



**ADVISORY BOARD**

**MEETING AGENDA**

Tuesday, May 10, 2022

6:00 PM

Board Room (DAEM 207), and via Zoom

<https://nmsu.zoom.us/j/91696084171>

**DACC Advisory Board Meeting**

<p>Call to Order          Roll Call          Approval of Agenda          Approval of March 3, 2022 Minutes</p>	<p><b>Ms. Laura Salazar Flores</b></p>
<p>1. Bond Finance Plan - Update</p>	<p><b>Ms. Kelly Brooks</b>  <b>Mr. Erik Harrigan</b></p>
<p>2. Accreditation Update – Multi-Location Visit</p>	<p><b>Dr. Jennifer Hodges</b></p>
<p>3. FY 22-23 Budget Approval</p>	<p><b>Ms. Kelly Brooks</b></p>
<p>4. 2021-2022 Highlights</p>	<p><b>Dr. Mónica Torres</b></p>
<p>5. A Time for Reflection: What’s going on in the districts?</p>	<p><b>Dr. Mónica Torres</b>  <b>Advisory Board Members</b></p>
<p>6. Other</p>	<p><b>Dr. Mónica Torres</b></p>
<p>7. Board Announcements and Comments          Next DACC Advisory Board Meetings:              Thursday, September 1, 2022              Thursday, November 3, 2022</p>	
<p><b>Adjournment</b></p>	

**MISSION STATEMENT**

DACC is a responsive and accessible learning-centered community college that provides educational opportunities to a diverse community of learners in support of academic interests, workforce development, and economic growth.

**VISION STATEMENT**

DACC will be a premier, inclusive college that is grounded in academic excellence and committed to fostering lifelong learning and active, responsible citizenship within the community.

### **DACC ADVISORY BOARD MEETING**

Gadsden School Board Members Present:

Daniel Castillo  
Laura Salazar Flores

Hatch School Board Members Present:

Elva Garay  
Merlinda Hinojos

Las Cruces School Board Members Present:

Ray Jaramillo  
Teresa Tenorio

DACC Faculty/Staff Present:

Shannon Bradley	Jennifer Hodges
Kelly Brooks	Ike Ledesma
Joe Butler	Kristi Martin
Rusty Fox	Mark Nunley
Vicki Haggard	Mónica Torres

Guests Present:

**Call to Order:**

Ms. Elva Garay, President, called the DACC Advisory Board meeting to order at 6:05 PM on Thursday, March 3, 2022.

**Roll Call:**

R. Jaramillo called roll; participants noted above were present. A quorum of the Advisory Board was present.

**Approval of Agenda:**

Motion to approve the agenda as presented made by R. Jaramillo; seconded by L. Salazar Flores; no discussion, all in favor; motion carried.

**Approval of Minutes:  
November 4, 2021**

Motion to approve November 4, 2021 minutes as presented made by D. Castillo; seconded by R. Jaramillo; no discussion, all in favor; motion carried.

### **1. Election of Board Officers (Term 2022-2024)**

Key Discussion Points: Board officers for the 2022-2024 term were elected.

President – GISD – Motion to nominate and appoint Ms. Laura Salazar Flores as DACC Advisory Board President made by D. Castillo; seconded by R. Jaramillo; no discussion, all in favor; motion carried.

Vice President – LCPS – Motion to nominate and appoint Mr. Ray Jaramillo as DACC Advisory Board Vice President made by D. Castillo; seconded by M. Hinojos; no discussion, all in favor; motion carried.

Secretary – HVPS – Motion to nominate and appoint Ms. Merlinda Hinojos as DACC Advisory Board Secretary made by L. Salazar Flores; seconded by T. Tenorio; no discussion, all in favor; motion carried.

Decision/Action: The above new board officers were elected to serve for the 2022-2024 term.

### **2. College Update – Dr. Mónica Torres**

Key Discussion Points: M. Torres noted her appreciation of the creative and innovative faculty and staff at DACC. She provided a college update regarding the value proposition of education (individual, community, and economic impacts; and the opportunity in Doña Ana County. M. Torres highlighted areas/activities in which the college is currently participating: hiring a new VPAA – Dr. Xeturah Woodley will join DACC April 1; continuing to develop our capacity to deliver instruction and services using technology; re-engaging with Achieving the Dream; providing wrap-around services (AVANZA) to entire college; equity project – data equity, faculty fellowship, DIE center at Espina; creative campus – collaboration that promises educational opportunities for students and economic development for the region. New

projects being developed: refining our processes – Achieving the Dream will help us map our processes (student journey from recruitment to completion) and hiring a consultant to help with HR procedures; community engagement – DACC alumni event (4/8 block party), “bring them home” enrollment campaign (students here in 2021 not here now).

L. Salazar-Flores – is there assistance for those who aren’t proficient readers – DACC offers a shortened pathway from developmental to credit courses, as well as integrated courses; provides a more holistic means of placing students into developmental studies; Student Accessibility Services and faculty work individually with students as well.

R. Jaramillo – like the model of mapping the pathway for students and would like to discuss further, possibly taking back to districts to see how their paths are mapped. LCPS talking about how to support students with lower GPAs; how to improve how all students see the next level of education. This is not just a DACC issue, but rather a community issue (there is a need to educate parents that there are other options than just a 4-year degree).

Decision/Action:

Please refer to the March 3, 2022 Meeting Binder on the DACC Advisory Board’s website for complete presentation (<https://dacc.nmsu.edu/about/advisory-board/advisory-board.html>).

### 3. Budget Update – Ms. Kelly Brooks

Key Discussion Points:

K. Brooks provided a budget update to the Board. Exact dollar amounts are not yet known, but a brief update was provided on higher education items from the legislative session.

- faculty and staff compensation increase (3% for last qtr of FY22; ~4% increase in FY23; \$15/hr minimum wage for state employees (not students);
- new I&G Funding (~3%, with 1% withheld subject to submission and approval of enrollment strategic plan);
- RPSP funding for Dental Hygiene and Nursing expansion;
- Opportunity Scholarship (one-time and recurring funds); dual credit; work-study funds for students in high demand fields.

Institutional impacts that were highlighted: enrollment decline; compensation gap; fringe benefit increases; local minimum wage increase; positions/existing commitments; local mil levy growth.

Proposals that impact students:

- 135-mile waiver NMSU is already using, DACC proposes using it as well (it will decrease tuition significantly for out-of-district students (students who may attend Sunland Park, but live in El Paso – from \$236 per credit to \$90 per credit));
- academic services fee, effective fall 22 (eliminated distance education fee of \$25 per credit, implementing an Academic Services Fee of \$20 per credit hour to most all courses (some exceptions like practicum/clinical and dual credit) – projected revenue increases of ~\$1.2M, fees still less than majority of peer institutions);
- integrated access bookstore fee (Follett Access) – flat fee per credit hour to cover all books/materials for all courses currently students pay about \$36 per credit for books/materials, we propose \$24/credit hour. Fall 2022 when student registers for course they are also charged for books/materials; all part of tuition and fees so students have all materials needed to be successful the first day of classes. Currently, active for about 200 courses. Students will have the option to opt out but that would be for all classes that semester, can’t opt out for just one or two classes. Faculty still have academic freedom to choose materials that best fit course curriculum. This is a 3-year commitment for the college, prices guaranteed for 2 years; we do have the option to pull out high-cost programs and charge separate fee.

Decision/Action:

Please refer to the March 3, 2022 Meeting Binder on the DACC Advisory Board’s website for complete presentation (<https://dacc.nmsu.edu/about/advisory-board/advisory-board.html>).

#### 4. Accreditation Update – Dr. Jennifer Hodges

**Key Discussion Points:** Institutional accreditation (Higher Learning Commission) – DACC is on the Standard Pathway which is a 10-year cycle. There will be a multi-location visit April 28-29, 2022 for the Espina Campus and the Alta Vista Early College High School. The comprehensive evaluation for reaffirmation visit will take place March 25-26, 2024. Specialized accreditation updates: Nursing Assistant program approval reviewed 12/2021 good for 2 years; Fall 22 Automotive Technology and Building Construction Technology programs will be reviewed. HLC institutional update is due 3/28/22 (this update consists mostly of data from NMSU). Accreditation steering committee is working on the assurance argument and evidence file, which are due to NMSU January 2024, and to HLC in February 2024. J. Hodges has been accepted into the HLC Peer Corps as a peer reviewer.

**Decision/Action:** Please refer to the March 3, 2022 Meeting Binder on the DACC Advisory Board’s website for complete presentation (<https://dacc.nmsu.edu/about/advisory-board/advisory-board.html>).

#### 5. Next Advisory Board Meeting

**Key Discussion Points:** Next regularly scheduled Advisory Board meeting conflicts with DACC Commencement (May 5, 2022). The Advisory Board meeting will be rescheduled to Tuesday, May 10, 2022 at 6:00 PM.

**Decision/Action:** None

#### 6. Events

**Key Discussion Points:** Upcoming DACC events:

- Alumni Block Party – Friday, April 8, 2022
- DACC Commencement – Thursday, May 5, 2022

**Decision/Action:** None.

#### 7. Board Announcements and Comments

**Key Discussion Points:** R. Jaramillo – thankful COVID numbers are decreasing, thank you for providing high quality education even during the pandemic.  
T. Tenorio – glad to officially be on the board.  
L. Salazar-Flores – LCPS Spring Literacy Extravaganza on 4/14/22.  
Next Board Meetings

- Tuesday, May 10, 2022
- Thursday, September 1, 2022
- Thursday, November 3, 2022

**Decision/Action:** M. Torres closed by thanking board members for their attendance.

**Adjournment:** Motion to adjourn the DACC Advisory Board meeting made by E. Garay; seconded by R. Jaramillo; no discussion, all in favor; motion carried. Meeting adjourned at 7:39 PM.

Respectfully submitted,

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Secretary  
DACC Advisory Board

# Doña Ana Community College

## Finance Plan Update

5/10/2022

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Capital  
Markets

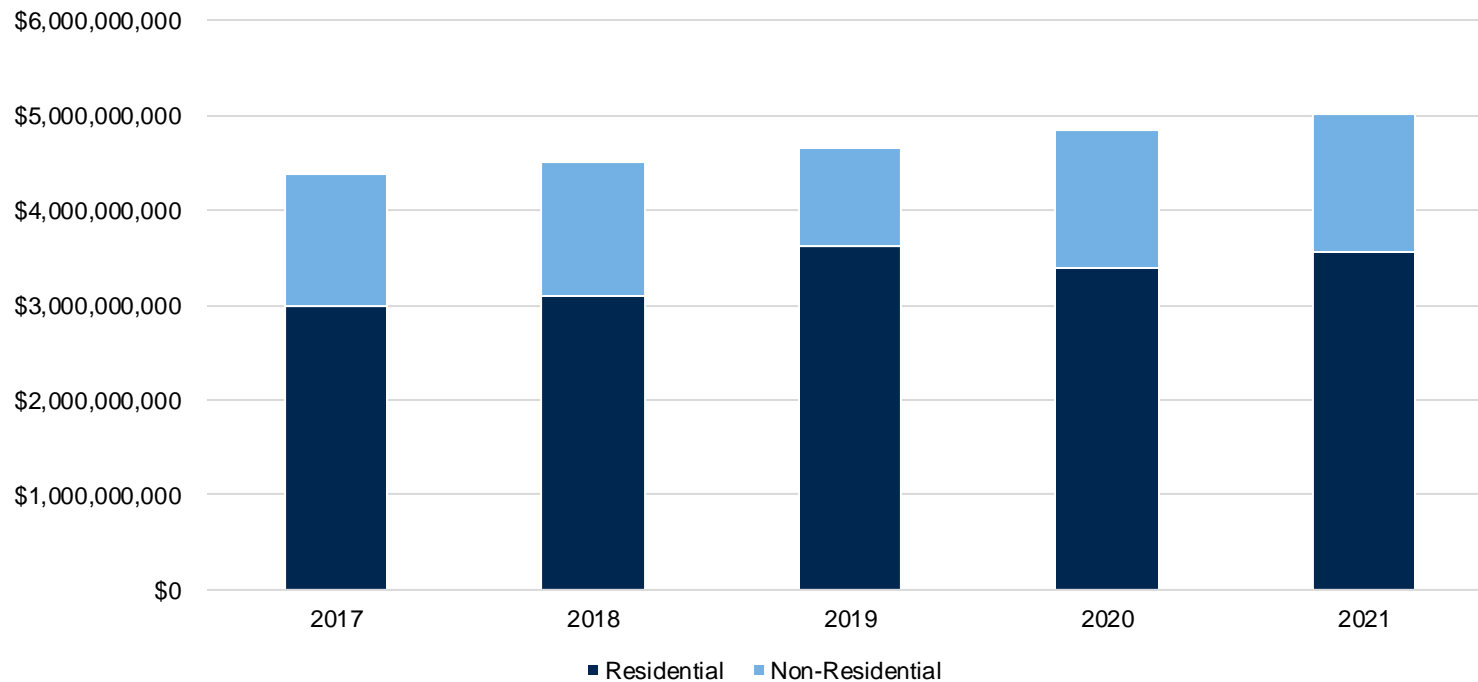
## History of Assessed Valuation

	2017	2018	2019	2020	2021
Residential	\$2,998,803,460	\$3,090,064,154	\$3,625,533,070	3,397,980,487	3,562,434,853
Non-Residential	1,377,351,860	1,414,522,446	1,034,541,593	1,450,724,579	1,442,891,892
<b>Total</b>	<b>\$4,376,155,320</b>	<b>\$4,504,586,600</b>	<b>\$4,660,074,663</b>	<b>\$4,848,705,066</b>	<b>\$5,005,326,745</b>
<b>% Growth</b>	<b>3.12%</b>	<b>2.93%</b>	<b>3.45%</b>	<b>4.05%</b>	<b>3.23%</b>

5 Year Average Growth Rate 3.36%

10 Year Average Growth Rate 2.85%

Source: Dona Ana Assessor's Office and Otero Assessor's Office



## History of Tax Rates

### Within 20 Mill Limit for General Purposes

	2021	2020	2019	2018	2017
State of New Mexico	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Dona Ana County	9.114	9.222	9.253	9.137	9.055
Dona Ana Community College	1.230	1.245	1.250	1.250	1.250
City of Las Cruces	4.774	4.805	4.841	4.776	4.732
Las Cruces Schools	0.339	0.342	0.344	0.340	0.337
<b>Total</b>	<b>\$15.457</b>	<b>\$15.614</b>	<b>\$15.688</b>	<b>\$15.503</b>	<b>\$15.374</b>

### Over 20 Mill Limit - Interest, Principal, Judgment, etc.

	2021	2020	2019	2018	2017
State of New Mexico	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360
Dona Ana County	0.096	0.099	0.098	0.108	0.108
Dona Ana Community College (DS)	0.750	0.750	0.750	0.750	0.350
City of Las Cruces	4.002	3.994	4.007	3.994	1.970
Las Cruces Schools	9.593	9.604	9.605	9.600	9.581
<b>Total</b>	<b>\$15.801</b>	<b>\$15.807</b>	<b>\$15.820</b>	<b>\$15.812</b>	<b>\$13.369</b>

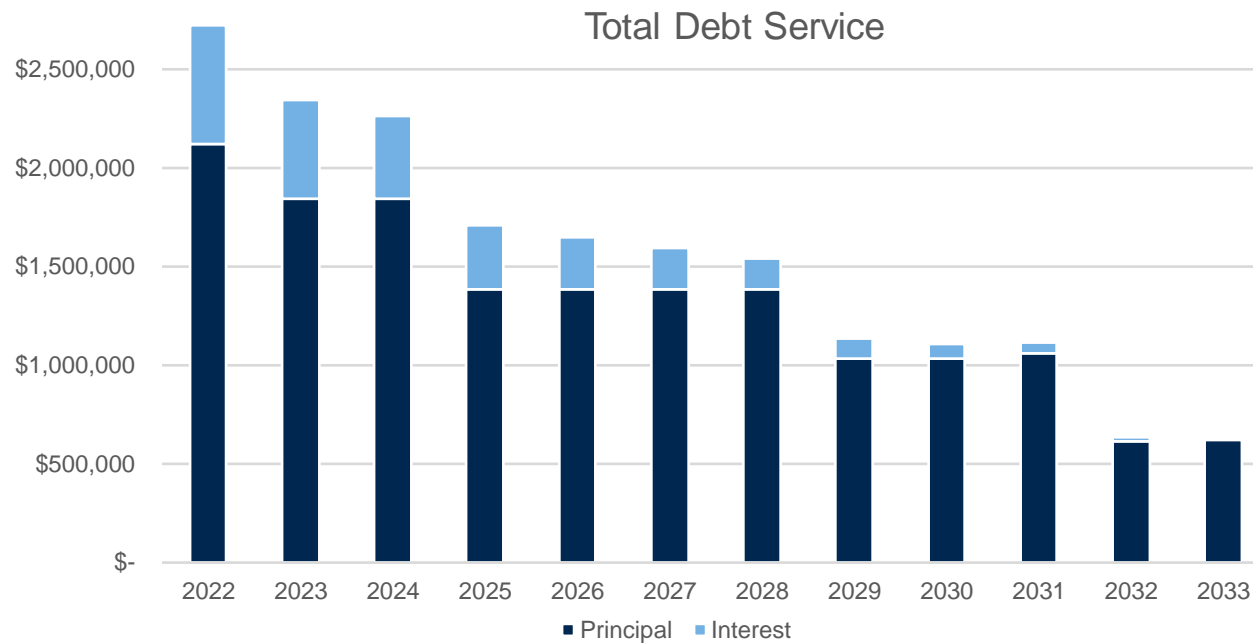
### Total Levy

	2021	2020	2019	2018	2017
State of New Mexico	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360
Dona Ana County	9.210	9.321	9.351	9.245	9.163
Dona Ana Community College	1.980	1.995	2.000	2.000	1.600
City of Las Cruces	8.776	8.799	8.848	8.770	6.702
Las Cruces Schools	9.932	9.946	9.949	9.940	9.918
<b>Total Residential in Las Cruces</b>	<b>\$31.258</b>	<b>\$31.421</b>	<b>\$31.508</b>	<b>\$31.315</b>	<b>\$28.743</b>
<b>Total Non-Residential in Las Cruces</b>	<b>\$34.573</b>	<b>\$34.554</b>	<b>\$34.540</b>	<b>\$34.546</b>	<b>\$32.147</b>
<b>Total for Town of Mesilla</b>					
Residential	\$23.490	\$23.638	\$23.688	\$23.574	\$23.077
Non-Residential	\$27.763	\$27.765	\$27.753	\$27.760	\$27.367
<b>Total for Town of Hatch</b>					
Residential	\$30.683	\$30.843	\$30.891	\$30.593	\$30.110
Non-Residential	\$33.642	\$33.646	\$33.674	\$33.676	\$33.233
<b>Total for City of Sunland Park</b>					
Residential	\$35.593	\$35.870	\$35.754	\$35.625	\$35.074
Non-Residential	\$39.739	\$39.739	\$39.712	\$39.780	\$39.378
<b>Total for City of Anthony</b>					
Residential	\$34.477	\$31.371	\$31.833	\$29.231	\$28.677
Non-Residential	\$34.497	\$34.184	\$34.612	\$32.130	\$31.728

Source: New Mexico Department of Finance & Administration

## Current Outstanding Debt

Issue	Bond Type	Original Par Amount	Amount Outstanding	Callable Amount Outstanding	Call Date	Coupons	Final Maturity	Purpose
2015 Bonds	Fixed Rate	\$8,800,000	\$2,300,000	\$1,700,000	8/1/2023 @ 100%	3.00%	2028	New money
2018 Bonds	Fixed Rate	6,200,000	4,230,000	2,550,000	8/1/2025 @ 100%	3.00% - 5.00%	2031	New Money
2021 Bonds	Fixed Rate	9,995,000	9,145,000	2,440,000	8/1/2028 @ 100%	2.00% - 5.00%	2033	New money
<b>TOTAL</b>			<b>\$15,675,000</b>	<b>\$6,690,000</b>				





## Key Points of Debt Management Plan

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- To meet current capital needs, voters approved the issuance of \$16,000,000 in general obligation bonds in November 2019 to be sold over a period of four years.
  - \$8,000,000 sold in early 2021
  - Original plan of finance had remaining \$8,000,000 to be sold in 2022
  - Sale of bonds is structured to maintain tax rate of 0.75 mils.
    - Maintain current tax rate
  - 13-year final maturity (20-year maximum).

2021 Assessed Valuation	\$ 5,005,326,745
Constitutional Debt Limitation (3% of Assessed Valuation)	150,159,802
Less Current Outstanding Debt	(15,675,000)
<b>Available Debt Capacity</b>	<b>\$ 134,484,802</b>
<b>% Bonded to Capacity</b>	<b>10.44%</b>

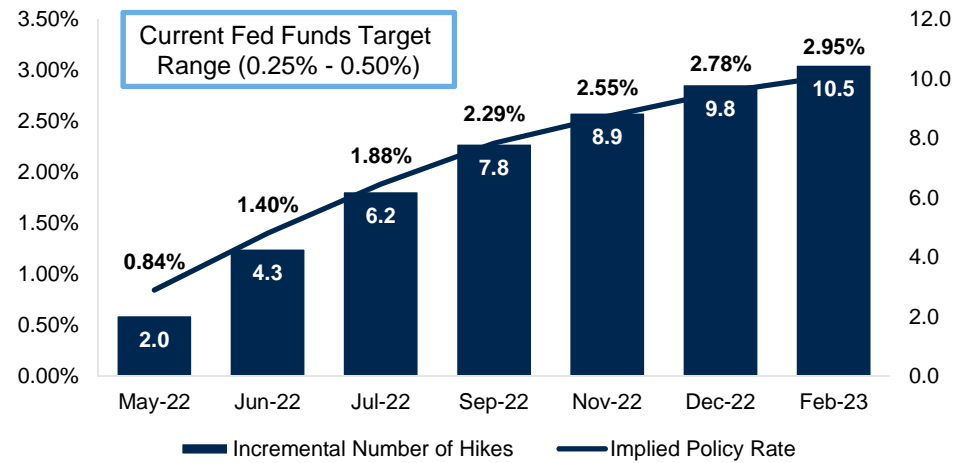
## Bond Sale Timing, Considerations and Election Timing

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- Original plan of finance has remaining \$8 million of voter authorized bonds to be issued in 2022.
- Voter authorization is good through November 2023
- DACC has until October 2023 to issue any remaining bonds and not lose authorization
  - When issuing bonds there are several factors to consider
    - How quickly can the funds be spent
      - There has to be a reasonable expectation that the proceeds can be spend within a three year period
      - After the issuance of bonds DACC has three years to expend 85% of the proceeds
    - Market conditions
      - Interest rates are currently experiencing significant volatility along with rates rising at a rapid pace
      - Rates are impacted to a certain degree by the uncertainty of how quickly the federal reserve will raise rates for the remainder of the year
      - The impact of supply chain issues from the Russian and Ukraine war and a resurgence of COVID and Lockdown in China
        - Supply chain issue are expected to further exacerbate inflation through tightening of the money supply by the Federal Reserve with more aggressive rate hikes.
      - While the market have priced in fairly aggressive Federal Reserve rate hikes, rates are expected to be higher next yearThe impact of supply chain issues from the Russian and Ukraine war and a resurgence of COVID and Lockdown in China

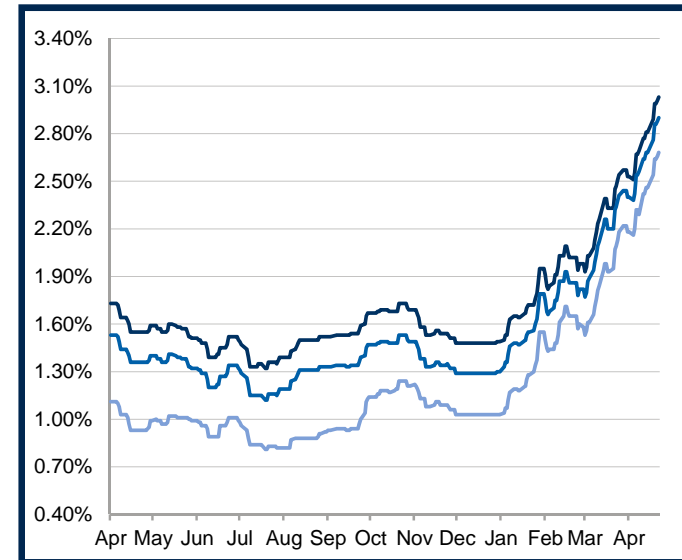
# Economic Overview Reflects Increased Volatility – Invasion of Ukraine and Monetary Policy Focus

## Futures Market – Fed Funds Rate Hike Probability

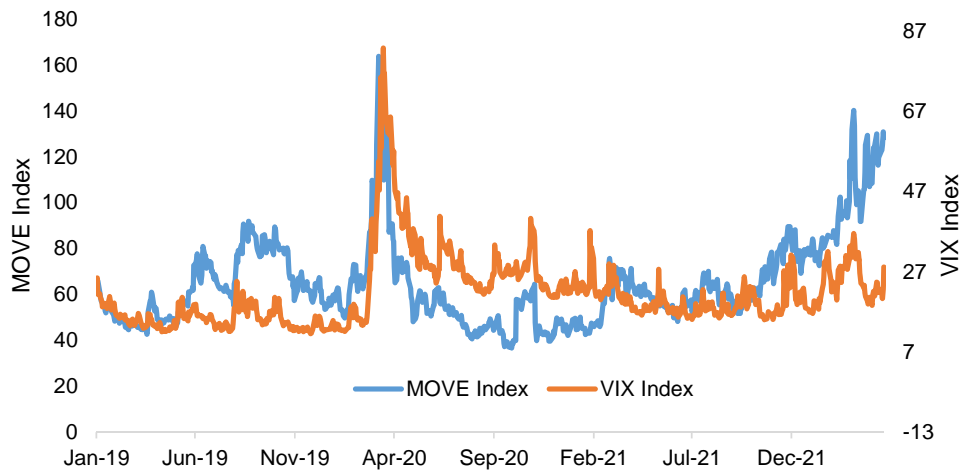


Source: Bloomberg, as of market close April 22, 2022

## Shift in “AAA” MMD Since April 2021



## Treasury and Equity Volatility has Increased Over the Last Several Months



Source: RBC Economics

## April 1, 2021 to Present

	10 Year	20 Year	30 Year
Maximum	2.68%	2.90%	3.03%
Minimum	0.81%	1.12%	1.32%
Average	1.22%	1.53%	1.71%

# Market Update

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Capital  
Markets

## Overview of Key US Market Themes

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### Municipal Markets Commentary

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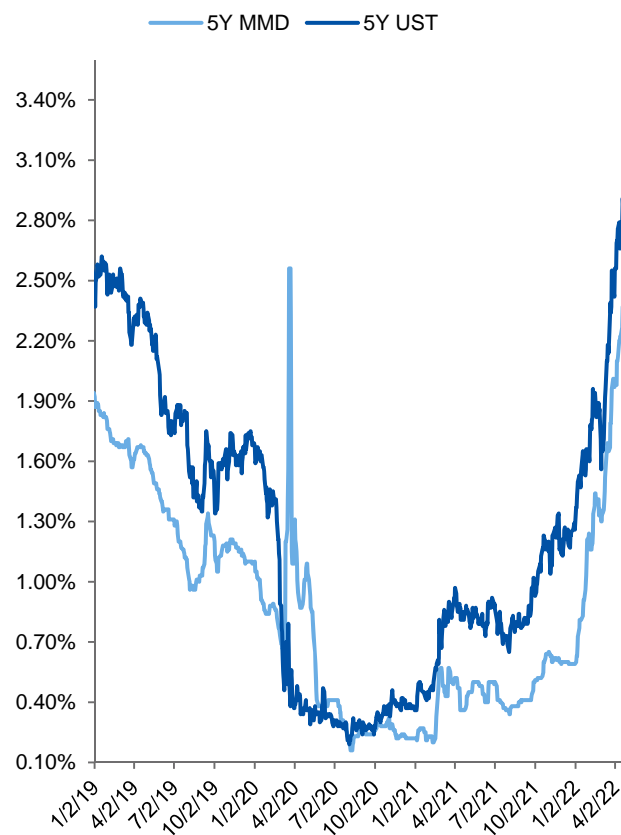
- Hawkish comments by numerous Federal Reserve officials, including Fed Chair Powell, pushed rates in the fixed income markets noticeably higher last week
- The short end of the yield curve was particularly hard hit with the Treasury curve flattening materially as a result
  - The spread between 2yr and 10yr Treasury yields fell to 23 basis points on Friday from 37 basis points a week earlier
  - By the close of the week, US Treasuries were 14 basis points higher in the five year range, seven basis points higher in the ten year range, and three basis points higher in the thirty year range
- While municipals generally followed the lead of Treasuries last week, they underperformed despite a light new issue calendar
  - Continued large mutual fund outflows have been pressuring municipals for weeks and have pushed 30yr municipal/Treasury yield ratios past 100%
  - The Municipal Market Data AAA yield closed 19 basis points higher week/week in the five year range and 22 basis points higher in the ten and thirty year ranges
- Municipal supply totaled \$5.3bn last week and is expected to top \$12bn this week, marking the heaviest calendar of 2022
- New issues have been pressured by volatility in the Treasury market, sizable fund outflows, and secondary selling pressure
  - Transactions continue to price with concessions in order to appeal to an investor base with limited cash
- Secondary market bid-wanted volumes topped \$8.4bn last week, averaging \$1.7bn on a daily basis
- Municipal bond funds reported net outflows of \$3.548bn last week, marking the 10th straight week of outflows
  - Outflows have been reported in 13 of the last 14 weeks, with cumulative outflows totaling \$26bn during that period

Source: RBC Capital Markets, Thomson Reuters and Bloomberg. For more sources, see disclaimer slide.

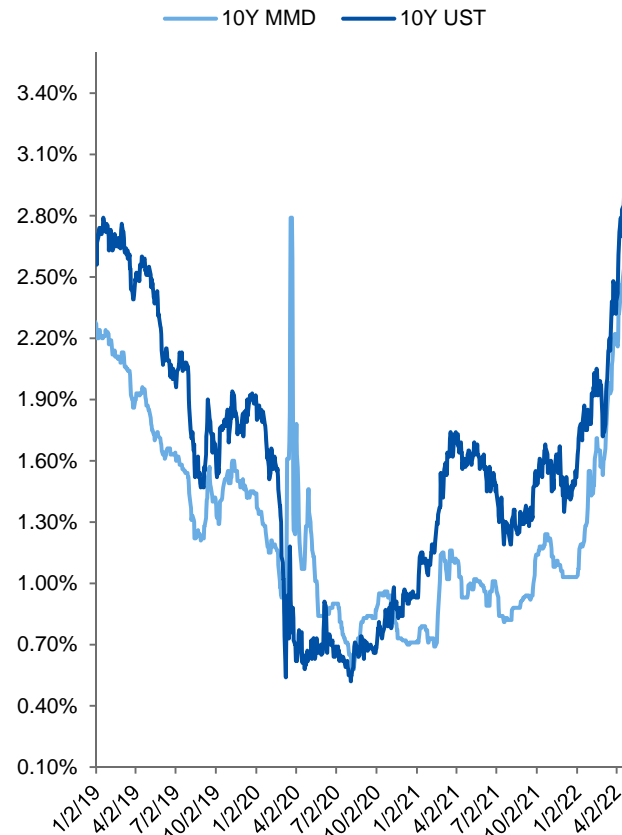
# Interest Rate Movements

## Relative Performance of Municipal Yields Versus Treasury Yields

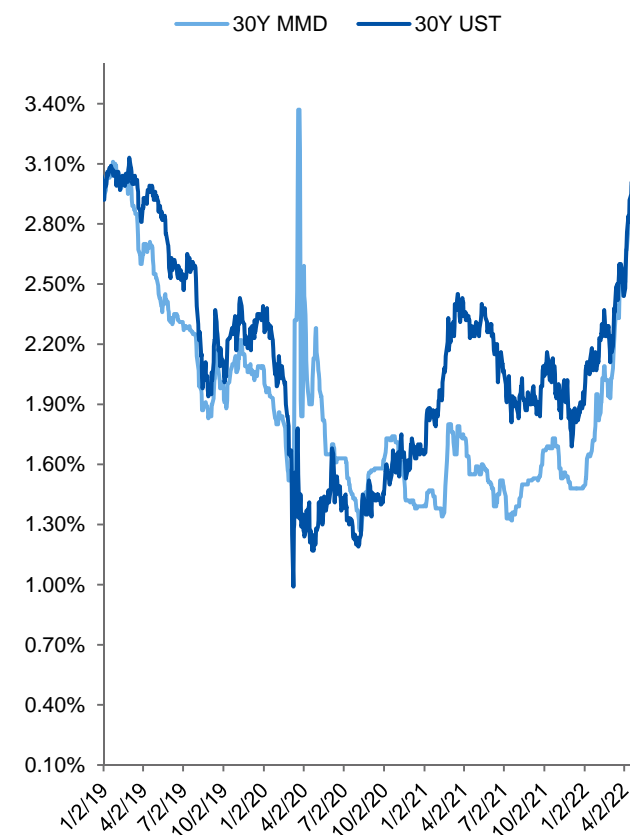
### 5 Year MMD<sup>(1)</sup> and 5 Year UST



### 10 Year MMD and 10 Year UST



### 30 Year MMD and 30 Year UST



### Change in 5 Year MMD and UST

	Current Values	2.41 Δ MMD (bps)	Current Values	2.94 Δ UST (bps)
3 Months	0.91	150	1.54	140
6 Months	0.6	181	1.22	172
1 Year	0.36	205	0.81	213
2 Years	0.94	147	0.37	257

### Change in 10 Year MMD and UST

	Current Values	2.68 Δ MMD (bps)	Current Values	2.9 Δ UST (bps)
3 Months	1.28	140	1.75	115
6 Months	1.24	144	1.66	124
1 Year	0.93	175	1.57	133
2 Years	1.18	150	0.63	227

### Change in 30 Year MMD and UST

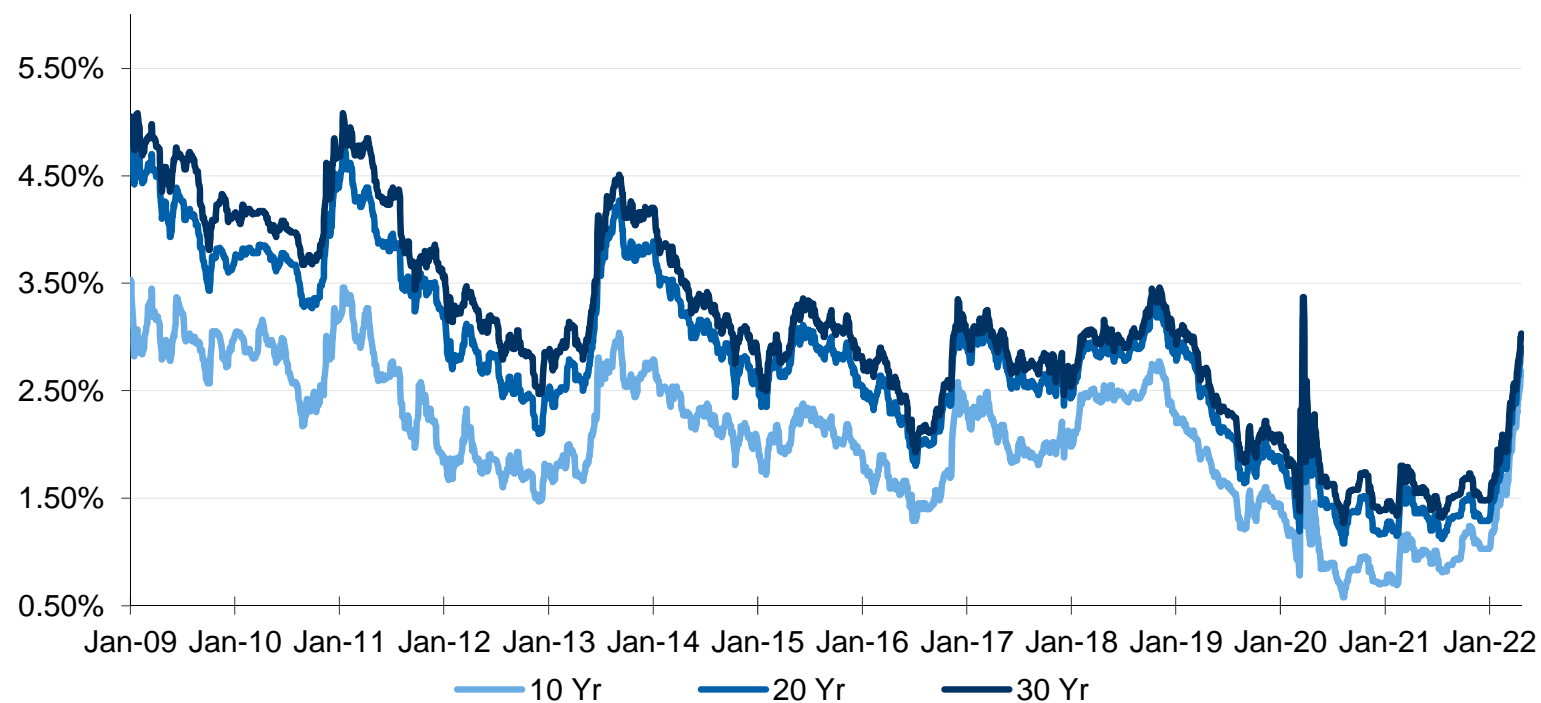
	Current Values	3.03 Δ MMD (bps)	Current Values	2.95 Δ UST (bps)
3 Months	1.72	131	2.07	88
6 Months	1.73	130	2.08	87
1 Year	1.55	148	2.24	71
2 Years	2.03	100	1.22	173

(1) MMD stands for Municipal Market Data; which is the daily index off of which all municipal bonds are priced.  
Source: Thomson Reuters

## Current Municipal Market Conditions: “AAA” MMD

After closing at 2.81% the previous week, 30-year “AAA” MMD increased 22 bps on the week

### “AAA” MMD January 1, 2009 to Present



#### January 1, 2009 to Present

	10 Year	20 Year	30 Year
Maximum	3.53%	4.89%	5.08%
Minimum	0.58%	1.08%	1.27%
Current	2.68%	2.90%	3.03%

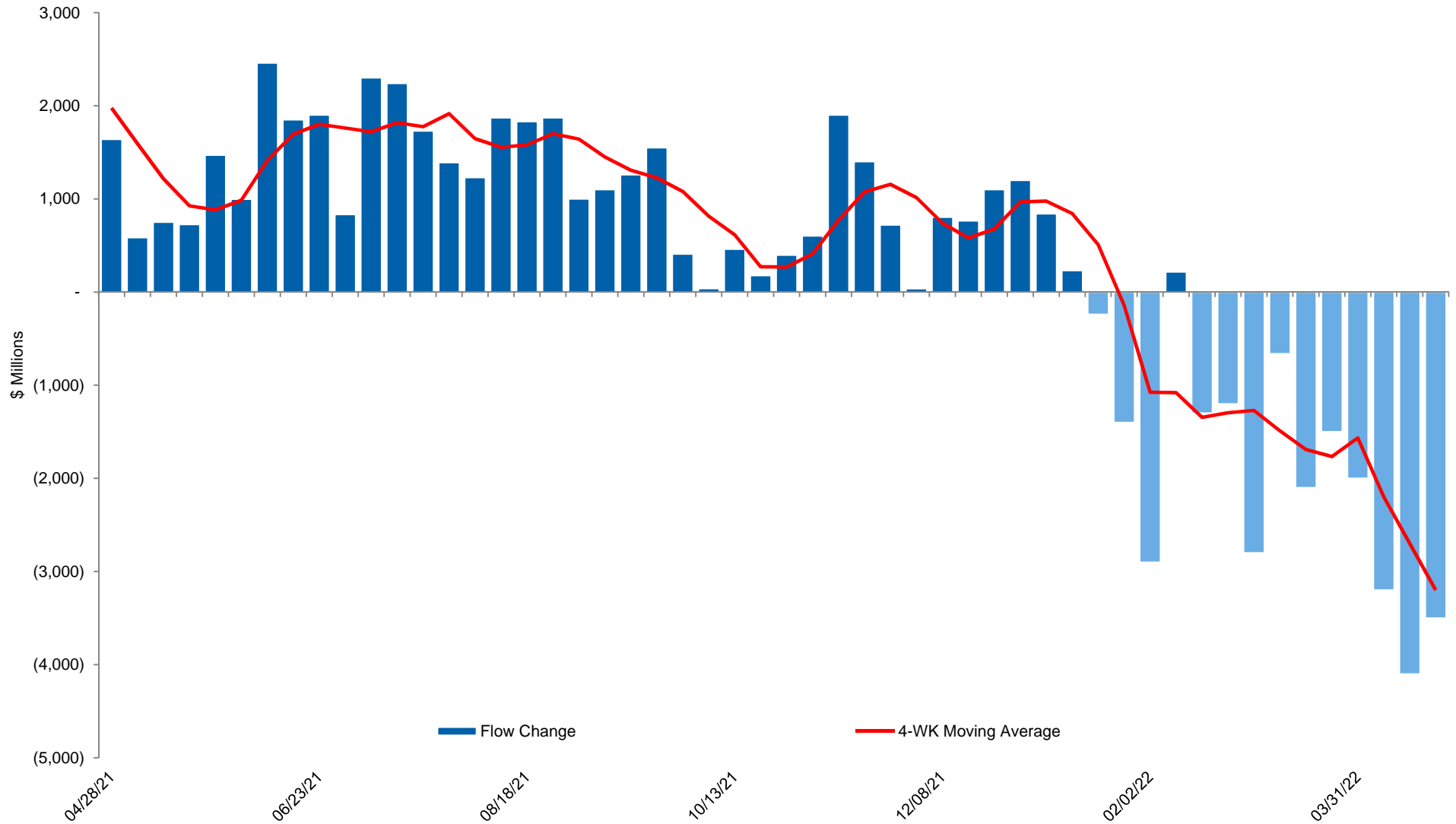
#### Shift in 30-year "AAA" MMD

2014	2015	2016	2017	2018	2019	2020
-1.34%	-0.01%	0.27%	-0.51%	0.47%	-0.93%	-0.68%

Source: TM3, Thomson Reuters  
10, 20, and 30 year “AAA” MMD shown to represent different average lives of municipal transactions  
Rates as of April 22, 2022

# Municipal Bond Fund Flows

- For the week ended April 20, 2022, Lipper reported weekly municipal bond fund outflows of \$3.5 billion compared to the previous week's \$4.1 billion of outflows.



Source: Lipper



## Disclaimer

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Sources include: [https://www.rbccm.com/assets/rbccm/docs/uploads/2017/RBCCM\\_Muni\\_Markets\\_Weekly\\_Newsletter.pdf](https://www.rbccm.com/assets/rbccm/docs/uploads/2017/RBCCM_Muni_Markets_Weekly_Newsletter.pdf), <http://www.rbc.com/economics/>, RBC Capital Markets.

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