The Board of Trustees of the Houston Community College System held a Special Meeting on Thursday, November 8, 2007 at the System Administration Building, 2nd Floor, Seminar Room A, 3100 Main, Houston, Texas.

Board of Trustees Present:
Christopher Oliver, Chair
Yolanda Navarro-Flores, Vice Chair
Diane Olmos Guzman, Secretary
Mills Worsham, Deputy Chancellor
Jay K. Aiyer
Bruce A. Austin
Richard Schechter
Dr. Michael P. Williams

Administration Present:
Mary S. Spangler, Chancellor
Art Tyler, Deputy Chancellor
Doretha Eason, Executive Assistant to the Chancellor
Gloria Walker, Vice Chancellor, Finance & Administration
Winston Dahse, President, Southwest College
Cheryl Peters for Bill Harmon, President
Dan Arguijo, AVC, Communications
Willie Williams, Associate Vice Chancellor, Human Resources

Others Present:
Maureen Singleton, System Counsel, Bracewell & Giuliani
Linda Koffel, President, Faculty Senate
Neeta Sane, Trustee Elect, District VII
Other administrators, citizens and representatives from the news media

CALL TO ORDER
Mr. Oliver, Chair, called the meeting to order at 4:21 p.m. and declared the Board convened to consider matters pertaining to the Houston Community College System as listed on the duly posted meeting notice.

ANNOUNCEMENT
Dr. Spangler congratulated the Trustees Bruce Austin, Yolanda Navarro Flores, and Mills Worsham on their re-election to the Board of Trustees.
MAINTENANCE AND OPERATIONS PROPERTY TAX RATE AND
Recommendation – Approve resolution to adopt the maintenance tax rate for .081075.

Dr. Spangler noted that the recommendation is below the rollback rate for 2007.

The Board recessed for 4:24 p.m.

The Board reconvened at 4:29 p.m.

Mr. Worsham asked for clarification on the calculation of $79 million and noted that his calculation yielded $94 million.

Dr. Spangler informed that the projected taxable value of property in the taxing district is $1.2 billion. Mr. Schechter noted that the $79 million is only the M&O and does not include the debt service.

Mr. Worsham expressed appreciation that the rate is below rollback; however, he expressed concern that this is still a tax increase.

(Trustee Aiyer arrived at 4:31 p.m.)

Mr. Worsham apprised that the effective rate is .087 and the rollback is 0.092. He reiterated that there was testimony last week from another educational board member in the county who informed that they set their rate at the effective rate. Mr. Worsham recommended splitting the difference and to consider a rate closer to .09 and determine if there is enough in the surplus based on the higher appraisals to cover extra expenses projected for the year.

Mr. Schechter asked if the .09 rollback rate were adopted, how much would not be collected in tax revenues. Dr. Tyler informed that it would reduce the revenue by approximately $2 million.

Dr. Williams asked what has been done on the expenditure side in terms of cost savings measures.

Dr. Spangler reiterated that the information on the revenue and costs savings suggestions would be shared with the board. She noted that there is a cost saving projections of approximately $400,000 and noted that there is also a cost savings projection on contracted services of approximately $900,000 for a total of roughly $1.4 million

Mr. Oliver noted that often times there are measures to generate revenues but those same measures are not displayed with expenses.

Dr. Spangler recommended framing the wording to show the possibility of reducing taxes. She provided a summary of the 2007 effective tax rate calculation to support this argument.
Dr. Williams noted that his concern is how administration frame the language for the rate adopted.

Mrs. Guzman noted that it is the way the language is crafted and noted that this is the reason for the community engagement initiatives. She noted that this would provide communication to the community.

Mrs. Flores asked the Chancellor to elaborate on the Tax Assessors email, which stated that the actual revenue should be $84 million and not $76 million. Dr. Spangler explained that the email was based on 101% collection rate.

**Motion** – Richard Schechter, move that the Board of Trustees of Houston Community College System adopt $.092433 per $100 assessed valuation as the total tax rate for the tax year 2007. Mr. Aiyer seconded the motion. The motion passed with a vote of 6-2 as follows:

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<thead>
<tr>
<th>Trustee</th>
<th>Vote</th>
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<tbody>
<tr>
<td>Jay Aiyer</td>
<td>Yes</td>
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<tr>
<td>Richard Schechter</td>
<td>Yes</td>
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<tr>
<td>Mills Worsham</td>
<td>No</td>
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<td>Dr. Michael P. Williams</td>
<td>Yes</td>
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<tr>
<td>Bruce Austin</td>
<td>Yes</td>
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<td>Yolanda Navarro Flores</td>
<td>No</td>
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<td>Diane Olmos Guzman</td>
<td>Yes</td>
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<tr>
<td>Christopher Oliver</td>
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Dr. Williams stated that it is important that the college be prepared to explain to the stakeholders and taxpayers not reactive but proactive on the issue and prepare for the worst-case scenario.

**PUBLIC HEARING ON TANGIBLE PERSONAL PROPERTY IN TRANSIT**

**Recommendation** – Approve resolution to continue taxation of tangible personal property held temporarily.

**Motion** – Dr. Williams moved to approve the resolution regarding H.B. 621. Mrs. Flores seconded the motion. Motion passed with a vote of 8-0.

Mr. Schechter asked that a half-day meeting be scheduled to allow the Board the opportunity for a financial overview of the college. Dr. Spangler recommended holding the meeting after the new Trustee for District VII is on board so that she can be a part of the discussion.

Dr. Williams noted that the Board should reorganize as soon as possible because January is lost due to the meeting being held on the 4th Thursday.

Mr. Aiyer introduced Neeta Sane, Trustee elect for District VII.
ADJOURNMENT
With no further business coming before the Board, the meeting adjourned at 5:45 p.m.

Minutes recorded and submitted by:
Sharon Wright, Executive Administrative Assistant, Board Services

Minutes Approved as Submitted: __________________________