all time and demand deposits and repurchase agreements in the College's name. All demand deposits balances were secured by the depository institution pledging collateral to the College. The collateral was held by an independent institution and maintained at 102%.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

# **Note 4 - Deposits and Investments (Continued)**

#### Foundation

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Foundation will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Foundation maintains its cash and cash equivalents with financial institutions and a money market account with an investment company. The Foundation's deposits at financial institutions exceeded federal depository insurance by \$530,111 and \$792,709 as of June 30, 2022 and 2021, respectively. Management believes that the risk of loss is minimal due to the strength of the institutions. Cash and cash equivalents held with investment companies exceeded federal depository insurance by \$1,404,442 and \$0 as of June 30, 2022 and 2021, respectively.

#### Note 5 – Fair Value of Financial Instruments

If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to their fair value measurement of the instrument.

The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the government can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

Because the investments are restricted by Policy and state law to active secondary market, the *market approach* is being used for valuation. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities, or a group of assets and liabilities.

The *exit* or fair market prices used for the fair market valuations of the Level 1 investments in the portfolio represent unadjusted quoted prices in active markets for identical assets and liabilities that have been accessed at the measurement date. U.S. Government Treasury Obligations and U. S. Government Agencies are classified in Level 1 on the fair value hierarchy and are valued within a multi-dimensional relational model and prices from an independent market pricing service and reported trades. Commercial paper is categorized in Level 2 and is valued using a matrix pricing technique utilizing an independent pricing service and price/ratings updates.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

## Note 5 – Fair Value of Financial Instruments

As of August 31, 2022 and 2021 the College's securities to be priced in the portfolio were as follows:

		Fair Value Measurements Using:				
		<b>Quoted Prices in</b>	Significant			
		<b>Acitve Markets</b>	Other			
		For Identical	Observable			
		Assets	Inputs			
August 31, 2022:	Fair Value	(Level 1)	(Level 2)			
Municipal Notes	\$ 42,251,552	\$ 42,251,552	\$ -			
Commercial Paper	13,497,061	-	13,497,061			
U.S. Gov't Agencies	51,935,212	51,935,212	-			
Total	\$ 107,683,825	\$ 94,186,764	\$ 13,497,061			
August 31, 2021:	Fair Value	(Level 1)	(Level 2)			
Municipal Notes	\$ 57,298,792	\$ 57,298,792	\$ -			
Commercial Paper	41,723,111	-	41,723,111			
U.S. Gov't Agencies	37,002,054	37,002,054	-			
Total	\$ 136,023,957	\$ 94,300,846	\$ 41,723,111			

# Note 6 - Disaggregation of Receivables, Payables, and Unearned Revenues

Receivables at August 31, 2022 and 2021 were as follows:

# **Accounts Receivable, Net:**

	2022	2021
Student Receivables	\$ 7,499,908	\$ 5,650,260
Federal Receivables	1,751,948	3,178,911
Interest Receivables	28,215	92,746
<b>Total Receivables</b>	9,280,071	8,921,917
Less Allowance for Doubtful Accounts	386,817	795,602
Accounts Receivable, Net	\$ 8,893,254	\$ 8,126,315

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

Note 6 - Disaggregation of Receivables, Payables, and Unearned Revenues (Continued)

## **Taxes Receivable, Net:**

	2022	2021
Taxes Receivable	\$ 10,523,777	\$ 8,778,025
Less Allowance for Doubtful Accounts	8,525,069	6,920,658
Taxes Receivable, Net	\$ 1,998,708	\$ 1,857,367

The Foundation has received promises and been awarded grants. Unconditional promises to give at June 30, 2022 and 2021 are as follows:

	2022		2021	
Student Scholarships	\$	666,047	\$	436,666
Less Unamortized Discount		(19,654)		(1,722)
Net Unconditional Promises to Give		646,393		434,944
Less Amount Due in One Year or Less		278,935		289,900
Net Long-Term Unconditional				
Promises to Give	\$	367,458	\$	145,044

Long-term promises to give are expected to be collected during the year ended June 30, 2023. The discount rate of .46 percent and .18 percent was used on long-term promises to give as of June 30, 2022 and 2021, respectively. The Foundation considers promises to give fully collectible; accordingly, no allowance for uncollectible promises has been provided.

## **Accounts Payable and Accrued Liabilities:**

Payables at August 31, 2022 and 2021 were as follows:

	 2022	 2021
Vendors Payable	\$ 10,628,613	\$ 8,145,561
Salaries & Benefits Payable	2,138,502	1,435,110
Accrued Interest	485,354	506,738
<b>Total Payables</b>	\$ 13,252,469	\$ 10,087,409

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

Note 6 - Disaggregation of Receivables, Payables, and Unearned Revenues (Continued)

# **Unearned Revenues:**

Unearned revenues at August 31, 2022 and 2021 were as follows:

	2022	2021
Tuition and Fees	\$ 9,752,250	\$ 10,492,691
Unearned Lease Revenue	1,081,250	1,156,250
Federal, State and Local Grants	5,789,266	1,981,424
	\$ 16,622,766	\$ 13,630,365

# **Note 7 - Capital Assets**

Capital assets activity for the year ended August 31, 2022 was as follows:

	Balance						Balance
	 Sept 1, 2021	_	Increase	_	Decrease	Αυ	igust 31, 2022
Capital Assets Not Depreciated:							
Land	\$ 12,649,523	\$	_	\$	_	\$	12,649,523
Construction in Progress	107,365,124		54,892,224		845,807		161,411,541
<b>Total Capital Assets Not Depreciated</b>	120,014,647		54,892,224		845,807		174,061,064
Carital Assatz Bainz Damasiata di							
Capital Assets Being Depreciated:	206046525		500 540		1 7 41 406		205.004.051
Building and Improvements	296,846,737		598,740		1,541,406		295,904,071
Land Improvements	12,026,502		247,068		19,938		12,253,632
Library Books	6,854,419		133,710		-		6,988,129
Furniture, Machiner, Vehicles,							
and other Equipment	39,512,189		2,389,213		2,225,522		39,675,880
Right-To-Use Leased Equipment	230,430		-		-		230,430
<b>Total Capital Assets Being Depreciated</b>	355,470,277		3,368,731		3,786,866		355,052,142
Less Accumulated Depreciation:							
Buildings and Improvements	71,469,347		5,129,330		1,387,266		75,211,411
Land Improvements	10,685,922		12,184		-		10,698,106
Library Books	6,220,667		108,166		-		6,328,833
Furniture, Machiner, Vehicles,							
and other Equipment	27,815,297		2,183,452		2,166,156		27,832,593
Right-To-Use Leased Equipment	54,219		54,219		-		108,438
<b>Total Accumulated Depreciation</b>	116,245,452		7,487,351		3,553,422		120,179,381
Net Capital Assets Being Depreciated	239,224,825		(4,118,620)		233,444		234,872,761
Capital Assets, Net	\$ 359,239,472	\$	50,773,604	\$	1,079,251	\$	408,933,825

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

**Note 7 - Capital Assets (Continued)** 

Capital assets activity for the year ended August 31, 2021 was as follows:

	Balance Sept 1, 2020	Increase	Decrease	Balance August 31, 2021
Capital Assets Not Depreciated:	Sept 1, 2020	Increase	Decrease	August 51, 2021
•				
Land	\$ 12,649,523	\$ -	\$ -	\$ 12,649,523
Construction in Progress	45,090,670	64,675,931	2,401,477	107,365,124
<b>Total Capital Assets Not Depreciated</b>	57,740,193	64,675,931	2,401,477	120,014,647
Capital Assets Being Depreciated:				
Building and Improvements	294,602,443	2,244,294	_	296,846,737
Land Improvements	11,869,319	157,183	-	12,026,502
Library Books	6,804,960	49,459	_	6,854,419
Furniture, Machiner, Vehicles,	, ,	,		
and other Equipment	36,098,289	4,326,336	912,436	39,512,189
Right-To-Use Leased Equipment	230,430	-	_	230,430
<b>Total Capital Assets Being Depreciated</b>	349,605,441	6,777,272	912,436	355,470,277
Less Accumulated Depreciation:				
Buildings and Improvements	67,174,545	4,294,802	-	71,469,347
Land Improvements	10,682,387	3,535	_	10,685,922
Library Books	6,105,349	115,318	_	6,220,667
Furniture, Machiner, Vehicles,				
and other Equipment	26,538,942	2,124,515	848,160	27,815,297
Right-To-Use Leased Equipment	-	54,219	_	54,219
Total Accumulated Depreciation	110,501,223	6,592,389	848,160	116,245,452
Net Capital Assets Being Depreciated	239,104,218	184,883	64,276	239,224,825
Capital Assets, Net	\$ 296,844,411	\$ 64,860,814	\$ 2,465,753	\$ 359,239,472

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

Note 8 – Noncurrent Liabilities

Noncurrent liability activity for the year ended August 31, 2022 was as follows:

	Balance Sept. 1, 2021	Additions	Reductions	Balance Aug. 31, 2022	Current Portion
<b>Bonds Payable</b>					
General obligation					
bonds	\$ 278,040,000	\$ -	\$ 11,290,000	\$ 266,750,000	\$ 11,365,000
Bond premium	31,185,119	-	2,454,501	28,730,618	-
Revenue bonds	11,300,000	-	1,390,000	9,910,000	1,460,000
<b>Total Bonds Payable</b>	320,525,119		15,134,501	305,390,618	12,825,000
Lease Liability	179,079		52,647	126,432	
Accrued Compensable					
Absences	7,749,388	854,995	726,710	7,877,673	757,937
Net Pension Liability	22,030,050		11,577,545	10,452,505	
Net OPEB Liability	61,236,123	5,816,734		67,052,857	1,378,047
<b>Total Noncurrent</b>					
liabilities	\$ 411,719,759	\$ 6,671,729	\$ 27,491,403	\$ 390,900,085	\$ 14,960,984

Noncurrent liability activity for the year ended August 31, 2021 was as follows:

	Balance Sept. 1, 2020	Additions	Reductions	Balance Aug. 31, 2021	Current Portion
<b>Bonds Payable</b>					
General obligation					
bonds	\$ 288,060,000	\$ 8,435,000	\$ 18,455,000	\$ 278,040,000	\$ 11,290,000
Bond premium	34,115,951	-	2,930,832	31,185,119	-
Revenue bonds	12,620,000	-	1,320,000	11,300,000	1,390,000
<b>Total Bonds Payable</b>	334,795,951	8,435,000	22,705,832	320,525,119	12,680,000
Lease Liability	230,430		51,351	179,079	
Accrued Compensable Absences	7,180,617	1,165,194	596,423	7,749,388	743,251
Net Pension Liability	20,571,896	1,458,154		22,030,050	
Net OPEB Liability	60,282,020	954,103		61,236,123	2,042,618
Total Noncurrent liabilities	\$ 423,060,914	\$ 12,012,451	\$ 23,353,606	\$ 411,719,759	\$ 15,465,869

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### Note 9 – Bonds Payable

- Limited Tax Refunding Bonds, Series 2011
  - o To refund Limited Tax Bonds, Series 2003
  - o Issued November 1, 2011
  - o Total authorized and issued \$36,330,000
  - o Source of revenue for debt service is ad valorem taxes
  - On June 15, 2021 bonds having stated maturities on August 15, 2022 and 2023 of \$4,115,000 and \$4,220,000, respectively, were redeemed in full and the issue was partially retired. The final balance of the remaining outstanding bonds of \$3,960,000 was paid on August 15, 2021.
- Limited Tax Refunding Bonds, Series 2013
  - o To refund a portion of Limited Tax Bonds, Series 2006
  - o Issued October 1, 2013
  - o Total authorized and issued \$9,010,000
  - o Source of revenue for debt service is ad valorem taxes
  - Outstanding principal balance as of August 31, 2022 and 2021 is \$7,375,000 and \$7,405,000
  - O Bond payable installments vary from \$250,350 to \$3,840,350, with interest rates at 2% to 3%, and with the final installment due in 2025
- Limited Tax Refunding Bonds, Series 2014
  - o To refund a portion of Limited Tax Bonds, Series 2006
  - o Issued January 15, 2014
  - o Total authorized and issued \$8,995,000
  - o Source of revenue for debt service is ad valorem taxes
  - Outstanding principal balance as of August 31, 2022 and 2021 is \$1,330,000 and \$4,535,000
  - o Bond payable installments vary from \$1,383,200 to \$3,370,375, with interest rates at 3.25% to 4%, and with the final installment due in 2023
- Limited Tax Refunding and Improvement Bonds, Series 2015
  - O To refund a portion of Limited Tax Bonds, Series 2006 and provide funds to construct and equip school facilities within the district
  - o Issued February 3, 2015
  - o Total authorized \$157,000,000; \$23,580,000 issued
  - o Source of revenue for debt service is ad valorem taxes
  - Outstanding principal balance as of August 31, 2022 and 2021 is \$11,875,000 and \$12,125,000
  - O Bond payable installments vary from \$493,787 to \$4,345,687, with interest rates at 2% to 5%, and with the final installment due in 2040

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

## **Note 9 – Bonds Payable (Continued)**

- Combined Fee Revenue Refunding Bonds, Series 2016
  - o To refund Combined Fee Revenue Bonds, Series 2005
  - o Issued February 8, 2016
  - o Total authorized and issued \$15,110,000
  - o Advance refunding of the 2005 Series Bonds reduced the College's debt service payments over the next twelve years by \$1,843,819
  - o Economic Gain (\$1,481,048) difference between the net present value of the old and new debt service payments
  - Source of revenue for debt service includes pledged building use fees, matriculation fees, tuition fees and interest earnings on certain funds, including the Unrestricted Local Maintenance Fund
  - Outstanding principal balance as of August 31, 2022 and 2021 is \$9,910,000 and \$11,300,000
  - o Bond payable installments vary from \$1,950,750 to \$1,955,500, with interest rates at 4% to 5%, and with the final installment due in 2028
- Limited Tax Bonds, Series 2016
  - o To construct and equip school buildings in the District and to pay the cost of issuing bonds
  - o Issued July 13, 2016
  - o Total authorized \$157,000,000; \$67,645,000 issued
  - o Source of revenue for debt service is ad valorem taxes
  - Outstanding principal balance as of August 31, 2022 and 2021 is \$60,120,000 and \$61,505,000
  - o Bond payable installments vary from \$3,792,150 to \$3,797,400, with interest rates at 2% to 5%, and with the final installment due in 2046
- Limited Tax Bonds, Series 2017
  - To construct and equip classrooms, laboratories, and infrastructure for an undeveloped site, and other facilities related to Phase 1 of the District's new Oso Creek Campus
  - o Issued June 01, 2017
  - o Total authorized \$139,000,000; \$9,070,000 issued
  - o Source of revenue for debt service is ad valorem taxes
  - Outstanding principal balance as of August 31, 2022 and 2021 is \$7,225,000 and \$7,575.000
  - O Bond payable installments vary from \$48,400 to \$1,258,400, with interest rates at 2% to 4%, and with the final installment due in 2037

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

## **Note 9 – Bonds Payable (Continued)**

- Limited Tax Bonds, Series 2018A
  - O To construct and equip school buildings, classrooms, laboratories, infrastructure for workforce technology and training programs, academic transfer courses, high school dual credit classes, student support services and library facilities, and renovating and/or replacing certain existing education facilities
  - o Issued July 15, 2018
  - o Total authorized \$157,000,000; \$44,275,000 issued
  - o Source of revenue for debt service is ad valorem taxes
  - Outstanding principal balance as of August 31, 2022 and 2021 is \$41,855,000 and \$42,670,000
  - o Bond payable installments vary from \$2,840,000 to \$2,845,250, with interest rates at 4% to 5%, and with the final installment due in 2048
- Limited Tax Bonds, Series 2018B
  - To construct and equip school buildings, classrooms, laboratories, infrastructure for an undeveloped site, and other facilities relating to Phase 1 of the District's new Oso Creek Campus
  - o Issued August 15, 2018
  - o Total authorized \$139,000,000; \$57,305,000 issued
  - o Source of revenue for debt service is ad valorem taxes
  - Outstanding principal balance as of August 31, 2022 and 2021 is \$54,305,000 and \$55,355,000
  - o Bond payable installments vary from \$3,532,100 to \$3,537,100, with interest rates at 4% to 5%, and with the final installment due in 2048
- Limited Tax Bonds, Series 2020A
  - To construct and equip school buildings, classrooms, laboratories, infrastructure for workforce technology and training programs, academic transfer courses, high school dual credit classes, student support services and library facilities, and renovating and/or replacing certain existing education facilities
  - o Issued June 30, 2020
  - o Total authorized \$157,000,000; \$22,150,000 issued
  - o Source of revenue for debt service is ad valorem taxes
  - Outstanding principal balance as of August 31, 2022 and 2021 is \$22,150,000 and \$22,150,000
  - O Bond payable installments vary from \$857,800 to \$1,467,300 with interest rates at 5%, and with the final installment due in 2045

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

# **Note 9 – Bonds Payable (Continued)**

- Limited Tax Bonds, Series 2020B
  - To construct and equip school buildings, classrooms, laboratories, infrastructure for an undeveloped site, and other facilities relating to Phase 1 of the District's new Oso Creek Campus
  - o Issued June 30, 2020
  - o Total authorized \$139,000,000; \$56,285,000 issued
  - o Source of revenue for debt service is ad valorem taxes
  - Outstanding principal balance as of August 31, 2022 and 2021 is \$56,285,000 and \$56,285,000
  - O Bond payable installments vary from \$2,490,450 to \$3,994,950 with interest rates at 5%, and with the final installment due in 2045.
- Limited Tax Refunding Bonds, Series 2021
  - o To refund a portion of Limited Tax Refunding Bonds, Series 2011, reduced the College's debt service payments over the next two years by \$574,425
  - o Issued June 15, 2021
  - o Total authorized and issued \$8,435,000
  - o Economic gain of \$483,857, difference between the net present value of the old and new debt service payments, adjusted for cash paid out for the refunding transaction
  - o Accounting gain of \$125,207 resulting from advanced refund
  - o Source of Revenue for debt is ad valorem taxes
  - o The refunding proceeds were deposited into an irrevocable trust with an escrow agent to provide all debt service payments, the bonds are considered fully defeased
  - Outstanding principal balance as of August 31, 2022 and 2021 is \$4,230,000 and \$8,435,000
  - o Bonds payable installments vary from \$4,247,175 to \$4,251,150, with interest rates at 5%, and with the final installment due in 2023

The principal and interest requirements for all general obligation and revenue bonds for the next five years and beyond are summarized below:

Year Ending	General Obli	gation Bonds	<b>Revenue Bonds</b>			
August 31	Principal	Interest	Principal	Interest		
2023	\$ 11,365,000	\$ 11,153,887	\$ 1,460,000	\$ 495,500		
2024	9,955,000	10,833,438	1,530,000	422,500		
2025	10,375,000	10,417,187	1,605,000	346,000		
2026	10,640,000	9,982,388	1,685,000	265,750		
2027	7,315,000	9,454,487	1,770,000	181,500		
2028-2032	41,785,000	41,536,487	1,860,000	93,000		
2033-2037	53,390,000	30,958,464	-	-		
2038-2042	45,920,000	19,743,625	-	-		
2043-2047	38,345,000	7,491,750	-	-		
2048	37,660,000	271,250				
Total	\$ 266,750,000	\$ 151,842,963	\$ 9,910,000	\$ 1,804,250		

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### Note 10 - Leases

#### Right-To-Use Lease

The College (Lessee) entered into a Right-To-Use lease agreement, as defined by GASB *Statement No. 87, Leases* (GASB 87), with Xerox Business Solutions Southwest (Lessor). The estimated useful life of the Xerox copying equipment is the same as the lease term. The following table includes the leased equipment asset and liability amounts recorded along with the term and interest rate of the lease agreement:

											M	onthly
			1	Accumulated	Lease		(	Original	I	<b>Liability</b>	Pri	ıcipal &
Lease	A	sset Cost	]	Depreciation	Term	Interest		Lease	Ou	tstanding	Ir	iterest
Description		Basis		8/31/2022	(months)	Rate	]	Liability	8	/31/2022	Pa	yments
Copiers	\$	230,430	\$	108,438	51	4%	\$	230,430	\$	126,432	\$	4,904

The future minimum lease payment requirements are as follows:

<b>Year Ending</b>					
August 31	P	rincipal	I	nterest	 Total
2023	\$	54,792		4,060	 58,852
2024		57,024		1,828	58,852
2025		14,616		98	 14,714
	\$	126,432	\$	5,986	\$ 132,418

#### <u>Lease Agreement – Del Mar College as Lessor</u>

In February 2013, the College (Lessor) entered into an "Expiring Term Lease" with South Texas Public Broadcasting System, Inc. (STPBS) (Lessee) to build a facility adjacent to and adjoining the existing Del Mar College Center for Economic Development bounded between South Staples Street, Kostoryz Road and Orlando Drive. Under a joint-use agreement, STPBS will occupy the facility and provide equipment and training opportunities for Del Mar College students. The term of this lease shall be for 20 years, unless sooner terminated or extended, and may be extended up to four times for an additional term of 10 years each, with each renewal being upon written notice given by STPBS to the College either before or after the expiration of the existing term of this lease. Upon execution of the agreement, STPBS contributed \$1.5M toward the cost of construction. The funds contributed were recorded as deferred lease revenue and are being amortized over the term of the lease. Total construction costs attributable to the facilities being leased by STPBS was \$5,232,265 and this is recorded as a capital asset by the College.

Inflows of resources at August 31, 2022 and 2021 were recorded as lease revenue of \$186,640 for both years and interest revenue of \$41,880 and \$44,681, respectively. The unpaid balance of construction costs is due in monthly installments of \$15,551 by STPBS commencing on February of 2017 for a period of 240 months. In addition, a quarterly rent payment in an amount equal to the average yield per quarter on the unpaid balance of the lease shall be paid to the College. The rate shall be the same as the College's cost of funds for the "Interest Accrual Period". With the

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### Note 10 – Leases (Continued

implementation of GASB 87 on September 1, 2020, the present value of the lease receivable was recorded and will be amortized over the life of the lease. Also recorded on September 1, 2020 was the deferred inflow of resources associated with the lease. The deferred inflow of resources will be amortized over the life of the lease and recognized as rental income.

The schedule of future payments for the lease receivable for the STPBS lease for the next five years and beyond are summarized below:

Year Ending				
August 31	 Principal	]	Interest	 Total
2023	\$ 186,657	\$	39,080	\$ 225,737
2024	186,654		36,280	222,934
2025	186,651		33,480	220,131
2026-2030	933,212		125,403	1,058,615
2031-2035	933,132		55,409	988,541
2036-2037	 264,374		2,975	267,349
<b>Total 8-31-22</b>	\$ 2,690,680	\$	292,627	\$ 2,983,307

#### **Non-Exchange Rental Transactions**

## <u>Lease Obligation – Bay Area Healthcare Group, LTD</u>

In February 2010, the College entered into an "Expiring Term Lease with Bay Area Healthcare Group, LTD" for a building located at 13725 Northwest Boulevard, Corpus Christi, Texas. The commencement date of the lease is February 15, 2010 and the expiration date is February 20, 2020. The college is currently operating under the "Automatic One Year Extension Terms" of the lease. Under those terms, the parties agree that the lease shall be extended automatically for an additional one year term unless otherwise notified by the Landlord. Under the terms of the lease, the College is required to pay \$1 per year which is defined as the "Annual Base Rent". The College is responsible for general upkeep of the property during the term of the lease along with all normally incurred general expenses associated with the property.

### Lease Obligation – City of Corpus Christi – Aviation Hangar

In May 2011, the College entered into an "Expiring Term Lease with the City of Corpus Christi" for land, existing hanger, parking lot, and office area located at the Corpus Christi International Airport. Under the terms of the lease the College is required to make improvements to the facility in order to provide an Aviation Maintenance Technical Education Program to its' students. The lease is for a base term of fifteen years and may be extended for an additional ten year term, upon agreement of the City Manager and College President. So long as the College uses the entire premises solely for the program stated above the annual rent shall be \$1 per year, the payment of which is due on January 1st of each year. The College is responsible for all upkeep of the property during the term of the lease along with all normally incurred general expenses associated with the property.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

## **Note 10 – Operating Leases**

## <u>Lease Obligation – City of Corpus Christi – Police Training Academy</u>

In April 2021, the College entered into an "Expiring Term Lease with the City of Corpus Christi" to locate the City's Police Training Academy on the College property. The property is located on Yorktown Blvd on the College's Oso Creek Campus. Under the terms of the contract, the City may use the premises to develop, construct, and operate a Police Training Academy, and for no other purpose without the written consent of the College. The Police Training Academy may consist of single or multiple buildings, including a parking lot. Any buildings, improvements, additions, alterations, and fixtures constructed, placed, or maintained on any of the leased premises during the lease term are the property of the City. Upon expiration or termination of the lease, all premises become the property of the College, unless the College elects not to retain the property, in which case, the City must remove, any and all property, within 12 months. The term of this lease shall be for 50 years and may be extended up to 50 additional years by giving the College written notice of the City's intention to do so within the last two years before the lease term expires but no later than six months before it expires. So long as the City uses the entire premises solely for the contractual terms the stated rent is \$10 per year.

#### Note 11 – Defined Benefit Pension Plan

#### Plan Description

The College participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). It is a defined benefit pension plan established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contributions rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard workload and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Note 11 – Defined Benefit Pension Plan (Continued)**

#### Pension Plan Fiduciary Net Position

Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report is available at <a href="http://www.trs.texas.gov">http://www.trs.texas.gov</a> or write to TRS at 1000 Red River Street, Austin, Texas, 78701-2698.

#### Benefits Provided

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, whose formulas use the three highest annual salaries. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered under a previous rule. There are no automatic post-employment benefit changes; including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs, can be granted by the Texas Legislature as noted in the Plan description above.

#### Contributions

Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas Legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year. Texas Government Code Section 821.006 prohibits benefit improvements if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years or, if the amortization period already exceeds 31 years, the period would be increased by such action.

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Note 11 – Defined Benefit Pension Plan (Continued)**

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86<sup>th</sup> Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 to 2025.

#### **Contribution Rates**

	2022	2021
Member	8.00%	7.70%
Non-Employer Contributing Entity (State)	7.75%	7.50%
Employers	7.75%	7.50%
College Contributions	\$ 1,966,278	\$ 1,783,331
Member Contributions	3,613,747	3,229,093
State of Texas On-behalf Contributions	1,395,332	1,357,253

The College's contribution to the TRS pension plan for plan year 2022 was \$1,966,278 as reported in the Schedule of College's contribution for pension in the required supplemental information section of these financial statements. Estimated state of Texas on-behalf contribution for 2022 was \$1,395,332.

As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year, reduced by the amounts described below which are paid by the employers. Public junior colleges or junior college districts are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any or all of all of an employee's salary is paid by federal, private, local or non-educational and general funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

In addition to the employer contributions listed above, when employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Note 11 – Defined Benefit Pension Plan (Continued)**

#### **Actuarial Assumptions**

The total pension liability in the actuarial valuation was determined using the following actuarial assumptions:

Valuation Date August 31, 2021 rolled forward

to August 31, 2022

Actuarial Cost Method Individual Entry Age Normal

Asset Valuation Method Fair Value Single Discount Rate 7.25%
Long-term expected Investment Rate of Return 7.25%

Last year ended August 31, in

Projection period (100 years) 2120 Inflation 2.3%

Salary Increases including inflation 3.05% to 9.05%

Ad hoc post-employment benefit changes None

Actuarial methods and assumptions were selected by the TRS Board of Trustees based upon analysis and recommendations by the system's actuary. The Board of Trustees has sole authority to determine the actuarial assumptions used for the plan. The actuarial methods and assumptions used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2021.

#### Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The single discount rate was based on the expected rate of return on pension plan investments of 7.25% and a municipal bond rate of 1.95%. The projection of cash flows used to determine the single discount rate assumed that contributions from active members, employers, and the non-employer contributing entity will be made by the rates set by the Legislature during the 2019 session. It is assumed that future employer and state contributions will be 8.5% of payroll in fiscal year 2020 gradually increasing to 9.55% of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term rate of return on pension plan investments is 7.25%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

# **Note 11 – Defined Benefit Pension Plan (Continued)**

Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of August 31, 2021 are summarized below:

	Target	Long-Term Expected Geometric Real	Expected Contribution to Long- Term Portfolio
Asset Class	Allocation %*	Rate of Return**	Returns
Global Equity			
U.S.	18.0%	3.6%	94.00%
Non-U. S. Developed	13.0	4.4	0.83
Emerging Markets	9.0	4.5	0.74
Private Equity	14.0	6.3	1.36
Stable Value			
Government Bonds	16.0%	-0.2%	-0.01%
Absolute Return (Including Credit Sensitive Investments)		1.1	
Stable Value Hedge Funds	5.0	2.2	0.12
Real Return			
Real Estate	15.0%	4.5%	1.00%
Energy and Natural Resources and Infrastructure	6.0	4.7	0.35
Commodoties		1.7	
Risk Parity			
Risk Parity	8.0%	2.8%	0.28%
Asset Allocation Leverage			
Cash	2.0%	-0.7%	-0.01%
Asset Allocation Leverage	-6.0	-0.5	0.03
Inflation Expectation			2.20%
Volatility Drag***			-0.95%
Expected Return	100%		6.90%

<sup>\*</sup> Absolute Returns includes Credit Senstive investments.

<sup>\*\*</sup> Target Allocatons are based on the FY2021 policy model.

<sup>\*\*\*</sup> Capital Market Assumptions come from Aon Hewitt (as of 8-31-2021).

<sup>\*\*\*\*</sup> The volatility drag results from the conversion between arithmetic and geometric mean returns.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

## **Note 11 – Defined Benefit Pension Plan (Continued)**

#### Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (7.25%) in measuring the 2021 Net Pension Liability.

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)		
Del Mar proportionate share of net pension liability:	\$ 22,840,382	\$ 10,452,505	\$ 402,176		

<u>Pension Liabilities</u>, <u>Pension Expense</u>, and <u>Deferred Outflows of Resources and Deferred Inflows</u> of Resources Related to Pensions

At August 31, 2022 and 2021, the College reported a liability of \$10,452,505 and \$22,030,050 respectively, for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the College. The amount recognized by the College as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the College were as follows:

# Fiscal Year Ended August 31, 2022:

College's Proportionate share of collective net pension liability	\$ 10,452,505
State's Proportionate share associated with College	8,326,741
Total	\$ 18,779,246

# Fiscal Year Ended August 31, 2021:

College's Proportionate share of collective net pension liability	\$ 22,030,050
State's Proportionate share associated with College	17,617,867
Total	\$ 39,647,917

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

## **Note 11 – Defined Benefit Pension Plan (Continued)**

The net pension liability was measured as of August 31, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2020 thru August 31, 2021.

At the measurement date of August 31, 2021, the employer's proportion of the collective net pension liability was .0410% which was an increase of .0001% from its proportion measured as of August 31, 2020.

# Changes Since the Prior Actuarial Valuation

- The total pension liability as of August 31, 2021 was developed using a roll-forward method from the August 31, 2020 valuation.
- Demographic assumptions including postretirement mortality, termination rates, and rates of retirement were updated based on the experience study performed for TRS for the period ending August 31, 2017.
- Economic assumptions including rates of salary increase for individual participants was updated based on the same experience study.
- The single discount rate as of August 31, 2021 was 7.25% the same as of August 31,2020. In 2021 there were no changes in assumptions.

There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

For the year ended August 31, 2022, the College recognized pension expense of (\$1,128,241) and revenue of \$2,000,000 for support provided by the State.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

# Note 11 – Defined Benefit Pension Plan (Continued)

At August 31, 2022 and 2021, the College reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Fiscal Year Ended August 31, 2022:

	Οι	Deferred outflows of esources	I	Deferred nflows of Resources
Differences between expected and actual economic experience	\$	17,492	\$	735,865
Changes in actuarial assumptions		3,694,756		1,610,597
Differences between projected and actual investment earnings		_		8,764,289
Changes in proportion and difference between employer's				
contributions and the proportionate share of contributions		890,015		96,615
Contributions paid to TRS subsequent to measurement date		1,966,278		_
Total	\$	6,568,541	\$ 1	11,207,366

Fiscal Year Ended August 31, 2021:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 40,225	\$ 614,800
Changes in actuarial assumptions	5,111,755	2,173,483
Differences between projected and actual investment earnings	445,980	-
Changes in proportion and difference between employer's		
contributions and the proportionate share of contributions	1,265,475	81,293
Contributions paid to TRS subsequent to measurement date	1,783,331	
Total	\$ 8,646,766	\$ 2,869,576

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Note 11 – Defined Benefit Pension Plan (Continued)**

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of \$1,966,278 and \$1,783,331 will be recognized as a reduction of the net pension liability for the measurement year ending August 31, 2023 and 2022, respectively (i.e. recognized in the College's financial statements August 31, 2023). Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

	Pension Expense		
Year ended August 31:	Amount		
2022	\$	(965,964)	
2023		(1,114,195)	
2024		(1,920,872)	
2025		(2,537,304)	
2026		(44,652)	
Thereafter		(22,116)	
	\$	(6,605,103)	

#### Note 12 – Optional and Alternate Retirement Plans

#### Optional Retirement Plan

**Plan Description.** The state has also established an optional retirement program for institutions of higher education. Participation in the Optional Retirement Program is in lieu of participation in the Teacher Retirement System. The optional retirement program provides for the purchase of annuity contracts and operates under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C.

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

## Note 12 – Optional and Alternate Retirement Plans (Continued)

**Funding Policy.** Contribution requirements are not actuarially determined but are established and amended by the Texas Legislature. The percentages of participant salaries currently contributed by the college, state, and each participant are 3.3%, 3.3% and 6.65%, respectively. The College contributes an additional 1.90% for employees who were participating in the optional retirement program prior to September 1, 1995. Benefits fully vest after one year plus one day of employment. Because these are individual annuity contracts, the state has no additional or unfunded liability for this program. Senate Bill (SB) 1812, 83<sup>rd</sup> Texas Legislature, Regular Session, effective September 1, 2013, limits the amount of the state's contribution to 50% of eligible employees in the reporting district.

The retirement expense to the state for the College was \$1,968,994 and \$1,812,598 for the fiscal years ended August 31, 2022 and 2021, respectively. This amount represents the portion of expended appropriations made by the Legislature on behalf of the College.

The total payroll of employees covered by the Teacher Retirement System was \$45,185,439 and \$41,987,433 and the total payroll of employees covered by the Optional Retirement Program was \$9,951,051 and \$10,596,681 for fiscal years 2022 and 2021, respectively.

## **Note 13 - Deferred Compensation Program**

College employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in Government Code 609.001. The plan is essentially an unfunded promise to pay by the employer to each of the plan participants.

As of August 31, 2022, the College had 105 employees vested and participating in the program. A total of \$741,215 in contributions was invested in the plan during the fiscal year.

As of August 31, 2021, the College had 106 employees vested and participating in the program. A total of \$758,480 in contributions was invested in the plan during the fiscal year.

## **Note 14 - Compensable Absences**

Twelve-month employees and personnel, whose duties are not primarily teaching, earn annual vacation leave from 80 to 120 hours per year, depending on the number of years employed by the College. The College's policy is that an employee may carry his/her accrued leave forward from one fiscal year to another fiscal year up to a maximum of 120 hours. Persons terminating employment will receive, in lieu of the vacation itself, cash payment for unused vacation not to exceed 120 hours of vacation.

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

## **Note 14 - Compensable Absences (Continued)**

The College grants sick leave to regular full-time employees and to regular part-time employees who work twenty or more hours per week, and full-time term employees whose term is for one semester or longer. Sick leave, which can be accumulated, is earned at the rate of up to 10 hours per month for a maximum of 960 hours. It is paid to an employee who misses work because of illness or to the estate of an employee in the event of his/her death. Up to 640 hours of unused sick leave may be paid to an employee, upon his/her retirement from the College, with at least ten (10) years of service at Del Mar College and with eligibility for normal age retirement or early age service retirement under the definitions as set forth by the regulations of the Teacher Retirement System (TRS). The College's policy is to accrue the cost of the sick leave when earned. At August 31, 2022 and 2021, the College had an accrued liability for the unpaid vacation and sick leave as follows:

	2022	2021
Vacation	\$ 1,298,303	\$ 1,316,882
Sick Leave	6,579,370	6,432,506
Total Liability for Compensable Absences	\$ 7,877,673	\$ 7,749,388

The College recognized \$757,937 and \$743,251 of the liability above as a current liability for fiscal years August 31, 2022 and 2021 respectively.

#### **Note 15 – Health Care and Life Insurance Benefits**

Certain health care and life insurance benefits for active employees are provided through an insurance company whose premiums are based on benefits paid during the previous year. The state recognizes the cost of providing the benefits by expending the annual insurance premiums. The state's contribution per full-time employee ranged from \$625 to \$1,222 per month for the year ended August 31, 2022, \$625 to \$1,222 for the year ended 2021, and \$625 to \$1,223 for the year ended August 31, 2020. Total contributions from the state for the years ended 2022, 2021, and 2020 were \$4,281,372, \$4,913,876, and \$6,382,541, respectively. The cost of providing those benefits for 420 retirees was \$3,629,150 for the year ended 2022, \$3,626,226 for 424 retirees in 2021, and \$3,671,715 for 432 retirees in 2020. The cost of providing benefits for 728 active employees was \$6,231,435 in 2022, \$6,254,671 for 717 employees in 2021, and \$6,164,218 for 712 employees in 2020. SB 1812, 83<sup>rd</sup> Texas Legislature, Regular Session, effective September 1, 2013, limits the amount of the state's contribution to 50 percent of eligible employees in the reporting district.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### Note 16 – Other Post-Employment Benefits (OPEB)

#### Plan Description

The College participates in a cost-sharing, multiple-employer, defined benefit other post-employment benefit (OPEB) plan with a special funding situation. The Texas Employees Group Benefits Program (GBP) is administered by the Employees Retirement System of Texas (ERS). The GBP provides certain postemployment health care, life and dental insurance benefits to retired employees of participating universities, community colleges, and state agencies in accordance with Chapter 1551, Texas Insurance Code. Almost all employees may become eligible for those benefits if they reach normal retirement age while working for the state and retire with at least 10 years of service to eligible entities. Surviving spouses and dependents of these retirees are also covered. Benefit and contribution provisions of the GBP are authorized by state law and may be amended by the Texas Legislature.

#### OPEB Plan Fiduciary Net Position

Detailed information about the GBP's fiduciary net position is available in the separately issued ERS Annual Comprehensive Financial Report (ACFR) that includes financial statements, notes to the financial statements and required supplementary information. That report may be obtained on the Internet at https://ers.texas.gov/About-ERS/reports-and-studies/reports-on-overall-ers-operations-and-financial-ma/2021-acfr.pdf; or by writing ERS at: 200 East 18th Street, Austin, TX 78701; or by calling (877) 275-4377.

#### Benefits Provided

Retiree health benefits offered through the GBP are available to most State of Texas retirees and their eligible dependents. Participants need at least ten years of service credit with an agency or institution that participates in the GBP to be eligible for GBP retiree insurance. The GBP provides self-funded group health (medical and prescription drug) benefits for eligible retirees under HealthSelect. The GBP also provides a fully insured medical benefit option for Medicare-primary participants under the HealthSelect Medicare Advantage Plan and life insurance benefits to eligible retirees via a minimum premium funding arrangement. The authority under which the obligations of the plan members and employers are established and/or may be amended is Chapter 1551, Texas Insurance Code.

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

# Note 16 – Other Post-Employment Benefits (OPEB) (Continued)

## Contribution

Section 1551.055 of Chapter 1551, Texas Insurance Code, provides that contribution requirements of the plan members and the participating employers are established and may be amended by the ERS Board of Trustees. The employer and member contribution rates are determined annually by the ERS Board of Trustees based on the recommendation of ERS staff and its consulting actuary. The contribution rates are determined based on (i) the benefit and administrative costs expected to be incurred, (ii) the funds appropriated and (iii) the funding policy established by the Texas Legislature in connection with benefits provided through the GBP. The Trustees revise benefits when necessary to match expected benefit and administrative costs with the revenue expected to be generated by the appropriated funds. There are no long-term contracts for contributions to the plan.

The following table summarizes the maximum monthly employer contribution toward eligible retirees' health and basic life premium. Retirees pay any premium over and above the employer contribution. The employer does not contribute toward dental or optional life insurance. Surviving spouses and their dependents do not receive any employer contribution. As the non-employer contributing entity (NECE), the State of Texas pays part of the premiums for the junior and community colleges.

# Maximum Monthly Employer Contribution Retiree Health and Basic Life Premium Fiscal Year 2022

	<u>FY2022</u>	<u>FY2021</u>
Retiree Only	\$ 625	\$ 625
Retiree & Spouse	1,340	1,341
Retiree & Children	1,104	1,104
Retiree & Family	1,820	1,820

Contribution of premiums to the GBP plan for the current and prior fiscal year by source is summarized in the following table:

# Premium Contributions by Source Group Benefits Program Plan For the Years Ended August 31, 2021 and 2020

	<b>FY 2021</b>	<b>FY2020</b>
Employers	\$1,076,376	\$1,200,056
Member (Employees)	-0-	-0-
Non-employer Contributing Entity (State of Texas)	4,263,497	4,263,497

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

## Note 16 – Other Post-Employment Benefits (OPEB) (Continued)

# **Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of August 31, 2021 using the following actuarial assumptions, applied to all periods included in the measurement, unless other specified:

# Actuarial Assumption ERS Group Benefits Program Plan

Valuation Date August 31, 2021

Actuarial cost method Entry Age

Amortization method Level Percent of Payroll, Open

Remaining amortization period 30 Years

Asset valuation method Not Applicable

Discount rate 2.14%

Projected annual salary increase 2.3% to 9.05%, including inflation

Annual healthcare trend rate 5.25% for FY 2023, 5.15% for FY 2024, 5.0% for

FY2025, 4.75% for FY2026, 4.60% for FY2027, decreasing 10 basis points per year to an ultimate

rate of 4.3% for FY 2030 and later years

Inflation assumption rate 2.3%

Ad hoc post-employment benefit changes

None

Mortality Assumptions: Table

Aortality Assumptions: Tables based on TRS experience with Ultimate MP Service retirees, survivors and other Projection Scale from the year 2018

Inactive members

Disability retirees Tables based on TRS experience with Ultimate MP

Projection Scale from the year 2018 using a 3-year set forward and minimum mortality rates of four per 100 male members and two per 100 female

members

Active members Sex Distinct RP-2014 Employee Mortality

multiplied by 90% with Ultimate MP Projection

Scale from the year 2014

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

## Note 16 – Other Post-Employment Benefits (OPEB) (Continued)

Many of the actuarial assumptions used were primarily based on a study of actuarial experience for the three year period ending August 31, 2018 and adopted in July 2018 and performed by the TRS retirement actuary.

#### **Investment Policy**

The State Retiree Health Plan is a pay-as-you-go plan and does not accumulate funds in advance of retirement. The System's Board of Trustees adopted the amendment to the investment policy in August 2017 to require that all funds in the plan be invested in short-term fixed income securities and specify that the expected rate of return on these investments is 2.4%.

#### Discount Rate

Because the State Retiree Health Plan does not accumulate funds in advance of retirement, the discount rate that was used to measure the total OPEB liability is the municipal bonds rate. The discount rate used to determine the total OPEB liability as of the beginning of the measurement year was 2.20%. The discount rate used to measure the total OPEB liability as of the end of the measurement year was 2.14%, which amounted to a decrease of 0.06%. The source of the municipal bond rate was the Bond Buyer Index of general obligation bonds with 20 years to maturity and mixed credit quality. The bonds average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp's AA rating. Projected cash flows into the plan are equal to projected benefit payments out of the plan. Because the plan operates on a pay-as-you-go (PAYGO) basis and is not intended to accumulate assets, there is no long-term expected rate of return on plan assets and therefore the years of projected benefit payments to which the long-term expected rate of return is applicable is zero years.

#### **Discount Rate Sensitivity**

The following schedule shows the impact on the College's proportionate share of the collective net OPEB Liability if the discount rate used was 1 percent less than and 1 percent greater than the discount rate that was used (2.14%) in measuring the net OPEB Liability:

# Sensitivity of Net OPEB Liability to Changes In Discount Rate State Retiree Health Plan

	1% Decrease in		1% Increase in
	Discount Rate	Discount Rate	Discount Rate
	(1.14%)	<u>(2.14%)</u>	(3.14%)
College's proportionate			
Share of the net OPEB			
liability:	\$79,862,499	\$67,052,859	\$57,031,229

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

# Note 16 – Other Post-Employment Benefits (OPEB) (Continued)

### Healthcare Cost Trend Rate Sensitivity Analysis

The initial healthcare trend rate is 5.25% for HealthSelect and 0% for HealthSelect Medicare Advantage and the ultimate rate is 4.30%. The following schedule shows the impact on the College's proportionate share of the collective net OPEB Liability if the healthcare cost trend rate used was 1 percent less than and 1 percent greater than the healthcare cost trend rate that was used (4.3%) in measuring the net OPEB Liability.

# Sensitivity of Net OPEB Liability to Changes in Healthcare Cost Trend Rates State Retiree Health Plan

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
	(3.30%)	(4.30%)	(5.30%)
College's proportionate			
Share of the net OPEB			
liability	\$56,148,876	\$67,052,859	\$81,339,016

# OPEB Liabilities, OPEB Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB

At August 31, 2022, the College reported a liability of \$67,052,859 for its proportionate share of the ERS's net OPEB liability. This liability reflects a reduction for State support provided to the District for OPEB. The amount recognized by the College as it's proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the College were as follows:

#### Fiscal Year Ended August 31, 2022:

College's proportionate share of the collective net OPEB liability State's proportionate share that is associated with the College Total	\$ 67,052,859 50,891,805 \$117,944,664
Fiscal Year Ended August 31, 2021:	
College's proportionate share of the collective net OPEB liability State's proportionate share that is associated with the College Total	\$ 61,236,123 <u>46,865,554</u> <u>\$108,101,667</u>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

# Note 16 – Other Post-Employment Benefits (OPEB) (Continued)

The net OPEB liability was measured as of August 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The employer's proportion of the net OPEB liability was based on the employer's contribution to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2020 thru August 31, 2020.

At the measurement date of August 31, 2021, the employer's proportion of the collective net OPEB liability was 0.1869%, which was an increase of .0016% from its proportionate share measured at August 31, 2020.

For the year ended August 31, 2021, the District recognized OPEB expense of (\$3,392,151) and revenue of \$458,412 for support provided by the State.

# Changes Since the Prior Actuarial Valuation

Changes to the actuarial assumptions or other inputs that affected measurement of the total OPEB liability since the prior measurement period were as follows:

- Discount rate decreased from 2.20% to 2.14%;
- The percentage of current retirees and their spouses not yet eligible to participate in the HealthSelect Medicare Advantage Plan and future retirees and their spouses who will elect to participate in the plan at the earliest date at which coverage can commence;
- The percentage of future retirees assumed to be married and electing coverage for their spouse;
- The proportion of future retirees assumed to elect health coverage at retirement and proportion of future retirees expected to receive the Opt-Out Credit at retirement;
- Assumptions for Assumed Per Capita Health Benefit Costs and Health Benefit Cost and Retiree Contribution trends.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

# Note 16 – Other Post-Employment Benefits (OPEB) (Continued)

# Changes of Benefit Terms Since Prior Measurement Date

Benefit changes have been reflected in the fiscal year 2022 Assumed Per Capita Health Benefit Costs.

At August 31, 2022, the College reported its proportionate share of the ERS plan's collective deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

For the Year Ended August 31, 2022:

	Deferred Outflows of Resources		I	Deferred Inflows of Resources		
Differences between expected and actual economic experience	\$	-	\$	1,644,731		
Changes in actuarial assumptions		-		2,877,485		
Changes in proportion and differences between the employer's						
contribution and the proportionate share of contributions		-		1,944,496		
Differences between projected and actual investment earnings		11,875		-		
Contributions paid to ERS subsequent to measurement date	1,0	76,376				
Total	\$ 1,0	88,251	\$	6,466,712		

For the Year Ended August 31, 2021:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$ 2,394,975
Changes in actuarial assumptions	-	9,648,715
Changes in proportion and differences between the employer's		
contribution and the proportionate share of contributions	-	4,220,400
Differences between projected and actual investment earnings	18,276	-
Contributions paid to ERS subsequent to measurement date	1,200,056	
Total	\$ 1,218,332	\$ 16,264,090

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

# Note 16 – Other Post-Employment Benefits (OPEB) (Continued)

Deferred outflows of resources related to OPEBs resulting from contributions subsequent to the measurement date of \$1,076,376 and \$1,200,056 will be recognized as a reduction of the net pension liability for the measurement year ending August 31, 2023 and 2022, respectively (i.e., recognized in the College's financial statements for August 31, 2023). Other amounts reported as deferred outflows and inflows of resources related to OPEBs will be recognized in pension expense as follows:

Year ended August 31:	OP	PEB Expense Amount
2023	\$	(5,347,626)
2024		(2,181,422)
2025		375,808
2026		392,720
2027		305,677
	\$	(6,454,843)

#### Note 17 – On-behalf Payments

For the fiscal years ended August 31, 2022 and 2021, the College recorded the following State onbehalf contributions as revenues and expenses in the accompanying basic financial statements:

2022	2021
\$ 1,395,332	\$ 1,357,253
390,078	471,297
4,263,497	4,263,497
\$ 6,048,907	\$ 6,092,047
	\$ 1,395,332 390,078 4,263,497

#### **Note 18 - Pending Lawsuits and Claims**

At August 31, 2022, various other lawsuits and claims involving Del Mar College were pending. While the ultimate liability, with respect to litigation asserted against the College, cannot be reasonably estimated at this time, this liability, to the extent not provided for by insurance or otherwise, is not likely to have a material effect on the College.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Note 19 - Contract and Grant Awards**

For federal contract and grant awards, funds expended but not collected, are reported as Federal Receivables in Note 6. Non-federal contract and grant awards, for which funds are expended but not collected, are reported in Accounts Receivable on Exhibit 1. Revenues are recognized on Exhibit 2 and Schedule A. Contract and grant awards that are not yet funded and for which the institution has not performed services are not included in the financial statements. Contract and grant award funds already committed, e.g. multi-year awards, or funds awarded during fiscal year 2022 and 2021 for which monies have not been received nor funds expended totaled \$9,543,693 and \$28,553,806 respectively. Of these amounts, \$7,126,256 and \$24,826,092 were from Federal Contract and Grant Awards; \$1,386,134 and \$1,544,002 were from State Contract and Grant awards; \$1,031,303 and \$2,183,712 were from Private Contract and Grant Awards, for the fiscal years ended 2022 and 2021, respectively.

#### Note 20 - Ad Valorem Tax

The College's ad valorem property tax is levied each October 1 on the assessed value listed as of the prior January 1, for all real and business personal property located in the College District.

	2022	2021
Assessed Valuation of the College District	\$38,514,875,583	\$35,539,719,396
Less Exemptions	6,883,587,344	6,487,352,036
Net Assessed Valuation of the College District	\$31,631,288,239	\$29,052,187,360

		2022		2021		
Tax Rate per \$100		Debt			Debt	
Valuation	Operations	Service	Total	Operations	Service	Total
for authorized	\$0.5000	\$0.5000	\$1.0000	\$0.5000	\$0.5000	\$1.0000
for assessed	\$0.2053	\$0.0780	\$0.2833	\$0.2053	\$0.0833	\$0.2886

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

# **Note 20 – Ad Valorem Tax (Continued)**

Taxes levied, including any penalty and interest assessed, are due on receipt of the tax bill and delinquent if not paid before February 1 of the year following the year in which imposed. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. The use of tax proceeds is restricted to either maintenance and operations or interest and sinking expenditures.

	2022	2021
Taxes Levied	\$ 86,354,601	\$ 85,042,253
<b>Maintenance and Operations Taxes:</b>		
Current Taxes Collected	58,798,975	56,157,292
Delinquent Taxes Collected	1,097,332	592,978
Penalties and Interest Collected	506,236	458,937
<b>Total Maintenance and Operations Taxes</b>	60,402,543	57,209,207
<b>Debt Service Taxes:</b>		
Current Taxes Collected	22,353,615	22,789,065
Delinquent Taxes Collected	417,264	234,058
Penalties and Interest Collected	182,596	160,562
<b>Total Debt Service Taxes</b>	22,953,475	23,183,685
<b>Total Taxes Collected</b>	\$ 83,356,018	\$ 80,392,892
<b>Current Tax Levy Collection Percent</b>	96.0%	94.0%

#### **Note 21 – Tax Abatements**

The College enters into property tax abatement agreements with local businesses. These agreements are authorized by the Texas Property Redevelopment and Tax Abatement Act, Texas Tax Code, Chapter 312, as amended (the "Act"), and is subject to the laws of the State of Texas and the charter, ordinances, and orders of the Governmental Unit.

Tax abatements are a reduction in tax revenue that result from an agreement between the College and an entity in which (a) the College promises to forgo tax revenues to which it would be otherwise entitled and (b) the entity promises to take a specific action after the agreement has been entered into that contributes to the economic development to the local community and its citizens.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

# **Note 21 – Tax Abatements (Continued)**

For the fiscal year ended August 31, 2022, the college had a property tax abatement agreement with the following entity:

EPIC Y-Grade Logistics – The abatement covers as eligible property any supplemental improvements to the eligible property that are added or constructed during the abatement period. The abatement period shall commence January 1, 2019, and shall continue for up to ten years. In no event shall the abatement period extend beyond December 31 of the 10<sup>th</sup> year. The facility has been identified as a basic manufacturing facility and the percentage of tax abatement shall be in accordance with the following schedule conditioned upon the facility providing at least 10 net new full-time jobs. During the construction phase (not to exceed 3 years) the percentage of abatement is 100%. For years 4 through 10 the amount abated shall be 50%. At the time of execution of the agreement the added value comprising permanent improvements upon completion of the construction phase is estimated to be \$200 million. In the event that completion of the construction phase the added value of permanent improvements, as determined by the Appraisal District, shall at any time thereafter during the period of abatement be less than eighty-five percent (85%) of the estimated value, not due to circumstances beyond the control of owner, the owner agrees to pay, as additional taxes, hereunder, an amount equal to the then current tax rate of the District applied to the difference between the added value from eighty-five percent (85%) of the estimated added value, multiplied by 100% minus the net percentage of abatement provided under the agreement.

<u>CC Polymers (formerly M&G Resins)</u> – This is a plastics plant that is emerging from bankruptcy. They have already spent \$770 million on the plant. A group of three companies have bought them out of bankruptcy and will complete the two plants. There are two years left on the amended abatement agreement which was passed this fiscal year. They are projected to invest an additional \$200 million on the project and create 200 jobs.

In the event that completion of the construction phase the added value of permanent improvements, as determined by the Appraisal District, shall at anytime thereafter during the period of abatement be less than 85% percent of the estimated value, not due to circumstances beyond the control of the owner, the owners agree to pay, as additional taxes, hereunder, an amount equal to the then current tax rate of the District applied to the difference between the added value from eighty-five percent (85%) of the estimated added value, multiplied by 100% minus the net percentage of abatement provided under the agreement.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Note 21 – Tax Abatements (Continued)**

Below is the abatement information as required by GASB Statement No. 77 for M&O purposes. It includes the net benefit to the District but does not include any I&S impact.

			Tax Rate	
		Percent	per \$100	Foregone
	Project Value	Abated	Valuation	Taxes
Entity	2022	2022	2022	2022
EPIC Y-Grade Logistics	\$ 146,486,100	50%	0.205296	\$ 300,730
CC Polymers	475,166,240	50%	0.205296	484,669

#### **Note 22 - Income Taxes**

The College is exempt from income taxes under Internal Revenue Code Section 115, *Income of States, Municipalities, Etc.*, although unrelated business income may be subject to income taxes under Internal Revenue Code Section 511(a)(2)(b), *Imposition of Tax on Unrelated Business Income of Charitable, Etc. Organizations*. The College had no unrelated business income tax liability for the years ended August 31, 2022 and 2021.

#### **Note 23 - Component Unit**

Del Mar College Foundation (the Foundation) was established as a separate nonprofit organization in 1983 to raise funds to provide student scholarships and assistance in the development and growth of the College. Accordingly, the Foundation financial statements are included in the College's annual report as a discrete component unit (see table of contents).

#### Significant Accounting Policies

The financial statements of the Foundation have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Accordingly, net assets and changes therein are classified as follows:

#### Net Assets

**Net Assets Without Donor Restrictions** - Net assets available for use in general operations and not subject to donor (or certain grant) restrictions. The governing board may designate, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

# **Note 23 – Component Unit (Continued)**

**Net Assets With Donor Restrictions** - Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

#### Revenue Recognition

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, including grant contracts with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

The Foundation utilizes donor agreements in an on-going attempt to further clarify donors' intentions. If it becomes clear the fund classification was incorrect, or if the donor(s) change their intentions, the funds are appropriately reclassified and shown as a transfer from one fund type to another.

#### Fair Value Measurement

FASB ASC 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. The Foundation uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Foundation measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were used only when Level 1 or Level 2 inputs were not available.

#### Level 1 Fair Value Measurements

The fair value of mutual funds and money market funds is based on quoted net asset values of the shares held by the Foundation in active markets at the reporting date.

#### Level 3 Fair Value Measurement

The fair value of the beneficial interest in the irrevocable charitable trust that holds a structured settlement with future stream of cash flow is based on unobservable inputs. There is currently no market in which beneficial interests in charitable trusts trade, so no observable exit price will exist

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

#### **Note 23 – Component Unit (Continued)**

for a beneficial interest. The following table provides further details of the Level 3 fair value measurements.

Alternative investments are principally investments in limited partnerships whose underlying assets include residential and commercial real estate. The fair values for alternative investments have been estimated using the net assets value per share provided by the fund and partnerships managers, which are primarily valued with level 3 inputs.

FASB ASU 820 also requires disclosures about transfers into and out of Level 1 and 2 investments and separate disclosures about purchases, sales issuance and settlements in the reconciliation for fair value measurements using significant unobservable inputs (Level 3).

The Foundation's investments are reported at fair value in the accompanying statement of financial position. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Fair values of assets measured on a recurring basis at June 30, 2022 and 2021 are as follows:

			Fair Value Measurement Using:					
	-	Fair Value	in	Quoted Prices Active Markets Identical Assets (Level 1)	Significant Unobservable Inputs (Level 3)			
June 30, 2022				,		,		
Investments:								
Mutual Funds	\$	23,566,781	\$	23,566,781		-		
Alternative Investments		1,141,008		-		1,141,008		
Total Investments		24,707,789		23,566,781		1,141,008		
Beneficial Interest in Inrrevocable						_		
Charitable Trust		785,484		-		785,484		
Total	\$	25,493,273	\$	23,566,781	\$	1,926,492		
June 30, 2021								
Investments:								
Mutual Funds	\$	28,894,823	\$	28,894,823		-		
Alternative Investments		1,111,017		-		1,111,017		
Total Investments		30,005,840		28,894,823		1,111,017		
Beneficial Interest in Inrrevocable								
Charitable Trust		825,481		-		825,481		
Total	\$	30,831,321	\$	28,894,823	\$	1,936,498		

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

# **Note 23 – Component Unit (Continued)**

Fair Value Measurements Using Significant Unobservable Inputs (Level 3) at June 30, 2022 and 2021:

	icial Interest rrevocable Trust	Alternative Investments	Total
Beginning Balance, July 1, 2020	\$ 809,050	\$ 1,042,204	\$ 1,851,254
Purchases	-	38,485	38,485
Sales	-	(33,986)	(33,986)
Total Unrealized Gain			
Included in Changes in Net Assets	 16,431	64,314	80,745
Ending Balance, June 30, 2021	825,481	1,111,017	1,936,498
Purchases	-	175,458	175,458
Sales	-	(12,223)	(12,223)
Total Unrealized Gain			
Included in Changes in Net Assets	 (39,997)	(133,244)	(173,241)
Ending Balance, June 30, 2022	\$ 785,484	\$ 1,141,008	\$ 1,926,492

## **Note 24 - Risk Management**

The College is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. During fiscal years 2022 and 2021, the District purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past fiscal year and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

#### **Note 25 - Workers' Compensation Aggregate Deductible**

During the year ended August 31, 2022, the College met its statutory workers' compensation obligations through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's Workers' Compensation Program is authorized by Chapter 504, Texas Labor Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties. The Fund provides statutory workers' compensation benefits to its members injured employees.

The College participates in the Fund's reimbursable aggregate deductible program. As such, the member is responsible for a certain amount of claims liability as outlined on the member's Contribution and Coverage Summary document. After the member's deductible has been met, the Fund is responsible for additional claims liability.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED AUGUST 31, 2022 and 2021

# **Note 25 – Workers' Compensation Aggregate Deductible (Continued)**

The Fund and its members are protected against higher than expected claims costs through the purchase of stop loss coverage for any claim in excess of the Fund's self-insured retention of \$2 million. The Fund uses the services of an independent actuary to determine reserve adequacy and fully funds those reserves. As of August 31, 2021, the Fund carries a discounted reserve of \$44,985,187 for future development on reported claims and claims that have been incurred but not yet reported. For the year-ended August 31, 2022, the Fund anticipated no additional liability to members beyond their contractual obligations for payment of contributions and reimbursable aggregate deductibles.

The Fund engages the services of independent auditors to conduct a financial audit after the close of each year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2021, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

#### Note 26 – Commitments

#### **Facilities**

The College initiated a Facilities Master Plan in 2012, that created a roadmap for meeting the higher education and workforce development needs of the citizens of the College's Service Area for the next 25 years. In November 2014, voters elected to authorize the issuance of up to \$157,000,000 of Del Mar College Limited Tax Bonds for the purpose of constructing and equipping school buildings on the Heritage and Windward Campuses of the College. Construction of the three buildings, General Academic and Music Building (Heritage), Workforce Development (Windward), and Emerging Technology (Windward) has been completed. The remaining projects are currently underway and expected to be completed in Fiscal Years 2023 and 2024.

The District voters approved a \$139,000,000 bond program in November 2016 to fund Phase 1A of the Oso Creek Campus located on the Southside of Corpus Christi. The Oso Creek Campus is expected to be completed in Fiscal Year 2023.

#### Note 27 – College's Response to COVID-19

At the start of the COVID-19 pandemic, the College elevated its digital focus delivery of instruction and student services to comply with the COVID-19 protocols mandated by federal, state, and local agencies. This included recommended but not required social distancing, facial coverings, and vaccinations. In May of 2021, the college transitioned to "Phase 3" of its return to campus plan, and as a result, the College is now open to all students and employees. Throughout the pandemic, protecting the health of students, faculty, and staff have remained the College's highest priority. While instruction has returned to face-to-face delivery, the College continues to deliver a portion of courses and programs virtually.



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# SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY TEACHER RETIREMENT SYSTEM OF TEXAS EXHIBIT 4

			Measurement Da	ate Year Ended Au	gust 31,			
Fiscal Year Ended August 31, *	2021	2020	2019	2018	<u>2017</u>	<u>2016</u>	<u>2015</u>	2014
College's Proportion of the Net Pension Liability	0.00041044	0.00041131	0.000395742	0.000398877	0.000381252	0.000370818	0.000347864	0.000346008
College's Proportionate Share of Net Pension Liability	\$10,452,505	\$22,030,050	\$20,571,896	\$21,955,179	\$12,190,380	\$14,012,665	\$12,296,529	\$9,242,352
States's Proportionate Share of the Net Pension								
Liability Associated with the District	8,326,741	17,617,867	16,319,588	17,400,379	9,751,441	10,697,440	9,047,629	7,116,186
TOTAL	\$18,779,246	\$39,647,917	\$36,891,484	\$39,355,558	\$21,941,821	\$24,710,105	\$21,344,158	\$16,358,538
College's Covered Payroll College's Proportional Share of the Net Pension	\$45,185,439	\$40,713,466	\$36,895,354	\$35,500,740	\$32,929,636	\$30,129,463	\$26,992,189	\$20,858,983
Liability as a percentage of its Covered-Employee Payroll Payroll	23.13%	54.11%	55.76%	61.84%	37.02%	46.51%	45.56%	44.31%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.79%	75.54%	75.24%	73.74%	82.17%	78.00%	78.43%	83.25%

<sup>\*</sup> The amount presented are as of the measurement date of the collective net pension liability for the respective year.

<sup>\*\*</sup> The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

# SCHEDULE OF THE COLLEGE CONTRIBUTIONS TEACHER RETIREMENT SYSTEM OF TEXAS EXHIBIT 5

				Fiscal Year End	ded August 31,			
* Fiscal Year Ended August 31, *	2022	2021	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contributions	\$1,966,278	\$1,783,331	\$1,724,517	\$1,383,030	\$1,344,534	\$1,249,598	\$1,178,183	\$1,030,041
Contribution in Relation to the Contractually								
Required Contribution	(1,966,278)	(1,783,331)	(1,724,517)	(1,383,030)	(1,344,534)	(1,249,598)	(1,178,183)	(1,030,041)
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
College's Covered Payroll	\$45,185,439	\$41,987,433	\$40,713,466	\$36,895,354	\$35,500,740	\$32,929,636	\$30,129,463	\$26,992,189

<sup>\*</sup> The amount presented are as of the fiscal year ended date of the collective net pension liability for the respective year.

<sup>\*\*</sup> The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

# SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY EMPLOYEES RETIREMENT SYSTEM OF TEXAS FOR THE YEAR ENDED AUGUST 31, 2022 EXHIBIT 6

		Measureme	nt Year Ended August	t 31,	
	2021	2020	2019	2018	2017
District's Proportion of the Net OPEB Liability (Asset)	0.1869042800%	0.1853133800%	0.1744136400%	0.1881207300%	0.2169992500%
District's Proportionate Share of the Net OPEB Liability (Asset)	\$ 67,052,859 \$	61,236,124 \$	60,282,020 \$	55,754,737 \$	73,938,180
State's Proportionate Share of the Net OPEB Liability (Asset) associated with the District	 50,891,805	46,865,554	51,410,699	43,247,818	56,463,411
Total	\$ 117,944,664 \$	108,101,678 \$	111,692,719 \$	99,002,555 \$	130,401,591
District's Covered Payroll	\$ 34,261,193 \$	34,494,924 \$	33,597,726 \$	33,096,904 \$	32,924,204
District's Proportionate Share of the Net OPEB Liability (Asset) as a percentage of its Covered Payroll	95.71%	77.52%	79.42%	68.46%	124.57%
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	0.38%	0.32%	0.17%	1.27%	2.04%

<sup>\*</sup> The amount presented are as of the the College's most recent fiscal year end.

<sup>\*\*</sup> The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

# SCHEDULE OF THE DISTRICT'S OPEB CONTRIBUTIONS EMPLOYEES RETIREMENT SYSTEM OF TEXAS FOR THE YEAR ENDED AUGUST 31, 2022 EXHIBIT 7

		Fiscal Year Ended Au	agust 31,		
	 2021	2019	2018		
Contractually Required Contribution	\$ 2,011,996 \$	2,030,281 \$	2,058,220 \$	2,032,179 \$	2,039,351
Contribution in Relation to the Contractually Required Contribution	 (2,011,996)	(2,030,281)	(2,058,220)	(2,032,179)	(2,039,351)
Contribution Deficiency (Excess)	\$ - \$	- \$	- \$	- \$	<u>-</u>
	\$ 36,995,084 \$	34,261,193 \$	34,494,924 \$	33,597,726 \$	33,096,904
District's Covered Payroll	5.44%	5.93%	5.97%	6.05%	6.16%

<sup>\*</sup> The amount presented are as of the the College's most recent fiscal year end.

<sup>\*\*</sup> The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

# Del Mar College Schedule of Operating Revenues Year Ended August 31, 2022 (With Memorandum Totals for the Year Ended August 31, 2021)

	Unrestricted	Restricted	Total Educational Activities	Auxiliary Enterprises	2022 Total	2021 Total (Restated)
Tuition:						(========
State Funded Credit Courses:						
In-District Resident Tuition	\$ 8,348,130	\$ -	\$ 8,348,130	\$ -	\$ 8,348,130	\$ 9,011,998
Out-of-District Resident Tuition	3,075,246	_	3,075,246	_	3,075,246	3,266,276
Non-Resident Tuition	560,209	_	560,209	_	560,209	601,268
TPEG - Credit (Set Aside) *	748,424	_	748,424	_	748,424	804,803
State-Funded Continuing Education	807,769	_	807,769	_	807,769	673,431
TPEG - Non-Credit (Set Aside) *	144,005	_	144,005	_	144,005	136,777
Non-State Funded Educational Programs	18,405	_	18,405	_	18,405	26,431
Total Tuition	13,702,188		13,702,188		13,702,188	14,520,984
Fees:						
Building Use Fee	2,219,396	_	2,219,396	_	2,219,396	2,379,086
General Fee	6,454,629	_	6,454,629	_	6,454,629	6,781,512
Student Service Fee	-	_	-	385,017	385,017	415,591
Out-of-District Fee	1,845,815	_	1,845,815	-	1,845,815	2,047,938
Class Repeat Fee	143,250	_	143,250	_	143,250	231,000
Dual Credit Fee	1,046,305	_	1,046,305	_	1,046,305	1,044,825
Non-Instructional Contract Training Fees	385,050	_	385,050	-	385,050	570,464
Laboratory Fees	411,768	_	411,768	-	411,768	411,372
Total Fees	12,506,213		12,506,213	385,017	12,891,230	13,881,788
Scholarship Allowances and Discounts:						
Bad Debt Allowance	(151,709)	_	(151,709)	_	(151,709)	(102,494)
Remissions and Exemptions - State	(4,129,501)	_	(4,129,501)	_	(4,129,501)	(4,179,916)
Remissions and Exemptions - Local	(1,723,443)	_	(1,723,443)	_	(1,723,443)	(1,801,009)
Title IV Federal Grants	(8,802,506)	_	(8,802,506)	_	(8,802,506)	(9,409,532)
Other Federal Grants	(1,628,206)	_	(1,628,206)	_	(1,628,206)	(16,208)
TPEG Awards	(245,816)	_	(245,816)	_	(245,816)	(555,404)
Other State Grants	(292,960)	_	(292,960)	_	(292,960)	(448,066)
Total Scholarship Allowances	(16,974,141)		(16,974,141)		(16,974,141)	(16,512,629)
Total Net Tuition and Fees	9,234,260		9,234,260	385,017	9,619,277	11,890,143
	7,234,200		7,234,200	303,017	7,017,277	11,070,143
Additional Operating Revenues:						
Federal Grants and Contracts	-	15,711,535	15,711,535	-	15,711,535	2,180,811
State Grants and Contracts	-	1,855,831	1,855,831	-	1,855,831	2,646,861
Local Grants and Contracts	-	1,852,274	1,852,274	-	1,852,274	3,761,525
General Operating Revenues	2,386,870		2,386,870		2,386,870	2,203,214
Total Additional Operating Revenues	2,386,870	19,419,640	21,806,510	_	21,806,510	10,792,411
Auxiliary Enterprises:						
Food Service				372,504	372,504	87,236
Vending	-	-	-	75,116	75,116	44,227
Rents	-	-	-	33,873	33,873	7,015
Childcare Center	-	-	-	177,608	177,608	103,264
Other	-	-	-	580,073	580,073	249,795
Total Net Auxiliary Enterprises				1,239,174	1,239,174	491,537
Total Operating Revenues	\$ 11,621,130	\$ 19,419,640	\$ 31,040,770	\$ 1,624,191	\$ 32,664,961	\$ 23,174,091
Total Operating Revenues	Ψ 11,021,130	Ψ 17,717,070	Ψ 51,070,770	ψ 1,02 <b>7</b> ,171	(Exhibit 2)	(Exhibit 2)
					,,	,

<sup>\*</sup> In accordance with Education Code 56.033, tuition of \$892,429 and \$941,580 for years August 31, 2022 and 2021, respectively, was set aside for Texas Public Education Grants (TPEG).

# Del Mar College Schedule of Operating Expenses by Object Year Ended August 31, 2022 (With Memorandum Totals for the Year Ended August 31, 2021)

		Operating	g Expenses			2021
	Salaries	Bene	efits	Other	2022	Total
	and Wages	State	Local	Expenses	Total	(Restated)
<b>Unrestricted - Educational Activities</b>						
Instruction	\$ 36,273,905	\$ -	\$ 4,922,821	\$ 2,552,423	\$ 43,749,149	\$ 43,263,689
Public Service	96,047	-	11,022	4,258	111,327	140,546
Academic Support	5,376,138	-	909,039	853,391	7,138,568	6,550,216
Student Services	5,188,131	-	810,883	827,965	6,826,979	6,487,279
Institutional Support	12,809,565	-	1,864,632	12,405,743	27,079,940	21,828,125
Operation and Maintenance of Plant	1,550,486	-	286,579	9,060,177	10,897,242	7,361,470
<b>Total Unrestricted Educational Activities</b>	61,294,272	-	8,804,976	25,703,957	95,803,205	85,631,325
Restricted - Educational Activities						
Instruction	-	3,619,289	-	-	3,619,289	3,827,585
Public Service	-	8,103	-	-	8,103	10,265
Academic Support	-	668,331	-	-	668,331	651,346
Student Services	2,306,910	844,602	337,911	16,969,012	20,458,435	12,723,593
Institutional Support	-	1,370,889	-	-	1,370,889	1,411,882
Operation and Maintenance of Plant	-	210,695	-	-	210,695	210,809
Scholarships and Fellowships		-	-	9,510,978	9,510,978	12,005,369
<b>Total Restricted Educational Activities</b>	2,306,910	6,721,909	337,911	26,479,990	35,846,720	30,840,849
<b>Total Educational Activities</b>	63,601,182	6,721,909	9,142,887	52,183,947	131,649,925	116,472,174
Auxiliary Enterprises	445,324	-	156,710	662,664	1,264,698	1,073,036
Depreciation Expense - Buildings and other						
real estate improvements	-	-	-	5,249,680	5,249,680	4,298,338
Depreciation Expense - Equipment and furniture	-	-	-	2,237,671	2,237,671	2,294,051
<b>Total Operating Expenses</b>	\$ 64,046,506	\$ 6,721,909	\$ 9,299,597	\$ 60,333,962	\$ 140,401,974	\$ 124,137,599
					(Exhibit 2)	(Exhibit 2)

# Del Mar College Schedule of Non-Operating Revenues and Expenses

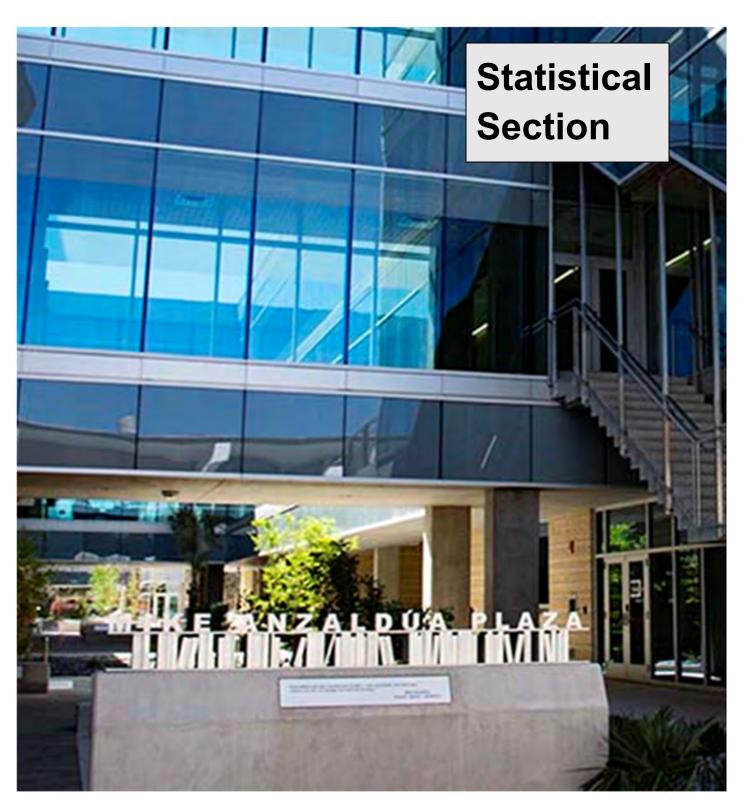
# Year Ended August 31, 2022 (With Memorandum Totals for the Year Ended August 31, 2021)

	Unrestricted	Restricted	Auxiliary Enterprises	2022 Total	2021 Total (Restated)
NON-OPERATING REVENUES:					
State Approprations:					
Education and General State Support	\$ 17,359,107	\$ -	\$ -	\$ 17,359,107	\$ 16,483,427
State Group Insurance	-	4,721,909	-	4,721,909	4,913,876
State Retirement Matching		2,000,000		2,000,000	2,119,576
<b>Total State Appropriations</b>	17,359,107	6,721,909		24,081,016	23,516,879
Maintenance Ad Valorem Taxes	60,515,606	-	_	60,515,606	57,023,250
Debt Service Ad Valorem Taxes	-	23,000,450	-	23,000,450	23,200,091
Federal Revenue, Non Operating	_	20,756,257	_	20,756,257	27,236,182
Investment Income	1,307,263	-	-	1,307,263	1,100,553
Change in Fair Value of Investment	(4,960,357)			(4,960,357)	(329,835)
Other Non-Operating Revenue	2,464,571			2,464,571	2,331,401
<b>Total Non-Operating Revenues</b>	76,686,190	50,478,616	-	127,164,806	134,078,521
NON-OPERATING EXPENSES:					
Interest on Capital Related Debt	9,850,928	-	_	9,850,928	10,464,504
Bond Issuance Costs	-	-	_	-	74,658
Loss on Disposal of Capital Assets	203,695	-	-	203,695	94,275
Other Non-Operating Expense	8,049			8,049	11,500
<b>Total Non-Operating Expenses</b>	10,062,672			10,062,672	10,644,937
Net Non-Operating Revenues	\$ 66,623,518	\$ 50,478,616	<u>s -</u>	\$ 117,102,134	\$ 123,433,584
				(Exhibit 2)	(Exhibit 2)

# Del Mar College Schedule of Net Position by Source and Availability Year Ended August 31, 2022 (With Memorandum Totals for the Year Ended August 31, 2021)

		Detail b	y Source			
		Restricted	Net Investment		Available Current Ope	
	Unrestricted	Expendable	in Capital Assets	Total	Yes	No
Current:						
Unrestricted	\$ (46,165,238)	\$ -	\$ -	\$ (46,165,238)	\$ (46,165,238) \$	-
Restricted	-	-	-	-	-	-
Auxiliary enterprises	2,084,184		-	2,084,184	2,084,184	-
Loan	-	1,423	-	1,423	-	1,423
Endowment:						
Quasi:						
Unrestricted	-	-	-	-	-	-
Restricted	-	-	-	-	-	-
Endowment						
True	-	-	-	-	-	-
Term (per instructions at maturity)	-	-	-	-	-	-
Life Income Contracts	-	-	-	-	-	-
Annuities	-	-	-	-	-	-
Plant:						
Unexpended	14,450,896	-	-	14,450,896	-	14,450,896
Renewals	-	-	-	-	-	-
Debt Service	-	8,539,483	-	8,539,483	-	8,539,483
Investment in Plant			147,325,367	147,325,367		147,325,367
Total Net Position, August 31, 2022	\$ (29,630,158)	\$ 8,540,906	\$ 147,325,367	\$ 126,236,115 (Exhibit 1)	\$ (44,081,054) \$	170,317,169
Total Net Position, August 31, 2021 Effect of Change in Accounting	(31,870,536)	8,175,610	140,283,810	116,588,884	(42,436,958)	159,025,842
Principle (Note 2)	(23)		(2,867)	(2,890)		(2,890)
Total Net Position, August 31, 2021 as Restated	(31,870,559)	8,175,610	140,280,943	116,585,994 (Exhibit 1)	(42,436,958)	159,022,952
Net Increase (Decrease ) in Net Position	\$ 2,240,401	\$ 365,296	\$ 7,044,424	\$ 9,650,121 (Exhibit 2)	\$ (1,644,096) \$	11,294,217

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# **Statistical Information**

This part of Del Mar College's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the College's overall financial health.

CONTENTS	PAGE
Financial Trends (Schedules 1-3, 19)  These schedules contain trend information to help the reader understand how the College's financial performance and well-being have changed over time.	107-111, 128-129
Revenue Capacity (Schedules 4-8, 20-21)  These schedules contain information to help the reader assess the College's most significant local revenue sources, including the property tax.	112-117, 130-132
<b>Debt Capacity</b> (Schedules 9-11, 22)  These schedules present information to help the reader assess the affordability of the College's current levels of outstanding debt and the College's ability to issue additional debt in the future	118-120, 133
<b>Demographic and Economic Information</b> (Schedules 12-13)  These schedules offer demographic and economic indicators to help the reader understand the environment within which the College's financial activities take place.	121-122
Operating and Other Information (Schedules 14-18)  These schedules contain service, infrastructure and other data to help the reader understand how the information in the College's financial report relates to the services the government provides and the activities it performs.	123-127

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.



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## Del Mar College Statistical Supplement 1 Net Position by Component Fiscal Years 2013 to 2022

(unaudited)

For the Fiscal Year Ended August 31,

(in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Net investment in capital assets	\$ 147,325 \$	140,281 \$	126,543 \$	120,406 \$	100,961 \$	95,287 \$	90,491 \$	79,669 \$	72,177 \$	63,706
Restricted - expendable	8,541	8,176	8,431	8,161	12,247	12,343	12,251	13,546	13,669	11,945
Unrestricted	 (29,630)	(31,871)	(41,688)	(52,328)	(58,722)	23,231	23,076	23,510	31,900	31,668
Total primary government net position	\$ 126,236 \$	116,586 \$	93,286 \$	76,239 \$	54,486 \$	130,861 \$	125,818 \$	116,725 \$	117,746 \$	107,319

# Del Mar College Statistical Supplement 2 Revenues by Source Fiscal Years 2013 to 2022

(unaudited)

For the Fiscal Year Ended August 31, (in Thousands)

	2022	2	2021	2020	2019		2018	2017	2016		2015	2014	2013
Operating Revenues:													
Tuition and Fees (Net of Discounts)	\$ 9,619	\$	11,890	\$ 12,541	\$ 12,574	\$	12,528	\$ 12,755	\$ 11,976	\$	10,878	\$ 10,683	\$ 9,681
Federal Grants and Contracts	15,712		2,181	2,182	2,103		3,181	3,268	4,650		5,424	3,256	3,465
State Grants and Contracts	1,856		2,647	2,129	2,399		2,342	3,718	4,334		3,090	2,021	1,613
Local Grants and Contracts	1,852		3,762	1,800	1,404		524	548	2,212		593	1,044	838
Auxiliary enterprises	1,239		491	1,079	1,675		1,390	1,249	1,323		1,508	1,398	1,374
General Operating Revenues	2,387		2,203	2,925	3,606		2,188	1,768	2,305		1,379	1,357	1,173
<b>Total Operating Revenues</b>	32,665		23,174	22,656	23,761		22,153	23,306	26,800		22,872	 19,759	 18,144
Non-Operating Revenues:													
State Appropriations	24,081		23,517	25,499	23,437		22,928	20,176	19,800		19,918	19,554	19,535
Maintenance Ad Valorem Taxes	60,516		57,023	58,319	54,449		51,689	47,179	46,704		43,342	40,524	37,312
Debt Service Ad Valorem Taxes	23,000		23,200	19,158	18,706		13,423	12,387	8,338		8,385	8,639	8,679
Federal Revenue, Non Operating	20,756		27,236	20,413	16,860		16,238	16,715	16,323		16,265	16,521	18,730
Investment Income	1,307		1,101	3,442	5,755		2,308	1,108	337		206	198	216
Change in Fair Value of Investments	(4,960	)	(330)	-	-		-	-	-		-	-	-
Other Non-Operating Revenues	2,465		2,331	26	37		28	12	22		30	144	174
<b>Total Non-Operating Revenues</b>	127,165	1	134,078	126,857	119,244	,	106,614	97,577	91,524	,	88,146	85,580	84,646
<b>Total Revenues</b>	\$ 159,830	<b>\$</b> 1	157,252	\$ 149,513	\$ 143,005	\$	128,767	\$ 120,883	\$ 118,324	\$	111,018	\$ 105,339	\$ 102,790

# Del Mar College Statistical Supplement 2 (Continued) Revenues by Source Fiscal Years 2013 to 2022

(unaudited)

For the Fiscal Year Ended August 31, (in Thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Operating Revenues:										
Tuition and fees (net of discounts)	6.02%	7.56%	8.39%	8.79%	9.73%	10.55%	10.12%	9.80%	10.14%	9.42%
Federal grants and contracts	9.83%	1.39%	1.46%	1.47%	2.47%	2.70%	3.93%	4.89%	3.09%	3.37%
State grants and contracts	1.16%	1.68%	1.42%	1.68%	1.82%	3.08%	3.66%	2.78%	1.92%	1.57%
Local grants and contracts	1.16%	2.39%	1.20%	0.98%	0.41%	0.45%	1.87%	0.53%	0.99%	0.82%
Auxiliary enterprises	0.78%	0.31%	0.72%	1.17%	1.08%	1.03%	1.12%	1.36%	1.33%	1.34%
General Operating Revenues	1.49%	1.40%	1.96%	2.52%	1.70%	1.46%	1.95%	1.24%	1.29%	1.14%
<b>Total Operating Revenues</b>	20.44%	14.76%	15.15%	16.00%	17.21%	19.27%	22.65%	20.60%	18.76%	17.66%
Non-Operating Revenues:										
State Appropriations	15.07%	14.97%	17.06%	16.39%	17.81%	16.69%	16.73%	17.94%	18.56%	19.00%
Maintenance Ad Valorem Taxes	37.86%	36.26%	39.01%	38.07%	40.14%	39.03%	39.47%	39.04%	38.47%	36.30%
Debt Service Ad Valorem Taxes	14.39%	14.75%	12.81%	13.08%	10.42%	10.25%	7.05%	7.55%	8.20%	8.44%
Federal Revenue, Non Operating	12.99%	17.32%	13.65%	11.79%	12.61%	13.83%	13.80%	14.65%	15.68%	18.22%
Investment Income	0.82%	0.70%	2.30%	4.02%	1.79%	0.92%	0.28%	0.19%	0.19%	0.21%
Change in Fair Value of Investments	-3.10%	-0.21%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other Non-Operating Revenues	1.54%	1.48%	0.02%	0.02%	0.02%	0.01%	0.02%	0.03%	0.14%	0.17%
<b>Total Non-Operating Revenues</b>	79.56%	85.24%	84.85%	84.00%	82.79%	80.73%	77.35%	79.40%	81.24%	82.34%
<b>Total Revenues</b>	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

# Del Mar College Statistical Supplement 3 Program Expenses by Function Fiscal Years 2013 to 2022

(unaudited)

For the Fiscal Year Ended August 31,

(in Thousands)

	2022	2021	2020 2019		2018 201		2017	017 2016		2015		2014	2013		
Operating Expenses:															
Instruction	\$ 47,368	\$ 47,091	\$ 48,349	\$	46,483	\$	46,536	\$	43,909	\$	39,580	\$	36,441	\$ 35,017	\$ 33,766
Public service	119	151	95		155		151		129		111		21	14	21
Academic support	7,807	7,202	7,914		7,531		7,734		7,189		6,946		6,193	5,554	4,985
Student services	27,285	19,211	17,319		15,349		15,662		16,487		18,040		16,106	12,295	12,439
Institutional support	28,451	23,240	23,607		21,195		20,888		19,430		18,690		16,792	16,637	15,235
Operation and maintenance of plant	11,108	7,572	9,859		9,023		8,786		10,128		9,702		8,771	8,113	7,597
Scholarships and fellowships	9,511	12,006	6,668		5,940		5,826		5,906		5,111		6,286	5,980	6,857
Auxiliary enterprises	1,265	1,073	1,587		1,228		1,400		1,484		1,417		1,470	1,339	1,405
Depreciation	 7,487	6,592	7,106		5,369		5,430		5,566		5,516		5,590	5,571	5,607
<b>Total Operating Expenses</b>	 140,401	124,138	122,504		112,273		112,413		110,228		105,113		97,670	90,520	87,912
Non-Operating Expenses:															
Interest on capital related debt	9,851	10,465	9,945		8,952		5,285		5,075		4,091		3,961	4,441	4,400
Other Non-Operating Expenses	212	180	78		34		1,825		602		86		88	47	33
<b>Total Non-Operating Expenses</b>	 10,063	10,645	10,023		8,986		7,110		5,677		4,177		4,049	4,488	4,433
<b>Total Expenses</b>	\$ 150,464	\$ 134,783	\$ 132,527	\$	121,259	\$	119,523	\$	115,905	\$	109,290	\$	101,719	\$ 95,008	\$ 92,345

# Del Mar College Statistical Supplement 3 (Continued) Program Expenses by Function Fiscal Years 2013 to 2022

(unaudited)

For the Fiscal Year Ended August 31,

(in Thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Operating Expenes:										
Instruction	31.48%	34.94%	36.48%	38.33%	38.93%	37.88%	36.21%	35.82%	36.86%	36.56%
Public service	0.08%	0.11%	0.07%	0.13%	0.13%	0.11%	0.10%	0.02%	0.02%	0.02%
Academic support	5.19%	5.34%	5.97%	6.21%	6.54%	6.20%	6.35%	6.09%	5.85%	5.40%
Student services	18.13%	14.25%	13.07%	12.66%	13.10%	14.23%	16.51%	15.83%	12.94%	13.47%
Institutional support	18.91%	17.19%	17.78%	17.48%	17.48%	16.76%	17.10%	16.51%	17.51%	16.50%
Operation and maintenance of plant	7.38%	5.59%	7.44%	7.44%	7.35%	8.74%	8.88%	8.62%	8.54%	8.23%
Scholarships and fellowships	6.32%	8.91%	5.03%	4.90%	4.87%	5.10%	4.68%	6.18%	6.29%	7.43%
Auxiliary enterprises	0.84%	0.80%	1.20%	1.01%	1.17%	1.28%	1.30%	1.45%	1.41%	1.52%
Depreciation	4.98%	4.89%	5.36%	4.43%	4.54%	4.80%	5.05%	5.50%	5.86%	6.07%
Total Operating Expenses	90.33%	91.56%	92.42%	92.59%	94.66%	95.10%	96.18%	96.02%	95.28%	95.20%
Non-Operating Expenses:										
Interest on capital related debt	6.55%	7.76%	7.50%	7.38%	4.42%	4.38%	3.74%	3.89%	4.67%	4.76%
Other Non-Operating Expenses	0.14%	0.13%	0.06%	0.03%	1.53%	0.52%	0.08%	0.09%	0.05%	0.04%
<b>Total Non-Operating Expenses</b>	9.67%	8.44%	7.58%	7.41%	5.34%	4.90%	3.82%	3.98%	4.72%	4.80%
Total Expenses	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

# Del Mar College Statistical Supplement 4 Tuition and Fees Per Semester Credit Hour Last Ten Academic Years

(unaudited)

#### Resident

Fees per Semester Credit Hour (SCH)

Academic Year (Fall)	]	In-District Tuition	Out-of- District Tuition	Building Use Fee	,	General Use Fee	Matriculation Fee	Student Activity Fees	Cost for 12 SCH In-District	Cost for 12 SCH Out-of-District	% Increase from Prior Year In-District	% Increase from Prior Year Out-of-District
2021	\$	69	\$ 119	\$ 12	\$	12	\$ 12	\$ 85	\$ 1,345	\$ 1,945	0.00%	0.00%
2020		69	119	12		12	12	85	1,345	1,945	1.82	1.25
2019		67	117	12		12	12	85	1,321	1,921	6.45	4.35
2018		61	111	12		12	12	77	1,241	1,841	5.08	3.37
2017		56	106	12		12	12	77	1,181	1,781	0.00	0.00
2016		56	106	12		12	12	77	1,181	1,781	0.00	0.00
2015		56	106	12		12	12	77	1,181	1,781	1.03	0.68
2014		55	105	12		12	12	77	1,169	1,769	5.60	3.63
2013		52	102	12		12	10	75	1,107	1,707	1.10	0.71
2012		51	101	12		12	10	75	1,095	1,695	10.72	6.67

#### Non - Resident

Fees per Semester Credit Hour (SCH)

Academic Year (Fall)	Resident Tuition Out of State	Resident Tuition Internati onal	Building Use Fee	,	General Use Fee	Matriculation Fee	Student Activity Fees	Cost for 12 SCH Out of State	Cost for 12 SCH International	% Increase from Prior Year Out of State	% Increase from Prior Year International
2021	\$ 156	\$ 156	\$ 12	\$	12	\$ 12	\$ 85	\$ 2,389	\$ 2,389	0.00%	0.00%
2020	156	156	12		12	12	85	2,389	2,389	1.01	1.01
2019	154	154	12		12	12	85	2,365	2,365	3.50	3.50
2018	148	148	12		12	12	77	2,285	2,285	2.70	2.70
2017	143	143	12		12	12	77	2,225	2,225	0.00	0.00
2016	143	143	12		12	12	77	2,225	2,225	0.00	0.00
2015	143	143	12		12	12	77	2,225	2,225	0.54	0.54
2014	142	142	12		12	12	77	2,213	2,213	2.88	2.88
2013	139	139	12		12	10	75	2,151	2,151	0.56	0.56
2012	138	138	12		12	10	75	2,139	2,139	5.21	5.21

Note: (1) Includes basic enrollment tuition and fees but excludes course based fees such as laboratory fees, testing fees and certification fees

(2) Registration Fee: Not applicable

# Del Mar College Statistical Supplement 5 Assessed Value and Taxable Assessed Value of Property Last Ten Fiscal Years

(unaudited)

(in Thousands) Direct Rate

Fiscal Year	Assessed Valu of Propert (a)		Taxable assessed Value (TAV)	% Ratio of Taxable Assessed Value to Assessed Value	 Iaintenance & Operations (b)	Debt Service (b)	Total (b)
2021-22	\$ 38,514,8	75 \$ 6,883,587	\$ 31,631,288	0.82	\$ 0.205296	\$ 0.078044	\$ 0.283340
2020-21	35,539,7	19 6,487,532	29,052,187	0.82	0.205296	0.083304	0.288600
2019-20	35,034,88	85 6,061,795	28,973,090	0.83	0.211260	0.069405	0.280665
2018-19	33,527,32	27 6,301,621	27,225,706	0.81	0.209700	0.072200	0.281900
2017-18	31,619,60	5,950,780	25,668,882	0.81	0.205700	0.053463	0.259163
2016-17	29,841,4	4,975,595	24,865,880	0.83	0.194718	0.051441	0.246159
2015-16	27,500,6	4,683,363	22,817,249	0.83	0.210549	0.037524	0.248073
2014-15	25,746,28	82 4,622,735	21,123,547	0.82	0.207910	0.040163	0.248073
2013-14	24,255,58	80 4,577,887	19,677,693	0.81	0.206690	0.043976	0.250666
2012-13	22,433,94	40 4,557,652	17,876,288	0.80	0.209394	0.048609	0.258003

Source: Local Appraisal District

**Notes:** (a) Property is assessed at full market value (b) per \$100 Taxable Assessed Valuation

# Del Mar College Statistical Supplement 6 State Appropriation per FTSE and Contact Hour Last Ten Fiscal Years

(unaudited)

# **Appropriation per FTSE**

# **Appropriation per Contact Hour**

Fiscal Year	State Appropriation (in thousands)	Annual FTSE (a)	State Appropriation per FTSE	Academic Contact Hours (in thousands) (b)	Voc/Tech Contact Hours (in thousands) (b)	Total Contact Hours (in thousands)	State Appropriation per Contact Hour
2021-22	\$ 24,081	6,093	\$ 3,952	2,252	1,877	4,342	\$ 5.55
2020-21	23,517	6,524	3,605	2,513	1,829	4,342	5.42
2019-20	25,499	7,271	3,507	2,788	2,046	4,834	5.28
2018-19	23,437	7,064	3,318	2,817	1,833	4,650	5.04
2017-18	22,928	7,103	3,228	2,757	1,873	4,630	4.95
2016-17	20,176	7,290	2,768	2,827	1,939	4,766	4.23
2015-16	19,800	6,948	2,850	2,715	1,820	4,535	4.37
2014-15	19,918	6,590	3,022	2,655	1,660	4,315	4.62
2013-14	19,554	6,650	2,940	2,823	1,615	4,438	4.41
2012-13	19,535	7,004	2,789	2,998	1,692	4,690	4.17

#### **Notes:**

Full-time Student Equivalent (FTSE) is defined by the THECB as the annual total semester credit hours divided by 30

(a) Source: Coordinating Board Management Report 004

(b) Source: Coordinating Board Management Report 004 (includes funded and non-funded excess developmental and three-peat hours)

Del Mar College Statistical Supplement 7 Principal Taxpayers Taxable Assessed Value Last Ten Tax Years

(unaudited) (in Thousands)

Taxpayer	Type of Business	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Flint Hills Resources West LP	Petrochemical \$	1,337,014 \$	1,272,928 \$	1,396,033 \$	1,275,786 \$	994,320 \$	901,967 \$	795,171 \$	809,036 \$	894,028 \$	911,024
Valero Refining Texas LP	Petrochemical	1,273,099	1,228,795	1,335,095	1,180,094	992,798	782,638	982,007	732,218	732,219	680,667
Citgo Refining/Chemical Co LP	Petrochemical	823,096	647,031	717,443	662,713	636,937	598,035	576,842	609,788	588,394	527,999
Corpus Christi Polymers LLC	Petrochemical	297,257	271,329	532,193	532,193	-	-	-	-	-	-
Equistar Chemicals LP	Petrochemical	437,357	437,357	450,375	476,587	498,921	525,325	187,352	198,039	227,826	235,788
Equistar Chemicals LP	Petrochemical	164,390	150,811	-	-	169,513	178,657	-	-	-	-
Flint Hills Resources East LP	Petrochemical	189,161	184,602	202,176	192,216	174,379	154,846	165,685	180,163	190,891	195,559
AEP Texas Central Company	Utility	384,113	387,831	325,205	375,892	290,124	249,585	197,103	198,622	167,729	143,951
Valero Marketing & Supply	Petrochemical	-	-	185,721	187,744	186,973	-	-	139,352	147,665	-
Epic Y-Grade Logistics LP	Petrochemical	161,902	174,867	181,276	173,917	-	-	-	-	-	-
Nueces Bay WLE	Utility	-	-	-	-	-	-	179,958	-	-	-
Corpus Christi Retail Venture LP	Retail	-	-	-	-	-	-	-	-	94,714	101,682
Buckeye Texas Processing LLC	Petrochemical	272,640	267,564	277,459	281,540	266,934	252,476	255,721	173,856	-	-
Buckeye Texas HUB LLC	Petrochemical	-	-	-	-	166,772	177,212	161,468	155,421	-	-
Barney M Davis LP	Utility	-	-	-	-	-	132,802	182,407	-	-	-
Flint Hill Resources	Petrochemical	-	-	-	-	-	-	-	107,045	105,017	105,696
HE Butt Grocery Company	Grocery	-	-	-	-	-	-	-	-	84,069	80,885
	Totals §	5,340,029 \$	5,023,115 \$	5,602,976 \$	5,338,682 \$	4,377,671 \$	3,953,543 \$	3,683,714 \$	3,303,540 \$	3,232,552 \$	2,983,251
Total 7	Taxable Assessed Value \$	31,631,288 \$	29,052,187 \$	28,973,090 \$	28,973,089 \$	27,225,706 \$	25,668,882 \$	24,865,880 \$	21,123,547 \$	19,677,694 \$	17,876,288

Source: Local County Appraisal District as of valuation date

**Note:** Tax assessed value is the basis for following FY Maintenance Ad Valorem taxes

# Del Mar College Statistical Supplement 7 (Continued) Principal Taxpayers Taxable Assessed Value Last Ten Tax Years

(unaudited)

% of Taxable Assessed Value (TAV) by Tax Year

Taxpayer	Type of Business	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Flint Hills Resources LP	Petrochemical	4.23%	4.38%	4.82%	4.40%	3.65%	3.51%	3.20%	3.83%	4.54%	5.10%
Valero Refining Texas LP	Petrochemical	4.04	4.23	4.61	4.07	3.65	3.05	3.95	3.47	3.72	3.81
Citgo Refining/Chemical Co LP	Petrochemical	2.61	2.23	2.48	2.29	2.34	2.33	2.32	2.89	2.99	2.95
Corpus Christi Polymers LLC	Petrochemical	0.94	0.93	1.84	1.84	0.00	0.00	0.00	0.00	0.00	0.00
Equistar Chemicals LP	Petrochemical	1.39	1.51	1.55	1.64	1.83	2.05	0.75	0.94	1.16	1.32
Equistar Chemicals LP	Petrochemical	0.52	0.52	0.00	0.00	0.62	0.70	0.00	0.00	0.00	0.00
Flint Hills Resources East LP	Petrochemical	0.60	0.64	0.70	0.66	0.64	0.60	0.67	0.85	0.97	1.09
AEP Texas Central Company	Utility	1.22	1.33	1.12	1.30	1.07	0.97	0.79	0.94	0.85	0.81
Valero Marketing & Supply	Petrochemical	0.00	0.00	0.64	0.65	0.69	0.00	0.00	0.66	0.75	0.00
Epic Y-Grade Logistics LP	Petrochemical	0.51	0.60	0.63	0.60	0.00	0.00	0.00	0.00	0.00	0.00
Nueces Bay WLE	Utility	0.00	0.00	0.00	0.00	0.00	0.00	0.72	0.00	0.00	0.00
Corpus Christi Retail Venture LP	Retail	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.48	0.57
Buckeye Texas Processing LLC	Petrochemical	0.87	0.92	0.96	0.97	0.98	0.98	1.03	0.82	0.00	0.00
Buckeye Texas HUB LLC	Petrochemical	0.00	0.00	0.00	0.00	0.61	0.69	0.65	0.74	0.00	0.00
Barney M Davis LP	Utility	0.00	0.00	0.00	0.00	0.00	0.52	0.73	0.00	0.00	0.00
Flint Hill Resources	Petrochemical	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.51	0.53	0.59
HE Butt Grocery Company	Grocery	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.43	0.45
	Totals	16.94%	17.29%	19.35%	18.42%	16.08%	15.40%	14.81%	15.64%	16.43%	16.69%

Source: Local County Appraisal District

**Note:** Tax assessed value is the basis for following FY Maintenance Ad Valorem taxes

# Del Mar College Statistical Supplement 8 Property Tax Levies and Collections

(unaudited) (in Thousands)

-	Fiscal Year Ended August 31	]	Levy (a)	Cumulative Levy Adjustments				ollections - ar of Levy (c)	Percentage	Prior llections of ior Levies (d)	Co	Current llections of ior Levies (e)	Co	Total llections c+d+e)	% Cumulative Collections of Adjusted Levy
	2022	\$	86,355	\$	(781)	\$	85,574	\$ 81,690	95.46%	\$ -	\$	1,147	\$	82,837	96.80%
	2021		85,042		(610)		84,432	79,363	94.00	-		810		80,173	94.96
	2020		80,012		(791)		79,222	75,442	95.23	-		1,410		76,852	97.01
	2019		74,310		(866)		73,444	71,737	97.68	-		950		72,687	98.97
	2018		65,697		(381)		65,316	63,078	96.57	-		1,661		64,739	99.12
	2017		60,296		(838)		59,458	57,956	97.47	-		1,082		59,038	99.29
	2016		56,481		(1617)		54,864	53,473	97.46	-		39		53,512	97.54
	2015		52,752		(358)		52,394	51,113	97.56	-		1,052		52,165	99.56
	2014		49,097		(317)		48,780	47,518	97.41	-		1,124		48,642	99.72
	2013		45,729		(71)		45,658	44,579	97.64	-		994		45,573	99.81

**Source:** Local Tax Assessor/Collector and District records

- (a) As reported in notes to the financial statements for the year of the levy
- (b) As of August 31st of the current reporting year
- (c) Property tax only does not include penalties and interest
- (d) Represents cumulative collections of prior years not collected in the current year or the year of the tax levy
- (e) Represents current year collections of prior years levies

Del Mar College Statistical Supplement 9 Ratios of Outstanding Debt Last Ten Fiscal Years Ending August 31

(in Thousands) 2022 2021 2020 2019 2018 2017 2016 2015 2014 2013 **General Bonded Debt** General obligation bonds 266,750 \$ 278,040 \$ 288,060 \$ 219,355 \$ 228,195 \$ 134,695 \$ 132,860 \$ 71,170 \$ 69,730 \$ 75,380 22,800 Premium 28,731 31,185 34,115 20,749 14,907 15,649 5,827 4,852 4,227 322,175 \$ 240,104 149,602 \$ 295,481 \$ 309,225 \$ \$ 250,995 \$ 148,509 76,997 \$ 74,582 \$ Net general bonded debt \$ 79,607 Other Debt Revenue bonds 9.910 \$ 11.300 \$ 12,620 \$ 13.890 \$ 15,110 \$ 16,345 \$ 17,530 \$ 21,385 \$ 23,405 25,335 Capital lease obligations 109 **Total Outstanding Debt** \$ 305,391 \$ 320,525 \$ 334,795 \$ 253,994 \$ 266,105 \$ 165,947 \$ 166,039 98,382 97,987 \$ 105,051 **General Bonded Debt Ratios** 889.26 \$ 414.16 \$ Per Capita 836.63 \$ 875.55 \$ 662.79 692.85 \$ 410.78 \$ 213.62 \$ 209.23 \$ 225.66 48,495 33,947 Per FTSE 47,398 44,310 35,336 20,522 21,374 11,684 11,215 11,366 1.03% 0.96% 0.65% 0.69% As a percentage of Taxable Assessed Value 1.12% 1.20% 1.05% 0.38% 0.40% 0.48% **Total Outstanding Debt Ratios** Per Capita 864.69 907.55 \$ 924.10 \$ 701.13 \$ 734.56 \$ 459.41 \$ 459.27 \$ 272.95 \$ 274.90 \$ 297.78 Per FTSE 50,122 49,130 46,045 35,910 37,464 22,764 23,897 14,929 14,735 14,999 As a percentage of Taxable Assessed Value 1.07% 1.16% 1.25% 1.02% 1.12% 0.72% 0.78% 0.49%0.53% 0.63%

**Notes:** Ratios calculated using population and TAV from current year. Debt per student calculated using full-time-equivalent enrollment (a) 2022 information not yet available

### Del Mar College Statistical Supplement 10 Legal Debt Margin Information Last Ten Fiscal Years

(unaudited)

For the Year Ended August 31 (in Thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Taxable Assessed Value	\$38,639,839	\$35,539,719	\$35,034,885	\$33,527,327	\$25,668,882	\$24,865,880	\$22,817,249	\$21,123,547	\$19,677,693	\$17,876,288
General Obligation Bonds										
Statutory Tax Levy Limit for Debt Service	193,199	177,699	175,174	167,637	128,344	124,329	114,086	105,618	98,388	89,381
Less: Funds Restricted for Repayment of General Obligation Bonds	4,661	(4,309)	(4,646)	(4,478)	(4,099)	(3,865)	(3,831)	(4,303)	(4,155)	(4,181)
Total Net General Obligation Debt	197,860	173,390	170,528	163,159	124,245	120,464	110,255	101,315	94,233	85,200
Current Year Debt Service Requirements	22,953	23,184	19,084	18,654	13,407	12,387	8,649	8,413	8,668	8,666
Excess of Statutory Limit for Debt Service over Current Requirements	\$ 174,907	\$ 150,206	\$ 151,444	\$ 144,505	\$ 110,838	\$ 108,077	\$ 101,606	\$ 92,902	\$ 85,565	\$ 76,534
Net Current Requirements as a % of Statutory Limit	14.29%	10.62%	8.24%	8.46%	7.25%	6.85%	4.22%	3.89%	4.59%	5.02%

Note: Texas Education Code Section 130.122 limits the debt service tax levy of community colleges to \$0.50 per hundred dollars taxable assessed valuation

Del Mar College Statistical Supplement 11 Pledged Revenue Coverage Last Ten Fiscal Years (unaudited)

#### **Revenue Bonds**

Pledged Revenues (in Thousands)

Debt Service Requirements (in Thousands)

Fiscal Year	Tuition	<b>Building Use</b>	Matriculation	Income					Coverage
<b>Ended August 31</b>	Fee	Fee	Fee	Revenues	Total	Principal	Interest	Total	Ratio
2022	\$3,423	\$2,217	\$2,217	\$355	\$8,212	\$1,390	\$565	\$1,955	4.20
2021	3,630	2,378	2,378	304	8,690	1,320	631	1,951	4.45
2020	3,884	2,650	2,650	1,353	10,537	1,270	682	1,952	5.40
2019	3,635	2,572	2,572	125	8,904	1,220	731	1,951	4.56
2018	3,511	2,581	2,581	872	9,491	1,235	780	2,015	4.71
2017	3,324	2,656	2,656	242	8,878	1,185	827	2,012	4.41
2016	3,210	2,537	2,537	232	8,516	2,100	963	3,063	2.78
2015	3,003	2,403	2,403	108	7,917	2,020	1,044	3,064	2.58
2014	2,939	2,413	2,413	64	7,829	1,930	1,121	3,051	2.57
2013	3,028	2,568	2,568	141	8,305	1,865	1,191	3,056	2.72

Del Mar College Statistical Supplement 12 Demographic and Economic Statistics - Taxing District (Nueces County) Last Ten Fiscal Years

(unaudited)

Calendar Year	Nueces County Population (a)	P	Nueces County ersonal Income in Thousands) (b)	Pers	eces County sonal Income Per Capita (b)	Nueces County Unemployment Rate (c)
2021	353,178	\$	(d)	\$	(d)	7.1%
2020	363,148		17,430,572		47,999	9.0%
2019	362,347		16,755,502		46,242	4.1%
2018	362,177		15,699,826		43,348	4.6%
2017	361,328		15,466,649		42,805	5.4%
2016	361,753		14,656,692		40,516	5.6%
2015	360,587		15,501,254		42,989	4.9%
2014	356,717		15,742,090		44,130	5.1%
2013	352,987		14,957,265		42,373	6.1%

#### **Sources:**

- (a) 2020 Population from U.S. Census Bureau 2020 Decennial Census 2010-2019 population estimates from U.S. Bureau of Economic Analysis as of November 2020
- (b) Personal income from U.S. Bureau of Economic Analysis as of October 2022
- (c) Unemployment rate from U.S. Department of Labor as of April 2021
- (d) Not yet available

Note: With each new release of annual estimates, the entire time series of estimates is revised for all years back to the last census.

Del Mar College Statistical Supplement 13 Principal Employers

(unaudited)

		2021	2011			
Employer	Number of Employees	Percentage of Total Employment <sup>1</sup>	Number of Employees	Percentage of Total Employment		
Corpus Christi ISD	5,888	3.13%	5,178	2.76%		
Corpus Christi Naval Air Station	4,600	2.45%	2,827	1.50%		
H.E.B.	3,840	2.04%	5,000	2.66%		
Corpus Christi Army Depot	3,400	1.81%	5,800	3.09%		
City of Corpus Christi	3,000	1.60%	3,171	1.69%		
CHRISTUS Spohn Health Systems	2,963	1.58%	5,144	2.74%		
Driscoll Children's Hospital	2,750	1.46%	1,800	0.96%		
Kiewit Offshore Service	2,512	1.34%	-	-		
Bay, Ltd.	1,750	0.93%	2,100	1.12%		
Corpus Christi Medical Center	1,620	0.86%	1,300	0.69%		
Del Mar College	1,402	0.75%	1,542	0.82%		
Total	33,725	17.95%	33,862	18.02%		

#### **Source:**

Corpus Christi Regional Economic Development Corporation and US Bureau of Labor Statistics **Note:** 

<sup>1.</sup> Percentage of Total Employment (2021 Corpus Christi MSA Total Employment = 187,899)

## **Del Mar College Statistical Supplement 14** Faculty, Staff, and Administrators Statistics **Last Ten Fiscal Years**

Fiscal Year

(unaudited)

2021 2020 2019 2018 2017 2016 2015 2014 2013 2012 **Instructional Faculty** Full-Time (Credit) 309 302 310 314 316 311 298 282 279 278 Part-Time (Credit) 167 218 180 213 223 216 227 236 254 287 **Total** 489 469 523 532 539 527 525 518 533 565 Percent Full-Time (Credit) 63.2% 64.4% 59.3% 59.0% 58.6% 59.0% 56.8% 54.4% 52.3% 49.2% Percent Part-Time (Credit) 36.8% 35.6% 40.7% 41.0% 41.4% 41.0% 43.2% 45.6% 47.7% 50.8% **Staff and Administrators** Full-Time 433 428 411 374 381 367 348 309 293 283 312 Part-Time 277 353 359 417 445 408 331 309 380 Total 710 740 764 733 798 812 **756** 640 602 663 Percent Full-Time 61.0% 57.8% 53.8% 51.0% 47.7% 45.2% 46.0% 48.3% 48.7% 42.7% 39.0% Percent Part-Time 42.2% 46.2% 49.0% 52.3% 54.8% 54.0% 51.7% 51.3% 57.3% **College Total** Full-Time 742 730 721 688 697 678 646 591 572 561 Part-Time 457 479 566 577 640 661 635 567 563 667 **Grand Total** 1,199

1,265

54.4%

45.6%

498.72

15.56

20.75

\$71,020

7,759.33

1,337

52.1%

47.9%

513.19

14.96

20.15

\$69,237

7,677.58

1,339

50.6%

49.4%

502.06

15.71

21.50

\$68,279

7,888.75

1,158

51.0%

49.0%

432.28

16.42

22.97

\$60,656

7,096.75

1,281

50.4%

49.6%

454.07

16.29

21.25

\$64,487

7,395.83

1,135

50.4%

49.6%

435.70

16.67

24.78

\$57,676

7,261.92

1,228

45.7%

54.3%

451.65

16.95

27.05

\$55,919

7,656.42

1,287

56.0%

44.0%

508.82

15.45

19.13

\$72,214

7,863.25

1,209

60.4%

39.6%

484.97

12.96

14.68

6,282.83

\$72,119

Notes: Year 2022 is not yet available. FTSE: Full Time Student Equivalent (as reported on CBM001).

61.9%

38.1%

516.07

12.46

14.85

\$74,215

6,431.75

**Source:** College Statistical Profiles.

**Average Annual Faculty Salary** 

Percent Full-Time

Percent Part-Time

**Student FTE (Total SCH/12)** 

FTSE per Full-time Faculty

FTSE per Full-Time Staff Membe

**Faculty FTE** 

#### Del Mar College Statistical Supplement 15 Enrollment Details Last Five Fiscal Years (unaudited)

	Fall	Fall 2021		Fall 2020		2019	Fall	2018	<b>Fall 2017</b>	
<b>Student Classification</b>	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
00-30 hours	7,156	69%	7,473	70%	8,850	74%	8,369	70%	8,036	70%
31-60 hours	2,256	22%	2,303	22%	2,192	18%	2,471	21%	2,384	21%
> 60 hours	983	9%	902	8%	966	8%	1,027	9%	1,056	9%
Total	10,395	100%	10,678	100%	12,008	100%	11,867	100%	11,476	100%

	Fall	2021	Fall	<b>Fall 2020</b>		2019	Fall	2018	Fall 2017	
Semester Hour Load	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1-3 semester hours	1,931	19%	2,260	21%	2,031	17%	2,007	17%	1,907	17%
4-6 semester hours	3,070	29%	3,559	33%	3,163	26%	3,262	27%	2,922	25%
7-9 Semester hours	2,913	28%	2,448	23%	3,088	26%	3,058	26%	2,900	25%
10-12 semester hours	1,653	16%	1,610	15%	2,504	21%	2,415	20%	2,429	21%
13-15 semester hours	735	7%	700	7%	1,093	9%	1,012	9%	1,181	10%
16 & over	93	1%	101	1%	129	1%	113	1%	137	2%
Total	10,395	100%	10,678	100%	12,008	100%	11,867	100%	11,476	100%
Average course load	7.	.0	7	.0	8	3.0	7	.7	7	.6

	Fall 2021		Fall	2020	Fall	2019	Fall	2018	Fall 2017	
<b>Tuition Status</b>	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Texas Resident (in-District)	7,570	73%	7,829	73%	9,024	75%	9,017	76%	8,828	77%
Texas Resident (out-of-District)	2,568	25%	2,569	24%	2,678	22%	2,537	22%	2,411	21%
Non-Resident Tuition	257	2%	280	3%	306	3%	313	0%	237	2%
Total	10,395	100%	10,678	100%	12,008	100%	11,867	100%	11,476	100%

this needs to be fixed

Notes: Year 2022 is not yet available

Source: College Statistical Profiles/CBM001 Report

## Del Mar College Statistical Supplement 16 Student Profile Last Five Fiscal Years

(unaudited)

	Fall :	2021	Fall	2020	Fall	2019	Fall	2018	Fall	2017
Gender	Number	Percent								
Female	6,113	58.80%	6,392	59.90%	7,097	59.10%	6,951	58.57%	6,515	56.77%
Male	4,282	41.20%	4,286	40.10%	4,911	40.90%	4,916	41.43%	4,961	43.23%
Total	10,395	100%	10,678	100%	12,008	100.00%	11,867	100.00%	11,476	100.00%
	Fall :	2021	Fall	2020	Fall	2019	Fall	2018	Fall	2017
Ethnic Origin	Number	Percent								
Hispanic	7,380	71.00%	7,497	70.21%	8,310	69.20%	8,121	68.43%	7,684	66.96%
White, non-Hispanic	2,247	21.62%	2,400	22.48%	2,783	23.18%	2,777	23.40%	2,841	24.76%
Black, non-Hispanic	225	2.16%	248	2.32%	328	2.73%	328	2.76%	318	2.77%
Asian/Pacific Islander	234	2.25%	238	2.23%	265	2.21%	199	1.68%	200	1.74%
Indian/Alaskan Native	19	0.18%	18	0.17%	25	0.21%	26	0.22%	22	0.19%
Unknown	290	2.79%	277	2.59%	297	2.47%	416	3.51%	411	3.58%
Total	10,395	100%	10,678	100%	12,008	100.00%	11,867	100.00%	11,476	100.00%
	Fall	2021	Fall	2020	Fall	2019	Fall	2018	Fall	2017
Age	Number	Percent								
Under 20	3,987	38.35%	4,328	40.53%	4,952	41.24%	4,615	38.89%	4,203	36.62%
20 -24	3,086	29.69%	3,094	28.98%	3,499	29.14%	3,495	29.45%	3,449	30.05%
25 - 29	1,253	12.05%	1,298	12.16%	1,402	11.67%	1,496	12.61%	1,491	12.99%
30 - 34	799	7.69%	751	7.03%	837	6.97%	854	7.20%	875	7.63%
35 - 39	512	4.92%	490	4.59%	528	4.40%	552	4.65%	594	5.18%
40 - 44	349	3.36%	340	3.18%	321	2.67%	353	2.97%	350	3.05%
45 - 49	192	1.85%	189	1.77%	234	1.95%	272	2.29%	240	2.09%
50 & over	217	2.09%	188	1.76%	235	1.96%	230	1.94%	274	2.39%
Total	10,395	100%	10,678	100%	12,008	100.00%	11,867	100.00%	11,476	100.00%
Average Age	24.0		24.0		24.0		24.0		24.0	

**Notes:** Year 2022 is not yet available

**Source:** College Statistical Profiles/CBM001 Report

#### Del Mar College

#### **Statistical Supplement 17**

#### **Transfers to Senior Institutions**

# Academic Year 2020-21 Students as of Fall 2021 (Includes only public senior colleges in Texas)

(unaudited)

	Transfer Student	Transfer Student	<b>Transfer Student</b>	Total of	Percent of
	Count	Count	Count	all	Total
Universities:	Academic	Technical	Tech-Prep	<b>Transfer Students</b>	<b>Transfer Students</b>
1 Texas A&M University - Corpus Christi	645	43	11	699	46.48%
2 Texas A&M University - Kingsville	140	13	2	155	10.31%
3 Texas A&M University	115	12	1	128	8.51%
4 The University of Texas at San Antonio	119	7	1	127	8.44%
5 Texas State University	81	4	1	86	5.72%
6 The University of Texas at Austin	92	1	2	95	6.32%
7 Texas Tech University	33	4	0	37	2.46%
8 The University of Texas at Arlington	14	10	0	24	1.60%
9 University of Houston	9	2	1	12	0.80%
10 University of North Texas	11	0	0	11	0.73%
11 Sam Houston State University	11	2	0	13	0.86%
12 Stephen F. Austin State University	4	0	0	4	0.27%
13 The University of Texas - Rio Grande Valley	9	2	0	11	0.73%
14 The University of Texas at Dallas	7	0	0	7	0.47%
15 Tarleton State University	6	1	0	7	0.47%
16 Texas A&M University - San Antonio	5	3	0	8	0.53%
17 Texas A&M University at Galveston	5	1	0	6	0.40%
18 Texas A&M International University	4	1	0	5	0.33%
19 Texas A&M University System Health Science Center	7	0	0	7	0.47%
20 University of Houston - Victoria	12	6	0	18	1.20%
21 Angelo State University	5	0	0	5	0.33%
22 Sul Ross State University	0	1	0	1	0.07%
23 Texas Southern University	1	0	0	1	0.07%
24 Texas Woman's University	2	1	0	3	0.20%
26 The University of Texas at El Paso	2	0	0	2	0.13%
27 The University of Texas Health Science Center at San Antonio	3	0	0	3	0.20%
28 The University of Texas Medical Branch at Galveston	1	0	0	1	0.07%
29 The University of Texas of the Permian Basin	3	0	0	3	0.20%
30 Midwestern State University	4	0	0	4	0.27%
31 University of Houston - Clear Lake	3	1	0	4	0.27%
32 Texas Tech University Health Sciences Center	1	0	0	1	0.07%
34 The University of Texas at Tyler	0	2	0	2	0.13%
35 University of Houston - Downtown	1	0	0	1	0.07%
Others Universities	9	4	0	13	0.86%
	1364	121	19	1504	100%

Source: Texas Higher Education Coordinating Board Automated Student and Adult Learner Follow-Up System Students Pursuing Additional Education by Institution

Del Mar College Statistical Supplement 18 Capital Asset Information Fiscal Years 2013 to 2022 (unaudited)

Fiscal Year

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Academic buildings	39	37	37	34	34	34	35	34	34	34
Square footage (in thousands)	1,270	1,129	1,129	921	897	897	914	894	894	875
Libraries	2	2	2	2	2	2	2	2	2	2
Square footage (in thousands)	114	114	114	114	114	114	114	114	114	114
Number of Volumes (in thousands)	187	187	187	187	187	187	187	187	187	187
Administrative and support buildings	7	7	7	7	7	7	7	7	7	7
Square footage (in thousands)	253	253	253	253	253	253	253	253	237	237
Athletic Facilities	3	3	3	3	3	3	3	3	3	3
Square footage (in thousands)	60	60	60	60	60	60	60	60	60	60
Aquatic Center	1	1	1	1	1	1	1	1	1	1
Gymnasiums	1	1	1	1	1	1	1	1	1	1
Tennis Court	1	1	1	1	1	1	1	1	1	1
Plant facilities	7	6	6	6	6	6	6	6	6	6
Square footage (in thousands)	78	70	70	70	70	70	70	70	70	70
Transportation										
Cars	19	20	22	22	7	4	9	33	53	69
Light Trucks/Vans	74	74	81	81	63	55	50	43	37	68
Buses	3	3	3	3	2	0	0	1	1	1

Source: Del Mar College Physical Facilities Building Report

Del Mar College Statistical Supplement 19 Changes in Net Position Fiscal Years 2013 to 2022 (unaudited)

For the Year Ended August 31

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Operating Revenues:										
Tuition and Fees (net of discounts)	\$ 9,619,277 \$	11,890,143 \$	12,540,731 \$	12,574,086 \$	12,528,094 \$	12,755,431 \$	11,975,986 \$	10,878,328 \$	10,683,123 \$	9,681,161
Federal Grants and Contracts	15,711,535	2,180,811	2,182,843	2,103,407	3,181,036	3,268,403	4,650,416	5,423,812	3,255,877	3,465,361
State Grants and Contracts	1,855,831	2,646,861	2,128,904	2,399,247	2,341,669	3,717,804	4,334,183	3,090,218	2,021,264	1,613,439
Local Grants and Contracts	1,852,274	3,761,525	1,800,395	1,403,419	523,681	547,774	2,211,054	592,945	1,043,836	837,213
Auxiliary Enterprises (net of discounts)	1,239,174	491,537	1,078,975	1,675,087	1,390,301	1,248,486	1,323,238	1,507,338	1,397,476	1,373,947
General Operating Revenues	 2,386,870	2,203,214	2,924,699	3,605,925	2,187,741	1,767,755	2,304,931	1,378,951	1,357,212	1,172,798
<b>Total Operating Revenues</b>	 32,664,961	23,174,091	22,656,547	23,761,171	22,152,522	23,305,653	26,799,808	22,871,592	19,758,788	18,143,919
Operating Expenses:										
Instruction	47,368,438	47,091,274	48,349,080	46,483,218	46,536,019	43,908,899	39,580,321	36,440,531	35,017,334	33,765,746
Public Service	119,430	150,811	94,985	154,635	151,245	129,056	110,626	21,290	14,146	21,359
Academic Support	7,806,899	7,201,562	7,913,959	7,531,038	7,734,321	7,189,179	6,946,425	6,193,494	5,553,605	4,984,898
Student Services	27,285,414	19,210,872	17,319,456	15,348,900	15,662,326	16,486,986	18,039,997	16,105,881	12,295,001	12,439,289
Institutional Support	28,450,829	23,240,007	23,607,141	21,194,945	20,887,777	19,429,845	18,690,329	16,792,500	16,637,302	15,235,208
Operating and Maintenance of Plant	11,107,937	7,572,279	9,859,544	9,022,898	8,785,591	10,128,134	9,701,525	8,770,592	8,112,724	7,597,543
Scholarships and Fellowships	9,510,978	12,005,369	6,667,609	5,939,657	5,825,627	5,905,955	5,111,125	6,285,920	5,980,411	6,856,972
Auxiliary Enterprises	1,264,698	1,073,036	1,586,671	1,227,858	1,400,092	1,483,984	1,417,025	1,469,943	1,339,143	1,404,623
Depreciation	 7,487,351	6,592,389	7,106,091	5,369,523	5,430,143	5,565,557	5,515,438	5,589,559	5,570,425	5,606,843
<b>Total Operating Expenses</b>	 140,401,974	124,137,599	122,504,536	112,272,672	112,413,141	110,227,595	105,112,811	97,669,710	90,520,091	87,912,481
Operating Loss	\$ (107,737,013) \$	(100,963,508) \$	(99,847,989) \$	(88,511,501) \$	(90,260,619) \$	(86,921,942) \$	(78,313,003) \$	(74,798,118) \$	(70,761,303) \$	(69,768,562)

#### Del Mar College Statistical Supplement 19 (Continued) Changes in Net Position Fiscal Years 2013 to 2022

(unaudited)

For the Year Ended August 31

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Non-Operating Revenues (Expenses):										
State Appropriations	\$ 24,081,016 \$	23,516,879 \$	25,499,749 \$	23,437,046 \$	22,927,559 \$	20,175,851 \$	19,800,318 \$	19,917,744 \$	19,553,776 \$	19,535,227
Maintenance Ad Valorem Taxes	60,515,606	57,023,250	58,318,766	54,449,297	51,688,633	47,179,178	46,704,072	43,341,908	40,524,142	37,311,571
Debt Service Ad Valorem Taxes	23,000,450	23,200,091	19,157,747	18,706,260	13,423,409	12,386,836	8,338,292	8,384,937	8,639,074	8,678,589
Federal Revenue, Non Operating	20,756,257	27,236,182	20,412,808	16,860,116	16,237,471	16,714,930	16,322,598	16,265,164	16,521,106	18,730,358
Loss on Disposal of Capital Assets	(203,695)	(94,275)	(71,492)	(26,208)	(800,597)	(302,112)	(80,308)	(85,079)	(44,591)	(31,345)
Investment Income	1,307,263	1,100,553	3,442,061	5,754,478	2,308,152	1,107,980	337,362	205,840	197,482	216,246
Change in Fair Value of Investments	(4,960,357)	(329,835)	-	-	-	-	-	-	-	-
Interest on Capital Related Debt	(9,850,928)	(10,464,504)	(9,945,074)	(8,951,490)	(5,284,975)	(5,075,351)	(4,090,597)	(3,961,174)	(4,441,005)	(4,399,676)
Other Non-Operating Revenues	2,464,571	2,331,401	26,697	37,368	28,316	11,704	21,428	30,022	144,164	173,864
Other Non-Operating Expenses	(8,049)	(86,158)	(6,999)	(7,299)	(1,024,243)	(299,981)	(6,000)	(2,750)	(2,800)	(1,600)
<b>Net Non-Operating Revenues</b>	 117,102,134	123,433,584	116,834,263	110,259,568	99,503,725	91,899,035	87,347,165	84,096,612	81,091,348	80,213,234
Capital Contributions	285,000	829,997	60,434	5,000	689,500	65,500	59,513	151,333	97,300	836,140
Income Before Extraordinary Item	9,650,121	23,300,073	17,046,708	21,753,067	9,932,606	5,042,593	9,093,675	9,449,827	10,427,345	11,280,812
Restatements	_	-	_	-	-	_	_	-	-	_
Increase in Net Position	9,650,121	23,300,073	17,046,708	21,753,067	9,932,606	5,042,593	9,093,675	9,449,827	10,427,345	11,280,812
Net Position										
Net Position - Beginning of Year	116,585,994	93,285,921	76,239,213	54,486,146	130,861,035	125,660,831	116,567,156	117,588,953	107,161,608	95,880,796
Cumulative Effect of Change in										
Accounting Principle		-	-	-	(86,307,495)	-	-	(10,471,624)	-	-
Net Position - Beginning of Year - as restated	 116,585,994	93,285,921	76,239,213	54,486,146	44,553,540	125,660,831	116,567,156	107,117,329	-	-
Net Position - End of Year	\$ 126,236,115 \$	116,585,994 \$	93,285,921 \$	76,239,213 \$	54,486,146 \$	130,703,424 \$	125,660,831 \$	116,567,156 \$	117,588,953 \$	107,161,608

Del Mar College Statistical Supplement 20 Ad Valorem Property Tax Rates Authorized Last Ten Fiscal Years

(unaudited)

Calendar Year	<b>Current Operations</b>	Debt Service	Total	
2021	0.5000	0.5000	1.0000	
2020	0.5000	0.5000	1.0000	
2019	0.5000	0.5000	1.0000	
2018	0.5000	0.5000	1.0000	
2017	0.5000	0.5000	1.0000	
2016	0.5000	0.5000	1.0000	
2015	0.5000	0.5000	1.0000	
2014	0.5000	0.5000	1.0000	
2013	0.5000	0.5000	1.0000	
2012	0.5000	0.5000	1.0000	

#### Del Mar College Statistical Supplement 21

### Property Tax Rates - Direct and Overlapping Governments Last Ten Fiscal Years for Year End August 31

(unaudited)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Del Mar College District	0.283	0.288	0.280	0.281	0.282	0.259	0.246	0.248	0.248	0.251
Special Districts:										
Hospital District	0.111	0.111	0.112	0.117	0.121	0.126	0.127	0.127	0.130	0.137
Downtown Management District	0.300	0.300	0.300	0.300	0.300	0.300	0.370	0.370	0.370	0.370
Nueces County	0.306	0.307	0.307	0.309	0.304	0.304	0.304	0.304	0.313	0.331
Drainage District No. 2	0.339	0.339	0.354	0.348	0.337	0.332	0.333	0.333	0.334	0.350
Drainage District No. 3	0.146	0.146	0.146	0.193	0.193	0.193	0.193	0.030	0.193	0.178
South Texas Water Authority	0.082	0.086	0.086	0.087	0.087	0.085	0.083	0.083	0.083	0.085
Cities:										
Corpus Christi	0.646	0.646	0.646	0.626	0.606	0.606	0.606	0.606	0.606	0.585

Source: Nueces County Tax Office as of valuation year

Del Mar College Statistical Supplement 21 (Continued)

# Property Tax Rates - Direct and Overlapping Governments Last Ten Fiscal Years for Year End August 31

(unaudited)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
School Districts:										
Calallen ISD	1.232	1.243	1.311	1.403	1.375	1.375	1.375	1.375	1.375	1.358
Corpus Christi ISD	1.240	1.256	1.270	1.305	1.237	1.237	1.237	1.237	1.237	1.237
Flour Bluff ISD	1.006	1.066	1.070	1.140	1.145	1.150	1.150	1.154	1.154	1.168
London ISD	1.200	1.317	1.347	1.303	1.349	1.357	1.357	1.357	1.356	1.395
Port Aransas ISD	0.934	0.994	1.054	1.118	1.118	1.118	1.118	1.118	1.118	1.126
Tuloso Midway ISD	1.180	1.175	1.213	1.372	1.372	1.408	1.409	1.409	1.377	1.394
West Oso ISD	1.271	1.300	1.408	1.450	1.450	1.450	1.450	1.450	1.450	1.370
Fire Districts:										
Fire District No. 1	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100
Fire District No. 2	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030
Fire District No. 3	0.100	0.093	0.100	0.100	0.100	0.100	0.030	0.030	0.030	0.030
Fire District No. 4	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100
Fire District No. 5	0.100	0.100	0.100	0.030	0.030	0.030	0.030	0.030	0.030	0.030
TOTAL:	10.66	10.93	11.280	11.341	11.716	11.612	11.648	11.491	11.634	11.625

**Source:** Nueces County Tax Office as of valuation year

## Del Mar College Statistical Supplement 22 Computation of Direct and Overlapping Debt August 31, 2022

(unaudited)

Bonded Debt of Individual Governmental Subdivisions:		Estimated Gross Debt	Percent Applicable	 Applicable to Direct	
Special Districts:					
Nueces County	\$	140,675,962	84.28%	\$ 118,561,701	
City:					
Corpus Christi		394,022,424	99.19%	390,830,842	
School Districts:					
Calallen ISD		65,955,000	100.00%	65,955,000	
Corpus Christi ISD		802,839,426	100.00%	802,839,426	
Flour Bluff ISD		51,374,986	100.00%	51,374,986	
London ISD		27,068,263	39.45%	10,678,430	
Port Aransas ISD		557,366	10.42%	58,078	
Tuloso-Midway ISD		48,001,064	100.00%	48,001,064	
West Oso ISD		28,835,000	100.00%	28,835,000	
Sub-total direct and overlapping debt		1,559,329,491		1,517,134,527	
Del Mar College District		266,750,000	100.00%	266,750,000	
Total direct and overlapping debt		1,826,079,491	97.69%	\$ 1,783,884,527	

**Source:** Debt outstanding data provided by each entity



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# Federal and State Award Section







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# INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

December 8, 2022

Board of Regents Del Mar College District Corpus Christi, Texas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Del Mar College District (the College) and its discretely presented component unit, as of and for the years ended August 31, 2022 and 2021 and June 30, 2022 and 2021, respectively, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated December 8, 2022.

#### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses, or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

#### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Collier, Johnson & Woods

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#### INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

December 8, 2022

Board of Regents Del Mar College District Corpus Christi, Texas

#### Report on Compliance for Each Major Federal Program

#### Opinion on Each Major Federal Program

We have audited the Del Mar College District's (the College's) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended August 31, 2022. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of federal findings and questioned costs.

In our opinion, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2022.

#### Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements*, Cost Principles, and *Audit Requirements for Federal Awards* (Uniform Guidance). Our Responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the College's compliance with the compliance requirements referred to above.

#### Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the College's federal programs.

#### Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the College's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the College's compliance with the requirements of each major federal program as a whole.

In performing and audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness on the College's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

#### **Report on Internal Control Over Compliance**

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Collier, Johnson & Woods

#### DEL MAR COLLEGE DISTRICT

#### SCHEDULE OF FEDERAL FINDINGS AND QUESTIONED COSTS

#### FOR THE YEAR ENDED AUGUST 31, 2022

Section	٠
Section 1	٠.

Summary of Auditor's Results

#### Financial Statements:

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

Material weakness identified?

• Significant deficiencies reported that are not considered to be material weaknesses?

None reported

• Noncompliance material to the financial statements noted? No

#### Federal Awards:

• Material weakness identified?

• Significant deficiencies reported that are not considered to be material weaknesses?

None reported

Type of auditor's report on compliance for major federal programs: Unmodified

Any audit findings required to be reported in accordance with the Uniform Guidance?

No

The programs tested as major programs include:

#### U.S. Department of Education

#### Financial Aid Cluster:

84.007 Federal Supplemental Educational Opportunity Grants (FSEOG)

84.033 Federal College Work Study Program

84.063 Federal Pell Grant Program

84.268 Federal Direct Loan Program

#### Cares Act Cluster:

Higher Education Emergency Relief Fund

84.425E CARES Act- Student Portion

84.425F CARES Act- Institutional Support

84.425L CARES Act- Minority Serving Institution

#### Texas Higher Education Coordinating Board

Governor's Emergency Education Relief (GEER)

84.425C THECB Accelerating Credentials

84.425C THECB-THECB TX Reskilling Support 20-GE-S4425C

84.425C THECB-THECB OER Course Development 20-GE-S4425C

84.425C THECB Reporting Modernization
 84.425C THECB-TRUE Institutional Capacity Grant
 84.425C CBC-THECB-TRUE Institutional Capacity Grant

Dollar threshold used to distinguish between Type A and Type B programs:

\$1,161,708

Auditee qualified as low risk auditee:

Yes

Section II:

Findings - Financial Statement Audit

None reported

Section III:

Findings and Questioned Costs – Major Federal Award Programs

None Reported

Section IV:

**Prior Year Findings** 

None Reported



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#### DEL MAR COLLEGE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Year Ended August 31, 2022

	Assistance		Expendi	tures	
Federal Grantor/Cluster/Program Title/Pass-Through Grantor	Listing		Pass-Through		Subrecipients
Pass-Through Grantor's Award Number	Number	Direct Awards	Awards	Total	Expenditures
U.S. DEPARTMENT OF EDUCATION					
Direct Programs:					
Student Financial Assistance Cluster	04.007	A 240.066	Φ.	240.066	
SEOG	84.007	\$ 249,966	- \$	249,966	-
Federal College Workstudy Program Federal Pell Grant	84.033 84.063	116,827	-	116,827	-
Direct Student Loans	84.268	13,892,694 2,255,803	-	13,892,694 2,255,803	-
Total Student Financial Assistance Cluster	04.200	16,515,290		16,515,290	
Total Student Financial Assistance Cluster		10,313,290	-	10,313,290	-
CARES Act Higher Education Emergency Relief Fund Cluster:	04.4055	5.044.005		5 0 4 C 0 2 5	
CARES Act-Student Portion	84.425E	5,046,927	-	5,046,927	-
CARES Act-Institutional Portion	84.425F	13,230,485	-	13,230,485	-
CARES Act-Minority Serving Institution	84.425L	412,392	-	412,392	
Total CARES Act Cluster		18,689,804	-	18,689,804	-
Title V Cluster					
Viking Connect: Academic and Career Coaching	84.031S	29,759	_	29,759	_
Project SENDA	84.031S	366,129	_	366,129	_
Total Title V Cluster	01.0515	395,888		395,888	
10 11		3,2,000		3,2,000	
TRIO Upward Bound	84.047V	304,262	-	304,262	_
TRIO Student Support Services	84.042A	305,074	-	305,074	-
TRIO Educational Opportunities Center	84.066A	184,698	-	184,698	-
Child Care Access	84.335A	32,734	-	32,734	-
Total		826,768	-	826,768	-
Pass-Through From:					
Texas Higher Education Coordinating Board:					
Carl Perkins Vocational Education-Basic - 19204	84.048	-	591,253	591,253	-
Governor's Emergency Education Relief (GEER)					
THECB Accelerating Credentials	84.425C	-	12,379	12,379	-
TAMUCC-THECB TX Reskilling Support 20-GE-S4425C	84.425C	-	242,542	242,542	-
TAMUCC-THECB OER Course Development 20-GE-S4425C	84.425C	-	2,308	2,308	-
THECB Reporting Modernization	84.425C	-	24,805	24,805	-
THECB-TRUE Institutional Capacity Grant	84.425C	-	255,659	255,659	-
CBC-THECB-TRUE Institutional Capacity Grant	84.425C		26,489	26,489	
GEER Total Cluster		-	564,182	564,182	<u> </u>
Total of U.S. Department of Education		36,427,750	1,155,435	37,583,185	-
U.S. DEPARTMENT OF AGRICULTURE					
Pass-Through From:					
Texas State Department of Agriculture					
Child & Adult Care Food Program - 02190	10.558	-	13,916	13,916	-
Total U.S. Department of Agriculture		-	13,916	13,916	-
ILC DEDADTMENT OF DEFENCE					
U.S. DEPARTMENT OF DEFENSE Direct Program:					
Procurement Technical Assistance of Business Firms - SP4800-20-2-2187	12.002	139,157	_	139,157	_
Procurement Technical Assistance of Business Firms - SP4800-20-2-2187	12.002	288,683	-	288,683	-
Total U.S. Department of Defense	12.002	427,840		427,840	
Total C.S. Department of Defense		427,840	-	447,840	-

#### DEL MAR COLLEGE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Year Ended August 31, 2022

	Assistance		Expend	itures	
Federal Grantor/Cluster/Program Title/Pass-Through Grantor	Listing		Pass-Through		Subrecipients
Pass-Through Grantor's Award Number	Number	Direct Awards	Awards	Total	Expenditures
U.S. DEPARTMENT OF LABOR					
Pass-Through From:					
Texas Workforce Commission:					
WIOA Adult, Dislocated Worker and Youth Activities - 2221WOS002	17.258	-	118,443	118,443	-
WIOA Apprenticeship/JATC - 2221ATP001 TANF Apprenticeship/JATC - 2221ATP001	17.258 93.558		126,588 15,434	126,588 15,434	-
Total U.S. Department of Labor		-	260,465	260,465	-
NATIONAL SCIENCE FOUNDATION					
Direct Programs:					
Education and Human Resources Cluster					
STELLAR-Technical Workforce in South Texas	47.076	38,475	-	38,475	-
Robert Noyce Teacher Scholarship Program	47.076	2,795	-	2,795	-
Total Education and Human Resources Cluster		41,270	-	41,270	-
Pass-Through From:					
The Board of Regents of the University of Oklahoma	47.050	-	117,708	117,708	_
Total National Science Foundation		41,270	117,708	158,978	-
NATIONAL AERONAUTICS & SPACE ADMINISTRATION					
Pass-Through From:					
Texas A&M Kingsville - 80NSSC21M0304	43.008	-	35,462	35,462	-
Total National Aeronautics & Space Administration (NASA)		-	35,462	35,462	-
U.S. SMALL BUSINESS ADMINISTRATION					
Pass-Through From:					
University of Texas at San Antonio					
Small Business Development Center - 11-603001	59.006	-	7,215	7,215	-
Small Business Administration - Z-0049-36-DMC	59.037	-	125,895	125,895	-
Small Business Development Center - OSBDC-COVID-2020-1	59.037	-	93,392	93,392	-
Total Small Business Administration		-	226,502	226,502	-
U.S.DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Pass-Through From:					
Texas Workforce Commission	02.550		2 2 4 7	2.247	
Temporary Assistance for Needy Families-Code Camp - 2221TAN002	93.558	-	3,247	3,247	-
Temporary Assistance for Needy Families-Code Camp - 2222TAN003	93.558		14,000	14,000	
Total U.S. Department of Health and Human Services		-	17,247	17,247	-
Total Federal Financial Assistance		\$36,896,860	\$1,826,735	\$38,723,595	-

Notes to Schedule on Following Page Note to Schedule on Following Page

# DEL MAR COLLEGE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Year Ended August 31, 2022

#### **Note 1: Federal Assistance Reconciliation**

Other Operating Revenue-Federal Grants and Contracts revenue - per Schedule A	\$ 15,711,535
Add: Non-Operating Revenues-Federal Revenue, non-operating-per Schedule C	 20,756,257
Total Federal Revenues per Schedule A and C	\$ 36,467,792
Reconciling Item:	
Add: Direct Student Loans	2,255,803
Total Federal Expenditures per Schedule of Expenditures and Federal Awards	\$ 38,723,595

#### Note 2: Significant Accounting Policies used in Preparing the Schedule

The expenditures included in the schedule are reported for the College's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represent funds that have been expended by the College for the purposes of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Some amounts reported in the schedule may differ from amounts used in the preparation of the basic financial statements. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agences. The College has followed all applicable guidelines issued by various entities in the preparation of the schedule. Since the College has agency-approved indirect recovery rate, it has elected not to use the 10% de minimis cost rate as permitted in the UG, section 200.414

#### **Note 3: Expenditures Not Subject to Federal Single Audit**

None

#### Note 4: Student Loans Processed and Administrative Costs Recovered

None

#### **Note 5: Nonmonetary Federal Assistance**

None

#### **Note 6: Amounts Passed Through by the College**



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# INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE STATE OF TEXAS SINGLE AUDIT CIRCULAR

December 8, 2022

Board of Regents Del Mar College District Corpus Christi, Texas

#### Report on Compliance for Each Major State Program

#### Opinion on Each Major State Program

We have audited the Del Mar College District's (the College's) compliance with the types of compliance requirements identified as subject to audit in the *State of Texas Single Audit Circular* that could have a direct and material effect on each of the College's major state programs for the year ended August 31, 2022. The College's major state programs are identified in the summary of auditor's results section of the accompanying schedule of state findings and questioned costs.

In our opinion, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended August 31, 2022.

#### Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by Comptroller General of the United States; and the audit requirements of the *State of Texas Single Audit Circular* (Circular) issued by the Governor's Office of Budget and Planning. Our Responsibilities under those standards and the Circular are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of the College's compliance with the compliance requirements referred to above.

#### Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the College's state programs.

#### Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the College's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Circular will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the College's compliance with the requirements of each major state program as a whole.

In performing and audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Circular, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the College's internal control over compliance relevant to the audit in
  order to design audit procedures that are appropriate in the circumstances and to test and report on
  internal control over compliance in accordance with the Circular, but not for the purpose of
  expressing an opinion on the effectiveness on the College's internal control over compliance.
  Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

#### **Report on Internal Control Over Compliance**

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Circular. Accordingly, this report is not suitable for any other purpose.

Collier, Johnson & Woods

#### DEL MAR COLLEGE DISTRICT

#### SCHEDULE OF STATE FINDINGS AND QUESTIONED COSTS

#### FOR THE YEAR ENDED AUGUST 31, 2022

Section I:

Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

• Material weakness identified?

• Significant deficiencies reported that are not considered to be material weaknesses?

None reported

• Noncompliance material to the financial statements noted? No

State Awards:

Material weakness identified?

• Significant deficiencies reported that are not considered to be material weaknesses?

None reported

Type of auditor's report on compliance for major state programs: Unmodified

Any audit findings required to be reported in accordance with Section 510(a) of the State of Texas Single Audit Circular?

No

The programs tested as major programs include:

Texas Higher Education Coordinating Board: Texas Grant Program

University of Texas San Antonio: Small Business Development

Dollar threshold used to distinguish between Type A and Type B programs:

\$300,000

Auditee qualified as low risk auditee: Yes

Section II:

Findings - Financial Statement Audit

None reported.

Section III:

Findings and Questioned Costs – Major State Award Programs

None Reported

Section IV:

Prior Year Findings

None reported



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\$1,855,831

# DEL MAR COLLEGE SCHEDULE OF EXPENDITURES OF STATE AWARDS For the Year Ended August 31, 2022

	Grant Contract	
Grantor Agency/Program Title	Number	Expenditures
TEXAS HIGHER EDUCATION COORDINATING BOARD		
Texas College Work Study	22339	\$ 14,860
Texas Grant Program	13399	801,784
CRSM	17433	19,672
Nursing Shortage Over 70		116,831
Workstudy Mentorship	15555	5,457
Nursing Innovation Grant Program	23783	43,869
Total Texas Higher Education Coordinating Board		1,002,473
TEXAS WORKFORCE COMMISSION		
Child Care Relief Funds		24,722
Bay Area Healthcare	2219SDF001	(9,932)
TWC Skills COVID-19	2220COS001	1,514
TWC- SDF SHELL	2221SDF001	25,004
TWC- SDF GULF ISLAND	2222SDF001	11,456
Total Skills Development		52,764
Apprenticeship Training Program	2222ATP001	384,077
Pre-Apprenticeship Pilot	2222DON001	78,077
Total Workforce Commission		514,918
OFFICE OF THE GOVERNOR-PUBLIC SAFETY OFFICE		
Coastal Bend Council of Governors	1465917	44,440
UNIVERSITY OF TEXAS AT SAN ANTONIO		
Small Business Development	11-603001-Z-0049-36-DMC	195,000
SBDC Rural	11-603001-Z-0049-36-DMC	99,000
Total University of Texas at San Antonio		294,000

**Total State Financial Assistance** 

# DEL MAR COLLEGE SCHEDULE OF EXPENDITURES OF STATE AWARDS For the Year Ended August 31, 2022

#### **Note 1: State Assistance Reconciliation**

State Revenues-per Schedule A
State Financial Assistance
Per Schedule of expenditures of state awards

1,855,831

Total State Revenues per Schedule A

\$ 1,855,831

#### Note 2: Significant Accounting Policies Used in Preparing the Schedule

The accompanying schedule is presented using the accrual basis of accounting. See Note 2 to the financial statements for Del Mar College's significant accounting policies. These expenditures are reported on Del Mar College's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis.



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Del Mar College is an Equal Opportunity/Affirmative Action Employer and Educational Institution.

The College takes affirmative action to endeavor that no person shall be denied the benefits of equal employment or be subjected to discrimination in employment or educational programs and activities of Del Mar College on the basis of race, color, sex (including pregnancy, gender identity/transgender status, sexual orientation), age, national origin, religion, disability, or any other constitutionally or statutorily impermissible reason.

# Regular Agenda Item 5



# **Del Mar College Physical Facilities** November 14, 2022

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

FROM: John Strybos, PE, CPA

Vice President and Chief Physical Facilities Officer John Strybos

RE: Discussion and Possible Action on Award of Contract for Request for Competitive Sealed Proposals, RCSP #2023-02, Del Mar College Building Renovations and Improvements

Heritage Campus

SUMMARY: Del Mar College Purchasing and Business Services Department has advertised for Del Mar College Building Renovations and Improvements Heritage Campus. This solicitation is a Competitive Sealed Proposal (CSP) or Qualifications based procurement. This project consists of the renovation and improvements to repurpose the Memorial Classroom Building into the new Administration Building.

BACKGROUND: Del Mar College Physical Facilities Department contracted with Gignac and Associates LLP. to prepare construction documents for the renovation of the Memorial Classroom Building. The building is vacant and all asbestos abatement has been completed. This a 2014 Bond funded project.

STAFF RECOMMENDATION: Award of a contract to the recommended contractor using 2014 Bond Funds.

LIST OF SUPPORTING DOCUMENTS: Campus Map

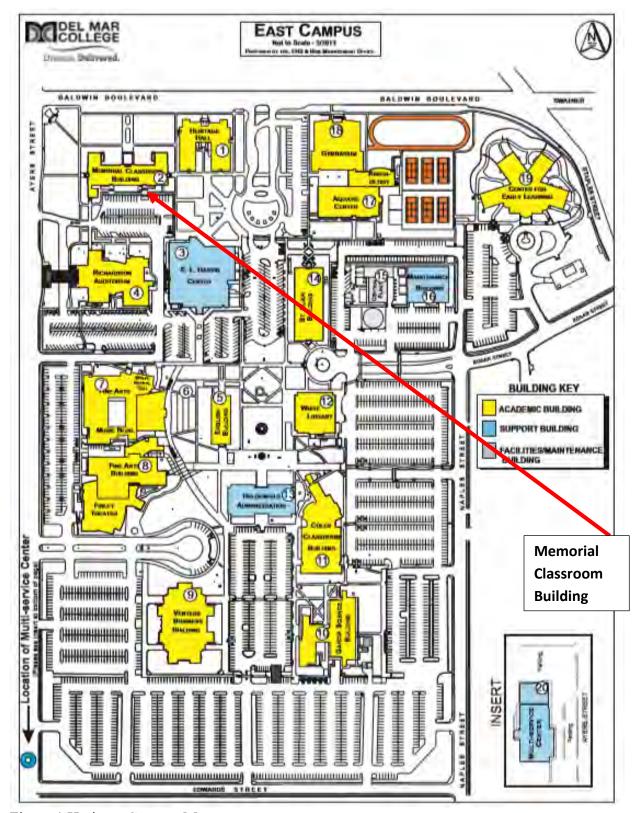


Figure 1 Heritage Campus Map