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**ADVISORY BOARD**  
**MEETING AGENDA**  
 Thursday, May 7, 2020  
 6:00 PM  
 via Zoom

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**DACC Advisory Board Meeting**

<b>Call to Order</b> <b>Roll Call</b> <b>Approval of Agenda</b> <b>Approval of March 5, 2020 Minutes</b>	<b>Ms. Elva Garay</b>
<b>1. FY 2020-21 Budget Approval</b> <b>a. General Budget Guidelines</b> <b>b. Tuition and Fees</b> <b>c. New Faculty and Staff</b> <b>d. Budget Allocation</b> <b>e. Approval of 2020-21 Operating Budget</b>	<b>Ms. Kelly Brooks</b>
<b>2. Bond Finance Plan</b>	<b>Ms. Kelly Brooks</b> <b>Mr. Erik Harrigan, RBC Capital Markets</b>
<b>3. Updates in COVID-19 Times</b>	<b>Dr. Mónica Torres</b>
<b>4. Board Announcements and Comments</b> <b>Next DACC Advisory Board Meetings:</b> Thursday, September 3, 2020 Thursday, November 5, 2020	
<b>Adjournment</b>	

**Calendar of Events**

May                    DACC Virtual Commencement

**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 workforce and economic development.

**VISION STATEMENT**

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



**DACC SINGLE/ADVISORY BOARD**  
**MEETING MINUTES**  
*Thursday, March 5, 2020, 6:00 PM*  
*East Mesa Campus, DAEM 207 – Board Room*

### **DACC SINGLE BOARD MEETING**

Gadsden School Board Members Present:

Laura Salazar Flores  
 Claudia Rodriguez  
 Jennifer Viramontes

Hatch School Board Members Present:

Lupe Castillo  
 Elva Garay  
 Merlinda Hinojos

Las Cruces School Board Members Present:

Terrie Dallman  
 Maria Flores  
 Ray Jaramillo

DACC Staff Present:

Eddie Binder	Nathaniel Muñoz
Kelly Brooks	Rodner Santos
Josie Carmona	Mónica Torres
Rusty Fox	Susan Wood
Vicki Haggard	Martin Wortman
Ike Ledesma	

Guests Present:

Travis Dempsey, GISD Superintendent  
 Debbie Giron, NMSU Student Records Office

**Call to Order:**

Sra. Maria Flores, President, called the DACC Single Advisory Board meeting to order at 6:00 PM on Thursday, March 5, 2020. Sra. Flores appointed Ms. Laura Salazar Flores as Assistant Secretary for this meeting.

**Roll Call:**

L. Salazar Flores called roll; participants noted above were present. A quorum of the Single Advisory Board was present.

**Approval of Agenda:**

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

### **1. Welcome and Introduction of New Administrator – Dr. Mónica Torres**

**Key Discussion Points:** M. Torres, President, welcomed everyone to the meeting. She noted that DACC is slightly up in enrollment. M. Torres introduced new Vice President for Academic Affairs, Dr. Charles Abasa-Nyarko to the board. Dr. Abasa-Nyarko joined DACC in January.

**Decision/Action:** None.

### **2. RESOLUTION Authorizing the Issuance and Sale of Doña Ana Community College District General Obligation (Limited Tax) Refunding Bonds, Series 2020 in an Aggregate Principal Amount Not to Exceed \$2,400,000 – Ms. Kelly Brooks, Ms. Katherine McKinney, & Mr. Erik Harrigan**

**Key Discussion Points:** Resolution for Refunding Bonds was provided for review and approval. K. McKinney was available via telephone to explain the parameters of the resolution, and to answer any questions. K. Brooks noted that this will only be executed if net effective interest rate is 3% or greater. Final terms of bond and escrow will be reported at the May 2020 DACC Advisory Board meeting.

**Decision/Action:** Motion to approve the Resolution for Refunding Bonds as presented made by E. Garay; seconded by R. Jaramillo; no discussion, all in favor, motion carried.

### **3. RESOLUTION Authorizing, and Approving, and Ratifying Submission of a Completed Application for Financial Assistance and Project Approval to the New Mexico Finance Authority – Ms. Kelly Brooks, Ms. Katherine McKinney, & Mr. Erik Harrigan**

**Key Discussion Points:** Resolution for Application for Financial Assistance to NM Finance Authority was provided for review and approval. Regina Gaysina, RBC Capital, was available via

telephone to explain the parameters of the resolution (refinance 2011 bond, interest savings of approximately 4.4%), and to answer any questions.

**Decision/Action:** Motion to approve the Resolution for Application for Financial Assistance to NM Finance Authority as presented made by E. Garay; seconded by M. Hinojos; no discussion, all in favor, motion carried.

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**Adjournment:** Motion to adjourn the DACC Single Advisory Board meeting made by L. Castillo; seconded by R. Jaramillo; no discussion, all in favor, motion carried. Meeting adjourned at 6:15 PM.

**DACC ADVISORY BOARD MEETING**

Gadsden School Board Members Present:

Laura Salazar Flores  
 Claudia Rodriguez  
 Jennifer Viramontes

Hatch School Board Members Present:

Lupe Castillo  
 Elva Garay  
 Merlinda Hinojos

Las Cruces School Board Members Present:

Terrie Dallman  
 Maria Flores  
 Ray Jaramillo

DACC Staff Present:

Eddie Binder	Nathaniel Muñoz
Kelly Brooks	Rodner Santos
Josie Carmona	Mónica Torres
Rusty Fox	Susan Wood
Vicki Haggard	Mary Beth Worley
Ike Ledesma	Martin Wortman

Guests Present:

Travis Dempsey, GISSD Superintendent  
 Debbie Giron, NMSU Student Records Office

**Call to Order:** Sra. Maria Flores, President, called the DACC Advisory Board meeting to order at 6:16 PM on Thursday, March 5, 2020.

**Roll Call:** L. Salazar Flores 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 L. Salazar Flores; seconded by E. Garay; no discussion, all in favor, motion carried.

**Approval of Minutes: November 12, 2019** Motion to approve November 12, 2019 minutes as presented made by L. Salazar Flores; seconded by R. Jaramillo; no discussion, all in favor, motion carried.

**Election of Board Officers – Board**

**President:** Elva Garay, Hatch Valley Public Schools  
**Vice President:** Laura Salazar Flores, Gadsden Independent School District  
**Secretary:** Ray Jaramillo, Las Cruces Public Schools

**Decision/Action:** President: Motion to approve nomination of Elva Garay to position of DACC Advisory Board President made by R. Jaramillo; seconded by L. Castillo; no discussion, all in favor, motion carried.  
Vice President: Motion to approve nomination of Laura Salazar Flores to position of DACC Advisory Board Vice President made by J. Viramontes; seconded by M. Hinojos; no discussion, all in favor, motion carried.  
Secretary: Motion to approve nomination of Ray Jaramillo to position of DACC Advisory Board Secretary made by E. Garay; seconded by L. Castillo; no discussion, all in favor, motion carried.

Ms. Elva Garay stepped into new role of Board President and conducted the remainder of the meeting.

Dr. Mónica Torres thanked Sra. Maria Flores for her service as Board President.

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**1. Budget Update – Ms. Kelly Brooks**

Key Discussion Points:	<p>K. Brooks provided the Board with specific and detailed information regarding the DACC 2020-21 Preliminary Budget. The following items were highlighted:</p> <ul style="list-style-type: none"> <li>• Gadsden Center Phase 3 construction slated to be complete late summer and ready for classes Fall 2020. Grand opening will be forthcoming.</li> <li>• Based on current budget projections sources and uses include: 2.1% new money/no redistribution; \$2M dual credit adjustment; 4% compensation increase, for a total of \$2.482M in new money.</li> <li>• DACC enrollment is flat, but not looking at tuition increase at this time. Remain at \$74 per credit for tuition and fees. Enrollment trends indicate slightly above 1% growth.</li> <li>• DACC recognizing savings from elimination of 3 programs (completely eliminated Fall 2020).</li> <li>• DACC will implement increase in student minimum wage effective July 2020, not January 2021.</li> <li>• Opportunity scholarship set to be available to students (legislature/governor still working out specifics).</li> <li>• Compensation appropriations – must submit compensation plan (how raises will be given) to Legislative Finance Committee, Higher Education Department, and Department of Finance and Administration.</li> </ul> <p>Please refer to the March 5, 2020 Meeting Binder on the DACC Advisory Board's website for complete presentation (<a href="https://dacc.nmsu.edu/advisoryboard/">https://dacc.nmsu.edu/advisoryboard/</a>).</p>
Decision/Action:	<p>Final budget approved by this Board will be submitted to the NMSU Board of Regents and NM Higher Education Department after the May 7, 2020 meeting.</p>

**2. Student Financial Wellness Survey – Mr. Ike Ledesma**

Key Discussion Points:	<p>I. Ledesma presented Student Financial Wellness Survey results from Fall 2019. Key items mentioned include:</p> <ul style="list-style-type: none"> <li>• Students worry about having enough money, running out of money; they are less confident about being able to pay off debt. Some students are caring for/financially supporting family; caring for children; experience food and housing insecurities; a number of students are on some type of public assistance (food, housing, utility, medical, childcare, etc.).</li> <li>• Perceptions of institutional support (textbooks, tuition, required class supplies, food, housing, transportation). What we do well – financial Aid and loan counseling (Pell &amp; other grants); students feel they are able to talk to financial aid and academic advisors about financial struggles; tuition is low; cost of required supplies is reasonable; and providing public transportation.</li> <li>• Moving forward – create a DACC task force to create campaigns, programs, workshops, etc. to let students know about the resources available to them through DACC, NMSU, and the community. Examples include practices from the Aggie pathway program; financial wellness curriculum; promotion of Aggie cupboard; DACC emergency aid program. I. Ledesma, S. Wood and M. Ulrich are scheduled to attend the Amarillo College – Culture of Caring Summit in October 2020. Amarillo College has increased their graduation rate by 45%.</li> </ul> <p>Incentives may be provided to students on future surveys to try to increase the response rate. It was noted that the survey was not provided in Spanish which is a barrier for some of our students. I. Ledesma indicated that our Project Success has been renewed; in order to take advantage of emergency funds DACC must use one of three products – one of which is a financial literacy tool. M. Torres asks that the task force do an in-depth analysis of this data. It was noted that community partners should be sought from all parts of Doña Ana County, and it is important to not only conduct the surveys, but also to act to make changes</p>
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where feasible. Please refer to the March 5, 2020 Meeting Binder on the DACC Advisory Board's website for complete presentation (<https://dacc.nmsu.edu/advisoryboard/>).

Decision/Action: None.

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### 3. Special Events Update – Mr. Eddie Binder

Key Discussion Points: E. Binder congratulated LCPS on the passing of their mil levy bond. He provided a brief update on DACC events, and noted that they all tie to the DACC Strategic Plan in the area of engagement – with students, community, faculty, staff, and prospective students. Event categories include enroll, target, thank, introduce, and attract. Examples of events include the Scott Weaver Art Show, Legislative HED Committee meetings, Convocation, Student Services Child Care Expo, Grad Fair, SGA Show Your Colors, Run with Your Doc, El Paso Electric – Electric Line Worker Rodeo, Las Cruces City Councilor meetings, Sunland Park Business Networking, and Girls Can! M. Torres added that the Girls Can and Dream It, Be It events are great. Board members will be invited to upcoming events. Please refer to the March 5, 2020 Meeting Binder on the DACC Advisory Board's website for complete presentation (<https://dacc.nmsu.edu/advisoryboard/>).

Decision/Action: None.

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### 4. Child Care Expo – Mr. Ike Ledesma

Key Discussion Points: I. Ledesma provided an update on the Child Care Expo held at the DACC East Mesa Campus on February 21, 2020. Goal of the expo was to provide students and the community with information and resources and bring community agencies and childcare organizations on to campus in an effort to increase enrollment, retention, and completion. I. Ledesma indicated that students were very thankful for the exposure to the different resources (child care, child care assistance, lactation pod available at the DACC Espina Campus, etc.). Expo participants included: 16 agencies/37 representatives; DACC admissions/financial aid/and student accessibility services; 25 students; and 6 community members. Surveyed agencies involved with the event and they agreed that the event met its purpose; provided a quality collaboration; and the chances of vendors returning to a similar event are good and excellent. Goals for future expos include: holding 3 per academic year; holding them earlier in the semester; involving more vendors; obtaining more and better data on who needs assistance; and following up with vendors and participants. DACC still exploring how to reach more students, and how to assess the activity. Sra. Flores thanked DACC for actually responding so quickly to her request – continue and it will continue to grow. Suggestions from the Board included: hold similar event in south county, and to involve CYFD and NM Pre-K. R. Jaramillo noted the importance of trying to remove the stigma associated with CYFD and CPS – if these services are made available in a safe environment, such as the DACC Child Care Expo, some individuals feel better/more comfortable about approaching them. CYFD is committed to be available at orientations to help enhance experience of orientation. Please refer to the March 5, 2020 Meeting Binder on the DACC Advisory Board's website for complete presentation (<https://dacc.nmsu.edu/advisoryboard/>).

Decision/Action: None.

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### 5. Strategic Plan – Dr. Mónica Torres

Key Discussion Points: M. Torres provided the Board with a draft copy and an update on the DACC Strategic Plan. The planning committee consists of approximately 24 DACC faculty and staff who worked together to create the draft provided to the Board. Draft is being rolled out to internal and external community, and the finished draft will be available at the end of the spring semester. Listening/feedback

forums will be held (for DACC community at Espina, East Mesa, Gadsden, and Sunland Park, and a community forum most likely to be held at the East Mesa Campus). Plan highlights include:

- DACC is about providing opportunities; values/principles include access, innovation, and excellence; which are achieved through engagement – with students, faculty, staff, business and industry, and the community.
- The 4 goals match with the NMSU LEADS 2025 plan; but they are also based on community college interests, strengths and purpose.
- Feedback will be gathered until 4/10. This is not ever a “finished” product, but rather a living document.

Board members indicated this was a good start, and asked how systems and individual goals can be better aligned (school districts with DACC with NMSU). Please refer to the March 5, 2020 Meeting Binder on the DACC Advisory Board’s website for complete presentation (<https://dacc.nmsu.edu/advisoryboard/>).

Decision/Action:

Board members will be invited to attend the community forum and are welcome and encouraged to provide input/feedback on the plan.

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## 6. Grad Campaign – Mr. Ike Ledesma & Dr. Rusty Fox

Key Discussion Points:

R. Fox provided a big picture of the campaign – ways to increase graduation rates. A variety of ideas were shared during different student academic stages. Ideas included: Orientation and first weeks ((fear is ok, not knowing is ok, struggling a bit is ok), setting high expectations, early mentoring program); Committing to Complete (grad pens/tassels, graduation workshop series, signing event (similar to athletics); Interactions and Interventions (priority registration, division interventions, graduation summit); Graduation fair (December graduation celebration, career services/dress for success, real practice with employers). I. Ledesma added that this campaign aligns with NMSU LEADS 2025 and DACC 2025 Strategic Plans. Part of this campaign is reaching out to students who are already eligible for a degree and certificate, but may be unaware; assisting students interested in transitioning to NMSU; and waiving application/late fees and providing possible funding to students lacking few classes to graduate. Please refer to the March 5, 2020 Meeting Binder on the DACC Advisory Board’s website for complete presentation (<https://dacc.nmsu.edu/advisoryboard/>).

Decision/Action:

None.

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## 7. Board Announcements and Comments

Key Discussion Points:

Tentative Board Meeting Dates

- Thursday, May 7, 2020 – FY 2020-21 Budget Approval
- Thursday, September 3, 2020
- Thursday, November 5, 2020

Decision/Action:

None.

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**Adjournment:** Motion to adjourn the meeting made by R. Jaramillo; seconded by M. Hinojos; no discussion, all in favor, motion carried. Meeting adjourned at 8:00 PM.

Respectfully submitted,

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Laura Salazar Flores, Assistant Secretary  
DACC Single & Advisory Boards

NMSU Dona Aña Community College  
**UNRESTRICTED INSTRUCTION AND GENERAL FUNDS FOR 2020-21**

*GENERAL BUDGET GUIDELINES*

	<u>2018-19</u> <u>Budget</u>	<u>2019-20</u> <u>Budget (a)</u>	<u>Proposed</u> <u>2020-21</u> <u>Budget (b)</u>
1. Salary and Benefit Increases			
Faculty	2.00%	4.00%	4.00%
Exempt Staff	2.00%	4.00%	4.00%
Non-Exempt Staff	\$1,000	4.00%	4.00%
2. Other Costs Increase			
	0.0%	0.0%	0.0%
3. Enrollment Increase/(decrease)			
	0.0%	0.0%	0.0%

(a) The Legislature funded a 4% salary increase pool

(b) The Legislature funded a 4% salary increase pool

NMSU Dona Aña Community College  
**UNRESTRICTED INSTRUCTION AND GENERAL FUNDS FOR 2020-21**

*TUITION AND FEES*

	<u>2019-20</u>	<u>Proposed 2020-21</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
<u>Full-Time Students per Semester</u>				
In-District Resident	\$888	\$888	\$0	0.0%
Out-of-District Resident	\$1,080	\$1,080	\$0	0.0%
Non-Resident	\$2,832	\$2,832	\$0	0.0%
<u>Part-Time Students Per Credit Hour</u>				
In-District Resident	\$74	\$74	\$0	0.0%
Out-of-District Resident	\$90	\$90	\$0	0.0%
Non-Resident	\$236	\$236	\$0	0.0%

NMSU Dona Aña Community College  
**UNRESTRICTED INSTRUCTION AND GENERAL FUNDS FOR 2020-21**

*NEW FACULTY AND STAFF POSITIONS*  
*(Regular Status Employees)*

Faculty

Water Technology Instructor .70 FTE (1)  
Sonography Instructor .50FTE (1)

Exempt Staff

Data Analyst .50 FTE  
Program Specialist .50 FTE  
Career Resource Coord .50 FTE  
Health Care Med Asst .50 FTE (1)

Non-Exempt Staff

**RESTRICTED INSTRUCTION AND GENERAL FUNDS FOR 2020-21**

*Will represent future unrestricted budget commitments*

Faculty

Water Technology Instructor .30 FTE (2)  
Sonography Instructor .50 FTE (2)

Exempt Staff

Data Analyst .50 FTE (3)  
Program Specialist .50 FTE (3)  
Career Resource Coord .50 FTE (3)  
Health Care Medical Asst.50 FTE (2)

Non-Exempt Staff

- (1) Previously funded by federal Carl Perkins grant.
- (2) Funded by Carl Perkins Grant; represents future unrestricted budget commitment for fy2022.
- (3) Funded by Kellogg Grant; Represents future unrestricted budget commitment

NMSU Dona Aña Community College  
**UNRESTRICTED INSTRUCTION AND GENERAL FUNDS FOR 2020-21**

*MONEY AVAILABLE AND BUDGET ALLOCATION*  
*(As compared to Original 2019-20 Budget)*

New Money Available

Tuition and Fees (a)	(\$8,752)
State Appropriation (b)	1,767,100
Local Tax Levy	200,000
Indirect Cost Recovery	81,774
Sales & Services	0
Decrease in Transfers (c)	(68,426)
<b>TOTAL MONEY AVAILABLE</b>	<b><u><u>\$1,971,696</u></u></b>

- (a) No Net estimated tuition/fee revenue change and decrease in community education revenue \$8,752
- (b) Difference in state appropriation (I&G Funding Formula House Bill 2) Includes increase of \$448,100, dual credit adj of \$202,200, \$200,000 increase to Nursing and Dental RPSP, and increase of 916,600 for 4% salary/ERB increase
- (c) Represents increase in transfers to student aid, capital outlay, renewal & replacement, and transfer to NMSU for police support

NMSU Dona Aña Community College  
**UNRESTRICTED INSTRUCTION AND GENERAL FUNDS FOR 2020-21**

*MONEY AVAILABLE AND BUDGET ALLOCATION*  
*(As compared to Original 2019-20 Budget)*

Base Expenditure Adjustments

Compensation Increase (1)	\$0
Compensation Adjustments (2)	433,626
Previous Commitments	0
Other Base Adjustments (3)	185,555
Total Base Adjustments	\$619,181

(1) compensation increase dollars are included in overall expenditures, however, for reference the total cost of 4% increase is approx: \$1,376,407

(2) Includes compensation adjustments for the following:

Faculty promotions	\$110,291
Faculty Equity Adjustments	\$68,750
Fringe for 4% compensation increase	\$510,647
Fringe decrease (37.5% to 37.1%)	(\$157,791)
Unallocated/Fringe contingency	(98,272)
	\$433,626

(3) Represents increase to Las Cruces campus overhead charges \$187,300 and decrease in Plant O&M overhead charges of (\$1,745)

NMSU Dona Aña Community College  
**UNRESTRICTED INSTRUCTION AND GENERAL FUNDS FOR 2020-21**

*(As compared to Original 2019-20 Budget)*

New Allocated Expenditures (A)

Instruction	\$837,668
Academic Support	219,482
Student Services	203,160
Institutional Support	45,604
Physical Plant	46,601
Total New Allocated Expenditures	<u>\$1,352,515</u>
<b>TOTAL BUDGET ALLOCATION</b>	<u><u>\$1,971,696</u></u>

NMSU Doña Ana Community College

**SUMMARY OF ALL CURRENT FUNDS**

*UNRESTRICTED AND RESTRICTED FUNDS  
BY SOURCE AND USE*

	Original Budget 2019-20		Proposed Budget 2020-21		Change
	Amount	% of Total	Amount	% of Total	
<b>SOURCE OF FUNDS</b>					
REVENUES					
Tuition & Fees	\$ 11,430,940	18.1	\$ 11,422,188	17.6	-0.1
Governmental Sources					
Federal	17,114,452	27.1	16,850,267	26.0	-1.5
State	27,148,480	43.1	29,068,040	44.8	7.1
Local	5,615,000	8.9	5,815,000	9.0	3.6
Private Sources	716,783	1.1	615,697	0.9	-14.1
Sales & Service	762,525	1.2	804,575	1.2	5.5
Other Sources	256,383	0.4	353,207	0.5	37.8
Total Revenue	\$ 63,044,563	100.0	\$ 64,928,974	100.0	3.0
Use of Balances	103,382		89,720		
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 63,147,945</b>		<b>\$ 65,018,694</b>		<b>3.0</b>
<b>USE OF FUNDS</b>					
EXPENDITURES					
Instruction & General	\$ 42,700,874	68.7	\$ 45,505,630	71.1	6.6
Student Develop. Activities	374,721	0.6	375,955	0.6	0.3
Public Service	844,149	1.4	759,132	1.2	-10.1
Internal Service	45,443	0.1	90,139	0.1	98.4
Student Aid	17,516,993	28.2	16,581,818	25.9	-5.3
Auxiliary Enterprises	679,786	1.1	658,615	1.0	-3.1
Total Expenditures	\$ 62,161,966	100.0	\$ 63,971,289	100.0	2.9
Addition to Balances	0		0		
Net Funds Transfers	985,979		1,047,405		6.2
<b>TOTAL USE OF FUNDS</b>	<b>\$ 63,147,945</b>		<b>\$ 65,018,694</b>		<b>3.0</b>

NMSU Doña Ana Community College

**SUMMARY OF INSTRUCTION AND GENERAL**

*UNRESTRICTED FUNDS BY SOURCE AND USE (Formula Funded)*

	Original Budget 2019-20		Proposed Budget 2020-21		Change
	Amount	% of Total	Amount	% of Total	
<b>SOURCE OF FUNDS</b>					
REVENUES					
Tuition & Fees	\$ 11,056,585	27.0	\$ 11,047,833	25.7	-0.1
State Appropriations	24,057,700	58.7	25,824,800	60.0	7.3
Local Tax Levy	5,615,000	13.7	5,815,000	13.5	3.6
Federal Grants & Contracts	500	0.0	500	0.0	0.0
State Grants & Contracts					
Local Grants & Contracts					
Sales & Services from Educ.	41,500	0.1	41,500	0.1	0.0
Other Sources	200,883	0.5	282,657	0.7	40.7
Total Revenue	\$ 40,972,168	100.0	\$ 43,012,290	100.0	5.0
Use of Balances	0		0		
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 40,972,168</b>		<b>\$ 43,012,290</b>		<b>5.0</b>
<b>USE OF FUNDS</b>					
EXPENDITURES					
Instruction	\$ 22,673,614	57.1	\$ 23,987,549	57.6	5.8
Academic Support	5,209,191	13.1	5,374,050	12.9	3.2
Student Services	3,141,856	7.9	3,382,099	8.1	7.6
Institutional Support	5,551,022	14.0	5,769,199	13.9	3.9
Operation & Maintenance	3,099,463	7.8	3,133,945	7.5	1.1
Total Expenditures	\$ 39,675,146	100.0	\$ 41,646,842	100.0	5.0
Addition to Balances	0		0		
Transfer to Las Cruces I&G	54,620		87,932		61.0
Transfer to Student Aid	435,243		435,243		0.0
Transfer to Capital Outlay	295,339		295,339		0.0
Transfer to Building Renewal	511,820		546,934		6.9
Net Funds Transfers	\$ 1,297,022		\$ 1,365,448		5.3
<b>TOTAL USE OF FUNDS</b>	<b>\$ 40,972,168</b>		<b>\$ 43,012,290</b>		<b>5.0</b>

NMSU Doña Ana Community College

**SUMMARY OF INSTRUCTION AND GENERAL**

*UNRESTRICTED EXPENDITURES BY LINE ITEM*

	Original Budget 2019-20		Proposed Budget 2020-21		Change
	Amount	% of Total	Amount	% of Total	
<b>LINE ITEM EXPENDITURES</b>					
Faculty Salaries	\$ 9,453,936	23.8	\$ 10,249,875	24.6	<b>8.4</b>
PT Faculty Salaries	4,467,461	11.3	4,477,745	10.8	<b>0.2</b>
Exempt Staff Salaries	4,868,788	12.3	4,627,757	11.1	<b>-5.0</b>
Non-Exempt Staff Salaries	3,604,061	9.1	4,157,192	10.0	<b>15.3</b>
Student / Work-Study Salaries	829,574	2.1	871,058	2.1	<b>5.0</b>
Other Salaries	514,183	1.3	526,415	1.3	<b>2.4</b>
Benefits	8,153,559	20.6	8,456,594	20.3	<b>3.7</b>
Travel	392,124	1.0	397,624	1.0	<b>1.4</b>
Supplies & Services	4,536,296	11.4	4,809,863	11.5	<b>6.0</b>
Equipment	0	0.0	32,000	0.1	
Overhead	2,000,164	5.0	2,185,719	5.2	<b>9.3</b>
Utilities	855,000	2.2	855,000	2.1	<b>0.0</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 39,675,146</b>	<b>100.0</b>	<b>\$ 41,646,842</b>	<b>100.0</b>	<b>5.0</b>

**EXPENDITURE CLASSIFICATION**

Salaries	\$ 23,738,003	59.8	\$ 24,910,042	59.8	<b>4.9</b>
Benefits	8,153,559	20.6	8,456,594	20.3	<b>3.7</b>
Supplies & Expense	7,391,460	18.6	7,850,582	18.9	<b>6.2</b>
Travel	392,124	1.0	397,624	1.0	<b>1.4</b>
Equipment	0	0.0	32,000	0.1	
<b>TOTAL EXPENDITURES</b>	<b>\$ 39,675,146</b>	<b>100.0</b>	<b>\$ 41,646,842</b>	<b>100.0</b>	<b>5.0</b>

NMSU Doña Ana Community College

**SUMMARY OF INSTRUCTION AND GENERAL**

*UNRESTRICTED EXPENDITURES BY UNIT*

	<b>Original Budget 2019-20</b>	<b>Proposed Budget 2020-21</b>	<b>Change</b>
	<b>Amount</b>	<b>Amount</b>	
<b>INSTRUCTION</b>			
OCCUP. & VOC. INSTR.			
<b>Advanced Technologies</b>			
Apprenticeship	54,246	0	-100.0
Automotive Technology	329,825	354,362	7.4
Computer Technology	\$ 700,139	\$ 764,376	9.2
Construction Trades	147,921	152,520	3.1
Drafting & Graphics Tech.	442,990	463,501	4.6
Electrical Lineworker	63,198	74,822	18.4
Environmental and Energy Tech.	26,515	27,094	2.2
Heating, Air Conditioning	167,877	175,829	4.7
Technical Studies	56,903	58,242	2.4
Water Technology	217,817	241,098	10.7
Welding Technology	418,156	435,114	4.1
<b>Arts, Humanities, and Social Sciences</b>			
Creative Media	594,322	635,254	6.9
Library Technology	182,746	0	-100.0
<b>Business &amp; Public Services</b>			
Business Occupations	397,101	416,357	4.8
Business Office Tech.	377,068	407,648	8.1
Fire Science	164,251	190,729	16.1
Health Info Tech.	222,333	237,584	6.9
Hospitality Service	266,792	279,829	4.9
Legal Assistant	32,700	0	-100.0
Paramedic	472,774	505,463	6.9
<b>Health Sciences</b>			
Dental Assistant	175,638	206,037	17.3
Dental Hygiene	429,367	515,798	20.1
Health Care Assistant	480,495	495,480	3.1
Nursing (ADN)	1,134,548	1,255,950	10.7
Radiologic Technology	288,836	309,612	7.2
Respiratory Therapy	260,564	274,072	5.2
Sonography	207,936	265,886	27.9
<b>Science, Engineering, &amp; Mathematics</b>			
Aerospace Technology	61,238	66,861	9.2
Electronic Service	229,562	247,683	7.9
Manufacturing Technology	155,509	165,805	6.6
Total Occup. & Voc. Instr.	\$ 8,759,367	\$ 9,223,006	5.3

NMSU Doña Ana Community College

**SUMMARY OF INSTRUCTION AND GENERAL**

*UNRESTRICTED EXPENDITURES BY UNIT*

	<b>Original Budget 2019-20</b>	<b>Proposed Budget 2020-21</b>	<b>Change</b>
	<b>Amount</b>	<b>Amount</b>	
<b>INSTRUCTION</b>			
<b>GENERAL ACADEMIC INSTR.</b>			
Accounting	49,280	50,265	2.0
Arts	\$ 400,185	\$ 423,089	5.7
Business & Marketing	203,573	212,546	4.4
Criminal Justice	350,607	364,773	4.0
Early Childhood Education	185,404	185,937	0.3
Education	245,559	297,692	21.2
English	564,247	578,519	2.5
Humanities	813,047	834,177	2.6
Math & Statistics	340,309	353,450	3.9
Computer Science	108,011	114,428	5.9
Science	1,180,803	1,222,865	3.6
Social Sciences	736,040	783,156	6.4
<b>Total General Academic Instr.</b>	<b>\$ 5,177,065</b>	<b>\$ 5,420,897</b>	<b>4.7</b>
<b>CONTINUING EDUCATION</b>			
Community Education	\$ 96,950	\$ 96,210	-0.8
Contract Training	118,044	121,696	3.1
Truck Driving School	73,881	74,017	0.2
Truck Driving Courses	98,713	98,729	0.0
Other	124,259	111,707	-10.1
<b>Total Continuing Education</b>	<b>\$ 511,847</b>	<b>\$ 502,359</b>	<b>-1.9</b>
<b>PREP./REMEDIAL INSTR.</b>			
Developmental Studies	\$ 102,131	\$ 33,767	-66.9
Developmental English	1,065,235	1,158,684	8.8
Developmental Math	1,356,275	1,416,321	4.4
Tutoring	369,078	385,734	4.5
<b>Total Prep./Remedial Instr.</b>	<b>\$ 2,892,719</b>	<b>\$ 2,994,506</b>	<b>3.5</b>
Employee Benefits	5,073,532	5,419,207	6.8
Unallocated Salary	259,084	427,574	65.0
<b>TOTAL INSTRUCTION</b>	<b>\$ 22,673,614</b>	<b>\$ 23,987,549</b>	<b>5.8</b>

NMSU Doña Ana Community College

**SUMMARY OF INSTRUCTION AND GENERAL**

*UNRESTRICTED EXPENDITURES BY UNIT*

	<b>Original Budget 2019-20</b>	<b>Proposed Budget 2020-21</b>	<b>Change</b>
	<b>Amount</b>	<b>Amount</b>	
<b>ACADEMIC SUPPORT</b>			
Library/ Media Center	\$ 643,207	\$ 675,594	5.0
Learning Technology	236,803	244,453	3.2
Academic Office	540,522	542,440	0.4
Workforce/Community Dev.	212,423	234,350	10.3
Computer Laboratory Support	335,182	353,165	5.4
Academic Advising	564,719	633,698	12.2
Health Sciences Division	249,634	269,719	8.0
Business & Public Services. Div.	279,739	290,109	3.7
Advanced Technologies Div.	255,785	270,020	5.6
Arts, Humanities, & Soc. Sci. Div.	222,642	225,093	1.1
Science, Engineering, & Math Div.	181,784	188,009	3.4
Dental Hygiene Clinic	30,000	30,000	0.0
Ceramics	2,500	2,500	0.0
Culinary/Hospitality	9,000	9,000	0.0
Employee Benefits	1,210,523	1,155,900	-4.5
Unallocated Exp	234,728	250,000	6.5
<b>TOTAL ACADEMIC SUPP.</b>	<b>\$ 5,209,191</b>	<b>\$ 5,374,050</b>	<b>3.2</b>
<b>STUDENT SERVICES</b>			
Adult Basic Education	\$ 149,370	\$ 171,514	14.8
Student Development	221,605	230,327	3.9
Gadsden Center	215,733	246,088	14.1
Sunland Park Center	158,902	176,352	11.0
Dual Credit Student Services	0	0	#DIV/0!
Counseling & Disabled Services	390,759	405,374	3.7
Ctr. for Career & Student Success	0	0	#DIV/0!
Student Publications	21,605	21,605	0.0
Financial Aid	452,183	490,773	8.5
Admissions	522,443	572,882	9.7
Workforce Dev & Career Readiness	102,311	117,520	14.9
Registration & Scheduling	182,376	188,012	3.1
Employee Benefits	724,569	761,652	5.1
Unallocated Salary	0	0	#DIV/0!
<b>TOTAL STUDENT SERVICES</b>	<b>\$ 3,141,856</b>	<b>\$ 3,382,099</b>	<b>7.6</b>

NMSU Doña Ana Community College

**SUMMARY OF INSTRUCTION AND GENERAL**

*UNRESTRICTED FUNDS BY UNIT*

	<b>Original Budget 2019-20</b>	<b>Proposed Budget 2020-21</b>	<b>Change</b>
	<b>Amount</b>	<b>Amount</b>	
<b>INSTITUTIONAL SUPPORT</b>			
Executive Office	\$ 315,659	\$ 307,211	-2.7
Communications & Publications	423,850	423,040	-0.2
Institutional Effectiveness	183,439	187,081	2.0
Business Office	488,201	515,332	5.6
Uncollectible Accounts	720,000	720,000	0.0
Main Campus Overhead	1,911,800	2,099,100	9.8
Computer Support	226,379	230,008	1.6
Security	341,291	358,229	5.0
Personnel / Payroll Services	181,529	185,051	1.9
Community Relations	58,534	58,534	0.0
Employee Benefits	700,340	685,613	-2.1
<b>TOTAL INSTITUTIONAL SUP.</b>	<b>\$ 5,551,022</b>	<b>\$ 5,769,199</b>	<b>3.9</b>
<b>OPERATION &amp; MAINTENANCE OF PLANT</b>			
<b>PHYSICAL PLANT</b>			
Facilities Support	\$ 511,297	\$ 518,479	1.4
Mechanical Systems	322,529	331,318	2.7
Custodial	717,677	748,307	4.3
Plant Overhead	88,364	86,619	-2.0
Property Insurance	135,000	135,000	0.0
Portable Building Lease	45,000	45,000	0.0
<b>Total Physical Plant</b>	<b>\$ 1,819,867</b>	<b>\$ 1,864,723</b>	<b>2.5</b>
<b>UTILITIES</b>			
Fuel	\$ 90,000	\$ 90,000	0.0
Electricity	682,000	682,000	0.0
Water, Sewer, & Garbage	83,000	83,000	0.0
<b>Total Utilities</b>	<b>\$ 855,000</b>	<b>\$ 855,000</b>	<b>0.0</b>
Employee Benefits	444,596	434,222	-2.3
Less Applied Charges	20,000	20,000	
<b>TOTAL O&amp;M PLANT</b>	<b>\$ 3,099,463</b>	<b>\$ 3,133,945</b>	<b>1.1</b>

NMSU Doña Ana Community College

**SUMMARY OF INSTRUCTION AND GENERAL**

*RESTRICTED FUNDS BY SOURCE AND USE (Grants and Contracts)*

	Original Budget 2019-20		Proposed Budget 2020-21		Change
	Amount	% of Total	Amount	% of Total	
<b>SOURCE OF FUNDS</b>					
<b>REVENUE</b>					
Federal Grants & Contracts	1,792,039	59.2	2,550,477	66.1	<b>42.3</b>
State Grants & Contracts	1,010,376	33.4	1,120,585	29.0	<b>10.9</b>
Private Grants & Contracts	223,313	7.4	187,726	4.9	<b>-15.9</b>
<b>TOTAL REVENUE</b>	<b>\$ 3,025,728</b>	<b>100.0</b>	<b>\$ 3,858,788</b>	<b>100.0</b>	<b>27.5</b>
<b>USE OF FUNDS</b>					
<b>INSTRUCTION</b>					
Business & Pub. Svcs Prog.	\$ 105,739		\$ 164,935		<b>56.0</b>
Advanced Technologies Program:	420,066		394,776		<b>-6.0</b>
Arts, Humanities, & Social Sci. Pr	21,756		44,160		<b>103.0</b>
Health Sciences Programs	369,012		199,183		<b>-46.0</b>
Science, Engineering, & Math Pro	208,169		201,870		<b>-3.0</b>
General Academic Instruction					<b>#DIV/0!</b>
Community Educ. Programs	19,500		31,715		<b>62.6</b>
Adult Basic Education	1,206,970		1,364,370		<b>13.0</b>
Development Studies					<b>#DIV/0!</b>
Other Instruction	68,250		74,790		<b>9.6</b>
Work Study	152,400		166,700		<b>9.4</b>
<b>Total Instruction</b>	<b>\$ 2,571,862</b>	<b>66.6</b>	<b>\$ 2,642,499</b>	<b>68.5</b>	<b>2.7</b>
<b>ACADEMIC SUPPORT</b>					
Academic Support Programs	115,703		691,410		<b>497.6</b>
Work Study	188,800		164,400		<b>-12.9</b>
<b>Total Academic Support</b>	<b>\$ 304,503</b>	<b>7.9</b>	<b>\$ 855,810</b>	<b>22.2</b>	<b>181.1</b>
<b>STUDENT SERVICES</b>					
Adult Basic Education	31,000		0		<b>-100.0</b>
Student Development	0		252,512		<b>#DIV/0!</b>
Workrorce Dev - Career Guid	13,363		14,467		<b>8.3</b>
Work Study	47,300		36,300		<b>-23.3</b>
<b>Total Student Services</b>	<b>\$ 91,663</b>	<b>2.4</b>	<b>\$ 303,279</b>	<b>7.9</b>	<b>230.9</b>
<b>INSTITUTIONAL SUPPORT</b>					
O&M of PLANT	43,700	1.1	48,500	1.3	<b>11.0</b>
	14,000	0.4	8,700	0.2	<b>-37.9</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 3,025,728</b>	<b>78.4</b>	<b>\$ 3,858,788</b>	<b>100.0</b>	<b>27.5</b>

NMSU Doña Ana Community College

**SUMMARY OF OTHER CURRENT FUNDS**

*UNRESTRICTED AND RESTRICTED FUNDS*

	Original Budget 2019-20		Proposed Budget 2020-21		Change
	Amount	% of Total	Amount	% of Total	
<b>SOURCE OF FUNDS</b>					
REVENUES					
Tuition & Fees	\$ 374,355	2.0	\$ 374,355	2.1	0.0
Federal Grants & Contracts	15,321,913	80.4	14,299,290	79.2	-6.7
State Grants & Contracts	2,080,404	10.9	2,122,655	11.8	2.0
Private Gifts, Grants & Contracts	493,470	2.6	427,971	2.4	-13.3
Sales & Service	721,025	3.8	763,075	4.2	5.8
Other Sources	55,500	0.3	70,550	0.4	27.1
Total Revenue	\$ 19,046,667	100.0	\$ 18,057,896	100.0	-5.2
Use of Balances	103,382		89,720		
Transfer from I&G (Student Aid)	435,243		435,243		0.0
Transfer to R&R/Capital Outlay	(124,200)		(117,200)		-5.6
TOTAL SOURCE OF FUNDS	\$ 19,461,092	100.0	\$ 18,465,659	100.0	-5.1
<b>USE OF FUNDS</b>					
EXPENDITURES					
Student Develop. Activities	\$ 374,721	1.9	\$ 375,955	2.0	0.3
Public Service	844,149	4.3	759,132	4.1	-10.1
Internal Service	45,443	0.2	90,139	0.5	98.4
Student Aid	17,516,993	90.0	16,581,818	89.8	-5.3
Auxiliary Enterprises	679,786	3.5	658,615	3.6	-3.1
Total Expenditures	\$ 19,461,092	100.0	\$ 18,465,659	100.0	-5.1
Addition to Balances	0		0		
TOTAL USE OF FUNDS	\$ 19,461,092		\$ 18,465,659		

NMSU Doña Ana Community College

**SUMMARY OF PLANT FUNDS**

*UNRESTRICTED AND RESTRICTED FUNDS*

	Original Budget 2019-20		Proposed Budget 2020-21		Change
	Amount	% of Total	Amount	% of Total	
<b>SOURCE OF FUNDS</b>					
REVENUES					
Required Student Fees	\$ 400,000	11.1	\$ 400,000	4.1	<b>0.0</b>
Federal Grants & Contracts	0	0.0	0	0.0	
State Severance Bond Proceeds	0	0.0	0	0.0	
State GO Bond Proceeds	3,200,000	88.9	9,390,000	95.9	
Local GO Bond Proceeds	0	0.0	0	0.0	
Revenue Bonds	0	0.0	0	0.0	
Interest on Investments	0	0.0	0	0.0	
Total Revenues	\$ 3,600,000	100.0	\$ 9,790,000	100.0	<b>171.9</b>
Transfer from I&G	501,180		501,180		<b>0.0</b>
Transfer from Other Current Funds	117,000		110,000		<b>-6.0</b>
Transfer from Debt Service	171,773		129,218		<b>-24.8</b>
Transfer to Renewal & Replacemen	134,206		211,875		<b>57.9</b>
Transfer to Main Debt Service	(228,227)		(270,782)		<b>18.6</b>
Use of Balances	8,309,068		3,254,286		
TOTAL SOURCE OF FUNDS	\$ 12,605,000		\$ 13,725,777		<b>8.9</b>
<b>USE OF FUNDS</b>					
EXPENDITURES					
Major Capital Outlay	\$ 8,950,000	71.0	\$ 5,300,000	39.2	<b>-40.8</b>
Minor Capital Outlay	2,440,000	19.4	6,925,777	51.2	<b>183.8</b>
Renewal & Replacement	1,215,000	9.6	1,300,000	9.6	<b>7.0</b>
Total Expenditures	\$ 12,605,000	100.0	\$ 13,525,777	100.0	<b>7.3</b>
Addition to Balances	0		0		
TOTAL USE OF FUNDS	\$ 12,605,000		\$ 13,525,777		

## Budget of NMSU Doña Ana Community College

Fiscal Year 2020 to 2021

<b>EXPENDITURES</b>			
	UNRESTRICTED	RESTRICTED	TOTAL
Current Funds	43,207,535	20,763,754	63,971,289
Plant Funds	13,525,777	N/A	13,525,777
<b>TOTAL</b>	<b>56,733,312</b>	<b>20,763,754</b>	<b>77,497,066</b>

This operating budget is submitted in accordance with Article 5, Section 9, of the Constitution of New Mexico and Section 21-1-26 NMSA 1978. All information herein stated is true and correct to the best of my knowledge and belief.

**Approved for Recommendation by Dona Aña County Boards of Education:**

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\_\_\_\_\_  
President

\_\_\_\_\_  
Date

# Doña Ana Community College

## Finance Plan Update

5/7/2020

**STRICTLY PRIVATE AND CONFIDENTIAL**



**Capital  
Markets**

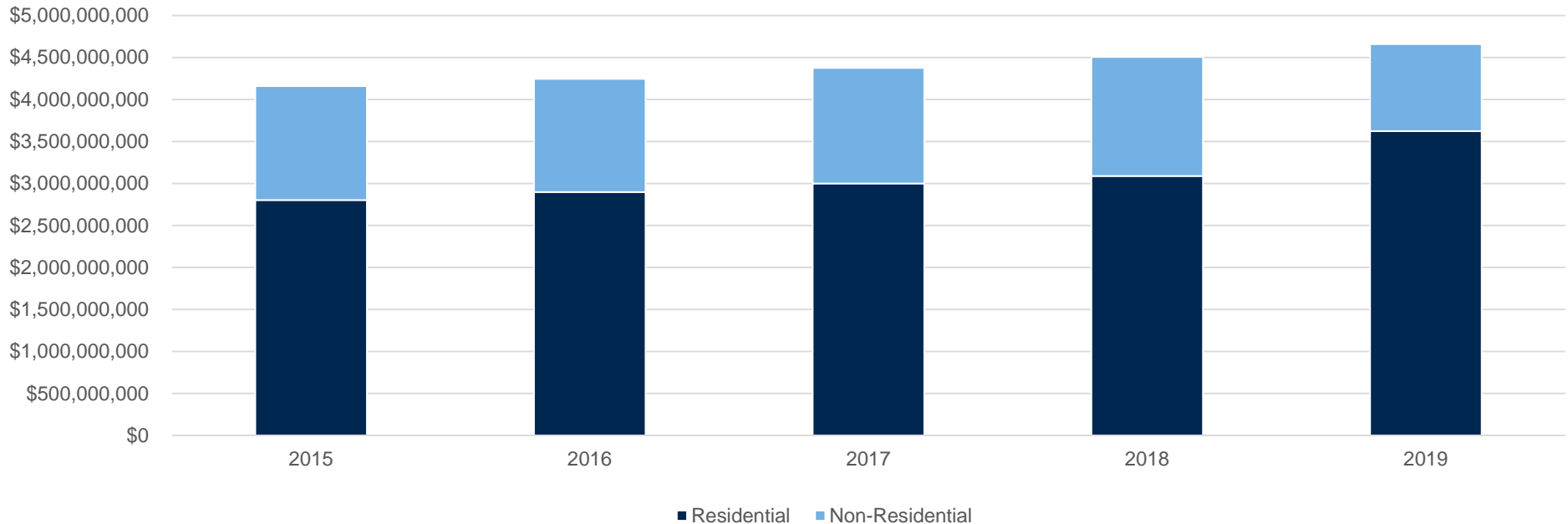
## History of Assessed Valuation

	2015	2016	2017	2018	2019
Residential	\$2,801,486,739	\$2,897,096,923	\$2,998,803,460	\$3,090,064,154	\$3,625,533,070
Non-Residential	1,359,107,344	1,346,465,610	1,377,351,860	1,414,522,446	1,034,541,593
<b>Total</b>	<b>\$4,160,594,083</b>	<b>\$4,243,562,533</b>	<b>\$4,376,155,320</b>	<b>\$4,504,586,600</b>	<b>\$4,660,074,663</b>
<b>% Growth</b>	<b>3.26%</b>	<b>1.99%</b>	<b>3.12%</b>	<b>2.93%</b>	<b>3.45%</b>

5 Year Average Growth Rate	2.95%
10 Year Average Growth Rate	2.04%

Source: Dona Ana Assessor's Office

### History of Assessed Valuation



## History of Tax Rates

<b>Within 20 Mill Limit for General Purposes</b>					
	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
State of New Mexico	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Dona Ana County	9.253	9.137	9.055	9.043	9.153
Dona Ana Community College	1.250	1.250	1.250	1.250	1.248
City of Las Cruces	4.841	4.776	4.732	4.730	4.806
Las Cruces Schools	0.344	0.340	0.337	0.336	0.340
<b>Total</b>	<b>\$15.688</b>	<b>\$15.503</b>	<b>\$15.374</b>	<b>\$15.359</b>	<b>\$15.547</b>

<b>Over 20 Mill Limit - Interest, Principal, Judgment, etc.</b>					
	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
State of New Mexico	1.360	1.360	1.360	1.360	1.360
Dona Ana County	0.098	0.108	0.108	0.109	0.114
Dona Ana Community College (DS)	0.750	0.750	0.350	0.750	0.750
City of Las Cruces	4.007	3.994	1.970	1.969	2.000
Las Cruces Schools	9.605	9.600	9.581	9.584	9.512
<b>Total</b>	<b>\$15.820</b>	<b>\$15.812</b>	<b>\$13.369</b>	<b>\$13.772</b>	<b>\$13.736</b>

<b>Total Levy</b>					
	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
State of New Mexico	1.360	1.360	1.360	1.360	1.360
Dona Ana County	9.351	9.245	9.163	9.152	9.267
Dona Ana Community College	2.000	2.000	1.600	2.000	1.998
City of Las Cruces	8.848	8.770	6.702	6.699	6.806
Las Cruces Schools	9.949	9.940	9.918	9.920	9.852
<b>Total Residential in Las Cruces</b>	<b>\$31.508</b>	<b>\$31.315</b>	<b>\$28.743</b>	<b>\$29.131</b>	<b>\$29.283</b>
<b>Total Non-Residential in Las Cruces</b>	<b>\$34.540</b>	<b>\$34.546</b>	<b>\$32.147</b>	<b>\$32.555</b>	<b>\$32.457</b>
<b>Total for Town of Mesilla</b>					
Residential	\$23.688	\$23.574	\$23.077	\$23.478	\$23.534
Non-Residential	\$27.753	\$27.760	\$27.367	\$27.775	\$27.671
<b>Total for Town of Hatch</b>					
Residential	\$30.891	\$30.593	\$30.110	\$30.190	\$30.579
Non-Residential	\$33.674	\$33.676	\$33.233	\$33.668	\$33.658
<b>Total for City of Sunland Park</b>					
Residential	\$35.754	\$35.625	\$35.074	\$35.582	\$35.866
Non-Residential	\$39.712	\$39.780	\$39.378	\$39.771	\$39.785
<b>Total for City of Anthony</b>					
Residential	\$31.833	\$29.231	\$28.677	\$29.064	\$29.230
Non-Residential	\$34.612	\$32.130	\$31.728	\$32.121	\$32.135

## 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 to be sold in 2020 and 2022.
  - Sale of bonds is structured to maintain tax rate of 0.75 mils.
    - No tax rate increase required.
  - 13-year final maturity (20-year maximum).

## Refunding of Series 2011 General Obligation Bonds Overview

- District's currently outstanding Series 2011 Bonds are callable on 8/1/2020
- Average rate of callable bonds is 4%
- The Bonds have final maturity of 8/1/2024
- Based on the current interest rates + 15bps the District could refund the Bonds to generate interest savings on a net present value basis of approximately \$69,559 or 3.31%.
- The savings in excess of 3% are considered to be economically beneficial

Savings Summary				
Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value
08/01/2021	\$584,000.00	\$567,351.30	\$16,648.70	\$16,627.26
08/01/2022	564,000.00	547,140.00	16,860.00	16,559.22
08/01/2023	594,000.00	575,315.00	18,685.00	18,049.64
08/01/2024	572,000.00	557,755.00	14,245.00	13,552.78
	<b>\$2,314,000.00</b>	<b>\$2,247,561.30</b>	<b>\$66,438.70</b>	<b>\$64,788.90</b>
PV of savings from cash flow		\$64,788.90		
Plus: Refunding funds on hand		4,770.83		
<b>Net PV Savings</b>		<b>\$69,559.73</b>		
<b>% savings of refunded bonds</b>		<b>3.31%</b>		

(1) NMFA Rates 5/4/20 + 15bps

# Market Update

STRICTLY PRIVATE AND CONFIDENTIAL



Capital  
Markets

## Key Areas of Market Focus Going Forward

### **\$2T Stimulus Package Signed into Law (CARES Act/COVID Phase III Bill)**

1

1) \$504B loans and assistance for companies and municipalities (\$50B Treasury Secretary and \$454B Fed market action) and 2) \$1.5T aid (\$150B municipalities, \$350B small businesses, \$130B health care systems, \$31B education, \$25B transit, \$10B airports, and direct payments to lower-income earners and middle class)

### **Phase 3.5 Stimulus Package**

2

Congress passed their fourth COVID-19 related aid package, with President Trump signing the \$484 billion bill on Friday afternoon. The majority of the funding will replenish the Small Business Administration's Paycheck Protection Program, which provides for forgivable loans to small businesses that maintain their employee base

### **Potential Phase 4 Stimulus Package**

3

Next round of stimulus (Phase 4) will deal with the recession. Items under consideration include: (1) Affordable Housing Credit Improvement Act, (2) Reinstatement Tax-exempt advance refundings, (3) BAB-like program, (4) Expansion of Private Activity Bonds (PABs), among others. Expect May/June timetable.

### **Municipal Liquidity Facility**

4

The Fed allows State and local governments to borrow up to 20% of FY17 revenues. Fed can purchase BANs, TANs and TRANs with maturities less than 2 years. All states are eligible, cities with populations over 1 million (9) and counties with populations over 2 million (15). \$500B program size.

### **Economic Impact of the Coronavirus Pandemic**

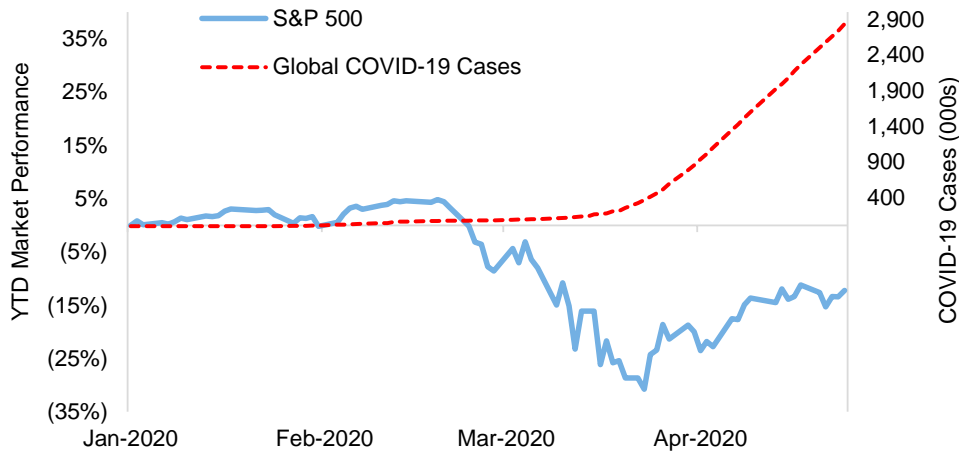
5

The US Department of Labor reported initial jobless claims that were consistent with market consensus at 4.4 million. To date, approximately 26 million people have lost their jobs as a result of coronavirus. On the housing front, the National Association of Realtors reported that March existing home sales fell 8.5% m/m.

# Economic Overview

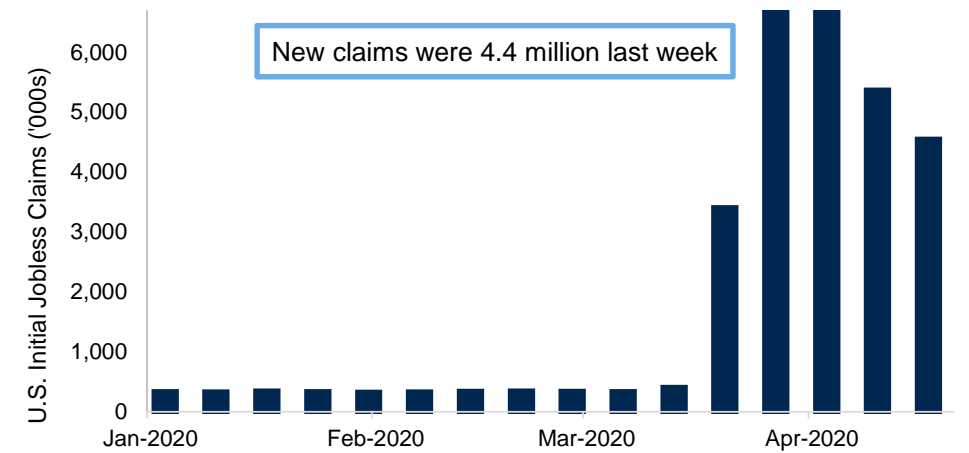
Markets pricing in fear of recession as uncertainty continues

## Equity Market Performance vs. Global Confirmed Coronavirus Cases



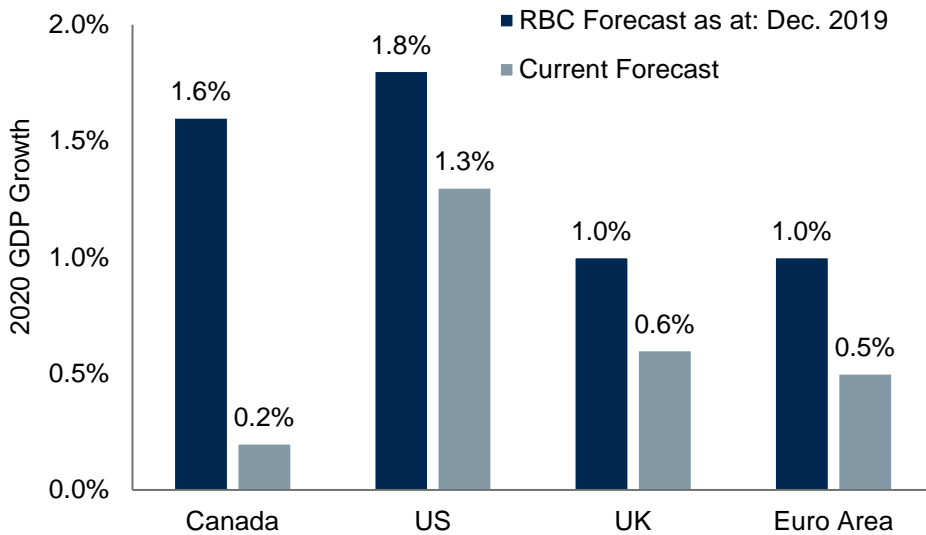
Source: Bloomberg, as of market close April 24, 2020

## U.S. Initial Jobless Claims



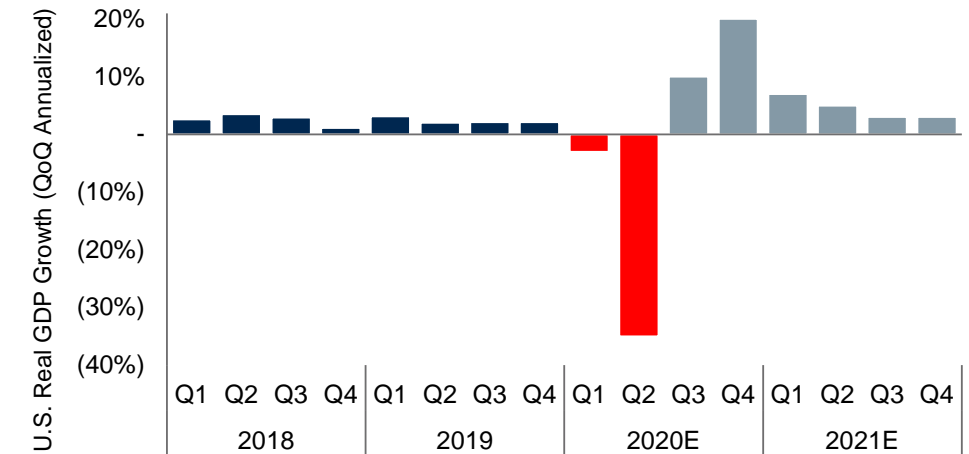
Source: Bloomberg, latest data for week ending April 17, 2020

## Coronavirus Weighing on 2020 Global Growth Outlook



Source: RBC Economics

## Investors Bracing for a Recession



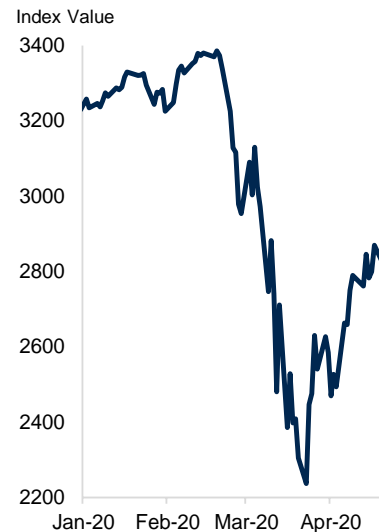
Source: RBC Economics

# Coronavirus Impacting All Asset Classes

## Commentary

- The front month futures contract for WTI Crude flipped negative on Monday for the first time in history. At Monday's close, the official price for a barrel of oil was -\$37.63.
- US equity markets declined last week, as the DJIA/S&P/Nasdaq slipped 1.9%, 1.3%, and 0.2%, respectively.
- Investment Grade Corporate Bond primary supply totaled \$40bn last week, and syndicate desks are calling for \$55bn of supply this week.
  - Corporate credit spreads widened modestly last week, with the Bloomberg US Aggregate Index out 3bp and IG CDX out 7bp.
- Orders for durable goods tumbled 14.4% in March.
- The municipal market underperformed Treasuries last week, as tax-exempt bonds garnered thinner sponsorship.

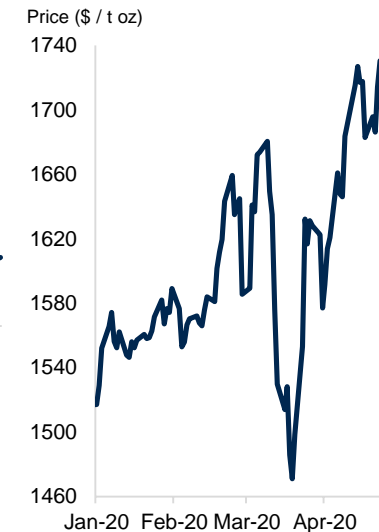
**S&P 500 Index**



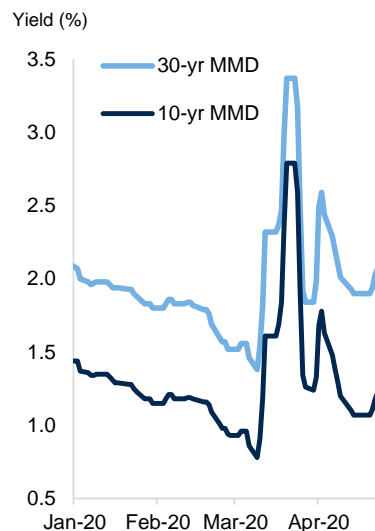
**Oil (WTI)**



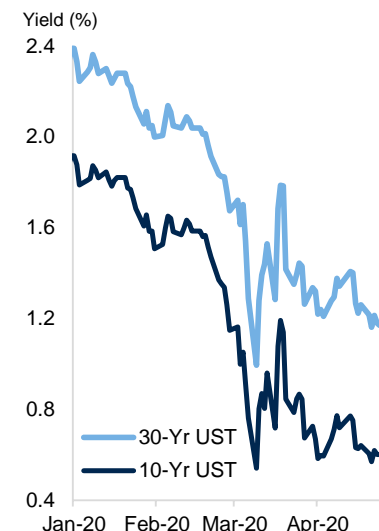
**Gold**



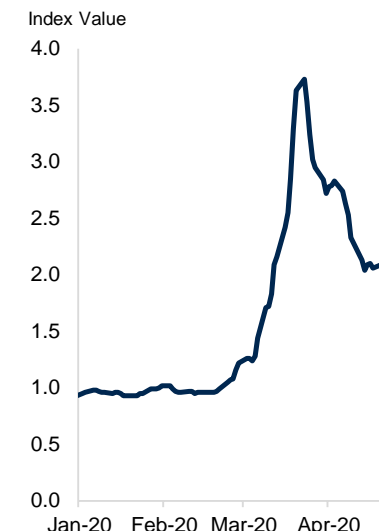
**MMD Yields**



**U.S. Treasury Yields**



**IG Corporate Bond Spreads**



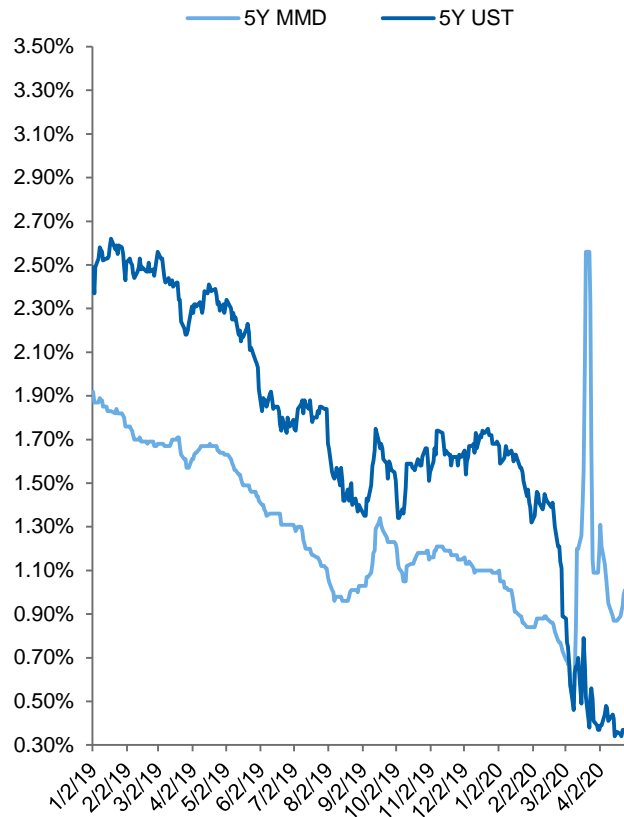
**Correlation increasing across asset classes; coordinated response to uncertainty around COVID-19 impacts and oil price collapse**

Source: Bloomberg, RBC Capital Markets as of April 24 2020. For more sources, see disclaimer slide.

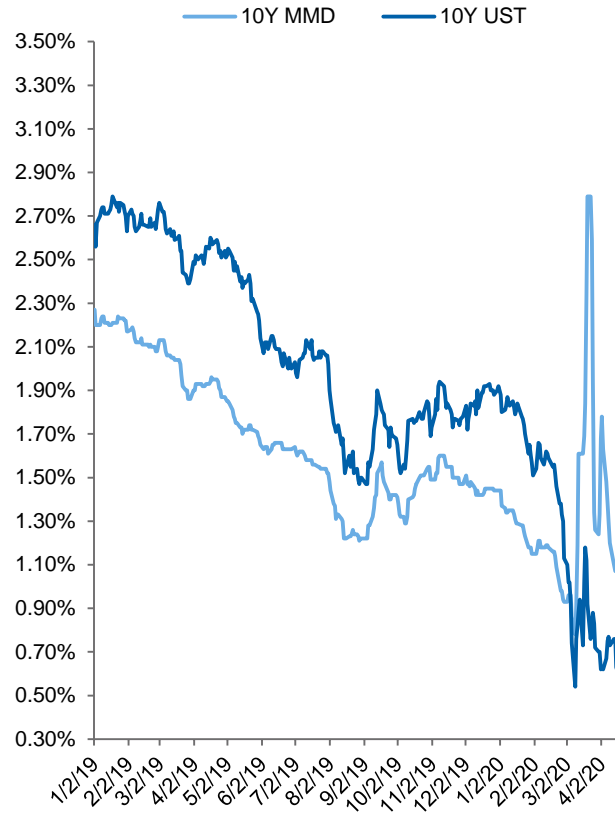
# Interest Rate Movements

## Relative Performance of Municipal Yields Versus Treasuries

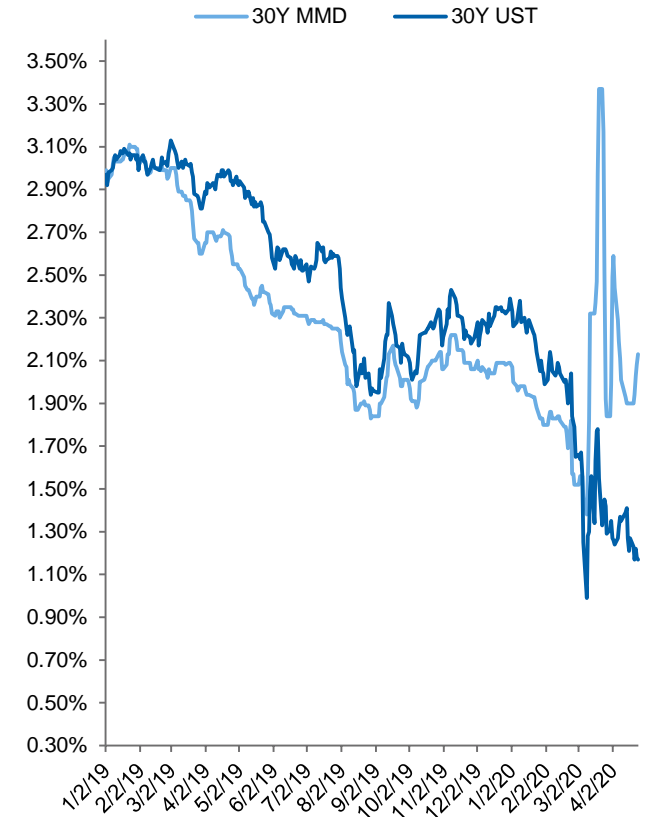
5 Year MMD<sup>(1)</sup> and 5 Year UST



10 Year MMD and 10 Year UST



30 Year MMD and 30 Year UST



**Change in MMD**

	01/02/2019	04/24/2020	Δ (bps)
3yr MMD	1.790	0.950	-84
5yr MMD	1.920	1.010	-91
7yr MMD	2.040	1.110	-93
10yr MMD	2.270	1.280	-99
30yr MMD	2.990	2.130	-86

**Change in Treasuries**

	01/02/2019	04/24/2020	Δ (bps)
3yr UST	2.470	0.260	-221
5yr UST	2.490	0.360	-213
7yr UST	2.560	0.510	-205
10yr UST	2.660	0.600	-206
30yr UST	2.970	1.170	-180

**Change in MMD/UST Ratio**

	01/02/2019	04/24/2020	Δ (%)
3yr Ratio	72%	365%	293%
5yr Ratio	77%	281%	203%
7yr Ratio	80%	218%	138%
10yr Ratio	85%	213%	128%
30yr Ratio	101%	182%	81%

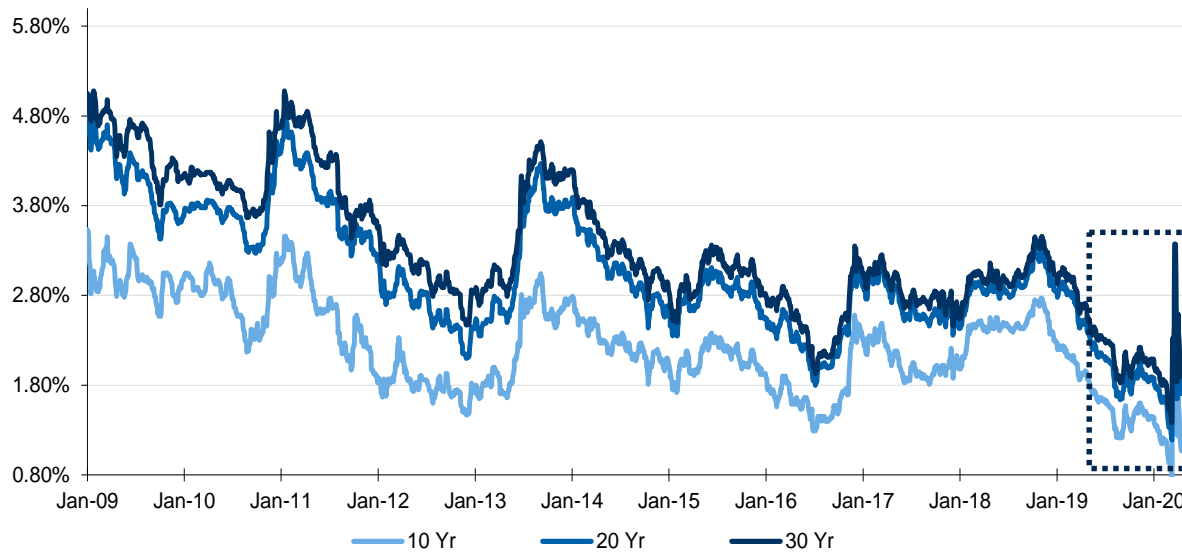
(1) MMD stands for Municipal Market Data; which is the daily index off of which all municipal bonds are priced.

Source: Thomson Reuters

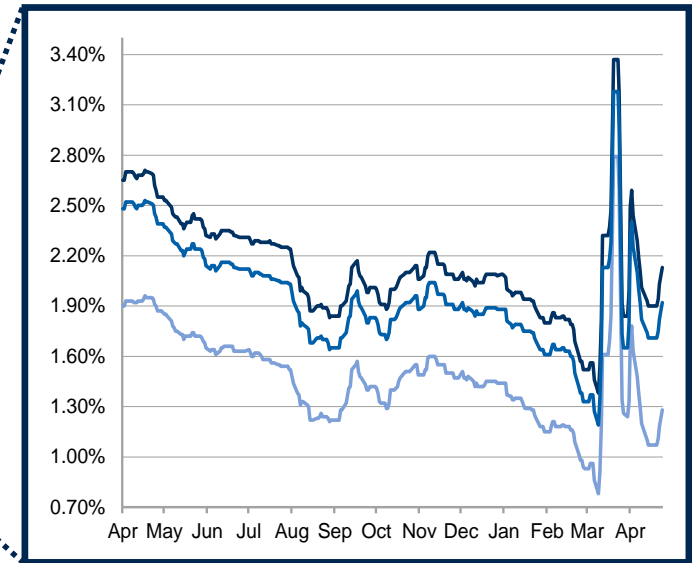
## Current Municipal Market Conditions: “AAA” MMD

After closing at 1.90% the previous week, the 30-year “AAA” MMD increased 23 bps from April 17 – April 24 closing at the current rate of 2.13%

“AAA” MMD January 1, 2009 to Present



Shift in “AAA” MMD Since April 2019



January 1, 2009 to Present

	10 Year	20 Year	30 Year
Maximum	3.53%	4.89%	5.08%
Minimum	0.78%	1.19%	1.38%
Current	1.28%	1.92%	2.13%

Shift in 30-year "AAA" MMD

2013	2014	2015	2016	2017	2018	2019
1.33%	-1.34%	-0.01%	0.27%	-0.51%	0.47%	-0.93%

April 1, 2019 to Present

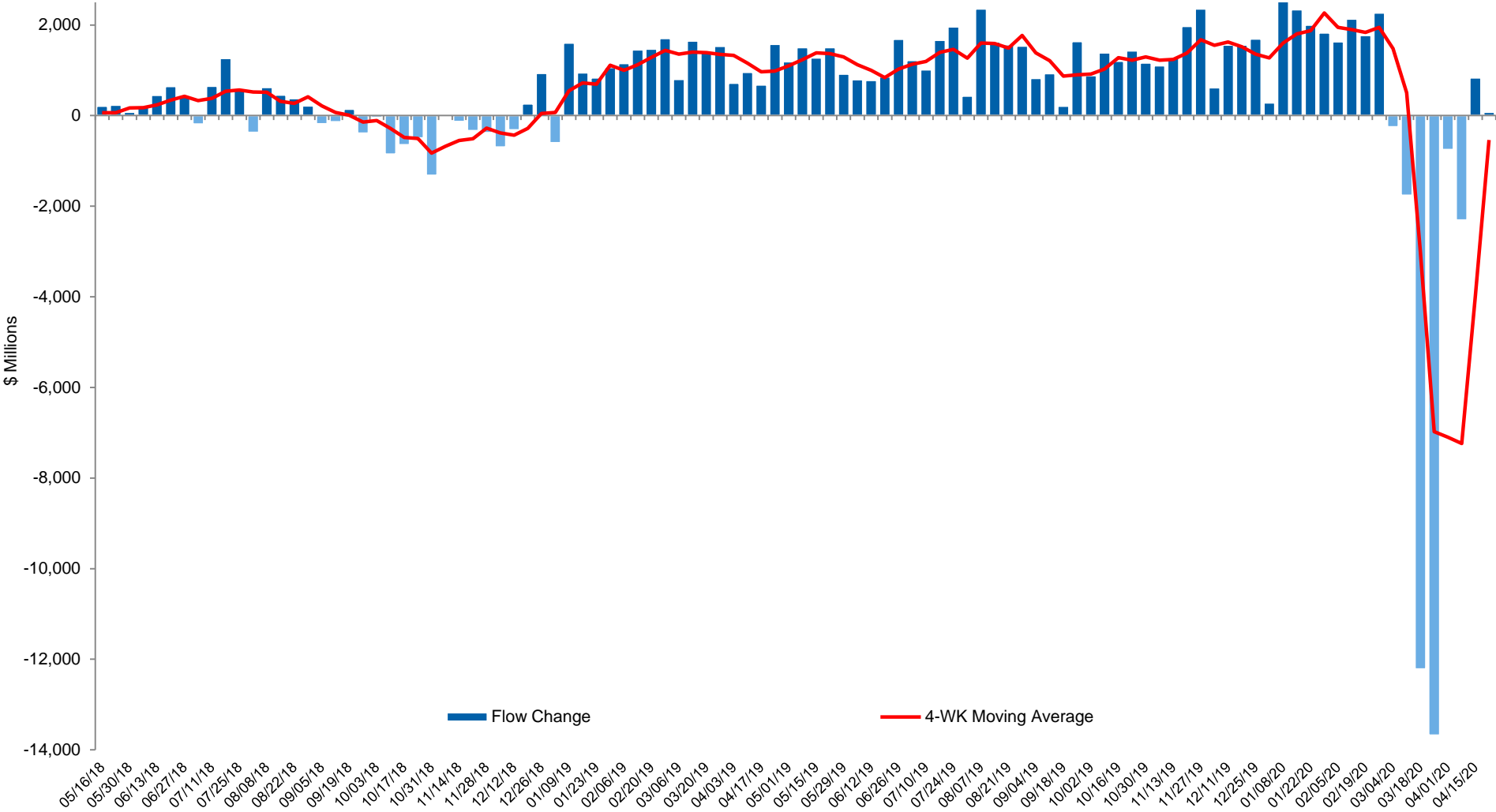
	10 Year	20 Year	30 Year
Maximum	2.79%	3.18%	3.37%
Minimum	0.78%	1.19%	1.38%
Average	1.48%	1.95%	2.14%

Source: TM3, Thomson Reuters  
10, 20, and 30 year “AAA” MMD shown to represent different average lives of municipal transactions  
Rates as of April 24, 2020

# Municipal Bond Fund Flows

According to data from Lipper, for the week ended April 22, 2020, weekly municipal bond funds reported \$73.844 million of inflows, after the previous week's \$833.388 million of inflows

- Long-term muni bond funds experienced outflows, losing \$123.137 million in the latest week, after inflows of \$574.947 million in the previous week
- Four week moving average remained negative at \$537.077 million, up from last week's number of \$3.975 billion



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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