



**NAVARRO COLLEGE BOARD OF TRUSTEES
MARCH 25, 2021 MEETING
MINUTES**

On Thursday, March 25, 2021, the Navarro College Board of Trustees gathered on the Mexia Campus located at 901 N. MLK Jr. Hwy in Mexia, Texas to conduct their regular monthly meeting. Trustees in attendance included: Chairman Phil Judson, Secretary-Treasurer Richard Aldama, Trustee A. L. "Buster" Atkeisson, Trustee Faith Holt, Trustee Loran Seely and Trustee Kim C. Wyatt. Vice Chairman Billy Todd McGraw was absent.

Others in attendance included:

Dr. Kevin G. Fegan	District President
Ms. Teresa Thomas	Vice President, Finance and Administration
Ms. Sina Ruiz	Vice President, Enrollment Mgmt. and Institutional Effectiveness
Ms. Marcy Ballew	Vice President, Human Resources
Dr. Carol Hanes	Vice President, Academic Affairs
Dr. Harold Housley	Vice President, Operations and Institutional Advancement
Ms. Susan Womack	Senior Research Analyst
Mr. Barry Sullivan	Director, Information Technology
Ms. Leslie Smith	Executive Assistant to the District President
Ms. Christina Mims	Assistant Dean, Mexia Campus
Ms. Jeanette Underwood	Dean, Midlothian Campus and Dual Credit
Mr. Michael Landers	Athletic Director
Mr. Eric Garretty	Mexia City Manager
Mr. Dick Flatt	Owner, Flatts Stationers
Mr. John Boswell	Navarro County/Corsicana Director of Economic Development

Other staff and guests were also present.

Call to Order

Chairman Judson called the meeting to order at 7:24 p.m. He apologized for the late start and stated the Board was pleased to be in Mexia. Trustee Aldama was asked to begin the meeting with a prayer.

Board Announcements

No announcements were made.

Open Forum Time

Mr. Eric Garretty, Mexia City Manager, welcomed the Board to Mexia and expressed appreciation for the beneficial partnership Navarro College and the City of Mexia share. He commended Dr. Kevin Fegan, Dean Christina Mims and staff for their leadership and performance, especially during the pandemic this past year. Mr. Garretty stated he was asked to share with the Board new developments and investments being made in the City of Mexia on behalf of the mayor.

Mr. Garretty was pleased to report after ten years of planning, a groundbreaking ceremony will be held March 31st for the construction of a new \$2.25 million sports complex that will include four baseball fields, two soccer fields, concession stands, restrooms, etc. In addition, this summer, they will begin the first year of a three-year million dollar street improvement program in conjunction with the mayor's Nice Neighborhoods Program. Mr Garretty stated "nice neighborhoods with nice homes are what nice families will move into and those families will have children that will

grow up and come to Navarro College to continue their education." Mr. Garretty concluded his remarks by stating the City of Mexia is making an investment in its community and wants Navarro College to know it wants to continue the very beneficial partnership working together for a positive future for both Navarro College and Mexia.

Chairman Judson thanked Mr. Garretty for his comments.

Consent Calendar

a. Minutes – February 25, 2021 Meeting

Trustee Atkeisson moved to approve the Consent Calendar and Trustee Seely seconded the motion. The motion passed by a unanimous vote.

Board Recognitions

There were no recognitions.

Update on Enrollment

Vice President Sina Ruiz reported Spring 2021 enrollment compared to Spring 2020 (pre-pandemic) was down 10.8% (12% credit side; 7% dual credit) 887 students. She noted the pandemic impacted enrollment most significantly in dual credit and credit face-to-face courses including Philosophy, Government, and Welding. MSSLC (Mexia State Supported Living Center) enrollment shifted from credit to continuing education.

Vice President Ruiz continued with an analysis of the 6,739 students enrolled by age groups, full-time/part-time, sex, ethnicity, programs and in-district/out-of-district. She noted first responders was the only program to see an increase in enrollment. She also noted a significant decline in out-of-district enrollment was anticipated but in-district enrollment declined as well.

Preliminary registration for Spring 2021 2nd 8-Weeks continues. Vice President Ruiz stated enrollment is down - 9.58% overall with credit enrollment down -9.24% and dual credit down -13.24%. She concluded her report.

Chairman Judson thanked Vice President Ruiz. He stated the pandemic has affected every facet of the economy including education which can be seen in the numbers.

Consider Resolution Approving the Assignment and First Amendment to the Tax Abatement Agreement with Hughes Commercial

Corsicana/Navarro County Economic Development Director John Boswell stated on September 17, 2020 the Board of Trustees approved a tax abatement agreement with Hughes Commercial for the construction of a new \$19 million industrial building for the benefit of Corsicana Bedding. Section 6.2 of the agreement stipulates that the Tax Abatement cannot be assigned without prior written consent of the Navarro College Board of Trustees. Hughes Commercial has requested an amendment to the agreement and have the agreement assigned to Pinchal & Company LLC.

The proposed resolution approves the assignment of Pinchal & Company, LLC to the tax abatement agreement between Navarro College and Hughes Commercial and the First Amendment joins Corsicana Bedding to the tax abatement agreement. Additionally, Hughes Commercial is requesting changing the language in Section 2.2 to state that the owner shall substantially complete all improvements by January 1, 2023 instead of 2022 due to a delay in getting started. Mr. Boswell stated the city has not yet conveyed the property but is in the process of doing so. All other terms of the agreement will remain unchanged.

Mr. Boswell concluded and responded to questions. When asked, he assured the Board that Hughes Commercial is not "backing out or being replaced." Pinchel & Company LLC is being added as a partner, making Hughes Commercial's position stronger. He also confirmed the expected start date for the project is within a few months with substantial completion expected by 2023. All performance measures outlined in the abatement remain the same. He noted this project will save 350 jobs and create another 100.

Trustee Aldama moved to approve the resolution for the assignment and first amendment to the tax abatement agreement with Hughes Commercial. Trustee Holt seconded the motion. The motion passed by a unanimous vote.

Consider Action on February 2021 Financial Statement

Vice President Thomas presented the February 2021 Financial Statement for approval. The revised budget as of February 28, 2021 totaled \$91,514,176. There were no budget amendments for February 2021 other than interdepartmental budget transfers. Vice President Thomas stated 75.17% of the revised student income budget and 59.12% of the total Educational and General Revenue revised budget had been received as of February 28, 2021.

The federal budget includes the CARES ACT dollars that are remaining for 2021 for both the student portion (\$1,657,691), the institutional portion (\$1,264,333) and the "Strengthening Institutions" portion (\$204,259). She noted as the college spends these funds, there is usually a lag time of approximately a month for the income actuals to reflect the "draw-down" of these funds. Vice President Thomas stated in December, Congress passed the CRRSA as part of a massive, year-end bill that also included federal funding for the remainder of FY 21 and a host of other measures. Navarro will receive additional funding that could be as much as \$8,879,685 (\$2,050,823 for students and \$6,828,862 for the institution). The guidelines for spending these funds will be less stringent than the first round of CARES dollars. During the month of February, Navarro also received notification of a third round of HEERF (CARES) funds to be received in the amount of \$7,789,000 for students and \$7,779,000 for the institution. The college is waiting for additional guidance for these funds.

Total Educational & General resource allocations increased by \$1,164,192; however, expenditures before state, federal and local grants actually decreased \$707,707. The grants include all the expenditures for the CARES dollars. Total year to date expenses for the Auxiliary Fund have decreased \$499,270 from February 2020. The overall year to year comparison of actual net income in the General Operating fund decreased by \$2,077,155; however, approximately \$940,000 is a timing difference of when the federal grant dollars will be drawn down to match the expenditures. The auxiliary net income from the same time in February 2020 increased \$62,516. Total net income decrease for General Operating and Auxiliary was \$2,014,639.

Vice President Thomas concluded her report. Chairman Judson inquired about the timing of posting expenses and Dr. Fegan responded the CARES grants require funds to be spent before the revenue can be "drawn down" and received. He stated this will continue to impact the financial statements every other month for a while. He noted the key is that over \$1 million has yet to be drawn down.

Trustee Atkeisson commended Vice President Thomas on the use of graphics in her report making it easier to follow. He then made a motion to approve the February 2021 Financial Statement. Trustee Wyatt seconded the motion and the decision was unanimous.

Consider Action on Quarterly Investment Report for Quarter Ended February 28, 2021

Vice President Thomas presented the Quarterly Investment Report for the quarter ended February 28, 2021. The book value of total investments at February 28, 2021 was \$2,475,000.00 and the market value of total investments \$2,485,619.49. Vice President Thomas reported one Certificate of Deposit, in the amount of \$750,000, matured during the second quarter of FY 2021. Bids were solicited and the funds were reinvested in a CD with Citizens State Bank in Dawson.

Vice President Thomas continued with a review of investments by fund, benchmark rates and pledged collateral. Cash deposits totaling \$22,054,977.93 are secured by \$1,250,000 in FDIC insurance and \$32,838,598.72 in pledged collateral in the form of mortgage-backed securities and government agency issues.

Vice President Thomas concluded. Trustee Seely moved to approve the Quarterly Investment Report for the quarter ended February 28, 2021. Trustee Atkeisson seconded the motion. The motion passed by a unanimous vote.

Review Preliminary March 2021 Financial Statement

A review of the preliminary March 2021 financial statement followed. Vice President Thomas stated budget amendments recognizing an insurance reimbursement for bus damages in the amount of \$1,400 and a LEOSE award for Police Professional Development in the amount of \$1,234 increased the revised budget \$2,634. More amendments are anticipated.

Update on Mexia Campus

Assistant Dean Christina Mims welcomed trustees back and shared an update on the Mexia Campus. Enrollment on the Mexia Campus is down this semester due to COVID with 126 students attending on campus and 220 dual credit students from the tri-county area - generating 2,511 semester credit hours. The MSSLC (Mexia State Supported Living Center) partnership continues. The contract was updated at the end of May 2020 to make the billing process smoother and transition classes offered at MSSLC to solely Continuing Education classes. \$66,925 in CE contact hour funding was generated during the first quarter. MSSLC staff still has the option of taking credit classes. A new, online Mental Health Degree was created for MSSLC staff and currently, four students are enrolled. Now that all three full-time staff positions have been filled, enrollments are expected to increase.

The fundraiser, Legacy: A New Voice, was held on February 29, 2020 in the Groesbeck Convention Center and raised approximately \$17,000 for scholarships for local students. This year's fundraising event will be held on June 11, 2021. Ms. Mims stated steaks will be served again and was pleased to announce Erica Navarro, Mexia City Council member, has agreed to perform.

Ms. Mims continued with information about new community partnerships. CASA: Voices for Children, an advocate for foster care children, is established office space on the Mexia campus and is using it twice a week to train volunteers, paperwork, etc. A grand opening was held on November 6th. In addition, Central Texas Food Bank, is using the Mexia Campus north parking lot to distribute food monthly. She stated both of these partnerships are very important for their service to the community.

Ms. Mims shared pictures from the Fall Festival held October 20th and concluded her presentation with plans for upcoming events. Chairman Judson thanked her for her presentation and for making the campus available to CASA and Central Texas Food Bank stating this is the "purpose" of a community college.

Update on Personnel Actions

Vice President Marcy Ballew presented an update on personnel activity. She reported the following appointments have been made since February 26, 2021:

- Jean Rogers – Continuing Education Coordinator
- Haley Hendrick – Staff Instructor – M.S.S.L.C.

She continued stating the following exits were announced:

- Kimberley Diaz – College & Career Success Coach – Midlothian
- Matt Podjenski – Head Baseball Coach (06/30/2021)

- Elizabeth Stroud – A.D.N. Skills Lab Coordinator (05/31/2021)
- Nanette Bray – Administrative Assistant – Public Safety (05/31/2021)
- Sherry Stewart – Professor of Biology (05/31/2021)
- Susan Garrett – Testing Assistant (08/27/2021)

Vice President Ballew concluded her report and was thanked by Chairman Judson.

District President's Report

Dr. Fegan began the District President's Report by thanking Mr. Dick Flatt for his presence and stated since he first came to the college, Mr. Flatt's wealth of knowledge, experience in the community and relationship with the college has been valuable and beneficial to him allowing him to be more effective. He also recognized Mexia City Manager Eric Garretty, who continues to provide a wealth of support for Navarro College in a variety of ways. He then recognized Dean Christina Mims for being a tremendous asset to Navarro College. He stated while a lot of institutions have done less during COVID for many reasons, Dean Mims has, in fact, done more with her continued involvement with the community and with the ISDs.

Board Calendar of Events

Dr. Fegan reviewed highlights of upcoming events. An appreciation dinner will be held on March 30 to recognize the Micronesian community's contributions and relationship with Navarro College. An Employee Service Award Banquet will be held on April 6th. Dr. Fegan stated dates are constantly changing due to COVID and weather opportunities and the Board will be kept informed of any changes.

Legislative Update

Dr. Fegan reported he, Dean Guy Featherston, A.D.N. student Kalli Young, and Waxahachie Baylor Scott and White's president, Will Turner, went to Austin to testify before House's Higher Education Committee on Thursday, March 18th. He was pleased to report the bill was unanimously voted out of the Committee and will now go to the House floor. If approved, it will move to the Senate side for approval.

Chairman Judson stated the presentation to the Higher Education Committee was wonderful and there is no better spokesman than Dr. Fegan for Navarro College. He commended him for an outstanding job. Dr. Fegan thanked him and commended Dean Featherston and his staff for their work.

Commencement

Vice President Sina Ruiz shared plans for 2020 & 2021 Commencement. One ceremony for all graduates from all campuses will be held on Wednesday, May 12, 2021 at Corsicana National Bank and Trust Stadium. There is a potential to graduate over 1,000 students. In the event of inclement weather, Plan B is to hold multiple ceremonies in the Special Events Center (SEC) Thursday and Friday, May 13 and 14. The A.D.N. Pinning Ceremony will be held in the SEC on Thursday, May 13th.

Dr. Fegan commended Vice President Ruiz and the committee for their work on putting together this outstanding opportunity.

Stimulus Dollars and Strategic Distribution of Dollars

Dr. Fegan shared information on the HEERF stimulus funds (Higher Education Emergency Relief Funds) Navarro College has been awarded and how the funds are being strategically spent.

- HEERF I - Navarro College was awarded \$4,306,174 (Student Portion: \$2,050,823; Institutional Portion: \$2,050,822 and Strengthening Institutions Portion: \$205,529. Funds have been and are being allocated academic years 2019-2020 and 2020-2021.

- HEERF II – Navarro College was awarded \$9,249,634 (Student Portion: \$2,050,822; Institutional Portion: \$6,828,862; and Strengthening Institutions Portion: \$369,950. Funds are being allocated between 2020-2021 and 2021-2022.
- HEERF III – Navarro College was awarded \$15,568,000 (Student Portion \$7,789,000; Institutional Portion: \$7,779,000; and Strengthening Institutions Portion: TBD). These funds will be allocated for 2022-2023 and 2023-2024.

Dr. Fegan stated the criteria for the first package was very narrow – only currently enrolled, PELL-eligible students were eligible. HEERF I criteria required the funds be spent by April 23, 2021. Dr. Fegan stated these funds will be spent by April 1, 2021. The criteria for the second package was broadened to include dual credit students as well as other areas where the funds could be spent, including the offset of lost revenue. HEERF II funds must be spent by February 23, 2022 but a year's extension can be requested. The criteria for the third package is still evolving but assuming it follows the same pattern, the deadline to spend the funds is anticipated to be March 2023 with the possibility of a year's extension. Plans are to request the extensions to strategically roll the funds over to 2024 in anticipation of a reduction in legislative appropriations.

Dr. Fegan asked Dr. Carol Hanes to share plans to strategically use the HEERF II and HEERF III funds by tying them to earning degrees and certificates. Dr. Hanes stated since his arrival, Dr. Fegan has encouraged broadening educational opportunities outside the "traditional" and offering training opportunities to help upskill and reskill the workforce to help them get new or better jobs.

Approximately one year ago, a Business and Industry Leadership Team (BILT) was assembled consisting of faculty, grants, adult education & literacy, and continuing education personnel. The group was tasked with building relationships with businesses and industries in the service area and learn what their needs are. Dr. Hanes stated three areas came up repeatedly: industrial maintenance, logistics, and loss prevention. It was determined more information was needed and the decision was made to hold a Business Roundtable Discussion.

Dr. Hanes stated over 30 businesses and industries across the service area in Navarro, Ellis and Limestone counties will receive a personal invitation to send a representative to the Business Roundtable Discussion Luncheon on April 20, 2021 in the Cook Education Center. The goal of the luncheon is to encourage discussion on the types of training needs they have that Navarro College could provide their employees to help their company to be successful. Dr. Hanes stated in addition to providing the training, Navarro College would like to use the CARES (HEERF) funds to provide scholarships to help pay the cost for this training. A list of companies to be invited will be shared with Trustees for their input. They were also invited to attend the Business Roundtable luncheon.

Dr. Fegan stated most significantly, this is an opportunity to help our students and also local businesses by using the CARES funds.

Enrollment Workshop

An Enrollment Workshop will be held on March 30, 2021 to prepare for the upcoming Board of Trustees Workshop in April. Vice President Ruiz shared that during the workshop, discussion will be held on prioritizing the use of HEERF funds to meet the socioeconomic needs of students and providing scholarships.

Dr. Fegan stated more details will be provided during the Board of Trustees Enrollment Workshop on April 22, 2021 and concluded his report. Chairman Judson thanked him and stated this is a "win-win" program and a wonderful opportunity to help students and the community.

Announcement and Adjournment

Chairman Judson announced the Board of Trustees will hold an Enrollment Workshop on April 22, 2021 and the next regular meeting of the Board of Trustees will be held on the Waxahachie Campus on April 29, 2021.

Trustee Seely moved to adjourn the meeting. Trustee Aldama seconded the motion and the decision was unanimous. The meeting adjourned at 8:37 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Richard L. Aldama" followed by a long horizontal flourish.

Richard L. Aldama
Secretary-Treasurer