

NEW MEXICO JUNIOR COLLEGE

BOARD MEETING

Monday, December 18, 2023
Zia Board Room - Pannell Library
1:30 pm

AGENDA

- | | |
|--|----------------|
| A. Welcome | Pat Chappelle |
| B. Adoption of Agenda | Pat Chappelle |
| C. Approval of Minutes of November 16, 2023 | Pat Chappelle |
| D. President's Report | Derek Moore |
| E. Information Items | |
| 1. Lea County Event Center Renovations Update | Mike Gallagher |
| 2. Monthly Expenditure Report | Josh Morgan |
| 3. Monthly Revenue Report | Josh Morgan |
| 4. Oil and Gas Revenue Report | Josh Morgan |
| 5. Schedule of Investments | Josh Morgan |
| F. New Business | |
| 1. Consideration of NMJC Board Travel - 2024 National Legislative Summit in Washington, DC, February 4 - February 7, 2024. | Pat Chappelle |
| G. Public Comments | |
| H. Determination of Next Meeting | Pat Chappelle |
| I. Closure of Meeting | |
| 1. Discussion of Limited Personnel Matters Pursuant to NMSA 1978 §10-15-1 H (2) – Evaluation of President. | |
| 2. Discussion of threatened or pending litigation in which NMJC is or may become a participant pursuant to NMSA 1978 §10-15-1 H (7), including RODRIGO ESTRADA, Plaintiff, v, THE BOARD OF COUNTY COMMISSIONERS FOR THE COUNTY OF LEA, THE NEW MEXICO JUNIOR COLLEGE BOARD OF DIRECTORS, et. al. Defendants No. D-506-CV-2023-00978, Fifth Judicial District Court of Lea County, New Mexico and Synergi Partners Inc. Contract. | |
| J. Adjournment | Pat Chappelle |

**NEW MEXICO JUNIOR COLLEGE
BOARD MEETING
NOVEMBER 16, 2023
MINUTES**

The New Mexico Junior College Board met on Thursday, November 16, 2023, beginning at 1:30 p.m. in the Pannell Library, Zia Board Room. The following members were present: Ms. Patricia Chappelle, Board Chair; Mr. Travis Glenn, Secretary; Mr. Hector Baeza; Ms. Evelyn Rising; Mrs. Erica Jones; Mr. Guy Kesner; and Mr. Manny Gomez.

Ms. Chappelle called the meeting to order and welcomed visitors.

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

Upon a motion by Ms. Rising, seconded by Mr. Glenn, the Board unanimously approved the minutes of October 19, 2023.

Under President's Report Dr. Moore was in attendance of the NJCAA Volleyball National Championships in Hutchinson, KS and therefore attended via Zoom. Dr. Moore provided status of the NMJC Women's Volleyball Team and noted they are currently one in one with additional upcoming games. Dr. Moore thanked the Board for the opportunity to attend and the support given to the NMJC athletic teams. In addition, Dr. Moore provided updates of the NJCAA Cross Country National Track Meet in Huntsville, AL as follows: 1) Men's cross-country team placed 4th nationally; 2) Men's team are national champions in the half marathon; 3) Individually, student athlete Tomas Vega, is a national champ in the half marathon; 4) Women's cross-country team placed 3rd nationally in the half marathon; 5) Women's team placed 2nd in cross-country; and 6) Individually, student athlete Damaris Chewon, is a national champion in the half marathon.

Ms. Amy Coombes provided an update of new employees and employee retirements.

Dr. Moore introduced Mr. David Buckingham, Vice President for Student Services. Mr. Buckingham provided updates on his current priority areas which included building relationships, sharing his enthusiasm for NMJC, acknowledging contributions of others, partnering with institutional research academic affairs and athletics, engaging with the NMJC students, devoting to the welfare of others, and growing enrollment. Dr. Moore and the Board welcomed Mr. Buckingham to NMJC.

Dr. William Brown provided a summary update of student enrollment trends from fall 2022 and fall 2023.

Dr. Rachel Gallagher provided an update of the recent NMJC Scholarship & Alumni Reception held on November 7, 2023. Dr. Gallagher reported in addition to honoring NMJC students, an Alumni Honor Awards Program was added to honor an individual and a business donor of the year. Winners of the awards are; 1) Alumni of the Year - Monica Cervantes; 2) Individual Donor

of the Year - Bonnie Moran; 3) Business Donor of the Year - Chevron; and 4) Donor Demonstrating Continuous Giving Throughout the Years - Julie Smith. In addition, she reported a donation in the amount of \$30,000 was provided by Chevron. More than 300 people were in attendance of this event.

Dr. Moore reported on visits, by he and Mr. Scotty Holloman, to area high schools to discuss how NMJC can continue to be a valued partner. He reported superintendents have requested NMJC have more of a presence on their campuses, create a process for orienting parents of the 9th - 12th grades, and volunteer time at their schools. NMJC will continue to have discussions on how to strengthen the partnership with the K-12 institutions.

Dr. Moore informed the Board of a 2024 National Legislative Summit scheduled on February 4-7, 2024 in Washington, DC. He asked Board to contact Norma Faught if they were interested in attending.

Dr. Moore announced upcoming events.

Under Information Items Mr. Kesner provided an update of the Finance Board Committee meeting held on November 13, 2023.

Mr. Josh Morgan presented the Expenditure Report, Revenue Report, Oil and Gas Revenue Report, and Schedule of Investments Report for October 2023.

Under New Business Mr. Morgan provided a request for roof replacement of the Ben Alexander Learning Center and the Bob Moran Hall Building. He reported G & G Roofing of Hobbs provided a proposal of \$1,099,323.63 to replace the Ben Alexander Student Learning Center roof and \$1,238,136.94 to replace the Bob Moran Hall roof. He reported the roof will be a 4-ply, built-up roof system with reflective white marble, which have a long lifespan. He stated NMJC was awarded \$1,000,000 in STB funding for roof replacement on both buildings. In addition, \$1,337,460.57, with a current budget of \$2,650,000, will be used from the Institutional Capital Fund for roof replacement on both buildings. Upon Board approval, NMJC will submit for approval to the HED Capital Outlay Committee. Once approval is received from the committee, NMJC will proceed with this construction project. Mr. Glenn asked for the expected life span of the roofs. Dr. Charley Carroll responded a minimum of a 20-year life. Upon a motion by Mr. Glenn, seconded by Mr. Gomez, the Board unanimously approved this request.

Ms. Chappelle called for comments from the public. There being none, the next Regular Board Meeting was scheduled for Monday, December 18, 2023 at 1:30 pm in the Zia Board Room.

Upon a motion by Mr. Baeza, seconded by Mr. Gomez and by unanimous consent, the meeting adjourned at 2:17 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: December 14, 2023
RE: November 2023 Financial Reports

Expenditure Report:

November is the fifth month or 41% of the 2023/2024 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 November is \$54,432,799.

The total current unrestricted fund expenditures through November are \$17,368,052, which is 42% of the projected budget. Expenses for Instruction and General are higher compared to FY 23 due to the addition of new positions and the implementation of the salary survey approved by the board. In other current unrestricted funds, expenses are also up compared to FY 23 due to the same factors and due to the reclassification of the athletic coaches from faculty to professional employees per the salary survey which resulted in the reclassification of expenditures from I&G to Athletics. Student Aid, Auxiliary Enterprises, and Athletics are normally over budget at this point in time. Typically, it is because of start of semester expenses or for Athletics, it is the grant-in-aid awarded at the beginning of the semester. Auxiliary Enterprises are tracking as expected. The Bookstore staff are doing a great job of preparing for the spring semester and making sure the right books and the right number of books are on the shelf for the NMJC students as well as for the dual credit students throughout the County. Over all, expenditures are up as compared to November 2023.

Restricted fund expenditures through November are \$2,686,771. The expenditures in the grant area is tracking along as expected. The Business Office is monitoring the expenditures in the grants and request the drawdown from the state and federal agencies. In restricted student aid, financial aid payouts have been made for the summer and fall semesters.

Total plant fund expenditures through November are \$34,377,976. Projects with major encumbrances include the Watson Hall Renovation, the Vestibule and Safety Project, the Baseball Field Lighting Project and the Industrial Training Center. Year-to-date building renewal and replacement expenditures are \$529,543 and equipment renewal and replacement expenditures are \$135,997.

Revenue Report:

Total current unrestricted revenue received in November was \$8,692,899. This mostly consists of tuition and fee revenue for the spring 2024, the monthly allocation from the state and oil and gas production revenue. The College received a small portion of property tax revenue during November but will not begin receiving our main property tax distribution for FY 24 until December. Total year-to-date current unrestricted revenue is \$24,924,028.

Total current restricted revenue received in November for grants and student aid was \$375,056. Total year-to-date current restricted revenue is \$2,558,196.

Total plant fund revenue recorded in November is \$3,706,994. This consist of GOB draws for the Industrial Training Center project and the LGIP interest. Total year-to-date plant fund revenue is \$8,166,704.

Total revenue for the month of November is \$12,774,949. Total year-to-date revenue is \$35,648,928.

Oil and Gas Revenue Report:

The Oil & Gas Report reflects the second month of revenue for FY 24. In November, the College received \$6,551,855 in oil & gas revenue for the month of August 2023 compared to \$7,702,512 for August 2022. The months of September through November reflect the monthly accrual of \$816,667 each month. Total Oil and Gas Production and Equipment tax revenue through November including the three months of accrual is \$15,081,943.

Investment Report:

The College began the month of November with \$210,000,000 invested with the LGIP. We deposited \$7,000,000 with the LGIP during the month resulting in an ending balance of \$217,000,000 at the end of November. The College earned \$946,726 in interest at a net yield of 5.351% during the month of November.

At the end of November, there was \$209,414,364 in allocated capital projects.

This concludes the financial report for November 2023.

NEW MEXICO JUNIOR COLLEGE

Expenditure Report

November 2023

41% of Year Completed

Fund	2022-23			2023-24			
	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	12,768,755	4,009,588	31%	12,920,876	1,154,646	4,595,981	36%
Academic Support	2,921,190	980,857	34%	3,190,536	265,464	1,346,716	42%
Student Services	2,827,588	1,047,184	37%	3,873,597	324,253	1,331,843	34%
Institutional Support	6,446,327	2,367,534	37%	6,782,391	643,479	3,009,570	44%
Operation & Maintenance of Plant	5,729,882	1,841,590	32%	5,798,525	570,918	2,478,816	43%
Subtotal - Instruction & General	30,693,742	10,246,753	33%	32,565,925	2,958,760	12,762,926	39%
Public Service	59,300	13,804	23%	-	-	-	0%
Internal Service Departments	267,730	75,196	28%	198,349	33,442	97,788	49%
Student Aid	980,031	640,036	65%	760,880	86,039	669,783	88%
Auxiliary Enterprises	3,012,636	1,082,637	36%	3,020,182	260,372	1,627,928	54%
Athletics	3,259,649	1,174,476	36%	4,567,603	475,219	2,209,627	48%
Total Current Unrestricted Fund	38,273,088	13,232,902	35%	41,112,939	3,813,832	17,368,052	42%
CURRENT RESTRICTED FUND							
Grants	1,965,462	436,634	22%	1,232,251	95,496	396,129	32%
Student Aid	4,216,931	2,690,859	64%	4,216,931	27,973	2,290,642	54%
Total Current Restricted Fund	6,182,393	3,127,493	51%	5,449,182	123,469	2,686,771	49%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from Institutional Funds	16,198,965	6,892,896	43%	213,465,921	398,593	27,095,683	13%
Projects from State GOB Funds	3,944,888	36,650	1%	5,310,214	-	5,253,858	99%
Projects from State STB Funds	484,251	84,251	17%	2,379,215	-	1,156,482	49%
Projects from General Fund	711,062	90,568	0%	2,125,000	-	-	0%
Projects from Other State Funds	-	-	0%	683,080	9,453	206,223	30%
Projects from Private Funds	-	-	0%	102,697	-	190	0%
Projects from State ER&R	1,375,854	317,307	23%	1,238,666	9,032	135,997	11%
Projects from State BR&R	1,255,745	672,802	54%	794,875	-	529,543	67%
Subtotal - Capital and BR&R	23,970,765	8,094,474	34%	226,099,668	417,078	34,377,976	15%
Debt Service							
Revenue Bonds	-	-	0%	-	-	-	0%
Total Plant Funds	23,970,765	8,094,474	34%	226,099,668	417,078	34,377,976	15%
GRAND TOTAL EXPENDITURES	68,426,246	24,454,869	36%	272,661,789	4,354,379	54,432,799	20%

NEW MEXICO JUNIOR COLLEGE

Revenue Report

November 2023

41% of Year Completed

2022-23

2023-24

Fund	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	3,804,088	2,761,288	73%	3,935,027	1,189,110	3,417,432	87%
State Appropriations	7,990,496	3,907,414	49%	8,158,200	649,083	4,263,698	52%
Advalorem Taxes - Oil and Gas	84,984,162	17,730,659	21%	12,550,000	6,733,239	15,081,943	120%
Advalorem Taxes - Property	13,982,841	-	0%	12,400,000	296	296	0%
Other Revenues	289,053	206,992	72%	145,000	7,565	106,384	73%
Subtotal - Instruction & General	111,050,640	24,606,353	22%	37,188,227	8,579,293	22,869,753	61%
Internal Service Departments	57,085	53,189	93%	66,700	18	58,841	88%
Auxiliary Enterprises	2,504,902	1,448,761	58%	2,854,642	60,728	1,582,024	55%
Athletics	560,600	250,967	45%	686,400	52,860	413,410	60%
Total Current Unrestricted	114,173,227	26,359,270	23%	40,795,969	8,692,899	24,924,028	61%
CURRENT RESTRICTED FUND							
Grants	1,965,462	294,996	15%	1,232,251	108,662	391,206	32%
Student Aid	4,216,931	1,912,835	45%	4,216,931	266,394	2,166,990	51%
Total Current Restricted	6,182,393	2,207,831	36%	5,449,182	375,056	2,558,196	47%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from State GOB Funds	3,941,406	-	0%	5,310,214	2,760,269	3,279,138	62%
Projects from State STB Funds	484,250	44,656	9%	2,379,215	-	99,689	4%
Projects from General Fund	353,400	-	0%	2,125,000	-	-	0%
Projects from BR&R	65,671	-	0%	124,386	-	124,386	100%
Interest Income (LGIP)	5,223,271	1,325,659	25%	1,450,000	946,725	4,663,491	322%
Total Plant Funds	10,067,998	1,370,315	14%	11,388,815	3,706,994	8,166,704	72%
GRAND TOTAL REVENUES	130,423,618	29,937,416	23%	57,633,966	12,774,949	35,648,928	62%

NEW MEXICO JUNIOR COLLEGE

Oil and Gas Revenue Report

November 2023

41% 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	2023-24 Original Budget	Variance Over (Under) Budget
	Distribution							
Actual	July	\$72.81	32,121,620	\$2.84	105,511,306	5,897,955	816,667	5,081,288
Actual	August	\$79.43	32,224,751	\$2.82	114,749,409	6,551,855	816,667	5,735,188
Actual	September					816,667	816,667	0
Actual	October					816,667	816,667	0
Actual	November					816,667	816,667	0
Actual	December						816,667	(816,667)
Actual	January						816,667	(816,667)
Actual	February						816,667	(816,667)
Actual	March						816,666	(816,666)
Accrual	April						816,666	(816,666)
Accrual	May						816,666	(816,666)
Accrual	June						816,666	(816,666)
Y.T.D. Production Tax Revenue						14,899,811	9,800,000	5,099,811
Y.T.D. Equipment Tax Revenue						182,132	2,750,000	(2,567,868)
Total Year-to-Date Oil & Gas and Equipment Tax Revenue						<u>15,081,943</u>	<u>12,550,000</u>	<u>2,531,943</u>

NEW MEXICO JUNIOR COLLEGE

Schedule of Investments

November 2023

41% of Year Completed

Financial Institution	Amount Invested	Account Number	Interest Rate	Interest Earned
State of New Mexico Local Government Investment Pool	210,000,000	7102-1348	5.351%	946,726
Plus deposits	7,000,000			
Less withdrawals	-			
Total LGIP investments	217,000,000			946,726

Capital Project	11/30/2023
Vehicles	549,398.89
Campus Facilities Master Plan	100,000.00
Chrome River	69,250.00
WHM North Gallery Renovation	505,994.73
Campus Vestibules	1,217,428.59
Voc B Airhandler	2,000,000.00
Softball Field	5,790,000.00
National Track Meet	135,333.35
Technology Upgrade	451,615.45
Professional Development	76,772.84
Ben Alexander Renovation	3,000,000.00
Baseball Field	1,820,073.45
Rodeo Arena	77,123.79
Fire Alarm Upgrade	229,648.62
Landscaping	247,750.00
Smart Classrooms	336,056.76
Campus Signage	47,683.01
Campus Paving	410,837.83
Std Ctr & Bob Moran Roof Replacement	2,650,000.00
Master Landscaping Project	15,505,773.14
Dorm/Apartment Refurbish	1,708,571.81
Concrete Upgrade	157,262.75
Campus Construction	161,346.19
Workforce Development	227,048.43
Higher Learning Commission	113,090.23
Campus Security	71,694.68
Copier Replacement	144,155.22
Non-Recurring Compensation	1,201,234.00
Athletics	127,066.46
Student Life Programming	20,000.00
Succession Plan	631,730.59
WHM Exhibits	133,846.31
Track Upgrades	161,181.82
Driving Range Upgrades	150,000.00
Cafeteria Upgrade	218,860.78
Equestrian Center	6,929,949.09
Turf Replacement	300,000.00
Watson Hall Renovation	4,848,766.19
Facilities Management System	32,343.92
Caster Upgrades	480,387.87
Industrial Training Center	18,489,239.55
Heidel Hall Renovation	19,961,059.37
Infrastructure Upgrades	5,377,595.00
Campus Housing Unit	15,142,686.15
Cafeteria Construction	14,655,748.10
Mansur Hall Remodel	2,562,185.11
Mary Hagelstein Remodel	2,966,750.25
Campus Wide Access Control	2,123,419.44
Dorm/Apartment Furniture Replacement	775,002.32
Roof Replacement	3,000,000.00
CORE	1,500,000.00
Tbird Health Clinic Caster Annex Remodel	443,958.99
NMJC/Lea County Quality of Life (ENMT)	5,292,337.70
Central Plant Expansion	3,216,321.12
Master Drainage Plan	4,458,100.08
Student Hub	9,607,790.00
NMJC/Lea County Culinary Arts	2,500,000.00
NMJC Indoor Athletic Facility	30,000,000.00
Building Renovation	14,300,000.00
Workforce Training Contingency	2,894.26
Total	209,414,364.23

Memo

DATE: December 18, 2023
TO: NMJC Board
FROM: Pat Chappelle, Board Chair – New Mexico Junior College
SUBJECT: Out of State Travel Request

As per the New Mexico Junior College Board Policy Handbook – Board Travel Policy 301, I am seeking your approval for NMJC Board Members to travel on February 4 - 7, 2024 to Washington, DC to attend the 2024 National Legislative Summit.

Thank you for your consideration.