

The Board of Trustees of the Howard County Junior College District met for a public hearing on the budget and a regular board meeting in the Fireplace Room of the Student Union Building at Howard College on Monday, August 28, 2023.

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

Dr. John Freeman, Chairman
Maxwell Barr, Vice-Chairman
Adrian Calvio, Secretary
Dr. Marisha Beck
Raul Marquez
Mark Morgan
Ben Zeichick

Dr. Cheryl T. Sparks, Ed.D., President
Dr. Amy Burchett, Ed.D., Executive Vice-President
Jeff Anderson, Interim Provost, SWCD
Pam Callan, Provost, San Angelo
Monica Castro, Executive Dean, Lamesa
Brenda Claxton, Chief Fiscal Officer/Controller
Eric Hansen, Chief Technology Systems/Data Security Officer
Rhonda Kernick, Chief HR Officer
Brenda Madore, Chief of Staff/Institutional Advancement Officer
Fabian Serrano, Chief Operations and Safety/Security Officer
Bryan Stokes, Chief Institutional Effectiveness Officer
Steve Smith, Chief Business Officer/Internal Auditor

Others present were:

Stephanie Bissonnette, Interpreter
Lee Bryant, Security
Terry Hansen, Chief Special Projects Officer
Andreia Medlin, Big Spring Herald
Renee Porter, Interpreter
Cindy Smith, Dean of Student Success/Public Information Officer
Shannon Stuteville, Executive Assistant
Shane Taiclet, District Director of Administrative Services

Chairman Dr. John Freeman opened the public hearing on the 2023-2024 Howard College and SWCD Budgets at 12:41 p.m. The meeting was open to the public in the Board Room and through remote connection utilizing a toll-free number for audio purposes. The meeting was recorded and will be available on the website.

Next, Dr. Freeman read the hearing procedures and invited citizens to present their views concerning the proposed budgets. There were no comments or interested parties in attendance. Dr. Freeman closed the public hearing at 12:42 p.m.

Next, Chairman Freeman called the regular meeting to order at 12:42 p.m. The invocation was given by Dr. Marisha Beck. 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 June 26, 2023, Executive Session/Budget Workshop/Special Meeting on August 14, 2023, minutes of the Tax Hearing held August 21, 2023, monthly financials for June and July 2023, monthly auxiliary report, personnel matters, and an internal audit report. Mr. Zeichick made a motion to approve the routine matters. Mr. Barr seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees moved to New Business Visioning/Future Directions. Trustees considered the adoption of the annual budgets for Howard College and SWCD for the fiscal year 2023-2024. Dr. Sparks explained that the District Total budget is \$63,380,346. 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 \$38,703,405. The Howard College budget is a planned unrestricted deficit budget of

-\$4,017,244 due to the fund balance expenditures planned for various projects for the Big Spring campus and payment of the debt retirement for the San Angelo campus. The SWCD unrestricted budget is finalized at \$5,533,298. The SWCD budget is an unrestricted deficit budget of -\$1,669,200 due to planned fund balance expenditures for various projects. Mr. Zeichick made a motion to approve the 2023-2024 budgets as presented. Mr. Marquez 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 \$0.154789, which is effectively a 5.30% increase in the total tax rate.
2. They considered adopting a debt tax rate of \$0.014151 for the 2023 tax year.
3. They considered adopting a maintenance and operation rate of \$0.140638 for the 2023 tax year. This tax rate will raise more taxes for maintenance and operations than last year's tax rate. The tax rate will effectively increase by 6.00% and raise taxes for maintenance and operations on a \$100,000 home by approximately \$7.79.

Dr. Sparks explained that this year's Total No-New-Revenue rate of \$0.146996 was the rate that would raise the same amount of property tax revenue from the same properties in both the 2022 and 2023 tax years for both maintenance and operations as well as the debt requirement. The Total Voter-Approval tax rate was \$0.157442, which was the highest rate that could have been adopted without holding an election seeking voter approval. The proposed tax rate was set at \$0.154789, which is less than the current Total tax rate of \$0.168395 and is due to the significant increase in tax base of around \$1.4 billion. There are two components to the tax rate, the debt service and maintenance and operations rate. The debt rate is the rate needed to pay this year's cost for the general obligation bond. Last year it was \$0.016453 but this year it will be \$0.014151, again due to the increase in the tax base which lowers the rate. The maintenance and operations rate are for general costs of the college to include physical plant operations since community colleges do not receive state funding for same. Last year's M&O rate was \$0.151942, and the approved maintenance and operations rate is \$0.140638, 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 rate 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 -\$11.30. However, it would have been -\$19.09 if the No-New Revenue tax rate had been chosen, so \$7.79 less savings. As part of the taxing transparency process, taxpayers have seen in the notice for the public hearing the proposed increase in the total levy of +5.58% as well as the actual decreases in the tax rate and increases in taxes on the average home when compared to last year due to the increase in average homestead value. Taxes on individual homes could decrease if the appraised value has stayed steady or declined.

1. Mr. Zeichick made the motion to increase the property tax rate to \$0.154789. Mr. Barr seconded the motion. All Trustees present voted in favor of the motion.
2. Mr. Morgan made the motion to adopt a debt tax rate of \$0.014151 for the 2023 tax year. Dr. Beck 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 \$0.140638 for the 2023 tax year. Mr. Barr seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees reviewed the first edition of the Alumni and Donor Newsletter that will be released in the coming weeks. Dr. Sparks explained that the newsletter has been designed to deepen connections with the many students who have been a part of the district, as well as donors and friends in the community. She thanked Brenda Kay Madore, Cindy Smith, and Mick Sudano for their work on the newsletter.

Next, Trustees considered giving authority to Dr. Sparks to enter into an updated lease agreement with Delek for the Rodeo Arena. The document is still in legal negotiation, but Dr. Sparks will have the ability to execute it once it is agreeable to both parties. Mr. Zeichick made a motion to give Dr. Sparks authority to enter into an updated lease agreement with Delek for the Rodeo Arena. Mr. Barr seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees considered a resolution thanking the G.C. Broughton Foundation for their support of the library renovation. They also considered a resolution thanking the Maria Hoag Estate for its support of the library renovation. Both resolutions will be presented at the library ribbon cutting ceremony currently planned for September 21, 2023. Mr. Barr made a motion to approve the resolutions as presented. Mr. Morgan seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees considered a resolution thanking the Lowe's Foundation for their support of the plumbing and electrical lab. It will be presented to the local leadership of Lowe's at the ground-breaking ceremony in San Angelo on September 14, 2023. Mr. Zeichick made a motion to approve the resolution as presented. Dr. Beck seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees considered a resolution in honor of Nita Browne, an Information Technology faculty member who recently retired from the San Angelo campus. Mr. Barr made a motion to approve the resolution as presented. Mr. Marquez seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees moved to Performance Measures/Outcomes. Dr. Sparks presented official summer enrollment and contact hours.

Next, Dr. Sparks discussed the Quarterly Investment Report.

Next, Trustees moved to Monitoring. Trustees considered three items under one motion. RFP#23-003 Periodic Moving Services, the authority for Dr. Sparks to purchase a mobile home/trailer for the rodeo grounds through the RFP process once the updated lease with Delek has been executed, and the authority for Dr. Sparks to review RFPs and secure a vending company. Mr. Barr made a motion to approve the three items as presented. Dr. Beck seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees considered updates to the Handbook and Catalog. Tuition for out-of-district students would be increased \$20 per credit hour effective spring 2024 and salary schedules were updated to reflect an adjustment to the President's base pay as requested by the Board. Mr. Zeichick made a motion to approve the Handbook and Catalog changes as presented. Mr. Marquez seconded the motion. All Trustees present voted in favor of the motion.

Next, Trustees were updated on the annual review of the Investment Policy and Strategy and Public Funds Investment Act changes by the investment officers. There were no changes to Policy 4.11 in the Board Handbook. Dr. Beck 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 Logan, Thomas, and Johnson LLC to provide auditor services. Mr. Zeichick made the motion to reaffirm Logan, Thomas, and Johnson LLC as the District Auditor with James Welch providing local services as needed. Mr. Barr seconded the motion. All Trustees present voted in favor of the motion.

Next, Dr. Sparks gave Trustees an update on the Music Building Music Teacher Hall. Dr. Sparks explained that at the meeting on August 14, Trustees approved the naming of several rooms in the Music Building after members of the Adams Family. Carol Adams, the donor, wished to have a Music Teacher Hall of Fame in the hallway that houses the small practice rooms. After several discussions with Carol, she requested that the small practice rooms be dedicated to the following individuals. A bronze plaque will be placed outside each room.

- Mrs. Mildred Jarrett
- Mrs. Mary Louise Barnes
- Mrs. Patricia Iden
- Mrs. Sally Wilson
- Mrs. Nora Hambrick
- Mrs. Ann Houser and Guild Judges
- and one additional plaque to be announced

Next, Trustees received an update from Terry Hansen on the Library and Music Building renovation projects. They are close to being finished but there are delays in lighting installation. Fabian Serrano provided an update on the grounds and security components of the projects. Dr. Sparks discussed that furniture and other items are staged and coming in. It will be a tight schedule getting ready for the dedications, but we will be ready.

Next, Eric Hansen, Bryan Stokes, and Dr. Amy Burchett gave an update on the student information system project implementation. The team is working on 3rd party integrations, day-to-day integration, reporting, fixing data issues, and preparing for the date that they will move completely to CAMS.

Next, Dr. Sparks provided the President's Report. She commented that employees across the district have been working very hard and doing an "amazing" job. There are many new initiatives, processes, and challenges that are happening, and everyone has been working together at a high level of excellence.

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

Next, Dr. Sparks congratulated Andreia Medlin on her promotion to editor of the Big Spring Herald.

Next, Dr. Sparks reviewed legislative and general updates. Brenda Claxton has been appointed to the Texas Higher Education Coordinating Board's Committee that will inform them on the rulemaking and feedback for HB8. This is a tremendous benefit for Howard College and a credit to the expertise and reputation that Brenda possesses among her colleagues around the state. Her term runs through June 2024.

Next, Dr. Sparks discussed the conflict of interest disclosure forms that Trustees are required to complete annually and Trustees completed them accordingly.

Next, Dr. Sparks informed Trustees that The Community College Association of Texas Trustees (CCATT) Conference is Sept. 15 & 16. Trustee Ben Zeichick is on the ballot for election to the CCATT Board in the position of Small College representative. Dr. Sparks and Brenda Kay Madore will be attending the conference with him in Fort Worth.

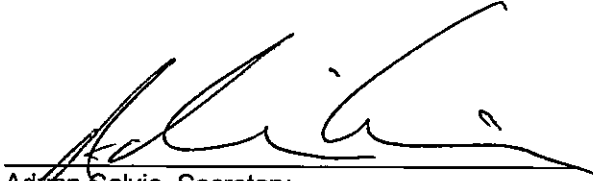
Next, Dr. Sparks discussed the upcoming 2023 Association of Community College Trustees (ACCT) Annual Conference. This year's ACCT Annual Conference is in Las Vegas from October 9th to 12th. Travel arrangements are being made.

Next, in the Meeting Evaluation section, Trustee Raul Marquez expressed gratitude to all of the employees who worked on the budget preparation for their hard work. Dr. Freeman and the other Trustees seconded that sentiment.

There being no other business, Chairman Freeman adjourned the meeting at 1:43 p.m.



Dr. John Freeman, Chairman



Adrian Galvio, Secretary
By Brenda Madore