

NEW MEXICO JUNIOR COLLEGE

BOARD MEETING

Thursday, January 21, 2016

Zia Room – Library

1:30 p.m.

AGENDA

- | | |
|---|----------------|
| A. Welcome | Ron Black |
| B. Adoption of Agenda | Ron Black |
| C. Approval of Minutes of December 18, 2015 | Ron Black |
| D. President's Report | Steve McCleery |
| E. New Business | |
| 1. Monthly Expenditures Report | Dan Hardin |
| 2. Monthly Revenue Report | Dan Hardin |
| 3. Oil and Gas Revenue Report | Dan Hardin |
| 4. Schedule of Investments | Dan Hardin |
| 5. Consideration of Purchase of Certificates of Deposit | Dan Hardin |
| 6. Consideration of Legislative Priorities | Steve McCleery |
| 7. Consideration of Retirement Resolution | Steve McCleery |
| F. Public Comments | Ron Black |
| G. Announcement of Next Meeting | Ron Black |
| H. Closure of Open Meeting | Ron Black |
| I. Adjournment | Ron Black |

**NEW MEXICO JUNIOR COLLEGE
BOARD MEETING
DECEMBER 18, 2015
MINUTES**

The New Mexico Junior College Board met on Friday, December 18, 2015, beginning at 1:30 p.m. in the Zia Room of Pannell Library. The following members were present: Ms. Patricia Chappelle, Madam Chair; Mr. Ron Black, Secretary; Mr. Travis Glenn; Mr. Manny Gomez; Mrs. Mary Lou Vinson; and Mr. Hector Baeza. Mr. Zeak Williams was absent.

Ms. Chappelle called the meeting to order and welcomed visitors and guests present: Dorothy Fowler, Hobbs News-Sun.

Upon a motion by Mrs. Vinson, seconded by Mr. Gomez, the agenda was unanimously adopted.

Upon a motion by Mrs. Vinson, seconded by Mr. Baeza, the Board unanimously approved the minutes of November 19, 2015.

Under President's Report, Dr. Larry Sanderson provided updates and significant discussion of the HLC Accreditation Report. Dr. Sanderson reported all 5 criteria were met with no concerns. After significant discussion, Dr. Sanderson stated the results of the report could not have been better and thanked the faculty, staff, students, and the Board. Mr. Black also attributed this success to all staff and faculty at New Mexico Junior College and the leadership of Dr. McCleery. Dr. McCleery also credited the HLC achievement to the New Mexico Junior College staff and faculty and the willingness of everyone to work together.

Under New Business, Mr. Dan Hardin presented the November, 2015 financial reports. Upon a motion by Mr. Glenn, seconded by Mr. Gomez, the Board unanimously approved the Expenditure Report for November, 2015. In addition, the Revenue Report, Oil and Gas Revenue Report, and Schedule of Investments Report were reviewed. Mr. Black asked if investments are government limited and

suggested the possibility of investing in short term certificates of deposits. Mr. Hardin responded investments are not limited and would explore that possibility.

Mr. Bill Morrill presented a request for consideration of a Memorandum of Agreement between the Lea County Sheriff's Office and New Mexico Junior College for approval. The agreement will allow NMJC Public Safety officers to effectively and efficiently provide response on NMJC campus to critical and emergency incidents, assist in the detection and reporting of crimes, and allow the lawful investigations of crimes reported on the NMJC campus. After significant discussion and upon a motion by Mr. Glenn, seconded by Mr. Gomez, the Board unanimously approved the Memorandum of Agreement.

Mr. Hardin presented a request for consideration of the New Mexico Higher Education Department Capital Projects Transmittal Summary for the Bob Moran Entertainment & Music Technology remodel. After significant discussion and upon a motion by Mr. Gomez, seconded by Mr. Glenn, the Board unanimously approved the HED Transmittal Summary.

Dr. Steve Hill and Mr. Charles Adams recommended Ms. Sherhil C. Alcos for the Distance Learning Instructional Designer position at a 12 month salary of \$45,658.00. Upon a motion by Mr. Black, seconded by Mr. Gomez, the Board unanimously approved the employment of Sherhil C. Alcos, effective January 1, 2016.

Ms. Chappelle called for comments from the public. There being none, the next regular board meeting was scheduled for Thursday, January 21, 2016 beginning at 1:30 pm.

Mrs. Vinson 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. Mr. Glenn seconded the motion. The roll call vote was as follows: Mr. Baeza – yes; Mr. Black – yes; Mrs. Vinson – yes; Mr. Glenn – yes; Mr. Gomez – yes; and Ms. Chappelle – yes.

Upon a motion by Mrs. Vinson, seconded by Mr. Glenn, the closed session adjourned.

Upon re-convening in open meeting, Ms. Chappelle stated that the matters discussed in the closed meeting were limited only to those specified in the motion for closure.

Upon a motion by Mrs. Vinson, seconded by Mr. Glenn, the board meeting adjourned at 4:05 pm.

Pat Chappelle, Chair

Ron Black, Secretary

NEW MEXICO JUNIOR COLLEGE

Vice President for Finance

To: **New Mexico Junior College Board Members**
From: Dan Hardin
Date: January 14, 2016
RE: Expenditure and Revenue Reports for December 2015

December is month six or 50% of the budget for the 2015/2016 fiscal year. The expenditure report represents expenditure totals that include funds expended and encumbered. The total year to date funds expended and/or encumbered through the month of December is \$22,334,860.00.

The total current unrestricted fund expenditures through December are \$14,367,086.00, which is 56% of the projected budget. Instruction and General is running as normal for this time of year. In other Current Unrestricted Funds, Student Aid, Auxiliary Enterprises, and Athletics have higher percentage of expenditures due to the expenses for the start of each semester. Internal Services which consists of the Computer Services, and the Document Center receive monthly credits from Instruction & General to cover the operating costs. Each department has large dollar maintenance agreements that are expensed at the beginning of each fiscal year. As you can see the total expenses is higher than the budget, but over the course of the fiscal year the credits will cover the expenditures. Over all, the departments are expending as normal for December.

In the Restricted Funds the expenditures in the Grant area is higher than this time last year. This is due to the TAACCCT Grant starting in FY 15. We continue to monitor the expenditures in the Grants and request the drawdown from the state and federal agencies. The year-to-date Restricted Student Aid is comparable to December 2014, but in December there was return of funds for students that dropped out of classes and were on Financial Aid. The result is a credit amount for the month. Total amount of restricted funds expended through December of 2015 is \$3,212,631.00.

Year to date Plant funds expended is mainly expenditures for the Infrastructure Project, Technology Upgrade, campus construction, and campus security.

Total expenditures and or encumbrances through December 2015 were \$22,334,860.00 or 47% of the budget.

Total Current Unrestricted revenue received in December 2015 was \$6,734,214.00, with the year-to-date total of 16,740,034.00. This mostly consists of the tuition and fees, the monthly allocation from the state, the Oil and Gas Income, Oil and Gas Equipment tax income, and property tax revenue. The allocation from the State is normally \$498,489.67, but this month the allocation also includes the funding for High Skills Training in the amount of \$99,775.00. Tuition and Fees collected in December was \$575,348.00 as we collect tuition and fees for the spring semester. Oil and Gas mill levy for the month of December was \$679,100.00 and the equipment tax revenue for December was \$2,077,560.00. The property tax revenue for December was \$2,170,839.00, looking at the past trends in property tax payout, the College should receive additional property tax revenue in January and then again in June. Last year the total for mill levy property tax was \$7,406,600.00.

Restricted funds had some drawdown revenue in December. Total restricted fund revenue for the year is \$3,027,297.00. There will be a large drawdown in January or February for restricted student aid.

In Plant Funds, the revenue was the GOB funds for the Infrastructure project and the LGIP interest income for December.

Total revenue for the month of December 2015 is \$6,869,464.00, with year to date revenue of \$20,441,162.00 or 52% of projected budget.

The Oil and Gas revenue has been holding relatively steady for the past three months, because the production is greater than last year. The total budget through December for Oil and Gas is \$2,790,000.00. The total Oil and Gas revenue received through December of 2015 not including the accrual of \$465,000 for the three months (October, November and December) is \$2,078,246.00.

The investment report shows an ending balance of \$10,593,592.00, as there was no activity in December. Per Board member Ron Black's suggestion we have contacted the local banks about placing \$250,000.00 Certificate of Deposits

This concludes the Financial Report for December 2015.

NEW MEXICO JUNIOR COLLEGE
Expenditure Report
December 2015

50% of Year Completed

Fund	2014-15			2015-16			
	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	11,018,956	4,808,675	44%	10,103,380	954,888	4,716,271	47%
Academic Support	2,424,460	1,225,051	51%	2,628,124	252,656	1,382,713	53%
Student Services	2,074,588	959,285	46%	1,988,062	192,069	989,726	50%
Institutional Support	4,746,075	2,130,807	45%	3,694,568	389,679	2,415,731	65%
Operation & Maintenance of Plant	3,808,548	1,905,437	50%	3,658,460	350,254	1,875,994	51%
Subtotal - Instruction & General	24,072,627	11,029,255	46%	22,072,594	2,139,546	11,380,435	52%
Student Activities	0		0%	0	0		0%
Research	0		0%	0	0		0%
Public Service	0		0%	0	0		0%
Internal Service Departments	150,266	200,729	134%	85,520	950	190,351	223%
Student Aid	868,551	621,159	72%	668,551	182,252	530,790	79%
Auxiliary Enterprises	1,884,288	1,139,322	60%	1,858,486	449,957	1,518,048	82%
Athletics	1,425,760	684,397	48%	1,157,636	128,486	747,462	65%
Total Current Unrestricted Fund	28,401,492	13,674,862	48%	25,842,787	2,901,191	14,367,086	56%
CURRENT RESTRICTED FUND							
Grants	2,496,540	958,353	38%	2,055,881	129,941	1,253,714	61%
Student Aid	5,033,468	1,953,593	39%	4,989,673	(7,472)	1,958,917	39%
Total Current Restricted Fund	7,530,008	2,911,946	39%	7,045,554	122,469	3,212,631	46%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from Institutional Funds	8,757,760	2,299,247	26%	8,587,117	85,251	3,000,020	35%
Projects from State GOB Funds	3,050,000	2,498,550	82%	5,000,000		317,875	6%
Projects from State STB Funds	0		0%			553,777	0%
Projects from General Fund	0	10,177	0%	0			0%
Projects from Private Funds	0		0%	0			0%
Projects from State ER&R	332,720	274,972	83%	332,720	855	90,204	27%
Projects from State BR&R	597,281	279,731	47%	597,281	21,763	793,267	133%
Subtotal - Capital and BR&R	12,737,761	5,362,677	42%	14,517,118	107,869	4,755,143	33%
Debt Service							
Revenue Bonds	0	0	0%	0	0	0	0%
Total Plant Funds	12,737,761	5,362,677	42%	14,517,118	107,869	4,755,143	33%
GRAND TOTAL EXPENDITURES	48,669,261	21,949,485	45%	47,405,459	3,131,529	22,334,860	47%

NEW MEXICO JUNIOR COLLEGE

Revenue Report

December 2015

50% of Year Completed

Fund	2014-15			2015-16			
	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	3,684,200	2,971,923	81%	3,692,200	575,348	2,992,947	81%
State Appropriations	6,047,200	3,198,529	53%	6,129,500	610,575	3,164,706	52%
Advalorem Taxes - Oil and Gas	7,235,000	5,670,035	78%	7,235,000	2,756,660	5,560,589	77%
Advalorem Taxes - Property	6,003,500	2,256,028	38%	6,853,725	2,172,264	2,749,406	40%
Interest Income	5,000	1,243	25%	4,000	38	182	5%
Other Revenues	367,161	181,611	49%	330,105	85,435	214,176	65%
Subtotal - Instruction & General	23,342,061	14,279,369	61%	24,244,530	6,200,320	14,682,006	61%
Student Activities	0	0	0%	0	0	0	0%
Public Service	0	0	0%	0	0	0	0%
Internal Service Departments	27,000	5,952	22%	27,000		4,973	18%
Auxiliary Enterprises	2,251,000	1,765,472	78%	2,288,000	493,230	1,808,589	79%
Athletics	483,400	245,863	51%	487,200	40,664	244,466	50%
Total Current Unrestricted	26,103,461	16,296,656	62%	27,046,730	6,734,214	16,740,034	62%
CURRENT RESTRICTED FUND							
Grants	1,157,859	975,396	84%	2,055,881	139,506	1,272,671	62%
Student Aid	5,033,468	1,710,703	34%	4,989,673	(6,138)	1,754,626	35%
Total Current Restricted	6,191,327	2,686,099	43%	7,045,554	133,368	3,027,297	43%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from State GOB Funds	3,300,000	1,072,736	0%	5,000,000		665,322	0%
Projects from State STB Funds	0		0%	0			0%
Projects from General Fund	0		0%	0			0%
Projects from Private Funds	0		0%	0			0%
Interest Income (LGIP)	10,000	7,061	71%	10,000	1,882	8,509	85%
Total Plant Funds	3,310,000	1,079,797	33%	5,010,000	1,882	673,831	13%
GRAND TOTAL REVENUES	35,604,788	20,062,552	56%	39,102,284	6,869,464	20,441,162	52%

NEW MEXICO JUNIOR COLLEGE

Oil and Gas Revenue Report

December 2015

50% 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	2015-16 Original Budget	Variance Over (Under) Budget
	Distribution							
Actual	July	\$45.16	5,898,788	\$2.85	17,668,988	720,659	465,000	255,659
Actual	August	\$35.51	6,117,230	\$2.76	17,591,052	678,487	465,000	213,487
Actual	September	\$40.02	6,000,461	\$2.81	17,818,034	679,100	465,000	214,100
Accrual	October					465,000	465,000	0
Accrual	November					465,000	465,000	0
Accrual	December					465,000	465,000	0
Accrual	January						465,000	(465,000)
Accrual	February						465,000	(465,000)
Accrual	March						465,000	(465,000)
Accrual	April						465,000	(465,000)
Accrual	May						465,000	(465,000)
Accrual	June						465,000	(465,000)
Y.T.D. Production Tax Revenue						3,473,246	5,580,000	(2,106,754)
Y.T.D. Equipment Tax Revenue						2,087,343	1,655,000	432,343
Total Year-to-Date Oil & Gas and Equipment Tax Revenue						5,560,589	7,235,000	(1,674,411)

Source: New Mexico Taxation and Revenue Department

NEW MEXICO JUNIOR COLLEGE
Schedule of Investments
December 2015

50% of Year Completed

Financial Institution	Amount Invested	Account Number	Interest Rate	Interest Earned
State of New Mexico Local Government Investment Pool	10,593,127	7102-1348	0.104%	1,882
Plus deposits	0			
Less withdrawals	0			
Total LGIP investments	<u><u>10,593,127</u></u>			<u><u>1,882</u></u>

Capital Projects	12/31/2015
Vehicles	2,812.94
Technology Upgrade	234,805.57
JASI	22,107.69
WHM South Gallery	266,594.43
Baseball Field	23,362.95
Luminis Software	2,993.00
Landscaping	334,942.32
Campus Signage	2,801.67
Roof Replacement	27,382.26
Dorm/Apartment Refurbish	32,793.19
Campus Construction	250,223.90
Oil & Gas Training	161,766.39
Public Sector	9,227.00
Campus Security	84,023.80
Lumens Software-Distance Learnng	5,000.00
Copier Replacement	274.00
Non-Recurring Compensation	152,169.10
Athletics	142,991.36
Student Life Programming	20,432.28
Warehouse/Cont Ed Remodel	1,464.99
Succession Plan	85,240.46
Energy Technology Equipment	300,000.00
WHM Exhibits	110,798.78
Mansur Hall Upgrades	51,043.75
Senior Warm Water Wellness Ctr	3,500,000.00
Driving Range Upgrades	200,000.00
Cosmetology Remodel	700,000.00
Entertainment Technology	2,473,868.30
Cafeteria Upgrade	217,063.32
Channel 19 Upgrade	32,719.62
FERPA & Title IX	688.50
Equestrian Center	3,000,000.00
Bob Moran Upgrades	82,459.39
Campus/Hospital Fencing	200,000.00
Turf Replacement	184,175.00
Watson Hall Theater	238,511.90
WHM Titanic Exhibit	18,500.00
Mary Hagelstein Upgrades	100,000.00
HVAC Software-Central Plant	200,000.00
Infrastructure Upgrade	463,274.76
Cadet Supplement	3,152.04
Workforce Training Contingency	4,264.55
TOTAL	13,943,929.21

NEW MEXICO JUNIOR COLLEGE

Vice President for Finance

5317 Lovington Highway
Hobbs, NM 88240
Phone: (575)492-2770
Fax: (575)492-2768

To: New Mexico Junior College Board
From: Dan Hardin
RE: Purchase of Certificate of Deposits
Date: January 15, 2016

At the December New Mexico Junior College board meeting, board member Black inquired about the College purchasing certificates of deposit as an investment alternative to having funds in the LGIP (Local Government Investment Pool). Currently, the LGIP interest rate is .2143. Josh Morgan and I have contacted several of the local banks inquiring about placing and the rates for one and two year CDs. Some of the banks are asking for a resolution that authorizes the person or persons that will be signing for New Mexico Junior College to place a CD and to withdrawal a CD. We are asking for your approval of the attached resolution which authorizes Josh Morgan and myself to represent, sign, place, and withdraw certificates of deposits for New Mexico Junior College. If rates permit, Josh and I would like to place up to \$1,000,000.00 in certificates of deposit with banks in Lea County.

Respectfully,



Dan Hardin

New Mexico Junior College

Board Resolution

On January 21st, 2016, at the NMJC monthly meeting of the Board of New Mexico Junior College, the Board approved and authorized Dan Hardin, Vice President for Finance and Josh Morgan, Comptroller to represent, sign, place, and withdraw certificates of deposits for New Mexico Junior College.

Acknowledged this 21st day of January, 2016 by New Mexico Junior College Board President Pat Chappelle.

January 21, 2016

Pat Chappelle, Board Chairman



Memo

DATE: January 8, 2016
TO: New Mexico Junior College Board Members
FROM: Steve McCleery *sm*
SUBJECT: Consideration of Legislative Priorities

For the upcoming 2016 Legislative Session, please consider approving the following legislative priorities.

One: Allied Health (Nursing Equipment)

Two: Instruction and General Formula Funding

Three: Support the NMHED General Obligation Bond recommendations

Thank you for your consideration.

RESOLUTION

DeEtta J. Duff

- WHEREAS,** **DeEtta J. Duff**, being one of the Staff Members of New Mexico Junior College, has faithfully served the College for twenty-five years; and
- WHEREAS,** **DeEtta J. Duff** has served as Administrative Assistant to the Dean of Arts and Humanities from 2011 to 2016; and
- WHEREAS,** **DeEtta J. Duff** has served as Administrative Secretary to the Dean of Business and Technology from 1995 to 2011; and
- WHEREAS,** **DeEtta J. Duff** has served as Secretary for the Dean of Administrative Services - Small Business Development Center/ Area Vocational High School from 1990 to 1995; and
- WHEREAS,** **DeEtta J. Duff** has served on various committees at New Mexico Junior College and in the community; and
- WHEREAS,** **DeEtta J. Duff** has been a devoted, enthusiastic and loyal staff member at New Mexico Junior College; and
- WHEREAS,** **DeEtta J. Duff** as a staff member, has always reflected a favorable image for New Mexico Junior College; and
- WHEREAS,** **DeEtta J. Duff** has elected to retire the 1st day of February 2016.

NOW, THEREFORE BE IT RESOLVED that New Mexico Junior College desires to give special recognition and appreciation to **DeEtta J. Duff** for her service and dedication to New Mexico Junior College.

ADOPTED THIS 21st day of January 2016.

ATTEST:


New Mexico Junior College Board Madam Chair




New Mexico Junior College Board Secretary