

NEW MEXICO
LEGISLATIVE
FINANCE
COMMITTEE

Local Government Dashboard:
**McKinley County &
City of Gallup**

Legislative Finance Committee Hearing

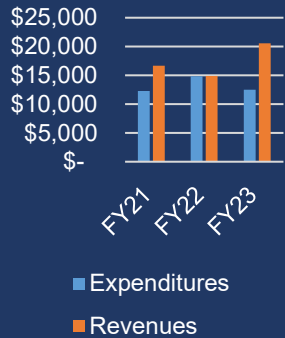
May 15-16

Gallup, New Mexico

Economy & Finance

McKinley County's taxable gross receipts from construction have increased by \$32 million, over 93 percent, from this time last year. Construction now makes up 17 percent of the county's taxable gross receipts, with retail trade still being the largest industry of the county's taxable gross receipts.

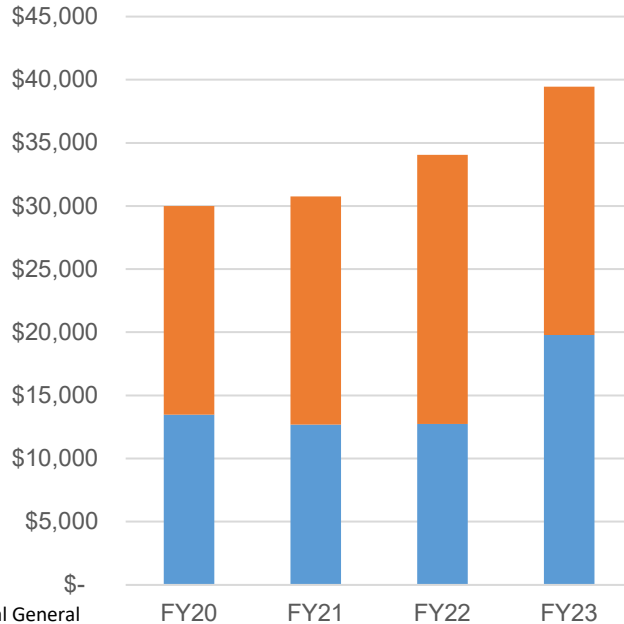
McKinley County Revenue vs. Expenditure (in thousands)



*OSA Audits

*Following the Office of the State Auditor's 2023 audit, McKinley County is out of compliance with the Local Economic Development Act (LEDA)

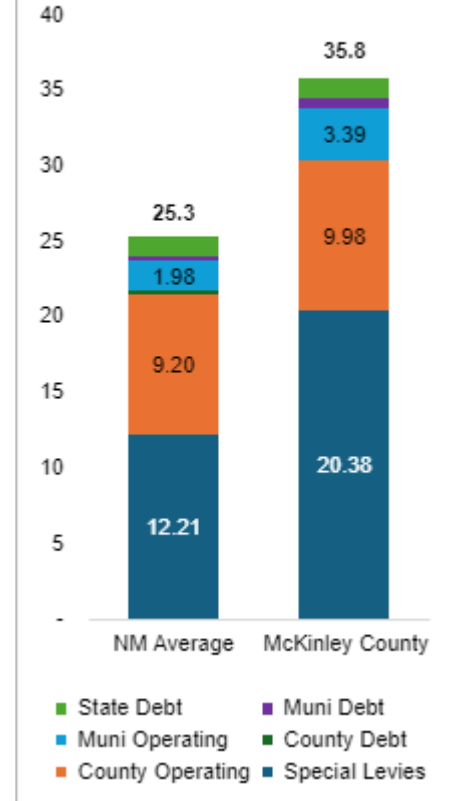
McKinley County General Fund Balance (in thousands)



*Total General Fund has increased by 32 percent from FY20 to FY23

■ General Fund Balance Total
■ Unassigned General Fund Balance

Residential Property Tax Mills by Use, 2021



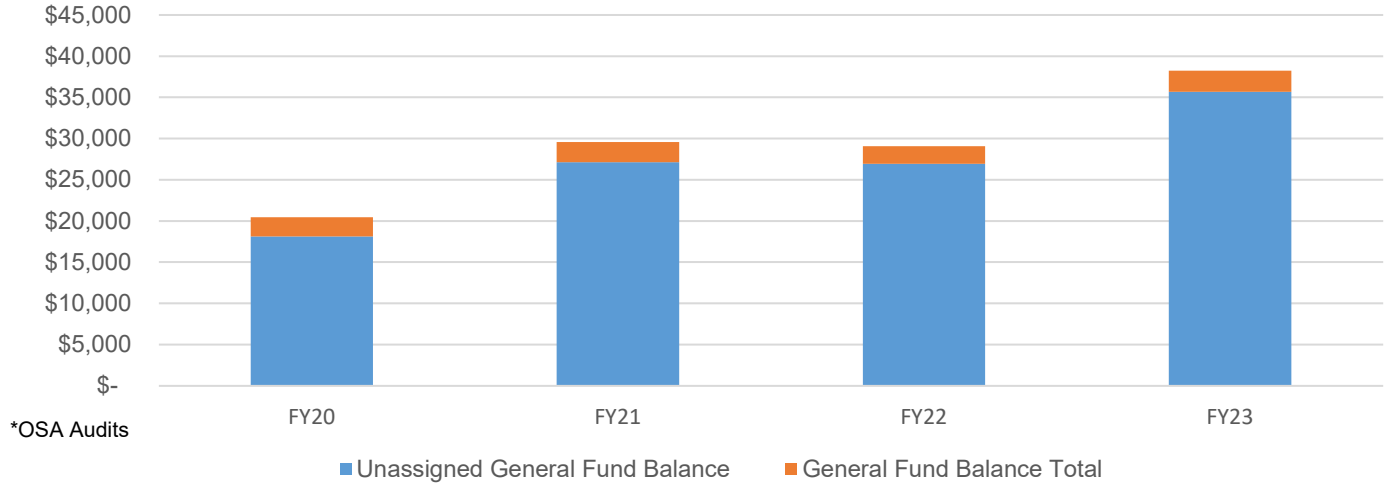
*LFC Analysis

- McKinley County's general fund balance at the end of FY23 was \$39 million, or 316 percent of total general fund expenditures.
- McKinley County's unassigned general fund balance at the end of FY23 was \$19 million. The county plans to use the unassigned GF to cover any FY23 and FY24 shortfalls to avoid layoffs and reduction in important services.
- The county's GF balance increased by \$5 million, most likely due to an increase in tax income.
- McKinley residents are paying more in property tax in relation to their property value than the New Mexico average. The main driver of this is special levies, which constituents vote on. Voted special levies include levied property tax towards hospitals, public schools, local colleges, etc.

Economy & Finance

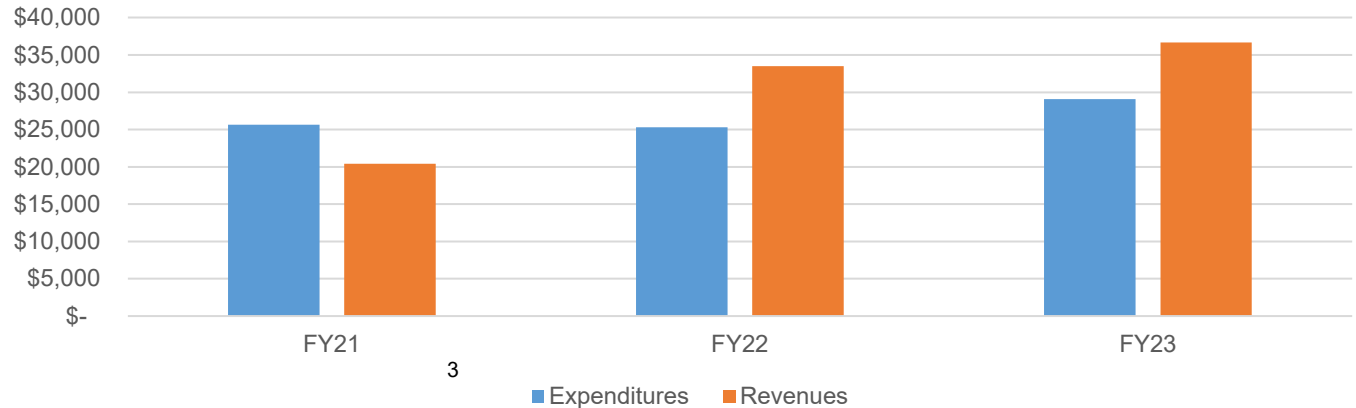
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City of Gallup General Fund Balance (in thousands)



- The City of Gallup's general fund has increased by x from FY22 to FY23. The City saw an increase in special revenues from FY22 to FY23, with higher fund balances for fire protection and law enforcement protection. Gallup started to receive funding for law enforcement recruitment in FY23.
- The City has spent almost half of its American Rescue Plan Act (ARPA) funding, leaving a balance of \$1.25 million in ARPA funding in FY23.

City of Gallup Revenue vs. Expenditure (in thousands)



Leadership & Resources

McKinley County Leadership

- **County Commissioners:**
Danielle Notah
Walt Eddy
Robert Baca
- **County Manager:**
Anthony Dimas, Jr.
- **Deputy County Manager:**
Brian Money
- **County Clerk:**
Jacqueline Sloan



Leadership & Resources

City of Gallup Leadership

- **Mayor:**
Louie Bonaguidi
- **City Council:**
Linda Garcia
Michael Shaaf
Sarah Piano
Ron Molina
- **City Manager:**
Jon DeYoung