

# TEXAS STUDENT HOUSING

**MINUTES OF THE  
BOARD OF DIRECTORS OF THE  
TEXAS STUDENT HOUSING AUTHORITY  
(AN INSTRUMENTALITY OF THE TOWN OF WESTLAKE)**

**January 29, 2008**

**PRESENT:** Chairman Jim Carter and Directors George Ledak, Jac Irvine, and Chuck Schultz.

**ABSENT:** Directors Larry Darlage, Jill McKean, and Melanie Lekkos.

**OTHERS PRESENT:** President Hank Smyth, General Counsel Scott Bradley, Finance Manager Pete Ehrenberg, and Secretary Kim Sutter.

**1. CALL TO ORDER.**

Chairman Carter called the meeting to order at 5:51 p.m.

**2. DISCUSS AND CONSIDER APPROVAL OF TEXAS STUDENT HOUSING AUTHORITY AUDIT FOR FY 2006-2007 PRESENTED BY PATILLO BROWN & HILL, L.L.P.**

Mr. John Manning, partner with Patillo, Brown & Hill, L.L.P., presented the draft audit to the Board.

Director Irvine inquired if the \$200,000 paid to the Town was included in the audit, and asked for clarification with regard to the oversight fee and office fees.

President Smyth responded that the \$200,000 allocation is not included in the 2006-2007 audit as the distribution did not occur during the 2006-2007 fiscal year.

Finance Manager Ehrenberg responded to Director Irvine with regard to the oversight and office fees.

There being no further questions, Chairman Carter asked for a motion.

**MOTION:** Director Schultz made a motion to accept the 2006-2007 TSH Authority audit. Director Ledak seconded the motion. The motion carried by a vote of 4-0.

**3. DISCUSS AND CONSIDER APPROVAL OF BALLPARK PROPERTY ANNUAL AUDIT FOR FY 2006-2007 PRESENTED BY PATILLO BROWN & HILL, L.L.P.**

Mr. John Manning, partner with Patillo, Brown & Hill, L.L.P., presented the draft audit to the Board. Mr. Manning advised that the net assets for the project are in a deficit position.

Discussion ensued with regard to the advantage of the tax exempt status on the property, and payment of accrued interest.

**MOTION:** Director Ledak made a motion to accept the 2006-2007 Ballpark property audit. Director Schultz seconded the motion. The motion carried by a vote of 4-0.

**4. DISCUSS AND CONSIDER APPROVAL OF TOWNLAKE ANNUAL AUDIT FOR FY 2006-2007 PRESENTED BY PATILLO BROWN & HILL, L.L.P.**

Mr. John Manning, partner with Patillo, Brown & Hill, L.L.P., presented the draft audit to the Board.

Finance Manger Ehrenberg advised the Board that while TSHA is not behind in its payments, the bonds are in technical default.

**MOTION:** Director Irvine made a motion to accept the 2006-2007 Town Lake property audit. Director Schultz seconded the motion. The motion carried by a vote of 4-0.

**5. DISCUSS AND CONSIDER APPROVAL OF CAMBRIDGE ANNUAL AUDIT FOR FY 2006-2007 PRESENTED BY PATILLO BROWN & HILL, L.L.P.**

Mr. John Manning, partner with Patillo, Brown & Hill, L.L.P., presented the draft audit to the Board.

Finance Manager Ehrenberg advised that the project is in technical default.

**MOTION:** Director Schultz made a motion to accept the 2006-2007 Cambridge property audit. Director Ledak seconded the motion. The motion carried by a vote of 4-0.

Chairman Carter recessed the regular session of the meeting at 6:31 p.m. to conduct meetings of the San Marcos and Denton properties.

Chairman Carter reconvened the meeting at 6:53 p.m.

**6. HEAR REPORT ON STRATEGIC PLAN UPDATE.**

President Smyth addressed the Board regarding the item, and stated that the committee identified five (5) "high risk" items for consideration:

- Size and makeup of the Board
- The Cambridge tax issue
- Authority Investments
- Scholarship acceptances
- TSHA Management tenure and future

Director Schultz advised the Board that the biggest strategic issue at this point is to identify and appoint a new President, and ideally have this task completed by June or July 2008.

Chairman Carter advised that he felt the Cambridge tax issue is also a major topic.

Chairman Irvine inquired as to the reasoning behind the discussion with regard to the size and makeup of the Board.

President Smyth responded that the item was brought up as a solution to ensure a quorum is obtainable to conduct meetings.

Following discussion by the Board, it was determined that the current composition is sufficient to meet the quorum issue.

Discussion ensued with regard to the five (5) 'high risk' items, and the possibility of options to resolve the parking shortage issue.

Finance Manager Ehrenberg responded that TSHA has unsuccessfully pursued a resolution to the parking shortage.

**7. PRESIDENTS REPORT.**

President Smyth reviewed the report with the Board. (a copy is attached to the minutes).

**8. CONSIDERATION OF RENEWAL SCHOLARSHIPS FOR 2008-2009.**

President Smyth introduced the item.

Discussion ensued with regard to the criteria employed for evaluating renewal scholarships.

**MOTION:** Director Schultz made a motion to approve the renewal of scholarships as presented by the President. Director Ledak seconded the motion. The motion carried by a vote of 4-0.

**9. FINANCE MANAGERS REPORT.**

Finance Manager Ehrenberg reported that he will be visiting College Station to secure an overflow housing facility.

Chairman Carter requested that staff review the possibility of increasing the capacity as well as the available parking space at the Cambridge property.

Chairman Carter inquired as to the status of the proposed 501(c)3.

President Smyth responded that a filing fee is required to establish a 501(c)3 and as TSHA money cannot be used for this purpose, no funding source exists.

**10. REVIEW AND APPROVE MINUTES OF NOVEMBER 20, 2007.**

Chairman Carter introduced the item and asked for a motion.

**MOTION:** Director Ledak made a motion to approve the minutes as presented. Director Schultz seconded the motion. The motion carried by a vote of 4-0.

Chairman Carter recessed the regular session of the meeting at 7:32: p.m. as he read the following item to be discussed in executive session:

- A. The Board will conduct a closed session under Texas Government Code section 551.074 to discuss personnel matters, specifically to deliberate regarding the employment of the President of the Texas Student Housing Authority.

Chairman Carter reconvened the meeting at 7:46

**11. ADJOURN.**

There being no further business before the board, Chairman Carter declared the meeting adjourned at 7:47 p.m.

**APPROVED BY THE TEXAS STUDENT HOUSING AUTHORITY BOARD OF  
DIRECTORS MARCH 6, 2008.**

---

Jim Carter, Chairman

ATTEST

---

Kim Sutter, Secretary