

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

July 29, 2025

The Called Meeting of the Board of Regents of the Del Mar College District convened at 11:30 a.m. on Tuesday, July 29, 2025, at the Center for Economic Development, 3209 S. Staples, Room 106, Corpus Christi, Texas, with the following present:

**From the Board:**

Ms. Carol Scott, Dr. Nicholas Adame, Ms. Libby Averyt, Mr. Carl Crull, Mr. Rudy Garza, Jr., Mr. David Loeb, and Dr. Laurie Turner.

Mr. Bill Kelly joined the meeting in progress at 1:29 p.m.

Absent:

Dr. Anantha Babbili.

**From the College:**

Dr. Mark Escamilla, President and CEO; Ms. Lenora Keas, Executive Vice President and COO; Mr. Raul Garcia, Vice President and CFO; Mr. Ali Kolaoudou, Vice President and Chief Information Officer; Dr. Jonda Halcomb, Vice President and Chief Academic Officer; Ms. Tammy McDonald, Vice President of Administration and Human Resources; Dr. Patricia Benavides-Dominguez, Vice President for Student Affairs; Mr. Augustin Rivera, Jr., General Counsel; Mr. John Strybos, Vice President and Chief Physical Facilities Officer; Mr. Matthew Busby, Vice President of Development and Donor Advising; Mr. Jeff Olsen, Chief of Staff and Vice President of Communication and Marketing; Ms. Delia Perez, Director of CEO Office and Board Relations, Mr. Conrado Garcia, Superintendent in Residence, 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.

Chair Scott changed the order of the agenda as follows:

At 11:32 a.m., Chair Scott announced that the Board was going into Closed Session pursuant to:

3. **CLOSED SESSION** pursuant to:

- A. **TEX. GOV'T CODE§ 551.071**: (Consultation with legal counsel), regarding pending or contemplated litigation, or a settlement offer, with possible discussion and action in open session; and/or 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. **TEX. GOV'T CODE§ 551.074(a)(1)**: (Personnel matters), regarding the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; including, 1.) Evaluation of College President and College President's Contract, and 2.) Board Self-Evaluation, with possible discussion and action in open session.

The Board of Regents reconvened in Open Session at 1:02 p.m. with no action taken.

**ITEMS FOR DISCUSSION AND POSSIBLE ACTION:**

- 1. Discussion of the proposed Maintenance & Operations Budget and the Debt Service Budget for Fiscal Year 2025-2026 ..... Mr. Raul Garcia  
*(II: Elevate, Goal 2: Maximize resources entrusted to the College)*

Dr. Escamilla provided introductory comments for this item. Mr. Garcia provided an overview of the presentation for the 2025-2026 Financial Plan. Mr. Garcia stated that although the College experienced another level of uncertainty due to the Freedom to Dream initiative, state performance funding revisions, and 89<sup>th</sup> Texas Legislature proposed Bills.

Dr. Escamilla thanked the Business Office team for their diligent work on the upcoming budget.

Ms. Jackie Landrum reviewed the Budget Plan Calendar for Fiscal Year 2026 which outlined key dates including: preliminary budget distribution, budget updates, public hearing, and deadlines for budget and tax rate approvals. She also provided information regarding the FY 2026 Revenue Challenges & Assumptions which included state appropriations, tuition and fees, and property tax.

Dr. Jonda Halcomb discussed changes in the College's Performance Funding Methodology. The state will only fund one outcome per student, per credential category, per year. They can earn multiple credentials but only get funding for one. The state will now fund transfers to private universities/colleges. Associate degrees now face a credential of value test, requiring students to earn \$30,000 annually by year five post-graduation, but this does not apply to healthcare or education. Non-fundable programs include agriculture, natural resources, arts, biology, life science, communications, journalism, culinary arts, wellness and psychology, which are identified as potentially non-fundable due to the new credential of value test.

Discussion among the Regents was held regarding the state's new methodology and their support for continued push back.

Mr. Garcia provided Fiscal Year 2026 preliminary state appropriation information stating the Texas Higher Education Coordinating Board (THECB) FY 2025 estimate is \$19,305,568 with FY 2025 Dynamic Adjustment in the amount of \$618,721 and FY 2025 projected settle-up in the amount of \$121,274 leaving \$497,447 as a net adjustment to the College. For the FY 2026 adjustment, the reduction based on methodology changes is \$619,338.

Mr. Garcia provided an update on the Freedom to Dream (F2D) initiative and stated it has been revised to reflect current enrollment trends, exceeding initial expectations. The program remains financially viable, projecting a surplus at the end of the three-year contract term of \$614,318. Funding comes from HB8 State Performance Funding and the Del Mar College Foundation. The program relies on 70% graduation to make the program viable. Based on the projected student enrollment, the combined funding is estimated at \$7.3 million.

Mr. Garcia stated the projected year-over-year change in tuition and fees net waivers for the 2025-2026 budget year estimated at \$323,000. The increase is primarily due to the F2D initiative and enrollment growth. The College is expected to generate approximately \$526,000, in addition to foundation contributions, a total of \$1 million.

Dr. Patricia Benavides-Dominguez provided Enrollment Summary information and stated that enrollment data presented was for regular students, dual credit students, and F2D participants. Dual credit enrollment is showing positive growth and Continuing Education enrollment is also on an upward trend.

Ms. Jackie Landrum presented the comparison of academic tuition and fee revenue compared to the College's total enrollment for the semesters through the year. Property tax values show a slight decrease from 35.9 to 35.8 due to factors like exemptions for CPS Energy and decreased values in San Patricio County. A preliminary tax rate is presented based on current valuations, but it's emphasized that this is not a final proposal and will be refined. It has been determined that the Corpus Christi Housing Authority tax is not included in the 0%. For the tax rate history, she stated we're estimating a total tax rate for fiscal year 2026 of 0.277048. The College's debt service rate will decrease and then the M&O rates will increase. Based on this information, a taxable homestead value of \$259,872, a homeowner could potentially pay the college \$720 next year for property taxes.

Ms. Landrum discussed the Preliminary Revenue Budget and stated the state appropriations are being reduced to align with state estimates based on the new methodology for about \$324,000 to bring it down to \$19.1 million. Health insurance premiums are increasing, requiring an adjustment. Tuition and fee revenue are being increased, as well as \$6 million from property taxes.

Ms. Landrum stated the College analyzes data that has been gathered to determine the best way to allocate our funds to reach the College's mission and support various initiatives that align with the College's Strategic Plan. For preliminary expenses, initiatives were identified

that support our Strategic Goals. Expense increases are aligned with the College's Strategic Plan ("Charting the Viking Way"), which focuses on Communicating, Elevating, and Cultivating. Initiatives include targeted marketing, expanding dual enrollment, updating instructional equipment, enhancing student support services (wraparound services, success coaching), addressing maintenance needs, and investing in faculty/staff.

Ms. Tammy McDonald proposed salary and benefit scenarios to the Board which included multiple salary increase scenarios (2%, 3%, and 4%). The proposed budget is currently based on a 3% increase which equates to \$2.7 million in raises to employees. She discussed the preliminary expense budget for FY 2026, which included salaries for faculty, adjunct, exempt, and non-exempt employees. Non-salary expenses included increases for equipment, student recruiting, consultants, interpreter services, computer software/hardware, and professional development. Reductions are seen in election expenses (non-election year) and insurance costs.

Ms. Landrum stated that with the changes previously discussed regarding salaries and benefits, the College has \$1.3 million increase in non-salary expenses and an increase of \$103,000 for our contingency with new revenues adding up which would bring the preliminary expense budget total to \$132 million which is a 5% increase.

Dr. Benavides-Dominguez, Dr. Halcomb, Ms. Landrum, Ms. McDonald, Mr. Garcia, Mr. Strybos, and Dr. Escamilla responded to questions from the Board of Regents.

## **REGULAR AGENDA**

2. Discussion and possible action regarding approval and ratification of assignment of External Audit Services Contract ..... Mr. Augustin Rivera, Jr.  
*(II: Elevate, Goal 2: Maximize resources entrusted to the College)*

Mr. Rivera provided information on the previously approved contract with Collier Johnson & Woods, P.C. (Collier) in August of 2024 for external audit services, which also provides a renewal option for three additional one-year periods. In February 2025, a lateral transitional move was made where the auditing services for the College moved to Adamson & Company LLC. (Adamson), Collier no longer will provide external audit services and has agreed to assign all rights under the audit services contract to Adamson. To continue the uninterrupted auditing services, college administration consents to the assignments and requests the Board approve the ratification.

Regent Crull made a motion to approve and ratify the assignment and assumption agreement as presented. Regent Kelly 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 8-0, amongst Regents present, with Regents Scott, Adame, Averyt, Crull, Garza, Kelly, Loeb, and Turner in favor.

**CALENDAR:** Discussion and possible action related to calendaring dates.

**ADJOURNMENT:** The meeting was adjourned at 2:53 p.m.

MINUTES REVIEWED BY GC: /s/ARjr