

## COUNTY OF HOWARD

The Board of Trustees of the Howard County Junior College District met for an executive session, budget hearing and regular meeting in the Fireplace Room in the Student Union Building on the Big Spring site and by telephone conference call on Monday, August 30, 2021.

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

Dr. John Freeman, Chairman  
Maxwell Barr, Vice-Chairman by phone  
Adrian Calvio, Secretary by phone  
Patricia Bennett  
Michael Flores  
Mark Morgan  
Ben Zeichick

Cheryl T. Sparks, Ed.D., President  
Amy Burchett, Ed.D., Executive Vice-President  
Danny Campbell, Executive Dean, SWCD  
Pam Callan, Executive Dean, San Angelo by phone  
Brenda Claxton, Chief Fiscal Officer/Controller  
Eric Hansen, Chief Technology Systems/Data Security Officer by phone  
Fabian Serrano, Chief Operations and Safety/Security Officer  
Steve Smith, Chief Business Officer/Internal Auditor

Others present were:

Julie Bailey, Chief of Staff  
Monica Castro, Executive Director/Lamesa by phone  
Roger Cline, *Big Spring Herald*  
Ricky Creswell, Security  
Emma Garcia, Executive Assistant  
Terry Hansen, Chief Special Projects  
Jason Hughes, Hilltop Securities by phone  
Cindy Smith, Dean Student Success/Public Information Officer

Dr. Sparks explained procedures of the telephonic meeting. Chairman John Freeman called the meeting to order at 10:19 a.m. in accordance with Texas Government Section, 551.045 with Adrian Calvio and Maxwell Barr positioned in remote connections and Dr. Freeman, Patricia Bennett, Michael Flores, Mark Morgan and Ben Zeichick with Dr. Sparks located in the Fireplace Room in the SUB on the Big Spring campus. Roll call was taken by voice response. Based on the suspended proceedings of the Open Meetings Act in accordance with Section 418.016 of the Texas Government Code, the meeting was open to the public through remote connection utilizing a toll-free number for audio purposes and visual presentation available on the website. The public was also entitled to participate and address the Board onsite. The meeting was recorded and will be available on the website.

Trustees moved into Executive Session to hear a report on IT security, the Junior College Audit Report (JCAR) Safety and Security Update and discussed a possible trustee resignation and replacement.

After a brief recess for lunch, Chairman Freeman opened the public hearing on the 2021-2022 Howard College and SWCD budgets. Dr. Freeman read the hearing procedures and invited citizens to present their views concerning the proposed budgets. There were no comments. Dr. Freeman closed the public hearing.

Chairman Freeman reconvened the regular meeting at 12:29 p.m. and Patricia Bennett led the invocation. The public was invited to address the Board. There were no comments.

Next, Trustees considered routine matters including the minutes of the regular meeting on August 2, 2021, executive session, budget workshop and special meeting on August 16, 2021, monthly financials for July 2021, personnel matters, and an internal audit report. Mrs. Bennett made the motion to approve the routine matters (see attached). Mr. Morgan seconded the motion. All Trustees present voted in favor of the motion.

Trustees moved to New Business. The first item was Visioning/Future Directions. Jason Hughes joined the meeting by phone and updated Trustees on the final pricing on the revenue refunding bonds. He reported that Truist, the winning bidder, bid a rate of 1.38%. Gross savings are \$235,855.

Next, Trustees considered the adoption of the annual budgets for Howard College and SWCD for 2021-2022. The District Total budget is \$55,104,841. The Howard College budget is now consolidated to include the Big Spring, Lamesa and San Angelo portions and includes the restricted, construction and retirement of indebtedness amounts as does the SWCD budget. The Howard College unrestricted budget (District/Big Spring, Lamesa and San Angelo) is finalized at \$32,634,651. The Howard College unrestricted budget is built with a deficit of -\$341,597 due to the San Angelo fund balance expenditures for the San Angelo campus. The SWCD unrestricted budget is finalized at \$4,092,795. The SWCD unrestricted budget is designed with a deficit of -\$389,547 due to SWCD fund balance expenditures as well. The most current employee salary list was included as part of the budget. It included the steps for all salary schedules (more raise for faculty on greater than 9-month contracts due to the 9-month faculty salary schedule). Changes in broadbanding points and specialized credentials resulted in raises for some faculty and staff. In addition, the change in the increase for the experience cap from ten to twenty years allowed upon employment for new employees going forward was applied to existing employees and salaries were adjusted based on the same criteria. Contracts and letters would be prepared accordingly. Mr. Zeichick made the motion to approve the 2021-2022 budget as prepared. Mr. Flores seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees considered the tax rate. Trustees discussed \$0.236777 which is a 0.00% increase in tax revenue/levy and below the Total No-New-Revenue rate. The Total No-New-Revenue rate of \$0.237548 is the rate that will raise the same amount of property tax revenue from the same properties (tax base value) in both the 2020 and 2021 tax years. Since the tax base value decreased, the tax rate to generate the same amount of property tax at \$0.237548 increased from this year's \$0.216675 tax rate. (The Voter-Approval tax rate is \$0.244764 which is the highest rate that can be adopted without holding an election seeking voter approval.) The Board considered the adoption of a debt rate of \$0.020769 for the 2021 tax year which is less than the 2020 tax year debt tax rate of \$0.027939 and levies less taxes for debt service than last year. With the decrease in the debt tax rate, the Board considered adoption of a maintenance and operation rate of \$0.216008 for the 2021 tax year. This tax rate will raise more taxes for maintenance and operations than last year's tax rate. The tax rate will effectively be raised by 4.15% and will raise taxes for maintenance and operations on a \$100,000 home by approximately \$27.27. While the debt rate decreased and the maintenance and operation rate increased, together, the total tax rate at \$0.236777 (maintenance and operation and debt service rates) levies less than the No-New-Revenue rate but on a \$100,000 home approximately \$20.10 more since the tax rate increased due to the decline in the tax base. Mr. Zeichick made the motion for the debt service and maintenance and operation rates/total tax rate. Mrs. Bennett seconded the motion. All Trustees present voted in favor of the motion.

Next, Dr. Sparks shared the COVID-19 Response Status #16 to date as well as the updated *Open Howard College Plan and Alert Status*. These documents are available on the website.

Next, Trustees considered a resolution for the Delek Fund for Hope for their recent donation to assist with the 75<sup>th</sup> anniversary events. Mr. Morgan made the motion to approve the resolution. Mr. Zeichick seconded the motion. All Trustees present voted in favor of the motion. Dr. Sparks shared information on tentative events planned for September 30, at each campus to celebrate our 75-year heritage. She shared that final plans will be made dependent on the virus surge in the area.

Trustees moved to the second item, Performance Measures/Outcomes. Trustees considered the Quarterly Investment Report. Mr. Zeichick made the motion to approve the report. Mrs. Bennett seconded the motion. All Trustees present voted in favor of the motion.

Next, under accountability measures, Dr. Sparks presented official summer enrollment (see attached).

Trustees moved to the third item, Monitoring. Trustees considered a bid for the central plant compressor repair on the Big Spring site. Mr. Morgan made the motion to approve the bid with Carrier Corporation for \$85,078.00. Mrs. Bennett seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees considered catalog and handbook changes including Policy 4.1, purchasing, Purchasing and Pcard manuals, Policy 9.4, adjunct pay, updated rental rates for all campuses, updated salary schedules, and broadbanding information addressing years of service cap in the Employee Handbook. Trustees also considered catalog changes regarding the new TTU nursing partnership, cosmetology program changes, other course changes and additions, continuing education tuition changes, and other fees including eliminating the GoPrint fee. Lastly, Trustees considered the Athletic Manual (see all changes attached). Mr. Flores made the motion to approve the handbook and catalog changes. Mr. Morgan seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees considered the annual review of Investment Policy/Public Funds Investment Act, Policy 4.11 in the Board Handbook, the appointment of the District Auditor Loan, Thomas and Johnson LLC being the lead audit firm and James Welch, Lee, Reynolds and Welch continuing in an assistive role, the renewal of Wells Fargo Bank as the depository bank, and an interlocal contract between the Texas Department of Information Resources and HCJCD. Mrs. Bennett made the motion to approve all items. Mr. Morgan seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees were updated on construction/renovation projects on the Big Spring/SWCD roof projects and the status of the insurance claim for hailstorm #3.

Next, Dr. Sparks reviewed the Board calendar of significant events and shared thank you notes and recognitions.


Next, Dr. Sparks shared updates on legislative and general matters, and distributed conflict of interest disclosure forms that Trustees are required to complete.

Next, Chairman Freeman presented 5-year service awards to Mark Morgan and Patricia Bennett.

Lastly, Patricia Bennett shared that she could be possibly resigning upon the sale of her home and moving outside of the county. Upon receipt of a possible resignation from At-Large Trustee, Patricia Bennett in the near future, Trustees unanimously voted, Ben Zeichick motion and Mark Morgan second, to appoint a replacement. If such resignation is submitted, Trustees determined the procedure for replacement by appointment would be to accept written applications from interested candidates by September 16, to be interviewed at a special board meeting on September 20, 2021.

There being no other business, Chairman Freeman adjourned the meeting at 1:52 p.m.

  
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Dr. John Freeman, Chairman

  
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Adrian Calvio, Secretary  
By Julie Bailey