

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

June 23, 2015

Minutes

The Board of Trustees of Houston Community College held a Special Meeting on Tuesday, June 23, 2015 at the HCC Administration Building, Second Floor Auditorium, 3100 Main, Houston, Texas.

MEMBERS PRESENT

Zeph Capo, *Chair*
Robert Glaser, *Vice Chair*
Carolyn Evans-Shabazz
Eva Loreda
Sandie Mullins
Neeta Sane
David Wilson

ADMINISTRATION

Cesar Maldonado, Chancellor
Shantay Grays, Chief of Staff
Valerie Simpson for E. Ashley Smith, Acting General Counsel
Kimberly Beatty, Vice Chancellor, Instructional Services, Chief Academic Officer
Pheryl Prestage for William Carter, Vice Chancellor, Information Technology
Irene Porcarello, Interim Vice Chancellor, Student Services
Teri Zamora, Vice Chancellor, Finance and Administration
Margaret Ford Fisher, President, Northeast College
Fena Garza, President, Southwest College
William Harmon, President, Central College
Zachary Hodges, President, Northwest College
Phillip Nicotera, President, Coleman College
Rudy Soliz, Interim President, Southeast College
Remmele Young, Associate Vice Chancellor, Governmental and External Affairs

OTHERS PRESENT

Jarvis Hollingsworth, Board Counsel, Bracewell & Giuliani
Susan Goll, President, Faculty Senate
Other administrators, citizens and representatives from the news media

CALL TO ORDER

Mr. Zeph Capo, Chair, called the meeting to order at 2:21 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, Sane, and Wilson)

BUDGET WORKSHOP REGARDING PROPOSED UNRESTRICTED BUDGET FOR FISCAL YEAR 2015-2016

Dr. Maldonado noted that the purpose of the workshop is to provide a snapshot of the current budget and an overview of the proposed budget for 2015-16.

(Ms. Loreda and Ms. Mullins joined the meeting at 2:22 p.m.)

Mrs. Teri Zamora provided an overview of the current budget status to include:

- Budget Assumptions
- Budget Goals
- Timeline and Next Steps
- Current Unrestricted Budget revenues
 - Comparative average cost of attendance
 - Enrollment growth
 - Comparative ad valorem tax rates
 - 2015-16 Estimated unrestricted revenues
- Current Unrestricted Budget Expenditures
 - 2015-16 Estimated unrestricted expenditures

Dr. Maldonado informed that the budget presentation will include items that previously have not been a part of the discussion, such as faculty development. He apprised that the effort is to use monies that were available to the best purpose for use.

Mr. Capo referenced the \$1.62 million in annual savings and inquired if it will be part of the debt pay down plan. Mrs. Zamora noted that the funds would be in the operating budget. She informed that the pay down will primarily be accelerated by the smaller payoffs along the way.

Ms. Loreda inquired if there will be another meeting to allow for a detailed review of the various departments. Mrs. Zamora apprised that this is a preliminary overview and that more detail will be presented when the items is recommended for Board approval.

Ms. Mullins inquired of the timeline for discussing the strategic piece. Dr. Maldonado noted that the strategic plan and facilities master plan will be presented for consideration for next year's budget. He informed that there was an effort to accelerate but noted there was concern of risking the quality of the work regarding the master plan. Dr. Maldonado apprised that separate from the budget, divesture of surplus property and strategy for acquisition on long-term will be brought forward to the Board.

Ms. Mullins inquired if the plan is to present before the Board approves this year's budget. Dr. Maldonado noted that the item would not be ready to be considered with this year's budget. He informed that the plan will be presented for the Board to consider, which would include recommendations to sell and/or acquire property.

Mr. Wilson apprised that he does not recommend selling property to fund the operating budget. He noted the proceeds should be used to pay off debt. Mr. Wilson informed that he is glad to see the report on the fund balance and noted that the Board has to be fiscally responsible. He apprised that the tax base should be handled cautiously.

Ms. Zamora provided a review of recent financial results as a part of the workshop presentation. The review included an overview of the following:

- Unrestricted Fund Balance History
- Texas Higher Education Coordinating Board (THECB) Composite Financial Index (CFI)
- Other Funds Balance

Mrs. Zamora noted that the college is relatively in good standing regarding the financial condition according to the THECB Financial Condition Analysis 2014.

Mr. Capó inquired if the debt payoff would make a difference regarding the ratio. Mrs. Zamora informed that the debt payoff will help. She apprised that the report provides a comparison of financial condition with other institutions.

Mrs. Zamora noted that several funds were set aside with Board approval:

- Student Technology Fee Fund Balance
- Accumulative Savings from Budget Task Force
- Auxiliary International Funds
- Funds set aside for Sports Fields

Mrs. Zamora noted that there will be a recommendation to the Board regarding the use of the Auxiliary International Funds such as possibly funding the Honors College students' travel.

Ms. Loredó inquired if monies allocated for other funds balances would gain interest. Mrs. Zamora informed that some interest will be realized on the funds.

ADJOURNMENT

With no further business coming before the Board, the meeting adjourned at 3:09 p.m.

Minutes recorded, transcribed & submitted by:
Sharon Wright, Manager, Board Services

Minutes Approved as Submitted: August 20, 2015