The regular meeting of the Laredo Community College Board of Trustees convened on Thursday, August 27, 2009, beginning at 6:03 p.m. in the Samuel A. Meyer Board Room Laird Hall 124 of the Fort McIntosh Campus.

**ROLL CALL**

**MEMBERS PRESENT**
- Pete Saenz, Jr., President
- Cynthia Mares, Vice President
- Belinda Guerra, Secretary
- Carlos Carranco, Jr.
- Hilario Cavazos, III
- Leonides G. Cigarroa, Jr.
- Rene De La Viña (arrived at 6:15 p.m.)
- Mercurio Martinez, Jr. (arrived at 7:08 p.m.)
- Edward C. Sherwood
- Alfonso Martinez, Ex-officio

**OTHERS**
- Juan L. Maldonado
- Eleazar Gonzalez
- Fred Solis, Jr.
- George Meurer, College Attorney
- Fernando Prince

**MEMBERS ABSENT**

**CALL TO ORDER**

Mr. Saenz called the meeting to order. Ms. Guerra called the roll. It was noted that Mr. De La Viña and Mr. Martinez would be arriving late. A quorum of the members was present.

**PUBLIC HEARING ON THE PROPOSED FISCAL YEAR 2010 BUDGET AND TAX RATE**

Mr. Cavazos moved to open the public hearing on the proposed Fiscal Year 2010 Budget and Tax Rate and seconded by Dr. Cigarroa; motion carried. Mr. Saenz announced the public hearing was open and asked for input from those present. There being no indication from the public Mr. Saenz asked for a motion to close the public hearing. Dr. Cigarroa so moved and seconded by Mr. Cavazos; motion carried.

**MINUTES**

Mr. Sherwood moved to adopt the minutes for July 23, 2009, as presented. Ms Guerra seconded the motion; motion carried.

**PUBLIC TESTIMONY**

Mr. Jesse Porras, retired LCC employee, addressed the Board on the success of the Three Cs program (communication, collaboration, and coordination) regarding increasing enrollment. He distributed a copy of the program.

Ms. Esmeralda Chapa, Classified Staff Organization President, mentioned she was present at the previous meeting and expressed her appreciation to the Board for doing an excellent job and for reconsidering the salary adjustments.
Dr. Juan L. Maldonado, President, reported on the following:

- The Texas Veterans Commission sent a letter indicating LCC is in full compliance with the veteran's approval criteria. Mr. Fernando Conejo was very complimentary about the staff in the LCC VAIS Center, Ms. Veronica Hernandez and Ms. Dee Perez.

- He reminded the Board about Monday's meet and greet reception at 5:30 p.m. in the Guadalupe and Lilia Martinez Fine Arts Center honoring Dr. A. Marcus Nelson, L.I.S.D. Superintendent.

- He introduced the following new employees: Nelda De La Garza – Criminal Justice Instructor; Thomas G. McEachin – English Instructor; Timothy J. Miller – History Instructor; Carol M. Schmies – Speech Communications Instructor; Alan D. Webb – English Instructor; Emiliano Zuñiga – English Instructor; Sarah M. Fearnley – Geology Instructor.

Mr. Saenz welcomed Ms. Patricia Barrera, LCC Tax Assessor Collector, to the meeting.

Mr. Cavazos moved to change the order of the agenda and bring up Item 13. Mr. De La Viña seconded the motion; motion carried. Mr. Sherwood and Mr. Saenz asked to be excused based on a conflict of interest and left the meeting. Ms Mares, Board Vice President, chaired the Board meeting at this time and reported the Finance & Audit Committee met on Tuesday afternoon. She indicated also present were the Co-chair, Mr. Mercurio Martinez, Jr. and Mr. Hilario Cavazos, III. Three proposals were received for the RFP, which had specific criteria that had to be met. The banks that submitted proposals were Compass Bank, Falcon International, and Wells Fargo. She reported that when the Committee attempted to score and rank it encountered the fact that two of these banks did not comply with all the criteria. Consequently, that being the case the Committee agreed that they would be disqualified leaving one proposal, Falcon International Bank. Mr. Meurer, College Attorney, recommended that the Board preserve the attorney-client privilege and if the Board needed legal advice it could announce going into executive session as per code 551.071. Ms. Mares stated for the record that Mr. Sherwood, although a member, did not attend the Finance & Audit Committee meeting. Mr. Cavazos moved that the Board accept Falcon International Bank's proposal. Mr. De La Viña seconded the motion. Discussion followed. The motion carried. Mr. Jorge Gonzalez, Executive Vice President for Falcon International Bank thanked the Board for the vote of confidence and noted he valued the relationship with the College and looked forward to working with LCC.

Mr. Saenz and Mr. Sherwood rejoined the meeting. Dr. Maldonado asked that the Board consider moving up the dual credit agreement item. Mr. Cavazos moved for a change on the order of the agenda and move up Item 11. Ms. Mares seconded the motion; motion carried. Dr.
Cigarroa reported the Program/Policy Committee met and reviewed the two proposals to offer nursing and academic courses. He recommended and moved that the Board approve the dual credit agreements with area school districts: L.I.S.D. and the Catholic Diocese of Laredo as presented. Mr. Cavazos seconded the motion; motion carried.

The Board returned to the original order of the agenda.

Ms. Patricia Barrera, LCC Tax Assessor/Collector, reported the certification of the appraisal rolls and converting them to the certified tax rolls. She read the values (see Attachment 1). Dr. Cigarroa moved that the Board approve the certification of the 2009 tax roll values. Mr. De La Viña seconded the motion; motion carried.

Dr. Maldonado reported the Board gave administration three different directions that changed the original budget proposal. The Board requested that administration prepare a budget based on the effective tax rate. The second directive was to increase tuition and fees by $2.00 and thirdly, requested a one-time transfer from the reserve fund so that the reserve fund would move from 25% to 22% of the budget. He also reported the process used during the preparation of the proposed budget. Mr. Eleazar Gonzalez, Chief Administrative & Financial Officer, presented the FY 2010 planning factors & assumptions:

1. Student enrollment will increase at least 3% beyond the FY 2009 growth.
2. Tuition will increase by (Effective 9/9/09) - $2 SCH for In-District students; $4 SCH for Out-of-District students, and $8 SCH for Out-of-State & Foreign Students.
3. General Use Fee will increase by $2 SCH for all students (Effective 9/9/09)
4. The approved M&O tax rate will be $0.1840/$100 valuation. A decrease from $0.1870/$100 valuation.
5. The vetoed state portion of health insurance expenditures have been re-instated for FY 2010.
6. New positions will be approved as presented.
7. Salaries will increase a step for all eligible employees.
8. Salary schedules for Faculty, Classified, and Admin/Prof/Tech will be adjusted with a 1% COLA.
9. Includes salary savings of $400,000 due to expected employee vacancies.
10. Includes a Board-approved, one-time transfer of $1,305,927 from the General Operating Fund Balance.

He presented in detail the FY 2010 budget process, tax history, budget modifications, projected revenue and expenses, salaries and average salary increases for eligible employees. The Board expressed concern that the budget process was not prepared timely and directed administration to begin the budget process earlier next year. Discussion followed on the one-time fund transfer and possible options for that money, the evaluation of all departments to possibly free up some of those funds, decisions affecting instructional programs, student support, administrative support, and a workshop to present a proposal for the Board to make a decision on how to proceed. Mr. Meurer mentioned that although an executive session is not on the agenda, he
had some legal issues to discuss with the Board in executive session relating to the budget and the amount of money taken from the fund balance.

Mr. Meurer mentioned that based on the Open Meetings Act section 551.071 sub-section two, he is requesting to meet with Board members on a matter in which he recommended the Board not waive the attorney-client privilege. At 8:07 p.m., Mr. Sherwood made a motion that the Board meet in executive session as indicated by Mr. Meurer. Dr. Cigarroa seconded the motion; motion carried. The Board reconvened from executive session at 8:35 p.m. Mr. Saenz noted no action was taken.

Ms. Mares made a motion that the Board approve the tuition and fees increase as presented tonight for FY 2010. Dr. Cigarroa seconded the motion. Ms. Mares amended her motion that the LCC semester credit hour tuition rates be raised by $2.00 in-district, $4.00 out of district, and $8.00 out-of-state/foreign beginning on September 9, 2009, and that the LCC general use fee be raised by $2.00 beginning on September 9, 2009. Dr. Cigarroa seconded the amended motion; motion carried unanimously.

RESOLUTION ADOPTING FY 2010 BUDGET

Ms. Mares made a motion to approve the FY 2010 budget as presented today with all the expenditures, projected revenues, and salary increases with specific use of the $1.3 million to be divided amongst these three categories: 1) employee recognition award, 2) debt service, and 3) deferred maintenance projects with the specific percentages to be determined later. Mr. Cavazos seconded the motion. Discussion followed. Ms. Mares withdrew her motion and Mr. Cavazos withdrew his second.

Mr. Martinez made a motion and read the resolution for adoption the budget for FY 2010. He deferred to legal counsel for revision recommendation to the resolution. Mr. Meurer recommended adding, “WHEREAS, such budget will include a line item in the amount of $1,305,927 to be allocated for a one-time employees’ recognition awards, debt service, and deferred maintenance projects.” Mr. Cavazos seconded the motion. Discussion followed. The motion carried unanimously.

RESOLUTION AUTHORIZING COLLECTION OF “GENERAL USE FEE” AND EXPENDITURE OF FUNDS FOR FISCAL YEAR 2010.

Mr. Martinez moved to acknowledge the resolution adopting the tax rate for FY 2010. Mr. Meurer clarified the Board need to deal with the collection of fees first. Mr. Martinez withdrew his motion. Mr. Martinez moved that a resolution authorizing collection of “General Use Fee” and expenditure of funds for FY 2010 be approved. He read the resolution. Ms. Mares seconded the motion; motion carried unanimously.
Mr. Martinez made a motion the resolution adopting the tax rate for FY 2010 and read the resolution. Mr. Sherwood seconded the motion; motion carried unanimously.

Dr. Cigarroa reported that in order to comply with SACS accreditation requirements the LCC Quality Enhancement Plan (QEP) needs Board approval. Dr. Fernando Prince, Dean of Sciences, provided the details of the plan - Reading: Gateway to Learning- developed to address and positively impact student learning. He presented the plan’s goal, institutional objectives, the budget, assessment cycles and the organizational chart. Dr. Cigarroa moved that the Board approve the Quality Enhancement Plan as presented by Dr. Prince. Mr. Martinez seconded the motion; motion carried unanimously.

Dr. Cigarroa reported two resolutions are being presented for adoption. The first resolution basically says that any money received through the American Recovery and Reinvestment Act that the College should do its best to reinvest in the United States. He made a motion to accept this resolution and seconded by Ms. Mares. Discussion followed. The motion passed with eight votes; Mr. Sherwood abstained.

Ms. Mares reported the Finance & Audit Committee heard presentation from the LCC Comptroller and indicated there was nothing out of the ordinary to report as they get close to the end of the fiscal year. Everything seems to be in order. She indicated there is no action needed at this time.

Dr. Maldonado reported on the incident involving two Barnes & Noble employees that work at the south campus were terminated and expressed concern that since Barnes & Noble is housed at the College and indicated for the record to clarify that they were not College employees.
Dr. Maldonado announced the next meeting dates as follows:

Tuesday, September 15th at 5:30 p.m. and Monday, September 21st at 5:30 p.m. to address the direction from the Board with relation of the one-time transfer from the fund balance. Dr. Maldonado mentioned that the Board can determine on the 15th if a meeting for the 21st is needed.

Thursday, September 24th at 6:00 p.m. for the Regular Board of Trustees meeting.

Dr. Maldonado thanked the Trustees for the confidence bestowed on the proposed budget presented tonight. He noted the points were well taken on the timelines and will start to plan for next year’s budget on a more timely basis.

At 9:28 p.m. Mr. Saenz adjourned the meeting.