



**NAVARRO COLLEGE BOARD OF TRUSTEES  
SEPTEMBER 20, 2022 PUBLIC HEARING ON SETTING  
AD VALOREM TAX RATE for 2022 (FY2022-2023)  
MINUTES**

The governing body gathered in the Bulldog Board Room located in Walker Dining Hall on the Corsicana Campus at 10 a.m. on Tuesday, September 20, 2022 to conduct a public hearing on the intent to set the 2022 (FY 2022-2023) Ad Valorem tax rate. Trustees in attendance included: Chairman Phil Judson, Vice Chairman Billy Todd McGraw, Secretary-Treasurer Richard Aldama, Trustee A.L. "Buster" Atkeisson, Trustee Faith Boyd, Trustee Loran Seely and Trustee Kim C. Wyatt.

Others in attendance included:

Dr. Kevin G. Fegan	District President
Ms. Teresa Thomas	Vice President of Finance
Ms. Marcy Ballew	Vice President of Operations
Dr. Jeanetta Johnson	Vice President of Academic Affairs
Mr. Michael Landers	Executive Director of Student Services and Athletics
Ms. Stacie Sipes	Director of Marketing
Ms. Sina Ruiz	Vice President of Student Success
Ms. Susan Womack	Director of Institutional Research
Mr. Richey Cutrer	Executive Director Navarro College Foundation
Ms. Karen Simons	Executive Assistant to the District President
Mr. Ron Capehart	Linebarger Goggan Blair & Sampson, LLP
Mr. Chris Woolsey	Corsicana City Council Member

Chairman Judson called the Public Hearing to order at 10 a.m. in the Bulldog Board Room. He announced during the August 25, 2022 meeting, Navarro College Board of Trustees declared its intent to set the Ad Valorem Tax Rate for Calendar Year 2022 (Fiscal Year 2022-2023) at the current rate at \$.1072 per \$100 of taxable value. The proposed tax rate exceeds the No-New Revenue Rate but does not exceed the Voter-Approval Rate as prescribed by Tax Code 26.06(b-2). In accordance with Tax Code statutes, a notice was published in the Corsicana Daily Sun and this public hearing was scheduled to hear comments from any Navarro County community members on the Board's intent.

Chairman Judson opened the hearing and asked if anyone wishing to address the Board.

Mr. Chris Woolsey requested to appear before the Board of Trustees on the Ad Valorem tax rate. Mr. Woolsey stated that Navarro College is in his City Council precinct. Mr. Woolsey stated that he likes how the college has invested in the community and thanked the Board of Trustees. Mr. Woolsey understands that this is the final meeting for the vote and would like for the Board to choose to vote on the No-New Revenue Rate. The No-New Revenue Rate is a neutral tax rate on existing demographics and only raises money from new growth, so it is a net zero tax on existing citizens. So, the proposed rate published is the Voter Approval Rate and is the maximum taxing increase that any taxing entity can pass without going to voters for election.

So, from my rough math on the tax rate calculation worksheet the difference from the No-New Revenue Rate and the Voter Approval Rate is roughly \$500,000 and my request to you today is to choose to vote for the No-New Revenue Rate. Navarro County is the only county in Navarro College's jurisdiction that pays property taxes and I ask that you return that \$500,000 back to Navarro County taxpayers who have been paying the Ad Valorem tax since 1946. Since Navarro College is a special taxing entity you have the ability under SB3 that was passed in 2019 to pass a tax rate up to an 8% revenue increase. So, my outlook on the purpose of government, the role of government, is that it's the only entity that can vote itself a raise. I am on the Corsicana City Council and so I have tried to practice what I preach, and we passed a rate below the No-New Revenue Rate. I ask for you to choose the No-New Revenue Rate and not increase taxes on existing Navarro County residents.

Chairman Judson thanked Mr. Woosley for attending the public hearing and addressing his concerns.

Mr. Ron Capehart addressed the Board of Trustees with two items to discuss. As you know I am with Linebarger, the delinquent tax collection firm for the College, and today I present 4 checks totaling \$3,243.49 from excess proceeds from tax sales to be used in the General Fund to help Navarro College meet its obligations. The other item I want to speak on is the tax rate. I am in favor of the proposed tax rate. He said that looking at his house his tax rate will be down 10% from last year. After having attended budget meetings with Navarro College and looking at and examining all the hardships the College has endured, I can say this Board has been tremendous stewards of the College's money and I commend you for the work you do and believe this budget for the upcoming year of the proposed rate is in the best interest for the College.

VP Teresa Thomas addressed the Board of Trustees and guests regarding the budget and tax rate. I want to share with you what we discussed at our last meeting. The current tax rate is \$.1164 per \$100 dollar of value, the No-New Tax Revenue Rate of \$.0977 per \$100 dollar of value, and the Voter Approval Rate of \$.1072 per \$100 dollar of value. The Board chose to declare to set the tax rate at the Voter Approval Rate. The average homeowner is going to pay more tax because the value of homes has increased. The average homeowner's tax increase at the No- New Revenue Rate difference is \$16.22 to the average homeowner and if you look at the Voter Approval Rate the average taxpayer will be paying \$17.80, so the difference to the average homeowner is \$1.58. Shared at the last Board Meeting was how the tax rate was calculated, (we used the certified value and deducted the tax increment zone and then divided by each of the rates and multiplied it by 95% collection rate).

The source of funding for the College is made up of student income, which includes our tuition, fees, housing, dining, and the bookstore which is 31.28%, state funding is 14.99%, state appropriations is 5/18%, and student financial aid and grants make up 48.55%. However, since 2016 we have taken almost a \$6 million dollar decrease in state funding which is a 55% decrease over the inception and about 70% of our total funding. VP Teresa Thomas asked if anyone has any questions about the report.

Dr. Fegan spoke to clarify information about the difference in the tax rates and said this is the only tax for Navarro College and that we do not receive a sales tax, road tax, and local appropriations state funding has decreased since 2016.

Chairman Judson addressed Mr. Chris Woosley stating that we are aware property taxes continue to rise and because this is a legislative year, we do not know how it will affect Community Colleges. The

legislative group met 3 weeks ago about direction of the funding and said some is promising, but we need to make sure the college is viable.

Trustee Aldama made motion to adopt the intended tax rate \$.1072 per \$100 valuation and seconded by Trustee Boyd. A record vote was taken and the Resolution and Order passed and included with the minutes.

Chairman Judson made a statement that we all know that the property tax system in community colleges funding program is broken. Our state funding continues to slide, and our property taxes continue to rise, but our responsibility as a Trustee is to make sure this college is funded and viable

We have adopted the voter approval rate of \$.1072 and asked a motion to adjourn. Trustee Aldama made motion to adjourn, and Trustee Boyd seconded the motion.

The public hearing was adjourned at approximately 10:22 a.m.

Respectfully submitted,



Richard L. Aldama, Secretary-Treasurer  
Navarro College Board of Trustees