

NEW MEXICO JUNIOR COLLEGE

BOARD MEETING

Thursday, September 16, 2021
Ben Alexander Building – Daniels Room
1:30 pm

AGENDA

- | | |
|---|-----------------|
| A. Welcome | Pat Chappelle |
| B. Adoption of Agenda | Pat Chappelle |
| C. Approval of Minutes of August 19, 2021 & September 1, 2021 | Pat Chappelle |
| D. President's Report | Kelvin Sharp |
| E. New Business | |
| 1. Monthly Expenditure Report | Josh Morgan |
| 2. Monthly Revenue Report | Josh Morgan |
| 3. Oil and Gas Revenue Report | Josh Morgan |
| 4. Schedule of Investments | Josh Morgan |
| 5. Consideration of Appointment/Hire of Acting/Interim President | Pat Chappelle |
| 6. Consideration of Appointment(s) to New Horizons Foundation Board | Dennis Holmberg |
| F. Public Comments | Pat Chappelle |
| • Phone Number (575) 492-2595 | |
| • Fax Number (575) 492-2559 | |
| G. Determination of Next Meeting | Pat Chappelle |
| H. Adjournment | Pat Chappelle |

**NEW MEXICO JUNIOR COLLEGE
BOARD MEETING
AUGUST 19, 2021
MINUTES**

The New Mexico Junior College Board met on Thursday, August 19, 2021, beginning at 1:30 p.m. in the Ben Alexander Building, Daniels Room. The following members were present: Ms. Patricia Chappelle, Chair; Mr. Travis Glenn, Secretary; Mr. Guy Kesner; Mrs. Erica Jones; Ms. Evelyn Rising; and Mr. Hector Baeza. Mr. Manny Gomez was absent.

Ms. Chappelle called the meeting to order and welcomed guests attending via Facebook Live due to the current COVID-19 pandemic and the current Public Health Order requiring social distancing. Ms. Chappelle stated in response to the Governor's order, guidelines continue to be followed. Ms. Chappelle encouraged the public to participate and provide public comments at the end of the formal agenda to either (575) 492-2595 or by fax to (575) 492-2559.

Upon a motion, Ms. Rising, seconded by Mr. Glenn, the agenda was unanimously adopted.

Upon a motion by Mr. Glenn, seconded by Mrs. Jones, the Board unanimously approved the minutes of July 15, 2021.

Under President's Report, Dr. Charley Carroll was invited to provide campus updates. Dr. Carroll reported the Facility Management System (FMS) 2-year project is 80% complete with expected completion before the end of year. The new fire alarm system 2-year project is 85% complete with expected completion before the end of year. Installation of a new fire alarm and FMS in the student apartments is complete. Replacement of an air handler in Heidel Hall is complete. Repairs to stairs and breezeways at student dorms has been complete. Pluma Construction will be on campus in September to enclose the breezeways protecting those areas from future snow and rain damage. The construction of a storage building behind the museum should be completed by the end of year. A large concrete patio added in the student courtyard has been completed and installation of a concrete swale to channel storm water runoff from the courtyard is expected to be completed in October. Worn yellow paint from curves around campus has been removed and will remain unpainted. Caster Activity Center (CAC) has been completed and a Certificate of Occupancy was received on July 13, 2021. NMJC requested to manage contingency funds, typically managed by Bradbury Stamm, set aside for possible needed funding adjustments during the CAC project. After project completion and under the management of NMJC administration, approximately \$1.2 million remained in the contingency account. It was agreed Bradbury Stamm will return the \$1.2 million of remaining contingency funds to NMJC. Dr. Sharp and the Board expressed their appreciation to Mr. Carroll for his efforts to the NMJC campus and students.

Ms. Kathleen Ferrell was invited to provide Adult Education (AE) updates. Ms. Ferrell thanked the Board for improvements made to the Literacy Center. The AE office sees approximately 1200 students with questions each year. She reported students served to completion last year was 220. The average age of students is 25-45 but noted a growing number of students at ages 16/17 are encouraged to pursue a high school diploma. Programs offered are High School Equivalency and English as a Second Language. Two new programs are Citizenship and Entrepreneurial, a business building partnership with the Eastern Area Development Board (EAWDB). She reported EAWDB and AE have partnered up to provide an Integrated Education Training Program allowing students to take AE classes and workforce preparation classes, combined as one. Class fees, supplies and incentive awards are paid by EAWDB while NMJC provides instructors and students. In addition, in preparation all classes are required to go online, all students must attend an online orientation. Students that do not have computers are able to check out a computer from AE. In addition, Ms. Ferrell reported the state has provided an additional 26 computers to the AE Program. Ms. Chappelle asked if there is assistance from the legal community on the Citizenship program. Ms. Ferrell responded there is no local assistance but reported AE has partnered with catholic charities out of Albuquerque with asylum and immigration legal services.

Dr. Sharp advised the Board “Candidate Filing Day” is Tuesday, August 24, 2021 from 9am - 5pm in Lovington, New Mexico.

Dr. Sharp announced his retirement as president of NMJC effective February 15, 2022.

Under New Business, Mr. Josh Morgan joined the meeting to present the July 2021 financial reports. Upon a motion by Ms. Rising, seconded by Mr. Glenn, the Board unanimously approved the Expenditure Report for July 2021. In addition, the Revenue Report, Oil and Gas Revenue Report, and Schedule of Investments Report were reviewed.

Mr. Morgan presented the Research & Public Projects (RPSP) for FY 23. Administration requested approval to submit to the Higher Education Department (HED) the FY 23 request for continuation of the FY 22 RPSP as follows: Athletics - \$585,600; Oil & Gas Training Center - \$171,300; Nurse Expansion - \$299,900; and Lea County Distance Education Consortium - \$29,900. In addition, administration requested approval to submit a FY 23 RPSP funding request of \$50,000 for the NMJC community radio station. Upon a motion by Mr. Kesner, seconded by Mrs. Jones, the Board unanimously approved submittal of the FY 23 RPSP to HED as presented to include the funding request of \$50,000 for the NMJC community and student radio station.

Mr. Scotty Holloman joined the meeting. Ms. Chappelle announced the Board will not proceed with a closed session due to lack of specificity on the formal agenda “H. Closure of Open Meeting”. Mr. Holloman elaborated stating the notice was not specific as to what was to be discussed. Mr. Holloman stated although no action was to be taken, out of an abundance of caution, the closed session will be cancelled and advised the Board to proceed forward with the scheduling of a Special Board Meeting.

Ms. Chappelle called for comments from the public. There were none.

Contingent upon meeting public notice requirements, a Special Board Meeting was scheduled for Wednesday, August 25, 2021 at 4:00 pm. In the event the notice requirement is not achievable, the Special Board Meeting will be scheduled for September 1, 2021 at 4:00 pm. Upon a motion by Ms. Rising, seconded by Mrs. Jones, the Board unanimously approved the dates as scheduled for the Special Board Meeting. The next regular board meeting was scheduled for Thursday, September 16, 2021 beginning at 1:30 pm.

Upon a motion by Ms. Rising, seconded by Mrs. Jones, the board meeting adjourned at 2:26 pm.

Pat Chappelle, Chair

Travis Glenn, Secretary

**NEW MEXICO JUNIOR COLLEGE
SPECIAL BOARD MEETING
SEPTEMBER 1, 2021
MINUTES**

The New Mexico Junior College Board met on Wednesday, September 1, 2021, beginning at 4:00 p.m. in the Ben Alexander Building, Daniels Room. Ms. Chappelle requested a roll call to establish a quorum of the board for the meeting. The following members announced their attendance by roll call as follows: Mr. Hector Baeza; Ms. Evelyn Rising; Mr. Travis Glenn, Secretary; Ms. Erica Jones; Mr. Guy Kesner; Mr. Manny Gomez; and Ms. Patricia Chappelle, Chair.

Ms. Chappelle called the meeting to order and welcomed guests attending via Facebook Live due to the current COVID-19 pandemic and the current Public Health Order requiring social distancing. Ms. Chappelle stated in response to the Governor's order, guidelines continue to be followed.

Upon a motion by Mr. Glenn, seconded by Ms. Rising, the agenda was unanimously adopted.

Ms. Chappelle encouraged the public to participate and provide public comments at the end of the formal agenda to either (575) 492-2595 or by fax to (575) 492-2559.

Ms. Chappelle requested consideration for the retirement of Dr. Kelvin Sharp as the 6th President of New Mexico Junior College. Upon a motion by Mr. Glenn, seconded by Mrs. Jones, the Board unanimously approved the retirement of Dr. Kelvin Sharp. The Board expressed appreciation to Dr. Sharp for the dedication and contribution to New Mexico Junior College. Mr. Gomez commented during Dr. Sharp's presidency, he served the community of Hobbs, NMJC and Lea County well.

Ms. Chappelle noted the Board will be going into a closed session to interview candidates for the position of interim president. She further noted five candidates interviewing will be NMJC's Vice Presidents: Mr. Scotty Holloman, Mr. Jeff McCool, Mrs. Cathy Mitchell, Mr. Josh Morgan, and Dr. Larry Sanderson. In addition, she added an additional candidate will be Dr. Steve McCleery. Ms. Chappelle stated following interviews, the meeting will reconvene in open session at the conclusion of the closed session and noted results may or may not be the appointment of an interim president.

Ms. Chappelle called for comments from the public. There were none.

Mr. Glenn moved the board go into closed session for the discussion of limited personnel matters under the provisions of Section 10-15-1-H (2) of New Mexico Statutes annotated 1978 for the purpose of consideration of candidates/nominees for appointment/hire as interim president. Mr.

Kesner seconded the motion. The roll call was as follows: Mr. Baeza - yes; Ms. Rising - yes; Mr. Glenn - yes; Mrs. Jones - yes; Mr. Guy Kesner - yes, Mr. Gomez - yes, and Ms. Chappelle - yes.

Upon reconvening in open meeting, Ms. Chappelle stated the matters discussed in the closed session were limited only to those specified in the motion for closure. Ms. Chappelle announced no decision was made for the appointment/hire of an interim president and requested the table of item G. on the agenda. Upon a motion by Mr. Kesner, seconded by Mrs. Jones, the board unanimously approved this request.

Upon a motion by Mr. Glenn, seconded by Mr. Baeza, the board meeting adjourned at 9:07 pm.

Pat Chappelle, Chair

Travis Glenn, Secretary

NEW MEXICO JUNIOR COLLEGE

Vice President for Finance

To: **New Mexico Junior College Board Members**
From: Josh Morgan
Date: September 10, 2021
RE: Expenditure and Revenue Reports for August

August is the second month or 16% of the 2020/2021 fiscal year. The Expenditure report reflects funds expended and encumbered. Total current unrestricted funds expended year-to-date is \$4,403,607. In reviewing the unrestricted fund expenditures some funds have a higher percentage of expenditures through August. These areas have expenditures that are tied to the beginning of the fall semester or have had large encumbrances. Student Aid is at 44% due to the awards at the beginning of the fall semester. Auxiliary Enterprise is at 25% because of encumbering the Food Service contract with Sodexo and the purchase of books for the Bookstore. In Athletics, grant-in-aid has been awarded for the student athletes.

In the restricted funds, year-to-date expenditures are \$2,770,184 as the Summer and Fall semester financial aid payouts are made to the students. Student Aid is substantially higher this year compared to last year due to awarding of Federal HEERF funds. September will have large expenditures in restricted financial aid as the first-time student loan borrower's loans will be posted.

The expenditures and/or encumbrances for the month in the Plant funds were \$853,680 with the year-to-date total of \$5,405,030. The bulk of the encumbrance in Plant is for the Caster, Fire Alarm and Facility Management System projects that had purchase orders rolled over from FY 21.

Total year-to-date expenditures through the month of August are \$12,578,821, which reflects the encumbrances for the various capital projects, the restricted fund expenditures, and the unrestricted expenditures.

The revenue for the month in Current Unrestricted Funds is \$3,360,870. Revenue consists of tuition and fees, the state appropriation, oil and gas monthly accrual, and auxiliary enterprises.

In the restricted funds, the College drew in \$2,335,031 from restricted student aid and grant draws.

STB funds of \$6,963 were draw down on for the Heidel Hall Air Handler project and \$5,085 was received in LGIP interest. Total revenue for the month of August is \$12,396, with the year-to-date revenue totaling \$17,411.

The Oil and Gas report is still reflecting the revenue the College is receiving and posting to FY 21. Oil and Gas funds received in August for the month of May was \$3,543,002. The College will receive another allocation of Oil & Gas revenue around the 25th of September, which will be the allocation for June 2021. This allocation will also be posted to FY 21.

In the Investment report there is \$53,000,000 in the LGIP of which designated capital projects currently total \$43,084,120.

This is the Financial Report for August 2021.

NEW MEXICO JUNIOR COLLEGE
Expenditure Report
August 2021

16% of Year Completed

Fund	2020-21			2021-22			
	Final Budget	Year-to-Date Expended or Encumbered	Percentage of Budget Expended	Budget	Current Expended or Encumbered	Expended or Encumbered	Percentage of Budget Expended
CURRENT UNRESTRICTED FUND							
Instruction and General:							
Instruction	10,267,223	995,324	10%	10,728,520	519,743	909,337	8%
Academic Support	2,372,925	361,396	15%	2,418,150	160,463	344,225	14%
Student Services	2,121,047	274,374	13%	2,129,202	124,331	234,350	11%
Institutional Support	4,566,506	670,690	15%	4,723,286	327,125	681,797	14%
Operation & Maintenance of Plant	3,983,813	688,111	17%	4,125,265	270,332	699,921	17%
Subtotal - Instruction & General	23,311,514	2,989,895	13%	24,124,423	1,401,994	2,869,630	12%
Research	-	17,581		-	9,484	18,717	
Public Service	50,000	4,172	8%	59,300	5,023	5,270	9%
Internal Service Departments	109,089	34,560	32%	100,174	7,410	8,633	9%
Student Aid	710,880	306,483	43%	760,880	258,721	334,891	44%
Auxiliary Enterprises	2,160,172	722,359	33%	2,216,283	276,849	551,548	25%
Athletics	2,267,001	581,980	26%	2,466,657	541,266	614,918	25%
Total Current Unrestricted Fund	28,608,656	4,657,030	16%	29,727,717	2,500,747	4,403,607	15%
CURRENT RESTRICTED FUND							
Grants	908,797	82,951	9%	972,048	88,743	137,815	14%
Student Aid	3,862,038	1,476,142	38%	3,859,255	2,441,456	2,632,369	68%
Total Current Restricted Fund	4,770,835	1,559,093	33%	4,831,303	2,530,199	2,770,184	57%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from Institutional Funds	29,729,122	21,971,957	74%	20,063,534	77,597	77,597	0%
Projects from State GOB Funds	1,702,500	1,264,461	74%	4,000,000	-	-	0%
Projects from State STB Funds	900,000	-	0%	2,325,000	-	-	0%
Projects from General Fund	353,400	212,000	0%	150,000	-	-	0%
Projects from Private Funds	-	-	0%	-	-	-	0%
Projects from State ER&R	335,000	133,623	40%	335,000	13,711	13,711	4%
Projects from State BR&R	598,000	398,581	67%	598,000	9,221	9,221	2%
Subtotal - Capital and BR&R	33,618,022	23,980,622	71%	27,471,534	100,529	100,529	0%
Debt Service							
Revenue Bonds	-	-	0%	-	-	-	0%
Total Plant Funds	33,618,022	23,980,622	71%	27,471,534	100,529	100,529	0%
GRAND TOTAL EXPENDITURES	66,997,513	30,196,745	45%	62,030,554	5,131,475	7,274,320	12%

NEW MEXICO JUNIOR COLLEGE
Revenue Report
August 2021

16% of Year Completed

Fund	2020-21			2021-22			
	Final Budget	Year-to-date Revenue	Percentage of Budget Received	Budget	Current Revenue	Year-to-date Revenue	Percentage of Budget Received
CURRENT UNRESTRICTED FUND							
Instruction and General:							
Tuition and Fees	3,914,806	1,778,155	45%	3,939,025	565,237	918,659	23%
State Appropriations	5,747,200	1,008,904	18%	6,404,600	510,716	1,021,433	16%
Advalorem Taxes - Oil and Gas	7,235,000	930,000	13%	7,235,000	465,000	930,000	13%
Advalorem Taxes - Property	9,200,000		0%	9,700,000	-	-	0%
Interest Income	9,000	53	1%	9,000	5	5	0%
Other Revenues	196,418	26,068	13%	191,418	41,810	62,318	33%
Subtotal - Instruction & General	26,302,424	3,743,180	14%	27,479,043	1,582,768	2,932,415	11%
Research	-	-	0%	-	-	-	0%
Public Service	-	-	0%	-	-	-	0%
Internal Service Departments	9,000	-	0%	9,000	259	259	3%
Auxiliary Enterprises	2,846,886	1,056,337	37%	2,756,942	772,679	1,063,339	39%
Athletics	535,500	89,250	17%	530,800	43,291	86,583	16%
Total Current Unrestricted	29,693,810	4,888,767	16%	30,775,785	2,398,997	4,082,596	13%
CURRENT RESTRICTED FUND							
Grants	908,797	126,925	14%	972,048	88,758	378,341	39%
Student Aid	3,862,038	1,164,507	30%	3,859,255	2,246,273	2,493,594	65%
Total Current Restricted	4,770,835	1,291,432	27%	4,831,303	2,335,031	2,871,935	59%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from State GOB Funds	1,702,500	1,132,266	0%	4,000,000	-	-	0%
Projects from State STB Funds	900,000		0%	2,325,000	-	-	0%
Projects from General Fund	353,400		0%	150,000	-	-	0%
Projects from Private Funds	-		0%	-	348	348	0%
Interest Income (LGIP)	120,000	18,372	15%	60,000	5,015	5,015	8%
Total Plant Funds	3,075,900	1,150,638	37%	6,535,000	5,363	5,363	0%
GRAND TOTAL REVENUES	37,540,545	7,330,837	20%	42,142,088	4,739,391	6,959,894	17%

NEW MEXICO JUNIOR COLLEGE

Oil and Gas Revenue Report

June 2021

100% of Year Completed

		OIL		GAS		COMBINED		
Sales	Month of	Price per BBL	Lea County BBLs sold	Price per MCF	Lea County MCF sold	Monthly Revenue	2019-20 Original Budget	Variance Over (Under) Budget
	Distribution							
Actual	July	\$37.25	17,319,589	\$1.88	50,434,252	1,561,399	465,000	1,096,399
Actual	August	\$39.07	17,858,395	\$2.09	56,003,009	1,709,971	465,000	1,244,971
Actual	September	\$36.31	17,908,397	\$2.09	55,735,897	1,641,692	465,000	1,176,692
Actual	October	\$36.27	19,745,180	\$2.15	57,564,996	1,759,720	465,000	1,294,720
Actual	November	\$37.72	19,894,709	\$2.54	59,354,345	1,945,614	465,000	1,480,614
Actual	December	\$43.52	19,752,832	\$2.83	59,838,635	2,205,833	465,000	1,740,833
Actual	January	\$49.60	20,524,781	\$3.51	61,239,671	2,680,674	465,000	2,215,674
Actual	February	\$57.25	16,767,614	\$5.23	49,960,726	2,768,299	465,000	2,303,299
Actual	March	\$60.19	22,524,450	\$3.52	66,274,277	3,464,716	465,000	2,999,716
Accrual	April	\$59.54	21,714,278	\$3.21	71,091,264	3,115,376	465,000	2,650,376
Accrual	May	\$62.23	22,676,083	\$3.51	70,077,847	3,543,002	465,000	3,078,002
Accrual	June					465,000	465,000	0
Y.T.D. Production Tax Revenue						26,861,296	5,580,000	21,281,296
Y.T.D. Equipment Tax Revenue						4,910,223	1,655,000	3,255,223
Total Year-to-Date Oil & Gas and Equipment Tax Revenue						<u>31,771,519</u>	<u>7,235,000</u>	<u>24,536,519</u>

Source: New Mexico Taxation and Revenue Department

NEW MEXICO JUNIOR COLLEGE

Schedule of Investments

August 2021

16% of Year Completed

Financial Institution	Amount Invested	Account Number	Interest Rate	Interest Earned
State of New Mexico Local Government Investment Pool	53,000,000	7102-1348	0.061%	2,765
Plus deposits	-			
Less withdrawals	-			
Total LGIP investments	53,000,000			2,765

Capital Project	7/31/2021
Vehicles	652,020.58
Computer Labs/ITV Upgrade	200,000.00
Campus Vestibules	1,250,000.00
Voc B Airhandler	1,000,000.00
Softball Field	4,790,000.00
National Track Meet	110,577.39
Pi Day	23,487.04
Technology Upgrade	1,057,000.14
JASI	48,134.93
WHM Storage Building	207,032.47
Baseball Field	530,173.45
Rodeo Arena	131,822.09
Fire Alarm Upgrade	818,044.43
Landscaping	1,142,669.60
Smart Classrooms	313,033.51
Campus Signage	552,142.53
Campus Paving	610,857.98
Roof Replacement	2,139,042.78
Dorm/Apartment Refurbish	573,269.60
Concrete Upgrade	476,196.80
Campus Construction	296,701.35
Oil & Gas Training	88,974.02
Workforce Training & Outreach	250,000.00
Guided Pathways Rob Johnstone	140,000.00
Campus Security	339,280.32
Copier Replacement	73,082.22
Non-Recurring Compensation	1,000,000.00
Athletics	656,489.03
Student Life Programming	20,432.28
Succession Plan	52,014.15
WHM Exhibits	35,051.93
Track Upgrades	204,986.60
Driving Range Upgrades	559,041.67
McLean Hall Renovations	122,202.75
Cafeteria Upgrade	1,562,875.54
Channel 19 Upgrade	2,389.50
Equestrian Center	2,936,700.29
Bob Moran Upgrades	14,003.07
Campus/Hospital Fencing	563,509.84
Turf Replacement	397,527.12
Watson Hall Renovation	2,443,048.52
Facilities Management System	1,251,368.09
Busing Support for Recruiting	5,872.30
Caster Upgrades	3,693,776.06
Workforce Training Center	6,000,000.00
Heidel Hall Renovation	2,000,000.00
Heidel/Hagelstein Air Handlers	400,000.00
Air Handlers	2,000,000.00
Allied Health	144,274.63
Workforce Training Contingency	1,742.69
Total	43,880,849.29