Public Hearing - 2005-2006 Proposed Budget

I. Call to Order

II. Pledge of Allegiance

III. Certification of the Posting of the Notice of the Public Hearing

IV. Presentation of the 2005-2006 Proposed Budget

V. Citizens Comments

VI. Adjournment of Public Hearing

Special Meeting

I. Call to Order

II. Certification of the Posting of the Notice of the Special Meeting

III. Financial Report and Consideration

   Consideration of Adoption of Proposed 2005-06 Budgets (ACTION ITEM 1)

IV. Adjournment
Certification of Posting of Notice to the August 25, 2005
Public Hearing
2005-06 Proposed Budget of the
North Harris Montgomery Community College District’s
Board of Trustees

I, John E. Pickelman, Chancellor of the North Harris Montgomery Community College District, do hereby certify that a notice of the Public Hearing was posted on Monday, the 22nd day of August, 2005, in a place convenient to the public in the Administration Office of the District Services and Training Center and on all college campuses as required by Section 551.001 et seq., Texas Government Code.

Given under my hand this the 22nd day of August, 2005.

John E. Pickelman, Ph.D.
Chancellor
Certification of Posting of Notice to the August 25, 2005
Special Meeting
2005-06 Proposed Budget of the
North Harris Montgomery Community College District’s
Board of Trustees

I, John E. Pickelman, Chancellor of the North Harris Montgomery Community College District, do hereby certify that a notice of the Special Meeting was posted on Monday, the 22nd day of August, 2005, in a place convenient to the public in the Administration Office of the District Services and Training Center and on all college campuses as required by Section 551.001 et seq., Texas Government Code.

Given under my hand this the 22nd day of August, 2005.

John E. Pickelman, Ph.D.
Chancellor
Financial Report and Consideration  (ACTION ITEM 1)  Board Meeting 8-25-05

Request: Consideration of Adoption of Proposed 2005-06 Budgets

Chancellor’s Recommendation: That the Board of Trustees adopt the 2005-06 Budgets for Operating, Technology, Student Activities, Repairs & Replacements, Auxiliary and Debt Service Funds.

Rationale: Following several months of study, planning, development and evaluation, the administration proposes a budget that accurately reflects the District’s educational plan for 2005-06.

The proposed budgets are as follows:

<table>
<thead>
<tr>
<th>FUND</th>
<th>REVENUES</th>
<th>EXPENDITURES</th>
<th>TRANSFERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating</td>
<td>$157,835,000</td>
<td>$153,255,000</td>
<td>$(2,700,000)</td>
</tr>
<tr>
<td>Technology</td>
<td>4,825,000</td>
<td>4,825,000</td>
<td>-</td>
</tr>
<tr>
<td>Repairs/Replace.</td>
<td>400,000</td>
<td>1,250,000</td>
<td>-</td>
</tr>
<tr>
<td>Student Activities</td>
<td>1,550,000</td>
<td>1,590,000</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL GENERAL FUNDS</td>
<td>$164,610,000</td>
<td>$160,920,000</td>
<td>$(2,700,000)</td>
</tr>
<tr>
<td>Auxiliary</td>
<td>5,175,000</td>
<td>5,175,000</td>
<td>-</td>
</tr>
<tr>
<td>Debt Service</td>
<td>28,400,000</td>
<td>31,100,000</td>
<td>2,700,000</td>
</tr>
<tr>
<td>ALL FUNDS</td>
<td>$198,185,000</td>
<td>$197,195,000</td>
<td>$0</td>
</tr>
</tbody>
</table>

Revenues consist primarily of State funding, property taxes and tuition and fees. This is the first year of the 2005-06 biennium funding we receive from the State. Although total dollars increased, the funding per contact hour slightly decreased, resulting in the necessity to propose an increase in tuition and tax rates. An increase of $4 per credit hour, effective Spring 2006, is proposed for the tuition rate. Certified property values have not been received, but the proposed budget includes an estimated 62/100th of a penny increase in the tax rate.

The proposed expenditure budget includes 22 new full-time faculty positions, in an effort to respond to growth, as well as improve the full-time/adjunct faculty ratio. Expansions and enhancements to student services and educational programs are proposed in the form of various initiatives, including student disability services, international education, and student success initiatives. District wide initiatives include a plan to enhance workforce development, to expand internal employee training and leadership programs, and to purchase a research and data management system that complements the current enterprise software. Dramatic increases in fuel
costs resulted in an estimated $1,300,000 addition to the utility budgets. A 4% increase, with a minimum of $1,200, is proposed for all full-time employees who were hired on or before February 28, 2005. In addition, a minimum salary of $18,800 for full-time employees is also recommended.

Workbooks containing detail at the individual account level have been distributed under separate cover. The workbook also contains the budget for The University Center trust fund. This budget is adopted separately by The University Center partners, but is included in the workbook for informational purposes.

Fiscal Impact: As proposed above.

Staff Resource: John Pickelman 832-813-6515
Cindy Gilliam 832-813-6512