

COUNTY OF HOWARD

The Board of Trustees of the Howard County Junior College District met for an executive session, budget workshop and special board meeting in the Tumbleweed Room in the Student Union Building on the Big Spring site on Monday, August 12, 2019.

The following members of the Board and District Administration were present:

Dr. John Freeman, Chairman
Maxwell Barr, Vice-Chairman
Adrian Calvio, Secretary
Patricia Bennett
Michael Flores
Emma Krabill

Cheryl T. Sparks, Ed.D., President
Amy Burchett, Ed.D., Vice-President Academic and Student Affairs
Danny Campbell, Administrative Dean Instruction, SWCD
Pam Callan, Administrative Dean for Instruction and Student Services, San Angelo
Brenda Claxton, Chief Fiscal Officer/Controller
Terry Hansen, Chief Athletic and Special Projects Officer
Jamie Rainey, Workforce and Community Development Officer, San Angelo
Fabian Serrano, Chief Operations and Safety/Security Officer
Steve Smith, Chief Business Officer/Internal Auditor

Others present were:

Julie Bailey, Assistant to the President
Kaye Barr, Guest
Lee Bryant, Security
Roger Cline, *Big Spring Herald*
Adrienne Green, KBST

Chairman Freeman called the meeting to order at 10:10 a.m. and went into executive session at 10:11 a.m. to discuss personnel. At 10:33 a.m., Trustees closed the executive session and held the budget workshop. Trustees were updated on information relative to challenges and opportunities to serve our students including who will make it happen, where will we make it happen and how will we make it happen as part of the budgeting process.

Dr. Sparks then outlined the HC (Big Spring, Lamesa and San Angelo) and SWCD preliminary budget preparations for Board consideration. She explained all budgets (Big Spring/District, Lamesa, San Angelo and SWCD) are "balanced" for daily operations. She also outlined how the Board's four areas of focus (student success, employees, workforce training and funding) were addressed in the budget preparation. Current year projects not completed substantially by August 31 or not started will be accounted for in the 2019-2020 budget. As a result those projects are included as part of the planned deficit budget recommended for the Big Spring/District (-\$1,866,400), San Angelo (-\$286,669) and SWCD (-\$479,000) budgets. Thus, as part of the planned deficit, the Big Spring budget includes the sprinkler system (-\$90,000) and daycare playground upgrades (-\$26,400). Once again the insurance proceeds to-date (-\$1.75 million) are included as part of the planned deficit. The San Angelo budget was also prepared with a planned deficit with the inclusion of the unfinished security cameras and access door project started this summer. Finally, the SWCD bus maintenance and repairs will likely be unfinished by fiscal year-end. At the August 26th Board meeting exact figures will be included in the final budget. In addition the insurance proceeds (-\$324,000) will be a carry-over for SWCD as well. The San Angelo and SWCD budgets with the planned deficit also include some new projects that would come from reserves. The fund balance recap for the district and each site was presented during the workshop.

Finally, Dr. Sparks shared the certified tax base information for 2019. The adjusted value of the tax base has increased from \$4,694,904,839 to \$5,439,658,144. She then shared that the resultant effective maintenance and operation (M&O) tax rate for 2019 would be \$0.172835 and the interest and sinking rate (I&S) was \$0.0239920, resulting in a total effective tax rate for \$0.2006110. Last year's total tax rate was \$0.232316. She also shared different scenarios requiring different tax rates if Trustees wished to raise the tax rate potentially up to 7.99%. In addition, she shared related information regarding costs to the taxpayers and tax history relative to tax base, levy and tax rates.

After a recess for lunch, Trustees reconvened at 12:31 p.m. and Patricia Bennett led the invocation.

The Board moved recognitions first under New Business to view the 2018 success presentation that was shared at the Success Summit. Chairman Freeman then presented Maxwell Barr with his 10-year service award.

The second item under New Business was Visioning/Future Directions. Trustees considered the proposed budgets for 2019-2020 as presented during the workshop. The proposed budget included \$1,000 increase in salaries inclusive of the step on all schedules. The 9-month faculty schedule will result in greater raises for faculty on contracts greater than 9 months. Mr. Barr made the motion to approve the proposed budgets. Mr. Calvio seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees considered the tax rate and scheduling of the budget and tax hearings. Trustees discussed consideration of an increase of 7.99% tax levy in maintenance and operation to address deferred maintenance and safety/security projects discussed in the workshop. If adopted, the resultant maintenance and operation (M&O) rate would be \$0.186645 which was below the 8% rollback rate and would result in an increase of \$751,191 in total M&O tax revenue. However, when factoring in the decrease in the I&S rate, the overall increase in the tax revenues would be 5.00% in increased levy at a tax rate of \$0.210637. Based on the increase in the average home value from \$78,916 to \$81,284 and the increase in the tax base which decreased the overall effective tax rate for M&O plus the I&S tax rate, the average home value tax decrease would be -\$12.12 for the year. This decreased amount to the individual homeowner would vary depending on how much a property had increased in value since last year. Since the M&O rate proposed will increase levy, tax hearings had to be scheduled according to required guidelines. Mr. Barr made the motion to hold the tax hearings on August 20th, and August 23rd, at 12:30 p.m.; and hold the budget hearing and approve the budget and adopt the final tax rate at the August 26th board meeting. Mrs. Bennett seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees considered the Texas Interlocal Cooperation Contract between Howard College and Howard County for the library (see attached). Mr. Barr made the motion to approve the contract. Mr. Calvio seconded the motion. All Trustees present voted in favor of the motion.

The third item under New Business was Performance Measures/Outcomes. Accountability measures were shared in the budget workshop.

The fourth item under New Business was Monitoring. Trustees considered a bid for infrastructure as a service. Steve Smith presented the bid and provided an overview. Ms. Krabill made the motion to approve the bid (see attached). Mrs. Bennett seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees considered catalog changes regarding fees, core curriculum change and testing scores (see attached). Mrs. Bennett made the motion to approve the catalog changes. Mr. Flores seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees considered the appointment of Deans, Directors and Professional Staff. Mr. Barr made the motion to approve the Deans, Directors and Professional Staff as recommended. Mr. Calvio seconded the motion. All Trustees present voted in favor of the motion.

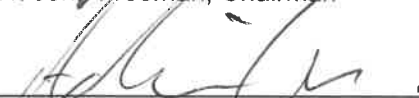
Next, Trustees considered the Tax Collection Fee budget for the Howard County Tax Assessor Collector. Mr. Calvio made the motion to approve the budget. Mr. Barr seconded the motion. All Trustees present voted in favor of the motion.

Lastly, Dr. Sparks reviewed the Board calendar of significant events.

There being no other business, Mr. Calvio made the motion to adjourn. Mrs. Bennett seconded the motion. All Trustees present voted in favor of the motion. The meeting adjourned at 1:00 p.m.



Dr. John Freeman, Chairman



Adrian Calvio, Secretary
By Julie Bailey, Recorder