

STATE OF TEXAS  
COUNTIES OF GREGG, RUSK, UPSHUR AND SMITH  
KILGORE JUNIOR COLLEGE DISTRICT

The Kilgore Junior College District Board of Trustees met at 6:00pm for an informal planning session on Monday, December 12, 2011 in the Stewart McLaurin Administration Building, 1<sup>st</sup> floor Board Room with the following members present:

Joe Carrington  
C.B. Scooter Griffin  
Charles Hale, Vice President  
Bob Heath  
Will Roberson, President  
James N. Walker, Secretary  
Larry Woodfin

Members absent: G. Scott Andrews, R.E. Spradlin

Section I. on the agenda was Informal Planning Session

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The Kilgore Junior College District Board of Trustees met in regular session at 6:30 pm, Monday, December 12, 2011 in the Stewart McLaurin Administration Building, 2<sup>nd</sup> floor, with the following members present:

Joe Carrington  
C.B. Scooter Griffin  
Charles Hale, Vice President  
Bob Heath  
Will Roberson, President  
James N. Walker, Secretary  
Larry Woodfin

Members absent: G. Scott Andrews, R.E. Spradlin

Section I. on the Agenda was the Call to Order.

**Will Roberson called the meeting to order at 6:30 p.m. Dr. Holda led the Invocation and the Pledge of Allegiance to the United States of America Flag.**

Section II. on the Agenda was Presentation

**A. Certificate of Appreciation – presented to Will Roberson by Dr. William Holda for 10 years of service to the KC Board of Trustees**

**Section III.** on the Agenda was Consent Agenda.

- A. To consider approving the minutes of the November 14, 2011 regular board meeting.
- B. To consider approval of personnel items submitted as follows:
  - 1. **Recommendation for approval of faculty contracts as follows:**
    - a. Head Football Coach and Kinesiology Instructor, based upon the approved faculty salary schedule for the period of January 1, 2012 – December 31, 2012.
    - b. Assistant Football Coach and Kinesiology Instructor, based upon the approved faculty salary schedule for the period of January 1, 2012 – December 31, 2012.
  - 2. **Recommendation to accept employee resignation as follows:**
    - a. Agriculture Instructor, effective December 31, 2011 after nineteen years and three months of service.
  - 3. **Recommendation to accept employee retirement as follows:**
    - a. Associate Degree Nursing Instructor, effective August 31, 2012 after eighteen years of service.
  - 4. **Recommendation of employment as follows:**
    - a. Automotive Technology, Instructor, effective January 9, 2012.
- C. To consider payment of legal fees for services rendered.

These items are grouped together and do not necessarily need further discussion, although a Board Member may elect to remove an item/s from the Consent Agenda to Action Items for discussion. James Walker made the motion to approve the consent agenda as presented. Joe Carrington seconded the motion. The recommendation passed unanimously.

**Personnel Agenda**

**Kilgore Junior College District  
Personnel Agenda  
December 12, 2011**

- 1. **Recommendation for approval of faculty contracts as follows:**
  - A. Mr. Justin J. Eckert, Head Football Coach and Kinesiology Instructor, based upon the approved faculty salary schedule for the period of January 1, 2012 – December 31, 2012
  - B. Mr. Willie Gooden, Assistant Football Coach and Kinesiology Instructor, based upon the approved faculty salary schedule for the period of January 1, 2012 – December 31, 2012
- 2. **Recommendation to accept employee resignation as follows:**
  - A. Mr. Robert Young, Agriculture Instructor, effective December 31, 2011 after nineteen years and three months of service

**3. Recommendation to accept employee retirement as follows:**

- A. Ms. Lu Linkinhoker, Associate Degree Nursing Instructor, effective August 31, 2012 after eighteen years of service

**4. Recommendation of employment as follows:**

- A. **Name:** Mr. Brandon Belken
- Position:** Instructor, Automotive Technology
- Location:** Business, Technology, Language Development
- Education:** Kilgore College  
Certificate-Automotive Technology  
Kilgore, Texas
- Experience:** Mechanical Technician  
Halliburton Energy Services  
Kilgore, Texas; 2010 – 2011
- Lively Cadillac-GMC  
Drivability Line Technician  
Longview, Texas; 2009 – 2010
- Patterson Motors  
Drivability Line Technician  
Kilgore, Texas; 2009
- Effective Date:** January 9, 2012
- Salary:** \$2,364.40 per pay period for the remainder of the academic year.
- Note:** Mr. Belken replaces Mr. Jonathan Pevey who resigned

**Section IV.** on the Agenda was Citizen Comments  
. There were no citizen comments.

**Section V.** on the Agenda was Action Items.

- A. To consider approval of external audit reports for Fiscal Year 2011 – *Exhibit #1*

Exhibit #1 on next page

Exhibit #1

**KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS**  
**STATEMENTS OF NET ASSETS**  
**AUGUST 31, 2011 AND 2010**

**EXHIBIT 1**

<u>ASSETS</u>	<u>2011</u>	<u>2010</u>
<b>Current assets</b>		
Cash and cash equivalents	\$ 11,096,599	\$ 9,948,629
Short-term investments	4,392,724	4,335,986
Accounts receivable, net	5,021,772	7,284,828
Note receivable, current portion	158,203	150,127
Inventories	1,152,632	1,159,852
Prepaid expenses	997,201	735,413
Other assets	84,760	84,760
<b>Total current assets</b>	<b><u>22,903,891</u></b>	<b><u>23,699,595</u></b>
<b>Noncurrent assets</b>		
Restricted cash and cash equivalents	5,683,195	4,977,203
Short-term investments - bond funds	425,000	425,000
Short-term investments - endowment	3,500,000	3,500,000
Corporate stocks - endowment	105,800	102,000
Note receivable, net of current portion	824,039	982,243
Capital assets, net	45,744,976	41,222,914
<b>Total noncurrent assets</b>	<b><u>56,283,010</u></b>	<b><u>51,209,360</u></b>
<b>Total assets</b>	<b><u>\$ 79,186,901</u></b>	<b><u>\$ 74,908,955</u></b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 634,486	\$ 549,216
Accrued liabilities	459,958	623,374
Funds held for others	758,786	738,674
Deferred revenue	6,666,447	6,366,110
Deposits	151,628	170,060
Long-term liabilities - current portion	540,660	620,198
<b>Total current liabilities</b>	<b><u>9,211,965</u></b>	<b><u>9,067,632</u></b>
<b>Noncurrent liabilities</b>		
Long-term liabilities	<u>2,627,723</u>	<u>2,969,089</u>
<b>Total noncurrent liabilities</b>	<b><u>2,627,723</u></b>	<b><u>2,969,089</u></b>
<b>Total liabilities</b>	<b><u>11,839,688</u></b>	<b><u>12,036,721</u></b>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	43,139,976	38,217,915
Restricted for:		
Expendable	2,496,472	1,414,339
Nonexpendable	6,515,857	7,151,674
Unrestricted	<u>15,194,908</u>	<u>16,088,306</u>
<b>Total net assets (Schedule D)</b>	<b><u>67,347,213</u></b>	<b><u>62,872,234</u></b>
<b>Total liabilities and net assets</b>	<b><u>\$ 79,186,901</u></b>	<b><u>\$ 74,908,955</u></b>

See accompanying notes to financial statements.

Exhibit #1 continued on next page

Exhibit #1 continued

EXHIBIT 2		
KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS		
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS		
FOR THE YEARS ENDED AUGUST 31, 2011 AND 2010		
	<u>2011</u>	<u>2010</u>
<b>REVENUES</b>		
Operating revenues		
Tuition and fees (net of discounts of \$6,956,546 and \$5,641,142)	\$ 7,802,173	\$ 8,121,933
Federal grants and contracts	1,752,453	2,023,629
State grants and contracts	995,043	1,106,766
Non-governmental grants and contracts	406,645	425,726
Sales and services of educational activities	108,761	163,557
Auxiliary enterprises (net of discounts of \$3,323,847 and \$2,974,723)	4,370,500	5,117,996
General operating revenues	114,064	129,323
Total operating revenues (Schedule A)	<u>15,549,639</u>	<u>17,088,930</u>
<b>EXPENSES</b>		
Operating expenses		
Instruction	17,159,488	17,298,104
Public service	1,042,295	972,446
Academic support	3,272,199	3,322,394
Student services	2,351,901	2,326,308
Institutional support	5,186,479	5,228,093
Operation and maintenance of plant	3,345,083	3,407,036
Scholarships and fellowships	6,570,785	6,660,770
Auxiliary enterprises	7,462,459	7,713,598
Depreciation	1,386,757	1,369,341
Total operating expenses (Schedule B)	<u>47,777,446</u>	<u>48,298,090</u>
Operating loss	<u>(32,227,807)</u>	<u>(31,209,160)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
State appropriations	15,031,234	15,240,844
Maintenance ad valorem taxes	5,900,201	5,937,296
Federal revenue, non-operating	14,901,750	12,977,916
Gifts	790,118	717,670
Investment income	284,859	214,255
Endowment income	130,109	129,792
Insurance proceeds	-	138,360
Interest on capital related debt	(105,900)	(119,631)
Loss on disposal of fixed assets	(3,212)	(28,548)
Other non-operating revenues	3,142	7,468
Other non-operating expenses	(229,515)	(542,957)
Net non-operating revenues (Schedule C)	<u>36,702,786</u>	<u>34,672,465</u>
Increase in net assets	4,474,979	3,463,305
<b>NET ASSETS</b>		
Net assets - beginning of year	62,872,234	59,408,929
Net assets - end of year	<u>\$ 67,347,213</u>	<u>\$ 62,872,234</u>
See accompanying notes to financial statements.		

Exhibit #1 continued

KILGORE JUNIOR COLLEGE DISTRICT - KILGORE, TEXAS			EXHIBIT 3
STATEMENTS OF CASH FLOWS			
FOR THE YEARS ENDED AUGUST 31, 2011 AND 2010			
	2011	2010	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from students and other customers	\$ 14,531,203	\$ 9,637,535	
Receipts of grants and contracts	3,154,142	3,556,121	
Other receipts	(145,438)	(363,937)	
Payments to or on behalf of employees	(23,379,524)	(22,848,645)	
Payments to suppliers for goods and services	(10,369,114)	(14,062,135)	
Payments to students under federal grants	(9,198,830)	(6,459,345)	
Other cash payments	97,969	323,207	
Net cash used by operating activities	<u>(25,309,592)</u>	<u>(30,217,199)</u>	
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
Receipts of appropriations	11,797,039	11,971,682	
Ad valorem tax revenues	5,900,201	5,932,660	
Receipts for Title IV transactions	14,901,750	12,977,916	
Gifts and grants (other than capital)	790,118	717,670	
Receipts for student organization and other agency transactions	16,236,541	13,992,499	
Student organization and other agency transactions	(16,609,260)	(13,954,519)	
Net cash provided by non-capital financing activities	<u>33,016,389</u>	<u>31,637,908</u>	
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchases of capital assets	(5,912,030)	(2,237,694)	
Payments on capital debt and leases - principal	(400,000)	(765,000)	
Payments on capital debt and leases - interest	(105,900)	(119,631)	
Net cash used by capital and related financing activities	<u>(6,417,930)</u>	<u>(3,122,325)</u>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment earnings	414,967	357,984	
Receipts on notes receivable	150,128	150,129	
Net cash provided by investing activities	<u>565,095</u>	<u>508,113</u>	
Increase (decrease) in cash and cash equivalents	1,853,962	(1,193,503)	
Cash and cash equivalents beginning of year	<u>14,925,832</u>	<u>16,119,335</u>	
Cash and cash equivalents end of year	<u>\$ 16,779,794</u>	<u>\$ 14,925,832</u>	

See accompanying notes to financial statements.

Larry Woodfin made the motion to consider approval of external audit reports for Fiscal Year 2011. Scooter Griffin seconded the motion. The motion passed unanimously.

**Section VII.** on the Agenda was Executive Session  
**The board did not go into Executive Session**

**Section VIII.** on the Agenda was Discussion Items

- A. Budget Reports – Duane McNaney was available to answer questions.
- B. Budget Adjustments – Duane McNaney was available to answer questions.

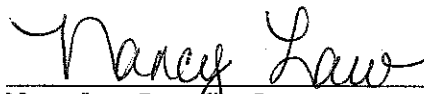
**Section IX.** on the agenda was Board Comments

**Section X.** on the agenda was Administration Comments

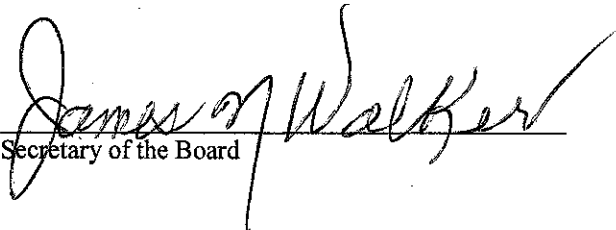
- A. Board Training Report – Karol Pruett reported that there was no required training. Our next Board Training will be in March.

Section XI. on the agenda was Adjournment  
**The meeting was adjourned at 7:20pm.**

Respectfully submitted,



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Nancy Law, Recording Secretary  
Kilgore College Board of Trustees

  
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President of the Board  
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Secretary of the Board