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 29, 2022.

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

Dr. John Freeman, Chairman  
Maxwell Barr, Vice-Chairman  
Adrian Calvio, Secretary  
Marisha Beck  
Raul Marquez  
Mark Morgan  
Ben Zelchick  
Cheryl T. Sparks, Ed.D., President  
Amy Burchett, Ed.D., Executive Vice-President  
Danny Campbell, Provost, SWCD  
Pam Callan, Provost, San Angelo, by phone  
Monica Castro, Executive Dean, Lamesa, by phone  
Brenda Claxton, Chief Fiscal Officer/Controller  
Eric Hansen, Chief Technology Systems/Data Security Officer  
Rhonda Kernick, Chief Human Resources Officer  
Brenda Madore, Chief of Staff/Institutional Advancement Officer  
Fabian Serrano, Chief Operations and Safety/Security Officer  
Steve Smith, Chief Business Officer/Internal Auditor  
Bryan Stokes, Chief Institutional Effectiveness Officer  

Others present were:

Lee Bryant, Security  
Roger Cline, Big Spring Herald  
Emma Garcia, Executive Assistant  
Terry Hansen, Chief Special Projects  
Randy Johnson, Republican Candidate for Howard County Judge  

Chairman John Freeman called the telephonic meeting to order at 10:00 a.m. in accordance with Texas Government Section 551.045. All Trustees and Dr. Sparks were located in the Fireplace Room in the SUB on the Big Spring campus. 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 a remote connection utilizing a toll-free number for audio purposes. The public was also entitled to participate and address the Board onsite. The meeting was recorded and will be available on the website.

Trustees immediately moved into Executive Session to hear a report on IT security and a Safety and Security Report. Executive Session concluded at 11:50 a.m.

After a brief recess for lunch, Chairman Freeman opened the public hearing on the 2022-2023 Howard College and SWCD budgets at 12:39 p.m. Dr. Freeman read the hearing procedures and invited citizens to present their views concerning the proposed budgets. There were no comments and no interested parties in attendance. Dr. Freeman closed the public hearing.

Next, Chairman Freeman reconvened the regular meeting at 12:40 p.m., and Mr. Barr 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 1, 2022, executive session, budget workshop, special meeting on August 15, 2022, minutes of the Tax Hearing held on August 22, monthly financials for July 2022, and personnel matters. Mr. Zelchick made the motion to approve the routine matters. Mr. Marquez seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees moved to New Business. Trustees considered the adoption of the annual budgets for Howard College and SWCD for 2022-2023.
Dr. Sparks explained that the District Total budget is $59,528,105. The Howard College budget has been consolidated to include the Big Spring, Lamesa, and San Angelo portions. It consists of the restricted, unrestricted, 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 $35,689,068. The Howard College budget is an unrestricted deficit budget of -$2,711,812 due to the fund balance expenditures for the Big Spring and San Angelo campuses. The SWCD unrestricted budget is finalized at $4,218,573. The SWCD budget is an unrestricted deficit budget of -$351,000. The most current employee salary list was included as part of the budget. It had the base raises to the faculty, non-exempt and CEO schedules, step increases according to schedule, plus any changes in broadbanded points, stipends, or years of service. Mr. Zeichick made the motion to approve the 2022-2023 budget as presented. Mr. Barr seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees considered three motions related to the adoption of the tax rate.

1. They considered increasing the property tax rate to $0.168395, which is effectively a 6.27% increase in the total tax rate.
2. They considered adopting a debt tax rate of $0.016453 for the 2022 tax year.
3. They considered adopting a maintenance and operation rate of $0.151942 for the 2022 tax year. This tax rate will raise more taxes for maintenance and operations than last year's tax rate. The tax rate will increase by 4.53% and raise taxes for maintenance and operations on a $100,000 home by approximately $9.94.

Dr. Sparks explained that this year’s Total No-New-Revenue rate of $0.158455 is the rate that will raise the same amount of property tax revenue from the same properties in both the 2021 and 2022 tax years for both maintenance and operations as well as the debt requirement. The Total Voter-Approval tax rate is $0.173434, the highest rate that can be adopted without an election seeking voter approval. The proposed tax rate was set at $0.168395, which is less than the current Total tax rate of $0.236777 and is due to the significant increase in the tax base of around $3 billion. There are two components to the tax rate, the debt service, and the maintenance and operations rate. The debt service rate is the rate needed to pay this year's cost for the general obligation bond. Last year it was $0.020769, but this year it will be $0.016453, again due to the increase in the tax base, which lowers the rate. The maintenance and operations rate is for general college costs to include physical plant operations since community colleges do not receive state funding for those costs. Last year's M&O rate was $0.216008, and the proposed maintenance and operations rate is $0.151942; again, it is lower due to the increase in the tax base. Since the proposed total tax rate, which includes the M&O and debt rates, is a tax rate increase when compared to this year's No-New-Revenue rate, it will raise more maintenance and operations levy. Due to the increase in the tax base, the taxes for maintenance and operations on a $100,000 home will decrease by -$64.07. However, it would have been -$74.01 if the No-New Revenue tax rate had been chosen, so $9.94 less savings. As part of the taxing transparency process, taxpayers have seen in the notice for the public hearing the proposed increase in the levy of +5.83% as well as the actual decreases in the tax rate and taxes on the average home when compared to last year. For informational purposes, the proposed rate for this year has been compared to this year's No-New-Revenue rate.

1. Mr. Zeichick made the motion to increase the property tax rate to $0.168395. Mr. Calvico seconded the motion. All Trustees present voted in favor of the motion.
2. Mr. Zeichick made the motion to adopt a debt tax rate of $0.016453 for the 2022 tax year. Mr. Morgan seconded the motion. All Trustees present voted in favor of the motion.
3. Mr. Zeichick made the motion to adopt a maintenance and operation rate of $0.151942 for the 2022 tax year. Mr. Calvico seconded the motion. All Trustees present voted in favor of the motion.

Next, Dr. Sparks shared the COVID-19 Response Status #28 to date and the updated Open Howard College Plan and Alert Status. She related that we are moving towards normalcy. These documents are available on the website.

Next, Dr. Sparks shared an update on preparations for the SACSCOC 5th Year Report. Much work is underway for this report, which is due on September 15, 2022.

Next, under Performance Measures/Outcomes, Dr. Sparks presented official summer enrollment.

Next, Trustees passed on RFP# 22-014 Telehealth Complete Care. Options are still being considered.

Next, Trustees considered the closure of RFP# 22-013 Commercial Passenger Bus. An updated version of this RFP and potential interest from vendors will be brought to the September 26, 2022, meeting for consideration. Mr. Calvico made the motion to close RFP# 22-013. Dr. Beck seconded the motion. All Trustees present voted in favor of the motion.
Next, Trustees considered giving Dr. Sparks the authority to insert policy language into the appropriate handbooks as discussed in the Executive Session for Information Technology updates. Mr. Barr made the motion. Mr. Zeichick seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees considered the annual review of the Investment Policy and Strategy/Public Funds Investment Act, Policy 4.11 in the Board Handbook. Mr. Barr made the motion to reaffirm the Investment Policy and Strategy/Public Funds Investment Act, Policy 4.11. Mr. Barr seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees considered the appointment of the District Auditor Logan, Thomas, and Johnson LLC. Mr. Calvio made the motion to reaffirm Logan, Thomas, and Johnson LLC as the District Auditor. Mr. Barr seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees were updated by Terry Hansen and Fabian Serrano on the Big Spring/SWCD roof projects, flood damage restoration, and negotiations with insurance companies. They also received an update on the Library and Music Buildings renovation projects and the SWCD Diagnostic Center abatement and demolition.

Next, Trustees were updated on the Student Information System Implementation Project by Eric Hansen. All is progressing on schedule.

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

Next, Dr. Sparks shared updates on legislative and general matters, discussed conflict of interest disclosure forms that Trustees are required to complete, and required cybersecurity training and new board member training.

Lastly, Dr. Sparks recognized Roger Cline’s promotion to Managing Editor of the Big Spring Herald.

There being no other business, Chairman Freeman adjourned the meeting at 1:33 p.m.

Dr. John Freeman, Chairman

Adrian Calvio, Secretary
By Julie Bailey