

# Farmington Municipal School District

## Finance Plan Update

January 28, 2025

**STRICTLY PRIVATE AND CONFIDENTIAL**

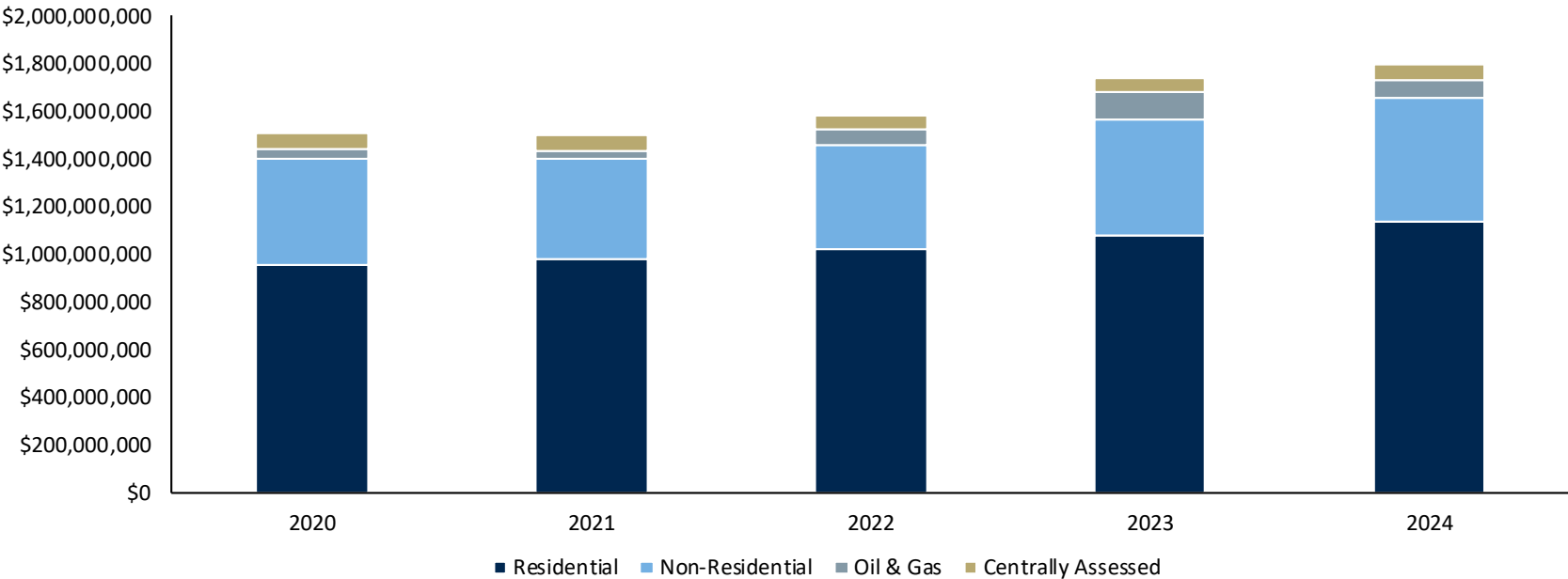


Capital  
Markets

# History of Assessed Valuation

Tax Year	Residential	%Growth	Centrally Assessed	% Growth	Non-Residential	% Growth	Oil & Gas	% Growth	Total Valuation	% Growth
2020	\$ 957,615,125	1.57%	\$ 70,273,349	-7.37%	\$ 444,337,612	0.37%	\$ 40,299,238	-21.97%	\$ 1,512,525,324	-0.03%
2021	978,640,089	2.20%	68,220,544	-2.92%	423,032,533	-4.79%	29,873,358	-25.87%	1,499,766,524	-0.84%
2022	1,021,421,346	4.37%	51,608,436	-24.35%	440,411,141	4.11%	65,957,472	120.79%	1,579,398,395	5.31%
2023	1,083,793,874	6.11%	57,780,270	11.96%	486,140,627	10.38%	113,993,460	72.83%	1,741,708,231	10.28%
2024	1,140,198,659	5.20%	60,957,165	5.50%	519,015,028	6.76%	76,395,861	-32.98%	1,796,566,713	3.15%
5 Year Average Annual Growth			3.49%							
10 Year Average Annual Growth			2.02%							

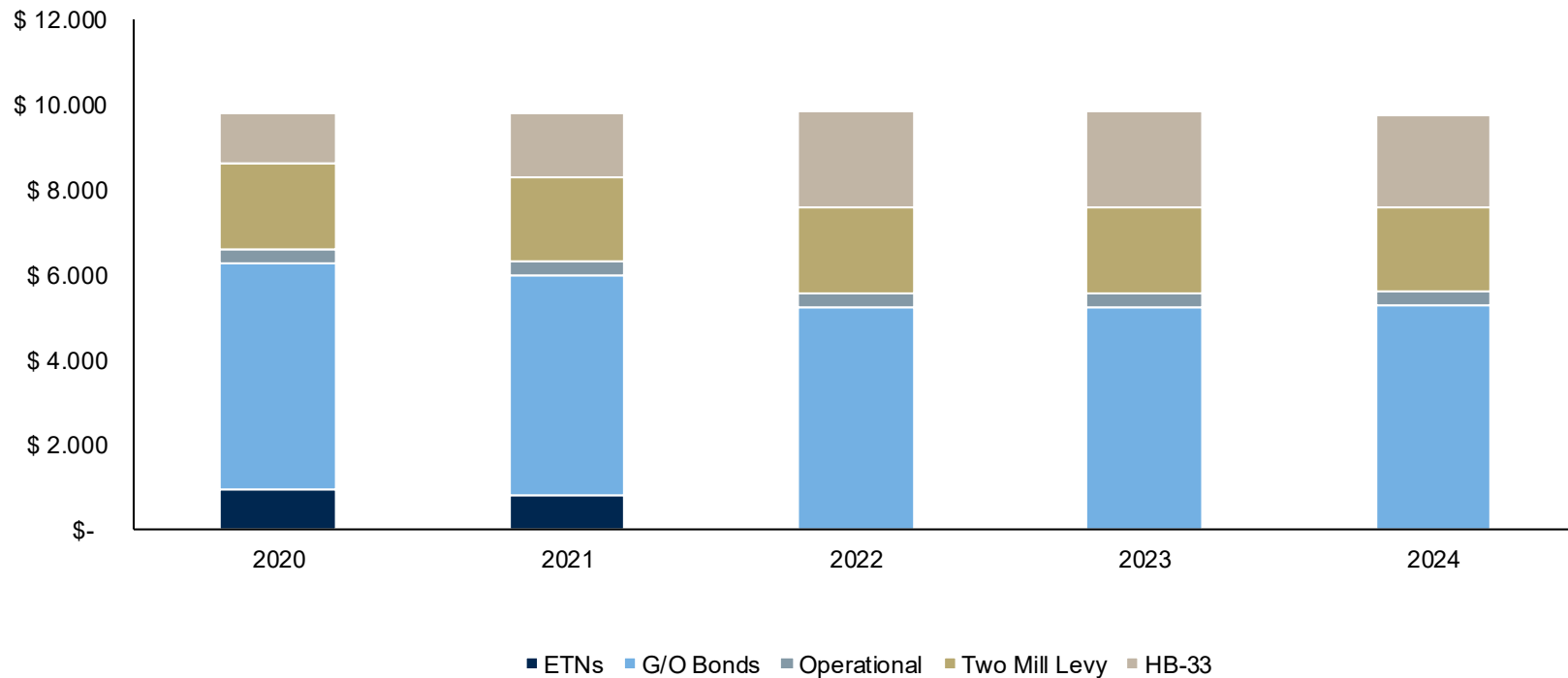
Source: San Juan County Assessor



## Tax Rate History

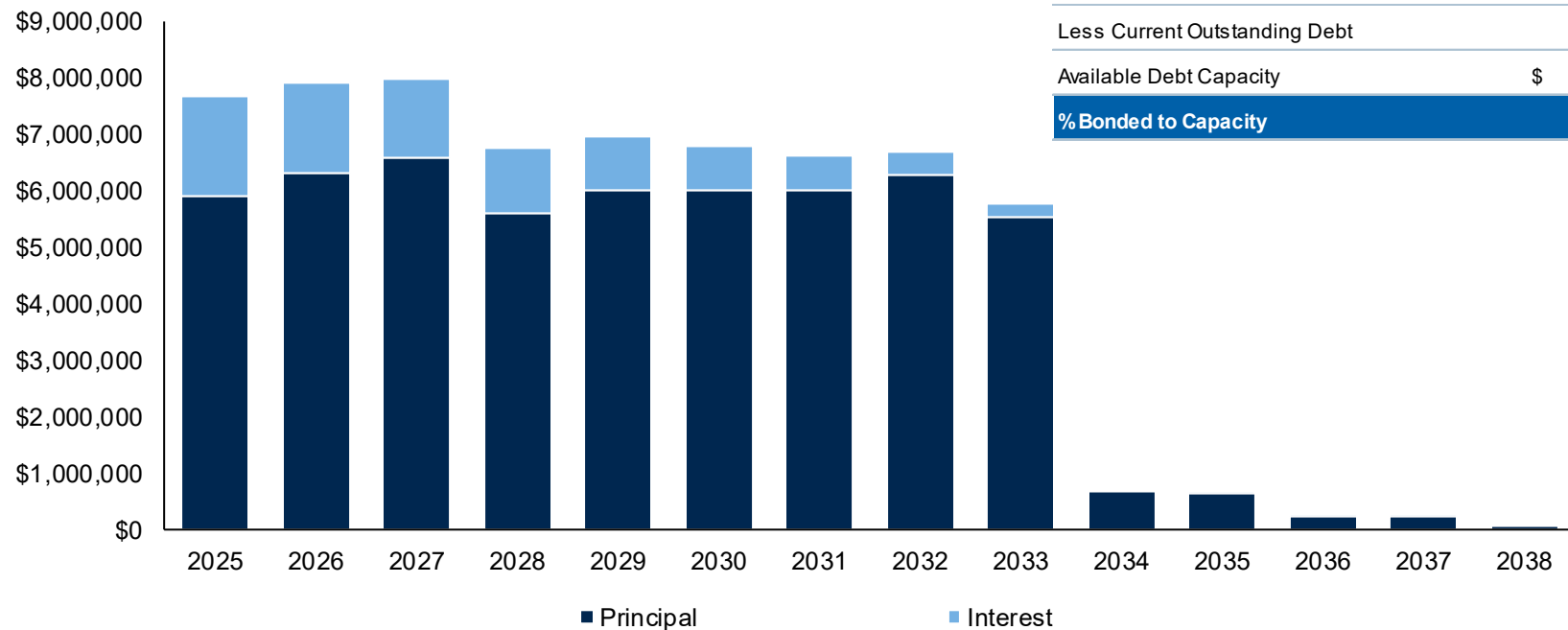
Tax Year	Operational		SB-9		HB-33		Debt Service			Total	
	Resid.	Non-Resid.	Resid.	Non-Resid.	Resid.	Non-Resid.	ETNs	G/O Bonds	Total	Resid.	Non-Resid.
2020	\$ 0.342	\$ 0.500	\$ 2.000	\$ 2.000	1.200	1.200	\$ 0.929	\$ 5.340	\$ 6.269	\$ 9.811	\$ 9.969
2021	0.343	0.500	2.000	2.000	1.500	1.500	0.800	5.165	5.965	9.808	9.965
2022	0.347	0.500	2.000	2.000	2.250	2.250	0.000	5.220	5.220	9.817	9.970
2023	0.348	0.494	2.000	1.975	2.250	2.222	0.000	5.220	5.220	9.818	9.911
2024	0.340	0.486	1.955	1.943	2.199	2.186	0.000	5.270	5.270	9.764	9.885

Source: New Mexico Department of Finance Administration



## Debt Overview

Issue	Bond Type	Security	Original Par	Amount Outstanding	Average Coupon	Call Date	Final Maturity
Series 2014	Public	General Obligation	\$ 23,500,000	\$ 9,590,000	3.00%	09/01/2022	2027
Series 2015	Public	General Obligation	35,000,000	24,080,000	3.96%	09/01/2025	2033
Series 2017	NMFA	General Obligation	7,100,000	5,025,000	2.64%	09/15/2027	2032
Series 2018A	NMFA	General Obligation	11,000,000	8,800,000	2.69%	11/30/2028	2033
Series 2018B	NMFA	General Obligation	4,000,000	1,810,000	2.87%	06/15/2028	2033
Series 2020	NMFA	General Obligation	3,900,000	3,500,000	1.18%	04/10/2030	2035
Series 2022	NMFA	General Obligation	2,000,000	1,930,000	1.64%	02/25/2032	2037
Series 2023	NMFA	General Obligation	2,000,000	400,000	2.82%	Non-Callable	2025
Series 2024	NMFA	General Obligation	2,000,000	1,000,000	2.77%	Non-Callable	2038
<b>Total</b>			<b>\$90,500,000</b>	<b>\$56,135,000</b>			



Bonding Capacity	
2024 Assessed Valuation (AV)	\$ 1,796,566,713
Constitutional Debt Limitation (6% of AV)	107,794,003
Less Current Outstanding Debt	(56,135,000)
Available Debt Capacity	\$ 51,659,003
<b>% Bonded to Capacity</b>	<b>52.08%</b>

## Debt Management Plan

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- Election Timing
  - Successful bond election in November 2021 for \$8,000,000
    - \$6,000,000 sold to date
    - \$2,000,000 to be sold in 2025
  - Next bond election in November 2025 for \$16,000,000\*
  - No tax rate increase
- The District has \$2.8 million in excess cash collections going into 2025.
  - District will need to issue and mature all of the remaining voter authorization to maintain current debt service tax rate
  - District is projected to have an additional \$1.5 million of excess cash collections by the end of 2025
- To maintain the historical tax rate the District can do the following:
  - Issue \$2,000,000 Series 2025 Bonds as a short-term note
    - Can be issued through State Treasurer or NMFA
  - Partial redemption of 2028 maturity of Series 2015 Bonds on 9/1/2025

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\* Par Amounts and sale dates are preliminary and are subject to change.

## Election Timing

Year	Board	Bond	2-Mill Levy	HB-33
2019	X			
2020				
2021	X	X		
2022				
2023	X		X	X
2024				
2025	X	X		
2026				
2027	X			
2028				
2029	X	X	X	X
2030				
2031	X			
2032				
2033	X	X		
2034				
2035	X		X	X

\* Timing and amount of the election will depend on the growth in the Assessed Value and FMP needs of the District

- Constitutional Amendment 1 widened the property exemption for disabled veterans from 100% disabled veterans to all disabled veterans
  - Allows any disabled veteran to be exempt from their property taxes at the rate they are disabled.
  - Example: A 50% disabled veteran can now qualify to be exempt from 50% of their property taxes.
- Constitutional Amendment 2 increased the property tax exemptions for all veterans (who don't qualify for the disabled veteran exemption) from \$4,000 to \$10,000.
- Difficult to determine the extent of the impact of these constitutional amendments on the District's net taxable values at this time.
  - The State Legislature will meet next year to enact legislation implementing these constitutional amendments.
- Should these new veteran exemptions materially decrease the District's net taxable value, it could potentially impact tax rates and future election amounts.
  - Most recent data shows the District had 1,321 veteran exemptions and 230 100% disabled veteran exemptions within the District's boundaries.
  - For the tax year 2024 the total veteran exemption was \$5,246,452 and disabled veteran exemption was \$16,479,945.

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