

NAVARRO COLLEGE BOARD OF TRUSTEES
SEPTEMBER 17, 2020 MEETING
MINUTES

The Navarro College Board of Trustees met in the Cook Education Center on Thursday, September 17, 2020. Following a campus tour and dinner with members of Community National Bank and Trust of Texas's Board of Directors, the governing body conducted 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. Sina Ruiz	Vice President, Enrollment Management and Instl. Studies
Ms. Teresa Thomas	Vice President, Finance and Administration
Ms. Marcy Ballew	Vice President, Human Resources
Dr. Carol Hanes	Vice President of Academic Affairs
Ms. Maryann Hailey	Vice President, Student Services
Dr. Harold Housley	Vice President, Operations and Instl. Advancement
Mr. Michael Landers	Athletic Director
Ms. Stacie Sipes	Director of Marketing and Public Information
Ms. Susan Womack	Senior Research Analyst
Ms. Leslie Smith	Executive Assistant to the District President
Mr. Guy Featherston	Dean, Waxahachie Campus and Health Professions
Ms. Jeanette Underwood	Dean, Midlothian Campus and Dual Credit
Mr. Hank Bailey	Chief of Police, Navarro College Dept. of Public Safety
Mr. John Boswell	Corsicana/Navarro County Economic Development Director
Mr. Mathew Veedon	Chief Financial Officer, Corsicana Mattress Company

Other staff and guests were also present.

Call to Order

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

Board Announcements

There were no announcements.

Open Forum Time

There were no requests to address the Board.

Consent Calendar –

- a. Minutes – August 27, 2020 Meeting**
- b. Minutes – September 10, 2020 Public Hearing**
- c. 2019-2020 SB 212 Sexual Misconduct Report**

Trustee Seely made a motion to approve the Consent Calendar and it was seconded by Trustee Holt. The motion passed by a unanimous vote.

201 - Update on Enrollment

Vice President Ruiz presented an update on enrollment. Fall 2020 enrollment was originally projected to be flat compared to the previous year; however, a second scenario was made to reflect the impact of COVID-19, projecting an enrollment of -9%. As of the census date, Dual Credit enrollment was down -11.82% and Credit enrollment was down -8.31%. Overall, fall enrollment was down -9.21% in semester credit hours, very close to Scenario 2 projections.

Vice President Ruiz noted because this is a funding year, there has been great demand for information and survey requests from organizations not only for funding purposes but on how COVID-19 has impacted the institution. She commended Susan Womack and the Institutional Research team for their great work in meeting the deadlines for these requests and providing more enrollment data than has ever been seen before.

Vice President Ruiz continued by explaining the enrollment reports have shown what students are physically doing by course but haven't shown what resources or campus the student is more likely to use if they're simultaneously enrolled in an online course and a face to face course on campus. When the enrollment criteria was adjusted to count internet as "exclusively online" students and credit other campuses by home campus, all locations are below their enrollment goal. When Dual Credit is moved, all campus locations except Internet are above the original enrollment goals.

Chairman Judson inquired about the difference in the reports. Vice President Ruiz stated one report is by semester credit hours (SCH) and the other by courses. Dr. Fegan stated this illustrates why headcount doesn't indicate how many courses/contact hours each student is taking. He noted the data illustrates enrollment is down in face-to-face classes as well as the impact of dual credit classes.

Vice President Ruiz continued stating as of August 16, 2020, 632 students have been checked into Residence Life Housing. Based on budgeted revenue projections, over 50% progress has been made with the spring goal of 618 housing students anticipated. Dr. Fegan stated with athletic programs competing in the spring semester, it's anticipated the spring goal for Residence Life Housing will be reached.

Vice President Ruiz stated \$615,246 in CARES ACT funds were set aside for Round Two disbursements. 508 applicants applied of which 308 have been awarded a total of \$523,200, with a balance of \$92,046.90 remaining. The highest need was housing followed by course materials and food and meals. Several applications are pending approval and remaining funds

will be dedicated to the Bulldog Life Program to target more students and focus on fall retention. \$1,025,411.50 will be dedicated for Round 3 for the spring semester.

Chairman Judson inquired if the general student population is aware this funding is available and they might be qualified for it. Vice President Ruiz responded every effort is being made to get the word out based on CARES ACT criteria. On August 21st, the Department of Education issued additional guidelines on the distribution of CARES Act funds that may allow more students to be eligible. When asked what criteria had changed, she explained that students with a processed FAFSA are now considered eligible not just those that attended the spring semester.

Pre -registration for Fall 2nd 8 weeks continues through October 16, 2020. Classes will begin October 19, 2020. Currently, enrollment is at -10.60%. Vice President Ruiz stated work continues to promote enrollment. The Leadership Team will hold an Enrollment Workshop next week with approximately 50 participants to focus on enrollment management and spring registration. Spring pre-registration will open early, October 5th for cohort groups, October 22nd for current students, and will open to all students on November 2nd. The College will close for the holidays December 21 – January 1. Spring classes start Tuesday, January 19th.

Vice President Ruiz concluded her report.

301 - Consider Adoption of Resolution Approving Tax Abatement Agreement with Corsicana Bedding LLC

Chairman Judson welcomed Mr. John Boswell, Corsicana/Navarro County Economic Development Director. Mr. Boswell thanked him and introduced Mr Mathew Veedon, Corsicana Mattress Company's Chief Financial Officer, who was accompanying him to answer questions. Mr. Boswell requested permission to present both Corsicana Bedding LLC's (aka Corsicana Mattress) and Hughes Commercial's request for tax abatements simultaneously. He stated although the Board is required to take action on the two tax abatements separately, they were actually a single project "tied together". Hughes Commercial is investing \$19,000,000.00 in a new manufacturing facility in the I-45 Industrial Park for the benefit of Corsicana Bedding LLC. Corsicana Bedding will lease the facility from Hughes Investment and will invest \$5,180,000 in the expansion, retaining 350 jobs and creating 100 new jobs. Mr. Veedon shared his company has been in Corsicana 49 years (next year will be their 50th year) and is the largest manufacturer of mattresses in the United States with 965 employees. He stated they are excited about the potential to recruit more employees locally. Mr. Boswell noted that Corsicana Bedding will become an anchor tenant in the new I-45 Industrial Park. The abatement requests are for 50% a year for 10 years. The City of Corsicana approved a similar agreement at their meeting on Monday, September 14, 2020 and Navarro County will also consider a similar agreement.

Trustee Wyatt inquired about the company's facility on Hwy 287. Mr. Veedon responded the company has several properties they will be consolidating into the I-45 property, including their Dallas office. He sated they are also looking at acquiring other companies and consolidating them into the same location as well. Trustee Aldama inquired about their timetable for

construction and completion. Mr. Veedon responded completion by August/September 2021 is expected. Trustee Atkeisson inquired what property the abatement will cover and Mr. Boswell responded it will only cover the value added to the property.

Trustee Aldama made a motion to adopt the resolution approving a tax abatement agreement with Corsicana Bedding LLC and Trustee Seely seconded the motion. The motion passed by a unanimous vote.

302 – Consider Adoption of Resolution Approving Tax Abatement Agreement with Hughes Commercial

Trustee Holt made a motion to adopt the resolution approving a tax abatement agreement with Hughes Commercial. Trustee Atkeisson seconded the motion and the decision was unanimous.

Chairman Judson expressed appreciation for Corsicana Mattress's tenure and growth in Navarro County. Mr. Veedon thanked Chairman Judson and the Board.

303 – Take Action on Setting Ad Valorem Tax Rate at \$0.1164 per \$100 of taxable value for 2020 (FY2020-2021)

Vice President Thomas stated during their August meeting, the Board declared its intent to set the ad valorem tax rate for 2020 (FY2020-2021) at the same (2019) rate of \$0.1164 per \$100 of taxable value. Notice was published and a public hearing was held on September 10, 2020 as required by law. She stated a record vote to set the tax rate is now required.

Trustee Aldama moved to adopt the ad valorem tax rate of \$0.1164 per \$100 of taxable value for Calendar Year 2020 (Fiscal Year 2020-21). This rate is the same as the current tax rate. Because it will increase total taxes in the Navarro College District by 6.88%, it exceeds the no-new-revenue tax rate but does not exceed the voter-approval tax rate as prescribed by Tax Code 26.06(B-2). Trustee Seely seconded the motion and a record vote was taken:

AYE: A.L. Atkeisson, Faith Holt, Richard L. Aldama, Phil Judson, Loran Seely and Kim C. Wyatt

NAY: N.A.

ABSENT: Billy Todd McGraw

The motion passed by a unanimous vote. Chairman Judson reiterated the rate just adopted was the same as the current tax rate set last year.

304 - Review Preliminary August 2020 Financial Statement

Vice President Thomas stated the preliminary August 2020 financial statement was being presented for information purposes only. The 2019-2020 audit will be presented in December 2020 for approval.

One budget amendment was made during the month of August 2020 adding \$6,785 to state grants for the Texas Workforce Commission Manufacturing Consortium. The revised budget as of August 31, 2020 totaled \$91,858,125.

A review of the Disbursement of Funds indicated \$1,361,306 remained in obligated funds as of August 31, 2020. Vice President Thomas stated this amount reflects expenses that have not been paid yet, purchase orders that need to be closed, as well as expenses that were encumbered but belong in the 2020-2021 year because they are either for items received after August 31, 2020 or for services that will not take place until FY2021.

Vice President Thomas stated the preliminary cash flow statement indicates a net income of \$2,569,352 but in reality, the fiscal year will close at a break-even point once year-end adjustments are made. She stated \$1.6 million of capital purchases will be moved from expenses into assets and \$2.3 million of depreciation recorded. In addition, an adjustment will be required to show a loss from the sale of the Fairfield Campus. Vice President Thomas stated auditors may make additional adjustments and she is hoping actuals will break-even prior to GASB entries.

Dr. Fegan stated he is confident the fiscal year will close at a break-even point having strategically prepared to cover the noncash adjustments.

305 - Consider Action on Quarterly Investment Report for Quarter Ended August 31, 2020

Vice President Thomas presented the Quarterly Investment Report for the quarter ended August 31, 2020. Two Certificates of Deposit (CDs) matured during the fourth quarter. Proposals were solicited from area banks and Citizens State Bank in Dawson responded with the best rate of 1.250%. One CD in the amount of \$500,000 was reinvested and the second CD was converted to \$500,000 cash for the purchase of buses and vehicles. This reduced the total amount of investments as of August 31, 2020 from \$2,975,000 to \$2,475,000.

Deposits totaling \$27,635, 018 in cash and CDs are secured with \$33,680,242 in pledged collateral and \$1,000,000 in FDIC insurance. Following a review of the investment portfolio's maturity schedule, Ms. Thomas concluded her report.

Trustee Seely made a motion to approve the Quarterly Investment Report for the Quarter Ended August 31, 2020. Trustee Wyatt seconded the motion and the decision was unanimous.

306 - Consider Action on Appointment of New Members to Navarro College Employees Retirement Committee

Ms. Thomas continued stating the Navarro College Employees Retirement Committee has several vacancies and requested the approval of the following appointments to fill the positions:

- Dr. Suzann Spaniel, Professor of English Waxahachie Campus, to fill the position vacated by Dr. David Lewis. Dr. Spaniel has been a plan participant since 2008.
- Shannon Dunn, Associate Professor of English Corsicana Campus, to fill the position vacated by Boyd Minner. Ms. Dunn has been a plan participant since 2014.

- Lynne Coker, Executive Administrative Assistant to the Vice President of Academic Affairs Corsicana Campus, to be appointed to the position previously held by Jan Phillips. When Ms. Phillips moved into Controller position, she assumed the Committee's Vice Chair position. Ms. Coker has been a plan participant since 2014.

Trustee Atkeisson made a motion to approve the appointment of Dr. Suzann Spaniel, Shannon Dunn and Lynne Coker to the Navarro College Employees Retirement Committee. Trustee Aldama seconded the motion and the decision was unanimous.

501 - Update on Personnel

Vice President Ballew presented an update on personnel activity from August 27, 2020 through September 27, 2020. John "Hank" Bailey was introduced as the newly appointed Chief of Police having assumed his new duties on Monday, September 14, 2020. She stated Chief Baily has over 30 years of law enforcement experience and the past five years has served as Corporal of Police on the Waxahachie campus.

Vice President Ballew continued announcing other new appointments including:

- Alexander Marcantel – Assistant Professor of Agricultural Technology
- Yareht Cabrera – TRiO Retention Specialist
- Adrienn Amaro – Assistant Volleyball Coach
- Rusty Perry – Campus Police Officer
- Brianna Sears – Business Advisor S.B.D.C. (10/05/2020)

The following employee exits were announced during the period from August 27, 2020 to September 17, 2020:

- Hannah Cope – Administrative Assistant to the Dean of Sciences, Kinesiology & Developmental Studies
- Andrew Cavins – Head Volleyball Coach
- Alex Doe - College & Career Success Coach
- Heath Oakley – Campus Police Captain
- Leslie Leerskov – Director of Small Business Development Center

Vice President Ballew concluded her report.

601 - District President's Report

Dr. Fegan called on Chief Hank Bailey to present the 2019 Navarro College Annual Security and Fire Safety Report.

2019 Navarro College Annual Security and Fire Safety Report

Chief Bailey stated this report is compiled by the Navarro College Department of Public Safety (NCDPS) in compliance with the *Jeanne Clery Disclosure of Campus Security Policy and Crime Statistics Act* and is intended to disseminate important crime statistics and campus safety information to the Navarro College community. The 85-page report details the statistics in all

categories of criminal offenses and fire responses on campus. Following a brief synopsis of the report, Chief Bailey concluded with the following statement: "Navarro College Department of Public Safety will strive to reduce the fears of the public and, as far as possible, reflect their priorities in the actions taken. We will be a dynamic organization devoted to improvement, excellence, and maintaining community satisfaction with its delivery of services. We must be courteous, patient, and compassionate, acting without fear, favor, or prejudice to the rights of others. We believe in the dignity and worth of all people and are committed to providing high-quality community-oriented services with sensitivity, problem-solving, teamwork, and openness. We are proud of the diversity of our college workforce which permits growth and respects all students as individuals."

Chairman Judson thanked Chief Bailey and wished him the best in his new position.

Reports

Dr. Fegan stated this has been a heavy reporting time throughout the system. Vice Presidents Dr. Carol Hanes, Maryann Hailey, Sina Ruiz, Marcy Ballew, Teresa Thomas and Deans are being asked to submit reports and complete surveys by multiple agencies. Because there's a lack of one centralized reporting agency, there is a redundancy in the information being requested. As one is completed, they are literally asked within hours to do another with different components. In addition, Stacie Sipes will need to post the information on the college's website and into materials for colleagues to have access to it. Dr. Fegan commended everyone involved and thanked them for all of their efforts.

Upcoming Events

Stacie Sipes presented highlights of upcoming events including a Brilliance Sponsor Luncheon, PTK Induction Ceremony, Bulldog Health Professions lunch, Roark Montgomery III Memorial Golf Tournament, and upcoming fall festivals. Upcoming theatre production and jazz concert will be broadcast live online.

Chairman Judson thanked Ms. Sipes for her work regarding the campus tours held prior to the meeting that showcased the college. Ms. Sipes stated it was a team effort.

Navarro College 75th Anniversary Update

Ms. Sipes continued with an update on the 75th Anniversary stating invitations to serve on the Executive Committee will be sent to select individuals the following week. A kickoff campaign will take place March 21, 2021 and the first signature event will be held September 16, 2021.

Navarro College Website Update

Ms. Sipes shared features of the College's new website. The new website management system allows a lot of flexibility allowing other departments to assist in managing updates. Marketing will receive notification when changes are made and will approve or deny them as appropriate. Changes have been made to the website's Home Page and the drop down navigation tool has been designed to better assist people in finding the information they need. The new search feature now limits searches within the College's website whereas the previous platform

searched the entire internet. Ms. Sipes demonstrated other features of the new website. She stated Presto Sports, a company that also works with NJCAA (National Junior College Athletic Association), has been contracted to create a new website for the Athletic Program. It is expected to be completed and launched within the next few weeks.

Dr. Fegan thanked Ms. Sipes and concluded his report by thanking Trustees for the additional time they have spent participating in the luncheon the previous day celebrating 1970's Mr and Miss NJC 50th anniversary and for the campus tours and dinner with Community National Bank and Trust of Texas Board of Directors prior to the start of the meeting.

Chairman Judson commented on the "moving" presentations made by the two alumni, both African-Americans, who were never recognized after being voted Mr and Miss NJC in 1970. He expressed appreciation to Dr. Fegan and his team for recognizing this and honoring these two successful individuals and concluded by stating "This is what Navarro College is all about."

Announcement

Trustee Judson announced the next Board of Trustees meeting will be held Thursday, October 22, 2020 at 7:00 p.m. in the Cook Education Center.

Adjournment

Trustee Aldama moved to adjourn the meeting and Trustee Holt seconded the motion. The decision was unanimous. Chairman Judson declared the meeting adjourned at 8:06 p.m.

Respectfully submitted,



Richard L. Aldama, Secretary-Treasurer
Navarro College Board of Trustees