

**NAVARRO COLLEGE BOARD OF TRUSTEES
JULY 30, 2019 MEETING
MINUTES**

The Navarro College Board of Trustees gathered in the Bulldog Board Room located in Walker Dining Hall on the Corsicana Campus to conduct their regular monthly meeting on Thursday, June 27, 2019 following dinner in the President's Dining Room. All trustees were in attendance including Chairman Phil Judson, Vice-Chairman Billy Todd McGraw, Secretary-Treasurer Richard Aldama, and members: A. L. "Buster" Atkeisson, Faith Holt, Loran Seely, and Mr. Kim Wyatt.

Others in attendance included:

Dr. Kevin G. Fegan	District President
Ms. Teresa Thomas	Vice President, Finance and Administration
Ms. Sina Ruiz	Vice President, Enrollment Management and Instl. Effectiveness
Ms. Marcy Ballew	Vice President, Human Resources
Dr. Carol Hanes	Vice President, Academic Affairs
Ms. Maryann Hailey	Vice President, Student Services
Dr. Harold Housley	Vice President, Operations and Instl. Advancement
Ms. Stacie Sipes	Director, Marketing and Public Information
Mr. Barry Sullivan	Director, Information Technology
Mr. Guy Featherston	Dean, Midlothian Campus and Health Professions
Ms. Christina Mims	Dean, Mexia Campus
Ms. Susan Womack	Research Analyst, Strategic Planning Lead for Corsicana Campus
Ms. Leslie Smith	Executive Assistant to the District President
Ms. Jeanette Underwood	Dean, Academic Dean of Waxahachie Campus
Dr. Shellie O'Neal	Professor of Drama/Speech
Ms. Janet Daugherty	Director of Budget and Procurement
Ms. Jan Phillips	Director of Business Services and Cahier's Office
Ms. Kathy Kistler	Director of Payroll and Accounts Payable
Ms. Kristal Nicholson	Director of Student Financial Aid
Ms. Kathleen Armstrong	Interim Comptroller
Mr. Adrian Ionce	Alpin Sun - Clean Vision Solar LLC
Mr. Garrett Peters	KE Andrews – Clean Vision Solar LLC
Mr. Sam Moore	KE Andrews – Clean Vision Solar LLC
Mr. John Boswell	Corsicana/Navarro County Economic Development Director

Other faculty, staff and community members were also present.

Call to Order

Chairman Judson called the meeting to order at 7:00 p.m. and welcomed all guests present. Trustee Seely was asked to begin the meeting with a prayer.

Board Announcements

Chairman Judson announced a Closed Session would be held following the District President's Report to discuss legal, real property and personnel matters according to Government Codes 551.071, 551.072 and 551.074. No action was anticipated.

Open Forum

There were no requests to address the Board.

Consent Calendar

- a. Minutes - June 23, 2019 Meeting

Trustee Holt moved to approve the Consent Calendar and Trustee Wyatt seconded the motion. The motion passed by unanimous vote.

Board Recognitions

Dr. Fegan acknowledged Corsicana Mayor Don Denbow and City Manager Connie Standridge in the audience and welcomed them.

The following Navarro College staff were recognized for their outstanding achievements:

- Dean Jeanette Underwood was recognized for having received the Student Government Association's Legends Award during the Spring 2019 convention. Dr. Fegan stated Dean Underwood is only the fifth person to receive this award in SGA's 49-year history. He thanked and congratulated Dean Underwood for her outstanding accomplishments that benefit students.
- The Finance Department team (Teresa Thomas, Janet Daugherty, Kristal Nicholson, Jan Phillips, Kathleen Armstrong, and Kathy Kistler) were recognized for receiving the Government Finance Officers Association (GFOA) award for Excellence in Financial Reporting for the 19th consecutive year.
- Dr. Shellie O'Neal was recognized for the play she authored, *Gnomes 911 - A Christmas Emergency*, being selected as one of 20 plays worldwide to be performed at the RAVE Theatre Festival in New York City August 14-18, 2019. Nine current and former Navarro College students were also selected to perform the play and will be traveling with Dr. O'Neal to New York. A public performance will be held at Navarro College in Dawson Auditorium on August 10th. Donations will be accepted. Dr. Fegan stated it's important to have individuals like Dr. O'Neal who can bring out the best in students. Dr. O'Neal, who is starting her 19th year at Navarro College, was congratulated by the Board of Trustees and everyone present with a standing ovation. Dr. O'Neal thanked the Board stating it was an honor and privilege and expressed her appreciation for the support she has received.

Chairman Judson thanked each of the staff members being recognized. He commended all for their "truly amazing talent", and how they "elevate Navarro College."

Consider Action on Resolution Authorizing Tax Abatement Agreement with Clean Vision Solar LLC

Mr. John Boswell, Corsicana/Navarro County Economic Development Director, was welcomed and thanked the Board for agreeing to reconsider Clean Vision Solar's request for a tax abatement agreement. He introduced Mr. Adrian Ionce, Vice President of Alpin Sun which is the developer of Clean Vision Solar LLC, and Mr. Sam Moore and Mr. Garrett Peters with KE Andrews. Mr. Ionce stated they were prepared to answer any questions.

Chairman Judson welcomed Mr. Ionce to Texas and stated there had been some questions regarding changes to the company's first tax abatement request including the number of employees (from five to two) and the capital investment of the project. He inquired about the timing of the project and if it was still on schedule. Mr. Ionce responded the company is still on schedule to break ground in January 2020 and the project completed by January 2022. He stated he saw no reason for major delays but it is a large facility requiring lots of supplies and it's not uncommon for some delays to occur due to the supply chain.

Trustee Wyatt inquired about the gap between the reinvestment zone and the proposed project and asked why they are not the same. Mr. Peters responded stating the project will not take the entire area of the reinvestment zone; the reinvestment zone borders the actual parcel as opposed to trying to cut into survey lines. The company is still determining best placement of the panels.

Trustee Aldama inquired why the acreage was changed from the first time it was presented. Mr. Ionce stated studies indicated some wetlands and flood lands that needed to be carved out for more "useable" property.

Trustee McGraw inquired where the solar supplies will come from. Mr. Ionce responded he could not answer that question at this time but they could come from different areas in Texas. Trustee McGraw stated he was trying to determine the benefit to the taxpayers in the community. Mr. Ionce stated the project does not require much manpower but it does produce clean energy which could result in more businesses moving into the community in the future. Trustee Atkeisson inquired who the energy will be sold to. Mr. Ionce responded the energy will be exported and sold to a supplier but could not share specific details.

Trustee Wyatt asked about the tax benefit for Blooming Grove ISD. Mr. Peters responded because school districts cannot enter into a tax abatement agreement, a 313 agreement was entered into with Blooming Grove ISD which limits the appraised value of the project for ten years. Blooming Grove ISD is guaranteed supplemental payments of \$55,000 per year. Over the 26-year life span of the project, Blooming Grove ISD is expected to net \$6 million revenue or approximately \$250,000 per year. Mr. Moore added that the limitation on that value only applies to maintenance and operations. Mr. Ionce added that taxable value is being added to Navarro County by their company.

Chairman Judson thanked Mr. Ionce for his presence. He stated the Board has a fiduciary responsibility to tax payers and it was important for a representative of the company with "skin in the game" to be present to answer questions.

Trustee Aldama moved to approve adoption of the resolution authorizing a tax abatement agreement with Clean Vision Solar, LLC and Trustee Wyatt seconded the motion. Trustee McGraw abstained from voting because of a possible conflict of interest with landowners. The motion passed by a majority vote.

Chairman Judson thanked Mr. Ionce for their investment in Navarro County. He also thanked Mayor Don Denbow and City Manager Connie Standridge for their interest in Navarro College and the development of Navarro County.

Consider Action on Adoption of 2019-2020 Fiscal Year Budget

During the Budget Workshop held on July 23, 2019, Dr. Fegan and staff presented the budget recommendation for fiscal year 2019-2020 in relation to achieving the College's vision, mission and values. Dr. Fegan asked Vice President Thomas to present an overview of the proposed budget in the format required by the State of Texas.

Vice President Thomas shared a breakdown of the proposed budget by fund: \$44,104,970 was allocated to the Educational & General Fund; \$10,422,427 to the Auxiliary Fund; \$29,707,195 for the Student Financial Aid Fund and \$2,238,934 for the Debt Service Fund for a grand total of \$86,473,526.

Trustee McGraw made a motion to adopt the proposed 2019-2020 fiscal year budget based on the very detailed and well-presented information given during the Budget Workshop the previous week. Trustee Atkeisson seconded the motion and the decision was unanimous.

Declare Intent to Set Ad Valorem Tax Rate for 2019 (Fiscal Year 2019-2020)

Vice President Thomas stated tax rates are still pending from the Office of the Navarro County Tax Assessor and requested this agenda item be tabled until the August 29, 2019 meeting.

Consider Action on June 2019 Financial Statement

Vice President Thomas reviewed the June 2019 Financial statement. Budget adjustments to reclassify grant funds, recognize receipt of the Foundation's grant to fund Dr. O'Neal's trip to New York City with Drama students, revenues generated by the Cosmetology Program, and interdepartmental transfers increased the 2018-2019 amended budget \$18,099 for a revised total of \$88,191,536 as of June 30, 2019.

A review of cash income and expenses for the ten months ending June 30, 2019 showed net income of \$4,130,270, a 23.38% increase compared to the prior year. Vice President Thomas stated the net income is subject to change but was hopeful it will still be in good standing at the end of the fiscal year once all expenditures are paid.

Trustee Seely made a motion to approve the June 2019 Financial Statement and Trustee Aldama seconded the motion. The motion passed by a unanimous vote.

Following the motion, brief discussion was held regarding Navarro College's 2019 taxable value in relation to its eligibility to offer a BSN program. Dr. Fegan explained that while Navarro College's total market value may exceed \$6 billion, the total "taxable value" of approximately \$4 billion does not meet the amount stipulated by the Texas Legislature.

Preliminary Review of July Financial Statement

Vice President Thomas continued with a preliminary review of the July 2019 financial statement.

She stated to date, budget adjustments recognizing revenue from EMT instruction (\$6,558), Foundation grants for Biology (\$9,996), Drama (\$8,500) and Cosmetology (\$769), additional Adult Education Federal Funding (\$6,362) and a reduction to cover vehicle maintenance needs (-\$4,500) have increased the 2018-2019 amended budget \$27,685 for a revised total of \$88,223,722.

No action was required. Chairman Judson thanked Vice President Thomas and her team for a great job.

Update on Enrollment

Vice President Ruiz shared an update on enrollment comparing headcount and contact hours to the prior year and revenue goals. She stated all Summer term enrollments, with the exception of Summer II 6-weeks, have now been validated and generated approximately \$2,303,641 in tuition and fees revenue. Summer II enrollment when validated is projected to generate an additional \$970,067 for a total of \$3,273,708 – exceeding the revenue goal of \$3,069,712 by 7% or \$200,000.

Dr. Fegan stated this is actually an 11% increase because of the 4% decline projected and is the longest stretch of enrollment increases in a number of years. He credited the increase to a combination of enrollment and academics scheduling courses that are on students' pathways. Not only was there an increase in revenues but fewer sections were offered than last year reducing cost as well. He commended the cooperation between Ms. Ruiz, Dr. Hanes and her team.

Vice President Ruiz continued with a review of Fall 2019 enrollment and anticipated revenues. She stated the revenue goal, \$9,552,241, is based on a decline of 1.36% in enrollment. At this point in time, 435 students are pre-registered for Fall 1st 8-week classes and 5,530 students are pre-registered in Fall 16-week classes. When validated, this will generate \$8,117,805 in tuition and fees, or 86% of the revenue goal. Initial validation will occur on August 16th and registration will continue through August 30th. Dr. Fegan stated he was cautiously optimistic revenue goals will be met.

Chairman Judson stated he appreciates being shown enrollment goals as they relate to dollars because it creates a better understanding of how enrollment impacts revenues.

Vice President Ruiz concluded by giving a brief update on Residence Life/Housing. Currently 703 out of 861 beds have been confirmed. Of the remaining 158 beds, 52 are dedicated to incoming athletes. In addition, applications are still coming in and it is expected the revenue goal of \$2,702,550 will be met.

When asked, Ms. Ruiz confirmed the IOOF cottages continue to be used by housing. She was thanked by Chairman Judson for a good report.

Update on GRAD TX

Vice President Ruiz continued with an update on the Grad TX program designed to increase participation and success of returning adult students who have stopped out of higher education without obtaining a degree or certificate. In fall 2017, Navarro College was one of the institutions selected by the Texas Higher Education Coordinating Board (THECB) to receive a \$50,000 two-year Grad TX grant award and was tasked with implementing or expanding innovative approaches to help students maximize their earned college credits. Ms. Ruiz shared the strategies that were implemented and the results that have been achieved. The majority of grant funds were used for emergency grant aid for students experience financial barriers to finishing their degrees. Ms. Ruiz shared that many students face food insecurities and are responsible for families. Some students were not able to graduate because of a \$300 financial barrier.

In spring 2019, 16 students with a total need of \$32,894 applied for an emergency grant. Twelve students were awarded a total of \$15,994; 10 out of the 12 students graduated. Summer 2019, 63 students applied with a total need of \$84,814. Because of priorities, only 20 students could be awarded a total of \$19,915. However, 13 additional students were awarded financial aid through TPEG in the amount of \$20,396.

Ms. Ruiz stated a lot has been learned through this process Some students could not be helped simply because they did not fill out a FAFSA. Dr. Fegan stated a workshop will be planned this fall on opportunities to assist more students at Navarro College. He stated with this track record, it positions Navarro College to write grant proposals.

Chairman Judson thanked Ms. Ruiz and added it was also important to thank the Foundation and all the work they do to help students.

Update on Personnel

Vice President Ballew gave an update on personnel activity. The following appointments were made during the period June 28, 2019 through July 30, 2019:

- Dr. Rebecca Tuerk – Dean of Students
- Alton Derek Jones – Associate Professor of English
- Kellie Monterrosa – Associate Professor of Business Management
- Dr. Steve Tidwell – Associate Professor of Business Management
- Mandolyn Peterson – Head Athletic Trainer

The following resignations were received during the same period:

- Lisa McNew – Dean of Fine Arts & Humanities
- Jonathan Hollins – Admissions Specialist/Recruiter
- Timothy Payton – Area Housing Coordinator

Vice President Ballew stated Ms. Sheri Short has announced her plans to retire on January 5th and concluded her report. There were no non-renewals or transfers to report.

Dr. Fegan stated Ms. Short's retirement coincides with her 20 year anniversary and that she will be working with Vice President Hanes and Dean Galloway to transition the TJJD Program. She also plans to remain with Navarro following her retirement by teaching in Waxahachie on a part-time basis.

District President Report

Dr. Fegan proposed a new schedule for the Board's consideration for adopting the 2019 Ad Valorem Tax Rate. At the next meeting on August 29th, the Board will discuss and declare its intent to set the tax rate. Public hearings could be

held at noon on September 5th and September 12th. Dr. Fegan proposed moving the September 26th to September 16th to assist the Navarro County Tax Office. The proposed schedule was approved by a consensus of the Board.

Dr. Fegan continued with highlights of upcoming events including the LVN Pinning Ceremony, AEL Celebration and Faculty Convocation. Trustees were invited to join faculty and staff for the convocation. A live-stream will be provided to include as many colleagues as possible. Dr. Fegan continued with other items of information:

- Starting this year, September 16th will officially become Navarro College Day to honor Navarro College's tradition and heritage.
- Trustees were asked to provide emergency contact information to Leslie Smith for the ACCT trip as well as for accreditation needs.
- Details for the Bulldog Hall of Fame are forthcoming; advancement materials will be available to encourage donors.
- A weekly FaceBook live Coaches Show is being planned. Themes for all home games are also being discussed (i.e. Military Appreciation, Family Day, etc.).
- SACSCOC liaison, Dr. Carol Hanes, and Vice President of Human Resources, Marcy Ballew, will soon begin working with the Board of Trustees on new SACSCOC accreditation requirements. More will be shared in upcoming meetings.

Dr. Fegan concluded his report.

Announcement, Closed Session and Adjournment

Chairman Judson thanked Dr. Fegan and announced the next meeting of the Board of Trustees would be held on Thursday, August 29, 2019.

Trustee Atkeisson made a motion to convene into Closed Session at 8:14 p.m. to discuss legal, real property and personnel matters according to Government Codes 551.071, 551.072 and 551.074. Trustee Seely seconded the motion and the decision was unanimous.

At 9:27 p.m., Trustee Wyatt made a motion to reconvene into Open Session and immediately adjourn the meeting. Trustee McGraw seconded the motion and the decision was unanimous.

No action, decision or vote regarding the items discussed in Closed Session was taken.

Respectfully submitted,



Richard L. Aldama, Secretary-Treasurer
NAVARRO COLLEGE BOARD OF TRUSTEES