

Next, under Performance Measures/Outcomes, Dr. Sparks shared the Perkins Audit had gone very well. She also shared that Public Funds Investment Act audit had gone similarly well. Lastly, she shared the Howard College Fitch Rating had changed from AA- to AA. She explained that this is an indicator of the strength and stability of the college and the economic condition of the surrounding area.

Next, under Monitoring, Trustees considered updates to the Handbook and Catalog. Dr. Sparks explained that policy requires a reaffirmation in even numbered years of Policy 4.18-- Campus Carry once each year. They also reviewed proposed updates to 6.5 Faculty Teaching Load and 4.2 Travel, where per diem rates were increased. There was also one proposed update to a catalog item. Mr. Marquez made a motion to approve the reaffirmation of Policy 4.18 and the other updates to the handbook and catalog as proposed. The motion was seconded by Mr. Calvio. 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. Mr. Zeichick made a motion to reaffirm Policy 4.11 in the Board Handbook. The motion was seconded by Mr. Barr. 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. Barr made a motion to approve the appointment as presented. The motion was seconded by Dr. Beck. All Trustees present voted in favor of the motion.

Next, Shane Taiclet gave Trustees an update on the San Angelo Electrical/Plumbing Lab. He shared that the project is nearing completion. Trustees thanked Shane for the smooth project management.

Next, Trustees received an update from Fabian Serrano on several ongoing projects. First, the sealcoat project, done in conjunction with the city, was completed on the Big Spring campus. Striping will be done in the coming days. Second, the SWCD dorm renovation project is moving forward. Demolition is complete and tiling has begun. Lastly, Fabian provided an update on the Coliseum Air Handling Units and Transformers Replacement. Initial work has begun, and they hope to be finished by the end of December.

Next, Dr. Sparks provided the President's Report. She reviewed the Board calendar of significant events. She also noted that this was Rhonda Kernick's last board meeting as an employee of the district. Rhonda has been the leader of the Human Resources office for 25 years. She is retiring and will be missed.

Next, Dr. Sparks briefly reviewed legislative and general updates. The hearing for community college budgets will be on September 25.


Next, Dr. Sparks discussed the conflict of interest disclosure forms that Trustees are required to complete annually. Trustees each completed and signed a disclosure form as required.

Next, Dr. Sparks told Trustees that she and Ben would be attending the upcoming 2024 Community College Association of Texas Trustees (CCATT) Annual Conference in Amarillo. She also related that travel arrangements are in progress for the 2024 Association of Community College Trustees (ACCT) Annual Conference on October 23-26 in Seattle.

There being no other business, the Trustees adjourned at 1:58 p.m.



Dr. John Freeman, Chairman



Adrian Calvio, Secretary
By Brenda Madore

The Board of Trustees of the Howard County Junior College District met for an executive session, public hearing on the budget, and regular board meeting in the Board Room of the Student Union Building at the Big Spring campus of Howard College on Monday, August 26, 2024.

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, Provost, SWCD
Pam Callan, Provost, San Angelo
Monica Castro, Executive Dean, Lamesa
Brenda Claxton, Chief Fiscal Officer/Controller
Eric Hansen, Chief Information Technology Officer
Brad Keller, Chief Institutional Research Officer
Rhonda Kernick, outgoing Chief Human Resources Officer
Laurie Kincannon, incoming Chief Human Resources Officer
Dr. Brenda Madore, Ed.D., Chief of Staff/Institutional Advancement Officer - recorder
Fabian Serrano, Chief Operations and Safety/Security Officer
Cindy Smith, Chief of Student Success/Public Information Officer
Steve Smith, Chief Business Officer/Internal Auditor

Others present were:

Stephanie Bissonnette, Interpreter
Marty Rice, Security
Renee Porter, Interpreter
Adriel Saldivar, Vero Fiber Representative
Shannon Stuteville, Executive Assistant to the President
Shane Taiclet, District Director of Administrative Services

Chairman Dr. John Freeman called the meeting to order at 11:04 a.m. Immediately after calling the meeting to order, the Board moved into Executive Session to discuss personnel matters. The public hearing on the budget and regular meeting were open to the public in the Board Room on the Big Spring Campus and through remote connection utilizing a toll-free number. Those meetings were recorded and will be available on the website. Minutes will also be available on the website. Upon conclusion of the Executive Session at 12:26 p.m., the Board recessed for lunch.

Chairman Freeman opened the public hearing on the 2024-2025 Howard College and SWCD Budgets at 1:00 p.m.

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 1:01 p.m.

Next, Chairman Freeman called the regular meeting to order. The invocation was given by Maxwell Barr. The public was invited to address the Board. Mr. Adriel Saldivar signed in and introduced himself as the public engagement representative for Vero Fiber, a new telecommunications company who is expanding into the Big Spring market. He shared that Vero Fiber is a supporter of local education and they are looking forward to serving the community.

Next, Trustees considered routine matters, including the minutes of the Executive Session/Regular Meeting on July 29, 2024, Executive Session/Budget Workshop/Special Meeting on August 12, 2024, minutes of the Tax Hearing held August 19, 2024, monthly financials for July 2024, monthly auxiliary report, personnel

matters, and an internal audit report. Mr. Zeichick made a motion to approve the routine matters. The motion was seconded by Mr. Barr. All Trustees present voted in favor of the motion.

Next, Trustees considered the adoption of the annual budgets for Howard College and SWCD for the fiscal year 2024-2025. Dr. Sparks explained that the proposed District Total budget was \$66,022,018 as compared to last year's total budget of \$63,380,346, which is an increase of \$2,641,672. The positive variance is mainly due to fund balance projects, HB8 funding for this year, and increases in tax collection. The proposed Howard College budget had been consolidated to include the Big Spring, Lamesa, and San Angelo portions. It consisted of the restricted, unrestricted, and retirement of indebtedness amounts, as does the SWCD budget. The proposed Howard College unrestricted budget (District/Big Spring, Lamesa, and San Angelo) was finalized at \$40,496,750. The proposed Howard College budget was a planned unrestricted deficit budget of -\$3,504,364 due to the fund balance expenditures planned for various projects for the Big Spring campus. The proposed SWCD unrestricted budget was finalized at \$5,586,133. The proposed SWCD budget is an unrestricted deficit budget of -\$1,646,600 due to planned fund balance expenditures for various projects. Mr. Zeichick made a motion to approve the annual budgets for Howard College and SWCD as presented. The motion was seconded by Dr. Beck. All Trustees present voted in favor of the motion.

Next, Dr. Sparks explained that this year's Total No-New-Revenue rate of \$0.150914 was the rate that would raise the same amount of property tax revenue from the same properties in the 2023 tax year for both maintenance and operations as well as the debt requirement. The Total Voter-Approval tax rate was \$0.160751, which was the highest rate that could have been adopted without holding an election seeking voter approval. The proposed tax rate was set at \$0.158693, which is higher than the current total tax rate of \$0.154789 and is due to the less significant increase in tax base compared to last year. 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 \$0.014151 but this year it will be \$0.012555. The M&O rate covers the college's general costs, including physical plant operations, as community colleges do not receive state funding for this purpose. Last year's M&O rate was \$0.140638, and the approved maintenance and operations rate is \$0.146138. 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 increase by \$5.50. However, had the No-New-Revenue rate been chosen it would have been -\$3.42 less, so -\$2.08 less savings with this tax rate. 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 +5.24% as well as the actual increase in the M & O tax rate and increases in taxes on the average home when compared to last year due to the increase in average homestead value.

Trustees then considered three motions related to the adoption of the tax rate:

1. Considered that the property tax rate be increased by the adoption of a tax rate of \$0.158693, which is effectively a 2.52% increase in the total tax rate. Mr. Barr made a motion to adopt the property tax rate as presented. The motion was seconded by Mr. Marquez. All Trustees present voted in favor of the motion.
2. Considered a debt tax rate of \$0.012555 for the 2024 tax year. Mr. Zeichick made a motion to adopt the debt tax rate as presented. The motion was seconded by Mr. Calvio. All Trustees present voted in favor of the motion.
3. Considered a maintenance and operation rate of \$0.146138 for the 2024 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 6.50% and raise taxes for maintenance and operations on a \$100,000 home by approximately \$5.50. Dr. Beck made a motion to adopt the maintenance and operation rate as presented. The motion was seconded by Mr. Calvio. All Trustees present voted in favor of the motion.

Next, Dr. Sparks related that the Legislative Appropriation Request (LAR) had been completed and submitted to the State. She thanked Brenda Claxton and her team for their hard work during an exceptionally busy time of the year for their lead roles in completing the document. The LAR was aligned with Texas Association of Community Colleges (TACC) common language but also crafted to address items unique to the Howard County Junior College District. SWCD is a non-formula item request in the LAR. This year we asked for a 10% increase in funding for SWCD to address infrastructure needs. SWCD has not received a budget increase in the last 8 years.

Next, Trustees discussed that due to the resignation of Noel Hoff, the Appraisal District has a vacancy on their board and is requesting nominations. The deadline for acceptance of nominations is September 26. Trustees determined to table the item until the September 23, 2024, meeting.