

NEW MEXICO JUNIOR COLLEGE

BOARD MEETING

Thursday, February 15, 2018
Zia Board Room – Library
1:30 pm

AGENDA

- | | |
|---|-----------------|
| A. Welcome | Pat Chappelle |
| B. Adoption of Agenda | Pat Chappelle |
| C. Approval of Minutes of January 18, 2018 | Pat Chappelle |
| D. President's Report | Kelvin Sharp |
| E. New Business | |
| 1. Monthly Expenditure Reports | 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 Open Meetings Resolution | Scotty Holloman |
| 6. Consideration of Resolution to transfer Eunice Building to Eunice Municipal Schools | Scotty Holloman |
| 7. Consideration of NMJC Board Travel to New York City, NY to attend the 2018 ACCT Leadership Conference, October 24-27 | Pat Chappelle |
| F. Public Comments | Pat Chappelle |
| G. Announcement of Next Meeting | Pat Chappelle |
| H. Closure of Open Meeting | Pat Chappelle |
| I. Adjournment | Pat Chappelle |

**NEW MEXICO JUNIOR COLLEGE
BOARD MEETING
JANUARY 18, 2018
MINUTES**

The New Mexico Junior College Board met on Thursday, January 18, 2018, 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; Ms. Evelyn Rising; and Mr. Hector Baeza.

Ms. Chappelle called the meeting to order and welcomed visitors and guests present: Dorothy Fowler, Hobbs News-Sun, Dennis Holmberg, J.F. Maddox Foundation and Cynthia Bryan, RPC CPAs & Consultant's, LLP.

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

Upon a motion by Mr. Gomez, seconded by Mr. Glenn, the Board unanimously approved the minutes of December 21, 2017.

Under President's Report, Rodeo Coaches Clay Bonner and Stewart Kinley introduced the NMJC Rodeo Team and recognized the students for their academic honors. In addition, Mr. Robert Morris, Assistant Rodeo Coach, recognized Ms. Swaize Lee for being a recipient of the American Scholar awards by the National Intercollegiate Rodeo Association (NIRA). The Board commended and thanked the coaches and team for their high-level performance as students and athletes.

Mrs. Diane Marquez, Dean of Arts & Humanities, presented a presentation of the Accelerated Learning Program (ALP), in the English Department. The program allows students who are under-prepared in writing to receive extra instruction with a co-requisite model accelerated (transitional) class along with the credit course class under the same instructor. She reported the pilot class offered in the Fall 2017 was successful with 100% pass rate for the under-prepared students. In

addition, she stated the professor and students provided positive feedback of the class. Dean Marquez noted Spring 2018 currently has one accelerated learning class and Fall 2018 will offer two classes with an additional instructor.

Dr. Sharp reported legislative sessions began on January 16 and noted legislators are continuing to look at different funding models for higher education with no plans to add new money. Dr. Sharp stated he plans to attend a House Appropriations meeting on January 23 and a Senate Finance meeting on January 25 and is hopeful legislators will have a better consensus at that time.

Dr. Sharp distributed the annual “Acknowledgement of Conflict of Interest Policy” with attached Policy No. 304 from the NMJC Board Policy Manual to Board members for signatures.

Under New Business, Mr. Dan Hardin introduced Ms. Cynthia Bryan with RPC CPAs & Consultant’s, LLP, who presented the audit report for Fiscal Year June 30, 2017. Ms. Bryan reported an unmodified opinion was issued to the institutions financial statements. Upon a motion by Mr. Gomez, seconded by Mrs. Vinson, the Board unanimously approved the audit as presented.

Mr. Dan Hardin presented the December 2017 financial reports. Upon a motion by Mr. Glenn, seconded by Mr. Gomez, the Board unanimously approved the Expenditure Report for December 2017. In addition, the Revenue Report, Oil and Gas Revenue Report, and Schedule of Investments Report were reviewed.

Mr. Dan Hardin presented the December 31, 2017 Quarterly Financial Action Report for approval. Upon a motion by Mr. Glenn, seconded by Mr. Black, the Board unanimously approved the report as presented.

Ms. Chappelle called for comments from the public. Dr. Darrell Beauchamp, Executive Director of the Western Heritage Museum and Lea County Cowboy Hall of Fame, invited the Board to attend the grand opening reception of the “In the Dark” exhibit at the Western Heritage Museum scheduled to run through May 13, 2018. In addition, he noted 4-time World Champion Bull Rider Tuff Hedeman will be in attendance for an informal meet and greet.

Ms. Chappelle asked Board members to consider attending the ACCT Leadership 2018 Conference in New York City on October 24, 2018 through October 27, 2018.

Ms. Chappelle reminded the Board members of Board Training scheduled for January 26, 2018 in the Ben Alexander-Daniels room beginning at 8:00 am.

The next regular board meeting was scheduled for Thursday, February 15, 2018 beginning at 1:30 pm.

Upon a motion by Mrs. Vinson, seconded by Mr. Black, the board meeting adjourned at 2:21 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: February 9, 2018

RE: Expenditure and Revenue Reports for January 2018

January is month seven or 58% of the budget for the 2017/2018 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 January is \$23,931,603.00.

The total expenditures for Instruction & General through January are \$12,175,234.00, which is 55% of the original budget. The year-to-date expenditures for Total Current Unrestricted Funds are \$16,448,134.00. As you review the current unrestricted funds many of these areas have expended a large portion of their budget, most are expenses at the beginning of each semester. The Business Office is required to do a monthly transfer from Instruction and General to Computer Services to cover costs in Computer Services. Some months that credit is greater than the expenses for the month in Internal Services. Student Aid is where the tuition is expensed for the high school students enrolled in the dual credit and early college classes; it is also where we expense the employee tuition & fee waivers, and the senior citizen tuition waivers.

In the Restricted Funds the expenditures in the grant area is relatively normal for this time of year. Stacey Wynn, the Grants Accountant is very diligent in monitoring grants expenses and drawing funds down in a timely fashion. Restricted Student Aid always has a large financial aid payout in January. The College now offers students the option of receiving their financial aid thru direct deposit, reloadable debit card, or by check. A large percentage of the students elected to use the direct deposit option, but as the students become more familiar with the process we expect the direct deposit option will be the option of choice. Total restricted funds through January of 2018 are \$4,390,092.00.

Plant fund expenditures and encumbrances year-to-date is \$3,093,377.00, most of which is the Technology Upgrade, Student Housing upgrades, Entertainment Technology remodel and many small projects.

Total expenditures through January 2018 were \$23,931,603.00, which is 50% of the

original budget.

Total Current Unrestricted revenue received in January 2018 was \$6,959,532.00. This consists of the tuition and fees, the monthly allocation from the State, the Oil and Gas mill levy, property tax mill levy, bookstore and housing revenue. Tuition and Fees collected \$452,564.00 in January, the State appropriation for January was \$469,158.00, and the College received \$2,183,650.00 in Oil and Gas and Oil and Gas equipment tax in January. Property tax mill levy revenue received for January was \$3,298,916.00. Auxiliary enterprises had revenue of \$396,361.00 in January, mostly coming from the bookstore and housing.

Restricted funds drawn in for grants and student aid was \$1,546,223.00. Most of the funds were for restricted student aid, as the College awards the financial aid for the Spring semester. There will be additional drawdowns in February.

In Plant Fund revenue \$108,694 was drawn in from STB funds on the Allied Health project, and 8,763 was the interest income received from the LGIP funds.

Total revenue for January 2018 is \$8,623,212.00, with year-to-date revenue of \$26,951,409.00, which is 68% of the original budget.

The Oil and Gas report reflects the mill levy revenue from Oil and Gas and Oil and Gas equipment taxes. The total Oil and Gas and Oil and Gas equipment revenue through January of 2018 is \$6,685,994.00. In January, the College received \$1,129,761.00 in Oil & Gas mill levy revenue, which is the revenue for the month of October. The College also received \$1,053,889 in Oil & Gas equipment mill levy revenue.

The investment report is showing the \$5,593,127.00 in LGIP funds as of the end of January 2018, and \$3,000,000.00 in CDAR's with Lea County State Bank. Also, there are \$11,677,643.96 in funds designated for capital projects.

This concludes the Financial Report for January 2018.

NEW MEXICO JUNIOR COLLEGE

Expenditure Report

January 2018

58% of Year Completed

Fund	2016-17			2017-18			
	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	10,189,730	5,435,744	53%	10,058,717	775,906	5,244,106	52%
Academic Support	2,520,941	1,613,184	64%	2,501,303	202,108	1,545,351	62%
Student Services	1,996,717	1,167,624	58%	1,990,627	138,683	1,097,419	55%
Institutional Support	3,847,809	2,899,637	75%	3,888,147	325,373	2,215,860	57%
Operation & Maintenance of Plant	3,653,853	2,088,064	57%	3,652,603	301,400	2,072,498	57%
Subtotal - Instruction & General	22,209,050	13,204,253	59%	22,091,397	1,743,470	12,175,234	55%
Research	0		0%	850,000	140,798	642,403	76%
Public Service	0		0%	50,000	3,267	20,504	41%
Internal Service Departments	85,520	155,429	182%	87,288	(10,970)	184,474	211%
Student Aid	668,551	642,054	96%	668,551	106,741	448,008	67%
Auxiliary Enterprises	2,038,349	2,080,027	102%	2,066,294	122,150	1,808,875	88%
Athletics	1,191,478	1,109,243	93%	1,270,979	376,701	1,168,636	92%
Total Current Unrestricted Fund	26,192,948	17,191,006	66%	27,084,509	2,482,157	16,448,134	61%
CURRENT RESTRICTED FUND							
Grants	1,977,141	796,161	40%	1,977,141	55,622	552,973	28%
Student Aid	3,989,359	3,771,631	95%	3,989,359	1,596,332	3,837,119	96%
Total Current Restricted Fund	5,966,500	4,567,792	77%	5,966,500	1,651,954	4,390,092	74%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from Institutional Funds	11,519,140	3,623,009	31%	9,723,989	239,265	1,937,623	20%
Projects from State GOB Funds	4,955,549	4,950,674	0%	3,960,000		102,377	3%
Projects from State STB Funds	785,072	500,900	0%	596,058		557,752	94%
Projects from General Fund	0		0%	0	9,416	41,172	0%
Projects from Private Funds	0		0%	0			0%
Projects from State ER&R	332,720	140,923	42%	332,720	11,325	68,943	21%
Projects from State BR&R	597,281	212,029	35%	597,281	29,051	385,510	65%
Subtotal - Capital and BR&R	18,189,762	9,427,535	52%	15,210,048	289,057	3,093,377	20%
Debt Service							
Revenue Bonds	0		0%	0	0	0	0%
Total Plant Funds	18,189,762	9,427,535	52%	15,210,048	289,057	3,093,377	20%
GRAND TOTAL EXPENDITURES	50,349,210	31,186,333	62%	48,261,057	4,423,168	23,931,603	50%

NEW MEXICO JUNIOR COLLEGE

Revenue Report

January 2018

58% of Year Completed

Fund	2016-17			2017-18			
	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	3,667,000	3,552,646	97%	3,812,000	452,564	3,603,818	95%
State Appropriations	5,982,400	2,917,574	49%	5,629,937	469,158	3,284,106	58%
Advalorem Taxes - Oil and Gas	7,235,000	5,603,537	77%	7,235,000	2,183,650	6,685,994	92%
Advalorem Taxes - Property	7,052,621	5,591,051	79%	7,700,000	3,298,916	5,560,585	72%
Interest Income	15,000	195	1%	10,000	202	1,349	13%
Other Revenues	347,984	300,444	86%	296,538	119,610	302,250	102%
Subtotal - Instruction & General	24,300,005	17,965,447	74%	24,683,475	6,524,100	19,438,102	79%
Research	0	0	0%	400,000		200,000	50%
Public Service	0	0	0%	0		0	0%
Internal Service Departments	39,170	7,368	19%	12,500	131	4,919	39%
Auxiliary Enterprises	2,586,000	2,462,569	95%	3,668,000	396,361	2,500,370	68%
Athletics	477,300	264,147	55%	448,100	38,940	267,366	60%
Total Current Unrestricted	27,402,475	20,699,531	76%	29,212,075	6,959,532	22,410,757	77%
CURRENT RESTRICTED FUND							
Grants	1,977,141	819,607	41%	1,977,141	124,665	633,282	32%
Student Aid	3,989,359	3,410,273	85%	3,989,359	1,421,558	3,479,534	87%
Total Current Restricted	5,966,500	4,229,880	71%	5,966,500	1,546,223	4,112,816	69%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from State GOB Funds	4,955,549		0%	3,960,000			0%
Projects from State STB Funds	785,072	0	0%	596,058	108,694	381,614	64%
Projects from General Fund	0	0	0%	0		0	0%
Projects from Private Funds	0	0	0%	0		0	0%
Interest Income (LGIP)	10,000	24,156	242%	25,000	8,763	46,222	185%
Total Plant Funds	5,750,621	24,156	0%	4,581,058	117,457	427,836	9%
GRAND TOTAL REVENUES	39,119,596	24,953,567	64%	39,759,633	8,623,212	26,951,409	68%

NEW MEXICO JUNIOR COLLEGE

Oil and Gas Revenue Report

January 2018

58% 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	2017-18 Original Budget	Variance Over (Under) Budget
	Distribution							
Actual	July	\$41.11	7,043,447	\$3.16	25,188,223	817,449	465,000	352,449
Actual	August	\$43.06	7,085,620	\$3.71	25,547,110	873,645	465,000	408,645
Actual	September	\$44.66	7,227,236	\$3.79	24,020,104	965,644	465,000	500,644
Actual	October	\$45.76	8,509,170	\$3.65	30,213,740	1,129,761	465,000	664,761
Accrual	November					465,000	465,000	0
Accrual	December					465,000	465,000	0
Accrual	January					465,000	465,000	0
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						5,181,499	5,580,000	(398,501)
Y.T.D. Equipment Tax Revenue						1,504,495	1,655,000	(150,505)
Total Year-to-Date Oil & Gas and Equipment Tax Revenue						<u>6,685,994</u>	<u>7,235,000</u>	<u>(549,006)</u>

Source: New Mexico Taxation and Revenue Department

NEW MEXICO JUNIOR COLLEGE

Schedule of Investments

January 2018

58% of Year Completed

Financial Institution	Amount Invested	Account Number	Interest Rate	Interest Earned
State of New Mexico Local Government Investment Pool	8,593,127	7102-1348	1.058%	8,763
Plus deposits	0			
Less withdrawals	3,000,000			
Total LGIP investments	<u>5,593,127</u>			<u>8,763</u>
Lea County State Bank CDAR	<u>3,000,000</u>		1.76%	

Capital Project	1/31/2018
Vehicles	6,093.50
Campus Master Plan	60,000.00
Technology Upgrade	98,906.53
JASI	10,860.82
WHM South Gallery	266,594.43
Baseball Field	14,522.68
Rodeo Arena	8,895.24
Luminis Software	2,993.00
Landscaping	164,418.17
Campus Signage	245,282.62
Dorm/Apartment Refurbish	18,628.70
Campus Construction	136,904.17
Oil & Gas Training	144,149.32
Public Sector	9,227.00
Campus Security	88,283.18
Lumens Software-Distance Learning	5,000.00
Copier Replacement	274.00
Non-Recurring Compensation	652,169.10
Athletics	3,188.90
Student Life Programming	20,432.28
Warehouse/Cont Ed Remodel	384.00
Succession Plan	52,014.15
WHM Exhibits	139,368.12
Mansur Hall Upgrades	1,961.13
Driving Range Upgrades	200,000.00
Entertainment Technology	0.00
Cafeteria Upgrade	160,842.86
Channel 19 Upgrade	8,115.71
FERPA & Title IX	5,610.68
Equestrian Center	3,000,000.00
Bob Moran Upgrades	56,428.06
Turf Replacement	82,781.47
WHM Titanic Exhibit	3,734.85
HVAC Software-Central Plant	200,000.00
Busing Support for Recruiting	5,872.30
HED Faculty Development	17,914.40
Omni Update	7,500.00
Allied Health	5,776,181.77
Workforce Training Contingency	2,110.82
Total	11,677,643.96