

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	\$45,850,000 ⁽³⁾
General Obligation Debt Outstanding (including 2023 Bonds)	<u>\$128,890,000</u>
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	<u>28,629,792</u>	<u>30,073,829</u>	<u>50,673,064</u>	<u>37,479,113</u>	<u>300,434,208</u>
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	<u>(243,892,076)</u>	<u>(280,949,454)</u>	<u>(202,051,948)</u>	<u>(281,784,853)</u>	<u>(262,627,423)</u>
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

Vista SE, Albuquerque, New Mexico 87106, or at the offices of RBC Capital Markets, LLC, 6301 Uptown Boulevard NE, Suite 110, Albuquerque, New Mexico 87110.

TRANSCRIPT AND CLOSING STATEMENTS

A complete transcript of proceedings and a no-litigation certificate (described above under "LITIGATION") will be delivered by the College when the Bonds are delivered. The College will at that time also provide a certificate of the College relating to the accuracy and completeness of this Official Statement.

OFFICIAL STATEMENT AUTHORIZATION

The preparation of this Official Statement and its distribution has been authorized by the Board. The Official Statement is hereby duly approved by the Board as of the date on the cover page hereof.

CENTRAL NEW MEXICO COMMUNITY COLLEGE

By: /s/ _____
Chair, Governing Board

By: /s/ _____
Secretary, Governing Board

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**

**Central New Mexico Community College
Albuquerque, New Mexico**



Central New Mexico Community College



**Annual Comprehensive
Financial Report**

For Fiscal Years Ended June 30, 2022 and 2021

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Central New Mexico Community College

Albuquerque, New Mexico

Annual Comprehensive Financial Report

For Fiscal Years Ended June 30, 2022 and 2021

(With Independent Auditors' Report Thereon)



**Prepared by:
CNM Business Office**

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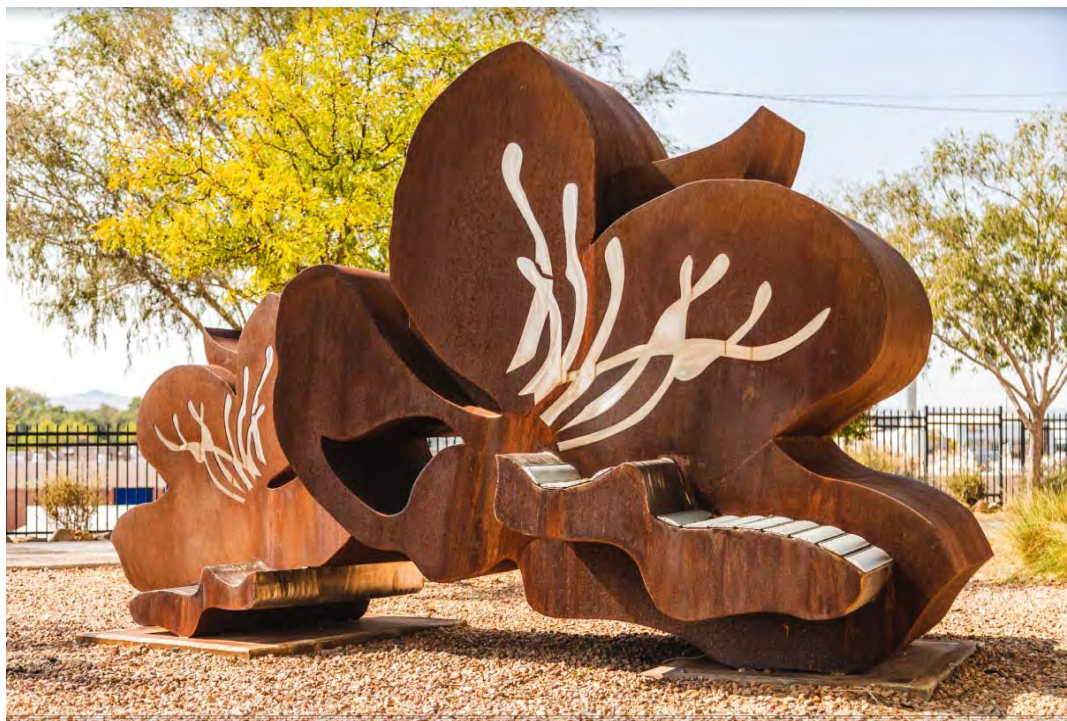
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Introductory Section (Unaudited)



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Letter of Transmittal

November 1, 2022

To the Residents of the Central New Mexico Community College (CNM) District and the State of New Mexico,

We are pleased to submit the following annual comprehensive financial report (ACFR) for Central New Mexico Community College (CNM) for the fiscal year ended June 30, 2022. This report has been prepared in compliance with all applicable financial reporting standards.

State statute requires an annual audit by independent certified public accountants. The purpose of an independent audit is to provide assurance, based on independent review and testing, that the basic financial statements and accompanying notes are fairly stated in all material respects. In addition to meeting the requirements set forth in state statute, the audit also was designed to meet the compliance requirements described in the Office of Management and Budget (OMB) Uniform Guidance. The auditors' report related specifically to the single audit is included in the Single Audit Section.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon the comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The New Mexico Office of the State Auditor (OSA) in accordance with the Audit Act, §§ 12-6-1 to 12-6-14, NMSA 1978, ensures that the financial affairs of every agency shall be thoroughly examined and audited each year by the state auditor, personnel of the state auditor's office designated by the state auditor or independent auditors approved by the state auditor. 2.2.2 NMAC Audit Rule 2022 requires that audit reports are submitted to the OSA by November 1 for higher education institutions. This report is published to fulfill that requirement for the fiscal year ended June 30, 2022.

Annual Comprehensive Financial Report

CNM's annual comprehensive financial report is prepared by the CNM Business Office in accordance with Generally Accepted Accounting Principles (GAAP) as established by the Governmental Accounting Standards Board (GASB) and complies with the Annual Financial Reporting Requirements as set forth by the New Mexico Higher Education Department (NMHED). The Notes to the Financial Statements are considered essential to fair presentation and adequate disclosure for this financial report. The Notes are an integral part of the financial statements and should be read in conjunction with them. The Management's Discussion and Analysis (MD&A) provides the reader with a narrative introduction, overview, and analysis of the financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Carr, Riggs & Ingram, LLC, CPAs and Advisors, has issued an unmodified (“clean”) opinion on the Central New Mexico Community College’s financial statements for the year ended June 30, 2022. The Independent Auditors’ report is located at the front of the financial section of this report.

Reporting Entity

CNM is a special-purpose government engaged solely in business-type activities (BTA). The Central New Mexico Community College Foundation, Inc. (Foundation) and CNM Ingenuity, Inc. (Ingenuity) are discretely presented component units in the CNM statements.

Profile of the College

Central New Mexico Community College has come a long way since opening as Albuquerque Technical Vocational Institute (TVI) in 1965, when 150 students took advantage of the school’s vocational classes. Fifty-seven years later, about 20,000 students are attending CNM, making it the largest community college in New Mexico and the second largest higher education institution in the state in terms of undergraduate enrollment. Enrollment reached an all-time high of 30,000 students in fall 2010.



CNM became a full-fledged community college in 1986, when the state Legislature authorized then-TVI to begin granting associate degrees, leading to a wide array of arts and sciences classes and programs that are transferable to four-year universities. While arts and sciences programs have grown through the years, CNM has remained committed to its technical vocational roots and just recently completed a visioning exercise to inform the plans for new, state-of-the-art trades facilities and offerings. In 2006, the school’s name was changed to Central New Mexico Community College to better reflect the breadth of offerings and its service area.

The Central New Mexico Community College Foundation was organized in 1985 as a not-for-profit New Mexico corporation under Section 501(c)(3) of the Internal Revenue Code. The Foundation is classified as a publicly supported organization (not a private foundation). The Foundation was incorporated for the purpose of providing support to the College and is authorized through its articles of incorporation to receive and hold any property, real or personal, bequeathed, given in trust, or in any other way for the use or benefit of the College, or any student or instructor therein, or for the carrying on for the College in any line of work, teaching or investigation, which the donor, grantor, or testator may designate.

CNM Ingenuity, Inc., was founded on March 17, 2014, under the New Mexico University Research Park and Economic Development Act. It is a New Mexico not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code. Ingenuity is specifically classified as a 509(a)(3) or Type 1 charitable organization. Type 1 supporting organizations are operated, supervised, or controlled by one or more publicly supported organizations. Ingenuity is operated exclusively for the benefit and support of, to perform the functions of, and carry out the purposes of CNM.

While much has changed at CNM over the past 57 years, the core purpose of the institution has remained the same – providing affordable and accessible higher education to the community while responding to the workforce needs of the region’s economy with high-quality educational programs. CNM is accredited by the Higher Learning Commission.



CNM's service area consists of Bernalillo County, which includes Albuquerque, and part of Sandoval County, including Rio Rancho and Corrales. CNM offers college-credit and non-credit, workforce training courses at nine locations, which includes four multi-service campuses conveniently located in each quadrant of Albuquerque, and the Rio Rancho Campus. CNM also offers programs at the Advanced Technology Center and Workforce Training Center in north Albuquerque, and the STEMulus Center and FUSE Makerspace in Downtown Albuquerque.



CNM offers the most comprehensive community college selection of academic programs in the state, which includes college-credit programs in 89 fields of study that lead to multiple associate degree or certificate options. Most of CNM's arts and sciences courses are transferable to four-year public colleges and universities, providing students with the opportunity to complete two years of bachelor's degree coursework at CNM before transferring to a university, saving thousands of dollars. CNM's tuition is about one-fifth the cost of state universities.

Many classes are offered in the evenings and weekends and in a variety of formats. CNM offers a variety of remote, synchronous and asynchronous, learnings options, which have increased after the pandemic. These include online distance, online hybrid, attend anywhere and virtual live courses. The College also has the largest number of high school students taking dual-credit classes, which count for both high school and college credit. In partnership with Albuquerque Public Schools, CNM opened the College & Career High School (CCHS), a dual-credit high school, on CNM's Main Campus in 2013. Every year since, the school has received an "A" grade from the New Mexico Public Education Department's (PED) annual school grading report. In 2021, the most recently available information from PED, CCHS posted a ≥ 95.0 percent graduation rate, one of the highest in the state. In May 2022, 53 students graduated from CCHS of which 29 earned at least one CNM associate degree or certificate at the time of their high school graduation. These 29 students earned a combination of 23 associate degrees and 45 certificates from CNM.

College-credit programs and courses are grouped among seven academic schools at CNM:

- The School of Skilled Trades & Arts offers programs in fields ranging from the traditional skilled trades to Film Technician and Fine Arts.
- The School of Business, Hospitality & Technology offers programs such as Accounting, Business, Computer Science, Culinary Arts, Economics and Office Technology.
- The School of Liberal Arts offers a variety of Liberal Arts programs, such as Anthropology, English, History, Psychology and Pre-Law.
- The School of Health, Wellness & Public Safety offers programs such as Dental Assisting, Electronic Health Informatics, EMS, Fire Science, and Radiologic Technology.
- The School of Math, Science & Engineering offers programs such as Biotechnology, Chemistry, Engineering, Mathematics and Physics.
- The School of Nursing & Patient Support offers programs such as Nursing and Medical Assistant.
- The School of Education offers programs such as Teacher Education and GED-preparation classes and English as a Second Language classes

CNM and CNM Ingenuity foster strong partnerships with various community stakeholders including the local school districts, the City of Albuquerque, the University of New Mexico, and the chambers of commerce in coordinated efforts to revitalize economic development and spur entrepreneurial activities in the area.

Mission, Vision and Values

Mission

Be a leader in education and training.

Vision

Changing Lives, Building Community

Core Values

Be Caring. Be Ethical. Be Inspiring. Be Courageous. Be Connected. Be Exceptional.



Local Economy

CNM is geographically situated in the central region of the State of New Mexico. The CNM District 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 college district covers 1,325 square miles and has an estimated population of 793,400.

The area within the CNM District is part of the Albuquerque Metropolitan Statistical Area (MSA), including the counties of Bernalillo, Sandoval and Valencia. The Albuquerque MSA represents the largest commercial and industrial center in the State of New Mexico.



CNM has been an integral part of the central New Mexico area for over 50 years, contributing significantly to the economic and social well-being of businesses and residents. Historically, defense-related industries have contributed significantly to the surrounding economy, however, economic diversification has increased in recent years. In the private sector, Albuquerque MSA has experienced a period of employment growth from companies such as Netflix, Amazon, Facebook, and NBC Universal among others. In the year 2021, total direct or induced jobs created were about 1,400. In May of 2022, Manna Capital Partners announced a capital investment of \$2.17 billion for a new facility in Albuquerque MSA (Village of Los Lunas). The facility plans to be one of the greenest, and highest quality providers of aluminum can sheet in the United States. This project is estimated to create an additional 2,565 indirect and induces jobs over 10-year time period.

While the COVID-19 pandemic exacerbated declining enrollments trends for higher education in New Mexico and nationwide, CNM has continued to sustain impressive student outcomes. Recent organizational changes have been undertaken to transform the way CNM serves and supports students in an effort to stabilize enrollment and support student success. Community members continue to view CNM as the most affordable and effective way to improve their job prospects and employers continue to look to CNM as a responsive partner in meeting their workforce needs.



Budget and Financial Planning

CNM operates on an annual budget with a fiscal year beginning on July 1. However, the budget and resource allocation process is a multi-year activity 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 New Mexico Higher Education Department for the purpose of ensuring consistency in the development and reporting of budget information among institutions of higher education.

CNM's major sources of operating revenue are state appropriations, local mill levy, and tuition and fees. Effective Fiscal Year 2013, the HED implemented a performance-based funding formula model which now serves to distribute state appropriations to institutions of higher education in New Mexico.

For Fiscal Year 2022, the New Mexico higher education system overall state appropriations was 12.0% of the total General Fund appropriation which was a small increase from the 11.9% appropriation in Fiscal Year 2021. For Fiscal Year 2023, the budgeted New Mexico higher education appropriation as a percentile of the total General Fund is 12.0% which is about the same as last fiscal year. Over the past ten fiscal years, higher education in New Mexico has seen a declining General Fund allocation (as a % of total state budget) from 13.4% in FY13 to 12.0% in Fiscal Year 2022. Overall state appropriation levels are impacted significantly by oil and gas revenues to the state and, more recently, the creation of the Opportunity Scholarship, which funnels higher education funding directly to students.

CNM's Strategic Direction, focusing primarily on student success and student completion, has had a positive impact on the growth of the college's general fund appropriations. Continued increases in student performance are reflected in the amount of general fund appropriations. Strong oil and gas revenues have also boosted state appropriations since 2020. The state Fiscal Year 2023 budgeted total appropriation to CNM is \$70.2 million, which represents a 12.5% increase from Fiscal Year 2022's \$62.4 million.

For Fiscal Year 2023, the college's total expenditures are budgeted at \$294.1 million, which is about a 5.8% decrease from Fiscal Year 2022's final budget of \$312.2 million. The tuition and fee revenue estimate is \$24.0 million which increased 3.4% from last year's final budget of \$23.2 million.

The annual budget is developed with input from departments across the college and is guided by financial policies approved by the CNM Governing Board. The budget plan incorporates increases to tuition and fees based on inflationary trends, current expectations of state appropriation levels, and steadily growing property values generating a modest increase to the local mill levy revenue.

Additionally, CNM continues to strategically diversify its revenue streams and actively manage costs. With continued focus on college-wide budget management efforts, CNM's Fiscal Year 2022 total net position increased by \$21.5 million or 6.0% when excluding the impacts of GASB 68, GASB 75, and GASB 87 from Fiscal Year 2021.

In April 2021, Moody's Investors Services, Inc. assigned CNM's credit rating as Aa1, Standard and Poor's Corporation reaffirmed CNM's AA+/Stable long term rating. CNM's well-managed operating reserves and strong budgetary management contribute to and are indicators of a positive financial direction and strong, stable management.



Awards and Recognitions



The Government Finance Officers Associations of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Central New Mexico Community College (CNM) for its annual comprehensive financial report for the fiscal years ended June 30, 2016, June 30, 2017, June 30, 2018, June 30, 2019, June 30, 2020, and June 30, 2021. In order to be awarded a Certificate of Achievement, a government organization must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

CNM was named the 2020 Excellence in Workforce Development Award winner by Albuquerque Economic Development. The annual award recognizes an organization that has played a leading role in workforce readiness, including the implementation of training and education programs, the creation of internship or mentorship programs, and other efforts to develop long-term job skills and career pathways for the region’s workforce.

CNM President Tracy Hartzler is one of 25 community college presidents nationwide selected to participate in the 2021-22 Aspen Institute New Presidents Fellowship. The program supports community college presidents in the early years of their tenure as they aim to achieve higher and more equitable levels of student success.

In November 2020, CNM and six community college partners nationwide were co-founders of Unmudl, a new course-to-jobs marketplace that facilitates access to job-focused upskill and reskill courses across a diverse range of professions and trades. Through the proprietary network of community colleges, learners can achieve their education and career goals by simultaneously enrolling in classes from multiple community colleges instantly.

CNM awarded 7,936 associate degrees and certificates to 6,708 students in the 2021-22 academic year. CNM has instituted several initiatives in recent years to help increase student success, such as more efficient class scheduling, establishing a one-stop hub for student support, centralizing advisement efforts and “right-sizing” credit-hour requirements for associate degrees, offering more associate degrees that are transferable to universities, and monitoring student records to notify students when they have earned graduation status or are close to graduation status.

In Closing

The timely preparation of this ACFR would not have been possible without the dedicated efforts of the Business Office, Office of Data Strategy, Marketing and Communications Office and other CNM administrators, faculty and staff. We also express our appreciation to the members of the CNM Governing Board for their support and guidance in conducting the CNM financial operations in a highly responsible manner.

Respectfully,

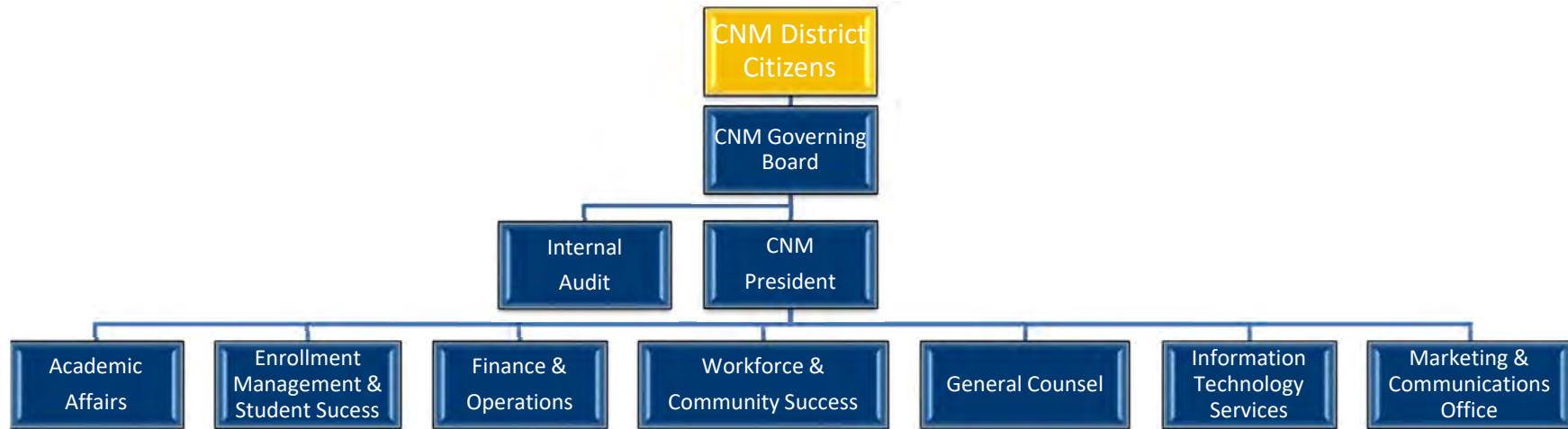
Tracy Hartzler
President

Olivia Padilla-Jackson
Vice President Finance and Operations

Christine Duncan
Comptroller

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Central New Mexico Community College Organizational Chart



STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

List of Elected and Administrative Officials

ELECTED OFFICIALS



Charles N. Ofelt
District 1

Retired Attorney

Term Expires - 2026



Nancy Baca, Member
District 5

Business Owner

Term Expires - 2026



James A. Chavez
District 2

Attorney
Vance, Chavez, & Associates, LLC

Term Expires - 2023



Virginia M. Trujillo, Secretary
District 6

Retired Educator

Term Expires - 2023



Thomas E. Swisstack, Chair
District 3

Former Mayor of Rio Rancho and
Former New Mexico Congressman

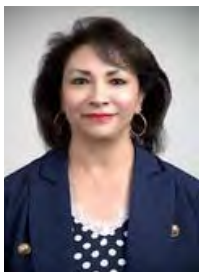
Term Expires - 2026



Robert P. Schoenfelder
District 7

Senior Technical Director

Term Expires - 2026



Annette Chavez y De La Cruz
District 4

Retired CNM Administrator

Term Expires - 2023

ADMINISTRATIVE OFFICIALS

Tracy Hartzler
Sydney Gunthorpe
Olivia Padilla-Jackson
Nireata Seals
Samantha Sengel
Victor Leon
Angela Sims
Michael Anaya
Christine Duncan

President
Vice President for Academic Affairs
Vice President for Finance and Operations
Vice President for Enrollment Management and Student Success
Vice President for Workforce and Community Success
Chief Information Officer
Chief Strategy Officer
General Counsel
Comptroller

CNM >
Strategic Planning 2020-2024

Vision:
Changing Lives. Building Community

Mission:
Be a leader in Education and Training

Core Values:
Be Caring. Be Ethical. Be Inspiring.
Be Courageous. Be Connected. Be Exceptional.

Student Success

Definition:
Students achieve their educational and career goals.

Objectives:
Deliver an exceptional student experience.

Lead in access, retention, and graduation among all student populations.

Use innovative approaches and develop agile, continuous learners.

Community Success

Definition:
New Mexico and its people prosper.

Objectives:
Develop leaders and meet the education and workforce needs of New Mexico.

Build public-and private-sector partnerships that foster economic development opportunities.

Organizational Excellence and Innovation

Definition:
CNM leads as an ethical and effective organization.

Objectives:
Deliver service excellence and operational efficiency across the college.

Provide a welcoming, safe, and equitable employee experience.

CNM will develop strategies with a commitment to equity and communication in order to reach these objectives.

sep 2019

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

CNM 
Strategic Planning 2020-2024

WHAT WE WILL MEASURE	HOW WE WILL MEASURE	SOURCE
Financial stewardship	Composite Financial Index (CFI)	Higher Learning Commission
Employee experience	Employee experience surveys	Internal surveys
Community wages	Albuquerque metro weekly wage average versus national average	Bureau of Labor Statistics
Partnerships	Track dollars and partners	Internal Grants, Ingenuity, Academic Affairs, Foundation
CNM workforce diversity	CNM workforce diversity Ratio of CNM employees of color compared to Bernalillo and Sandoval County	Census Bureau
Narrow achievement gap	Program completion by race/ethnicity	Integrated Postsecondary Education Data System (IPEDS) First-Time Full-Time (FTFT)/ Internal for all Full-Time students
Student persistence	Percentage returning to class or graduating	IPEDS Fall to Fall retention FTFT and First-Time Part-Time
Graduation rates	FT, PT graduation rates and awards per 100 FTE	IPEDS FTFT/Internal Full-Time Equivalent and Part-Time
Non-credit completion rates	Percentage of participants earning an award	National Community College Benchmarking Project
Increased student satisfaction	Student satisfaction surveys	Noel Levitz and internal surveys
Employment	Number of completers employed in NM after one year	Unemployment Insurance wage data

9/4/19



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Central New Mexico Community College

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

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INDEPENDENT AUDITORS' REPORT

Brian S. Colón, Esq.
New Mexico State Auditor
U.S. Office of Management and Budget
Governing Board of Central New Mexico Community College
Central New Mexico Community College
Albuquerque, New Mexico

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the discretely presented component units of Central New Mexico Community College (the "College"), as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents. We also have audited the budgetary schedules presented as supplementary information, as defined by the Governmental Accounting Standards Board, as of and for the year ended June 30, 2022, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component units of the College, as of June 30, 2022 and 2021, and the respective changes in financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the accompanying budgetary schedules referred to above present fairly, in all material respects, the respective budgetary position of the College, as of June 30, 2022, and the respective changes for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Change in Accounting Principle

As described in Note 8 to the financial statements, in 2022, the College adopted new accounting guidance, GASB Statement No. 87, Leases. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 16 through 26, the GASB required pension schedules on pages 73 through 75, and the GASB required other post-employment benefit schedules on pages 76 through 77 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and schedule of individual deposit and investment accounts are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and schedule of individual deposit and investment accounts are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, statistical section, and exit conference but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2022, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

Carr, Riggs & Ingram, LLC
Albuquerque, New Mexico
November 1, 2022

Financial Section



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STATE OF NEW MEXICO

CENTRAL NEW MEXICO COMMUNITY COLLEGE

Management's Discussion and Analysis

Overview of the Financial Statements and Financial Analysis

The Central New Mexico Community College (CNM) Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2022 provides an overview of CNM's financial activities. The report consists of the letter of transmittal, certificate of achievement for excellence in financial reporting, independent auditors' report, Management's Discussion and Analysis (MD&A), financial statements, notes to the financial statements and significant accounting policies, statistical data, and the single audit section. This report provides both long-term and short-term financial information on Central New Mexico Community College (the College) as a whole and its component units, the Central New Mexico Community College Foundation, Incorporated (the Foundation) and CNM Ingenuity, Incorporated (Ingenuity).

The purpose of the MD&A is to provide an overview of CNM's performance and future prospects. The discussion and analysis of the College's financial statements provides an overview of its financial activities for the years ended June 30, 2022 and 2021. Responsibility for the completeness and fairness of the information contained in this report resides with CNM's management. CNM has prepared the financial statements and related footnote disclosures along with this discussion and analysis. The MD&A focuses on the College and not the component units. Separately issued financial statements for the Foundation and Ingenuity may be obtained from <https://www.cnm.edu/depts/business-office>.

Financial Highlights

Governmental Accounting Standards Board (GASB) Statement No. 87, Leases, effective for fiscal years beginning after June 15, 2021, defines a lease as a contract that conveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. GASB 87 applies to all contracts meeting this definition of a lease, unless specifically excluded. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflows of resources. The goal of this standard is to more accurately record lease obligation and increase the usefulness of governmental financial statements.

The College implemented GASB 87 in fiscal year 2022. As of June 30, 2022, the College's intangible right-to-use lease asset was \$141,556, less accumulated amortization, the net book value of the lease asset was \$98,366 and lease liability was \$100,793; Lease receivable was \$8.4 million and lease related deferred inflows of resources was \$8.2 million. See Notes 8) Leases.

The College's net position increased \$25.3 million (422.4%) during fiscal year 2022, resulting from the combination of an increase in unrestricted net position of approximately \$19.1 million, an increase in net investment in capital assets of \$2.9 million, and an increase in restricted net position of \$3.3 million. Pension related deferred outflows of resources decreased \$99.5 million (-40.4%), net pension liability decreased \$345.7 million (-65.9%), and pension related deferred inflows of resources increased \$250.7 million (5375.1%) from 2021. For fiscal year 2022, Other Post Employment Benefits other than Pensions (OPEB) related deferred outflows of resources decreased \$4.2 million (-19.1%), net OPEB liability decreased \$16.4 million (-23.1%), and OPEB related deferred inflows of resource increased \$4.0 million (12.3%) from fiscal year 2021.

In fiscal year 2022, the College received \$19.7 million of the CARES Acts Higher Education Emergency Relief Funds - student aid, and the College's CARES Acts Higher Education Emergency Relief Funds - institution portion revenue was \$21.9 million.

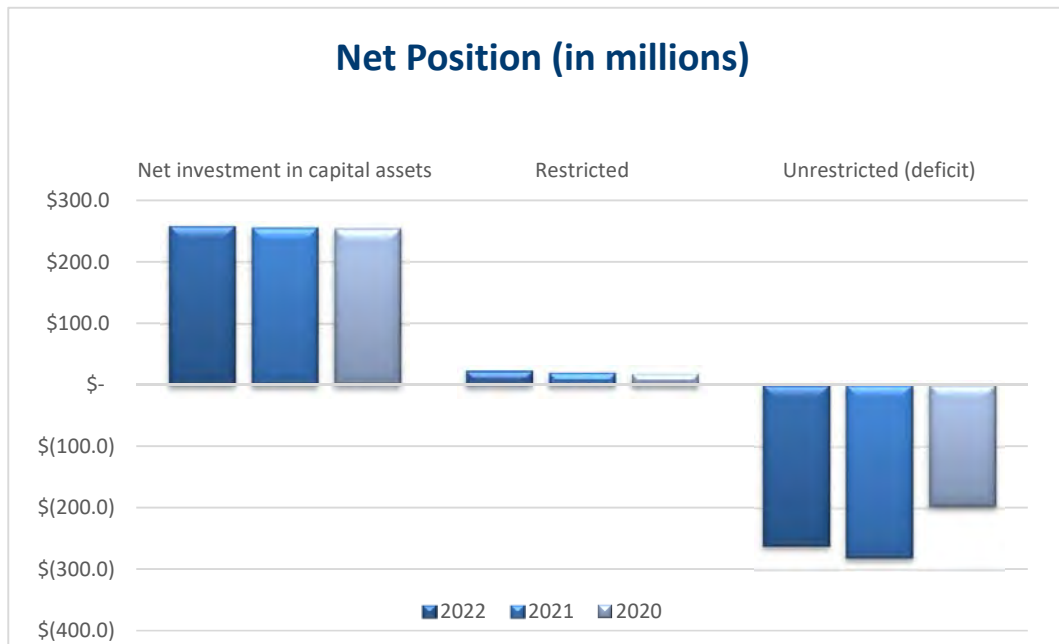
STATE OF NEW MEXICO CENTRAL NEW MEXICO COMMUNITY COLLEGE

The College's net position decreased \$79.7 million (-108.1%) during fiscal year 2021, resulting from the combination of a decrease in unrestricted net position of approximately \$83.6 million, an increase in capital assets of \$1.9 million, and an increase in restricted net position of \$2.1 million. Pension related deferred outflows of resources increased \$199.9 million (432.9%), net pension liability increased \$324.4 million (162.0%), and pension related deferred inflows of resources decreased \$6.1 million (-56.9%) from 2020. For fiscal year 2021, Other Postemployment Benefits other than Pensions (OPEB) related deferred outflows of resources increased \$17.1 million (333.1%), net OPEB liability increased \$19.0 million (36.5%), and OPEB related deferred inflows of resource decreased \$7.2 million (18.0%) from fiscal year 2020.

In fiscal year 2021, the College received \$3.4 million of the CARES Acts Higher Education Emergency Relief Funds - student aid, and the College's CARES Acts Higher Education Emergency Relief Funds - institution portion revenue was \$15.6 million.

Management does not believe that the negative effects of GASB 68 and GASB 75 have an impact on either the college's solvency or the college's status as a going concern.

The following graph illustrates the comparative change in net position by category for the fiscal years 2022, 2021, and 2020.



STATE OF NEW MEXICO

CENTRAL NEW MEXICO COMMUNITY COLLEGE

Basic Financial Statements

The basic financial statements include the Statements of Net Position, the Statements of Revenues, Expenses and Changes in Net Position, and the Statements of Cash Flows, which provide information about the activities of the College as a whole and present a long-term view. The financial statements also include notes that provide selected detailed data. The statements are followed by the “Required Supplementary Information” section that provides schedules and notes related to the pension and OPEB liabilities. The primary focus of the basic financial statement is on the results and activities for FY22. As a reference point, comparative data is presented from the prior fiscal year, FY21 to illustrate trends for determining the College’s overall financial health.

The Statements of Net Position and Statement of Revenues, Expenses, and Changes in Net Position

The statements of net position and statements of revenues, expenses, and changes in net position reports the College’s net position and how it has changed. Net position - the difference between assets, deferred outflow of resources, liabilities, and deferred inflow of resources - is one way to measure the College’s financial health. Over time, increases or decreases in the College’s net position is an indicator of whether its financial health is improving or declining. Nonfinancial factors are also important to consider, including student enrollment and the condition of campus buildings.

These statements include all assets, liabilities, and deferrals using the accrual basis of accounting, which is consistent with the accounting method used by private sector institutions. All of the current year’s revenues and expenses are recognized when earned or incurred, regardless of when cash is received or paid.

Net Position, End of Year (in Thousands)

	2022	2021	2020
Assets:			
Current assets	\$ 188,320	\$ 179,601	\$ 114,199
Capital assets, net	333,671	331,930	330,068
Other noncurrent assets	11,680	4,213	3,805
Total assets	<u>533,671</u>	<u>515,744</u>	<u>448,072</u>
Deferred outflows of resources:			
Bond refunding	-	9	46
OPEB related	17,980	22,228	5,132
Pension related	146,614	246,081	46,178
Total deferred outflows	<u>164,594</u>	<u>268,318</u>	<u>51,356</u>
Liabilities:			
Current liabilities	58,057	44,782	35,240
Noncurrent liabilities			
Bonds and notes payable	86,841	112,123	87,560
Lease liabilities	58	-	-
Net OPEB liability	54,644	71,041	52,026
Net pension liability	178,913	524,629	200,269
Total Liabilities	<u>378,513</u>	<u>752,575</u>	<u>375,095</u>

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Deferred inflows of resources:

Bond refunding	109	135	-
Lease related	8,218	-	-
OPEB related	36,695	32,679	39,861
Pension related	255,412	4,665	10,812
Total deferred inflows	<u>300,434</u>	<u>37,479</u>	<u>50,673</u>

Net position:

Net investment in capital assets	258,064	255,200	253,331
Restricted	23,881	20,593	18,468
Unrestricted (deficit)	(262,627)	(281,785)	(198,139)
Total net position	<u>\$ 19,318</u>	<u>\$ (5,992)</u>	<u>\$ 73,660</u>

Total assets increased \$17.9 million (3.5%) in fiscal year 2022 when compared to fiscal year 2021 driven by \$8.7 million (4.9%) increase in current assets, \$1.7 million (0.5%) increase in capital assets, and \$7.5 million (177.2%) increase in other noncurrent assets. The current assets increase resulted from a increase in investments due to CARES funding to the College, the increase to capital assets was primarily due to the purchasing of 961 Buena Vista Dr. SE property, and the increase to other noncurrent asset was due the recording of lease receivable by implementing GASB 87. During fiscal year 2021, total assets increased \$67.7 million (15.1%) when compared to fiscal year 2020 driven by \$65.4 million (57.3%) increase in current assets and \$1.9 million (0.6%) increase in capital assets.

During fiscal year 2022, total liabilities decreased by \$374.1 million (-49.7%) from fiscal year 2021, primarily due to long term bonds payable decrease of \$25.3 million (-22.5%), net OPEB liability decrease of \$16.4 million (-23.1%), net pension liability decrease of \$345.7 million (-65.9%), and current liabilities increase of \$13.3 million (29.6%). During fiscal year 2021, total liabilities increased by \$377.5 million (100.6%) from fiscal year 2020, primarily due to long term bonds payable increase of \$24.6 million (28.1%), net OPEB liability decrease of \$19.0 million (36.5%), net pension liability decrease of \$324.4 million (162.0%), and current liabilities increase of \$9.5 million (27.1%).

The following table summarizes the College's revenues, expenses, and changes in net position for the years ended June 30:

	2022	2021	2020
Operating revenues	\$ 56,187	\$ 51,235	\$ 34,089
Operating expenses	(207,745)	(295,239)	(172,926)
Operating gain/(loss)	<u>(151,558)</u>	<u>(244,004)</u>	<u>(138,837)</u>
Nonoperating revenues and expenses	<u>174,745</u>	<u>159,024</u>	<u>225,743</u>
Income (loss) before capital grants and appropriations	23,187	(84,980)	86,906
Capital grants and appropriations	2,123	5,328	22,152
Increase/(decrease) in net positions	<u>\$ 25,310</u>	<u>\$ (79,652)</u>	<u>\$ 109,058</u>
Net position, beginning of year	<u>(5,992)</u>	<u>73,660</u>	<u>(35,398)</u>
Net position, end of year	<u>\$ 19,318</u>	<u>\$ (5,992)</u>	<u>\$ 73,660</u>

STATE OF NEW MEXICO CENTRAL NEW MEXICO COMMUNITY COLLEGE

Operating Revenues

In fiscal year 2022, operating revenues increased of \$5.0 million (9.7%) when compared to 2021 primarily due to increase in federal grants and contracts. The College's CARES Acts Higher Education Emergency Relief Funds - institution portion revenue was \$21.9 million in fiscal year 2022 when in fiscal year 2021 it was \$15.6 million.

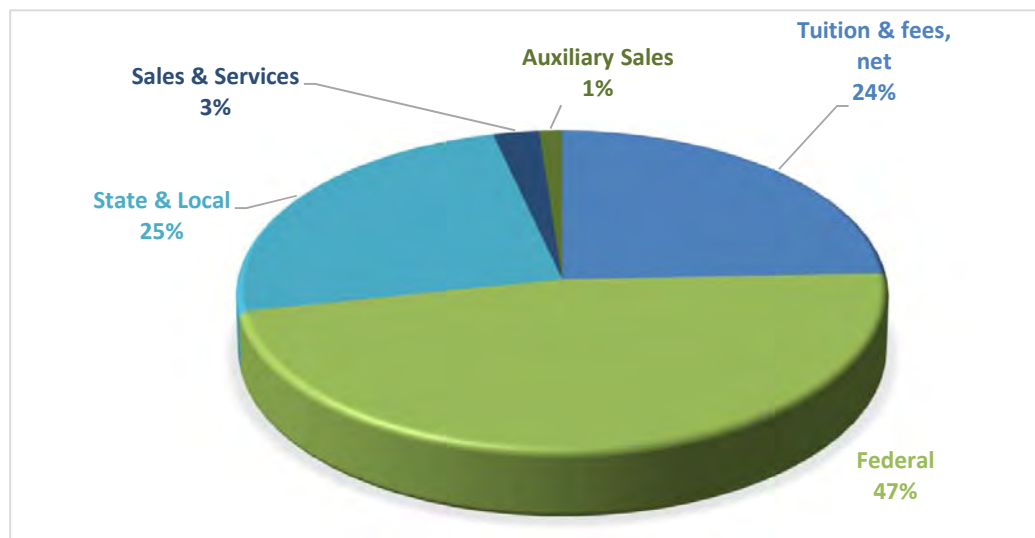
In fiscal year 2021, operating revenues increased \$17.1 million (50.3%) when compared to 2020 primarily due to increase in federal grants and contracts and increase in state and local grants and contracts.

The following table summarizes the College's operating revenues for the years ended June 30:

Operating Revenues (in Thousands)

	2022	2021	2020
Tuition and fees, net	\$ 13,722	\$ 16,721	\$ 17,744
Federal grants and contracts	26,621	20,578	5,121
State and local grants and contracts	13,773	11,744	8,454
Sales & services of educational departments	1,380	1,652	1,677
Auxiliary enterprises	691	540	1,093
Total	\$ 56,187	\$ 51,235	\$ 34,089

FY22 Operating Revenues



Operating Expenses

Operating expenses decreased \$87.5 million (-29.6%) in fiscal year 2022 as compared to fiscal year 2021, primarily due to New Mexico Educational Retirement Board (ERB) pension plan proportionate shared expenses decreased \$113.8 million when compared to fiscal year 2021, salary and benefits increased \$2.6 million, student aid increased \$15.2 million, and payment to suppliers increased \$7.5 million when compared to fiscal year 2021.

STATE OF NEW MEXICO CENTRAL NEW MEXICO COMMUNITY COLLEGE

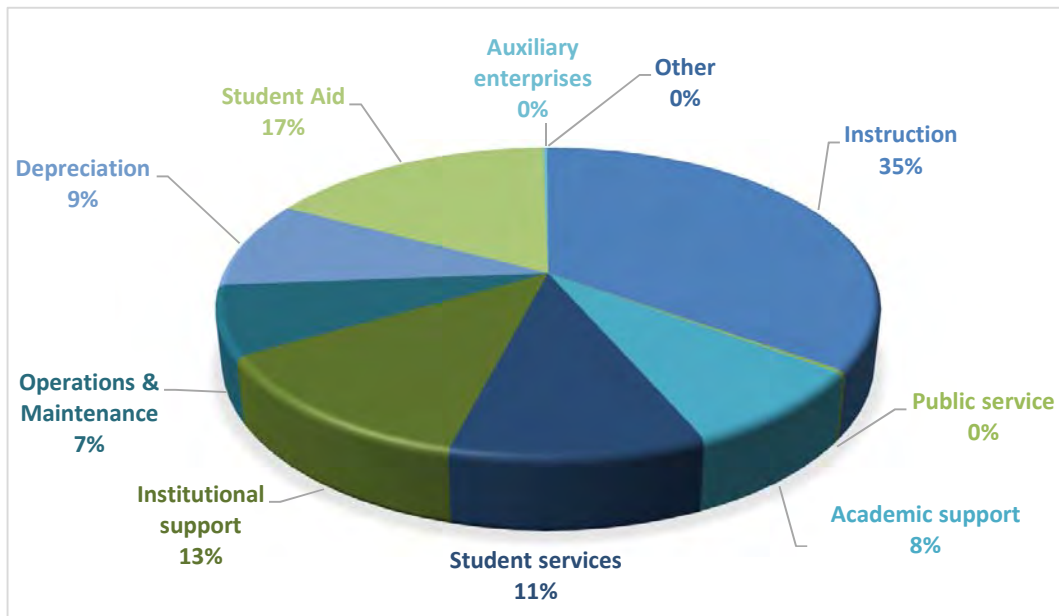
Operating expenses increased \$122.3 million (70.7%) in fiscal year 2021 as compared to fiscal year 2020, primarily due to New Mexico Educational Retirement Board (ERB) pension plan proportionate shared expenses of \$129.8 million when in fiscal year 2020 it was \$0 million. Salary and benefit decreased \$2.9 million and student aid decreased \$2.9 million in fiscal year 2021 when compared to fiscal year 2020.

The following table summarizes the College's operating expenses for the years ended June 30:

Operating Expenses (in Thousands)

	2022	2021	2020
Instruction	\$ 72,567	\$ 128,674	\$ 64,903
Public service	499	400	703
Academic support	17,290	31,421	16,487
Student services	21,934	37,791	19,771
Institutional support	25,992	41,174	21,090
Operation and maintenance of plant	14,978	20,491	13,685
Depreciation	18,962	18,059	16,063
Student aid	34,919	16,627	19,412
Auxiliary enterprises	519	573	753
Other	85	29	59
Total	\$ 207,745	\$ 295,239	\$ 172,926

FY22 Operating Expenses



STATE OF NEW MEXICO

CENTRAL NEW MEXICO COMMUNITY COLLEGE

Nonoperating Revenues and Expenses

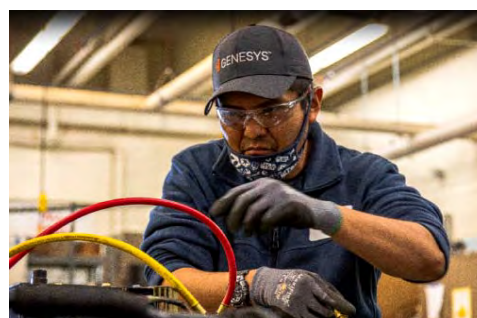
In fiscal year 2022, nonoperating revenues and expenses increased by \$15.7 million (9.9%) mainly due to state appropriations increase of \$6.0 million, CARES student aid funding increase of \$16.3 million, Pell grant decreased of \$1.2 million, investment income decrease of \$3.4 million, and OPEB income increase of \$2.8 million when compared to fiscal year 2021. Also, in fiscal year 2022, the College funded its component unit CNM Ingenuity Inc. a total of \$5.4 million, which was about \$0.2 million in fiscal year 2021. This is reflected in the other non-operating expenses.

In fiscal year 2021, nonoperating revenues and expenses decreased by \$66.7 million (-29.6%) mainly due to \$0 million pension income when in fiscal year 2020 it was about \$61.9 million. State appropriations decreased \$3.6 million and Pell grant decreased \$3.3 million when compared to fiscal year 2020. In fiscal year 2021, the College funded its component unit CNM Ingenuity Inc. a total of \$0.2 million, which was about the same as in fiscal year fiscal year 2020. This is reflected in the other non-operating expenses.

The following table summarizes the College’s non-operating revenue and expenses for the years ended June 30:

Nonoperating Revenue and Expenses (in Thousands)

	2022	2021	2020
State appropriations	\$ 62,511	\$ 56,559	\$ 60,141
Local appropriations - operating	60,218	58,982	56,778
Local appropriations - debt service	21,415	20,642	19,892
Federal Pell grant	13,506	14,721	18,022
CARES Acts higher education emergency relief funds - student aid	19,666	3,397	4,234
Investment income	(2,682)	762	1,340
Interest on capital asset related debt	(2,032)	(2,199)	(2,855)
Pension income	-	-	61,873
OPEB income	6,495	3,662	5,091
Other	(4,352)	2,498	1,227
Total	\$ 174,745	\$ 159,024	\$ 225,743



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Capital Grants and Appropriations

Capital appropriations decreased \$2.0 million in fiscal year 2022 when compared to fiscal year 2021, primarily due to state funding of \$1.4 million for the Art Facility Ken Chappy Hall renovation in fiscal year 2022 and \$4.1 million in fiscal year 2021. Capital grants and gifts decreased \$1.2 million in fiscal year 2022 when compared to the prior fiscal year due to the Albuquerque Public Schools funding of the North Parking Lot of \$1.2 million in fiscal year 2021.

Capital appropriations decreased \$3.9 million in fiscal year 2021 when compared to fiscal year 2020, primarily due to state funding of \$4.1 million for the Art Facility Ken Chappy Hall renovation in fiscal year 2021 and \$8.1 million for Max Salazar Hall renovations in fiscal year 2020. Capital grants and gifts decreased \$12.9 million in fiscal year 2021 when compared to the prior fiscal year due to the Albuquerque Public Schools funding of the North Parking Lot of \$1.2 million in fiscal year 2021 and Educational Collaborative (EC) building construction of \$14.1 in fiscal year 2020.

The following table summarizes the College's other revenues, expenses, gains, or losses for the years ended June 30:

Capital Grants and Appropriations (in Thousands)

	2022	2021	2020
Capital appropriations	\$ 2,111	\$ 4,124	\$ 8,065
Capital grants and gifts	12	1,204	14,087
Total	<u>\$ 2,123</u>	<u>\$ 5,328</u>	<u>\$ 22,152</u>

Capital Asset and Debt Administration

Capital Assets

At June 30, 2022, the College had approximately \$333.7 million invested in net capital assets, net of accumulated depreciation of \$199.6 million. Depreciation expense for the current fiscal year totaled \$19.0 million compared to \$18.1 million in fiscal year 2021 and \$16.1 million in fiscal year 2020.

At June 30, 2021, the College had approximately \$331.9 million invested in net capital assets, net of accumulated depreciation of \$182.8 million. Depreciation expense for the current fiscal year totaled \$18.1 million compared to \$16.1 million in fiscal year 2020 and \$15.6 million in fiscal year 2019.

The following table summarizes the College's capital assets, net of accumulated depreciation, as of June 30:

Capital Assets, Net (in Thousands)

	2022	2021	2020
Land and land improvements	\$ 42,313	\$ 41,715	\$ 35,769
Buildings and building improvements	254,603	262,436	239,021
Infrastructure	5,233	5,704	3,613
Furniture, fixtures, and equipment	7,167	7,367	8,687
Library materials	391	518	676
Art	726	719	720
Construction in progress	23,140	13,471	41,582
Intangible Right-To-Use Lease Asset	98	-	-
Capital assets, end of year	<u>\$ 333,671</u>	<u>\$ 331,930</u>	<u>\$ 330,068</u>

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CENTRAL NEW MEXICO COMMUNITY COLLEGE

Major capital expenditures (in Thousands) during fiscal year 2022 include:

Catering & Brewing Project	\$ 6,317
961 Buena Vista Dr. SE Remediation & Demo	2,362
Art Facility Ken Chappy Hall Renovation	1,904
961 Buena Vista Dr. SE Purchase	1,527
Trades/AT Facilities Planning	1,226

Major capital expenditures (in Thousands) during fiscal year 2021 include:

Art Facility Ken Chappy Hall Renovation	\$ 4,333
Catering & Brewing Project	3,410
CNM Marketplace	3,166
North Parking Lot	2,410
Site & Safety Improvement SA, ATC & WTC	1,700

Additional information about the College's capital assets and construction commitments are presented in notes 4 and 10 to the basic financial statements.

Bonds and Notes Payable

As of June 30, 2022, the College has \$106.9 million in outstanding debt, a decrease of \$14.9 million when compared to 2021 due to the scheduled annual bond payments.

As of June 30, 2021, the College has \$121.8 million in outstanding debt, an increase of \$22.8 million when compared to 2020 due to net of scheduled annual bond payments and issuance of new bonds and notes. In May 2021, the College issued \$30.15 million of 2021A General Obligation Bonds with \$3.1 million premium, \$14.4 million of 2021B General Obligation Current Refunding Bonds with \$1.4 million premium, and \$8.0 million Taxable Educational Technology Note.

The following table summarizes outstanding long term liabilities by series as of June 30:

Bonds and Notes Payable (in Thousands)			
Bond and Note Series:	2022	2021	2020
Series 2009 bond	\$ 1,150	\$ 1,900	\$ 2,650
Series 2011 bond	-	1,500	18,370
Series 2014A bond	16,050	17,500	18,950
Series 2014B bond	-	2,335	4,660
Series 2016 bond	18,930	20,795	22,660
Series 2018A bond	23,195	25,195	29,695
Series 2018B bond	-	-	2,000
Series 2021A bond	29,280	30,150	-
Series 2021B bond	14,290	14,400	-
Series 2021C note	4,000	8,000	-
Total bond and note principal	<u>106,895</u>	<u>121,775</u>	<u>98,985</u>
Bond premium	5,228	6,959	3,934
Total debt outstanding	<u>\$ 112,123</u>	<u>\$ 128,734</u>	<u>\$ 102,919</u>

In April 2021, Standard & Poor's reviewed their rating of Central New Mexico Community College general obligation bonds and assigned 'AA+/Stable' long term rating to the College. Moody's assigned an 'Aa1' rating to the College's 2021 general obligation bond series in April 2021. Additional information related to the College's long term liabilities is presented in note 11 to the basic financial statements.

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CENTRAL NEW MEXICO COMMUNITY COLLEGE

Economic Outlook

The College's economic outlook is closely related to its role as the state's largest community college. The College is dependent upon ongoing financial and political support from state government. Between FY2009 and FY2022, state appropriations fell as a percent of the College's total revenue from 35 percent to 26 percent, respectively. To off set this drop, local government support as well as tuition and fee revenues have increased over this same period. Since FY2015, the College has invested in strategic efforts to develop other revenue streams. Increasing international, career and technical training offerings and expanding online and fast-track programs are beginning to generate additional revenues.

Another significant factor in the College's economic position relates to its ability to recruit and retain students. As compared to final student enrollment of 18,563 in Fall 2021 and 21,398 in Fall 2020, current census date, data for Fall 2022 reports 19,215 students in college credit programs. This represents a decrease of 2,835 students (-13.2%) from Fall 2020 to Fall 2021 and an increase of 652 students (+3.5%) from Fall 2021 to current student enrollment data in Fall 2022. Similarly, student credit hour production decreased 13.1% from 159,000 in Fall 2020 to 138,249 in Fall 2021 and increased 4.0% from Fall 2021 to current Fall 2022 data of 143,782 student credit hours. Based on the current performance formula model, enrollment fluctuations may impact future state appropriation revenue.

As such, the College has expanded its efforts to diversify revenues. The formation of CNM Ingenuity, Inc., pursuant to the University Research Park and Economic Development Act, enables the College to expand innovative program offerings and attract new students, business partners and community connections. These efforts will serve to generate additional revenue sources, while supporting growth in the local, state and regional economy.

In June 2022, the U.S unemployment rate was at 3.6% which was 2.3% lower than 5.9% in June 2021. While the country has embarked on a robust economic recovery from the depths of the pandemic-induced recession in 2020, with an expected real GDP growing 3.5 percent year-over year in the third quarter of FY22 and 1.6 percent in the fourth quarter according to forecast data from Moody's Analytics, however, the risks of a recession remain due to prolonged and worsening conflict in Ukraine, oil and gas shortages, eroding supply-chain conditions, sustained inflation, and another Covid-19 wave.

New Mexico's seasonally adjusted unemployment rate was 4.9% in June 2022, which is higher than the national rate but down from 5.1% in May 2022 and down from 7.3% in June 2021. While unemployment rates largely recovered to pre-pandemic levels, the state's labor force is persistently small. Preliminary reports indicate the State's recurring revenues for FY22 were \$9.217 billion, up \$1.132 billion, or 14 percent, from FY21. May recurring revenue collections were \$699.3 million, up \$110 million, or 18.7 percent, from May 2021. After nearly two years of adapting an already fragile economy to an unprecedented global health pandemic, New Mexico is finally on the road to recovery. Still, the State continues to lag behind other states in total employment, wages, and participation.

University of New Mexico (UNM) Bureau of Business & Economic Research (BBER) expect New Mexico economy will experience slower than national economic growth in the near term but will gain ground with relatively faster growth in 2023. BBER projects jobs in New Mexico will reach pre-pandemic levels by late 2023 or early 2024.

STATE OF NEW MEXICO CENTRAL NEW MEXICO COMMUNITY COLLEGE

Component Unit Financial Statements

Central New Mexico Community College Foundation, Incorporated and CNM Ingenuity, Incorporated are component units of the College. Both entities separately issue their financial statements under Governmental Accounting Standards Board (GASB) format. Separately issued financial statements for the CNM Foundation and CNM Ingenuity may be obtained from <https://www.cnm.edu/depts/business-office>.



**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

Statements of Net Position
June 30, 2022 and 2021

	Component Units					
	Primary Institution		Foundation		Ingenuity	
	2022	2021	2022	2021	2022	2021
Assets:						
Current assets:						
Cash and cash equivalents	\$ 2,770,990	3,127,525	36,153	46,575	8,368,077	4,682,260
Cash and cash equivalents – restricted	-	-	2,926,207	2,310,845	-	-
Investments - unrestricted	102,229,567	78,485,582	-	-	-	-
Investments - restricted	64,425,588	76,370,381	-	-	-	-
Endowment investments – restricted	351,589	756,386	-	-	-	-
Accounts receivable students, net	6,713,968	7,282,287	-	-	-	-
Grants and contracts receivable	5,372,766	7,551,119	-	-	-	-
Lease receivable	892,280	-	-	-	19,661	-
Mill levy receivable	3,716,696	3,856,202	-	-	-	-
Pledges receivable - unrestricted, net	-	-	33,469	24,125	-	44,554
Other receivable	922,267	1,219,958	22,369	14,687	943,580	1,052,670
Inventories	44,552	57,712	-	-	-	-
Other assets	879,667	894,040	-	-	30,392	255,041
Total current assets	188,319,930	179,601,192	3,018,198	2,396,232	9,361,710	6,034,525
Noncurrent assets:						
Investments	-	-	-	-	14,866,446	17,135,818
Endowment investments – restricted	1,805,000	1,805,000	11,202,843	13,343,570	-	-
Lease receivable	7,550,861	-	-	-	8,873	-
Mill levy receivable	2,096,104	2,168,420	-	-	-	-
Pledges receivable - unrestricted, net	-	-	12,606	25,614	-	-
Notes receivable	154,172	156,201	-	-	-	-
Other assets	74,667	82,667	-	-	237,553	130,002
Capital assets, not being depreciated	52,912,834	41,710,060	-	-	1,501,677	1,609,168
Capital assets, net of accumulated depreciation	280,757,715	290,220,345	-	-	4,395,161	3,496,295
Total noncurrent assets	345,351,353	336,142,693	11,215,449	13,369,184	21,009,710	22,371,283
Total assets	533,671,283	515,743,885	14,233,647	15,765,416	30,371,420	28,405,808
Deferred outflows of resources:						
Bond refunding	-	9,283	-	-	-	-
OPEB related	17,979,975	22,228,133	-	-	-	-
Pension related	146,614,244	246,080,967	-	-	-	-
Total deferred outflow of resources	164,594,219	268,318,383	-	-	-	-
Liabilities:						
Current liabilities:						
Accounts payable to suppliers	7,829,642	6,143,750	259,046	149,814	960,512	1,924,098
Accounts payable - loans	107,198	106,697	-	-	-	-
Accrued compensated absences	3,561,572	3,658,412	-	-	-	-
Accrued payroll and payroll taxes	7,516,016	6,556,565	-	-	-	-
Accounts payable – other	546,928	567,836	-	-	-	-
Accrued interest payable	1,477,792	1,251,596	-	-	-	-
Unearned revenue	11,694,277	9,885,528	899,933	579,808	610,105	274,223
Bonds and Notes payable – current portion	25,281,381	16,611,671	-	-	-	-
Lease liabilities	42,849	-	-	-	167,641	-
Total current liabilities	58,057,655	44,782,055	1,158,979	729,622	1,738,258	2,198,321
Noncurrent liabilities						
Bonds and Notes payable	86,841,152	112,122,532	-	-	-	-
Lease liabilities	57,944	-	-	-	677,947	-
Net OPEB liabilities	54,643,826	71,040,905	-	-	-	-
Net pension liability	178,913,174	524,629,170	-	-	-	-
Total noncurrent liabilities	320,456,096	707,792,607	-	-	-	-
Total liabilities	378,513,751	752,574,662	1,158,979	729,622	1,738,258	2,198,321
Deferred inflows of resources:						
Bond refunding	108,983	135,403	-	-	-	-
Lease related	8,218,160	-	-	-	28,997	-
OPEB related	36,694,612	32,678,576	-	-	-	-
Pension related	255,412,453	4,665,134	-	-	-	-
Total deferred inflow of resources	300,434,208	37,479,113	-	-	28,997	-
Net position:						
Net investment in capital assets	258,064,458	255,200,493	-	-	5,896,838	5,105,463
Restricted:						
Nonexpendable:						
Scholarships	-	-	8,301,063	8,126,024	-	-
Department programs	1,805,000	1,805,000	404,698	389,395	-	-
Expendable:						
Scholarships	-	-	3,237,461	5,467,143	-	-
Department programs	434,589	844,530	797,744	701,104	141,823	141,823
Debt service	21,640,949	17,943,323	-	-	-	-
Unrestricted (deficit)	(262,627,453)	(281,784,853)	333,702	352,128	21,887,557	20,960,201
Total net position	\$ 19,317,543	(5,991,507)	13,074,668	15,035,794	27,926,218	26,207,487

See accompanying notes to basic financial statements.

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

**Statements of Revenues, Expenses, and Changes in Net Position
Years ended June 30, 2022 and 2021**

	Component Units					
	Primary Institution		Foundation		Ingenuity	
	2022	2021	2022	2021	2022	2021
Operating revenues:						
Tuition and fees*	\$ 13,722,012	16,720,700	-	-	4,892,394	5,131,843
Federal grants and contracts	26,621,382	20,578,224	-	-	-	-
State and local grants and contracts	13,772,841	11,743,649	384,382	366,296	4,527,186	2,805,578
Sales & services of educational depts.	1,379,931	1,652,339	-	-	-	-
Gifts and pledges	-	-	702,793	978,848	48,251	40,850
Auxiliary enterprise	691,106	539,683	-	-	-	-
Total operating revenues	<u>56,187,272</u>	<u>51,234,595</u>	<u>1,087,175</u>	<u>1,345,144</u>	<u>9,467,831</u>	<u>7,978,271</u>
Operating expenses:						
Instruction and general:						
Instruction	72,567,236	128,673,733	-	-	-	-
Public service	498,754	399,610	-	-	-	-
Academic support	17,290,159	31,421,553	-	-	-	-
Student services	21,933,813	37,791,244	-	-	-	-
Institutional support	25,992,389	41,173,667	-	-	-	-
Operation and maintenance of plant	14,977,939	20,490,291	-	-	-	-
Depreciation and amortization of ROU assets	18,961,903	18,058,937	-	-	403,063	215,423
Student aid	34,919,166	16,627,013	-	-	-	-
Auxiliary enterprises	519,345	572,944	-	-	-	-
Other expenses	84,911	29,328	1,229,783	1,085,938	10,034,836	7,777,386
Total operating expenses	<u>207,745,615</u>	<u>295,238,320</u>	<u>1,229,783</u>	<u>1,085,938</u>	<u>10,437,899</u>	<u>7,992,809</u>
Operating income (loss)	<u>(151,558,343)</u>	<u>(244,003,725)</u>	<u>(142,608)</u>	<u>259,206</u>	<u>(970,068)</u>	<u>(14,538)</u>
Nonoperating revenues (expenses):						
State appropriations	62,510,767	56,558,800	-	-	-	-
Local appropriations – operating	60,217,537	58,982,011	-	-	-	-
Local appropriations – debt service	21,414,613	20,641,796	-	-	-	-
Federal pell grant	13,506,282	14,721,097	-	-	-	-
CARES Acts higher education emergency relief funds - student aid	19,666,046	3,397,228	-	-	-	-
Gifts	743,536	597,937	-	-	-	-
Investment income (loss)	(2,681,886)	762,365	(2,001,652)	2,632,452	(2,311,201)	3,553,592
Interest on capital asset related debt	(2,031,809)	(2,199,240)	-	-	-	-
Gain (Loss) on disposition of assets	135,799	(127,235)	-	-	-	-
OPEB income	6,495,108	3,661,518	-	-	-	-
Other nonoperating revenues	176,889	2,236,853	-	-	5,000,000	-
Other nonoperating expenses	(5,408,020)	(209,434)	-	-	-	-
Net nonoperating revenues (expenses)	<u>174,744,862</u>	<u>159,023,696</u>	<u>(2,001,652)</u>	<u>2,632,452</u>	<u>2,688,799</u>	<u>3,553,592</u>
Income (loss) before capital grants and appropriations	<u>23,186,519</u>	<u>(84,980,029)</u>	<u>(2,144,260)</u>	<u>2,891,658</u>	<u>1,718,731</u>	<u>3,539,054</u>
Capital appropriations	2,110,431	4,124,436	-	-	-	-
Capital grants and gifts	12,100	1,204,050	-	-	-	-
Additions to permanent endowments	-	-	183,134	240,116	-	-
Total other changes	<u>2,122,531</u>	<u>5,328,486</u>	<u>183,134</u>	<u>240,116</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	<u>25,309,050</u>	<u>(79,651,543)</u>	<u>(1,961,126)</u>	<u>3,131,774</u>	<u>1,718,731</u>	<u>3,539,054</u>
Net position, beginning of year	<u>(5,991,507)</u>	<u>73,660,036</u>	<u>15,035,794</u>	<u>11,904,020</u>	<u>26,207,487</u>	<u>22,668,433</u>
Net position, end of year	<u>\$ 19,317,543</u>	<u>(5,991,507)</u>	<u>13,074,668</u>	<u>15,035,794</u>	<u>27,926,218</u>	<u>26,207,487</u>

* Net of scholarship allowances of \$12,703,020 for 2022 and \$10,667,888 for 2021.

See accompanying notes to basic financial statements.

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

**Statements of Cash Flows
Years ended June 30, 2022 and 2021**

	2022	2021
Cash flows from operating activities:		
Tuition and fees	\$ 14,748,695	\$ 17,701,149
Federal grants and contracts	24,211,827	20,397,568
State and local grants and contracts	16,323,694	12,092,274
Payments to suppliers	(28,275,670)	(23,054,314)
Payments for utilities	(4,073,997)	(4,119,182)
Payments to employees	(86,892,744)	(84,443,111)
Payments for benefits	(29,490,048)	(29,788,694)
Payments for scholarships	(33,640,844)	(18,178,554)
Collection of loans to students	2,028	(1,336)
Auxiliary enterprise charges	664,445	113,171
Sales and services of educational activities	1,154,949	1,652,338
Other expenses	(5,408,020)	(209,434)
Other receipts	1,006,532	849,925
Net cash used by operating activities	<u>(129,669,153)</u>	<u>(106,988,200)</u>
Cash flows from noncapital financing activities:		
State appropriations	62,510,767	56,558,800
Local appropriations – operating	60,396,384	58,470,028
Local appropriations – debt service	21,447,589	20,468,680
Federal Pell grant	13,481,042	14,748,686
CARES Acts higher education emergency relief funds - student aid	19,716,318	3,569,243
Education Loan receipts	3,127,133	3,694,107
Education Loan disbursements	(3,119,546)	(3,693,538)
Gifts and contribution for permanent endowment	743,536	597,937
Student organization agency transactions	7,367	9,945
Net cash provided by noncapital financing activities	<u>178,310,590</u>	<u>154,423,888</u>
Cash flows from capital financing activities:		
Proceeds from capital debt	-	41,265,778
Proceeds from refunding bonds	-	15,820,593
Capital appropriations	4,975,459	1,772,763
Proceeds from sale of capital assets	141,965	14,963
Payment to refunded bonds escrow account	-	(15,660,593)
Purchases of capital assets	(21,563,931)	(17,306,321)
Principal paid on capital debt and leases	(14,920,763)	(14,390,000)
Interest paid on capital debt and leases	(3,554,421)	(3,512,750)
Net cash provided (used) by capital financing activities	<u>(34,921,691)</u>	<u>8,004,433</u>
Cash flows from investing activities:		
Proceeds from sale and maturity of investments	116,916,412	72,730,030
Income (loss) on investments	(2,681,886)	762,365
Purchase of investments	(128,310,807)	(130,323,865)
Net cash (used) provided by investing activities	<u>(14,076,281)</u>	<u>(56,831,470)</u>
Net increase (decrease) in cash and cash equivalents	(356,535)	(1,391,349)
Cash and cash equivalents, beginning of year	3,127,525	4,518,874
Cash and cash equivalents, end of year	<u>\$ 2,770,990</u>	<u>\$ 3,127,525</u>

See accompanying notes to basic financial statements.

(continued)

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE
Statements of Cash Flows (continued)
Years ended June 30, 2022 and 2021

	2022	2021
Reconciliation of net operating loss to net cash used by operating activities:		
Operating loss	\$ (151,558,343)	\$ (244,003,725)
Adjustments to reconcile net operating loss to net cash used by operating activities:		
Other expenses - nonoperational	(5,408,020)	(209,434)
Other receipts - nonoperational	1,006,532	849,925
Depreciation expense	18,961,903	18,058,937
CNM OPEB (RHCA) current year contribution	(1,637,777)	(1,601,119)
Pension plan expense proportion	17,019,471	129,754,658
Pension plan expense - prior year difference and/or rounding	(1,224)	4,005
CNM pension (ERB) current year contribution	(12,520,201)	(11,449,971)
Difference of lease receivable and deferred inflows of lease	(224,981)	-
Changes in assets and liabilities:		
Receivables, net	(679,553)	(6,087,881)
Inventories	13,160	5,982
Other assets	22,373	704,673
Accounts payable and accrued expenses	3,625,598	(100,006)
Unearned revenue	1,808,749	6,816,473
Compensated absences	(96,840)	269,283
Net cash used by operating activities	<u>\$ (129,669,153)</u>	<u>\$ (106,988,200)</u>
Noncash transactions:		
Capital grants and gifts	\$ 12,100	\$ 1,204,049



See accompanying notes to basic financial statements.

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**Notes to Basic Financial Statements
June 30, 2022 and 2021**

1) Summary of Significant Accounting Policies

a) Reporting Entity

Central New Mexico Community College was created under Sections 21-16-1 through 21-16-24, State of New Mexico Statutes Annotated (NMSA), 1978 Compilation, to provide post-secondary vocational and technical education. The College is governed by an elected seven-member board (Governing Board) and reports to the New Mexico Higher Education Department (NMHED). The mission of the College is to promote and provide higher education, skill development, and workforce training relevant to contemporary needs within the Central New Mexico Community College district and the State of New Mexico. The overall goal of the College is to provide dynamic education for the community.

b) Discretely Presented Component Units

In accordance with Governmental Accounting Standards Board (GASB) guidance, certain organizations warrant inclusion as part of the financial reporting entity because of the nature and significance of their relationship with the primary government, including their ongoing financial support of the primary government. Generally, GASB requires reporting, as a discretely presented component unit, a legally separate organization that raises and holds significant economic resources for the direct benefit of a governmental unit. Based upon the criteria established by GASB, these financial statements present the College and its component units, Central New Mexico Community College Foundation, Incorporated (Foundation) and CNM Ingenuity, Incorporated (Ingenuity).

Separate financial statements for the Central New Mexico Community College Foundation and CNM Ingenuity can be obtained by visiting <https://www.cnm.edu/depts/business-office>.

The following is a discretely presented component unit:

The Central New Mexico Community College Foundation was organized in 1986 pursuant to Section 53-8-30, NMSA 1978 Compilation as a nonmember, not-for-profit New Mexico corporation under Section 501(c)(3) of the Internal Revenue Code. The Foundation was incorporated for the purpose of providing support to the College and is authorized through its articles of incorporation to receive and hold any property, real or personal, given, devised, bequeathed, given in trust, or in any other way for the use or benefit of the College, or any student or instructor therein, or for the carrying on at the College in any line of work, teaching or investigation, which the donor, grantor, or testator may designate.

An agreement between the Foundation and the College was entered into on December 2, 1991, and most recently amended in April 2017. This agreement formalizes the relationship between the Foundation and the College and establishes the sole purpose for the Foundation as soliciting, managing, and distributing gifts, grants, and donations given for the benefit of the College, or any student or instructor. The Foundation also serves as custodian and manager of any endowments received from private donors. The College provides support services at no cost to the Foundation. The Foundation is discretely presented in a separate column in the financial statements.

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The following is a discretely presented component unit:

CNM Ingenuity, Incorporated, was organized March 17, 2014 pursuant to the provisions of the Nonprofit Corporation Act 53-83-1 to 53-8-99 NMSA 1978 Compilation as a nonmember, not-for-profit New Mexico corporation under Section 501(c)(3) of the Internal Revenue Code. Ingenuity was organized and at all times hereafter shall be operated exclusively for the benefit and support of, to perform the function of, or to carry out the purposes of the Central New Mexico Community College. Ingenuity and CNM entered into a Memorandum of Agreement (“MOA”) dated March 2014 and most recently amended in July 2016 that defines their relationship. The MOA provides that CNM will provide critical resources, financial and administrative, until Ingenuity becomes self-supporting. It also provides that Ingenuity’s activities will be conducted for the benefit of CNM and must be consistent with CNM’s long range plans.

Pursuant to the University Research Park and Economic Development Act Sections 21-28-1 through 21-28-25, New Mexico Statutes annotated, 1978 Compilation, as amended, (the Research Park Act), this Corporation is formed for all lawful purposes under the Research Park Act. Ingenuity is discretely presented in a separate column in the financial statements since CNM appoints a voting majority of Ingenuity’s board and is able to impose its will on Ingenuity.

c) Financial Statement Presentation

The College, the Foundation and Ingenuity present their financial statements in accordance with U.S. generally accepted accounting principles as prescribed in applicable pronouncements of the Governmental Accounting Standards Board (GASB). The statement presentation required by GASB Statement 35, Basic Financial Statements—and Management’s Discussion and Analysis—for Public Colleges and Universities—an amendment of GASB Statement No. 34, provides a comprehensive entity-wide perspective of the College’s assets, liabilities, and net position; revenues, expenses and changes in net position; and cash flows.

d) Basis of Accounting

For financial reporting purposes, the College is considered a special purpose government engaged only in business type activities. The financial statements, including financial information of the Foundation and Ingenuity, have been 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.

e) Management’s Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred outflows and inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from estimates.

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f) Income Taxes

As a state post-secondary vocational and technical College, the College's income is exempt from federal and state income taxes under Section 115(1) to the extent the income is derived from essential governmental functions. However, income generated from activities unrelated to the purpose of the College would be subject to tax under IRC section 511(a)(2)(B).

The Foundation and Ingenuity are not-for-profit corporations and have been recognized as tax-exempt under Section 501(c)(3) of the Internal Revenue Code.

g) Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the College considers all highly liquid investments with original maturities of three months or less to be cash equivalents. Immediate cash needs are met with resources deposited at the College's fiscal agent.

Restricted cash and cash equivalents, and restricted investments represent amounts that are externally restricted to make debt service payments, bond funds restricted for capital purposes, and cash for loans.

The State of New Mexico appropriated funds to the College for the Legislative Nursing Endowment. The College's endowment spending is subject to annual review and provides that the annual amount of potential distributions from each endowment fund shall be limited to an amount determined prudent of the asset value of the endowment fund. At the beginning of each fiscal year, the College's management determines the potential distribution amount for the endowment fund for the ensuing fiscal year. The College has approximately \$434,589 available for use. The amount is recorded in the statement of net position as restricted-expendable.

The Foundation's cash and cash equivalents consists of a checking account and money market accounts held with a local investment firm. Money market funds are carried at amortized costs, which approximates fair value.

Ingenuity's cash and cash equivalents consists of a checking account and money market account. Money market funds are carried at amortized cost, which approximates fair value.

h) Investments

Cash resources not needed to meet immediate needs are invested with the New Mexico State Treasurer's Office short term investment pool, LGIP or with the New Mexico State Investment Council. Amounts invested are readily available to the College when needed and are recorded at amortized cost, which approximates fair value. The College considers cash deposited at the State Treasurer's Office and the State Investment Council to be investments.

The Foundation's investments consist primarily of Federal agency obligations, corporate obligations, and marketable securities. Marketable securities are carried at fair value based on quoted market prices. The change in fair value is reported in investment income in the statements of revenues, expenses, and changes in net position.

Ingenuity's investment consist primarily of money market mutual funds and marketable securities. Money market mutual funds are carried at amortized cost, which approximates fair value. Marketable securities are carried at fair value based on quoted market prices.

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Ingenuity's private equity investments represent ownership in closely held businesses, which are not publicly traded. These investments are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recordable. These investments are recorded using net asset value (NAV) per share accordance with GASB Statement No 72, *Fair Value Measurement and Application*. Ingenuity considers the reasonableness of the NAV, based on available information, to arrive at the fair value estimates of each investment.

I) Receivables

Receivables consist primarily of amounts due from federal and state governmental entities for grants and contracts, local government entities for unremitted district mill levy collections, student and third party payers for student tuition and fees, and lease receivable. The allowance for doubtful accounts is maintained at a level, which, in the administration's judgment, is sufficient to provide for possible losses in the collection of these accounts.

j) Private Gifts, Revenue, and Pledges

Annual contributions are generally available for unrestricted use in the year donated unless specifically restricted by the donor. Grants and other contributions of cash and other assets are reported as restricted if they are received with donor stipulations that limit the use of the donated assets. Contributions of donated noncash assets are recorded at their estimated fair values in the period received.

The Foundation recognizes unrestricted pledges as increases in assets and revenue upon receipt of a signed pledge commitment, and when all applicable eligibility requirements are met. An allowance for uncollectible pledges is recorded when the pledge is recorded. The allowance is based on past pledge loss experience and other factors that management considers necessary in estimating pledge loss.

k) Inventories

Inventories, which primarily consist of office supplies held for department use, are stated at cost.

l) Capital Assets

Capital assets are recorded at cost or acquisition value at the date of donation in the case of gifts. For equipment, the College's capitalization policy includes all items with a unit cost of \$5,000 or more per Section 12-6-10 NMSA 1978 and an estimated useful life of greater than one year.

Renovations to buildings, infrastructure, and land improvements costing \$100,000 or more and that significantly increase the value or extend the useful life of the structure are capitalized. Software purchased for internal use with a unit cost of \$5,000 or more is capitalized and depreciated. Routine repairs and maintenance are charged to operating expense in the year in which the expense is incurred. Depreciation is computed using the straight line method over the estimated useful lives of the asset, generally 5 to 40 years for building and building improvements, 5 to 40 years for infrastructure and land improvements, 10 years for library materials, and 5 to 12 years for furniture, fixtures, and equipment.

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m) Noncurrent Cash and Cash Equivalents

Cash and cash equivalents that are externally restricted to make debt service payments, not needed in the next year, and funds to be invested in perpetuity are classified as noncurrent assets in the statement of net position.

n) Compensated Absences

Accumulated annual leave is reported as a liability. Annual leave is provided to full and part-time, non-instructional employees. Up to 30 days annual leave may be accumulated and carried over to a subsequent fiscal year.

o) Unearned Revenue

For government mandated and voluntary non-exchange transactions, the College, the Foundation, and Ingenuity recognize receivables and revenues when all applicable requirements, including time requirements are met. Resources received before the eligibility requirements are met are reported as unearned revenues. Resources received in advance where all eligibility requirements have been met are recorded as revenues when received.

Unearned revenue at June 30, 2022 and 2021 for CNM consists primarily of unearned summer term tuition in the amounts of \$3,048,754 and \$2,817,952 respectively; unearned fall tuition and fees in the amount of \$5,851,367 and \$5,556,788 in June 2022 and June 2021 respectively; and \$2,794,156 and \$1,510,788 respectively from grants and contract sponsors that have not yet been earned. Total unearned revenue at June 30, 2022 and 2021 are \$11,694,277 and \$9,885,528 respectively.

Unearned revenue at June 30, 2022 and 2021 for the CNM Foundation are \$899,933 and \$579,808, respectively.

Unearned revenue at June 30, 2022 and 2021 for Ingenuity are \$610,105 and \$274,223 respectively.

p) Noncurrent Liabilities

Noncurrent liabilities include principal amounts of bonds payable, lease liabilities, Net pension liability and Net OPEB liability that will not be paid within the next fiscal year.

q) Deferred outflows of resources

Represent a consumption of net assets that applies to future periods.

r) Deferred inflows of resources

Represent an acquisition of net assets that applies to future periods.

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s) Classification of Net Position

The College's net position is classified as follows:

Net investment in capital assets – This represents the College's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of invested in capital assets, net of related debt. At June 30, 2022 and 2021, approximately \$36,726,218 and \$52,130,411 of bond proceeds remain unexpended, respectively.

Restricted net position – expendable – Restricted expendable net position includes resources in which the College is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties. At year-end, the College had \$434,589 endowment earnings available for use.

Restricted net position – nonexpendable – Nonexpendable restricted net position consists of endowment funds in which the donors have stipulated, as a condition of the gift instrument, that the principal is to be maintained in perpetuity and invested for the purpose of producing present and future income. The income generated from the principal may be expended or added to principal.

Unrestricted net position – Unrestricted net position represents resources derived from student tuition and fees, state appropriations, district mill levies, investment income, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the College and may be used at the discretion of the Governing Board to meet current expenses for any purpose. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty, and staff.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the College's policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

t) State Appropriations

For government-mandated and voluntary non-exchange transactions, the College recognizes revenues when all applicable requirements including time requirements are met.

Unexpended state appropriations do not revert to the State of New Mexico at the end of the fiscal year and are available to the College in subsequent years, pursuant to the General Appropriation Act.

u) District Mill Levies

District mill levies attach as an unsubordinated enforceable lien on property as of January 1 of the assessment year. Current year taxes are levied on November 1 and are due in equal semiannual installments on November 10 and April 10 of the next year. Taxes become delinquent 30 days after the due dates unless the original levy date has been formally extended. The mill levy is collected by the respective County treasurers and is remitted to the College.

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Revenue from the operational mill levy is recorded in the period for which the lien is levied. A separate mill levy for the retirement of debt on the General Obligation series 2009 bond, series 2011 bond, series 2014A bond, series 2014B bond, series 2016 bond, series 2018A bond, series 2021A bond, series 2021B bond, and series 2021C note (note 11) is collected and remitted to the College. Following the symmetrical recognition concept of GASB Statement 33 and 36, the College recorded an estimated receivable of \$5,812,800 and \$6,024,622 as of June 30, 2022 and 2021, respectively, based on levied tax information received from the respective county Treasurer's office. Based on historical collections, no allowance for uncollectible accounts has been recorded.

v) *Classification of Revenues*

The College has classified its revenues as either operating or non-operating according to the following criteria:

Operating revenues – Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship allowances; (2) sales and services of auxiliary enterprises; (3) most federal, state, and local grants and contracts; and (4) sale of educational services.

Non-operating revenues – Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as gifts and contributions, and other revenue sources that are defined as non-operating revenues by GASB Statement No. 9, Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Government Entities That Use Proprietary Fund Accounting, and GASB Statement No. 34, such as state appropriations, mill levies, and Pell grant and investment income.

Student tuition and fee revenues and certain other revenues from students, are reported net of scholarship allowances in the statement of revenues, expenses, and changes in net position. Scholarship allowances are the difference between the stated charge for goods and services provided by the College and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other federal, state, or nongovernmental programs, are recorded as either operating or non-operating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees, other student charges and expenses, the College has recorded a scholarship allowance.

Contract and grant revenues are recognized when all of the eligibility requirements have been met.

w) *Classification of Expenses*

Expenses are classified as operating or non-operating according to the following criteria:

Operating expenses – Operating expenses include activities that have the characteristics of an exchange transaction, such as (1) employee salaries, benefits, and related expenses; (2) scholarships and fellowships, net of scholarship discounts and allowances; (3) utilities, supplies, and other services; (4) professional fees; and (5) depreciation expenses related to the College's capital assets.

Non-operating expenses – Non-operating expenses include activities that have the characteristics of non-exchange transactions, such as interest on capital asset related debt and bond expenses that are defined as non-operating expenses by GASB Statement No. 9, Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting, and GASB Statement No. 34.

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x) Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Educational Retirement Board (ERB) and additions to/deductions from ERB's fiduciary net position have been determined on the same basis as they are reported by ERB. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value. See Note 12.

y) Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expenses, information about the fiduciary net position of the New Mexico Retiree Health Care Authority (NMRHCA) and additions to and deductions from NMRHCA's fiduciary net position have been determined on the same basis as they are reported by NMRHCA. For this purpose, NMRHCA recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value. See Note 13.

z) New Accounting Pronouncements Adopted

For the fiscal year ending June 30, 2022 (FY22), the College adopted the following GASB Statements:

Statement No. 87, *Leases*. The requirements of this Statement are effective for fiscal year beginning after June 15, 2021.

Statement No. 92, *Omnibus 2020*. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. The adoption of GASB No. 92 does not have any impact on the College's financial statements.

Statement 93, "*Replacement of Interbank Offered Rates*." The requirement in paragraph 11b are effective for reporting periods ending after December 31, 2021. The requirements in paragraphs 13 and 14 are effective for fiscal years periods beginning after June 15, 2021. The adoption of GASB No. 93 does not have any impact on the College's financial statements.

Statement No. 97, "*Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*." The requirements of this Statement will take effect for fiscal year that ends June 30, 2022. The adoption of GASB No. 97 does not have any impact on the College's financial statements.

Implementation Guide No. 2019-3, "*Leases*." The requirements of this Implementation Guide will take effect for fiscal year that ends June 30, 2022.

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aa) Subsequent Accounting Pronouncements

The GASB has issued the following statements:

GASB Statement No. 91, *Conduit Debt Obligations*. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The requirements of this Statement will take effect for fiscal years beginning after June 15, 2022.

Statement No. 96, *Subscription-Based Information Technology Arrangements*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 99, *Omnibus 2022*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023.

GASB Statement No. 100, *Accounting Changes and Error Corrections*—an amendment of GASB Statement No. 62. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023.

GASB Statement No. 101, *Compensated Absence*. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023.

Earlier application of these statements is encouraged. For the original pronouncements please visit the GASB's Website www.gasb.org

bb) Reclassifications and Prior Year Adjustment

Certain prior year amounts have been reclassified in order to be consistent with current year presentation.



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2) Deposits and Investments

State statutes authorize the investment of funds in a wide variety of instruments including certificates of deposit and other similar obligations, state local government investment pool, money market accounts, and United States Government obligations. Management of the College is not aware of any investments that did not properly follow State investment requirements as of June 30, 2022.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the College. Deposits may be made to the extent that they are insured by an agency of the United States or collateralized as required by statute. The financial institution must provide pledged collateral for 50% of the deposit amount in excess of the deposit insurance.

The following is a summary of deposits and investments as of June 30,

College	2022	2021
Cash on hand	\$ 9,525	\$ 8,075
Deposits with financial institutions	2,761,465	3,119,450
Investments with NM State Investment Council	14,625,281	2,561,386
Investments with NM State Treasurer	154,186,463	154,855,963
Total cash and investments	\$ 171,582,734	\$ 160,544,874
Foundation	2022	2021
Deposits with financial institutions	\$ 298,764	\$ 298,741
Money market with Merrill Lynch	2,663,596	2,058,679
Federal agency obligations	1,338,373	1,677,010
Corporate obligations	953,245	803,972
Corporate stock	5,687,385	7,008,966
Mutual funds	3,223,840	3,853,622
Total cash and investments	\$ 14,165,203	\$ 15,700,990
Ingenuity	2022	2021
Deposits with financial institutions	\$ 292,782	\$ 943,836
Money market with Wells Fargo	471,144	15,061
Money Market with Merrill Lynch	7,603,751	3,722,993
Petty Cash	400	370
Federal agency obligations	1,530,224	1,828,622
Corporate obligations	991,481	832,581
Corporate stock	8,312,769	10,088,083
Mutual funds	4,031,972	4,386,532
Total cash and investments	\$ 23,234,523	\$ 21,818,078

a) Custodial Credit Risk

The custodial credit risk for deposits is the risk that in the event of a depository institution failure, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

All deposits and investments in commercial banks are collateralized as required by Section 6–10–16 to Section 6–10–17 NMSA 1978. All deposits of the College are either insured or collateralized by using the Dedicated Method. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the College’s agent in the College’s name.

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At June 30, 2022 and 2021, the College's deposits had a carrying amount of \$2,761,465 and \$3,119,450 respectively, and a bank balance of \$4,286,817 and \$4,562,989 respectively. Of the bank balance, \$250,000 was covered by federal depository insurance. At June 30, 2022 and 2021, \$10,140,871 and \$10,284,016 respectively, was collateralized with securities held by the College's financial institution's trust department in the College's name under the Dedicated Method. None of these balances were uninsured and/or uncollateralized at June 30, 2022 and 2021. Effective January 1, 2018, the College began self-insuring its health benefits for employees. At June 30, 2022 and 2021, \$1,529,430 and \$1,075,538 for self insured health benefits are in a checking account respectively.

A summary of the College's insured and collateralized accounts at June 30, 2022 and 2021 is as follows:

				2022
Wells Fargo Bank checking accounts				\$ 4,286,617
FDIC Insurance				(250,000)
Public funds in excess of FDIC Insurance				4,036,617
50% collateral requirement of	\$	4,036,617		2,018,309
Total collateral requirements				\$ 2,018,309
Collateral (at fair value):	CUSIP	Rate	Maturity	
FNMA FNMS	3140JWLM0	3.000%	9/1/2049	828,221
FNMA FNMS	3140K0WP9	3.000%	10/1/2049	866,124
FNMA FNMS	3140K5JR9	3.000%	2/1/2050	768,300
FNMA FNMS	3140M7SH5	2.500%	12/1/2051	636,728
GNMA G2SF	36179SUV7	3.500%	1/20/2047	4,920,285
GNMA G2SF	36179NR2	3.500%	12/20/2047	1,955,491
GNMA G2SF	36179XAB2	5.000%	6/20/2052	1,581
GNMA G2SF	3617UCHA9	2.000%	1/20/2051	164,141
Total collateral				10,140,871
Over collateral requirement				\$ 8,122,562
				2021
Wells Fargo Bank checking accounts				\$ 4,562,989
FDIC Insurance				(250,000)
Public funds in excess of FDIC Insurance				4,312,989
50% collateral requirement of	\$	4,312,989		2,156,495
Total collateral requirements				\$ 2,156,495
Collateral (at fair value):	CUSIP	Rate	Maturity	
FMAC FEPC	3132A46H6	3.500%	2/1/2042	2,387,206
FNMA FNMS	3140JQZR7	3.000%	9/1/2049	1,280,625
FNMA FNMS	3140K0WP9	3.000%	10/1/2049	675,192
FNMA FNMS	3140K5JR9	3.000%	2/1/2050	235,493
FNMA FNMS	31418CU77	3.500%	3/1/2048	5,705,500
Total collateral				10,284,016
Over collateral requirement				\$ 8,127,522

Wells Fargo Banks has pledged the above collateral which is being held in safekeeping by The Bank of New York Mellon.

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b) Investments

The College's investment policy is set forth by the Governing Board pursuant to Governing Board Handbook section IV. In June 2021, The College's updated its investment guidelines. The purpose of these guidelines is to establish investment guidelines, objectives, permitted investments, investment diversification targets, benchmarks, reporting requirements and approvals in conformity with federal and state laws and regulations, including Internal Revenue Services (IRS) regulations. These laws and regulations include but are not limited to NMSA 1978, § 6-8-1 et seq. and § 6-10-1 et seq., NMSA 1978; Uniform Prudent Investor Act, NMSA 1978, § 45-7-601 et seq.; Uniform Prudent Management of Institutional Funds Act, NMSA 1978 § 46-9A-1 through § 46-9A-10 NMSA 1978; and Internal Revenue Code on Arbitrage, 26 USC § 148.

The College invests excess cash in the New Mexico Local Government Investment Pool (LGIP), which is managed by the New Mexico State Treasurer. These investments are valued at amortized cost which approximates fair value. The LGIP is not Securities and Exchange Commission (SEC) registered. Section 6-10-10 I, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment fund in securities that are issued by the United States government or its departments or agencies and are either direct obligations of the United States or are backed by the full faith and credit of the United States government or are agencies sponsored by the United States government. The LGIP investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments. The pool does not have unit shares. Per Section 6-10-10.1F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the fund amounts were invested. Participation in the local government investment pool is voluntary.

The College invests its endowment funds with the State Investment Council pooled funds. Pursuant to New Mexico law Section 6-8-7I of NMSA 1978, as amended, the State Investment Council manages several equity and bond investment pools to provide long-term investment opportunities for State agencies and designated institutions that have funds available for a long-term investment program that will extend for more than one year. In fiscal year 2022, the College increased its investment in State Investment Council (SIC). The College maintained a balance of \$14,625,281 in SIC at year-end which require fair value disclosure. NMSIC issues a separate, publicly available financial report that includes financial statements and required supplementary information.

Foundation

The Foundation revised the investment policy in November 2020. The fundamental goal of the policy is to produce the maximum return possible while preserving the Foundation's assets. Investments are divided into four main portfolios (pools): (1)Temporary Restricted, (2)Endowments (Restricted), and (3) Ottens and (4) Eloy Reyes Title V Memorial Endowment for La Comunidad.

Temporarily Restricted Portfolio investments will consist of money market or other conservative investments with an average maturity of less than three years meeting the following criteria: (1) Certificates of deposit are authorized to the extent of FDIC insurance coverage; (2) portfolio can contain U.S. Treasury bills and notes and U.S. agency securities; (3) the average credit quality of the fixed income portfolio shall be AA or higher as defined by Moody's with an effective maturity of less than 3 years; and (4) no single issuer of debt or equity should make up more than 5% of the Portfolio except for U.S. government obligations.

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Endowment Portfolio investments consist of equity securities, certificates of deposit, U.S. Treasury bills and notes, and U.S. agency securities. Investment managers may purchase fixed income securities issued by U.S. corporations that carry a credit rating characterized as below investment grade Moody's (lower than Baa3) at the time of purchase. The fixed income portion of the portfolio is limited to a 15% allocation to high yield bonds. Investment managers may also purchase fixed income securities issued by non-U.S. sovereign governments or corporations. The fixed income portion of the portfolio is limited to a 10% allocation to non U.S bonds. Up to 25% of the Portfolio can be invested in foreign issues of debt or equity. No single issuer of debt or equity should make up more than 5% of the Portfolio except for U.S. government obligations. On June 30, 2021, the portfolio consisted of 12.6% of U.S. government obligations.

Ingenuity

Ingenuity implemented Restricted Fund Investment Policy on April 22, 2021. The overall investment objective of Ingenuity's Restricted Fund is to maximize the return on invested assets while minimizing risk and expenses through prudent investing and planning, as well as through the maintenance of a diversified portfolio. Investments are registered in the name of Ingenuity and are held by an outside investment firm.

c) Fair Value Measurement

The fair value framework uses a hierarchy that prioritizes the inputs to the valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 Inputs to the valuation methodology include:

- * Quoted prices for similar assets or liabilities in active markets;
- * Quoted prices for identical or similar assets or liabilities in inactive markets;
- * Inputs other than quoted prices that are observable for the asset or liability;
- * Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The investments that are reported as Level 2 have various pricing sources including International Data Corporation (IDC), Pricing Direct, Reuters, Markit Partners, Bloomberg and Standard & Poor's (S&P).

The valuation methodologies described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the College believes its valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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d) Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit quality information is commonly expressed in terms of the credit ratings issued by nationally recognized statistical rating organizations such as Standard & Poor's, and provides a current depiction of potential variable cash flows and credit risk.

The College's investments at June 30 are summarized as follows:

	Rating	2022 Fair Value	2021 Fair Value
New Mexico LGIP	AAAm	\$ 154,186,463	\$ 154,855,963
State Investment Council (SIC)	Unrated		
Core Plus Bonds (Level 2)		5,849,024	634,350
Large Cap Index (Level 1)		5,334,925	1,066,961
Small Mid Cap (Level 1)		1,482,564	415,421
Non-US Emerging Active (Level 1)		429,402	119,066
Non-US Developed Active (Level 1)		1,529,366	325,588
Total securities		\$ 168,811,744	\$ 157,417,349

The following table provides information on the credit ratings associated with Ingenuity's investment in debt securities at June 30:

	Rating	2022 Fair Value	2021 Fair Value
Corporate Stock (Level 1):	Unrated	\$ 8,312,769	\$ 10,088,083
Mutual Funds (Level 1)	Unrated	4,031,972	4,386,532
Total unrated securities		\$ 12,344,741	\$ 14,474,615
Federal agency obligations			
Federal mortgage/asset backed (Level 2)	AAA	\$ -	\$ 6,507
Federal mortgage/asset backed (Level 2)	AA	-	2,020
Federal mortgage/asset backed (Level 2)	N/A	725,726	382,709
US treasury bonds (Level 1)	N/A	804,498	1,437,386
		1,530,224	1,828,622
Corporate obligations:			
Corporate bonds (Level 2)	AAA-	32,387	-
Corporate bonds (Level 2)	AA+	36,928	-
Corporate bonds (Level 2)	AA	60,928	30,094
Corporate bonds (Level 2)	A+	64,284	63,571
Corporate bonds (Level 2)	A	12,453	39,055
Corporate bonds (Level 2)	A-	183,494	118,791
Corporate bonds (Level 2)	BBB+	359,856	455,560
Corporate bonds (Level 2)	BBB	167,544	121,173
Corporate bonds (Level 2)	BBB -	46,099	4,337
Corporate bonds (Level 2)	N/A	27,508	-
		991,481	832,581
Total rated securities		\$ 2,521,705	\$ 2,661,203
Total securities		\$ 14,866,446	\$ 17,135,818

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The following table provides information on the credit ratings associated with the Foundation's investment in debt securities at June 30:

	Rating	2022 Fair Value	2021 Fair Value
Corporate Stock (Level 1):	Unrated	\$ 5,687,385	\$ 7,008,966
Mutual Funds (Level 1)	Unrated	3,223,840	3,853,622
Total unrated securities		\$ 8,911,225	\$ 10,862,588
Federal agency obligations:			
Federal home loan mortgage corp. (Level 2)	AA+	\$ 195,645	\$ 76,950
Federal national mortgage assoc. (Level 2)	AA+	459,750	393,743
US treasury notes (Level 1)	N/A	421,565	817,101
US treasury bonds (Level 1)	N/A	261,413	362,503
US treasury inflation bonds (Level 1)	N/A	-	26,713
		1,338,373	1,677,010
Corporate obligations:			
Corporate bonds (Level 2)	AAA	62,557	26,132
Corporate bonds (Level 2)	AA+	34,143	6,368
Corporate bonds (Level 2)	AA	50,368	31,890
Corporate bonds (Level 2)	AA -	2,979	38,039
Corporate bonds (Level 2)	A+	55,405	19,092
Corporate bonds (Level 2)	A	29,191	40,855
Corporate bonds (Level 2)	A-	172,042	119,037
Corporate bonds (Level 2)	BBB+	334,756	398,795
Corporate bonds (Level 2)	BBB	163,379	120,561
Corporate bonds (Level 2)	BBB-	48,425	3,203
		953,245	803,972
Total rated securities		\$ 2,291,618	\$ 2,480,982
Total securities		\$ 11,202,843	\$ 13,343,570

e) Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The College, the Foundation and Ingenuity do not have formal investment policies that limit investment maturities as a means of managing its exposure to changing interest rates.

A summary of the investments and respective maturities at June 30, 2022 and 2021 and the exposure to interest rate risk is as follows:

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	2022 - Investment Maturities			
	Fair Value	Less than 1 year	1 - 5 years	5 years +
CNM - NM LGIP	\$ 154,186,463	154,186,463	-	-
CNM - NM SIC	8,776,257	6,971,257	-	1,805,000
CNM - NM SIC	5,849,024	5,849,024	-	-
Foundation Federal	1,338,373	-	295,549	1,042,824
Foundation Corporate	953,245	4,993	315,637	632,615
Ingenuity Federal	1,530,224	-	330,745	1,199,479
Ingenuity Corporate	991,481	7,049	284,069	700,363

	2021 - Investment Maturities			
	Fair Value	Less than 1 year	1 - 5 years	5 years +
CNM - NM LGIP	\$ 154,855,963	154,855,963	-	-
CNM - NM SIC	1,927,036	122,036	-	1,805,000
CNM - NM SIC	634,350	634,350	-	-
Foundation Federal	1,677,010	52,764	609,106	1,015,140
Foundation Corporate	803,972	38,687	188,695	576,590
Ingenuity Federal	1,828,622	12,164	357,197	1,459,261
Ingenuity Corporate	832,581	23,300	350,535	458,746

The State Treasurer manages its exposure for the New Mexico LGIP for declines in fair values by calculation of the weighted average maturity (WAM) of its investment portfolio. The gains/losses are not allocated to participating entities. At June 30, 2022, the WAM (R) was 49 days and WAM (F) was 89 days, and at June 30, 2021, the WAM (R) was 48 days and WAM (F) was 78 days. For additional GASB 40 disclosure information regarding funds held by the State Treasurer, please refer to the separate audit report issued by the state Treasurer's Office as of and for the year ended June 30, 2022.

f) Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributable to the magnitude of the College, the Foundation's, or Ingenuity's investment in a single issuer. Investments in any one issuer that represent 5% or more of total investments are considered to be exposed to the concentrated risk. Investments issued by the U.S. government and investments in mutual funds are excluded from this requirement. The Foundation had 11.9% of the portfolio on June 30, 2022 and 12.6% of the investment portfolio on June 30, 2021 in U.S. government obligations, which exceeds the 5% limitation in any single type of security per the Foundation's investment policy statement (IPS). However, under section J of the IPS, U.S. government obligations are exempt from the 5% limit.

g) Foreign Currency Risk

Foreign currency risk is the potential risk of loss arising from investments denominated in foreign currencies when there are changes in exchange rates. The potential risk of loss arising from changes in exchange rates can be significant. At June 30, 2022 and 2021, the College, the Foundation and Ingenuity held no investments denominated in foreign currencies, and therefore had no foreign currency risk.

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3) Receivables

The College's receivables represent revenues earned from student tuitions and fees, loans, advances to students, local tax levy, and federal government grants and contracts. All amounts, except for student receivables and partially local tax levy, are expected to be collected within sixty days after year-end. An allowance for uncollectible accounts has been established for student accounts judged to be uncollectible due to the age of the receivables. Also, there is an allowance set up for other miscellaneous receivables that are deemed uncollectible. A schedule of receivables and allowance for uncollectible accounts is as follows at June 30,

Accounts Receivable	2022	2021
Accounts receivable students	\$ 16,771,652	\$ 17,879,522
Allowance for doubtful accounts	(10,057,684)	\$ (10,597,235)
Grant and contract receivables	5,437,990	7,616,343
Allowance for doubtful accounts	(65,224)	(65,224)
Other receivable	922,267	1,219,958
Lease receivable	892,280	-
Mill levy receivable	3,716,696	3,856,202
Total current receivables	17,617,977	19,909,566
Lease receivable	7,550,861	-
Mill levy receivable	2,096,104	2,168,420
Notes receivable	154,172	156,201
Total noncurrent receivables	\$ 9,801,137	\$ 2,324,621

As the result of GASB 87, Lease implementation in fiscal year 2022, the College's total lease receivable at June 30, 2022 was \$8,443,141.



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4) Capital Assets

Capital assets consist of the following:

Year ended June 30, 2022	Balance June 30, 2021	Additions and transfers	Dispositions and transfers	Balance June 30, 2022
Capital assets, not being depreciated:				
Land	\$ 27,519,494	1,527,086	-	29,046,580
Art	719,276	7,100	80	726,296
Construction in process	13,471,290	18,088,237	8,419,569	23,139,958
Total capital assets, not being depreciated	<u>41,710,060</u>	<u>19,622,423</u>	<u>8,419,649</u>	<u>52,912,834</u>
Depreciable capital assets:				
Land improvements	25,479,561	233,364	-	25,712,925
Buildings and building improvements	400,072,621	6,892,483	-	406,965,104
Infrastructure	10,072,056	-	26,735	10,045,321
Furniture, fixtures, and equipment	35,613,807	2,227,610	1,651,188	36,190,229
Library materials	1,768,395	10,346	507,766	1,270,975
Intangible Right-To-Use Lease Asset *	141,556	-	-	141,556
	<u>473,147,996</u>	<u>9,363,803</u>	<u>2,185,689</u>	<u>480,326,110</u>
Accumulated depreciation/amortization:				
Land improvements	11,284,406	1,162,056	-	12,446,462
Buildings and building improvements	137,636,268	14,726,216	-	152,362,484
Infrastructure	4,368,147	471,216	26,736	4,812,627
Furniture, fixtures, and equipment	28,246,630	2,421,441	1,645,101	29,022,970
Library materials	1,250,644	137,784	507,766	880,662
Intangible Right-To-Use Lease Asset	-	43,190	-	43,190
	<u>182,786,095</u>	<u>18,961,903</u>	<u>2,179,603</u>	<u>199,568,395</u>
Total depreciable capital assets, net of accumulated depreciation/amortization	<u>\$ 290,361,901</u>	<u>(9,598,100)</u>	<u>6,086</u>	<u>280,757,715</u>

* See notes 8) Leases

Year ended June 30, 2021	Balance June 30, 2020	Additions and transfers	Dispositions and transfers	Balance June 30, 2021
Capital assets, not being depreciated:				
Land	\$ 27,519,494	-	-	27,519,494
Art	719,651	-	375	719,276
Construction in process	41,582,040	18,846,578	46,957,328	13,471,290
Total capital assets, not being depreciated	<u>69,821,185</u>	<u>18,846,578</u>	<u>46,957,703</u>	<u>41,710,060</u>
Depreciable capital assets:				
Land improvements	18,748,332	6,731,229	-	25,479,561
Buildings and building improvements	364,379,749	37,669,096	1,976,224	400,072,621
Infrastructure	7,515,054	2,557,002	-	10,072,056
Furniture, fixtures, and equipment	35,467,365	1,212,775	1,066,333	35,613,807
Library materials	2,003,170	4,375	239,150	1,768,395
	<u>428,113,670</u>	<u>48,174,477</u>	<u>3,281,707</u>	<u>473,006,440</u>
Less accumulated depreciation:				
Land improvements	10,499,057	785,349	-	11,284,406
Buildings and building improvements	125,358,264	14,118,956	1,840,952	137,636,268
Infrastructure	3,902,020	466,127	-	4,368,147
Furniture, fixtures, and equipment	26,780,595	2,525,818	1,059,783	28,246,630
Library materials	1,327,107	162,687	239,150	1,250,644
	<u>167,867,043</u>	<u>18,058,937</u>	<u>3,139,885</u>	<u>182,786,095</u>
Total depreciable capital assets, net of accumulated depreciation/amortization	<u>\$ 260,246,627</u>	<u>30,115,540</u>	<u>141,822</u>	<u>290,220,345</u>

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5) Risk Management

The College's Risk Management Department is responsible for the procurement and management of insurance products to mitigate the financial impact of risk on the College. As of June 30, 2022, the College has procured the following insurance products: workers' compensation, property, crime, fiduciary liability, general liability, employment practices liability, educators' legal liability, internships and professional Liability, unmanned aircraft, cyber, fine arts, environmental impairment liability, automobile liability, and excess liability. The College pays deductibles and self-insured retentions ranging from \$10,000 to \$75,000 for liability claims, \$25,000 to \$75,000 deductibles for property claims and \$1,000 to \$5,000 for auto claims.

6) Self-Insurance

Effective January 1, 2018, the College began self-insuring its health benefits for employees. Under the plan, all eligible employee are provided access to the provider networks of Blue Cross Blue Shield and Presbyterian Health Plan for health services. The College's dental and vision coverages are still fully insured through Delta Dental and Davis Vision. Blue Cross Blue Shield of New Mexico and Presbyterian Health Plan provide administrative claim payment services for the College's health plans. Health plan liabilities are based on an estimate of claims that have been incurred but not reported (IBNR), invoices received but not yet paid, and catastrophic claims not covered by the College's excess claims carriers. At June 30, 2022, the estimated amount of the College's claims and accrued invoices was \$633,000, which is included in accrued payroll liability. The liability for claims incurred but not reported was based on the actuarial analysis performed by Arthur J. Gallagher's Healthcare Analytics Consulting.

Changes in the reported self-insurance liability for health benefits for the college resulted from the following:

	Beginning Balance	Claims and Changes in Estimates	Claim Payments	Ending Balance
Fiscal Year 2022	\$ 600,000	13,878,565	13,845,565	633,000
Fiscal Year 2021	\$ 661,000	10,884,919	10,945,919	600,000



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7) Accrued Compensated Absences

The following is a summary of accrued compensated absences for the College for the years ending June 30, 2022 and 2021:

Balance June 30, 2021	Additions	Deductions	Balance June 30, 2022	Current Portion
\$ 3,658,412	2,983,860	3,080,700	3,561,572	3,561,572
Balance June 30, 2020	Additions	Deductions	Balance June 30, 2021	Current Portion
\$ 3,389,129	3,423,442	3,154,159	3,658,412	3,658,412

The liability for compensated absences is all considered as current.

8) Leases

a) The College as the Lessee

Lease Assets - Lessee

The College has recorded intangible right-to-use lease assets as a result of implementing GASB 87. The lease assets are initially measured at an amount equal to the initial measurement of the related lease liability (plus any lease payments made prior to the lease term and ancillary charges necessary to place the lease into service, less lease incentives). Lease assets are amortized on a straight-line basis over the shorter of the useful life of the underlying asset or the lease term.

Lease asset activity for the College for the year ended June 30, 2022 was as follows:

	Beginning Balance July 1, 2021 *	Increases	Decreases	Ending Balance June 30, 2022
Intangible ROU Lease Asset				
Lease equipment	\$ 141,556	-	-	141,556
Total Intangible ROU Lease asset	\$ 141,556	-	-	141,556
Lease accumulated amortization for intangible ROU lease assets				
Lease equipment	\$ -	(43,190)	-	(43,190)
Total accumulated amortization for intangible ROU lease assets	\$ -	(43,190)	-	(43,190)
Total intangible ROU lease assets less accumulated amortization	\$ 141,556	(43,190)	-	98,366

* The \$141,556 of intangible ROU lease asset beginning balance on July 1, 2021 is a restatement due to the implementation of GASBS 87.

Under Long Term Obligations

Leases

The College has entered into an agreement to lease equipment. The lease agreement has been recorded at the present value of the future lease payments as of the date of their inception or, for leases existing prior to the implementation year at the remaining terms of the agreement, using the facts and circumstances available at July 1, 2021.

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An agreement was executed on October 10, 2019, to lease 4 copy machines for 60 months, requiring 60 monthly payments of \$3,910 plus per click charges. The lease liability was measured at the applicable Incremental Borrowing Rate (IBR) of 5%. The IBR was an estimation made by the College based on current borrowing rates. As a result of the lease, the College had a lease asset with a net book value of \$98,366 and lease liability of \$100,793 on June 30, 2022.

The future minimum payments on this lease as of June 30, 2022 were as follows:

Year ended June 30:	Principle Payments	Interest Payments	Total
2023	\$ 42,849	4,066	46,915
2024	45,041	1,874	46,915
2025	12,903	118	13,021
	\$ 100,793	6,058	106,851

Long-Term Liability Roll-Forward Schedule

	Beginning Balance July 1, 2021 *	Increases	Decreases	Ending Balance June 30, 2022	Current Portion of Balance
Lease Liabilities \$	\$141,556	-	40,763	100,793	42,849

* The \$141,556 of lease liabilities beginning balance on July 1, 2021 is a rerestatement due to the implementation of GASBS 87.

b) The College as the Lessor

Lease receivable - Lessor

The College has recorded lease receivable as a result of implementing GASB 87. The lease receivable are initially measured at an amount equal to the initial measurement of the related deferred inflows of resources (less any incentive given). Lease related deferred inflows of resources are amortized on a straight-line basis over the shorter of the useful life of the underlying asset or the lease term.

Lease receivable for the College for the year ended June 30, 2022 was as follows:

	Beginning Balance July 1, 2021 *	Increases	Decreases	Ending Balance June 30, 2022	Current Portion of Balance
Lease receivable \$	9,316,297	-	873,156	8,443,141	892,280

* The \$9,316,297 of lease receivable beginning balance on July 1, 2021 is a rerestatement due to the implementation of GASBS 87.

Leases

The College has entered into agreements to lease buildings, sites, and office space. The lease agreements have been recorded at the present value of the future lease payments to be received as of the date of their inception or, for leases existing prior to the implementation year at the remaining terms of the agreement, using the facts and circumstances available at July 1, 2021.

An agreement was executed on October 11, 2013, to lease the College's outdoor sites through October 10, 2023, and requiring 120 monthly payments. An annual increase of the rent on January 1st equal to the CPI index, but no less than 3% or greater than 5%. There are no variable payment components of the lease. The July 2021 monthly rent was \$1,824 and January 2022 monthly rent was \$1,915. Assuming a 5% rent increase start from January 2023 and each year after, the lease receivable was measured at a discount rate of 5%. As a result of the lease, the College had a lease receivable of \$29,307 at June 30, 2022.

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Second agreement was executed on July 1, 2016, to lease the College's office space through June 30, 2026, and requiring 120 monthly payments start from \$10,240. The third amendment to this agreement reduced the monthly rent to \$6,592 in fiscal year 2022 and \$6,879 start from July 1, 2022 and each year after. There are no variable payment components of the lease. The lease receivable was measured at a discount rate of 5%. As a result of the lease, the College had a lease receivable of \$298,707 at June 30, 2022.

Third agreement was executed on November 1, 2018, to lease a College's building through April 30, 2030, and requiring 138 monthly base rent payments start from \$71,577 plus the lessee's share of Common Area Operating Expenses. The Base Rent will be adjusted on May 1 each year, by the same percentage change as the year to year percentage change in the U.S. Consumer Price Index for All Urban Consumers (CPI-U) as of the end of the previous calendar year (December to December Percent Change), or 2%. The July 2021 monthly base rent was \$81,180 and May 2022 monthly base rent was \$82,804. Assuming a 2% rent increase start from May 1, 2023 and each year after, the lease receivable was measured at a discount rate of 5%. As a result of the lease, the College had a lease receivable of \$6,873,347 at June 30, 2022.

Fourth agreement was executed on January 22, 2019, to lease College's office space through January 21, 2031, and requiring 48 quarterly rent payments of \$42,890 plus parking permits purchased. The lease receivable was measured at a discount rate of 5%. As a result of the lease, the College had a lease receivable of \$1,182,075 at June 30, 2022.

Fifth agreement was executed on July 1, 2021, to lease College's office space through June 30, 2025, and requiring 4 annual rent payments of \$12,545. There are no variable payment components of the lease. The lease receivable was measured at a discount rate of 5%. As a result of the lease, the College had a lease receivable of \$34,164 at June 30, 2022.

Sixth agreement was executed on February 1, 2022, to lease a College's office space through January 31, 2026, and requiring 48 month rent payments of \$650. There are no variable payment components of the lease. The lease receivable was measured at a discount rate of 5%. As a result of the lease, the College had a lease receivable of \$25,541 at June 30, 2022.

The future minimum payments to be received for the College on those leases as of June 30, 2022 were as follows:

Year ended June 30:	Principle Payments	Interest Payments	Total
2023	\$ 892,280	402,691	1,294,971
2024	941,248	356,875	1,298,123
2025	1,003,123	308,568	1,311,691
2026	1,059,806	256,833	1,316,639
2027	1,046,478	204,223	1,250,701
2028-2032	3,500,206	274,874	3,775,080
	<u>\$ 8,443,141</u>	<u>1,804,064</u>	<u>10,247,205</u>

Lease related deferred inflows of resources

Lease related deferred inflows of resources for the College for the year ended June 30, 2022 was as follows:

	Beginning Balance July 1, 2021 *	Increases	Decreases	June 30, 2022 Balance June 30, 2022
Lease related deferred inflows of resources	\$ 9,316,297	-	1,098,137	8,218,160

* The \$9,316,297 of lease related deferred inflows of resources beginning balance on July 1, 2021 is a restatement due to the implementation of GASBS 87.

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Lease related deferred inflows of resources amortization schedule for the year ended June 30, 2022 were as follows:

Year ended June 30:	Amount
2023	\$ 1,102,270
2024	1,086,530
2025	1,080,383
2026	1,065,753
2027	989,084
2028-2032	2,894,140
	<u>\$ 8,218,160</u>

9) Endowments (Foundation)

On July 1, 2009, the Uniform Prudent Management of Institutional Funds Act became effective in New Mexico. If a donor has not provided specific instructions, state law permits the Board of Directors to authorize for expenditure the interest, dividends, and net appreciation (realized and unrealized) of the investments of endowment funds.

As of June 30, 2022 and 2021, the value of the Foundation’s endowment portfolio was \$10,903,453 and \$13,022,659, respectively, and the corpus was \$8,961,617 and \$8,515,419.

10) Commitments and Contingencies

The various federal and state grants and programs included in the current restricted fund are subject to audit by various governmental agencies. These audits may result in disallowance of claimed reimbursable expenditures under rules and regulations of the various grants and programs. Management believes disallowances, if any, will not be material to the financial statements.

The College is party to various legal proceedings in the normal course of business. In management’s opinion, after consultation with outside legal counsel, the disposition of these matters will not materially affect the financial position of the College.

Grants, bequests, and endowments require the fulfillment of certain conditions as set forth in the instrument of grant. Failure to fulfill the conditions, or in the case of endowments, failure to continue to fulfill them, could result in the return of the funds to grantors. Although that is a possibility, management of the College, Foundation and Ingenuity deem the contingency remote, since by accepting the gifts and the terms, it has accommodated the objectives of the organization to the provisions of the gift.



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At June 30, 2022, the College has \$10,071,156 of outstanding capital commitments to contractors and architects related to the following projects:

Project	Amount
961 Buena Vista Remediation & Demolition	\$ 1,879,886
Film Production Center for Excellence Planning and Designing	221,578
Art Facility Ken Chappy Hall Renovation	114,795
ATC Lighting	8,630
Catering and Brewing Project	863,106
CNM/APS/NACA Facility	209,967
Communicate System for Fire Alarm Panels	108,372
CTS HVAC & Roof Project	296,279
Data Warehouse	2,658
Fume extraction at TC	236,482
H Building Mechanical Upgrades	7,782
Hyper Converged Data Center	4,799
I & G Equipment over \$10K	126,763
Integration Platform	18,240
Lighting Controls for WS & RR	440,000
Montoya Loop Road	103,553
Motor Pool	172,345
Multi Campus Water Heater Plumbing Improvement	510,740
Network Replacement	56,621
North Main Campus Planning & Designing	434,673
Outdoor Shading and Furniture	22,063
Replacing boilers at WSII and JS	69,597
Robotics Outreach Learning Lab	18,796
Safety Projects & Roof Railing	3,304
Shared Services Project	33,752
Shared Services Project	92,638
Site & Safety Improvements SV/ATC/WTC	11,461
SRC Lawn Ph II Construction	659,995
SRC Lawn Phase II Planning & Designing	4,071
Student Services Facilities Construction	742,007
Student Services Facility Planning and Designing	653,719
Sub Meter Utility Meter for Water	6,240
Trades/AT Facilities Planning and Designing	1,367,377
WS Campus Arroyo Flood Control Phase I	550,000
WTC Roof Replacement	18,869
Total	\$ 10,071,156

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11) Bonds and Notes Payable

The following is a summary of bonds/notes payable transactions for the College for the years ended June 30, 2022 and 2021:

	Year ended June 30, 2022				
	Balance June 30, 2021	Additions	Deductions	Balance June 30, 2022	Current portion
Series 2009 bond	\$ 1,900,000	-	750,000	1,150,000	1,150,000
Series 2011 bond	1,500,000	-	1,500,000	-	-
Series 2014A bond	17,500,000	-	1,450,000	16,050,000	9,450,000
Series 2014B bond	2,335,000	-	2,335,000	-	-
Series 2016 bond	20,795,000	-	1,865,000	18,930,000	1,865,000
Series 2018A bond	25,195,000	-	2,000,000	23,195,000	2,000,000
Series 2021A bond	30,150,000	-	870,000	29,280,000	1,950,000
Series 2021B bond	14,400,000	-	110,000	14,290,000	3,440,000
Series 2021C note	8,000,000	-	4,000,000	4,000,000	4,000,000
Total bond/note principal	121,775,000	-	14,880,000	106,895,000	23,855,000
Bond premium	6,959,203	-	1,731,670	5,227,533	1,426,381
	<u>\$ 128,734,203</u>	<u>-</u>	<u>16,611,670</u>	<u>112,122,533</u>	<u>25,281,381</u>

	Year ended June 30, 2021				
	Balance June	Additions	Deductions	Balance June	Current
Series 2009 bond	\$ 2,650,000	-	750,000	1,900,000	750,000
Series 2011 bond	18,370,000	-	16,870,000	1,500,000	1,500,000
Series 2014A bond	18,950,000	-	1,450,000	17,500,000	1,450,000
Series 2014B bond	4,660,000	-	2,325,000	2,335,000	2,335,000
Series 2016 bond	22,660,000	-	1,865,000	20,795,000	1,865,000
Series 2018A bond	29,695,000	-	4,500,000	25,195,000	2,000,000
Series 2018B bond	2,000,000	-	2,000,000	-	-
Series 2021A bond	-	30,150,000	-	30,150,000	870,000
Series 2021B bond	-	14,400,000	-	14,400,000	110,000
Series 2021C note	-	8,000,000	-	8,000,000	4,000,000
Total bond/note principal	98,985,000	52,550,000	29,760,000	121,775,000	14,880,000
Bond premium	3,934,489	4,536,371	1,511,657	6,959,203	1,731,671
	<u>\$ 15,359,429</u>	<u>57,086,371</u>	<u>31,271,657</u>	<u>128,734,203</u>	<u>16,611,671</u>

On August 19, 2009, the College issued \$30,000,000 of General Obligation (Limited Tax Bonds) – Series 2009 (2009 Bonds). The bonds were issued for erecting, furnishing, constructing, purchasing, remodeling and equipping buildings, and utility facilities and making other real property improvements or purchasing grounds throughout the district. The Bonds were authorized at an election held February 7, 2006. The bond funds were used to fund two major capital outlay projects: to build the Rio Rancho Campus and renovate the Jeanette Stromberg Building. The Bonds were also used to fund various renewal and replacement projects. The 2009 Bonds bear interest at rates ranging from 2.50% to 4.00% and are payable from revenues generated by a separate district mill levy approved by the College’s district voters on February 7, 2006. The 2009 Bonds mature through August 15, 2024. Bonds maturing on or after August 15, 2020 are subject to redemption prior to their maturity at the option of the College at any time on or after August 15, 2019. In January 2020, the College early redeemed \$2,000,000 of the 2009 Bonds. By June 30, 2014, the College had spent all of the 2009 Bonds proceeds.

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On October 24, 2011, the College issued \$33,360,000 of General Obligation (Limited Tax Bonds) – Series 2011 (2011 Bonds). The bonds were issued for erecting, furnishing, constructing, purchasing, remodeling and equipping buildings, and utility facilities and making other real property improvements or purchasing grounds throughout the district. The Bonds were authorized at an election held February 1, 2011.

The bond funds were used to fund three major capital outlay projects: The Jeanette Stromberg Renovation project, L Building Renovation, and the construction of the Westside Phase III instructional facility. The Bonds are also being used to fund various other projects. The 2011 Bonds bear interest at rates ranging from 2.50% to 4.00% and are payable from revenues generated by a separate district mill levy approved by the College’s district voters on February 1, 2011. The 2011 Bonds mature through August 15, 2024. Bonds maturing on or after August 15, 2021 are subject to redemption prior to their maturity at the option of the College at any time on or after August 15, 2022. The bonds are under the requirements of the federal arbitrage regulations. By June 30, 2015, the College had spent all of the 2011 Bonds proceeds. As of June 30, 2022, the 2011 bonds has all been paid.

On March 17, 2014, the College issued \$33,200,000 of General Obligation (Limited Tax) Bonds – Series 2014A (2014A Bonds). The bonds were issued for erecting, furnishing, constructing, purchasing, remodeling and equipping buildings, and utility facilities and making other real property improvements or purchasing grounds. The Bonds were authorized at an election held February 1, 2011. The bond funds are being used to fund four major capital outlay projects: Site and Safety Improvements, J Building Renovation, A Building Renovation and the Smith Brasher Hall Renovation. The Bonds are also being used to fund various other projects.

The 2014A Bonds bear interest at rates ranging from 3.00% to 5.00% and are payable by a separate district mill levy approved by the College’s district voters on February 1, 2011. The 2014A Bonds mature through August 15, 2028. Bonds maturing on or after August 15, 2023 are subject to redemption prior to their maturity at the option of the College at any time on or after August 15, 2022. By June 30, 2018, the College had spent all of the 2014A Bonds proceeds. The bonds are under the requirements of the federal arbitrage regulations.

On March 17, 2014, the College issued \$13,360,000 of General Obligation (Limited Tax) Refunding Bonds, Series 2014B (2014B Bonds). Bonds were issued for advance refunding of the College’s outstanding General Obligation Bonds, Series 2006. The bond funds are being used to advance refund \$14,625,000 of General Obligation Bond series 2006. The 2014B Bonds bear interest at rates ranging from 3.00% to 5.00% and are payable from revenues generated by a separate district mill levy approved by the College’s district voters on February 1, 2011. The 2014B Bonds mature through August 15, 2021. Bonds maturing on or after August 15, 2021 are subject to redemption prior to their maturity at the option of the College at any time on or after August 15, 2020. As of June 30, 2022, the 2014B bonds has all been paid.

A deferred outflow on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. As of June 30, 2022, the deferred loss on refunding has been fully amortized.

On November 17, 2016, the College issued \$38,525,000 of General Obligation (Limited Tax Bonds) – Series 2016 (2016 Bonds). The bonds were issued for erecting, furnishing, constructing, purchasing, remodeling and equipping buildings and utility facilities, and making other real property improvements or purchasing grounds throughout the district. The Bonds were authorized at an election held February 2, 2016. The bond funds are being used to fund three major capital outlay projects: The Montoya Campus J Building Renovation project, Max Salazar Building Renovation and the construction of a Joint Use Instructional facility partially funded by Albuquerque Public Schools. Bonds are also being used to fund various other projects.

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The 2016 Bonds bear interest at rates ranging from 3.00% to 5.00% and are payable from revenues generated by a separate district mill levy approved by the College's district voters on February 1, 2016. The 2016 Bonds mature through August 15, 2031. Bonds maturing on or after August 15, 2025 are subject to redemption prior to their maturity at the option of the College at any time on or after August 15, 2024. By of June 30, 2020, the College had spent all of the 2016 Bonds proceeds.

On August 29, 2018, the College issued \$32,395,000 of General Obligation (Limited Tax Bonds) – Series 2018A (2018A Bonds). The bonds were issued for erecting, furnishing, constructing, purchasing, remodeling and equipping buildings and utility facilities, making other real property improvements, and purchasing and installing computer hardware and software, or any combinations of those. The Bonds were authorized at an election held February 2, 2016. The bond funds are being used to fund five major capital outlay projects: The Art Facility Renovation, Max Salazar Building Renovation Phase II, the construction of Catering and Brewing Facility, Site and Safety Improvement at South Valley, ATC and WTC sites, and Site and Safety Improvement at Rio Rancho and Westside Campuses. Bonds are also being used to fund various other projects.

The 2018A Bonds bear interest at rates ranging from 3.00% to 5.00% and are payable from revenues generated by a separate district mill levy approved by the College's district voters on February 1, 2016. The 2018 Bonds mature through August 15, 2033. Bonds maturing on or after August 15, 2026 are subject to redemption prior to their maturity at the option of the College at any time on or after August 15, 2025. As of June 30, 2022, the unspent 2018A Bond proceeds is about \$2,925,602. The bonds are under the requirements of the federal arbitrage regulations.

On August 29, 2018, the College issued \$8,000,000 of Taxable General Obligation (Limited Tax Bonds) – Series 2018B (2018B Bonds). The bonds were issued for erecting, furnishing, constructing, purchasing, remodeling and equipping buildings and utility facilities and making other real property improvements or purchasing grounds throughout the District. The Bonds were authorized at an election held February 2, 2016. The bond funds are being used to fund one major capital outlay projects: The CNM Marketplace.

The 2018B Bonds bear interest at rates ranging from 2.69% to 2.90% and are payable from revenues generated by a separate district mill levy approved by the College's district voters on February 1, 2016. The 2018B Bonds mature through August 15, 2020 and are not subject to optional or mandatory redemption prior to maturity. As of June 30, 2022, the unspent 2018B Bond proceeds is about \$380,780.

On May 18, 2021, the College issued \$30,150,000 of General Obligation (Limited Tax Bonds) – Series 2021A (2021A Bonds). The bonds were issued for erecting, furnishing, constructing, purchasing, remodeling and equipping buildings and utility facilities, making other real property improvements, purchasing and installing computer hardware and software, or any combinations of those, and paying costs of the issuances. The Bonds were authorized at an election held November 5, 2019. The bond funds are being used to fund the following capital outlay projects: WS Arroyo Flood Control Phase II, Trades / Applied Technology Facilities, Applied Technology Programs at Rio Rancho Campus, Student Services Facilities, Academic and Student Support Services at Westside Campus, South Valley Multigenerational, Property Acquisition and Remediation, and Montoya Campus Loop Road Design. Bonds are also being used to fund various other projects.

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The 2021A Bonds bear interest at rates ranging from 2.00% to 5.00% and are payable from general (ad valorem) property taxes levied against all taxable property in the taxing district of the College (the “District”) in an amount not to exceed \$5.00 per \$1,000 of net taxable value, 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 2021A Bonds mature through August 15, 2035. Bonds maturing on or after August 15, 2028 are subject to redemption prior to their maturity at the option of the College at any time on or after August 15, 2027, in whole or in part at any time. As of June 30, 2022, the unspent 2021A Bond proceeds is about \$26,003,594. The bonds are under the requirements of the federal arbitrage regulations.

On May 18, 2021, the College issued \$14,400,000 of General Obligation (Limited Tax) Refunding Bonds, Series 2021B (2021B Bonds). The bonds were issued for current refunding \$15,370,000 of the College’s outstanding General Obligation Bonds, Series 2011, and paying costs of the issuances. The 2021B Bonds bear interest at rates ranging from 3.00% to 4.00% and are payable from general (ad valorem) property taxes levied against all taxable property in the taxing district of the College (the “District”) in an amount not to exceed \$5.00 per \$1,000 of net taxable value, 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 2021B Bonds mature through August 15, 2026. The 2021B bonds are not subject to redemption prior to maturity. As of June 30, 2021, the College had deposited \$15,660,593.14 of Series 2021B Bond proceeds in escrow fund held by escrow agent. The escrow fund will be used to pay principal and interest on the Series 2011 Bonds on August 15, 2021. Below is the cash flow differential and the deferred gain on the 2021B Bond Series:

Cash Flow Differential

Prior debt services Series 2011 bond	Refunding debt Series 2021B bond	Cash flow savings on refunding	Economic gain on refunding
\$ 17,177,725	15,939,046	1,238,679	1,094,784

Deferred Gain / (Loss)

Series 2011 bond net carrying amount	15,799,292
Reacquisition price (amount to escrow fund)	15,660,593
Deferred Gain	<u>\$ 138,699</u>

A deferred inflow on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The June 30, 2022 unamortized deferred gain on refunding was \$108,983.

On May 4, 2021, the College issued \$8,000,000 of Taxable Educational Technology Note – Series 2021C Note (The Notes) in Authorized Denominations. The Notes were issued for the purpose of acquiring education technology / equipment and paying costs of the issuances.

The Series 2021C Note bear interest rate of 0.413% and are 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 \$5.00 per \$1,000 of net taxable value, 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 note is issued. The Notes mature through August 15, 2022 and are not subject to optional or mandatory redemption prior to maturity. As of June 30, 2022, the unspent Series 2021C Note proceeds is about \$7,416,242.

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The maximum General Obligating (Limited Tax) debt of the College may not exceed 3% of the assessed valuation of the District or approximately \$675,331,000. With outstanding bond payable of \$106,895,000 at June 30, 2022, the College is currently 15.8% bonded to capacity.

The annual debt service requirements to maturity, including principal and interest at June 30, 2022, is as follows:

General Obligation Bond Series 2009

Fiscal year ending June 30,	Principal	Interest	Total debt service
2023	1,150,000	21,563	1,171,563
	<u>\$ 1,150,000</u>	<u>21,563</u>	<u>1,171,563</u>

General Obligation Bond Series 2014A

Fiscal year ending June 30,	Principal	Interest	Total debt service
2023	1,450,000	515,000	1,965,000
2024	1,450,000	449,750	1,899,750
2025	1,450,000	391,750	1,841,750
2026	2,350,000	327,500	2,677,500
2027	3,100,000	245,750	3,345,750
2028-2032	6,250,000	202,000	6,452,000
	<u>\$ 16,050,000</u>	<u>2,131,750</u>	<u>18,181,750</u>

General Obligation Bond Series 2016

Fiscal year ending June 30,	Principal	Interest	Total debt service
2023	1,865,000	671,275	2,536,275
2024	1,865,000	578,025	2,443,025
2025	1,865,000	484,775	2,349,775
2026	1,905,000	400,050	2,305,050
2027	1,905,000	323,850	2,228,850
2028-2032	9,525,000	714,375	10,239,375
	<u>\$ 18,930,000</u>	<u>3,172,350</u>	<u>22,102,350</u>

General Obligation Bond Series 2018A

Fiscal year ending June 30,	Principal	Interest	Total debt service
2023	2,000,000	843,350	2,843,350
2024	2,000,000	743,350	2,743,350
2025	1,915,000	645,475	2,560,475
2026	1,920,000	549,600	2,469,600
2027	1,920,000	453,600	2,373,600
2028-2032	9,600,000	1,308,000	10,908,000
2033-2037	3,840,000	118,800	3,958,800
	<u>\$ 23,195,000</u>	<u>4,662,175</u>	<u>27,857,175</u>

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General Obligation Bond Series 2021A

Fiscal year ending June 30,	Principal	Interest	Total debt service
2023	1,950,000	952,350	2,902,350
2024	2,100,000	851,100	2,951,100
2025	2,100,000	746,100	2,846,100
2026	2,100,000	641,100	2,741,100
2027	2,100,000	536,100	2,636,100
2028-2032	10,500,000	1,462,500	11,962,500
2033-2037	8,430,000	338,100	8,768,100
	<u>\$ 29,280,000</u>	<u>\$ 5,527,350</u>	<u>\$ 34,807,350</u>

General Obligation Bond Series 2021B

Fiscal year ending June 30,	Principal	Interest	Total debt service
2023	3,440,000	452,600	3,892,600
2024	3,300,000	351,500	3,651,500
2025	3,260,000	236,800	3,496,800
2026	3,350,000	104,600	3,454,600
2027	940,000	18,800	958,800
	<u>\$ 14,290,000</u>	<u>\$ 1,164,300</u>	<u>\$ 15,454,300</u>

General Obligation Bond Series 2021C

Fiscal year ending June 30,	Principal	Interest	Total debt service
2023	4,000,000	8,260	4,008,260
	<u>\$ 4,000,000</u>	<u>8,260</u>	<u>4,008,260</u>

12) Pension Plan – Educational Retirement Board (ERB)

Plan Description

ERB was created in 1957 by the State’s Educational Retirement Act, Section 22-11-1 through 22-11-52, NMSA 1978, as amended, to administer the New Mexico Educational Employees’ Retirement Plan (Plan). The Plan is a cost-sharing, multiple employer plan established to provide retirement and disability benefits for certified teachers and other employees of the state’s public schools, institutions of higher learning, and agencies providing educational programs. The Plan is a pension trust fund of the State of New Mexico. The New Mexico legislature has the authority to set or amend contribution rates.

ERB issues a separate, publicly available financial report and a comprehensive annual financial report that can be obtained at www.nmerb.org.

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Benefits Provided

A member's retirement benefit is determined by a formula which includes three component parts: the member's final average salary (FAS), the number of years of service credit, and a multiplier, which for those who began employment prior to July 1, 2019, is 0.0235. For members hired after June 30, 2019 the multiplier accrue is 0.0135 with 1 to 10 years of service, 0.0235 with 11 to 20 years of service, 0.0335 with 21 to 30 years service, and 0.0240 with 30 plus years of service. The FAS is the average of the member's fiscal annual earning for the last five years of service prior to retirement or the highest average fiscal annual earning for any consecutive five-year period. Plan coverage provisions is as follows:

For members employed before July 1, 2010, a member is eligible to retire when one of the following events occurs: the member's age and earned service credit add up to the sum of 75 or more, those who retire under the age of 60, and who have fewer than 25 years of earned service credit will receive reduced retirement benefits; the member is at least sixty-five years of age and has five or more years of earned service credit; or the member has service credit totaling 25 years or more.

Chapter 288, Laws of 2009 changed the eligibility requirements for new members first employed on or after July 1, 2010 and before July 1, 2013. The eligibility for a member who either becomes a new member on or after July 1, 2010 and before July 1, 2013, or at any time prior to July 1, 2010 refunded all member contributions and then became re-employed after July 1, 2010 is as follows: member's age and earned service credit add up to sum of 80 or more, those who retire under the age of 65, and who have fewer than 30 years of earned service credit will receive reduced retirement benefits; the member is at least sixty-seven years of age and has five or more years of earned service credit; or the member has service credit totaling 30 years or more.

Section 2-11-23.2, NMSA, 1978 added eligibility requirements for new members who were first employed on or after July 1, 2013, or who were employed before July 1, 2013 but terminated employment and subsequently withdrew all contributions, and returned to work for an ERB employer on or after July 1, 2013. These members must meet one of the following requirements: the member's minimum age is 55, and has earned 30 or more years of service credit. Those who retire earlier than age 55, but with 30 years of earned service credit will have a reduction in benefits to the actuarial equivalent of retiring at age 55; the member's minimum age and earned service credit add up to the sum of 80 or more. Those who retire under the age of 65, and who have fewer than 30 years of earned service credit will receive reduced retirement benefits; the member's age is 67, and has earned 5 or more years of service credit.

Section 2-11-23.3, NMSA 1978, added eligibility requirements for new members who were first employed on or after July 1, 2019, or who were employed before July 1, 2019, terminated employment, and subsequently withdrew all contributions, and returned to work for an ERB employer on or after July 1, 2019. A member in this tier must meet one of the following requirements: The member's minimum age must be 58, and the member has earned 30 or more years of service credit. A member who retires earlier than age 58, receives a reduction in benefits equal to the actuarial equivalent of retiring at age 58. The member's minimum age and earned service credit add up to the sum of 80 or more. Those who retire under the age of 65, and who have fewer than 30 years of earned service credit, receive reduced retirement benefits. Or, the member's age is 67, and the member has earned five or more years of service credit.

Form of Payment – The benefit is paid as a monthly life annuity with a guarantee that if the payments made do not exceed the member's accumulated contributions plus accumulated interest, determined as of the date of retirement, the balance will be paid in a lump sum to the member's surviving beneficiary. There are three benefit options available: single life annuity; joint 100% survivor benefit, or joint 50% survivor benefit.

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Disability Benefit – An NMERB member is eligible for disability benefits if they have acquired at least ten years of earned service credit and is found totally disabled. The disability benefit is equal to 2% of the member’s FAS multiplied by the number of years of total service credits. However, the disability benefit shall not be less than the smaller of (a) one-third of the member’s FAS or (b) 2% of the member’s FAS multiplied by total years of service credit projected to age 60.

Cost of Living Adjustment (COLA) – All retired members and beneficiaries receiving benefits receive an automatic adjustment in their benefit on July 1 following the later of 1) the year a member retires, or 2) the year a member reaches age 65 (Tier 1 and Tier 2) or age 67 (Tier 3 and Tier 4). Tier 1 membership is comprised of employees who became members prior to July 1, 2010; Tier 2 membership is comprised of employees who became members after July 1, 2010, but prior to July 1, 2013; Tier 3 membership is comprised of employees who became members on or after July 1, 2013; Tier 4 membership is comprised of employees who became members on or after July 1, 2019.

If a member is eligible for a COLA, the amount depends on the annual change in the Consumer Price Index (CPI) and whether the fund is fully funded (that is, the fund’s funded ratio is 100%). Accordingly, if there is no increase in the CPI, or the CPI is negative, the amount of the COLA will be zero (if the CPI is negative, retirement benefits will not be decreased). When CPI has increased and the fund is fully funded, the COLA will be the same amount as the increase in the CPI except as follows: If the increase in the CPI is 2% or greater, the COLA will be one-half of the CPI increase, not to exceed 4% or to be less than 2%. However, while the fund is not fully funded, the COLA for retirees will be reduced based on the median annual retirement benefit, calculated after the end of each fiscal year: When the funded ratio is 90% or less, the COLA for retirees whose annuity is at or below the median and who have 25 or more years of service credit at retirement will be reduced by 10%. For retirees whose annuity is either greater than the median or who have less than 25 years of service credit at retirement, the COLA will be reduced by 20%. When the funded ratio exceeds 90% but is less than 100%, the COLA for retirees whose annuity is at or below the median adjusted annuity and who had 25 or more years of service credit at retirement and will be reduced by 5%. For retirees whose annuity is either greater than the median or who have less than 25 years of service credit at retirement, the COLA will be reduced by 10%. Members on disability retirement are entitled to a COLA commencing on July 1 of the third full year following disability retirement. A member on regular retirement who can prove retirement because of a disability may qualify for a COLA beginning July 1 in the third full year of retirement.

Refund of Contributions – Members may withdraw their contributions only when they terminate covered employment in the State and their former employer(s) certification determination has been received by NMERB. Interest is paid to members when they withdraw their contributions following termination of employment at a rate set by the Board. Interest is not earned on contributions credited to accounts prior to July 1, 1971, or for contributions held for less than one year.

Contributions

The contribution requirements of defined benefit 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.

Employee 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.

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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.

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.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

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 an decrease of 0.06437% from its proportion of 2.58873% measured as June 30, 2020.

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

At the June 30, 2022, the College reported deferred outflows of resources and deferred inflows of resources related to ERB pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 14,057,937	440,579
Difference between actual and projected earnings on investments	-	44,492,076
Changes in assumptions	119,093,774	203,753,654
Difference between employer contributions and proportionated share of contributions	942,332	6,726,144
The College's contributions subsequent to the measurement date (FY2022 contribution)	12,520,201	-
Total June 30, 2022	<u>\$ 146,614,244</u>	<u>255,412,453</u>

Deferred outflows of resources of \$12,520,201, related to pensions resulting from the College's contributions subsequent to the measurement date June 30, 2021 but before the end of the reporting period will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	Amount
2022	\$ (8,711,825)
2023	(56,818,454)
2024	(40,942,754)
2025	(14,845,377)
2026	-
Total	<u>\$ (121,318,410)</u>

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Actuarial assumptions

The total pension liability was determined using the following significant actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method:	Entry Age Normal
Inflation:	2.30%
Salary Increases:	3.00% composed of 2.30% inflation, plus a 0.70% productivity increase rate, plus a step-rate promotional increase for members with less than 15 years of service.
Investment Rate of Return	7.00%
Single Discount Rate:	7.00%
Retirement Age:	Experience-based table of rates based on age and service. Adopted by NMERB on April 17, 2020 in conjunction with the six-year experience study for the period ended June 30, 2019.
Mortality:	Healthy Males – RP-2000 GRS Southwest Region Teacher Mortality Table, set back one year and scaled at 95%.Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020. Healthy Females – GRS Southwest Region Teacher Mortality Table, set back one year. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020.

Changes in Assumptions – Actuarial assumptions and methods are set by the Board of Trustees, based upon recommendations made by the plan’s actuary. The Board adopted new assumptions on April 17, 2020, in conjunction with the six-year actuarial experience study period ending June 30, 2019. No changes have been made to the assumptions since the prior valuation. The calculation of the funding policy contribution has been updated to reflect an open group projection, recognizing new hire benefits as well as anticipated cost-of-living adjustments less than the assumed 1.80% while the plan is less than fully funded.

Rate of Return – The long-term expected rate of return on pension plan investments is determined annually using a building-block approach that includes the following: 1) rate of return projections are the sum of current yield plus projected changes in price (valuation, defaults, etc.); 2) application of key economic projections (inflation, real growth, dividends, etc.); and 3) structural themes (supply and demand imbalances, capital flows, etc.) developed for each major asset class.

Discount rate : A single discount rate of 7.00% was used to measure the Total Pension Liability as of June 30, 2021. This single discount rate was based on the expected rate of return on pension plan investments of 7.00%. Based on the stated assumptions and the projection of cash flows, the pension plan’s fiduciary net position and future contributions were sufficient to finance all projected future benefit payments of current plan members. As a result, the long-term expected rate of return on pension plan investments was applied to all periods of rejected benefit payments to determine the total pension liability.

Sensitivity of the College’s proportionate share of the net pension liability to changes in the discount rate

The following table shows the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2021. In particular, the table presents the Plan’s net pension liability if it were calculated using a discount rate one percentage point lower (6.00%) or one percentage point higher (8.00%) than the single discount rate.

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	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
The College's proportionate share of net pension liability	\$ 253,321,150	\$ 178,913,174	\$ 117,422,414

Pension plan fiduciary net position

Detailed information about the ERB's fiduciary net position is available in the separately issued audited financial statements as of and for June 30, 2022 and 2021, which are publicly available at www.nmerb.org.

403(b) Plan

In addition to the ERA 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) Plan

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.

13) Postemployment Benefits Other Than Pension (OPEB) – State Retiree Health Care Plan

Plan Description

The College contributes to the New Mexico Retiree Health Care Fund (The Fund), a cost-sharing multiple - employer defined benefit post-employment healthcare plan administered by the New Mexico Retiree Health Care Authority (NMRHCA). NMRHCA was formed February 13, 1990, under the New Mexico Retiree Health Care Act (the Act) of New Mexico Statutes Annotated, as amended (NMSA 1978), to administer the Fund under Section 10-7C-1-19 NMSA 1978. The Fund was created to provide comprehensive group health insurance coverage for individuals (and their spouses, dependents and surviving spouses) who have retired or will retire from public service in New Mexico. These benefits are considered Other Postemployment Benefits (OPEB) under GASB Statements No. 43 and 45. The College implemented GASB Statement No. 75 Financial Reporting for Postemployment Benefits Other Than Pension Plans in fiscal year 2018.

NMRHCA is an independent agency of the State of New Mexico. The funds administered by NMRHCA are considered part of the State of New Mexico financial reporting entity and are OPEB trust funds of the State of New Mexico. NMRHCA's financial information is included with the financial presentation of the State of New Mexico.

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Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during the period of time made contributions as a participant in plan on the person’s behalf, unless that person retires before the employer’s 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.

Additional financial information supporting the preparation of the Schedule of Employer Allocations and the Schedule of OPEB Amounts by Employer, including the disclosure of the net OPEB liability and the unmodified audit opinion on the financial statements, is located in the New Mexico Retiree Health Care Authority financial statements for the fiscal year ended June 30, 2021. Additional financial information is available at www.nmrhca.state.nm.us.

Benefits provided

The Fund is a multiple employer cost sharing defined benefit healthcare plan that provides eligible retirees (including terminated employees who have accumulated benefits but are not yet receiving them), their spouses, dependents and surviving spouses and dependents with health insurance and prescription drug benefits consisting of a plan, or optional plans of benefits. Contributions to the Fund include co-payments and out-of-pocket payments of eligible retirees.

Employees covered by benefit terms

The Authority has 302 participating employers and 157,330 current members, including active employees, terminated eligible members, retirees, and surviving spouses. As of June 30, 2021, membership in the plan consists of the following:

Plan membership	
Current retirees and surviving spouses	53,092
Inactive and eligible for deferred benefit	11,754
Current active members	92,484
	157,330
Active membership	
State general	18,691
State police and corrections	1,919
Municipal general	20,357
Municipal police	1,573
Municipal FTRE	756
Educational Retirement Board	49,188
	92,484

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Contributions

Employer and employee contributions to the Fund total 3% for non-enhanced retirement plans and 3.75% of enhanced retirement plans of each participating employee’s salary as required by Section 10-7C-15 NMSA 1978. The contributions are established by statute and are not based on an actuarial calculation. All employer and employee contributions are non-refundable under any circumstance, including termination of the employer’s participation in the Fund.

The College’s contributions to the NMRHCA 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.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2022, the College reported a liability of \$54,643,826 for its proportionate share of the net 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. At June 30, 2022 the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 798,965	\$ 8,714,554
Changes of assumptions	10,940,200	19,755,680
Change in proportion	4,603,033	6,658,059
Difference between actual and projected earnings on OPEB investments	-	1,566,319
CNM's contributions subsequent to the measurement date (FY22 contribution)	1,637,777	-
Total June 30, 2022	\$ 17,979,975	\$ 36,694,612

Deferred outflows of resources \$1,637,777 represent the College’s fiscal year 2022 contributions to the Fund made subsequent to the measurement date and will be recognized as a reduction of net OPEB liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year ended June 30:	Amount
2022	\$ (8,392,413)
2023	(5,770,030)
2024	(3,595,336)
2025	(70,887)
2026	(2,523,748)
Total	\$ (20,352,414)

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Actuarial assumptions

The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions:

- * Valuation Date - June 30, 2021
- * Actuarial cost method - Entry age normal, level percent of pay, calculated on individual employee basis
- * Asset valuation method - Fair value of assets

Actuarial assumptions:

- * Inflation - 2.30 % for ERB and 2.50% for PERA
- * Projected payroll increases - 3.25% to 13.00%, based on years of service, including inflation
- * Investment rate of return - 7.00%, net of OPEB plan investment expense and margin for adverse deviation including inflation
- * Health care cost trend rate - 8% graded down to 4.5% over 14 years for Non-Medicare medical plan costs and 7.5% graded down to 4.5% over 12 for Medicare medical plan costs
- * Mortality - ERB members: 2020 GRS Southwest Region Teacher Mortality Table, set back one year (and scaled at 95% for males). Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020.

Rate of Return

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which the expected future real rates of return (net of investment fees and inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, were used in the derivation of the long-term expected investment rate of return assumptions.

The best estimates for the long-term expected rate of return is summarized as follows:

Assets Class	Rate of Return
U.S. core fixed income	0.4%
U.S. equity - large cap	6.6%
Non U.S. - emerging markets	9.2%
Non U.S. - developed equities	7.3%
Private equity	10.6%
Credit and structured finance	3.1%
Real estate	3.7%
Absolute return	2.5%
U.S. equity - small/mid cap	6.6%

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Discount Rate

The discount rate used to measure the Fund’s total OPEB liability is 3.62% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates proportional to the actuary determined contribution rates. For this purpose, employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members through the fiscal year ending June 30, 2052. Thus, the 7.00% discount rate was used to calculate the net OPEB liability through 2052. The index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher was used beyond 2052, resulting in a blended discount rate of 3.62%.

Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates

The following presents the net OPEB liability of the College, as well as what the College’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (2.62%)	Current Discount Rate (3.62%)	1% Increase (4.62%)
The College's proportionate share of net OPEB liability	\$ 68,658,690	54,643,826	43,741,800

The following presents the net OPEB liability of the College, as well as what the College’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Trend Rate	1% Increase
The College's proportionate share of net OPEB liability	\$ 43,951,240	54,643,826	63,254,567

OPEB plan fiduciary net position

Detailed information about the OPEB plan’s fiduciary net position is available in NMRHCA’s audited financial statements for the year ended June 30, 2022.

Payable Changes in the Net OPEB Liability

At June 30, 2022, the College reported a payable of \$0 for outstanding contributions due to NMRHCA for the year ended June 30, 2022.



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14) Related Party Transactions

CNM Ingenuity Inc.

On March 17, 2014 CNM Ingenuity, Incorporated was created as a separate corporate entity established in accordance with the University Research Park and Economic Development Act for the purposes set forth in that act in relation to the College, supporting the education, research and service mission of the College. The College appoints a voting majority of Ingenuity’s board and is able to impose its will on Ingenuity. In order for Ingenuity to become self-supporting, the College provides critical resources both financial and administrative. In Fiscal Year 2022, \$5,401,868 was contributed. In Fiscal Year 2021, \$209,434 was contributed. Those were reported in the statement of revenues, expenses, and changes in net position as other non-operating expenses in the College’s financial statements.

CNM Foundation Inc.

An agreement between the Foundation and the College was entered into on December 2, 1991, and most recently amended on April 26, 2017. The agreement formalizes the relationship between the Foundation and the College and establishes the sole purpose for the Foundation as soliciting, managing, and distributing private gifts and donations given for the benefit of the College. The Foundation also agreed to be the custodian and manager of any endowments received from private donors or other affiliated organizations. The College agreed to provide staff support, office and meeting space, related physical support services, and other services at no cost to the Foundation.



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15) Tax Abatement

Agreements that are entered into by other governments and that reduce the College’s tax revenues:

Year ended June 30, 2022

Government name	Taxes being abated	Gross dollar amount
Bernalillo County, New Mexico	Property tax	\$ 493,141
City of Albuquerque, New Mexico	Property tax	155,231
City of Rio Rancho, New Mexico	Property tax	101,494
New Mexico Hospital Equipment Loan Council	Property tax	22,468
Sandoval County, New Mexico	Property tax	2,692,800
Total gross dollar amount		<u>\$ 3,465,134</u>

16) Budgets and Budgetary Accounting

Operating budgets for the College are submitted for approval to the Board of Directors, the New Mexico Higher Education Department (HED), and the State Budget Division of the Department of Finance and Administration (DFA). Similarly, separate legislative budget requests are submitted to the Board of Directors, HED and DFA for inclusion in the State of New Mexico Executive Budget for consideration of appropriations by the state legislature. The budgets are prepared on the fund accounting principles which were applicable prior to GASB Statements No. 34, 35, 37 and 38 (Budgetary Basis). By contrast, the College prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP Basis).

Budget revision requests, other than transfers among line items within a category, are subject to joint approval by the HED and DFA.

Procedures for Approval of Operating Budgets:

1. Each institution will submit a governing board approved operating budget to the NM Higher Education Department staff by May 1st.
2. The HED meets about the middle of June and acts on the proposed fiscal year operating budgets submitted for review and recommendation.
3. The budgets as approved by the HED are transmitted to the Budget Division of DFA for official and final approval prior to July.

17) Subsequent Events

CNM is partnering with New Mexico independent community colleges to implement an updated Enterprise Resource Planning (ERP) and Student Information System (SIS). The colleges formed a nonprofit organization referred to as Collaborative for Higher Education Shared Services (CHESS). The partners are Central New Mexico Community College, Clovis Community College, Northern New Mexico College, San Juan College, and Santa Fe Community College. Workday is the selected vendor software provider and implementation partner. This multi-year project spans a period from Fall 2021 – Fall 2025. In the initial phase of implementation, ERP functionality including human resources, payroll and finance, is expected to go-live in December 2022.

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Through this groundbreaking partnership for higher education, the colleges will create a better student experience that leads to increased student success; improve administrative and business processes that are standardized across our partner colleges, which will also lead to more efficiency and shared resources; and leverage institutional data for planning and decision-making.



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Required Supplemental Information



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Schedule of the College's Proportionate Share of the Net Pension Liability
June 30, 2022

New Mexico Education Retirement Board Pension Plan
Schedule of Ten Year Tracking Data

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Proportion - net pension liability (asset)	2.66%	2.66%	2.64%	2.53%	2.58%	2.64%	2.59%	2.52%	-	-
Proportionate share - net pension Liability	\$ 151,964,150	173,380,873	189,649,053	280,702,869	306,774,935	200,269,620	524,629,170	178,913,174	-	-
College's covered payroll	\$ 69,469,770	76,091,079	75,265,676	71,929,259	72,098,799	77,267,302	82,695,958	80,927,180	-	-
Employer proportionate share as a percentage of covered payroll	218.75%	227.86%	251.97%	390.25%	425.49%	259.19%	634.41%	221.08%	-	-
Plan fiduciary net position as a percentage of total pension liability	66.54%	63.97%	61.58%	52.95%	52.17%	64.13%	39.11%	69.77%	-	-

* Governmental Accounting Standards Board Statement No. 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the college is not available prior to fiscal year 2015, the year the statement's requirements became effective.

See notes to required supplementary information

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**Schedule of the College's Contribution to Pension Plan (ERB)
June 30, 2022**

**New Mexico Education Retirement Board Pension Plan
Schedule of Ten Year Tracking Data**

Schedule of Employer Contributions	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Statorily required employer contributions	\$ 10,576,660	10,461,929	9,998,167	10,021,733	10,740,155	11,701,478	11,451,196	12,520,201	-	-
Contributions in relation to requirement	10,576,660	10,461,929	9,998,167	10,021,733	10,740,155	11,701,478	11,451,196	12,520,201	-	-
Annual contribution deficiency (excess)	\$ -	-	-	-	-	-	-	-	-	-
College's covered payroll	\$ 76,091,079	75,265,676	71,929,259	72,098,799	77,267,302	82,695,958	80,927,180	82,641,591	-	-
Contributions as a percentage of covered payroll	13.90%	13.90%	13.90%	13.90%	13.90%	14.15%	14.15%	15.15%	-	-

* Governmental Accounting Standards Board Statement No. 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the college is not available prior to fiscal year 2015, the year the statement's requirements became effective.

See notes to required supplementary information

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Notes to Required ERB Pension Plan Supplementary Information

1. Changes to Benefit provision

Other than the employer contribution increases attributable to Senate Bill 42, there were no modifications to the benefit provisions with an actuarial impact that were reflected in the actuarial valuation as of June 30, 2020.

2. Changes in Assumptions and methods

Actuarial assumptions and methods are set by the Board of Trustees, based upon recommendations made by the plan's actuary. The Board adopted new assumptions on April 17, 2020, in conjunction with the six-year actuarial experience study period ending June 30, 2019. No changes have been made to the assumptions since the prior valuation. The calculation of the funding policy contribution has been updated to reflect an open group projection, recognizing new hire benefits as well as anticipated cost-of-living adjustments less than the assumed 1.80% while the plan is less than fully funded.

See also the Actuarial Assumptions subsection of the financial statements note disclosure Pension Plan - Education Retirement Board (ERB)

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**Schedule of the College's Proportionate Share of the Net OPEB Liability
June 30, 2022**

**New Mexico Retiree Health Care Authority OPEB Plan
Schedule of Ten Year Tracking Data**

	2018	2019 *	2020	2021	2022	2023	2024	2025	2026	2027
Employer's proportion of the net OPEB liability	1.72%	1.82%	1.60%	1.69%	1.66%	-	-	-	-	-
Employer's proportionate of the net OPEB liability	\$ 77,885,864	78,941,338	52,025,749	71,040,905	54,643,826	-	-	-	-	-
College's covered payroll	\$ 71,594,981	77,520,550	71,014,250	81,636,750	80,200,950	-	-	-	-	-
Employer's proportionate share of the net OPEB liability as a percentage of its covered payroll	108.79%	101.83%	73.26%	87.02%	68.13%	-	-	-	-	-
Plan fiduciary net position as a percentage of total OPEB liability	11.34%	13.14%	18.92%	16.50%	25.39%	-	-	-	-	-

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the College will present information for available years.

Notes to Schedule:

In the June 30, 2021 actuarial valuation and the total OPEB liability measured as of June 30, 2021, changes in assumptions include adjustments resulting from an decrease in the discount rate from 2.86% to 3.62%.

See notes to required supplementary information

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**Schedule of the College's Contribution OPEB Plan (NMRHCA)
June 30, 2022**

New Mexico Retiree Health Care Authority OPEB Plan
Schedule of Ten Year Tracking Data

Schedule of Employer Contributions	2018 *	2019	2020	2021	2022	2023	2024	2025	2026	2027
Contractually required employer contributions	\$ 1,550,411	1,420,285	1,632,735	1,604,019	1,637,777	-	-	-	-	-
Contributions in relation to requirement	1,550,411	1,420,285	1,632,735	1,604,019	1,637,777	-	-	-	-	-
Annual contribution deficiency (excess)	\$ -	-	-	-	-	-	-	-	-	-
College's covered payroll	\$ 77,520,550	71,014,250	81,636,750	80,200,950	81,888,850	-	-	-	-	-
Contributions as a percentage of covered payroll	2.0%	2.0%	2.0%	2.0%	2.0%	-	-	-	-	-

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, the College will present information for available years.

See notes to required supplementary information

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Supplemental Information



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Schedule of Budgetary Comparisons - Budgetary Basis

Schedule 1: Unrestricted and Restricted – All Operations

Year ended June 30, 2022

	Original budget	Final budget	Actuals (budgetary basis)	Actuals vs Final Budget favorable (unfavorable)
Unrestricted and Restricted Beginning				
Net Position	\$ 59,635,137	91,928,280	91,928,280	-
Unrestricted and restricted revenues:				
Tuition	19,347,597	19,347,597	20,216,751	869,154
Miscellaneous fees	3,819,124	3,809,124	3,905,026	95,902
State government appropriations	61,977,400	62,370,400	62,370,400	-
Local government appropriations	59,009,111	60,753,058	60,311,996	(441,062)
Federal government contracts/grants	35,978,796	83,336,728	63,718,680	(19,618,048)
State government contracts/grants	14,782,245	17,344,737	8,741,116	(8,603,621)
Local government contracts/grants	438,454	1,083,126	769,648	(313,478)
Private contracts/grants	3,049,160	3,517,996	1,319,800	(2,198,196)
Endowments	1,500	10,000	5,143	(4,857)
Sales and services	812,881	770,000	728,288	(41,712)
Other	4,882,411	5,650,347	5,919,789	269,442
Capital outlay	23,400,500	25,955,636	16,880,540	(9,075,096)
Renewal and replacement	2,661,899	2,744,517	1,879,789	(864,728)
Retirement of indebtedness	21,058,653	21,049,453	21,468,608	419,155
Total unrestricted and restricted revenues	<u>251,219,731</u>	<u>307,742,719</u>	<u>268,235,574</u>	<u>(39,507,145)</u>
Unrestricted and restricted expenditures:				
Instruction	74,098,109	88,759,001	73,855,820	14,903,181
Academic support	20,157,813	21,439,767	17,883,489	3,556,278
Student services	23,897,387	26,926,813	22,387,194	4,539,619
Institutional support	29,107,282	32,660,720	26,700,582	5,960,138
Operation and maintenance of plant	20,144,488	23,645,228	16,671,220	6,974,008
Student social and cultural activities	110,000	100,984	84,911	16,073
Public services	1,301,256	973,498	498,755	474,743
Internal services	986,436	1,922,632	1,356,853	565,779
Student aid grants and stipends	36,224,653	57,763,080	47,622,186	10,140,894
Auxiliary enterprise	740,331	703,845	514,674	189,171
Capital outlay	28,456,684	26,880,125	18,063,859	8,816,266
Renewal and replacement	5,428,208	8,075,058	3,653,256	4,421,802
Retirement of indebtedness	19,405,000	22,385,710	17,770,982	4,614,728
Total unrestricted and restricted expenditures	<u>260,057,647</u>	<u>312,236,461</u>	<u>247,063,781</u>	<u>65,172,680</u>
Transfers in (out):				
Instruction and general	(9,189,891)	(23,506,586)	(23,506,586)	-
Student social and cultural	(5,000)	(5,000)	(5,000)	-
Public service	200,000	50,000	50,000	-
Internal service	-	-	-	-
Student aid and grants	2,874,103	2,390,798	2,390,798	-
Auxiliary enterprise	(150,000)	(200,000)	(200,000)	-
Capital outlay	4,000,000	19,000,000	19,000,000	-
Renewal and replacement	2,270,788	2,270,788	2,270,788	-
Retirement of indebtedness	-	-	-	-
Net transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position (budgetary basis)	<u>(8,837,916)</u>	<u>(4,493,742)</u>	<u>21,171,793</u>	<u>25,665,535</u>
Ending net position	<u>\$ 50,797,221</u>	<u>87,434,538</u>	<u>113,100,073</u>	

See accompanying independent auditors' report

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Schedule of Budgetary Comparisons - Budgetary Basis
Schedule 2: Unrestricted – Non Instruction & General
Year ended June 30, 2022

	Original budget	Final budget	Actuals (budgetary basis)	Actuals vs Final Budget favorable (unfavorable)
Beginning balance budgeted	\$ 31,233,714	42,286,609	42,286,609	-
Revenues:				
Tuition	-	-	-	-
Miscellaneous fees	95,000	85,000	77,774	(7,226)
State government appropriations	-	-	-	-
Local government appropriations	-	-	-	-
Federal government contracts/grants	-	-	-	-
State government contracts/grants	-	-	-	-
Local government contracts/grants	-	-	-	-
Private contracts/grants	-	-	-	-
Endowments	-	-	-	-
Sales and services	726,531	701,000	691,106	(9,894)
Other	89,500	67,004	39,409	(27,595)
Capital outlay	23,400,500	25,955,636	16,880,540	(9,075,096)
Renewal and replacement	2,661,899	2,744,517	1,879,789	(864,728)
Retirement of indebtedness	21,058,653	21,049,453	21,468,608	419,155
Total revenues	<u>48,032,083</u>	<u>50,602,610</u>	<u>41,037,226</u>	<u>(9,565,384)</u>
Expenditures:				
Instruction	-	-	-	-
Academic support	-	-	-	-
Student services	-	-	-	-
Institutional support	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student social and cultural activities	110,000	100,984	84,911	16,073
Public services	250,000	187,184	143,882	43,302
Internal services	39,500	39,500	13,014	26,486
Student aid grants and stipends	2,874,103	3,295,986	2,433,796	862,190
Auxiliary enterprise	740,331	693,845	514,674	179,171
Capital outlay	28,456,684	26,880,125	18,063,859	8,816,266
Renewal and replacement	5,428,208	8,075,058	3,653,256	4,421,802
Retirement of indebtedness	19,405,000	22,385,710	17,770,982	4,614,728
Total expenditures	<u>57,303,826</u>	<u>61,658,392</u>	<u>42,678,374</u>	<u>18,980,018</u>
Transfers in (out):				
Instruction and general	-	-	-	-
Student social and cultural	(5,000)	(5,000)	(5,000)	-
Public service	200,000	50,000	50,000	-
Internal service	-	-	-	-
Student aid and grants	2,874,103	2,390,798	2,390,798	-
Auxiliary enterprise	(150,000)	(200,000)	(200,000)	-
Capital outlay	4,000,000	19,000,000	19,000,000	-
Renewal and replacement	2,270,788	2,270,788	2,270,788	-
Retirement of indebtedness	-	-	-	-
Total transfers	<u>9,189,891</u>	<u>23,506,586</u>	<u>23,506,586</u>	<u>-</u>
Change in net position (budgetary basis)	<u>(81,852)</u>	<u>12,450,804</u>	<u>21,865,438</u>	<u>9,414,634</u>
Net position (budgetary basis)	<u>\$ 31,151,862</u>	<u>54,737,413</u>	<u>64,152,047</u>	

See accompanying independent auditors' report

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

**Schedule of Budgetary Comparisons - Budgetary Basis
Schedule 3: Restricted – Non Instruction & General
Year ended June 30, 2022**

	Original budget	Final budget	Actuals (budgetary basis)	Actuals vs Final Budget favorable (unfavorable)
Beginning balance budgeted	\$ -	-	-	-
Revenues:				
Tuition	-	-	-	-
Miscellaneous fees	-	-	-	-
State government appropriations	-	-	-	-
Local government appropriations	-	-	-	-
Federal government contracts/grants	25,438,408	47,718,549	41,536,522	(6,182,027)
State government contracts/grants	8,885,800	8,337,991	4,760,000	(3,577,991)
Local government contracts/grants	-	-	60,260	60,260
Private contracts/grants	784,700	850,000	530,061	(319,939)
Endowments	-	-	-	-
Sales and services	39,834	40,000	259	(39,741)
Other	200,000	200,000	-	(200,000)
Capital outlay	-	-	-	-
Renewal and replacement	-	-	-	-
Retirement of indebtedness	-	-	-	-
Total revenues	<u>35,348,742</u>	<u>57,146,540</u>	<u>46,887,102</u>	<u>(10,259,438)</u>
Expenditures:				
Instruction	-	-	-	-
Academic support	-	-	-	-
Student services	-	-	-	-
Institutional support	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student social and cultural activities	-	-	-	-
Public services	1,051,256	786,314	354,873	431,441
Internal services	946,936	1,883,132	1,343,839	539,293
Student aid grants and stipends	33,350,550	54,467,094	45,188,390	9,278,704
Auxiliary enterprise	-	10,000	-	10,000
Capital outlay	-	-	-	-
Renewal and replacement	-	-	-	-
Retirement of indebtedness	-	-	-	-
Total expenditures	<u>35,348,742</u>	<u>57,146,540</u>	<u>46,887,102</u>	<u>10,259,438</u>
Transfers in (out):				
Instruction and general	-	-	-	-
Student social and cultural	-	-	-	-
Public service	-	-	-	-
Internal service	-	-	-	-
Student aid and grants	-	-	-	-
Auxiliary enterprise	-	-	-	-
Capital outlay	-	-	-	-
Renewal and replacement	-	-	-	-
Retirement of indebtedness	-	-	-	-
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position (budgetary basis)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position (budgetary basis)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

See accompanying independent auditors' report

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

Schedule of Revenues, Expenditures, and Changes in Net Position – Budget and Actual

Schedule 4: Unrestricted Instruction and General

Year ended June 30, 2022

	Original budget	Final budget	Actuals (budgetary basis)	Actuals vs Final Budget favorable (unfavorable)
Beginning balance budgeted	\$ 28,401,423	49,641,671	49,641,671	-
Revenues:				
Tuition	19,347,597	19,347,597	20,216,751	869,154
Miscellaneous fees	3,724,124	3,724,124	3,793,075	68,951
State government appropriations	61,977,400	62,370,400	62,370,400	-
Local government appropriations	59,009,111	60,753,058	60,311,996	(441,062)
Federal government contracts/grants	42,835	42,835	28,825	(14,010)
State government contracts/grants	1,119,434	325,855	325,855	-
Local government contracts/grants	-	-	-	-
Private contracts/grants	11,255	23,185	23,185	-
Endowments	-	-	-	-
Sales and services	46,516	29,000	36,923	7,923
Other	4,592,911	5,383,343	5,880,380	497,037
Capital outlay	-	-	-	-
Renewal and replacement	-	-	-	-
Retirement of indebtedness	-	-	-	-
Total revenues	<u>149,871,183</u>	<u>151,999,397</u>	<u>152,987,390</u>	<u>987,993</u>
Expenditures:				
Instruction	66,099,885	66,099,885	60,153,119	5,946,766
Academic support	18,369,395	18,369,395	15,709,922	2,659,473
Student services	22,020,060	23,520,060	21,367,739	2,152,321
Institutional support	26,163,717	25,163,717	21,849,389	3,314,328
Operation and maintenance of plant	16,784,299	15,284,300	13,198,061	2,086,239
Student social and cultural activities	-	-	-	-
Public services	-	-	-	-
Internal services	-	-	-	-
Student aid grants and stipends	-	-	-	-
Auxiliary enterprise	-	-	-	-
Capital outlay	-	-	-	-
Renewal and replacement	-	-	-	-
Retirement of indebtedness	-	-	-	-
Total expenditures	<u>149,437,356</u>	<u>148,437,357</u>	<u>132,278,230</u>	<u>16,159,127</u>
Transfers in (out):				
Instruction and general	(9,189,891)	(20,506,586)	(21,402,806) *	896,220
Student social and cultural	-	-	-	-
Public service	-	-	-	-
Internal service	-	-	-	-
Student aid and grants	-	-	-	-
Auxiliary enterprise	-	-	-	-
Capital outlay	-	-	-	-
Renewal and replacement	-	-	-	-
Retirement of indebtedness	-	-	-	-
Total transfers	<u>(9,189,891)</u>	<u>(20,506,586)</u>	<u>(21,402,806)</u>	<u>896,220</u>
Change in net position (budgetary basis)	<u>(8,756,064)</u>	<u>(16,944,546)</u>	<u>(693,646)</u>	<u>18,043,340</u>
Net position (budgetary basis)	<u>\$ 19,645,359</u>	<u>32,697,125</u>	<u>48,948,025</u>	

* Net of transfer in of \$2,103,780 from CARES lost revenue and transfer out of \$23,506,586

See accompanying independent auditors' report.

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

Schedule of Revenues, Expenditures, and Changes in Net Position – Budget and Actual

Schedule 5: Restricted Instruction and General

Year ended June 30, 2022

	Original budget	Final budget	Actuals (budgetary basis)	Actuals vs Final Budget favorable (unfavorable)
Beginning balance budgeted	\$ -	-	-	-
Revenues:				
Tuition				
Miscellaneous fees	-	-	34,177	34,177
State government appropriations	-	-	-	-
Local government appropriations	-	-	-	-
Federal government contracts/grants	10,497,553	35,575,344	22,153,333	(13,422,011)
State government contracts/grants	4,777,011	8,680,891	3,655,261	(5,025,630)
Local government contracts/grants	438,454	1,083,126	709,388	(373,738)
Private contracts/grants	2,253,205	2,644,811	766,554	(1,878,257)
Endowments	1,500	10,000	5,143	(4,857)
Sales and services	-	-	-	-
Other	-	-	-	-
Capital outlay	-	-	-	-
Renewal and replacement	-	-	-	-
Retirement of indebtedness	-	-	-	-
Total revenues	<u>17,967,723</u>	<u>47,994,172</u>	<u>27,323,856</u>	<u>(20,670,316)</u>
Expenditures:				
Instruction	7,998,224	22,659,116	13,702,702	8,956,414
Academic support	1,788,418	3,070,372	2,173,567	896,805
Student services	1,877,327	3,406,753	1,019,455	2,387,298
Institutional support	2,943,565	7,497,003	4,851,193	2,645,810
Operation and maintenance of plant	3,360,189	8,360,928	3,473,159	4,887,769
Student social and cultural activities	-	-	-	-
Public services	-	-	-	-
Internal services	-	-	-	-
Student aid grants and stipends	-	-	-	-
Auxiliary enterprise	-	-	-	-
Capital outlay	-	-	-	-
Renewal and replacement	-	-	-	-
Retirement of indebtedness	-	-	-	-
Total expenditures	<u>17,967,723</u>	<u>44,994,172</u>	<u>25,220,076</u>	<u>19,774,096</u>
Transfers in (out):				
Instruction and general	-	(3,000,000)	(2,103,780) *	(896,220)
Student social and cultural	-	-	-	-
Public service	-	-	-	-
Internal service	-	-	-	-
Student aid and grants	-	-	-	-
Auxiliary enterprise	-	-	-	-
Capital outlay	-	-	-	-
Renewal and replacement	-	-	-	-
Retirement of indebtedness	-	-	-	-
Total transfers	<u>-</u>	<u>(3,000,000)</u>	<u>(2,103,780)</u>	<u>(896,220)</u>
Change in net position (budgetary basis)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,792,440)</u>
Net position (budgetary basis)	<u>\$ -</u>	<u>-</u>	<u>-</u>	

* CARES lost revenue transfer out to institution

See accompanying independent auditors' report.

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

**Schedule of Budgetary Comparisons - Budgetary Basis
Reconciliation of Budgetary Basis to Financial Statement Basis
Year ended June 30, 2022**

Total unrestricted and restricted revenues:

Budgetary basis	\$	<u>268,235,574</u>
Reconciling items:		
Scholarship allowance (not in budgetary basis)		(12,703,020)
Bond proceeds recognized (amount not in financial)		(15,497,201)
Other		<u>459,141</u>
Total reconciling items		<u>(27,741,080)</u>
Total reconciled unrestricted and unrestricted revenues per Budgetary Basis	\$	<u><u>240,494,494</u></u>
Basic Financial Statements		
Operating revenues		56,187,272
Nonoperating revenues		<u>184,307,222</u>
Total unrestricted and restricted revenues per financial statement	\$	<u><u>240,494,494</u></u>
Difference	\$	<u><u>-</u></u>

Total unrestricted and restricted expenditures

Budgetary basis		<u>247,063,781</u>
Reconciling items:		
Bond principal payments (not in financial statements)		(14,880,000)
Scholarship allowance (not in budgetary basis)		(12,703,020)
Capitalized expenditures (amount not in financial statement)		(20,554,556)
Depreciation expense (not in budgetary basis)		18,961,903
ERB plan expense recognized (not in budgetary basis)		4,498,046
Grants indirect Costs (not in financial statements)		(5,166,137)
Other		<u>(2,034,573)</u>
Total reconciling items		<u>(31,878,337)</u>
Total reconciled unrestricted and unrestricted expenditures per Budgetary Basis	\$	<u><u>215,185,444</u></u>
Basic Financial Statements		
Operating expenses		207,745,615
Nonoperating expenses		<u>7,439,829</u>
Total unrestricted and restricted expenditures per financial statement	\$	<u><u>215,185,444</u></u>
Difference	\$	<u><u>-</u></u>

See accompanying independent auditors' report

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

Notes to the Budgetary Comparisons

The purpose of the Budget Comparison is to reconcile the change in net position as reported on a budgetary basis to the change in net position as reported using generally accepted accounting principles. The reporting of actuals (budgetary basis) is a non- GAAP accounting method that excludes depreciation expense and includes the cost of capital equipment purchases. The budgetary basis approximates the fund basis of accounting.

Annual budgets are adopted for the current funds, unexpended plant fund, renewals and replacement plant fund, and retirement of indebtedness plant fund. The budget is prepared by management and approved by the Governing Board. The budget is then submitted to and approved by the NMHED and the State Budget Division of the Department of Finance and Administration. All annual appropriations lapse at year- end. Changes from one functional level to another require the approval of the NMHED. Amendments are adopted in a legally prescribed manner.

Under Title 5 of the New Mexico Administrative Code, Chapter 3, Part 4, Paragraph 10 – Items of Budgetary Control: The total expenditures in each of the following budgetary functions will be used as the items of budgetary control. Total expenditures or transfers in each of these items of budgetary control may not exceed the amount shown in the approved budget. A) Unrestricted expenditures and restricted expenditures. B) Instruction and general. C) Each budget function in current funds other than instruction and general. D) Within the plant funds budget: major projects, library bonds, equipment bonds, minor capital outlay, renewals and replacements, and debt service. E) Each individual item of transfer between funds and/or functions.

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Schedule 6: Schedule of Individual Deposit and Investment Accounts
June 30, 2022

The College:

Name of depository	Account name	Account Type	Bank balance	Reconciling Items	Book balance
Cash on Hand	Petty cash fund	Cash	\$ -	9,525	9,525
Wells Fargo Bank	Student federal fund	Checking	1,129,142	(794,471)	334,671
	Operational account	Checking	1,960,684	(700,034)	1,260,650
	Stafford / Direct loans	Checking	31,675	(3,939)	27,736
	Perkins loans	Checking	46,175	143	46,318
	Payroll	Checking	-	(19,548)	(19,548)
	Student refund	Checking	-	(7,303)	(7,303)
	Benefit account	Checking	1,075,538	-	1,075,538
	FSA account	Checking	43,403	-	43,403
Total cash			4,286,617	(1,515,627)	2,770,990
State of New Mexico					
Office of the Treasurer	Current fund	Investment	54,238,242	-	54,238,242
	Benefit fund	Investment	3,006,462	-	3,006,462
	Renewal and replacement	Investment	6,491,386	-	6,491,386
	Retirement of indebtedness	Investment	26,254,512	-	26,254,512
	Plant	Investment	64,195,861	-	64,195,861
Total STO investment			154,186,463	-	154,186,463
State of New Mexico					
State Investment Council					
	Endowment	Investment	2,156,589	-	2,156,589
	Current fund	Investment	4,156,231	-	4,156,231
	Renewal and replacement	Investment	4,405,604	-	4,405,604
	Plant	Investment	3,906,857	-	3,906,857
Total SIC Investment			14,625,281	-	14,625,281
Total investments			168,811,744	-	168,811,744
Total deposits and investments - College			\$ 173,098,361	(1,515,627)	171,582,734

The Foundation:

Name of depository	Account name	Account Type	Bank balance	Reconciling Items	Book balance
Wells Fargo	Operational account	Checking	\$ 286,520	(3,366)	283,154
Nusenda	Temp restricted	Checking	15,610	-	15,610
Merrill Lynch	Temp restricted	Money Market	2,422,870	-	2,422,870
	Endow core portfolio	Money Market	216,879	-	216,879
	Ottens	Money Market	12,336	-	12,336
	Eloy Reyes	Money Market	11,511	-	11,511
Total cash - Foundation			2,965,726	(3,366)	2,962,360
Merrill Lynch					
	Endow core portfolio	Federal agency obligations	1,171,220	-	1,171,220
	Endow core portfolio	Corporate obligations	826,464	-	826,464
	Endow core portfolio	Corporate Stock	5,079,837	-	5,079,837
	Endow core portfolio	Mutual funds	3,223,840	-	3,223,840
	Individual Investor	Corporate Stock	-	-	-
	Ottens	Federal agency obligations	84,485	-	84,485
	Ottens	Corporate obligations	71,912	-	71,912
	Ottens	Corporate Stock	321,376	-	321,376
	Eloy Reyes	Federal agency obligations	82,668	-	82,668
	Eloy Reyes	Corporate obligations	54,869	-	54,869
	Eloy Reyes	Corporate Stock	286,172	-	286,172
Total investments			11,202,843	-	11,202,843
Total deposits and investments - Foundation			\$ 14,168,569	(3,366)	14,165,203

Ingenuity:

Name of depository	Account name	Account Type	Bank balance	Reconciling Items	Book balance
Wells Fargo	Operational account	Checking	\$ 531,189	(238,407)	292,782
Wells Fargo		Money Market	471,144	-	471,144
Merrill Lynch	Temp restricted	Money Market	7,603,751	-	7,603,751
Petty Cash			400	-	400
Total cash - Ingenuity			\$ 8,606,484	(238,407)	8,368,077
Merrill Lynch					
	Temp Restricted	Federal agency obligations	1,530,224	-	1,530,224
	Temp Restricted	Corporate obligations	991,481	-	991,481
	Temp Restricted	Corporate Stock	8,312,769	-	8,312,769
	Temp Restricted	Mutual Funds	4,031,972	-	4,031,972
Total investments			14,866,446	-	14,866,446
Total deposits and investments - Ingenuity			\$ 23,472,930	(238,407)	23,234,523

Statistical Section



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STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Narrative to the Statistical Section

This part of the Central New Mexico Community College comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information provides about the College's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the College's financial performance and well-being have changed over time.

- Net Position by Component
- Changes in Net Position

Revenue Capacity

These schedules contain information to help the reader assess the College's most significant local revenue sources – tuition and fees, state appropriations, and ad valorem taxes.

- Academic Year Tuition and Required Fees
- Assessed Valuation of Taxable Property
- Principal Property Taxpayers
- Property Tax Collections
- District Tax Rates
- Tax Rates – Bernalillo County
- Tax Rates – Sandoval County

Debt Capacity

These schedules present information to help the reader assess the affordability of the College's current levels of outstanding debt and the College's ability to issue additional debt in the future.

- Bond Debt Capacity
- Long-term Bonds Outstanding

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the system's financial activities take place.

- Demographics and Economic Data
- Principal Employers in Albuquerque Area
- Labor Force

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the College's financial report relates to the services the College provides and the activities it performs.

- Faculty and Staff Full-time Equivalency
- Capital Assets, Number of Facilities
- Student Profile
- Student Enrollment

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Net Position by Component (Dollars in Thousands)
Last ten fiscal years

For the Fiscal Year Ended June 30,

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Net Investment in Capital Assets	\$ 258,064	255,200	253,331	224,970	215,430	213,703	205,823	203,120	193,562	186,638
Restricted, Non-expendable	1,805	1,805	1,805	1,805	1,805	1,805	1,805	1,580	1,580	1,580
Restricted, Expendable	22,076	18,788	16,663	18,777	16,945	13,246	6,467	5,775	6,057	7,542
Unrestricted (2)	(262,627)	(281,785)	(198,139)	(280,950)	(243,892)	(121,860)	(112,372)	(113,104)	43,324	57,041
Total Net Position (1)	19,318	(5,992)	73,660	(35,398)	(9,712)	106,894	101,723	97,371	244,523	252,801
Expressed as a percent of total	%	%	%	%	%	%	%	%	%	%
Net Investment in Capital Assets	1,335.9	(4,259.4)	343.9	(635.5)	(2,218.2)	199.9	(2,119.3)	208.6	79.2	73.8
Restricted, Non-expendable	9.3	(30.1)	2.5	(5.1)	(18.6)	1.7	(18.6)	1.6	0.6	0.6
Restricted, Expendable	114.3	(313.6)	22.6	(53.0)	(174.5)	12.4	(66.6)	5.9	2.5	3.0
Unrestricted	(1,359.5)	4,703.1	(269.0)	793.7	2,511.2	(114.0)	1,157.0	(116.2)	17.7	22.6
Total Net Position	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Percentage increase/(decrease) from prior year	%	%	%	%	%	%	%	%	%	%
Net Investment in Capital Assets	1.1	0.7	12.6	4.4	0.8	3.8	1.3	4.9	3.7	3.5
Restricted, Non-expendable	-	-	-	-	-	-	14.2	-	-	-
Restricted, Expendable	17.5	12.8	(11.3)	10.8	27.9	104.8	12.0	(4.7)	(19.7)	8.2
Unrestricted	6.8	(42.2)	29.5	(15.2)	(100.1)	(8.4)	(0.6)	(361.1)	(24.0)	(4.3)
Total Net Position	422.4	(108.1)	308.1	(264.5)	(109.1)	5.1	4.5	(60.2)	(3.3)	1.7

(1) In Fiscal Year 2013, GASB Statement No. 63 required a change from net assets to net position.

(2) GASB 68 implemented in Fiscal Year 2015, resulting in restatement of beginning net position by -\$145.7 million.

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE

Changes in Net Position (Dollars in Thousands)
Last ten fiscal years

For the Fiscal Year Ended June 30,

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues										
<i>Operating Revenues</i>										
Student Tuition and Fees	\$ 26,425	27,389	28,767	28,395	28,629	26,642	26,318	24,235	24,730	23,906
Less: Scholarship Allowances	(12,703)	(10,668)	(11,023)	(12,148)	(12,045)	(11,944)	(12,045)	(12,278)	(12,470)	(9,577)
Federal Grants and Contracts	26,621	20,578	5,121	4,432	4,090	4,181	4,652	3,873	3,682	4,399
State and Local Grants and Contracts	13,773	11,744	8,454	6,432	6,504	7,398	7,187	7,408	6,995	7,142
Sales and Service	1,380	1,652	1,677	1,311	926	893	818	3,511	2,977	3,058
Auxiliary Enterprises	691	540	1,093	1,485	1,785	1,766	2,188	3,150	3,416	3,306
Total Operating Revenues	56,187	51,235	34,089	29,907	29,889	28,935	29,118	29,899	29,330	32,234
Expenses										
<i>Operating Expenses</i>										
Education and General										
Instruction	72,567	128,674	64,903	82,090	77,173	61,641	62,021	64,016	62,317	59,736
Public Service	499	400	703	854	656	503	559	599	739	1,299
Academic Support	17,290	31,422	16,487	20,511	18,927	15,113	15,221	16,753	15,299	11,832
Student Services	21,934	37,791	19,771	27,437	25,412	21,700	22,171	22,576	21,065	17,942
Institutional Support	25,992	41,174	21,090	29,218	25,466	20,967	21,305	20,933	19,563	17,326
Operations and Maintenance of Plant	14,978	20,490	13,685	15,962	16,010	15,226	14,995	16,430	15,403	13,650
Depreciation Expense	18,962	18,059	16,063	15,592	16,209	13,887	13,142	12,510	11,935	10,633
Student Aid	34,919	16,627	19,412	13,496	14,422	17,135	19,480	23,541	27,846	32,711
Auxiliary Enterprises	519	573	753	791	547	812	764	2,050	2,294	2,484
Other Operating Expenses	85	29	59	114	123	151	123	134	96	98
Total Operating Expenses	207,746	295,238	172,926	206,065	194,945	167,136	169,781	179,542	176,557	167,711
Operating Income (Loss)	(151,558)	(244,003)	(138,837)	(176,158)	(165,056)	(138,201)	(140,663)	(149,643)	(147,227)	(135,477)
Fiscal Year Ended June 30,										
Nonoperating Expenses										
<i>Nonoperating Expenses</i>										
State Appropriations	62,511	56,559	60,141	55,678	52,995	53,276	56,801	55,644	51,972	47,750
Local Appropriations	81,632	79,624	76,670	74,125	71,314	68,892	59,737	58,587	57,763	57,572
Federal Student Aid	33,172	18,118	22,256	18,930	20,271	21,988	24,308	27,990	32,815	35,037
Investment Income (Loss)	(2,682)	762	1,340	2,442	1,125	466	110	123	81	114
Interest on Capital Asset-related Debt	(2,032)	(2,199)	(2,855)	(3,046)	(2,382)	(2,049)	(1,765)	(2,031)	(1,909)	(1,723)
Gain (Loss) on Disposal of Capital Assets	136	(127)	(40)	(349)	(159)	(109)	33	(85)	(3)	(119)
Pension income	-	-	61,873	-	-	-	-	-	-	-
OPEB income	6,495	3,662	5,091	-	-	-	-	-	-	-
Other NonOperating Revenues/Expenses	(4,488)	2,625	1,267	(3,005)	(3,288)	(10,721)	1,341	1,136	(2,954)	1,009
Total Nonoperating Revenues/Expenses	174,745	159,023	225,743	144,775	139,876	131,743	140,565	141,363	137,765	139,640
Income (Loss) before Other Revenue (Expenses)	23,187	(84,980)	86,906	(31,383)	(25,180)	(6,458)	(98)	(8,279)	(9,462)	4,163
Capital Appropriations	2,110	4,124	8,065	5,697	1,085	11,608	4,209	6,813	978	130
Capital grants and gifts	12	1,204	14,087	-	5	20	242	-	208	-
Additions to permanent endowments	-	-	-	-	-	-	225	-	-	-
Increase/(Decrease) in Fund Net Position	25,309	(79,652)	109,058	(25,686)	(24,090)	5,170	4,353	(1,466)	(8,276)	4,293
Total Revenues	235,160	218,123	285,030	183,425	173,237	174,355	175,624	179,056	169,985	173,846
Total Expenses	209,851	297,774	175,972	209,111	197,327	169,185	171,513	180,522	178,469	169,553
Increase (Decrease) in Fund Net Position	25,309	(79,652)	109,058	(25,686)	(24,090)	5,170	4,110	(1,466)	(8,484)	4,293

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

**Revenue Capacity
Academic Year Tuition and Required Fees**

Last ten academic years

Year	Resident Career Technical Education Tuition	Resident Academic / Transfer Tuition	Non-Resident Tuition	Registration Fee	Technology Fee
2021-22	684.00	684.00	3,612.00	50.00	9.00
2020-21	672.00	672.00	3,552.00	45.00	9.00
2019-20	672.00	672.00	3,552.00	45.00	9.00
2018-19	564.00	660.00	3,516.00	45.00	9.00
2017-18	480.00	648.00	3,444.00	45.00	8.00
2016-17	384.00	624.00	3,312.00	40.00	8.00
2015-16	306.00	612.00	3,240.00	40.00	8.00
2014-15	216.00	600.00	3,240.00	40.00	6.00
2013-14	168.00	594.00	3,240.00	40.00	6.00
2012-13	126.00	579.00	3,156.00	40.00	3.00

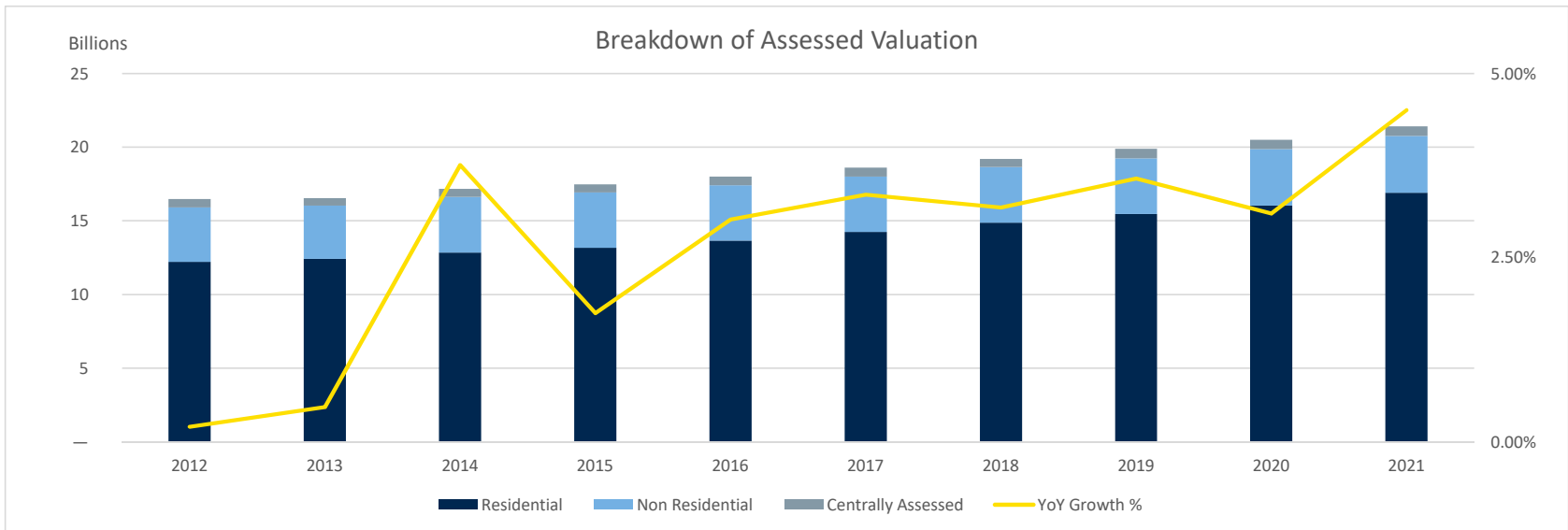
Tuition is based on 12 to 18 credit hours. Technology fee is assessed per credit hour. In addition to the above, pass-through fees may be required depending on the courses taken.

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE
 Assessed Valuation of Taxable Property
 Bernalillo and Sandoval Counties
 Last ten tax years

Tax Year	Residential	Percent of Total AV	Year over Year % Growth	Non-Residential	Percent of Total AV	Year over Year % Growth	Centrally Assessed	Percent of Total AV	Year over Year % Growth	Central New Mexico Community College	Year over Year % Growth
2021	\$ 16,905,480,359	78.89%	5.37%	\$ 3,865,469,730	18.04%	0.81%	\$ 658,415,654	3.07%	4.79%	\$ 21,429,365,743	4.50%
2020	16,043,529,975	78.24%	3.63%	3,834,284,739	18.70%	1.57%	\$ 628,319,151	3.06%	-0.72%	\$ 20,506,133,865	3.10%
2019	15,481,463,886	77.84%	4.05%	3,775,170,159	18.98%	-0.02%	\$ 632,887,210	3.18%	15.33%	\$ 19,889,521,255	3.57%
2018	14,878,850,549	74.81%	4.34%	3,775,865,837	19.66%	0.64%	548,782,956	2.86%	-8.43%	19,203,499,342	3.18%
2017	14,260,434,424	71.70%	4.30%	3,751,899,594	20.16%	-0.11%	599,297,360	3.22%	3.55%	18,611,631,378	3.35%
2016	13,672,673,810	68.74%	3.76%	3,756,124,705	20.18%	0.21%	578,725,953	3.21%	4.23%	18,007,524,468	3.02%
2015	13,176,671,365	66.25%	2.48%	3,748,117,273	21.44%	-0.70%	555,254,334	3.18%	1.35%	17,480,042,972	1.75%
2014	12,857,739,256	64.65%	3.46%	3,774,449,235	21.97%	4.64%	547,853,036	3.19%	4.69%	17,180,041,527	3.76%
2013	12,427,468,679	62.48%	1.70%	3,607,129,356	21.78%	-2.61%	523,293,887	3.16%	-5.92%	16,557,891,922	0.47%
2012	12,219,893,918	61.44%	0.29%	3,703,861,661	22.47%	-0.16%	556,205,288	3.38%	0.65%	16,479,960,867	0.21%

5 Year Average Annual Growth 3.54%
 10 Year Average Annual Growth 2.69%

Source: Bernalillo and Sandoval County Assessor's Office



**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

Principal Property Taxpayers

Current Year and Ten Years Ago

2021 Assessed Valuation				2012 Assessed Valuation			
Rank	Taxpayer	2021 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation	Taxpayer	2012 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation	
1	Public Service Co. of New Mexico (Electric Service)	\$ 238,280,776	1.35%	Public Service Co. of New Mexico (Electric)	\$ 147,601,544	1.02%	
2	New Mexico Gas Company	49,290,328	0.28%	Qwest Corp (fka) U.S. West Communication Inc	96,652,736	0.67%	
3	Comcast of NM Inc.	34,806,690	0.20%	New Mexico Gas Company	44,240,965	0.31%	
4	Qwest Corp (fka) U.S. West Communication Inc	26,467,088	0.15%	Comcast of NM Inc.	36,595,208	0.25%	
5	Presbyterian Healthcare	26,237,361	0.15%	Southwest Airlines	21,039,335	0.15%	
6	Northland Altezza LLC	19,925,870	0.11%	Verizon Wireless	19,940,780	0.14%	
7	VTR Lovelace Mc & Rehab LLC	19,762,724	0.11%	GCC Rio Grande Inc.	18,534,425	0.13%	
8	Markets Wholly Owned by Cellco PTN	19,670,243	0.10%	Simons Property Group. Ltd (Cottonwood Mall)	15,960,737	0.13%	
9	Coronado Center LLC	17,947,095	0.10%	Coronado Center LLC	14,528,492	0.11%	
10	Winrock Partners LLC	17,484,318	0.10%	AHS ABQ Regional Medical Center	12,049,803	0.08%	
Top Ten Centrally and Locally Assessed Values		469,872,493	2.66%	Top Ten Centrally and Locally Assessed Values	427,144,025	2.96%	
Total Assessed Valuation		\$ 17,666,252,107	100.00%	Total Assessed Valuation	\$ 14,452,760,775	100.00%	

Source: Bernalillo County Treasurer's Office

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

**Property Tax Collections
Last ten tax years**

Bernalillo County					CNM		
Tax Year	Fiscal Year	Net Taxes Charged to Treasurer	Current Tax Collections (1)	Current Collections as a % of Net Levied	Operational	Debt Service	
2021	21/22	\$ 777,855,255	754,731,268	97.03%	\$ 51,483,843	18,279,455	
2020	20/21	757,290,607	734,177,887	96.95%	50,330,735	17,579,579	
2019	19/20	735,418,359	712,208,595	96.84%	48,765,870	17,022,104	
2018	18/19	711,281,421	689,522,592	96.94%	47,194,715	16,549,948	
2017	17/18	685,422,485	663,957,789	96.87%	45,350,331	15,893,376	
2016	16/17	663,107,919	642,661,947	96.92%	43,939,404	15,274,847	
2015	15/16	641,680,120	621,125,053	96.80%	43,474,474	8,331,221	
2014	14/15	626,867,177	606,258,064	96.71%	42,266,534	8,097,122	
2013	13/14	614,299,642	593,530,750	96.62%	41,585,722	7,937,680	
2012	12/13	601,844,884	580,736,950	96.49%	40,733,810	7,869,380	

Source: Bernalillo County Treasurer's Office

Sandoval County					CNM		
Tax Year	Fiscal Year	Net Taxes Charged to Treasurer	Current Tax Collections	Current Collections as a % of Net Levied	Operational	Debt Service	
2021	21/22	\$ 144,364,587	139,859,626	96.88%	\$ 8,828,153	3,144,669	
2020	20/21	134,874,364	129,969,551	96.36%	8,289,503	2,940,469	
2019	19/20	131,764,095	127,693,224	96.91%	8,026,558	2,807,530	
2018	18/19	119,987,465	116,428,185	97.03%	7,678,937	2,699,299	
2017	17/18	114,531,876	110,892,832	96.82%	7,333,220	2,577,992	
2016	16/17	124,318,657	120,420,512	96.86%	7,048,543	2,537,560	
2015	15/16	119,015,424	115,023,384	96.65%	7,037,701	1,350,582	
2014	14/15	115,903,449	111,651,378	96.33%	6,991,254	1,342,799	
2013	13/14	115,729,254	110,756,348	95.70%	7,016,859	1,341,529	
2012	12/13	114,396,660	109,098,898	95.37%	6,968,990	1,349,030	

Source: Sandoval County Treasurer's Office

(1) As of June 30 of each year

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

District Tax Rates
Last ten tax years

Tax Year	Operational		Debt Service	Total Tax Rate	
	Residential	Non-Residential	Debt Service	Residential	Non-Residential
2021	2.763	3.00	1.000	3.763	4.000
2020	2.822	3.00	1.000	3.822	4.000
2019	2.823	3.00	1.000	3.823	4.000
2018	2.799	3.00	1.000	3.799	4.000
2017	2.789	3.00	1.000	3.789	4.000
2016	2.776	3.00	1.000	3.776	4.000
2015	2.831	3.00	0.550	3.381	3.550
2014	2.827	3.00	0.550	3.377	3.550
2013	2.842	3.00	0.550	3.392	3.550
2012	2.794	3.00	0.550	3.344	3.550

Source: NM Department of Finance & Administration.

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

Tax Rates - Bernalillo County
Last ten tax years

Within 20 Mill Limit for General Purposes											
Total Levy	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
State of New Mexico	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Bernalillo County	6.972	7.114	7.105	7.022	6.996	7.090	7.245	7.254	7.320	7.208	6.866
City of Albuquerque	6.180	6.317	6.313	6.253	6.241	6.339	6.493	6.494	6.544	6.544	6.544
AMAFCA	0.171	0.174	0.174	0.172	0.171	0.173	0.177	0.177	0.179	0.176	0.170
Albuquerque MSD # 12	0.264	0.270	0.269	0.267	0.266	0.270	0.275	0.276	0.278	0.274	0.264
Total	\$13.587	\$13.875	\$13.861	\$13.714	\$13.674	\$13.872	\$14.190	\$14.201	\$14.321	\$14.202	\$13.844
Over 20 Mill Limit - Interest, Principal, Judgement, etc.											
State of New Mexico	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.362
Bernalillo County	1.464	1.468	1.469	1.468	1.467	1.265	1.476	1.277	1.259	0.910	1.010
City of Albuquerque	4.976	4.976	4.976	4.976	4.976	4.976	4.976	4.976	4.976	4.976	4.976
AMAFCA	0.675	0.675	0.675	0.675	0.675	0.675	0.675	0.675	0.675	0.675	0.675
Albuquerque MSD #12	10.241	10.318	10.319	10.206	10.186	10.217	10.256	10.255	10.187	10.189	10.188
UNM Hospital	6.272	6.400	6.400	6.400	6.400	6.198	6.334	6.342	6.400	6.400	6.400
CNM Community College (Operating)	2.763	2.822	2.823	2.799	2.789	2.776	2.831	2.827	2.842	2.794	2.687
CNM Community College (Debt Service)	1.000	1.000	1.000	1.000	1.000	1.000	0.550	0.550	0.550	0.550	0.550
Total	\$28.751	\$29.019	\$29.022	\$28.884	\$28.853	\$28.467	\$28.458	\$28.262	\$28.249	\$27.854	\$27.848
TOTAL LEVY											
City of Albuquerque	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
State of New Mexico	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.362
Bernalillo County	8.436	8.582	8.574	8.490	8.463	8.561	8.721	8.531	8.579	8.118	7.876
City of Albuquerque	11.156	11.293	11.289	11.229	11.217	11.315	11.469	11.470	11.520	11.520	11.520
AMAFCA	0.846	0.849	0.849	0.847	0.846	0.848	0.852	0.852	0.854	0.851	0.845
Albuquerque MSD #12	10.505	10.588	10.588	10.473	10.452	10.487	10.531	10.531	10.465	10.463	10.452
UNM Hospital	6.272	6.400	6.400	6.400	6.400	6.198	6.334	6.342	6.400	6.400	6.400
CNM Community College	3.763	3.822	3.823	3.799	3.789	3.776	3.381	3.377	3.392	3.344	3.237
Total Residential in Albuquerque	\$42.338	\$42.894	\$42.883	\$42.598	\$42.527	\$42.545	\$42.648	\$42.463	\$42.570	\$42.056	\$41.692
Total Non-Residential in Albuquerque	\$47.978	\$47.978	\$47.983	\$47.985	\$47.985	\$46.788	\$46.336	\$46.132	\$45.995	\$45.648	\$45.651

Source: New Mexico Department of Finance and Administration

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

Tax Rates - Sandoval County
Last ten tax years

Within 20 Mill Limit for General Purposes											
Total Levy	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
State of New Mexico	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Sandoval County	6.284	6.444	6.493	6.455	6.383	6.354	6.339	6.240	6.137	5.964	5.621
SSCAFCA	0.798	0.820	0.828	0.828	0.828	0.828	0.828	0.828	0.828	0.828	0.844
City of Rio Rancho	7.278	7.482	7.553	7.525	7.492	7.401	7.426	7.307	7.181	6.990	6.518
Rio Rancho Schools	0.257	0.264	0.267	0.266	0.264	0.262	0.262	0.258	0.254	0.247	0.230
Total	\$14.617	\$15.010	\$15.141	\$15.074	\$14.967	\$14.845	\$14.855	\$14.633	\$14.400	\$14.029	\$13.213
Over 20 Mill Limit - Interest, Principal, Judgement, etc.											
State of New Mexico	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.362
Sandoval County	0.852	0.737	0.835	0.593	0.984	1.047	0.852	0.539	1.030	1.031	1.038
SSCAFCA	1.246	1.247	1.246	1.242	1.242	1.249	1.249	1.248	1.248	1.247	1.023
City of Rio Rancho	2.770	2.770	2.770	2.768	2.051	2.016	1.848	1.881	1.789	1.617	1.645
Rio Rancho Schools	10.474	10.531	10.543	10.544	10.540	10.540	10.540	10.524	10.537	10.538	10.542
UNM Hospital	1.839	1.886	1.900	0.000	0.000	4.250	4.250	4.250	4.250	4.250	4.250
CNM Community College (Operating)	2.763	2.822	2.823	2.799	2.789	2.776	2.831	2.827	2.842	2.794	2.687
CNM Community College (Debt Service)	1.000	1.000	1.000	1.000	1.000	1.000	0.550	0.550	0.550	0.550	0.550
Total	\$22.304	\$22.353	\$22.477	\$20.306	\$19.966	\$24.238	\$23.480	\$23.179	\$23.606	\$23.387	\$23.097
TOTAL LEVY											
City of Rio Rancho	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
State of New Mexico	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.362
Sandoval County	7.136	7.181	7.328	7.048	7.367	7.401	7.191	6.779	7.167	6.995	6.659
SSCAFCA	2.044	2.067	2.074	2.070	2.070	2.077	2.077	2.076	2.076	2.075	1.867
City of Rio Rancho	10.048	10.252	10.323	10.293	9.543	9.417	9.274	9.188	8.970	8.607	8.163
Rio Rancho Schools	10.731	10.795	10.810	10.810	10.804	10.802	10.802	10.782	10.791	10.785	10.772
UNM Hospital	1.839	1.886	1.900	0.000	0.000	4.250	4.250	4.250	4.250	4.250	4.250
CNM Community College	3.763	3.822	3.823	3.799	3.789	3.776	3.381	3.377	3.392	3.344	3.237
Total Residential in Rio Rancho	\$36.921	\$37.363	\$37.618	\$35.380	\$34.933	\$39.083	\$38.335	\$37.812	\$38.006	\$37.416	\$36.310
Total Non-Residential in Rio Rancho	\$41.297	\$39.157	\$39.908	\$37.765	\$37.435	\$41.671	\$40.354	\$39.256	\$37.840	\$35.633	\$45.862

Source: New Mexico Department of Finance and Administration

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

**Bond Debt Capacity (Dollars in thousands)
Last ten fiscal years**

		Fiscal Year Ended June 30,										
		2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Assessed Valuation (1)	(3) \$	22,511,043	21,429,366	20,506,134	19,889,521	19,203,499	18,611,631	18,007,524	17,480,043	17,180,042	16,557,892	16,479,961
Ratio of Limitation		3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Constitutional Debt Limitation	\$	675,331	642,881	615,184	596,686	576,105	558,349	540,226	524,401	515,401	496,737	494,399
Outstanding Bond Debt (2)		106,895	121,775	98,985	117,165	90,340	101,840	70,780	77,810	84,935	60,385	66,935
Available Bond Debt Capacity	\$	568,436	521,106	516,199	479,521	485,765	456,509	469,446	446,591	430,466	436,352	427,464
% Bonded to Capacity		15.8%	18.9%	16.1%	19.6%	15.7%	18.2%	13.1%	14.8%	16.5%	12.2%	13.5%

(1) From assessed property valuation table in this statistical data section

(2) From long-term bonds table in this statistical data section

(3) 2022 Assessed Valuation is preliminary

**Long-term Bonds Outstanding (Dollars in thousands)
Last ten fiscal years**

		Fiscal Year Ended June 30,										
		2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Bonds Payable	\$	106,895	121,775	98,985	117,165	90,340	101,840	70,780	77,810	84,935	60,385	66,935
Unamortized Premium		5,228	6,959	3,934	5,147	4,728	6,024	3,562	4,330	5,111	1,828	1,963
Net Long-term Bonds	\$	112,123	128,734	102,919	122,312	95,068	107,864	74,342	82,140	90,046	62,213	68,898
District Population	(4)	942,000	921,311	916,528	914,480	916,791	909,906	908,252	906,209	905,213	901,932	902,794
Bond Debt per Capita		119	140	112	134	104	119	82	91	99	69	76

(4) 2022 population is preliminary

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

**Albuquerque MSA
Demographics and Economic Data
*Last ten years***

		Population	Personal Income (Thousands)	Per Capita Income	Median Age	School Enrollment	Unemployment Rate
2012	1	902,794	23,534,034	26,068	36.5	245,447	7.0%
2013	2	901,932	23,511,564	26,068	36.7	247,359	6.8%
2014	3	905,213	23,655,887	26,144	36.9	248,427	6.4%
2015	4	906,209	23,875,889	26,347	37.5	237,162	6.2%
2016	5	908,252	24,817,078	27,324	38.0	234,520	6.1%
2017	6	909,906	25,055,172	27,536	37.9	243,733	5.6%
2018	7	916,791	26,695,120	29,118	38.5	227,129	4.6%
2019	8	914,480	29,365,782	32,112	38.8	222,864	4.7%
2020	9	916,528	27,859,702	30,397	38.5	229,603	7.9%
2021	10	921,311	31,965,806	34,696	39.4	217,075	6.4%

Source: US Census Bureau, U.S. Bureau of Labor Statistics

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

Principal Employers in the Albuquerque Area (Top Ten)
Current year and ten years ago

2021				2012			
Rank	Employer	Business	# of Employees	Employer	Business	# of Employees	
1	Presbyterian	Healthcare	14,000	Kirtland Air Force Base (Civilian)	Defense	16,200	
2	Albuquerque Public Schools	Education	12,523	University of New Mexico	Education	15,890	
3	Sandia National Labs	Research Development	12,100	Albuquerque Public Schools	Education	14,000	
4	City of Albuquerque	Government	6,366	Sandia National Labs	Research Development	7,940	
5	University of New Mexico	Education	5,284	Presbyterian	Healthcare	7,369	
6	UNM Hospital	Healthcare	4,282	UNM Hospital	Healthcare	5,950	
7	Kirtland Air Force Base (Civilian))	Defense	3,700	City of Albuquerque	Government	5,940	
8	State of New Mexico	Government	3,684	State of New Mexico	Government	5,910	
9	Kirtland Air Force Base (Military)	Defense	3,100	Lovelace Health System	Healthcare	3,700	
10	NM Veterans Affairs Healthcare System	Healthcare	3,088	Kirtland Air Force Base (Military)	Defense	3,389	

Source: New Mexico Department of Workforce Solutions, Albuquerque Economic Development

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

Labor Force
Last ten fiscal years

Year ⁽¹⁾	Albuquerque MSA		State of New Mexico		United States
	Labor Force	% Unemployed	Labor Force	% Unemployed	% Unemployed
2021	438,423	6.4%	942,896	6.8%	5.4%
2020	432,502	7.9%	943,352	8.1%	8.1%
2019	436,747	4.7%	954,289	4.9%	3.7%
2018	429,850	4.6%	939,957	4.9%	3.9%
2017	425,588	5.6%	929,567	6.0%	4.4%
2016	422,320	6.1%	926,666	6.8%	4.9%
2015	413,906	6.2%	919,889	6.6%	5.3%
2014	414,571	6.4%	918,206	6.6%	6.2%
2013	415,874	6.8%	922,960	6.9%	7.4%
2012	418,195	7.0%	928,050	7.0%	8.1%

(1) Numbers are annual averages.

Source: U.S. Bureau of Labor Statistics

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

**Faculty and Staff Full-time Equivalency (Fall Employment)
Last ten years**

		2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Faculty											
Full time		304	315	320	330	328	332	358	357	335	350
Part-time		560	585	633	629	653	654	726	758	779	747
Total		864	900	953	959	981	986	1084	1115	1114	1097
Percent											
Full time		35%	35%	34%	34%	33%	34%	33%	32%	30%	32%
Part-time		65%	65%	66%	66%	67%	66%	67%	68%	70%	68%
Staff and Administration											
Full-time		856	897	891	858	816	819	912	886	868	824
Part-time		83	100	111	107	100	98	115	125	149	118
Total		939	997	1002	965	916	917	1027	1011	1017	942
Percent											
Full time		91%	90%	89%	89%	89%	89%	89%	88%	85%	87%
Part-time		9%	10%	11%	11%	11%	11%	11%	12%	15%	13%

Source: The College's Office of Data Strategy (ODS), IPEDS data

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

Capital Assets, Number of Facilities
Last ten fiscal years

Fiscal Year Ended June 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Academic / Support Facilities										
Main Campus	20	20	20	19	19	19	19	19	19	19
Montoya Campus	7	7	7	7	7	7	7	7	7	7
South Valley Campus	3	3	3	3	3	3	3	3	3	3
Workforce Training Center	1	1	1	1	1	1	1	1	1	1
Westside Campus	3	3	3	3	3	3	3	3	3	3
Advanced Technology Center	2	2	2	2	2	2	2	2	2	2
Rio Rancho Campus	1	1	1	1	1	1	1	1	1	1
Total	37	37	37	36	36	36	36	36	36	36

Source: The College's Physical Plant Department

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

**Student Profile (Fall Enrollment/Headcount)
Last ten academic years**

Gender	2021	%	2020	%	2019	%	2018	%	2017	%	2016	%	2015	%	2014	%	2013	%	2012	%
Male	7,154	39%	8,265	39%	9,456	41%	9,840	42%	10,571	43%	10,598	43%	11,236	44%	11,690	44%	12,737	44%	12,325	44%
Female	11,409	61%	13,133	61%	13,640	59%	13,713	58%	13,871	57%	14,183	57%	14,524	56%	15,081	56%	15,948	56%	15,938	56%
Total	18,563	100%	21,398	100%	23,096	100%	23,553	100%	24,442	100%	24,781	100%	25,760	100%	26,771	100%	28,685	100%	28,263	100%
Ethnicity																				
Asian	398	2%	482	2%	530	2%	515	2%	541	2%	506	2%	501	2%	565	2%	511	2%	504	2%
Black, non-Hispanic	518	3%	560	3%	608	3%	660	3%	654	3%	618	2%	681	3%	767	3%	980	3%	961	3%
Hispanic	9,976	54%	11,505	54%	12,338	53%	12,135	52%	12,509	51%	12,485	50%	12,594	49%	12,734	48%	13,249	46%	12,654	45%
Native American	1,228	7%	1,333	6%	1,422	6%	1,406	6%	1,589	7%	1,586	6%	1,761	7%	1,848	7%	2,040	7%	1,925	7%
Native Hawaiian	52	0%	58	0%	60	0%	57	0%	55	0%	56	0%	53	0%	71	0%	88	0%	86	0%
Non-Resident Alien	51	0%	39	0%	43	0%	40	0%	11	0%	15	0%	18	0%	976	4%	877	3%	834	3%
Other	968	5%	997	5%	1,286	6%	1,600	7%	1,592	7%	1,686	7%	1,799	7%	890	3%	1,057	4%	1,084	4%
Two or More Races	558	3%	620	3%	633	3%	555	2%	567	2%	570	2%	574	2%	611	2%	614	2%	641	2%
White, non-Hispanic	4,814	26%	5,804	27%	6,176	27%	6,585	28%	6,924	28%	7,259	29%	7,779	30%	8,309	31%	9,269	32%	9,574	34%
Total	18,563	100%	21,398	100%	23,096	100%	23,553	100%	24,442	100%	24,781	100%	25,760	100%	26,771	100%	28,685	100%	28,263	100%
Age																				
18 and Under	4,177	23%	5,088	24%	6,192	27%	5,752	24%	5,772	24%	5,472	22%	5,173	20%	5,003	19%	4,839	17%	4,356	15%
19-25	7,272	39%	8,393	39%	8,875	38%	9,255	39%	9,611	39%	9,816	40%	10,267	40%	10,584	40%	11,274	39%	11,287	40%
26-30	2,383	13%	2,710	13%	2,662	12%	2,871	12%	3,160	13%	3,160	13%	3,412	13%	3,591	13%	4,032	14%	4,127	15%
31-40	2,749	15%	2,998	14%	2,972	13%	3,206	14%	3,323	14%	3,512	14%	3,785	15%	4,117	15%	4,522	16%	4,512	16%
41-50	1,273	7%	1,377	6%	1,404	6%	1,461	6%	1,512	6%	1,653	7%	1,845	7%	2,139	8%	2,444	9%	2,513	9%
Over 50	709	4%	830	4%	991	4%	1,008	4%	1,064	4%	1,167	5%	1,277	5%	1,335	5%	1,570	5%	1,466	5%
Unknown	-	0%	2	0%	-	0%	-	0%	-	0%	1	0%	1	0%	2	0%	4	0%	2	0%
Total	18,563	100%	21,398	100%	23,096	100%	23,553	100%	24,442	100%	24,781	100%	25,760	100%	26,771	100%	28,685	100%	28,263	100%

Student information based on fall enrollment of the fiscal year.
Source: The College's Office of Data Strategy (ODS)

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

**Student Enrollment (Fall Enrollment/Headcount)
Last ten academic years**

Student Classification	2021	%	2020	%	2019	%	2018	%	2017	%	2016	%	2015	%	2014	%	2013	%	2012	%
Dual Credit	2,764	15%	3,306	15%	4,105	18%	3,655	16%	3,729	15%	3,462	14%	3,064	12%	2,755	10%	2,302	8%	1,753	6%
Freshman	7,353	40%	8,370	39%	9,176	40%	9,224	39%	9,458	39%	9,531	38%	9,988	39%	10,924	41%	12,489	44%	12,759	45%
Sophomore	7,960	43%	8,983	42%	9,087	39%	9,833	42%	10,388	43%	10,729	43%	11,425	44%	11,854	44%	12,599	44%	12,484	44%
Undergrad non-degree	486	3%	739	3%	728	3%	841	4%	867	4%	1,059	4%	1,283	5%	1,238	5%	1,295	5%	1,267	4%
Total	18,563	100%	21,398	100%	23,096	100%	23,553	100%	24,442	100%	24,781	100%	25,760	100%	26,771	100%	28,685	100%	28,263	100%
Semester Hour Load																				
Less than 3	473	3%	636	3%	676	3%	618	3%	574	2%	564	2%	522	2%	481	2%	579	2%	618	2%
3-5 semester hours	6,184	33%	7,237	34%	7,722	33%	7,604	32%	8,075	33%	7,837	32%	7,362	29%	7,142	27%	7,275	25%	6,897	24%
6-8 semester hours	4,514	24%	5,142	24%	5,319	23%	5,576	24%	5,529	23%	5,660	23%	6,362	25%	6,716	25%	7,071	25%	6,989	25%
9-11 semester hours	2,797	15%	3,123	15%	3,260	14%	3,410	14%	3,580	15%	3,615	15%	3,866	15%	4,140	15%	4,533	16%	4,541	16%
12-14 semester hours	3,809	21%	4,069	19%	4,807	21%	4,899	21%	5,255	21%	5,571	22%	6,080	24%	6,691	25%	7,729	27%	7,708	27%
15-17 semester hours	679	4%	1,010	5%	1,141	5%	1,293	5%	1,276	5%	1,373	6%	1,379	5%	1,428	5%	1,344	5%	1,365	5%
18 and over semester hours	107	1%	181	1%	171	1%	153	1%	153	1%	161	1%	189	1%	173	1%	154	1%	145	1%
Total	18,563	100%	21,398	100%	23,096	100%	23,553	100%	24,442	100%	24,781	100%	25,760	100%	26,771	100%	28,685	100%	28,263	100%
Tuition Status*																				
Resident tuition: in-district	14,543	78%	17,040	80%	19,194	83%	19,790	84%	20,484	84%	20,565	83%	21,713	84%	22,905	86%	24,864	87%	24,756	88%
Resident tuition: out-of-district	2,259	12%	2,509	12%	2,988	13%	2,864	12%	2,974	12%	2,730	11%	1,475	6%	1,388	5%	1,274	4%	2,370	8%
Non-resident tuition	1,761	9%	1,849	9%	914	4%	899	4%	984	4%	1,486	6%	2,572	10%	2,478	9%	2,547	9%	1,137	4%
Total	18,563	100%	21,398	100%	23,096	100%	23,553	100%	24,442	100%	24,781	100%	25,760	100%	26,771	100%	28,685	100%	28,263	100%

* Based on HED tuition status.

Student information based on fall enrollment of the fiscal year.

Source: *The College's Office of Data Strategy (ODS)*

Single Audit and Other Information



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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

INDEPENDENT AUDITORS' REPORT

Brian S. Colón, Esq.
New Mexico State Auditor
U.S. Office of Management and Budget
Governing Board of Central New Mexico Community College
Central New Mexico Community College
Albuquerque, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component units of the Central New Mexico Community College (the "College"), as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated November 1, 2022. We also have audited the budgetary schedules presented as supplementary information, as defined by the Governmental Accounting Standards Board, as of and for the year ended June 30, 2022, as listed in the table of contents.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain other matters that are required to be reported per Section 12-6-5 NMSA 1978 that we have described in the accompanying schedule of findings and questioned costs as items 2022-001, 2022-002, and 2022-003.

College's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the College's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The College's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

Carr, Riggs & Ingram, LLC
Albuquerque, New Mexico
November 1, 2022

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

INDEPENDENT AUDITORS' REPORT

Brian S. Colón, Esq.
New Mexico State Auditor
U.S. Office of Management and Budget
Governing Board of Central New Mexico Community College
Central New Mexico Community College
Albuquerque, New Mexico

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Central New Mexico Community College's (the "College") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the College's major federal programs for the year ended June 30, 2022. The College's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the College's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the College's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the College's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the College's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such

that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

Carr, Riggs & Ingram, LLC
Albuquerque, New Mexico
November 1, 2022

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**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

**Schedule of Expenditures of Federal Awards
For the Period July 1, 2021 through June 30, 2022**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Number	Federal Expenditures
Student Financial Assistance Cluster			
Department of Education			
Federal Supplemental Educational Opportunity Grant	84.007		\$ 656,829
Federal Work Study	84.033		342,812
Federal Work Study-Experimental Study	84.033		158,085
Federal Direct Student Loans	84.268		2,637,751
Federal Pell Grant	84.063		13,506,282
Iraq and Afghanistan Service Grant	84.408		5,104
Total Department of Education			17,306,863
Total Student Financial Assistance Cluster			17,306,863
TRIO Cluster			
Department of Education			
TRIO Student Support Services Grant-Main	84.042		244,109
TRIO Student Support Services Grant-JMMC	84.042		237,339
Total Department of Education			481,448
Total TRIO Cluster			481,448
Research and Development Cluster			
Department of Education			
Child Care Access Means Parents in School	84.335A		146,813
Total Department of Education			146,813
National Science Foundation			
Meaningful Math for Student Success	47.076		68,332
Advanced Technological Education	47.076		56,138
STEM Pathways and Research Alliances: NM Alliance for Minority Participation	47.076	Q02009	1,360
NM Green: Advancing Sustainable Construction Education	47.076	456488-8701	(3,375)
Total National Science Foundation			122,455
Total Research and Development Cluster			122,455
Other Programs			
Department of Education			
COVID-19-Higher Education Emergency Relief Funds -Student Aid	84.425E		19,666,046
COVID-19-Higher Education Emergency Relief Funds -Institutional Aid	84.425F		21,855,737
			41,521,783
Carl D. Perkins Strengthening Career and Technical Education for the 21st Century Act	84.048A	V048A200031	1,449,106
Carl D. Perkins Strengthening Career and Technical Education for the 21st Century Act	84.048A	20-924-00003	63,000
			1,512,106
Adult Education and Family Literacy Act (AEFLA) Grant	84.002	V002A190032	294,795
Building Global Learning and Student Pathways in NM	84.016A	617104-8701	9,677
COVID-19-CHECS GEER Funding	84.425C	315011-8701	276,336
			580,808
Total Department of Education			43,614,697
Department of Economic Assistance			
Growing the ABQid Seed Fund	11.02		129,003
Phase I Technical Assistance Award Under Build Back Better Regional Challenge	11.307		16,150
Total Department of Economic Assistance			145,153
Department of the Air Force			
CCTI- Hyperspace Challenge	12.800	FA9453-19-3-0001	454,065
Southwest Innovation Alliance-Hyperspace Challenge	12.800	FA9453-2-3-0002	37,735
Total Department of the Air Force			491,800
Department of Agriculture			
Wildland Firefighting Training	10.664	18-521-0400-0104	6,746
Wildland Firefighting Training	10.697	22-521-0400-0048	14,352
Total Department of Agriculture			21,098

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

**Schedule of Expenditures of Federal Awards
For the Period July 1, 2021 through June 30, 2022**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Number	Federal Expenditures
<i>National Aeronautics and Space Administration</i>			
NMSGC Statewide Fellowship Program	43.001	Q02374	2,000
<i>Total Department of National Aeronautics and Space Administration</i>			<u>2,000</u>
<i>National Institute of Health</i>			
Academic Science Education and Research Training	93.859	2K12GM088021-12	4,531
Academic Science Education and Research Training	93.859	2K12GM088021-13	9,050
<i>Total National Institute of Health</i>			<u>13,581</u>
<i>Corporation for Community Service</i>			
AmeriCorps	94.013		78,909
<i>Total Corporation for Community Service</i>			<u>78,909</u>
Federal Emergency Management Agency			
NM Homeland Security & Emergency Management	97.036	DR 4529	1,582
<i>Total Federal Emergency Management Agency</i>			<u>1,582</u>
TOTAL FEDERAL AWARDS			\$ <u>62,426,399</u>
Reconciling item:			
Perkins loans outstanding			200,377
Sub recipients			0
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ <u>62,626,776</u>

Note 1: Expenditures reported on the schedule are reported on the accrual basis of accounting. The College did not use the 10% de minimis indirect cost

Note 2: Perkins loans outstanding at June 30, 2022 totaled \$200,377.

Note 3: The Schedule include negative expenditures. These amounts represent funds returned to program years outside of the current program year.

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022**

Section I - Summary of Auditors' Results

Financial Statements:

- | | |
|--|------------|
| 1. Type of auditors' report issued: | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weakness reported? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted |
| c. Noncompliance material to financial statements noted? | No |

Federal Awards

- | | |
|---|------------|
| 1. Type of auditors' report issued on compliance for major programs | Unmodified |
| 2. Internal control over major programs: | |
| a. Material weakness reported? | No |
| b. Significant deficiencies identified not | None noted |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? | None noted |

4. Identification of major federal program:

Federal Assistance

Listing Number

Name of Federal Program or Cluster

84.425 E, F, L

Higher Education Emergency Relief Funds - CARES Act

84.007, 84.033

Student Financial Assistance Cluster

84.268, 84.063

84.408

- | | |
|---|-------------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$1,872,792 |
| 6. Auditee qualified as low-risk auditee? | Yes |

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Section II – Financial Statement Findings

None Noted

Section III – Federal Award Findings and Questioned Costs

None Noted

Section IV – Section 12-6-5 NMSA 1978 Findings

Finding 2022-001 – Inaccurate Return of Funds Dates (Other Non-compliance)

Condition: During testing of Return of Funds, it was noted that enrollment start dates were incorrect in the student's Student Financial Aid Withdrawal (SFAWDRL) records. CNM's Return of Funds includes a manual process for entering enrollment start dates. Out of 25 samples tested, 2 students enrollment start dates in SFAWDRL did not accurately match the enrollment (ROAENRL) records.

Criteria: According to 2 CFR Part 200, Uniform Guidance, Fiscal Year 2022 Compliance Supplement, Return of Title IV Funds, Calculation of the Amount of title IV Assistance Earned:

The amount of earned Title IV grant or loan assistance is calculated by determining the percentage of Title IV grant or loan assistance that has been earned by the student and applying that percentage to the total amount of Title IV grant or loan assistance that was or could have been disbursed to the student for the payment period or period of enrollment as of the student's withdrawal date.

In addition, CNM has Policies and Procedures for Return of Title IV funds (R2T4) performed weekly that require confirmation for specific enrollment dates.

Effect: CNM risks inaccurate calculation for return of funds when enrollment data entry is inaccurately recorded. Additionally, manual data entry potentially increases the risk for errors to occur when compensating controls are not in place.

Cause: Enrollment date entry is a manual process performed by CNM staff. It appears that verification of enrollment dates is not consistently occurring in SFAWDRL.

Recommendation: CNM should improve the Return of Funds manual enrollment data entry process by:

- ensuring verification,
- monitoring manual process, and
- updating internal procedures related to this process.

Management's Response: The College is developing and implementing corrective action to improve processes with the following:

- Internal procedures over the Return of Title IV Funds (R2T4) have been updated as of October 3, 2022.
- The College staff will continuously monitor enrollment start dates in the system to ensure all steps are accurate by adding a review step by a second individual. This review step provides additional verification of work completed by other team members.

Person Responsible – Senior Director Financial Aid

Timeline – 2nd Quarter Fiscal Year 2023

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Finding 2022-002 – Verification of Social Security Number (Other Non-compliance)

Condition: During testing of Enrollment Reporting, a required test is matching the student's social security number (SSN) in the student's academic files to the National Student Loan Data System (NSLDS). Out of 46 samples tested, 1 student's SSN did not match the NSLDS.

Criteria: According to the National Student Loan Data System (NSLDS), Enrollment Reporting Guide, November 2020:

The accurate administration of the Title IV programs depends heavily on the accuracy of the enrollment information reported by schools. Schools must review, update, and verify student enrollment statuses, program information, and effective dates that appear on the Enrollment Reporting Roster file or on the Enrollment Maintenance page of the NSLDS Professional Access (NSLDSFAP) website. The data on the school's Roster, or NSLDS Enrollment Reporting Guide Chapter 2 November 2020 7 Enrollment Maintenance page, is what NSLDS has as the most recently certified enrollment information. Schools must also correct any returned errors that are identified by NSLDS within 10 days.

Effect: Not correcting errors in the Clearinghouse Reject Detail Report regarding SSNs makes it difficult for the Federal government and the school to track the amount of total aid given to the student. Especially if different SSNs are used for the same student attending different schools.

Cause: It appears that management did not review the Clearinghouse Reject Detail Report identifying errors that need to be corrected within 10 days and did not submit the correction.

Recommendation: CNM should improve the enrollment reporting process by:

- Ensuring internal controls are in place so that the Clearinghouse Reject Detail Report is reviewed timely and corrections are submitted within 10-days; and
- Updating CNM internal procedures related to this process.

Management's Response:

Like most Title IV recipient schools, the College uses National Student Clearinghouse (NSC) services to facilitate NSLDS enrollment reporting. Therefore, in response to the finding, "Verification of Social Security Number," we have sought support from the NSC Audit Resource Center and the Data and Compliance teams for guidance on notification, handling, and resolution of SSN student record errors. As NSC clarified for us, the existence of a rejected SSN in an enrollment file (e.g., error #290) does not constitute a compliance issue on its own--some rejected records might not be actionable, where others might be. Although not all SSN mismatches are actionable, the specific student tested in this sample, having benefitted from federal student aid, was an actionable record.

As a result, new procedures have been drafted and implemented to ensure awareness of NSC Enrollment Reporting SSN (Reject Detail).

- The College will utilize practices to identify and respond to actionable SSN rejects following each enrollment submission by cross-referencing with federal aid recipient records.
- The College will remain consistent in compliance with completing the required NSLDS Error Resolutions within the 8 days required by NSC. The college will ensure continued compliance with a timely review, monitoring, and correction of errors within 10 days.

STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Person Responsible – Registrar, Senior Director

Timeline – 2nd Quarter Fiscal Year 2023

Finding 2022-003 – Procurement Card (P-Card) Application program not followed – Other non-compliance

Condition: During our testing of Central New Mexico Community College’s (CNM) P-Card Program, we noted that CNM did not follow its Policies and Procedures in regards to obtaining all required approvals. 2 out of 10 P-Card applications tested did not contain the required approval from the Control Agent and only had one approval signature.

Criteria: Per CNM’s internal policy and procedure, IS-1814 Procurement Card Program, “Each application must include approvals from the Control Agent, Supervisor, and the Program Managers.” Per CNM Management, the Program Manager’s approval comes in the way of setting up a profile in Bank of America’s Works system.

Effect: Not having proper approval might result in unauthorized expenditures.

Cause: Processes and Policies in place at CNM were not followed, resulting in missing signatures in the P-Card applications.

Recommendation: When CNM approves an application, it should review the Policies and Procedures in place to assure the application has all required signatures. Policies and Procedures should reflect the actual practice.

Management’s Response:

In the first quarter of Fiscal Year 2023, the college implemented an electronic P-Card application process. The application is routed electronically for approvals from the Control Agent, Supervisor, and the Program Manager/P-Card Administrator. The process documents a clear audit trail of approvers and ensures compliance with IS-1814 Procurement Card Program. By the end of Fiscal Year 2023, the college will also convert the paper applications currently on file to electronic with updated information.

Responsible Parties – P-Card Administrator
Chief Procurement Officer

Timeline – Fiscal Year 2023

Section V – Findings - Component Units

None Noted

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

Status of Prior Year Audit Findings

Summary of Prior Year Audit Findings

Current Status

None Noted

**STATE OF NEW MEXICO
CENTRAL NEW MEXICO COMMUNITY COLLEGE**

Exit Conference

An exit conference was held in a closed session on October 25, 2022, to discuss the audit report and current and prior year auditor's comments. The parties agreed to the factual accuracy of the comments contained herein. In attendance were the following individuals:

Representing the Governing Board of the Central New Mexico Community College

Annette Chavez y De La Cruz	Chair CNM Governing Board Audit Committee
Thomas E. Swisstack	Governing Board Member
Robert P. Schoenfelder	Governing Board Member

Representing Central New Mexico Community College

Tracy Hartzler	President
Olivia Padilla-Jackson	Vice President Finance & Operations
Samantha Sengel	Vice President Workforce & Community Success
Janet Hurula	Senior Executive Assistant
Ben Martinez	Director of Internal Audit
Christine Duncan	Comptroller
Wencui Yang	Associate Comptroller
Chris Grant	Senior Financial Analyst/Audit Coordinator
Jason Gomez	Executive Assistant - FOD

Representing Carr, Riggs & Ingram, LLC

Alan D. "A.J." Browers, Jr.	Partner
Eric Spurlin	Senior Manager

Representing New Mexico State Auditor's Office

Brian Colón	State Auditor
Liza Kerr	CO-Deputy State Auditor
Darla Brewer	Audit Supervisor
Thinlay Dolkar	Staff Auditor

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

BRUCE HALL
JOHN P. SALAZAR
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EDWARD RICCO
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ANDREW G. SCHULTZ
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SUNNY J. NIXON
R. TRACY SPROULS
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CHARLES R. HUGHSON
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LAUREN T. WINSTON
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ALEJANDRO RETTIG Y MARTINEZ
JACQUES H. CHOUINARD
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RODEY, DICKASON, SLOAN, AKIN & ROBB, P. A.

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PEARCE C. RODEY (1889-1958)
DON L. DICKASON (1906-1999)
WILLIAM A. SLOAN (1910-1993)
JACKSON G. AKIN (1919-2010)
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WRITER'S DIRECT NUMBER

May 16, 2023

Board of Central New Mexico Community College
Albuquerque, New Mexico

Central New Mexico Community College
Bernalillo and Sandoval Counties, New Mexico
General Obligation (Limited Tax) Bonds
Series 2023

Ladies and Gentlemen:

We have acted as bond counsel to Central New Mexico Community College (the "College"), a technical and vocational institute district established and existing under the laws of the State of New Mexico (the "State") in connection with the issuance of its \$[45,850,000]* General Obligation (Limited Tax) Bonds, Series 2023 (the "Bonds"), dated May 16, 2023. The Bonds are issued pursuant to the Constitution and laws of the State and the Authorizing & Delegating Resolution adopted by the governing board of the College on March 14, 2023, and a Final Terms Certificate setting forth the final terms of the Bonds dated April [25], 2023.

In such capacity, we have examined the transcript of proceedings (the "Transcript") relating to the issuance of the Bonds and have also examined the law under authority of which the Bonds are issued. Based on our examination, we are of the opinion that, under the law existing on the date of this opinion, subject to the provisions of federal bankruptcy law and other laws affecting creditors' rights and further subject to exercise of judicial discretion in accordance with general principles of equity:

1. The Bonds constitute valid and binding general obligations of the College and are to be paid from the proceeds of the levy of ad valorem taxes on all taxable property within the

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*Preliminary; subject to change.

taxing district of the College at a rate not to exceed \$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 taxing district of the College declines to a level lower than the valuation of the property in the year in which the Bonds are issued.

2. Assuming continuing compliance by the College with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), and with the covenants contained in the Transcript regarding the use, expenditure, and investment of bond proceeds, the interest on the Bonds is: (i) excludable from gross income of the owners of the Bonds for federal income tax purposes; (ii) 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;" and (iii) interest on the Bonds is exempt from taxation by the State of New Mexico. The opinions set forth in this paragraph are subject to the condition that the College comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The College has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactive to their date of issuance of the Bonds.

3. The Bonds have not been designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

Other than as described herein, we have not addressed nor are we opining on the tax consequences to any person of the investment in, or the receipt of interest on, the Bonds. We are opining only upon those matters set forth herein, and we are not passing upon the accuracy, adequacy, or completeness of the Official Statement or any statement made in connection with any offer or sale of the Bonds. We express no opinion as of any date subsequent hereto, and our engagement with respect to the Bonds has concluded with their issuance. We disclaim any obligation to update this opinion.

The opinions expressed herein represent our legal judgment based upon existing law, legislation, regulations, and rulings as of the date of issuance and delivery of the Bonds that we deem relevant to render such opinions and are not a guarantee of a result. We express no opinion with respect to any pending legislation.

No attorney-client relationship has existed or exists between us and anyone other than the College in connection with the issuance of the Bonds by virtue of this opinion letter. This opinion letter is delivered to you solely for your information and benefit in connection with the

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initial offering and public sale of the Bonds and may not be relied upon by you for any other purpose or relied upon by any other party without the prior written consent of this firm.

Very truly yours,

DRAFT

APPENDIX E

CONTINUING DISCLOSURE UNDERTAKING

CONTINUING DISCLOSURE UNDERTAKING

Section 1. Recitals. This Continuing Disclosure Undertaking (the “Undertaking”) is executed and delivered by the Central New Mexico Community College, Bernalillo and Sandoval Counties, New Mexico (the “College”), in connection with the issuance of the Central New Mexico Community College, Bernalillo and Sandoval Counties, New Mexico, General Obligation (Limited Tax) Bonds, Series 2023 (the “Bonds”). The Bonds are being issued pursuant to an Authorizing & Delegating Resolution of the College adopted on March 14, 2023 (the “Resolution”). Pursuant to the Resolution, to allow the underwriters of the Bonds to comply with the Rule (defined below), the College is required to make certain continuing disclosure undertakings for the benefit of owners (including beneficial owners) of the Bonds (the “Owners”). This Undertaking is intended to satisfy the requirements of the Rule.

Section 2. Definitions.

(a) “Annual Financial Information” means the financial information (which will be based on financial statements prepared in accordance with generally accepted accounting principles, as in effect from time to time (“GAAP”), for governmental units as prescribed by the Governmental Accounting Standards Board (“GASB”)) and operating data with respect to the College, delivered at least annually pursuant to Sections 3(a) and 3(b) of this Undertaking, consisting of information of the type set forth under the captions “DEBT AND OTHER FINANCIAL OBLIGATIONS,” “TAX BASE,” and “THE COLLEGE – Tuition and Fees, Enrollment,” “FINANCES OF THE EDUCATIONAL PROGRAM,” “Statement of Net Position, Statement of Revenues, Expenditures and Changes in Net Position and Statement of Cash Flows” in the Official Statement. Annual Financial Information includes Audited Financial Statements.

(b) “Audited Financial Statements” means the College’s annual financial statements, prepared in accordance with GAAP, for governmental units as prescribed by GASB, which financial statements have been audited as may then be required or permitted by the laws of the State.

(c) “EMMA” means the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System located on its website at emma.msrb.org.

(d) “Event Information” means the information delivered pursuant to Section 3(d) hereof.

(e) “Financial Obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a financial official statement has been provided to the Municipal Securities Rulemaking Board in compliance with Rule c2-12.

(f) “MSRB” means the Municipal Securities Rulemaking Board. The current address of the MSRB is 1300 I Street, Suite 1000, Washington, DC, 20005, phone (202) 838-1500, fax (202) 898-1500.

(g) “Official Statement” means the Official Statement dated _____, 2023, delivered in connection with the original issue and sale of the Bonds.

(h) “Report Date” means March 31 of each year, beginning in 2024.

(i) “Repository” means EMMA.

(j) “Rule” means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934, as amended (17 CFR Part 240, § 240.15c2-12), as the same may be amended.

(k) “SEC” means the Securities and Exchange Commission.

(l) “State” means the State of New Mexico.

Section 3. Provision of Annual Information and Reporting of Event Information.

(a) The College, or its designated agent, will provide the Annual Financial Information for the preceding fiscal year to the Repository on or before each Report Date while the Bonds are outstanding.

(b) If Audited Financial Statements are not provided as a part of the Annual Financial Information, the College, or its designated agent, will provide unaudited financial statements as part of the Annual Financial Information. The College will timely provide to EMMA notice of failure to provide Annual Financial Information or Audited Financial Statements in the event these items are not available by the Report Date.

(c) The College, or its designated agent, may provide Annual Financial Information by specific reference to other documents, including information reports and official statements relating to other debt issues of the College, which have been submitted to the Repository or filed with the SEC; provided, however, that if the document so referenced is a “final official statement” within the meaning of the Rule, such final official statement must also be available from the MSRB.

(d) The College, or its designated agent, will provide, to EMMA, notice of any of the following events with respect to the Bonds in a timely manner not in excess of ten (10) business days after the occurrence of the event:

- i. Principal and interest payment delinquencies;
- ii. Non-payment related defaults, if material;
- iii. Unscheduled draws on debt service reserves reflecting financial difficulties;
- iv. Unscheduled draws on credit enhancements reflecting financial difficulties;
- v. Substitution of credit or liquidity providers, or their failure to perform;

- vi. 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;
- vii. Modifications to rights of security holders, if material;
- viii. Bond calls, other than mandatory sinking fund redemption, if material, or tender offers;
- ix. Defeasances;
- x. Release, substitution or sale of any property securing repayment of the Bonds, if material within the meaning of the federal securities law;
- xi. Rating changes;
- xii. Bankruptcy, insolvency, receivership or similar event with respect to the College or an obligated person;
- xiii. 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; and
- xiv. Appointment of a successor or additional trustee, or the change of name of a trustee, if material;
- xv. 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
- xvi. 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.

(e) The College, or its designated agent, will provide, in a timely manner not in excess of ten (10) business days after the occurrence of the event, to EMMA, notice of any: (i) failure of the College to provide the Annual Financial Information as specified in Sections 3(a) and 3(b); (ii) changes in its fiscal year-end; and (iii) amendment of this Undertaking.

Section 4. Method of Transmission. The College, or its designated agent, will employ such methods of electronic or physical information transmission as are requested or recommended from time to time by the Repository, the MSRB or the SEC, unless otherwise required by law.

Section 5. Enforcement. The obligations of the College under this Undertaking are for the benefit of the Owners. Each Owner is authorized to take action to seek specific performance by court order to compel the College to comply with its obligations under this Undertaking, which action will be the exclusive remedy available to it or any other Owner. The College's breach of its obligations under this Undertaking will not constitute an event of default under the Resolution, and none of the rights and remedies provided by the Resolution will be available to the Owners with respect to such a breach.

Section 6. Term. The College's obligations under this Undertaking will be in effect from and after the issuance and delivery of the Bonds and will extend to the earliest of (i) the date all principal and interest on the Bonds shall has been paid or legally defeased pursuant to the terms of the Resolution; (ii) the date on which the College is no longer an "obligated person" with respect to the Bonds within the meaning of the Rule; or (iii) the date on which those portions of the Rule which require this Undertaking are determined to be invalid or unenforceable by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Bonds.

Section 7. Amendments and Waivers. Notwithstanding any other provision of this Undertaking, the College may amend this Undertaking from time to time, and any provision of this Undertaking may be waived, without the consent of the Owners, upon the College's receipt of an opinion

of independent counsel experienced in federal securities laws to the effect that such amendment or waiver:

(a) is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law or a change in the identity, nature or status of the College:

(b) this Undertaking, as 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

(c) the amendment does not materially impair the interests of the Owners.

Any Annual Financial Information containing amended operating data or financial information will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided. If an amendment changes the accounting principles to be followed in preparing financial statements, the Annual Financial Information and Audited Financial Statements for the year in which the change is made will present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 8. Beneficiaries. This Undertaking binds and inures to the sole benefit of the College and the Owners and creates no rights in any other person or entity.

Section 9. Subject to Appropriation. This Undertaking shall be subject to annual appropriation by the College's Board of Education and shall not be construed as a general obligation of the College.

Section 10. Governing Law. This Undertaking is governed by and is to be construed in accordance with the law of the State.

[Signature page follows]

Date: _____, 2023.

BOARD OF CENTRAL NEW MEXICO
COMMUNITY COLLEGE

By _____
Chair

[SEAL]

ATTEST:

Secretary

[Signature page to Continuing Disclosure Undertaking]

APPENDIX F

OFFICIAL NOTICE OF BOND SALE

(Electronic bids only)

OFFICIAL NOTICE OF BOND SALE

\$45,850,000*

CENTRAL NEW MEXICO COMMUNITY COLLEGE
BERNALILLO AND SANDOVAL COUNTIES, NEW MEXICO
GENERAL OBLIGATION (LIMITED TAX) BONDS
SERIES 2023

NOTICE IS HEREBY GIVEN that the Board (the “Board”) of Central New Mexico Community College (the “College”) in the Counties of Bernalillo and Sandoval, State of New Mexico, will receive and publicly examine electronic bids for the purchase of the College’s General Obligation (Limited Tax) Bonds, Series 2023, in the maximum aggregate principal amount of \$45,850,000* (the “Bonds”), at the hour of 8:30 a.m., prevailing Mountain time, on the 25th day of April, 2023 at the offices of RBC Capital Markets, LLC, 6301 Uptown Boulevard NE, Suite 110, Albuquerque, New Mexico 87110. Electronic proposals will be received via the facilities of Grant Street Group through its MuniAuction website, accessible at www.GrantStreet.com, in the manner described below. No other method of submitting bids will be accepted. The date and time for submitting bids will be as follows:

Bid Date: April 25, 2023

Bid Time: Between 10:30 a.m. and 11:00 a.m. Eastern Time

Between 8:30 a.m. and 9:00 a.m. Mountain Time

(subject to extension under the “Two Minute Rule” described below)

Information related to this auction can be obtained from

Grant Street Group Auction Support at (412) 391-5555

To bid, bidders must have both (1) completed the registration form on the MuniAuction website and (2) requested and received admission to the Board’s auction, as described under “ELECTRONIC BIDDING” below. The use of MuniAuction shall be at the bidder’s risk and expense, and neither the College nor the Board shall have any liability with respect thereto.

Neither the College, the Board, Grant Street Group, nor Bond Counsel shall be responsible for, and each bidder expressly assumes the risk of, any incomplete, inaccurate, or untimely bid submitted by internet transmission by such bidder, including, without limitation, by reason of garbled transmissions, mechanical failure, engaged telephone or telecommunications lines, or any other cause arising from delivery by internet transmission. Additionally, the Grant Street Group time stamp will govern the receipt of all bids. All bids will be deemed to incorporate the provisions of this Notice of Bond Sale.

*Subject to change.

Pursuant to authority delegated by the Board to certain officers (the “Designated Officer”) in the Authorizing & Delegating Resolution relating to the Bonds, adopted by the Board on March 14, 2023 (the “Authorizing & Delegating Resolution”), the Board’s Designated Officer will take action to award the Bonds following determination of the best bids for the Bonds, if within the parameters (the “Parameters”) established by the Board in the Authorizing & Delegating Resolution.

Description of the Issue. The Bonds will be issued in one series and one bid will be accepted.

The Bonds in the amount of \$45,850,000* were authorized at a regular local election held on November 5, 2019, and will be issued for the purpose of erecting, furnishing, constructing, purchasing, remodeling and equipping College buildings and utility facilities (exclusive of stadiums), making other College real property improvements, purchasing grounds throughout the College district, or purchasing and installing computer hardware and software with a useful life equal to or exceeding the maturity of the Bonds, or any combination of such purposes, as appropriate, and to pay costs of issuance.

The Bonds will be the general obligation of the College payable from general (ad valorem) property taxes levied against all taxable property in the College district at a rate not to exceed \$5 per \$1,000 of taxable property and from other moneys available for payment.

The Bonds will be issued in fully registered form, dated on or about May 16, 2023 and issued in denominations of \$5,000 or integral multiples thereof. Interest on the Bonds will be payable on August 15 and February 15 in each year in which the Bonds are outstanding, beginning on August 15, 2023. The Bonds will be payable on August 15 and February 15 in each year in which the Bonds are outstanding, beginning on August 15, 2023.

The Bonds will bear interest until maturity from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from the date of issuance. If a Bond is not paid upon proper presentation at its maturity, the principal amount will continue to draw interest at the rate specified in the Bond until the principal amount is paid in full. The College will be the registrar and paying agent (the “Registrar/Paying Agent”) for the Bonds.

The Bonds will be numbered from one upwards consecutively as requested by the purchaser and will mature in regular order of maturity on August 15 of each year shown below, and in the amounts as follows:

*Subject to change

2023 BONDS

<u>Maturity Date</u>	<u>Amount</u>
<u>August 15</u>	
2023	\$6,000,000
2024	\$6,850,000
2025	\$2,550,000
2026	\$2,550,000
2027	\$2,550,000
2028	\$2,550,000
2029	\$2,550,000
2030	\$2,550,000
2031	\$2,550,000
2032	\$2,550,000
2033	\$2,550,000
2034	\$2,550,000
2035	\$2,550,000
2036	\$2,550,000
2037	\$2,400,000

Permissible Interest Rates, Bid Limitations, and Maximum Premium. The maximum net effective interest rate permitted on the Bonds is five percent (5.000%), and no interest rate on any maturity of the Bonds may be greater than five percent (5.000%) per annum. It is permissible to bid different or split rates of interest; provided, however, that: (1) with respect to each of the Bonds, no bid shall specify more than one interest rate for each maturity; (2) each interest rate specified must be stated in a multiple of one-eighth (1/8) or one-twentieth (1/20) of one percent (1.000%) per annum; and (3) the maximum interest rate specified for any maturity may not exceed the minimum interest rate specified for any other maturity by no more than three percent

(3%). A bid of zero percent is not permitted. Bidders may combine any two or more sequential serial maturities into one or more term bonds with mandatory sinking fund installments reflecting the maturity schedule.

Only unconditional bids will be considered.

All bids shall specify: (a) the lowest rate of interest for each maturity and the amount of the premium, if any, at and for which the bidder will purchase the Bonds, or (b) the lowest rate of interest for each maturity at which the bidder will purchase the Bonds at par. For informational purposes only, each bidder is requested to specify: (a) the method of payment of the good faith deposit, (b) the true interest cost (i.e., actuarial yield) on the Bonds stated as a nominal annual percentage rate, (c) gross interest cost, (d) premium (if any), (e) net interest cost, and (f) name of any bond insurer and the amount of the insurance premium (at the cost of the bidder.) If the electronic bid form does not provide space for any or all of such additional information, the successful bidder shall provide such information as soon as possible following determination of the best bid. Any bid which specifies split interest rates will not be considered.

The Bonds will be sold in one block on an “all or none” basis and at an aggregate price described in the bid (the “Bid Price”). In addition, each bidder will provide separately an aggregate price for all of Bonds (the “Bid Price”), the sum of which shall equal the Bid Price. The Bid Price shall not be less than 100% of their par value. The Bonds may be reoffered to the public as part of the initial offering at an original issue discount or at a premium. Each bidder shall state in its bid the total interest cost in dollars, the discount or premium, if any, and the true interest cost expressed as a per annum percentage.

Basis of Award. The Bonds will be awarded to the best bidder, considering the interest rate or rates specified and the premium offered, if any, and subject to the right of the Board or the Board’s Designated Officer to reject any and all bids and re-advertise. The best bid will be determined and will be awarded on the basis of the true interest cost of the Bonds (i.e., using a true interest cost method) for each bid received, and an award will be made (if any is made) to the responsible bidder submitting the bid that results in the lowest actuarial yield on the Bonds. “True Interest Cost” of the Bonds, as used herein, means that yield, which if used to compute the present worth, as of the date of the Bonds, of all payments of principal and interest to be made on the Bonds, from their date to their respective maturity dates, as specified in the maturity schedule and without regard to the possible optional prior redemption of the Bonds, using the interest rates specified in the bid, produces an amount equal to the principal amount of the Bonds plus any premium bid. No adjustment shall be made in such calculation for accrued interest on the Bonds from their date to the date of delivery thereof. Such calculation shall be based on a 360-day year consisting of twelve thirty day months and a semiannual compounding interval. The purchaser must pay accrued interest from the date of the Bonds to the date of delivery. **The Bonds will not be sold for less than par plus accrued interest.**

Subject to those reservations, the Bonds will be sold by the Board's Designated Officer to the responsible bidder making the best bid for the Bonds. In the event of any error in interest cost calculation in a bid, the interest rate or rates set forth in the bid form will be considered as determining the correct true interest cost. If there are two or more equal bids for the Bonds that are the best bids received on the Bonds, the Designated Officer will determine which bid will be accepted.

The Board reserves the right to waive any irregularity or informality in any bid (except that no bid shall be considered which is received after the time herein prescribed for the opening of bids), to reject any or all bids, and to reoffer the Bonds for public sale.

Electronic Bidding. All bids must be unconditional and submitted on the MuniAuction website ("MuniAuction") accessible at www.GrantStreet.com. No other provider of bidding services and no other means of delivery (i.e., telephone, telefax or physical delivery) will be accepted. Bidding for the Bonds will begin at 10:30 a.m. Eastern (8:30 a.m. Mountain), as indicated above. The receipt of bids will end promptly at 11:00 a.m. Eastern (9:00 a.m. Mountain), unless extended in accordance with the "Two Minute Rule" described herein. To bid, bidders must first visit the MuniAuction website at www.GrantStreet.com where, if they have never registered with either MuniAuction or any municipal debt auction website powered by Grant Street Group, they can register and request admission to the College's auction. Only FINRA registered broker dealers and dealer banks with DTC clearing arrangements will be eligible to bid. Bidders who have previously registered with MuniAuction may call auction support at (412) 391-5555 to confirm their ID or password. The use of MuniAuction shall be at the bidder's risk, and the College shall have no liability with respect thereto.

Two Minute Rule. If any bid becomes a leading bid within two (2) minutes prior to the end of the auction, then the auction will be automatically extended by two (2) minutes from the time such new leading bid was received by MuniAuction. The auction end time will continue to be extended, indefinitely, until a single leading bid remains the leading bid for at least two (2) minutes.

Rules of Grant Street Group. The "Rules of MuniAuction" can be viewed on the MuniAuction website at www.GrantStreet.com and are incorporated by reference in this Official Notice of Sale. Bidders must comply with the Rules of MuniAuction in addition to the requirements of this Official Notice of Sale. In the event the Rules of MuniAuction conflict with this Official Notice of Sale, this Official Notice of Sale shall prevail.

Information Regarding Bids. Bidders may change and submit bids as many times as they wish during the bidding, provided, however, that each bid submitted subsequent to a bidder's initial bid must result in a lower True Interest Cost with respect to a bid when compared to the immediately preceding bid of such bidder. The last bid submitted by a bidder before the end of the auction will be compared to all other final bids submitted by others to determine the winning

bidder. During the bidding, no bidder will see any other bidder's bid, but each bidder will be able to see its own ranking (i.e., "leader," "cover," "3rd," etc.). A bid made through the facilities of Grant Street Group shall be deemed an irrevocable offer to purchase the Bonds on the terms provided in this Official Notice of Bond Sale, and the bid shall be binding upon the bidder. The College shall not be responsible for any malfunction or mistake made by, or as the result of the use of the facilities of, Grant Street Group, the use of such facilities being the sole risk of the prospective bidder. For information purposes only, bidders are requested to state in their electronic bids the True Interest Cost to the College. All electronic bids shall be deemed to incorporate the provisions of this Official Notice of Bond Sale and the Required Bid Form. In the event that the College receives fewer than three (3) bids that fit the requirements of this Official Notice of Bond Sale, the College shall reject all bids and cancel the sale.

Optional Redemption.

The Bonds maturing on or after August 15, 2031 are subject to redemption prior to their maturity at the option of the College, in whole or in part, at any time on or after August 15, 2030, at a redemption price of 100% of principal plus accrued interest to the date of the redemption.

Book-Entry Only Obligations. It is anticipated that the Bonds will be issued in book-entry form and deposited with a securities depository company (the "Depository") selected by the College with no physical distribution of bond certificates to the public. Transfers of beneficial ownership of the Bonds will be effected on the records of participants of the Depository and other nominees of beneficial owners of Bonds. As a condition to delivery of the Bonds, the successful bidder will be required, immediately after acceptance of delivery, to deposit the bond certificates with the Depository, registered in the name of the Depository or its nominee. Principal, premium, if any, and interest will be paid by the Paying Agent to the Depository or its nominee as registered owner of the Bonds. The College will not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Depository, its participants or other nominees. The College may, at its option, deliver bond certificates to beneficial owners or their nominees.

Adjustment of Principal Amounts, Modification or Clarification Prior to the Examination of Bids. The Designated Officer may, after consultation with the College's municipal and bond advisors, in the Designated Officer's sole discretion and prior to the examination of bids, (i) adjust the aggregate principal amounts set forth herein; (ii) withdraw all or a portion of the Bonds from the bidding process if the Designated Officer determines that withdrawal is necessary; (iii) adjust individual maturities; and/or (iv) modify or clarify any other term hereof by issuing a notification of the adjusted amounts, modification or clarification via Thomson Municipal News ("TM3") and/or Bloomberg Financial Services no later than 8:00 a.m., prevailing Mountain Time, on April 25, 2023.

Rescheduling of Bid Date and Deadline. The President may, after consultation with the College's financial and bond advisors, in the President's sole discretion on notice given at least 24 hours prior to the original deadline for bids (i.e., 8:30 a.m. on April 24, 2023), reschedule the deadline for submission of bids, and may, at that time or a subsequent time on at least 24 hours prior notice, in each case via TM3 and/or Bloomberg Financial Services, establish a rescheduled bid date and time and a place where bids will be publicly examined.

For purposes of bids received through the electronic bidding process, the time as maintained by Grant Street Group/MuniAuction shall constitute the official time.

Bid Adjustment After Receipt of Bids. The College reserves the right, after receipt of bids, to adjust the aggregate principal amounts and maturity schedules for the Bonds by increasing or decreasing the principal amounts of each maturity, no later than two hours following the end of the time of bid examination. Notice of any adjustment will be given promptly to the best bidder and any adjustment will be done in a spread neutral manner.

Good Faith Deposit. Not later than 2:00 p.m. prevailing Mountain time on April 25, 2023, and prior to the official award of the Bonds the successful bidder (other than the State of New Mexico, if the State submits a bid and the Bonds are awarded to the State) must send via electronic wire transfer to such account as the College shall specify in immediately available funds a good faith deposit of \$917,000. If such wire transfer is not received from the successful bidder by 2:00 p.m. on April 25, 2023, the next best bidder may be awarded the Bonds. No interest on the deposit will accrue to the best bidder. The deposit will be applied to the purchase price of the Bonds. The good faith deposit shall be returned if the bid is not accepted by the Designated Officer. If the successful bidder fails or neglects to complete the purchase of the Bonds within 45 days following the acceptance of the bid or within ten days after the Bonds are offered for delivery, whichever is later, the amount of the deposit shall be forfeited to the College as liquidated damages, and, in that event the Board may accept the bid of the bidder making the next best bid. If all bids are rejected, the Board may re-advertise the Bonds for sale in the same manner as herein provided for the original advertisement. If there are two or more equal bids and such bids are the best bids received, the Designated Officer shall determine which bid shall be accepted.

Time of Award and Delivery of the Bonds. The Board's Designated Officer will take action awarding the Bonds or rejecting all bids not later than 24 hours after the expiration of the time herein prescribed for the receipt of the bids. Delivery of the Bonds will be made to the successful bidder or bidders through the facilities of The Depository Trust Company, New York, New York on or about May 16, 2023, at the expense of the College or elsewhere with the consent of the College and at the request and expense of the purchaser; provided, however, that if, for any reason, delivery of the Bonds cannot be made within 60 days after opening of bids, the successful bidder shall have the right to purchase the Bonds during the next succeeding 30 days upon the same terms, or at the request of the successful bidder, during the next succeeding 30

days, the good faith deposit will be returned and the bidder shall be relieved of any further obligation.

Bond Insurance. Any bid may be submitted with the intent to qualify the Bonds for municipal bond insurance. If the Bonds are qualified for municipal bond insurance and the successful bidder desires to purchase municipal bond insurance, insurance premium and rating agency expenses associated with acquisition of municipal bond insurance will be the sole responsibility of the successful bidder. The College will apply and pay for Moody's Investors Service, Inc. and Standard & Poor's Corporation ratings on the Bonds.

Payment of Purchase Price. The purchaser must pay accrued interest, if any, from the date of the Bonds (May 16, 2023) to the date of delivery. The Bonds will not be sold for less than par and accrued interest nor shall any discount or commission be allowed or paid on the sale of the Bonds. Upon delivery, the deposit of the successful bidder (without accrued interest) will be credited on the purchase price and the balance shall be paid in federal funds. The applicable CUSIP numbers will be printed on the Bonds; provided that an incorrect CUSIP number printed on any Bond or the absence of any CUSIP number on any Bond shall not constitute cause to refuse delivery of the Bonds.

Administrative Compliance. In order to assist the purchaser in complying with Securities and Exchange Commission Rule 15c2-12(b)(5); at the time of delivery of the Bonds the College will undertake, pursuant to a written continuing disclosure agreement, to provide annual financial information and notices of certain material events.

The College has prepared a Preliminary Official Statement, relating to the Bonds, which is to be deemed by the College to be final as of its date for purposes of allowing bidders to comply with Rule 15c2-12 of the Securities Exchange Commission (the "Rule"), except for the omission of certain information as permitted by the Rule. The Preliminary Official Statement is subject to revision, amendment and completion in a Final Official Statement as defined below. Copies of the Preliminary Official Statement and the bid form may be obtained from the College's Municipal Advisor, RBC Capital Markets, LLC, 6301 Uptown Boulevard, N.E., Albuquerque, New Mexico 87110, telephone (505) 872-5999 or the Electronic Bid Provider by viewing and downloading from its web site address which is www.fmhub.com (MuniHub). The College will prepare a final Official Statement ("Final Official Statement") as soon as practicable after the date of award to the successful bidder. The College will provide to the successful bidder up to 25 copies of the Final Official Statement on or before seven business days following the date of the award to the successful bidder. The Final Official Statement will be dated as of the date of delivery of the Final Official Statement to the successful bidder and will be final as of that date. The College authorizes the successful bidder to distribute the Final Official Statement in connection with the offering of the Bonds.

The College will covenant to take all actions that may be required of it 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. The approving legal opinion of Bond Counsel will include an opinion to the effect that under existing law the interest on the Bonds (i) is excludable from gross income of the owners of the Bonds for federal income tax purposes; (ii) 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;” and (iii) interest on the Bonds is exempt from taxation by the State of New Mexico. Bond Counsel will express no opinion regarding federal income tax consequences other than as stated above resulting from the receipt or accrual of interest on the Bonds. Bond Counsel will not independently verify the accuracy of the certifications and representations made by the College.

Transcript and Legal Opinions. The validity and legality of the Bonds will be approved by Rodey, Dickason, Sloan, Akin & Robb, P.A., Albuquerque, New Mexico, Bond Counsel, whose approving opinion, together with the printed Bonds and a complete transcript of the legal proceedings, including a certificate stating that no litigation affecting the validity of the Bonds is pending, will be furnished to the purchaser without charge. The delivery of the Bonds is also subject to the approval of the Attorney General of the State of New Mexico.

Blue Sky Laws. The College has not investigated the eligibility of any institution or person to purchase or participate in the underwriting of the Bonds under any applicable legal investment, insurance, banking, or other laws.

This Official Notice of Bond Sale is not a disclosure document. Prior to submitting a bid to the College for the Bonds, a full review should be made of the entire Preliminary Official Statement. The offering of Bonds to potential investors is made only by means of the Preliminary Official Statement.

The purchaser of the Bonds, by submitting its bid, agrees to provide a certificate including information as to bona fide initial offering prices to the public and sales of the Bonds and a certified determination of yield on the Bonds under the Code, as and at the time requested by the Municipal Advisor and Bond Counsel, which will be in substantially the same form as Exhibit A to this Official Notice of Bond Sale. It will be the responsibility of the purchaser to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certifications.

DATED this ___th day of _____, 2023.

(End of Official Notice of Bond Sale)

EXHIBIT A to Notice of Bond Sale

Purchaser’s Certificate: Competitive Sale – 3 Bids Received

In connection with the issuance by Central New Mexico Community College (the “**Issuer**”) of its \$45,850,000* Bernalillo and Sandoval Counties, New Mexico General Obligation Bonds consisting of General Obligation (Limited Tax) Bonds, Series 2023 (the “**Bonds**”), on the date of this Certificate, the undersigned authorized officer of _____, the underwriter for the Bonds (the “**Original Purchaser**”), hereby certifies as follows:

1. Agreement to Purchase Bonds. The Original Purchaser had agreed as of the Sale Date (as defined below) to purchase the Bonds issued, authenticated, and delivered on the date hereof, in the aggregate principal amount of \$45,850,000* for a total purchase price of \$_____, computed as follows:

Par Amount	\$45,850,000*.00
Plus: Premium	_____
Issue Price/Total Purchase Price	\$_____
Less: Original Purchaser’s Compensation	(_____)
Net Purchase Price	\$_____

2. Reasonably Expected Initial Offering Price.

(a) As of April 25, 2023 (the “**Sale Date**”), which was the date on which the Original Purchaser agreed to purchase the Bonds from the Issuer, the Original Purchaser reasonably expected, based upon prevailing market conditions, to sell to the Public each Maturity of the Bonds in a bona fide public offering at the respective prices shown on the inside front cover of the Official Statement for the Bonds (the “**Official Statement**”) or, in the case of any Bonds sold on a yield basis, at the respective yields shown on the inside front cover of the Official Statement (with respect to each Maturity, such price or yield is referred to below as the “**Expected Initial Offering Price**”), a copy of which is attached hereto as Schedule A. The Expected Initial Offering Prices are the prices or yields, as applicable, for the Maturities of the Bonds used by the Original Purchaser in formulating its bid to purchase the Bonds.

(b) The Original Purchaser was not given the opportunity to review other bids prior to submitting its bid.

a)

(c) The bid submitted by the Original Purchaser constituted a firm offer to purchase the Bonds.

b)

(d) The Original Purchaser actually offered all of the Bonds of each Maturity to the Public in a bona fide public offering at the respective Expected Initial Offering Price. A true, correct, and complete copy of the MuniAuction pricing wire for the Bonds is attached as Schedule B. There are no discrepancies between the offering prices set forth in Schedule B and the Expected Initial Offering Prices.

c)

(e) The Original Purchaser is an Underwriter.

3. Defined Terms. Capitalized terms that are undefined above shall have the following meanings:

(a) “**Maturity**” means bonds with the same credit and payment terms. Bonds with different maturity dates, or bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(b) “**Public**” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.

d)

(c) “**Related Party**” means a “related party” within the meaning of Treas. Reg. § 1.150-1(b).

e)

(d) “**Underwriter**” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Issuer’s No-Arbitrage Certificate and Tax Covenants being delivered on the date hereof in connection with the issuance of the Bonds and with respect to compliance with the federal income tax rules affecting the Bonds, and by Rodey, Dickason, Sloan, Akin & Robb, P.A., in connection with rendering its opinion that the interest on the Bonds is excludable from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds. Such reliance for such purposes is authorized.

[SIGNATURE PAGE FOLLOWS]

Dated: May 16, 2023

[PURCHASER NAME]

By: _____

Name: _____

Title: _____