

NEW MEXICO JUNIOR COLLEGE

BOARD MEETING

Thursday, September 21, 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 August 17, 2023 | Pat Chappelle |
| D. President's Report | Derek Moore |
| E. Information Items | |
| 1. Student Success Board Committee Update | Travis Glenn |
| 2. Facilities Board Committee Update | Manny Gomez |
| 3. Monthly Expenditure Report | Josh Morgan |
| 4. Monthly Revenue Report | Josh Morgan |
| 5. Oil and Gas Revenue Report | Josh Morgan |
| 6. Schedule of Investments | Josh Morgan |
| F. New Business | |
| 1. Consideration of Transfer from Reserves to Capital | Josh Morgan |
| 2. Consideration of ITB #1101 Workers' Compensation Insurance | JoeMike Gomez |
| G. Public Comments | |
| H. Determination of Next Meeting | Pat Chappelle |
| I. Adjournment | Pat Chappelle |

**NEW MEXICO JUNIOR COLLEGE
BOARD MEETING
AUGUST 17, 2023
MINUTES**

The New Mexico Junior College Board met on Thursday, August 17, 2023, beginning at 1:30 p.m. in the Pannell Library, Zia Board Room. The following members were present: Ms. Patricia Chappelle, 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 and guests, Ms. Dorothy Fowler, Hobbs News Sun.

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

Upon a motion by Mr. Gomez, seconded by Mr. Kesner, the Board unanimously approved the minutes of July 20, 2023.

Under President's Report Ms. Amy Coombes provided an update of new employees and employee resignations. In addition, Dr. Moore announced Dr. William Brown has accepted the Vice President of Institutional Research, Planning, and Effectiveness position and will officially begin on September 16, 2023.

Dr. Moore reported the NMJC Fair & Booth Rodeo had over 30 NMJC volunteers. In addition, the Empty Saddles Banquet had 80 individuals RSVP and had over 100 attendees. Dr. Moore thanked all of the NMJC volunteers who made both events a success.

Dr. Moore reported US Representative Gabe Vasquez's visit to the NMJC campus went extremely well. He stated priorities included discussions with 6 NMJC students from diverse areas and various areas of study, Workforce Development in the State of New Mexico, Southeast New Mexico and nationwide, Campus Safety, Mental Health, Cyber Security, Infrastructure, Renewal and Replacement and Federal Grants. Dr. Moore noted students highly complemented the friendly environment they have encountered at NMJC. Mr. Glenn asked if students had expressed any concerns. Dr. Moore responded no concerns were expressed but noted a student mentioned there is a need for additional student activities for non-residential students.

Dr. Moore reported 20 NMJC participants have been selected to participate in Cohort 1 of the NMJC Leadership Institute two-year program. Year one in the program will be workshop based and year two will be project based. He further noted all projects will be aligned to NMJC's Strategic Plan. Dr. Moore stated Cohort 2 will be done by an application process.

Dr. Moore reported NMJC's fall enrollment unofficial numbers are currently at 1,824 students, an increase from last year at this time. Dr. Moore noted enrollment numbers will show a significant increase with the forthcoming addition of dual credit student numbers by approximately 350.

Dr. Moore reported NMJC welcomed close to 400 students at the NMJC Student Orientation. Dr. Moore thanked everyone involved in the preparation and work to make a successful orientation for the NMJC students.

Dr. Moore reported the Legislative Finance Committee met at San Juan College in Farmington, New Mexico. Critical discussions included retention and graduation rates in the State of New Mexico and peer institutions. In addition, Dr. Moore noted NMJC retention/graduation rates are approximately 5% below peer institutions but noted as NMJC continues to move forward from year to year, NMJC will strive to increase those percentages.

Dr. Moore reported he will be the speaker at the Lovington Rotary Club on Wednesday, August 23, 2023 in Lovington, New Mexico.

Under Information Items Mr. Josh Morgan presented the Expenditure Report, Revenue Report, Oil and Gas Revenue Report, and Schedule of Investments Report for June 2023. Mr. Morgan pointed out a correction to the "Year-to-date Revenue Total Plant Funds" reported as \$593,594 with a corrected amount of \$893,594. Mr. Gomez asked if the "Budget Received" at 41% is correct. Mr. Morgan responded 41% is correct as reported.

Under New Business Mr. Morgan reported each year, NMJC must submit new or renewal requests for funding of the RPSP for the coming fiscal year to HED. He reported an HED issued guidance on preparation of RPSPs stated RPSPs specifically supporting I&G purposes should not be submitted as an RPSP but should instead be included in the institutions I&G base. RPSPs falling below \$200,000 must be rolled into I&G, regardless of the function. Therefore, FY 2024, RPSPs for Oil & Gas Training Center - \$156,200, Lea County Education Consortium - \$26,600, and Wrap-Around Student Support Services - \$150,000, will be rolled into the I&G Base. Administration requested approval to submit: 1) Expansion request for Athletics in the amount of \$936,400, an increase of \$350,000 for travel costs; 2) Increase funding request for nursing in the amount of \$300,000 will allow continuance of Phase 1 nursing expansion; and 3) New funding request for the Thunderbird Health Clinic in the amount of \$550,000. Administration requested approval to submit a total of \$2,368,300 to the HED for the three RPSP projects. Mr. Gomez asked for elaboration of the nursing expansion "Phase 1". Dean Stephanie Ferguson responded the Phase 1 Nursing Expansion will continue funding for: 1) a dedicated social worker to increase wraparound services such as tutoring, advising, transportation services, counseling, and food insecurity, if needed, to support the nursing program; 2) will support the necessity of out-of-town and overnight travel for students in clinical rotations; 3) funding for pre-nursing TEAS preparation, and 4) a student success coach to help with non-academic challenges. Mr. Kesner asked for tracking of effectiveness and outcomes with a possibility of presenting at the Association of Community College Trustees Leadership Conference in 2025. Mr. Glenn asked if the increase of \$300,000 in Athletics includes an incentive to obtain bus drivers for NMJC athletes. Mr. Morgan

and Dr. Carroll responded progress has been made. Upon a motion by Mr. Glenn, seconded by Ms. Rising, the Board unanimously approved the RPSR request as presented.

Ms. Chappelle called for comments from the public. There being none, the next Regular Board Meeting was scheduled for Thursday, September 21, 2023 at 1:30 pm in the Zia Board Room.

Upon a motion by Mr. Kesner, seconded by Mr. Baeza and by unanimous consent, the meeting adjourned at 2:15 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 14, 2023
RE: August 2023 Financial Reports

Expenditure Report:

August is the second month or 16% 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 August is \$42,969,338.

The total current unrestricted fund expenditures through August are \$7,977,364, which is 19% 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. Over all, expenditures are up as compared to August 2022.

Restricted fund expenditures through August are \$2,287,732. 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 made for the summer and fall semesters. The year-to-date restricted student aid is up compared to FY 23 due to higher enrollment.

Total plant fund expenditures through August are \$32,704,242. Most of the expenditures are related to rolling forward of encumbrances from FY 23 and the encumbrance for the construction of the Industrial Technology Center. 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 \$421,074 and equipment renewal and replacement expenditures are \$90,235.

Revenue Report:

Total current unrestricted revenue received in August was \$2,866,119. This mostly consists of tuition and fees for the fall semester, the monthly allocation from the state, the oil and gas

production accrual of \$816,667, and auxiliary revenue (Bookstore, Housing, and Food Services). The oil and gas revenue for August only includes the accrual for the month of August. We will not begin reporting actual FY 24 revenue until October. We will not begin receiving property tax revenue for FY 24 until November. Total year-to-date current unrestricted revenue is \$5,525,855.

Total current restricted revenue received in August for grants and student aid was \$1,553,072. Total year-to-date current restricted revenue is \$1,860,446.

Total plant fund revenue received in August is \$933,144. This consist of the LGIP interest. Total year-to-date plant fund revenue is \$1,526,738.

Total revenue for the month of August is \$5,352,335. Total year-to-date revenue is \$8,913,039.

Oil and Gas Revenue Report:

The Oil & Gas Report reflects revenue that is recorded into FY 23. In August, the College received \$5,599,306 in oil & gas revenue for the month of May. There will be one more month of oil & gas revenue to be posted in FY 23. Total oil and gas revenue for FY 23 including the accrual for June is \$84,662,335.

Investment Report:

The College began the month of August with \$203,000,000 invested with the LGIP. During the month, the College deposited \$7,000,000 with the LGIP resulting in an ending balance of \$210,000,000 with the LGIP at the end of August. The College earned \$933,144 in interest at a net yield of 5.321% during the month of August.

At the end of August, there was \$186,150,124 in allocated capital projects.

This concludes the financial report for August 2023.

NEW MEXICO JUNIOR COLLEGE

Expenditure Report

August 2023

16% 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	919,057	7%	12,920,876	1,215,506	1,820,000	14%
Academic Support	2,921,190	350,528	12%	3,190,536	374,246	649,024	20%
Student Services	2,827,588	296,173	10%	3,873,597	384,419	596,330	15%
Institutional Support	6,446,327	859,986	13%	6,782,391	818,202	1,395,965	21%
Operation & Maintenance of Plant	5,729,882	691,604	12%	5,798,525	474,936	1,163,499	20%
Subtotal - Instruction & General	30,693,742	3,117,348	10%	32,565,925	3,267,309	5,624,818	17%
Public Service	59,300	285	0%	-	-	-	0%
Internal Service Departments	267,730	7,268	3%	198,349	-	33,654	17%
Student Aid	980,031	488,921	50%	760,880	251,116	293,879	39%
Auxiliary Enterprises	3,012,636	300,411	10%	3,020,182	572,014	856,096	28%
Athletics	3,259,649	580,767	18%	4,567,603	880,771	1,168,917	26%
Total Current Unrestricted Fund	38,273,088	4,495,000	12%	41,112,939	4,971,210	7,977,364	19%
CURRENT RESTRICTED FUND							
Grants	1,965,462	111,778	6%	1,232,251	111,754	164,692	13%
Student Aid	4,216,931	1,858,380	44%	4,216,931	1,908,374	2,123,040	50%
Total Current Restricted Fund	6,182,393	1,970,158	32%	5,449,182	2,020,128	2,287,732	42%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from Institutional Funds	16,198,965	4,961,270	31%	188,749,285	18,141,844	25,760,327	14%
Projects from State GOB Funds	3,944,888	36,650	1%	5,310,214	2,323,717	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	78,478	0%	2,125,000	-	-	0%
Projects from Other State Funds	-	-	0%	684,085	6,223	22,076	3%
Projects from Private Funds	-	-	0%	102,697	-	190.00	0%
Projects from State ER&R	1,375,854	215,221	16%	1,238,666	6,200	90,235	7%
Projects from State BR&R	1,255,745	390,427	31%	794,875	20,841	421,074	53%
Subtotal - Capital and BR&R	23,970,765	5,766,297	24%	201,384,037	20,498,825	32,704,242	16%
Debt Service							
Revenue Bonds	-	-	0%	-	-	-	0%
Total Plant Funds	23,970,765	5,766,297	24%	201,384,037	20,498,825	32,704,242	16%
GRAND TOTAL EXPENDITURES	68,426,246	12,231,455	18%	247,946,158	27,490,163	42,969,338	17%

NEW MEXICO JUNIOR COLLEGE

Revenue Report

August 2023

16% 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	927,750	24%	3,935,027	503,957	1,026,156	26%
State Appropriations	7,990,496	1,095,168	14%	8,158,200	649,083	1,298,166	16%
Advalorem Taxes - Oil and Gas	84,984,162	625,000	1%	12,550,000	816,667	1,633,334	13%
Advalorem Taxes - Property	13,982,841	-	0%	12,400,000	-	-	0%
Other Revenues	289,053	9,674	3%	145,000	50,628	56,782	39%
Subtotal - Instruction & General	111,050,640	2,657,592	2%	37,188,227	2,020,335	4,014,438	11%
Internal Service Departments	57,085	1,233	2%	66,700	-	1,063	2%
Auxiliary Enterprises	2,504,902	1,150,585	46%	2,854,642	798,609	1,416,629	50%
Athletics	560,600	90,467	16%	686,400	47,175	93,725	14%
Total Current Unrestricted	114,173,227	3,899,877	3%	40,795,969	2,866,119	5,525,855	14%
CURRENT RESTRICTED FUND							
Grants	1,965,462	70,010	4%	1,232,251	52,601	102,263	8%
Student Aid	4,216,931	1,521,348	36%	4,216,931	1,500,471	1,758,183	42%
Total Current Restricted	6,182,393	1,591,358	26%	5,449,182	1,553,072	1,860,446	34%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from State GOB Funds	3,941,406	-	0%	5,310,214	-	-	0%
Projects from State STB Funds	484,250	-	0%	2,379,215	-	-	0%
Projects from General Fund	353,400	-	0%	2,125,000	-	-	0%
Projects from BR&R	65,671	-	0%	124,386	-	-	0%
Interest Income (LGIP)	5,223,271	349,364	7%	1,450,000	933,144	1,526,738	105%
Total Plant Funds	10,067,998	349,364	3%	11,388,815	933,144	1,526,738	13%
GRAND TOTAL REVENUES	130,423,618	5,840,599	4%	57,633,966	5,352,335	8,913,039	15%

NEW MEXICO JUNIOR COLLEGE

Oil and Gas Revenue Report

June 2023

100% 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	2022-23 Original Budget	Variance Over (Under) Budget
Distribution								
Actual	July	\$100.13	29,161,904	\$6.38	89,385,817	8,010,212	625,000	7,385,212
Actual	August	\$93.67	29,231,332	\$6.94	88,894,987	7,702,512	625,000	7,077,512
Actual	September	\$83.81	30,023,954	\$6.00	100,786,354	7,057,025	625,000	6,432,025
Actual	October	\$85.20	31,926,012	\$3.99	102,167,618	7,073,856	625,000	6,448,856
Actual	November	\$83.45	30,710,559	\$3.83	97,976,968	6,686,257	625,000	6,061,257
Actual	December	\$75.74	32,444,974	\$3.74	64,805,756	6,588,970	625,000	5,963,970
Actual	January	\$75.27	34,199,387	\$3.53	112,841,654	6,702,335	625,000	6,077,335
Actual	February	\$72.47	30,468,746	\$3.08	101,126,369	5,953,280	625,000	5,328,280
Actual	March	\$72.02	34,110,502	\$2.60	114,441,806	6,091,567	625,000	5,466,567
Accrual	April	\$77.01	33,365,842	\$2.23	110,868,565	6,275,251	625,000	5,650,251
Accrual	May	\$69.66	33,280,265	\$2.33	104,375,759	5,599,306	625,000	4,974,306
Accrual	June					625,000	625,000	0
Y.T.D. Production Tax Revenue						74,365,571	7,500,000	66,865,571
Y.T.D. Equipment Tax Revenue						10,296,764	1,655,000	8,641,764
Total Year-to-Date Oil & Gas and Equipment Tax Revenue						<u>84,662,335</u>	<u>9,155,000</u>	<u>75,507,335</u>

NEW MEXICO JUNIOR COLLEGE

Schedule of Investments

August 2023

16% of Year Completed

Financial Institution	Amount Invested	Account Number	Interest Rate	Interest Earned
State of New Mexico Local Government Investment Pool	203,000,000	7102-1348	5.321%	933,144
Plus deposits	7,000,000			
Less withdrawals	-			
Total LGIP investments	210,000,000			933,144

Capital Project	8/31/2023
Vehicles	596,783.89
Campus Facilities Master Plan	100,000.00
Chrome River	70,000.00
WHM North Gallery Renovation	505,994.73
Campus Vestibules	1,218,288.59
Voc B Airhandler	2,000,000.00
Softball Field	5,790,000.00
National Track Meet	135,333.35
Technology Upgrade	775,338.80
Professional Development	84,440.84
Ben Alexander Renovation	3,000,000.00
Baseball Field	1,820,073.45
Rodeo Arena	151,457.08
Fire Alarm Upgrade	272,402.86
Landscaping	247,750.00
Smart Classrooms	340,042.01
Campus Signage	48,633.01
Campus Paving	460,557.50
Std Ctr & Bob Moran Roof Replacement	2,650,000.00
Master Landscaping Project	13,505,773.14
Dorm/Apartment Refurbish	1,831,478.30
Concrete Upgrade	185,664.78
Campus Construction	292,340.25
Workforce Development	246,578.02
Higher Learning Commission	113,895.87
Campus Security	131,571.72
Copier Replacement	144,155.22
Non-Recurring Compensation	1,201,234.00
Athletics	154,305.79
Student Life Programming	20,000.00
Succession Plan	916,534.35
WHM Exhibits	222,918.09
Track Upgrades	176,134.08
Driving Range Upgrades	150,000.00
Cafeteria Upgrade	233,098.56
Equestrian Center	4,929,949.09
Turf Replacement	300,000.00
Watson Hall Renovation	4,925,298.96
Facilities Management System	17,165.09
Caster Upgrades	500,000.00
Industrial Training Center	18,529,920.70
Heidel Hall Renovation	19,996,202.16
Infrastructure Upgrades	3,378,619.59
Campus Housing Unit	15,142,686.15
Cafeteria Construction	14,655,748.10
Mansur Hall Remodel	2,586,575.09
Mary Hagelstein Remodel	2,966,750.25
Campus Wide Access Control	2,137,261.06
Dorm/Apartment Furniture Replacement	810,617.44
Roof Replacement	3,000,000.00
CORE	1,500,000.00
Tbird Health Clinic Caster Annex Remodel	500,000.00
NMJC/Lea County Quality of Life (ENMT)	5,355,942.82
Central Plant Expansion	1,242,509.04
Master Drainage Plan	2,470,983.06
Student Hub	9,607,790.00
NMJC/Lea County Culinary Arts	2,500,000.00
NMJC Indoor Athletic Facility	15,000,000.00
Building Renovation	14,300,000.00
Workforce Training Contingency	3,327.46
Total	186,150,124.34

NEW MEXICO JUNIOR COLLEGE

Vice President for Finance

To: New Mexico Junior College Board Members

From: Josh Morgan

RE: Capital Transfers

Date: September 12, 2023

Board members,

As part of our process to close out FY 23, we evaluate our Instruction and General (I&G) reserve balances and identify capital projects to transfer funds from I&G to Capital. Oil and gas revenues collected in excess of budgeted amounts are considered as a funding source for capital need. In review of this years I&G reserve balances, we are requesting the board to approve the following Capital transfers:

<u>Request</u>	<u>Project</u>	<u>Current Balance</u>	<u>Proposed Balance</u>
\$ 15,000,000	NMJC Indoor Athletic Facility	\$ 15,000,000	\$ 30,000,000
\$ 2,000,000	Central Plant Expansion	\$ 1,242,509	\$ 3,242,509
\$ 2,000,000	Master Drainage Plan	\$ 2,474,204	\$ 4,474,204
\$ 2,000,000	Master Landscaping Plan	\$ 13,505,773	\$ 15,505,773
\$ 2,000,000	Infrastructure Upgrades	\$ 3,378,620	\$ 5,378,620
<u>\$ 2,000,000</u>	Equestrian Center	\$ 4,929,949	\$ 6,929,949
\$ 25,000,000	Total Request		

The projects listed above have been identified as either priority projects in the Campus Facilities Master Plan or help to accomplish the Strategic Plan and mission and vision of New Mexico Junior College.

Thank you,

Josh Morgan

New Mexico Junior College

5317 Lovington Highway
Hobbs, NM 88240

To: New Mexico Junior College Board
From: JoeMike Gomez
RE: Invitation to Bid #1101 – Workers' Compensation Insurance

September 21, 2023

Invitation to Bid #1101 – Workers' Compensation Insurance

Public Notice: August 15th, 2023

Hobbs News-Sun

Current base premium: \$66,697

Experience modifier moved from .74 to .85

Bid Summary:	Base Premium Per Year
Daniels Insurance Inc.	\$56,944
Recommendation for award:	
Daniels Insurance Inc.	<u>\$56,944</u>

Sincerely,
JoeMike Gomez
