

Big Picture not Little Issues

2 mill deficiencies (legislative)
debt service mill inequity (legislative)
Teacherages (policy)
Educational program vs. adequacy (policy)

Ultimately we are looking for the big picture
to be fixed, not pacifying us with the little
issues

2 mill Deficiencies (Legislative)

- impact aid not treated as other property taxes (in-lieu of 78%)
- 22% of McKinley County is taxable which reduces amount raised in 2 mill funds
- Reduced maintenance leads to buildings advancing on ranking quicker than other districts

2 mill comparison

	Gallop	Grants	Central	Cleves	Hobbs
Ad Valorem	1675872	638111	1619578	1361183	1614467
Gift & Don	0	0	149274	0	275491
State/Local	1774205	176503	210907	261203	137261
Total	3462477	774614	1827559	1315586	1817219
# Schools	25	8	12	10	10
TotalSchool	80756	76540	151150	144989	238267

2 mill comparison

	Gallup	Grants	Central	Clovis	Hobbs
Ad Valorum	1675672	538461	1610578	1361591	1514567
Oil & Gas	6399	0	16574	0	1754931
State match	1774356	176501	210657	951993	19265
Total	3456427	714962	1837809	2313584	3460763
# Schools	35	9	12	16	16
Total/School	98755	79440	153150	144599	216297

Reduced debt service mills (Legislative)

- Again impact aid (78% in-lieu) is not treated the same as other property taxes.
- GMCS cannot raise funds to pay for educational needs that are over adequacy standards or address other construction necessities.

Debt Service Comparison

	Salgo	Grants	Central	Chula	Harris
Ad Valorem	6881782	2561430	5619415	7700705	2282281
SA & CWA	23921	0	9952	0	220182
Total	7000003	2561430	5629367	7700705	4504463
Impact Aid	0	0	12	16	162
Total School	7000003	2561430	5629379	7700721	4504625



Debt Service Comparison

	Gallup	Grants	Central	Clovis	Hobbs
Ad Valorem	6981782	2551430	5519415	7700755	2262281
Oil & Gas	26681	0	56531	0	2281163
Total	7008463	2551430	5575946	7700755	4543444
# schools	35	9	12	16	16
Total/School	200242	283492	464662	481297	283965

Results of Inequity

- Some districts building above adequacy vs. impact aid districts waiting for adequacy
- Adding of facilities that enhance education
- Additional staff for safety
- Active baseball/softball complex
- Grants for art/multimedia
- Health medical/facilities
- Building new school
- Libraries
- Technology enhancements
- Furniture, Fixtures, and Equipment

Reality of funding the SEG with .5 mill

	Gallup	Grants	Central	Clovis	Hobbs
Ad Valorem	22821	11112	30212	20212	30212
Oil & Gas	1111	0	1111	0	1111
Special Mill	211111	111111	111111	111111	111111
Property Tax	11111	11111	11111	11111	11111
State Aid	111111	111111	111111	111111	111111
Other	11111	11111	11111	11111	11111
Total	344444	222222	522222	322222	522222

Results of Inequity

- Some districts building above adequacy vs. impact aid districts settling for adequacy
- Adding of facilities that enhance education
 - Newcomb field house/gym
 - Aztec baseball/softball complex
 - Grants Fine arts/Auditorium
 - Hatch football/baseball field
 - Building tare space
 - Libraries
 - Technology enhancements
 - Furniture, Fixtures, and Equipment

Reality of funding the SEG with .5 mill

	Gallup	Grants	Central	Clovis	Hobbs
ad valorem	356657	12125	389112	326114	315000
Oil & Gas	1599	0	4143	0	438000
Impact aid	22688722	1068287	17040576	109287	0
Forest Res	130604	205884	0	0	0
sub total	23177582	1395196	17433831	435401	753000
75% State	17383187	1046397	13075373	326551	564750
# students	11869	3609	6498	8615	9390
\$/student	1465	290	2012	38	60

Data on the .5 mill

• Projected credits of \$63 million from the local 0.5 mill levy. (Fiscal impact report of HB3 2014)

• Gallup, Grants, CCSD, Zuni contribute 57.8% of the 63 million with a total of \$35,256,443.

• That's 4.5% of the school districts contributing 57.8%.

• That's \$1515 average per student from the four impact aid districts.

Data on the .5 mill

- Projected credits of \$61 million from the local 0.5 mill levy. (Fiscal impact report of HB3 2014)
- Gallup, Grants, CCSD, Zuni contribute 57.8% of the 61 million with a total of \$35,256,443.
 - That's 4.5% of the school districts contributing 57.8%
 - That's \$1515 average per student from the four impact aid districts

Teacherages (Policy)

- Currently is in adequacy standards
 - Districts with schools on federal land harmed to prevent \$ being spent statewide
 - Students are harmed with districts having to use SEG \$ to pay for teacherages

PSCOC, PSCOOTF point out that adequacy standards are targets. When we get to project sites they become gospel.

theory does not equal application

"based on # students, statewide adequacy standards serving X grades are to have a maximum allowable gross square footage of XXX GSF."

We continue to condense classrooms to fit other rooms that we require into buildings (ie. Navajo Language & Culture)

Crowpoint Elem (the newest school in GARC) currently has Navajo Language and Culture teacher using hallways, moving cart, or corners since because a classroom is not available.
solution: "Bring in a portable"
At Crowpoint, the district paid more \$ towards over adequacy compared to \$ to meet match.
By no means is Crowpoint Elementary considered an elaborate building.

Crownpoint Elem (the newest school in GMCS) currently has Navajo Language and Culture teacher using hallways, roaming cart, or common area because a classroom is not available.

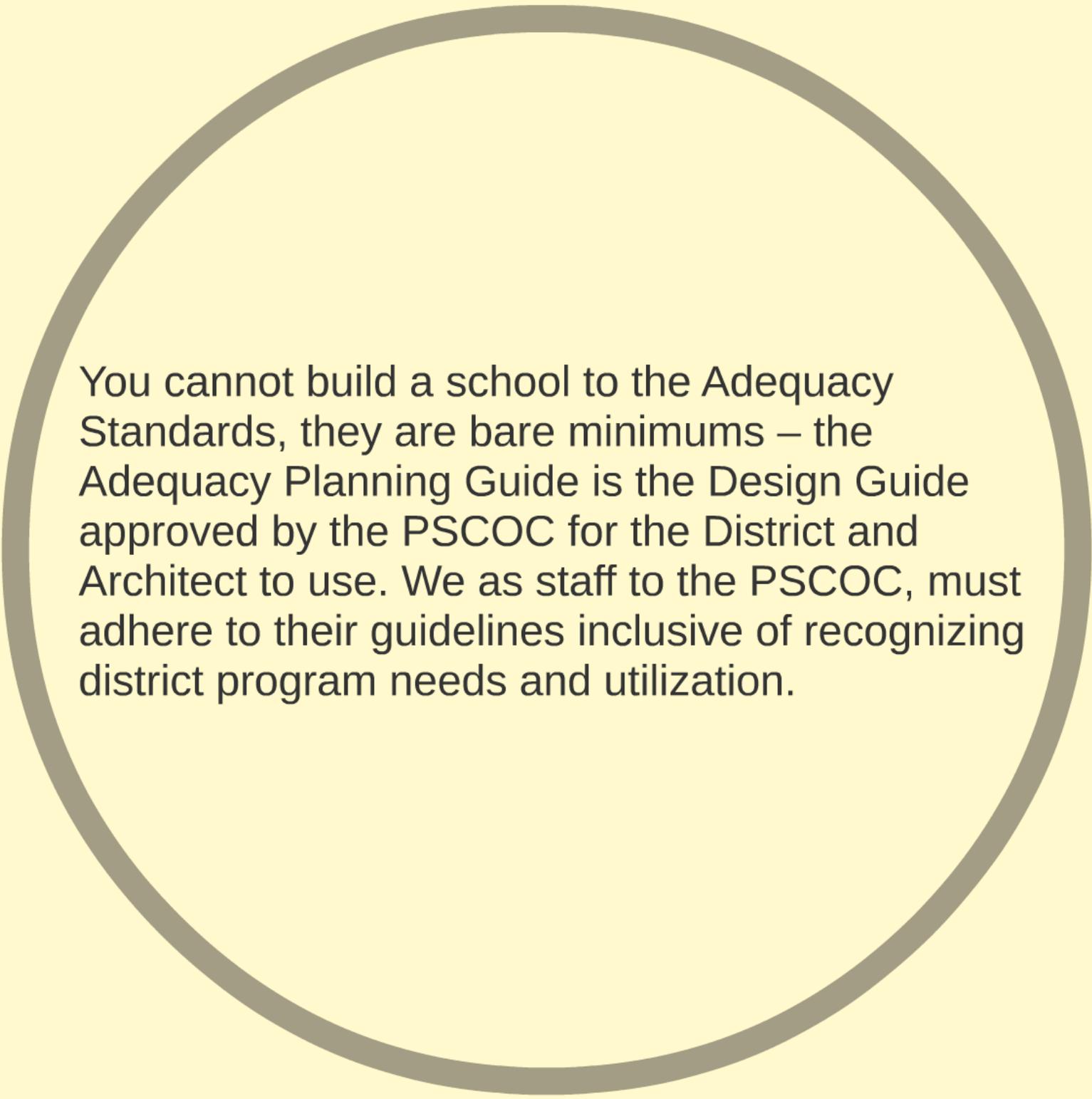
solution; "Bring in a portable"

At Crownpoint, the district paid more \$ towards over adequacy compared to \$ to meet match

By no means is Crownpoint Elementary considered an elaborate building

Adequacy Standards are used as a measuring tool to assess a schools deficiencies. Without the Adequacy Standards we would not have a base to measure all schools for their deficiencies and then create the ranking.

You cannot build a school to the Adequacy Standards, they are bare minimums – the Adequacy Planning Guide is the Design Guide approved by the PSCOC for the District and Architect to use. We as staff to the PSCOC, must adhere to their guidelines inclusive of recognizing district program needs and utilization.



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Status since last PSCOOTF

- Agreed for GMCS to start spending bond money on needed projects rather than holding it for matching funds
- Developing a form for PSFA and PED to agree on "prudent" use of funds
- PSFA has asked us to apply for waivers for Jefferson, Del Norte, and Ramah
 - Capital outlay act requires funds to be expended, GMCS will not have funds expended by December thus will still not qualify for waivers

Is the system "Broken"?

System is valuation based on property values
Set to "Hubb" system.

Districts in a position to need a "waiver" are proof
that the requirement or rules need to be changed.

It has set the equity of all things throughout the
state based on arbitrary standards.

Set the equity & requirements in state, federal, and
regulations when the equity rules also need
to be changed.



Is the system "Broken"?

System to equalize based on property values sets a "match" amount

Districts in a position to need a "waiver" are proof that the equalization or rules need to be changed

Rules set the equity of buildings throughout the state based on adequacy standards

School facility differentiation in size, fixture, and equipment show that the equity rules also need to be changed

What exactly are we asking for?

- The current bill is added to the Adequacy Standards. They are more prescriptive. We are asking to build on the current standards and specific features. We are here for education.
- High building impact set as percentage of school district.
 - Separate impact set for three parts:
 - operations (1.5x)
 - maintenance (2x)
 - new service (2x or 3x)
- The best of model formula. It is shown as green in the proposed bill.
- Highest districts who have full capacity support for "limited beyond capacity"

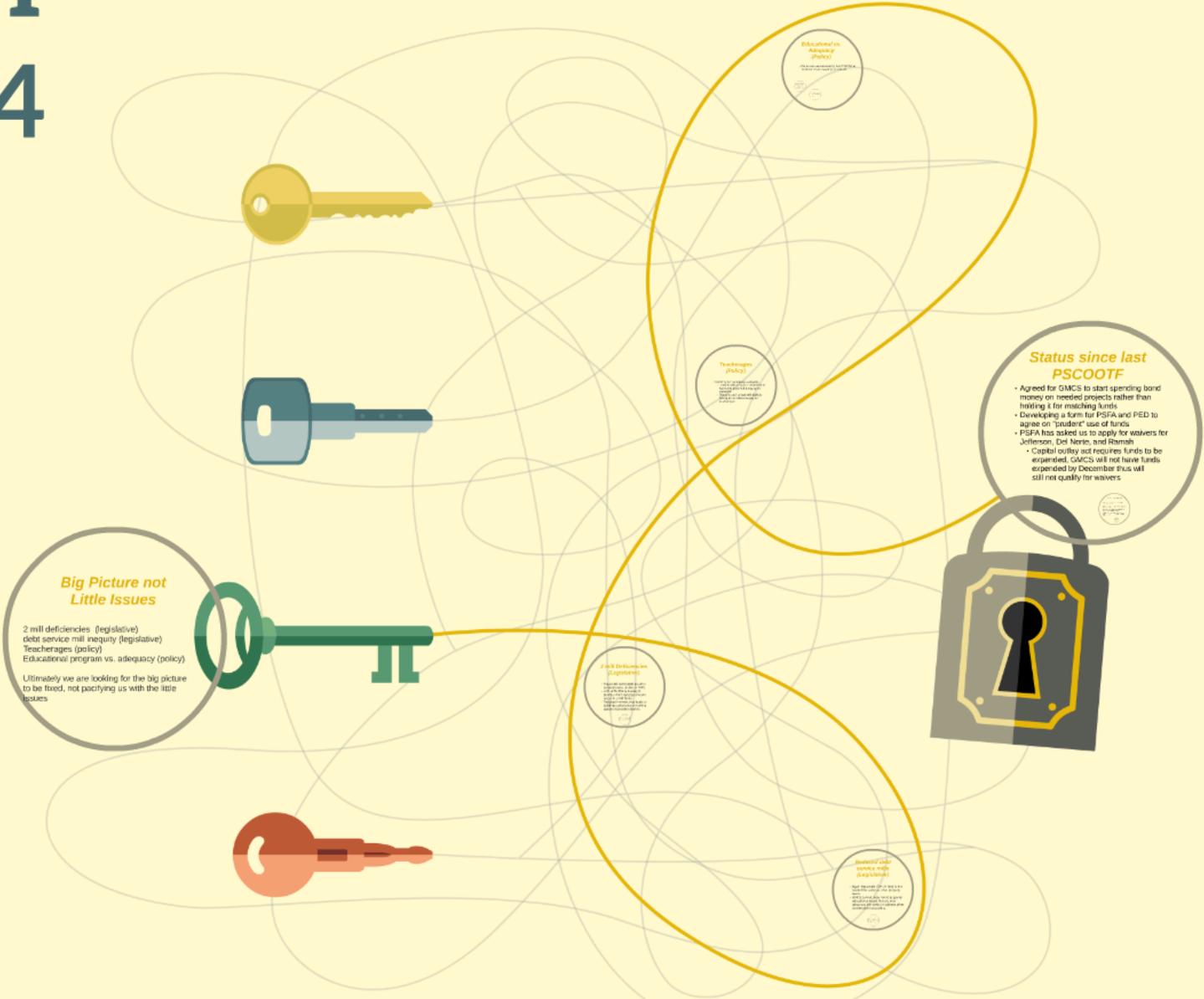
What exactly are we asking for?

- You cannot build a school to the Adequacy Standards, they are bare minimums: We are asking to build schools based on educational specifications. We are here for education!
- Begin treating impact aid as you would ad valorem taxes.
 - Separate impact aid into three parts
 - operational (.5 mill)
 - maintenance (2 mill)
 - debt service (GMCS 6.883%)
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- Re look at match formula, it is skewed as shown in the presented data
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- Reward districts who have full community support (ie: bonded beyond capacity)

PSCOOTF

10/27/14

GMCS





Thank you!