

**NEW MEXICO STATE BOARD OF FINANCE**

**REGULAR MEETING**

**HELD VIRTUALLY**

**Santa Fe, New Mexico**

**January 15, 2026**

A regular meeting of the New Mexico State Board of Finance was called to order on this date at 9:00 a.m. This meeting was held virtually.

**1. ROLL CALL -- QUORUM PRESENT**

**Members Present:**

The Hon. Howie Morales, Lt. Governor

Mr. Paul Cassidy, Public Member

Mr. Michael S. Sanchez, Secretary, Public Member

Mr. Joseph Lujan, Public Member

Ms. Wendy Trevisani, Public Member

**Members Excused:**

None

**Staff Present:**

Ms. Ashley Leach, Director

Ms. Jeannette Gallegos, Deputy Director

Mr. Roberto Vasquez, Board Administrator

Mr. Zachary Shandler, Board Legal Counsel

**2. APPROVAL OF AGENDA**

**Member Trevisani moved for approval of the agenda, as published. Member Lujan seconded the motion, which passed unanimously.**

**3. APPROVAL OF MINUTES: December 9, 2025, Special Meeting**

**Member Cassidy moved for approval of the December 9, 2025, minutes. Member Trevisani seconded the motion, which passed unanimously.**

**4. APPROVAL OF MINUTES: December 16, 2025, Regular Meeting**

**Member Lujan moved for approval of the December 16, 2025, minutes. Member Cassidy seconded the motion, which passed unanimously.**

Board members welcomed Jeannette Gallegos, new Deputy Director. She brings 20 years' experience with DFA in the Local Government Division.

**CONSENT AGENDA (Items 5-11)**

Presented by: Ashley Leach, Director, State Board of Finance

Submitted by: Ashley Sisneros, Real Property Specialist, Santa Fe County

**5. Santa Fe County—Requests Approval of Amendment No. 6 to the Lease of Real Property, Located at 1160 Parkway Drive in Santa Fe, with Santa Fe Mountain Center, Inc. (\$64,824/year, services in lieu of rent)**

Submitted by: Olivia Padilla-Jackson, VP Finance & Operations, Central New Mexico Community College

**6. Central New Mexico Community College—Requests Approval of the Lease of Real Property, Located at 4700 Morris NE in Albuquerque, with New Mexico Highlands University (\$111,672/year)**

- Contingent upon director's and counsel's receipt of a fully executed lease agreement

Submitted by: Jody Young, Airport Manager, Doña Ana International Jetport

**7. Doña Ana County—Requests Approval of the Lease of Real Property (Lot F-7S-2), Located at the Doña Ana International Jetport in Santa Teresa, with Casa Ford, Inc. (\$7.980/year)**

- Contingent upon director's and counsel's receipt of a fully executed lease agreement

Submitted by Ashley Leach, Director, State Board of Finance

**8. Open Meetings Act Resolution 26-01**

Ms. Leach stated that there were no substantive changes to the resolution from the previous year.

**9. Interest Rate Policy 26-02**

Ms. Leach said there were no substantive changes from the previous year.

**10. Determination of 2026 Board of Finance Secretary**

Ms. Leach stated that Member Sanchez has agreed to continue to serve.

**11. Determination of 2026 Board of Finance Subcommittee Membership**

Ms. Leach said staff is proposing that subcommittee membership remain the same as it was last year:

- Private Activity Bond Subcommittee: Lt. Governor Morales; Member Sanchez
- Banking Subcommittee: State Treasurer Montoya; Member Trevisani
- Audit Subcommittee: Member Cassidy; Member Lujan
- Rule Change Subcommittee: Member Cassidy; Member Lujan; Member Sanchez
- Procurement Subcommittee: Member Cassidy; Member Lujan; Member Sanchez

**Cassidy moved for approval of the Consent Agenda, with the contingencies. Member Trevisani seconded the motion, which passed unanimously.**

[Member Sanchez joined the meeting.]

**HIGHER EDUCATION INSTITUTIONS**

**GRADUATE PROGRAMS**

Presenters: Dr. Martha Desmond, Dept. of Fish, Wildlife & Conservation Ecology, NMSU; Dr. Kasey Pregler, Assistant Professor & Acting USGS Cooperative Research Unit Leader; Dr. Jody Weber, Academic Affairs & Policy Team, NMSU; Mark Chisholm, Academic Affairs & Policy Director, NMSU

**12. New Mexico State University—Requests Approval of the Doctor of Philosophy Degree Program in Wildlife and Fisheries Ecology**

Dr. Desmond made a slide presentation on the proposed program.

Member Cassidy asked if students benefit directly from the grants. Dr. Desmond responded that they do. The grants support the salaries of the students (approximately \$28,000 per year), mentorships, attendance at conferences, trainings, etc.

**Member Lujan moved for approval. Member Cassidy seconded the motion, which passed unanimously.**

## **EMERGENCY FUNDING**

Presenter: Frank Tenorio, CEO/Administrator, Guadalupe County Hospital

### **13. Guadalupe County—Requests Approval of an Emergency Grant for Guadalupe County Hospital for the Replacement of the HVAC System at Hospital Dental Office (\$220,000)**

---

Mr. Tenorio stated that the Guadalupe County Hospital is considered a Rural Emergency Hospital and is the only one in New Mexico. The facility was built in 2011, and in 2013 a dental office was completed. The space is being rented by Deep Blue Dental, which is the only dentist in Guadalupe County. About five years ago, the HVAC system in the dental office became inoperable. Since then, HVAC technicians have been making piecemeal repairs, but the system was having so many problems they recommended it be replaced. That work is now underway, and the new system should be completed in another week.

Mr. Tenorio said the \$220,000 being requested would cover some expenses they have incurred as well as expenses to replace the system. He said the hospital has reserves in CDs, but he would like to utilize those funds in anticipation of the Medicaid cuts coming in 2027. Those cuts will have a substantial impact on the hospital, and he wants to ensure the hospital remains sustainable in the future.

Responding to Member Trevisani, Mr. Tenorio said he would be open to use any cash reserves, CDs and money market accounts to the extent possible. He noted that a CD happens to be rolling off today.

Responding to Member Lujan, Mr. Tenorio said they would be willing to cover 40 percent of the requested amount, or \$160,000, which would come from the CD that is rolling off today.

Mr. Tenorio stated that they have \$12 million invested in CDs of \$250,000, which are staggered and rolled over. He said those funds are unrestricted.

Member Cassidy commented that the board receives a lot of emergency requests, some of the substantial, with limited funds provided annually by the legislature. He said he would be willing to support this request less the \$160,000 that is available from the hospital.

Responding to Lt. Governor Morales, Mr. Tenorio stated that they have about 460 days of cash on hand, or \$25,000-\$28,000 in expenses per day. Medicaid accounts for 30 percent of their revenue.

Mr. Tenorio stated that he would be willing to entertain a loan rather than a grant, although a grant would be more beneficial.

Member Lujan asked Mr. Tenorio how much he would be willing to add to the \$160,000 being paid toward this request. Mr. Tenorio responded \$40,000, or a total of \$200,000.

Member Cassidy asked Mr. Tenorio if he would be willing to entertain a loan for the amount required that would give him the cash to make improvements in a timely manner and which he could pay off with retiring CDs. The board could take another look at this at the end of the year. Mr. Tenorio responded yes.

Mr. Tenorio said he has set up a payment plan with the HVAC company and would like to withdraw his request.

**Request withdrawn.**

Presenter: Dr. Carol Linder, President, Luna Community College; Dr. Phyllis Martinez, Luna Community College Board Chair; Tanya Giddings, Director of Government Relations and Community Outreach

**14. Luna Community College—Requests Approval of an Emergency Grant to Address an Unforeseen Student Housing Emergency (\$2,787,914)**

Dr. Linder stated that Luna Community College (LCC) is requesting \$2,787,914 in an emergency grant, broken down as follows:

- Site preparation including foundations and structural anchoring: \$292,161
- Utility Infrastructure & Extension: \$207,500
- IT Networking: \$88,206
- Purchase of Palomar modular units to house 84 students: \$1,916,525
- Purchase of Dorm Furniture for 84 rooms: \$283,522

Dr. Linder stated that, two weeks prior to the fall 2025 semester, New Mexico Highlands University (NMHU) notified LCC that they did not have sufficient housing to accommodate the LCC students because it is looking to rehabilitate some of its housing stock and because of an increase in enrollment. This has created an emergency for 52 LCC students. LCC has reserved rooms at the Super 8 Motel to house 46 students and two staff members and is proposing that modular housing be installed and made available for students after the fall 2026 semester.

Member Trevisani asked about the anticipated lifespan of the modular units. She asked if LCC has pursued an increased partnership or merger with NMHU.

Dr. Linder responded that mergers have been a topic of discussion by the state for many years given the question about why there were so many schools and independent community colleges. LCC is interested in exploring the idea of a merger with NMHU, but right now they can't secure housing for LCC until after August 1, 2026. Regarding the lifespan of the modular units, and modular versus permanent housing, Dr. Linder said Palomar could be a long-term solution if they were placed on a concrete foundation with other enhancements in order to meet building code requirements. Under that scenario, they could last for 50 to 100 years.

Responding to Member Lujan, Dr. Linder said they have about 55 athletes, and some of them have founding housing in Las Vegas. Last fall, LCC put them up in the Super 8 Motel and negotiated with NMHU, which has 36 LCC students in its residence halls. LCC is asking for housing to cover 84 students because if they had housing, they would require all athletes to live on campus. They have students in other LCC programs that could also use that housing.

Responding to Member Cassidy, Dr. Linder said they did not go through the procurement process because of insufficient time for it. LCC is requesting \$100,000 in funding from the legislature for a student housing feasibility study and \$1 million for land preparation and related infrastructure for long-term housing.

Member Cassidy asked if LCC has sufficient budget to cover ongoing maintenance needs. Dr. Linder responded that they have reserves and feel they can cover those costs.

Member Cassidy asked how much cash they need between now and June 30 to support this. Dr. Linder responded that it would be the amount they requested. She said she has been told that their estimates are on the low side, but she said they can cover the difference if that turns out to be the case.

Member Lujan said he realized the housing issue was major for the LCC students, but his concern was the large amount of money that would be coming from the emergency fund. He asked if LCC had looked at in-between options such as bridge funding.

Dr. Linder responded that they have looked at other options, such as loan, but a loan would be extremely challenging for them given their other commitments and would not be in the best interest of LCC.

Member Cassidy asked when the feasibility study would be ready. He commented that if the feasibility study turns out to be negative, he would assume LCC would not move forward on this.

Dr. Linder responded that they requested \$100,000 as part of a non-recurring 2026 request, but they cannot wait for those funds. They have been doing an informal feasibility study in the interim so they can move forward immediately with the housing. She said they feel they have done enough analysis, although some unanticipated costs could come up that could force them to abort the project, in which case they would try to sell the modulars.

Member Cassidy asked when they would be signing a contract. Dr. Linder responded that the first thing they have to do is make sure they can get the utilities in. While buying the Palomar homes has a short turnaround, the site prep, engineering and surveys will take more time. She said the board could approve the funding contingent on some of the site prep and other items, and that LCC hold off on the modulars until they have made sure the rest has been sufficiently addressed and they know more about what is involved.

Member Cassidy asked what kind of money LCC needs today to get them through until next month, at which time the board could approve the remaining funding to cover the modulars.

Ms. Leach said the resolution states that, while the full amount of grant funding is committed upfront, funding is not released by the Board of Finance and DFA until invoices have been submitted for reimbursement. She added that the resolution includes a provision that monthly updates on project progress and expenditures are also to be provided to the board with every reimbursement request.

Member Cassidy said one issue is that if the board needs money for another emergency in May or June, how does it get the funding back if the LCC project is not going to go forward.

Responding to Lt. Governor Morales, Dr. Linder said the feasibility study addresses long-term housing and not this project. They believe that they are ready to go forward with the modular homes and are not waiting for the feasibility study. She said all of their programs are recruiting right now, and if they can say they are going to have housing, it will be a gamechanger for LCC.

Dr. Linder said the board of trustees and the entire campus at LCC are in support of this project. Dr. Martinez added that the trustees questioned why LCC had waited so long.

Member Sanchez suggested that LCC conduct an informal survey to find out how enrollment would increase if housing were available.

**Member Cassidy moved for approval of this request. Member Trevisani seconded the motion, which passed, with Member Lujan voting no.**

Member Lujan said he felt the funding should have been requested from the legislature given that it would take such a large amount from the Board of Finance's emergency fund.

## **BONDING PROGRAMS**

Presenter: Luis Carrasco, Bond Counsel, Rodey, Dickason, Sloan, Akin & Robb

**15. Amending Authorizing & Delegating Resolution for State of New Mexico General Obligation Bonds, Series 2026 (Maximum Principal Amount of \$65,372,000)**

---

Mr. Carrasco stated that the resolution approved by the board last month excluded one project from all of the projects that had not yet received funding from the 2024 General Obligation Bond Act. It was explained to the board that the recipient agency indicated they were declining the funding for the project because there was not a need. The project list included last month did exclude that project. As they proceeded with their due diligence

review and requested confirmation from the governing authority, there was reconsideration of the funding need and the entity now wanted to receive the funding. This was for the Mescalero Apache Senior Center for \$137,000. The due diligence process determined that that project was ready to receive funding.

**Member Cassidy moved for approval. Member Lujan seconded the motion, which passed unanimously.**

**INFORMATIONAL ITEMS**

Presenter: Kenneth Guckenberger, Disclosure Counsel, Kutak Rock LLP

**16. Presentation of the 2025 Annual Financial Information Filing**

Mr. Guckenberger made this presentation.

Presenter: Ashley Leach, Director, State Board of Finance

**17. General Services Department Capital Buildings Repair Fund Financial Status and Legislative Capital Projects Financial Status Reports for Month-Ended December 31, 2025**

Ms. Leach reported that, at the end of December, GSD had expended \$29.8 million out of a total of \$30.6 million in awards year. Expenditures for the fiscal year to date totaled \$4.2 million, with revenues totaling \$10.6 million. The fund balance totaled \$53.4 million at the end of December with \$36.1 million. All projects are on schedule.

Regarding the Legislative Capital Projects Financial Status Report, Ms. Leach said that, for December, there was a total of \$203.2 million expended out of a total of \$507.6 million in total appropriations. All projects are reported to be on time with the exception of two projects listed as having a delayed start (GSD Los Alamos Office Building Construction and DOE Analytic Lab Construction).

**18. State Treasurer’s Office Investment Report for Month-Ended November 30, 2025**

Ms. Leach reported that, at the end of November, the State Treasurer managed \$19.5 billion in assets. During the month, the office earned approximately \$59.8 million from its investment positions. On an unrealized mark-to-market basis, the portfolios increased by \$5.6 million.

**19. Emergency Balances – January 15, 2026**

	<u>Balance</u>	<u>Appropriation</u>
Operating Reserve Fund	\$3,309,000.00	\$4,000,000.00
FY25-26 Special Appropriation	\$ 386,568.43	\$2,000,000.00

Emergency Water Fund	\$0.00	\$ 109,900.00
----------------------	--------	---------------

Ms. Leach reported these balances. Following today’s approval of the request made by Luna Community College, the board will have a remaining balance of \$1,115,475 for FY26. She said the board will probably utilize the remaining Special Appropriation balance and then have the rest of Luna’s grant come out of the Operating Reserve Fund.

**20. Fiscal Agent and Custodial Bank Fees Report**

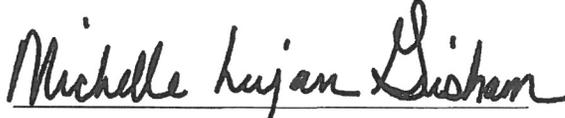
Ms. Leach said that, in December, the SBOF continued to realize negative net fees for fiscal agent and treasury services. Gross fees, prior to application of the earnings credit, totaled \$99,759.09. The bank dropped the earnings credit rating again, and it is now at 1.6 percent.

**21. Department of Finance & Administration Approved Joint Powers Agreements for Month-Ended December 31, 2025**

Ms. Leach reported that DFA approved 5 JPAs in December:

- City of Albuquerque, Albuquerque Municipal School District #12. Establishing a relationship between parties to jointly develop and operate the Albuquerque High School Community Garden.
- City of Belen, Village of Los Lunas, Village of Bosque Farms, City of Rio Communities and Valencia County. Amended Valencia County Regional Emergency Communication Center to admit the Town of Peralta as a member of the VRECC and provide critical emergency communication services to all of their residents.
- New Mexico School for the Blind & Visually Impaired & Truth or Consequences Municipal Schools. To provide special education and vision related services to students who have been referred to NMSBVI by Truth or Consequences Municipal Schools.
- Department of Cultural Affairs and City of Albuquerque. Land of Enchantment Legacy Fund Grant for Rehabilitation Project at Casa San Ysidro, aka Gutierrez/Minge House.
- New Mexico Highlands University Foundation and New Mexico State Investment Council. NMHUF appoints the SIC as Authorized Fiduciary to invest long-term reserves of the Foundation and all investment income thereon to be vested in the NMHUF.

**ADJOURNMENT: 11:05 a.m.**

  
Michelle Lujan Grisham, President

2-24-26  
Date

  
Michael S. Sanchez, Secretary

Feb. 25, 2026  
Date