



AGENDA

SPECIAL MEETING OF THE BOARD OF TRUSTEES

**September 10, 2015
3:30 p.m.**

**HCC Administration Building
3100 Main, 2nd Floor Auditorium
Houston, Texas 77002**



Strategic Plan 2012-2015

Creating Opportunities for Our Shared Future
(Approved by the HCC Board of Trustees, June 22, 2012)

Mission

Houston Community College is an open-admission, public institution of higher education offering a high-quality, affordable education for academic advancement, workforce training, career and economic development, and lifelong learning to prepare individuals in our diverse communities for life and work in a global and technological society.

Vision

HCC will be a leader in providing high quality, innovative education leading to student success and completion of workforce and academic programs. We will be responsive to community needs and drive economic development in the communities we serve.

Strategic Initiatives

- Initiative #1: Increase Student Completion
- Initiative #2: Respond to Business and Industry
- Initiative #3: Develop 21st Century Learners
- Initiative #4: Support Faculty/Staff Professional Development and Student Leadership
- Initiative #5: Support Innovation
- Initiative #6: Support Entrepreneurialism
- Initiative #7: Leverage Partnerships

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

September 10, 2015

Notice is hereby given that the Board of Trustees of Houston Community College will hold a Special Meeting on the Thursday, tenth (10th) day of September 2015, at 3:30 p.m., or after, and from day to day as required, at HCC Administration Building, 3100 Main, 2nd Floor Auditorium, Houston, Texas, 77002. The items listed in this notice may be considered in any order at the discretion of the Chair or Board and items listed for closed session may be discussed in open session and vice versa as permitted by law. The Board may take final action with regard to items listed in this Notice without further action at a Regular Board Meeting.

I. Call to Order

II. Topics for Discussion and/or Action

A. Effective, Rollback and Debt Service Tax Rates Calculations.

III. Adjournment to closed or executive session pursuant to Texas Government Code Sections 551.071; 551.072 and 551.074, the Open Meetings Act, for the following purposes:

A. Legal Matters

1. Legal Services with Nugent & Peterson.
2. Consultation with legal counsel concerning pending or contemplated litigation, a settlement offer, or matters on which the attorney's duty to the System under the Texas Disciplinary Rules of Professional Conduct clearly conflicts with the Texas Open Meetings Laws.

B. Personnel Matters

1. Deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee, or to hear complaints or charges against the chancellor, employees or board members, unless the officer, employee, or board member who is the subject of the deliberation or hearing requests a public hearing.

C. Real Estate Matters

1. Deliberate the purchase, exchange, lease, or value of real property for Agenda items if deliberation in an open meeting would have a detrimental effect on the position of the System in negotiations with a third person.

Houston Community College
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IV. Additional Closed or Executive Session Authority

If, during the course of the meeting covered by this Notice, the Board should determine that a closed or executive meeting or session of the Board should be held or is required in relation to any items included in this Notice, then such closed or executive meeting or session as authorized by Section 551.001 et seq. of the Texas Government Code (the Open Meetings Act) will be held by the Board at that date, hour and place given in this Notice or as soon after the commencement of the meeting covered by the Notice as the Board may conveniently meet in such closed or executive meeting or session concerning:

Section 551.071 – For the purpose of a private consultation with the Board’s attorney about pending or contemplated litigation, a settlement offer, or matters on which the attorney’s duty to the System under the Texas Disciplinary Rules of Professional Conduct clearly conflicts with the Texas Open Meetings Laws.

Section 551.072 – For the purpose of discussing the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

Section 551.073 – For the purpose of considering a negotiated contract for a prospective gift or donation to the System if deliberation in an open meeting would have a detrimental effect on the position of the System in negotiations with a third person.

Section 551.074 – For the purpose of considering the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear complaints or charges against a public officer or employee, unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing.

Section 551.076 – To consider the deployment, or specific occasions for implementation of security personnel or devices, or a security audit.

Section 551.082 – For the purpose of considering discipline of a student or to hear a complaint by an employee against another employee if the complaint or charge directly results in a need for a hearing, unless an open hearing is requested in writing by a parent or guardian of the student or by the employee against whom the complaint is brought.

Section 551.084 – For the purpose of excluding a witness or witnesses in an investigation from a hearing during examination of another witness in the investigation.

Should any final action, final decision, or final vote be required in the opinion of the

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Board with regard to any matter considered in such closed or executive meeting or session, then such final action, final decision, or final vote shall be at either:

- A. The open meeting covered by this Notice upon the reconvening of the public meeting, or
- B. At a subsequent public meeting of the Board upon notice thereof, as the Board shall determine.

V. Reconvene in Open Meeting

VI. Adjournment

Certificate of Posting or Giving of Notice

On this the 7th day of September 2015, at or before 3:30 p.m., this Notice was posted at a place convenient to the public and readily accessible at all times to the general public at the following locations: (1) the HCC Administration Building of the Houston Community College, 3100 Main, First Floor, Houston, Texas 77002; (2) the Harris County's Criminal Justice Center, 1201 Franklin, Houston, Texas 77002; (3) the Fort Bend County Courthouse, 401 Jackson, Richmond, Texas 77469; and (4) the Houston Community College System's website, www.hccs.edu. The Houston Community College's Fort Bend County public meeting notices may be viewed after hours (i.e. between the hours of 5:30 p.m. and 7:30 a.m.) on the kiosk located on the west side of the new Fort Bend County Courthouse (the "William B. Travis Building"), located at 309 South Fourth Street, Richmond, Texas 77469.

Melinda Davila, Executive Secretary
Board Services

ACTION ITEM

Meeting Date: September 10, 2015

Committee: *Facilities and Finance*

ITEM NO.	ITEM TITLE	PRESENTER
A	Effective, Rollback, and Debt Service Tax Rates Calculations	Dr. Cesar Maldonado Teri Zamora

RECOMMENDATION

Vote on the 2015 proposed tax rate of \$0.103366 for the public's consideration and discuss the Effective, Rollback, and Debt Service tax rate calculations. The proposed tax rate of \$0.103366 is \$0.003524 lower than last year's 2014 adopted rate.

COMPELLING REASON/RATIONALE

A taxing unit must calculate and publish its effective and rollback tax rates before adopting an actual rate. The purpose of the law is to make taxpayers aware of the tax rate proposed and to allow taxpayers, in certain cases, to rollback or limit a tax increase.

DESCRIPTION OR BACKGROUND

The proposed tax rate compares to previous tax year as follows:

Tax Rate	Proposed 2015 Tax Rate	Actual 2014 Tax Rate	Difference
M&O	0.077055	0.077055	0.000000
Debt	0.026311	0.029835	(0.003524)
Total Rate	0.103366	0.106890	(0.003524)

Board will discuss potential tax rates for 2015, propose a rate for the public's consideration, and schedule two public hearings. The effective and rollback tax rates are posted on the HCC website and were published in the Houston Chronicle on Friday, September 4, 2015 in order to comply with the Truth-in-Taxation, Property Tax Code, Chapter 26. In October, the Board will finalize and adopt a 2015 tax rate.

The two public hearings and tax rate adoption are scheduled as follows:

- The first public hearing will be held on Tuesday, September 22, 2015 at 3:30 p.m. at the HCC Administration Building, 3100 Main Street, 2nd Floor Auditorium.
- The second public hearing will be held on Thursday, October 1, 2015 at 3:30 p.m. at the HCC Administration Building, 3100 Main Street, 2nd Floor Auditorium.
- The HCC Board will vote to adopt the 2015 tax rate on Thursday, October 8, 2015 at 3:30 p.m. at the HCC Administration Building, 3100 Main Street, 2nd Floor Auditorium.

FISCAL IMPACT

The Maintenance and Operations tax rate for 2015 is \$0.077055 per \$100 assessed valuation, generating an approximate \$138,560,188 in M&O tax. This is \$2,560,188 more than the estimated amount included in the FY2016 Unrestricted budget. A recommendation to amend the budget and use these additional tax revenues to pay off additional debt will be brought to the Board for approval.

The debt service tax rate is \$0.026311 per \$100 assessed valuation, generating an approximate \$47,313,128 in debt tax. This is the appropriate amount to meet debt payment obligations for FY2016.

LEGAL REQUIREMENT

Chapter 26 of the Property Tax code requires taxing units to comply with the Truth-in-Taxation statutes in adopting their tax rates.

STRATEGIC GOAL ALIGNMENT

Strategic Initiative: Support Innovation

Attachment Title(s): **1. Alternative Ad Valorem Tax Rate Options**
2. Tax Rate Planning Calendar
3. Notice Regarding 2015 Property Tax Rates
4. Effective Tax Rate Worksheet for 2015

This item is applicable to the following:

Central Coleman Northeast Northwest Southeast Southwest 3100

Houston Community College
Alternative Ad Valorem Tax Rate Options

Alternative 1 - Proposed
M&O Rate remains flat
Debt Rate calculated to cover Debt Payments

	Ad Valorem Tax Rate			Tax Revenues		
	Calculated 2015	Actual 2014	Rate Difference	Estimated 2015 Revenue	Actual 2014 Revenue	Revenue Difference
Tax Rate						
M&O	0.077055	0.077055	0.000000	\$138,560,188	\$125,817,594	\$12,742,594
Debt	0.026311	0.029835	(0.003524)	\$47,313,128	\$48,715,436	(\$1,402,308)
Total Rate	0.103366	0.106890	(0.003524)	\$185,873,316	\$174,533,030	\$11,340,286

Effect on Homeowner	Value of Home	Tax Obligation	Tax Obligation	Difference
	\$50,000	\$46.51	\$48.10	(\$1.59)
	\$100,000	\$93.03	\$96.20	(\$3.17)
	\$250,000	\$232.57	\$240.50	(\$7.93)
	\$500,000	\$465.15	\$481.01	(\$15.86)
	\$1,000,000	\$930.29	\$962.01	(\$31.72)

Alternative 2
M&O Rate to Raise Budgeted Tax Revenue
Debt Rate calculated to cover Debt Payments

	Ad Valorem Tax Rate			Tax Revenues		
	Calculated 2015	Actual 2014	Rate Difference	Estimated 2015 Revenue	Actual 2014 Revenue	Revenue Difference
Tax Rate						
M&O	0.075631	0.077055	(0.001424)	\$136,000,000	\$125,817,594	\$10,182,406
Debt	0.026311	0.029835	(0.003524)	\$47,313,128	\$48,715,436	(\$1,402,308)
Total Rate	0.101942	0.106890	(0.004948)	\$183,313,128	\$174,533,030	\$8,780,098

Effect on Homeowner	Value of Home	Tax Obligation	Tax Obligation	Difference
	\$50,000	\$45.87	\$48.10	(\$2.23)
	\$100,000	\$91.75	\$96.20	(\$4.45)
	\$250,000	\$229.37	\$240.50	(\$11.13)
	\$500,000	\$458.74	\$481.01	(\$22.27)
	\$1,000,000	\$917.48	\$962.01	(\$44.53)

2015 Planning Calendar

Houston Community College

Preliminary

Date: 08/13/2015

Date	Activity
April-May	Mailing of notices of appraised value by chief appraiser.
April 30	The chief appraiser prepares and certifies to the tax assessor for each county, municipality, and school district participating in the appraisal district an estimate of the taxable value .
May 15	Deadline for submitting appraisal records to ARB.
July 20 (Aug. 30*)	Deadline for ARB to approve appraisal records.
July 25*	Deadline for chief appraiser to certify rolls to taxing units.
August 24	Certification of anticipated collection rate by collector.
August 25-31	Calculation of effective and rollback tax rates.
September 4	Publication of effective and rollback tax rates, statement and schedules; submission to governing body.
September 7	72-hour notice for meeting (<i>Open Meetings Notice</i>).
September 10 Special Meeting	Meeting of governing body to discuss tax rate; if proposed rate tax rate will exceed the rollback rate or the effective tax rate (whichever is lower), <u>take record vote</u> and schedule public hearing.
September 15	Notice of Public Hearing on Tax Increase is the first quarter-page notice in newspaper and on TV and website, if available, published at least seven days before public hearing.
September 19	72-hour notice for public hearing (<i>Open Meetings Notice</i>)
September 22 Special Meeting	First public hearing
September 28	72-hour notice for second public hearing (<i>Open Meetings Notice</i>)
October 1 Special Meeting	Second public hearing (may not be earlier than 3 days after first public hearing); schedule and announce meeting to adopt tax rate 3-14 days from this date.
October 1	Notice of Tax Revenue Increase published before meeting** to adopt tax rate is the second quarter-page notice in newspaper before meeting and published on TV and website (if available, at least seven days before meeting).
October 5	72-hour notice for meeting at which governing body will adopt tax rate (<i>Open Meetings Notice</i>)
October 8 Special Meeting	Meeting to adopt tax rate. Meeting is 3 to 14 days after second public hearing. Taxing unit must adopt tax rate by Sept. 30 or 60 days after receiving certified appraisal roll, whichever is later.

*Tax Code Section 81.06 directs that if a date falls on a weekend, the deadline is extended to the following regular business day

**Advice of taxing unit legal counsel should be sought to determine which approach to take in notifying the public of the meeting at which the governing body will vote on the tax rate.

2015 Property Tax Rates in Houston Community College

This notice concerns the 2015 property tax rates for Houston Community College. It presents information about three tax rates. Last year's tax rate is the actual tax rate the taxing unit used to determine property taxes last year. This year's *effective* tax rate would impose the same total taxes as last year if you compare properties taxed in both years. This year's *rollback* tax rate is the highest tax rate the taxing unit can set before taxpayers start rollback procedures. In each case these rates are found by dividing the total amount of taxes by the tax base (the total value of taxable property) with adjustments as required by state law. The rates are given per \$100 of property value.

Last year's tax rate:

Last year's operating taxes	\$127,089,579
Last year's debt taxes	\$49,207,937
Last year's total taxes	\$176,297,516
Last year's tax base	\$164,933,591,543
Last year's total tax rate	\$0.106890/\$100

This year's effective tax rate:

Last year's adjusted taxes (after subtracting taxes on lost property)	\$174,916,830
÷ This year's adjusted tax base (after subtracting value of new property)	\$175,627,923,638
=This year's effective tax rate	\$0.099595/\$100

(Maximum rate unless unit publishes notices and holds hearings.)

This year's rollback tax rate:

Last year's adjusted operating taxes (after subtracting taxes on lost property and adjusting for any transferred function, tax increment financing, state criminal justice mandate, and/or enhanced indigent healthcare expenditures)	\$125,797,672
÷ This year's adjusted tax base	\$175,627,923,638
=This year's effective operating rate	\$0.071627/\$100
x 1.08 —this year's maximum operating rate	\$0.077357/\$100
+ This year's debt rate	\$0.026311/\$100
= This year's total rollback rate	\$0.103668/\$100

Statement of Increase/Decrease

If Houston Community College adopts a 2015 tax rate equal to the effective tax rate of \$0.099595 per \$100 of value, taxes would increase compared to 2014 taxes by \$2,794,067.

Schedule A - Unencumbered Fund Balance

The following estimated balances will be left in the unit's property tax accounts at the end of the fiscal year. These balances are not encumbered by a corresponding debt obligation.

Type of Property Tax Fund	Balance
	0

Schedule B - 2015 Debt Service

The unit plans to pay the following amounts for long-term debts that are secured by property taxes. These amounts will be paid from property tax revenues (or additional sales tax revenues, if applicable).

Description of Debt	Principal or Contract Payment to be Paid from Property Taxes	Interest to be Paid from Property Taxes	Other Amounts to be Paid	Total Payment
Limited Tax Refunding Bonds, Series 2011	5,865,000	4,666,875	0	10,531,875
Limited Tax G.O. Bonds, Series 2013	3,015,000	18,553,244	0	21,568,244
Maintenance Tax Notes, Series 2006	570,000	321,250	0	891,250
Maintenance Tax Notes, Series 2008	2,360,000	1,811,464	0	4,171,464
Maintenance Tax Notes, Series 2009	835,000	404,094	0	1,239,094
Maintenance Tax Notes, Series 2010	2,090,000	1,890,600	0	3,980,600
Maintenance Tax Notes, Series 2011	1,505,000	1,786,800	0	3,291,800
Maintenance Tax Notes, Series 2011A	750,000	832,025	0	1,582,025
Total required for 2015 debt service			\$47,256,352	
- Amount (if any) paid from Schedule A			\$0	
- Amount (if any) paid from other resources			\$0	
- Excess collections last year			\$0	
= Total to be paid from taxes in 2015			\$47,256,352	
+ Amount added in anticipation that the unit will collect only 99.88% of its taxes in 2015			\$56,776	
= Total debt levy			\$47,313,128	

This notice contains a summary of actual effective and rollback tax rates' calculations. You can inspect a copy of the full calculations at 3100 Main St., Houston, TX 77002.

Name of person preparing this notice: Teri Zamora
 Title: Sr. Vice Chancellor, Finance and Administration
 Date Prepared: 09/02/2015

2015 Effective Tax Rate Worksheet

Houston Community College

Date: 09/02/2015 05:09 PM

1. 2014 total taxable value. Enter the amount of 2014 taxable value on the 2014 tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-third over-appraisal corrections from these adjustments. This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (will deduct taxes in Line 14).	\$162,910,966,464
2. 2014 tax ceilings. Counties, cities and junior college districts. Enter 2014 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing units adopted the tax ceiling provision in 2014 or a prior year for homeowners age 65 or older or disabled, use this step.	\$0
3. Preliminary 2014 adjusted taxable value. Subtract Line 2 from Line 1.	\$162,910,966,464
4. 2014 total adopted tax rate.	\$0.106890/\$100
5. 2014 taxable value lost because court appeals of ARB decisions reduced 2014 appraised value. A. Original 2014 ARB Values.	\$7,877,515,152
B. 2014 values resulting from final court decisions.	\$7,215,787,745
C. 2014 value loss. Subtract B from A.	\$661,727,407
6. 2014 taxable value, adjusted for court-ordered reductions. Add Line 3 and Line 5C.	\$163,572,693,871
7. 2014 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2014. Enter the 2014 value of property in deannexed territory.	\$0
8. 2014 taxable value lost because property first qualified for an exemption in 2015. Note that lowering the amount or percentage of an existing exemption does not create a new exemption or reduce taxable value. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost to freeport or goods-in-transit exemptions.	
A. Absolute exemptions. Use 2014 market value:	\$31,596,437
B. Partial exemptions. 2015 exemption amount or 2015 percentage exemption times 2014 value:	\$257,452,941
C. Value loss. Add A and B.	\$289,049,378
9. 2014 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2015. Use only properties that qualified in 2015 for the first time; do not use properties that qualified in 2014.	
A. 2014 market value:	\$808,422
B. 2015 productivity or special appraised value:	\$5,607
C. Value loss. Subtract B from A.	\$802,815

10. Total adjustments for lost value. Add lines 7, 8C and 9C.	\$289,852,193
11. 2014 adjusted taxable value. Subtract Line 10 from Line 6.	\$163,282,841,678
12. Adjusted 2014 taxes. Multiply Line 4 by line 11 and divide by \$100.	\$174,533,029
13. Taxes refunded for years preceding tax year 2014. Enter the amount of taxes refunded by the taxing unit for tax years preceding tax year 2014. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2014. This line applies only to tax years preceding tax year 2014.	\$1,454,664
14. Taxes in tax increment financing (TIF) for tax year 2014. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2015 captured appraised value in Line 16D, enter 0.	\$1,070,863
15. Adjusted 2014 taxes with refunds and TIF adjustment. Add Lines 12 and 13, subtract Line 14.	\$174,916,830
16. Total 2015 taxable value on the 2015 certified appraisal roll today. This value includes only certified values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 18). These homesteads include homeowners age 65 or older or disabled. A. Certified values: B. Counties: Include railroad rolling stock values certified by the Comptroller's office: C. Pollution control exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control property: D. Tax increment financing: Deduct the 2015 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2015 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 21 below. E. Total 2015 value. Add A and B, then subtract C and D.	\$163,126,365,892 \$0 \$0 \$1,557,475,385 \$161,568,890,507
17. Total value of properties under protest or not included on certified appraisal roll. A. 2015 taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value. B. 2015 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about, but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value. C. Total value under protest or not certified: Add A and B.	\$12,266,649,759 \$5,984,313,254 \$18,250,963,013

18. 2015 tax ceilings. Counties, cities and junior colleges enter 2015 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing units adopted the tax ceiling provision in 2014 or a prior year for homeowners age 65 or older or disabled, use this step.	\$0
19. 2015 total taxable value. Add Lines 16E and 17C. Subtract Line 18.	\$179,819,853,520
20. Total 2015 taxable value of properties in territory annexed after Jan. 1, 2014. Include both real and personal property. Enter the 2015 value of property in territory annexed.	\$46,459,334
21. Total 2015 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2014. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, 2014, and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2015.	\$4,145,470,548
22. Total adjustments to the 2015 taxable value. Add Lines 20 and 21.	\$4,191,929,882
23. 2015 adjusted taxable value. Subtract Line 22 from Line 19.	\$175,627,923,638
24. 2015 effective tax rate. Divide Line 15 by Line 23 and multiply by \$100.	\$0.099595/\$100
25. COUNTIES ONLY. Add together the effective tax rates for each type of tax the county levies. The total is the 2015 county effective tax rate.	

A county, city or hospital district that adopted the additional sales tax in November 2014 or in May 2015 must adjust its effective tax rate. The Additional Sales Tax Rate Worksheet sets out this adjustment. Do not forget to complete the Additional Sales Tax Rate Worksheet if the taxing unit adopted the additional sales tax on these dates.

¹Tex. Tax Code Section 26.012(14)

²Tex. Tax Code Section 26.012(14)

³Tex. Tax Code Section 26.012(13)

⁴Tex. Tax Code Section 26.012(15)

⁵Tex. Tax Code Section 26.012(15)

⁶Tex. Tax Code Section 26.012(15)

⁷Tex. Tax Code Section 26.012(13)

⁸Tex. Tax Code Section 26.03(c)

⁹Tex. Tax Code Section 26.012(13)

¹⁰Tex. Tax Code Section 26.012(15)

¹¹Tex. Tax Code Section 26.03(c)

¹²Tex. Tax Code Section 26.01(c)

¹³Tex. Tax Code Section 26.04 and 26.041

¹⁴Tex. Tax Code Section 26.04 and 26.041

¹⁵Tex. Tax Code Section 26.012(6)

¹⁶Tex. Tax Code Section 26.012(17)

¹⁷Tex. Tax Code Section 26.012(17)

¹⁸Tex. Tax Code Section 26.04(c)

¹⁹Tex. Tax Code Section 26.04(d)

2015 Rollback Tax Rate Worksheet

Houston Community College

Date: 09/02/2015

26. 2014 maintenance and operations (M&O) tax rate.	\$0.077055/\$100
27. 2014 adjusted taxable value. Enter the amount from Line 11.	\$163,282,841,678
28. 2014 M&O taxes.	
A. Multiply Line 26 by Line 27 and divide by \$100.	\$125,817,593
B. Cities, counties and hospital districts with additional sales tax: Amount of additional sales tax collected and spent on M&O expenses in 2014. Enter amount from full year's sales tax revenue spent for M&O in 2014 fiscal year, if any. Other taxing units enter 0. Counties exclude any amount that was spent for economic development grants from the amount of sales tax spent.	\$0
C. Counties: Enter the amount for the state criminal justice mandate. If second or later year, the amount is for increased cost above last year's amount. Other taxing units enter 0.	\$0
D. Transferring function: If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in H below. The taxing unit receiving the function will add this amount in H below. Other taxing units enter 0.	\$0
E. Taxes refunded for years preceding tax year 2014: Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2014. This line applies only to tax years preceding tax year 2014.	\$1,050,942
F. Enhanced indigent health care expenditures: Enter the increased amount for the current year's enhanced indigent health care expenditures above the preceding tax year's enhanced indigent health care expenditures, less any state assistance.	\$0
G. Taxes in TIF: Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2015 captured appraised value in Line 16D, enter 0.	\$1,070,863
H. Adjusted M&O Taxes. Add A, B, C, E and F. For unit with D, subtract if discontinuing function and add if receiving function. Subtract G.	\$125,797,672
29. 2015 adjusted taxable value. Enter Line 23 from the Effective Tax Rate Worksheet.	\$175,627,923,638
30. 2015 effective maintenance and operations rate. Divide Line 28H by Line 29 and multiply by \$100.	\$0.071627/\$100
31. 2015 rollback maintenance and operation rate. Multiply Line 30 by 1.08.	\$0.077357/\$100

32. Total 2015 debt to be paid with property taxes and additional sales tax revenue. "Debt" means the interest and principal that will be paid on debts that: (1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year and (4) are not classified in the taxing unit's budget as M&O expenses	\$47,256,352
A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. List the debt in Schedule B: Debt Service.	
B. Subtract unencumbered fund amount used to reduce total debt.	\$0
C. Subtract amount paid from other resources.	
D. Adjusted debt. Subtract B and C from A.	\$0
	\$47,256,352
33. Certified 2014 excess debt collections. Enter the amount certified by the collector.	\$0
34. Adjusted 2015 debt. Subtract Line 33 from Line 32D.	\$47,256,352
35. Certified 2015 anticipated collection rate. Enter the rate certified by the collector. If the rate is 100 percent or greater, enter 100 percent.	99.88%
36. 2015 debt adjusted for collections. Divide Line 34 by Line 35	\$47,313,128
37. 2015 total taxable value. Enter the amount on Line 19.	\$179,819,853,520
38. 2015 debt tax rate. Divide Line 36 by Line 37 and multiply by \$100.	\$0.026311/\$100
39. 2015 rollback tax rate. Add Lines 31 and 38.	\$0.103668/\$100
40. COUNTIES ONLY. Add together the rollback tax rates for each type of tax the county levies. The total is the 2015 county rollback tax rate.	

A taxing unit that adopted the additional sales tax must complete the lines for the Additional Sales Tax Rate. A taxing unit seeking additional rollback protection for pollution control expenses completes the Additional Rollback Protection for Pollution Control.

APPENDIX



Strategic Plan 2012-2015

Creating Opportunities for Our Shared Future

Approved by the HCC Board of Trustees, June 2012

Mission:

Houston Community College is an open-admission, public institution of higher education offering a high-quality, affordable education for academic advancement, workforce training, career and economic development, and lifelong learning to prepare individuals in our diverse communities for life and work in a global and technological society.

Vision:

HCC will be a leader in providing high quality, innovative education leading to student success and completion of workforce and academic programs. We will be responsive to community needs and drive economic development in the communities we serve.

Guiding Principles:

Our Guiding Principles direct our interactions with students, the internal and external communities we serve, and each other, giving focus to our primary purpose: devotion to the achievement of student success, defined as timely completion of certificates and degrees that drive real accomplishments in the workplace, at universities, and in society.

- **Freedom with Responsibility**
HCC subscribes to and upholds a doctrine of freedom that follows the principle of responsibility.
- **Commitment to Excellence**
HCC believes that a commitment to doing one's very best without regard to position is the starting point of all expressions of excellence and setting of high standards for quality and performance.
- **Respect for the Person**
HCC holds that a principle of community mindfulness begins with respect for oneself and for others. Respect is the framework of personal integrity and provides the tie that binds us together.
- **Sound Stewardship**
Stewardship is the path to fulfilling HCC's Mission and acknowledges our guardianship of its resources and positive impact on the lives of our students and community at large.

Strategic Initiative #1 - Increase Student Completion

HCC currently leads the state and is fifth in the nation in the number of students who complete associate degrees. While we are proud of this fact, we can do better. We will strengthen our efforts and scale up those strategies that have been proven to increase the rates of students' persistence and completion.

HCC will continue to serve as a national Achieving the Dream (ATD) Leader College and work hand in hand with our high school partners to ensure more students enter our doors college-ready and leave well-prepared for successful transition to jobs, careers, and further education.

- Action 1.1:** Improve student preparation for higher education and transition to careers
- Action 1.2:** Improve academic success of students in their first semester
- Action 1.3:** Revamp developmental education to ensure greater success with more efficient delivery
- Action 1.4:** Improve students' persistence rates from one semester to the next
- Action 1.5:** Ensure students complete their programs of study and transition successfully to jobs/careers or further education

Strategic Initiative #2 – Respond to Business and Industry

As the supplier of skilled workers to business and industry, we have a responsibility to build partnerships and to develop the means to respond quickly with the creation and design of programs and student-learning outcomes that meet their requirements.

The employer is our customer. Our clear responsibility to both employers and to students is to narrow the jobs gap and the skills gap for both of these stakeholders.

- Action 2.1:** Engage industry leaders in dialogue to identify present and future needs
- Action 2.2:** Improve the infrastructure of workforce programs (instruction, curriculum, facilities, and equipment) to meet the business and industry needs
- Action 2.3:** Ensure students have access to information and support services to complete career and technical education programs

Strategic Initiative #3 – Develop 21st Century Learners

HCC must prepare our students to become citizens and workers capable of productive and meaningful participation in the 21st century. Core competencies of critical thinking, effective communications, quantitative reasoning, teamwork, personal responsibility, and social responsibility must be taught in all of our instructional programs.

All classrooms at HCC should meet minimum technology standards, and all faculty must be trained and supported in using effective teaching and learning strategies to promote success for students in their learning today as well as throughout their lifetime.

- Action 3.1:** Ensure adoption and commitment by HCC to 21st century core curriculum skills as defined by the Texas Higher Education Coordinating Board (THECB)
- Action 3.2:** Create new platforms and methodologies to teach and support students using effective methods of course delivery, teaching practices,
- Action 3.3:** Provide an environment conducive to optimal learning that includes consideration of facilities, technology, equipment, materials, accessibility, and concern for students

Strategic Initiative #4 – Support Faculty/Staff Professional Development and Student Leadership Development

HCC has celebrated its 40th year by enrolling and graduating more students than ever before. To ensure we continue to thrive as an essential and relevant institution for the educational development of our students and the economic development of our community, we must prepare students, faculty, and staff for the leadership roles of tomorrow.

We will do this in multiple ways – through the expansion of external resources and support, purposeful mentoring of leadership candidates, infusion of opportunities for leadership development in our instructional programs, student services, extracurricular activities, and human resources.

- Action 4.1:** Develop a system-wide strategy to encourage leadership development for students
- Action 4.2:** Develop a system-wide strategy for ongoing professional and leadership development for faculty

- Action 4.3:** Develop a system-wide strategy for provision of professional and leadership development for HCC personnel at all levels and functions of the organization

Strategic Initiative #5 - Support Innovation

HCC recognizes that in the near term there will be continuing economic turmoil to challenge the funding and stability of the institution. We also recognize that continuous technical challenges will create disruptions and opportunities in the delivery and transfer of knowledge and data.

To counter and overcome these difficulties, we must be an institution where innovation is valued and promoted. However, nothing will be accepted merely on the basis of custom, anecdote, or fad – everything we do must be proven to have long-term value in terms of strengthening our institutional resilience and capacity to serve our students and our community.

- Action 5.1:** Reduce HCC’s reliance on debt to maximize the use of operating dollars for strengthening teaching and learning capabilities
- Action 5.2:** Leverage current and new grant opportunities to improve the institution’s capability to respond to our teaching and learning needs
- Action 5.3:** Expand opportunities for the HCC Foundation to fund capital projects, program excellence, and faculty development
- Action 5.4:** Optimize technology and capital assets through planning for business continuity, disaster recovery, replacements, training, and environmental sustainability

Strategic Initiative #6 – Support Entrepreneurialism

Houston is an entrepreneurial, “opportunity city” where taking a risk, failing, and starting over again are valued. HCC is the “Opportunity College” and is grassroots in its approach to serving its constituents. Therefore, HCC is committed to strategic thinking that not only respects students wherever they are, but also inspires and gives them the tools and confidence to follow their dreams.

HCC will commit to an entrepreneurial culture within the organization to serve as an example of the “spirit of Houston.” For this institution, fostering a culture that encourages inspiration and dreaming helps students actualize their potential.

- Action 6.1:** Encourage an entrepreneurial culture among all members of the HCC family
- Action 6.2:** Develop and implement promising practices that nurture and reward a spirit of entrepreneurialism throughout the institution

Action 6.3: Strengthen HCC assessment and institutional effectiveness (IE) processes and activities

Strategic Initiative #7 – Leverage Partnerships

Houston is a global leader. The diversity of our economic structure and our willingness to embrace and value the partnerships encourage innovation. HCC is a principle partner for educational and economic opportunities, enhancing and advancing the community's quality of life. HCC is a catalyst for creating jobs.

Former U.S. Secretary of Defense Robert M. Gates described foreign language education, study abroad, and the recruitment of foreign students to U.S. campuses as key strategies in promoting America's national security and economic interests. While addressing the audience at the 2012 NAFSA conference in Houston, Gates stated, "Our economic future depends on Americans who can work successfully in an international setting."

According to an American Council on Higher Education Blue Ribbon Panel on Global Engagement (November, 2011), "It is important that college graduates, whatever their location, be not only globally competitive but also globally competent, understanding their roles as citizens and workers in an international context. While identifying common problems, we might also discover common solutions (p.6)."¹

Action 7.1: Identify and secure new local partnerships capable of improving the institution's capacity, performance, and resilience

Action 7.2: Identify and secure new regional and state partnerships capable of improving the institution's capacity, performance, and resilience

Action 7.3: Identify and secure new international partnerships capable of improving the institutions' capacity, performance, and resilience