

**SPECIAL MEETING  
OF THE BOARD OF TRUSTEES  
HOUSTON COMMUNITY COLLEGE**

**September 8, 2016**

**Minutes**

The Board of Trustees of Houston Community College held a Special Meeting on Thursday, September 8, 2016 at the HCC Administration Building, Second Floor Auditorium, 3100 Main, Houston, Texas.

**MEMBERS PRESENT**

Adriana Tamez, Board Chair  
Robert Glaser, Vice Chair  
Carolyn Evans-Shabazz, Secretary  
Zeph Capo  
John Hansen  
Eva Loreda  
Neeta Sane  
Dave Wilson

**ADMINISTRATION**

Cesar Maldonado, Chancellor  
Melissa Gonzalez, Vice Chancellor/Chief of Staff  
Ashley Smith, General Counsel  
Teri Zamora, Senior Vice Chancellor, Finance and Administration  
Kimberly Beatty, Vice Chancellor, Instructional Services, Chief Academic Officer  
Athos Brewer, Vice Chancellor, Student Services  
William Carter, Vice Chancellor, Information Technology  
Madeline Burillo, President, Southwest College  
Margaret Ford Fisher, President, Northeast College  
William Harmon, President, Central College  
Zachary Hodges, President, Northwest College  
Phillip Nicotera, President, Coleman College  
Irene Porcarello, President, Southeast College  
Janet May, Chief Human Resources Officer  
Terrance Corrigan, Director, Internal Audit

**OTHERS PRESENT**

Jarvis Hollingsworth, Board Counsel, Bracewell LLP  
Other administrators, citizens and representatives from the news media

**CALL TO ORDER**

Dr. Adriana Tamez, Chair, called the meeting to order at 12:11 p.m. and declared the Board convened to consider matters pertaining to Houston Community College as listed on the duly posted Meeting Notice.

*(The following Trustees were present: Capo, Evans-Shabazz, Glaser, Hansen, Loreda, Sane, Tamez and Wilson)*

**TOPICS FOR DISCUSSION AND/OR ACTION**

**EFFECTIVE, ROLLBACK, AND AD VALOREM TAX RATES**

Motion: Dr. Evans-Shabazz and Mr. Capo seconded.

Dr. Maldonado noted a recommendation is being brought forth on the 2016 proposed tax rate and apprised Mrs. Zamora would provide an overview.

Mrs. Zamora provided an overview of the proposed tax rate to note that the Effective tax rate, calculated to be \$0.099000, is the rate that would provide the taxing unit with about the same amount of revenue it received in the previous year. The total tax rate for 2015 was \$0.101942. The Rollback tax rate, calculated to be \$0.104141, is the rate that would provide the taxing unit with approximately the same amount of tax revenue it received the previous year, plus an extra eight percent increase, in addition to sufficient funds to pay debts in the coming year. The Rollback rate is the highest tax rate allowed without voter approval. Mrs. Zamora noted a taxing unit must calculate and publish its Effective and Rollback tax rates before adopting an actual rate. She noted the proposed M&O rate is 0.075277 and Debt tax rates is 0.024986.

Dr. Hansen requested for clarification if the published rate was the maximum allowed by law to imposed and not necessarily apply it, but it cannot be exceeded. Mrs. Zamora responded that the Effective and Rollback rates were publicized on September 5<sup>th</sup>. She added that a proposed rate would be established, and the proposed rate would be published. Dr. Hansen asked if there is an option of a lower tax rate when the tax rate is adopted. Mrs. Zamora concurred with him and noted the proposed rate was included when building the budget.

Dr. Maldonado noted the proposed rate is lower than the Rollback rate.

Mrs. Zamora referenced the attachment and provided an overview of the effect the proposed rate would have on homeowners in comparison to last year.

Mr. Capo inquired how the 45,000 exemptions changed from last year to this year and if there is data regarding the change. He inquired if home valuations change due to the exemption. Mrs. Zamora noted there is probably an incremental change but not a large change.

Mr. Glaser noted the rate increased from what was originally proposed in the June budget and mentioned it was his understanding administration stated the Board was polled; however, he is

familiar with at least four members who were not polled. Mr. Glaser noted he could not vote for the proposed provided by administration in the June budget. He voiced a concern of the change in the tax rate would be passed on to the taxpayers due to consultation with a fraction of the board members.

Dr. Tamez inquired as to who had told him of the poll. Mr. Glaser stated Ms. Zamora stated it at the June meeting during her presentation. Mrs. Zamora stated that she may have misspoken but noted that feedback was taken from the presentation provided in June.

Mr. Glaser expressed that he does not recall the Board members stating they were in favor of a tax increase. Mrs. Zamora noted that the discussion was regarding the raise for adjunct for \$1.5 million.

Dr. Tamez assured for clarification purposes there were no meetings and stated she will clarify every time someone misspeaks because it is about transparency.

Mr. Capo noted there was disagreement among the Trustees. He noted that every budget that comes to the Board every year is balanced. He noted that he did not see the proposed as an increase and noted the tax rate was actually decreased. He noted the discussion at the table was to determine if it was in the best interest to the college to lower the rate to consider adjunct faculty salaries. He noted that there is a real framing issue that needs to be discussed.

Mr. Wilson noted his prospective was that the rate was decreased and the base was increased with the net effect of additional money the college collected being an increase; therefore, more money is taken from taxpayers when there is an enrollment that is stagnant on declining.

Mr. Glaser concurs the tax rate decreased and the base increased and the net take on the rate proposed in June to the rate proposed in August is \$2.5 million. He noted that he was in agreement with what was proposed by administration in June and in support of the adjunct salaries. He noted that there has been a 4-year increase in the budget of 18% and from that there has been an increase of over 50% in the Ad valorem tax.

Dr. Evans-Shabazz asked for clarification on the proposed tax rate being lower than the 2015 tax rate. Mr. Capo clarified that it was proposed to lower the rate but Board members should first consider the in house priorities. Mrs. Zamora noted that the June budget had a rate lower than the budget brought forth in August and apprised the vote will be on the tax rate reflected in the budget approved in August.

Mrs. Sane advised that providing a memo in the future could assist with the explanation of how the extra resources will be utilized.

Mr. Glaser pointed out that he understands how it was explained but thought the coverage for adjunct salaries could be identified elsewhere. He added there has been a 56% increase on the taxpayers in the last four years but the enrollment has not increase. He understands a growing

budget for a growing institution but if the monies for the adjuncts had been identified in the June budget, the additional \$1 million could have been used elsewhere.

Mrs. Zamora noted two public hearings are scheduled for September 22 and September 29. She noted the Board is scheduled to adopt the rate on October 13. A vote is the proposed rate required that will be carried forward to the public hearings.

Dr. Tamez announced two public hearing dates as follows:

- September 22, 2016 at 3:30 p.m.
- September 29, 2016 at 12:00 p.m.

Dr. Tamez noted the Board will meet on October 13, 2016 to adopt the tax rate.

Dr. Hansen expressed that he was accustomed to reviewing the announcement prior to being published in the newspaper. Mrs. Zamora noted the notice could be provided.

Vote: Motioned passed with a vote of 6 -2 with Mr. Glaser and Mr. Wilson opposing.

#### **ADJOURNMENT**

With no further business coming before the Board, the meeting adjourned at 12:45 p.m.

Minutes submitted by Sharon Wright, Director, Board Services

Minutes Approved as Submitted: October 20, 2016