

NEW MEXICO JUNIOR COLLEGE
BOARD MEETING

Thursday, November 21, 2024
Zia Board Room - Pannell Library
1:30 pm

AGENDA

- | | |
|--|-----------------|
| A. Welcome | Pat Chappelle |
| B. Adoption of Agenda | Pat Chappelle |
| C. Approval of Minutes of October 17, 2024 | Pat Chappelle |
| D. President's Report | Derek Moore |
| E. Information Items | |
| 1. Board Finance Committee Meeting Update | Guy Kesner |
| 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 Reappointment of NHF Board Members | Dennis Holmberg |
| G. Public Comments | |
| H. Determination of Next Meeting | Pat Chappelle |
| I. Adjournment | Pat Chappelle |

**NEW MEXICO JUNIOR COLLEGE
BOARD MEETING
OCTOBER 17, 2024
MINUTES**

The New Mexico Junior College Board met on Thursday, October 17, 2024, beginning at 1:34 p.m. in the Pannell Library, Zia Board Room. Ms. Patricia Chappelle, Board Chair; Mr. Travis Glenn, Secretary; Ms. Evelyn Rising; Mrs. Erica Jones; Mr. Guy Kesner; and Mr. Manny Gomez. Mr. Hector Baeza was absent.

Ms. Chappelle called the meeting to order and welcomed visitor, Ms. Dorothy Fowler with the Hobbs News Sun.

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

Upon a motion by Mr. Gomez, seconded by Mrs. Jones, the Board unanimously approved the minutes of September 19, 2024 as presented.

Under President's Report Dr. Rachel Gallagher provided updates of NMJC's first T-Bird Welcome Weekend. She reported approximately 250/300 people attended the Aaron Watson Concert event, the 1974/1975 Inaugural Rodeo Team Reunion had a great turnout, the basketball camp had 25 participants and the baseball camp had 16 participants. Dr. Gallagher stated this will be an annual event and noted next years date is being decided. Mr. Kesner recommended a standing month/weekend be considered each year in an effort to possibly increase the number of attendees.

Ms. Amy Coombes provided an update for new employees and transfers.

Dr. Moore and Dr. William Brown provided updates of a recently attended Council on Accreditation for Two-Year Colleges Conference held on September 21-24, 2024. Dr. Moore reported learnings included co-curricular assessments, assessing that occurs outside of the classroom with student engagement, Artificial Intelligence, and national level trends to include student success measures, labor market data, distance education, short-term credentials, and evolving bachelor degrees to possibly reduce time/credits to completion. Dr. Brown reported practices and processes, particularly in the Higher Learning Commission Crediting System, from peer two-year colleges were shared. He reported a takeaway from the conference to be the development of a realistic, living and breathing type of Strategic Plan, to include annual evaluations of the plan with an excellent matrix in place to assure alignment of the college in all areas.

Dr. Moore announced the Legislative Dinner will be rescheduled to the week of November 11, 2024 and noted more information will follow.

Dr. Moore reported, due to a recent safety and security issue, access to the campus will be through the main entrance of the campus located on the west side of the college beginning at 7pm each evening to 7am each morning. He stated temporary barricades will be utilized until security fencing and gates are in place. Mr. Gomez asked if emergency access situations have been addressed. Dr. Moore responded it was addressed and noted in an emergency situation, access will be made to the barricaded areas.

Dr. Moore shared a copy of NMJC's Strategic Enrollment Management Plan submitted to NMHED for the 2024-2025 Academic Year.

Dr. Moore reported a Community Band Concert was recently held in the Watson Hall Auditorium and noted it was well attended. He stated the community is excited the auditorium is now open and able to host community events. Ms. Chappelle reiterated that community members are extremely happy to see the opening of the Watson Hall Auditorium for community events.

Dr. Moore announced the Auditors Exit Review is scheduled for Monday, October 28, 2024.

Dr. Moore announced the ACCT 2025 National Legislative Summit is scheduled for February 9 - 12, 2025.

Under Information Items Ms. Rising and Mr. Glenn provided a detailed report of the recent Board Equity Committee Meeting held on Wednesday, October 9, 2024. Discussions included students experiencing traumatic events such as food insecurities, counseling needs, and NMJC's early alert functions. In addition, further discussion included NMJC's homecoming success, opportunities for students to be involved with the community, House Bill 2 Funding in Workforce Development, and review of student data and how the data will be used for Program Review and Program Viability.

Mr. Josh Morgan presented the Expenditure Report, Revenue Report, Oil & Gas Revenue Report and the Schedule of Investments Report for September 2024.

Under New Business Mr. Josh Morgan presented consideration of the Quarterly Financial Action Report ending September 30, 2024. Upon a motion by Mr. Kesner, seconded by Mr. Glenn, the Board unanimously approved the September 30, 2024 Quarterly Financial Action Report as presented.

Mr. Morgan presented a request for approval of the Pannell Library and Bob Moran Air Handler Replacement Project proposal submitted by Donner Plumbing using a CES in the amount of \$1,867,026.82. Mr. Morgan noted, at the June 2024 NMJC Board Meeting, this project was approved to be submitted to the Higher Education Department (HED) for approval at the July 10, 2024 NMHED Capital Projects Hearing. This project was presented and approved at the hearing. Funding for this project will come from Severance Tax Funding in the amount of \$1,125,000 and Institutional Funds in the amount of \$742,026.82. In addition, there is \$1,150,000 allocated in Institutional Capital funds for the Pannell Library and Bob Moran Hall Air Handler Replacement

Project. Following questions, answers, and discussion, administration requested approval of the proposal for this project in the amount of \$1,867,026.82. Upon a motion by Mr. Gomez, seconded by Mrs. Jones, the Board unanimously approved this request.

Mr. Morgan presented consideration for approval to take the Western Heritage Museum (WHM) Exterior Improvements Project to HED for approval at the November 13, 2024 NMHED Capital Projects Hearing. Improvements project will cover failing stucco with high quality steel panels that meet industry standards for durability and aesthetics. The construction cost estimate for the WHM exterior improvements was developed by Bradbury Stamm Construction using Dekker Architect's construction documents. Estimated total project cost is \$2,128,130 which includes the construction estimate provided by Bradbury Stamm Construction and estimated costs for architectural fees, a 10% construction contingency, and gross receipts tax. Funding for this project will come from State General Funds in the amount of \$200,000 and Institutional Funds in the amount of \$1,928,130. In addition, there is \$2,000,000 allocated in Institutional Capital funds for the WHM exterior improvements. Administration requested approval of the WHM Exterior Improvements Project in the amount of \$2,128,130. Mr. Morgan noted upon approval, this project will be presented to the NMHED Capital Outlay Committee on November 13, 2024. Upon a motion by Mr. Glenn, seconded by Mr. Gomez, the Board unanimously approved this request as presented.

Ms. Chappelle requested consideration for travel of NMJC Board Members to attend the ACCT 2025 National Legislative Summit scheduled for February 9-12, 2025 in Washington, DC. Upon a motion by Mr. Kesner, seconded by Ms. Rising, the Board unanimously approved this request.

Ms. Chappelle provided Board Members with an NMJC Board & Board Committee Meetings meeting restructure for discussion and consideration at the November 21, 2024 NMJC Board Meeting.

Ms. Chappelle called for comments from the public. There being none, the next Regular Board Meeting was scheduled for Thursday, November 21, 2024 at 1:30 pm in the Zia Board Room.

Upon a motion by Ms. Rising, seconded by Mr. Kesner and by unanimous consent, the meeting adjourned at 2:40 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: November 14, 2024
RE: October 2024 Financial Reports

Expenditure Report:

October is the fourth month of the 2024/2025 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 October is \$68,139,457.

The total current unrestricted fund expenditures through October are \$16,959,137, which is 36% of the projected budget. Most of these expenses are the normal monthly payroll and benefit expenditures. Payroll expenditures reflect the 3% comp raise. Internal Services (Computer Services, Motor Pool, & Document Center) have monthly credits posted to these departments and will be back within budget by the end of the fiscal year. Expenses in Institutional Support are up from this time last year due to reclassifying were the expenses for the CORE operational expenses and faculty/staff memberships is paid from. It had been paid from Instruction but was reclassified to Institutional Support for FY 25. Expenses in Operations and Maintenance are up from this time last year and that is due to the increase in property insurance. Auxiliary expenses are tracking as expected with expenditures for the fall semester and preparing for the start of the spring semester. Athletics expenses are tracking as expected for this time of year.

Restricted fund expenditures through October are \$2,960,444. 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 October are \$48,219,876. The construction for the Heidel Hall Renovation was encumbered this month. Projects with major expenditures and encumbrances include the Watson Hall Renovation, the Vestibule and Safety Project, the Industrial Training Center, Site Project – Phase 1, Rodeo Improvements, and Heidel Hall Renovation. Year-to-date building renewal and replacement expenditures are \$409,815 and equipment renewal and replacement expenditures are \$355,317.

Revenue Report:

Total current unrestricted revenue received in October was \$8,726,668. This mostly consists of tuition and fees for the fall semester, the state appropriation, and the monthly oil and gas production. The college will not begin reporting any property tax revenue for FY 25 until November. Total year-to-date current unrestricted revenue is \$17,939,387.

Total current restricted revenue received in October for grants and student aid was \$187,183. Total year-to-date current restricted revenue is \$2,382,746.

Total plant fund revenue recorded in October is \$1,407,137. This consist of a GOB Library draw, STB draws on the Vestibule & Safety Project and Site Project – Phase 1, and the LGIP and CDARs interest. Total year-to-date plant fund revenue is \$7,083,372

Total revenue for the month of October is \$10,320,988. Total year-to-date revenue is \$27,405,505.

Oil and Gas Revenue Report:

The Oil & Gas Report reflects the first month of revenue for FY 25. In October, the College received \$6,747,128 in oil & gas revenue for the month of July 2024. The months of August through October reflect the monthly accrual of \$983,333 each month. Total Oil and Gas Production and Equipment tax revenue through October including the three months of accrual is \$9,697,980. In comparison to this same time last year, Oil & Gas Production revenue is up \$1,349,171 and Oil & Gas Equipment revenue is up \$283.

Investment Report:

The College began the month of October with \$232 million invested with the LGIP. There was no activity during the month resulting in an ending balance of \$232 million. The College earned \$966,102 in interest at a net yield of 4.853% during the month of October.

The College has \$50 million invested in CDARs through Lea County State Bank. Interest earnings during the month of October on all CDAR accounts was \$192,677.

At the end of October, there was \$283,646,749 in allocated capital projects.

This concludes the financial report for October 2024.

NEW MEXICO JUNIOR COLLEGE
Expenditure Report
October 2024

33% of Year Completed

Fund	2023-24			2024-25			
	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	14,993,034	3,441,335	23%	14,611,285	1,658,715	4,476,129	31%
Academic Support	3,335,477	1,081,252	32%	3,340,083	317,575	1,302,988	39%
Student Services	4,281,043	1,007,590	24%	4,334,218	446,237	1,411,772	33%
Institutional Support	7,955,316	2,366,091	30%	8,221,493	797,461	3,116,084	38%
Operation & Maintenance of Plant	6,728,166	1,907,898	28%	6,246,117	494,745	2,141,487	34%
Subtotal - Instruction & General	37,293,036	9,804,166	26%	36,753,196	3,714,733	12,448,460	34%
Public Service	47,658	-	0%	-	-	-	0%
Internal Service Departments	363,850	64,346	18%	219,431	47,123	361,311	165%
Student Aid	1,081,492	583,744	54%	1,050,880	302,852	557,807	53%
Auxiliary Enterprises	3,795,534	1,367,556	36%	3,324,544	414,319	1,602,608	48%
Athletics	5,720,900	1,734,408	30%	5,787,225	429,509	1,988,951	34%
Total Current Unrestricted Fund	48,302,470	13,554,220	28%	47,135,276	4,908,536	16,959,137	36%
CURRENT RESTRICTED FUND							
Grants	979,971	300,633	31%	1,072,087	106,010	338,666	32%
Student Aid	4,456,834	2,262,669	51%	4,456,834	93,374	2,621,778	59%
Total Current Restricted Fund	5,436,805	2,563,302	47%	5,528,921	199,384	2,960,444	54%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from Institutional Funds	122,828,858	26,697,090	22%	292,355,824	21,712,038	46,637,049	16%
Projects from State GOB Funds	5,331,214	5,253,858	99%	28,956	-	1,034	4%
Projects from State STB Funds	2,150,000	1,156,482	54%	888,536	-	659,321	74%
Projects from General Fund	2,125,000	-	0%	2,125,000	-	-	0%
Projects from Other State Funds	807,153	196,770	0%	959,095	148,780	157,340	16%
Projects from Private Funds	102,697	190	0%	-	-	-	0%
Projects from State ER&R	1,238,666	126,965	10%	1,198,438	54,181	355,317	30%
Projects from State BR&R	794,875	534,596	67%	820,799	-	409,815	50%
Subtotal - Capital and BR&R	135,378,463	33,965,951	25%	298,376,648	21,914,999	48,219,876	16%
Debt Service							
Revenue Bonds	-	-	0%	-	-	-	0%
Total Plant Funds	135,378,463	33,965,951	25%	298,376,648	21,914,999	48,219,876	16%
GRAND TOTAL EXPENDITURES	189,117,738	50,083,473	26%	351,040,845	27,022,919	68,139,457	19%

NEW MEXICO JUNIOR COLLEGE

Revenue Report

October 2024

33% of Year Completed

2023-24

2024-25

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	4,054,596	2,228,322	55%	3,738,960	493,998	2,795,839	75%
State Appropriations	8,394,299	3,739,001	45%	9,437,649	1,321,735	3,400,886	36%
Advalorem Taxes - Oil and Gas	90,481,162	8,348,526	9%	16,550,000	6,747,128	9,697,980	59%
Advalorem Taxes - Property	15,000,000	-	0%	12,900,000	-	-	0%
Other Revenues	268,078	98,819	37%	163,500	23,369	67,628	41%
Subtotal - Instruction & General	118,198,135	14,414,668	12%	42,790,109	8,586,230	15,962,333	37%
Internal Service Departments	58,963	58,823	100%	29,910	25	1,360	5%
Auxiliary Enterprises	2,762,798	1,521,296	55%	2,860,000	91,546	1,779,447	62%
Athletics	686,400	360,550	53%	607,230	48,867	196,247	32%
Total Current Unrestricted	121,706,296	16,355,337	13%	46,287,249	8,726,668	17,939,387	39%
CURRENT RESTRICTED FUND							
Grants	979,971	282,544	29%	1,019,704	126,938	306,211	30%
Student Aid	4,456,834	1,900,596	43%	4,456,834	60,245	2,076,535	47%
Total Current Restricted	5,436,805	2,183,140	40%	5,476,538	187,183	2,382,746	44%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from State GOB Funds	5,331,214	518,869	10%	42,971	3,000	3,000	0%
Projects from State STB Funds	2,150,000	99,689	5%	888,536	245,358	490,342	55%
Projects from General Fund	2,125,000	-	0%	2,125,000	-	-	0%
Projects from Private Funds	-	-	0%	1,750,000	-	1,750,000	100%
Interest Income (LGIP & CDARs)	10,609,323	3,716,766	35%	2,606,827	1,158,779	4,840,030	186%
Total Plant Funds	20,215,537	4,335,324	21%	7,413,334	1,407,137	7,083,372	96%
GRAND TOTAL REVENUES	147,358,638	22,873,801	16%	59,177,121	10,320,988	27,405,505	46%

NEW MEXICO JUNIOR COLLEGE

Oil and Gas Revenue Report

October 2024

33% of Year Completed

		OIL		GAS		COMBINED		
Month of	Sales	Price per BBL	Lea County BBLs sold	Price per MCF	Lea County MCF sold	Monthly Revenue	2024-25 Original Budget	Variance Over (Under) Budget
Distribution								
Actual	July	\$78.25	34,804,208	\$1.92	133,543,061	6,747,128	983,333	5,763,795
Actual	August					983,333	983,333	0
Actual	September					983,333	983,333	0
Actual	October					983,333	983,333	0
Actual	November						983,333	(983,333)
Actual	December						983,333	(983,333)
Actual	January						983,333	(983,333)
Accrual	February						983,333	(983,333)
Accrual	March						983,333	(983,333)
Accrual	April						983,333	(983,333)
Accrual	May						983,333	(983,333)
Accrual	June						983,333	(983,333)
Y.T.D. Production Tax Revenue						9,697,127	11,799,996	(2,102,869)
Y.T.D. Equipment Tax Revenue						853	2,750,000	(2,749,147)
Total Year-to-Date Oil & Gas and Equipment Tax Revenue						9,697,980	14,549,996	(4,852,016)

NEW MEXICO JUNIOR COLLEGE

Schedule of Investments

October 2024

33% of Year Completed

Financial Institution	Amount Invested	Account Number	Interest Rate	Interest Earned
State of New Mexico Local Government Investment Pool	232,000,000	7102-1348	4.853%	966,102
Plus deposits	-			
Less withdrawals	-			
Total LGIP investments	232,000,000			966,102
Lea County State Bank CDAR				
1 Yr. 07/25/24 - 07/24/25	12,000,000	1029404123	4.860%	48,894
1 Yr. 08/01/24 - 07/31/25	12,000,000	1029441398	4.710%	47,362
1 Yr. 08/08/24 - 08/07/25	12,000,000	1029475802	4.690%	47,122
1 Yr. 08/15/24 - 08/14/25	11,000,000	1029514182	4.180%	38,527
2 Yr. 07/25/24 - 07/23/26	1,000,000	1029404077	4.270%	3,585
2 Yr. 08/01/24 - 07/30/26	1,000,000	1029441436	4.260%	3,574
2 Yr. 08/08/24 - 08/06/26	1,000,000	1029475756	4.310%	3,613
Total Lea County State Bank CDAR	50,000,000			192,677

Capital Project	10/31/2024
Vehicles	288,776.43
Campus Facilities Master Plan	50.29
Chrome River	54,081.00
WHM North Gallery Renovation	500,000.00
Campus Vestibules	1,187,729.31
Voc B Airhandler	500,000.00
Softball Field	8,500,000.00
National Track Meet	96,535.12
National Golf Championship	4,314.51
Technology Upgrade	471,107.64
Professional Development	51,132.54
Ben Alexander Renovation	3,000,000.00
Baseball Field	1,885,399.12
Rodeo Arena	252,219.89
Fire Alarm Upgrade	161,545.88
Landscaping	165,644.04
Smart Classrooms	139,981.74
Campus Signage	17,645.22
Campus Paving	384,919.78
Std Ctr & Bob Moran Roof Replacement	1,500,000.00
NMJC Site Improvements - Phase 1	14,494,615.43
Dorm/Apartment Refurbish	859,750.23
Concrete Upgrade	140,991.69
Campus Construction	982,329.12
Workforce Development	85,607.86
Higher Learning Commission	131,339.62
Campus Security	44,222.73
Copier Replacement	78,627.55
Non-Recurring Compensation	1,482,513.20
Athletics Post Season	250,000.00
Athletics	70,893.71
Student Life Programming	20,000.00
Succession Plan	586,528.05
WHM Exhibits	104,657.62
Track Upgrades	157,819.51
Driving Range Upgrades	150,000.00
Cafeteria Upgrade	426,794.97
Rodeo Arena Expansion	12,529,949.09
Turf Replacement	300,000.00
Watson Hall Renovation	642,248.48
Facilities Management System	11,996.37
Caster Upgrades	402,378.90
Industrial Training Center	5,796,595.20
Heidel Hall Renovation	28,391,119.78
Infrastructure Upgrades	4,226,545.48
Campus Housing Unit	25,142,686.15
Cafeteria Construction	19,655,748.10
Mansur Hall Remodel	8,562,185.11
Mary Hagelstein Remodel	9,016,750.25
Campus Wide Access Control	2,389,903.78
Dorm/Apartment Furniture Replacement	469,153.33
Roof Replacement	4,150,000.00
CORE	1,500,000.00
Tbird Health Center Caster Annex Remodel	179,130.36
NMJC/Lea County Quality of Life (ENMT)	5,197,041.86
Central Plant Expansion	4,462,579.98
Master Drainage Plan	4,441,900.87
Student Hub	9,607,790.00
NMJC/Lea County Culinary Arts	2,500,000.00
NMJC Indoor Athletic Facility	50,000,000.00
WHM Recladding	1,964,634.43
Nursing Storage	300,000.00
Bob Moran & Pannell Library Air Handler	1,150,000.00
Perimeter Security Fencing	156,263.34
Rodeo Feed/Livestock	183,031.10
Rodeo Improvements	1,351,420.50
Rodeo Equine Improvements	2,329,406.89
Campus-Wide Wireless Access Points	245,531.42
NMJC Site Improvements - Phase 2	24,000,000.00
Athletics District Entrance Roadway	1,500,000.00
Rodeo Parking (Lot C)	3,000,000.00
Sports Complex Parking - South (Lot B)	1,000,000.00
Sports Complex Parking - West (Lot A)	3,500,000.00
Plazas & Pedestrian Promenade	2,160,000.00
Covenant Hospital	2,000,000.00
Workforce Training Contingency	2,984.81
Total	283,646,749.38



Memorandum

To: New Mexico Junior College Board

From: Dennis Holmberg, Executive Director
New Horizons Foundation (NHF)

Date: November 13, 2024

RE: Re-appointment of NHF Board of Directors members

The NHF Board of Directors met on November 13, 2024, and voted unanimously to recommend that you consider reappointing Guy Kesner, Tres Hicks, and Gregg Fulfer for another three year-term, which would expire on November 1, 2027. Your affirmation of this vote is called for in Section 3(b) of the NHF By-Laws, "Directors shall be elected to the Board of Directors by an affirmative vote of a majority of the Board of Directors of the New Mexico Junior College".

Guy Kesner, Tres Hicks, and Gregg Fulfer have all expressed their desire to continue serving.

Thank you for your consideration of this recommendation.