

NOTICE

CENTRAL NEW MEXICO COMMUNITY COLLEGE
Bernalillo and Sandoval Counties, New Mexico

\$45,850,000¹ – General Obligation (Limited Tax) Bonds, Series 2023

Preliminary Official Statement, subject to completion,
dated April 18, 2023

This Preliminary Official Statement dated April 18, 2023 (the “Preliminary Official Statement”), relating to the above-described bonds (the “Bonds”) of Central New Mexico Community College (the “Issuer”), has been posted on the internet as a matter of convenience. Paper copies of the Preliminary Official Statement are available from the Issuer by contacting its municipal advisor, RBC Capital Markets, LLC, Erik Harrigan at (505) 872-5999. The posted version of the Preliminary Official Statement has been formatted in Adobe Portable Document Format (Adobe Acrobat XI). Although this format should replicate the Preliminary Official Statement available from the Issuer, its appearance may vary for a number of reasons, including electronic communication difficulties or particular user software or hardware. Using software other than Adobe Acrobat XI may cause the Preliminary Official Statement that you view or print to differ in format from the Preliminary Official Statement.

The Preliminary Official Statement and the information contained therein are subject to completion or amendment or other change without notice. Under no circumstances shall the Preliminary Official Statement constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of the Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

For purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the Preliminary Official Statement alone, and no other document or information on the internet, constitutes the “Official Statement” that the Issuer has deemed “final” as of its date in respect to the Bonds, except for certain pertinent information permitted to be omitted therefrom.

No person has been authorized to give any information or to make any representations other than those contained in the Preliminary Official Statement in connection with the offer and sale of the Bonds, and, if given or made, such information or representations must not be relied upon as having been authorized. The information and expressions of opinion in the Preliminary Official Statement are subject to change without notice and neither the delivery of the Official Statement nor any sale made thereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date of the Preliminary Official Statement.

By choosing to proceed and view the electronic version of the Preliminary Official Statement, you acknowledge that you have read and understood this notice.

Preliminary Official Statement dated April 18, 2023.

¹Preliminary, subject to change.

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 18, 2023

CENTRAL NEW MEXICO COMMUNITY COLLEGE Bernalillo and Sandoval Counties, New Mexico \$45,850,000¹ - General Obligation (Limited Tax) Bonds, Series 2023

*NEW ISSUE
Book-Entry Only*

*Moody's Rating: "Aa1"
S & P Rating: "AA+"*

PURPOSES

Proceeds of the Bonds will be issued for the purposes of (1) erecting, furnishing, constructing, purchasing, remodeling and equipping buildings and utility facilities, exclusive of stadiums; making other real property improvements; and purchasing and installing computer hardware and software with a useful life equal to or exceeding the maturity of the Bonds, or any combination of these purposes; and, (2) paying costs of issuance.

THE BONDS

The Bonds are issuable as fully registered bonds and when initially issued will be registered in the name of Cede & Co., as nominee of the Depository Trust Company, New York, New York ("DTC"). Purchases of the Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through a DTC Participant. Beneficial owners of the Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Bonds. Interest on the Bonds is payable on each February 15 and August 15, commencing August 15, 2023. As long as DTC or its nominee is the registered owner of the Bonds, references in this Official Statement to registered owner will mean Cede & Co., and payments of principal of and interest on the Bonds will be made directly to DTC by the Paying Agent. Disbursements of such payments to DTC Participants is the responsibility of DTC. See "Appendix C". Central New Mexico Community College is the Registrar and Paying Agent for the Bonds.

OPTIONAL REDEMPTION

The Series 2023 Bonds are subject to redemption prior to maturity as provided herein. See "THE BONDS".

SECURITY

The Bonds are general obligations of Central New Mexico Community College (the "College"), located in Bernalillo and Sandoval Counties, New Mexico, payable from general (ad valorem) property taxes which shall be levied against all taxable property in the taxing district of the College (the "District") in an amount not to exceed five mills; however, this limit may be exceeded if it is necessary to levy more than five mills to pay principal and interest on the Bonds if the valuation of property within the District declines to a level lower than the valuation of such property in the year in which the Bonds were issued.

BOND AND TAX OPINION

In the opinion of Rodey, Dickason, Sloan, Akin & Robb, P.A., Bond Counsel, under existing law and assuming continuous compliance with certain covenants in the documents relating to the Bonds and requirements of the Internal Revenue Code of 1986, as amended, (the "Code"), interest on the Bonds is excludable from gross income of the owners of the Bonds for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax for individuals; however, interest on the Bonds is included in the "adjusted financial statement income" (as determined under section 56A of the Code) of "applicable corporations" (as defined in Section 59 of the Code) for purposes of determining the alternative minimum tax under section 55 of the Code applicable to such "applicable corporations". Bond Counsel is further of the opinion that interest on the Bonds is exempt from taxation by the State of New Mexico. The Bonds have not been designated as "qualified tax-exempt obligations" for purposes of Section 256(b)(3) of the Code. (See "TAX EXEMPTION" herein.)

DELIVERY

When, as and if issued, through DTC's facilities, on or about May 16, 2023.

DATED DATE

May 16, 2023

DUE DATE

August 15, as shown on the following page:

Electronic bids will be examined at 9:00 AM, prevailing Mountain Time, Tuesday, April 25, 2023.
See "Official Notice of Bond Sale" enclosed.

GENERAL OBLIGATION (LIMITED TAX) BONDS, SERIES 2023⁽¹⁾

Years				Years					
Maturing		Interest	Yield or	CUSIP #	Maturing		Interest	Yield or	CUSIP #
<u>(August 15)</u>	<u>Principal</u>	<u>Rate</u>	<u>Price</u>	<u>154626</u>	<u>(August 15)</u>	<u>Principal</u>	<u>Rate</u>	<u>Price</u>	<u>154626</u>
2023	6,000,000				2031	2,550,000			
2024	6,850,000				2032	2,550,000			
2025	2,550,000				2033	2,550,000			
2026	2,550,000				2034	2,550,000			
2027	2,550,000				2035	2,550,000			
2028	2,550,000				2036	2,550,000			
2029	2,550,000				2037	2,400,000			
2030	2,550,000								

¹Preliminary, subject to change.

CUSIP numbers are included solely for the convenience of the owners of the Notes. CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed S&P Global Market Intelligence on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the District nor the Municipal Advisor is responsible for the selection or correctness of the CUSIP numbers set forth herein

CENTRAL NEW MEXICO COMMUNITY COLLEGE
P.O. Box 4586
Albuquerque, New Mexico 87196-4586
(505) 224-4457

GOVERNING BOARD

Charles N. Ofelt	-	District 1
James A. Chavez	-	District 2
Thomas E. Swisstack	-	District 3 (Chair)
Annette Chavez y De La Cruz	-	District 4 (Vice-Chair)
Nancy Baca	-	District 5
Virginia M. Trujillo	-	District 6 (Secretary)
Robert P. Schoenfelder	-	District 7

COLLEGE ADMINISTRATION

President	Tracy Hartzler
Interim Vice President for Academic Affairs	Dr. Philip Lister
Vice President for Finance & Operations	Olivia Padilla-Jackson
Vice President for Enrollment and Student Success	Dr. Nireata Seals
Vice President of Workforce and Community Success	Dr. Samantha Sengel
Chief Information Officer	Victor Leon
Chief Strategy Officer	Angela Sims
General Counsel	Michael Anaya
Executive Director of Diversity, Equity, and Inclusion	Dr. Felecia Caton Garcia
CNM Ingenuity - Chief Executive Officer	Kyle Lee
Comptroller	Christine Duncan

MUNICIPAL ADVISOR

RBC Capital Markets, LLC
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(505) 872-5999

BOND COUNSEL

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PAYING AGENT/REGISTRAR

Christine Duncan, Comptroller
Central New Mexico Community College
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(505) 224-4457

A FEW WORDS ABOUT OFFICIAL STATEMENTS

Official statements for municipal securities issues – like this one – contain the only “official” information about a particular issue of municipal securities. This Official Statement is not an offer to sell or solicitation of an offer to buy Bonds in any jurisdiction where it is unlawful to make such offer, solicitation or sale and no unlawful offer, solicitation or sale of the Bonds may occur through this Official Statement or otherwise. This Official Statement is not a contract and provides no investment advice. Investors should consult their advisors and legal counsel with their questions about this Official Statement, the Bonds or anything else related to this issue.

MARKET STABILIZATION

In connection with this Official Statement, the initial purchaser may over-allot or effect transactions which stabilize and maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. The initial purchaser is not obligated to do this and is free to discontinue it at any time.

The estimates, forecasts, projections and opinions in this Official Statement are not hard facts, and no one, including the College, guarantees them.

The information set forth or included in this Official Statement has been provided by the College and obtained from other sources believed by the College to be reliable. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale hereunder shall create any implication that there has been no change in the financial condition or operations of the College described herein since the date hereof. This Official Statement contains, in part, estimates and matters of opinion that are not intended as statements of fact, and no representation or warranty is made as to the correctness of such estimates and opinions or that they will be realized.

Rodey, Dickason, Sloan, Akin & Robb, P.A., Bond Counsel, Albuquerque, New Mexico, was not requested to and did not independently verify any of the information contained herein. Such firm has no responsibility for the accuracy or completeness of any information furnished in connection with any offer or sale of the Bonds in the Official Statement or otherwise.

Any part of this Official Statement may change at any time, without prior notice. Also, important information about the College and other relevant matters may change after the date of this Official Statement.

All document summaries are just that – they are not complete or definitive, and they may omit relevant information. Such documents are qualified in their entirety to the complete documents. Any investor who wishes to review the full text of documents may request them at no cost from the College or the Municipal Advisor as follows:

College

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Albuquerque, NM 87196-4586
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CDuncan@cnm.edu

Municipal Advisor

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Albuquerque, NM 87110
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**Central New Mexico Community College
Bernalillo and Sandoval Counties, New Mexico
\$45,850,000¹ - General Obligation (Limited Tax) Bonds, Series 2023**

INTRODUCTION

Thank you for your interest in learning more about the Central New Mexico Community College (the “College”), Bernalillo and Sandoval Counties, New Mexico, \$45,850,000 General Obligation (Limited Tax) Bonds, Series 2023, (collectively, the “Bonds”). This Official Statement will tell you about the Bonds, their security, the College and the risks involved in an investment in the Bonds.

Although the College has approved this Official Statement, the College does not intend for it to substitute for competent investment advice, tailored for your situation.

The material in this “INTRODUCTION” is qualified in its entirety by the more complete information contained throughout this Official Statement, and detachment or other use of this “INTRODUCTION” without the entire Official Statement, including the cover page and the appendices, is unauthorized.

All terms used in this Official Statement that are not defined herein shall have the meanings given such terms in the Authorizing & Delegating Resolution, authorizing the issuance of the Bonds adopted by the Governing Board of the College on March 14, 2023 (the “Bond Resolution”).

The Bonds are fully registered bonds in denominations of \$5,000 or integral multiples thereof as described in the Bond Resolution. The Bonds mature and bear interest as presented on the cover page of this Official Statement.

The Issuer

The College is a political subdivision of the State of New Mexico (the “State”) organized for the purpose of operating and maintaining a program of postsecondary education which provides coursework leading to certificates and associate degrees. The College’s taxing district (the “District”) encompasses all of Bernalillo County, including the municipalities of Albuquerque, Tijeras and Los Ranchos de Albuquerque and most unincorporated areas, and in Sandoval County, the municipalities of Rio Rancho and Corrales. The District’s 2022 assessed valuation is \$22,617,818,050. For Fall 2022, credit programs had a total headcount enrollment of 19,095. An additional 2,057 students attended continuing education and other non-credit courses during Fall 2022.

Security

The Bonds are general obligations of the College payable from ad valorem taxes levied annually against all taxable property within the District up to a maximum levy of five dollars (\$5.00) on each one thousand dollars (\$1,000) of net taxable value. The \$5.00 per \$1,000 limitation may be exceeded in any year in which the valuation of the property within the District declines to a level lower than the valuation of the property the year in which the Bonds are issued. Neither the State nor any other political subdivision of the State has any responsibility to pay the debt service on the Bonds.

Financial Statements

The College’s audited financial statements as of and for the year ended June 30, 2022, including the opinion of independent public accountants rendered thereon is attached as Appendix B. The complete audited financial statements for the College as of and for the year ended June 30, 2022, including the opinion rendered thereon of independent public accountants are available upon request. It should be noted that no audit procedures have been performed subsequent to the date of the audit opinion. Furthermore, there has not been an audit of any financial statements as of any date or for any period subsequent to the date of the latest financial statements covered by the opinion.

¹ Preliminary, subject to change.

Purpose

Proceeds of the Bonds will be issued for the purposes of (1) erecting, furnishing, constructing, purchasing, remodeling and equipping buildings and utility facilities, exclusive of stadiums; making other real property improvements; and purchasing and installing computer hardware and software with a useful life equal to or exceeding the maturity of the Bonds, or any combination of these purposes; and (2) paying costs of issuance. The Bonds were authorized at an election held in the District on November 5, 2019.

Selected Debt Ratios

Table 1

	<u>2023</u>
2022 Assessed Valuation	\$22,617,818,050
2022 Estimated Actual Valuation	\$82,701,016,479 ⁽¹⁾
District General Obligation	
Current Outstanding Debt	\$83,040,000 ⁽²⁾
Series 2023 Bonds	<u>\$45,850,000</u> ⁽³⁾
General Obligation Debt Outstanding (including 2023 Bonds)	\$128,890,000
Net General Obligation Debt	\$118,837,385
Estimated Direct & Overlapping G/O Debt	\$1,442,366,419
 <u>Net Debt as a Percentage of</u>	
Assessed Valuation	0.53%
Estimated Actual Valuation	0.14%
 <u>Direct & Overlapping Debt as Percentage of</u>	
Assessed Valuation	6.38%
Estimated Actual Valuation	1.74%
Estimated Population	731,000
District Net Debt Per Capita	\$162.57
Direct and Overlapping Debt Per Capita	\$1,973.14

(1) Estimated actual valuation is computed by adding the exemptions to the assessed valuation and multiplying the result by three.

(2) Outstanding debt as of 4/18/2023

(3) Preliminary, subject to change.

COVID-19

Infectious Disease Pandemic – COVID-19

The 2019 novel coronavirus (COVID-19) pandemic is a significant event that has had and is expected to continue to have effects on the finances and operations of Central New Mexico Community College (CNM).

On March 11, 2020, New Mexico Governor Michelle Lujan Grisham issued Executive Order 2020-004, declaring a state of public health emergency and directing certain State agencies to prepare for and respond to the COVID-19 pandemic. Executive Order 2020-004 has been continuously renewed and extended in subsequent executive orders but was allowed to expire on March 31, 2023.

From October 2021 to February 2022, New Mexico faced the highest rate of spread of COVID-19 since the beginning of the pandemic largely attributed to the circulation of the Omicron variant. Colleges and universities across New Mexico experienced the highest rate of COVID-19 positive cases and consequently experienced the highest rate of absenteeism. From January 18, 2022 to January 25, 2022, CNM placed 630 students, faculty and staff in quarantine due to symptoms related to COVID-19. The COVID-19 Omicron variant placed a heavy strain on New Mexico colleges and universities as they worked to maintain campus staffing levels in order to safely maintain in-person activities.

As of February 8, 2023, the 7-day average of new cases reported in New Mexico has decreased significantly. Newly reported positive cases are now on average lower than the weekly positive cases experienced at the same time in 2021 and 2022. As of February 8, 2023, Bernalillo County, the county in which CNM is largely located, is categorized as “low risk” by the CDC with 41.08 new cases per 100,000 persons per week.

All students taking in-person classes at CNM, faculty and staff are required to provide documentation of full vaccination or receive an approved waiver. Face masks are recommended but not required indoors and outdoors. CNM remains committed to COVID-19 prevention and mitigation efforts and recognizes that additional measures might be needed in the future to support local community health care systems and protect students, faculty and staff.

The New Mexico Department of Health (NMDOH) provides information relating to COVID-19 and related developments in the State of New Mexico on its website, <https://cv.nmhealth.org/>. The information presented on the NMDOH website is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Bonds. References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this document.

Initial Impact of COVID-19

The rapid spread of COVID-19 and measures taken to prevent or reduce its spread forced businesses and people to alter their behavior in a manner that led to a short, but acute economic recession in 2020 leading to massive job losses followed by a nearly full recovery. From February 2020 to April 2020, the State lost more than 103,200 jobs. Bureau of Labor Statistics October 2022 data illustrates the state has regained 99.2 percent of the lost employment, only 7,000 jobs short of a complete employment recovery. As of the date of this report, the following employment sectors have regained employment to pre-pandemic levels: Construction, Manufacturing, Trade, Retail Trade, Transportation and Utilities, Information, Professional and Business Services, Education and Health Services, and State Government. An important sector that has yet to recover to pre-pandemic levels is the Mining Sector. As of October 2022, the Mining Sector is at about 85 percent of the employment level of February 2020, short about 3,800 jobs. On a year-over-year basis, in October 2022, total New Mexico employment was up 3 percent (25,200 jobs) when compared to October 2021. The state unemployment rate peaked at 9.8 percent in May 2020 and decreased to 4.3 percent in October 2022. This activity has supported the growth of the College’s property values and collection of those revenues within the District. The most significant impact on the College to date has been the decline in student enrollment, construction inflation on projects and upward pressure for faculty and staff wages. Notwithstanding the foregoing, the College does not believe that the impacts of the spread of COVID-19 will have a material adverse effect on its ability to pay debt service on the Bonds.

CNM received federal funding in 2020 and 2021 under three grant programs: the Coronavirus Aid, Relief, and Economic Securities Act (CARES), the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSSA), and the American Rescue Plan (ARP) which were designed to provide relief to students and colleges from the economic fallout

related to the COVID-19 pandemic. CNM grant funding is described in the table below. Additional funding was received as CNM is a Minority Serving Institution.

	CARES – HEERF I	CRRSSA – HEERF II	ARP – HEERF III
Student Aid	\$4,652,717	\$4,652,717	\$19,134,329
Institutional Portion	\$4,652,716	\$16,751,748	\$18,010,752
Minority Serving Institutions	\$608,772	\$1,190,081	\$2,007,027
	\$9,914,205	\$22,594,546	\$39,152,108

Source: Central New Mexico Community College Quarterly Budget and Expenditure Reporting for all HEERF I, II and III grant funds for quarter ended December 31, 2022

As of December 31, 2020, a total of \$4,652,717 had been spent on emergency funds to 3,996 CNM students under HEERF I. As of September 30, 2021 a total of \$4,652,717 had been spent on emergency funds to 12,890 CNM students under HEERF II. As of March 31, 2022, a total of \$11,663,978 had been awarded to 14,980 CNM students under HEERF III.

During the 2022 regular legislative session, all funding that had been reduced due to COVID-19 was restored and the legislature added approximately three percent in additional funds to higher education institutions’ institution and general funding. The legislature adopted the Opportunity Scholarship Act, which will cover all tuition and fees for all degree-seeking undergraduate students at any public state or tribal college in New Mexico who take between six and 18 credit hours during the fall and spring semesters and maintain a 2.5 grade point average. This is primarily designed for non-traditional students who do not qualify for the Lottery Scholarship and who are working adults. Students enrolled in certain credit-bearing certificate programs would also be eligible for the scholarship, if their certificate programs were approved by the Higher Education Department and Workforce Solutions Department. This will include opportunities for completing more than one certificate. The Opportunity scholarship received \$75 million in funding in FY23. Funding for this scholarship includes \$63 million in one-time funding and \$12 million in recurring funds. The Lottery Scholarship will continue to cover full tuition and fees for eligible students and will continue to be funded through a portion of lottery ticket sales. These were among many other appropriations that were made to support education, workforce, local businesses, and the overall economy.

The financial data contained herein are the latest available, but are subject to change due to the continued economic impact of COVID-19.

2022-2023 School Year

In March 2020, all face-to-face classes were transitioned to an online format for the remainder of the Spring Term. In Summer 2020, Fall 2020 and Spring 2021 terms, approximately 90% of classes have been held remotely. Since Summer 2021, the percentage of remote courses has ranged between 64% and 82%. CNM experienced a 9% increase in enrollment in Summer 2022, a 3% increase in Fall 2022, and estimates that the Spring 2023 enrollment will increase by approximately 5%. For more information regarding enrollment, please refer to the *Enrollment* section.

Risk Factors

Cybersecurity

The College, like other public and private entities, relies on computer and other digital networks and systems to conduct its operations. As a recipient and provider of personal, private or other electronic sensitive information, the College may be the subject of cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized remote access to the College’s systems for the purposes of misappropriating assets or information or causing operational disruption or damage, or demanding ransom for restored access to files or information. No assurance can be given that the College’s current

efforts to manage cyber threats and security will, in all cases, be successful. The College cannot predict what future cyber security events may occur and what impact said events could have on its operations or finances.

The College relies on other entities and service providers in the course of operating the College, including the Counties with respect to the levy and collection of ad valorem property taxes, as well as other trustees, fiscal agents and dissemination agents. No assurance can be given that future cyber threats and attacks against other third-party entities or service providers will not impact the College and the owners of the Bonds, including the possibility of impacting the timely payments of debt service of the Bonds or timely filings pursuant to the Continuing Disclosure Certificate.

THE BONDS

Description

The Bonds are General Obligation (Limited Tax) Bonds, issued in the principal amount of \$45,850,000² and will be dated May 16, 2023. The Bonds will be issued as fully registered bonds in denominations of \$5,000 or integral multiples thereof (each an "Authorized Denomination"), bearing interest from their date to maturity at the rates specified on the cover page of this Official Statement payable semiannually on February 15 and August 15 each year, commencing on August 15, 2023, and maturing serially, as set forth on the cover page of this Official Statement. Interest will be computed on the basis of a 360-day year, consisting of twelve 30-day months.

Authorization

The Bonds are being issued pursuant to the Board's powers under NMSA 1978, Sections 21-2A-1 to -10 (1995, as amended through 2019) (the "Act"), the Constitution and other laws of the State, the Bond Resolution and a Final Terms Certificate that, once delivered, will set forth the final terms of the Bonds.

Payment of Principal and Interest; Record Date

The principal of the Bonds shall be payable upon presentation and surrender of the Bonds at the principal office of the Paying Agent at or after maturity or prior redemption dates. Principal and interest on the Bonds shall be payable by check or draft mailed to each registered owner of the Bonds (each, a "Registered Owner") (or by such other arrangement as must be mutually agreed to by the Paying Agent and the Registered Owner) as shown on the registration books for the Bonds maintained by the Registrar at the address appearing in the registration books at the close of business on the first day of the calendar month in which that Interest Payment Date falls. Interest which is not timely paid or provided for shall cease to be payable to the Registered Owners of the Bonds (or of one or more predecessor Bonds) as of the regular record date, but shall be payable to the Registered Owners of the Bonds (or of one or more predecessor Bonds) at the close of business of a special record date for the payment of the overdue interest. Notice of the special record date shall be given to the Registered Owners not less than 10 days prior to that date. Payment shall be made in the currency of the United States of America that is at the time of payment legal tender for the payment of public and private debts, in immediately available funds. If any bond presented for payment remains unpaid at maturity, it shall continue to bear interest at the rate designated in the bond. Payments of Bonds shall be made without deduction for exchange or collection charges.

In any case where the date of maturity of interest on or principal of the Bonds or the date fixed for redemption of the Bonds (each a "Due Date") shall not be a Business Day (i.e. any day Monday through Friday except legal holidays on which banks are closed in Albuquerque, New Mexico), then payment of principal, premium, if any, or interest need not be made on the Due Date, but may be made on the next succeeding Business Day, with the same force and effect as if made on the date of maturity of the date fixed for redemption, and no interest shall accrue in the period from the Due Date to the next succeeding Business Day.

Bond Registrar and Paying Agent

The College's Comptroller will serve as the initial Bond Registrar (the "Registrar") and Paying Agent (the "Paying Agent") for the Bonds.

² Preliminary, Subject to change.

Redemption

The Series 2023 Bonds maturing on or after August 15, 2031 will be subject to redemption prior to maturity, at the option of the College, on and after August 15, 2030, in whole or in part at any time, in one or more units of principal of \$5,000 in such order of maturities as the College may determine (and by lot if less than all of the Bonds of such maturity is called, such selection by lot to be made by the Paying Agent in such manner as it shall consider appropriate and fair). The purchase price for bonds selected for redemption will be equal to the principal amount of each bond (or portion thereof) so redeemed, plus accrued interest thereon to the redemption date.

Transfers and Exchanges

The College shall cause books for registration, transfer, and exchange of the Bonds to be kept at the principal office of the Registrar. Upon surrender for transfer or exchange of any fully registered bond at the principal office of the Registrar duly endorsed by the Registered Owner or his or her attorney duly authorized in writing, or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Registrar and properly executed, the College shall execute and the Registrar shall authenticate and deliver in the name of the transferee or Registered Owner, as appropriate, a new bond or bonds in fully registered form of the same maturity, interest rate and same aggregate principal amount in Authorized Denominations.

The person in whose name any bond is registered shall be deemed and regarded as its absolute owner for all purposes, except as may otherwise be provided with respect to payment of overdue interest as described above in "THE BONDS - Payment of Principal and Interest; Record Date." Payment of either the principal or interest on any bond shall be made only to or upon the order of its Registered Owner or his or her legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability on the Bonds to the extent of the sum or sums paid.

If any bond is lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of that bond, if mutilated, and upon the Registered Owner furnishing to the satisfaction of the Registrar (i) proof of ownership, (ii) proof of loss or destruction, if applicable, (iii) a surety bond in twice the face amount of the bond, and (iv) payment of the cost of preparing and issuing a replacement bond, authenticate and deliver a replacement bond or bonds of the same maturity, aggregate principal amount and interest rate, bearing a number or numbers not then outstanding. If any lost, stolen, destroyed or mutilated bond has matured, the Registrar may direct the Paying Agent to pay that bond in lieu of replacement.

For each new bond issued in connection with a transfer or exchange, the Registrar may make a charge sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to that transfer or exchange.

The Registrar shall not be required to transfer or exchange (i) any bond during the five-day period preceding the mailing of notice calling any of the Bonds for redemption and (ii) any bond called for redemption.

As explained in Appendix C, while DTC is the securities depository for the Bonds, it will be the sole Registered Owner of the Bonds.

Tax Covenants

In the Bond Resolution, the College covenants that it will restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary so that the Bonds will not constitute arbitrage bonds under Section 148 of the Internal Revenue Code of 1986 (the "Code"). The Chair, Secretary, and any other officer of the College having responsibility for the issuance of the Bonds shall give an appropriate certificate of the College, for inclusion in the transcript of proceedings for the Bonds, setting forth the reasonable expectations of the College regarding the amount and use of all the proceeds of the Bonds, and the facts and circumstances relevant to the tax treatment of interest on the Bonds.

The College covenants that it (a) will take or cause to be taken such actions which may be required of it for the interest on the Bonds to be and remain excludable from gross income for federal income purposes, and (b) will not take or permit to be taken any actions which would adversely affect that excludability, and that it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Bonds to the governmental purpose of the borrowing, (ii) restrict the yield, as required, on investment property acquired with those proceeds, (iii) make timely rebate payments, as required, to the federal government, (iv) maintain books and records and make calculation and reports, and (v) refrain from certain uses of proceeds, all in such manner and to the extent necessary to assure such excludability of that interest under the Code. The

Chair, Secretary, and other appropriate officers are authorized and directed to take any and all actions, make calculation and rebate payments, and make or give reports and certifications, as may be appropriate to assure such excludability of that interest.

SECURITY AND REMEDIES

Security

The Bonds constitute the general obligation of the College payable from general (ad valorem) property taxes levied against all taxable property within the District, limited as to rate pursuant to NMSA 1978, Section 21-2A-6 (2013) to \$5.00 per \$1,000 of net taxable value per annum, except that this rate limitation may be exceeded in any year in which the valuation of the property within the District declines to a level lower than the valuation of the property in the year in which the Bonds are issued. The full faith and credit of the College to the extent set forth in the immediately preceding sentence are irrevocably pledged for the payment of the Bonds. Outstanding Bonds shall be equally and ratably secured in all respects, without preference, priority or distinction between maturities or on account of the date or dates or the actual time or times of the issuance or maturity of the Bonds. In compliance with the Act, the Boards of County Commissioners of Bernalillo and Sandoval Counties will levy upon all taxable property within the District a tax levy sufficient, together with other legally available revenues, to meet the debt service on the Bonds. Such annual levy for debt service creates a statutory tax lien which can be enforced against the owner of the property and enforced by sale of the property.

Neither the State nor Bernalillo County nor Sandoval County have any responsibility to pay the debt service on the Bonds.

Legal Matters

Various State laws and constitutional provisions apply to the assessment and collection of *ad valorem* property taxes. There is no assurance that there will not be any change, interpretation of, or addition to the applicable laws, provisions, and regulations which would have a material effect, directly or indirectly, on the affairs of the College. In the 2023 legislative session, HJR5 and HJR6 were passed and signed by the governor. HJR5 proposes to amend the State constitution to extend a property tax exemption to veterans with less than 100% disability and their widows or widowers. HJ6 proposes to amend the State constitution to increase the property tax exemption for honorably discharged members of the armed forces and their widows and widowers. HJR5 and HJR6 will be included on the ballot of the next general election or any special election prior to that date that may be called for the purpose of approving or rejecting the proposals. If approved, such amendments would reduce property tax revenues payable to the College.

Limitations on Remedies Available to Owners of Bonds

There is no provision for acceleration of maturity of the principal of the Bonds in the event of a default in the payment of principal or interest on the Bonds. Consequently, remedies available to the owners of the Bonds may have to be enforced from year to year.

The enforceability of the rights and remedies of the owners of the Bonds, and the obligations incurred by the College in issuing the Bonds, are subject to the following: the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditor's rights generally, now or hereafter in effect; usual equity principles which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the federal Constitution; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State and its governmental bodies in the interest of serving significant and legitimate public purposes. Bankruptcy proceedings, or the exercise of powers by the federal or State government, if initiated, could subject the owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

DEBT AND OTHER FINANCIAL OBLIGATIONS

General Obligation Debt

The assessed valuation of taxable property within the District is \$22,617,818,050 for the tax year 2022, as approved by the State of New Mexico Taxation and Revenue Department, Property Tax Division. The maximum general obligation indebtedness of the College may not exceed 3% of the assessed valuation of the District or \$678,534,542.

After the Bonds are issued, the ratio of total outstanding general obligation (G/O) net debt of the College to the 2022 assessed valuation will be no greater than 0.53% as summarized below:

Table 2	
2022 Assessed Valuation	\$22,617,818,050
2022 Estimated Actual Valuation	\$82,701,016,479 ⁽¹⁾
Bonded Debt	
Outstanding Bonds (including Series 2023 Bonds)	\$128,890,000 ⁽²⁾
Less Debt Service Fund as of 2/25/2022	10,052,615 ⁽³⁾
TOTAL	\$118,837,385
Ratio of Estimated Net Debt to 2022 Assessed Valuation:	0.53%
Ratio of Estimated Net Debt to 2022 Actual Valuation:	0.14%
Per Capita Net Bonded Debt:	\$162.57
Est. Population:	731,000

(1) Estimated actual valuation is computed by adding the exemptions to the assessed valuation and multiplying the result by three.

(2) Preliminary, subject to change.

(3) The cash balance as of 2/22/2023 was \$12,980,729. The amount properly attributable to principal reduction is 77.44%.

Outstanding Debt

Listed below is the College's total outstanding general obligation (limited tax) debt. The College has no other debt outstanding.

Table 3			
Issue	Original Amount Issued	Final Maturity	Principal Outstanding
Series 2014A ⁽¹⁾	\$33,200,000	15-Aug-28	\$6,600,000
Series 2016	38,525,000	15-Aug-31	17,065,000
Series 2018A	32,395,000	15-Aug-33	21,195,000
Series 2021A	30,150,000	15-Aug-35	27,330,000
Series 2021B	14,400,000	15-Aug-26	10,850,000
Series 2023 ⁽²⁾	45,850,000	15-Aug-37	45,850,000
	\$194,520,000		\$128,890,000

(1) The College District redeemed \$8,000,000 of Series 2014A Bonds on August 15, 2022.

(2) Preliminary, subject to change.

Debt Service Requirements to Maturity

The College schedules principal and interest payments taking into account general obligation debt capacity, the optimal tax rate, and expected property tax revenues. Below is a summary of the currently scheduled principal and interest on the College's outstanding debt as well as the proposed principal and interest payments on the Bonds.

Table 4

TYE 30-Oct	Existing Requirements			Series 2023 Bonds			Total Requirements			Cumulative
	Principal	Interest	Total DS	Principal	Interest ⁽¹⁾	Total DS	Principal	Interest	Total DS	
2023	\$10,715,000	\$2,953,850	\$13,668,850	\$6,000,000	\$2,292,500	\$8,292,500	\$16,715,000	\$5,246,350	\$21,961,350	12.97%
2024	10,590,000	2,498,600	13,088,600	6,850,000	1,992,500	8,842,500	17,440,000	4,491,100	21,931,100	26.50%
2025	9,625,000	2,016,200	11,641,200	2,550,000	1,650,000	4,200,000	12,175,000	3,666,200	15,841,200	35.95%
2026	7,965,000	1,594,500	9,559,500	2,550,000	1,522,500	4,072,500	10,515,000	3,117,000	13,632,000	44.10%
2027	7,025,000	1,246,700	8,271,700	2,550,000	1,395,000	3,945,000	9,575,000	2,641,700	12,216,700	51.53%
2028	7,075,000	992,575	8,067,575	2,550,000	1,267,500	3,817,500	9,625,000	2,260,075	11,885,075	59.00%
2029	5,925,000	756,450	6,681,450	2,550,000	1,140,000	3,690,000	8,475,000	1,896,450	10,371,450	65.58%
2030	5,925,000	599,700	6,524,700	2,550,000	1,012,500	3,562,500	8,475,000	1,612,200	10,087,200	72.15%
2031	5,925,000	442,950	6,367,950	2,550,000	885,000	3,435,000	8,475,000	1,327,950	9,802,950	78.73%
2032	4,020,000	286,200	4,306,200	2,550,000	757,500	3,307,500	6,570,000	1,043,700	7,613,700	83.82%
2033	4,020,000	186,600	4,206,600	2,550,000	630,000	3,180,000	6,570,000	816,600	7,386,600	88.92%
2034	2,100,000	84,600	2,184,600	2,550,000	502,500	3,052,500	4,650,000	587,100	5,237,100	92.53%
2035	2,130,000	42,600	2,172,600	2,550,000	375,000	2,925,000	4,680,000	417,600	5,097,600	96.16%
2036				2,550,000	247,500	2,797,500	2,550,000	247,500	2,797,500	98.14%
2037				2,400,000	120,000	2,520,000	2,400,000	120,000	2,520,000	100.00%
Total	\$83,040,000	\$13,701,525	\$96,741,525	\$45,850,000	\$15,790,000	\$61,640,000	\$128,890,000	\$29,491,525	\$158,381,525	

(1) Based upon planning rate of 5.00%. Preliminary, subject to change.

Statement of Estimated Direct and Overlapping Debt

The following is a calculation which is useful to investors in assessing the debt load and per capita debt of the College payable from property taxes. In addition to outstanding debt of the College, the calculation takes into account debt attributable to other taxing entities which is the responsibility of taxpayers within the boundaries of the District.

Table 5

Taxing Entity	2022 Assessed Value	G/O Debt Outstanding	Percent Applicable	Amount
State of New Mexico	\$70,390,642,337	\$414,365,000	32.13%	\$133,143,155
City of Albuquerque	15,655,758,735	394,391,000	100.00%	394,391,000
City of Rio Rancho	2,893,614,669	33,695,000	100.00%	33,695,000
Bernalillo County	19,256,970,464	107,325,000	85.82%	69,223,743
Sandoval County	4,599,282,433	13,215,000	76.56%	10,117,404
Village of Corrales	491,516,675	4,229,937	100.00%	4,229,937
Village of Los Ranchos	316,811,341	1,585,000	100.00%	1,585,000
ABQ Metro Arroyo Flood Control Authority	17,636,661,843	42,515,000	100.00%	42,515,000
S. Sandoval County Arroyo Flood Control Authority	3,526,237,137	18,840,000	96.45%	18,171,180
Rio Rancho Public Schools	2,992,479,159	121,955,000	100.00%	121,955,000
Albuquerque MSD #12	19,625,338,891	484,450,000	100.00%	484,450,000
Central New Mexico Community College	22,617,818,050	128,890,000 ⁽¹⁾	100.00%	128,890,000
Total Direct & Overlapping Debt				\$1,442,366,419
Ratio of Estimated Direct & Overlapping Debt to 2022 Assessed Valuation:				6.38%
Ratio of Estimated Direct & Overlapping Debt to 2022 Estimated Actual Valuation:				1.74%
Per Capita Direct & Overlapping Debt:				\$1,973.14

(1) Preliminary, subject to change. Includes the Series 2023 Bonds.

TAX BASE

Analysis of Assessed Valuation

Assessed valuation of taxable property within the District is calculated as follows: Of the total estimated actual valuation of all taxable property in the District, 33 1/3% is legally subject to *ad valorem* taxes. After deduction of certain personal exemptions, the 2022 assessed valuation is \$22,617,818,050. The actual value of personal property within the District is determined by the County Assessor. The actual value of certain corporate property within the District is determined by the State of New Mexico, Taxation and Revenue Department, Property Tax Division. The analysis of assessed valuation for the previous five years is as follows:

Table 6

	2018	2019	2020	2021	2022
Assessments					
Value of Land	\$7,064,317,728	\$7,372,914,340	\$7,449,953,955	\$7,227,832,759	\$7,386,560,363
Improvements	15,301,731,919	15,829,506,745	16,398,429,792	17,239,909,047	18,284,683,587
Personal Property	538,301,103	797,292,211	926,017,119	1,012,658,924	1,186,735,743
Mobile Homes	50,056,674	49,956,802	55,471,592	57,230,823	58,855,019
Livestock	1,267,787	1,158,651	1,154,353	1,087,903	781,922
Assessor's Taxable Value	\$22,955,675,211	\$24,050,828,749	\$24,831,026,811	\$25,538,719,456	\$26,917,616,634
Less Exemptions					
Head of Family	229,428,978	230,092,927	229,918,849	227,599,041	225,087,485
Veterans	397,464,268	413,340,801	441,918,041	468,128,266	497,904,496
Other	3,674,095,579	4,150,760,976	4,281,375,207	4,072,042,060	4,226,195,462
Total	\$4,300,988,825	\$4,794,194,704	\$4,953,212,097	\$4,767,769,367	\$4,949,187,443
Assessor's Net Taxable Value	\$18,654,716,386	\$19,256,634,045	\$19,877,814,714	\$20,770,950,089	\$21,968,429,191
Centrally Assessed	548,782,956	632,887,210	628,319,151	658,415,654	649,388,859
Total Net Taxable Value	\$19,203,499,342	\$19,889,521,255	\$20,506,133,865	\$21,429,365,743	\$22,617,818,050

A further analysis of Assessed Valuation classified as Residential and Non-Residential for the last five years follows:

	2018	2019	2020	2021	2022
Residential	\$14,878,850,549	\$15,481,463,886	\$16,043,529,975	\$16,905,480,359	\$17,972,920,770
Non-Residential	4,324,648,793	4,408,057,369	4,462,603,890	4,523,885,384	4,644,897,280
Total	\$19,203,499,342	\$19,889,521,255	\$20,506,133,865	\$21,429,365,743	\$22,617,818,050

Source: Bernalillo County and Sandoval County Assessor's Office.

Cross-County Assessed Valuation

The following table shows the portions of the District's assessed valuation that falls in Bernalillo County and Sandoval County.

Table 7

	2018	2019	2020	2021	2022
Bernalillo County	\$16,497,374,408	\$17,066,088,770	\$17,555,875,476	\$18,273,148,503	\$19,133,822,216
Sandoval County	2,706,124,934	2,823,432,485	2,950,258,389	3,156,217,240	3,483,995,834
Total	\$19,203,499,342	\$19,889,521,255	\$20,506,133,865	\$21,429,365,743	\$22,617,818,050

Source: Bernalillo County and Sandoval County Assessor's Office.

History Assessed Valuation

Listed below is a 10-year history of assessed valuation for the District, the District's assessed valuation in the County of Bernalillo, and the County of Sandoval.

Table 8

Tax Year	Central New Mexico Community College	Bernalillo County	Sandoval County
2013	16,557,891,922	14,153,717,616	2,404,174,306
2014	17,151,572,372	14,715,412,896	2,436,159,476
2015	17,480,042,972	15,025,763,997	2,454,278,975
2016	18,007,524,468	15,495,589,301	2,511,935,167
2017	18,611,631,378	16,015,432,218	2,596,199,160
2018	19,203,499,342	16,497,374,408	2,706,124,934
2019	19,889,521,255	17,066,088,770	2,823,432,485
2020	20,506,133,865	17,555,875,476	2,950,258,389
2021	21,429,365,743	18,273,148,503	3,156,217,240
2022	22,617,818,050	19,133,822,216	3,483,995,834
5 Year Average Annual Growth	3.98%	3.62%	6.06%
10 Year Average Annual Growth	3.22%	3.12%	3.76%

Source: Bernalillo and Sandoval County Assessor's Office

Major Taxpayers

The following is a list of the ten largest taxpayers in the District, along with the 2022 assessed valuation for each. Property taxes are current for these taxpayers. This table is useful in assessing the concentration risk of the tax base. The largest taxpayers' assessed valuation is 2.61% of the total assessed valuation.

Table 9

Taxpayer	Business	2022 Assessed Valuation	% of Total A.V.
Public Service Co. of New Mexico	Electric Utility	\$309,318,340	1.37%
New Mexico Gas Company	Gas Utility	66,728,927	0.30%
Presbyterian Healthcare	Healthcare	51,853,213	0.23%
Comcast	Cable Provider	41,609,511	0.18%
Verizon	Cellular	22,222,597	0.10%
Northland Atezza LLC	Apartments	19,925,870	0.09%
VTR Lovelace Medical Center & Reha	Healthcare	19,762,724	0.09%
Southwest Airlines	Airline	19,718,804	0.09%
Markets Wholly Owned by Cellco	Retail	19,670,243	0.09%
Qwest	Telecommunications	19,494,643	0.09%
Top Ten Centrally and Locally Assessed Values		\$590,304,872	2.61%

Source: Bernalillo County Assessor's Office and NM Taxation & Revenue Department.

Tax Rates

Article VIII, Section 2, of the New Mexico Constitution limits the total ad valorem taxes for operational purposes levied by all overlapping governmental units within the District to \$20.00 per \$1,000 of assessed value. This limitation does not apply to levies for public debt, special levies on specific classes of property, and levies for additional taxes if authorized at an election by a majority of the qualified voters of the jurisdiction voting on the question. The following table summarizes the tax levies on residential property for the 2022 Tax Year and the previous four years. The College expects no substantial change in the level of its taxes in the foreseeable future but is unable to predict what overlapping entities might do. A high level of property tax increased by an overlapping entity may impact the College's ability to repay bonds.

Table 10

City of Albuquerque - Bernalillo County Within 20 Mill Limit for General Purposes					
	2022	2021	2020	2019	2018
State of New Mexico	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Bernalillo County	7.011	6.972	7.114	7.105	7.022
City of Albuquerque	6.232	6.180	6.317	6.313	6.253
Albuquerque Municipal School District # 12	0.271	0.264	0.27	0.269	0.267
Total	\$13.514	\$13.416	\$13.701	\$13.687	\$13.542
Over 20 Mill Limit for General Purposes					
Central NM Community College (Operating)	\$2.775	\$2.763	\$2.822	\$2.823	\$2.799
AMAFCA	0.173	0.171	0.174	0.174	0.172
Total	\$2.948	\$2.934	\$2.996	\$2.997	\$2.971
Over 20 Mill Limit - Interest, Principal, Judgement, etc.					
State of New Mexico	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360
Bernalillo County	1.463	1.464	1.468	1.469	1.468
City of Albuquerque	4.976	4.976	4.976	4.976	4.976
AMAFCA	0.675	0.675	0.675	0.675	0.675
Albuquerque Municipal School District # 12	10.318	10.241	10.318	10.319	10.206
UNM Hospital	6.279	6.272	6.400	6.400	6.400
Central NM Community College (Debt Service)	1.000	1.000	1.000	1.000	1.000
Total	\$26.071	\$25.988	\$26.197	\$26.199	\$26.085
TOTAL LEVY					
	2022	2021	2020	2019	2018
State of New Mexico	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360
Bernalillo County	8.474	8.436	8.582	8.574	8.490
City of Albuquerque	11.208	11.156	11.293	11.289	11.229
AMAFCA	0.848	0.846	0.849	0.849	0.847
Albuquerque Municipal School District # 12	10.589	10.505	10.588	10.588	10.473
UNM Hospital	6.279	6.272	6.400	6.400	6.400
Central NM Community College	3.775	3.763	3.822	3.823	3.799
Total Residential in Albuquerque	\$42.533	\$42.338	\$42.894	\$42.883	\$42.598
Total Non-Residential in Albuquerque	\$46.789	\$46.826	\$46.826	\$46.831	\$46.833

Source: New Mexico Department of Finance and Administration.

Table 11
City of Rio Rancho - Sandoval County
Within 20 Mill Limit for General Purposes

	2022	2021	2020	2019	2018
State of New Mexico	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Sandoval County	6.170	6.284	6.444	6.493	6.455
City of Rio Rancho	7.116	7.278	7.482	7.553	7.525
Rio Rancho Schools	0.259	0.257	0.264	0.267	0.266
Total	\$13.545	\$13.819	\$14.190	\$14.313	\$14.246

Over 20 Mill Limit for General Purposes

Central NM Community College (Operating)	\$2.775	\$2.763	\$2.822	\$2.823	\$2.799
SSCAFCA	0.791	0.798	0.820	0.828	0.828
Total	\$3.566	\$3.561	\$3.642	\$3.651	\$3.627

Over 20 Mill Limit - Interest, Principal, Judgement, etc.

State of New Mexico	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360
Sandoval County	0.740	0.852	0.737	0.835	0.593
SSCAFCA	1.246	1.246	1.247	1.246	1.242
City of Rio Rancho	2.770	2.770	2.770	2.770	2.768
Rio Rancho Schools	10.484	10.474	10.531	10.543	10.544
UNM Hospital	1.840	1.839	1.886	1.900	0.000
Central NM Community College (Debt Service)	1.000	1.000	1.000	1.000	1.000
Total	\$19.440	\$19.541	\$19.531	\$19.654	\$17.507

TOTAL LEVY

	2022	2021	2020	2019	2018
State of New Mexico	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360
Sandoval County	6.910	7.136	7.181	7.328	7.048
SSCAFCA	2.037	2.044	2.067	2.074	2.070
City of Rio Rancho	9.886	10.048	10.252	10.323	10.293
Rio Rancho Schools	10.743	10.731	10.795	10.810	10.810
UNM Hospital	1.840	1.839	1.886	1.900	0.000
Central NM Community College	3.775	3.763	3.822	3.823	3.799
Total Residential in Rio Rancho	\$36.551	\$36.921	\$37.363	\$37.618	\$35.380
Total Non-Residential in Rio Rancho	\$41.705	\$41.297	\$37.196	\$39.908	\$37.765

Source: New Mexico Department of Finance and Administration

College Tax Rates

The following table summarizes the historical tax levies on property, per \$1,000 of assessed valuation, within the District since the 2012 tax year (2012-13 fiscal year). See "SECURITY AND REMEDIES-Security" for information regarding the full faith and credit of the College pledged to pay the Bonds.

Table 12

Tax Year	Operational		Debt Service	Total Tax Rate	
	Residential	Non-Residential		Residential	Non-Residential
2022	2.775	3.000	1.000	3.775	4.000
2021	2.763	3.000	1.000	3.763	4.000
2020	2.822	3.000	1.000	3.822	4.000
2019	2.823	3.000	1.000	3.823	4.000
2018	2.799	3.000	1.000	3.799	4.000
2017	2.789	3.000	1.000	3.789	4.000
2016	2.776	3.000	1.000	3.776	4.000
2015	2.831	3.000	0.550	3.381	3.550
2014	2.827	3.000	0.550	3.377	3.550
2013	2.842	3.000	0.550	3.392	3.550
2012	2.794	3.000	0.550	3.344	3.550

Source: NM Department of Finance & Administration.

Note: The debt service tax rate is the same for both Residential and Non-Residential

Yield Control Limitation

State law limits property tax increases from the prior property tax year. Specifically, no taxing entity may set a rate or impose a tax (excluding oil and gas production *ad valorem* and oil and gas production equipment *ad valorem* taxes) or assessment, which will produce revenues, which exceed the prior year's tax revenues from residential and non-residential property multiplied by a "growth control factor." The growth control factor is the percentage equal to the sum of (a) "percent change I" plus (b) the prior property tax year's total taxable property value plus "net new value", as defined by statute, divided by such prior property tax year's total taxable property value, but if that percentage is less than 100 percent, then the growth control factor is (a) "percent change I" plus (b) 100%. "Percent change I" is based upon the annual implicit price deflator index for state and local government purchases of goods and services (as published in the United States Department of Commerce monthly publication entitled "Survey of Current Business," or any successor publication) and is a percent (not to exceed five percent) that is derived by dividing the increase in the prior calendar year (unless there was a decrease, in which case zero is used) by the index for such calendar year next preceding the prior calendar year. *The growth control factor applies to authorized operating levies and to any capital improvements levies but does not apply to levies for paying principal and interest on public general obligation debt.*

Developments Limiting Residential Property Valuation Increases

In an effort to limit large annual increases in residential property taxes in some areas of the State (particularly the Santa Fe and Taos areas which have experienced large increases in residential property values in recent years), an amendment to the uniformity clause (Article VIII, Section 1) of the New Mexico Constitution was proposed during the 1997 Legislative Session. The amendment was submitted to voters of the State at the general election held on November 3, 1998 and was approved by a wide margin.

The amendment directs the Legislature to provide for valuation of residential property in a manner that limits annual increases in valuation. The limitation may be applied to classes of residential property taxpayers based on occupancy, age or income. Further, the limitations may be authorized statewide or at the option of a local jurisdiction and may include conditions for applying the limitations.

Bills implementing the constitutional amendment were enacted in 2000 and were codified as NMSA Sections 7-36-21.2 (2010) and 7-36-21.3 (2020).

Section 7-36-21.2 establishes a statewide limitation on residential property valuation increases beginning in tax year 2001. Annual valuation increases are limited to 3% over the prior year's valuation or 6.1% over the valuation from two years prior. Subject to certain exceptions, these limitations do not apply:

1. To property that is being valued for the first time;
2. To physical improvements, except for solar energy system installations, made to the property in the preceding year;
3. When the property is transferred to a person other than a spouse, or a child who occupies the property as his principal residence and who qualifies for the head of household exemption on the property under the Property Tax Code;
4. When a change occurs in the zoning or use of the property; and
5. To property that is subject to the valuation limitations under Section 7-36-21.3.

Several legal challenges were brought in response to the Legislature's enactment of NMSA 1978, Section 7-36-21.2, because of the exception to the annual valuation cap for residential properties which experienced a change in ownership in the previous tax year. This exception resulted in acquisition-value taxation, and also resulted in instances in which the property's valuation based on its fair market value at the time it changed ownership was much greater than its previously capped valuation, also known as "tax lightning". In these situations, the new property owner faced greatly increased property taxes compared with the previous owner. Several lower courts concluded that the exception therefore violated Article VIII, Section 1 of the New Mexico Constitution by creating an inappropriate classification of taxpayers.

On March 28, 2012, in *Zhao v. Montoya*, 2012-NMCA-056, on certification from the district court for Bernalillo County, the New Mexico Court of Appeals reversed the district courts, and held that the change-of-ownership exception to the valuation cap on residential property values until a change of ownership occurs does not violate the New Mexico Constitution. The Court of Appeals reasoned that, given that the owner-occupancy class consists of persons who became owner-occupants only upon acquisition of the property, the exception applies to a sub-class of the constitutionally permissible owner-occupancy class.

On June 30, 2014, in *Zhao v. Montoya*, 2014-NMSC-025, the New Mexico Supreme Court affirmed in part and reversed in part the Court of Appeals decision. The New Mexico Supreme Court agreed with the Court of Appeals that the change-of-ownership exception to the valuation cap for residential properties is constitutional, albeit on other grounds. The New Mexico Supreme Court stated that the Court of Appeals' holding based on the taxpayer's classification creates the impression that ownership alone may equate to owner-occupancy. The New Mexico Supreme Court held instead that the change-of-ownership exception to the valuation cap is constitutional because it focuses on the nature of the property, when it was acquired, and not on the classification of the taxpayer, whether the taxpayer is an owner-occupant.

Thus, although the Supreme Court's decision in *Zhao* focused on the constitutionality of the exception to the annual limitations on residential property revaluation, its holding supports that the New Mexico Property Tax Code is constitutional, including the general annual valuation cap. *Zhao* also supports that the Property Tax Code's additional exceptions to the cap for properties which have changed use or which have been subject to a zoning change during the previous year are also constitutional, as they similarly focus on the nature of property, rather than on the taxpayer.

Section 7-36-21.3 places a limitation on the increase in value for property taxation purposes for single-family dwellings occupied by low-income owners who are sixty-five years of age or older or who are disabled. The statute fixes the valuation of the property to the valuation in the year that the owner qualified and filed an application. The Section 7-36-21.3 limitation does not apply:

1. To residential property that is being valued for the first time;
2. To a change in valuation resulting from physical improvements made to the property in the preceding year; and
3. To a change in valuation resulting from a change in the zoning or permitted use of the property in the preceding year.

Tax Collections on Locally Assessed and Centrally Assessed Property

The level of tax collections is an important component in the analysis of the ability to pay principal and interest on a timely basis. General property taxes (with the exception of those taxes on oil and gas production and equipment) for all units of government are collected by the County Treasurer and distributed monthly to the various political subdivisions to which they are due. Property taxes for a given (calendar) year are due in two installments. The first half is due on November 10 of the tax year and becomes delinquent on December 10. The second half installment is due on April 10 of the following year and becomes delinquent on May 10. Collection statistics for all political subdivisions for which the County Treasurer collects taxes are as follows:

Table 13
Bernalillo County

Tax Year	Fiscal Year	Net Taxes Charged to Treasurer	Current Tax Collections ⁽¹⁾	Current Collections as a % of Net Levied	Current/Delinquent Tax Collections ⁽²⁾	Current/Delinquent Collections as a % of Net Levied
2022	22/23	\$815,338,627	\$460,293,187	56.45%	\$460,293,187	56.45%
2021	21/22	777,855,255	754,731,268	97.03%	765,293,196	98.39%
2020	20/21	757,081,454	734,177,887	96.97%	751,211,898	99.22%
2019	19/20	735,765,136	712,208,595	96.80%	732,968,388	99.62%
2018	18/19	711,562,686	689,522,592	96.90%	709,281,012	99.68%

1) Current collections through June 30 of each year.

2) As of January 12, 2023

Source: Bernalillo County Treasurer's Office.

Sandoval County

Tax Year	Fiscal Year	Net Taxes Charged to Treasurer	Current Tax Collections ⁽¹⁾	Current Collections as a % of Net Levied	Current/Delinquent Tax Collections ⁽²⁾	Current/Delinquent Collections as a % of Net Levied
2022	22/23	\$157,477,670	\$90,756,257	57.63%	\$90,756,257	57.63%
2021	21/22	144,364,587	139,859,626	96.88%	142,011,602	98.37%
2020	20/21	134,870,473	129,969,551	96.37%	133,752,429	99.17%
2019	19/20	131,750,891	127,693,224	96.92%	131,056,504	99.47%
2018	18/19	119,826,086	116,428,185	97.16%	119,324,620	99.58%

1) Current collections through June 30 of each year.

2) As of December 31, 2022

Source: Sandoval County Treasurer's Office.

Interest on Delinquent Taxes

Pursuant to NMSA 1978, Section 7-38-49 (1973), if property taxes are not paid for any reason within thirty (30) days after the date they are due, interest on the unpaid taxes shall accrue from the thirtieth (30th) day after they are due until the date they are paid. Interest accrues at the rate of one percent (1%) per month or any fraction of a month.

Penalty for Delinquent Taxes

Pursuant to NMSA 1978, Section 7-38-50 (1982), if property taxes become delinquent, a penalty of one percent (1%) of the delinquent tax for each month, or any portion of a month, they remain unpaid shall be imposed, but the total penalty shall not exceed five percent (5%) of the delinquent taxes. The minimum penalty imposed is \$5.00. A county can suspend application of the minimum penalty requirement for any tax year.

If property taxes become delinquent because of intent to defraud by the property owner, fifty percent (50%) of the property tax due or fifty dollars (\$50.00), whichever is greater, shall be added as a penalty.

Remedies Available for Non-Payment of Taxes

Pursuant to NMSA 1978, 7-38-47 (1973), property taxes are the personal obligation of the person owning the property on the date on which the property was subject to valuation for property taxation purposes. A personal judgment may be rendered against the taxpayer for payment of taxes that are delinquent, together with any penalty and interest on the delinquent taxes. The sale or transfer of property after its valuation date does not relieve the former owner of personal liability for the property taxes imposed for that tax year.

Taxes on real property are a lien against the real property from January 1 of the tax year for which the taxes are imposed. Pursuant to NMSA 1978, 7-38-65 (2013), delinquent taxes on real property may be collected by selling the real property on which taxes are delinquent.

Pursuant to NMSA 1978, 7-38-53 (1973), delinquent property taxes on personal property may be collected by asserting a claim for delinquent taxes against the owner's personal property for which the taxes are delinquent.

THE COLLEGE

General

Central New Mexico Community College ("CNM" or "College"), formerly named Albuquerque Technical Vocational Institute, has grown in the past 59 years to become the largest higher educational institution in New Mexico in terms of undergraduate enrollment. Authorized by the State Legislature in 1964, the College is a political subdivision of the State organized as a postsecondary institution that provides upskilling and coursework leading to certificates and associate degrees. The College opened officially on July 1, 1965, with its primary goal to provide adults with marketable skills and the related education needed to succeed in an occupation. Until 1979, CNM was part of Albuquerque Municipal School District No. 12 and shared its board members; the 1979 Legislature created a separate Governing Board for CNM.

For the 2020-2021 academic year, from the Integrated Postsecondary Education Data System (IPEDS), CNM ranked No. 2 among 835 public 2-year associate and certificate-granting colleges in the country for the number of associate degrees and certificates awarded to Native Americans totaling 561; No. 2 in the country for associate degrees and certificates awarded to Hispanics totaling 4,709; and No. 2 overall for the total number of associate degrees and certificates (9,303) to all students.

CNM's first classes were held for 150 students in a former elementary school building, surplus army barracks, and cottages. In Fall 2022, 19,095 students enrolled in credit courses and 2,057 students enrolled in non-credit courses during the fall term. Students attend credit or non-credit classes at nine locations – the Main Campus on 51 acres near Albuquerque's downtown business district; the Joseph M. Montoya Campus on 40 acres in Albuquerque's far Northeast Heights; the South Valley Campus in Albuquerque's South Valley area; the Workforce Training Center on the I-25 business corridor in north Albuquerque; the Westside Campus in the northwest quadrant of Albuquerque; the Rio Rancho Campus in Rio Rancho's City Center; the Advanced Technology Center in north Albuquerque; and the STEMulus Center and FUSE Makerspace in downtown Albuquerque. CNM's budget for the 2022-23 fiscal year is \$294,105,850, including \$166,390,401 in current funds, \$72,339,880 in plant funds, and \$55,375,569 in restricted funds.

The District consists of substantially all of Bernalillo County including the municipalities of Albuquerque, Tijeras, and Los Ranchos de Albuquerque, and part of Sandoval County including the municipalities of Rio Rancho and Corrales. The boundaries were co-terminus with those of the Albuquerque Municipal School District until July 9, 1993, when the State Board of Education reduced the Albuquerque Municipal School District in size because of the creation of the Rio Rancho Public School District. In 2008, CNM's boundaries were expanded to include all of the Rio Rancho School District after voters strongly approved the expansion through an election.

CNM's first 21 years were devoted to offering certificate programs in business, health, technology and the trades along with continuing education in those areas. The first major expansion in mission came in 1986 when the New Mexico Legislature gave CNM the authority to grant associate degrees. Approval by the CNM Governing Board quickly followed and CNM's

transition to a fully-fledged community college had begun. Since the fall of 1986, CNM has seen steady growth in its liberal arts courses and associate degree programs. CNM currently offers 76 associate degrees and 108 certificates in 87 fields of study. The school year is divided into fall and spring terms of 15 weeks each and one 12-week summer term. CNM also offers many condensed courses in 8- or 10-week formats. Most programs admit beginning students each term in August, January and May.

CNM is fully accredited by The Higher Learning Commission. Specific programs are accredited or approved by professional organizations, such as the American Bar Association, Federal Aviation Administration, American Veterinary Medical Association, and Professional Truck Driver Institute modules.

CNM leads in developing innovative approaches to delivering quality education and training. This involves creating new entities when doing so clearly benefits the taxpayer and the student. In 2014, CNM Ingenuity, Inc., was established pursuant to the University Research Park and Economic Development Act as the 501(c)(3) enterprise arm of CNM to pursue cooperative ventures in technology and entrepreneurship. In 2020, CNM partnered with four New Mexico community colleges (Clovis Community College, Northern New Mexico College, San Juan College and Santa Fe Community College) to share technology systems to better serve students and communities. This Shared Services Enterprise Resource Planning collaboration is the first of its kind in the nation which will provide the participating community colleges with a single, shared system for managing their finances, human resources, payroll, student admissions, financial aid, course scheduling, degree planning, curriculum management, continuing education, and alumni relations. This modernization will make it easier for students to register for courses, access financial aid, and plan their educational path. It will also create opportunities to share staff expertise and system maintenance.

In 2014, CNM Ingenuity, Inc., was established pursuant to the University Research Park and Economic Development Act as the 501(c)(3) enterprise arm of CNM to pursue cooperative ventures in technology and entrepreneurship. CNM Ingenuity operates the IGNITE Community Accelerator for early-stage businesses, the FUSE Makerspace, the Deep Dive Coding Bootcamps and many other ventures that support economic development and potential new revenue streams for the College. CNM Ingenuity provides accelerated, non-credit programs in key economic development areas designed to appeal to individuals who might not be interested in a traditional college pathway. The Deep Dive Coding Bootcamps, for example, are intensive, hands-on learning experiences that are completed in 10 weeks (40 hours per week). Average starting salaries for graduates of the boot camp is \$45,000 in the Albuquerque area. The Deep Dive Coding Bootcamp provides quick access to high-quality jobs for students while also addressing the need for more coders in New Mexico's economy.

CNM responds quickly to the needs of business and industry, and thus to the needs of students seeking quality employment, through the help of advisory committees and ongoing employer and industry feedback. CNM conducts an annual College-wide Integrated Program Review of all offerings, to consider the market needs through labor market demand and quality, the alignment with the College's mission, the opportunity to revise and improve the program economics, and the academic and industry standards for quality and relevance. This ensures that offerings have feedback and input from employers and industry experts on the credit education and non-credit training offered by CNM.

CNM is also well known for its positive impact on economic development in the area. The College has built a reputation for providing high-quality education and workforce training programs that support new and existing businesses. CNM supports the educational and training needs for a wide variety of large employers, such as Intel, General Mills, Hewlett Packard, Sandia National Labs, Los Alamos National Labs, Honeywell, Encantado Technical Solutions, Presbyterian Healthcare, Netflix, Amazon, NBC Universal, other production companies in the film industry and many more.

Examples of industry-related activities include:

- In 2020, CNM became a founding partner with Unmudl, a national effort to serve the country's 65 million working learners, using the community college system to provide education and training. CNM has partnered with San Juan College and 5 other colleges throughout the country in an effort to provide programming and credentialing to New Mexicans that are recognized nationally, by industry.
- ActivateNM, an accelerator powered by CNM Ingenuity, offers free weekly webinars for startups, small business owners and entrepreneurs in New Mexico (including Electric Playhouse and AdWallet among others).
- In partnership with the New Mexico Public Education Department, CNM Ingenuity developed workshops to help K-12 teachers transition online, as well as parents supporting their children's at-home learning.

- CNM is working with fellow community colleges on ways to share courses and programs. CNM licensed successful Deep Dive Coding bootcamps so other colleges can provide high-demand technical training to students in their communities. After an immersive 10-week bootcamp, students graduate with modern web and software development skills. Of more than 600 graduates, 87 percent achieved their professional goals within six months, earning an average starting salary of nearly \$49,000.
- Through a sub-contract with New Mexico Tech, CNM teams with the Air Force Research Laboratory to operate Hyperspace Challenge, an accelerator for startups and universities that can support the U.S. Space Force's technology needs. This year's competition includes three Albuquerque startups and New Mexico State University. In its third year, Hyperspace Challenge has accelerated public-private partnerships to drive space innovation and attract Challenge winners like SmartCone Technologies to Albuquerque.

CNM created a separate IRS 501(C)(3) entity – CNM Holdings, Inc. (CNMH) for the purpose of holding non-instructional real property for CNM. Centralizing non-instructional real property assets with CNMH achieves the following: (1) minimizes risk to the College and CNM Ingenuity; and (2) allows for management of certain real property assets in a manner that maximizes their value generation to help support CNM's mission, vision, and values. In October of 2020, CNM Holdings received a Certificate of Incorporation from the Office of the New Mexico Secretary of State. In June of 2022, the federal Internal Revenue Service approved CNMH as a tax-exempt supporting organization under Internal Revenue Code Section 501(c)(3). In June of 2023, certain non-instructional properties will be transferred to CNM Holdings, Inc.

Community Support

Community support for the College is evidenced by strong voter approval for the 2019 bond election question and every previous tax levy requested, as follows:

Table 14

Year	Question	For	Against	Percentage
2019	\$84 Million Bond	72,910	31,895	70%
2016	\$84 Million Bond	19,923	9,178	68%
2011	\$70 Million Bond	8,258	4,632	64%
2006	\$60 Million Bond	24,948	6,292	80%
2000	\$35 Million Bond	17,781	10,223	63%
1997	\$4 Million Bond	11,810	9,425	56%
1989	3.00 Mill Levy	18,537	4,408	81%
1985	3.50 Mill Levy	8,563	2,533	77%
1981	3.50 Mill Levy	10,689	4,526	70%
1977	4.00 Mill Levy	18,101	4,633	80%
1973	3.00 Mill Levy	19,580	2,482	89%
1969	3.00 Mill Levy	8,999	4,881	65%
1964	2.00 Mill Levy	30,053	18,479	62%

Note: The 1964 election was held during the general election; the 1969 through 2016 elections, at regular or special elections in February; and the 2019 election, at the regular local election in November. The 1989 election made the tax levy permanent, requiring further elections only for requested increases. Prior to 1989 the tax levy was authorized for four-year time periods.

New Mexico Higher Education Department

The New Mexico Higher Education Department (HED) was established in 1951 to oversee the finances of state institutions of higher education. The College is subject to oversight by HED. The HED is a cabinet level State agency, with the Secretary of Higher Education appointed by the Governor and confirmed by the State Senate. The HED must review, adjust and approve requests for appropriations submitted by the state educational institutions before the submission of those requests to the State Legislature. Additionally, HED must approve all building construction plans and projects estimated to cost in excess of \$300,000 undertaken by the educational institutions.

Governing Board

The Governing Board of the College consists of seven districted positions, each designated by a number. Effective July 2018, members of the Board are elected by districts to a four-year term, in non-partisan elections held every two years on the first Tuesday after the first Monday in November of each odd-numbered year. Terms of office are staggered so that roughly half the Board is subject to change at any regular election.

The members of the Board are:

Charles N. Ofelt, Member	District 1
James A. Chavez, Member	District 2
Thomas E. Swisstack, Chair	District 3
Annette Chavez y De La Cruz, Vice Chair	District 4
Nancy Baca, Member	District 5
Virginia M. Trujillo, Secretary	District 6
Robert P. Schoenfelder	District 7

Terms for members in odd-numbered districts expire in 2026; terms for members in even-numbered districts expire in 2023.

Administration and Staff

The President of the College is selected by the Board, and upon the President's recommendation, the Board employs other administrative personnel, instructional staff or other personnel as needed. The President and administrative staff for the College are:

Tracy Hartzler, President

On Nov. 12, 2019, the Central New Mexico Community College (CNM) Governing Board unanimously selected Tracy Hartzler to become the sixth president of CNM. She officially began her presidency on Jan. 1, 2020. Before becoming CNM President, Ms. Hartzler was CNM's Vice President for Finance and Operations and has been at CNM since 2015.

Ms. Hartzler has served the public sector for more than 25 years in education, government, and policy roles. Since 2011, she has played a significant role in shaping postsecondary education in New Mexico, first with the New Mexico Legislative Finance Committee (LFC), and later with CNM. At the LFC, Ms. Hartzler served as the New Mexico Legislature's expert on higher education policy and funding.

From 2009-2011, Ms. Hartzler served as Special Assistant Attorney General for the New Mexico Interstate Stream Commission in Santa Fe, and from 2006-2009, she served as Counsel for the U.S. Senate Committee on Indian Affairs in Washington, D.C. During her time in these roles, Ms. Hartzler helped local, tribal, state and federal government elected and appointed leaders, as well as community advocates, solve complex problems.

In 2019, President Hartzler served all New Mexico public higher education institutions as the Governor's appointee to the New Mexico State Investment Council.

President Hartzler earned her Juris Doctorate from the Columbus School of Law at the Catholic University of America. She earned her Master of Education Degree from the University of Virginia with highest honors; and she earned her Bachelor of Arts Degree, cum laude, from Saint Mary's College in Indiana. She is a member of the New Mexico, Indiana (inactive), and District of Columbia Bars.

Dr. Philip Lister, Interim Vice President for Academic Affairs

Dr. Philip Lister assumed the position of Interim Vice President of Academic Affairs in March 2023. In this position, Dr. Lister serves as the Chief Academic Officer and provides leadership over all instructional programs. Dr. Lister graduated from Kansas State University with a Bachelor's Degree in Microbiology, and received his Doctor of Philosophy in Medical Microbiology and Immunology from Creighton University. He has nearly 30 years of higher education experience at Creighton University School of Medicine (1994-2011) and Central New Mexico Community College (2011 – present). During his academic career, he has served in the roles of faculty, faculty chair, Associate Dean, and Dean of the School of Math, Science and Engineering before assuming the Interim Vice President position.

Olivia Padilla-Jackson, Vice President for Finance and Operations

Olivia Padilla-Jackson joined the College in 2020 as the Vice President of Finance & Operations. Ms. Padilla-Jackson is a dedicated public servant with over 22 years of public finance and policy experience at the federal, state, and local level. In her prior role, she served as the Cabinet Secretary for the New Mexico Department of Finance and Administration. Previous experience includes executive level financial management and strategic planning at the local government level, work as a Trader/Analyst at the Federal Reserve Bank of New York and Director of the New Mexico State Board of Finance. Early in her career, she worked for the New Mexico Legislative Finance Committee conducting economic, policy, and budget analysis. Ms. Padilla-Jackson earned her Bachelor's degree in Business Administration from the University of New Mexico and a Master's degree in Public Policy from the University of Michigan with an emphasis in economics and finance.

Nireata Seals, Vice President for Enrollment Management and Student Success

Dr. Nireata Seals has led a distinguished career as a transformational leader serving students for over 28 years. She assumed the position of Vice President of Enrollment Management and Student Success in July 2021. She previously served as Vice President of Student Affairs and Associate Provost at LaGuardia Community College, for The City University of New York. She has dedicated her career in service to students, removing barriers that hinder their success and upward mobility during and beyond college. She joined LaGuardia in 2015 as Assistant Dean for Enrollment Services and became the Vice President of Student Affairs in 2017. In Fall 2019 she was asked to serve as the Interim Provost & Senior Vice President of Academic Affairs, as the college transitioned to a new President. She is an advocate for education and serves on the Comprehensive Youth Development Board, offering youth a second chance obtaining their high school education. Additionally, she has served as an executive mentor to doctoral, masters, and bachelor's degree students.

Dr. Seals earned her Doctor of Education in Executive Leadership from St. John Fisher College in Rochester, NY; her Master's degree in Student Personnel Administration from New York University; and her Bachelor's in Behavioral Science/Social Work from Concordia University in Irvine, Calif.

Samantha Sengel, Vice President for Workforce and Community Success

Samantha Sengel is the Vice President for Workforce and Community Success at Central New Mexico Community College (CNM). She has 22 years of experience at CNM, serving in multiple senior leadership roles for community engagement, government relations, enrollment strategy, communications, marketing, advancement, dual credit, recruitment, innovation, global education, the President's Office, CNM Ingenuity, Inc., and CNM Foundation, Inc.

As Vice President for Workforce and Community Success, Dr. Sengel leads the College's comprehensive strategies for employer and industry engagement, student and graduate work-based learning and job placement, and strategic community partnerships including P-20 pathways. She led CNM's ambitious \$20 million by 2020 fundraising campaign, completing early in 2019 and surpassing the goal.

With over 25 years of higher education experience in New Mexico, Ms. Sengel is active in organizations supporting economic development, innovation, and quality of life in central New Mexico. She serves on the board of directors for the Mid-Region Council of Governments, the Kirtland Partnership Committee, and CNM Foundation, Inc. She's a member of the CNM Ingenuity Finance Committee, she serves on the Albuquerque Homelessness Advisory Council and the UNM School of Engineering Industry and Innovation Board. The Albuquerque Journal named her its 2019 New Mexico Woman in Business, Education Honoree, and Albuquerque Business First selected her as a 2018 New Mexico Woman of Influence and the 2020 Jennifer Riordan Woman of Influence in Community Impact.

Dr. Sengel received her Doctorate in Educational Leadership with distinction from the University of New Mexico. She earned a Master of Business Administration in 2006 and her Bachelor of Business Administration in International Management from the University of New Mexico in 1999.

Victor Leon, Chief Information Officer

Victor Leon joined CNM in July 2019 as the Chief Information Officer (CIO). The CIO oversees the information technology services for the college in such areas as enterprise software applications, infrastructure, support services, technical training, service operations, project management, and cybersecurity. Prior to joining CNM, Mr. Leon led information technology, operations, and project management divisions in both the public and private/non-profit sectors. Mr. Leon currently serves on several boards including, the New Mexico Technology Council (NMTC) Board, the New Mexico Council for Higher Education Computing Services (NMCHECS), an association of CIO's from participating higher education institutions (served as president in 2022) and is a member of the CNM Ingenuity – Deep Dive Coding Advisory Board. Mr. Leon has a

Bachelor's Degree in Business Administration with a concentration in Business Computer Systems from the University of New Mexico and is a certified Project Management Professional (PMP).

Angela Sims - Chief Strategy Officer

Angela Sims assumed the position of Chief Strategy Officer in October 2021. In this position, Ms. Sims develops and executes major strategic initiatives at the College and implements innovative solutions that support the College's long-term success. Ms. Sims also leads the overarching brand, communication, and public relations strategies for the College, and oversees the Marketing & Communications Office. Ms. Sims has more than 30 years of strategy and marketing experience. She graduated from the University of Illinois, Urbana with a Bachelor of Science Degree in Advertising, and a Master of Business Administration (MBA) from The University of Chicago with concentrations in Strategy and Leadership.

Kyle Lee, CNM Ingenuity – Chief Executive Officer

Kyle Lee joined CNM Ingenuity, Inc., a social impact research park entity, as Chief Executive Officer in November 2015. Leading a team of over 50 programming and operations staff and an instructor pool of over 250, CNM Ingenuity is a best-in-class innovator in alternative training methods for skills development, establishing progressive partnerships with education and industry and growing economic opportunity and success through workforce development and entrepreneurship.

Born and raised into farming and ranching in New Mexico, his professional career developed into increasingly senior leadership roles at several companies across a number of industries in finance and technology.

Prior to joining CNM, Mr. Lee co-founded Enevor, Inc. an innovative clean-tech company revolutionizing advanced materials and product design with applications in biotech, complex technical mixing. Formerly, Kyle was the Chief Operating Officer of Voxox, Inc. (CloudPhone) a rapidly growing software and telecom company, Chief Operating Officer of MIOX Corporation, a pioneering Albuquerque technology company providing capital equipment for onsite chemical generation primarily used in water treatment, and he was FAB production manager at FAB 11, Intel Corporation. He started his career in corporate finance work and economics. Mr. Lee has his MBA from the University of New Mexico and BA in Quantitative Economics from Stanford University.

Michael Anaya – General Counsel

Michael J. Anaya was born and raised in El Paso, Texas. He attended New Mexico State University, graduating in 2006 with B.A. degrees in Government and English. Michael attended the University of New Mexico School of Law, earning a Juris Doctor degree in 2010.

Since 2014, Mr. Anaya has worked at Central New Mexico Community College and currently holds the title of General Counsel, addressing issues in the following areas of law: higher education, employment, contracts, labor relations, constitutional, procurement, health/benefits, and real estate. Mr. Anaya has successfully negotiated contracts with Albuquerque Public Schools, Pearson, IBM, Apple, Native American Community Academy and other public and private entities. Prior to working at Central New Mexico Community College, Mr. Anaya worked in the private sector practicing in real estate law.

Dr. Felecia Caton Garcia, Executive Director of Diversity, Equity, and Inclusion

Dr. Caton Garcia became the inaugural Executive Director of Diversity, Equity, and Inclusion in July of 2022. In this position, Dr. Caton Garcia serves as the Chief Diversity Officer, leading the College's effort to enhance diversity, equity and inclusion across the College. Prior to her current role, Dr. Caton Garcia served as faculty in the English, American Studies, and Chicana/e/o Studies Departments of Central New Mexico Community College for fifteen years. She has over twenty-five years of experience in designing and implementing justice, equity, and inclusion education for educators and institutions. Dr. Caton Garcia holds a Ph.D. in American Studies from the University of New Mexico, an M.F.A. from the University of Oregon, and a B.A. in English from Colorado College.

Christine Duncan, Comptroller

Christine Duncan became the Senior Executive Director of Fiscal Operations and Comptroller in October of 2021. She started her career at CNM in 2003 and has held various roles in the College's Business Office including Accountant, Bursar, and Associate Comptroller. She has participated in many teams at the college that have launched new and innovative programs like CNM Online, the Fast Track degree programs, and the Fuse Makerspace. Ms. Duncan earned a Bachelor's Degree in Business Administration – Accounting from the University of New Mexico in 1998 and a Master of Arts in

Educational Administration from New Mexico State University in 2012. She also volunteers in the local community as a Supervisory Committee member at First Financial Credit Union and in a leadership capacity in her local church.

Insurance

CNM currently provides benefits to its employees through a combination of self-funding and fully insured products, with direct contracts with vendors who provide insurance plans. CNM self-insures for health insurance. CNM has secured workers' compensation, property and casualty insurance, general automobile and fire insurance, general liability and educator legal liability, cyber security and other insurance on a fully insured basis from licensed vendors.

Present Facilities

CNM has nine locations in Albuquerque and Rio Rancho. The Main Campus is located near Albuquerque's downtown business district; the Joseph M. Montoya Campus is in Albuquerque's far northeast heights; the Westside Campus is on Albuquerque's northwest mesa; the Rio Rancho Campus is in the northern area of Rio Rancho city limits; the STEMulus Center is in downtown Albuquerque; the South Valley Campus is in Albuquerque's southwest quadrant; and the FUSE Makerspace is in Downtown Albuquerque's Innovation District. The Workforce Training Center and the Advanced Technology Center are located near I-25 in the north central section of Albuquerque.

Accreditation

The Open Pathway is the accreditation process through which CNM maintains its accredited status with the Higher Learning Commission (HLC) of the North Central Association of Colleges and Schools (NCA). Through the Open Pathway, CNM demonstrates that it meets the Higher Learning Commission's Criteria for Accreditation while integrating the principles and benefits of continuous improvement into the culture of the College.

HLC's four core processes are a sequence of events that are an integral part of CNM's Reaffirmation of Accreditation:

- Assurance Review
- Quality Initiative
- Comprehensive Evaluation
- Reaffirmation of Accreditation

CNM received Reaffirmation of Accreditation in academic year 2017-18 (FY18) through academic year 2022-2023 (FY2023). In addition, HLC honored CNM as a Vanguard College in April 2008.

Many CNM programs carry individual accreditation or approval from appropriate agencies. These include:

- the Accounting, Business, Business Administration, Computer Information Systems, Hospitality and Tourism, and Office Technology programs accredited by the Association of Collegiate Business Schools and Programs
- the Alternative Teacher Licensure Program accredited by the New Mexico Public Education Department
- the Automotive Technology program accredited by National Automotive Technicians Education Foundation
- the Baking and Pastry and Culinary Arts programs accredited by the American Culinary Federation Education Foundation Accrediting Commission
- the Brewing and Beverage Management program accredited by Master Brewers Association of the Americas
- the Construction Management Technology program accredited by American Council for Construction Education
- the Dental Assistant program accredited by the Commission on Dental Accreditation
- the Diagnostic Medical Sonography program accredited by the Commission of Accreditation of Allied Health Education Programs and the Joint Review Committee on Education in Diagnostic Medical Sonography

- the EMS Paramedic program accredited by the Commission of Accreditation of Allied Health Education Programs and the Committee on Accreditation of Educational Programs for the Emergency Medical Services Professions
- the Health Information Technology program accredited by the Commission on Accreditation for Health Informatics and Information Management Education
- the Heating, Ventilating, and Air Conditioning program accredited by the Heating, Ventilating, and Air Conditioning Excellence (HVAC Excellence)
- the Medical Laboratory Technician program accredited by the National Accrediting Agency for Clinical Laboratory Sciences
- the Nursing program accredited by Accreditation Commission for Education in Nursing
- the Pharmacy Sciences program accredited by the American Society of Health System Pharmacists/Pharmacy Technicians Accreditation Commission
- the Physical Therapist Assistant program accredited by Commission on Accreditation in Physical Therapy Education
- the Respiratory Therapy program accredited by the Commission on Accreditation for Respiratory Care
- the Surgical Technician program accredited by the Commission on Allied Health Educational Programs and Accreditation Review Council on Education in Surgical Technology and Surgical Assisting
- the Veterinary Technology program accredited by the American Veterinary Medical Association Committee on Veterinary Technician Education and Activities

Tuition and Fees

The tuition rate per semester is \$756 for resident students and \$3,816 for non-resident students. Tuition rates apply to academic college transfer courses. Many courses also impose equipment, supply and lab fees.

A history of tuition and fees follows:

Table 15

Year	Resident Career Technical Education Tuition	Resident Academic / Transfer Tuition	Non-Resident Tuition	Registration Fee	Technology Fee
2022-23	\$756	\$756	\$3,816	\$53	\$10
2021-22	684	684	3,612	50	9
2020-21	672	672	3,552	45	9
2019-20	672	672	3,552	45	9
2018-19	564	660	3,516	45	9
2017-18	480	648	3,444	45	8
2016-17	384	624	3,312	40	8
2015-16	306	612	3,240	40	8
2014-15	216	600	3,240	40	6
2013-14	168	594	3,240	40	6

Note: Tuition based on 12 to 18 credit hours. Technology fee assessed per credit hour. In addition to the above, pass-through fees may be required depending on the courses taken. The College offers a handful of specialty programs, such as our Fast Track Business program that have difference pricing than listed in this table.

Source: Central New Mexico Community College

Starting in the Academic Year 2022-2023, CNM implemented a higher education inflation index model to inform the annual recommended tuition changes. The model takes into account the National Higher Education Price Index (“HEPI”), as well as the HEPI Index specific to the Mountain Region of states. It also factors in actual CPI data as well as any projected compensation increase to be implemented by the New Mexico Legislature.

See “Enrollment” for information concerning the College’s recent enrollment history. It is possible that any significant increase in tuition and fees or other required fees could result in a reduction of the number of students.

The College competes for students with junior colleges, colleges and universities and other institutions of higher education, including vocational and other career-related schools. In addition, the College competes with other entities in the community in the sale of goods and services; this is particularly true of the goods and services offered by the College’s auxiliary enterprises. Consequently, the revenues from tuition and fees and these auxiliary enterprises of the College may vary depending on the College’s ability to compete successfully with these various outside entities.

Enrollment

The tables below detail the enrollment breakdown for the College.

Table 16

Credit Enrollment Totals	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Business, Hospitality & Technology	4,862	4,609	4,468	4,202	3,909	4,349
Education	1,635	1,571	1,647	1,575	1,407	1,445
Health, Wellness, and Public Safety	4,275	4,128	3,834	3,584	3,175	3,232
Liberal Arts	3,726	3,565	3,923	3,947	3,376	3,452
Math, Science & Engineering	3,465	3,156	2,889	2,533	2,031	1,882
Nursing & Patient Support	2,534	2,854	2,795	2,579	2,116	2,102
Skilled Trades & Arts	2,757	2,490	2,553	2,017	1,923	2,060
Undecided	1,188	1,180	987	961	626	573
<i>Sub-Total</i>	<i>24,442</i>	<i>23,553</i>	<i>23,096</i>	<i>21,398</i>	<i>18,563</i>	<i>19,095</i>

Non-Credit Enrollment Totals	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Adult Education	1,274	1,200	1,088	333	358	639
CNM Ingenuity, Inc.	1,796	1,591	2,209	1,344	2,054	1,418
<i>Total Non-Credit Enrollment</i>	<i>3,070</i>	<i>2,791</i>	<i>3,297</i>	<i>1,677</i>	<i>2,412</i>	<i>2,057</i>

TOTAL HEADCOUNT	27,512	26,344	26,393	23,075	20,975	21,152
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Table 17

Fall Enrollment						
ETHNICITY	2018-19	2019-20	2020-21	2021-22	2022-23	% of Total
Asian	515	530	482	398	373	2%
Black, non-Hispanic	660	608	560	518	506	3%
Hispanic	12,135	12,338	11,505	9,976	10,254	54%
Native American	1,406	1,422	1,333	1,228	1,274	7%
Native Hawaiian	57	60	58	52	47	0%
Non-Resident	40	43	39	51	60	0%
Other	1,600	1,286	997	968	1,095	5%
Two or More Races	555	633	620	558	571	3%
White, non-Hispanic	6,585	6,176	5,804	4,814	4,915	26%
Total	23,553	23,096	21,398	18,563	19,095	
GENDER						
Male	9,840	9,456	8,265	7,154	7,337	39%
Female	13,713	13,640	13,133	11,409	11,758	61%
Total	23,553	23,096	21,398	18,563	19,095	
AGE						
18 and Under	5,752	6,192	5,088	4,177	4,300	23%
19-25	9,255	8,875	8,393	7,272	7,240	39%
26-30	2,871	2,662	2,710	2,383	2,408	13%
31-40	3,206	2,972	2,998	2,749	2,901	15%
41-50	1,461	1,404	1,377	1,273	1,379	7%
Over 50	1,008	991	830	709	867	4%
Unknown	-	-	2	-	-	0%
Total	23,553	23,096	21,398	18,563	19,095	

Source: Central New Mexico Community College

FINANCES OF THE EDUCATIONAL PROGRAM

The operating revenues for the College are derived from appropriations made to the College by the State, a local mill levy assessed on taxable property of the district, tuition and fees, sales and services of auxiliary operations, self-funded activities, federal, state and local government grants and contracts, private gifts, grants and contracts, and other miscellaneous sources.

Budget Process and Revenue Sources

The College operates on an annual budget with a fiscal year beginning on July 1. However, the budget and resource allocation process is a multi-year planning which assures that funding from all sources is continuously consistent with long-range policies, programmatic goals and specific campus roles and objectives of the College. The budget process is based on criteria established by the HED for the purpose of ensuring consistency in the development and reporting of budget information among State institutions of higher education.

In general, the College prepares the following types of budgets: (a) unrestricted current funds budgets, (b) restricted current funds budgets, and (c) capital construction budgets supported by State capital construction appropriations and local funds derived from the sale of general obligation bonds. Current funds represent those resources of the College that are expendable for current operating purposes. These funds are divided into two subgroups - unrestricted and restricted. While unrestricted current funds can be expended for any College purpose, the expenditure of restricted current funds is limited by the donor or grantor to specific purposes, programs or departments. Unrestricted current funds budgets are funded by State appropriations, local tax levy, tuition, sales and other sources. Restricted current funds budgets are funded by federal,

private and state grants and contracts, and other sources. The State appropriated operating budgets include appropriations for instruction and related support, certain public service activities, libraries and other items. Non-appropriated operating activities include sponsored programs paid for by federal, state and private contracts and grants, student financial assistance, certain self-funding activities and auxiliary enterprises.

In addition to the appropriation for Instruction and General purposes, the State of New Mexico determines annual pay increases for public higher education institutions. The pay increases range from year to year depending on resource availability at the State level. The State funds a portion of the pay increases, and for CNM, that portion has been approximately 55% in recent years. In the 2022 Legislative Session, the state included a pay increase of 7%, of which 3% became effective April 1, 2022 and the remaining 4% became effective July 1, 2022. In addition, the State is requiring all state agencies, including public institutions of higher education, to increase their minimum wage pay for all employees to \$15 per hour. The pay increases are not expected to have a material impact on CNM's net operations.

In 2022, the State created the Opportunity Scholarship Act, which covers all tuition and fees for all degree-seeking undergraduate students at any public state or tribal college in New Mexico who take between six and 18 credit hours during the fall and spring semesters and maintain a 2.5 grade point average. This is primarily designed for non-traditional students who do not qualify for the Lottery Scholarship and who are working adults. Students enrolled in certain credit-bearing certificate programs would also be eligible for the scholarship, if their certificate programs were approved by the Higher Education Department and Workforce Solutions Department. This will include opportunities for completing more than one certificate. Funding for this scholarship includes \$63 million in one-time funding and \$12 million in recurring funds. The Lottery Scholarship will continue to cover full tuition and fees for eligible students and will continue to be funded through a portion of lottery ticket sales. The Opportunity Scholarship Fund will also receive a \$146 million, one-time appropriation in FY24. These were among many other appropriations that were made to support education, workforce, local businesses, and the overall economy.

Accounting Policies

The College follows GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*; Statement No. 35 *Basic Financial Statements and Management's Discussion and Analysis – for Public Colleges and Universities*; Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Government Omnibus*; and Statement No. 38, *Certain Financial Statement Note Disclosures*. The financial statement presentation required by these statements provides a comprehensive, entity-wide perspective of the College's assets, liabilities and net position, revenues, expenses, changes in net position, and cash flows.

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. The College's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

HED is required by statute to periodically conduct special audits of the institutions of higher education. These audits may include verification of enrollments, fund balances, compliance with legislation, comparison of expenditures to budgets and other areas to be determined by HED. HED is required to consider the audit findings in making its annual recommendations to the executive and legislature for higher education funding. Many of the areas included in special audits are reviewed annually by HED during its annual operating budget approval process. On a quarterly basis, the College's Governing Board reviews and approves financial reports; these reports are submitted to HED.

The following is a five-year history of Statement of Net Assets:

Table 18

	2018	2019	2020	2021	2022
Assets					
Current Assets:					
Cash and cash equivalents	\$4,335,220	\$3,976,480	\$4,518,874	\$3,127,525	\$2,770,990
Investments - unrestricted	52,718,024	52,639,712	52,851,699	78,485,582	102,229,567
Investments - restricted	40,470,500	65,659,811	44,993,847	76,370,381	64,425,588
Endowment investments	14,026	119,692	172,968	756,386	351,589
Accounts receivable students, net	6,148,023	6,439,719	2,107,944	7,282,287	6,713,968
Grants and contracts receivable	2,328,622	6,768,491	3,966,486	7,551,119	5,372,766
Lease receivable					892,280
Mill levy receivable	3,154,226	3,165,490	3,585,310	3,856,202	3,716,696
Other receivables	379,737	294,517	347,864	1,219,958	922,267
Inventories	55,619	47,776	63,694	57,712	44,552
Other assets	1,817,889	1,910,942	1,590,713	894,040	879,667
Total Current Assets	\$111,421,886	\$141,022,630	\$114,199,399	\$179,601,192	\$188,319,930
Noncurrent Assets:					
Investments - restricted	\$826,239				
Endowment investments	1,805,000	\$1,805,000	\$1,805,000	\$1,805,000	\$1,805,000
Lease receivable					7,550,861
Mill levy receivable	1,884,102	1,881,344	1,754,213	2,168,420	2,096,104
Notes receivable	155,753	137,617	154,864	156,201	154,172
Other assets	106,667	98,667	90,667	82,667	74,667
Capital assets, net	287,247,877	302,032,308	330,067,812	331,930,405	333,670,549
Total Noncurrent Assets	\$292,025,638	\$305,954,936	\$333,872,556	\$336,142,693	\$345,351,353
Total Assets	\$403,447,524	\$446,977,566	\$448,071,955	\$515,743,885	\$533,671,283
Deferred outflows of resources:					
Bond refunding	\$120,679	\$83,547	\$46,415	\$9,283	\$0
OPEB related	1,434,615	5,976,478	5,132,370	22,228,133	17,979,975
Pension related	92,666,770	77,967,534	46,177,433	246,080,967	146,614,244
Total deferred outflow of resources	\$94,222,064	\$84,027,559	\$51,356,218	\$268,318,383	\$164,594,219
Liabilities					
Current Liabilities:					
Accounts payable to suppliers	\$6,867,153	\$9,816,548	\$4,832,158	\$6,143,750	\$7,829,642
Accounts payable -loans	106,697	109,271	106,697	106,697	107,198
Accrued compensated absences	2,392,733	2,764,176	3,389,129	3,658,412	3,561,572
Accrued payroll and payroll taxes	5,970,611	5,268,807	6,505,918	6,556,565	7,516,016
Accounts payable - other	280,402	291,546	465,496	567,836	546,928
Accrued interest payable	1,343,400	1,697,635	1,516,578	1,251,596	1,477,792
Deferred revenue	8,133,572	8,353,206	3,064,239	9,885,528	11,694,277
Bonds payable - current portion	14,583,421	17,392,249	15,359,429	16,611,671	25,281,381
Lease Liabilities	-	-	-	-	42,849
Total Current Liabilities	\$39,677,989	\$45,693,438	\$35,239,644	\$44,782,055	\$58,057,655
Noncurrent Liabilities - Bonds payable					
Lease liabilities	80,484,621	104,919,489	87,560,060	112,122,532	86,841,152
Net OPEB liabilities	77,885,864	78,941,338	52,025,749	71,040,905	54,643,826
Net pension liability	280,702,869	306,774,935	200,269,620	524,629,170	178,913,174
Total noncurrent liabilities	\$439,073,354	\$490,635,762	\$339,855,429	\$707,792,607	\$320,456,096
Total Liabilities	\$478,751,343	\$536,329,200	\$375,095,073	\$752,574,662	\$378,513,751

Table 18 (cont.)

	2018	2019	2020	2021	2022
Deferred inflows of resources:					
Bond refunding				135,403	108,983
Lease related					8,218,160
OPEB related	17,726,639	20,396,988	39,860,606	32,678,576	36,694,612
Pension related	10,903,153	9,676,841	10,812,458	4,665,134	255,412,453
Total deferred inflow of resources	28,629,792	30,073,829	50,673,064	37,479,113	300,434,208
Net position:					
Invested in capital assets, net of related debt	\$215,430,308	\$224,969,509	\$257,243,870	\$255,200,493	\$258,064,458
Restricted:					
Nonexpendable					
Department Programs	1,805,000	1,805,000	1,805,000	1,805,000	1,805,000
Expendable					
Department Programs	48,122	147,958	191,637	844,530	434,589
Debt Service	16,897,099	18,629,083	16,471,477	17,943,323	21,640,949
Unrestricted	(243,892,076)	(280,949,454)	(202,051,948)	(281,784,853)	(262,627,423)
Total Net Assets	(\$9,711,547)	(\$35,397,904)	\$73,660,036	(\$5,991,507)	\$19,317,573

Source: The figures above have been extracted from the College's audited financial statements. Such figures are excerpts only and do not purport to be complete. The independent audit report for the year ending June 30, 2022 is attached in Appendix B.

The following is a five-year history of Statement of Revenues, Expenditures and Changes in Net Assets:

Table 19

Operating Revenues:	2018	2019	2020	2021	2022
Tuition and fees (net of scholarship allowances)	\$16,584,282	\$16,246,755	\$17,743,952	\$16,720,700	\$13,722,012
Federal grants and contracts	4,090,119	4,432,577	5,121,206	20,578,224	26,621,382
State and local grants and contracts	6,503,753	6,431,713	8,454,100	11,743,649	13,772,841
Sales and services of educational departments	925,307	1,311,498	1,676,376	1,652,339	1,379,931
Auxiliary enterprise	1,785,148	1,484,640	1,092,897	539,683	691,106
Total Operating Revenues	\$29,888,609	\$29,907,183	\$34,088,531	\$51,234,595	\$56,187,272
Operating Expenses:					
Instruction and general:					
Instruction	\$77,172,732	\$82,089,993	\$64,903,103	\$128,673,733	\$72,567,236
Public Service	656,344	854,519	702,986	399,610	498,754
Academic support	18,927,132	20,511,127	16,486,696	31,421,553	17,290,159
Student services	25,412,303	27,437,483	19,770,526	37,791,244	21,933,813
Institutional support	25,465,759	29,217,884	21,090,324	41,173,667	25,992,389
Operation and maintenance of plant	16,010,027	15,961,695	13,684,536	20,490,291	14,977,939
Depreciation	16,208,509	15,592,070	16,063,466	18,058,937	18,961,903
Student aid	14,422,485	13,495,708	19,412,496	16,627,013	34,919,166
Auxiliary enterprises	546,785	790,621	752,664	572,944	519,345
Other expenses	122,717	114,015	58,916	29,328	84,911
Total Operating Expenses:	\$194,944,793	\$206,065,115	\$172,925,713	\$295,238,320	\$207,745,615
Operating loss	(165,056,184)	(176,157,932)	(138,837,182)	(244,003,725)	(151,558,343)
Nonoperating revenues (expenses):					
State appropriations	\$52,995,400	\$55,677,500	\$60,141,000	\$56,558,800	\$62,510,767
Local appropriations - operating	52,728,165	54,870,490	56,778,347	58,982,011	60,217,537
Local appropriations - debt service	18,585,780	19,255,402	19,892,255	20,641,796	21,414,613
Federal Pell Grant	20,270,992	18,929,812	18,021,789	14,721,097	13,506,282
CARES Act higher education emergency relief	-	-	4,234,000	3,397,228	19,666,046
Gifts	646,596	802,430	696,871	597,937	743,536
Investment income (loss)	1,124,448	2,442,468	1,339,557	762,365	(2,681,886)
Interest on capital asset related debt	(2,381,535)	(3,046,239)	(2,855,069)	(2,199,240)	(2,031,809)
Gain (loss) on disposition of assets	(159,109)	(349,181)	(39,729)	(127,235)	135,799
Pension income	-	-	61,873,492	-	-
OPEB income	-	-	5,090,921	3,661,518	6,495,108
Other nonoperating revenues	400,273	1,215,058	721,253	2,236,853	176,889
Other nonoperating expenses	(4,334,387)	(5,023,179)	(151,382)	(209,434)	(5,408,020)
Net nonoperating revenues (expenses)	\$139,876,623	\$144,774,561	\$225,743,305	\$159,023,696	\$174,744,862
Income (loss) before other revs., exp., gains or losses	(25,179,561)	(31,383,371)	86,906,123	(84,980,029)	23,186,519
Capital appropriations	1,085,258	5,697,014	8,065,246	4,124,436	2,110,431
Capital grants and gifts	5,000	-	14,086,571	1,204,050	12,100
Additions to permanent endowments	-	-	-	-	-
Total Other changes	\$1,090,258	\$5,697,014	\$22,151,817	\$5,328,486	\$2,122,531
Increase (decrease) in net assets	(\$24,089,303)	(\$25,686,357)	109,057,940	(\$79,651,543)	\$25,309,050
Net assets - beginning of year	106,893,768	(9,711,547)	(35,397,904)	73,660,036	(5,991,507)
Beginning net position recognized by GASB 75	(92,516,012)	-	-	-	-
Beginning net position recognized by GASB 68	-	-	-	-	-
Net assets - end of year	(9,711,547)	(35,397,904)	73,660,036	(5,991,507)	19,317,543

Source: The figures above have been extracted from the College's audited financial statements. Such figures are excerpts only and do not purport to be complete. The independent audit report for the year ending June 30, 2022 is attached in Appendix B.

The following is a five-year history of Statement of Cash Flows:

Table 20

	2018	2019	2020	2021	2022
Cash flows from operating activities					
Tuition and fees	\$16,268,124	\$16,132,157	\$16,479,562	\$17,701,149	\$14,748,695
Federal grants and contracts	3,734,534	4,192,975	5,200,422	20,397,568	24,211,827
State and local grants and contracts	5,850,623	5,971,679	7,882,214	12,092,274	16,323,694
Payments to suppliers	(30,908,038)	(22,677,432)	(30,661,996)	(23,054,314)	(28,275,670)
Payments for utilities	(4,592,070)	(3,817,588)	(3,857,646)	(4,119,182)	(4,073,997)
Payments to employees	(75,788,712)	(82,114,216)	(86,551,679)	(84,443,111)	(86,892,744)
Payments for benefits	(26,250,298)	(28,818,305)	(29,057,938)	(29,788,694)	(29,490,048)
Payments for scholarships	(14,397,360)	(13,365,802)	(19,397,290)	(18,178,554)	(33,640,844)
Loans issued to students	(11,420)	-	-	-	-
Collection of loans to students	8,839	18,136	(17,247)	(1,336)	2,028
Auxiliary enterprise charges	1,603,751	1,471,342	1,246,040	113,171	664,445
Sales and services of educational activities	925,307	1,311,498	1,676,376	1,652,338	1,154,949
Other expenses	(4,334,387)	(5,023,179)	(151,382)	(209,434)	(5,408,020)
Other receipts	73,344	123,666	2,405,802	849,925	1,006,532
Net cash used by operating activities	(\$127,817,763)	(\$126,595,069)	(\$134,804,762)	(\$106,988,200)	(\$129,669,153)
Cash flows from noncapital financing activities					
State appropriations	\$52,995,400	\$55,677,500	\$60,141,000	\$56,558,800	\$62,510,767
District mill levies - operating	52,720,895	54,877,484	56,610,436	58,470,028	60,396,384
District mill levies - debt service	18,474,606	19,239,901	19,767,477	20,468,680	21,447,589
Federal Pell Grant	20,201,099	18,828,172	18,140,748	14,748,686	13,481,042
CARES Emergency Relief Funds	-	-	4,075,250	3,569,243	19,716,318
Education Loan receipts	6,983,271	6,297,576	4,826,150	3,694,107	3,127,133
Education Loan disbursements	(7,002,264)	(6,284,267)	(4,821,813)	(3,693,538)	(3,119,546)
Gifts and appropriations received for permanent endowments	646,596	802,430	696,871	597,937	743,536
Cash provided by bank overdraft	-	-	-	-	-
Student organization agency transactions	(11,971)	2,734	134,132	9,945	7,367
Cash overdraft - due to bank	-	-	-	-	-
Other expenses	-	-	-	-	-
Other receipts	-	-	-	-	-
Net cash provided by noncapital financing activities	\$145,007,632	\$149,441,530	\$159,570,251	\$154,423,888	\$178,310,590
Cash flows from capital and related financing activities					
Proceeds from capital debt	\$0	\$42,152,373	\$0	\$41,265,778	-
Proceeds from refunding bonds	-	-	-	15,820,593	-
Capital appropriations	2,659,922	3,257,255	9,816,407	1,772,763	4,975,459
Proceeds from sale of capital assets	49,067	39,882	16,905	14,963	141,965
Payment to refunded bonds escrow account	-	-	-	(15,660,593)	-
Purchases of capital assets	(23,287,074)	(29,143,204)	(33,405,421)	(17,306,321)	(21,563,931)
Payment to refund bond escrow agent	-	-	-	-	-
Principal paid on capital debt and leases	(11,500,000)	(13,570,000)	(18,180,000)	(14,390,000)	(14,920,763)
Interest paid on capital debt and leases	(3,813,400)	(3,993,550)	(4,211,242)	(3,512,750)	(3,554,421)
Net cash used by capital and related financing activities	(\$35,891,485)	(\$1,257,244)	(\$45,963,351)	\$8,004,433	(\$34,921,691)
Cash flows from investing activities					
Proceeds from sale and maturity of investments	118,288,300	96,256,190	124,425,793	72,730,030	116,916,412
Interest on investments	1,124,448	2,442,468	1,339,556	762,365	-2,681,886
Purchase of investments	(96,762,438)	(120,646,615)	(104,025,093)	(130,323,865)	(128,310,807)
Net cash provided by investing activities	22,650,310	(21,947,957)	21,740,256	(56,831,470)	(14,076,281)
Net increase (decrease) in cash and cash equivalents	3,948,694	(358,740)	542,394	(1,391,349)	(356,535)
Cash and cash equivalents, beginning of year	386,526	4,335,220	3,976,480	4,518,874	3,127,525
Cash and cash equivalents, end of year	\$4,335,220	\$3,976,480	\$4,518,874	\$3,127,525	\$2,770,990

Table 20 (cont.)

	2018	2019	2020	2021	2022
Reconciliation of net operating loss to net cash used by operating activities:					
Operating loss	(\$165,056,184)	(\$176,157,932)	(\$138,837,182)	(\$244,003,725)	(\$151,558,343)
Adjustments to reconcile net operating loss to net cash used by operating activities					
Depreciated expenses	16,208,509	15,592,070	16,063,466	18,058,937	18,961,903
Other expenses-nonoperational	(4,334,387)	(5,023,179)	(151,382)	(209,434)	(5,408,020)
Other receipts-nonoperational	73,344	123,666	2,405,802	849,925	1,006,532
OPEB plan expense proportion	3,096,491	835,833	-	-	17,019,471
OPEB plan expense - prior year difference and/or rounding	-	(115,792)	115,793	-	(1,224)
CNM OPEB (RHCA) current year contribution	(1,434,615)	(1,536,081)	(1,632,735)	(1,601,119)	(1,637,777)
Pension plan expense proportion	44,658,886	50,272,598	-	129,754,658	-
Pension plan expense - prior year difference and/or rounding	(1,537)	-	(12,547)	4,005	-
CNM pension (ERB) current year contribution	(10,021,773)	(10,727,608)	(11,693,558)	(11,449,971)	(12,520,201)
Difference of lease receivable and deferred inflows of lease					(224,981)
Changes in assets and liabilities:					
Receivables, net	(517,754)	(1,029,909)	3,670,018	(6,087,881)	(679,553)
Inventories	(1,657)	7,843	(15,918)	5,982	13,160
Prepaid expenses	(774,310)	(85,053)	328,229	704,673	22,373
Accounts payable and accrued expenses	(8,764,723)	631,719	(372,019)	(100,006)	3,625,598
Deferred revenue	(990,995)	245,313	(5,297,682)	6,816,473	1,808,749
Compensated absences	42,942	371,443	624,953	269,283	(96,840)
Net cash used by operating activities	(\$127,817,763)	(\$126,595,069)	(\$134,804,762)	(\$106,988,200)	(\$129,669,153)
Noncash transactions:					
Capital grants and gifts	\$5,000,000	\$0	\$14,086,571	\$1,204,049	\$12,100

Source: The figures above have been extracted from the College's audited financial statements. Such figures are excerpts only and do not purport to be complete. The independent audit report for the year ending June 30, 2022 is attached in Appendix B.

Employees

The College provides work for over 2,429 staff and faculty employees consisting of 1,233 full-time, 979 part-time and 169 work study student employees.

Pension Plan – Educational Retirement Board

Substantially all of the College's full-time employees participate in an educational employee retirement system authorized under the Educational Retirement Act (NMSA 1978, Chapter 22, Article 11). The Educational Retirement Board (ERB) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members (certified teachers, other employees of state public school districts, colleges and universities, and some state agency employees) and beneficiaries. The State of New Mexico mandates wages and the pension contributions to ERB by CNM. CNM annually makes its obligation pension contributions from state appropriations and other legally available funds.

ERB issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to ERB, P.O. Box 26129, Santa Fe, NM 87502. The report is also available on ERB's website at www.nmerb.org.

Funding Policy

Member Contributions: Plan members whose annual salary is \$24,000 or less are required by statute to contribute 7.9% of their gross salary. Plan members whose annual salary is over \$24,000 are required to make the following contributions to the Plan: 10.7% of their gross salary in fiscal year 2022.

Employer Contributions: The College contributed 15.15% of gross covered salary in fiscal year 2022. In fiscal year 2021, the College contributed 14.15% of gross covered salary. In the 2022 Legislative Session, Senate Bill 36 increased employer contributions to 17.15% starting in fiscal year 2023 and to 18.15% starting in fiscal year 2024. These changes to the Educational Retirement fund are expected to decrease the funding period while improving the sustainability of the fund.

The contribution requirements of plan members and the College are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The College's contributions to ERB for the fiscal years ending June 30, 2022 and 2021 were \$12,520,201 and \$11,451,196, respectively.

403(b)

In addition to the ERB plan, the College sponsored a 403(b) defined savings contribution plan for its employees. The College froze the plan on December 31, 2008. The College did not contribute or match any funds in the 403(b) savings program.

457(b)

In March 2002, the Central New Mexico Community College Governing Board adopted the State of New Mexico's Deferred Compensation Plan. The 457 Deferred Compensation plan was implemented in Fall 2003 and provides a voluntary retirement savings option for all employees with the exception of work study student employees. Under the plan in calendar year 2022, employees may voluntarily contribute up to a maximum of \$20,500 if under age 50, and up to a maximum of \$27,000 if the employee is 50 or older. The College does not contribute or match any funds in the 457(b) savings program. The total amount of employee contributions for the fiscal years 2022 and 2021 was approximately \$666,041 and \$737,040, respectively.

Pension Liabilities

At June 30, 2022, the college reported a liability of \$178,913,174 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2021 using generally accepted actuarial principles. At June 30, 2021, the College's proportion was 2.52436% which was a decrease of 0.06437% from its proportion of 2.58873% measured as June 30, 2020. Net Pension Liability, as defined by the New Mexico ERB, is measured as the total pension liability, less the Plan's fiduciary net position. See www.erb.nm.gov for information on the Plan's total net pension liability.

For the year ended June 30, 2022, the College recognized allocated ERB plan pension expenses of \$17,019,471.

Pension Plan Statistics:

The following is a 10-year history of employer and employee contribution statewide, and average assets balance of the fund.

Table 21

Fiscal Year Ending June 30	Employer Contributions	Employee Contributions	Net Assets Held in Trust
2012	\$253,845,277	\$289,852,094	\$9,606,304,017
2013	299,657,530	248,785,187	10,358,058,861
2014	362,462,537	268,693,991	11,442,171,449
2015	395,129,621	294,560,840	11,642,543,051
2016	396,988,557	293,847,970	11,532,837,951
2017	395,843,795	292,809,008	12,509,355,910
2018	388,723,983	287,323,804	12,970,300,855
2019	406,549,056	303,442,092	16,544,691,114
2020	451,556,144	329,724,869	13,019,196,862
2021	452,872,287	330,066,887	16,361,524,358

Source: New Mexico Educational Retirement Board, Financial Report

Post-Employment Benefits:

The College contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (NMSA 1978, Chapter 10, Article 7C). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

At June 30, 2022, the College reported a liability of \$54,643,826 for its proportionate share of the net Other Postemployment Benefits or "OPEB" liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021. The College's proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2021. At June 30, 2021, the College's proportion was 1.66073%. For the year ended June 30, 2022, the College recognized OPEB income of \$6,492,247.

The College's contributions to the RHCA for the years ended June 30, 2022 and 2021 were \$1,637,777, and \$1,604,019 respectively, which equal the required contributions for each year.

TAX EXEMPTION

In the opinion of Rodey, Dickason, Sloan, Akin & Robb, P.A., Bond Counsel, to be delivered at the time of the original issuance of the Bonds, under existing laws, regulations, rulings and judicial decisions, and assuming continuous compliance with certain covenants made by the District: (1) the interest on the Bonds is excludable from gross income of the owners of the Bonds for federal income tax purposes (2) the interest on the Bonds is not an item of tax preference for purposes of the alternative minimum tax for individuals. However, interest on the Bonds is included in the "adjusted financial statement of income" (as determined under Section 56A of the Internal Revenue Code of 1986 as amended (the "Code") of "applicable corporations" (as defined in section 59 of the code) for purposes of determining the alternative minimum tax under section 55 of the Code applicable to such "applicable corporations." Bond Counsel is further of the opinion that interest on the Bonds is exempt from taxation by the State of New Mexico. The Bonds have not been designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. Bond Counsel will express no opinion regarding other federal or New Mexico income tax consequences resulting from the receipt or accrual of interest on the Bonds. A form of Bond Counsel Opinion is attached to this document as Appendix D.

Bond Counsel's opinion on federal tax matters will be based on and will assume continuous compliance with certain representations, certifications and covenants of the District to be contained in the transcript of proceedings and that are intended to evidence and give assurances that the Bonds are and will remain obligations the interest on which is excludable from gross income for federal income tax purposes. Bond Counsel has not and will not independently verify the accuracy of any of the certifications and representations made by the College.

The Code prescribes a number of qualifications that must be met and conditions that must be satisfied in order for the interest on state and local government obligations such as the Bonds to be and remain excludable from gross income for federal income tax purposes. Some of these provisions, including provisions for the rebate by the issuer of certain investment earnings to the federal government, require future or continued compliance after issuance of the obligations in order for the interest to be and continue to be so excludable from the date of issuance. Noncompliance with these requirements could cause the interest on the Bonds to be included in gross income for federal income tax purposes

retroactively to the date of issuance of the Bonds and thus to be subject to regular federal income taxes. The District covenants in the Bond Resolution to take all actions that may be required of it in order for the interest on the Bonds to be and remain excludable from gross income for federal income tax purposes, and not to take any actions that would adversely affect that exclusion.

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at the maturity of such bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes “original issue discount” the accrual of which, to the extent properly allocable to each beneficial owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes. Beneficial owners of the Bonds, should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of beneficial owners who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public.

Prospective purchasers of the Bonds should be aware that, under the Code, the exclusion of interest from gross income for federal income tax purposes can have certain adverse federal income tax consequences in other respects for certain taxpayers, including, without limitation, corporations, financial institutions, certain insurance companies, recipients of Social Security or Railroad Retirement benefits, those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations, and individuals otherwise eligible for the earned income tax credit. The applicability and extent of those other tax consequences under the Code will depend upon the particular tax status and other items of income and expense of the owner of the Bonds. Bond Counsel will express no opinion regarding such consequences. Prospective purchasers of the Bonds should consult their tax advisers regarding federal income tax consequences.

The opinion of Bond Counsel is based on the existing law, which is subject to change. Such opinion is further based on factual representations made to Bond Counsel as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinion to reflect any facts or circumstances that may thereafter come to its attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, the opinion of Bond Counsel is not a guarantee of a particular result and is not binding on the IRS or the courts; rather, such opinion represents Bond Counsel’s professional judgement based on its review of existing law, and in reliance on the representations, certifications, and covenants that it deems relevant to such opinion.

ORIGINAL ISSUE PREMIUM

The Bonds may be offered at a premium (“original issue premium”) over their principal amount. For federal income tax purposes, original issue premium is amortizable periodically over the term of a Bond through reductions in the holders’ tax basis in the Bond for determining taxable gain or loss from sale or from redemption prior to maturity. Amortizable premium is accounted for as reducing the tax-exempt interest on the Bond rather than creating a deductible expense or loss. Holders of Bonds offered at an original issue premium should consult their tax advisor for an explanation of the amortization rules.

CONTINUING DISCLOSURE UNDERTAKING

In the Bond Resolution, the College has made an undertaking (the “Undertaking”) pursuant to Securities and Exchange Commission Rule 15c2-12 (the “Rule”) to provide continuing disclosure of information for the benefit of the holders and beneficial owners of the Bonds. The College is required to observe the Undertaking for so long as it remains obligated to advance funds to pay the Bonds. Under the Undertaking, the College will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified material events, to the Municipal Securities Rulemaking Board (“MSRB”). This information will be available to the public, without charge, through the MSRB’s Electronic Municipal Market Access website (“EMMA”), at www.emma.msrb.org.

Annual Reports

The College will provide to the MSRB the College’s audited financial statements and certain financial and operating information. The information to be updated includes all quantitative financial information and operating data with respect to the College of the general type included in this Official Statement under the headings “DEBT AND OTHER FINANCIAL OBLIGATIONS”, “TAX BASE”, and “THE COLLEGE – Tuition and Fees; Enrollment”, “FINANCES OF THE EDUCATIONAL PROGRAM – Statement of Net Assets, Statement of Revenues, Expenditures and Changes in Net Assets, and Statement

of Cash Flows” (tables 2 – 20). The College will update and provide this information by March 31 following the end of each fiscal year. A draft of the Continuing Disclosure Undertaking is attached hereto as Appendix E.

The College may provide updated information in full text or may incorporate by reference certain other publicly available documents, as permitted by the Rule. The updated information will include audited financial statements, if the College commissions an audit and it is completed by the required time. If audited financial statements are not available by the required time, the College will provide unaudited financial statements by the required time and will provide audited financial statements when and if the audit report becomes available. Any such financial statements will be prepared in accordance with accounting principles that the College may be required to employ from time to time pursuant to state law or regulation.

The College’s current fiscal year end is June 30. If the College changes its fiscal year, it will notify the MSRB of the change.

Material Event Notices

The College will also provide to the MSRB, in a timely manner not to exceed of ten business days after the occurrence of the event, notices of the occurrence of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (7) modifications to rights of security holders, if material; (8) Bond calls, other than mandatory sinking fund redemption, if material, or tender offers; (9) defeasances; (10) release, substitution, or sale of any property securing repayment of the Bonds, if material within the meaning of the federal security law; (11) rating changes, (12) bankruptcy, insolvency receivership or similar event with respect to the College or an obligated person; (13) the consummation of a merger, consolidation or acquisition involving the College, or the sale of all or substantially all of the assets of the College, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; (15) incurrence of a financial obligation of the College, if material, or an agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the College, any of which affect security holders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of an obligated person, any of which reflect financial difficulties. In addition, the College will provide timely notice to the MSRB of any failure by the College to provide information, data, or financial statements in accordance with the undertaking described above under “Annual Reports.”

Availability of Information from EMMA

The College has agreed to provide the foregoing information only to the MSRB. The MSRB has represented that all such information shall be available without charge on its EMMA website.

Limitations and Amendments

The College has agreed to update information and to provide notices of material events only as described above. The College has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition or prospects or agreed to update any information that is provided, except as described above. The College makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The College disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its Undertaking or from any statement made pursuant to its Undertaking, although holders of Bonds may seek a writ of mandamus to compel the College to comply with its agreement.

The Undertaking may be amended by the College from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law or a change in the identity, nature, or status of the College, but only if (1) the provisions, as so amended, would have complied with the Rule at the time of the initial issue and sale of the Bonds after taking into account any amendments or interpretations of the Rule as well as any changes in circumstances and (2) independent counsel experienced in federal securities laws determines that such amendment does not impair the interest of the holders and beneficial owners of the Bonds. The College may also amend or repeal the provisions of the Undertaking

if the SEC amends or repeals the applicable provisions of the Rule or a court of competent jurisdiction enters a final judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

Compliance with Prior Undertakings

On May 4, 2021, the College privately placed \$8,000,000 Taxable Educational Technology Notes, Series 2021C with the New Mexico State Treasurer's Office with a final maturity date of August 15, 2022. The information for this transaction was disclosed in the Official Statement for CNM's General Obligation Bonds, Series 2021A & 2021B, however, the financial incurrence was not filed as required pursuant to the new amendments of Rule 15c2-12. The financial incurrence was subsequently filed on EMMA on September 22, 2021 along with a Notice of Failure to File an event notice. With respect to the College's General Obligation (Limited Tax) Bonds, Series 2021B, which refunded the College's General Obligation (Limited Tax) Bonds, Series 2011 (the "2011 Bonds"), the College filed its Notice of Defeasance and Redemption for the 2011 Bonds on July 1, 2021, but which was due by June 2, 2021. With the exception of the aforementioned, for the past five years, the College has made continuing disclosure undertakings in accordance with SEC Rule 15c2-12 and is in compliance with such continuing disclosure undertakings.

LITIGATION

At the time of the original delivery of the Bonds, the College will deliver a no-litigation certificate to the effect that no litigation or administrative action or proceeding is pending or, to the knowledge of the appropriate officials, threatened, restraining or enjoining, or seeking to restrain or enjoin, the issuance and delivery of the Bonds, the effectiveness of the Bond Resolution, the levying or collecting of taxes to pay the principal of and interest on the Bonds or contesting or questioning the proceedings of the College under which the Bonds have been authorized and are to be issued, sold, executed or delivered, or the validity of the Bonds.

LEGAL MATTERS

The legality of the Bonds will be approved by Rodey, Dickason, Sloan, Akin & Robb, P.A., Albuquerque, New Mexico, whose unqualified opinion approving the legality of the Bonds will be furnished at no cost to the purchasers of the Bonds. The proposed form of such opinion letter is attached hereto as Appendix D.

RATINGS

Moody's Investors Service, Inc. and S & P Global Ratings have given the Bonds ratings of "Aa1" and "AA+", respectively. These ratings reflect only the views of such rating agencies, and an explanation of the significance of the ratings may be obtained only from each rating agency. There is no assurance that such ratings will not be revised downward or withdrawn entirely by the rating agencies, if in their judgment, circumstances so warrant. Any such downward revision or withdrawal may have an adverse effect on the market price of the Bonds.

THE MUNICIPAL ADVISOR

RBC Capital Markets, LLC is employed as Municipal Advisor to the College in connection with the issuance of the Bonds. The Municipal Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification of or to assume responsibility for the accuracy, completeness, or fairness of the information in this Official Statement.

ADDITIONAL INFORMATION

All summaries of the statutes, resolutions, opinions, contracts, agreements, financial and statistical data and other related reports described in this Official Statement are subject to the actual provisions of such documents. The summaries do not purport to be complete statements of such provisions and reference is made to such documents, copies of which are either publicly available or available for inspection during normal business hours at the offices of the College located at 525 Buena

APPENDIX A

**ECONOMIC AND DEMOGRAPHIC INFORMATION
RELATING TO THE COLLEGE**

THE ECONOMY

General

The District includes 99% of Bernalillo County and 76% of Sandoval County based on assessed valuation. The District is geographically situated in the center of the State of New Mexico. The boundaries encompass all of the City of Albuquerque and the Villages of Tijeras, Los Ranchos de Albuquerque, Corrales and the City of Rio Rancho. The District covers 1,325 square miles and is spread across the Albuquerque Metropolitan Statistical Area ('MSA') which has an estimated population of 935,001¹.

The District is crossed by Interstate highways 25 and 40 and is served by the Burlington North and Santa Fe Railroad and the Albuquerque International Sunport. The District is also bisected by the Rio Grande River, which provides irrigation to support continued agriculture despite increased urbanization.

Historically, defense-related industries have contributed significantly to the District economy, however, economic diversification has increased in recent years. Also, the mission of Sandia National Laboratories has been changed to include non-defense research. Sandia National Laboratories has become a national research laboratory rather than a nuclear research facility. Sandia has entered into a number of joint research projects with private industry and has placed a major emphasis on the transfer of technology to benefit existing industries and to spawn new ones. It is hoped that this greater diversification in the role of the laboratory will also further the diversification of the area economy.

In the private sector, Albuquerque has experienced a period of employment growth from industries such as ClientLogic, T-Mobile, Verizon Wireless, Amazon, and Netflix. Notable technology and biotechnology companies in the Albuquerque MSA include Lockheed Martin, CVI Laser Optics, Applied Research Associates, Curia (formerly known as OSO Pharmaceuticals), TriCore Reference Laboratories, and Sartorius.

In 2020, Netflix pledged an additional \$1 billion in spending on film and original content in New Mexico over the next 10 years. In 2018 Netflix purchased Albuquerque Studios which is located in the southern part of Bernalillo County and has purchased 300 additional acres to expand. NBCUniversal celebrated its first year of Albuquerque operations in Summer 2022. The company made a 10 year commitment to create a major Albuquerque production venture. Production spending is estimated to reach \$500 million, with 330 full time jobs generating a total economic impact of \$1.1 billion. The total number of job, direct and indirect, is expected to exceed 800. In FY22, film industries have spent over \$855 million across 109 projects in New Mexico.

Because of its accessibility and tourist facilities, the area is the gateway for tourism in New Mexico as well as an attraction in its own right. The District includes the historic "Old Town" of Albuquerque, Sandia Peak Ski Area, Sandia Tramway, a number of nationally recognized museums and the Cibola National Forest. Other attractions include the Annual Albuquerque International Balloon Fiesta, National Hispanic Cultural Center, Gathering of Nations, and the Expo New Mexico. There are also several Native American pueblos within easy driving distance, which draw many tourists because of their historical significance, cultural beauty and Indian arts.

The area within the District is part of the Albuquerque Metropolitan Statistical Area. The Albuquerque MSA was redefined as of January 1993 to include the counties of Bernalillo, Sandoval and Valencia. The Albuquerque MSA represents the largest commercial and industrial center in the State of New Mexico. The area is economically dynamic as evidenced by strong property value growth, continued residential and non-residential construction, and unemployment rates below both the State as a whole and the nation.

CNM is well known for its positive impact on economic development in the Albuquerque area. CNM has graduated 89,576 students since opening its doors in 1965 and average of 6,560 annually and the College has been frequently called upon by business and industry for employee training and skills upgrading. Employers – large and small, new and established – have come to rely on CNM.

¹ Estimates. Source: Spotlight, February 2022

Population

The chart on the following page sets forth historical population data for Albuquerque MSA and the State.

Table 22

Census Year	Albuquerque MSA	State of New Mexico
1970	373,812	1,017,055
1980	515,776	1,303,143
1990	589,131	1,515,069
2000	729,648	1,826,280
2010	887,077	2,065,826
2020	917,179	2,117,522
2023 ⁽¹⁾	920,980	2,120,216
2028 ⁽¹⁾	930,877	2,135,866
Projected Growth 2023-2028 ⁽²⁾	1.07%	0.74%

*Estimates. Source: U.S. Census Bureau: State and County QuickFacts.

(1) Estimates. Source: Spotlight, January 2023

(2) Projected. Source: Spotlight, January 2023

Age Distribution

The following table sets forth a comparative age distribution profile for the City of Albuquerque MSA, the State of New Mexico and the United States.

Table 23

Age Group	Percent of Population		
	Albuquerque MSA	New Mexico	United States
0 - 17	20.93%	21.99%	21.80%
18 - 24	8.74%	9.41%	9.24%
25 - 34	13.57%	13.17%	13.42%
35 - 44	13.51%	12.59%	12.91%
45 - 54	11.71%	11.05%	12.06%
55 and Older	31.54%	31.79%	30.57%

Source: Spotlight, January 2023

Effective Buying Income

The following table reflects the percentage of households by Effective Buying Income (“EBI”) and a five-year comparison of the estimated median household income as reported by The Nielsen Company. EBI is personal income less personal tax and non-tax payments. Personal income includes wages and salaries, other labor income, proprietors’ income, rental income, dividends, personal interest income and transfer payments. Deductions are made for federal, state and local taxes, non-tax payments such as fines and penalties, and personal contributions for social security insurance.

Table 24

Effective Buying Income Group	Albuquerque MSA	New Mexico	United States
Under \$25,000	18.61%	21.94%	16.03%
\$25,000 - \$34,999	8.98%	9.88%	7.59%
\$35,000 - \$49,999	11.85%	12.62%	11.22%
\$50,000 - \$74,999	16.85%	16.67%	16.13%
\$75,000 & Over	43.71%	38.89%	49.03%
2018 Est. Median Household Income	\$52,172	\$48,044	\$60,133
2019 Est. Median Household Income	54,350	49,654	62,279
2020 Est. Median Household Income	54,440	49,385	65,228
2021 Est. Median Household Income	54,431	49,658	67,086
2022 Est. Median Household Income	64,973	57,526	73,336

Source: *Spotlight, January 2023*

Taxable Gross Receipts

The following table shows the taxable gross receipts generated (both in retail trade only and in total) in the City of Albuquerque, Bernalillo County and the State of New Mexico. For the purposes of this table, gross receipts means the total amount of money received from selling property in the State of New Mexico, from leasing property employed in the State and from performing services in the State. Gross receipts include, among other things, certain food sales and services such as legal and certain medical services.

Table 25

Fiscal Year	City of Albuquerque		Bernalillo County		State of New Mexico	
	(000's) Retail	(000's) Total	(000's) Retail	(000's) Total	(000's) Retail	(000's) Total
2018	\$4,056,626	\$14,968,038	\$4,321,681	\$18,022,998	\$13,041,456	\$57,971,835
2019	4,231,658	15,956,719	4,525,249	20,986,530	14,755,752	71,045,964
2020	4,389,512	17,634,849	4,771,529	21,286,727	16,409,852	80,200,008
2021	4,942,312	17,916,535	5,363,067	22,120,511	17,858,042	73,760,063
2022	4,906,515	17,855,412	5,687,752	24,116,543	16,634,689	72,895,962

Source: *Taxation & Revenue Department - State of New Mexico*

Employment

The following table, derived from information supplied by the New Mexico Department of Workforce Solutions, presents information on employment within the Albuquerque MSA, the State and United States, for the periods indicated. The annual unemployment figures indicate average rates for the entire year and do not reflect monthly or seasonal trends.

Table 26

Year ⁽¹⁾	Albuquerque MSA		State of New Mexico		United States
	Labor Force	% Unemployed	Labor Force	% Unemployed	% Unemployed
2022 ⁽²⁾	439,503	3.30%	945,320	3.60%	3.60%
2021	438,423	6.30%	943,356	6.80%	5.20%
2020	441,306	5.80%	952,327	4.90%	5.50%
2019	436,747	4.60%	954,596	4.90%	3.70%
2018	436,121	4.50%	957,396	4.60%	3.50%
2017	425,588	5.70%	929,567	6.20%	4.40%
2016	422,320	6.20%	927,355	6.70%	4.90%
2015	413,906	6.20%	919,889	6.60%	5.30%
2014	414,571	6.60%	918,206	6.50%	6.20%
2013	415,874	6.80%	922,960	6.90%	7.40%
2012	418,195	7.10%	928,050	7.10%	8.10%

1) - Numbers are annual averages.

2) - Data for the month of November 2022. Numbers are Preliminary

Source: U.S. Bureau of Labor Statistics, January 2022

Major Employers

The following are the largest employers (according to number of employees) located in Albuquerque MSA:

Table 27

Employer	Business	# of employees
Kirtland Air Force Base	Air Force Materiel Command	33,500
Albuquerque Public Schools	Public School District	15,000
Sandia National Labs	Science-Based Technologies that Support National Security	14,400
Presbyterian Health System	Hospital/Medical Services	13,456
University of New Mexico	Educational Institution	7,616
UNM Hospital	Hospital/Medical Services	6,417
City of Albuquerque	Government	5,800
State of New Mexico	Government	4,950
Lovelace Health Systems	Hospital/Medical Services	3,659
Amazon	Warehousing & Distribution	3,500
NM Veterans Affairs Healthcare System	Hospital/Medical Services	3,100
Bernalillo County	Government	2,600
Central New Mexico Community College	Educational Institution	2,200
T-Mobile Customer Service Center	Customer Service Center	1,850
Intel Corp.	Manufacturing	1,850

Source: Albuquerque Regional Economic Alliance, July, 2022

Covered Wage and Salary Employment by NAICS Code Classification

The New Mexico Department of Labor publishes quarterly reports of covered employment and wages according to the North American Industry Classification System ("NAICS"). Detailed below is the report for Bernalillo County.

Table 28

Bernalillo County	2017	2018	2019	2020	2021
Total Private	262,343	265,700	269,740	250,812	260,386
Accommodation and Food Services	33,401	20,215	34,368	26,942	29,047
Administrative and Waste Services	19,836	34,152	21,346	19,342	20,487
Agriculture, Forestry, Fishing & Hunting	245	229	228	299	376
Arts, Entertainment, and Recreation	4,346	4,436	4,844	2,956	4,043
Construction	19,693	19,971	20,338	20,488	20,986
Educational Services	4,778	4,786	4,934	4,397	4,841
Finance and Insurance	11,505	11,600	11,944	12,002	11,894
Health Care and Social Assistance	48,673	49,056	50,215	49,115	49,362
Information	7,080	6,703	5,725	4,862	4,874
Management of Companies and Enterprises	3,519	3,597	3,748	3,574	3,521
Manufacturing	12,379	12,594	12,675	11,799	12,196
Mining	114	113	113	107	116
Other Services, Ex. Public Admin	8,879	9,031	9,085	7,916	8,150
Professional and Technical Services	29,200	30,072	31,310	31,322	31,863
Real Estate and Rental and Leasing	4,717	4,895	4,996	4,659	4,644
Retail Trade	35,420	35,404	34,768	32,777	34,328
Transportation and Warehousing	6,857	7,121	7,312	7,099	8,554
Utilities	935	949	922	951	989
Wholesale Trade	10,766	10,776	10,869	10,205	10,115
Government	64,236	64,267	64,739	62,573	61,855
Total	326,579	329,967	334,479	313,385	322,241

Note: Figures shown here are annual averages of quarterly data.

Source: New Mexico Department of Workforce Solutions, Quarterly Census of Employment and Wages program.

Covered Wage and Salary Employment by NAICS Code Classification (continued)

The New Mexico Department of Labor publishes quarterly reports of covered employment and wages according to the North American Industry Classification System ("NAICS"). Detailed below is the report for Sandoval County.

Table 29

Sandoval County	2017	2018	2019	2020	2021
Total Private	22,738	22,080	23,679	22,280	22,642
Accommodation and Food Services	3,415	3,369	3,362	3,002	3,253
Administrative and Waste Services	4,573	4,212	4,269	3,443	3,135
Agriculture, Forestry, Fishing & Hunting	*	63	66	70	76
Arts, Entertainment, and Recreation	292	325	285	185	229
Construction	1,621	1,572	1,864	1,599	1,550
Educational Services	246	220	258	214	231
Finance and Insurance	408	*	514	507	453
Health Care and Social Assistance	3,593	3,725	3,796	3,669	3,963
Information	166	161	149	112	125
Management of Companies and Enterprises	*	30	57	57	78
Manufacturing	2,306	2,440	2,974	3,179	3,162
Mining	120	118	96	99	106
Other Services, Ex. Public Admin	596	587	635	582	656
Professional and Technical Services	780	827	934	1,043	1,036
Real Estate and Rental and Leasing	418	418	431	426	426
Retail Trade	3,332	3,295	3,244	3,331	3,452
Transportation and Warehousing	296	268	293	294	250
Utilities	65	65	63	63	56
Wholesale Trade	439	385	389	405	405
Government	7,755	7,670	7,963	6,606	6,623
Total	30,493	29,750	31,642	28,886	29,265

Note: Figures shown here are annual averages of quarterly data.

Source: New Mexico Department of Workforce Solutions, Quarterly Census of Employment and Wages program.

** Withheld to avoid disclosing confidential data. Data that are not disclosed for individual industries are always included in the totals.*

Therefore, the individual industries may not sum to the totals.

APPENDIX B

**AUDITED FINANCIAL STATEMENTS
JUNE 30, 2022**

APPENDIX C

BOOK-ENTRY-ONLY SYSTEM

The Book-Entry-Only System

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (the “Securities”). The Securities will be issued as fully registered securities registered in the name of Cede & Co. (DTC’s partnership nominee), or such other name as may be requested by an authorized representative of DTC. One fully registered Security certificate will be issued for each of the Securities, in the aggregate principal amount of such issue and will be deposited with DTC.
2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.
3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.
4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.
5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities

for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.
7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).
8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.
9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to Agent's DTC account.
10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.
11. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.
12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

APPENDIX D

FORM OF BOND COUNSEL OPINION

APPENDIX E

CONTINUING DISCLOSURE UNDERTAKING

APPENDIX F

OFFICIAL NOTICE OF BOND SALE