PUBLIC HEARING
2007-2008 PROPOSED BUDGET
AND
SPECIAL MEETING OF THE BOARD OF TRUSTEES
NORTH HARRIS MONTGOMERY COMMUNITY COLLEGE DISTRICT
DISTRICT SERVICES AND TRAINING CENTER BOARDROOM
5000 RESEARCH FOREST DRIVE
THE WOODLANDS, TEXAS 77381
August 27, 2007
5:30 p.m.

Public Hearing - 2007-2008 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 2007-2008 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 2007-08 Budgets (ACTION ITEM 1)
IV. Adjournment
Certification of Posting of Notice to the August 27, 2007
Public Hearing
2007-08 Proposed Budget of the
North Harris Montgomery Community College District’s
Board of Trustees

I, Richard Carpenter, Chancellor of the North Harris Montgomery Community College District, do hereby certify that a notice of the Public Hearing was posted on Thursday, the 23rd day of August, 2007, in a place convenient to the public in the Administration Office of the District Services and Training Center, on all college campuses and on the district website as required by Section 551.002 et seq., Texas Government Code. Special notice of the meeting was provided to the news media as required by Section 551.001 et seq., Texas Government Code.

Given under my hand this the 23rd day of August, 2007.

__________________________________
Richard Carpenter
Chancellor
Certification of Posting of Notice to the August 27, 2007
Special Meeting
of the
North Harris Montgomery Community College District’s
Board of Trustees

I, Richard Carpenter, Chancellor of the North Harris Montgomery Community College District,
do hereby certify that a notice of the Special Meeting was posted on Thursday, the 23rd day of
August, 2007, in a place convenient to the public in the Administration Office of the District
Services and Training Center, on all college campuses and on the district website as required by
Section 551.002 et seq., Texas Government Code. Special notice of the meeting was provided to
the news media as required by Section 551.001 et seq., Texas Government Code.

Given under my hand this the 23rd day of August, 2007.

______________________________
Richard Carpenter
Chancellor
Request: Consideration of Adoption of Proposed 2007-08 Budgets

Chancellor’s Recommendation: That the Board of Trustees adopt the 2007-08 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 2007-08.

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>$181,890,000</td>
<td>$179,820,000</td>
<td>($4,630,000)</td>
</tr>
<tr>
<td>Technology</td>
<td>5,280,000</td>
<td>5,280,000</td>
<td>-</td>
</tr>
<tr>
<td>Repairs/Replace.</td>
<td>660,000</td>
<td>1,750,000</td>
<td>-</td>
</tr>
<tr>
<td>Student Activities</td>
<td>1,670,000</td>
<td>1,670,000</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL GENERAL</td>
<td>$189,500,000</td>
<td>$188,520,000</td>
<td>($4,630,000)</td>
</tr>
<tr>
<td>Auxiliary</td>
<td>5,906,000</td>
<td>5,998,000</td>
<td>-</td>
</tr>
<tr>
<td>Debt Service</td>
<td>34,332,000</td>
<td>38,962,000</td>
<td>4,630,000</td>
</tr>
<tr>
<td>ALL FUNDS</td>
<td>$229,738,000</td>
<td>$233,480,000</td>
<td>$0</td>
</tr>
</tbody>
</table>

Revenues consist primarily of State funding, property taxes and tuition and fees. State funding should increase $5,750,000 as a result of the state budget enacted for the 2008-2009 biennium. No increase in the student tuition rate is proposed for the budget, but a new general use fee of $2 per credit hour is included. Certified property values have not been received, but the proposed budget does not include an increase in the tax rate. Tax revenues are estimated to increase due to volume increases, not rate increases.

The proposed expenditure budget includes 24 new full-time faculty positions, in an effort to respond to growth, as well as to improve the full-time/adjunct faculty ratio. Support of student services and educational programs is proposed in the form of additional funding provided to individual college budgets. Funding for the installment payments of revenue bonds was increased by $2M as a result of the issuance of revenue bonds approved by the Board in May 2007. Several district initiatives, including Achieve the Dream and a marketing and branding project, are included. A 5% salary increase, with a minimum of $1,200, is proposed for all eligible employees, including part time employees.

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:** Fund balance at the conclusion of the 2007-08 is projected to be at a minimum of 16%, if the above proposed budget is adopted.

**Staff Resource:**
- Richard Carpenter 832-813-6515
- Cindy Gilliam 832-813-6512