Date: August 22, 2019
Prepared By: Marit Rogne, data analysis by Tim Bedeaux
Purpose: Explore New Mexico's system of funding public school capital outlay, *Zuni* litigant concerns, and the impact of the closure of the San Juan generating station on property tax revenue.
Hearings: Overview of *Zuni* Capital Outlay Lawsuit: History and Where We Are Today, New Mexico's System of Funding Public School Capital Outlay, *Zuni* Litigant School District Concerns with the Current Capital Outlay Funding System, and Closure of the San Juan Generating Station and Its Impact on Property Tax Revenue
Expected Outcome: Understand the public school capital outlay system, alleged issues, proposed changes to increase equity, and impacts from the closure of the San Juan generating station.

New Mexico's System of Funding Public School Facilities

New Mexico's current public school capital outlay system – how public school buildings are funded – was largely developed as a result of the 11th Judicial District Court's ruling in the *Zuni* capital outlay lawsuit in 1999, which required the state to establish and maintain an adequate funding system for public school facilities. The Constitution of the State of New Mexico requires the state to establish and maintain "a uniform system of free public schools sufficient for the education of, and open to, all the children of school age." This clause was interpreted to extend to capital funding in the *Zuni* lawsuit, which provided the impetus for widespread changes in New Mexico's system of funding capital outlay in the early 2000s. Historically, the ability of school districts to fund public school capital outlay has varied across the state because of differences in taxable land values and bonding capacity. Despite the state's investment of more than $2.5 billion to improve public school buildings as well as the public school capital outlay process itself, concerns about the equity of the system still exist. While the condition of public school buildings has improved substantially over the last 15 years, the *Zuni* lawsuit is ongoing. See **Attachment 1, Total PSCOC Dollars Awarded.**

The *Zuni* lawsuit resumed in spring 2019, with counsel for the State of New Mexico and plaintiffs Zuni Public Schools and Gallup-McKinley County Schools concluding arguments after three days of testimony on May 15. The 11th Judicial District Court judge will issue a decision in the near future; counsel was given 90 days to submit closing arguments in writing as well as findings of fact and conclusions of law to the judge, with a due date of September 16, 2019.

During the 2019 legislative session, school districts that are plaintiffs in the *Zuni* lawsuit noted the system remains unfair because they are unable to raise sufficient local revenue to build above the statewide adequacy standards, unlike school districts with higher land valuations. Plaintiff school districts proposed legislation to prohibit the state from taking credit for their federal Impact Aid funds – federal grants for school districts with a large number of students living on federal properties or with parents employed on federal property; they argued eliminating the credit would free those dollars for use on capital expenditures. The Legislature instead appropriated $34 million to the Public School Facilities Authority (PSFA) to allocate to school districts that receive federal Impact Aid for tribal lands as follows: $24 million to build facilities outside the statewide adequacy standards and $10 million for teacher housing facilities. However, this is only a temporary fix. These discussions prompted a deep dive into the equity of the current public school capital outlay system.

Since the *Zuni* lawsuit decision, the state has invested $2.5 billion in matching awards to build school facilities to adequacy. Awards to plaintiff districts include 16 percent of total awards (plaintiff school districts have 6 percent of schools statewide):

- **Gallup:** $324.8 million, which is 13 percent of total awards. Only 5 schools remain ranked in the top 100.
- **Grants:** $55.6 million, which is 2 percent of total awards. Only 1 school remains ranked in the top 100.
- **Zuni:** $37.4 million, which is 1 percent of total awards. Zuni does not have any schools ranked in the top 100.

History of the Public School Capital Outlay System

Before the *Zuni* Lawsuit

Before the implementation of the current public school capital outlay process, local school districts had primary responsibility for funding the construction and improvements of public school facilities, which resulted in disequalized funding between school districts. From 1975 through 2003, school districts mostly relied on local revenues to fund public schools through general obligation bonds (GO bonds) and local mill levies. Because GO bonds are repaid with proceeds from local property taxes, this gave an advantage to school districts with high land valuations. School districts also utilized mill levies authorized by the Public School Capital Improvements Act, commonly referred to as SB9, and the Public School Buildings Act, commonly referred to as HB33, which are still in existence today, though both acts have since been amended. Prior to the *Zuni* lawsuit, the state usually matched local bond initiatives with money from the general fund, resulting in a disequalized impact.

A mill levy is the number of dollars a taxpayer must pay for every $1,000 of assessed value of taxable real property. In New Mexico, one third of the assessed value of qualifying real property is taxable, so a two mill levy would cost a property owner $2 for each $1,000 of taxable assessed value. A property worth $100 thousand in assessed value would have a taxable value of $33 thousand. A two mill levy would therefore cost this property owner $66 (that is $2 x $33,000/$1,000 = $66).

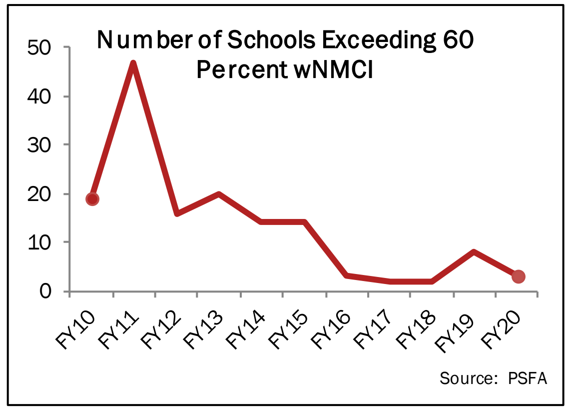
The state also funded critical capital outlay projects prior to the *Zuni* lawsuit. Through the critical capital outlay process, state funding was awarded to school districts through the Public Education Department (PED) and the Public School Capital Outlay Council (PSCOC). Generally, critical capital outlay was provided to school districts that had imposed the SB9 levy and were bonded to maximum levels. School districts presented potential public school capital projects to PSCOC, and PSCOC awarded capital funding to school districts that successfully presented their case. However, this program had a limited amount of funding for a large number of applicants.

After the *Zuni* Lawsuit

In response to the *Zuni* lawsuit, between 1999 and 2004 the state formulated a new mechanism for funding public school capital outlay and a process for distributing funds. Amendments to the Public School Capital Outlay Act were meant to ensure that, through a standards-based process, the physical condition and capacity, educational suitability, and technology infrastructure of all public school facilities are adequate and support learning. Amendments to the Public School Capital Outlay Act enacted beginning in 2003 changed the former critical capital outlay process to a new standards-based process that all school districts may access regardless of bonded indebtedness. Companion legislation established a new, permanent, state-level funding source specifically for public schools – an earmarked portion of the bonding capacity from severance tax bonds.

Standards-based Funding. While PSCOC administers several distinct programs, its primary mission is to fulfill the state's constitutional obligation to ensure a uniform system of public schools. PSCOC considers three primary factors when awarding capital outlay to public schools: the size of the state match for which the school district is eligible, the cost of bringing the school up to adequacy standards, and eligibility for funding based on school condition. Projects are ranked by condition and educational adequacy and schools identified with the most critical needs top the list.

Ranking System. School conditions have improved dramatically since the *Zuni* lawsuit. PSCOC prioritizes funding for schools with the greatest need using the facility condition index (FCI) and the weighted New Mexico Condition Index (wNMCI) to rank every facility based on relative need from greatest to least. On both indices, a higher score indicates a school in poorer condition. In the final FY20 wNMCI ranking, the statewide average wNMCI is 23.07 percent, and three schools have a wNMCI of 60 percent or greater – an indication that these schools are ready to be replaced. Comparatively, in FY06, the first year of wNMCI rankings, the statewide average wNMCI was 162.9 percent and 145 schools needed to be replaced.



State and Local Match Formula. The state and local match formula was enacted in 2001 in response to the court order from the *Zuni* lawsuit, and determines the portion of project costs school districts and charter schools must pay for PSCOC-funded projects. The state's contribution ranges from 6 percent to 100 percent of the cost to bring a facility up to the level of adequacy. In addition, the local match may be waived for school districts that meet statutory wavier requirements. In 2003, a statutory measure was enacted to counteract the disequalizing effect of direct legislative appropriations by requiring an offset be applied against the state share of PSCOC funds for school districts that receive direct legislative appropriations.

Legislation enacted in 2018 – Laws 2018, Chapter 66 (Senate Bill 30) – is currently transitioning the state and local match calculation from the phase one formula to the phase two formula. Through FY19, the state and local match was determined through the phase one formula, which is based on the net taxable value of property within a school district and the number of students enrolled in the immediately preceding year. Beginning in FY20, the new phase two formula will begin to be phased in over five years. The new calculation will be based on the net taxable value for a school district for the prior five years, the maximum allowable gross square footage per student pursuant to the adequacy planning guide, the cost per square foot of replacement facilities, and each school district's population density.

The phase two formula "right-sizes" the state and local match formula. The phase two formula is the end result of a study of the state and local match formula that was convened by Public School Capital Outlay Oversight Task Force (PSCOOTF) during the 2015 interim. A PSCOOTF subcommittee contracted the Bureau of Business & Economic Research at the University of New Mexico to conduct an assessment of the current capital outlay funding formula. The assessment identified two factors in the phase one formula that could potentially be the source of the problems. First, property tax valuation may not be the best measure of a school district's "ability to pay," and property valuations are subject to significant fluctuations when commodities such as oil and gas extraction comprise a large share of property valuation. Second, the phase

PSCOC Capital Outlay Awards
10-Year History
(in millions)

FY09	$95.1
FY10	$131.1
FY11	$114.7
FY12	$114.9
FY13	$256.1
FY14	$215.9
FY15	$198.2
FY16	$150.1
FY17	$90.5
FY18	$66.7
FY19	$243.0

Source: PSFA

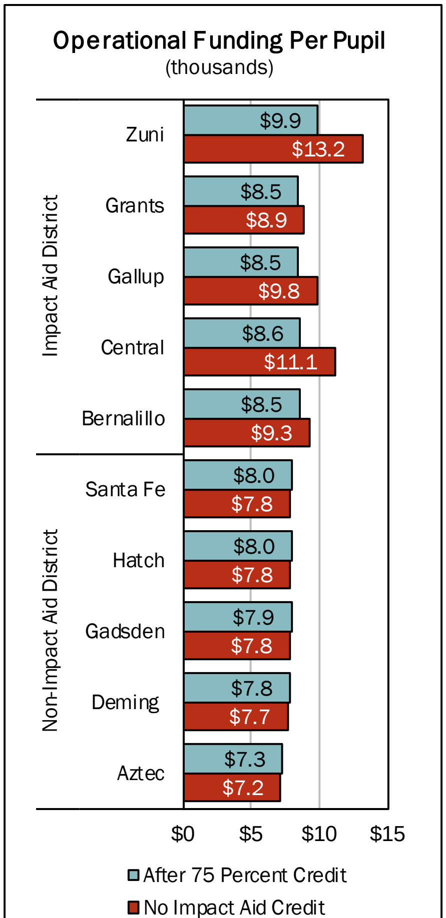
Note: Includes standards-based, systems-based, lease assistance, security, prekindergarten, FMP, emergency, roof, and broadband awards.

one formula does not account for differences in per-student facility construction and maintenance costs.

Statewide Adequacy Standards. The statewide adequacy standards, which set the minimum space and performance requirements used to evaluate every school and generate the prioritized statewide ranking of schools, were also created to address the *Zuni* lawsuit. The New Mexico statewide adequacy standards set the minimum educational space requirements for school facilities "to adequacy," thus specifying the amount of educational space that will be funded through PSCOC. These standards are used to evaluate existing school facilities and identify the minimum space needed to support education and technology programs and curricula defined by PED's standards for excellence. Any space not included in the adequacy standards is considered "outside of adequacy" and must be funded entirely by a school district or charter school.

School districts that are plaintiffs in the *Zuni* lawsuit allege New Mexico's public school capital outlay system is inequitable because they are unable to raise enough local revenue to build outside the statewide adequacy standards. In the 2019 legislative session, *Zuni* plaintiff school districts suggested if the state did not take credit for their operational Impact Aid payments through the funding formula they would not have any need for additional capital outlay funding. While legislators introduced multiple bills that would have eliminated the operational funding formula credit for Impact Aid, concerns existed that basic aid payments are intended for operational expenditures and the elimination of the credit would disequalize operational funding. For example, as shown in the graph to the left, eliminating the credit would mean Gallup-McKinley County Schools would have roughly 37 percent more funding per-student than Gadsden Independent Schools, though both school districts serve a high percentage of at-risk students.

Oversight. Administrative and oversight bodies were also designated in the wake of the *Zuni* lawsuit to oversee the state's progress towards a uniform system of public schools sufficient for the education of all students. Provided for in statute, PSCOC is required to investigate all applications for grant assistance from the public school capital outlay fund and determine grant amounts for each qualifying applicant school district. In 2000, the Legislature created PSCOOTF to monitor the overall progress of bringing all public schools up to the statewide adequacy standards, among other duties. The Legislature may want to consider expanding PSCOOTF's responsibilities to include evaluating the equity of New Mexico's public school capital outlay system. Since its implementation, PSCOOTF membership has included seven members who represent school districts receiving federal Impact Aid funds in various capacities, as required by statute.



Source: LFC Files

PSCOOTF membership consists of the following representatives (or their designees):

- Secretary of the Department of Finance and Administration
- Secretary of the Public Education Department
- The Speaker of the House of Representatives
- The President Pro Tempore of the Senate
- The chairs of the House Appropriations and Finance Committee, the Senate Finance Committee, the Senate Education Committee, and the House Education Committee
- Two minority party members of the House of Representatives, and the Senate
- A member of the Indian Affairs Committee
- A member of the House of Representatives and a member of the Senate who represents school districts receiving federal Impact Aid funds
- Four public members who have expertise in education and finance
- Three public members, two of whom are residents of school districts that receive federal Impact Aid funds
- Three superintendents of school districts who receive federal Impact Aid funds

In 2003, the Legislature created PSFA to serve as staff to PSCOC, and under PSCOC oversight, to administer the public school capital outlay standards-based program.

Analysis of the Current Public School Capital Outlay System and Potential Issues

Public school capital outlay funding is both a state and local responsibility in New Mexico. School districts utilize state and local funding sources to fund both annual facility maintenance and facility replacement when school buildings reach the end of their life cycle. Every school district has different facility funding needs, depending on a number of factors, such as the number of schools, the age of the buildings, and even the location of the school district, as rural school districts can have to pay more in construction and maintenance costs.

Opportunities for Improving Local Mechanisms for Funding Public School Capital Outlay

Local revenue generation varies between school districts because of differences in property valuation. School districts can generate capital outlay revenue at the local level by imposing mill levies, selling bonds, requesting direct legislative appropriations, and other miscellaneous revenue sources. Since the relative property wealth of school districts varies considerably, the amount of public school capital outlay revenue generated at the local level also varies. For example, the amount of taxable property valuation ranges from a high in Jal Public Schools of $3.7 million per student to a low of $1,800 per student in Zuni Public Schools. The state has enacted mechanisms to counteract these disparities; however, it appears the state could provide greater equity through these mechanisms.

Public School Capital Improvements Act. The Public School Capital Improvements Act, also known as SB9 or the two-mill levy, is a source of both state and local revenue for each school district that imposes an SB9 mill levy; statute guarantees participating school districts a certain level of state funding based on the amount of local revenue that the mill levy will generate. SB9 revenues can be used for many public school capital outlay uses, including new construction, maintenance, and the purchase of educational technology. See **Attachment 2, Public School Capital Improvements Act**. A total "program guarantee" is calculated for each school district that imposes an SB9 mill levy at a rate of $84.02 per mill (adjusted annually based on the percent change in the consumer price index (CPI)) multiplied by the total number of each school district's program units calculated on the first reporting date.

All school districts, with the exception of Los Alamos, have imposed an SB9 mill levy.

Total Program Guarantee
Total Program Units x Mill Rate x $84.02

A school district that does not generate an amount equal to or greater than the total program guarantee through their imposition of an SB9 mill levy is entitled to a state distribution that is equal to the difference between the total program guarantee and the revenue generated by the SB9 mill levy at the local level. For example, Roy Municipal School's total program guarantee is calculated to be $48.6 thousand, but the school district only generated $16.3 thousand in local mill levy revenue in FY18, so the state provided the additional $32.4 thousand to the school district. A school district that generates SB9 mill levy revenue in an amount that is greater than the calculated total program guarantee amount, however, is entitled to a minimum amount of guaranteed revenue from the state, calculated at $6.52 per mill (adjusted annually based on the percent change in CPI) per unit in 2018.

Minimum Program Guarantee
Total Program Units x Mill Rate x $6.52

The total revenue generated by the two-mill levy is subtracted to determine the amount of guaranteed funds the school district will receive from the state. For example, Albuquerque Public School's (APS's) total program guarantee is calculated to be $31.3 million, however, APS generated $32.5 million in SB9 revenue, and so received the minimum state match of $2.4 million from the state.

Program Units. The imposition of an SB9 mill levy results in significantly different per-student and per-gross square foot generation of revenue across the 88 school districts that have imposed the mill levy (Los Alamos is the only school district that has not imposed the mill levy). For example, Jal Public Schools generates $7,448.75 per student ($7,419.05 in per student local revenue and $29.70 in per student state revenue) while Farmington Public Schools generates $292 per student ($268.77 per student in local revenues and $23.08 per student in state revenue), or a 2452 percent difference in per-student revenue. The analysis of revenue generated per allowable gross square foot pursuant to the adequacy planning guide produces similar results – a 2534 percent difference in per-gross square foot revenue generation between the highest funded and lowest funded school district. See **Attachment 3, FY18 School District SB9 Revenues per MEM, Program Unit, and Gross Square Foot**. While underlying property differences drive differences in local revenue generation, the SB9 program guarantee calculation is not well-aligned to allocating additional dollars to school districts that generate low per-student or per-gross square foot SB9 allocations to ensure equity in revenue generation. Program units are not indicative of a school district's space needs. The Legislature may want to consider using gross square footage instead of relying solely on total program units when calculating the SB9 program guarantee. This would allow the SB9 program guarantee to be aligned with the adequacy standards.

Public School Buildings Act

Similar to SB9, the Public School Buildings Act allows school districts to ask voters to approve the imposition of up to 10 mills for a maximum of six years on the net taxable property in the school district. See **Attachment 4, the Public School Buildings Act.** While HB33 allows school districts to generate more funding than SB9, the lack of a state program guarantee appears to encourage school districts to submit voter resolutions for SB9 instead of HB33 funds. Unlike SB9, only 12 school districts received HB33 revenue in FY18. The fact that not all school districts avail themselves of HB33 may further exacerbate funding disparities between school districts. Considering both SB9 and HB33 receipts in the calculation of the SB9 program guarantee may increase equity in local revenue generation. See **Attachment 5, FY18 School District HB33 Revenues per MEM, Program Unit, and Gross Square Foot.**

Permissible Uses of SB9 Funds. Recent legislative changes to the permissible uses of SB9 revenue have led to additional concerns about equity. Over the past 10 years, the Public School Capital Improvements Act has been amended to include some expenditures that historically have not been considered capital expenditures. For example, purchasing computer software and hardware for student use.

Options to Provide Increased Equity in the Public School Capital Improvements Act. Given the large differences in per-student and per-gross square foot SB9 generation, the Legislature may want to consider making changes to the Public School Capital Improvements Act to ensure revenue generation is more equitable.

Increase State Maximum Program Guarantee and Reprioritize Funding. Changes to the maximum program guarantee to focus allocation of state matching program guarantee funds to school districts that generate lower per-student or per-gross square foot allocations could provide increased equity. In addition, the Legislature may want to consider eliminating or decreasing the minimum program guarantee as a companion means of providing equity. To decrease the financial impact of increasing the maximum program guarantee, lawmakers may want to consider eliminating systems-based awards and security awards authorized in the Public School Capital Outlay Act. Both of these programs are permissible uses of public school capital outlay fund revenue, but neither is mandatory. In FY18, the state spent $15.8 million on systems-based awards, and up to $10 million is authorized for security projects through FY21. Eliminating systems-based projects and security awards and allocating these funds to a better aligned SB9 program guarantee would give school districts additional discretionary dollars for maintenance and smaller capital purchases. Allocating more discretionary funds to school districts may, however, lead to less accountability in local expenditures and PSCOC and the Legislature may need to think about appropriate companion accountability measures to ensure good expenditures at the local level. For example, PSCOC could require school districts to demonstrate multiple years of good maintenance practices as a condition of eligibility for standards-based funding. Currently, PSCOC requires a school to achieve facility assessment database report (FMAR) score of 65 percent to be eligible for a PSCOC award – 70 percent indicates a school has an adequate maintenance program, but this standard is easily achieved by simply adding work orders, even if a school has a history of poor maintenance.

PSCOC Program Expansions

- Facilities Master Plans (2003)
- Standards-Based Projects (2004)
- Lease Assistance (2005)
- Special Schools (2012)
- Broadband Deficiencies Correction Program (2014)
- Systems Based Projects (2017)
- School Security (2018)
- Prekindergarten Classrooms (2019)
- Teacher Housing and Outside-of-Adequacy (2019)

Local General Obligation (GO) Bonds. GO bonds allow school districts to seek voter approval to raise public school capital outlay revenues. School districts with a higher property valuation can issue more bonds than school districts with a lower property valuation because each school district's issuance of bonds is limited to the constitutional limit of 6 percent of the assessed valuation of the school district. See **Attachment 5, Public School Bonding Indebtedness Percentages as of June 30, 2019**.

Fully Centralized Public School Capital Outlay Process. Differences in local revenue generation such as these have prompted some *Zuni* plaintiffs to suggest a fully-centralized state process for funding, overseeing, and prioritizing all facility construction and renovation. While this proposal would require significant state capacity to operate, this proposal would also increase equity in the public school capital outlay process. The state could also consider an adequacy standards maximum level to prevent school districts with greater local capacity from building outside of the adequacy standards. Alternatively, the state could also consider requiring a statewide millage to fund capital outlay with state wealth. A centralized PSCOC process, would however, reduce local control and decision making autonomy around facility needs.

Direct Legislative Appropriations. Direct legislative appropriations allow schools and school districts to receive construction funds outside of the PSCOC process; Legislators often make direct legislative appropriations for a specific capital project within an individual school district.

As a result of the *Zuni* lawsuit findings, the Legislature enacted an offset provision for direct legislative appropriations to counteract the disequalizing effect of direct legislative appropriations for school districts or individual schools. An offset allows PSCOC to take account of past direct legislative appropriations when issuing an award so that the system remains equitable. When calculating the amount of funding a school district will receive for a project, an amount equal to the local share percentage times the total direct legislative appropriation will be reduced from future PSCOC awards. For example, a school district with a 40 percent local share requirement receives $1,000 in direct legislative appropriations – for example, for playground improvements – would see a reduction in a future PSCOC award equal to $400. However, pursuant to a 2007 amendment to the Public School Capital Outlay Act, if the direct legislative appropriation is made to a school that is ranked in the top 150 worst projects, the offset amount is reduced by 50 percent, or in the example above, only $200 would be reduced from a future PSCOC award.

PSCOC Offsets for Direct Legislative Appropriations: An Example

Legislative appropriation to a school	$1,000
Total PSCOC award to that school district	$3,333
PSCOC local share of award	$1,333
PSCOC state share of award	$2,000
That school district's local match percent	40 percent
Initial offset reduction in school district's PSCOC award allocation - ($1,000 x 40 percent)	$400
50% reduction if wNMCI in top 150	($200)
School district's net PSCOC award amount - ($2,000 - $400)	$1,600
If wNMCI in top 150 ($2,000 - $200)	$1,800

Source: PED

The 50 percent reduction provision was likely enacted to ensure direct legislative appropriations were prioritized to schools with the most need. However, direct legislative appropriations are often outside of the adequacy standards, as in the example of playground improvements. In addition, the condition of public schools has improved dramatically; in FY06, the first year the wNMCI was calculated for schools, the school ranked 150 had a wNMCI of 59.25 percent but in FY20, the school ranked 150 has a wNMCI of 33.15 percent. The Legislature may want to consider changing this provision so that an offset is reduced if a school has a wNMCI of 60 percent – an indication a school needs to be replaced – instead of relying on a wNMCI ranking of 150.

Direct legislative appropriations vary widely by school district. Some school districts, such as Albuquerque, have many legislators they can approach to ask for direct legislative appropriations, while other school districts do not. In addition, not all school districts avail themselves of the opportunity to approach lawmakers for direct legislative appropriations. While offsets ensure equity, direct legislative appropriations are outside of PSCOC's prioritized wNMCI ranking, which can result in school districts funding projects based on considerations other than what school building has the greatest need.

Next Steps

While the state has made considerable progress on ensuring public schools are uniform and sufficient for the education of all students, there are things that could be done to ensure more equity in facility funding. While lawmakers are already discussing fixes for school districts that receive federal Impact Aid funds for tribal lands – with three legislative hearings so far – many other issues exist outside of Impact Aid, such as declining enrollment, ensuring sufficient local revenues for maintenance costs, and increased costs of construction and maintenance for school districts located in rural areas. These issues have been noted in multiple meetings, including several statewide meetings hosted by the House Majority office. These issues highlight the need to ensure any legislative solutions are responsive to the multiple concerns that exist. Additionally, the state should consider the work that has already been done to provide for more equity, including the enactment of Laws 2018, Chapter 66 (Senate Bill 30), which will not be fully phased in until FY24.

A solid body of research links school building conditions to student outcomes. School building condition has been found to directly impact student academic performance, as evaluated by both standardized tests and teacher perception of student success (Dura´n-Narucki, 2008; Schneider, 2002; Uline and Tschannen-Moran, 2007). While researchers remain divided on the reasons behind the link, factors such as maintenance of the building, lighting, and air quality have all been found to be significant (Buckley et al., 2004, Duyar 2010). School building condition has also been found to affect student attendance, quality of instruction, and teacher motivation, which may in turn impact student success (Duyar, 2010; Maxwell, 2016; Uline and Tschannen-Moran, 2007).

Closure of the San Juan Generating Station and Its Impact on Property Tax Revenue

The San Juan Generating Station, a coal-fired power plant located within the Central Consolidated School District (CCSD), is slated for closure in 2022, along with the adjacent San Juan Coal Mine, which supplies the generating station with coal. The plant's majority owner, the Public Service Company of New Mexico (PNM), is retiring the plant before its original 2053 decommissioning date, because coal is no longer cost effective when compared to other generating fuels and technologies. Closure of the plant and mine is estimated to eliminate approximately 450 jobs and likely result in fewer students enrolled in CCSD, and will eliminate two substantial assets from San Juan County's property tax rolls, decreasing revenue for the county, but also for CCSD. Closure of the plant and mine is estimated to result in a 25 percent decrease in CCSD's assessed valuation, according to Legislative Finance Committee (LFC) staff analysis which in turns means lower bonding capacity and less local revenues generated in mill levy funds. While the Energy Transition Act attempts to provide some relief to CCSD and the county by requiring any replacement resources for an abandoned coal plant to be located in the same school district as the abandoned facility, LFC notes it is difficult to quantify the degree to which the replacement would offset the tax loses without information on the potential replacement resources.

Bonding Capacity and Outstanding Bonds

In FY18, CCSD's assessed valuation totaled $746.5 million. At 6 percent indebtedness, estimates as of July 1, 2019 note this provides CCSD with approximately $44.8 million in local general obligation bonding capacity; the school district was bonded to 77 percent and had $34.5 million in outstanding bonds at the end of FY18. See **Attachment 6, Public School Bonding Indebtedness as of June 30, 2019.**

According to the FY20 wNMCI ranked list, CCSD's Newcomb Elementary School is ranked number two with a wNMCI of 69.3 percent, indicating the school needs to be replaced, and a weighted average building FCI of 68.2 percent. CCSD applied for a standards-based award for Newcomb Elementary School for the FY20 award cycle. CCSD has three schools ranked under 300, the current cut-off for systems-based awards; CCSD did not apply for a systems-based award for any of these schools. The remaining 10 CCSD facilities have rankings and wNMCI scores that indicate these schools are not likely to need to be rebuilt or significantly remodeled in the near future. See **Attachment 7, School Conditions within Central Consolidated School District.** As shown on this attachment, the FCI for each building varies widely within these overall wNMCI scores.

Debt Service Issues and Future Bonding Capacity. CCSD would likely need to increase their debt service mill levy rate to cover outstanding bond debt or seek funding from the state to retire existing bond debt. The current debt service mill levy rate on general obligation bonds issues by CCSD totals 6.816 mills and generates approximately $5.1 million annually in debt service payments. LFC staff estimates approximately $374.6 million in property tax valuation will likely be lost due to closure of the generating station and coal mine but there may be replacement of $187.3 million in property tax valuation if the Pinon Plant and Gas Line are authorized. Under these assumptions, the total property tax valuation is estimated to decrease by $187.3 million to a total of $559.2 million. The debt service mill levy rate would then have to be increased from 6.8 mills to around 9 mills, or an increase of 25 percent to continue generating the same amount revenue that is currently being collected to cover the debt service. The need to increase the debt service rate could be even higher, at around 12 mills, if the Pinon Plant and Gas Line are not authorized, further impacting property owners. It is likely that in lieu of increasing the debt service mill levy rate, CCSD would seek financial assistance from the state to pay off existing bond debt.

Additionally, the reduction in property tax valuation under the above assumptions is estimated to decrease future bonding capacity and collection of SB9 revenue. Future bonding capacity would likely be reduced by 25 percent because of the reduced property valuation, raising concerns that CCSD will not have sufficient revenue for significant school construction projects. While only one of CCSD's facilities currently needs significant construction – Newcomb Elementary School, which is the 2nd worst ranked school in the state currently – CCSD has raised concern to some PSCOC members that they will not have sufficient local revenue available to meet their local match requirements for this project. While it is likely that CCSD's local match requirement will decrease because of the decrease in local property tax valuation and the loss in local revenue, the school district may not see as significant a reduction in their local match as anticipated because of projected decreases in student enrollment. The new phase two state and local match calculation is based on local wealth and allowable gross square feet pursuant to the adequacy standards, which is based on the number of students enrolled in a school. PSFA estimates CCSD's local match could decrease from 40 percent per PSCOC-funded project in FY20 to around 28 percent per PSCOC-funded project in FY25 and subsequent years, though this estimate does not account for potential decreases in student enrollment.

Local Mill Levies

With a reduction in assessed valuation coupled with the projected loss of students, CCSD will likely see decreased SB9 revenue in the future; CCSD has not imposed an HB33 mill levy. While imposition of an SB9 mill levy results in the receipt of matching state funds, referred to as a "program guarantee", it is likely CCSD's program guarantee will decrease. The program guarantee is calculated by multiplying a fixed statutory dollar amount by the mill rate and a school district's total program units, and, if CCSD student enrollment decreases, it is likely the total program units generated by CCSD will also decrease. CCSD currently generates $1,387.4 million pursuant to their SB9 two mill levy.

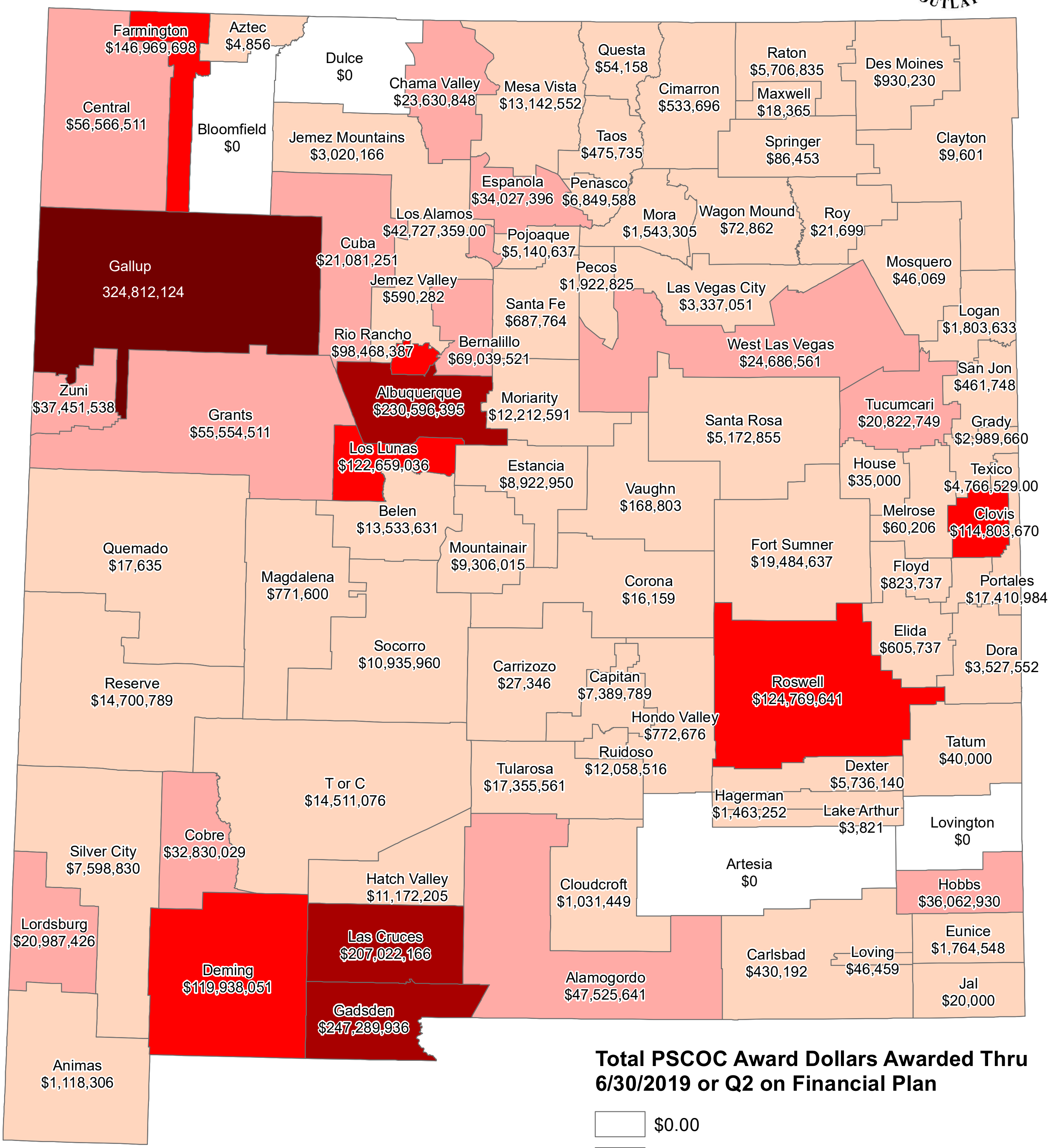
Next Steps

House Memorial 88 (HM88) and Senate Memorial 124 (SM124), duplicate memorials that were signed during the 2019 legislative session, request PED to study the changes to CCSD's property tax base and potential changes related to mill levies and bonding capacity to determine if the school district had a deficit in funds to repay the bonds. PED indicated the department will convene a group in the next few weeks to address the requests of HM88 and SM124.

Additionally, it is important to note PSCOC may award emergency funds if needed. Statute provides PSCOC the ability to award grant assistance using criteria other than the statewide adequacy standards in an emergency in which the health or safety of students or school personnel is at immediate risk or in which there is a threat of significant property damage. This means if CCSD has a facility emergency that impacts life, health, or safety, PSCOC could make an award, regardless of CCSD's financial circumstances. Policymakers, however, should continue to monitor the impacts of the closure of the generating station and the coal mine on property tax valuations and CCSD's ability to build and maintain adequate educational facilities for their students.

ATTACHMENT 1

Total PSCOC Dollars Awarded



Total PSCOC Award Dollars Awarded Thru 6/30/2019 or Q2 on Financial Plan

- $0.00
- $0.01 - $19,484,637.00
- $19,484,637.01 - $69,039,521.00
- $69,039,521.01 - $146,969,698.00
- $146,969,698.01 - $247,289,936.00
- $247,289,936.01 - $324,512,124.00

State Total PSCOC Dollars Awarded
$2,529,874,932

Created 8/6/19
By AM PSFA
Sources:PSFA

ARTICLE 25
Public School Capital Improvements

Section

22-25-1. Short title.

Chapter 22, Article 25 NMSA 1978 may be cited as the "Public School Capital Improvements Act".

History: 1953 Comp., § 77-25-1, enacted by Laws 1975 (S.S.), ch. 5, § 1; 2007, ch. 366, § 12.

Cross references. — For public school finances generally, *see* 22-8-1 NMSA 1978 et seq.

For public school emergency capital outlays, *see* 22-24-1 NMSA 1978 et seq.

The 2007 amendment, effective July 1, 2007, changed the statutory reference to the act.

ANNOTATIONS

Revenues not to be used for teacher housing. — Revenues generated by school district general obligation bonds or pursuant to the Public School Capital Improvements Act may not be spent to construct teacher housing. 1981 Op. Att'y Gen. No. 81-01.

For article, "No Cake For Zuni: The Constitutionality of New Mexico's Public School Capital Finance System," see 37 N.M.L. Rev. 307 (2007).

22-25-2. Definitions.

As used in the Public School Capital Improvements Act:

A. "program unit" means the product of the program element multiplied by the applicable cost differential factor, as defined in Section 22-8-2 NMSA 1978; and

B. "capital improvements" means expenditures, including payments made with respect to lease-purchase arrangements as defined in the Education Technology Equipment Act [Chapter 6, Article 15A NMSA 1978] or the Public School Lease Purchase Act [Chapter 22, Article 26A NMSA 1978] but excluding any other debt service expenses, for:

(1) erecting, remodeling, making additions to, providing equipment for or furnishing public school buildings;

(2) purchasing or improving public school grounds;

(3) maintenance of public school buildings or public school grounds, including the purchasing or repairing of maintenance equipment and participating in the facility information management system as required by the Public School Capital Outlay Act [Chapter 22, Article 24 NMSA 1978] and including payments under contracts with regional education cooperatives for maintenance support services and expenditures for technical training and certification for maintenance and facilities management personnel, but excluding salary expenses of school district employees;

(4) purchasing activity vehicles for transporting students to extracurricular school activities;

(5) purchasing computer software and hardware for student use in public school classrooms; and

(6) purchasing and installing education technology improvements, excluding salary expenses of school district employees, but including tools used in the educational process that constitute learning and administrative resources, and which may also include:

(a) satellite, copper and fiber-optic transmission; computer and network connection devices; digital communication equipment, including voice, video and data equipment; servers; switches; portable media devices, such as discs and drives to contain data for electronic storage and playback; and the purchase or lease of software licenses or other technologies and services, maintenance, equipment and computer infrastructure information, techniques and tools used to implement technology in schools and related facilities; and

(b) improvements, alterations and modifications to, or expansions of, existing buildings or tangible personal property necessary or advisable to house or otherwise accommodate any of the tools listed in this paragraph.

History: 1953 Comp., § 77-25-2, enacted by Laws 1975 (S.S.), ch. 5, § 2; 1981, ch. 314, § 1; 1989, ch. 159, § 1; 1996, ch. 67, § 2; 1999, ch. 89, § 2; 2004, ch. 125, § 12; 2006, ch. 95, § 9; 2007, ch. 366, § 13; 2009, ch. 258, § 8; 2017, ch. 73, § 1.

The 2017 amendment, effective June 16, 2017, expanded allowable expenditures to include purchasing and installing education technology improvements, excluding salary expenses of school district employees, but including certain tools used in the educational process; in Subsection B, at the end of Paragraph B(4), deleted "or", at the end of Paragraph B(5), added "and", and added Paragraph B(6).

The 2009 amendment, effective April 8, 2009, in Subsection B, added the reference to the Public School Lease Purchase Act; deleted former Paragraph (2) of Subsection B, which excluded lease payments on a lease with option to purchase; and in Paragraph (3) of Subsection B, added the language between "public school grounds" and "including payments under contracts", and after "including payments under contracts", added "with regional education cooperatives".

The 2007 amendment, effective July 1, 2007, added Paragraph (2) of Subsection B to include within the definition of "capital improvements" payments made for lease purchases.

The 2006 amendment, effective March 6, 2006, in Paragraph (3) of Subsection B, included payments under contracts for maintenance support services.

The 2004 amendment, effective May 19, 2004, in Paragraph (3) of Subsection B, deleted "exclusive of" preceding "salary expenses" and added "including expenditures for technical training and certification for maintenance and facilities management personnel, but excluding".

The 1999 amendment, effective March 19, 1999, substituted the language beginning "including payments" and ending "any other" for "exclusive of any" in Subsection B.

The 1996 amendment, effective May 15, 1996, added Paragraph B(5).

The 1989 amendment, effective June 16, 1989, added Subsection B(4).

ATTACHMENT 3

FY18 School District SB9 Revenues per MEM, Program Unit, and Gross Square Foot

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	
					FY18 SB9 Revenue Per Program Unit					FY18 SB9 Revenue Per MEM					FY18 SB9 Revenue Per Gross Square Foot to Adequacy					
	School District	Total SB9 Capacity at 2 Mills (thousands)	Mills Imposed (Residential/ Nonresidential)[1]	Actual FY18 SB9 Revenue (thousands)	FY18 Prog. Units[2]	SB9 Capacity Per Prog. Unit (B ÷ E)	Rank	SB9 Revenue Per Prog. Unit (D ÷ E)	Rank	FY18 MEM	SB9 Capacity Per MEM (B ÷ J)	Rank	SB9 Revenue Per MEM (D ÷ J)	Rank	Sq. Ft. to Adequacy	SB9 Capacity Per Sq. Ft. (B ÷ O)	Rank	SB9 Revenue Per Sq. Ft. (D ÷ O)	Rank	
1	ALAMOGORDO	$1,802.9	1.889 / 2	$1,783.20	9,966.7	$180.89	54	$178.92	55	5,928	$304.14	85	$300.82	84	828,073	$2.18	78	$2.15	78	1
2	ALBUQUERQUE	$34,879.7	2 / 2	$34,879.66	168,113.5	$207.48	40	$207.48	39	89,887	$388.04	63	$388.04	62	11,417,214	$3.06	34	$3.06	33	2
3	ANIMAS	$88.5	2 / 2	$88.54	559.9	$158.14	89	$158.14	88	167	$530.18	43	$530.18	43	43,002	$2.06	83	$2.06	82	3
4	ARTESIA	$3,288.6	2 / 2	$3,288.56	6,821.4	$482.10	9	$482.10	9	3,786	$868.67	22	$868.67	22	550,890	$5.97	11	$5.97	11	4
5	AZTEC	$1,371.0	1.886 / 2	$1,335.62	5,466.1	$250.82	25	$244.34	27	3,036	$451.59	54	$439.93	57	421,463	$3.25	30	$3.17	31	5
6	BELEN	$1,354.1	2 / 2	$1,354.10	7,228.3	$187.33	51	$187.33	50	3,845	$352.19	71	$352.19	70	544,828	$2.49	55	$2.49	54	6
7	BERNALILLO	$1,345.9	2 / 2	$1,345.86	5,764.9	$233.46	31	$233.46	31	2,890	$465.78	51	$465.78	51	408,064	$3.30	28	$3.30	28	7
8	BLOOMFIELD	$1,593.4	2 / 2	$1,593.41	5,250.8	$303.46	20	$303.46	20	2,866	$556.07	38	$556.07	38	398,661	$4.00	20	$4.00	20	8
9	CAPITAN	$867.3	2 / 2	$867.35	1,114.5	$778.25	3	$778.25	3	503	$1,723.49	8	$1,723.49	8	85,798	$10.11	3	$10.11	3	9
10	CARLSBAD	$5,537.9	2 / 2	$5,537.85	14,197.1	$390.07	14	$390.07	14	7,216	$767.47	25	$767.47	25	893,337	$6.20	10	$6.20	10	10
11	CARRIZOZO	$146.7	2 / 2	$146.74	477.4	$307.39	19	$307.39	19	151	$971.79	17	$971.79	17	33,557	$4.37	18	$4.37	18	11
12	CENTRAL	$1,796.0	2 / 2	$1,796.02	11,013.7	$163.07	85	$163.07	84	5,707	$314.69	83	$314.69	82	828,531	$2.17	79	$2.17	77	12
13	CHAMA	$304.0	2 / 2	$303.97	1,024.7	$296.65	21	$296.65	21	366	$830.53	23	$830.53	23	82,275	$3.69	23	$3.69	23	13
14	CIMARRON	$873.3	2 / 2	$873.27	1,174.5	$743.51	4	$743.51	4	434	$2,014.46	6	$2,014.46	6	108,431	$8.05	5	$8.05	5	14
15	CLAYTON	$284.5	2 / 2	$284.48	1,142.1	$249.09	26	$249.09	25	466	$610.48	34	$610.48	34	79,931	$3.56	24	$3.56	24	15
16	CLOUDCROFT	$402.4	2 / 2	$402.39	974.0	$413.14	11	$413.14	11	368	$1,093.45	13	$1,093.45	13	71,232	$5.65	13	$5.65	13	16
17	CLOVIS	$2,365.7	2 / 2	$2,365.73	14,297.6	$165.46	78	$165.46	77	7,989	$296.13	87	$296.13	86	1,055,490	$2.24	74	$2.24	73	17
18	COBRE	$562.5	2 / 2	$562.49	2,934.5	$191.68	48	$191.68	47	1,185	$474.67	49	$474.67	49	193,014	$2.91	39	$2.91	38	18
19	CORONA	$133.5	2 / 2	$133.47	362.2	$368.49	17	$368.49	17	65	$2,069.38	5	$2,069.38	5	23,781	$5.61	14	$5.61	14	19
20	CUBA	$301.8	2 / 2	$301.83	1,513.9	$199.37	44	$199.37	43	550	$548.79	41	$548.79	41	100,644	$3.00	38	$3.00	37	20
21	DEMING	$1,679.9	2 / 2	$1,679.91	9,840.8	$170.71	69	$170.71	68	5,263	$319.21	82	$319.21	81	689,063	$2.44	59	$2.44	58	21
22	DES MOINES	$81.3	2 / 2	$81.29	375.9	$216.24	35	$216.24	34	91	$893.32	19	$893.32	19	26,823	$3.03	35	$3.03	34	22
23	DEXTER	$331.9	2 / 2	$331.85	2,026.3	$163.77	83	$163.77	82	945	$351.26	72	$351.26	71	141,825	$2.34	66	$2.34	65	23
24	DORA	$106.6	2 / 2	$106.57	638.1	$167.00	76	$167.00	75	241	$443.10	55	$443.10	54	46,462	$2.29	69	$2.29	68	24
25	DULCE	$622.2	2 / 2	$622.16	1,529.4	$406.81	13	$406.81	13	673	$924.46	18	$924.46	18	96,432	$6.45	9	$6.45	9	25
26	ELIDA	$79.5	2 / 2	$79.51	447.6	$177.64	57	$177.64	56	138	$577.18	36	$577.18	36	41,197	$1.93	87	$1.93	86	26
27	ESPANOLA	$1,410.2	2 / 2	$1,410.24	7,158.3	$197.01	45	$197.01	44	3,535	$398.94	61	$398.94	60	498,176	$2.83	43	$2.83	42	27
28	ESTANCIA	$267.7	2 / 2	$267.70	1,553.6	$172.31	67	$172.31	66	606	$441.74	56	$441.74	55	99,565	$2.69	49	$2.69	48	28
29	EUNICE	$1,467.4	2 / 2	$1,467.41	1,548.3	$947.73	2	$947.73	2	782	$1,875.89	7	$1,875.89	7	137,168	$10.70	2	$10.70	2	29
30	FARMINGTON	$3,318.4	2 / 2	$3,318.42	19,216.2	$172.69	66	$172.69	65	11,370	$291.85	89	$291.85	88	1,407,813	$2.36	64	$2.36	63	30
31	FLOYD	$100.9	2 / 2	$100.89	590.7	$170.81	68	$170.81	67	214	$471.46	50	$471.46	50	43,416	$2.32	67	$2.32	66	31
32	FORT SUMNER	$154.0	2 / 2	$153.99	761.4	$202.24	42	$202.24	41	287	$537.00	42	$537.00	42	57,631	$2.67	50	$2.67	49	32
33	GADSDEN	$4,197.2	2 / 2	$4,197.18	24,786.0	$169.34	72	$169.34	71	13,085	$320.76	80	$320.76	79	1,693,126	$2.48	56	$2.48	55	33
34	GALLUP	$3,679.0	2 / 2	$3,679.00	21,082.4	$174.51	62	$174.51	61	11,120	$330.86	75	$330.86	74	1,663,683	$2.21	76	$2.21	75	34
35	GRADY	$93.5	2 / 2	$93.47	435.6	$214.57	38	$214.57	37	131	$714.90	29	$714.90	29	34,232	$2.73	48	$2.73	47	35
36	GRANTS	$1,146.0	2 / 2	$1,145.95	7,002.6	$163.65	84	$163.65	83	3,446	$332.55	74	$332.55	73	496,525	$2.31	68	$2.31	67	36
37	HAGERMAN	$183.1	2 / 2	$183.08	1,051.3	$174.14	63	$174.14	62	424	$432.30	58	$432.30	58	76,121	$2.41	61	$2.41	60	37
38	HATCH	$393.8	2 / 2	$393.77	2,342.8	$168.08	75	$168.08	74	1,220	$322.83	79	$322.83	78	186,885	$2.11	81	$2.11	80	38
39	HOBBS	$3,386.8	2 / 2	$3,386.79	16,608.0	$203.92	41	$203.92	40	9,723	$348.34	73	$348.34	72	1,232,711	$2.75	46	$2.75	45	39
40	HONDO	$86.0	2 / 2	$86.02	488.3	$176.15	60	$176.15	59	131	$656.61	31	$656.61	31	33,463	$2.57	53	$2.57	52	40

FY18 School District SB9 Revenues per MEM, Program Unit, and Gross Square Foot

	School District	Total SB9 Capacity at 2 Mills (thousands)	Mills Imposed (Residential/ Nonresidential)[1]	Actual FY18 SB9 Revenue (thousands)	FY18 SB9 Revenue Per Program Unit					FY18 SB9 Revenue Per MEM					FY18 SB9 Revenue Per Gross Square Foot to Adequacy					
					FY18 Prog. Units[2]	SB9 Capacity Per Prog. Unit (B ÷ E)	Rank	SB9 Revenue Per Prog. Unit (D ÷ E)	Rank	FY18 MEM	SB9 Capacity Per MEM (B ÷ J)	Rank	SB9 Revenue Per MEM (D ÷ J)	Rank	Sq. Ft. to Adequacy	SB9 Capacity Per Sq. Ft. (B ÷ O)	Rank	SB9 Revenue Per Sq. Ft. (D ÷ O)	Rank	
41	HOUSE	$88.8	2 / 2	$88.80	378.7	$234.47	30	$234.47	30	75	$1,191.96	10	$1,191.96	10	23,129	$3.84	22	$3.84	22	41
42	JAL	$3,551.2	2 / 2	$3,551.19	983.3	$3,611.51	1	$3,611.51	1	477	$7,448.75	1	$7,448.75	1	85,235	$41.66	1	$41.66	1	42
43	JEMEZ MOUNTAIN	$476.0	2 / 2	$475.96	729.3	$652.64	5	$652.64	5	219	$2,173.32	4	$2,173.32	4	68,724	$6.93	8	$6.93	8	43
44	JEMEZ VALLEY	$217.6	2 / 2	$217.65	1,011.5	$215.17	37	$215.17	36	378	$575.40	37	$575.40	37	92,306	$2.36	63	$2.36	62	44
45	LAKE ARTHUR	$103.1	2 / 2	$103.10	415.3	$248.24	27	$248.24	26	95	$1,085.29	14	$1,085.29	14	26,617	$3.87	21	$3.87	21	45
46	LAS CRUCES	$7,818.3	2 / 2	$7,818.35	44,119.7	$177.21	58	$177.21	57	24,100	$324.42	78	$324.42	77	3,010,494	$2.60	52	$2.60	51	46
47	LAS VEGAS CITY	$599.3	2 / 2	$599.25	3,384.3	$177.07	59	$177.07	58	1,535	$390.45	62	$390.45	61	218,182	$2.75	47	$2.75	46	47
48	LAS VEGAS WEST	$531.9	2 / 2	$531.88	3,262.7	$163.02	86	$163.02	85	1,490	$356.97	69	$356.97	68	282,665	$1.88	88	$1.88	87	48
49	LOGAN	$150.0	2 / 2	$149.97	813.6	$184.32	53	$184.32	52	311	$481.82	47	$481.82	47	53,595	$2.80	45	$2.80	44	49
50	LORDSBURG	$279.9	2 / 2	$279.89	1,146.6	$244.10	28	$244.10	28	470	$595.19	35	$595.19	35	99,747	$2.81	44	$2.81	43	50
51	LOS ALAMOS	$1,581.5	0 / 0	$0.00	6,849.0	$230.91	32	$0.00	89	3,668	$431.22	59	$0.00	89	502,673	$3.15	32	$0	89	51
52	LOS LUNAS	$2,594.8	2 / 2	$2,594.81	13,779.4	$188.31	49	$188.31	48	8,317	$312.01	84	$312.01	83	1,107,952	$2.34	65	$2.34	64	52
53	LOVING	$468.4	2 / 2	$468.40	1,284.2	$364.74	18	$364.74	18	532	$880.46	21	$880.46	21	103,838	$4.51	17	$4.51	17	53
54	LOVINGTON	$1,482.5	2 / 2	$1,482.52	7,094.7	$208.96	39	$208.96	38	3,531	$419.83	60	$419.83	59	518,032	$2.86	42	$2.86	41	54
55	MAGDALENA	$147.9	2 / 2	$147.86	921.3	$160.49	88	$160.49	87	319	$464.23	52	$464.23	52	60,101	$2.46	57	$2.46	56	55
56	MAXWELL	$73.3	2 / 2	$73.34	408.6	$179.51	55	$179.51	53	112	$657.76	30	$657.76	30	32,300	$2.27	73	$2.27	72	56
57	MELROSE	$103.3	2 / 2	$103.35	551.2	$187.50	50	$187.50	49	228	$454.27	53	$454.27	53	49,979	$2.07	82	$2.07	81	57
58	MESA VISTA	$174.1	2 / 2	$174.09	691.0	$251.94	24	$251.94	24	237	$736.11	27	$736.11	27	60,314	$2.89	41	$2.89	40	58
59	MORA	$212.4	2 / 2	$212.40	1,080.8	$196.51	46	$196.51	45	415	$512.11	44	$512.11	44	81,547	$2.60	51	$2.60	50	59
60	MORIARTY	$1,198.4	2 / 2	$1,198.42	4,421.1	$271.07	22	$271.07	22	2,444	$490.45	46	$490.45	46	365,659	$3.28	29	$3.28	29	60
61	MOSQUERO	$158.6	2 / 2	$158.62	297.9	$532.46	7	$532.46	7	38	$4,229.87	2	$4,229.87	2	21,461	$7.39	7	$7.39	7	61
62	MOUNTAINAIR	$154.1	2 / 2	$154.14	688.2	$223.96	34	$223.96	33	215	$718.59	28	$718.59	28	48,332	$3.19	31	$3.19	30	62
63	PECOS	$297.6	2 / 2	$297.63	1,379.7	$215.72	36	$215.72	35	602	$494.19	45	$494.19	45	96,318	$3.09	33	$3.09	32	63
64	PENASCO	$150.7	2 / 2	$150.71	865.8	$174.07	64	$174.07	63	342	$441.33	57	$441.33	56	77,661	$1.94	85	$1.94	84	64
65	POJOAQUE	$590.1	2 / 2	$590.08	3,408.9	$173.10	65	$173.10	64	1,968	$299.88	86	$299.88	85	294,660	$2.00	84	$2.00	83	65
66	PORTALES	$872.7	2 / 2	$872.68	5,157.1	$169.22	74	$169.22	73	2,659	$328.17	76	$328.17	75	366,468	$2.38	62	$2.38	61	66
67	QUEMADO	$190.3	2 / 2	$190.28	513.1	$370.82	16	$370.82	16	149	$1,277.03	9	$1,277.03	9	45,223	$4.21	19	$4.21	19	67
68	QUESTA	$402.1	2 / 2	$402.11	1,031.1	$389.98	15	$389.98	15	361	$1,115.43	12	$1,115.43	12	78,860	$5.10	15	$5.10	15	68
69	RATON	$334.2	2 / 2	$334.16	1,797.1	$185.94	52	$185.94	51	891	$375.04	67	$375.04	66	145,746	$2.29	70	$2.29	69	69
70	RESERVE	$98.5	2 / 2	$98.49	490.6	$200.77	43	$200.77	42	127	$775.51	24	$775.51	24	32,530	$3.03	36	$3.03	35	70
71	RIO RANCHO	$5,454.8	2 / 2	$5,454.84	30,987.7	$176.03	61	$176.03	60	17,084	$319.30	81	$319.30	80	1,882,024	$2.90	40	$2.90	39	71
72	ROSWELL	$2,954.4	2 / 2	$2,954.36	17,454.4	$169.26	73	$169.26	72	10,076	$293.21	88	$293.21	87	1,379,770	$2.14	80	$2.14	79	72
73	ROY	$48.7	2 / 2	$48.66	296.9	$163.93	81	$163.93	80	49	$1,003.36	16	$1,003.36	16	22,116	$2.20	77	$2.20	76	73
74	RUIDOSO	$1,456.6	2 / 2	$1,456.64	3,561.3	$409.02	12	$409.02	12	1,964	$741.76	26	$741.76	26	287,938	$5.06	16	$5.06	16	74
75	SAN JON	$78.7	2 / 2	$78.71	462.5	$170.17	71	$170.17	70	143	$550.40	39	$550.40	39	32,062	$2.45	58	$2.45	57	75
76	SANTA FE	$13,513.0	2 / 2	$13,513.03	24,739.2	$546.22	6	$546.22	6	12,876	$1,049.49	15	$1,049.49	15	1,757,362	$7.69	6	$7.69	6	76
77	SANTA ROSA	$244.4	2 / 2	$244.35	1,485.6	$164.49	80	$164.49	79	640	$381.65	66	$381.65	65	126,150	$1.94	86	$1.94	85	77
78	SILVER CITY	$1,223.3	2 / 2	$1,223.32	5,429.8	$225.30	33	$225.30	32	2,558	$478.28	48	$478.28	48	364,304	$3.36	27	$3.36	27	78
79	SOCORRO	$535.9	2 / 2	$535.94	3,257.7	$164.52	79	$164.52	78	1,643	$326.24	77	$326.24	76	286,148	$1.87	89	$1.87	88	79
80	SPRINGER	$88.9	2 / 2	$88.88	495.5	$179.37	56	$179.37	54	138	$646.42	32	$646.42	32	38,887	$2.29	71	$2.29	70	80
81	TAOS	$2,432.9	2 / 2	$2,432.88	5,402.7	$450.31	10	$450.31	10	2,726	$892.64	20	$892.64	20	419,577	$5.80	12	$5.80	12	81

FY18 School District SB9 Revenues per MEM, Program Unit, and Gross Square Foot

	School District	Total SB9 Capacity at 2 Mills (thousands)	Mills Imposed (Residential/ Nonresidential)[1]	Actual FY18 SB9 Revenue (thousands)	FY18 SB9 Revenue Per Program Unit					FY18 SB9 Revenue Per MEM					FY18 SB9 Revenue Per Gross Square Foot to Adequacy					
					FY18 Prog. Units[2]	SB9 Capacity Per Prog. Unit (B ÷ E)	Rank	SB9 Revenue Per Prog. Unit (D ÷ E)	Rank	FY18 MEM	SB9 Capacity Per MEM (B ÷ J)	Rank	SB9 Revenue Per MEM (D ÷ J)	Rank	Sq. Ft. to Adequacy	SB9 Capacity Per Sq. Ft. (B ÷ O)	Rank	SB9 Revenue Per Sq. Ft. (D ÷ O)	Rank	
82	TATUM	$204.7	2 / 2	$204.75	856.8	$238.98	29	$238.98	29	320	$639.83	33	$639.83	33	59,321	$3.45	25	$3.45	25	82
83	TEXICO	$207.7	2 / 2	$207.73	1,277.4	$162.61	87	$162.61	86	538	$386.11	64	$386.11	63	93,500	$2.22	75	$2.22	74	83
84	TRUTH OR CONS.	$673.0	2 / 2	$673.00	2,543.1	$264.63	23	$264.63	23	1,226	$549.05	40	$549.05	40	199,267	$3.38	26	$3.38	26	84
85	TUCUMCARI	$347.1	2 / 2	$347.07	2,079.0	$166.94	77	$166.94	76	953	$364.28	68	$364.28	67	144,110	$2.41	60	$2.41	59	85
86	TULAROSA	$320.9	2 / 2	$320.90	1,880.3	$170.67	70	$170.67	69	837	$383.28	65	$383.28	64	127,272	$2.52	54	$2.52	53	86
87	VAUGHN	$196.4	2 / 2	$196.44	402.9	$487.55	8	$487.55	8	67	$2,953.98	3	$2,953.98	3	23,941	$8.21	4	$8.21	4	87
88	WAGON MOUND	$70.8	2 / 2	$70.79	361.9	$195.63	47	$195.63	46	62	$1,141.78	11	$1,141.78	11	23,562	$3.00	37	$3.00	36	88
89	ZUNI	$451.4	2 / 2	$451.36	2,754.6	$163.86	82	$163.86	81	1,272	$354.98	70	$354.98	69	198,179	$2.28	72	$2.28	71	89

Source: PSFA, PED, and LESC Files

1 School districts highligted in orange are have not imposed a full two mill levy on property within the school district.

2 The number of program units per MEM a school district generates is based on a number of local characteristics of that school district, like the size of the school district, number of "at-risk" students, and the training and experience of teachers. For this reason, the number of program units per MEM ranges from a high of 7.94 in Mosquero to a low of 1.66 in Los Lunas.

ARTICLE 26
Public School Buildings

22-26-1. Short title.

Chapter 22, Article 26 NMSA 1978 may be cited as the "Public School Buildings Act".

History: Laws 1983, ch. 163, § 1; 2007, ch. 366, § 18.

The 2007 amendment, effective July 1, 2007, changed the statutory reference to the act.

ANNOTATIONS

For article, "No Cake For Zuni: The Constitutionality of New Mexico's Public School Capital Finance System," see 37 N.M.L. Rev. 307 (2007).

22-26-2. Definition.

As used in the Public School Buildings Act, "capital improvements" means expenditures, including payments made with respect to lease-purchase arrangements as defined in the Education Technology Equipment Act [Chapter 6, Article 15A NMSA 1978] but excluding any other debt service expenses, for:

A. erecting, remodeling, making additions to, providing equipment for or furnishing public school buildings;

B. payments made pursuant to a financing agreement entered into by a school district or a charter school for the leasing of a building or other real property with an option to purchase for a price that is reduced according to payments made;

C. purchasing or improving public school grounds;

D. purchasing activity vehicles for transporting students to and from extracurricular school activities; provided that this authorization for expenditure does not apply to school districts with a student MEM greater than sixty thousand;

E. administering the projects undertaken pursuant to Subsections A and C of this section, including expenditures for facility maintenance software, project management software, project oversight and district personnel specifically related to administration of projects funded by the Public School Buildings Act; provided that expenditures pursuant to this subsection shall not exceed five percent of the total project costs; and

F. purchasing and installing education technology improvements, excluding salary expenses of school district employees, but including tools used in the educational process that constitute learning and administrative resources, and which may also include:

(1) satellite, copper and fiber-optic transmission; computer and network connection devices; digital communication equipment, including voice, video and data equipment; servers; switches; portable media devices, such as discs and drives to contain data for electronic storage and playback; and purchase or lease of software licenses or other technologies and services, maintenance, equipment and computer infrastructure information, techniques and tools used to implement technology in schools and related facilities; and

(2) improvements, alterations and modifications to, or expansions of, existing buildings or tangible personal property necessary or advisable to house or otherwise accommodate any of the tools listed in this subsection.

History: Laws 1983, ch. 163, § 2; 1999, ch. 89, § 3; 2007, ch. 366, § 19; 2009, ch. 25, § 1; 2017, ch. 73, § 2.

The 2017 amendment, effective June 16, 2017, expanded allowable expenditures to include purchasing and installing education technology improvements, excluding salary expenses of school district employees, but including certain tools used in the educational process; at the end of Subsection D, deleted "or"; at the end of Subsection E, added "and"; and added Subsection F.

The 2009 amendment, effective June 19, 2009, added Subsection D.

The 2007 amendment, effective July 1, 2007, added Subsections B and D.

The 1999 amendment, effective March 19, 1999, substituted the language beginning "including payments" and ending "any other" for "exclusive of any" in the introductory language.

FY18 School District HB33 Revenues per MEM, Program Unit, and Gross Square Foot

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	
						FY18 HB33 Revenue Per Program Unit					FY18 HB33 Revenue Per MEM					FY18 HB33 Revenue Per Gross Square Foot to Adequacy					
	School District	Total HB33 Capacity at 10 Mills (thousands)	Mills Imposed (Residential/ Nonresidential)[1]	Actual FY18 HB33 Revenue (thousands)	Percent of Cap.	FY18 Prog. Units[2]	HB33 Capacity Per Prog. Unit (B ÷ F)	Rank	HB33 Revenue Per Prog. Unit (D ÷ F)	Rank	FY18 MEM	HB33 Capacity Per MEM (B ÷ K)	Rank	HB33 Revenue Per MEM (D ÷ K)	Rank	Sq. Ft. to Adequacy	HB33 Capacity Per Sq. Ft. (B ÷ P)	Rank	HB33 Revenue Per Sq. Ft. (D ÷ P)	Rank	
1	ALAMOGORDO	$8,322.4	1.4 / 1.4	$1,165.1	14%	9,966.7	$835.03	49	$116.90	12	5,928	$1,403.98	64	$196.56	12	828,073	$10.05	57	$1.41	12	1
2	ALBUQUERQUE	$167,425.3	3.838 / 4.344	$65,658.0	39%	168,113.5	$995.91	38	$390.56	3	89,887	$1,862.61	53	$730.45	5	11,417,214	$14.66	33	$5.75	4	2
3	ANIMAS	$377.2				559.9	$673.76	60			167	$2,258.79	40			43,002	$8.77	60			3
4	ARTESIA	$16,006.9	5 / 5	$7,991.2	50%	6,821.4	$2,346.59	9	$1,171.50	2	3,786	$4,228.20	19	$2,110.86	2	550,890	$29.06	11	$14.51	2	4
5	AZTEC	$6,506.1				5,466.1	$1,190.26	26			3,036	$2,142.99	45			421,463	$15.44	30			5
6	BELEN	$6,302.9				7,228.3	$871.98	46			3,845	$1,639.36	59			544,828	$11.57	51			6
7	BERNALILLO	$6,360.3				5,764.9	$1,103.28	31			2,890	$2,201.18	44			408,064	$15.59	28			7
8	BLOOMFIELD	$7,624.7				5,250.8	$1,452.10	20			2,866	$2,660.84	34			398,661	$19.13	20			8
9	CAPITAN	$4,262.9				1,114.5	$3,824.98	3			503	$8,470.67	8			85,798	$49.68	3			9
10	CARLSBAD	$27,257.9	1.796 / 1.987	$5,315.8	20%	14,197.1	$1,919.97	14	$374.43	6	7,216	$3,777.56	22	$736.70	4	893,337	$30.51	10	$5.95	3	10
11	CARRIZOZO	$703.9				477.4	$1,474.48	19			151	$4,661.46	15			33,557	$20.98	18			11
12	CENTRAL	$6,937.3				11,013.7	$629.88	64			5,707	$1,215.52	69			828,531	$8.37	62			12
13	CHAMA	$1,476.6				1,024.7	$1,440.96	21			366	$4,034.30	21			82,275	$17.95	22			13
14	CIMARRON	$4,288.8				1,174.5	$3,651.52	4			434	$9,893.34	6			108,431	$39.55	5			14
15	CLAYTON	$1,348.1				1,142.1	$1,180.35	27			466	$2,892.89	30			79,931	$16.87	23			15
16	CLOUDCROFT	$2,069.7				974.0	$2,125.06	11			368	$5,624.28	10			71,232	$29.06	12			16
17	CLOVIS	$8,379.7				14,297.6	$586.10	69			7,989	$1,048.94	78			1,055,490	$7.94	65			17
18	COBRE	$2,629.7				2,934.5	$896.12	45			1,185	$2,219.16	43			193,014	$13.62	40			18
19	CORONA	$644.9				362.2	$1,780.28	18			65	$9,997.75	5			23,781	$27.12	14			19
20	CUBA	$1,417.4				1,513.9	$936.25	43			550	$2,577.12	36			100,644	$14.08	37			20
21	DEMING	$5,953.7				9,840.8	$605.00	67			5,263	$1,131.29	73			689,063	$8.64	61			21
22	DES MOINES	$382.2				375.9	$1,016.56	36			91	$4,199.62	20			26,823	$14.25	36			22
23	DEXTER	$844.3				2,026.3	$416.65	78			945	$893.64	82			141,825	$5.95	77			23
24	DORA	$275.9				638.1	$432.40	77			241	$1,147.28	71			46,462	$5.94	78			24
25	DULCE	$3,004.3				1,529.4	$1,964.46	13			673	$4,464.11	16			96,432	$31.16	9			25
26	ELIDA	$282.8				447.6	$631.88	63			138	$2,053.11	48			41,197	$6.86	72			26
27	ESPANOLA	$5,910.0				7,158.3	$825.62	51			3,535	$1,671.85	57			498,176	$11.86	49			27
28	ESTANCIA	$1,184.1				1,553.6	$762.18	56			606	$1,953.97	51			99,565	$11.89	48			28
29	EUNICE	$7,223.3	2 / 4	$4,334.0	60%	1,548.3	$4,665.14	2	$2,799.09	1	782	$9,233.95	7	$5,540.37	1	137,168	$52.66	2	$31.60	1	29
30	FARMINGTON	$15,280.1				19,216.2	$795.16	53			11,370	$1,343.86	65			1,407,813	$10.85	54			30
31	FLOYD	$149.9				590.7	$253.87	87			214	$700.69	88			43,416	$3.45	87			31
32	FORT SUMNER	$913.5				761.4	$1,199.75	24			287	$3,185.65	27			57,631	$15.85	26			32
33	GADSDEN	$9,835.0				24,786.0	$396.80	81			13,085	$751.61	86			1,693,126	$5.81	80			33
34	GALLUP	$8,366.5				21,082.4	$396.85	80			11,120	$752.41	85			1,663,683	$5.03	83			34
35	GRADY	$100.6				435.6	$231.02	88			131	$769.71	84			34,232	$2.94	88			35

FY18 School District HB33 Revenues per MEM, Program Unit, and Gross Square Foot

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	
						FY18 HB33 Revenue Per Program Unit					FY18 HB33 Revenue Per MEM					FY18 HB33 Revenue Per Gross Square Foot to Adequacy					
	School District	Total HB33 Capacity at 10 Mills (thousands)	Mills Imposed (Residential/ Nonresidential)[1]	Actual FY18 HB33 Revenue (thousands)	Percent of Cap.	FY18 Prog. Units[2]	HB33 Capacity Per Prog. Unit (B ÷ F)	Rank	HB33 Revenue Per Prog. Unit (D ÷ F)	Rank	FY18 MEM	HB33 Capacity Per MEM (B ÷ K)	Rank	HB33 Revenue Per MEM (D ÷ K)	Rank	Sq. Ft. to Adequacy	HB33 Capacity Per Sq. Ft. (B ÷ P)	Rank	HB33 Revenue Per Sq. Ft. (D ÷ P)	Rank	
36	GRANTS	$3,397.7				7,002.6	$485.21	76			3,446	$985.99	79			496,525	$6.84	73			36
37	HAGERMAN	$395.2				1,051.3	$375.88	82			424	$933.11	81			76,121	$5.19	81			37
38	HATCH	$858.6				2,342.8	$366.47	83			1,220	$703.89	87			186,885	$4.59	85			38
39	HOBBS	$15,827.8	4 / 4	$6,323.0	40%	16,608.0	$953.02	40	$380.72	5	9,723	$1,627.92	60	$650.33	6	1,232,711	$12.84	44	$5.13	6	39
40	HONDO	$373.9				488.3	$765.66	55			131	$2,854.00	32			33,463	$11.17	53			40
41	HOUSE	$157.7				378.7	$416.33	79			75	$2,116.42	46			23,129	$6.82	74			41
42	JAL	$17,685.2				983.3	$17,985.56	1			477	$37,095.26	1			85,235	$207.49	1			42
43	JEMEZ MOUNTAIN	$2,343.1				729.3	$3,212.94	5			219	$10,699.24	4			68,724	$34.09	8			43
44	JEMEZ VALLEY	$1,091.6				1,011.5	$1,079.13	33			378	$2,885.82	31			92,306	$11.83	50			44
45	LAKE ARTHUR	$487.7				415.3	$1,174.26	28			95	$5,133.80	13			26,617	$18.32	21			45
46	LAS CRUCES	$34,549.1	3 / 3	$10,359.0	30%	44,119.7	$783.08	54	$234.79	8	24,100	$1,433.60	63	$429.84	8	3,010,494	$11.48	52	$3.44	8	46
47	LAS VEGAS CITY	$2,785.8				3,384.3	$823.15	52			1,535	$1,815.12	54			218,182	$12.77	45			47
48	LAS VEGAS WEST	$1,960.2				3,262.7	$600.79	68			1,490	$1,315.57	67			282,665	$6.93	70			48
49	LOGAN	$692.0				813.6	$850.49	48			311	$2,223.19	42			53,595	$12.91	43			49
50	LORDSBURG	$1,337.5				1,146.6	$1,166.45	29			470	$2,844.18	33			99,747	$13.41	42			50
51	LOS ALAMOS	$7,452.7	3.246 / 3.246	$2,359.2	32%	6,849.0	$1,088.14	32	$344.45	7	3,668	$2,032.09	49	$643.26	7	502,673	$14.83	32	$5	7	51
52	LOS LUNAS	$8,952.2	3 / 3	$2,685.7	30%	13,779.4	$649.68	61	$194.90	10	8,317	$1,076.44	76	$322.93	11	1,107,952	$8.08	64	$2.42	10	52
53	LOVING	$2,370.7				1,284.2	$1,846.03	16			532	$4,456.21	17			103,838	$22.83	17			53
54	LOVINGTON	$6,946.8	2 / 2	$1,389.4	20%	7,094.7	$979.16	39	$195.83	9	3,531	$1,967.23	50	$393.45	9	518,032	$13.41	41	$2.68	9	54
55	MAGDALENA	$304.6				921.3	$330.61	86			319	$956.31	80			60,101	$5.07	82			55
56	MAXWELL	$215.9				408.6	$528.54	74			112	$1,936.67	52			32,300	$6.69	75			56
57	MELROSE	$343.7				551.2	$623.54	65			228	$1,510.73	62			49,979	$6.88	71			57
58	MESA VISTA	$825.8				691.0	$1,195.15	25			237	$3,491.90	25			60,314	$13.69	39			58
59	MORA	$1,015.3				1,080.8	$939.38	42			415	$2,448.01	37			81,547	$12.45	46			59
60	MORIARTY	$5,679.3				4,421.1	$1,284.61	22			2,444	$2,324.26	39			365,659	$15.53	29			60
61	MOSQUERO	$776.8				297.9	$2,607.52	7			38	$20,714.03	2			21,461	$36.19	7			61
62	MOUNTAINAIR	$725.5				688.2	$1,054.12	35			215	$3,382.26	26			48,332	$15.01	31			62
63	PECOS	$1,399.9				1,379.7	$1,014.62	37			602	$2,324.39	38			96,318	$14.53	34			63
64	PENASCO	$561.4				865.8	$648.40	62			342	$1,643.96	58			77,661	$7.23	69			64
65	POJOAQUE	$1,741.4				3,408.9	$510.83	75			1,968	$884.97	83			294,660	$5.91	79			65
66	PORTALES	$2,878.6				5,157.1	$558.18	72			2,659	$1,082.47	75			366,468	$7.85	67			66
67	QUEMADO	$917.4				513.1	$1,787.77	17			149	$6,156.76	9			45,223	$20.29	19			67
68	QUESTA	$1,922.9				1,031.1	$1,864.95	15			361	$5,334.10	12			78,860	$24.38	16			68
69	RATON	$1,553.8				1,797.1	$864.61	47			891	$1,743.89	56			145,746	$10.66	55			69
70	RESERVE	$466.0				490.6	$949.84	41			127	$3,669.01	23			32,530	$14.32	35			70

FY18 School District HB33 Revenues per MEM, Program Unit, and Gross Square Foot

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	
						FY18 HB33 Revenue Per Program Unit					FY18 HB33 Revenue Per MEM					FY18 HB33 Revenue Per Gross Square Foot to Adequacy					
	School District	Total HB33 Capacity at 10 Mills (thousands)	Mills Imposed (Residential/ Nonresidential)[1]	Actual FY18 HB33 Revenue (thousands)	Percent of Cap.	FY18 Prog. Units[2]	HB33 Capacity Per Prog. Unit (B ÷ F)	Rank	HB33 Revenue Per Prog. Unit (D ÷ F)	Rank	FY18 MEM	HB33 Capacity Per MEM (B ÷ K)	Rank	HB33 Revenue Per MEM (D ÷ K)	Rank	Sq. Ft. to Adequacy	HB33 Capacity Per Sq. Ft. (B ÷ P)	Rank	HB33 Revenue Per Sq. Ft. (D ÷ P)	Rank	
71	RIO RANCHO	$22,801.6				30,987.7	$735.83	58			17,084	$1,334.72	66			1,882,024	$12.12	47			71
72	ROSWELL	$10,778.9				17,454.4	$617.55	66			10,076	$1,069.76	77			1,379,770	$7.81	68			72
73	ROY	$100.3				296.9	$337.75	84			49	$2,067.29	47			22,116	$4.53	86			73
74	RUIDOSO	$7,135.8				3,561.3	$2,003.73	12			1,964	$3,633.79	24			287,938	$24.78	15			74
75	SAN JON	$155.1				462.5	$335.43	85			143	$1,084.93	74			32,062	$4.84	84			75
76	SANTA FE	$65,543.3	1.5 / 1.5	$9,487.6	14%	24,739.2	$2,649.37	6	$383.50	4	12,876	$5,090.44	14	$736.86	3	1,757,362	$37.30	6	$5.40	5	76
77	SANTA ROSA	$1,119.4				1,485.6	$753.50	57			640	$1,748.34	55			126,150	$8.87	59			77
78	SILVER CITY	$5,749.8	1.5 / 1.5	$862.5	15%	5,429.8	$1,058.93	34	$158.84	11	2,558	$2,247.98	41	$337.20	10	364,304	$15.78	27	$2.37	11	78
79	SOCORRO	$1,875.1				3,257.7	$575.59	70			1,643	$1,141.43	72			286,148	$6.55	76			79
80	SPRINGER	$413.0				495.5	$833.45	50			138	$3,003.61	29			38,887	$10.62	56			80
81	TAOS	$11,741.6				5,402.7	$2,173.30	10			2,726	$4,308.07	18			419,577	$27.98	13			81
82	TATUM	$971.4				856.8	$1,133.83	30			320	$3,035.68	28			59,321	$16.38	24			82
83	TEXICO	$861.9				1,277.4	$674.75	59			538	$1,602.13	61			93,500	$9.22	58			83
84	TRUTH OR CONS.	$3,196.6				2,543.1	$1,256.95	23			1,226	$2,607.85	35			199,267	$16.04	25			84
85	TUCUMCARI	$1,184.6				2,079.0	$569.82	71			953	$1,243.39	68			144,110	$8.22	63			85
86	TULAROSA	$1,007.8				1,880.3	$535.98	73			837	$1,203.70	70			127,272	$7.92	66			86
87	VAUGHN	$957.5				402.9	$2,376.58	8			67	$14,399.14	3			23,941	$40.00	4			87
88	WAGON MOUND	$330.8				361.9	$914.26	44			62	$5,336.11	11			23,562	$14.04	38			88
89	ZUNI	$22.3				2,754.6	$8.09	89			1,272	$17.52	89			198,179	$0.11	89			89

Source: PSFA, PED, and LESC Files

1 No school district has imposed a full 10 mill levy under HB33. Only 12 school districts imposed HB33 levies in FY18.

2 The number of program units per MEM a school district generates is based on a number of local characteristics of that school district, like the size of the school district, number of "at-risk" students, and the training and experience of teachers. For this reason, the number of program units per MEM ranges from a high of 7.94 in Mosquero to a low of 1.66 in Los Lunas.

PUBLIC SCHOOL BONDING INDEBTEDNESS PERCENTAGES
as of June 30, 2019

ATTACHMENT 6

DISTRICT	2018 FINAL TOTAL VALUATIONS	BONDING CAPACITY at 6% of Value	BONDS OUTSTANDING ON 6/30/18	AVAILABLE CAPACITY	BONDING INDEBTEDNESS PERCENTAGE	2018-2019 AVG. 80th/120th DAY MEM.	ASSESSED VALUATION/PER MEM.	DATE DISTRICT PASSED SB-9, 2 MILL LEVY
ALAMOGORDO	$ 832,400,603	$ 49,944,036	$ 32,065,000	$ 17,879,036	64.2%	5,828.50	$ 142,816	2/5/2013
ALBUQUERQUE	$ 16,888,932,115	$ 1,013,335,927	$ 627,740,000	$ 385,595,927	61.9%	95,402.25	$ 177,029	FAILED
ANIMAS	$ 37,736,524	$ 2,264,191	$ -	$ 2,264,191	0.0%	164.50	$ 229,401	2/7/2017
ARTESIA	$ 1,601,471,251	$ 96,088,275	$ -	$ 96,088,275	0.0%	3,828.25	$ 418,330	2/6/2018
AZTEC	$ 650,623,446	$ 39,037,407	$ 27,500,000	$ 11,537,407	70.4%	2,873.75	$ 226,402	FAILED
BELEN	$ 631,805,059	$ 37,908,304	$ 36,920,000	$ 988,304	97.4%	3,854.00	$ 163,935	2/7/2017
BERNALILLO	$ 641,591,556	$ 38,495,493	$ 34,485,000	$ 4,010,493	89.6%	2,797.50	$ 229,345	FAILED
BLOOMFIELD	$ 761,756,313	$ 45,705,379	$ 34,920,000	$ 10,785,379	76.4%	2,636.00	$ 288,982	FAILED
CAPITAN	$ 426,379,323	$ 25,582,759	$ 3,920,000	$ 21,662,759	15.3%	501.00	$ 851,057	2/3/2015
CARLSBAD	$ 2,726,528,622	$ 163,591,717	$ 44,280,000	$ 119,311,717	27.1%	7,841.50	$ 347,705	2/5/2013
CARRIZOZO	$ 69,553,037	$ 4,173,182	$ 3,155,000	$ 1,018,182	75.6%	143.25	$ 485,536	2/5/2013
CENTRAL	$ 746,492,355	$ 44,789,541	$ 34,505,000	$ 10,284,541	77.0%	5,656.75	$ 131,965	2/5/2013
CHAMA	$ 148,131,253	$ 8,887,875	$ 7,830,000	$ 1,057,875	88.1%	391.00	$ 378,852	2/7/2017
CIMARRON	$ 431,302,760	$ 25,878,166	$ 6,310,000	$ 19,568,166	24.4%	416.25	$ 1,036,163	2/3/2015
CLAYTON	$ 136,370,433	$ 8,182,226	$ 6,900,000	$ 1,282,226	84.3%	441.50	$ 308,880	2/7/2017
CLOUDCROFT	$ 206,999,100	$ 12,419,946	$ 6,015,000	$ 6,404,946	48.4%	398.50	$ 519,446	FAILED
CLOVIS	$ 840,279,849	$ 50,416,791	$ 47,315,000	$ 3,101,791	93.8%	7,815.75	$ 107,511	2/7/2017
COBRE	$ 262,808,255	$ 15,768,495	$ 7,185,000	$ 8,583,495	45.6%	1,146.50	$ 229,227	2/3/2015
CORONA	$ 64,374,328	$ 3,862,460	$ 325,000	$ 3,537,460	8.4%	64.50	$ 998,052	2/3/2015
CUBA	$ 142,434,773	$ 8,546,086	$ 3,765,000	$ 4,781,086	44.1%	517.50	$ 275,236	2/5/2013
DEMING	$ 597,347,597	$ 35,840,856	$ 26,320,000	$ 9,520,856	73.4%	5,244.75	$ 113,894	FAILED
DES MOINES	$ 38,480,687	$ 2,308,841	$ 191,000	$ 2,117,841	8.3%	89.00	$ 432,367	2/7/2017
DEXTER	$ 84,430,587	$ 5,065,835	$ 5,130,000	$ (64,165)	101.3%	889.25	$ 94,946	2/2/2016
DORA	$ 27,624,228	$ 1,657,454	$ 1,125,000	$ 532,454	67.9%	233.25	$ 118,432	2/7/2017
DULCE	$ 300,482,803	$ 18,028,968	$ 22,460,000	$ (4,431,032)	124.6%	593.75	$ 506,076	2/5/2013
ELIDA	$ 28,322,601	$ 1,699,356	$ -	$ 1,699,356	0.0%	158.75	$ 178,410	2/3/2015
ESPANOLA	$ 592,341,846	$ 35,540,511	$ 21,325,000	$ 14,215,511	60.0%	3,983.25	$ 148,708	NOVEMBER
ESTANCIA	$ 118,639,976	$ 7,118,399	$ 3,700,000	$ 3,418,399	52.0%	569.50	$ 208,323	4/12/2016
EUNICE	$ 722,325,841	$ 43,339,550	$ 17,520,000	$ 25,819,550	40.4%	835.50	$ 864,543	2/2/2016
FARMINGTON	$ 1,528,648,095	$ 91,718,886	$ 89,415,000	$ 2,303,886	97.5%	10,963.75	$ 139,427	2/6/2018
FLOYD	$ 14,963,466	$ 897,808	$ -	$ 897,808	0.0%	225.50	$ 66,357	2/3/2015
FT. SUMNER	$ 91,348,468	$ 5,480,908	$ 2,285,000	$ 3,195,908	41.7%	290.75	$ 314,182	2/5/2013
GADSDEN	$ 982,524,160	$ 58,951,450	$ 44,955,000	$ 13,996,450	76.3%	13,002.75	$ 75,563	2/6/2018
GALLUP-McKINLEY	$ 854,112,235	$ 51,246,734	$ 47,055,000	$ 4,191,734	91.8%	11,210.00	$ 76,192	2/2/2016
GRADY	$ 10,071,218	$ 604,273	$ 414,000	$ 190,273	68.5%	150.00	$ 67,141	2/7/2017
GRANTS-CIBOLA	$ 341,889,411	$ 20,513,365	$ 12,934,000	$ 7,579,365	63.1%	3,369.75	$ 101,458	2/2/2016
HAGERMAN	$ 39,490,188	$ 2,369,411	$ 750,000	$ 1,619,411	31.7%	421.00	$ 93,801	2/5/2013
HATCH	$ 85,173,713	$ 5,110,423	$ 4,485,000	$ 625,423	87.8%	1,209.75	$ 70,406	2/5/2013
HOBBS	$ 1,585,161,126	$ 95,109,668	$ 48,940,000	$ 46,169,668	51.5%	9,979.00	$ 158,850	2/3/2015
HONDO	$ 37,538,030	$ 2,252,282	$ 1,235,000	$ 1,017,282	54.8%	140.00	$ 268,129	2/7/2017
HOUSE	$ 15,874,270	$ 952,456	$ 230,000	$ 722,456	24.1%	60.25	$ 263,473	2/7/2017
JAL	$ 1,768,713,594	$ 106,122,816	$ 43,280,000	$ 62,842,816	40.8%	505.50	$ 3,498,939	2/7/2017
JEMEZ MOUNTAIN	$ 318,906,816	$ 19,134,409	$ -	$ 19,134,409	0.0%	199.00	$ 1,602,547	2/3/2015
JEMEZ VALLEY	$ 109,828,659	$ 6,589,720	$ 4,105,000	$ 2,484,720	62.3%	395.25	$ 277,871	2/5/2013
LAKE ARTHUR	$ 48,773,038	$ 2,926,382	$ 3,610,000	$ (683,618)	123.4%	84.00	$ 580,631	2/7/2017
LAS CRUCES	$ 3,436,888,733	$ 206,213,324	$ 125,185,000	$ 81,028,324	60.7%	24,811.75	$ 138,519	2/2/2016
LAS VEGAS CITY	$ 282,844,758	$ 16,970,685	$ 12,975,000	$ 3,995,685	76.5%	1,506.25	$ 187,781	2/7/2017
LAS VEGAS WEST	$ 196,875,012	$ 11,812,501	$ 9,390,000	$ 2,422,501	79.5%	1,501.00	$ 131,163	2/5/2013
LOGAN	$ 68,777,367	$ 4,126,642	$ 2,210,000	$ 1,916,642	53.6%	318.50	$ 215,941	5/16/2017
LORDSBURG	$ 133,777,204	$ 8,026,632	$ 7,015,000	$ 1,011,632	87.4%	484.00	$ 276,399	2/5/2013
LOS ALAMOS	$ 753,625,320	$ 45,217,519	$ 31,280,000	$ 13,937,519	69.2%	3,689.25	$ 204,276	**No**
LOS LUNAS	$ 899,862,078	$ 53,991,725	$ 48,300,000	$ 5,691,725	89.5%	8,738.00	$ 102,983	2/6/2018

PUBLIC SCHOOL BONDING INDEBTEDNESS PERCENTAGES
as of June 30, 2019

ATTACHMENT 6

DISTRICT	2018 FINAL TOTAL VALUATIONS	BONDING CAPACITY at 6% of Value	BONDS OUTSTANDING ON 6/30/18	AVAILABLE CAPACITY	BONDING INDEBTEDNESS PERCENTAGE	2018-2019 AVG. 80th/120th DAY MEM.	ASSESSED VALUATION/PER MEM.	DATE DISTRICT PASSED SB-9, 2 MILL LEVY
LOVING MUNICIPAL	$ 237,075,703	$ 14,224,542	$ 3,034,000	$ 11,190,542	21.3%	587.50	$ 403,533	FAILED
LOVINGTON	$ 694,643,058	$ 41,678,583	$ 39,780,000	$ 1,898,583	95.4%	3,640.00	$ 190,836	2/3/2015
MAGDALENA	$ 30,481,819	$ 1,828,909	$ 1,220,000	$ 608,909	66.7%	316.50	$ 96,309	2/7/2017
MAXWELL	$ 21,637,318	$ 1,298,239	$ 57,000	$ 1,241,239	4.4%	136.00	$ 159,098	2/5/2013
MELROSE	$ 34,438,927	$ 2,066,336	$ 550,000	$ 1,516,336	26.6%	260.75	$ 132,076	2/7/2017
MESA VISTA	$ 83,006,292	$ 4,980,378	$ 4,280,000	$ 700,378	85.9%	238.00	$ 348,766	NOVEMBE R
MORA	$ 102,641,530	$ 6,158,492	$ -	$ 6,158,492	0.0%	405.75	$ 252,967	FAILED
MORIARTY	$ 568,961,677	$ 34,137,701	$ 28,925,000	$ 5,212,701	84.7%	2,923.50	$ 194,617	2/3/2015
MOSQUERO	$ 73,416,561	$ 4,404,994	$ 4,872,000	$ (467,006)	110.6%	28.25	$ 2,598,816	2/2/2016
MOUNTAINAIR	$ 72,810,647	$ 4,368,639	$ 2,680,000	$ 1,688,639	61.3%	214.00	$ 340,237	2/2/2016
PECOS	$ 140,314,380	$ 8,418,863	$ 4,375,000	$ 4,043,863	52.0%	575.50	$ 243,813	2/7/2017
PEÑASCO	$ 56,293,544	$ 3,377,613	$ 1,470,000	$ 1,907,613	43.5%	347.75	$ 161,879	6/18/2013
POJOAQUE	$ 174,551,621	$ 10,473,097	$ 5,860,000	$ 4,613,097	56.0%	1,907.00	$ 91,532	NOVEMBE R
PORTALES	$ 289,321,445	$ 17,359,287	$ 12,040,000	$ 5,319,287	69.4%	2,636.50	$ 109,737	2/7/2017
QUEMADO	$ 91,797,289	$ 5,507,837	$ 425,000	$ 5,082,837	7.7%	162.50	$ 564,906	2/7/2017
QUESTA	$ 197,386,011	$ 11,843,161	$ 4,860,000	$ 6,983,161	41.0%	453.75	$ 435,010	FAILED
RATON	$ 155,445,065	$ 9,326,704	$ 687,000	$ 8,639,704	7.4%	893.25	$ 174,022	2/7/2017
RESERVE	$ 46,582,287	$ 2,794,937	$ 1,690,000	$ 1,104,937	60.5%	133.00	$ 350,243	FAILED
RIO RANCHO	$ 2,314,565,227	$ 138,873,914	$ 121,135,000	$ 17,738,914	87.2%	17,621.75	$ 131,347	2/6/2018
ROSWELL	$ 1,081,823,634	$ 64,909,418	$ 39,135,000	$ 25,774,418	60.3%	10,142.50	$ 106,662	2/5/2013
ROY	$ 8,644,152	$ 518,649	$ 423,000	$ 95,649	81.6%	48.50	$ 178,230	2/2/2016
RUIDOSO	$ 713,022,735	$ 42,781,364	$ 36,915,000	$ 5,866,364	86.3%	2,002.25	$ 356,111	2/5/2013
SAN JON	$ 15,506,410	$ 930,385	$ 30,000	$ 900,385	3.2%	128.50	$ 120,672	2/7/2017
SANTA FE	$ 6,592,643,058	$ 395,558,583	$ 212,500,000	$ 183,058,583	53.7%	15,354.25	$ 429,369	2/6/2018
SANTA ROSA	$ 113,207,815	$ 6,792,469	$ 2,925,000	$ 3,867,469	43.1%	631.25	$ 179,339	2/5/2013
SILVER CITY	$ 575,217,581	$ 34,513,055	$ 5,000,000	$ 29,513,055	14.5%	2,608.25	$ 220,538	2/5/2013
SOCORRO	$ 187,545,832	$ 11,252,750	$ 11,229,000	$ 23,750	99.8%	1,592.75	$ 117,750	2/6/2018
SPRINGER	$ 41,284,592	$ 2,477,076	$ 289,000	$ 2,188,076	11.7%	130.00	$ 317,574	2/2/2016
TAOS	$ 1,193,694,193	$ 71,621,652	$ 28,374,000	$ 43,247,652	39.6%	3,172.25	$ 376,293	2/5/2013
TATUM	$ 97,140,779	$ 5,828,447	$ 2,575,000	$ 3,253,447	44.2%	330.50	$ 293,921	2/5/2013
TEXICO	$ 86,301,881	$ 5,178,113	$ 3,640,000	$ 1,538,113	70.3%	554.25	$ 155,709	2/5/2013
T OR C	$ 320,679,117	$ 19,240,747	$ 12,625,000	$ 6,615,747	65.6%	1,241.50	$ 258,300	2/7/2017
TUCUMCARI	$ 118,943,743	$ 7,136,625	$ 4,490,000	$ 2,646,625	62.9%	928.00	$ 128,172	2/5/2013
TULAROSA	$ 100,821,481	$ 6,049,289	$ 4,340,000	$ 1,709,289	71.7%	824.25	$ 122,319	2/3/2015
VAUGHN	$ 95,967,342	$ 5,758,041	$ 2,390,000	$ 3,368,041	41.5%	70.50	$ 1,361,239	2/3/2015
WAGON MOUND	$ 32,767,938	$ 1,966,076	$ 800,000	$ 1,166,076	40.7%	55.50	$ 590,413	2/4/2014
ZUNI	$ 2,240,433	$ 134,426	$ -	$ 134,426	0.0%	1,233.75	$ 1,816	2/6/2018
TOTALS	**$ 61,126,457,197**	**$ 3,667,587,436**	**$ 2,208,574,000**	**$ 1,459,013,436**	**60%**	**323,100.75**		

The membership numbers in the district include both local and state chartered charter schools

ATTACHMENT 7

School Conditions within Central Consolidated School District

		Gross Square Footage	Weighted Average Building FCI	wNMCI	FMAR	
1	Central Career Prep	31,143	40.3%	11.9%		1
2	Eva B. Stokely ES	110,040	58.6%	18.9%		2
3	Judy Nelson ES - CONSOLIDATED Grace B Wilson & Ruth N Bond	93,745	15.2%	5.3%		3
4	Kirtland Central HS	194,188	66.2%	36.1%	0.0%	4
5	Kirtland MS	134,160	40.4%	13.3%		5
6	Mesa ES	69,239	60.6%	18.9%		6
7	Naschitti ES	27,155	11.9%	7.1%		7
8	Newcomb ES	64,889	68.2%	69.3%	74.9%	8
9	Newcomb HS	127,829	59.2%	31.6%	67.7%	9
10	Newcomb MS	50,536	62.2%	24.2%		10
11	Nizhoni ES	71,280	45.6%	21.4%		11
12	Ojo Amarillo ES	73,519	51.8%	20.7%		12
13	Shiprock HS	195,148	54.1%	25.0%		13
14	Tse'bit'ai MS	95,590	62.2%	25.1%	81.4%	14
15	**Districtwide Totals/Weighted Averages**	**1,338,461**	**52.8%**	**24.9%**	**44%**	15

Source: PSFA