

**NAVARRO COLLEGE BOARD OF TRUSTEES
AUGUST 24, 2017 MEETING
MINUTES**

The Navarro College Board of Trustees met on Thursday, August 24, 2017 in the Lone Star Room located on the Corsicana Campus. The meeting began with a dinner and a Closed Session to discuss legal and personnel matters according to Government Codes 551.071 and 551.074 in the President's Dining Room.

Following the Closed Session, the governing body relocated to the Lone Star Room to conduct their regular monthly meeting.

Trustees in attendance included: Mr. Lloyd Huffman, Chairman; Mr. Richard Aldama, Secretary-Treasurer; Mr. A. L. Atkeisson, Member; Mr. Todd McGraw, Member; Ms. Faith Holt, Member; and Mr. Loran Seely, Member. Mr. Phil Judson, Vice Chairman, was absent.

Others in attendance included:

Dr. Richard Sanchez	District President
Dr. Kenneth Martin	President, Ellis County Campuses
Ms. Teresa Thomas	Vice President, Finance and Administration
Dr. Carol Hanes	Vice President, Academic Affairs
Ms. Marcy Ballew	Vice President, Human Resources
Ms. Maryann Hailey	Vice President, Student Services
Dr. Harold Housley	Vice President for Institutional Studies
Mr. Roark Montgomery	Athletic Director
Dr. Eileen Hamby	Executive Dean, Career and Technical Education
Mr. Karl Humphries	Executive Director, Physical Plant
Ms. Stacie Sipes	Director of Marketing and Public Information
Mr. Guy Featherston	Dean, Health Professions
Ms. Janet Daugherty	Budget Officer
Ms. Leslie Smith	Executive Assistant to the District President

Other faculty, staff and guests were also in attendance.

Call to Order and Closed Session

At 6:20 p.m., Mr. Huffman called the meeting to order in the President's Dining Room. Ms. Holt made a motion to convene into Closed Session to discuss legal and personnel matters according to Government Codes 551.071 and 551.074. Mr. Seely seconded the motion and the decision was unanimous.

At 7:10 p.m., Mr. Atkeisson made a motion to relocate to the Lone Star Room to reconvene into Open Session. Mr. Seely seconded the motion. Following a break, the Board gathered in the Lone Star Room to conduct their regular monthly meeting. Mr. Huffman called the meeting to order at 7:30 p.m. and asked Mr. Atkeisson to begin with a prayer.

Mr. Huffman announced a second Closed Session would be held following the President's Report to discuss personnel matters according to Government Code 551.074. No action or decision was anticipated.

Announcements

Mr. Aldama thanked M.I.S.C. staff for providing a live video of the Navarro College football game prior to the meeting. He stated the team appears to be off to a good start for the season.

Open Forum

There were no requests to speak to the Board.

Consent Calendar

a. Minutes – Board of Trustees July 27, 2017 Meeting

Dr. Sanchez requested approval of the Consent Calendar containing minutes from the July 24, 2017 Board meeting. Mr. Aldama made a motion to approve the Consent Calendar and Mr. Atkeisson seconded the motion. The decision was unanimous.

Presidential Search

Mr. Huffman announced the first official action in the process for searching for a new District President would take place this evening with approval of the Presidential Search Timeline and appointment of the Presidential Search Committee. Mr. Huffman stated the search will be administered "in house." The same process used in the previous three presidential searches will be used.

Dr. Sanchez offered to answer any questions regarding the timeline for the Presidential Search. He pointed out the dates for final interviews of finalists and the dates designated for the Board to visit the preferred candidate's campus.

Mr. Huffman announced the nominees to serve on the Presidential Search Committee. The committee will consist of two Trustee co-chairs, Trustee Aldama and Trustee Holt; five community members - Ms. Judy Nelson, Mr. Kim Wyatt, Mr. Homer Wasson, Dr. Tommy Stringer, and Mr. Howard Seely; two Navarro College administrators - Dr. Carole Hanes and Ms. Sina Ruiz; four faculty members – Ms. Belinda Adams, Ms. Pamela Bean, Ms. Elaine Long, and Ms. Avis Brown; two paraprofessional/support staff members – Ms. Brenda Lowey and Ms. Fawn Trotter; and one student, Ms. Leasia (Asia) Coley. Mr. Huffman stated the committee will be tasked with interviewing all qualified applicants and recommending three to five finalists to the Board.

Mr. Huffman explained the search process and stated all groups will have opportunities for input. The search will be coordinated by Dr. Richard Sanchez, current District President, with the assistance of Ms. Marcy Ballew, Vice President of Human Resources, and Ms. Leslie Smith, Executive Assistant to the District President. The search is expected to culminate March 22, 2018 with the appointment of a new District President, assuming a qualified candidate will be found. If not, the Board of Trustees is prepared to abort the search and begin over once again.

Mr. Atkeisson made a motion to approve the Presidential Search Timeline and the Presidential Search Committee. Mr. McGraw seconded the motion and the decision was unanimous.

Mr. Huffman stated this was a very historic moment for Navarro College.

Introduction of New Director of Information Technology

Ms. Teresa Thomas, Vice President of Finance and Administration, introduced the newly appointed Director of Information Technology, Mr. Barry Sullivan, and welcomed him.

Take Action on Adoption of 2017-2018 Fiscal Year Budget

Ms. Thomas presented the proposed fiscal year 2017-2018 budget for adoption. Since the July 27, 2017 workshop, grant funding and the appropriation for insurance have been updated in the proposed budget to reflect the actual amount appropriated. The net effect of these changes decreased the District's total operating budget for 2017-2018 by \$316, 133. The revised total operating budget presented for approval was \$88,552,811. Ms. Thomas stated a 3% salary increase was set aside within this budget amount.

Dr. Sanchez stated this was the same budget presented at workshop with the exceptions noted.

Ms. Holt moved to approve the proposed FY 2017-2018 budget, and Mr. Seely seconded the motion. The vote was unanimous.

Discussion of Calendar Year 2017 (Fiscal Year 2017-2018) Tax Rate, Take Record Vote of Intent to Set Rate at \$0.1218 per \$100 Valuation and Schedule Public Hearings

Dr. Sanchez stated the 2017-2018 budget was developed based on adopting the rollback ad valorem tax rate of \$0.1218 per \$100 valuation. He stated revenues are needed due to the loss of \$2 million in state appropriations. If not approved, the budget will have to be amended and reduced.

Ms. Thomas stated the value of Navarro County's certified tax roll increased last year according to the Navarro County Tax Assessor. Three tax rates were presented for consideration; the effective tax rate at \$0.1128, the rollback tax rate of \$0.1218 and the current tax rate of \$0.1183. The effective tax rate of \$0.1128 per \$100 valuation would generate the same revenues as last year, approximately \$3,453,774. The effective tax rate would yield a deficit of \$215,300. The current tax rate of \$0.1183 would yield a deficit of \$46,898 and the rollback rate of \$0.1218 would generate an additional \$60,267. Due to the fact the college requires additional revenue and not less, and as a result the 2017-2018 budget is based on tax revenues of \$3.6 million, the rollback rate of \$0.1218/\$100 was recommended. If the Board states it intends to adopt the current tax rate or the rollback rate, two public hearings will be required.

Discussion followed. Ms. Thomas confirmed public hearings would be required if the current tax rate and rollback rate were considered. Dr. Sanchez reiterated the roll back rate was needed to sustain the 2017-2018 budget and meet expenses. Several trustees noted the College relies on the tax funds for maintenance of the Corsicana campus. It was also noted revenues received from the ad valorem tax is "minute" compared to the College's overall budget of \$88 million. It is a "multiplier" that comes back to the community.

A record vote on the intent to the set the 2017 calendar year (2017-2018 fiscal year) ad valorem tax rate at the rollback rate of \$0.1218 per \$100 valuation was called:

For: Aldama, Atkeisson, Holt, Huffman, McGraw and Seely
Against: None
Absent: Judson

Public hearings will be conducted on Thursday, September 7, 2017 and on Wednesday, September 13, 2017 at 12 noon in the Lone Star Room.

Take Action on July 2017 Financial Statement

Ms. Thomas presented the July 2017 financial statement for approval. Additional funds received from

Adult Education federal grants increased the budget by \$192,942. Cosmetology sales and drug testing fees increased the budget by \$5,305 and additional dining service sales by \$16,400. The total budget increased \$214,648 for a total of \$93,317,755 as of July 30, 2017

Following a review of the source and disbursements of funds, Ms. Thomas stated the net income of \$2,532,924 will change in August with the hope the College will “break even” at the end of 2016-2017 fiscal year.

Mr. Aldama made a motion to approve the July 2017 Financial Statement. Mr. Atkeisson seconded the motion, and the decision was unanimous.

Take Action on Extending TXU Contract for Electricity

Dr. Sanchez asked Dr. Housley to present the proposal for extending the TXU contract for electricity. Dr. Housley stated TXU was offering the College an opportunity to lock in a low rate for electricity by committing to a longer term contract. Eighteen months remain on the current contract. A five-year extension would lock in a low rate that could save the college up to \$239,166 and protect it from a price increase during that five-year period.

Executive Director of Facilities, Mr. Karl Humphries, stated he doesn’t believe there’s room for the rates to go any lower but does think they could go higher. He recommended approval of the extended contract. Mr. Huffman noted the College owns most of the electric infrastructure on the campus – a wonderful asset.

Mr. Seely made a motion to adopt TXU’s five-year extension for electricity. Ms. Holt seconded the motion and the decision was unanimous.

Dr. Housley thanked the Board and stated there was a possibility the storm (Hurricane Harvey) could impact the rates and action could be delayed. The Board will be advised if that occurs.

Update on Personnel Activity

Ms. Marcy Ballew presented an update on personnel activity. During the month of July 2017, four appointments were made. Ms. Ballew noted that Ms. Christina Mims was promoted to the position of Dean of the Mexia Campus. Ms. Sherry Foster, who was appointed Associate Professor of Licensed Vocational Nursing, is a Navarro College alumni who was recruited along with her sister to play basketball at Navarro College. Ms. Foster’s children, who also attended Navarro College, call her “Bulldog Mama.” Other appointments included Ms. Elizabeth Rhyne, Assistant Director of Residence Life, and Eileen Sahlstedt, Dual Credit Coordinator for Ellis County.

Ms. Ballew continued stating five resignations and one retirement occurred during the month of July 2017. She concluded by stating there were no terminations or transfers to report.

Enrollment Report

Ms. Sina Ruiz presented an update on enrollment. Summer 2017 student enrollment has been certified with a decline of 0.44%. As of August 23, 2017 headcount enrollment for Fall 2017 was up 3.59%, 281 students, with 8,103 students enrolled-- 90% of the targeted enrollment. Although as of now more students are enrolled, they are enrolled in fewer classes and as a result, fewer contact hours. She stated contact hours of 1,590,328 is down -4.22% and is within 91% of the targeted goal of 1,747,222.

Ms. Ruiz concluded by stating students will continue to be registered in fall classes through the next

week.

Board Calendar

Ms. Stacie Sipes shared highlights of upcoming events on the Board Calendar. A detailed list of events and activities planned during 2017 Homecoming Week in September was provided. The Homecoming theme this year will be "Aloha Bulldogs".

Ms. Sipes continued stating a Customer Service Committee presented request for all faculty and staff to wear red t-shirts every day during the first week of classes to help students identify them and concluded her report.

President's Item of Information

Dr. Sanchez presented the following updates:

- The college is now the official owner of the property located adjacent to the Cook Education Center.
- Fall 2017 classes begin Monday, August 28, 2017
- Because of the difficulty in finding flowers year round, a new design has been created near the fountain area in front of the Albritton Administration Building. A similar design may be created for the entry area from Seventh Avenue.
- The College has purchased a table for eight at the CISD annual gala on September 30, 2017. Dr. Harold Housley will be representing administration. Trustees were asked to contact Leslie Smith if they wish to reserve seats for the event starting at 6 p.m. at the IOOF.
- A "Students First" theme is being promoted throughout the College. This theme will continue to be promoted throughout the year with the hope it will have a dramatic difference on students and, hopefully, impact enrollment.
- Travel information was disbursed to Trustees attending the ACCT Annual Leadership Congress. The pick-up schedule on Sunday, September 24, 2017 was included.
- The first home football game will be played at Tiger Stadium on Saturday, September 2. Sponsors have been secured to provide food for all home games in the VIP lounge. Trustees and their guests will be invited.
- Dr. Sanchez stated was honored to learn he is receiving the Golden Apple Distinguished Alumni awarded from Western Michigan University in October 2017. Ms. Cathy Scott, Navarro College professor and also a graduate from WMU, submitted the nomination which resulted in Dr. Sanchez being selected for the Golden Apple Award.

Trustees congratulated Dr. Sanchez. He thanked them and concluded his report.

Next Meeting Announcement

Mr. Huffman announced the Board of Trustees will meet again on Thursday, September 7, 2017 to conduct a public hearing on their intent to set the ad valorem tax rate.

Closed Session and Adjournment

At 8:26 p.m., Mr. Seely made a motion to convene into Closed Session. Ms. Holt seconded the motion and the decision was unanimous. Following a brief break, the Board convened into Closed Session.

At 9:15 p.m., Mr. McGraw made a motion to reconvene into Open Session and adjourn the meeting. The motion was seconded by Mr. Atkeisson and the decision was unanimous.

No further action or decisions were made prior to adjourning the meeting.

Respectfully submitted,

A handwritten signature in black ink, reading "Richard L. Aldama", followed by a horizontal flourish line.

Richard L. Aldama, Secretary-Treasurer
NAVARRO COLLEGE BOARD OF TRUSTEES