

Eastern New Mexico University
Budget and Planning Committee
November 18, 2020

- Present Stephanie Beinlich, Ed Caffrey, Patrice Caldwell, Kenwyn Cradock, Allan Crawford, Clark Elswick, Russell Johnson, Jamie Laurenz, Jeff Long, Brent Small, Laura Smart, Scott Smart, Debra Stone, Hannah Stout, Charles Waggoner
- Guests John Crates
- Minutes Mr. Caffrey called the meeting to order. A motion (Beinlich/Stone) to accept the minutes of October 21, 2020, passed.
- Reports **Legislative Update.** Dr. Caldwell reported Senator Engle is no longer the Minority Leader. This has moved to Gregory Baca, he is in Belen. I believe there is a consolidation of power in the Albuquerque area. The southeastern section held its toe in the pool by having Senator Engle as the minority leader. There are going to be a number of shake ups. Right now, we don't know of any shake ups in the major committees. Not particularly good news for the east side or for Roosevelt but Engle is still our Senator and has a voice and many friends. Debates on where the legislature will meet and when. Speculation is there might be a meeting very soon that will investigate some emergency relief to citizens of New Mexico that will be voted by the legislature. This will be at the request of the governor. A couple of the prominent legislators are lobbying for the regular session in January either at the Capitol build or the Santa Fe Convention Center. Will probably be an abbreviated session just a couple of days to pass the budget and then Legislature will not convene until later in the spring. They will vote budget and Regents and then will go home. Every county is red and has over 5% positivity rate. Lot of mitigation on campus and it seems to be working. The basketball teams will not be playing in Lone Star Conference this winter and spring. The competition was to begin December, both of the teams have had outbreaks. No access to testing and do not have resources to practice elsewhere. Just want caution everyone to think carefully with travel and visitors with regards to the virus. Scott Smart added they had put out draft budgets, they have been telling everyone to do budget assuming a 5% decrease in state support. About a week ago we received a draft budget for Higher Education. We lost 8% roughly of our funding of new money that was the largest percentage decrease for state tax payer funding. The draft budget we received shows 2% sanding of funding of I &G and 4% sanding of other things (Athletics and KENW). They added back the CARES funding.
- Budget Update.** Mr. Smart covered what is really 3 budget years, we in the current year which started on July 1, 2020 and runs through June 30, 2021 we are almost half way. John Crates has been developing some trend analysis compare to prior years. There is really 2 budgets we are focusing on the big one is Instruction and General as we compare the results of Instruction and General for the first quarter which ended on September 30, the I and G was on par with last year. We are anticipating having an operating surplus this year. Where we are suffering on is in auxiliaries. Last year the fall semester was a regular semester, with resident's hall full and so forth. That is not the case this year, our auxiliaries were anticipated we are going to have to provide a subsidy of 1 million dollars since the resident halls are closed, dining hall is closed. Lots of expenses we are not incurring with those operations closed but at the same time we have what is called fixed costs whether the doors are open or

not. The biggest one is auxiliaries. The book store, dining and residence hall contribute about a million dollars to University's debt service. Our mortgage payment. Last year we had some surplus funds and we knew auxiliaries would be challenged this year so we move about a million dollars to auxiliaries to cover those debt service payments this year so we don't have to worry about those payments. That will take care of that shortage in auxiliaries. The state has 2 billion dollars reserves right now that they can use for the 21-22 budget. They don't want to have to do that if they can avoid using all that. The big concern in Santa Fe is 22-23 budget. They will start to develop that budget in 14 months, it will depend on how quickly the State and Us recovers from the COVID.

Capital Projects and Construction Update. Mr. Smart reported that this year's G. O. Bond passed. Thanks to the citizens and for voting for the bond. That bond passed with one of the highest overall passage rates and that was true for the Roswell area. The bond has now set us for the second phase of the Roosevelt Science center project. The budget has been settled at 17 million. We have an architect we will be bringing onboard and a construction manager. We will start holding design meetings with the intent of seeing what we can do with the 17 million. Once we get that done we will present the project the Higher Ed Department and the State Board of Finance, they then sign off on it. The idea right now is to add a new wing onto Roosevelt Hall. The good thing is we will not have to relocate the staff, once the new wing done we can move the scientists and labs into the new wing and then tear down the old. Another project we are looking at is to rebrick Eddy hall. A 2 million dollars project. We would like to start to have it done by the fall 2021 semester. Another project is West Campus, the electrical line is owned by the University. We need to get the electrical system replaced, it is a 2-million-dollar project. We will move the fund from the Bernalillo hall raze since the west campus project is a higher safety concern. A smaller project is a section of the stage (orchestra pit) in the theater, is not supported properly. Last thing is trying to figure what project to take forward to the G.O. Bond for 2022. It needs to be a large project something like 10 or 12 million dollars. Perhaps, the Ag building/art annex or SAS.

Old Business None

New Business None

Adjournment A motion (Cradock/L. Smart) to adjourn was accepted at 2:46 p.m.

Minutes prepared by

Cris Watson