

PRELIMINARY OFFICIAL STATEMENT DATED MARCH 27, 2025

NEW ISSUE – BANK QUALIFIED BOOK-ENTRY ONLY

Moody's Investors Service Underlying Rating: "A1"

In the opinion of Modrall, Sperling, Roehl, Harris & Sisk, P.A., Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming continuous compliance with certain covenants described herein, interest on the Bonds (including original issue discount treated as interest) (a) is excludable from gross income of the owners thereof for federal income tax purposes under Section 103 of the Code of 1986 (the "Code") and (b) is not a specific preference item for purposes of the federal alternative minimum tax under the Code; however, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.. Bond Counsel is also of the opinion based on existing laws of the State of New Mexico as enacted and construed that interest on the Bonds is exempt from all taxation by the State of New Mexico or any political subdivision thereof. Bond Counsel expresses no opinion regarding any other tax consequences relating to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. The District has designated the Bonds as qualified tax-exempt bonds for purposes of Section 265 of the Code. For a more complete description of such opinion of Bond Counsel and a description of certain provisions of the Code, which may affect the federal tax treatment of interest on the Bonds for certain owners of such Bonds, see "TAX MATTERS" and "FINANCIAL INSTITUTION INTEREST DEDUCTION" herein.



\$7,280,000*
THE UNIVERSITY OF NEW MEXICO
VALENCIA BRANCH COMMUNITY COLLEGE DISTRICT
GENERAL OBLIGATION (LIMITED TAX) BONDS, SERIES 2025
COUNTIES OF VALENCIA AND SOCORRO, NEW MEXICO

Dated: Date of Delivery

Due: August 1, as shown below

The General Obligation (Limited Tax) Bonds, Series 2025 (the "Bonds") of the University of New Mexico, Valencia Branch Community College District (the "District") are issuable as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York to which principal and interest payments on the Bonds will be made. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or any whole multiple thereof. Purchasers of the Bonds will not receive physical delivery of bond certificates. So long as Cede & Co. is the registered owner of the bonds, reference herein to the holders of the Bonds or registered owner of the Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the Bonds. Interest on the Bonds is payable each February 1 and August 1, commencing February 1, 2026*. So long as Cede & Co. is the registered owner of the Bonds, the principal of and interest are payable to Cede & Co., which will in turn remit such principal and interest to the DTC Participants (as defined herein) for subsequent disbursement to the Beneficial Owners of the Bonds. See "Book-Entry-Only System" herein.

Bonds maturing on and after August 1, 2034*, are subject to prior redemption prior to their maturity on or after August 1, 2033*, at the option of the District, in whole or in part at any time, at par value, plus accrued interest to the date of redemption.

The Bonds are general obligations of the District payable from general (ad valorem) taxes which shall be levied against all taxable property within 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.

MATURITY SCHEDULE*

Maturity Date (August 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP® No. 914696	Maturity Date (August 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP® No. 914696
2026	\$ 525,000	%	%	\$		2036	\$ 460,000	%	%	\$	
2027	685,000					2037	480,000				
2028	100,000					2038	500,000				
2029	100,000					2039	520,000				
2030	340,000					2040	545,000				
2031	100,000					2041	345,000				
2032	210,000					2042	365,000				
2033	215,000					2043	385,000				
2034	350,000					2044	400,000				
2035	655,000										

Proceeds of the Bonds will be used for the purpose of erecting, furnishing, constructing, purchasing, remodeling and equipping buildings and utility facilities, exclusive of stadiums; making other real property improvements; purchasing grounds; and purchasing and installing computer hardware and software; or any combination of these purposes and to pay costs of issuance related to the Bonds.

The Bonds are offered when, as and if issued, subject to the delivery of an approving opinion of Modrall, Sperling, Roehl, Harris & Sisk, P.A., Albuquerque, New Mexico, Bond Counsel and certain other conditions. The Bonds are also subject to the delivery of an approving opinion of the Attorney General of the State of New Mexico. It is expected that the Bonds will be available for delivery through the facilities of Depository Trust Company, New York, New York on or about April 24, 2025*.

Electronic bids will be received between 8:30 am and 9:00 am, prevailing Mountain Time on Tuesday, April 3, 2025* through the facilities of PARITY. See "Official Notice of Bond Sale" attached as Appendix G hereto.

* Preliminary and subject to change.

[UNDERWRITER LOGO]

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. 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 these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

**THE UNIVERSITY OF NEW MEXICO
VALENCIA BRANCH COMMUNITY COLLEGE DISTRICT**

280 La Entrada
Los Lunas, New Mexico 87031 Telephone: (505) 925-8500

ADVISORY BOARD

Paul T. Luna, Chairman
Belinda Martinez, Secretary
Eloisa Tabet, Member
Christopher Williams, Member
Roberta Scott, Member

ADMINISTRATIVE OFFICIALS

Dr. Samuel Dosumu, Chancellor
Dr. Laura Musselwhite, Dean of Instruction
Richard Goshorn, Director of Business Operations
Paulette Tafoya, Accountant for Business Operations
Vahid Staples, Associate Director of Budget Operations, University of New Mexico

BOND COUNSEL

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PAYING AGENT/REGISTRAR

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100 Sun Ave. NE, Suite 500 Albuquerque, New Mexico 87109
(505) 222-8447

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SUMMARY INFORMATION

The following information is not a full description of the Bonds and is entirely subject to the more complete information contained elsewhere in this Official Statement, which includes the appendices.

For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission (“Rule 15c2-12”), this document constitutes an Official Statement of the District with respect to the Bonds that has been deemed “final” by the District as of its date, except for the omission of no more than the information permitted by Rule 15c2-12.

DATE:	The Bonds are dated the date of delivery, on or about April 24, 2025*.
PURPOSE:	Proceeds from the sale of the Bonds will be used for the purpose of erecting, furnishing, constructing, purchasing, remodeling and equipping buildings and utility facilities, exclusive of stadiums; making other real property improvements; purchasing grounds; and purchasing and installing computer hardware and software; or any combination of these purposes. Said bonds to be payable from general (<i>ad valorem</i>) taxes and to be issued and sold at such time or times upon such terms and conditions as the Board may determine and to pay costs of issuance related to the Bonds.
AUTHORIZATION:	The Bonds are general obligation (limited tax) bonds authorized by a Resolution of the Board of the District (the “Advisory Board”) adopted on February 4, 2025, as supplemented by a Sale Certificate to be executed on or about April 3, 2025* (collectively, the “Authorizing Resolution”) and are issued pursuant to NMSA 1978, Sections 6-14-8 through 6-14-11, Sections 21-2A-1 through 21-2A-10, and Sections 21-14-1 through 21-14-17, as amended.
SECURITY:	The Bonds are general obligation (limited tax) bonds of the District and are payable from general ad valorem taxes which shall be levied against all taxable property within the District in an amount not to exceed 5 mills; however, this limit may be exceeded if it is necessary to levy more than 5 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 the Bonds were issued.
INTEREST PAYMENTS:	Interest is payable February 1 and August 1, commencing February 1, 2026*.
MATURITY:	The Bonds mature annually on August 1, 2026 through 2044*.
QUALIFIED TAX-EXEMPT OBLIGATIONS:	In the Authorizing Resolution, the District designated the Bonds as qualified tax-exempt obligations for purposes of Section 265(b)(3)(B) of the Internal Revenue Code of 1986.
RATING:	Moody’s Investors Services, Inc. may assign its municipal bond rating of “A1” to the Bonds. The ratings reflect only the view of Moody’s Investors Services, Inc., and an explanation of the significance of such ratings may be obtained only from Moody’s Investors Services, Inc., 7 World Trade Center at 250 Greenwich Street, New York, NY 10007. There is no assurance that such ratings will continue for any given period of time or that it will not be revised downward or withdrawn entirely by Moody’s Investors Services, Inc. if, in its judgment, circumstances warrant. Any such downward revision or withdrawal of the ratings may have an adverse effect on the market price of the Bonds.
DELIVERY:	Delivery of the Bonds is expected on or about April 24, 2025*.
OPTIONAL REDEMPTION:	Bonds maturing on and after August 1, 2034*, are subject to redemption prior to their maturity on or after August 1, 2033*, at the option of the District, in whole or in part at any time, at par value plus accrued interest to the redemption date.
PAYING AGENT/REGISTRAR:	BOKF, NA, Albuquerque, New Mexico.

\$7,280,000*
THE UNIVERSITY OF NEW MEXICO
VALENCIA BRANCH COMMUNITY COLLEGE DISTRICT
GENERAL OBLIGATION (LIMITED TAX) BONDS SERIES 2025

ESTIMATED DEBT SERVICE REQUIREMENTS

Fiscal Year	Outstanding Debt Service	The Bonds			Total District Debt Service*
		Principal*	Interest*	Total*	
2025/26	\$ 846,347.50		\$ 280,077.78	\$ 280,077.78	\$ 1,126,425.28
2026/27	847,247.50	\$ 525,000	350,875.00	875,875.00	1,723,122.50
2027/28	857,277.50	685,000	320,625.00	1,005,625.00	1,862,902.50
2028/29	861,192.50	100,000	301,000.00	401,000.00	1,262,192.50
2029/30	869,142.50	100,000	296,000.00	396,000.00	1,265,142.50
2030/31	628,427.50	340,000	285,000.00	625,000.00	1,253,427.50
2031/32	639,090.00	100,000	274,000.00	374,000.00	1,013,090.00
2032/33	413,812.50	210,000	266,250.00	476,250.00	890,062.50
2033/34	416,937.50	215,000	255,625.00	470,625.00	887,562.50
2034/35	289,100.00	350,000	241,500.00	591,500.00	880,600.00
2035/36		655,000	216,375.00	871,375.00	871,375.00
2036/37		460,000	188,500.00	648,500.00	648,500.00
2037/38		480,000	165,000.00	645,000.00	645,000.00
2038/39		500,000	140,500.00	640,500.00	640,500.00
2039/40		520,000	115,000.00	635,000.00	635,000.00
2040/41		545,000	88,375.00	633,375.00	633,375.00
2041/42		345,000	66,125.00	411,125.00	411,125.00
2042/43		365,000	48,375.00	413,375.00	413,375.00
2043/44		385,000	29,625.00	414,625.00	414,625.00
2044/45		400,000	10,000.00	410,000.00	410,000.00
	\$ 6,668,575.00	\$7,280,000	\$ 3,938,827.78	\$ 11,218,827.78	\$ 17,887,402.78

** Preliminary, subject to change.*

THE BONDS

DESCRIPTION

The Bonds are general obligations issued by the District in the total principal amount of \$7,280,000* and are dated April 24, 2025*. The Bonds are issued as fully registered bonds in denominations of \$5,000 or integral multiples thereof, bearing interest from their dated date to maturity at the rates specified on the cover page of this Official Statement, payable semiannually on February 1 and August 1 each year commencing on February 1, 2026*, and maturing , commencing on August 1, 2026*, as set forth on the cover page of this Official Statement.

AUTHORIZATION

The Bonds are being issued pursuant to the Board's powers under NMSA 1978, Sections 21-2A-1 through 21-2A-10 NMSA 1978, Sections 21-14-1 through 21-14-17 NMSA 1978, and Sections 6-14-8 through 6-14-11 NMSA 1978, as amended and supplemented, the Constitution of the State of New Mexico, and other laws of the State, and the Authorizing Resolution, and constitute the first installment of the \$15,000,000 of General Obligation (Limited Tax) Bonds authorized by the qualified voters of the District at a regular election held on November 5, 2024. Delivery of the Bonds is subject to the written approval of the Attorney General of the State of New Mexico as to form and legality.

PAYMENT OF PRINCIPAL AND INTEREST; RECORD DATE

The principal of and interest on the Bonds due at maturity shall be payable to the registered owner thereof as shown on the registration books kept by BOKF, NA, as “registrar/paying agent” (such bank and any successor thereto, the “Registrar/Paying Agent”) for the Bonds, upon maturity and upon presentation and surrender thereof at the principal corporate trust office of the Registrar/Paying Agent. If any Bond shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the rate borne by said Bond until the principal thereof is paid in full. Payment of interest on the Bonds (other than at maturity) shall be made by check or draft mailed by the Registrar/Paying Agent (or by such other arrangement as may be mutually agreed to by the Registrar/Paying Agent and such registered owner), on or before each interest payment date (or, if such interest payment date is not a business day, on or before the next succeeding business day), to the registered owner thereof as of the close of business on the Record Date (defined below) at his address as it appears on the registration books kept by the Registrar/Paying Agent. All such payments shall be made in lawful money of the United States of America. The term “Record Date” with respect to any interest payment date shall mean the 15th day of the month preceding an interest payment date. The person in whose name any Bond is registered at the close of business on any Record Date with respect to any interest payment date shall be entitled to receive the interest payable thereon on such interest payment date notwithstanding any transfer or exchange thereof subsequent to such Record Date and prior to such interest payment date; but interest on any Bond which is not timely paid or duly provided for shall cease to be payable as provided above and shall be payable to the person in whose name such Bond is registered at the close of business on a special record date (the “Special Record Date”) fixed by the Registrar/Paying Agent for the payment of any such overdue interest. The Special Record Date shall be fixed by the Registrar/Paying Agent whenever moneys become available for payment of overdue interest, and notice of any such Special Record Date shall be given not less than ten days prior thereto, by first-class mail, to the registered owners of the Bonds as of the fifth day preceding the mailing of such notice by the Registrar/Paying Agent, stating the Special Record Date and the date fixed for the payment of overdue interest.

PAYING AGENT/REGISTRAR

BOKF, NA, Albuquerque, New Mexico will serve as the Paying Agent (the "Registrar/Paying Agent") for the Bonds.

PRIOR REDEMPTION

The Bonds maturing on or after August 1, 2034* may be redeemed prior to their scheduled maturities at the option of the Board, in one or more units of principal of \$5,000, in whole or in part on August 1, 2033* or on any date thereafter, at par value, in such order of maturities as the District may determine (and by lot if less than all of the Bonds of such maturity are redeemed) plus accrued interest to the date fixed for redemption.

* Preliminary, subject to change.

REDEMPTION NOTICES

Notice of redemption of the Bonds will be given by the Registrar/Paying Agent by sending a copy of such notice by first-class, postage prepaid mail not less than 30 days prior to the redemption date to the address shown as of the fifth day prior to the mailing of notice on the registration books by the Registrar/Paying Agent. The District shall give the Registrar/Paying Agent notice of the Bonds to be called for redemption at least 15 days prior to the date that the Registrar/Paying Agent is required to give owners notice of redemption specifying the Bonds and the principal amount to be called for redemption and the applicable redemption dates. The Registrar/Paying Agent's failure to give such notice to the registered owner of any Bond, or any defect therein, shall not affect the validity of the proceedings for the redemption of any Bonds for which proper notice was given. The notice will specify the number or numbers and maturity date or dates of the Bonds to be redeemed (if less than all are to be redeemed) the principal amount of any Bond to be redeemed in part, the date fixed for redemption, and that on such redemption date there will become and be due and payable upon each Bond or part thereof to be redeemed at the office of the Registrar/Paying Agent the principal amount thereof to be redeemed plus accrued interest, if any, to the redemption date and that from and after such date interest will cease to accrue on the principal amount redeemed.

Such notice may be a conditional notice of redemption insofar as the money or securities necessary to pay the redemption price of the Bonds are not required to be on deposit with the Registrar/Paying Agent prior to the giving of notice of optional redemption of the Bonds.

If notice is given in the manner provided above, the Bond or Bonds or part thereof called for redemption will become due and payable on the redemption date designated and if an amount of money sufficient to redeem all Bonds called for redemption is on deposit with the Registrar/Paying Agent on the redemption date, the Bonds or part thereof to be redeemed shall be deemed to be not outstanding and will cease to bear or accrue interest from and after such redemption date. Upon presentation of a Bond to be redeemed at the office of the Registrar/Paying Agent on or after the redemption date, the Registrar/Paying Agent will pay such Bond, or portion thereof called for redemption.

So long as all of the Bonds are held in Book-Entry-Only System and registered in the name of the Depository or its nominee, all payments of principal and interest on the Bonds, and all notices with respect to the Bonds, shall be made and given by the Registrar/Paying Agent or the District to the Depository as provided in the Bond Resolution and by the Depository to its Participants or Indirect Participants and notices to the Beneficial Owners of the Bonds in the manner provided in an agreement or letter of the District to the Depository. See "Book-Entry Only System" herein.

EXCHANGE OR TRANSFER OF BONDS

Registration, Transfer and Exchange

Subject to "Book-Entry Only System" below, books for the registration and transfer of the Bonds shall be kept by the Registrar/Paying Agent. Upon the surrender for transfer of any Bond at the principal corporate trust office of the Registrar/Paying Agent, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar/Paying Agent shall authenticate and deliver not more than three business days after receipt of the Bond to be transferred in the name of the transferee or transferees a new Bond or Bonds in fully registered form of the same aggregate principal amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. Bonds may be exchanged at the principal corporate trust office of the Registrar/Paying Agent for an equal aggregate principal amount of Bonds of other authorized denominations, and of the same maturity, series and interest rate. The Registrar/Paying Agent shall authenticate and deliver not more than three business days after receipt of the Bond to be exchanged a Bond or Bonds which the registered owner making the exchange is entitled to receive, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of Bonds as provided in the Bond Resolution shall be without charge to the owner or any transferee, but the Registrar/Paying Agent may require the payment by the owner of any Bond requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

BOOK ENTRY ONLY

This section describes how ownership of the Bonds is to be transferred and how the principal of, premium, if any, and interest on the Bonds are to be paid to and credited by the Depository Trust Company ("DTC") while the Bonds are registered in its nominee's name. The information in this section concerning DTC and DTC's book-entry system has been provided by DTC for use in disclosure documents such as this Official Statement, but the District and the Municipal Advisor take no responsibility for the accuracy or completeness thereof.

The Depository Trust Company ("DTC"), New York, New York, will act initially as securities depository for the Bonds. The Bonds 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 Bond certificate will be issued for each maturity of each series of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

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.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("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 Bonds 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 Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds 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 Bonds 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 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds 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.

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 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds 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 Paying Agent/Registrar and request that copies of notices be provided directly to them.

Redemption notices will be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District 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 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

All payments on the Bonds 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 the District or the Paying Agent/Registrar, 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 Bonds 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, the Paying Agent/Registrar, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent/Registrar, 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.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates for the Bonds will be printed and delivered.

The Paying Agent/Registrar and the District, as long as the DTC book-entry system is used for the Bonds, will send any notice of redemption, notice of proposed amendment to the Resolution, or other notices with respect to such Bonds only to DTC. Any failure by DTC to advise any DTC Participant, or of any Direct Participant or Indirect Participant to notify the Beneficial Owners, of any notices and their contents or effect will not affect the validity of the redemption of the Bonds called for redemption or of any other action premised on any such notice. Redemption of portions of the Bonds by the District will reduce the outstanding principal amount of such Bonds held by DTC. In such event, DTC may implement, through its book-entry system, a redemption of such Bonds held for the account of DTC Participants in accordance with its own rules or other agreements with DTC Participants and then Direct Participants and Indirect Participants may implement a redemption of such Bonds from the Beneficial Owners. Any such selection of the Bonds to be redeemed will not be governed by the Resolution and will not be conducted by the District or the Paying Agent/Registrar. Neither the District nor the Paying Agent/Registrar will have any responsibility or obligation to Direct Participants, Indirect Participants, or the persons for whom DTC Participants act as nominees, with respect to the payments on the Bonds or the providing of notice to Direct Participants, Indirect Participants, or Beneficial Owners of the selection of portions of the Bonds for redemption.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District, and the Municipal Advisor believe to be reliable, but the District, and the Municipal Advisor take no responsibility for the accuracy thereof.

In the event the book-entry-only system is discontinued, the persons to whom Bond certificates are delivered will be treated as owners for all purposes of the Bond Resolution, including the giving to the District or the Paying Agent/Registrar of any notice, consent, request or demand pursuant to the Bond Resolution for any purpose whatsoever. In such event, the Bonds will be transferable to such owners and interest on the Bonds will be payable by check of the Paying Agent/Registrar mailed to such owners.

TAX COVENANT

In the Bond Resolution, the District 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, as amended (the "Code"). The Chair and any other officer of the District having responsibility for the issuance of the Bonds shall give an appropriate certificate of the District, for inclusion in the transcript of proceedings for the Bonds, setting forth the reasonable expectations of the District regarding the amount and use of all the proceeds of the bonds, the facts and circumstances relevant to the tax treatment of interest on the Bonds.

The District covenanted in the Bond Resolution 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 excluded from gross income for federal income tax purposes, and (b) will not take or permit to be taken any actions which would adversely affect that exclusion, 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, if required, to the federal government, (iv) maintain books and records and make calculations and reports, and (v) refrain from certain uses of proceeds; all in such manner and to the extent necessary to assure such exclusion of that interest under the Code.

SEE ALSO "FINANCIAL INSTITUTION INTEREST DEDUCTION" HEREIN.

TAX MATTERS

General

In the opinion of Modrall, Sperling, Roehl, Harris & Sisk, P.A., Bond Counsel, to be delivered at the time of original issuance of the Bonds, under existing laws, regulations rulings and judicial decisions, and assuming compliance with covenants described herein, interest on Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax under the Code; however, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Bond Counsel is also of the opinion, based on existing laws of the State of New Mexico as enacted and construed, that interest on the Bonds is excludable from net income for present State of New Mexico income tax purposes.

The Internal Revenue Code of 1986, as amended (the "Code"), imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal tax purposes of interest on obligations such as the Bonds. The District has made various representations and warranties with respect to, and has covenanted in the Bond Resolution and other documents, instruments and certificates to comply with the applicable provisions of the Code to assure that interest on the Bonds will not become includible in gross income. Failure to comply with these covenants or the inaccuracy of these representations and warranties may result in interest on the Bonds being included in gross income from the date of issue of the Bonds. The opinion of Bond Counsel assumes compliance with the covenants and the accuracy of such representations and warranties.

Although Bond Counsel will render an opinion that interest on the Bonds is excludable from gross income for federal income tax purposes, the accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of the recipient. The extent of these other tax consequences will depend upon the recipient's particular tax status or other items of income or deduction. Bond Counsel expresses no opinion regarding any such consequences. Before purchasing any of the Bonds, potential purchasers should consult their tax advisors as to the tax consequences of purchasing or owning the Bonds.

The opinions expressed by Bond Counsel are based upon existing law as of the date of issuance and delivery of the Bonds, and Bond Counsel expresses no opinion as of any date subsequent thereto or with respect to any pending legislation.

From time to time, there are legislative proposals in Congress that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted, it would apply to Bonds issued prior to enactment. Each purchaser of the Bonds should consult his or her own tax advisor regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

Internal Revenue Service Audit Program

The Internal Revenue Service (the "Service") has an ongoing program auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. No assurances can be given as to whether the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service will treat the District as the taxpayer and the Bond owners may have no right to participate in such procedure. None of the Municipal Advisor, the initial purchasers of the Bonds, nor Bond Counsel is obligated to defend the tax-exempt status of the Bonds. The District has covenanted in the Bond Resolution not to take any action that would cause the interest on the Bonds to become includable in gross income except to the extent described above for the owners thereof for federal income tax purposes. None of the District, the Municipal Advisor, the initial purchasers of the Bonds, nor Bond Counsel is responsible to pay or reimburse the costs of any Bond owner with respect to any audit or litigation relating to the Bonds.

Original Issue Discount

The Bonds may be offered at a discount ("original issue discount") equal generally to the difference between public offering price and principal amount. For federal income tax purposes, original issue discount on a bond accrues periodically over the term of the bond as interest. The amount of original issue discount deemed received by the holder is excludable from gross income of the holder for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. The accrual of original issue discount increases the holder's tax basis in the bond for determining taxable gain or loss from sale or from redemption prior to maturity. Holders of Bonds offered at an original issue discount should consult their tax advisors for an explanation of the accrual rules.

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 advisors for an explanation of the amortization rules.

FINANCIAL INSTITUTION INTEREST DEDUCTION

The District has designated the Bonds as qualified tax-exempt bonds for purposes of Section 265(b) of the Code. Qualified tax-exempt bonds are bonds issued by a qualified small issuer. A qualified small issuer is defined as an issuer who reasonably anticipates that the amount of its tax-exempt bonds (other than certain private activity bonds) would not exceed \$10,000,000 in a calendar year. In that connection, the District has covenanted that the District, having no "subordinate entities" with authority to issue obligations within the meaning of that section of the Code, in or during the calendar year in which the Bonds are issued (i) will not designate as "qualified tax-exempt obligations" for purposes of Section 265(b) of the code, tax-exempt obligations, including the bonds, in an aggregate principal amount in excess of \$10,000,000 and (ii) will not issue tax-exempt obligations within the meaning of Section 265(b)(4) of the Code, including the Bonds, and any qualified 501(c)(3) Bonds, as defined in Section 145 of the Code (but excluding obligations, other than qualified 501(c)(3) bonds, that are private activity bonds as defined in Section 14 of the Code), in an aggregate principal amount exceeding \$10,000,000, unless the District receives an opinion of nationally recognized bond counsel that such designation or issuance, as applicable, will not cause the Bonds to cease to be "qualified tax-exempt obligations".

The Code generally provides that a financial institution may not deduct that portion of its interest expense which is allocable to tax-exempt interest. The interest expense which is allocable to tax-exempt interest is an amount which bears the same ratio to the institution's interest expense as the institution's interest expense as the institution's average adjusted basis of tax-exempt obligations acquired after August 7, 1986 bears to the average adjusted basis of all assets of the Institution. Tax exempt obligations may be treated as if issued prior to August 7, 1986 (and therefore are not subject to this rule) if they are "qualified tax-exempt obligations" as defined in the Code and are designated for this purpose by the issuer. The District has designated the Bonds as "qualified tax-exempt obligations" for this purpose; however, under provisions of the Code dealing with financial institution preference items, certain financial institutions, including banks, are denied 20 percent of their otherwise allowable deduction for interest expense with respect to obligations incurred or

continued to purchase or carry the Bonds. In general, interest expense with respect to obligations incurred or continued to purchase or carry the Bonds will be in an amount which bears the same ratio as the institution's average adjusted basis, in the Bonds bears to the average adjusted basis of all assets of the institution.

Amendments to the Code could be enacted in the future and there is no assurance that any such future amendments which may be made to the Code will not adversely affect the ability of banks or other financial institutions to deduct any portion of its interest expense allocable to tax-exempt interest.

LEGALITY

The firm of Modrall, Sperling, Roehl, Harris & Sisk, P.A. has been retained as Bond Counsel to the District. Bond Counsel will provide an unqualified opinion that the Bonds are legally issued under New Mexico law. Bond Counsel was not requested to and did not take part in the preparation of the Official Statement, nor have they undertaken to independently verify any of the information contained herein. Bond Counsel has no responsibility for the accuracy or completeness of any information furnished in connection with any offer or sale of the Bonds. The legal fees to be paid to Bond Counsel for services rendered in connection with the issuance of the Bonds are contingent in part upon the sale and delivery of such Bonds.

The delivery of the Bonds is also subject to the approval of the Attorney General of the State of New Mexico.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein and is not a guarantee of result. The rendering of a legal opinion does not guarantee the outcome of any legal dispute that may arise out of the transaction.

REGISTRATION

The Bonds have not been registered under the Federal Securities Act of 1933 or the Securities Exchange Act of 1934, both as amended, in reliance upon the exemptions provided thereunder by Sections 3(a)(2) and 3(a)(12), respectively, for the issuance and sale of municipal securities; nor have the Bonds been qualified under the Securities Act of New Mexico. The District assumes no responsibility for qualification of the bonds under the securities laws of any jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. The disclaimer of responsibility for qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

CONTINUING DISCLOSURE

The District will enter into an undertaking (the "Undertaking"), in the form attached as Appendix E, for the benefit of the holders of the Bonds to provide (i) certain financial information by no later than March 31st of each year, beginning March 31, 2026 until the Bonds are no longer outstanding, and (ii) operating data, and to provide notice of certain events, pursuant to the requirements of section (b)(5)(i) of Rule 15c2-12 of the Securities and Exchange Commission (17 C.F.R. § 240.15c2-12). A failure by the District to provide any information required thereunder shall not constitute an Event of Default under the Bond Resolution.

COMPLIANCE WITH PRIOR UNDERTAKINGS

The District has previously entered into continuing disclosure undertakings (each a "Prior Undertaking" and collectively, the "Prior Undertakings") with respect to certain other bonds of the District in accordance with Rule 15c2-12, and except as described below, during the last five years, the District has complied in all material respects with those Prior Undertakings.

Under the Prior Undertakings, the District is required to file financial operating information and audited financials by March 31st after the preceding fiscal year. The District's Prior Undertakings also required the District to provide certain financial statements for the District as submitted to the New Mexico Department of Higher Education in an annual report called "Report of Actuals" by April 1 of each year. The District failed to provide the Report of Actuals for Fiscal Years 2018 through 2023. The District filed a failure to file notice and made a remedial filing providing the Report of Actuals for Fiscal Years 2018 through 2023 on February 25, 2025. With the remedial filing, the District believes it is currently in material compliance with its continuing disclosure obligations under its Prior Undertakings.

COMPLIANCE WITH CONTINUING DISCLOSURE UNDERTAKINGS IN FUTURE YEARS

The District intends to maintain compliance with its continuing disclosure undertakings in future years through the collective oversight and effort of current District staff and private consultants. Additionally, the District has Continuing Disclosure Procedures on file with the District staff and the District's private consultants, which were adopted by the Board on June 9, 2015.

RATING

Moody's Investors Service may assign the rating of "A1" to the Bonds. An explanation of the significance of the rating given by Moody's may be obtained from Moody's at 7 World Trade Center at 250 Greenwich Street, New York, NY 10007. If the successful bidder elects to purchase the Bonds with municipal bond insurance, the rating agencies will assign their ratings to this issue with the understanding that upon delivery of the Bonds, a policy ensuring the payment when due of the principal of and interest on the Bonds will be issued by the Bond Insurer.

The rating issued reflects only the view of the rating agency and any explanation of the significance of such rating on the Bonds should be obtained from the rating agency. There are no assurances that the rating assigned to the Bonds will be retained for any given period of time or that either or both will not be revised downward or withdrawn entirely by the rating agency, if, in their judgment, circumstances so warrant. The District has not undertaken any responsibility to oppose any such revision or withdrawal. Any such downward revision or withdrawal of the rating obtained may have an adverse effect on the market price of the Bonds.

INVESTMENT CONSIDERATIONS

Cybersecurity Risks

The District operates a large and complex information technology infrastructure to support internal and external operations. As is the case with any such environment, the threat of cybersecurity incidents is a constant one. These incidents may arise from multiple sources, including unintentional events or actions, intentional insider threat, and deliberate malicious attacks or actions from outside entities. The effect of these threats may include unauthorized access to District systems, data or resources, inappropriate exposure or use of District information, disruption of District services, and damage to District systems. The District carries insurance against losses relating to cybersecurity incidents with coverage at a level it believes to be comparable to coverage carried by other local governments of similar size.

The District relies on other entities and service providers in the course of operating the District, including the County, 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 District and the owners of the Bonds, including the possibility of impacting the timely payments of debt service on the Bonds or timely filings made pursuant to the District's continuing disclosure agreement within the Bond Resolution made in accordance with SEC Rule 15c2-12.

On March 4, 2025, UNM Valencia became aware of a security incident involving a compromised network device at UNM Valencia. Incident response procedures were immediately initiated, and an investigation involving UNM IT, UNM Valencia IT, and a third-party service provider is currently underway. UNM Valencia IT services remain fully operational, and, while the investigation is ongoing, no reportable security impact has been identified to date in the investigation.

Potential Impact of Natural Disasters.

The District and the State could experience and be impacted by weather events and natural disasters that could be deemed extreme including, without limitation, periods of heat, droughts, floods, mud slides, tornadoes and other wind conditions and wildfires, which could result in negative economic impacts on the State and the District. In the event that a natural disaster should damage or destroy improvements and personal property in the District, the assessed value of such taxable properties could be substantially reduced, resulting in a decrease in taxable assessed value of the District or an increase in the District's tax rate. As a result, the District could lose tax revenues and many residents, businesses, and governmental operations could be displaced. Additionally, climate change concerns have led, and may continue to lead, to new laws and regulations at the federal and state levels (including but not limited to air, water,

hazardous substances and waste regulations) that could have a material adverse effect on the operations and/or financial condition of the District. The occurrence or extent of any future extreme weather events or natural disasters cannot be predicted nor can the economic impacts that the occurrence of any such events may have on the State or the District.

Constitutional Amendments Impacting Property Taxes.

At a general election held on November 5, 2024, New Mexico voters approved two amendments to New Mexico's Constitution that impact property tax revenues. Amendment 1 amends Article 8, Section 15 of the Constitution to extend the property tax exemption, currently only allowed for one hundred percent disabled veterans and their widow and widowers, to veterans with less than one hundred percent disability and their widows and widowers. The disabled veterans' exemption is based on the percentage of the veteran's disability as determined by federal law multiplied by the value of the property after the amount exempted under the veteran's exemption is deducted (provided that the property is occupied by the disabled veteran as the veteran's principal place of residence). Amendment 2 amends Article 8, Section 5 of the Constitution to increase the property tax exemption for eligible veterans and their widows and widowers. This amendment increases the property tax exemption from the current amount of \$4,000 to \$10,000 a year.

In the 2025 regular legislative session, the New Mexico Legislature adopted House Bill 47 implementing the expanded property tax exemptions created by these amendments, and the Governor signed House Bill 47 on March 20, 2025. House Bill 47 contained an emergency clause making it effective upon the Governor's signature. The legislation made the \$10,000 veteran exemption applicable for the 2025 property tax year and provided for annual inflation adjustments based on the consumer price index beginning with the 2026 property tax year. The disabled veterans' exemption becomes applicable for the 2026 property tax year. Veterans eligible for both exemptions may be able to receive both exemptions applicable to a property in the order and manner set forth in the legislation.

There can be no assurance that there won't be further constitutional amendments and legislative changes impacting the imposition and collection of property taxes by the District.

LITIGATION

At the time of the original delivery of the Bonds, the District will deliver a certificate to the effect that there is not now pending or, to the best of the knowledge of the District, threatened, any litigation or administrative action or proceeding restraining or enjoining or seeking to restrain or enjoin the issuance or delivery of the Bonds or questioning or affecting the validity of the Bonds or the proceedings or authority under which they are to be issued. Neither the creation, organization or existence, nor the title of a quorum of the present Board members or other officers of the District to their respective offices, is being questioned. At the time of delivery of the Bonds, the District will deliver a no-litigation certificate to that effect.

TRANSCRIPT AND CLOSING DOCUMENTS

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

MUNICIPAL ADVISOR

Stifel, Nicolaus & Company, Inc. has been retained as Municipal Advisor to the District to assist in the issuance of the Bonds. In this capacity, the Municipal Advisor has compiled certain data relating to the Bonds that is contained in this Official Statement. The Municipal Advisor has not independently verified any of the data contained herein or conducted a detailed investigation of the affairs of the District to determine the accuracy or completeness of this Official Statement. Because of its limited participation, the Municipal Advisor assumes no responsibility for the accuracy or completeness of any of the information contained herein. The fee of the Municipal Advisor for services with respect to the Bonds is contingent upon the issuance and sale of the Bonds.

The Municipal Advisor has provided the following sentence for inclusion in this Official Statement. The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the District and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information.

BOND INSURANCE

Information concerning the bond insurer will be included and updated if the Bonds are purchased with a bond insurance policy.

ADDITIONAL INFORMATION

Information concerning the Bonds, including the District's Preliminary Official Statement and Notice of Bond Sale, may be obtained from the District's Municipal Advisor, Stifel Public Finance, Two Park Sq. 6565 Americas Parkway NE, Suite 200, Albuquerque, New Mexico 87110.

The District will provide the Official Statement and any amendments or supplements thereto and will undertake all other obligations as contemplated by Rule 15c12-12 of the Securities and Exchange Commission.

OFFICIAL STATEMENT AUTHORIZATION

As of the date hereof this Official Statement is true to the best of my knowledge, complete and correct in all material respects, and does not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made herein, in light of the circumstances under which they are made, not misleading.

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

**UNIVERSITY OF NEW MEXICO VALENCIA
BRANCH COMMUNITY COLLEGE DISTRICT**

Chairman

Secretary

FINANCIAL DATA

Actual and Assessed Valuations

2024 Estimated Actual Valuation ⁽¹⁾	\$ 8,538,401,808
2024 Assessed Valuation ⁽²⁾	\$ 2,188,098,983

Direct General Obligation Bonded Debt Outstanding and to be Outstanding

Outstanding Direct General Obligation Debt	\$ 5,860,000
Plus: The Bonds	<u>\$ 7,280,000*</u>
Total Direct General Obligation Debt ⁽³⁾	\$ 13,140,000

Overlapping General Obligation Bonded Indebtedness

Taxing Body	2024 Assessed Valuation	Bonded Debt	Percentage Applicable	Net Amount
State of New Mexico	\$ 108,183,361,964	\$ 347,815,000	2.0%	\$ 7,034,849
Valencia County	2,122,087,306	3,590,000	100.0%	3,590,000
Socorro County ⁽⁴⁾	359,907,459	2,195,000	18.3%	402,591
City of Belen	211,439,201	5,125,000	100.0%	5,125,000
Village of Los Lunas	695,383,786	2,975,000	100.0%	2,975,000
Village of Bosque Farms	124,972,492	-	100.0%	-
Belen Consolidated Schools	811,093,804	20,370,000	100.0%	20,370,000
Los Lunas Public Schools	1,377,005,179	43,800,000	100.0%	43,800,000
<u>University of New Mexico - Valencia Campus</u>	2,188,098,983	13,140,000*	100.0%	<u>13,140,000*</u>
Total Direct and Overlapping Debt				\$ 96,437,441*

Direct and Overlapping General Obligation Bond Debt Ratios⁽²⁾

Direct Debt to 2024 Assessed Value	0.60%
Direct Debt to 2024 Estimated Actual Value	0.15%
Direct Debt Per Capita ⁽⁵⁾	\$ 151.65
Direct and Overlapping Debt to Assessed Value	4.41%
Direct and Overlapping Debt to Estimated Actual Value	1.13%
Direct and Overlapping Debt Per Capita ⁽⁵⁾	\$ 1,112.98
Assessed Value Per Capita ⁽⁵⁾	\$ 25,252.74
Estimated Actual Value Per Capita ⁽⁵⁾	\$ 98,541.25

⁽¹⁾ Assessed Valuation is 33-1/3% of Actual Value less exemptions.

⁽²⁾ New Mexico assessed values represent 33-1/3% (the maximum assessment ratio permitted by the New Mexico Constitution) of the actual property value after deduction of certain exemptions. Property tax levies are based upon the certified assessed valuation.

⁽³⁾ Includes the Bonds.

⁽⁴⁾ \$66,011,677 or 3% of the District's assessed value lies within Socorro County.

⁽⁵⁾ Estimated population for the District is 86,648.

*Includes the Bonds.

Financial Statements

The operating revenues for the University are derived from appropriations made to the University by the State, a local mill levy assessed on taxable property of the University, 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.

The following Statements of Revenues, Expenditures and Changes in Net Assets has been included herein for informational purposes only. Audited figures were taken from the Audit Report prepared by the KPMG LLP. Audited figures are excerpts of the Audit Reports and do not purport to be complete. See "APPENDIX C - EXCERPT OF JUNE 30, 2024 AUDITED FINANCIAL STATEMENT" for more information on the main University.

University of New Mexico Valencia Community College District Statements of Net Position – Assets

For the years ended June 30, 2024, 2023, 2022, 2021 and 2020

	Audited				
	2023/24	2022/23	2021/22	2020/21	2019/20
ASSETS					
Current assets					
Cash and cash equivalents (note 3)	\$ 557,007,304	\$ 358,496,296	\$ 425,051,267	\$ 591,965,164	\$ 541,320,233
Short-term investments (note 3)	426,420,030	451,539,815	446,048,853	467,322,913	43,333,445
Accounts receivable, net (note 4)	71,282,046	73,105,682	62,028,420	64,685,652	455,787,443
Patient receivables, net (note 4)	239,108,068	212,824,102	214,671,964	212,619,315	65,766,596
Leases receivable (note 15)	4,120,263	5,352,270	5,080,293	5,046,093	178,104,920
Leases interest receivable (note 15)	77,770	62,757	56,101	61,149	10,707,190
Due from component units	9,870,115	6,093,302	6,440,370	6,585,339	-
Notes receivable (note 5)	4,775,103	2,807,293	5,431,688	4,857,348	2,227,966
Estimated third-party payor settlements	189,118,029	139,407,902	129,187,538	101,992,936	89,171,793
Other receivables (note 4)	27,818,957	7,517,839	20,703,467	10,414,407	11,119,505
Inventories	30,542,300	28,662,242	27,741,898	25,401,883	23,652,546
Other current assets (note 7)	20,383,155	16,864,125	16,742,247	14,676,975	18,565,308
Total current assets	\$ 1,580,523,140	\$ 1,302,733,625	\$ 1,359,184,106	\$ 1,505,629,174	\$ 1,439,756,945
Noncurrent Assets					
Cash and cash equivalents (note 3)	\$ 43,113,836	\$ 48,282,642	\$ 47,077,875	\$ 10,703,437	\$ 9,676,561
Cash and cash equivalents - restricted (note 3)	59,587,786	37,447,113	159,252,813	188,662,674	3,818,034
Leases receivable (note 15)	29,139,860	33,430,786	29,342,086	35,410,441	-
Due from component units	113,552,497	99,031,417	64,360,849	3,193,588	3,087,067
Notes receivable (note 5)	1,831,938	1,923,913	2,473,214	3,870,909	4,926,953
Investments (note 3)	450,026,775	413,542,765	367,372,348	387,233,666	321,823,210
Investment in Lovelace UNM Rehab Hospital, net	12,820,253	11,925,039	11,582,677	15,572,910	-
Derivative instruments - interest rate swaps overlay (note 13)	-	-	202,876	1,131,716	1,286,271
Other noncurrent assets (note 7)	33,577,583	28,257,409	7,991,349	7,770,573	21,811,929
Right-to-use assets, net (note 15 and 22)	36,187,714	93,995,040	106,593,682	49,581,062	-
Capital assets, net (note 6)	1,953,299,550	1,796,513,343	1,530,236,881	1,373,471,494	1,367,936,494
Total noncurrent assets	\$ 2,740,619,447	\$ 2,564,349,467	\$ 2,326,486,650	\$ 2,076,602,470	\$ 1,734,366,519
Total assets	\$ 4,321,142,587	\$ 3,867,083,092	\$ 3,685,670,756	\$ 3,582,231,644	\$ 3,174,123,464
DEFERRED OUTFLOWS OF RESOURCES					
Related to pensions (note 17)	\$ 158,478,897	\$ 373,750,192	\$ 914,605,657	\$ 1,485,022,264	\$ 252,561,700
Related to OPEB (note 18)	57,048,958	35,660,310	33,407,200	11,517,900	14,214,960
Interest rate swaps (note 13)	510,429	734,985	2,128,986	5,999,594	8,373,755
Loss on bond refundings	6,784,248	7,463,314	7,918,523	8,735,919	3,782,023
Total deferred outflows of resources	\$ 1,831,938	\$ 1,923,913	\$ 2,676,090	\$ 5,002,625	\$ 6,213,224

University of New Mexico
Valencia Community College District
Statements of Net Position – Liabilities
For the years ended June 30, 2024, 2023, 2022, 2021 and 2020

			Audited		
	2023/24	2022/23	2021/22	2020/21	2019/20
LIABILITIES AND NET POSITION					
Current Liabilities					
Accounts payable and accrued payroll (note 8)	\$ 231,153,591	\$ 189,193,051	\$ 216,281,215	\$ 188,103,782	\$ 173,304,419
Bonds payable- current portion (notes 12 and 13)	32,745,000	31,035,000	30,215,000	29,130,000	31,190,000
Long-term debt- current portion (note 12 and 13)	12,433,515	6,041,389	6,007,069	6,915,884	1,171,619
Leases payable (note 12 and 15)	6,634,821	7,771,249	8,330,759	8,360,766	54,967
SBITA payable (note 12 and 22)	11,975,031	15,296,717	17,850,091	144,383	-
Due to The University of New Mexico (note 12)	-	-	-	-	57,737,441
DuctoFEMA	-	2,600,000	-	107,747,847	64,786,841
Unearned revenue (note 11)	54,242,686	68,015,837	69,983,658	78,609,457	74,253,744
Accrued compensated absences (note 9)	78,661,778	76,099,740	74,324,953	117,670,330	86,160,304
Estimated third-party payor settlements	226,673,479	148,011,004	132,062,333	76,455,318	3,617,914
Medicare accelerated and advance payment program	-	392	17,841,911	-	-
Deposits and funds held for others	3,779,908	1,681,080	4,461,942	4,675,278	4,397,153
Other accrued liabilities (note 10)	9,601,217	19,402,159	20,592,907	27,104,404	17,007,859
Total Current Liabilities	\$ 667,901,026	\$ 565,147,618	\$ 597,951,838	\$ 644,917,449	\$ 513,682,261
Noncurrent liabilities					
Bonds payable (notes 12 and 13)	\$ 382,027,540	\$ 417,022,142	\$ 393,442,691	\$ 425,779,440	\$ 562,823,433
Long-term debt (note 12 and 13)	353,613,095	255,654,698	146,543,975	101,200,167	1,732,165
Leases payable (note 12 and 15)	30,155,199	43,892,234	38,569,811	42,141,290	-
SBITAs payable (note 12 and 22)	21,942,349	27,978,448	43,091,392	-	-
Student loan program (note 12)	3,975,494	4,617,640	5,515,482	7,307,366	8,725,045
Derivative instruments- interest rate swaps (notes 12 and 13)	562,858	1,059,025	2,128,986	5,999,594	8,373,755
Net pension liability (notes 12 and 17)	1,339,157,564	1,324,449,719	1,120,230,812	3,204,781,099	1,244,357,298
Net OPEB liability (notes 12 and 18)	128,231,300	118,642,600	106,881,900	89,515,000	96,711,700
Other noncurrent liabilities (note 12)	1,466,097	884,416	704,156	241,970	285,545
Total Noncurrent Liabilities	\$ 2,261,131,496	\$ 2,194,200,922	\$ 1,857,109,205	\$ 3,876,965,926	\$ 1,923,008,941
Total Liabilities	\$ 2,929,032,522	\$ 2,759,348,540	\$ 2,455,061,043	\$ 4,521,883,375	\$ 2,436,691,202
DEFERRED INFLOWS OF RESOURCES					
Related to pensions (note 17)	\$ 247,937,489	\$ 799,962,252	\$ 1,583,846,628	\$ 66,126,474	\$ 99,016,165
Related to OPEB (note 18)	30,211,858	18,882,910	31,699,900	36,610,600	40,203,260
Related to leases (note 15)	30,651,422	37,529,180	33,652,814	40,048,891	-
Gain on bond refundings	686,144	831,535	976,927	1,122,318	1,754,675
Total deferred inflows of resources	\$ 309,486,913	\$ 857,205,877	\$ 1,650,176,269	\$ 143,908,283	\$ 140,974,100

University of New Mexico
Valencia Community College District
Statements of Revenues, Expenses, and Changes in Net Position
For the years ended June 30, 2024, 2023, 2022, 2021 and 2020

			Audited		
	2023/24	2022/23	2021/22	2020/21	2019/20
REVENUES					
Student tuition and fees	\$ 109,678,856	\$ 110,120,466	\$ 125,958,824	\$ 130,344,997	\$ 131,786,683
Net patient service (note 14)	1,819,035,032	1,651,779,834	1,657,610,012	1,592,975,818	1,396,811,244
Federal grants and contracts	316,135,514	281,633,703	343,071,519	310,304,256	219,666,416
State and local grants and contracts	89,561,763	79,239,158	46,965,413	41,747,252	42,520,753
Nongovernmental grants, contracts, bequests & contributions	46,405,791	38,462,146	37,959,906	32,032,163	32,974,159
Sales and services	110,086,270	104,836,699	92,983,854	73,625,231	76,160,916
Auxiliary enterprises	34,949,550	34,805,576	29,240,169	17,175,149	29,486,196
Other operating revenues	56,369,804	45,698,401	73,353,664	117,985,419	120,973,136
Total revenues	\$ 2,582,222,580	\$ 2,346,575,983	\$ 2,407,143,361	\$ 2,316,190,285	\$ 2,050,379,503
EXPENDITURES					
Educational and general					
Instruction	\$ 282,433,726	\$ 260,748,645	\$ 253,282,983	\$ 242,992,467	\$ 251,219,986
Research	247,311,530	233,411,061	251,903,738	258,755,275	172,480,132
Public service	2,014,423,749	1,873,551,660	1,839,319,639	1,675,932,773	1,525,025,563
Academic support	59,501,552	54,872,186	47,693,813	43,201,530	47,174,855
Student services	38,398,648	34,504,952	30,402,504	28,739,834	29,777,813
Institutional support	80,559,897	72,876,694	65,352,230	60,460,362	64,182,635
Operation and maintenance of plant	103,979,992	94,076,629	83,725,095	86,420,823	79,255,416
Depreciation and amortization expense	134,816,840	133,158,511	114,218,142	106,581,466	105,954,616
Student aid	41,075,650	32,952,815	31,528,079	16,641,494	20,589,266
Student activities	9,929,770	8,964,265	9,083,718	6,478,706	8,601,456
Intercollegiate athletics	40,363,002	34,948,601	31,199,909	24,458,665	28,932,248
Auxiliary enterprises	49,820,320	48,361,535	34,756,762	33,329,867	40,401,109
GASB 68 pension expense	(202,385,019)	64,210,366	84,357,435	766,700,778	(393,622,917)
GASB 75 OPEB expense	6,862,300	3,992,200	229,400	(2,882,000)	1,599,200
Other operating expenses	89,719,054	81,554,331	81,265,169	116,093,346	106,973,092
Total expenditures	\$ 2,996,811,011	\$ 3,032,184,451	\$ 2,958,318,616	\$ 3,463,905,386	\$ 2,088,544,470
Operating Loss	\$ (414,588,431)	\$ (685,608,468)	\$ (551,175,255)	\$ (1,147,715,101)	\$ (38,164,967)
NON-OPERATING REVENUES (EXPENSES)					
State appropriations	\$ 466,093,232	\$ 404,313,948	\$ 346,263,042	\$ 322,785,925	\$ 334,381,020
Local appropriations	15,370,926	10,291,752	17,306,797	21,187,446	9,349,840
County mill levies	136,373,354	128,748,434	122,165,497	119,282,236	115,084,816
Federal pell grants	42,252,126	36,000,515	32,786,601	33,495,135	38,300,579
Federal COVID grants	52,514,007	352,942	66,863,971	92,336,723	34,901,899
State lottery scholarships	-	15,750,232	29,788,328	21,366,828	23,254,053
State lottery - federally funded	41,250,564	21,105,232	-	-	-
NM Opportunity Scholarship	72,771,082	68,137,326	-	-	-
Gifts	58,879,528	41,008,943	68,464,831	40,576,948	34,080,719
Federal bond subsidy	-	-	-	7,333	1,756,026
Investment income (loss)	86,720,594	60,283,527	(27,933,275)	78,944,518	35,165,710
Interest on capital asset-related debt	(22,846,970)	(18,526,653)	(16,678,724)	(16,456,762)	(17,736,921)
Loss on disposal of capital assets	(23,865)	(994,287)	(34,384)	(423,463)	(220,919)
Other nonoperating revenues and expenses, net	(1,283,137)	(2,331,091)	7,848,936	(22,768,728)	6,720,916
Total non-operating revenues, net	\$ 948,071,441	\$ 764,140,820	\$ 646,841,620	\$ 690,334,139	\$ 615,037,738
Income (loss) before other revenue, expenses, gains/losses	\$ 533,483,010	\$ 78,532,352	\$ 95,666,365	\$ (457,380,962)	\$ 576,872,771
Loss before capital appropriations					
Capital appropriations	\$ 103,546,070	\$ 47,295,932	\$ 14,931,141	\$ 17,636,617	\$ 52,141,538
Capital grants and gifts	279,128	3,815,382	43,210	3,172	-
Discontinued operations (note 2(A))	-	-	-	(7,481,562)	-
Total capital contributions	\$ 103,825,198	\$ 51,111,314	\$ 14,974,351	\$ 10,158,227	\$ 52,141,538
Change in net position	\$ 637,308,208	\$ 129,643,666	\$ 110,640,716	\$ (447,222,735)	\$ 629,014,309
Net position, beginning of year	\$ 668,137,476	\$ 538,493,810	\$ 427,715,663	\$ 875,390,600	\$ 246,376,291
Impact of change in accounting pronouncements (note 2(0))	-	-	137,431	(452,202)	-
Net position, end of year	\$ 1,305,445,684	\$ 668,137,476	\$ 538,493,810	\$ 427,715,663	\$ 875,390,600

The following Statements of Revenues, Expenditures and Changes in Net Assets has been included herein for informational purposes only. Unaudited Actual figures were taken from the Report of Actuals (the “ROA”) prepared by the District. Unaudited Actual figures are excerpts of the ROAs and do not purport to be complete. “APPENDIX D - EXCERPT OF JUNE 30, 2024 REPORT OF ACTUALS” for more information on the District.

University of New Mexico
Valencia Branch Community College District
 Statements of Revenues, Expenses and Changes in Net Assets
 Budgeted figures for the year ending June 30, 2025 and
 Actual figures for the years ended June 30, 2024, 2023, 2022, 2021 and 2020

	Budgeted	Unaudited Actuals				
	2024/25	2023/24	2022/23	2021/22	2020/21	2019/20
REVENUES						
Tuition And Fees	\$ 1,449,760	\$ 1,553,893	\$ 1,349,154	\$ 1,243,753	\$ 1,380,407	\$ 1,566,655
State Appropriations	7,547,371	7,622,099	6,817,249	6,027,200	5,704,154	5,885,700
Local Appropriations	3,641,747	3,858,658	3,561,221	3,327,739	3,249,901	3,132,764
Federal Grants and Contracts	-	-	-	897,218	58,299	263,633
State Grants and Contracts	-	2,853	11,538	7,277	10,598	13,932
Sales and Services	10,200	18,015	17,068	6,890	4,751	7,873
Other Sources	69,191	332,417	179,022	207,783	289,311	267,568
Indirect Cost Recovery (F and A)	158,800	-	-	-	-	-
Net Balance	260,603	-	-	-	-	-
Total revenues	\$ 13,137,672	\$ 13,387,935	\$ 11,935,252	\$ 11,717,860	\$ 10,697,421	\$ 11,138,125
EXPENDITURES						
Instruction	\$ 5,618,085	\$ 5,164,590	\$ 4,530,744	\$ 4,289,273	\$ 4,190,614	\$ 4,283,559
Academic Support	1,657,827	1,478,543	1,406,061	1,328,166	1,182,805	1,277,802
Student Services	1,406,543	1,226,307	1,158,882	1,239,169	1,243,367	1,281,351
Institutional Support	2,668,562	2,538,024	2,432,728	2,074,955	1,712,419	1,965,712
Operation And Maintenance Of Plant	1,348,833	1,146,911	1,274,577	956,735	928,383	1,041,110
Total expenditures	\$ 12,699,850	\$ 11,554,375	\$ 10,802,992	\$ 9,888,298	\$ 9,257,588	\$ 9,849,534
Excess (deficiency) revenues / expenditures	\$ 437,822	\$ 1,833,560	\$ 1,132,260	\$ 1,829,562	\$ 1,439,833	\$ 1,288,591
Other financing sources (uses)						
Transfers in/(out)	\$ (437,822)	\$ (1,237,803)	\$ (641,666)	\$ (1,921,954)	\$ (1,158,767)	\$ (1,321,444)
Net position, beginning of year		\$ 5,320,270	\$ 4,829,675	\$ 4,922,066	\$ 4,641,000	\$ 4,673,853
Net position, end of year	\$ -	\$ 5,916,027	\$ 5,320,269	\$ 4,829,674	\$ 4,922,065	\$ 4,641,000

ASSESSED VALUATION

ANALYSIS OF ASSESSED VALUATION

Assessed Valuation of 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 2024 Assessed Valuation is \$2,188,098,983. The actual value of personal property within the District (see "Assessments" below) is determined by the Valencia and Socorro County Assessors. The actual value of certain corporate property within the District (see "Centrally Assessed" below) is determined by the State of New Mexico, Taxation and Revenue Department, Property Tax Division.

In 2024, New Mexico voters approved two amendments to New Mexico's Constitution that impact property tax revenues. Amendment 1 amends Article 8, Section 15 of the Constitution to extend the property tax exemption, currently only allowed for one hundred percent disabled veterans and their widow and widowers, to veterans with less than one hundred percent disability and their widows and widowers, based on the veterans' disability rating. Amendment 2 amends Article 8, Section 5 of the Constitution to increase the property tax abatement exemption for veterans and their widows and widowers. This amendment increases the property tax exemption from the current amount of \$4,000 to \$10,000 a year. See "INVESTMENT CONSIDERATIONS - Constitutional Amendments Impacting Property Taxes" herein for further discussion related to the constitutional amendments and the implementing legislation.

In its impact report relating to the constitutional amendments, the New Mexico Taxation and Revenue Department estimated, based on tax year 2020, that approximately 74,000 veterans claimed an exemption from property tax and that 63% of the veteran population reside in Bernalillo, Dona Ana, Sandoval, Santa Fe, and Otero counties. Those counties may be able to mitigate 40% of the lost revenue resulting from the constitutional amendments through yield control under NMSA 1978, § 7-37-7.1. The Taxation and Revenue Department estimated that the expanded exemptions would create an annual average property tax reduction of \$180 per qualifying veteran, which may result in an increase in annual per capita tax burden of \$34 on the overall population. The Taxation and Revenue Department's estimates are based on numerous assumptions as set forth in its report, and the actual economic effect of the expanded exemptions may not align with those calculations. The economic impact of the two constitutional amendments to the District cannot be predicted at this time.

	2024	2023	2022	2021	2020
Assessments					
Value of Land	\$ 583,177,459	\$ 561,756,044	\$ 542,476,312	\$ 525,263,004	\$ 495,589,248
Improvements	1,477,017,894	1,235,561,477	1,143,005,350	1,022,831,996	992,165,585
Personal Property	382,659,930	383,386,668	379,325,240	386,620,937	387,102,489
Mobile Homes	130,822,839	120,563,399	112,586,715	104,675,905	101,556,466
Livestock	5,021,050	4,861,638	4,318,284	6,171,438	5,862,780
Assessor's Taxable Value	\$2,578,699,172	\$2,306,129,226	\$2,181,711,901	\$2,045,563,280	\$1,982,276,568
Less Exemptions					
Head of Family	\$ 22,867,394	\$ 22,774,112	\$ 23,235,843	\$ 23,292,130	\$ 24,301,849
Veterans	12,479,800	46,170,564	40,369,261	17,863,995	34,260,930
Disabled Veteran	53,134,007	12,581,474	12,930,092	13,130,506	13,775,403
Other	569,553,752	527,013,280	529,537,228	507,080,781	505,196,625
Total Exemptions	\$ 658,034,953	\$ 608,539,430	\$ 606,072,424	\$ 561,367,412	\$ 577,534,807
Assessor's Net Taxable Value	\$ 1,920,664,219	\$ 1,697,589,796	\$ 1,575,639,477	\$ 1,484,195,868	\$ 1,404,741,761
Centrally Assessed	267,434,764	260,323,652	235,500,797	223,229,532	223,990,407
Oil and Gas	-	-	-	-	-
Total Assessed Valuation	\$2,188,098,983	\$1,957,913,448	\$1,811,140,274	\$1,707,425,400	\$1,628,732,168

A further analysis of Assessed Valuation classified as Residential and Non-Residential follows:

Residential	\$ 1,464,473,502	\$ 1,356,177,998	\$ 1,239,132,258	\$ 1,160,698,599	\$ 1,097,266,619
Non-Residential	723,625,481	601,735,450	572,008,016	546,726,801	531,465,549
Oil and Gas	-	-	-	-	-
Total	\$2,188,098,983	\$1,957,913,448	\$1,811,140,274	\$1,707,425,400	\$1,628,732,168

Source: State of New Mexico Taxation & Revenue Department, Property Division, and Valencia and Socorro County Assessors.

REASSESSMENT

New Mexico has a state-wide property reassessment program. The program's objective is to keep property values close to their market value so that there will be a high correlation between the value of a property and its share of the tax burden. The first reassessment under this present program was in 1986, and such reassessments continue to occur biannually in the even numbered years.

HISTORY OF ASSESSED VALUATION

Tax Year	Socorro County	UNM-Valencia Portion in Socorro County	Valencia County	UNM-Valencia Portion in Valencia County	UNM-Valencia Portion in both Counties	New Mexico
2024	\$ 359,907,459	\$ 66,011,677	\$ 2,122,087,306	\$ 2,122,087,306	\$ 2,188,098,983	\$ 110,900,910,856
2023	345,629,239	62,664,494	1,895,248,954	1,895,248,954	1,957,913,448	88,883,819,114
2022	321,875,124	59,946,234	1,751,194,040	1,751,194,040	1,811,140,274	70,390,642,337
2021	298,912,437	54,775,054	1,652,650,346	1,652,650,346	1,707,425,400	70,666,494,877
2020	287,935,768	53,171,953	1,570,124,086	1,570,124,086	1,623,296,039	66,919,237,877

Source: New Mexico Department of Finance and Administration, Local Government Division

MAJOR TAXPAYERS IN VALENCIA & SOCORRO COUNTIES

Major Taxpayer	Business	2024 Taxable Assessed Value	As % of 2024 Taxable Assessed Value ⁽¹⁾
1. BNSF Railway	Railroad	\$ 118,465,209	5.41 %
2. Public Service Co. of New Mexico	Electric Utility	113,978,799	5.21
3. ET Los Lunas LLC	Technology/Commerce	77,912,614	3.56
4. Valencia Power LLC	Electric Generation	28,921,000	1.32
5. Wal-Mart Stores East	Retail	12,914,661	0.59
6. D.R. Horton Inc	Development	7,814,400	0.36
7. Clariant Healthcare Packaging Inc	Packaging	6,052,763	0.28
8. El Paso Natural Gas	Pipeline	4,850,779	0.22
9. Spirit Realty	Real Estate	4,053,112	0.19
10. Blattner Energy, LLC	Construction/Energy	3,460,733	0.16
Total:		\$ 378,424,070	17.29 %

Source: Valencia and Socorro County Assessor's Offices, State Assessed Property Tax Division and individual entities.

TAX RATES

Yield Control

NMSA 1978, Section 7-37-7.1 limits the allowable increase in property taxes from the preceding year. Specifically, no rate shall be set or assessment imposed which will produce current tax revenues in excess of the prior year's tax revenues plus a percent that is determined by a growth control factor. The growth control factor is the sum of (G) the growth in the assessed valuation due to net new additions to the property tax rolls, expressed as a percent of the prior year's assessed valuation, and (I) the percentage change, not in excess of 5%, in the annual business indicator index between the prior calendar year and the year next preceding the prior calendar year. The resulting yield control equation is:

Current tax revenues = prior tax revenues X (G + I) Where: G is never less than 100%
I is never less than 0% or more than 5%.

The annual business indicator index is defined as 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 'Summary of Current Business' or any successor publication for the calendar year." The yield control formula applies to both residential and non-residential property, but the calculations for each property class are made separately. In addition, the yield control formula applies to any authorized operating levy but not to any debt service levy. To the extent that the reassessment program, as discussed under "Reassessment" above, increased property values, the yield control formula operated to limit the growth in tax revenues resulting solely from reassessment, while not directly limiting the increase in tax revenues due to net new additions to the property tax rolls.

Tax Data

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 special levies, such as levies for bond issues, authorized at an election by a majority of the qualified voters within the District.

TAX RATES – Per \$1,000 Assessed Valuation

Within 20 Mill Limit for General Purposes										
	<u>2024</u>		<u>2023</u>		<u>2022</u>		<u>2021</u>		<u>2020</u>	
	Res.	Non Res.	Res.	Non Res.	Res.	Non Res.	Res.	Non Res.	Res.	Non Res.
State of New Mexico	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Valencia County	6.817	11.389	6.996	11.850	7.020	11.850	6.970	11.850	7.139	11.850
Socorro County	10.025	11.601	9.747	11.850	9.878	11.850	9.704	11.850	9.888	11.850
Village of Los Lunas	7.086	7.139	7.311	7.650	7.386	7.650	7.398	7.650	7.575	7.267
Village of Bosque Farms	2.684	2.539	2.722	3.179	2.750	2.964	2.725	2.889	2.797	2.892
City of Belen	5.171	5.995	5.418	6.962	5.576	6.919	5.648	6.623	5.752	6.428
Los Lunas Schools	0.186	0.373	0.191	0.392	0.192	0.500	0.186	0.500	0.191	0.492
Belen Schools	0.261	0.338	0.267	0.347	0.268	0.500	0.261	0.500	0.266	0.500
UNM - Valencia Branch	1.889	1.923	1.946	2.000	1.954	2.000	1.940	2.000	1.987	2.000
Total	\$34.119	\$41.297	\$34.598	\$44.230	\$35.024	\$44.233	\$34.832	\$43.862	\$35.595	\$43.279

Over 20 Mill Limit - Interest, Principal, Judgment, etc.										
	<u>2024</u>		<u>2023</u>		<u>2022</u>		<u>2021</u>		<u>2020</u>	
	Res.	Non Res.	Res.	Non Res.	Res.	Non Res.	Res.	Non Res.	Res.	Non Res.
State of New Mexico	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360
Valencia County	0.703	0.703	0.707	0.707	0.707	0.707	0.707	0.707	0.704	0.704
Socorro County	1.083	1.083	0.927	0.927	1.895	1.895	1.440	1.440	1.485	1.485
Village of Los Lunas	1.105	1.105	0.307	0.307	0.812	0.812	0.952	0.952	1.072	1.072
Village of Bosque Farms	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
City of Belen	2.611	2.611	3.192	3.192	2.678	2.678	2.746	2.746	2.986	2.986
Los Lunas Schools	13.005	11.875	13.128	12.064	13.152	13.152	13.023	13.154	13.155	13.079
Belen Schools	11.552	10.952	11.598	10.989	11.610	11.610	9.573	9.610	9.611	9.611
UNM - Valencia Branch	0.700	0.700	0.700	0.700	0.490	0.490	0.850	0.850	0.850	0.850
Total	\$32.119	\$30.389	\$31.919	\$30.246	\$32.704	\$32.704	\$30.651	\$30.819	\$31.223	\$31.147

Total Levy										
	<u>2024</u>		<u>2023</u>		<u>2022</u>		<u>2021</u>		<u>2020</u>	
	Res.	Non Res.	Res.	Non Res.	Res.	Non Res.	Res.	Non Res.	Res.	Non Res.
State of New Mexico	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360
Valencia County	7.520	12.092	7.703	12.557	7.727	12.557	7.677	12.557	7.843	12.554
Socorro County	11.108	12.684	10.674	12.777	11.773	13.745	11.144	13.290	11.373	13.335
Village of Los Lunas	8.191	8.244	7.618	7.957	8.198	8.462	8.350	8.602	8.647	8.339
Village of Bosque Farms	2.684	2.539	2.722	3.179	2.750	2.964	2.725	2.889	2.797	2.892
City of Belen	7.782	8.606	8.610	10.154	8.254	9.597	8.394	9.369	8.738	9.414
Los Lunas Schools	13.191	12.248	13.319	12.456	13.344	13.652	13.209	13.654	13.346	13.571
Belen Schools	11.813	11.290	11.865	11.336	11.878	12.110	9.834	10.110	9.877	10.111
UNM - Valencia Branch	2.589	2.623	2.646	2.700	2.444	2.490	2.790	2.850	2.837	2.850
Total Residential	\$64.878	\$70.326	\$131.674	\$73.116	\$134.096	\$152.514	\$129.606	\$73.321	\$132.276	\$73.066

Source: New Mexico Department of Finance and Administration

TAX COLLECTIONS - VALENCIA COUNTY
(as of June 30, 2024)

Tax Year	Fiscal Year	Net Taxes Charged to Treasurer	Current Tax Collections⁽¹⁾	Current Collections as a % Collected	Current/Delinquent Tax Collections⁽²⁾	Current/Delinquent Tax Collections as % of Amount Levied
2023	23/24	\$62,446,517	\$57,023,794	91.32%	\$57,023,794	91.32%
2022	22/23	56,800,889	53,160,581	93.59%	54,817,391	96.51%
2021	21/22	52,599,914	49,884,829	94.84%	51,437,203	97.79%
2020	20/21	50,639,750	48,124,931	95.03%	49,886,293	98.51%
2019	19/20	48,988,695	45,733,937	93.36%	48,352,949	98.70%

Source: Valencia County Treasurer's Office

TAX COLLECTIONS - SOCORRO COUNTY
(as of June 30, 2024)

Tax Year	Fiscal Year	Net Taxes Charged to Treasurer	Current Tax Collections⁽¹⁾	Current Collections as a % Collected	Current/Delinquent Tax Collections⁽²⁾	Current/Delinquent Tax Collections as % of Amount Levied
2023	23/24	\$11,295,784	\$9,905,671	87.69%	\$9,905,671	87.69%
2022	22/23	10,941,049	9,715,976	88.80%	10,275,543	93.92%
2021	21/22	9,958,451	8,882,981	89.20%	9,522,802	95.63%
2020	20/21	9,711,801	8,740,009	89.99%	9,340,925	96.18%
2019	19/20	9,521,283	8,589,682	90.22%	9,241,774	97.06%

Source: Socorro County Treasurer's Office

METHOD OF TAX COLLECTION

Current taxes for all units of government are collected by the Valencia and Socorro County Treasurer and distributed monthly to the various political subdivisions to which they are due.

Property taxes are payable to the Valencia and Socorro County Treasurer in two equal annual installments. The first annual installment is due on November 10 and becomes delinquent on December 10. The second annual installment is due on April 10 and becomes delinquent on May 10. Pursuant to NMSA 1978, Section 7-38-46, property taxes are delinquent 30 days after the date on which they are due.

INTEREST ON DELINQUENT TAXES

Pursuant to NMSA 1978, Section 7-38-49, 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 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.

DELINQUENT TAXES PENALTY

Pursuant to NMSA 1978, Section 7-38-50, 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 an intent to defraud by the property owner, fifty percent (50%) of the property taxes 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, Section 7-38-47, 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. Pursuant to NMSA 1978, Section 7-38-48, taxes on real property are a lien against the real property. Pursuant to NMSA 1978, Section 7-38-65, delinquent taxes on real property may be collected by selling the real property on which taxes are delinquent.

Pursuant to NMSA 1978, Section 7-38-53, delinquent property taxes on personal property may be collected by asserting a claim against the owners of the personal property for which taxes are delinquent.

OUTSTANDING GENERAL OBLIGATION BONDS

Issue Series	Original Amount	Purpose	Final Maturity Date (August 1)	Balance Outstanding and to be Outstanding
2015	\$ 4,000,000	University Improvements	2029	\$ 1,115,000
2016	4,000,000	University Improvements	2031	1,830,000
2018	7,000,000	University Improvements	2037	2,915,000 ⁽¹⁾
Total General Obligation Bonded Debt Outstanding				\$ 5,860,000
Plus: The Bonds ⁽²⁾				7,280,000 *
Total General Obligation Bonded Debt Outstanding and to be Outstanding ⁽³⁾				<u>\$ 13,140,000 *</u>

⁽¹⁾ The balance outstanding for the District's 2018 Bonds is net of a partial defeasance completed in 2022 for \$1,425,000 of principal.

⁽²⁾ Includes the Bonds.

⁽³⁾ Includes the Bonds and prior bonds outstanding.

* Preliminary, subject to change.

AUTHORIZED BUT UNISSUED GENERAL OBLIGATION (LIMITED TAX) BONDS

At the Regular Local Election held on November 5, 2024 the voters of the District approved for the issuance of \$15,000,000 general obligation (limited tax) bonds by the District. After the sale of the Bonds, the authorized but unissued amount is expected to be \$7,720,000*.

UNM-VALENCIA BRANCH COMMUNITY COLLEGE DISTRICT

GENERAL

The UNM-Valencia Branch Community College District was established on March 22, 1981, after a local referendum, HED (then the Board of Educational Finance), and Legislative approval. Pursuant to Section 21-14-1 through 21-14-14, NMSA 1978, as amended, an operating agreement was implemented between the Los Lunas and Belen School Boards and the Board of Regents of the University of New Mexico.

The University of New Mexico Valencia Campus is located in Tome, New Mexico, halfway between Belen and Los Lunas, the two main population centers of Valencia County. The campus occupies 150 acres of rural land overlooking the Rio Grande Valley to the west, the Manzano Mountains to the east, and historic Tome Hill to the north. The campus includes nine buildings designed in a modern, Southwestern style.

HISTORY OF THE UNM VALENCIA CAMPUS

The University of New Mexico began serving the educational needs of Valencia County in August, 1978 with the establishment of the UNM-Eastern Valencia County Satellite Center. The creation of this Satellite Center ended nearly two decades of work by members of the Los Lunas and Belen School districts to provide a stable source of post-secondary education and vocational training in Valencia County. A total of \$93,000 in seed money was raised to help open the facility.

In 1979 the State Legislature Finance Committee indicated that expanding satellite centers, such as the one in Belen, should be established as branch campuses to be supported by an ongoing mill levy as well as with student tuition and general fund appropriations.

The local community indicated its continued support by voting overwhelmingly in favor of creating a branch campus. Additional assistance came from the Board of Educational Finance, The New Mexico State Legislature, and the Eastern Valencia County Higher Education Committee, Inc. As a result, a formal proposal to establish the branch was accepted by UNM in March, 1981. Classes began in August of that year. Technical certificates and associate degrees could now be completed locally for the first time in Valencia County history.

Continued growth in enrollment and program offering soon created a pressing need for additional space and new facilities. A new campus in Tome was built in response to this need, opening its doors in the summer of 1986.

A library and learning resource center were added in 1994 and the campus underwent extensive renovation in the spring of 1995 providing additional classroom and office space. In 1996 the computer backbone cable of the campus was upgraded to fiber optic and in 1997 a 350-space parking lot was added. Proceeds of the 2002 Bonds provided funds for a long-established need for a Community Student Center. The project houses a nursing classroom facility, a wellness center, enlarged bookstore, enlarged food service area, specialized classrooms, student government offices, a fitness center, programs that target the community and a multipurpose space that seats 800 people.

ACCREDITATION

As part of the University of New Mexico, the Valencia Campus is accredited by the North Central Association of Colleges and Secondary Schools. The University of New Mexico - Valencia Campus is a member of the American Association of Community and Junior Colleges, the Hispanic Association of Colleges and Universities, and various disciplines are certified by their own special agencies.

STATUTORY PROVISIONS AND FUNDING

The Branch Community College Act (Section 21-14-1 et. seq NMSA, 1978) was enacted in 1957 to provide (a) the first two years of college transfer education or (b) organized career curricula of not more than two years' duration designed to fit individuals for employment in recognized occupations, or both of the above. The Higher Education Department (HED) is responsible for two-year education in New Mexico. Branch colleges are organized by one or more school

districts with an Advisory Board serving each branch in an advisory capacity. Funding for the branch colleges comes from direct State appropriations, tax levies and tuition and fees. Budget requests for the branch colleges are approved by the Advisory Board, the University of New Mexico Board of Regents, and the HED before being submitted to the Department of Finance and Administration.

THE ADVISORY BOARD

New Mexico statutes provide for the establishment of a branch community college in which a five-member elected board acts as an Advisory Board. The duties of the Advisory Board are to (1) enter into written agreements with the board of regents of the parent institution, subject thereafter to biennial review by all parties concerned and to the review and commentary of the higher education department; (2) act in an advisory capacity to the board of regents of the parent institution in all matters relating to the conduct of the branch community college; (3) approve an annual budget for the branch community college for recommendation to the board of regents of the parent institution; (4) certify to the board of county commissioners the tax levy; and (5) issue the proclamation for the election for tax levies for the branch community college if the tax levies are to be presented to the voters of the district at a special election, or approve the ballot question if the tax levies are to be presented to the voters of the district at either the general or regular local election. The operating agreement between the Advisory Board and the Board of Regents includes provisions for the University to have full authority and responsibility in relation to all academic matters, the University to honor, subject to University regulations, all credits earned by students as though they were earned on the parent campus, the course of study and program offered, the cooperative use of physical facilities and teaching staff and the detailed agreement of financing and financial control of the branch community college.

The agreement shall be binding upon both the Advisory Board and the Board of Regents; however, it may be terminated by either Board by mutual consent, or it may be terminated by either party upon six months' notice. However, if the branch community college has outstanding general obligation or revenue bonds, neither the board nor the board of regents may terminate the agreement until the outstanding bonds are retired, except as provided by Section 21-13-24.1 NMSA 1978. This provision applies to all agreements in existence between the branch community college and the board of regents of the parent institution

GOVERNING MEMBERS OF THE DISTRICT

ADVISORY BOARD

Paul T. Luna, Chairman
Belinda Martinez, Secretary
Eloisa Tabet, Member
Christopher Williams, Member
Roberta Scott, Member

ADMINISTRATIVE OFFICIALS

Dr. Samuel Dosumu, Chancellor
Dr. Laura Musselwhite, Dean of Instruction
Hank Vigil, Director of Student Affairs
Richard Goshorn, Director of Business Operations

The administrative officer of the branch community college is appointed by the Provost of the University. The President and the Regents have the power to remove any officer when, in their judgment, the interests of the University require such action.

ENROLLMENT DATA
Headcount and FTE by Semester/Year

<u>Semester/Year</u>	<u>Headcount</u>	<u>FTE</u>
Fall 2024	917	928
Summer 2024	1,237	1,013
Spring 2024	301	485
Fall 2023	1,296	989
Summer 2023	1,193	943
Spring 2023	239	369
Fall 2022	1,178	905
Summer 2022	1,162	874
Spring 2022	204	290
Fall 2021	1,186	899
Summer 2021	1,023	880
Spring 2021	204	293
Fall 2020	761	813
Summer 2020	1,665	1,148
Spring 2020	249	330
Fall 2019	1,640	1,150
Summer 2019	1,741	1,238
Spring 2019	404	401

Source: UNM Valencia Branch Community College District

TUITION & FEES
Per Credit Hour & Per Year (24 Credit Hours)

<u>Year</u>	<u>Per Credit Hour</u>		<u>Per Year (CR HR X 24)</u>	
	<u>Tuition</u>	<u>Fees</u>	<u>Without Fees</u>	<u>With Fees</u>
2024/25	\$78.25	\$3.75	\$1,878.00	\$1,923.00
2023/24	78.25	3.75	1,878.00	1,923.00
2022/23	78.25	3.75	1,878.00	1,923.00
2021/22	78.25	3.75	1,878.00	1,923.00
2020/21	78.25	3.75	1,878.00	1,923.00

Source: UNM Valencia Branch Community College District

FINANCIAL SUPPORT AND BUDGET

The HED must review, adjust, and approve budgets submitted by such educational institutions prior to the submission of those budgets to the State. See "Legislative Budget Process" below. Additionally, the HED must approve any and all building and construction plans and projects undertaken by the educational institutions and any new advanced degree programs.

Legislative Budget Process

The University of New Mexico (the "University") operates under an annual budget system prescribed by the HED including distinct procedures for developing an annual budget system prescribed by the HED including an annual legislative budget request and an annual operating budget. The University legislative budget request is divided into two major parts: (1) Instruction and General Budget ("I&G") and (2) non I&G budget. Since 1977, the I&G budget for the University has been based upon comprehensive funding formulas developed by the HED in conjunction and cooperation with each of the State's educational institutions. The development of the formula and determination of the weight assigned to various factors is an on-going activity involving discussion and review among the various educational institutions and the HED.

The legislative budget request for categories other than I&G is not based on a formula approach. Each educational institution submits to the HED budget requests in these categories which are reviewed in conjunction with representatives of all the educational institutions. The HED, after hearings and adjustments, adopts final recommendations which are transmitted to the budget officers of the executive branch. After further review and revision, these recommendations and the I&G request determined by formula are integrated into the executive budget which is submitted to the legislature.

Operating Budget of UNM-Valencia Branch Community College District

The operating budget for the District is prepared by the District in cooperation with the Board of Regents of the University of New Mexico and the Advisory Board. The operating budget must conform to the principles and procedures of the HED, but the District is not required to follow the HED's advice on specific allocations. The operating budget is to be submitted to the HED in May of each year, approval by the HED is submitted to the Budget Division of the State Department of Finance and Administration for official approval prior to July 1 of every year.

Source: UNM Valencia Branch Community College District, Director for Business Operations

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APPENDIX A

VALENCIA COUNTY – GENERAL INFORMATION

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VALENCIA COUNTY

GENERAL

Valencia County (2023 population: 79,141) is located on the Rio Grande River, 20 miles south of Albuquerque. Valencia County is easily accessible by road and air transportation. Two major arteries, Interstate 40, which runs east-west through the state and Interstate 25 which runs north-south, connect Valencia County to major metropolitan areas such as Dallas, El Paso, Phoenix, Los Angeles and Denver.

Valencia County, part of the history-rich Rio Grande Valley is a blend of industry, diversity in agriculture, retail trade and the railroad.

The City of Belen (2023 population: 7,474) has traditionally been the hub of the Santa Fe Railway in New Mexico and other industries. The Santa Fe Railway still plays an important role in the County's economic well-being, even with the decline of the railway industry nationwide. Belen is still a major switching yard and is vital to the operation of system as a whole.

The Village of Bosque Farms (2023 population: 4,076), incorporated in 1974, is experiencing growth in many sectors of the economy including services and trade because of the increase in urbanization.

The Village of Los Lunas (2023 population: 19,079) is the County Seat of Valencia County. It is a growing community located in the Rio Grande Valley, 10 miles north of Belen and 21 miles south of Albuquerque. The Village was once the center of the local dairy industry with hay and alfalfa, the two chief agricultural products of the area. Today, increasing urbanization and an expanding economy are changing the nature of the community.

The Town of Peralta (2023 population: 3,428) is located in the Northeast Rio Grande Valley of Valencia County and encompasses the entire width of the valley from the river on the west to the escarpment, sand hills, (La Ladera) on the east. On July 1, 2007, the Town of Peralta became New Mexico's 103 municipality. Peralta shares common borders with the Village of Bosque Farms, the Village of Los Lunas, and Isleta Pueblo.

While agriculture is still one of the major activities, government, trade and services provide the most jobs to Los Lunas residents. Government is a major employer with a state-operated prison, honor farm and public school system. Facebook finished construction in 2019 on a data center in Los Lunas. The data center includes a total of six buildings covering nearly 2.8 million square feet, costing over \$1 billion dollars and brought more than 150 jobs to the area. In 2021 the tech company announced that they plan to invest another \$800 million through 2025 to add another two buildings and approximately 3.8 million square feet. Los Lunas, a suburb of Albuquerque, is a fast growing “bedroom” community evidenced by developments set forth below.

AREA ECONOMIC INFORMATION

The UNM Valencia Branch Community College District’s assessed valuation is divided between Valencia County (97%) and Socorro County (3%). The portion of the District in Socorro County is rural and agricultural and contains no major commercial centers. Over 97% of the District's assessed valuation is within the boundaries of the County of Valencia.

POPULATION

Year	UNM Valencia	City of Belen	Village of Los Lunas	Village of Bosque Farms	Town of Peralta	Socorro County	Valencia County	State of New Mexico
2023	86,615	7,474	19,079	4,076	3,428	15,963	79,141	2,114,371
2022	85,627	7,426	18,558	4,049	3,396	16,111	78,201	2,113,476
2021	84,613	7,423	17,861	4,076	3,406	16,311	77,190	2,116,950
2020	84,960	7,386	17,370	4,053	3,380	16,541	77,574	2,118,488
2019	84,439	7,486	16,112	3,843	3,624	16,613	76,953	2,099,634

Source: US Census Bureau, as of December 2023.

AGE DISTRIBUTION

The following table sets forth a comparative age distribution profile for Valencia County and New Mexico.

Select Age Categories	Valencia County		New Mexico	
	Total	Percent	Total	Percent
0 to 19 years	20,106	25.4%	503,806	23.8%
20 to 44 years	24,166	30.5%	692,418	32.7%
45 to 64 years	19,960	25.2%	496,375	23.5%
65 to 84 years	13,834	17.5%	379,924	18.0%
85 years and over	1,075	1.4%	41,848	2.0%
Total:	79,141	100.0%	2,114,371	100.0%

Source: U.S. Census Bureau, as of December 31, 2023.

PER CAPITA PERSONAL INCOME

Year	Valencia County	New Mexico	United States
2023	46,944	55,343	69,810
2022	45,318	53,079	66,244
2021	43,347	50,311	64,460
2020	39,475	46,760	59,765
2019	35,975	43,530	56,250
2018	34,469	41,218	54,098
2017	33,103	39,458	51,811
2016	32,678	38,775	49,571
2015	31,448	38,103	48,190
2014	30,217	37,219	46,464

Source: U.S. Department of Commerce, Bureau of Economic Analysis

NON-AGRICULTURAL EMPLOYMENT - VALENCIA COUNTY

Industry	2023	2022	2021	2020	2019
Agriculture, forestry, fishing and hunting	1,040	504	511	709	742
Mining, Quarrying, & Oil/Gas extraction	112	224	53	122	-
Construction	3,362	2,636	3,180	2,728	2,200
Manufacturing	2,138	1,303	1,135	1,501	1,588
Wholesale trade	482	417	538	420	110
Retail trade	3,488	4,248	2,666	3,363	3,666
Transportation & warehousing	932	1,880	2,477	1,473	2,857
Utilities	432	222	409	158	-
Information	372	541	9	334	472
Finance & insurance	1,132	1,942	1,537	1,136	523
Real estate & rental & leasing	155	546	414	233	356
Professional & technical services	1,809	1,886	1,299	1,732	1,092
Management of companies & enterprises	-	-	-	13	-
Administrative & waste services	1,287	1,382	1,163	1,364	1,000
Educational services	2,776	2,595	1,778	2,921	3,910
Health care & social assistance	4,470	4,897	4,415	4,275	4,917
Arts, entertainment & recreation	682	68	387	748	211
Accommodation & food services	2,535	1,351	802	1,922	2,476
Other services, except public admin	2,021	3,183	1,310	1,498	1,782
Public Administration	3,569	2,875	2,544	2,860	3,687
Total, all industries	32,794	32,700	26,627	29,510	31,589

Source: U.S. Census Bureau.

MAJOR EMPLOYERS IN VALENCIA COUNTY

Organization	Industry	Employees
State of New Mexico	Governmental	1,097
Los Lunas Public Schools	Educational	868
Belen Consolidated Schools	Educational	455
Zuni Public Schools	Educational	417
Clarionet Packaging	Packaging	300
Walmart	Retail	275
Valencia County	Governmental	265
Smith's Foods	Retail	100-249
Albertson's	Retail	100-249
Town of Los Lunas	Governmental	181

Source: New Mexico Economic Development Department.

CIVILIAN LABOR FORCE AND PERCENT UNEMPLOYMENT

	<u>Valencia County</u>		<u>State of New Mexico</u>		<u>United States</u>
<u>Year⁽¹⁾</u>	<u>Labor Force</u>	<u>Percent Unemployed</u>	<u>Labor Force</u>	<u>Percent Unemployed</u>	<u>Percent Unemployed</u>
2024	31,791	4.5%	972,629	4.2%	4.0%
2023	31,599	4.0%	964,991	3.8%	3.6%
2022	31,119	4.3%	947,717	4.1%	3.6%
2021	30,873	7.2%	942,505	7.1%	5.3%
2020	30,081	7.7%	931,147	7.9%	8.1%
2019	30,801	5.4%	955,890	5.0%	3.7%
2018	30,447	5.4%	944,844	4.9%	3.9%
2017	30,485	6.6%	948,364	6.0%	4.4%
2016	30,155	7.3%	944,335	6.8%	4.9%
2015	29,860	7.5%	938,333	6.6%	5.3%

Source: U.S. Bureau of Labor Statistics, October 2024.

EFFECTIVE BUYING INCOME

Percent of Household by Effective Buying Income Groups

<u>Income Range</u>	<u>Valencia County</u>	<u>New Mexico</u>	<u>United States</u>
Less than \$10,000	9.1%	6.6%	5.3%
\$10,000 to \$14,999	6.4%	5.2%	3.5%
\$15,000 to \$24,999	5.6%	9.1%	6.4%
\$25,000 to \$34,999	10.2%	8.5%	6.8%
\$35,000 to \$49,999	14.6%	11.7%	10.3%
\$50,000 to \$74,999	17.2%	17.0%	16.1%
\$75,000 to \$99,999	13.4%	12.4%	12.7%
\$100,000 to \$149,999	13.6%	15.1%	17.4%
\$150,000 to \$199,999	6.4%	7.2%	9.1%
\$200,000 or more	3.6%	7.1%	12.4%
Median income (dollars)	\$ 54,665	\$ 62,125	\$ 77,719
Mean income (dollars)	\$ 72,142	\$ 85,549	\$ 109,160

Source: U.S. Census Bureau, as of October 2024.

APPENDIX B
FORM OF BOND COUNSEL OPINION

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FORM OF BOND COUNSEL OPINION

_____, 2025

University of New Mexico Valencia Branch Community College District
Los Lunas, New Mexico

**Re: \$7,280,000* University of New Mexico Valencia Branch Community College District
 Counties of Valencia and Socorro, New Mexico
 General Obligation (Limited Tax) Bonds, Series 2025**

We have acted as bond counsel to the University of New Mexico Valencia Branch Community College District (the “District”) in connection with the issuance of its \$7,280,000* General Obligation (Limited Tax) Bonds, Series 2025 (the “Bonds”) dated their date of issuance, with interest payable on February 1, 2026, and semi-annually thereafter on August 1 and February 1, in each year in which the Bonds are outstanding, being issued in registered form and maturing [serially] on August 1 in the years ____ through ____, inclusive. The Bonds are being issued pursuant to a Resolution adopted by the Board of the District on February 4, 2025, as supplemented by the Sale Certificate executed on April __, 2025 (collectively, the “Bond Resolution”).

We have examined the transcript of proceedings (the “Transcript”) relating to the issuance of the Bonds and 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 District and the principal of and interest on the Bonds, unless paid from other sources, are to be paid from the proceeds of the levy of ad valorem taxes on all property within the District subject to ad valorem taxes levied by the District, which levy shall not exceed five mills; provided, however, that this five-mill 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 within the District in the year in which the Bonds were issued.

2. Under existing laws, regulations, rulings and judicial decisions, interest on the Bonds is excludable from gross income for federal income tax purposes. We are also of the opinion that interest on the Bonds is not a specific preference item for purposes of calculating the alternative minimum tax imposed under provisions contained in the Internal Revenue Code of 1986, as amended (the “Code”); however, interest on the Bonds is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Although we are of the opinion that interest on the Bonds is excludable from gross income for federal income tax purposes, the accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of the recipient. The extent of these other tax consequences will depend upon the recipient’s particular tax status or other items of income or deduction. We express no opinion regarding any such consequences.

3. The Bonds and income from the Bonds are exempt from all taxation by the State or any political subdivision thereof.

The opinions set forth above in paragraph 2 are subject to continuing compliance by the District with covenants regarding federal tax law contained in the proceedings and other documents relevant to the issuance by the District of the Bonds. Failure to comply with these covenants may result in interest on the Bonds being included in gross income retroactive to their date of issuance.

The opinions expressed herein are based upon existing laws as of the date of issuance and delivery 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 obligations of the District related to the Bonds are subject to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of the powers (including bankruptcy powers) delegated to it by the United States Constitution. The obligations of the District and the security provided therefor, as contained in the Bond Resolution, may be subject to general principles of equity which permit the exercise of judicial discretion and are subject to the provisions of applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect.

The opinions expressed herein represent our legal judgment based upon a review of existing legal authorities 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.

We are passing upon only those matters set forth in this opinion and are not passing upon the accuracy or completeness of any statement made in connection with any sale of the Bonds or upon any tax consequences arising from the receipt or accrual or interest on, or the ownership of, the Bonds except those specifically addressed in paragraphs 2 and 3 above.

Respectfully Submitted,

APPENDIX C

**EXCERPT OF JUNE 30, 2024 AUDITED FINANCIAL STATEMENT
UNIVERSITY OF NEW MEXICO – MAIN CAMPUS**

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AUDIT REPORT 2024

July 1, 2023 - June 30, 2024



THE UNIVERSITY OF NEW MEXICO

June 30, 2024

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Cover photo: University of New Mexico, main campus

THE UNIVERSITY OF NEW MEXICO

June 30, 2024

BOARD OF REGENTS AND PRINCIPAL OFFICERS

Board of Regents

Appointed Members

	<i>Title:</i>	<i>Term Expires:</i>
Kimberly Sanchez Rael	Chair	12/31/2024
Jack L. Fortner	Vice Chair	12/31/2026
Robert L. Schwartz	Secretary Treasurer	12/31/2024
William H. Payne	Member	12/31/2026
Paul Blanchard	Member	12/31/2028
Paula Tackett	Member	12/31/2028
Victor Reyes	Student Member	12/31/2024

Ex officio Members

The Honorable Michelle Lujan Grisham	Governor of the State of New Mexico
Stephanie Rodriguez	Higher Education Department Cabinet Secretary

Advisors

Cris Elder	President, Faculty Senate
Krystah Pacheco	President, Associated Students of the University of New Mexico
Justin Lauriano	President, Graduate & Professional Student Association
Grace Faustino	President, Staff Council
Jaymie Roybal	President, UNM Alumni Association
Leslie McFadden	President, UNM Retiree Association
Felicia Finston	Chair, UNM Foundation
Heather Bratton	President, UNM Parent & Family Association

Principal Administrative Officials

University

Garnett S. Stokes	President
James Holloway	Provost and Executive Vice President for Academic Affairs
Mike Richards	Executive Vice President for Health Sciences, CEO UNM Health System
Teresa Costantinidis	Executive Vice President for Finance and Administration

UNM Hospitals

Kate Becker	Chief Executive Officer
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Principal Financial Officials

Main Campus

Norma Allen	University Controller
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Health Sciences Center

Joseph Wrobel	Chief Budget and Facilities Officer, HSC
Jason Galloway	Chief Financial Services Officer, HSC

UNM Hospitals

Bonnie White	Chief Financial Officer
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Independent Auditors' Report

The University of New Mexico Board of Regents
University of New Mexico and
Mr. Joseph M. Maestas, P.E.
New Mexico State Auditor

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities, the fiduciary activities, and the aggregate discretely presented component units of the University of New Mexico (the University or UNM), as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the University's basic financial statements for the years then ended as listed in the table of contents. We also have audited the budgetary comparison schedules (Schedules 15 through 17) presented as supplementary information, for the year ended June 30, 2024, as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the fiduciary activities, and the aggregate discretely presented component units of the University, as of June 30, 2024 and 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with U.S. generally accepted accounting principles. In addition, in our opinion, the accompanying budgetary comparison schedules (Schedules 15 through 17) referred to above presents fairly, in all material respects, the respective budgetary comparison for the year ended June 30, 2024, in accordance with U.S. generally accepted accounting principles.

We did not audit the following entities and departments:

- UNM Hospital, UNM Behavioral Health Operations, UNM Medical Group Inc., UNM Rainforest Innovations, Lobo Development Corporation, and Lobo Energy, Inc., which represent 49% and 45%, respectively, of the total assets of the business-type activities as of June 30, 2024 and 2023, and 61% and 61%, respectively, of the total revenues for the years then ended.
- UNM Lobo Club and UNM Alumni Association, which represent 4% and 4%, respectively, of the total assets of the aggregate discretely presented component units as of June 30, 2024 and 2023, and 10% and 13%, respectively, of the total revenues for the years ended.

Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the entities and departments indicated above, are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 University and to meet our other ethical responsibilities, in accordance

with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements of the University are intended to present the financial position, the changes in financial position, and, where applicable, cash flows of only that portion of the business-type activities, each major fund, the fiduciary activities, and the aggregate discretely presented component units of the State of New Mexico that is attributable to the transactions of the University. They do not purport to, and do not, present fairly the financial position of the State of New Mexico as of June 30, 2024 and 2023, the changes in its financial position, or, where applicable, its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles. Our opinions are 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 U.S. generally accepted accounting principles, 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.

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 GAAS 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 GAAS 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 University'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.

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

U.S. generally accepted accounting principles require that the management's discussion and analysis, schedule of proportionate share of net pension liability and employer contributions (Schedule 1), schedule of changes in the University's net OPEB liability and related ratios (Schedule 2), schedule of University contributions (Schedule 3) and schedule of investment returns (Schedule 4) 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 and other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 audits 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 audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the University's basic financial statements. The accompanying schedule of expenditures of federal awards (Schedule 20), as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, blended and discretely presented component unit combining schedules (Schedules 5 through 14), schedule of pledged collateral (Schedule 18), and schedule of individual deposit and investment accounts (Schedule 19) 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 audits 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 GAAS. In our opinion, the information is 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 schedule of pledged revenues – University only (Schedule 21), Board of Regents and Principal Officers, 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 audits 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 October 28, 2024 on our consideration of the University'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 University'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 University's internal control over financial reporting and compliance.

KPMG LLP

Austin, Texas
October 28, 2024

THE UNIVERSITY OF NEW MEXICO

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2024

The following discussion and analysis provide an overview of the financial position and activities of The University of New Mexico ("University" or "UNM") as of and for the years ended June 30, 2024, 2023, and 2022. This discussion should be read in conjunction with the accompanying financial statements and notes. Management has prepared the basic financial statements and the related note disclosures along with this discussion and analysis. As such, the basic financial statements, notes, and this discussion are the responsibility of University management.

This Management's Discussion and Analysis (MD&A) includes comparative financial information of the primary institution for fiscal years 2024, 2023, and 2022. The primary institution includes two clinical units and five blended components. The clinical units are UNM Hospital (Hospital) and UNM Behavioral Health Operations (BHO). The blended components are Lobo Development Corporation (Lobo Development); Lobo Energy, Incorporated (Lobo Energy); UNM Rainforest Innovations (Rainforest); UNM Sandoval Regional Medical Center, Inc. (SRMC); and UNM Medical Group, Inc. (UNMMG). Effective January 1, 2024, the Hospital recognized the acquisition of SRMC, under a zero dollar purchase agreement. SRMC ceased to be a separate legal entity and became known as UNM Sandoval Regional Medical Center, a Campus of UNM Hospital (Sandoval Campus) and is operated as a site of the Hospital. In accordance with Governmental Accounting Standards Board (GASB) Statement 69, *Government Combinations and Disposals of Government Operations*, the Hospital's results of operations include the full year ended June 30, 2024 of the Sandoval Campus. The MD&A does not include information of the discretely presented component units, for which separately issued financial statements are available.

About the Financial Statements

The University presents its financial statements in a business-type activity format, in accordance with the Governmental Accounting Standards Board (GASB) Statement 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, GASB Statement 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities – an amendment of GASB Statement No. 34*, GASB Statement 63, *Financial Reporting of Deferred Outflows of Resources, and Deferred Inflows of Resources, and Net Position*. The audit report includes a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Net Position, a Statement of Cash Flows, and Notes to the Basic Financial Statements.

The **Statement of Net Position** is the balance sheet for the University. It is a point-in-time financial statement; the purpose of which is to give the readers of the financial statements a fiscal snapshot of the University. The statement presents end-of-year data concerning assets (current and noncurrent), deferred outflows of resources, liabilities (current and noncurrent), deferred inflows of resources, and net position (assets and deferred outflows of resources minus liabilities and deferred inflows of resources).

The **Statement of Revenues, Expenses, and Changes in Net Position** is the income statement for the University. Changes in total net position as presented on the Statement of Net Position are based on the activity presented in the Statement of Revenues, Expenses, and Changes in Net Position. This statement begins with a presentation of the operating revenues received by the institution. Operating revenues are defined by GASB as revenues arising from an exchange (earned) transaction. In a public university, such as UNM, income from state government appropriations, although not earned, is heavily relied upon to pay operating expenses for almost all instruction and general programs. However, GASB defines state appropriation income as nonoperating revenues, causing the presentation of a large operating loss on the first page of the Statement of Revenues, Expenses, and Changes in Net Position. The operating loss is

THE UNIVERSITY OF NEW MEXICO

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2024

offset by nonoperating revenues (expenses) in the next section of this statement.

The **Statement of Cash Flows** presents the inflows and outflows of cash, summarized by operating, noncapital financing, capital and related financing, and investing activities. The statement is useful in assessing the University's ability to generate net cash flows and meet its obligations as they come due. It is prepared using the direct method of cash flows, and as such, presents gross, rather than net, amounts for the year's activities.

The **Notes to the Basic Financial Statements** follow the financial statements and present additional information in support of the financial statements.

Statement of Net Position

A comparison of the University's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at June 30, 2024, 2023, and 2022 is as follows:

	2024	2023	2022
Assets			
Current assets	\$ 1,580,523,140	\$ 1,302,733,625	\$ 1,359,184,106
Capital assets, net	1,953,299,550	1,796,513,343	1,530,236,881
Other noncurrent assets	787,319,897	767,836,124	796,249,769
Total assets	\$ 4,321,142,587	\$ 3,867,083,092	\$ 3,685,670,756
Deferred Outflows of Resources	\$ 222,822,532	\$ 417,608,801	\$ 958,060,366
Liabilities			
Current liabilities	\$ 667,901,026	\$ 565,147,618	\$ 597,951,838
Noncurrent liabilities	2,261,131,496	2,194,200,922	1,857,109,205
Total liabilities	\$ 2,929,032,522	\$ 2,759,348,540	\$ 2,455,061,043
Deferred Inflows of Resources	\$ 309,486,913	\$ 857,205,877	\$ 1,650,176,269
Net Position			
Net investment in capital assets	\$ 1,243,990,908	\$ 1,156,050,064	\$ 993,638,442
Restricted - nonexpendable	174,273,283	157,607,006	150,615,863
Restricted - expendable	170,287,353	94,946,171	84,206,103
Unrestricted	(283,105,860)	(740,465,765)	(689,966,598)
Total net position	\$ 1,305,445,684	\$ 668,137,476	\$ 538,493,810

Assets

Current assets include cash and other assets that are deemed to be consumed or convertible to cash within one year. The most significant current assets of the University are cash and cash equivalents, net

THE UNIVERSITY OF NEW MEXICO

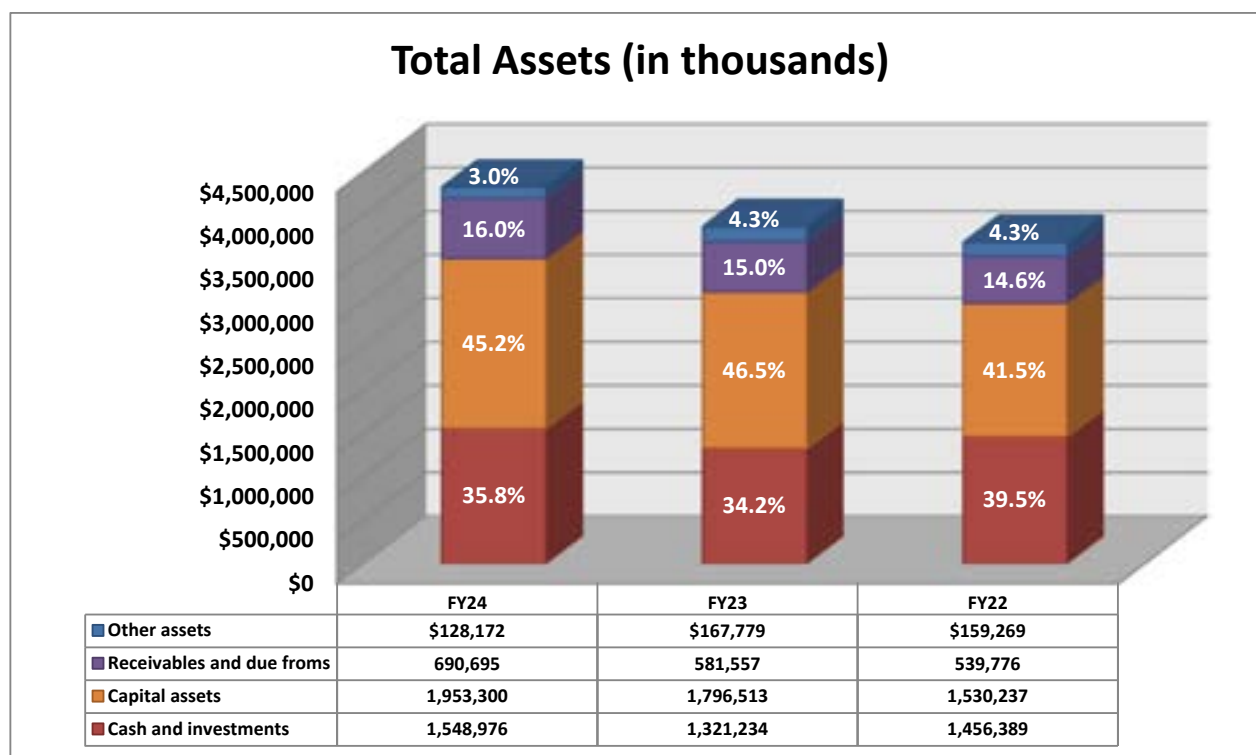
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2024

receivables consisting of accounts receivable, patient receivables, and third-party settlements, and short-term investments consisting of certificates of deposit, U.S. Treasury Bills, and other government-backed securities.

Noncurrent assets of the University primarily consist of endowment investments, right to use assets, due from component units, and capital assets, net of accumulated depreciation.

The composition of total assets is represented in the following chart:



Total assets increased by \$454.1 million from FY23 to FY24, compared to an increase of \$181.4 million from FY22 to FY23. The significant increase for FY24 is primarily attributable to a rise in cash and cash equivalents, which increased by \$215.5 million, and an increase in capital assets of \$156.8 million. The increase in cash and cash equivalents is largely driven by \$39 million in new appropriation funding for capital projects in FY24, along with an increase in net patient service revenue of \$167.3 million. The increase in capital assets was primarily due to the ongoing construction of the new Critical Care Tower. This project, classified under Construction in Progress (CIP), is scheduled for completion by June 30, 2025.

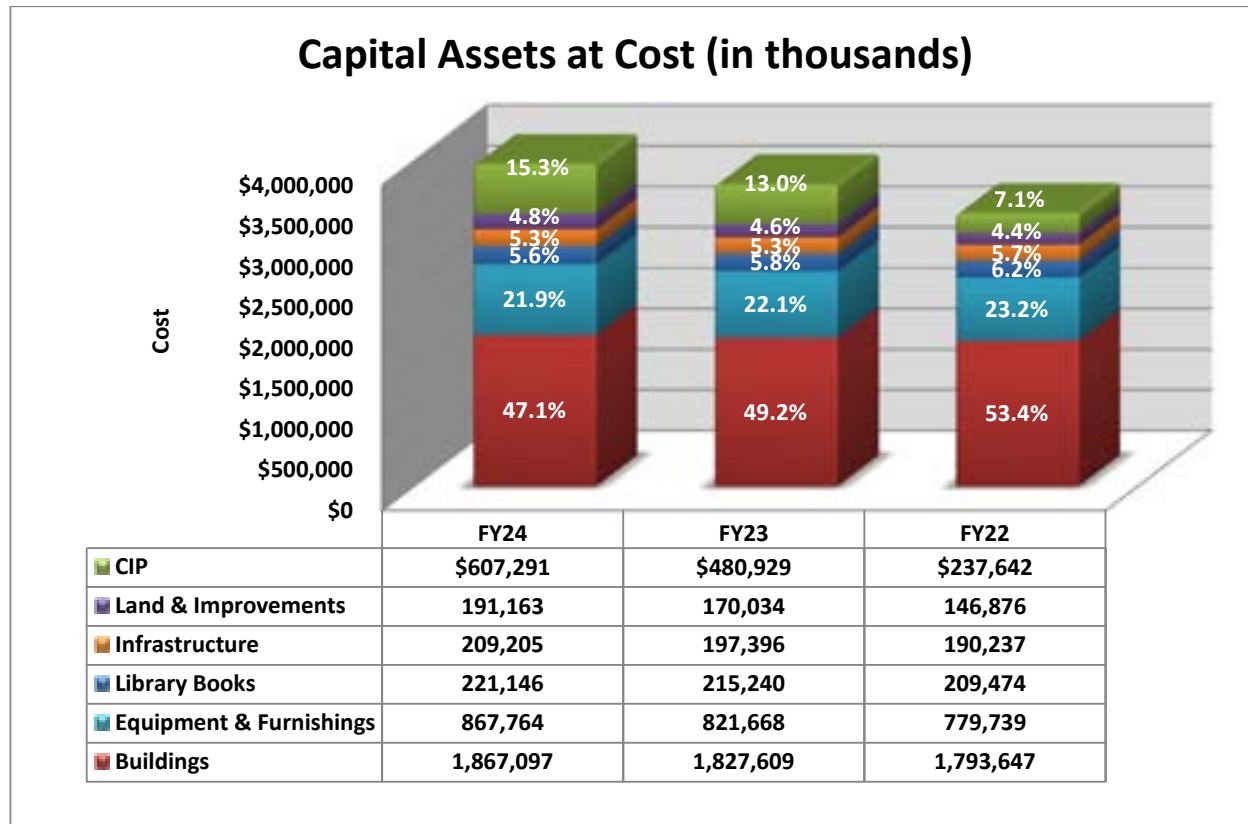
The increase in total assets from FY22 to FY23 consisted of other assets increasing \$8.5 million, receivables and due froms increasing \$41.8 million, capital assets increasing \$266.3 million, and cash and investments decreasing \$135.2 million. The decrease in cash and investments is primarily a result of the Hospital expending \$121.8 million for construction of the Critical Care Tower. This is the most significant project in the Hospital's construction in-progress balance, which increased by \$239.0 million and was largely responsible for the overall increase in capital assets.

THE UNIVERSITY OF NEW MEXICO

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2024

Capital Assets and Commitments:



Capital assets are the largest category of noncurrent assets and are shown net of accumulated depreciation, at \$2.0 billion, \$1.8 billion, and \$1.5 billion as of June 30, 2024, 2023, and 2022, respectively. During FY24, the largest increase within capital assets for the University was CIP, which increased by \$126.4M and is primarily related to the construction of the Critical Care Tower. The second largest increase for UNM was Equipment & Furnishings which increased by \$46.1M which was part of general operations with no individually specific additions. The third largest increase was Buildings which increased by \$39.5M which is primarily driven by buildings being placed into service, namely UNM Center of Excellence, Lobo Welcome Center and L.F. "TOW" Diehm Athletic Complex.

During FY23, the largest increase within capital assets for the University was CIP, which increased by \$243.3 million. As discussed, the Hospital CIP increased \$239.0 million due to the Critical Care Tower. In addition, the University of New Mexico Behavioral Health Operations (BHO) CIP increased \$16.8 million due to expansion of the psychiatric emergency services unit at the Adult Center and new buildings at the Children's Center. These increases were offset by a \$12.9 million decrease in the University CIP (excluding component units) for capital assets placed into service.

Major capital projects currently underway or in the advanced planning stages at the University include:

- Critical Care Tower - The Hospital continues to operate at physical capacity for adult patients. The new Critical Care Tower is scheduled to open in FY25. The tower will contain 9 floors, of which

THE UNIVERSITY OF NEW MEXICO

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2024

2 of the floors will be completed at a later date. It will contain an additional 96 Intensive Care Unit beds as well as 18 new operating rooms. The adult emergency room will also move to the new tower.

- **Center for Collaborative Arts and Technology (CCAT)** - The project is new construction for the College of Fine Arts (CFA) and will be located on the UNM Central Campus to the south of Johnson Field. It will contain approximately 59,000 SF including a 600-seat concert hall for music, opera, film, and lecture and stage-level support spaces. Also included is flexible indoor performance space, a 50-seat classroom, and an art gallery for students and faculty, as well as the new home to the CFA's art, research, technology & science lab. A soundstage will also be included for film and digital arts. The project will obtain a LEED Silver V.4 certification and meet or exceed all state requirements. The approved total project budget for phase 1 is \$82,135,428. Construction is scheduled to start in mid-October 2024 with a two-year construction period.
- **UNM Police Headquarters** - Located at the intersection of University Boulevard and Mesa Vista Road, on the northwest corner of UNM's main campus, the new UNM Police Department Headquarters will serve as a welcoming and secure gateway to campus for the entire UNM community. The new building is designed as a highly functional facility that celebrates and strengthens the architectural legacy of the University's campus while embracing the future. The new UNM Police Department Headquarters is a 2-story, 16,500 SF facility that contains a community room, fitness room, squad room, dispatch, administrative areas, staff lounge, interview rooms, booking and holding cells, and ample evidence storage. The project will obtain LEED Silver V4.1 certification. The total project budget is \$17,000,000 with construction scheduled to start in March 2025 with a 13-month construction duration.

Debt Activity: Bonds payable totaled \$414.8 million, \$448.1 million, and \$423.7 million at June 30, 2024, 2023, and 2022, respectively. The current portion of this debt was \$32.7 million, \$31.0 million, and \$30.2 million at June 30, 2024, 2023, and 2022, respectively. Included in those totals are Federal Housing Administration (FHA) insured Hospital Mortgage Revenue Bonds. The loan guarantee is considered federal assistance subject to the requirements of the Office of Management and Budget (OMB) Uniform Guidance. Accordingly, the loan guarantee is considered a federal award for purposes of UNM's June 30, 2024, 2023, and 2022 Single Audit.

On September 9, 2021, the Hospital closed on a mortgage loan to partially finance the construction of the Critical Care Tower. The debt was issued under the HUD Section 242 loan guarantee program and is backed by GNMA securities. The mortgage will be drawn down as needed to fund the construction project, not to exceed \$320 million, and carries an interest rate of 3.275%. The terms of the loan require interest only payments through construction. Principal and interest payments will begin on October 1, 2024 with loan maturity occurring on September 1, 2049. During the years ended June 30, 2024, 2023 and 2022, the Hospital drew down \$110.4 million, \$114.8 million and \$51.7 million and incurred interest of \$7.3 million, \$3.5 million and \$0.9 million, respectively. The Hospital had a mortgage liability of \$365.8 million, \$261.4 million and \$152.4 million at June 30, 2024, 2023 and 2022, respectively. The current portion of mortgage liability was \$12.4 million, \$5.9 million and \$5.8 million at June 30, 2024, 2023, and 2022, respectively.

In July 2020, the Sandoval Campus, entered into an agreement and mortgage to refinance Sandoval Campus's mortgage from an APR of 4.86% to an APR of 1.98%. In connection with the mortgage

THE UNIVERSITY OF NEW MEXICO

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2024

refinance, \$118.3 million was placed into irrevocable trust to make the mandatory bond redemption payments on the Government National Mortgage Association (GNMA) Collateralized Series 2010A and Series 2010B bonds through the bond callable date in January 2021. Sandoval Campus was released from all obligations related to the bonds at that time. The Medical Center had mortgage liability of \$88.9 million, \$94.9 million, \$100.7 million at June 30, 2024, 2023, and 2022, respectively. The current portion of mortgage liability was \$6.1 million, \$5.9 million, and \$5.8 million at June 30, 2024, 2023 and 2022, respectively.

Deferred Outflows of Resources

Deferred outflows of resources decreased by \$194.8 million from FY23 to FY24 and decreased by \$540.5 million from FY22 to FY23. The most significant deferred outflow of resources is related to pensions. The amount recognized as a deferred outflow of resources related to pensions was \$158.5 million, \$373.8 million, and \$914.6 million as of June 30, 2024, 2023, and 2022, respectively. Deferred outflows of resources related to pensions decreased by \$215.3 million from FY23 to FY24 and decreased by \$540.9 million from FY22 to FY23.

Changes of assumptions in the actuarial valuation have significant impacts on the deferred outflows of resources related to pensions. The New Mexico Educational Retirement Board ("NM ERB") Schedules of Employer Allocations and Pension Amounts by Employer provides changes of assumptions for employers to use in financial reporting. From FY23 to FY24, the University's changes of assumptions balance decreased by \$222.6 million. From FY22 to FY23, the University's changes of assumptions balance decreased by \$521.2 million. The decreases in both years were primarily associated with the amortization of a \$1.3 billion deferred outflow related to a FY20 change in assumptions, which was fully amortized in FY24.

Actuarial assumptions and methods are set by the NM ERB Board of Trustees, based upon recommendations made by the plan's actuary. The assumption for year ending June 30, 2023 were based on Board adopted assumptions on April 17, 2020, in conjunction with the six-year actuarial experience study period ending June 30, 2019. A single discount rate of 7.00% was used to measure the total pension liability as of June 30, 2023; this is the same rate used for June 30, 2022. The 7.00% discount rate was based on a long-term expected rate of return on pension plan investments of 7.00%.

Liabilities

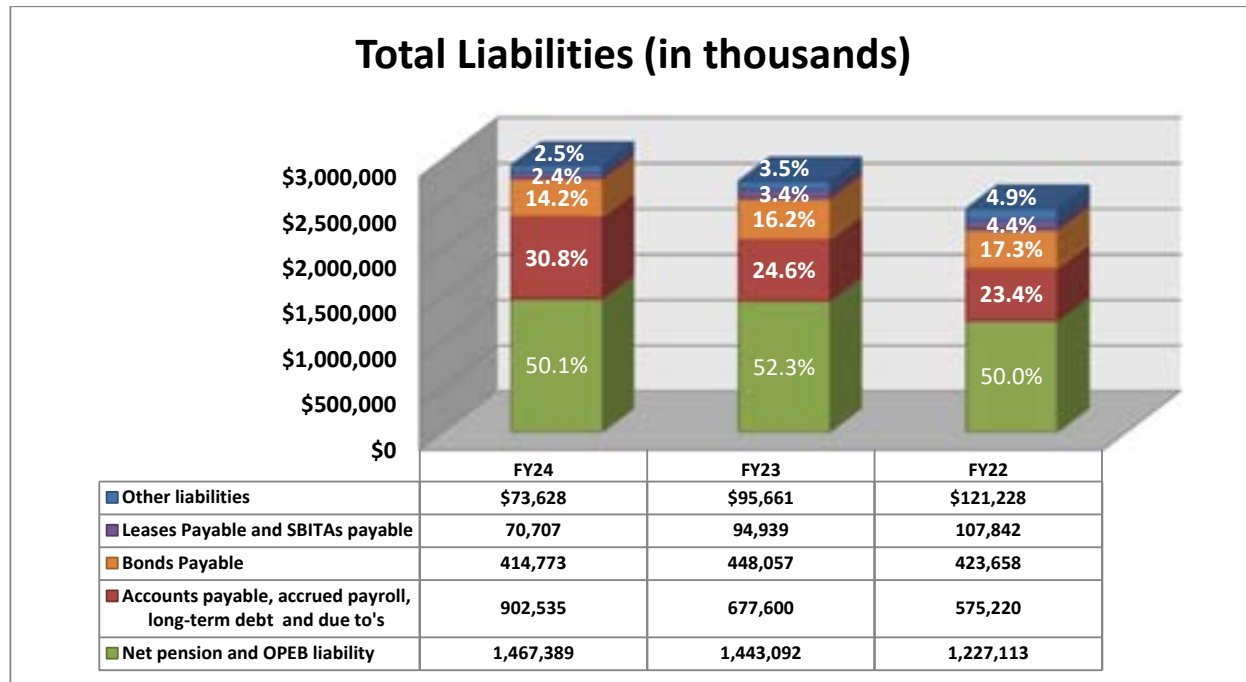
Current liabilities are generally defined as amounts due within one year. The most significant current liabilities of the University are accounts payable, accrued payroll, third-party settlements, unearned revenue, and accrued compensated absences.

Noncurrent liabilities of the University primarily consist of the net pension liability, the noncurrent portion of bonds payable, long-term debt, and the net Other Postemployment Benefits (OPEB) liability. The composition of total liabilities is represented in the following chart:

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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2024



Total liabilities increased by \$169.7M from FY23 to FY24 and increased by \$304.3M from FY22 to FY23. The increase in total liabilities from FY23 to FY24 primarily consisted of long-term debt increasing by \$104.4M due to additional drawdowns of \$110.4M by the Hospital. The second largest consideration was an increase of \$78.7M of estimated third-party payor settlements payable primarily due to increases in intergovernmental transfers (IGT) due to NM Department of Health.

The increase in total liabilities from FY22 to FY23 consisted of other liabilities decreasing \$25.6 million; lease and SBITA payables decreasing by \$12.9 million; bonds payable increasing \$24.4 million; accounts payable, accrued payroll, long-term debt and due to's increasing \$102.4 million; and net pension and OPEB liability increasing \$216.0 million. Net pension and OPEB liability increased based on actuarial reports according to the *NM ERB Schedules of Employer Allocations and Aon Consulting Accounting Results for GASB 74 & GASB 75*. Within accounts payable, accrued payroll, long-term debt and due to's, long-term debt is the most significant change, having increased by \$109.1 million from FY22 to FY23. This increase results from the Hospital drawing down \$114.8 of a mortgage loan, discussed further under debt activity, for continued work on the Critical Care Tower.

Deferred Inflows of Resources

Deferred inflows of resources decreased by \$547.7 million from FY23 to FY24 and decreased by \$793.0 million from FY22 to FY23. The most significant deferred inflow of resources is related to pensions. The amount recognized as a deferred inflow of resources related to pensions was \$247.9 million, \$800.0 million, and \$1.6 billion as of June 30, 2024, 2023, and 2022, respectively.

Changes in assumptions within the actuarial valuation significantly impact deferred inflows of resources linked to pensions, much like how deferred outflows of resources are influenced. *The NM ERB Schedules of Employer Allocations and Pension Amounts by Employer* provides changes of assumptions for employers to use in financial reporting. The decreases in both years was primarily associated with the

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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2024

amortization of a \$1.3 billion deferred inflow related to a FY21 change in assumptions.

Net Position

Total net position (assets and deferred outflows of resources minus liabilities and deferred inflows of resources) is classified by the University's ability to use the net position to meet operating needs. Net position that is restricted as to its use by sponsoring agencies, donors, or other non-UNM entities is classified as either "nonexpendable" or "expendable." Restricted nonexpendable net position includes true endowments. Restricted expendable net position is generated by contracts, grants, gifts, and assets required to be set aside for debt service. The restricted net position is further classified in general terms as to the function for which it must be used. Unrestricted net position may be used to meet operating needs of the University.

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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2024

Statement of Revenues, Expenses, and Changes in Net Position

A comparison of the University's revenues, expenses, and changes in net position for the years ended June 30, 2024, 2023, and 2022 is as follows:

	2024	2023	2022
Operating Revenues			
Tuition and fees, net	\$ 109,678,856	\$ 110,120,466	\$ 125,958,824
Net patient service	1,819,035,032	1,651,779,834	1,657,610,012
Grants and contracts	452,103,068	399,335,007	427,996,838
Sales and services, net	145,035,820	139,642,275	122,224,023
Other operating revenues	56,369,804	45,698,401	73,353,664
Total operating revenues	\$ 2,582,222,580	\$ 2,346,575,983	\$ 2,407,143,361
Operating Expenses			
Instruction	\$ 282,433,726	\$ 260,748,645	\$ 253,282,983
Research	247,311,530	233,411,061	251,903,738
Public service	2,014,423,749	1,873,551,660	1,839,319,639
Academic support	59,501,552	54,872,186	47,693,813
Student services	38,398,648	34,504,952	30,402,504
Institutional support	80,559,897	72,876,694	65,352,230
Operation of plant	238,796,832	227,235,140	197,943,237
Student aid and activities	51,005,420	41,917,080	40,611,797
Intercollegiate athletics	40,363,002	34,948,601	31,199,909
Auxiliary enterprises	49,820,320	48,361,535	34,756,762
GASB 68 pension (income) expense	(202,385,019)	64,210,366	84,357,435
GASB 75 OPEB expense	6,862,300	3,992,200	229,400
Other operating expenses	89,719,054	81,554,331	81,265,169
Total operating expenses	\$ 2,996,811,011	\$ 3,032,184,451	\$ 2,958,318,616
Nonoperating Revenues			
Appropriations	\$ 481,464,158	\$ 414,605,700	\$ 363,569,839
Mill levies	136,373,354	128,748,434	122,165,497
Federal Pell Grants	42,252,126	36,000,515	32,786,601
NM Opportunity Scholarship	72,771,082	68,137,326	-
Gifts	58,879,528	41,008,943	68,464,831
Investment income	86,720,594	60,283,527	(27,933,275)
Other nonoperating revenues and expenses, net	69,610,599	15,356,375	87,788,126
Net nonoperating revenues	\$ 948,071,441	\$ 764,140,820	\$ 646,841,619
Income before capital contributions	533,483,010	78,532,352	95,666,364
Capital contributions	103,825,198	51,111,314	14,974,351
Change in net position	\$ 637,308,208	\$ 129,643,666	\$ 110,640,715
Net position - beginning of year	668,137,476	538,493,810	427,715,663
GASB 96 restatement impact	-	-	137,432
Net position - end of year	\$ 1,305,445,684	\$ 668,137,476	\$ 538,493,810

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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

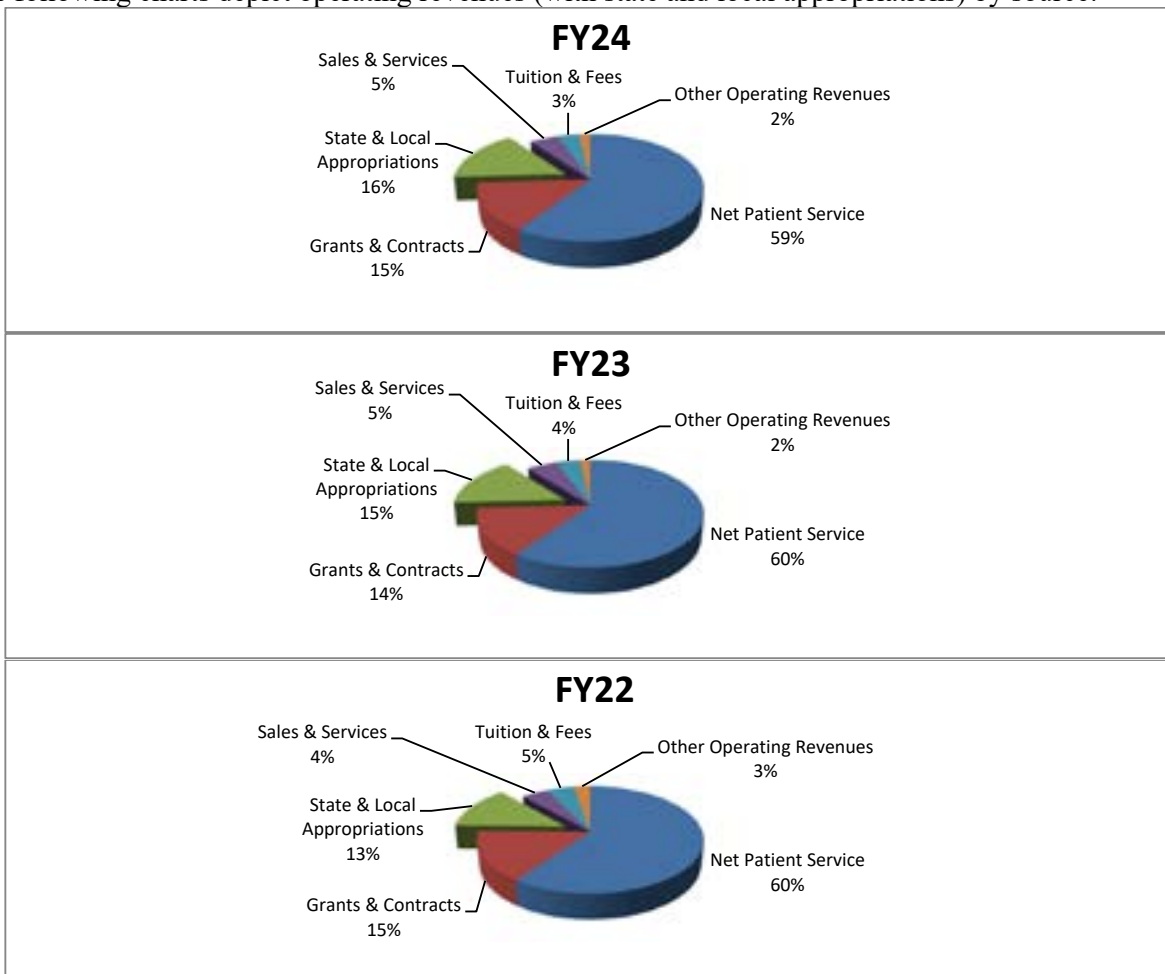
Year Ended June 30, 2024

Revenues

The presentation of revenues, as defined by GASB, requires that state and local appropriation income be excluded when calculating the financial results of operations. This presentation method results in an “operating loss.” The operating loss is offset by “nonoperating revenues (expenses)” to arrive at an actual result of operations amount. The definition of “nonoperating revenues” revolves around the concept of exchange versus nonexchange transactions. State and local appropriations, along with the Bernalillo and Sandoval County mill levies, are considered revenues from nonexchange transactions, because they do not involve an exchange of value for value. Conversely, tuition income is defined as “operating revenues,” because a student pays tuition (value) to receive an education (value). Other nonoperating revenues are federal Pell Grants, federal grants, state and federal lottery scholarships, NM Opportunity Scholarship, gifts, and income from investing and capital activities.

Although State of New Mexico appropriations are considered nonoperating revenues in the basic financial statements, the University uses these funds to support all instruction and general programs. If state and local appropriations were included in operating revenues, they would comprise 16%, 15%, and 13% of total operating revenues for fiscal years 2024, 2023, and 2022, respectively.

The following charts depict operating revenues (with state and local appropriations) by source:



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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2024

Operating Revenues (with state and local appropriations): Operating revenues increased by 11.0% from FY23 to FY24 and decreased 2.5% from FY22 to FY23. Net patient service revenues are a significant portion of the total net operating revenues. They are comprised of gross patient revenues, net of contractual allowances, charity care, provision for doubtful accounts, and any third-party cost report settlements. Net patient service revenues rose by 10.1% from FY23 to FY24, driven mainly by an increase in Directed Payment at Sandoval Campus. In contrast, revenues decreased by 0.4% from FY22 to FY23. The most significant increase in operating revenues was a 16.1% increase in state and local appropriations from FY23 to FY24.

UNM Health, which includes the Health Sciences Center (HSC), Hospital, BHO, Sandoval Campus, and UNMMG, offers a financial assistance program called UNM Care to which all eligible patients are encouraged to apply. This program assigns patients primary care providers and enables them to receive care throughout UNM Health and Health Sciences locations. This program is available to Bernalillo County residents who also meet certain income and asset thresholds. Patients applying for coverage under UNM Care must apply for coverage under Medicaid or the Health Insurance Exchange (HIX), if eligible. Patients may continue to receive UNM Care until they receive Medicaid eligibility or notification of coverage under the HIX. Patients certified under Medicaid or the HIX may continue to qualify for UNM Care as a secondary coverage for copays and deductibles if they meet the income guidelines. UNM Health uses the same sliding income scale as the Affordable Care Act (ACA) to determine if insurance coverage is considered affordable. If coverage is determined not to be affordable, patients may be granted a hardship waiver to qualify for UNM Care and would not be required to pursue coverage under the HIX.

As of June 30, 2024, 2023, and 2022, there were approximately 10,302, 8,582, and 8,442 active enrollees in UNM Care, respectively. The income threshold for UNM Care is 300% of the federal poverty level, and patients may apply for this program at various locations throughout UNM Health and the community. UNM Health does not pursue collection of amounts determined to qualify as charity care, with the exception of copayments.

UNM Health provides care to patients who are either uninsured or underinsured and who do not meet the criteria for financial assistance. These accounts are fully reserved and recorded as a provision for uncollectible accounts. Provision expenses recorded for fiscal years 2024, 2023, and 2022 were \$103.2 million, \$84.7 million, and \$99.9 million, respectively.

UNM Health incurs costs associated with providing charity care and other services for which payment is not received. As of June 30, 2024, the estimated cost of care for providing these services in fiscal years 2024, 2023, and 2022 were \$127.9 million, \$104.4 million and \$104.1 million, respectively.

Tuition and fees are also a significant component of the University's total net operating revenues. UNM's total credit hour production for 2023-2024 was 561,008. This represents a 0.5% increase in credit hour totals compared to the previous year (558,449). New first-year student enrollment for the fall 2023 class was up 2.91% compared to the fall 2022 (3,611 vs. 3,509)—and a cumulative five-year increase of 39.2% between 2019 and 2023 fall terms. Another increase in new first-year student enrollment is anticipated for fall 2024. Larger incoming classes over the past five years have helped increase modest overall campus enrollment for fall 2022 and fall 2023, although high levels of degree production and improved completion rates have tempered these increases. While the gross student enrollment has increased, overall tuition revenue has decreased due to the increase in scholarship allowances from FY23 to FY24 by \$16.5 million. Changes in enrollment and tuition and fees rates in academic functions of the University were as follows:

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Year Ended June 30, 2024

	Fall 2023	Fall 2022	Fall 2021
Enrollment change (headcount)	1.0%	1.8%	-0.5%
Tuition and fees rate change (full-time resident undergraduate)	0.0%	18.6%	-3.9%

Nonoperating Revenues/Expenses (excluding state and local appropriations): Net nonoperating revenues increased by 33.5% from FY24 to FY23. Nonoperating revenues excluding state appropriations, are primarily driven by the Bernalillo and Sandoval County mill levies, NM Opportunity Scholarship, federal Pell Grants, gifts received by the University, and investment income/loss. The increase in net nonoperating revenues from FY23 to FY24, is driven primarily by two factors: \$52.1 million in federal CARES Act grants and a \$26.4 million rise in investment income. From FY22 to FY23, net nonoperating revenues increased by 19.0%, largely due to a \$68.1 million increase in state funds allocated for the Opportunity Scholarship and an \$88.2 million increase in investment income, which benefited from favorable marketplace conditions.

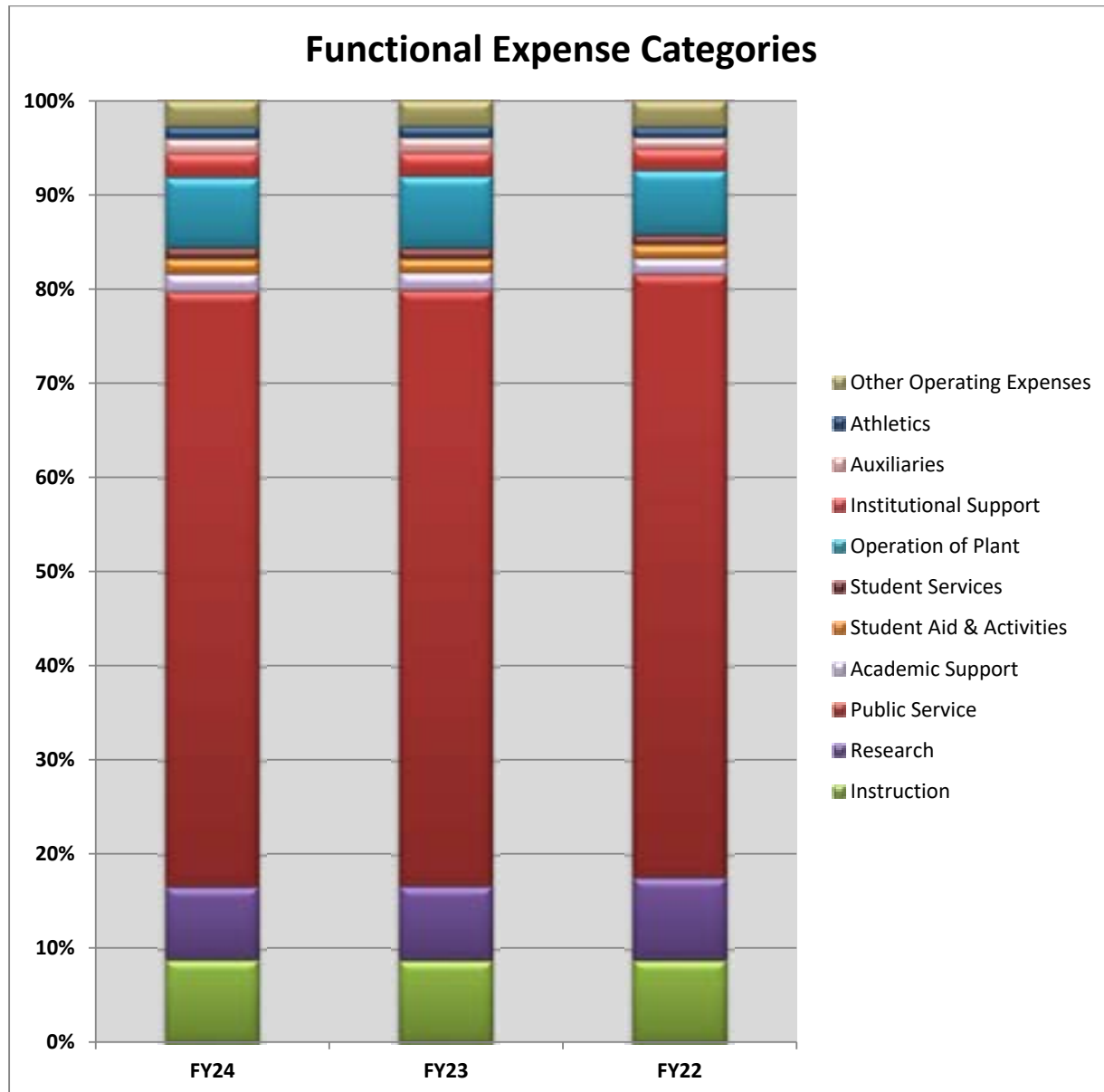
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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2024

Expenses

Operating Expenses: GASB standards allow public universities to present operating expenses in either a functional or natural format. UNM chose to present expenses on the statement of revenues, expenses, and changes in net position by the major functions of the University. The chart below shows the distribution of operating expenses by functional category (smaller categories have been combined), excluding GASB 68 pension expense (income) and GASB 75 OPEB expense, for the years ended June 30, 2024, 2023, and 2022:

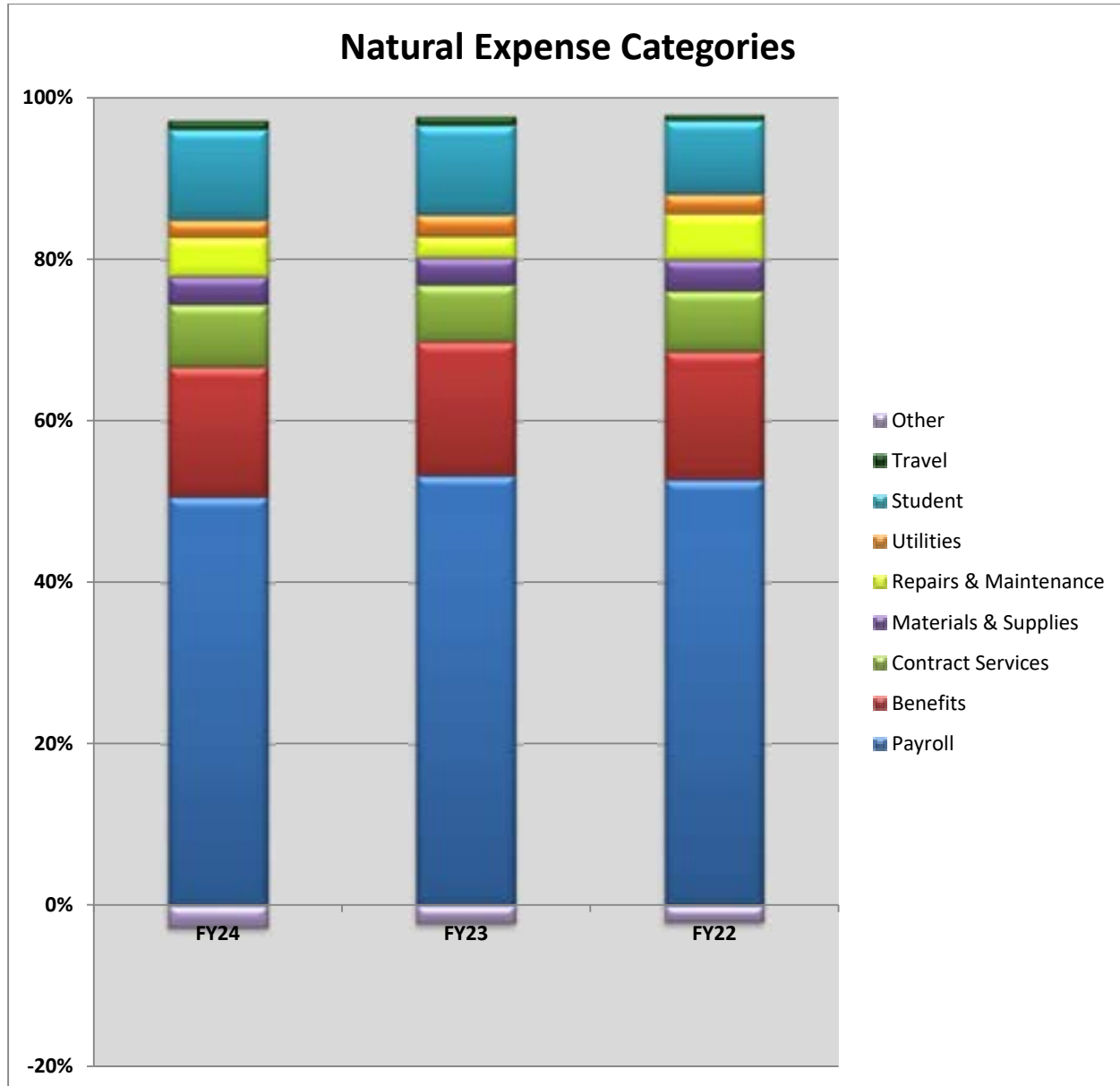


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Year Ended June 30, 2024

The chart below shows total expenses by natural category, excluding GASB 68 pension expense (income) and GASB 75 OPEB expense, for the University (excluding Hospital, BHO, and component units) for the years ended June 30, 2024, 2023, and 2022:



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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2024

Changes in Net Position

The University's total change in net position showed a net increase of \$637.3 million for FY24, a net increase of \$129.6 million for FY23, and a net increase of \$110.6 million for FY22.

The major changes in net position in FY24 include an increase of \$457.4 million in unrestricted net position, an increase of \$16.7 million in nonexpendable restricted net position (scholarships, grants, bequests, and contributions), an increase of \$75.3 million in expendable restricted net position (scholarships, grants/bequests, contributions, debt services and capital projects) and a increase in net investment in capital assets of \$87.9M. The increase in unrestricted is primarily due to a net benefit recognized in FY24 related to the amortization of deferred pension inflows, increases in state and local appropriations, increases in federal CARES grants, and improved investment income over FY23.

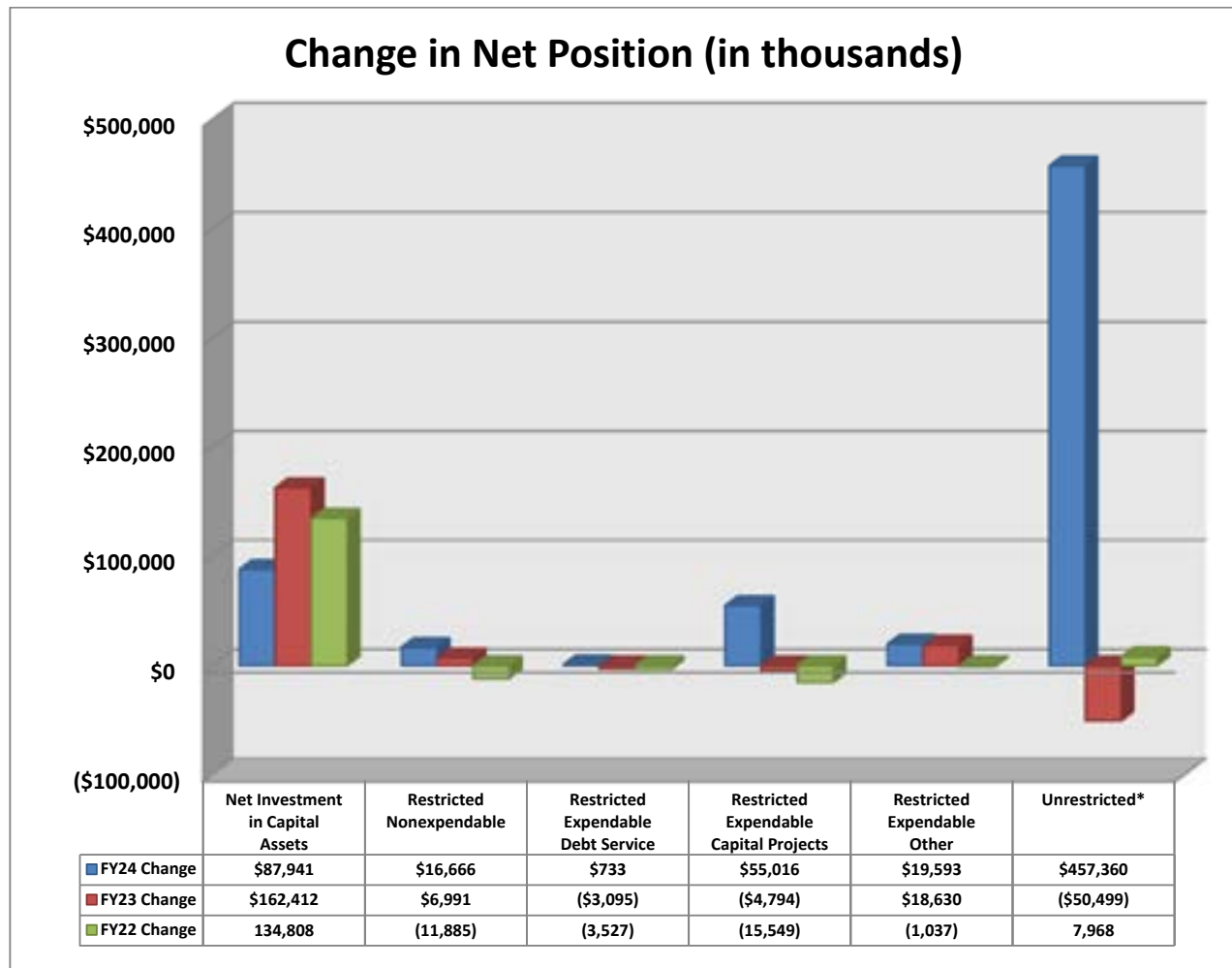
The major changes in net position in FY23 include an increase of \$162.4 million in net investment in capital assets, an increase of \$7.0 million in nonexpendable restricted net position (scholarships, grants, bequests, and contributions), an increase of \$10.7 million in expendable restricted net position (scholarships, grants/bequests, contributions, debt services and capital projects), and a \$50.5 million decrease in unrestricted net position. The increase in net investment in capital assets includes \$261.7 million in Hospital CIP additions, which relate primarily to construction of the Critical Care Tower. This is offset by \$78.4M of total CIP placed into service for various projects. The increase in expendable restricted net position is primarily the result of favorable market conditions of endowed scholarship funds.

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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2024

The chart below shows the changes in net position by category for the fiscal years ended June 30, 2024, 2023, and 2022:



* Significant changes to the unrestricted net position in FY22, FY23, and FY24 were primarily the result of the significant changes to pension expense (income) reported by the University per the requirements of GASB Statement No. 68.

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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Year Ended June 30, 2024

Statement of Cash Flows

A comparison of the University's changes in cash and cash equivalents for the years ended June 30, 2024, 2023, and 2022 is as follows:

	2024	2023	2022
Cash provided by (used in):			
Operating activities	\$ (580,398,863)	\$ (684,677,286)	\$ (543,411,911)
Noncapital financing activities	861,800,464	718,418,418	630,213,677
Capital and related financing activities	(140,812,444)	(234,713,704)	(273,747,911)
Investing activities	74,893,719	13,816,668	26,966,825
Net increase (decrease) in cash and cash equivalents	215,482,875	(187,155,904)	(159,949,320)
Cash and cash equivalents — beginning of year	444,226,051	631,381,955	791,331,275
Cash and cash equivalents — end of year	\$ 659,708,926	\$ 444,226,051	\$ 631,381,955

The Statement of Cash Flows provides additional information about the University's financial results by reporting the major sources and uses of cash during the fiscal year. The statement assists in evaluating the University's ability to generate future net cash flows to meet its obligations as they become due and aids in determining the need for external financing. The statement is divided into four sections based on major activity: operating, noncapital financing, capital and related financing, and investing.

Cash received from operations consists primarily of receipts from insurance and patients, student tuition and fees, and grants and contracts. Payments to, and on behalf of, employees and payments to suppliers represent the largest use of cash for operations. Cash provided by noncapital financing activities is used to fund operating activities in a public university, such as UNM. Major sources of cash provided by noncapital financing activities for the University are state appropriations, federal Pell Grants, Bernalillo and Sandoval County mill levy, federal CARES Act grants, and the NM Opportunity Scholarship funding to the University. Capital and related financing activities consist primarily of payments on the purchase of capital assets, principal and interest payments on bonds, and cash received on capital appropriations, draws on construction loans and bond issuances. Cash flows from investing activities include shifts between cash and investments, distributions from the state land grant permanent fund, and investment income.

Fiduciary Fund

The University of New Mexico Welfare Benefit Trust (VEBA Trust), a voluntary employees' beneficiary association (VEBA) trust, is presented as a fiduciary fund (exhibits D and E). The VEBA Trust was established to provide a funding vehicle to which participants and the University contribute to prefund, in part, the cost of OPEB for eligible retirees of the University. The University matches the employees' contributions to the VEBA Trust. In FY24, the University and employee contributions were \$1.9 million each, and the VEBA Trust gained \$7.2 million in net investment income. In FY23, the University and employee contributions were \$1.9 million each, and the VEBA Trust gained \$5.4 million in net investment income.

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Year Ended June 30, 2024

Budget Activity

Operating budgets are submitted for approval to the Board of Regents, 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 Regents, HED, and the DFA for inclusion in the State of New Mexico Executive Budget for consideration of appropriations by the state legislature.

Original budgets for each fiscal year are prepared several months in advance based on: (a) prior year expenditure and revenue activity, (b) best estimates of projected revenue and expenditure activity for the budgeted year, and (c) internal budget reviews with departments on campus. During the fiscal year, original budgets are revised to reflect current needs of the institution more accurately and to include previously unanticipated events in both revenue and expenditures categories.

Original Budget

In terms of overall FY24 Main Campus revenues, there is an overall increase of approximately \$204.2 million, or 24.4%, over the FY23 original budget. State appropriations increased 12.6% over FY23 original budget, due primarily to increases in compensation, Employer ERB contributions, and a 3.3% increase for I&G funding, categorical funding, and Research and Public Service Projects (RPSPs) approved by the legislature. State and federal grants and contracts for Main Campus also increased by \$107.7 million, or approximately 56.1%, for FY24 compared to FY23 original budget. A large portion of this increase, approximately \$83.3 million, is related to the state-funded New Mexico Opportunity Scholarship, now included in the FY24 original budget. In addition, state and local bond revenue increased by \$34.8 million, or 123.34%, from the FY23 original budget.

State appropriations for Main Campus Operating increased by \$30.6 million, or approximately 12.6%, for FY24 compared to FY23 original budget. The 2023 State Legislative Session approved a 6% salary increase in FY24 for non-student faculty and staff, as included in House Bill 2 (HB2). In addition, HB2 included a 3.3%, or \$8.0 million, increase for I&G funding, categorical funding, and Research and Public Service Projects (RPSPs). The I&G increase included 1% of new money through the higher education funding formula, partial funding for a statutorily required 1% ERB employer contribution increase, and other non-formula base adjustments, including faculty compensation and student services.

The tuition and fee budget for Main Campus increased by \$12.1 million, or approximately 6.4%, for FY24 compared to FY23 original budget. A large portion of this increase, approximately \$7.1 million, is due to increased undergraduate enrollment. The remaining \$5 million projected increase in FY24 is primarily driven by student fee increases. Student fee increases for FY24 include an increase to the debt service facility fee of approximately \$77 per semester for undergraduates and \$69 per semester for graduates, an increase to the Student Health and Counseling (SHAC) fee of \$22 per semester, and a 3% mandatory student fee base increase. There was no base tuition rate increase for FY24.

In terms of FY24 Main Campus expenditures, there is an overall increase of approximately \$218.8 million, or 24.4%, over the FY23 original budget. Total labor expenses, including fringe benefits, increased by \$40.2 million, or approximately 8.3%, for FY24 compared to FY23 original budget. Total budgeted labor costs increased due primarily to a 6% salary increase in FY24 for non-student faculty and staff and a 1% ERB employer contribution increase, as included in HB2. Other expenses increased by \$119.1 million, or

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approximately 42.2%. This increase is primarily driven by a \$83.3 million dollar increase in restricted student aid in FY24 for the New Mexico Opportunity Scholarship, which was previously unbudgeted in our FY23 original budget. The Opportunity Scholarship was reflected in the FY23 final budget. Capital projects and maintenance expenses increased by \$56.7 million, or approximately 60.8%.

Final Budget

For the FY24 revised final budget, Main Campus experienced a \$97.0 million increase in revenues and transfers primarily driven by a \$12.9 million increase in tuition and fees due to increased enrollment, \$32.5 million increase in plant fund revenues primarily from capital appropriations from the 2023 and 2024 Legislative sessions, \$19.3 million increase in restricted research and public service activity, and \$26.2 million increase in net transfers, primarily transfers in to plant funds for various projects around campus. Expenses increased primarily due to increases in instruction and academic support, increased research and public service activity, and other cost increases in salaries and fringe, software implementation and classroom IT upgrades, plant maintenance costs, and utilities.

At Health Sciences, changes from FY23 to F24 revised budget include unrestricted increases in State Appropriations and Patient Service Revenues. State Appropriations increased by \$31 million for employee compensation and targeted program expansion. Clinical revenue budgets increased \$21 million primarily due to increase in Cancer Research Treatment Center 340B funds. Federal awards budget decreased by \$47 million to bring the budget in line with trending actuals. In total, budgeted revenues increased by \$15.6 million or 1.6% over FY23 revised budget. Budgeted expenses decreased by \$21 million or (2.11%) over the FY23 revised budget. Noteworthy changes in expenses include clinical FTE increases and across the board compensation increases. Net transfers changed by (\$22) million compared to FY23 revised budget primarily due to increased transfers to plant for capital projects. Overall, the HSC budgeted a FY24 net loss of \$5 million, up \$15 million from the FY23 revised budget.

Overall, the University's change in net position on a budgetary basis for unrestricted and restricted funds was an increase of approximately \$111.7 million (Schedule 15), which is primarily due to increases in State Government Appropriations and an increase in Sales and Services. The University's change in net position on a budgetary basis for unrestricted I&G funds was a net increase of \$10.9 million (Schedule 16), which is primarily due to increases in tuition and fee revenue as well as an increase in State Government Appropriations.

Factors Impacting Future Periods

In the federal FY2025 IPPS Final Rule Centers for Medicare and Medicaid Services (CMS) finalized the Graduate Medical Education policy for additional distribution of GME residency slots under section 4122 of the Consolidated Appropriations Act (CAA), 2023. Section 4122 requires the distribution of an additional 200 Medicare-funded residency positions (or "slots") to train physicians nationally. This provision dedicates at least one-half of the total number of positions to psychiatry or psychiatry subspecialty residencies. This policy will focus on health professional shortage areas such as Bernalillo County to help bolster the health care workforce in rural and underserved areas to the extent slots are available. CMS estimates that this additional funding will total approximately \$74 million in support for teaching hospitals from FY 2026 through FY 2036. The Hospital intends to submit an application for additional resident slots in January 2025.

The Hospital continues to operate at physical capacity for adult patients. The new Critical Care Tower is

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Year Ended June 30, 2024

scheduled to open in fiscal year 2025. The tower will contain 9 floors, of which 2 of the floors will be completed at a later date. It will contain an additional 96 Intensive Care Unit beds as well as 18 new operating rooms. The adult emergency room will also move to the new tower.

Requests for Additional Financial Information

This financial report is designed to provide the executive and legislative branches of the State of New Mexico, the public, the University's retailers and vendors, and other interested parties with a general overview of the financial position as of June 30, 2024 and 2023, and the results of its operations, cash flows, and variances from the budgets for the years then ended for the University of New Mexico.

If you have any questions about this report or need additional financial information, contact The University of New Mexico, Financial Services, 1700 Lomas NE, Suite 3100, MSC01 1300, Albuquerque, New Mexico 87131.

For internal audit inquiries and reports, see information available at <http://iaudit.unm.edu>.

To download additional copies of this report, or to obtain prior year copies of this report, go to <http://fsd.unm.edu/annual-audited-financial-statements>.

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BASIC FINANCIAL STATEMENTS

Statements of Net Position as of June 30, 2024 and 2023

	PRIMARY INSTITUTION		DISCRETELY PRESENTED COMPONENT UNITS	
	2024	2023	2024	2023
ASSETS				
Current assets				
Cash and cash equivalents (note 3)	\$ 557,007,304	\$ 358,496,296	\$ 22,287,151	\$ 19,661,556
Short-term investments (note 3)	426,420,030	451,539,815	11,170,385	10,067,051
Accounts receivable, net (note 4)	71,282,046	73,105,682	1,940,766	1,323,979
Patient receivables, net (note 4)	239,108,068	212,824,102	-	-
Leases receivable (note 15)	4,120,263	5,352,270	-	-
Leases interest receivable (note 15)	77,770	62,757	-	-
Due from component units	9,870,115	6,093,302	-	-
Notes receivable (note 5)	4,775,103	2,807,293	-	-
Estimated third-party payor settlements	189,118,029	139,407,902	-	-
Other receivables (note 4)	27,818,957	7,517,839	-	-
Inventories	30,542,300	28,662,242	-	-
Other current assets (note 7)	20,383,155	16,864,125	1,574,140	1,140,391
Total current assets	\$ 1,580,523,140	\$ 1,302,733,625	\$ 36,972,442	\$ 32,192,977
Noncurrent assets				
Cash and cash equivalents (note 3)	\$ 43,113,836	\$ 48,282,642	\$ -	\$ -
Cash and cash equivalents – restricted (note 3)	59,587,786	37,447,113	-	-
Leases receivable (note 15)	29,139,860	33,430,786	-	-
Due from component units	113,552,497	99,031,417	-	-
Notes receivable (note 5)	1,831,938	1,923,913	-	-
Investments (note 3)	450,026,775	413,542,765	476,620,168	416,704,641
Investment in Lovelace UNM Rehab Hospital, net	12,820,253	11,925,039	-	-
Beneficial interest in irrevocable split interest agreements (note 3)	-	-	20,479,573	19,394,660
Other noncurrent assets (note 7)	7,481,655	28,257,409	4,478,330	3,693,704
Right-to-use SBITA, net (note 22)	33,577,583	43,108,480	-	-
Right-to-use leases, net (note 15)	36,187,714	50,886,560	-	-
Capital assets, net (note 6)	1,953,299,550	1,796,513,343	131,876	134,462
Total noncurrent assets	\$ 2,740,619,447	\$ 2,564,349,467	\$ 501,709,947	\$ 439,927,467
Total assets	\$ 4,321,142,587	\$ 3,867,083,092	\$ 538,682,389	\$ 472,120,444
DEFERRED OUTFLOWS OF RESOURCES				
Related to pensions (note 17)	\$ 158,478,897	\$ 373,750,192	\$ -	\$ -
Related to OPEB (note 18)	57,048,958	35,660,310	-	-
Interest rate swaps (note 13)	510,429	734,985	-	-
Loss on bond refundings	6,784,248	7,463,314	-	-
Total deferred outflows of resources	\$ 222,822,532	\$ 417,608,801	\$ -	\$ -

See accompanying notes to the basic financial statements.

(Continued)

THE UNIVERSITY OF NEW MEXICO

BASIC FINANCIAL STATEMENTS

Statements of Net Position as of June 30, 2024 and 2023

	PRIMARY INSTITUTION		DISCRETELY PRESENTED COMPONENT UNITS	
	2024	2023	2024	2023
LIABILITIES				
Current liabilities				
Accounts payable and accrued payroll (note 8)	\$ 231,153,591	\$ 189,193,051	\$ 2,145,524	\$ 1,922,383
Bonds payable – current portion (notes 12 and 13)	32,745,000	31,035,000	-	-
Long-term debt – current portion (notes 12 and 13)	12,433,515	6,041,389	-	-
Leases payable (notes 12 and 15)	6,634,821	7,771,249	-	-
SBITA payable (notes 12 and 22)	11,975,031	15,296,717	-	-
Due to The University of New Mexico (note 12)	-	-	9,870,115	6,093,302
Due to FEMA	-	2,600,000	-	-
Unearned revenue (note 11)	54,242,686	68,015,837	647,292	548,947
Accrued compensated absences (note 9)	78,661,778	76,099,740	-	-
Estimated third-party payor settlements	226,673,479	148,011,004	-	-
Deposits and funds held for others	3,779,908	1,681,080	-	-
Other accrued liabilities (note 10)	9,601,217	19,402,551	6,842,610	5,366,474
Total current liabilities	\$ 667,901,026	\$ 565,147,618	\$ 19,505,541	\$ 13,931,106
Noncurrent liabilities (note 12)				
Bonds payable (notes 12 and 13)	\$ 382,027,540	\$ 417,022,142	\$ -	\$ -
Long-term debt (notes 12 and 13)	353,613,095	255,654,698	-	-
Leases payable (notes 12 and 15)	30,155,199	43,892,234	-	-
SBITA payable (note 12 and 22)	21,942,349	27,978,448	-	-
Due to The University of New Mexico (note 12)	-	-	113,552,497	99,031,417
Student loan program (note 12)	3,975,494	4,617,640	-	-
Derivative instruments – interest rate swaps (notes 12 and 13)	562,858	1,059,025	-	-
Net pension liability (notes 12 and 17)	1,339,157,564	1,324,449,719	-	-
Net OPEB liability (notes 12 and 18)	128,231,300	118,642,600	-	-
Other noncurrent liabilities (note 12)	1,466,097	884,416	1,413,724	1,658,386
Total noncurrent liabilities	\$ 2,261,131,496	\$ 2,194,200,922	\$ 114,966,221	\$ 100,689,803
Total liabilities	\$ 2,929,032,522	\$ 2,759,348,540	\$ 134,471,762	\$ 114,620,909
DEFERRED INFLOWS OF RESOURCES				
Related to pensions (note 17)	\$ 247,937,489	\$ 799,962,252	\$ -	\$ -
Related to OPEB (note 18)	30,211,858	18,882,910	-	-
Related to leases (note 15)	30,651,422	37,529,180	-	-
Gain on bond refundings	686,144	831,535	-	-
Beneficial interest in irrevocable split interest agreements	-	-	20,771,117	19,658,896
Total deferred inflows of resources	\$ 309,486,913	\$ 857,205,877	\$ 20,771,117	\$ 19,658,896

See accompanying notes to the basic financial statements.

(Continued)

EXHIBIT A

Statements of Net Position as of June 30, 2024 and 2023

	PRIMARY INSTITUTION		DISCRETELY PRESENTED COMPONENT UNITS	
	2024	2023	2024	2023
NET POSITION				
Net investment in capital assets	\$ 1,243,990,908	\$ 1,156,050,064	\$ 131,876	\$ 134,462
Restricted for:				
Nonexpendable:				
Scholarships	168,276,522	151,608,691	-	-
Grants, bequests, and contributions	5,996,761	5,998,315	331,082,768	296,693,590
Expendable:				
Scholarships	35,541,075	23,316,188	-	-
Grants, bequests, and contributions	32,055,106	24,686,890	-	-
Debt service	45,977,069	45,244,515	-	-
Capital projects	56,714,103	1,698,578	-	-
Other	-	-	30,385,582	20,193,335
Unrestricted (note 20)	(283,105,860)	(740,465,765)	21,839,284	20,819,252
Total net position	\$ 1,305,445,684	\$ 668,137,476	\$ 383,439,510	\$ 337,840,639

See accompanying notes to the basic financial statements.

THE UNIVERSITY OF NEW MEXICO

BASIC FINANCIAL STATEMENTS

Statements of Revenues, Expenses, and Changes in Net Position for the years ended June 30, 2024 and 2023

	PRIMARY INSTITUTION		DISCRETELY PRESENTED COMPONENT UNITS	
	2024	2023	2024	2023
OPERATING REVENUES				
Student tuition and fees (net of scholarship allowances of \$148,618,210 in 2024 and \$132,086,226 in 2023)	\$ 109,678,856	\$ 110,120,466	\$ -	\$ -
Net patient service (note 14)	1,819,035,032	1,651,779,834	-	-
Federal grants and contracts	316,135,514	281,633,703	-	-
State and local grants and contracts	89,561,763	79,239,158	-	-
Nongovernmental grants, contracts, bequests, and contributions	46,405,791	38,462,146	42,060,044	27,737,974
Sales and services	110,086,270	104,836,699	563,414	339,548
Auxiliary enterprises (net of scholarship allowances of \$19,642,301 in 2024 and \$17,265,559 in 2023)	34,949,550	34,805,576	-	-
Other operating revenues	56,369,804	45,698,401	9,544,740	9,656,038
Total operating revenues	\$ 2,582,222,580	\$ 2,346,575,983	\$ 52,168,198	\$ 37,733,560
OPERATING EXPENSES				
Educational and general				
Instruction	\$ 282,433,726	\$ 260,748,645	\$ -	\$ -
Research	247,311,530	233,411,061	-	-
Public service	2,014,423,749	1,873,551,660	-	-
Academic support	59,501,552	54,872,186	-	-
Student services	38,398,648	34,504,952	-	-
Institutional support	80,559,897	72,876,694	-	-
Operation and maintenance of plant	103,979,992	94,076,629	-	-
Depreciation and amortization expense	134,816,840	133,158,511	-	-
Student aid	41,075,650	32,952,815	-	-
Student activities	9,929,770	8,964,265	-	-
Intercollegiate athletics	40,363,002	34,948,601	-	-
Auxiliary enterprises	49,820,320	48,361,535	-	-
GASB 68 pension expense (income) (note 17)	(202,385,019)	64,210,366	-	-
GASB 75 OPEB expense (note 18)	6,862,300	3,992,200	-	-
Distributions to The University of New Mexico	-	-	25,473,695	36,208,555
Other operating expenses	89,719,054	81,554,331	47,298,017	23,217,974
Total operating expenses	\$ 2,996,811,011	\$ 3,032,184,451	\$ 72,771,712	\$ 59,426,529
Operating loss	\$ (414,588,431)	\$ (685,608,468)	\$ (20,603,514)	\$ (21,692,969)

See accompanying notes to the basic financial statements.

(Continued)

EXHIBIT B

Statements of Revenues, Expenses, and Changes in Net Position for the years ended June 30, 2024 and 2023

	PRIMARY INSTITUTION		DISCRETELY PRESENTED COMPONENT UNITS	
	2024	2023	2024	2023
NONOPERATING REVENUES (EXPENSES)				
State appropriations	\$ 466,093,232	\$ 404,313,948	\$ -	\$ -
Local appropriations	15,370,926	10,291,752	-	-
County mill levies	136,373,354	128,748,434	-	-
Federal Pell grants	42,252,126	36,000,515	-	-
Federal CARES Act grants	52,514,007	352,942	-	-
State lottery scholarships	-	15,750,232	-	-
State lottery - federally funded	41,250,564	21,105,232	-	-
NM Opportunity Scholarship	72,771,082	68,137,326	-	-
Gifts	58,879,528	41,008,943	-	-
Investment income (note 3)	86,720,594	60,283,527	52,526,859	25,581,008
Interest on capital asset-related debt	(22,846,970)	(18,526,653)	32,067	-
Loss on disposal of capital assets	(23,865)	(994,287)	-	-
Other nonoperating revenues and expenses, net	(1,283,137)	(2,331,091)	(129,897)	(83,904)
Net nonoperating revenues (expenses)	\$ 948,071,441	\$ 764,140,820	\$ 52,429,029	\$ 25,497,104
Income before capital contributions	\$ 533,483,010	\$ 78,532,352	\$ 31,825,515	\$ 3,804,135
Capital appropriations	\$ 103,546,070	\$ 47,295,932	\$ -	\$ -
Capital grants and gifts	279,128	3,815,382	-	-
Contributions to permanent endowments	-	-	13,773,356	26,908,040
Total capital contributions	\$ 103,825,198	\$ 51,111,314	\$ 13,773,356	\$ 26,908,040
Change in net position	\$ 637,308,208	\$ 129,643,666	\$ 45,598,871	\$ 30,712,175
NET POSITION				
Net position at beginning of year	668,137,476	538,493,810	337,840,639	307,128,464
Net position at end of year	\$ 1,305,445,684	\$ 668,137,476	\$ 383,439,510	\$ 337,840,639

See accompanying notes to the basic financial statements.

THE UNIVERSITY OF NEW MEXICO

BASIC FINANCIAL STATEMENTS

Statements of Cash Flows for the years ended June 30, 2024 and 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from tuition and fees	\$ 112,336,009	\$ 112,204,615
Cash received from grants and contracts	433,071,669	393,700,006
Cash received from insurance and patients	1,884,335,144	1,659,672,658
Cash received from sales and services	108,613,494	106,194,020
Cash received from auxiliary enterprise charges	33,678,046	30,397,334
Cash payments to employees	(1,584,720,848)	(1,508,217,538)
Cash payments for benefits	(320,712,126)	(299,242,021)
Cash payments to suppliers	(869,316,696)	(810,755,228)
Cash payments for utilities	(42,471,255)	(46,628,212)
Cash payments for scholarships and fellowships	(52,987,691)	(42,603,686)
Cash payments to State of New Mexico for intergovernmental transfer	(43,571,091)	(40,354,685)
Cash payments to State of New Mexico for gross receipts tax	(31,679,447)	(28,287,977)
Loans issued to students	(3,206,089)	(890,957)
Collection of loans to students	707,590	1,151,619
Other cash payments	(204,475,572)	(211,017,234)
Net cash used in operating activities	\$ (580,398,863)	\$ (684,677,286)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash received from state appropriations	\$ 465,885,032	\$ 404,112,048
Cash received from local appropriations	15,370,926	10,291,752
Cash received from county mill levies	135,545,836	128,814,698
Cash received from federal Pell grants	42,285,965	37,324,453
Cash received from NM Opportunity scholarships	72,771,082	68,137,326
Cash received from federal CARES Act grants	52,514,007	21,655,082
Cash received from state lottery scholarships	-	36,855,464
Cash received from state lottery scholarships - Federally funded	41,250,564	-
Cash received from gifts and the University of New Mexico Foundation	45,289,176	2,930,525
Drawdowns of federal direct loan proceeds	65,388,615	72,477,300
Disbursements of federal direct loans to students	(66,106,090)	(70,434,271)
Other nonoperating cash receipts (payments)	(8,394,649)	6,254,041
Net cash provided by noncapital financing activities	\$ 861,800,464	\$ 718,418,418
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from bond issuance	\$ -	\$ 56,691,173
Cash received from capital appropriations	87,984,693	31,128,483
Cash received from disposal of capital assets	13,927,665	315,789
Cash received from draws on construction loan	110,377,410	114,810,679
Purchases of capital assets	(289,405,204)	(375,283,006)
Principal payments on bonds	(33,284,602)	(32,291,721)
Interest payments on bonds	(22,810,014)	(15,181,234)
Principal payments on mortgage	(5,938,858)	(5,822,520)
Interest and insurance payments on mortgage	-	(2,486,726)
Other cash payments	(1,663,535)	(6,594,621)
Net cash used in capital and related financing activities	\$ (140,812,444)	\$ (234,713,704)

See accompanying notes to the basic financial statements.

(Continued)

EXHIBIT C

Statements of Cash Flows for the years ended June 30, 2024 and 2023

	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	\$ 286,568,954	\$ 366,113,866
Purchases of investments	(262,430,699)	(401,656,464)
Distributions from land grant permanent fund and land maintenance fund	15,814,684	16,353,261
Investment income	30,347,401	28,024,010
Investment in Lovelace UNM Rehab Hospital	4,593,379	4,981,995
Net cash provided by investing activities	\$ 74,893,719	\$ 13,816,668
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ 215,482,875	\$ (187,155,904)
Cash and cash equivalents – beginning of year	444,226,051	631,381,955
Cash and cash equivalents – end of year	\$ 659,708,926	\$ 444,226,051
NONCASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Right to Use - Leases	\$ (10,573,266)	\$ 12,818,276
Lease Receivable	(1,627,385)	5,500,077
Right to Use - SBITAs	7,699,291	-
Change in accounts payable with purchase of capital assets	5,100,542	801,090
RECONCILIATION OF NET OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES		
Operating loss	\$ (414,588,431)	\$ (685,608,468)
Adjustments to reconcile net operating loss to net cash used in operating activities		
Depreciation expense	125,732,909	125,137,318
Amortization, right to use asset	9,083,932	8,874,417
Provision for doubtful accounts	100,152,120	87,593,619
Changes in assets, deferred outflows, liabilities, and deferred inflows		
Accounts receivable	(13,475,434)	(8,791,230)
Patient receivables	(107,921,364)	(101,657,673)
Estimated third-party payor settlements receivables	(49,710,127)	(10,415,197)
Notes receivable	(1,875,836)	1,130,667
Inventories	(1,880,058)	(920,344)
Other assets	(3,369,784)	(872,072)
Due from component units	(240,765)	(84,232)
Due to component units	-	-
Accounts payable	24,616,562	(36,285,085)
Accrued expenses and compensated absences	10,244,906	(16,622,230)
Other current liabilities	2,213,435	(1,497,692)
Estimated third-party payor settlements liability	78,662,475	16,143,504
Unearned revenue	(15,526,780)	(841,665)
Medicare advance payment plan	-	(17,841,519)
Net pension liability	14,707,845	204,218,907
Net OPEB liability	9,588,700	11,760,700
Deferred outflows of resources	193,882,647	538,602,355
Deferred inflows of resources	(540,695,815)	(796,701,366)
Net cash used in operating activities	\$ (580,398,863)	\$ (684,677,286)

See accompanying notes to the basic financial statements.

THE UNIVERSITY OF NEW MEXICO

EXHIBIT D

BASIC FINANCIAL STATEMENTS

University of New Mexico Retiree Welfare Benefit Trust
Statements of Fiduciary Net Position as of June 30, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents	\$ 617,238	\$ 316,820
Investments	72,237,330	61,096,579
Interest receivable	3,803	10,254
Other current assets	19,065	19,066
Total assets	\$ 72,877,436	\$ 61,442,719
LIABILITIES		
Unsettled transactions	\$ 302,000	\$ -
Total liabilities	\$ 302,000	\$ -
NET POSITION		
Net position restricted for postemployment benefits other than pensions	\$ 72,575,436	\$ 61,442,719
Total net position	\$ 72,575,436	\$ 61,442,719

See accompanying notes to the basic financial statements.

THE UNIVERSITY OF NEW MEXICO
EXHIBIT E
BASIC FINANCIAL STATEMENTS
University of New Mexico Retiree Welfare Benefit Trust
Statements of Changes in Fiduciary Net Position for the years ended June 30, 2024 and 2023

	2024	2023
ADDITIONS		
University of New Mexico contributions	\$ 1,945,707	\$ 1,939,469
Employee contributions	1,945,707	1,939,469
Investment (loss) income:		
Net increase in fair value of investments	6,008,007	4,251,188
Interest and dividends	1,329,277	1,194,891
Less investment expense	(88,985)	(82,298)
Net investment income	\$ 7,248,299	\$ 5,363,781
Total additions	\$ 11,139,713	\$ 9,242,719
DEDUCTIONS		
Administrative expenses	\$ 6,996	\$ 6,573
Total deductions	\$ 6,996	\$ 6,573
Net increase in net position	\$ 11,132,717	\$ 9,236,146
NET POSITION RESTRICTED FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS		
Net position at beginning of year	\$ 61,442,719	\$ 52,206,573
Net position at end of year	\$ 72,575,436	\$ 61,442,719

See accompanying notes to the basic financial statements.

THE UNIVERSITY OF NEW MEXICO

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

(1) Creation and Purpose of Entity

The University of New Mexico (“the University” or “UNM”) was founded in 1889 and created by the Constitution of New Mexico, Sections 21-7-4 through 21-7-25, New Mexico Statutes Annotated, 1978 Compilation, under which it is responsible for providing the inhabitants of the State of New Mexico (“State”) and such others as the Board of Regents may determine with the means of acquiring a thorough knowledge of the various branches of literature, science, and the arts.

The University is part of the primary government of the State, and its financial data is included with the financial data in the State’s Annual Comprehensive Financial Report. These financial statements present financial information that is attributable to the University and does not purport to present the financial position of the State.

(2) Basis of Presentation and Summary of Significant Accounting Policies

(A) Basis of Presentation

The University and its component units 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 University’s assets, liabilities, and net position, revenues, expenses and changes in net position, and cash flows.

GASB Statement 14, *The Financial Reporting Entity*, as amended by GASB Statement 39, *Determining Whether Certain Organizations Are Component Units*, GASB Statement 61, *The Financial Reporting Entity: Omnibus*, and GASB Statement 80, *Blending Requirements for Certain Component Units*, provides guidance in determining whether certain organizations are component units and the presentation of these component units in the financial statements. Criteria for determining whether related organizations are component units include the following circumstances:

- Appointment of a voting majority of an organization’s governing authority and the ability of the University to either impose its will on that organization or the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the University, or;
- An organization is fiscally dependent on the University and provides specific financial benefits to, or imposes specific financial burdens on, the University, or;
- It is determined that it would be misleading to exclude the related organization from the University’s financial statements because of the nature of the entity or because the entity is closely related to or financially integrated with the University.

Component units that are blended generally include those in which 1) the component unit provides services entirely, or almost entirely, to the University or otherwise exclusively, or almost exclusively, benefits the University, 2) the component unit’s governing body is substantively the same as the governing body of the University and there is either a financial benefit or burden relationship between the University and the component unit or management of the University has operational responsibility for the component unit, or 3) the University is the sole corporate member of the component unit. Based on the criteria set forth in GASB Statements 14, 39, 61, and 80, the entities presented below have been determined to be component units of the University. Summary financial statement information for the blended and discretely presented component units is provided in schedules 5 through 14.

THE UNIVERSITY OF NEW MEXICO

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

Blended Component Units

- **UNM Rainforest Innovations**

UNM Rainforest Innovations (formerly known as STC.UNM) is a nonprofit corporation formed under the auspices of the 1989 New Mexico University Research Park Act and the New Mexico Nonprofit Corporation Act. The business of the corporation is to manage the commercialization of technologies developed by the University's faculty and manage the real estate development of the Science & Technology Park at The University of New Mexico on the South Campus. UNM Rainforest Innovations was determined to be a component unit, because it is fiscally dependent on the University. UNM Rainforest Innovations, 101 Broadway Blvd. NE, Suite 1100, Albuquerque, NM 87102.

- **Lobo Development Corporation**

Lobo Development Corporation ("LDC") was established in October 2007, under the State of New Mexico's University Research Park and Economic Development Act. LDC was established to benefit UNM's Regents in the management and development of University-owned real estate. The activities of LDC include the acquisition, development, disposition, and rental of University real estate. LDC was determined to be a component unit, because the University appoints a voting majority of LDC's board and is able to impose its will on LDC. Lobo Development Corporation, 801 University Blvd. SE, Suite 207, Albuquerque, NM 87106.

- **Lobo Energy, Inc.**

Lobo Energy, Inc. ("LEI") was formed by the UNM Regents in June 1998, under the University Research Park Act to be a separate 501(c)(3) corporation wholly owned by UNM. Its responsibilities include the procurement of natural gas and electricity, operations, and maintenance of all production facilities, and energy measurement and management systems. LEI was determined to be a component unit, because the University appoints a voting majority of LEI's board and is able to impose its will on LEI. Lobo Energy, Inc., 800 Bradbury Dr. SE, Suite 216, Albuquerque, NM 87106.

- **University of New Mexico Medical Group**

University of New Mexico Medical Group ("UNMMG") is a nonprofit corporation that was organized to promote, advance, and support the clinical, scientific, educational, research, and charitable purposes of the University of New Mexico Health Sciences Center ("HSC"). UNMMG was determined to be a component unit, because the University appoints a voting majority of UNMMG's board and is able to impose its will on UNMMG. University of New Mexico Medical Group, 933 Bradbury Street SE, Suite 2222, Albuquerque, NM 87106.

- **Sandoval Regional Medical Center**

Sandoval Regional Medical Center ("SRMC") is a teaching hospital located in Sandoval County that was formed by the UNM Regents in August 2009 and was a New Mexico nonprofit corporation organized under and pursuant to the New Mexico University Research Park and Economic Development Act. SRMC was determined to be a component unit, because the University appoints a voting majority of SRMC's board and is able to impose its will on SRMC. Sandoval Regional Medical Center, 3001 Broadmoor Blvd. NE, Rio Rancho, NM 87144.

THE UNIVERSITY OF NEW MEXICO

NOTES TO THE BASIC FINANCIAL STATEMENTS

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Effective January 1, 2024, the University of New Mexico Hospital acquired SRMC under a zero-dollar purchase agreement. Under the purchase agreement, the Hospital acquired all the assets and liabilities of SRMC. With the effective date of the acquisition, SRMC ceased to be a separate legal entity and became known as UNM Sandoval Regional Medical Center, a Campus of UNM Hospital (Sandoval Campus) and is operated as a site of the Hospital. This transaction is accounted for in accordance with Governmental Accounting Standards Board (GASB) Statement No. 69, *Government Combinations and Disposals of Government Operations*, which requires the Hospital to recognize the acquisition as of the first day of the fiscal year in which the transaction occurred, which is July 1, 2023. Accordingly, the accompanying financial statements include the results of operations of the Sandoval Campus for the full fiscal year ended June 30, 2024.

Discretely Presented Component Units

- **The University of New Mexico Foundation, Inc.**

The University of New Mexico Foundation, Inc. ("Foundation") is a nonprofit corporation, organized to solicit, receive, hold, invest, and transfer funds for the benefit of the University of New Mexico. Most of the the University's investments are managed by the Foundation. The Foundation was determined to be a component unit as University management concluded that it would be misleading to exclude it. The University of New Mexico Foundation, Inc., Two Woodward Center, 700 Lomas Blvd. NE, Suite 203, Albuquerque, NM 87131.

- **University of New Mexico Lobo Club**

The University of New Mexico Lobo Club ("Club") is a nonprofit corporation established to operate as a fund-raising entity in support of the athletic programs at the University. The Club was determined to be a component unit, because University management concluded that it would be misleading to exclude it. The University of New Mexico Lobo Club, Department of Athletics, MSC04 2680, 1 University of New Mexico, Albuquerque, NM 87131.

- **The University of New Mexico Alumni Association**

The University of New Mexico Alumni Association ("the Association") is a not-for-profit organization that was incorporated August 29, 1962, to provide and coordinate events and activities for the purpose of maintaining a positive relationship between the University and its alumni. The Association was determined to be a component unit as it is fiscally dependent on the University. The University of New Mexico Alumni Association at Hodgkin Hall, Albuquerque, NM 87131.

Fiduciary Fund

- **University of New Mexico Retiree Welfare Benefit Trust**

The University of New Mexico Retiree Welfare Benefit Trust ("VEBA Trust") is a voluntary employees' beneficiary association ("VEBA") trust that is tax-exempt under Section 501(c)(9) of the Internal Revenue Code ("IRC") and is presented as a fiduciary fund in the University's financial statements. The VEBA Trust was established to provide a funding vehicle to which participants and the University contribute to prefund, in part, the cost of other postemployment benefits ("OPEB") for eligible retirees of the University.

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The University's basic financial statements also include the University of New Mexico Hospital ("Hospital") and the University of New Mexico Behavioral Health Operations ("BHO"), whose operations are summarized to be compatible with University reporting; these operations are not legally separate entities and, therefore, are operating as divisions of the University. The Hospital and BHO, when combined with UNMMG, and the University's School of Medicine, College of Nursing, College of Pharmacy, and College of Population Health are referred to as HSC or University Health and Health Sciences and are included in the primary institution financial statement information.

The Hospital, BHO, and the component units have separately audited financial statements, which can be obtained at their separate administrative offices.

(B) *Basis of Accounting*

For financial reporting purposes, the University is considered a special-purpose government engaged in business-type activities. The financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when incurred. All significant intra-entity transactions have been eliminated.

(C) *Significant Accounting Policies*

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

Cash and cash equivalents: Cash and cash equivalents consist of all highly liquid investments with original maturities of three months or less.

Accounts receivable: The University records student accounts receivable at the time a student registers for classes. Provisions for uncollectible student accounts are recorded to maintain an adequate allowance for probable losses.

Patient receivables: The Hospital, BHO, and UNMMG receive payments for services rendered to patients under payment arrangements with payors, which include (i) Medicare and Medicaid, (ii) other third-party payors including commercial carriers and health maintenance organizations, and (iii) others. The other payor category includes United States Public Health Service, self-pay, counties, and other government agencies. Progressive percentages are reserved beginning at 90 days for all payors, ramping up to 100% fully reserved at 210 days. Self-pay receivables are fully reserved after 30 days when they are referred to internal collections, and they are charged off when they are deemed uncollectible and are turned over to a collection agency. The following summarizes the percentage of gross patient receivables from all payors as of June 30:

	<u>2024</u>	<u>2023</u>
Medicare and Medicaid	55%	58%
Other third-party payors	33%	30%
Others	12%	12%
	<u>100%</u>	<u>100%</u>

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Investments: The University measures and records its investments at fair value. GASB Statement 72 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In the case of pooled funds or mutual funds, the fair value is determined as the number of units held in the fund multiplied by the price per unit share as publicly quoted. Within the Consolidated Investment Fund ("CIF"), the alternative investments are valued as reported by the general partners and fund managers. Management reviews and evaluates the valuation received from third parties and believes the carrying amount to be a reasonable estimate of fair value. As limited partnerships investments are not readily marketable, their estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for such investments existed. The income from the University's interest in the Land Grant Permanent Fund (note 21), which interests are managed by the New Mexico State Investment Council, is distributed monthly to the University. Additional information about investments and their fair value is provided in note 3.

The endowment spending policy provides that the total annual distribution of spendable income to each unit of the CIF, a unitized investment pool, shall not exceed 6% nor be less than 4% of the average market value of a unit of the CIF. The average market value of a unit will be based on the average unit values of the CIF for the preceding 20 quarters. The target annual distribution rate shall be 5% of the average unit market value. If, in any given 20-quarter rolling period, total return is less than target annual distribution, actual distribution shall not be less than 4% of the average unit market value for such 20-quarter rolling period. If in any 20-quarter rolling period the distribution exceeds 5% of the current market value, the CIF Investment Committee will determine the actual distribution.

Assets held by others, which are neither in the possession of nor under the control of the University, are not reflected in the accompanying basic financial statements. The most significant example is assets held by the Sandia Foundation from which UNM is entitled to 45% of the income but has no title to the assets themselves. However, income earned on such assets upon which the University has claim is recorded in the accompanying basic financial statements.

Inventories: Inventories are recorded at the lower of cost or market. Cost is determined using the first-in, first-out method, except the replacement cost method is used for pharmacy and operating room inventories. Inventory consists principally of medical, surgical and maintenance supplies, and pharmaceuticals.

Capital assets: Capital assets are recorded at original cost, or fair value if donated. Per Section 12-6-10 NMSA 1978, the University's capitalization policy for movable equipment includes all items with a unit cost of \$5,000 or more, and an estimated useful life of greater than one year. The University includes software purchased with a piece of equipment in the cost of capitalization. This total cost is depreciated over the useful life of the equipment. In compliance with New Mexico Administrative Code, Title 2 Public Finance, Chapter 20 Accounting by Governmental Entities, Part 1 Accounting and Control of Fixed Assets of State Government, Section 9, software purchased for internal use is capitalized and depreciated. Renovations to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, generally 50 years for buildings, 20 years for land improvements and infrastructure, 5 years for library books, and a range of 3 to 15 years for equipment. Loaned equipment from private and federal sources is not owned by the University and is not an asset. This equipment is monitored by the University and totals \$650,878 and \$729,990 at June 30, 2024 and 2023, respectively.

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As an institute of higher education in existence for over 100 years, the University has acquired significant collections of art, rare books, historical treasures, and other special collections. The purpose of these collections is for public exhibition, education, or research in furtherance of public service rather than financial gain. They are protected and preserved, and subject to the Regents' policies regarding accessioning and deaccessioning. However, because of their invaluable and irreplaceable nature, this \$6.0 million of art and special collections is not recorded as capital assets but is reported as other noncurrent assets in the statements of net position.

Bonds Payable: Bonds payable are special obligations of the Regents of the University and do not constitute a debt or liability of the State of New Mexico or any political subdivision thereof. Each bond is secured, as described in the applicable trust indentures, by certain pledged revenues, representing certain revenues of the Regents after the payment of certain operating and maintenance expenses and pre-existing debt service obligations. The issuance of the bonds does not directly, indirectly, or contingently obligate the state or any political subdivision to levy any form of taxation or to make any appropriation for their payment. The Regents do not have taxing power.

The University issues fixed and variable rate bonds. The rate on the fixed rate bonds is set at bond closing. The variable rate bonds bear interest at a weekly rate until maturity or earlier redemption. For bonds that pay weekly rates, the remarketing agent for each bond issue establishes the weekly rate according to each indenture's remarketing agreement. The weekly rates are communicated to the various bond trustees for preparation of debt service payments. The weekly rate, as set by the remarketing agent, allows the bonds to trade in the secondary market at a price equal to 100% of the principal amount outstanding, with each rate not exceeding maximum rates permitted by law.

Variable rate bonds have an assumed Standby Purchase Agreement (SBPA), which states that the issuer of the SBPA will purchase the bonds in the event the remarketing agent is unsuccessful in marketing the bonds. In this event, the interest rate paid by the University will be calculated using a defined rate from the SBPA. If the bonds remain unsold for a period of time, designated in the SBPA, they are deemed to be "bank bonds" and the University will be required to repurchase the bonds from the SBPA issuer.

Derivatives: The University follows GASB Statement 53, *Accounting and Financial Reporting for Derivative Instruments*. Derivatives are financial arrangements used to manage or hedge specific risks or to make investments. Changes in fair value for those derivative instruments that meet the criteria for hedging instruments under GASB Statement 53 are reported as deferred inflows and outflows of resources. Changes in fair value of investment derivative instruments, which are ineffective hedging instruments, are reported as a component of investment income.

The University has entered into interest rate swap agreements with rated swap counter parties in order to utilize synthetic fixed rate structures in order to generate cash flow savings and to hedge against interest rate risk. By entering into a swap agreement, the University hedges its interest rate exposure on the associated variable rate bonds. With the exception of two swaps that are considered investments, the swaps are considered hedging derivatives. Additional information about the swap agreements is provided in note 13.

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 Plan (ERP) and additions to/deductions from ERP's fiduciary

net position have been determined on the same basis as they are reported by ERP. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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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 expense, information about the fiduciary net position of the VEBA Trust and additions to/deductions from the VEBA Trust's fiduciary net position have been determined on the same basis as they are reported by the VEBA Trust. For this purpose, the VEBA Trust recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Annual leave plan: Employees are allowed to accumulate 252 hours of annual leave. Upon separation from employment for reasons other than retirement, death, or involuntary separation, employees are paid for unused accrued annual leave, not to exceed 168 hours. Upon separation of employment for reasons of retirement, death, or involuntary separation, employees (or their estates in case of death) are paid for unused accrued annual leave, not to exceed 252 hours.

Sick leave plan: Prior to 1984, the University's sick leave plan placed no limitation on the number of hours an employee could accumulate. When the plan was revised, the existing accumulation of hours was placed into separate pools and employees may be paid 28.5% of the value of those hours upon retirement or death, not to exceed 1,040 hours. Also under the revised plan, employees hired prior to August 1, 2017 are entitled to receive cash payments, at a rate equal to 50% of the employee's hourly wage, for accumulated unused sick leave exceeding 600 hours for full-time employees, 450 hours for employees with a FTE between 0.75 and full-time, and 300 hours for employees with a FTE between 0.5 and 0.75, up to 120 hours per fiscal year. Upon retirement or death, employees are paid, at a rate equal to 50% of the employee's hourly wage, for accumulated unused sick leave exceeding 600 hours for full-time employees, 450 hours for employees with a FTE between 0.75 and full-time, and 300 hours for employees with a FTE between 0.5 and 0.75, not to exceed 440 hours.

Net position: *Net investment in capital assets* represents the University's total investment in capital assets (including right-of-use assets), net of outstanding debt 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 net investment in capital assets. Unspent bond proceeds for the University were \$56,745,498 and \$61,295,622 at June 30, 2024 and 2023, respectively. The Hospital had no unspent bond proceeds at June 30, 2024 and 2023, respectively. Unamortized prepaid bond insurance for the University was \$290,062 and \$302,118 at June 30, 2024 and 2023, respectively.

Restricted net position represents those operating funds on which external restrictions have been imposed that limit the purposes for which such funds can be used. *Restricted expendable* net position is resources that the University is legally or contractually obligated to spend in accordance with imposed restrictions by third parties. *Restricted nonexpendable* net position consists of endowment and similar funds in which third parties have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and 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 the principal.

Unrestricted net position, which may contain multiple year contractual commitments, consists of those operating funds over which the governing board retains full control to use in achieving any of its authorized purposes.

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

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Revenues: Revenues are classified as operating or nonoperating according to the following criteria:

Operating revenues include activities that have the characteristics of an exchange transaction, such as a) student tuition and fees, net of scholarship discounts and allowances, b) patient services, c) sales and services, and d) contracts and grants.

Student tuition and fee revenues and auxiliary enterprise revenues from students are reported net of scholarship allowances in the statements of revenues, expenses, and changes in net position. Scholarship allowances is calculated using the Alternative Method and takes financial aid recognized as revenue and non-monetary institutional waivers minus the amount of refunds that are applied as student aid expense. To the extent that revenues from such programs are used to satisfy tuition and fees, other student charges, and auxiliary enterprises charges, the University has recorded a scholarship allowance.

Net patient service revenues are recorded at the estimated net realizable amount due from patients, third-party payors, and others for services rendered, and a provision for doubtful accounts. Retroactive adjustments under reimbursement agreements with third-party payors are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Contractual adjustments resulting from agreements with various organizations to provide services for amounts that differ from billed charges, including services under Medicare, Medicaid, and certain managed care programs, are recorded as deductions from patient revenues. Accounts, when determined to be uncollectible, are charged against the allowance for doubtful accounts.

The clinical operations provide care to patients who meet certain criteria under its charity care policy without expectation of payment or at amounts less than established rates. The clinical operations do not pursue collection of amounts determined to qualify as charity care with the exception of copayments. Charity care is treated as a deduction from gross revenue.

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

Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as a) appropriations, b) gifts, c) investment income, and d) mill levy. These revenue streams are recognized under GASB Statement 33, *Accounting and Financial Reporting for Nonexchange Transactions*. Appropriations are recognized in the year they are appropriated, regardless of when actually received. Gifts are recognized when all applicable eligibility requirements have been met. Investment income is recognized in the period when it is earned. The mill levy is recognized in the period it is collected by the County.

Unexpended state appropriations do not revert to the State of New Mexico at the end of the fiscal year and are available to the University in subsequent years according to House Bill 2, Appropriations Act, Section J, found on Page 186.

Unearned revenue consists primarily of advances from contracts and grants, prepayments of tuition and fees for the summer semester, and prepayments of tickets to public and athletic events.

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

Operating expenses include activities that have the characteristics of an exchange transaction, such as a) employee salaries, benefits, and related expense, b) scholarships and fellowships, net of scholarship

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discounts and allowances, c) utilities, supplies, and other services, d) professional fees, and e) depreciation expenses related to university property, plant, and equipment.

Nonoperating expenses include interest on capital asset-related debt and bond expenses that are defined as nonoperating expenses by GASB Statement 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.

(D) *Income Taxes*

As an instrumentality of the State of New Mexico, the income generated by the University in the exercise of its essential governmental functions is excluded from federal income tax under IRC Section 115. However, income generated from activities unrelated to the exempt purpose of the University would be subject to tax under IRC Section 511(a)(2)(B).

As part of a state institution of higher education, the income of the Hospital and BHO is generally excluded from federal and state income taxes under IRC Section 115. However, income generated from activities unrelated to these entities' exempt purpose is subject to income taxes under IRC Section 511(a)(2)(B).

UNM Rainforest Innovations, Lobo Development Corporation, Lobo Energy, Inc., and UNM Medical Group, Inc., are exempt from federal income tax on income related to their exempt purposes under Section 501(a) of the IRC as organizations described in Section 501(c)(3) of the IRC. The University of New Mexico Retiree Welfare Benefit Trust is exempt from federal income tax under Section 501(c)(9) of the IRC.

(E) *Joint Powers Agreements*

- (1) The Regents of The University of New Mexico and the Board of County Commissioners of the County of Bernalillo entered into a lease agreement for operation and lease of county healthcare facilities, effective July 1, 1999, amended June 2004 and terminating June 20, 2040. The purpose of the agreement is to operate and maintain UNM Hospital and UNM Behavioral Health Operations in accordance with the provisions of the Hospital Funding Act for the term of the agreement. The agreement continues in force until rescinded or terminated by either party. UNM acts as fiscal agent, reporting revenues and expenses, and accepting audit responsibility. There is no specific amount estimated since the agreement describes an ongoing relationship.
- (2) The University has entered into Joint Powers Agreements with fifty-two (52) Municipal School Districts (the Districts) throughout the State of New Mexico. The University and the Districts have formed an organization for promoting their mutual educational purposes known as the New Mexico Research and Study Council (Council). The purpose of this agreement is to create a mechanism by which the Districts can jointly and cooperatively undertake any activities in their function of providing public educational services. The University has entered into this agreement in order to facilitate such joint activities. This agreement remains in force until terminated. The Council may be terminated by a two-thirds vote of all current parties. UNM acts as fiscal agent, reporting revenues and expenses, and accepting audit responsibility. There is no specific amount estimated since the agreement describes an ongoing relationship.

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- (3) The Regents of the University of New Mexico, the Regents of New Mexico State University, and the Regents of the New Mexico Institute of Mining and Technology entered into an agreement to form the New Mexico University Research Consortium (NMURC) effective May 4, 2006. The purpose of the Research Consortium is to promote statewide cooperation in attracting research resources to New Mexico, managing them for the state's higher education research facilities, other New Mexico research facilities and for the benefit of New Mexico economic development. The agreement continues in force indefinitely. Any party may choose to withdraw with 60 days' written notice. At such time, the remaining parties have 45 days to agree to maintain the NMURC or the Joint Powers Agreement will terminate on the date of withdrawal. Each party shall bear its own cost for participating in the NMURC and may elect to make contributions from its funds to or to make payments on behalf of the NMURC. The agreement does not create any obligation for the parties to transfer any funds to the NMURC. The parties shall ensure that all receipts and disbursements of the NMURC are subject to annual audit, either as part of the annual audit of one of the parties, or independently. There is no specific amount estimated since the agreement describes an ongoing relationship.
- (4) The University of New Mexico Natural Heritage Program (NHP) and the New Mexico Energy, Minerals and Natural Resources Department (EMNRD) entered into a Joint Powers Agreement effective August 8, 2005, amended on April 28, 2008 and December 20, 2010. EMNRD's Rare and Endangered Plant Program often receives federal grants to develop projects that require botanical field research, greenhouse studies, and data management. NHP, as a branch of the UNM-Southwest Museum of Biology, maintains the only comprehensive database for New Mexico rare and endangered plant species and is capable of providing professional field and research assistance, greenhouse access, and data management. The purpose of the agreement is for administrative efficiency so that the projects can be carried out through a single program. The agreement continues indefinitely unless earlier terminated by one or both parties. The University of New Mexico Natural Heritage Program acts as fiscal agent, reporting revenues and expenses, and accepting audit responsibility. There is no specific amount estimated since the agreement describes an ongoing relationship.
- (5) The Regents of the University of New Mexico and the Board of Education of Albuquerque Public Schools, District No. 12 entered into a Joint Powers Agreement concerning the ownership and operation of an educational television facility known as KNME-TV with an effective date of September 16, 1968, amended April 1978. The purpose of the agreement is to make a useful and beneficial educational facility available to both parties over an extended period. The agreement continues for an indefinite term and may be terminated upon a) mutual agreement of the parties, b) continued inability of one party to perform its obligations, or c) inadequacy of the facility to fulfill the educational television needs of both parties accompanied by the expressed desire of either party to terminate. UNM acts as fiscal agent, reporting revenues and expenses, and accepting audit responsibility. There is no specific amount estimated since the agreement describes an ongoing relationship.

(F) *Impact of Recently Issued Accounting Standards*

- (1) GASB Statement 100 – *Accounting Changes and Error Corrections*. This statement was adopted during the fiscal year. This statement clarifies the requirements for reporting accounting changes and error corrections, ensuring more reliable and consistent information for decision-making and accountability purposes. The statement defines accounting changes as changes in accounting principles or changes within the financial reporting entity. After evaluation, the University has determined that the adoption of GASB 100 had no impact on its financial statements for the current fiscal year.

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- (2) GASB Statement 101 – *Compensated Absences*. This statement is to help the needs of the financial statement stakeholders by updating the recognition and measurement for compensated absences. This statement will require entities that record liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but has yet to be paid in cash or settled through noncash methods. This requires a liability to be recorded for leave that has not been used if the leave is attributable to services already rendered, leave that accumulates, and leave is more than likely to be used for time off or paid in cash or noncash means. This statement goes into effect for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The University is currently evaluating the impact GASB 101 will have on its financial statements.
- (3) GASB Statement 102 – *Certain Risk Disclosures*. This statement aims to enhance financial reporting by delivering critical information to users that is often not disclosed because it has not been explicitly required. The required disclosures provide timely insights into significant concentrations or constraints, as well as related events that may expose the government to substantial impacts. This improved transparency allows users to better understand and anticipate potential risks to the government's financial health. The statement goes into effect for fiscal years beginning after June 15, 2024 and all reporting periods thereafter. The university is current evaluating the impact GASB 102 will have on its financial statements.

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(3) Cash, Cash Equivalents, and Investments

(A) Cash and Cash Equivalents

The primary institution's cash accounts are held in demand and time deposits at various financial institutions and had carrying amounts totaling \$659,708,926 and \$444,226,051 at June 30, 2024 and 2023, respectively. New Mexico statutes require financial institutions to pledge qualifying collateral to the primary institution to cover at least 50% of uninsured deposits. All collateral is held by third parties in safekeeping. The primary institution is at risk to the extent that its funds are uninsured or uncollateralized. At June 30, 2024 and 2023, these funds were collateralized by government agency securities held in the primary institution's name, or a letter of credit (LOC) issued by the Federal Reserve. At June 30, 2024 and 2023, the total primary institution's deposits were fully insured and/or collateralized.

During FY24, the primary institution used an overnight interest-bearing cash sweep account to invest excess checking balances. At June 30, 2024, this cash equivalent had a carrying value of \$176,465,687 and is 100% Federal Deposit Insurance Corporation (FDIC) insured. Therefore, it is not subject to custodial credit risk.

A summary of cash and cash equivalents at June 30, 2024 and 2023 is as follows:

	2024	2023
Demand and time deposits	\$ 664,362,356	\$ 448,998,834
Money markets	410,133	645,537
VEBA Trust	617,238	316,820
Other (includes petty cash and component units' cash held by UNM)	(5,680,801)	(5,735,140)
	<u>\$ 659,708,926</u>	<u>\$ 444,226,051</u>

The discretely presented component units' cash accounts held in demand and time deposits at various institutions had carrying amounts totaling \$22,287,151 and \$19,661,556 at June 30, 2024 and 2023, respectively. Certain amounts are invested in overnight sweep accounts and are collateralized at various levels of the invested balance. At June 30, 2024 and 2023, these funds were collateralized by government-backed securities held in the component unit's name. At June 30, 2024 and June 30, 2023, the total discretely presented component units' public deposits were fully insured and/or collateralized.

(B) Investments

University investments are grouped into three major categories for financial reporting purposes: Temporary investments, the CIF, and other long-term investments. Temporary investments are primarily funds available for current operations. Under the University's investment policies, temporary investment funds may be invested in the following instruments:

- Money market funds
- Certificates of deposit (fully insured by the FDIC)
- Commercial paper
- Bankers' acceptances

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- U.S. government agencies
- Corporate bonds (minimum BBB-/Baa3 rating or better) per issue
- Industrial Floaters
- U.S. treasuries
- Municipal bonds-both taxable and tax exempt (minimum A/A2 rating or better) per issue
- Global fixed income securities: non-dollar denominated securities.
- Securitized Bonds (ABS, MBS, CLO)
- Mortgage backed debt and pass through securities and obligations (minimum AA-/Aa3 rating or better) per obligation
- Private placement (144A's)

Temporary investments also include unspent bond proceeds that are dedicated to various facilities construction projects on campus. Bond proceeds may be invested in all of the securities allowed for temporary funds, as well as Repurchase Agreements and Guaranteed Investment Contracts (GICs). Such construction projects are reported as capital assets in the accompanying statements of net position (note 6). The bond obligations are reported as bonds payable in the accompanying statements of net position (notes 12 and 13).

Long-term investments primarily consist of debt service, debt service reserve, and plant renewal and replacement funds. Bond obligations are reported as bonds payable in the accompanying statements of net position (notes 12 and 13).

Endowment pools consist of unitized endowment investment pools for the benefit of the University. UNM's largest endowment pool is the Consolidated Investment Fund (CIF). The CIF is a unitized internal investment pool consisting of gifted endowment funds of the University and gifted endowment funds of the UNM Foundation. The CIF operates with a long-term investment goal of preserving and maintaining the real purchasing power of the principal while allowing for an annual distribution. The investment of the CIF endowment funds is in accordance with the laws of 1991, chapter 69 of the State of New Mexico. The investment of UNM and the UNM Foundation endowment funds is in accordance with Sections 6-8-10 and 46-9-12, NMSA 1978.

In accordance with UNM and the Foundation's Memorandum of Understanding, the endowment assets of UNM and the UNM Foundation are consolidated for investment purposes, whenever possible, in the CIF. Under the terms of the agreement, the Foundation provides management oversight for the entirety of the endowment pools owned by the Foundation and the University. The Foundation's Investment Committee works with an institutional investment consultant to structure the portfolio and hire independent investment managers. The investment managers are then responsible for specific asset categories and management styles.

Investments in the endowment pools owned by the Foundation and the University are diversified with the intention of minimizing the risk of investment losses. Consequently, the target portfolio allocations are 33% domestic equity, 22% international equity, 22% private investments, 12% fixed income, 5% marketable alternative investment, 5% real assets and 1% cash.

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The fair value of the endowment pools owned by the University and the Foundation for years ended June 30, 2024 and 2023 are shown on the following tables in the “Endowment Pools” column. The University’s endowments are shown in the Primary Institution tables and the Foundation’s endowments are shown on the discretely presented component unit tables.

Total primary institution investments by type at June 30, 2024 and 2023 are as follows:

	Short Term Investments	Endowment Pools	Other Noncurrent Investments	VEBA Trust	Fair Value
Primary Institution 2024					
Money Market	5,922,647	8,243,512	35,433,100	1,001,905	50,601,164
Flexible Repurchase Agreements	56,037,113	-	-	-	56,037,113
Commercial Paper	-	-	2,473,622	-	2,473,622
U S Treasury Securities	169,671,670	-	24,299,117	-	193,970,787
U S Government Agencies	-	-	4,572,546	-	4,572,546
Corporate Bonds/Notes	132,041,806	-	12,393,400	-	144,435,206
Municipal Bonds	4,259,776	-	335,561	-	4,595,337
Mutual Funds — Fixed	-	41,543,255	-	17,423,485	58,966,740
Mutual Funds — Equity	1,022,218	199,535,427	-	53,811,940	254,369,585
Exchange-Traded Funds	3,782,886	-	-	-	3,782,886
Foreign Issues	43,634,067	-	-	-	43,634,067
Equity	10,047,847	-	33,056,364	-	43,104,211
Alternative Investments	-	15,670,482	-	-	15,670,482
Private investment funds	-	60,813,904	-	-	60,813,904
Illiquid real assets funds	-	6,440,756	-	-	6,440,756
Real estate funds	-	5,215,729	-	-	5,215,729
Total Investments	426,420,030	337,463,065	112,563,710	72,237,330	948,684,135

	Short Term Investments	Endowment Pools	Other Noncurrent Investments	VEBA Trust	Fair Value
Primary Institution 2023					
Cash	228,537	-	-	-	228,537
Money Market	6,066,514	10,750,002	18,552,474	2,513,033	37,882,023
Flexible Repurchase Agreements	56,000,000	-	-	-	56,000,000
Certificate of Deposit	-	-	3,745,551	-	3,745,551
Commercial Paper	-	-	2,471,869	-	2,471,869
U S Treasury Securities	201,822,607	-	33,423,913	-	235,246,520
U S Government Agencies	19,087	-	4,312,499	-	4,331,586
Corporate Bonds/Notes	118,484,291	-	12,936,195	-	131,420,486
Municipal Bonds	4,108,324	-	320,703	-	4,429,027
Mutual Funds — Fixed	1,550,952	26,103,869	-	19,052,704	46,707,525
Mutual Funds — Equity	551,617	178,660,155	-	39,530,842	218,742,614
Exchange-Traded Funds	3,675,311	-	-	-	3,675,311
Foreign Issues	50,433,803	-	-	-	50,433,803
Equity	8,598,772	-	37,034,047	-	45,632,819
Alternative Investments	-	13,875,574	-	-	13,875,574
Private investment funds	-	59,748,206	-	-	59,748,206
Illiquid real assets funds	-	6,349,887	-	-	6,349,887
Real estate funds	-	5,257,821	-	-	5,257,821
Total Investments	451,539,815	300,745,514	112,797,251	61,096,579	926,179,159

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Total discretely presented component unit investments by type at June 30, 2024 and 2023 are as follows:

<i>Discretely Presented Component Units 2024</i>	Short Term Investments	Endowment Pools	Other Noncurrent Investments	Fair Value
Money Market	\$ -	\$ 11,600,515	\$ -	\$ 11,600,515
U.S. Government Obligations	442,644	-	-	442,644
Mortgage/Asset-Backed Bonds	971,810	-	-	971,810
Corporate Bonds/Notes	548,001	-	-	548,001
Mutual Funds — Fixed	1,473,360	57,758,889	2,664,837	61,897,086
Mutual Funds — Equity	792,965	280,217,221	449,907	281,460,093
Equity	5,531,910	-	230,426	5,762,336
Alternative Investments	1,409,695	21,996,364	-	23,406,059
Private Investment Funds	-	84,255,521	-	84,255,521
Illiquid Real Assets Funds	-	9,555,754	-	9,555,754
Real Estate Funds	-	7,395,456	-	7,395,456
Life Insurance Contracts	-	-	495,278	495,278
Total Investments	\$ 11,170,385	\$ 472,779,720	\$ 3,840,448	\$ 487,790,553

<i>Discretely Presented Component Units 2023</i>	Short Term Investments	Endowment Pools	Other Noncurrent Investments	Fair Value
Money Market	\$ -	\$ 14,840,589	\$ -	\$ 14,840,589
U.S. Government Obligations	320,182	-	-	320,182
Mortgage/Asset-Backed Bonds	779,699	-	-	779,699
Corporate Bonds/Notes	453,668	-	-	453,668
Mutual Funds — Equity	3,329,824	245,381,655	353,940	249,065,419
Equity	3,902,631	-	155,055	4,057,686
Alternative Investments	1,281,047	19,057,474	-	20,338,521
Private Investment Funds	-	82,061,463	-	82,061,463
Illiquid Real Assets Funds	-	8,721,284	-	8,721,284
Real Estate Funds	-	7,221,379	-	7,221,379
Life Insurance Contracts	-	-	502,639	502,639
Total Investments	\$ 10,067,051	\$ 413,136,329	\$ 3,568,312	\$ 426,771,692

Additional Risk Disclosures for Investments – GASB Statements 3 and 40 require certain additional disclosures related to the risks of custodial credit, interest rates, credit, foreign currency, and concentration of credit associated with deposits and investments.

Custodial Credit Risk — Custodial credit risk is the risk that, in the event of the failure of the counterparty, the University will not be able to recover the value of its investment or collateral securities that are in possession of an outside party. Mutual funds and external investment pools are not exposed to custodial credit risk. The University does not have a policy concerning custodial credit risk on investments.

During Fiscal Years 2024 and 2023, the Primary Institution invested bond proceeds to be used for future capital projects in a flexible repurchase agreement with a financial institution. This investment had a carrying amount of \$56,037,113 and \$56,000,000 at June 30, 2024 and 2023, respectively. The

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NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

flexible repurchase agreement is subject to custodial credit risk. At June 30, 2024 and 2023, the discretely presented component units had exposure to custodial credit risk in the amounts of \$8,904,060 and \$6,892,282, respectively.

Interest Rate Risk — Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments with interest rates that are fixed for longer periods are likely to be subject to more variability in their fair values as a result of future changes in interest rates. The University does have policies to mitigate exposure to interest rate risk by prohibiting certain high-risk investments and investment practices and by establishing duration and maturity guidelines for investments. Fixed income mutual funds are classified in the following tables by the fund's weighted average maturity. A summary of the investments at June 30, 2024 and 2023 and their exposure to interest rate risk are as follows:

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NOTES TO THE BASIC FINANCIAL STATEMENTS June 30, 2024 and 2023

Primary Institution 2024	Fair Value	Investment Maturities			
		Less than 1 Year	1—5 Years	6—10 Years	Greater than 10 Years
Fixed income securities subject to interest rate risk:					
Commercial Paper	\$ 2,473,622	\$ 2,473,622	\$ -	\$ -	\$ -
U S Treasury Securities	193,970,787	42,200,695	147,964,567	3,805,525	-
U S Government Agencies	4,572,546	4,572,546	-	-	-
Corporate Bonds/Notes	144,435,206	19,973,153	102,829,736	16,935,421	4,696,896
Municipal Bonds	4,595,337	335,561	4,259,776	-	-
Foreign Issues	43,634,067	12,413,574	30,192,745	1,027,748	-
Mutual Funds — Fixed	58,966,740	3,725,727	37,817,528	17,423,485	-
	\$ 452,648,305	\$ 85,694,878	\$ 323,064,352	\$ 39,192,179	\$ 4,696,896

Items not subject to interest rate risk:

Money Market	50,601,164
Flexible Repurchase Agreements	56,037,113
Mutual Funds — Equity	254,369,585
Exchange-Traded Funds	3,782,886
Equity	43,104,211
Alternative Investments	15,670,482
Private Investment Funds	60,813,904
Illiquid Real Assets Funds	6,440,756
Real Estate Funds	5,215,729
Total Investments	<u>948,684,135</u>

Primary Institution 2023	Fair Value	Investment Maturities			
		Less than 1 Year	1—5 Years	6—10 Years	Greater than 10 Years
Items subject to interest rate risk:					
Certificate of Deposit	\$ 3,745,551	\$ 3,745,551	\$ -	\$ -	\$ -
Commercial Paper	2,471,869	2,471,869	-	-	-
U S Treasury Securities	235,246,520	48,337,616	175,160,232	11,748,672	-
U S Government Agencies	4,331,586	4,312,499	19,087	-	-
Corporate Bonds/Notes	131,420,486	22,412,002	108,865,733	142,751	-
Municipal Bonds	4,429,027	-	4,429,027	-	-
Foreign Issues	50,433,803	4,436,658	45,997,145	-	-
Mutual Funds — Fixed	46,707,525	164,367	45,214,642	1,328,516	-
	<u>\$ 478,786,367</u>	<u>\$ 85,880,562</u>	<u>\$ 379,685,866</u>	<u>\$ 13,219,939</u>	<u>\$ -</u>

Items not subject to interest rate risk:

Cash	228,537
Money Market	37,882,023
Flexible Repurchase Agreements	56,000,000
Mutual Funds — Equity	218,742,614
Exchange-Traded Funds	3,675,311
Equity	45,632,819
Alternative Investments	13,875,574
Private Investment Funds	59,748,206
Illiquid Real Assets Funds	6,349,887
Real Estate Funds	5,257,821
Total Investments	<u>926,179,159</u>

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<i>Discretely Presented Component Units</i> 2024		Investment Maturities			
		Less than 1 Year	1—5 Years	6—10 Years	Greater than 10 Years
Items subject to interest rate risk:					
U.S. Government Obligations	\$ 442,644	\$ -	\$ 48,958	\$ 75,633	\$ 318,053
Corporate Bonds/Notes	548,001	-	279,417	247,782	20,802
Mortgage/Asset-Backed Bonds	971,810	-	-	-	971,810
Mutual Funds — Fixed	61,897,086	7,789,487	53,414,850	692,749	-
	<u>\$ 63,859,541</u>	<u>\$ 7,789,487</u>	<u>\$ 53,743,225</u>	<u>\$ 1,016,164</u>	<u>\$ 1,310,665</u>
Items not subject to interest rate risk:					
Money Market	\$ 11,600,515				
Mutual Funds — Equity	281,460,093				
Equity	5,762,336				
Alternative Investments	23,406,059				
Private Investment Funds	84,255,521				
Illiquid Real Assets Funds	9,555,754				
Real Estate Funds	7,395,456				
Life Insurance Contracts	495,278				
Total Investments	<u>\$ 487,790,553</u>				

Discretely Presented Component Units 2023	Fair Value	Investment Maturities			
		Less than 1 Year	1—5 Years	6—10 Years	Greater than 10 Years
Items subject to interest rate risk:					
U.S. Government Obligations	\$ 320,182	\$ -	\$ 320,182	\$ -	\$ -
Corporate Bonds/Notes	453,668	-	453,668	-	-
Mortgage/Asset-Backed Bonds	779,699	-	779,699	-	-
Mutual Funds — Fixed	38,409,163	225,750	38,183,413	-	-
	<u>\$ 39,962,712</u>	<u>\$ 225,750</u>	<u>\$ 39,736,962</u>	<u>\$ -</u>	<u>\$ -</u>
Items not subject to interest rate risk:					
Money Market	\$ 14,840,589				
Mutual Funds — Equity	249,065,419				
Equity	4,057,686				
Alternative Investments	20,338,521				
Private Investment Funds	82,061,463				
Illiquid Real Assets Funds	8,721,284				
Real Estate Funds	7,221,379				
Life Insurance Contracts	502,639				
Total Investments	<u>\$ 426,771,692</u>				

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Credit Risk — Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit quality information, as commonly expressed in terms of the credit ratings issued by nationally recognized statistical rating organizations such as Moody's Investors Service, Standard & Poor's, or Fitch Ratings, provides a current depiction of potential variable cash flows and credit risk. The University does have a policy to limit its exposure to credit risk that states that operating investments should have an average credit quality of A1/A+ or better and security ratings of investment grade. A summary of the investments at June 30, 2024 and 2023 and their exposure to credit risk are as follows:

Primary Institution 2024

Fixed income securities subject to credit risk:

Credit Rating	Commercial Paper	U S Government Agencies	Corporate Bonds/Notes	Municipal Bonds	Mutual Funds — Fixed	Foreign Issues	Fair Value
Moody's — Aaa	\$ -	\$ -	\$ 13,605,635	\$ -	\$ -	\$ 5,345,089	\$ 18,950,724
Moody's — Aa1	-	-	1,007,100	-	-	-	1,007,100
Moody's — Aa2	-	-	7,652,976	-	-	5,927,768	13,580,744
Moody's — Aa3	-	-	3,755,583	3,338,856	-	-	7,094,439
Moody's — A1	-	-	28,123,787	920,920	-	11,527,890	40,572,597
Moody's — A2	-	-	14,584,631	-	-	6,043,188	20,627,819
Moody's — A3	-	-	15,855,108	-	-	3,023,941	18,879,049
Moody's — Baa1	-	-	15,078,289	-	-	4,466,726	19,545,015
Moody's — Baa2	-	-	15,383,045	-	-	7,299,465	22,682,510
Moody's — Baa3	-	-	4,330,894	-	-	-	4,330,894
Moody's — Ba1	-	-	1,008,762	-	-	-	1,008,762
S&P — AAA	-	-	47,180	-	-	-	47,180
S&P — AA	-	-	542,322	-	31,528,279	-	32,070,601
S&P — A	-	-	9,530,713	335,561	-	-	9,866,274
S&P — BBB	-	-	2,839,442	-	-	-	2,839,442
S&P — B	-	-	-	-	10,014,976	-	10,014,976
Not Rated	2,473,622	4,572,546	11,089,739	-	17,423,485	-	35,559,392
Total items subject to credit risk	2,473,622	4,572,546	144,435,206	4,595,337	58,966,740	43,634,067	258,677,518

Items not subject to credit risk:

Money Market	50,601,164
Flexible Repurchase Agreements	56,037,113
U S Treasury Securities	193,970,787
Mutual Funds — Equity	254,369,585
Exchange-Traded Funds	3,782,886
Equity	43,104,211
Alternative Investments	15,670,482
Private Investment Funds	60,813,904
Illiquid Real Assets Funds	6,440,756
Real Estate Funds	5,215,729
Total items not subject to credit risk	\$ 690,006,617
Total Investments	\$ 948,684,135

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June 30, 2024 and 2023

Primary Institution 2023

Items subject to credit risk:

Credit Rating	Commercial Paper	U S Government Agencies	Corporate Bonds/Notes	Municipal Bonds	Mutual Funds — Fixed	Foreign Issues	Fair Value
Moody's — Aaa	\$ -	\$ 4,312,499	\$ 4,281,164	\$ -	\$ -	\$ 5,139,961	\$ 13,733,624
Moody's — Aa2	-	-	4,477,092	-	-	1,178,795	5,655,887
Moody's — Aa3	-	-	2,550,594	3,215,104	-	2,291,213	8,056,911
Moody's — A1	-	-	30,031,559	893,220	-	15,284,170	46,208,949
Moody's — A2	-	-	19,508,547	-	-	8,927,410	28,435,957
Moody's — A3	-	-	23,840,468	-	-	6,324,284	30,164,752
Moody's — Baa1	-	-	19,129,451	-	-	7,343,660	26,473,111
Moody's — Baa2	-	-	12,309,722	-	-	3,944,310	16,254,032
Moody's — Baa3	-	-	585,786	-	-	-	585,786
S&P — AA	-	-	547,108	-	26,103,869	-	26,650,977
S&P — A	-	19,087	10,205,486	320,703	-	-	10,545,276
S&P — BBB	-	-	2,624,790	-	-	-	2,624,790
S&P — BBB+	-	-	1,275,758	-	-	-	1,275,758
S&P — B	-	-	25,414	-	-	-	25,414
Not Rated	2,471,869	-	27,547	-	20,603,656	-	23,103,072
Total items subject to credit risk	2,471,869	4,331,586	131,420,486	4,429,027	46,707,525	50,433,803	239,794,296

Items not subject to credit risk:

Cash	228,537
Money Market	37,882,023
Certificate of Deposit	3,745,551
Flexible Repurchase Agreements	56,000,000
U S Treasury Securities	235,246,520
Mutual Funds — Equity	218,742,614
Exchange-Traded Funds	3,675,311
Equity	45,632,819
Alternative Investments	13,875,574
Private Investment Funds	59,748,206
Illiquid Real Assets Funds	6,349,887
Real Estate Funds	5,257,821
Total items not subject to credit risk	\$ 686,384,863
Total Investments	\$ 926,179,159

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NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

Discretely Presented Component Units 2024

Items subject to credit risk:

Credit Rating	U.S. Government Obligations	Corporate Bonds/Notes	Mutual Funds — Fixed	Mortgage/Asset- Backed Bonds	Fair Value
S&P — AAA	\$ -	\$ -	\$ 2,479,964	\$ -	\$ 2,479,964
S&P — AA+	18,021	-	-	-	18,021
S&P — AA	-	26,709	43,834,755	-	43,861,464
S&P — A+	-	25,756	-	-	25,756
S&P — A-	-	205,595	-	-	205,595
S&P — BBB+	-	201,062	-	-	201,062
S&P — BBB	-	88,879	-	-	88,879
S&P — B	-	-	13,924,134	-	13,924,134
Not Rated	424,623	-	1,658,233	971,810	3,054,666
Total items subject to credit risk	\$ 442,644	\$ 548,001	\$ 61,897,086	\$ 971,810	\$ 63,859,541

Items not subject to credit risk:

Money Market	11,600,515
Mutual Funds — Equity	281,460,093
Equity	5,762,336
Alternative Investments	23,406,059
Private Investment Funds	84,255,521
Illiquid Real Assets Funds	9,555,754
Real Estate Funds	7,395,456
Life Insurance Contracts	495,278
Total items not subject to credit risk	\$ 423,931,012
Total Investments	\$ 487,790,553

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NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

Discretely Presented Component Units 2023

Items subject to credit risk:

Credit Rating	U.S. Government Obligations	Corporate Bonds/Notes	Mutual Funds — Fixed	Mortgage/Asset- Backed Bonds	Fair Value
S&P — AAA	\$ 286,657	\$ -	\$ 2,354,418	\$ 13,918	\$ 2,654,993
S&P — AA+	-	13,792	-	-	13,792
S&P — AA	-	21,360	35,852,485	-	35,873,845
S&P — AA-	-	-	-	-	-
S&P — A+	-	21,426	-	-	21,426
S&P — A	-	-	-	-	-
S&P — A-	-	129,865	-	-	129,865
S&P — BBB+	-	163,435	-	-	163,435
S&P — BBB	-	103,790	-	-	103,790
S&P — BBB-	-	-	-	-	-
S&P — BB+	-	-	-	-	-
S&P — B	-	-	-	-	-
Not Rated	33,525	-	202,260	765,781	1,001,566
Total items subject to credit risk	\$ 320,182	\$ 453,668	\$ 38,409,163	\$ 779,699	\$ 39,962,712

Items not subject to credit risk:

Money Market	14,840,589
Mutual Funds — Equity	249,065,419
Equity	4,057,686
Alternative Investments	20,338,521
Private Investment Funds	82,061,463
Illiquid Real Assets Funds	8,721,284
Real Estate Funds	7,221,379
Life Insurance Contracts	502,639
Total items not subject to credit risk	\$ 386,808,980
Total Investments	\$ 426,771,692

Foreign Currency Risk — Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. In order to mitigate foreign currency risk, University policy allows for currency forwards to be implemented as a hedge to the global fixed income portfolio when deemed appropriate. In addition, University policy states that the portfolio will not invest more than 5% of the total market value of its investments (measured at the time of purchase) in the debt obligations of any single fixed income issuer; however, securities issued and guaranteed by Organization for Economic Cooperation and Development (OECD) nations may be held without limitation. At June 30, 2024 and 2023, the University had no investments subject to foreign currency risk.

Concentration of Credit Risk — Concentration of credit risk is the risk of loss attributed to the magnitude of the University'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 concentrated credit risk and are required to be disclosed. Investments issued and explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement.

The University does have a policy to limit its exposure to concentrated credit risk; the policy states that investments shall be diversified with the intent to minimize the risk of large investment losses.

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NOTES TO THE BASIC FINANCIAL STATEMENTS June 30, 2024 and 2023

Investment Income — At June 30, 2024 and 2023, investment income consisted of the following:

	2024	2023
Primary Institution Investment Income		
<i>Investment Revenue</i>		
Investment income	\$ 29,841,314	\$ 20,902,130
Land Grant Permanent Fund distributions	15,814,684	16,353,261
<i>Realized Gains (Losses)</i>		
Endowments — Endowment Pools	9,270,113	13,204,056
Nonendowment investments	(1,412,517)	(11,226,006)
<i>Unrealized Gains (Losses)</i>		
Endowments — Endowment Pools	21,085,069	36,342,843
Nonendowment investments	12,121,932	(15,292,757)
Primary Institution Investment Income	\$ 86,720,594	\$ 60,283,527
Discretely Presented Component Units		
Investment Income	\$ 52,526,859	\$ 25,581,008

Fair Value Measurement – The University and its component units categorize fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- *Level 1* inputs are quoted prices (unadjusted) for identical assets in active markets, accessible at the measurement date. Level 1 inputs include exchange markets, dealer markets, brokered markets, and principal-to-principal markets.
- *Level 2* inputs are inputs other than quoted prices included within Level 1 that are observable for an asset, either directly or indirectly. Level 2 inputs include quoted prices for similar assets in active markets and quoted prices for identical or similar assets in markets that are not active.
- *Level 3* inputs are unobservable inputs for an asset.

Investments that do not have a readily determinable fair value are recorded using net asset value (NAV). NAV is generally provided by the investment managers but the University and its component units consider the reasonableness of the NAV, based on market information, to arrive at the fair value estimates for each investment.

The investments valued using NAV include the following strategies:

- Multi-strategy hedge funds
- Distressed/restructuring hedge funds
- Global macro hedge funds
- Technology hedge funds
- Private investment funds
- Illiquid real assets funds
- Real estate funds

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NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

A summary of fair value measurements at June 30, 2024 and 2023 is as follows:

<i>Primary Institution 2024</i>	Fair Value	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investments held by the Primary Institution:				
U S Treasury Securities	\$ 193,970,787	\$ 178,176,770	\$ 15,794,017	\$ -
U S Government Agencies	4,572,546	4,572,546	-	-
Corporate Bonds/Notes	144,435,206	2,117,823	142,317,383	-
Municipal Bonds	4,595,337	-	4,595,337	-
Mutual Funds — Fixed	58,966,740	58,966,740	-	-
Mutual Funds — Equity	254,369,585	218,842,234	35,527,351	-
Exchange-Traded Funds	3,782,886	3,782,886	-	-
Foreign Issues	43,634,067	-	43,634,067	-
Equity — Markatable	10,051,295	10,051,295	-	-
Equity — Non-markatable	33,052,916	-	-	33,052,916
Total	\$ 751,431,365	\$ 476,510,294	\$ 241,868,155	\$ 33,052,916

	Fair Value	Unfunded commitments	Redemption frequency (if currently eligible)	Redemption notice period
Investments measured at the NAV:				
Private Investment Funds	\$ 60,813,904	\$ 34,436,164	Not eligible	Not eligible
Illiquid Real Assets Funds	6,440,756	3,338,088	Not eligible	Not eligible
Real Estate Funds	5,215,729	2,382,092	Not eligible	Not eligible
Alternative Investments	15,670,482	-	Monthly/Quarterly/ Annually/Rolling 2 Years	3 to 90 days
Total	\$ 88,140,871	\$ 40,156,345		

Investments measured at amortized cost:	
Money Market	\$ 50,601,164
Flexible Repurchase Agreements	56,037,113
Commercial Paper	2,473,622
Total	\$ 109,111,899
Total Investments	\$ 948,684,135

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NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

<i>Primary Institution 2023</i>	Fair Value	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investments held by the Primary Institution:				
Certificate of Deposit	\$ 3,745,551	\$ -	\$ 3,745,551	\$ -
U S Treasury Securities	235,246,520	235,246,520	-	-
U S Government Agencies	4,331,586	4,331,586	-	-
Corporate Bonds/Notes	131,420,486	513,795	130,906,691	-
Municipal Bonds	4,429,027	-	4,429,027	-
Mutual Funds — Fixed	46,707,525	46,707,525	-	-
Mutual Funds — Equity	218,742,614	40,082,459	-	-
Exchange-Traded Funds	3,675,311	3,675,311	-	-
Foreign Issues	50,433,803	-	50,433,803	-
Equity — Markatable	8,602,220	8,602,220	-	-
Equity — Non-markatable	37,030,599	-	-	37,030,599
Total	\$ 744,365,242	\$ 339,159,416	\$ 189,515,072	\$ 37,030,599

	Fair Value	Unfunded commitments	Redemption frequency (if currently eligible)	Redemption notice period
Investments measured at the NAV:				
Private Investment Funds	\$ 59,748,206	\$ 25,362,986	Not eligible	Not eligible
Illiquid Real Assets Funds	6,349,887	6,770,664	Not eligible	Not eligible
Real Estate Funds	5,257,821	7,588,834	Not eligible	Not eligible
Alternative Investments	13,875,574	-	Monthly/Quarterly/ Annually/Rolling 2 Years	2 to 90 days
Total	\$ 85,231,488	\$ 39,722,484		

Investments measured at amortized cost:	
Money Market	\$ 37,882,023
Flexible Repurchase Agreements	56,000,000
Commercial Paper	2,471,869
Total	\$ 96,353,892

Other:	
Cash	\$ 228,537
Total Investments	\$ 926,179,159

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June 30, 2024 and 2023

<i>Discretely Presented Component Units 2024</i>		Quoted prices in active markets for identical assets (Level 1)		Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	Fair Value				
Beneficial interest in irrevocable split interest agreements	\$ 20,479,573	\$ -	\$ 20,479,573		\$ -
Investments held by the Component Units:					
U.S. Government Obligations	\$ 442,644	\$ 424,623	\$ 18,021	\$ -	
Corporate Bonds/Notes	548,001	-	548,001	-	
Mortgage/Asset-Backed Bonds	971,810	-	971,810	-	
Mutual Funds — Fixed	61,897,086	59,232,249	2,664,837	-	
Mutual Funds — Equity	281,460,093	232,019,466	49,440,627	-	
Equity — Marketable	5,762,336	5,762,336	-	-	
Life Insurance Contracts	495,278	-	495,278	-	
Total	\$ 351,577,248	\$ 297,438,674	\$ 54,138,574	\$ -	
	Fair Value	Unfunded commitments	Redemption frequency (if currently eligible)	Redemption notice period	
Investments measured at the NAV:					
Alternative Investments	\$ 23,406,059	\$ -	Monthly/Quarterly/ Annually/Rolling 2 Years	2 to 90 days	
Private Investment Funds	84,255,521	47,554,703	Not eligible	Not eligible	
Illiquid Real Assets Funds	9,555,754	4,609,741	Not eligible	Not eligible	
Real Estate Funds	7,395,456	3,289,556	Not eligible	Not eligible	
Total	\$ 124,612,790	\$ 55,454,000			
Investments measured at the amortized cost:					
Money Market	\$ 11,600,515				
Total	\$ 11,600,515				
Total Investments	\$ 487,790,553				

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June 30, 2024 and 2023

<i>Discretely Presented Component Units 2023</i>	Fair Value	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Beneficial interest in irrevocable split interest agreements	\$ 19,394,660	\$ -	\$ 19,394,660	\$ -
Investments held by the Component Units:				
U.S. Government Obligations	\$ 320,182	\$ 286,657	\$ 33,525	\$ -
Corporate Bonds/Notes	453,668	-	453,668	-
Mortgage/Asset-Backed Bonds	779,699	-	779,699	-
Mutual Funds — Fixed	38,409,163	35,852,485	2,556,678	-
Mutual Funds — Equity	249,065,419	190,698,478	58,366,941	-
Equity — Marketable	4,057,686	4,057,686	-	-
Life Insurance Contracts	502,639	-	502,639	-
Total	\$ 293,588,456	\$ 230,895,306	\$ 62,693,150	\$ -
	Fair Value	Unfunded commitments	Redemption frequency (if currently eligible)	Redemption notice period
Investments measured at the NAV:				
Alternative Investments	\$ 20,338,521	\$ -	Monthly/Quarterly/ Annually/Rolling 2 Years	2 to 90 days
Private Investment Funds	82,061,463	25,362,986	Not eligible	Not eligible
Illiquid Real Assets Funds	8,721,284	6,770,664	Not eligible	Not eligible
Real Estate Funds	7,221,379	7,588,834	Not eligible	Not eligible
Total	\$ 118,342,647	\$ 39,722,484		
Investments measured at the amortized cost:				
Money Market	\$ 14,840,589			
Total	\$ 14,840,589			
Total Investments	\$ 426,771,692			

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NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

(4) Accounts Receivable, Patient Receivables, and Other Receivables

Accounts receivable and patient receivables are shown net of allowances for doubtful accounts in the accompanying statements of net position. At June 30, 2024 and 2023, receivables consisted of the following:

	2024	2023
Accounts receivable, net		
Primary Institution:		
Contracts and grants	\$ 51,982,837	\$ 52,643,577
Tuition and fees	19,635,956	18,287,898
Auxiliaries	538,314	6,853,544
Sales and services	5,970,457	5,204,735
State of New Mexico bonds	17,282,709	13,336,354
HSC health services	7,465,660	7,265,183
Other	4,855,604	1,782,991
Total accounts receivable	<u>\$ 107,731,537</u>	<u>\$ 105,374,282</u>
Less: Allowance for doubtful accounts	<u>(36,449,491)</u>	<u>(32,268,600)</u>
Total accounts receivable, net	<u><u>\$ 71,282,046</u></u>	<u><u>\$ 73,105,682</u></u>
 Discretely Presented Component Units	 <u><u>\$ 1,940,766</u></u>	 <u><u>\$ 1,323,979</u></u>
 Patient receivables, net		
Primary Institution:		
Patient receivables	\$ 536,980,326	\$ 488,273,913
Less: Allowance for doubtful accounts and contractual adjustments	<u>(297,872,258)</u>	<u>(275,449,811)</u>
Total patient receivables, net	<u><u>\$ 239,108,068</u></u>	<u><u>\$ 212,824,102</u></u>
 Other receivables		
Primary Institution:		
Interest receivable	\$ 2,113,228	\$ 1,577,908
Bernalillo County mill levy	2,862,606	2,035,088
Other receivables	22,843,123	3,904,843
Total other receivables	<u><u>\$ 27,818,957</u></u>	<u><u>\$ 7,517,839</u></u>

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NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

(5) Notes Receivable

At June 30, 2024 and 2023, notes receivable consisted of the following:

	2024	2023
Primary Institution:		
Student loans, current	\$ 4,775,103	\$ 2,807,293
Student loans, noncurrent	1,831,938	1,923,913
Total notes receivable	<u>\$ 6,607,041</u>	<u>\$ 4,731,206</u>

Federal Perkins Loans make up approximately 4.3% and 15.0% of the student loans at June 30, 2024 and 2023, respectively. Under this program, the federal government provides funds for approximately 75% of the total contribution for student loans, with the University providing the remaining balance. Under certain conditions, such loans can be forgiven at annual rates of 10% to 30% of the original balance up to maximums of 50% to 100% of the original loan. The federal government reimburses the University 10% for the amounts canceled on loans originated prior to July 1, 1993 under the Federal Perkins Loan Program. Under federal law, the authority for schools to make new Perkins Loans ended September 30, 2017, and final disbursements were permitted through June 30, 2018. As a result, students can no longer receive Perkins Loans.

THE UNIVERSITY OF NEW MEXICO

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

(6) Capital Assets

	Year Ended June 30, 2024				Ending Balance
	Beginning Balance	Additions	Transfers	Retirements	
Primary Institution:					
Capital assets not being depreciated					
Land	\$ 70,049,342	\$ 1,955,008	\$ -	\$ -	\$ 72,004,350
Construction in progress	480,928,682	214,868,001	(88,506,056)	-	607,290,627
Fabricated equipment in progress	2,247,183	345,978	(543,380)	-	2,049,781
Total capital assets not being depreciated	<u>\$ 553,225,207</u>	<u>\$ 217,168,987</u>	<u>\$ (89,049,436)</u>	<u>\$ -</u>	<u>\$ 681,344,758</u>
Depreciable capital assets					
Land improvements	\$ 99,984,374	\$ 167,841	\$ 19,006,337	\$ -	\$ 119,158,552
Infrastructure	197,396,057	-	11,808,708	-	209,204,765
Buildings	1,827,608,930	62,893	43,794,687	(4,369,213)	1,867,097,297
Equipment and furnishings	819,420,930	46,838,715	14,439,704	(14,984,455)	865,714,894
Library books	215,240,041	5,906,014	-	-	221,146,055
Total depreciable capital assets	<u>\$ 3,159,650,332</u>	<u>\$ 52,975,463</u>	<u>\$ 89,049,436</u>	<u>\$ (19,353,668)</u>	<u>\$ 3,282,321,563</u>
Less: Accumulated depreciation for					
Land improvements	\$ (70,357,969)	\$ (4,491,150)	\$ -	\$ -	\$ (74,849,119)
Infrastructure	(155,057,819)	(5,690,697)	-	-	(160,748,516)
Buildings	(874,589,553)	(47,160,222)	-	828,030	(920,921,745)
Equipment and furnishings	(612,280,455)	(46,923,976)	-	15,016,735	(644,187,696)
Library books	(204,076,400)	(5,583,295)	-	-	(209,659,695)
Total accumulated depreciation	<u>\$ (1,916,362,196)</u>	<u>\$ (109,849,340)</u>	<u>\$ -</u>	<u>\$ 15,844,765</u>	<u>\$ (2,010,366,771)</u>
Total depreciable capital assets, net	<u>\$ 1,243,288,136</u>	<u>\$ (56,873,877)</u>	<u>\$ 89,049,436</u>	<u>\$ (3,508,903)</u>	<u>\$ 1,271,954,792</u>
Capital asset summary					
Capital assets not being depreciated	\$ 553,225,207	\$ 217,168,987	\$ (89,049,436)	\$ -	\$ 681,344,758
Depreciable capital assets at cost	3,159,650,332	52,975,463	89,049,436	(19,353,668)	3,282,321,563
Total cost of capital assets	\$ 3,712,875,539	\$ 270,144,450	\$ -	\$ (19,353,668)	\$ 3,963,666,321
Less: Accumulated depreciation	(1,916,362,196)	(109,849,340)	-	15,844,765	(2,010,366,771)
Capital assets, net	<u>\$ 1,796,513,343</u>	<u>\$ 160,295,110</u>	<u>\$ -</u>	<u>\$ (3,508,903)</u>	<u>\$ 1,953,299,550</u>
Discretely Presented Component Units:					
Capital assets, net	<u>\$ 134,462</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,586)</u>	<u>\$ 131,876</u>

THE UNIVERSITY OF NEW MEXICO

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

	Year Ended June 30, 2023				
	Beginning Balance	Additions	Transfers	Retirements	Ending Balance
Primary Institution:					
Capital assets not being depreciated					
Land	\$ 55,609,760	\$ 5,980,184	\$ 8,459,398	\$ -	\$ 70,049,342
Construction in progress	237,642,062	321,703,366	(78,416,746)	-	480,928,682
Fabricated equipment in progress	1,386,720	888,275	(27,812)	-	2,247,183
Total capital assets not being depreciated	<u>\$ 294,638,542</u>	<u>\$ 328,571,825</u>	<u>\$ (69,985,160)</u>	<u>\$ -</u>	<u>\$ 553,225,207</u>
Depreciable capital assets					
Land improvements	\$ 91,266,006	\$ 59,334	\$ 8,659,034	\$ -	\$ 99,984,374
Infrastructure	190,237,088	-	7,158,969	-	197,396,057
Buildings	1,793,646,596	3,833,948	30,653,992	(525,606)	1,827,608,930
Equipment and furnishings	778,352,748	37,461,114	23,513,165	(19,906,097)	819,420,930
Library books	209,473,978	5,766,063	-	-	215,240,041
Total depreciable capital assets	<u>\$ 3,062,976,416</u>	<u>\$ 47,120,459</u>	<u>\$ 69,985,160</u>	<u>\$ (20,431,703)</u>	<u>\$ 3,159,650,332</u>
Less: Accumulated depreciation for					
Land improvements	\$ (67,198,399)	\$ (3,159,570)	\$ -	\$ -	\$ (70,357,969)
Infrastructure	(148,165,545)	(6,892,274)	-	-	(155,057,819)
Buildings	(826,374,381)	(48,588,037)	-	372,865	(874,589,553)
Equipment and furnishings	(587,055,051)	(43,775,796)	-	18,550,392	(612,280,455)
Library books	(198,584,701)	(5,491,699)	-	-	(204,076,400)
Total accumulated depreciation	<u>\$ (1,827,378,077)</u>	<u>\$ (107,907,376)</u>	<u>\$ -</u>	<u>\$ 18,923,257</u>	<u>\$ (1,916,362,196)</u>
Total depreciable capital assets, net	<u>\$ 1,235,598,339</u>	<u>\$ (60,786,917)</u>	<u>\$ 69,985,160</u>	<u>\$ (1,508,446)</u>	<u>\$ 1,243,288,136</u>
Capital asset summary					
Capital assets not being depreciated	\$ 294,638,542	\$ 328,571,825	\$ (69,985,160)	\$ -	\$ 553,225,207
Depreciable capital assets at cost	3,062,976,416	47,120,459	69,985,160	(20,431,703)	3,159,650,332
Total cost of capital assets	<u>\$ 3,357,614,958</u>	<u>\$ 375,692,284</u>	<u>\$ -</u>	<u>\$ (20,431,703)</u>	<u>\$ 3,712,875,539</u>
Less: Accumulated depreciation	<u>(1,827,378,077)</u>	<u>(107,907,376)</u>	<u>-</u>	<u>18,923,257</u>	<u>(1,916,362,196)</u>
Capital assets, net	<u>\$ 1,530,236,881</u>	<u>\$ 267,784,908</u>	<u>\$ -</u>	<u>\$ (1,508,446)</u>	<u>\$ 1,796,513,343</u>
Discretely Presented Component Units:					
Capital assets, net	<u>\$ 147,867</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (13,405)</u>	<u>\$ 134,462</u>

THE UNIVERSITY OF NEW MEXICO

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

(7) Other Assets – Current and Noncurrent

At June 30, 2024 and 2023, other assets consisted of the following:

	<u>2024</u>	<u>2023</u>
Other current assets		
Primary Institution:		
Prepaid expenses	\$ 18,221,203	\$ 14,148,915
Broadcast rights	964,730	847,060
Other	1,197,222	1,868,150
Total other current assets	<u>\$ 20,383,155</u>	<u>\$ 16,864,125</u>
Discretely Presented Component Units	<u>\$ 1,574,140</u>	<u>\$ 1,140,391</u>
Other noncurrent assets		
Primary Institution:		
Art and special collections	5,996,761	5,998,315
Prepaid expenses	290,062	302,118
Other	1,194,832	21,956,976
Total other noncurrent assets	<u>\$ 7,481,655</u>	<u>\$ 28,257,409</u>
Discretely Presented Component Units	<u>\$ 4,478,330</u>	<u>\$ 3,693,704</u>

(8) Accounts Payable and Accrued Payroll

At June 30, 2024 and 2023, accounts payable and accrued payroll consisted of the following:

	<u>2024</u>	<u>2023</u>
Primary Institution:		
Trade payables	\$ 154,095,402	\$ 125,555,290
Accrued payroll	73,012,900	58,770,664
Self-insurance reserve	4,045,289	4,867,097
Total accounts payable and accrued payroll	<u>\$ 231,153,591</u>	<u>\$ 189,193,051</u>
Discretely Presented Component Units	<u>\$ 2,145,524</u>	<u>\$ 1,922,383</u>

THE UNIVERSITY OF NEW MEXICO

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

(9) Accrued Compensated Absences

During the years ended June 30, 2024 and 2023, the following changes occurred in accrued compensated absences for the primary institution:

<u>Fiscal Year</u>	<u>Balance July 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30</u>
2024	\$ 76,099,740	\$ 87,027,101	\$ (84,465,063)	\$ 78,661,778
2023	74,324,953	\$ 79,873,534	\$ (78,098,747)	76,099,740

The portion of accrued compensated absences due after one year was not material and, therefore, was not presented separately.

(10) Other Accrued Liabilities — Current

At June 30, 2024 and 2023, other accrued liabilities consisted of the following:

	<u>2024</u>	<u>2023</u>
Primary Institution:		
Bond interest	\$ 1,036,480	\$ 1,533,198
Royalty sharing	1,591,362	1,399,343
Other	6,973,375	16,470,010
Total other accrued liabilities, current	<u>\$ 9,601,217</u>	<u>\$ 19,402,551</u>
Discretely Presented Component Units	<u>\$ 6,842,610</u>	<u>\$ 5,366,474</u>

(11) Unearned Revenue

At June 30, 2024 and 2023, unearned revenue consisted of the following:

	<u>2024</u>	<u>2023</u>
Primary Institution:		
Contracts and grants	\$ 33,408,703	\$ 47,840,738
Prepaid tuition and fees	9,247,516	8,750,374
Gifts	7,220,110	5,466,481
Prepaid auxiliary operations sales	3,331,896	4,020,159
Sales and services	408,539	1,312,163
Other	625,922	625,922
Total unearned revenue	<u>\$ 54,242,686</u>	<u>\$ 68,015,837</u>
Discretely Presented Component Units	<u>\$ 647,292</u>	<u>\$ 548,947</u>

THE UNIVERSITY OF NEW MEXICO

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

(12) Noncurrent Liabilities

At June 30, 2024 and 2023, noncurrent liabilities consisted of the following:

		Year Ended June 30, 2024				
		Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
						Noncurrent Portion
Primary Institution:						
Bonds payable	\$	448,057,142	\$ -	\$ (33,284,602)	\$ 414,772,540	\$ 32,745,000
Lease payable		51,663,483	5,997,012	(20,870,475)	36,790,020	6,634,821
SBITA payable		43,275,165	7,586,735	(16,944,520)	33,917,380	11,975,031
Long-term debt		261,696,087	110,377,410	(6,026,887)	366,046,610	12,433,515
Student loan programs		4,617,640	161,420	(803,566)	3,975,494	-
Derivative instruments — interest rate swaps		1,059,025	-	(496,167)	562,858	-
Net pension liability		1,324,449,719	569,525,545	(554,817,700)	1,339,157,564	-
Net OPEB liability		118,642,600	24,296,500	(14,707,800)	128,231,300	-
Other		884,416	581,681	-	1,466,097	-
Total		<u>\$ 2,254,345,277</u>	<u>\$ 718,526,303</u>	<u>\$ (647,951,717)</u>	<u>\$ 2,324,919,863</u>	<u>\$ 63,788,367</u>
						<u>\$ 2,261,131,496</u>
Discretely Presented Component Units:						
Due to University of New Mexico	\$	105,124,719	\$ 46,774,124	\$ (28,476,231)	\$ 123,422,612	\$ 9,870,115
Other		1,658,386	-	(244,662)	1,413,724	-
Total		<u>\$ 106,783,105</u>	<u>\$ 46,774,124</u>	<u>\$ (28,720,893)</u>	<u>\$ 124,836,336</u>	<u>\$ 9,870,115</u>
						<u>\$ 114,966,221</u>
		Year Ended June 30, 2023				
		Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
						Noncurrent Portion
Primary Institution:						
Bonds payable	\$	423,657,691	\$ 56,691,173	\$ (32,291,722)	\$ 448,057,142	\$ 31,035,000
Lease payable		46,900,570	18,176,076	(13,413,163)	51,663,483	7,771,249
SBITA payable		60,941,483	110,097	(17,776,415)	43,275,165	15,296,717
Long-term debt		152,551,044	114,810,679	(5,665,636)	261,696,087	6,041,389
Student loan programs		5,515,482	307,066	(1,204,908)	4,617,640	-
Derivative instruments — interest rate swaps		2,128,986	-	(1,069,961)	1,059,025	-
Net pension liability		1,120,230,812	867,651,987	(663,433,080)	1,324,449,719	-
Net OPEB liability		106,881,900	24,167,700	(12,407,000)	118,642,600	-
Other		704,156	180,260	-	884,416	-
Total		<u>\$ 1,919,512,124</u>	<u>\$ 1,082,095,038</u>	<u>\$ (747,261,885)</u>	<u>\$ 2,254,345,277</u>	<u>\$ 60,144,355</u>
						<u>\$ 2,194,200,922</u>
Discretely Presented Component Units:						
Due to University of New Mexico	\$	70,801,219	\$ 34,323,500	\$ -	\$ 105,124,719	\$ 6,093,302
Other		1,784,101	-	(125,715)	1,658,386	-
Total		<u>\$ 72,585,320</u>	<u>\$ 34,323,500</u>	<u>\$ (125,715)</u>	<u>\$ 106,783,105</u>	<u>\$ 6,093,302</u>
						<u>\$ 100,689,803</u>

THE UNIVERSITY OF NEW MEXICO

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June 30, 2024 and 2023

(13) Bonds Payable/Long-Term Debt

(A) University

The University pledges substantially all unrestricted revenues, excluding state appropriations, to satisfy its bond obligations. Pledged revenues for the University were \$715,847,410 and \$622,275,290 as of June 30, 2024 and 2023 (see Schedule 21).

At June 30, 2024 and 2023, bonds payable for the University consisted of the following:

	2024	2023
System Improvement Revenue Bonds	\$ 51,895,000	\$ 51,995,000
Series 2023 with interest ranging from 4.12% to 5.50% - final maturity 2053		
Taxable Subordinate Lien System Refunding Revenue Bond	70,080,000	71,575,000
Series 2021 with interest ranging from 0.819% to 2.172% - final maturity 2035		
Taxable Subordinate Lien System Refunding Revenue Bond	15,000,000	16,675,000
Series 2019 with interest ranging from 2.43% to 3.02% - final maturity 2032		
Subordinate Lien System Improvement Revenue Bonds	36,055,000	36,900,000
Series 2017 with interest ranging from 3.25% to 5.00% - final maturity 2047		
Subordinate Lien System Refunding & Improvement Revenue Bonds	134,405,000	140,105,000
Series 2016A with interest ranging from 2.25% to 5.00% - final maturity 2046		
Subordinate Lien System Refunding & Improvement Revenue Bonds	-	1,765,000
Series 2016B with interest ranging from 0.72% to 2.48% - final maturity 2024		
Subordinate Lien System Improvement Revenue Bonds	-	280,000
Series 2014B with interest ranging from 0.49% to 3.28% - final maturity 2024		
Subordinate Lien System Improvement Revenue Bonds	-	5,230,000
Series 2014C with interest ranging from 1.50% to 5.00% - Refunded 3.4.2021 - final maturity 2024		
Subordinate Lien System Refunding Revenue Bonds	5,455,000	7,185,000
Series 2002B (Variable) with a synthetic fixed interest rate of 3.83% achieved through an interest rate exchange agreement - final maturity 2026		
Subordinate Lien System Refunding Revenue Bonds	17,020,000	19,585,000
Series 2002C (Variable) with a synthetic fixed interest rate of 3.94% achieved through an interest rate exchange agreement - final maturity 2030		
Subordinate Lien System Improvement Revenue Bonds	6,755,000	9,925,000
Series 2001 Variable Rate Demand Bonds — rates reset weekly Weekly rate as of June 30, 2024 was 3.7% Ceiling of 12% – final maturity 2026		
	\$ 336,665,000	\$ 361,220,000
Add: Bond premium	16,622,540	18,872,142
Less: Current portion of bonds payable	(26,055,000)	(24,555,000)
Noncurrent bonds payable	\$ 327,232,540	\$ 355,537,142

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NOTES TO THE BASIC FINANCIAL STATEMENTS

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Future debt service for the University as of June 30, 2024 for the bonds is as follows:

Year Ending June 30	Principal	Interest	Total
2025	26,055,000	12,139,165	38,194,165
2026	26,930,000	11,264,930	38,194,930
2027	22,250,000	10,285,860	32,535,860
2028	22,785,000	9,747,716	32,532,716
2029	23,375,000	9,158,145	32,533,145
2030–2034	99,315,000	36,547,530	135,862,530
2035–2039	46,980,000	21,307,547	68,287,547
2040–2044	31,795,000	13,727,581	45,522,581
2045–2049	24,940,000	6,395,638	31,335,638
2050–2053	12,240,000	1,727,825	13,967,825
	<u>\$336,665,000</u>	<u>\$132,301,937</u>	<u>\$468,966,937</u>

Debt Activity:

On March 30, 2023, UNM issued system improvement revenue bonds totaling \$51,995,000 for the primary purpose of funding UNM campus improvement projects including:

- Center for Collaborative Art and Technology Building Project
- Welcome Center Project
- Housing Improvement Project
- Duck Pond Improvement Project
- Police Department Improvement Project

The 2023 system improvement revenue bonds have interest ranging from 4.125% to 5.500% and a final maturity in 2053.

Defeased Bonds:

The University has defeased certain System Revenue Bonds as follows:

On March 4, 2021, the University of New Mexico defeased \$60,595,000 of the 2014C Subordinate Lien System Refunding Revenue Bonds. An escrow account was funded in the amount of \$70,781,482 from the 2021 Taxable Subordinate Lien System Refunding Revenue Bonds, and that amount was placed in an irrevocable trust to provide for all future debt service payments. The refunding resulted in debt service savings to the University. The remaining principal outstanding in the escrow account at June 30, 2024 and 2023 was \$0 and \$63,509,930, respectively.

The liability for defeased bonds and the related assets held in trust are not included in the accompanying basic financial statements since the University has satisfied its obligation for payment of the defeased bonds.

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Standby Purchase Agreements:

A Standby Purchase Agreement (SBPA) provides liquidity support on variable rate bonds that are remarketed weekly. The liquidity/commitment fees are based on a percentage of the outstanding bond balance, payable semiannually. Liquidity fees for the years ended June 30, 2024 and 2023 were as follows:

	2001	2002B	2002C	Total
FY 24	\$ -	-	\$ 26,120	\$ 26,120
FY 23	\$ 94,278	\$ 60,401	\$ 135,429	\$ 290,108

Standby Purchase Agreements provide liquidity support on variable rate bonds that are remarketed weekly. The liquidity/commitment fees are based on a percentage of the outstanding bond balance, payable semi-annually. Liquidity fees for the years ended June 30, 2024 and 2023 were \$26,120 and \$290,108 respectively. A schedule including the provider and maturities is presented below, as of June 30, 2024. The current Standby Agreement with US Bank was initially entered into on December 31, 2014 for a three-year term expiring December 29, 2017, which was extended for two additional three-year terms through October 30, 2023. On September 15, 2023 the Standby Agreement with US Bank was extended through June 1, 2026 for the Series 2001 and 2002B bonds, and through September 15, 2026 for the Series 2002C bonds.

U.S. Bank				
Liquidity Expiration	Series 2001	Series 2002B	Series 2002C	Grand Total
6/01/2026	\$ 6,755,000	\$ 5,455,000	\$ 17,020,000	\$29,230,000

The following provides the terms of the debt service requirements that would result if the SBPA commitments were to be exercised (bank bond rate and accelerated payment schedule):

- (1) Bank Rate: means, a rate per annum equal to (i) the period from and including the purchase date of such Bank Bond to and including the 30th day following such Purchase Date, the sum of 2.00% plus the Base Rate for such day, (ii) for the period from and including the 31st day immediately following the related Purchase Date to and including the 120th day following the related Purchase Date, the sum of 2.5% plus the Base Rate for such Day and (iii) the period from and after the 121st day immediately following the related Purchase Date, the sum of 3.00% plus the Base Rate for such day; provided that from and after the occurrence of an Event of Default, the "Bank Rate" shall mean the Default Rate; provided, further, that at no time shall the Bank Rate be less than the per annum interest rate applicable to Bonds that are not Bank Bonds.
- (2) Base Rate: means, for any day, an interest rate per annum equal to the highest of (i) the sum of 1.00% plus the Prime Rate for such date, (ii) the sum of 1.00% plus the Federal Funds Rate for such day, and (iii) the sum of 1.00% plus the SIFMA Rate for such day, and (iv)

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7.5%. Each change in the base rate shall take effect at the time of any change in the Prime Rate or Federal Funds Rate.

- (3) Accelerated payment schedule: for any bonds acquired via the SBPA, those bonds are to be repaid beginning on the date 121 days plus 6 months following the purchase date, with payments every six months based on an amortization period that ends on the soonest to occur of the: (i) third anniversary of the bonds purchase via the SBPA, (ii) date upon which the bonds interest no longer adjusts either daily or weekly, (iii) date the SBPA ends, or (iv) date at which no available commitment remains available under the SBPA.

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NOTES TO THE BASIC FINANCIAL STATEMENTS June 30, 2024 and 2023

Interest Rate Swap Agreements:

As of June 30, 2024, the University had the following derivative instruments outstanding:

Item/Counter-party	Type	Objective	Effective Date	Maturity Date	Terms	Current Year	Prior Year	Current Year	Prior Year
						Fair Value	Fair Value	Notional Amount	Notional Amount
Hedging Derivatives									
A - JP Morgan	Pay-fixed/Receive Variable interest rate swap	Hedge against rising SIFMA rates related to the 2001 System Improvement Revenue Bonds (Underlying Swap)	10/30/2002	6/1/2026	Receive SIFMA USD - Pay 4.16% Fixed	\$ (19,379)	\$ (39,804)	\$ 3,377,500	\$ 2,481,250
B - JP Morgan	Pay-fixed/Receive Variable interest rate swap	Hedge against rising SIFMA rates related to the 2002C Refunding Revenue Bonds (Underlying Swan)	10/30/2002	6/1/2030	Receive SIFMA USD - Pay 3.94% Fixed	\$ (425,766)	\$ (573,026)	\$ 17,020,000	\$ 19,585,000
C - JP Morgan	Pay-fixed/Receive Variable interest rate swap	Hedge against rising SIFMA rates related to the 2002B Refunding Revenue Bonds (Underlying Swan)	1/14/2003	6/1/2026	Receive SIFMA USD - Pay 3.83% Fixed	\$ (45,301)	\$ (81,175)	\$ 1,688,750	\$ 7,185,000
D - RBC Royal Bank	Pay-fixed/Receive Variable interest rate swap	Hedge against rising SIFMA rates related to the 2001 System Improvement Revenue Bonds (Underlying Swap)	10/30/2002	6/1/2026	Receive SIFMA USD - Pay 4.185% Fixed	\$ (19,983)	\$ (40,980)	\$ 17,020,000	\$ 2,481,250
Investment Derivatives									
E - JP Morgan	Pay-Variable/Receive Variable interest rate swap	Hedge against falling SIFMA rates related to the 2001 System Imprv Rev Bonds (Swap Overlays)	8/15/2006	6/1/2026	Receive 63.55% of 5 year USD swap rate + .31% - Pay SIFMA	\$ (35,404)	\$ (97,552)	\$ 5,455,000	\$ 4,962,500
F - JP Morgan	Pay-Variable/Receive Variable interest rate swap	Hedge against falling SIFMA rates related to the 2002C Refunding Rev Bonds (Swap Overlays)	8/15/2006	6/1/2030	Receive 63.93% of 5 year USD swap rate + .38% - Pay SIFMA	\$ (17,025)	\$ (226,480)	\$ 1,688,750	\$ 19,585,000

The fair values of the interest rate swaps are estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swaps.

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Risks

Credit risk. Each of the University's derivative instruments is held with the same counterparty except for Derivative Instrument D. Deterioration of credit ratings could indicate a potential inability of the counter party to make the required periodic payments. The credit ratings for each of the counterparties are as follows:

Entity	Moody's		S & P		Fitch	
	L/T Rating	S/T Rating	L/T Rating	S/T Rating	L/T Rating	S/T Rating
JP Morgan	Aa2	P-1	A+	A1	AA	F1+
RBC Royal Bank	A1	P-1	AA-	A-1+	AA-	F1+

Interest rate risk. The University is exposed to interest rate risk on its receive-variable, pay-fixed underlying interest rate swaps. As the Securities Industry and Financial Markets (SIFMA) swap index decreases, the University's net payment on the underlying swaps increases. Alternatively, on its pay-variable (SIFMA), received-variable (USD Swap Rate) overlay interest rate swaps, as USD Swap Rate and the SIFMA swap index increases, the University's net payment on the overlay swaps increases.

Basis risk. The variable-rate debt hedged by the University's derivative instruments are variable-rate demand obligation (VRDO) bonds that are remarketed every 7 days. The University is exposed to basis risk on its pay-variable (SIFMA), receive variable (USD Swap Rate) overlay interest rate swaps because the variable-rate payments received by the University on these derivative instruments are based on a rate (USD Swap Rate) other than the index (SIFMA) the University pays on the VRDO bonds. At June 30, 2024, the interest rate on the University's variable-rate hedged debt (SIFMA) was 3.88%, while the 63.55% of five-year USD Swap Rate, 4.34%, plus 0.31% was 3.07%. At June 30, 2023, the interest rate on the University's variable-rate hedged debt (SIFMA) was 4.01%, while the 63.55% of five-year USD Swap Rate, 4.20%, plus 0.31% was 2.98%.

Termination risk. The University or its counterparties may terminate a derivative instrument if the other party fails to perform under the terms of the contract. In addition, the University is exposed to termination risk on Derivative Instruments B and C because the contract provides the counterparty with a knock-out option to terminate the contract if the 180 day SIFMA is equal to or greater than 7%. The 180 day SIFMA is defined as the weighted average rate taken off the USD floating SIFMA Index Rates published within the previous 180 day period. If at the time of termination, a derivative instrument is in a liability position, the University would be liable to the counterparty for a payment equal to the liability, subject to netting arrangements.

Rollover risk. The University is exposed to rollover risk on hedging derivative instruments that are hedges of debt that mature or may be terminated prior to the maturity of the debt. When these derivative instruments terminate, or in the case of a termination option, if the counterparty exercises its option, the University will be re-exposed to the risks being hedged by the derivative instrument. Derivative Instruments B and C expose the University to rollover risk because the counterparty has the option to terminate the contract by exercising a knock-out option.

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Foreign currency risk. The University has no exposure to foreign currency risk from its derivative instruments.

Commitments

All of the University's derivative instruments, include provisions that require the University to post collateral in the event its credit rating falls below certain levels. The University has entered into a two-way Credit Support Annex (CSA) with the swap counter-parties which is based on each party's long-term unsecured unsubordinated debt rating. The following matrix dictates the potential collateral postings if the swaps mark-to-market values are above the mandated thresholds.

Rating	Swap MTM Threshold for Party's A & B	
AA/Aa2 and >	USD	25,000,000
AA-/Aa3	USD	20,000,000
A+/A1	USD	15,000,000
A/A2	USD	10,000,000
A-/A3	USD	5,000,000
BBB+/Baa1 and <	USD	-

The collateral to be posted is to be in the form of U.S. Treasury securities in the amount of the fair value of derivative instruments in liability positions net of the effect of applicable netting arrangements. If the University or the counterparty does not post collateral, the derivative instrument may be terminated. The University's credit rating is AA-/Aa3 at June 30, 2024; therefore, no collateral has been posted.

Derivative Instrument Payments and Hedged Debt

As of June 30, 2024, aggregate debt service requirements of the University's debt (fixed-rate and variable-rate) and net receipts/payments on associated hedging derivative instruments are presented below. These amounts assume swap reference rates for future fiscal years will be consistent with the SIFMA yield curve rates measured on June 30, 2024. As these reference rates vary, interest payments on variable-rate bonds and net receipts/payments on the hedging derivative instruments will vary. The hedging derivative instruments column reflects only net receipts/payments on derivative instruments that qualify for hedge accounting.

Fiscal Year Ending June 30	Principal	Interest	Hedging Derivative Instruments, Net	Total
2025	\$ 7,770,000	\$ 1,020,127	\$ 118,188	\$ 8,908,315
2026	\$ 9,900,000	\$ 649,488	\$ 180,258	\$ 10,729,745
2027	\$ 2,900,000	\$ 329,209	\$ 126,255	\$ 3,355,464
2028	\$ 3,030,000	\$ 259,083	\$ 82,121	\$ 3,371,204
2029	\$ 3,160,000	\$ 173,404	\$ 48,418	\$ 3,381,822
2030	\$ 2,470,000	\$ 73,160	\$ 24,158	\$ 2,567,318
	<u>\$ 29,230,000</u>	<u>\$ 2,504,471</u>	<u>\$ 579,397</u>	<u>\$ 32,313,869</u>

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Fiscal Year Changes in Swap Valuations

The swaps were put in place starting in fiscal years 2002 and 2003. The University has recorded the swaps at their estimated fair values as of June 30, 2024. Swaps A through D are deemed cash flow hedges, and therefore, in addition to recording the liability at fair value, the University has recorded an offsetting asset titled "Interest Rate Swaps". Annually, the changes to the fair values are recorded as an increase or decrease to the liability and the offset asset. The fair value change in fiscal year 2024 for the hedge instruments was a \$224,556 decrease to the liability and an equal offsetting decrease to the asset. For fiscal year 2023 the change was a \$1,394,001 decrease to the liability and an equal offsetting decrease to the asset. Swaps E and F are not cash flow hedges but rather are considered investment swaps, and changes in their fair value are recorded as investment gain (loss). The fair value change for swaps E and F as of June 30, 2024, was recorded to investment unrealized loss in the amount of \$271,612. As of June 30, 2023 the fair value change for swaps E and F was recorded to unrealized loss in the amount of \$526,916.

(B) University of New Mexico Hospital

On December 12, 2014, the Regents adopted a Parameters Resolution authorizing the issuance of the Government National Mortgage Association (GNMA) Backed, HUD Insured Mortgage Bonds to redeem and refinance prior bonds. On May 7, 2015, the Regents adopted Resolutions authorizing the execution of amended FHA Documents and loan modification documents. On May 14, 2015, the Hospital issued \$115,000,000 in bonds (2015 Series Bonds). The bonds were issued pursuant to a trust indenture, dated as of May 1, 2015, by and between the Hospital and Wells Fargo Bank, National Association, as trustee for the purpose of refinancing a previously issued bond series. The 2015 Series bonds carry interest rates that range from 0.484% to 3.532%.

The Regents granted the GNMA Issuer in respect of the UNM Hospital HUD Insured Bonds a security interest in all of the Hospital's revenues, cash (with the exception of the proceeds of the UNM Hospital mill levy and state appropriations), accounts receivable, contract rights, and the proceeds of the same. In addition, in that certain Regulatory Agreement signed by the Regents, that is still in effect today, the University agreed and committed to HUD that it would not "assign, transfer, dispose of, or encumber any personal property of the project including revenues from any source." Lastly, in accordance with the terms of the Lease under which the University leases a portion of the Hospital facility from Bernalillo County, all reserves of the Hospital covered by the Lease are restricted to use for operation and maintenance of the Hospital. Failure to abide by the terms of the regulatory agreement with HUD could trigger an event of default. Events of default with financial consequences include failure to pay monthly debt servicing payments as agreed; transfer of or use of the mortgaged property for purposes other than the operation of the Hospital; and failure to adequately maintain the mortgaged property. In the event of default, HUD has the option to declare the entire balance immediately due and payable if the triggering event is not remedied within 30 days.

The 2015 Series Bonds were issued as special limited obligations of the Hospital and are secured primarily by fully modified mortgage-backed securities in the aggregate principal amount of \$62,490,000 (the GNMA securities), issued by Prudential Huntoon Paige Associates, Ltd. (the Lender), guaranteed as to principal and interest by the GNMA, with respect to the mortgage note.

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Under the GNMA Mortgage-Backed Securities Program, the GNMA securities are a “fully modified pass through” mortgage backed security issued and serviced by the Lender. The face amount of the GNMA securities is to be the same amount as the outstanding principal balance of the Mortgage Note. The Lender is required to pass through to the trustee, as the holder of the GNMA securities, by the 15th day of each month, the monthly scheduled installments of principal and interest on the mortgage note (less the GNMA guaranty fee and the Lender’s servicing fee), whether or not the Lender receives such payment from the Hospital under the mortgage note, plus any unscheduled prepayments of principal of the mortgage note received by the Lender. The GNMA securities are issued solely for the benefit of the trustee on behalf of the bondholders, and any and all payments received with respect to the GNMA securities are solely for the benefit of the bondholders.

Interest expense associated with the bonds was approximately \$2.3 million and \$2.5 million for the years ended June 30, 2024 and 2023, respectively. Interest income earned from the investment of the bond proceeds was approximately \$1.1 million and \$670 thousand for the years ended June 30, 2024 and 2023, respectively.

Bonds payable activity consists of the following:

		Year Ended June 30, 2024			
	Beginning Balance	Additions	Deductions	Ending Balance	Amount Due Within One Year
Bonds Payable					
Bond Series 2015	\$ 67,965,000	\$ -	\$ (6,480,000)	\$ 61,485,000	\$ 6,690,000
	<u>\$ 67,965,000</u>	<u>\$ -</u>	<u>\$ (6,480,000)</u>	<u>\$ 61,485,000</u>	<u>\$ 6,690,000</u>
		Year Ended June 30, 2023			
	Beginning Balance	Additions	Deductions	Ending Balance	Amount Due Within One Year
Bonds Payable					
Bond Series 2015	\$ 74,250,000	\$ -	\$ (6,285,000)	\$ 67,965,000	\$ 6,480,000
	<u>\$ 74,250,000</u>	<u>\$ -</u>	<u>\$ (6,285,000)</u>	<u>\$ 67,965,000</u>	<u>\$ 6,480,000</u>

Future debt service (including mandatory redemptions) as of June 30, 2024, for the bonds is as follows:

Years Ending June 30,	Principal	Interest	Total
2025	\$ 6,690,000	\$ 2,141,545	\$ 8,831,545
2026	6,975,000	1,874,344	8,849,344
2027	7,240,000	1,625,691	8,865,691
2028	7,520,000	1,367,502	8,887,502
2029	7,805,000	1,099,423	8,904,423
2030-2033	25,255,000	1,585,338	26,840,338
Total	<u>\$ 61,485,000</u>	<u>\$ 9,693,843</u>	<u>\$ 71,178,843</u>

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On November 15, 2004, the Hospital established a Mortgage Reserve Fund in accordance with the requirements and conditions of the 2004 FHA Regulatory Agreement. On May 14, 2015, a new Mortgage Reserve Fund was established for the 2015 series bonds. The Mortgage Reserve Fund is fully funded.

The mortgage note bears interest at 3.29%. The mortgage note has a term of 205 months following the commencement of amortization and matures on June 1, 2032. Principal and interest are payable in equal monthly installments upon commencement of amortization. A mortgage servicing fee of 12 basis points and a GNMA guaranty fee of 13 basis points are also included in the monthly payment, for a total of 3.54%.

Mortgages payable – On September 9, 2021, the Hospital’s Lomas Campus closed on a mortgage loan to partially finance the construction of the Critical Care Tower. The debt was issued under the HUD Section 242 loan guarantee program and is backed by GNMA securities. The mortgage will be drawn down as needed to fund the construction project, not to exceed \$320 million, and carries an interest rate of 3.275%. The terms of the loan require interest only payments through construction. Principal and interest payments will begin on October 1, 2024, with loan maturity occurring on September 1, 2049. During the years ended June 30, 2024 and 2023, the Hospital’s Lomas Campus drew down \$110.4 million and \$114.8 million and incurred interest of \$7.3 and \$3.5 million, respectively, on the Critical Care Tower mortgage.

In July 2020, the Hospital’s Sandoval Campus entered into an agreement and mortgage with KeyBank National Association to refinance the Sandoval Campus mortgage from an APR of 4.86% (3.33% net of BAB Subsidy) to an APR of 1.98%. In connection with the Sandoval Campus mortgage refinance, in July 2020 the outstanding principal of the Series 2010A and Series 2010B bonds, net of the original issue discount, totaling \$113.3 million, along with \$5.1 million for interest payments due in the year ended June 30, 2021 through the January 2021 bond call date, were placed in an irrevocable trust from which the remaining debt service payments for bond defeasance were paid in January 2021. The Sandoval Campus was released from all obligations related to the bonds in July 2020. A loss on defeasance of \$2.4 million was recorded as a deferred outflow at the July 2020 defeasance date. The deferred outflow is being amortized over the life of the mortgage, which is the same as the life of the defeased bonds. The Sandoval Campus completed the mortgage refinance to reduce its total debt service payments by \$17.6 million and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$13.7 million.

The Sandoval Campus mortgage note with KeyBank National Association has an original outstanding principal amount of \$111.5 million with monthly principal payments of \$0.6 million until July 2037, for a total of 204 installments. The note is insured by the United States Department of Housing and Urban Development and is collateralized by the Sandoval Campus building.

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Mortgage payable activity consists of the following:

	Year Ended June 30, 2024				
	Beginning Balance	Sandoval Campus Acquisition	Additions	Deductions	Ending Balance
Mortgage Payable					
Lomas Campus	\$ 166,499,968	\$ -	\$ 110,377,410	\$ -	\$ 276,877,378
UNM Sandoval Regional Medical Center (Sandoval Campus Mortgage)	94,854,686	(94,854,686)	-	-	-
Sandoval Campus	-	94,854,686	-	(5,938,858)	88,915,828
	<u>\$ 261,354,654</u>	<u>\$ -</u>	<u>\$ 110,377,410</u>	<u>\$ (5,938,858)</u>	<u>\$ 365,793,206</u>
					<u>\$ 12,338,548</u>
	Year Ended June 30, 2023				
	Beginning Balance	Additions	Deductions	Ending Balance	Amount Due Within One Year
Mortgage Payable					
Lomas Campus	\$ 51,689,289	\$ 114,810,679	\$ -	\$ 166,499,968	\$ -
UNM Sandoval Regional Medical Center (Sandoval Campus Mortgage)	<u>\$ 100,677,206</u>	<u>\$ -</u>	<u>\$ (5,822,520)</u>	<u>\$ 94,854,686</u>	<u>\$ 5,938,858</u>
	<u>\$ 152,366,495</u>	<u>\$ 114,810,679</u>	<u>\$ (5,822,520)</u>	<u>\$ 261,354,654</u>	<u>\$ 5,938,858</u>

The Lomas Campus mortgage has not been drawn down fully as of June 30, 2024. The remaining \$43,122,622 will be drawn down and principal payments will commence during the year ending June 30, 2025. The following schedule summarizes the required future principal and interest mortgage payments as of June 30, 2024 including the remaining Lomas Campus mortgage funds to be drawn down:

Years Ending June 30,	Principal	Interest	Total
2025	\$ 12,338,548	\$ 9,497,502	\$ 21,836,050
2026	14,796,547	11,730,424	26,526,971
2027	15,206,514	11,320,459	26,526,973
2028	15,628,472	10,898,500	26,526,972
2029	16,062,789	10,464,184	26,526,973
2030–2034	87,288,327	45,346,537	132,634,864
2035–2039	84,406,860	32,701,447	117,108,307
2040–2044	72,794,903	21,023,571	93,818,474
2045–2049	85,727,434	8,091,040	93,818,474
2050	4,665,434	25,489	4,690,924
Total	<u>\$ 408,915,828</u>	<u>\$ 161,099,153</u>	<u>\$ 570,014,982</u>

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(C) Primary Institution

At June 30, 2024 and 2023, bonds payable for the primary institution consisted of the following:

	2024			2023		
	Current	Noncurrent	Total	Current	Noncurrent	Total
University	\$ 26,055,000	\$ 327,232,540	\$ 353,287,540	\$ 24,555,000	\$ 355,537,142	\$ 380,092,142
University of New Mexico Hospital	6,690,000	54,795,000	61,485,000	6,480,000	61,485,000	67,965,000
Total	\$ 32,745,000	\$ 382,027,540	\$ 414,772,540	\$ 31,035,000	\$ 417,022,142	\$ 448,057,142

(D) Lobo Development Corporation

A promissory note payable to the University of New Mexico Foundation, Inc. was issued to finance a capital asset purchased on December 21, 2016. A first amendment to the promissory note was issued March 31, 2017, to reduce the monthly payments from \$10,006 to \$8,555. This was due to a \$141,941 payment made on March 31, 2017, to reduce the principal from \$979,292 to \$837,351 at that time. Principal and interest payments are due monthly on the twenty-first day of each month.

The note has a variable interest rate; therefore, effective January 1, 2024, the annual interest rate increased from 7.50% to 8.50%. This note matures on December 21, 2026. At June 30, 2024, balance of the note payable was \$253,404 and \$94,967 was due within one year. At June 30, 2023, balance of the note payable was \$341,418 and \$88,611 was due within one year. The promissory note is classified as long-term debt in the Statements of Net Position.

(14) Net Patient Service Revenues

A summary of net patient service revenues was as follows for the years ended June 30:

	2024	2023
Primary Institution:		
Charges at established rates	\$ 3,528,734,670	\$ 3,360,262,439
Charity care	(120,785,200)	(106,733,178)
Contractual adjustments	(1,485,696,663)	(1,517,405,788)
Provision for doubtful accounts	(103,217,775)	(84,343,639)
Net patient service revenues	<u>\$ 1,819,035,032</u>	<u>\$ 1,651,779,834</u>

The Hospital is reimbursed by the Medicare and Medicaid programs on a prospective payment basis for hospital services, with certain items reimbursed at an interim rate with final settlement determined after submission of annual cost reports by the Hospital. The annual cost reports are subject to audit by the Medicare Administrative Contractor and the Medicaid audit agent. Cost reports through 2020 have been final settled for the Medicaid programs. Cost reports through 2018, except for 2005 have been final settled for the Medicare program. Retroactively calculated contractual adjustments arising under reimbursement agreements with third-party payors are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

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(15) Leases

A summary of the lease asset activity during the years ended June 30, 2024 and 2023 is as follows:

	Balance June 30, 2023			Balance June 30, 2024		
		Additions	Deductions			
Right to use, Leases						
Buildings	\$ 74,515,647	\$ 6,176,236	\$ (13,339,275)	\$ 67,352,608		
Equipment	1,536,545	-	-	1,536,545		
Accumulated depreciation						
Buildings	(24,015,481)	(7,572,832)	393,696	(31,194,617)		
Equipment	(1,150,151)	(356,671)	-	(1,506,822)		
Right to use Leases, net	\$ 50,886,560	\$ (1,753,267)	\$ (12,945,579)	\$ 36,187,714		

	Balance June 30, 2022			Balance June 30, 2023		
		Additions	Deductions			
Right to use, Leases						
Buildings	\$ 61,120,026	\$ 13,395,621	\$ -	\$ 74,515,647		
Equipment	1,536,545	-	-	1,536,545		
Accumulated depreciation						
Buildings	(16,371,893)	(7,643,588)	-	(24,015,481)		
Equipment	(769,910)	(380,241)	-	(1,150,151)		
Right to use Leases, net	\$ 45,514,768	\$ 5,371,792	\$ -	\$ 50,886,560		

Below is a summary of changes in the related lease liability and deferred inflow of resources during the years ended June 30, 2024 and 2023. The decreases in deferred inflow of resources represent amounts recognized in the Statements of Revenues, Expenses, and Changes in Net Position in the respective years:

	Balance June 30, 2023			Balance June 30, 2024			Amounts due within one year
		Additions	Deductions				
Lease liabilities	\$ 51,663,483	\$ 5,997,012	\$ (20,870,475)	\$ 36,790,020		\$ 6,634,821	
Deferred inflow of resources - Leases	\$ 37,529,180	\$ 1,486,205	\$ (8,363,963)	\$ 30,651,422			

	Balance June 30, 2022			Balance June 30, 2023			Amounts due within one year
		Additions	Deductions				
Lease liabilities	\$ 46,900,571	\$ 18,176,076	\$ (13,413,164)	\$ 51,663,483		\$ 7,771,249	
Deferred inflow of resources - Leases	\$ 33,652,814	\$ 10,310,387	\$ (6,434,020)	\$ 37,529,180			

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UNM is a lessee and lessor for numerous noncancelable leases. For leases with a maximum possible term of 12 months or less at commencement (short term), UNM recognizes expense based on the provisions of the lease contract. For leases that are not short-term, UNM recognizes a lease liability and an intangible right-to-use lease asset when UNM is the lessee.

Initial measurement of the lease receivable/payable amount is calculated at the present value of payments expected to be received/paid during the lease term, discounted using the University's incremental borrowing rate. Leases for which UNM is a lessee that are accounted for under this standard are capitalized as a right to use asset and lease payable discounted by the incremental borrowing rate. The right-to use-asset is also amortized on a straight-line basis over the term of the lease. Leases for which UNM is the lessor are also discounted by the incremental borrowing rate, with anticipated payments being recorded as a deferred inflow of resources, amortized on a straight-line basis over the term of the lease.

For lease agreements where UNM is the lessee, (i) there have been no outflows of resources recognized in the reporting periods for variable payments not previously included in the measurement of the lease liability, nor (ii) are there any residual value guarantees provided by UNM not included in the measurement of the lease liability.

UNM is not a party to any lease agreements where UNM is the lessor with terms which would affect deferred inflow of resources, such as variable payments, early termination payments, or residual value guarantees.

The University, as the lessee, has entered into lease agreements with various entities for office, administrative, service and facility spaces. The most significant of these leases as of June 30, 2024 and 2023 are as follows:

UNM Hospital Administration:

In September 2018, the University entered into a 25-year lease agreement for administrative office space located at 1601 Lomas Blvd NE, associated with UNM Hospital operations. The lease includes options for UNM to extend the term for five additional periods of 10 years each. The current annual rent payment is \$385,000 through 2029, and will increase 10% every five years thereafter.

Addiction and Substance Abuse Program:

In May 2013, the University entered into a seven-year lease agreement for the Addiction and Substance Abuse Program, located at 2600 Yale Blvd SE. This facility focuses on treating substance use disorders through integrated, evidence-based care. In September 2023, the University amended this lease agreement to exercise an option to extend the lease to August 2031, with 2 additional options to extend the term for two additional periods of 36 months each. The current annual rent payment is \$303,960, with annual increases of \$6,120.

UNM Early Childhood Services Center:

In April 2020, the University entered into a 10-year lease agreement for the UNM Early Childhood Services Center, located at 4400 Alameda Blvd NE. This center provides culturally and linguistically appropriate professional development services to early learning programs throughout New Mexico. The lease includes options for UNM to extend the term for 36 months. Current annual lease payments are \$200,946, with yearly increases of 2.5%.

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The University, acting as the lessor, has entered into lease agreements with various entities for office, administrative, and student housing spaces. The most significant of these leases as of June 30, 2024 and 2023 are as follows:

Lobo Village:

In May 2010, the University entered into a 40-year lease agreement for Lobo Village, operated by American Campus Communities. Lobo Village is an apartment-style student residential property located on the UNM South Campus. The lease includes options for American Campus Communities to extend the term for three additional periods of 10 years each. The property is primarily used by the University for student housing and activity space. The annual rent under this agreement is \$469,436.

Casas del Rio:

In May 2011, the University entered into a 40-year lease agreement for Casas del Rio, operated by American Campus Communities. Casas del Rio is a suite-style student residential property located on the UNM Main Campus. The lease includes options for American Campus Communities to extend the term for three additional periods of 10 years each. This facility is used by the University for student housing and activity space. The annual rent under this agreement is \$551,728.

Minimum Lease Payments

(a) *University as Lessee*

The following is a schedule of future minimum lease payments for the University as a lessee as of June 30, 2024.

Year ending June 30	Principal Payments	Interest Payments	Total Lease Payments
2025	6,634,821	920,133	7,554,954
2026	3,902,249	786,419	4,688,668
2027	3,209,002	697,555	3,906,557
2028	2,778,082	622,118	3,400,200
2029	2,293,132	557,492	2,850,624
2030-2034	10,915,756	2,554,685	13,470,441
2035-2039	3,629,122	670,580	4,299,702
2040-2044	3,427,856	187,105	3,614,961
2045 & After	-	-	-
	<u>\$ 36,790,020</u>	<u>\$ 6,996,087</u>	<u>\$ 43,786,107</u>

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(b) *University as Lessor*

The following is a schedule of minimum future lease income under lease terms exceeding one year as of June 30, 2024:

Year ending June 30	Principal Receivable	Interest Revenue Receivable	Total Lease Receivable
2025	4,114,316	914,305	5,028,621
2026	3,697,834	808,234	4,506,068
2027	2,359,591	718,893	3,078,484
2028	2,140,919	642,472	2,783,391
2029	1,735,214	573,892	2,309,106
2030-2034	5,007,821	2,256,021	7,263,842
2035-2039	3,418,368	1,682,374	5,100,742
2040-2044	3,483,861	1,283,551	4,767,412
2045 and thereafter	7,302,199	2,502,279	9,804,478
	<u>\$ 33,260,123</u>	<u>\$ 11,382,019</u>	<u>\$ 44,642,142</u>

(16) **Risk Management**

The University currently is a party to various litigation claims brought in the ordinary course of business. The University participates in the State of New Mexico Risk Management Program (Risk Management) that provides general liability, auto liability, medical malpractice, physical damage, and workers' compensation insurance. The Risk Management program liability insurance coverage includes most employee liability claims; those claims falling outside this state program are in limited amounts and are covered by the University from its operating budget either by direct payment or by the procurement of insurance coverage from a private carrier. The University paid Risk Management \$22,394,737 and \$19,900,031 in insurance premiums during fiscal years 2024 and 2023, respectively. The University's exposure is limited to \$2,500 per any first party incurred property loss, except for theft, which has a \$5,000 deductible. After conferring with legal counsel concerning pending litigation and claims, the University administration believes that the outcome of pending litigation should not have a materially adverse effect on the financial position or operations of the University.

The Hospital, BHO, and UNMMG (collectively referred to as Clinical Operations for the purposes of this footnote) have immunity from tort liability except as waived by the New Mexico Legislature. In this connection, under the New Mexico Tort Claims Act (NMTCA), the New Mexico Legislature waived the State's and the Clinical Operations' immunity for claims arising out of negligence out of the operation of the Clinical Operations, the treatment of the Clinical Operations' patients, and the healthcare services provided by Clinical Operations employees. In addition, the NMTCA limits, as an integral part of this waiver of sovereign immunity, the amount of damages that can be assessed against the Clinical Operations on any tort claim including medical malpractice, professional, or

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general liability claims.

The NMTCA provides that total liability for all claims that arise out of a single occurrence shall not exceed \$750,000 set forth as follows: (a) \$200,000 for real property; (b) up to \$300,000 for past and future medical and medically related expenses; and (c) up to \$400,000 for past and future noneconomic losses (such as pain and suffering) incurred or to be incurred by the claimant. While the language of the NMTCA does not expressly provide for third-party claims such as loss of consortium, the New Mexico appellate court decisions have allowed claimants to seek loss of consortium. As a result, if loss of consortium claims are presented, those claims cannot exceed \$350,000 in the aggregate. Thus, if a claim presents both direct claims and third-party claims, the maximum exposure of the Public Liability Fund, and, therefore, the Clinical Operations, cannot exceed \$1,100,000. The NMTCA prohibits the award of punitive or exemplary damages against the Clinical Operations.

The NMTCA requires the State Risk Management Division to provide coverage to the Clinical Operations for those torts where the Legislature has waived the state's immunity from liability up to the damages limits of the NMTCA, as described above, plus the cost incurred in defending any claims and/or lawsuits (including attorney's fees and expenses), with no deductible and with no self-insured retention by the Clinical Operations.

Effective July 1, 2009, the University began self-insuring its health and dental benefits. Under the plans, all eligible employees are provided access to the provider networks of Blue Cross Blue Shield, Presbyterian Health Plan, and UNM Team Health for health services, and Delta Dental for dental services. Effective July 1, 2016 the University began self-insuring its student health benefits. Blue Cross Blue Shield, Presbyterian Health Plan, and UNM Team Health provide administrative and claim payment services for the University's health plans and Delta Dental for the dental plan. Liabilities are based on an estimate of claims that have been incurred but not reported, invoices received but not yet paid, and catastrophic claims not covered by our excess claims carriers. At June 30, 2024 and 2023, the estimated amount of the University's claims and accrued invoices was \$4.0 million and \$4.9 million, respectively, which is included in accrued payroll. The liability for claims incurred but not reported was based on the actuarial analysis performed by Aon Hewitt.

Changes in the University reported liability for health, dental, and life operations resulted from the following:

	Beginning Balance	Claims and Changes in Estimates	Claim Payments	Ending Balance
2024	\$ 4,867,097	\$109,584,729	\$(110,406,537)	\$ 4,045,289
2023	13,094,844	103,384,509	(111,612,256)	4,867,097

The Hospital sponsors a self-insured health plan in which BHO also participates, as all employees are under the centralized umbrella of the Hospital. Blue Cross and Blue Shield of New Mexico and HMO New Mexico (BCBSNM) provide administrative claim payment services for the Hospital's plan. Liabilities are based on an estimate of claims that have been incurred but not reported (IBNR) and claims received but not yet paid. The estimated amount of the Hospital's IBNR and accrued claims was approximately \$4.9 million and \$5.0 million at June 30, 2024 and 2023, which is

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included in accrued payroll. As the Hospital receives all cash and pays all obligations of BHO, the estimated amount of BHO's IBNR and accrued invoices recorded in the Hospital's accrued payroll was approximately \$430,000 and \$477,000 at June 30, 2024 and 2023, respectively. The liability for IBNR was based on actuarial analysis calculated using information provided by BCBSNM.

Changes in the reported Clinical Operations liability during fiscal years 2024 and 2023 resulted from the following:

	Beginning Balance	Claims and Changes in Estimates	Claim Payments	Ending Balance
2024	\$ 5,790,885	\$ 57,170,623	\$(57,656,168)	\$ 5,305,340
2023	5,808,402	57,610,039	(57,627,556)	5,790,885

(17) Retirement Plans and Postemployment Benefits

(A) University

General Information about the Pension Plan

Plan description: The New Mexico Educational Retirement Act (ERA) was enacted in 1957. The act created the Educational Employees Retirement Plan (Plan) and, to administer it, the New Mexico Educational Retirement Board (NMERB). The Plan is included in NMERB's annual comprehensive financial report. The report can be found on NMERB's website at https://www.nmerb.org/Annual_reports.html.

The Plan is a cost-sharing, multiple-employer pension 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 state agencies providing educational programs. Additional tenets of the ERA can be found in Section 22-11-1 through 22-11-55, NMSA 1978, as amended.

The Plan is a pension trust fund of the State of New Mexico. The ERA assigns the authority to establish and amend benefit provisions to a nine-member Board of Trustees (Board); the state legislature has the authority to set or amend contribution rates and other terms of the Plan. NMERB is self-funded through investment income and educational employer contributions. The Plan does not receive General Fund Appropriations from the State of New Mexico.

All accumulated assets are held by the Plan in trust to pay benefits, including refunds of contributions as defined in the terms of the Plan. Eligibility for membership in the Plan is a condition of employment, as defined in Section 22-11-2, NMSA 1978. Employees of public schools, universities, junior and community colleges, public technical and vocational institutions, state special schools, charter schools, regional education cooperatives, the New Mexico Activities Association, and certain employees at state agencies that provide an educational program, who are employed more than 25% of a full-time equivalency, are required to be members of the Plan, unless specifically excluded. Substantially all of the University's full-time employees and a small portion of the full-time employees of the Hospital and BHO (collectively referred to as Clinical Operations for the purposes of this footnote) participate in the Plan.

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Pension Benefit: A member's retirement benefit is determined by a formula which includes three component parts: 1) the member's final average salary (FAS), 2) the number of years of service credit, and 3) a multiplier.

For members hired on or before June 30, 2019 (Tiers 1-3 members) the multiplier is 2.35%. For members hired after June 30, 2019 the multiplier accrues as follows:

Years of Service	Benefit Percentage Earned
10 or less	1.35%
10.25 to 20	2.35%
20.25 to 30	3.35%
30.25 plus	2.40%

FAS is the average of the member's fiscal annual earnings for the last 20 calendar service quarters (60 months) prior to retirement or the highest average fiscal annual earnings for any 20 consecutive calendar quarters.

Summary of plan provisions for retirement eligibility by tier:

Tier 1: Membership prior to July 1, 2010

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, or
- The member is at least 65 years of age and has five or more years of earned service credit, or
- The member has service credit totaling 25 years or more.

Tier 2: Membership on or after July 1, 2010, but prior to July 1, 2013

Chapter 288, Laws of 2009 changed the eligibility requirements for new members who were first employed on, or after, July 1, 2010 and before July 1, 2013, or at any time prior to July 1, 2010, was refunded all members contributions and then becomes re-employed after July 1, 2010. These members must meet one of the following requirements:

- The member's 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, or
- The member is at least 67 years of age and has five or more years of earned service credit, or
- The member has service credit totaling 30 years or more.

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Tier 3: Membership beginning on or after July 1, 2013, but prior to July 1, 2019

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, or
- 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.

Tier 4: Membership beginning on or after July 1, 2019

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 but 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 is any age and has 30 or more years of earned service credit, or
- The member is at least 67 years of age and has 5 or more years of earned service credit, or
- The sum of the member's age and years of earned service credit equals at least 80.

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.

Benefit options: The Plan has three benefit options available.

- **Option A – Straight Life Benefit** – The single life annuity option has no reductions to the monthly benefit, and there is no continuing benefit due to a beneficiary or estate, except the balance, if any, of member contributions plus interest less benefits paid prior to the member's death.
- **Option B – Joint 100% Survivor Benefit** – The single life annuity monthly benefit is reduced to provide for a 100% survivor's benefit. The reduced benefit is payable during the life of the member, with the provision that, upon death, the same benefit is paid to the beneficiary for his or her lifetime. If the beneficiary predeceases the member, the member's monthly benefit is increased to the amount the member would have received under Option A Straight Life benefit. The member's increased monthly benefit commences in the month following the beneficiary's death.

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- **Option C – Joint 50% Survivor Benefit** – The single life annuity monthly benefit is reduced to provide for a 50% survivor's benefit. The reduced benefit is payable during the life of the member, with the provision that, upon death, the reduced 50% benefit is paid to the beneficiary for his or her lifetime. If the beneficiary predeceases the member, the member's monthly benefit is increased to the amount the member would have received under Option A Straight Life benefit. The member's increased monthly benefit commences in the month following the beneficiary's death.

Disability benefit: An NMERB member is eligible for disability benefits if the member has acquired at least ten years of earned service credit and is found to be totally disabled. The disability benefit is equal to 2% of the member's Final Average Salary (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 may receive an adjustment in their benefit on July 1 following the year a member retires, or July 1 following the year a member reaches the age below, whichever is later:

<u>Membership</u>	<u>Age Eligible for COLA</u>
Tier 1	65
Tier 2	65
Tier 3	67
Tier 4	67

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 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%.

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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: For the fiscal year ended June 30, 2024 and 2023 educational employers contributed to the Plan based on the following rate schedule.

Fiscal Year	Date Range	Wage Category	Member Rate	Employer Rate	Combined Rate	Increase Over Prior Year
2024	7-1-23 to 6-30-24	Over \$24K	10.70%	18.15%	28.85%	1.00%
2024	7-1-23 to 6-30-24	\$24K or less	7.90%	18.15%	26.05%	1.00%
2023	7-1-22 to 6-30-23	Over \$24K	10.70%	17.15%	27.85%	2.00%
2023	7-1-22 to 6-30-23	\$24K or less	7.90%	17.15%	25.05%	2.00%

The contribution requirements are established in statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the New Mexico Legislature. The University's contributions to ERB for the fiscal years ended June 30, 2024, 2023, 2022 were \$120,333,297, \$102,864,990, and \$80,578,522, respectively, which equal the amount of the required contributions for each fiscal year. The Clinical Operations' contributions to ERB for the fiscal years ended June 30, 2024, 2023, 2022 were \$166,863, \$173,804, and \$190,620, respectively, which equal the amount of the required contributions for each fiscal year.

Alternative Retirement Plan

Effective October 1991, the New Mexico legislature established an Alternative Retirement Plan (ARP) through the enactment of ERA Sections 22-11-47 through 52 NMSA 1978 to provide eligible employees an election to establish an alternative retirement investment plan. In contrast to the defined benefit plan administered by NMERB, the ARP is a defined contribution plan. NMERB is the trustee of the ARP which is administered by two third-party contractors for NMERB. The two administrators approved to offer ARP plans to eligible participants are Teachers Insurance and Annuity Association (TIAA) and Fidelity Investments.

These administrators have the authority to perform record keeping, enrollment education services, and other administrative duties for the ARP. The administrators are delegated any and all powers, as may be necessary or advisable, to discharge their duties under the ARP and have certain discretionary authority to decide matters under the ARP. As the ARP trustee, NMERB is responsible for selecting investment options that provide a prudent rate of return and ensuring that all investments, amounts, property, and rights under the executed Plan-Trust are held for the exclusive benefit of Plan participants and their beneficiaries, as defined in the Plan Document.

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Eligibility: Certain eligible employees of the University are eligible to make an election to participate within ninety days of employment. Information about the ARP is distributed by the employer. Those who do not elect to participate in the ARP remain members of the regular defined benefit retirement plan.

Section 22-11-47(D) NMSA 1978 allows an ARP participant a one-time option to make an irrevocable switch to the defined benefit retirement plan after seven years of ARP participation.

Form of payment: Retirement, death, and other benefits are based upon contributions made and earnings accumulated on those contributions, in accordance with the terms of the applicable vendor contracts and Internal Revenue Service Code. Retirement benefits shall, at the option of the employee, be paid in the form of:

- A lifetime income, if held in an annuity contract, or
- Payments for a term of years, or
- A single-sum cash payment.

ARP retirement, death, and other benefits, including disability benefits, cannot be paid from the funds administered by NMERB.

ARP contributions: A participating employer must contribute on behalf of each employee participant an amount of the participant's salary equal to the contribution that would be required of the employer if the participant were, instead, a regular member. For the year ended June 30, 2024, colleges and universities contributed 10.90% of participating employees' gross salary to the ARP vendor on behalf of the participant, and 7.25% of the employees' gross salary to NMERB, for a total of 18.15%. Employees participating in the ARP do not accrue rights to benefits in the defined benefit pension plan based on the 7.25% contributions to NMERB.

The colleges and universities are responsible for submitting employers' and employees' contributions directly to the ARP vendors and NMERB.

Employer contributions reported in the University's financial statements include amounts remitted on behalf of both the ARP defined contribution plan and the defined benefit plan. The 7.25% contribution remitted for the fiscal year ended June 30, 2024, and the amounts remitted for the fiscal years ended 2023 and 2022 were \$14,372,474, \$11,565,240, and \$7,256,562, respectively.

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

At June 30, 2024, the University and Clinical Operations reported liabilities of \$1,336,818,886 and \$2,338,678, respectively, for their proportionate shares of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2023 using generally accepted actuarial principles. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2023.

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At June 30, 2023, the University and Clinical Operations reported liabilities of \$1,321,299,157 and \$3,150,562, respectively, for their proportionate shares of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2022 using generally accepted actuarial principles.

The University's proportion of the net pension liability is based on a projection of the University's long-term share of contributions to the pension plan relative to the projected contributions of all participating educational institutions at June 30, 2023, actuarially determined. At June 30, 2023, the University's proportion was 15.39354%, which was a decrease of 0.29566% from its proportion measured as of June 30, 2022. At June 30, 2022, the University's proportion was 15.68920%, which was a decrease of 0.07591% from its proportion measured as of June 30, 2021. At June 30, 2023, the Clinical Operations' proportion was 0.02693%, which was a decrease of 0.01048% from its proportion measured as of June 30, 2022. At June 30, 2022, the Clinical Operations' proportion was 0.03741%, which was a decrease of 0.00328% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2024, the University and Clinical Operations recognized pension income of \$201,113,867 and \$1,271,152, respectively. For the year ended June 30, 2023, the University and Clinical Operations recognized pension expense of \$64,872,698 and the Clinical Operations recognized pension income of \$662,332. At June 30, 2024 and 2023, the University and Clinical Operations reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Year Ended June 30, 2024					
	Deferred Outflows of Resources			Deferred Inflows of Resources		
	University	Clinical Operations	Total	University	Clinical Operations	Total
Differences between expected and actual experience	\$37,891,312	\$66,288	\$37,957,600	\$12,087,283	\$21,146	\$12,108,429
Changes of assumptions	-	-	-	198,380,627	347,054	198,727,681
Net difference between projected and actual earnings on pension plan investments	-	-	-	8,374,515	14,651	8,389,166
Changes in proportion and differences between University and Clinical Operations contributions and proportionate share of contributions	21,138	-	21,138	27,580,752	1,131,461	28,712,213
University and Clinical Operations contributions subsequent to the measurement date	120,333,296	166,863	120,500,159	-	-	-
Total	\$158,245,746	\$233,151	\$158,478,897	\$246,423,177	\$1,514,312	\$247,937,489

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	Year Ended June 30, 2023					
	Deferred Outflows of Resources			Deferred Inflows of Resources		
	University	Clinical Operations	Total	University	Clinical Operations	Total
Differences between expected and actual experience	\$47,418,615	\$113,067	\$47,531,682	\$21,582,178	\$51,461	\$21,633,639
Changes of assumptions	222,572,235	530,711	223,102,946	734,272,130	1,750,830	736,022,960
Net difference between projected and actual earnings on pension plan investments	-	-	-	30,177,825	71,957	30,249,782
Changes in proportion and differences between University and Clinical Operations contributions and proportionate share of contributions	76,770	-	76,770	11,200,540	855,331	12,055,871
University and Clinical Operations contributions subsequent to the measurement date	102,864,990	173,804	103,038,794	-	-	-
Total	\$372,932,610	\$817,582	\$373,750,192	\$797,232,673	\$2,729,579	\$799,962,252

The \$120,500,159 reported as deferred outflows of resources related to pensions resulting from University and Clinical Operations contributions subsequent to the measurement date of June 30, 2023 will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. The \$103,038,794 reported as deferred outflows of resources related to pensions resulting from University and Clinical Operations contributions subsequent to the measurement date of June 30, 2022 was recognized as a reduction of the net pension liability in the year ended June 30, 2024. 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 ending June 30:	University	Clinical Operations	Total
2024	(209,134,716)	(955,290)	(210,090,006)
2025	(47,206,581)	(473,574)	(47,680,155)
2026	46,586,802	(21,336)	46,565,466
2027	1,243,768	2,176	1,245,944
Total	(\$208,510,727)	(\$1,448,024)	(\$209,958,751)

Actuarial assumptions: Actuarial assumptions and methods are set by the Plan's Board of Trustees, based upon recommendations made by the Plan's actuary. The assumptions for the year ended June 30, 2023 were based on Board-adopted assumptions on April 17, 2020, in conjunction with the six-year actuarial experience study period ended June 30, 2019.

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The total pension liability in the June 30, 2023 and 2022 actuarial valuation was determined using the following significant actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary Increases	3.00% composed of 2.30% inflation, plus a 0.70% productivity increase rate, plus step-rate promotional increase for less than 15 years of service.
Investment Rate of Return	7.00%
Mortality	<p>Healthy males: 2020 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.</p> <p>Healthy females: 2020 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.</p>

The long-term expected rate of return on pension plan investments was determined using a building-block approach that includes the following:

- Rate of return projections that are the sum of current yield plus projected changes in price (valuations, defaults, etc.)
- Application of key economic projections (inflation, real growth, dividends, etc.)
- Structural themes (supply and demand imbalances, capital flows, etc.) developed for each major asset class.

The target allocation for each major asset class and the long-term expected rate of return are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Equities	24%	
Fixed income	23%	
Alternatives	52%	
Cash	1%	
Total	100%	7.00%

Discount rate: A single discount rate of 7.00% was used to measure the total pension liability as of June 30, 2023. This is the same rate used for June 30, 2022. The 7.00% was based on a long-term 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 projected benefit payments to determine the total pension liability.

A single discount rate of 7.00% was used to measure the total pension liability as of June 30, 2022. This is the same rate used for June 30, 2021. The 7.00% was based on a long-term expected rate of return on pension plan investments of 7.00%. Based on the stated assumptions and the projection of

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cash flows, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit 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 projected benefit payments to determine the total pension liability. The projections of cash flows used to determine the single discount rates assumed that plan member and employer contributions will be made at the current statutory levels.

Additionally, contributions received through the Alternative Retirement Plan (ARP) and the Return-to-Work Program are included in the projection of cash flows. These contributions are assumed to remain at a level percentage of ERB payroll, where the percentage of payroll is based on the most recent five-year contribution history.

Sensitivity of the University's and Clinical Operations' proportionate shares of the net pension liability to changes in the discount rate:

The following presents the University's and Clinical Operations' net pension liability at June 30, 2024, which was measured using the discount rate of 7.00%, as well as what the net pension liability would have been if it were calculated using a discount rate that was one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current discount rate.

	Year Ended June 30, 2024		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
University's proportionate share of the net pension liability	\$1,817,291,615	\$1,336,818,886	\$939,891,878
Clinical Operations' proportionate share of the net pension liability	3,179,234	2,338,678	1,644,280
Total	\$ 1,820,470,849	\$ 1,339,157,564	\$ 941,536,158

The following presents the University's and Clinical Operations' net pension liability at June 30, 2023, which was measured using the discount rate of 7.00%, as well as what the net pension liability would have been if it were calculated using a discount rate that was one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current discount rate.

	Year Ended June 30, 2023		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
University's proportionate share of the net pension liability	\$1,791,571,296	\$1,321,299,157	\$932,625,966
Clinical Operations' proportionate share of the net pension liability	4,271,899	3,150,562	2,223,793
Total	\$ 1,795,843,195	\$ 1,324,449,719	\$ 934,849,759

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Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in separately issued NMERB'S financial reports. The reports can be found on NMERB's website at https://www.nmerb.org/Annual_reports.html.

(B) Clinical Operations

The Clinical Operations have a defined-contribution plan covering eligible employees, which provides retirement benefits. The name of the plan is UNM Hospital Tax Sheltered Annuity Plan, formerly known as the University of New Mexico Hospital/Bernalillo Medical Center Tax Sheltered Annuity Plan. The Clinical Operations contribute 6% or 8% of an employee's salary to the plan, depending on employment level. The plan was established by the UNM Hospital Board of Trustees and can be amended at its discretion. The plan is administered by the Hospital's Human Resources Department.

The expense for the defined-contribution plan was \$22,800,000 and \$19,900,000 in fiscal years 2024 and 2023, respectively. Total employee contributions under this plan were \$31,200,000 and \$31,000,000 in fiscal years 2024 and 2023, respectively. The Hospital also offers a Roth 403b defined-contribution plan option. Total employee contributions were approximately \$3,400,000 and \$3,300,000 in fiscal years 2024 and 2023, respectively.

The Clinical Operations also offer a deferred compensation plan, called the UNM Hospital 457(b) Deferred Compensation Plan, which provides employees with an additional retirement savings plan. Employees can make voluntary contributions to this plan. The plan was established by the UNM Hospital Board of Trustees and can be amended at its discretion. The plan is administered by the Hospital's Human Resources Department. There was no expense for the deferred compensation plan in 2024 and 2023, respectively, as the Clinical Operations do not contribute to this plan. Total employee contributions under this plan were \$5,077,000 and \$5,119,000 in fiscal years 2024 and 2023, respectively.

The Clinical Operations have a 401(a) defined-contribution plan, called the UNM Hospital 401(a) Plan, which was established for the purpose of providing retirement benefits for eligible participants and their beneficiaries. The 401(a) plan allows for tax-deferred employer contributions based on management's recommendation that is approved by the Board of Trustees on an annual basis. The plan was established by the UNM Hospital Board of Trustees and can be amended at its discretion. All assets of the plan are held in a trust fund, are not considered Clinical Operations assets, and are under the direction of a plan administrator. The expense for the 401(a) defined-contribution plan was \$801,000 and \$792,000 in fiscal years 2024 and 2023, respectively. Only the Clinical Operations contribute to this plan.

A small portion of the Clinical Operations' full-time employees participates in the ERB defined-benefit plan authorized under the Educational Retirement Act as described above.

(18) Other Postemployment Benefits

General Information about the OPEB Plan

Plan description: The University of New Mexico Retiree Welfare Benefit Trust (VEBA Trust) administers the University of New Mexico Retiree Welfare Benefit Plan (VEBA Plan) – a single-

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employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for all eligible employees of the University. The University is the fiduciary of the VEBA Trust, and the VEBA Trust's financial statements and required supplementary information are included in the University's financial report.

Management of the VEBA Plan is vested in the VEBA Trust's VEBA Committee, which consists of nine members:

- UNM Controller or Designee
- UNM Vice President of Human Resources or Designee
- Two Faculty Appointees (appointed by the UNM President)
- Two Staff Appointees (appointed by the UNM President)
- Member of the Debt Investment Advisory Committee (ex-officio, appointed by the UNM President)
- Two UNM Presidential Appointees

Plan membership: In order for a retiree of the University to be eligible for OPEB other than basic life insurance, the employee must have been hired prior to July 1, 2015 and contribute to the VEBA Trust for at least five continuous years immediately prior to retirement. If hired prior to July 1, 2013 and retired prior to July 1, 2018, employees must have continually contributed to the VEBA Trust. Employees were automatically enrolled into the VEBA Trust upon its establishment unless they requested to opt out. Opportunities to opt out will occur annually during the benefits open enrollment period. Employees hired on or after July 1, 2015 are not eligible for OPEB other than basic life insurance. Contributions to the VEBA Trust are not required for the basic life insurance benefit since these benefits are not funded through the VEBA Trust.

At the valuation date of January 1, 2023, as a actuarial valuation is only obtained every other year, the VEBA Plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	3,658
Inactive plan members entitled to but not yet receiving benefit payments	-
Active plan members	<u>7,417</u>
Total plan members	<u><u>11,075</u></u>

Total active plan members include 4,333 members hired on or after July 1, 2015 who are not eligible to receive postretirement health benefits but may be eligible to receive postretirement life insurance benefits.

Benefits provided: The VEBA Plan provides health, dental, and life insurance coverage to eligible retirees and their covered dependents. Eligible retirees of the University receive healthcare coverage through a self-insured medical plan, including prescription drugs, administered through UNM LoboHealth (administered by UNM Team Health and BCBC of NM) and Presbyterian Health Plan. Prescription drug benefits are administered by Express Scripts, Inc. Eligible Medicare retirees receive healthcare coverage through one of seven fully insured medical and prescription drug plans:

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Humana PPO, Aetna PPO ESA, Blue Cross Blue Shield HMO I (Enhanced), Blue Cross Blue Shield HMO II (Standard), Presbyterian Select HMO-POS, Presbyterian Premier HMO-POS, and UHC AARP supplement. Eligible retirees are also offered one of two dental insurance benefit options: Premier High Option and PPO Low Option. Basic life insurance benefits are available to retirees of the University without the requirement to opt in to the VEBA Trust. The authority to establish and amend the benefit provisions rests with the Board of Regents.

Contributions: The contribution requirements of VEBA Plan members and the University are established and may be amended by the Board of Regents. Retiree contributions for medical and dental insurance are required for both retiree and dependent coverage. Retirees are required to pay the full premiums less a subsidy provided by the University. The contribution percentage to premiums for retirees 65 years of age and over is determined by service credits paid into the VEBA as of January 1, 2023 and 2022, as follows:

65+ Retirees			
Number of VEBA Service Credit Years Contributed		UNM	Retiree
5 - 9		10%	90%
10 - 14		15%	85%
15 - 19		20%	80%
20 - 24		25%	75%
Grandfathered with 25+ Service Credits		30%	70%

The contribution percentage to premiums for retirees under the age of 65 is determined by service credits paid into the VEBA and their preretirement annual salary as of January 1, 2023 and 2022, as follows:

Pre- 65 Retirees						
Number of VEBA Service Credit Years Contributed	Less than \$25,000		\$25,000 - \$34,999		\$35,000 and above	
	UNM	Retiree	UNM	Retiree	UNM	Retiree
5 - 9	25%	75%	20%	80%	15%	85%
10 - 14	30%	70%	25%	75%	20%	80%
15 - 19	35%	65%	30%	70%	25%	75%
20 - 24	40%	60%	35%	65%	30%	70%
Grandfathered with 25+ Service Credits	60%	40%	50%	50%	40%	60%

Benefits-eligible employees, who do not opt-out of the VEBA Trust, contribute 0.75% of their salary to the VEBA Trust in order to ensure that the health benefits continue into retirement. The University matches the 0.75% contribution made by the employee.

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Investments

Investment policy: The VEBA Trust's policy in regard to the allocation of invested assets was established and may be amended by the VEBA Committee. The long-term objective of the VEBA Trust is to earn a return sufficient to preserve the purchasing power of the VEBA Trust to fund retirement benefits for contributing employees.

The following was the adopted asset allocation policy as of June 30, 2024 and 2023:

Asset Class	2024		2023	
	Allocation		Allocation	
	Target	Maximum	Target	Maximum
Equities	75%	98%	65%	65%
Fixed income	25%	33%	35%	45%
Alternatives	0%	15%	0%	15%
Total	100%		100%	

Rate of return: For the years ended June 30, 2024 and 2023, the annual money-weighted rate of return on investments, net of investment expense, were 11.32 percent and 9.83 percent, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the University

The University's net OPEB liability was rolled forward on an actuarial basis from the valuation measured as of July 1, 2023 (using census data as of January 1, 2023 but adjusted for a change in the discount rate) to the measurement date.

The components of the net OPEB liability of the University at June 30, 2024 and 2023 were as follows:

	2024	2023
Total OPEB liability	\$189,655,000	\$170,849,200
Plan fiduciary net position	61,423,700	52,206,600
University's net OPEB liability	<u>\$128,231,300</u>	<u>\$118,642,600</u>
Plan fiduciary net position as a percentage of the total OPEB liability	32.39%	30.56%

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Actuarial assumptions: The total OPEB liability was determined by the most recent actuarial valuation as of January 1, 2023 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.0%
Salary increases	2.0%
Investment rate of return	6.0%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	Pre-Medicare: 7.8% initially, reduced by decrements to a rate of 4.5% after nine years
	Post-Medicare: 8.25% initially, reduced by decrements to a rate of 4.5% after nine years
	Dental: 4.0%

Mortality rates were based on the PUB-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Discount rate: The discount rate was determined by blending the University’s long-term rate of return assumption on VEBA Trust assets and the interest rate reported under the 20-Year Municipal Bond Index. GASB 75 requires the use of a long-term rate of return on assets to be used for discounting payments in periods where the plan’s fiduciary net position is projected to be greater than or equal to the benefit payments that are projected to be made in those periods, and the use of the 20-Year Municipal Bond Index for discounting payments in other periods. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was used for the 20-Year Municipal Bond Index, based on this index rate that is reported on the last Friday prior to the measurement date. A blended discount rate was calculated based on separating the projected future payments between retiree medical and retiree life insurance benefits. The VEBA Trust assets were projected using the expected employer and employee payroll contributions and the expected long-term rate of return. Retiree medical payments from the VEBA Trust were assumed to begin when the future projected benefit payments are projected to be fully-funded by the trust, before which the payments were assumed to be paid from general assets on a pay-as-you-go basis. The blended discount rates used for the fiscal year ending June 30, 2024 and 2023 were 5.85% and 6.90% respectively.

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Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at June 30, 2023 (based on July 1, 2022 measurement date)	\$ 170,849,200	\$ 52,206,600	\$ 118,642,600
Changes for the year:			
Service cost	2,128,000	N/A	2,128,000
Interest on the total OPEB liability	11,753,200	N/A	11,753,200
Changes of benefit terms	-	N/A	-
Differences between expected and actual experience	(26,283,900)	N/A	(26,283,900)
Changes of assumptions	36,580,100	N/A	36,580,100
Benefit payments	(5,371,600)	(5,371,600)	-
Contributions from employer	N/A	7,301,600	(7,301,600)
Contributions from employee	N/A	1,929,900	(1,929,900)
Net investment income	N/A	5,363,800	(5,363,800)
Administrative expense	N/A	(6,600)	6,600
Net changes	18,805,800	9,217,100	9,588,700
Balance at June 30, 2024 (based on July 1, 2023 measurement date)	\$ 189,655,000	\$ 61,423,700	\$ 128,231,300

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at June 30, 2022 (based on July 1, 2021 measurement date)	\$ 165,893,700	\$ 59,011,800	\$ 106,881,900
Changes for the year:			
Service cost	2,180,100	N/A	2,180,100
Interest on the total OPEB liability	11,247,900	N/A	11,247,900
Changes of benefit terms	-	N/A	-
Differences between expected and actual experience	-	N/A	-
Changes of assumptions	(3,057,100)	N/A	(3,057,100)
Benefit payments	(5,415,400)	(5,415,400)	-
Contributions from employer	N/A	7,382,600	(7,382,600)
Contributions from employee	N/A	1,967,300	(1,967,300)
Net investment income	N/A	(10,733,700)	10,733,700
Administrative expense	N/A	(6,000)	6,000
Net changes	4,955,500	(6,805,200)	11,760,700
Balance at June 30, 2023 (based on July 1, 2022 measurement date)	\$ 170,849,200	\$ 52,206,600	\$ 118,642,600

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Sensitivity of the net OPEB liability to changes in the discount rate:

The following presents the University's net OPEB liability at June 30, 2024, which was measured using the discount rate of 5.85%, as well as what the net OPEB liability would have been if it were calculated using a discount rate that was one percentage point lower (4.85%) or one percentage point higher (6.85%) than the current discount rate.

Year Ended June 30, 2024			
	1% Decrease (4.85%)	Current Discount Rate (5.85%)	1% Increase (6.85%)
Net OPEB liability	\$ 153,313,500	\$ 128,231,300	\$ 107,438,800

The following presents the University's net OPEB liability at June 30, 2023, which was measured using the discount rate of 6.9%, as well as what the net OPEB liability would have been if it were calculated using a discount rate that was one percentage point lower (5.9%) or one percentage point higher (7.9%) than the current discount rate.

Year Ended June 30, 2023			
	1% Decrease (5.9%)	Current Discount Rate (6.9%)	1% Increase (7.9%)
Net OPEB liability	\$ 138,403,000	\$ 118,642,600	\$ 102,359,400

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates:

The following presents the University's net OPEB liability at June 30, 2024 and 2023, which was measured using the current healthcare cost trend rates (Pre-Medicare: 7.8% decreasing to 4.5%, Post-Medicare: 8.25% decreasing to 4.5%, Dental: 4%), as well as what the net OPEB liability would have been if it were calculated using healthcare cost trend rates that were one percentage point lower (Pre-Medicare: 6.8% decreasing to 3.5%, Post-Medicare: 7.25% decreasing to 3.5%, Dental: 3%) or one percentage point higher (Pre-Medicare: 8.8% decreasing to 5.5%, Post-Medicare: 8.8% decreasing to 5.5%, Dental: 5%) than the current healthcare cost trend rates.

Year Ended June 30, 2024			
	1% Decrease (Pre-Medicare: 6.8% decreasing to 3.5%, Post-Medicare: 7.25% decreasing to 3.5%, Dental: 3%)	Current Trend Rate (Pre-Medicare: 7.8% decreasing to 4.5%, Post-Medicare: 8.25% decreasing to 4.5%, Dental: 4%)	1% Increase (Pre-Medicare: 8.25% decreasing to 5.5%, Post-Medicare: 9.25% decreasing to 5.5%, Dental: 5%)
Net OPEB liability	\$ 107,517,100	\$ 128,231,300	\$ 153,282,400

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	Year Ended June 30, 2023		
	1% Decrease (Pre-Medicare: 6.8% decreasing to 3.5%, Post-Medicare: 7.25% decreasing to 3.5%, Dental: 3%)	Current Trend Rate (Pre-Medicare: 7.8% decreasing to 4.5%, Post-Medicare: 8.25% decreasing to 4.5%, Dental: 4%)	1% Increase (Pre-Medicare: 8.25% decreasing to 5.5%, Post-Medicare: 9.25% decreasing to 5.5%, Dental: 5%)
Net OPEB liability	\$ 100,223,100	\$ 118,642,600	\$ 141,149,500

OPEB plan fiduciary net position: The University is the fiduciary of the VEBA Trust, and detailed information about the VEBA Trust's fiduciary net position is included in this financial report.

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

For the year ended June 30, 2024, the University recognized OPEB expense of \$6,862,300 and for the year ended June 30, 2023, the University recognized OPEB expense of \$3,992,200. At June 30, 2024 and 2023, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Year Ended June 30, 2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 11,043,595	\$ 25,613,995
Changes of assumptions	32,981,663	4,597,863
Net difference between projected and actual earnings on OPEB plan investments	5,690,400	-
University contributions subsequent to the measurement date	7,333,300	-
Total	\$ 57,048,958	\$ 30,211,858

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	Year Ended June 30, 2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 15,059,392	\$ 10,823,292
Changes of assumptions	4,845,318	8,059,618
Net difference between projected and actual earnings on OPEB plan investments	8,454,000	-
University contributions subsequent to the measurement date	7,301,600	-
Total	\$ 35,660,310	\$ 18,882,910

The \$7,333,300 reported as deferred outflows of resources related to OPEB resulting from University contributions subsequent to the measurement date of July 1, 2024 will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2025. The \$7,301,600 reported as deferred outflows of resources related to OPEB resulting from University contributions subsequent to the measurement date of July 1, 2023 was recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	
2025	\$ 2,551,600
2026	6,685,100
2027	7,714,400
2028	1,178,500
2029	1,374,200
Total	\$ 19,503,800

THE UNIVERSITY OF NEW MEXICO

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

(19) Commitments and Contingencies

(A) Commitments

In addition to the lease commitments in note 15, the University had commitments totaling \$57,311,742 at June 30, 2024. These commitments consisted of the following:

	<u>2024</u>
Materials and services	\$38,082,994
Construction projects	19,228,747
Total commitments	<u>\$57,311,742</u>

(B) Contingencies

The University is liable or contingently liable in connection with certain claims that arise in the normal course of its activities. It is the opinion of management that uninsured losses resulting from these claims would not be material to the University's financial position or operations.

The University receives grants and other forms of reimbursement from various federal and state agencies. These activities are subject to audit by agents of the funding authority, the purpose of which is to ensure compliance with conditions precedent to providing such funds. University administration believes that the liability, if any, for reimbursement that may arise as the results of audits, would not be material to the financial position or operations of the University.

(C) Mortgage Reserve Fund

On November 15, 2004, the Hospital established a mortgage reserve fund in accordance with the requirements and conditions of the 2004 FHA Regulatory Agreement. On May 14, 2015, a new mortgage reserve fund was established for the 2015 series bonds. The mortgage reserve fund is fully funded.

The mortgage note bears interest at 3.29%. The mortgage note has a term of 205 months following the commencement of amortization and matures on June 1, 2032. Principal and interest are payable in equal monthly installments upon commencement of amortization. A mortgage servicing fee of 12 basis points and a GNMA guarantee fee of 13 basis points are also included in the monthly payment, for a total of 3.54%.

THE UNIVERSITY OF NEW MEXICO

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

(20) Unrestricted Net Position – Committed and Dedicated

Unrestricted net position is subject to contractual commitments and dedications to support the missions of the University in current and future years. The net position of unrestricted funds of the primary institution fall into one of three categories:

- **Committed:** A formal, written commitment/contract has been made for these funds. Examples include signed employment offer letters to Deans, Department Chairs, and Research Faculty, start-up funds for new research projects, cost share on awarded sponsored agreements, and appropriated state funding for special projects.
- **Dedicated:** An Executive Vice President, Vice President, Dean, or Department Chair has dedicated these funds for a clear, focused purpose to support the missions of the University.
- **Discretionary:** The remaining funds that are not committed or dedicated.

The following is a breakdown of the University's unrestricted net position as of June 30 (unaudited):

	2024		2023
Unrestricted net position	\$ (283,105,860)		\$ (740,465,765)
Less:			
Working capital – patient care operations			
Clinical operations – UNM Hospitals	408,942,161		345,418,633
Total working capital – patient care operations	408,942,161		345,418,633
Net pension and OPEB obligations			
Pension	(1,428,616,156)		(1,745,599,220)
OPEB	(101,394,200)		(101,865,200)
Total net pension and OPEB obligations	(1,530,010,356)		(1,847,464,420)
Committed			
HSC capital initiatives	-		333,561
Blended component units	91,123,695		103,926,640
Other	223,273,383		98,232,198
Total committed	314,397,078		202,492,399
Dedicated			
Plant funds – repair and replacement	118,887,296		91,389,299
Quasi-endowment funds – Regents' scholarships	135,682,577		117,938,281
Student loan funds	1,003,932		962,075
Other	179,845,394		145,182,728
Total dedicated	435,419,199		355,472,383
Ending discretionary funds balance	<u>\$ 88,146,058</u>		<u>\$ 203,615,240</u>

THE UNIVERSITY OF NEW MEXICO

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

(21) Beneficial Interest in New Mexico Land Grant Permanent Fund

The New Mexico Land Grant Permanent Fund (LGPF) was originally established pursuant to the Enabling Act for New Mexico passed by the U.S. Congress on June 20, 1910 (which encompassed the Ferguson Act of 1898) and was made the law of New Mexico by its reference in the New Mexico Constitution. The Enabling Act (and its acceptance in the New Mexico Constitution) set forth certain parcels of land granted by the United States in trust to the State of New Mexico (State) for the purposes of establishing a permanent fund which could only be used for the purposes set out in the Enabling Act, namely, the funding of schools and state institutions throughout New Mexico. Highly restrictive criteria governing permitted uses of the assets of the LGPF are specifically prescribed in the New Mexico Constitution. The beneficiaries of the LGPF are also specifically prescribed in the New Mexico Constitution and in state statute. The University is one of the specific entities identified that has a beneficial interest in the LGPF.

On July 1, 2016, the State changed its policy regarding the presentation of the University's beneficial interest in the LGPF within the State's Annual Comprehensive Financial Report. As a result of the State's change in policy, the University no longer presents its beneficial interest in the LGPF as an asset in its stand-alone Statement of Net Position (SNP). The distribution of income from the LGPF, as required by law, received by the University for its beneficial interest in the LGPF continues to be presented in its stand-alone Statement of Revenue, Expenses, and Changes in Net Position (SRECNP) as investment income.

The University's beneficial interest and income received from this beneficial interest for the years ending June 30, 2024 and 2023 are as follows:

	As of June 30	
	2024	2023
Balance of the University's beneficial interest in the LGPF	\$ 313,640,410	\$ 294,593,061
	For the Years Ended June 30	
	2024	2023
Income received from the University's beneficial interest in the LGPF	\$ 11,398,092	\$ 11,027,379

THE UNIVERSITY OF NEW MEXICO

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

(22) Subscription Based Information Technology Agreements

A summary of the subscription-based information technology arrangements (SBITA) asset activity during the years ended June 30, 2024 and 2023 is as follows:

	Balance June 30, 2023			Balance June 30, 2024		
		Additions	Deductions			
Right to use SBITA	\$ 79,510,910	\$ 7,699,291	\$ -	\$ 87,210,201		
Accumulated depreciation	(36,402,430)	(17,230,188)	-	(53,632,618)		
Right to use SBITA, net	\$ 43,108,480	\$ (9,530,897)	\$ -	\$ 33,577,583		

	Balance June 30, 2022			Balance June 30, 2023		
		Additions	Deductions			
Right to use SBITA	\$ 79,400,813	\$ 110,097	\$ -	\$ 79,510,910		
Accumulated depreciation	(18,321,898)	(18,080,532)	-	(36,402,430)		
Right to use SBITA, net	\$ 61,078,915	\$ (17,970,435)	\$ -	\$ 43,108,480		

A summary of changes in the related SBITA liability during the years ended June 30, 2024 and 2023 is as follows:

	Balance June 30, 2023			Balance June 30, 2024		Amounts due within a year
		Additions	Deductions			
SBITA liabilities	\$ 43,275,165	\$ 7,586,735	\$ (16,944,520)	\$ 33,917,380		\$ 11,975,031

	Balance June 30, 2022			Balance June 30, 2023		Amounts due within a year
		Additions	Deductions			
SBITA liabilities	\$ 60,941,483	\$ 110,097	\$ (17,776,415)	\$ 43,275,165		\$ 15,296,717

UNM is the end user for numerous (SBITAs). Short-term SBITAs, which have a maximum possible term of 12 months or less, are recognized as an outflow of resources when payment is made. For SBITAs with subscription terms extending beyond one year, UNM recognizes an intangible right-to-use subscription asset and a corresponding subscription liability.

Initial measurement of the subscription asset/liability is calculated at the present value of payments expected to be paid during the subscription term, discounted using the University's incremental borrowing rate. The right-to use-asset is amortized on a straight-line basis over the subscription term.

THE UNIVERSITY OF NEW MEXICO

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2024 and 2023

There have been no outflows of resources recognized in the reporting periods for variable payments not previously included in the measurement of the SBITA liability, or other payments such as termination penalties.

A schedule of future minimum SBITA payments for the University as of June 30, 2024 is as follows:

Year ending June 30	Principal Payable	Interest Payable	Total
2025	\$ 11,975,031	\$ 1,025,770	\$ 13,000,801
2026	7,871,165	630,239	8,501,404
2027	5,946,107	379,574	6,325,681
2028	1,584,059	247,805	1,831,864
2029	1,534,353	193,152	1,727,505
2030-2034	5,006,665	297,959	5,304,624
2035-2039	-	-	-
2040-2044	-	-	-
2045 & After	-	-	-
	<u>\$ 33,917,380</u>	<u>\$ 2,774,499</u>	<u>\$ 36,691,879</u>

(23) Subsequent Events

Management has evaluated subsequent events through October 28, 2024 to determine whether such events should be recorded or disclosed in the financial statements or notes for the year ended June 30, 2024. This date represents the date the financial statement audit report was available to be issued. The University is not aware of any subsequent events that would require recognition or disclosure in the accompanying financial statements.

APPENDIX D

**EXCERPT OF JUNE 30, 2024 REPORT OF ACTUALS
UNIVERSITY OF NEW MEXICO – VALENCIA BRANCH COMMUNITY COLLEGE DISTRICT**

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**University of New Mexico
Valencia County Branch Campus**



**Report of Actuals
Fiscal Year 2023-2024**

September 13, 2024



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Exhibit 1 - UNM VALENCIA Campus
Summary of Current and Plant Funds

		Original		Revised		Actuals 2024	
		Budget 2024		Budget 2024		PERIOD 14	
		PERIOD 14		PERIOD 14		PERIOD 14	
		Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Revenues	Instruction and General	12,877,069	224,234	13,141,180	210,000	13,387,933.87	223,413.00
	Student Social and Cultural Ex 15	21,230	0	24,769	0	25,188.73	.00
	Research Ex 16	0	121,568	0	137,500	.00	71,348.00
	Public Service Ex 17	30,468	2,766,832	68,763	3,138,000	110,480.63	2,845,855.00
	Internal Services Ex 18	771	0	771	0	5.00	.00
	Student Aid Ex 19	51,900	0	120,114	0	75,735.06	.00
	Auxiliaries Ex 20	327,528	30,000	327,528	30,000	369,763.53	22,087.00
Subtotal Current Funds		13,308,966	3,142,634	13,683,125	3,515,500	13,969,106.82	3,162,703.00
TOTAL Revenues		13,308,966	3,142,634	13,683,125	3,515,500	13,969,106.82	3,162,703.00
Beginning Balance	Instruction and General	4,363,920	0	5,320,270	0	5,320,269.81	.00
	Student Social and Cultural Ex 15	25,015	0	20,023	0	20,022.79	.00
	Research Ex 16	0	0	0	0	.00	.00
	Public Service Ex 17	14,833	0	111,390	0	111,389.65	.00
	Internal Services Ex 18	14,223	0	34,162	0	34,162.08	.00
	Student Aid Ex 19	123,275	0	149,284	0	149,283.91	.00
	Auxiliaries Ex 20	285,394	0	138,582	0	138,582.29	.00
Subtotal Current Funds		4,826,660	0	5,773,711	0	5,773,710.53	.00
TOTAL Beginning Balance		4,826,660	0	5,773,711	0	5,773,710.53	.00
Total Available	Instruction and General	17,240,989	224,234	18,461,450	210,000	18,708,203.68	223,413.00
	Student Social and Cultural Ex 15	46,245	0	44,792	0	45,211.52	.00
	Research Ex 16	0	121,568	0	137,500	.00	71,348.00
	Public Service Ex 17	45,301	2,766,832	180,153	3,138,000	221,870.28	2,845,855.00
	Internal Services Ex 18	14,994	0	34,933	0	34,167.08	.00
	Student Aid Ex 19	175,175	0	269,398	0	225,018.97	.00
	Auxiliaries Ex 20	612,922	30,000	466,110	30,000	508,345.82	22,087.00
Subtotal Current Funds		18,135,626	3,142,634	19,456,836	3,515,500	19,742,817.35	3,162,703.00
TOTAL Total Available		18,135,626	3,142,634	19,456,836	3,515,500	19,742,817.35	3,162,703.00

Run on: 09/09/2024

Exhibit 1 - UNM VALENCIA Campus
Summary of Current and Plant Funds

		Original		Revised			
		Budget 2024		Budget 2024		Actuals 2024	
		PERIOD 14		PERIOD 14		PERIOD 14	
		Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Expenditures	Instruction and General	12,699,850	224,234	12,780,724	210,000	11,554,375.85	223,413.00
	Student Social and Cultural Ex 15	25,220	0	27,665	0	22,026.82	.00
	Research Ex 16	0	121,568	0	137,500	.00	71,348.00
	Public Service Ex 17	118,118	2,766,832	156,374	3,138,000	90,321.33	2,845,855.00
	Internal Services Ex 18	771	0	(5,595)	0	(4,910.52)	.00
	Student Aid Ex 19	236,946	0	298,938	0	289,511.52	.00
	Auxiliaries Ex 20	382,528	30,000	352,528	30,000	529,674.07	22,087.00
Subtotal Current Funds		13,463,433	3,142,634	13,610,634	3,515,500	12,480,999.07	3,162,703.00
TOTAL Expenditures		13,463,433	3,142,634	13,610,634	3,515,500	12,480,999.07	3,162,703.00
Transfers	Instruction and General	(437,822)	0	(1,237,803)	0	(1,237,802.72)	.00
	Research Ex 16	0	0	0	0	.00	.00
	Public Service Ex 17	0	0	(8,505)	0	(8,505.00)	.00
	Student Aid Ex 19	157,496	0	157,496	0	195,396.40	.00
Subtotal Current Funds		(280,326)	0	(1,088,812)	0	(1,050,911.32)	.00
TOTAL Transfers		(280,326)	0	(1,088,812)	0	(1,050,911.32)	.00
Ending Balance	Instruction and General	4,103,317	0	4,442,923	0	5,916,025.11	.00
	Student Social and Cultural Ex 15	21,025	0	17,127	0	23,184.70	.00
	Research Ex 16	0	0	0	0	.00	.00
	Public Service Ex 17	(72,817)	0	15,274	0	123,043.95	.00
	Internal Services Ex 18	14,223	0	40,528	0	39,077.60	.00
	Student Aid Ex 19	95,725	0	127,956	0	130,903.85	.00
	Auxiliaries Ex 20	230,394	0	113,582	0	(21,328.25)	.00
Subtotal Current Funds		4,391,867	0	4,757,390	0	6,210,906.96	.00
TOTAL Ending Balance		4,391,867	0	4,757,390	0	6,210,906.96	.00
Total Expenditures, Transfers and Balances		18,135,626	3,142,634	19,456,836	3,515,500	19,742,817.35	3,162,703.00

Run on: 09/09/2024

Exhibit 1a - UNM Valencia Campus - Detail of Transfers

	Original Budget FY 2024	Revised Budget FY 2024	Actuals FY 2024
<u>A. TOTAL TO (FROM) INSTRUCTION & GENERAL:</u>	(437,822)	(1,237,803)	(1,237,803)
NON-MANDATORY TRANSFERS:			
STUDENT SOCIAL CULTURAL	0	0	0
PUBLIC SERVICE	0	0	0
INTERNAL SERVICES	0	0	0
STUDENT AID GRANTS AND STIPENDS	0	0	0
AUXILIARIES	0	0	0
MAIN CAMPUS	(67,884)	(67,884)	(67,884)
PLANT FUND MAJOR	0	0	0
PLANT FUND MINOR	0	(799,981)	(799,981)
RENEWAL/REPLACEMENT	(120,371)	(120,371)	(120,371)
RENEWAL/REPLACEMENT - ONE TIME	0	0	0
RESTRICTED I&G	0	0	0
RESTRICTED PUBLIC SERVICE	0	0	0
RESTRICTED STUDENT AID	0	0	0
ENDOWMENTS	0	0	0
AGENCY FUND	0	0	0
TOTAL NON-MANDATORY TRANSFERS	(188,255)	(988,236)	(988,236)
REQUIRED TRANSFERS:			
STUDENT AID GRANTS AND STIPENDS-3%	(154,046)	(154,046)	(154,046)
RENEWAL/REPLACEMENT - BR&R	(52,908)	(52,908)	(52,908)
PLANT FUND MINOR - ER&R	(42,613)	(42,613)	(42,613)
TOTAL REQUIRED TRANSFERS	(249,567)	(249,567)	(249,567)
<u>B. TOTAL TO (FROM) STUDENT SOCIAL CULTURAL</u>	0	0	0
I & G	0	0	0
AUXILIARIES	0	0	0
<u>C. TOTAL TO (FROM) RESEARCH</u>	0	0	0
<u>D. TOTAL TO (FROM) PUBLIC SERVICE</u>	0	(8,505)	(8,505)
I & G	0	0	0
AUXILIARIES	0	0	0
ENDOWMENTS	0	(8,505)	(8,505)
<u>E. TOTAL TO (FROM) INTERNAL SERVICE</u>	0	0	0
PLANT FUND MINOR/MAJOR	0	0	0
I & G	0	0	0
<u>F. TOTAL TO (FROM) STUDENT AID/GRANTS STIPENDS</u>	157,496	157,496	195,396
I & G	154,046	154,046	154,046
ENDOWMENTS	3,450	3,450	41,350
<u>G. TOTAL TO (FROM) AUXILIARIES</u>	0	0	0
I & G	0	0	0
STUDENT SOCIAL CULTURAL	0	0	0
<u>H. TOTAL TO (FROM) MAIN CAMPUS CURRENT FUND</u>	67,884	67,884	67,884
Valencia I&G	67,884	67,884	67,884

Exhibit 1a - UNM Valencia Campus - Detail of Transfers

	Original Budget FY 2024	Revised Budget FY 2024	Actuals FY 2024
<u>I. TOTAL TO (FROM) PLANT FUND MINOR/MAJOR</u>	42,613	842,594	842,594
Valencia I&G	42,613	842,594	842,594
<u>J. TOTAL TO (FROM) RENEWAL & REPLACEMENT</u>	173,279	173,279	173,279
Valencia I&G	173,279	173,279	173,279
<u>K. TOTAL TO (FROM) ENDOWMENTS</u>	(3,450)	5,055	(32,845)
Valencia I&G	0	0	0
Valencia PUBLIC SERVICE	0	8,505	8,505
Valencia STUDENT AID GRANTS/STIPENDS	(3,450)	(3,450)	(41,350)
<u>L. TOTAL TO (FROM) AGENCY FUND</u>	0	0	0
<u>M. TOTAL TO (FROM) RESTRICTED I&G</u>	0	0	0
<u>N. TOTAL TO (FROM) RESTRICTED RESEARCH</u>	0	0	0
<u>O. TOTAL TO (FROM) RESTRICTED PUBLIC SERVICE</u>	0	0	0
<u>P. TOTAL TO (FROM) RESTRICTED STUDENT AID</u>	0	0	0
NET TRANSFER TO OR (FROM):			
INSTR. & GEN'L	(437,822)	(1,237,803)	(1,237,803)
STU SOC & CULT DEV ACT	0	0	0
RESEARCH	0	0	0
PUBLIC SERVICE	0	(8,505)	(8,505)
INTERNAL SERVICE DEPART	0	0	0
STU AID GRANTS & STIPENDS	157,496	157,496	195,396
AUXILIARY ENTERPRISES	0	0	0
NET TRANSFERS TO (FROM) CURRENT FUND UNRESTR. Exh 1	(280,326)	(1,088,812)	(1,050,911)
MAIN CAMPUS CURRENT FUND	67,884	67,884	67,884
PLANT FUNDS CAPITAL OUTLAY (EXH. I)	42,613	842,594	842,594
RENEWALS & REPLACEMENTS (EXH. II)	173,279	173,279	173,279
ENDOWMENTS	(3,450)	5,055	(32,845)
AGENCY FUND	0	0	0
RESTRICTED I&G	0	0	0
RESTRICTED RESEARCH	0	0	0
RESTRICTED PUBLIC SERVICE	0	0	0
RESTRICTED STUDENT AID GRANTS/STIPENDS	0	0	0
GRAND TOTAL NET TRANSFERS	0	0	0

**Exhibit 2 - UNM VALENCIA Campus
Summary of Instruction and General**

		Original		Revised		Actuals 2024	
		Budget 2024		Budget 2024		Actuals 2024	
		PERIOD 14		PERIOD 14		PERIOD 14	
		Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Revenues	TUITION AND FEES	1,449,760	0	1,555,002	0	1,553,893	0
	STATE APPROPRIATIONS	7,547,371	0	7,622,371	0	7,622,099	0
	LOCAL APPROPRIATIONS	3,641,747	0	3,641,747	0	3,858,658	0
	FEDERAL GRANTS AND CONTRACTS	0	138,940	0	59,000	0	116,121
	STATE GRANTS AND CONTRACTS	0	85,294	0	151,000	2,853	107,292
	SALES AND SERVICES	10,200	0	16,814	0	18,015	0
	OTHER SOURCES	227,991	0	305,246	0	332,417	0
Total Revenues		12,877,069	224,234	13,141,180	210,000	13,387,935	223,413
Beginning Balance	RESERVES	4,363,920	0	5,320,270	0	5,320,270	0
Total Available		17,240,989	224,234	18,461,450	210,000	18,708,205	223,413
Expenditures	INSTRUCTION	5,618,085	58,267	5,699,599	55,000	5,164,590	95,563
	ACADEMIC SUPPORT	1,657,827	48,312	1,617,999	51,000	1,478,543	46,837
	STUDENT SERVICES	1,406,543	49,030	1,391,293	55,000	1,226,307	40,997
	INSTITUTIONAL SUPPORT	2,668,562	68,625	2,712,000	49,000	2,538,024	40,016
	OPERATION AND MAINTENANCE OF PLANT	1,348,833	0	1,359,833	0	1,146,911	0
Total Expenditures		12,699,850	224,234	12,780,724	210,000	11,554,375	223,413
Transfers (IN) or OUT	TRANSFERS	437,822	0	1,237,803	0	1,237,803	0
Ending Balance		4,103,317	0	4,442,923	0	5,916,027	0

Run on: 09/09/2024

Exhibit 3 - UNM VALENCIA Campus

Student Tuition and Misc. Fees for Instruction and General

				Original	Revised	
				Budget 2024	Budget 2024	Actuals 2024
				PERIOD 14	PERIOD 14	PERIOD 14
				Unrestricted	Unrestricted	Unrestricted
TUITION	Regular Academic	Resident Ft	Fall	339,627	339,627	256,504
			Spring	354,934	354,934	222,904
			Summer	35,918	35,918	53,417
		Resident Pt	Fall	534,568	609,568	668,712
			Spring	607,774	618,774	701,753
			Summer	69,706	69,706	147,420
		Nonresident Ft	Fall	7,560	7,560	10,080
			Spring	5,040	5,040	7,560
		Nonresident Pt	Fall	21,420	21,420	10,710
			Spring	23,310	23,310	7,350
		Uncollectible Tuition	Fall	(17,942)	(17,942)	(14,767)
			Spring	(26,297)	(26,297)	(13,676)
			Summer	(2,201)	(2,201)	(3,606)
		Tuition Waivers and Adjustments	Fall	(315,834)	(315,834)	(274,646)
			Spring	(387,052)	(387,052)	(322,983)
			Summer	(6,301)	(6,301)	(23,153)
Subtotal Regular Academic				1,244,230	1,330,230	1,433,577
	Community Education	Community Education	Community Ed Tuition	136,000	136,000	0
			Community Educ - Admin	0	16,672	43,345
Total TUITION				1,380,230	1,482,902	1,476,922
FEES	Application Fees	Application Fees	Application Fees	0	0	0
	Course Lab Fees	Course Lab Fees	Course Lab Fees	33,250	35,820	35,710
	Mandatory Student Fees	Mandatory Student Fees	Mandatory Student Fees	36,250	36,250	41,185
	Testing Fees	Testing Fees	Testing Fees	30	30	75
Total FEES				69,530	72,100	76,971
GRAND TOTAL TUITION AND FEES				1,449,760	1,555,002	1,553,893

Run on: 09/09/2024

Exhibit 4 - UNM VALENCIA Campus
Governmental Appropriations for Instruction and General

		Original		Revised		Actuals 2024	
		Budget 2024		Budget 2024		PERIOD 14	
		PERIOD 14		PERIOD 14		PERIOD 14	
		Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
LOCAL APPROPRIATIONS	Local District Tax Levy	3,641,747	0	3,641,747	0	3,858,658	0
STATE APPROPRIATIONS	Regular	7,020,171	0	7,020,171	0	7,019,899	0
	Nursing	0	0	50,000	0	50,000	0
	Miscellaneous	100,000	0	125,000	0	125,000	0
	Regular-Nursing	427,200	0	427,200	0	427,200	0
Total Governmental Appropriations		11,189,118	0	11,264,118	0	11,480,756	0

Exhibit 5 - UNM VALENCIA Campus
Governmental Grants and Contracts for Instruction and General

		Original		Revised		Actuals 2024	
		Budget 2024		Budget 2024		PERIOD 14	
		PERIOD 14		PERIOD 14		PERIOD 14	
		Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
FEDERAL GRANTS AND CONTRACTS	I&G Programs	0	0	0	0	0	57,791
	Workstudy	0	138,940	0	59,000	0	58,330
STATE GRANTS AND CONTRACTS	Community Ed Tuition	0	0	0	0	2,853	0
	Workstudy	0	85,294	0	151,000	0	107,292
Total Government Gifts and Contracts		0	224,234	0	210,000	2,853	223,413

Exhibit 8 - UNM VALENCIA Campus
Sales and Services of Educational Activities for Instruction and General

		Original		Revised			
		Budget 2024		Budget 2024		Actuals 2024	
		PERIOD 14		PERIOD 14		PERIOD 14	
		Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
SALES AND SERVICES	Community Education	0	0	3,404	0	3,404	0
	Misc Fees	3,000	0	3,000	0	1,206	0
	Other	0	0	465	0	820	0
	Other Sources of Revenue for I&G-Unrestricted	7,200	0	9,945	0	12,585	0
Total		10,200	0	16,814	0	18,015	0

Exhibit 9 - UNM VALENCIA Campus
Other Sources of Revenue for Instruction and General

		Original		Revised		Actuals 2024	
		Budget 2024		Budget 2024		PERIOD 14	
		PERIOD 14		PERIOD 14		PERIOD 14	
		Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
OTHER SOURCES	F and A Cost Recovery	158,800	0	158,800	0	186,487	0
	Interest Income	69,191	0	146,446	0	145,923	0
	Miscellaneous	0	0	0	0	7	0
TOTAL Other Sources of Revenues		227,991	0	305,246	0	332,417	0

Exhibit 10 - UNM VALENCIA Campus Expenditures for Instruction

			Original		Revised			
			Budget 2024		Budget 2024		Actuals 2024	
			PERIOD 14		PERIOD 14		PERIOD 14	
			Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Community Education	Valencia County Branch	Community Educ - Admin	249,314	0	254,689	0	179,068.14	.00
Total Community Education			249,314	0	254,689	0	179,068.14	.00
General Academic Instruction	Valencia County Branch	Arts & Letters	388,653	0	447,070	0	446,590.04	.00
		Behavioral/Soc Science	65,085	0	114,127	0	115,774.47	.00
		Business Administration	95,340	0	95,340	0	91,592.68	.00
		Education	105,823	0	105,823	0	100,788.18	.00
		FEWC Fitness Educ Wellness Ctr	76,204	0	78,226	0	73,748.50	.00
		Fine Arts General Academic	153,298	0	176,596	0	178,006.25	.00
		Instructional Equipment	50,000	0	54,002	0	86,880.20	.00
		Mathematics	407,451	0	434,175	0	427,201.35	.00
		Nursing	332,074	0	385,216	0	334,502.67	.00
		Part-Time Faculty	6,890	0	6,890	0	6,010.07	.00
		Science	637,660	0	593,527	0	576,494.47	.00
		Title V - Instruction	38,131	0	38,131	0	33,236.59	.00
Total General Academic Instruction			2,356,609	0	2,529,123	0	2,470,825.47	.00
Occup/Voc Instruction	Valencia County Branch	Business Technology	770	0	770	0	971.56	.00
		Computer Aided Drafting	59,653	0	37,762	0	38,713.22	.00
		Health Careers	127,759	0	148,844	0	146,349.80	.00
		IT Technology Programs	64,155	0	64,405	0	64,362.64	.00
Total Occup/Voc Instruction			252,337	0	251,781	0	250,397.22	.00
Other	Valencia County Branch	I&G Programs	0	0	0	0	.00	57,791.00
		Miscellaneous	1,193,075	0	1,092,764	0	836,212.40	.00
Total Other			1,193,075	0	1,092,764	0	836,212.40	57,791.00
Prep/Remedial Instruction	Valencia County Branch	Adult Educ Ctr	13,695	0	13,695	0	14,721.45	.00
		Skills Development and Student Success	21,599	0	13,744	0	13,455.90	.00
		Student Enrichment Ctr	26,958	0	19,358	0	17,607.81	.00
Total Prep/Remedial Instruction			62,252	0	46,797	0	45,785.16	.00
Special Session Instruction	Valencia County Branch	Summer Session	185,000	0	185,000	0	199,181.96	.00
Total Special Session Instruction			185,000	0	185,000	0	199,181.96	.00
Items not in Exhibit	Contingency	Supplies_Expense	152,400	0	172,347	0	.00	.00
Sub-Total: Contingency			152,400	0	172,347	0	.00	.00
	Fringe Benefits	Accrued Annual Leave	0	0	0	0	2,604.99	.00
		Fica	208,622	0	208,622	0	227,062.40	.00
		Group Insurance	304,502	0	304,502	0	233,390.52	.00
		Other Staff Benefits	97,800	0	97,800	0	83,966.07	.00
		Retirement	481,584	0	481,584	0	557,782.63	.00
		Unemployment Compensation	2,604	0	2,604	0	2,250.97	.00
		Workers Compensation	3,998	0	3,998	0	4,914.91	.00
Sub-Total: Fringe Benefits			1,099,110	0	1,099,110	0	1,111,972.49	.00
	Overhead	Charge Inst. Support	67,988	0	67,988	0	71,147.50	.00
Sub-Total: Overhead			67,988	0	67,988	0	71,147.50	.00

Run on: 09/09/2024

Exhibit 10 - UNM VALENCIA Campus
Expenditures for Instruction

			Original		Revised			
			Budget 2024		Budget 2024		Actuals 2024	
			PERIOD 14		PERIOD 14		PERIOD 14	
			Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Items not in Exhibit	Workstudy	Federal Workstudy Salaries	0	40,983	0	10,000	.00	11,297.00
		State Workstudy Salaries	0	17,284	0	45,000	.00	26,475.00
Sub-Total: Workstudy			0	58,267	0	55,000	.00	37,772.00
Total Items not in Exhibit			1,319,498	58,267	1,339,445	55,000	1,183,119.99	37,772.00
Total			5,618,085	58,267	5,699,599	55,000	5,164,590.34	95,563.00

Run on: 09/09/2024

Exhibit 10a - UNM VALENCIA Campus

Detail of Expenditures for Instruction

				Original Budget 2024 PERIOD 14			Revised Budget 2024 PERIOD 14			Actuals 2024 PERIOD 14		
				FTE	Unrestricted	FTE Restricted	FTE	Unrestricted	FTE Restricted	FTE	Unrestricted	FTE Restricted
General Academic Instruction	Valencia County Branch	Fine Arts General Academic -BU 101	Faculty Salaries	1.10	139,521	0	2.94	162,069	0	2.67	161,302.60	.00
			Federal Workstudy Salaries		1,500	0	.10	1,500	0	.08	2,110.40	.00
			State Workstudy Salaries		3,500	0	.11	3,500	0	.12	2,899.50	.00
			Student Salaries		0	0		4,000	0	.06	1,554.00	.00
			Support Staff Salary		0	0		0	0	.10	3,302.40	.00
			Contract Services		5,500	0		2,250	0		2,000.00	.00
		Fine Arts General Academic -BU 101	Equipment		848	0		448	0		.00	.00
			Supplies_E xpense		2,129	0		2,529	0		4,645.52	.00
			Travel		300	0		300	0		191.83	.00
			Total 101	1.10	153,298	0	3.15	176,596	0	3.03	178,006.25	.00
		Mathemati cs -BU 325	Faculty Salaries	5.86	393,800	0	8.03	422,173	0	7.52	418,371.31	.00
			Contract Services		7,875	0		7,875	0		5,250.00	.00
		Mathemati cs -BU 325	Supplies_E xpense		5,046	0		3,897	0		2,579.21	.00
			Travel		730	0		230	0		1,000.83	.00
			Total 325	5.86	407,451	0	8.03	434,175	0	7.52	427,201.35	.00
		Arts & Letters -BU 387	Faculty Salaries	4.88	375,467	0	7.97	434,914	0	7.45	434,884.15	.00
			GA TA RA PA Salary		0	0	.13	2,845	0	.10	2,844.02	.00
		Arts & Letters -BU 387	Contract Services		9,500	0		5,625	0		5,625.00	.00
			Equipment		0	0		0	0		999.00	.00
			Supplies_E xpense		3,286	0		3,586	0		2,237.87	.00
			Travel		400	0		100	0		.00	.00
			Total 387	4.88	388,653	0	8.10	447,070	0	7.55	446,590.04	.00
		Behavioral /Soc Science -BU 388	Faculty Salaries	.06	42,000	0	1.95	112,320	0	1.84	115,570.34	.00

Run on: 09/09/2024

Exhibit 10a - UNM VALENCIA Campus
Detail of Expenditures for Instruction

				Original Budget 2024 PERIOD 14			Revised Budget 2024 PERIOD 14			Actuals 2024 PERIOD 14					
				FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted
General Academic Instruction	Valencia County Branch	Behavioral /Soc Science -BU 388	Other Salaries		8,000		0		0		0		.00		.00
			Behavioral /Soc Science -BU 388	Contract Services		13,625		0		1,000		0		.00	
		Supplies_E xpense			1,210		0		557		0		204.13		.00
		Travel			250		0		250		0		.00		.00
		Total 388				.06	65,085		0	1.95	114,127		0	1.84	115,774.47
		Education -BU 390	Faculty Salaries	1.05	96,291		0	2.00	96,291		0	1.89	94,875.79		.00
		Education -BU 390	Contract Services		6,875		0		6,875		0		5,375.00		.00
			Supplies_E xpense		2,110		0		2,110		0		537.39		.00
			Travel		547		0		547		0		.00		.00
Total 390				1.05	105,823		0	2.00	105,823		0	1.89	100,788.18		.00
		Business Administra tion -BU 394	Faculty Salaries	1.03	94,544		0	1.58	94,544		0	1.46	91,276.44		.00
		Business Administra tion -BU 394	Supplies_E xpense		696		0		696		0		316.24		.00
			Travel		100		0		100		0		.00		.00
Total 394				1.03	95,340		0	1.58	95,340		0	1.46	91,592.68		.00
		Nursing -BU 396	Faculty Salaries	4.03	319,424		0	4.64	322,566		0	4.33	318,665.84		.00
		Nursing -BU 396	Equipment		0		0		50,000		0		.00		.00
			Supplies_E xpense		12,150		0		12,150		0		20,536.83		.00
			Travel		500		0		500		0		.00		.00
		Nursing -BU 396	Internal Service Ctr Internal Sales		0		0		0		0		(4,700.00)		.00
Total 396				4.03	332,074		0	4.64	385,216		0	4.33	334,502.67		.00
		Science -BU 537	Faculty Salaries	8.11	559,403		0	8.85	532,633		0	8.33	520,318.44		.00
			Other Salaries		16,413		0		0		0		.00		.00
			Support Staff Salary	1.00	44,887		0	.97	44,937		0	1.00	44,924.44		.00
		Science -BU 537	Contract Services		2,125		0		2,125		0		2,645.00		.00

Run on: 09/09/2024

Exhibit 10a - UNM VALENCIA Campus
Detail of Expenditures for Instruction

				Original Budget 2024 PERIOD 14				Revised Budget 2024 PERIOD 14				Actuals 2024 PERIOD 14			
				FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted
General Academic Instruction	Valencia County Branch	Science -BU 537	Supplies_E xpense		14,232		0		13,232		0		8,578.39		.00
			Travel		600		0		600		0		28.20		.00
		Total 537			9.11	637,660		0	9.82	593,527		0	9.33	576,494.47	
		Part-Time Faculty -BU 538	Contract Services		0		0		0		0		325.00		.00
			Supplies_E xpense		6,890		0		6,890		0		5,685.07		.00
		Total 538				6,890		0		6,890		0		6,010.07	
		Instructional Equipment -BU 539	Equipment		30,400		0		30,400		0		44,469.50		.00
			Supplies_E xpense		19,600		0		23,602		0		42,410.70		.00
		Total 539				50,000		0		54,002		0		86,880.20	
		Title V - Instruction -BU 541	Administra tive Professional		0		0	.37	20,000		0	.40	18,396.59		.00
			Other Salaries		38,131		0		0		0		.00		.00
			Support Staff Salary		0		0	.33	18,131		0	.28	14,840.00		.00
Total 541				38,131		0	.70	38,131		0	.68	33,236.59		.00	
		FEWC Fitness Educ Wellness Ctr -BU 542	Faculty Salaries	.02	15,000		0	.25	17,425		0	.25	17,424.69		.00
			Federal Workstudy Salaries		2,500		0	.05	1,400		0	.04	912.66		.00
			State Workstudy Salaries		1,500		0	.20	4,600		0	.18	4,590.00		.00
			Support Staff Salary		48,087		0	.82	45,684		0	.88	45,650.40		.00
		FEWC Fitness Educ Wellness Ctr -BU 542	Equipment		5,500		0		5,320		0		471.12		.00
			Supplies_E xpense		3,567		0		3,747		0		4,699.63		.00
			Travel		50		0		50		0		.00		.00
Total 542			.02	76,204		0	1.32	78,226		0	1.35	73,748.50		.00	
Total General Academic Instruction			27.14	2,356,609		0	41.29	2,529,123		0	38.98	2,470,825.47		.00	

Run on: 09/09/2024

Exhibit 10a - UNM VALENCIA Campus
Detail of Expenditures for Instruction

				Original Budget 2024 PERIOD 14				Revised Budget 2024 PERIOD 14				Actuals 2024 PERIOD 14			
				FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted
Community Education	Valencia County Branch	Communit y Educ - Admin -BU 548	Administra tive Professional	2.00	139,592		0	1.58	139,592		0	1.43	97,582.09		.00
			Faculty Salaries		0		0	.01	1,653		0	.01	2,835.00		.00
		Communit y Educ - Admin -BU 548	Accrued Annual Leave		0		0		0		0		(1,161.39)		.00
			Fica		0		0		7,535		0		7,567.33		.00
			Group Insurance		0		0		3,173		0		3,173.09		.00
			Other Staff Benefits		48,858		0		12,570		0		3,512.97		.00
			Retirement		0		0		17,737		0		17,736.51		.00
			Unemploy ment Compensati on		0		0		74		0		70.38		.00
			Workers Compensati on		0		0		124		0		129.23		.00
		Communit y Educ - Admin -BU 548	Equipment		0		0		0		0		427.90		.00
			Supplies_E xpense		60,864		0		61,625		0		44,381.41		.00
			Travel		0		0		10,606		0		2,813.62		.00
Total 548				2.00	249,314		0	1.59	254,689		0	1.44	179,068.14		.00
Total Community Education				2.00	249,314		0	1.59	254,689		0	1.44	179,068.14		.00
Other	Valencia County Branch	Miscellane ous -BU 437	Administra tive Professional	1.00	0		0		242		0		241.50		.00
			Faculty Salaries	7.17	612,844		0	9.29	491,259		0	8.75	533,134.37		.00
			Other Salaries		8,827		0		0		0		.00		.00
			Support Staff Salary	2.00	71,260		0	1.62	71,260		0	1.49	63,176.90		.00
		Miscellane ous -BU 437	Accrued Annual Leave		0		0		0		0		2,969.28		.00
			Fica		0		0		6,000		0		6,440.92		.00
			Group Insurance		0		0		1,500		0		1,462.71		.00
			Other Staff Benefits		21,512		0		21,512		0		2,274.35		.00
			Retirement		0		0		14,500		0		15,635.72		.00

Run on: 09/09/2024

Exhibit 10a - UNM VALENCIA Campus
Detail of Expenditures for Instruction

				Original Budget 2024 PERIOD 14			Revised Budget 2024 PERIOD 14			Actuals 2024 PERIOD 14		
				FTE	Unrestricted	FTE Restricted	FTE	Unrestricted	FTE Restricted	FTE	Unrestricted	FTE Restricted
Other	Valencia County Branch	Miscellaneous -BU 437	Unemployment Compensation		0	0		57	0		59.82	.00
			Workers Compensation		0	0		585	0		640.30	.00
		Miscellaneous -BU 437	Contract Services		250	0		19,750	0		20,825.00	.00
			Equipment		103,000	0		128,000	0		80,536.96	.00
			Supplies_Expense		370,632	0		333,349	0		100,217.76	.00
			Travel		4,750	0		4,750	0		8,596.81	.00
		Total 437			10.17	1,193,075	0	10.91	1,092,764	0	10.24	836,212.40
		I&G Programs -BU 441	Equipment		0	0		0	0		.00	28,801.00
			Supplies_Expense		0	0		0	0		.00	19,586.00
			Travel		0	0		0	0		.00	9,404.00
		Total 441				0	0		0	0		.00
Total Other				10.17	1,193,075	0	10.91	1,092,764	0	10.24	836,212.40	57,791.00
Occup/Voc Instruction	Valencia County Branch	IT Technology Programs -BU 332	Faculty Salaries	1.00	61,728	0	1.07	61,728	0	1.00	61,728.10	.00
		IT Technology Programs -BU 332	Contract Services		1,250	0		1,500	0		1,500.00	.00
			Supplies_Expense		1,177	0		1,177	0		1,134.54	.00
Total 332				1.00	64,155	0	1.07	64,405	0	1.00	64,362.64	.00
		Computer Aided Drafting -BU 408	Faculty Salaries	1.00	58,818	0	.75	37,427	0	.60	38,148.71	.00
		Computer Aided Drafting -BU 408	Supplies_Expense		835	0		335	0		564.51	.00
Total 408				1.00	59,653	0	.75	37,762	0	.60	38,713.22	.00
		Business Technology -BU 411	Contract Services		250	0		250	0		.00	.00
			Supplies_Expense		420	0		420	0		326.56	.00
			Travel		100	0		100	0		645.00	.00
Total 411					770	0		770	0		971.56	.00

Run on: 09/09/2024

Exhibit 10a - UNM VALENCIA Campus

Detail of Expenditures for Instruction

Original Budget 2024 PERIOD 14							Revised Budget 2024 PERIOD 14				Actuals 2024 PERIOD 14							
				FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted			
Occup/Voc Instruction	Valencia County Branch	Health Careers -BU 414	Faculty Salaries	.05	37,000			0	1.30	55,682			0	1.17	55,681.70			.00
			Support Staff Salary	1.00	39,952			0	.97	42,355			0	1.00	42,357.28			.00
		Health Careers -BU 414	Contract Services		45,194			0		45,194			0		45,000.00			.00
			Supplies_E xpense		5,083			0		5,083			0		3,201.42			.00
			Travel		530			0		530			0		109.40			.00
Total 414				1.05	127,759			0	2.27	148,844			0	2.17	146,349.80			.00
Total Occup/Voc Instruction				3.05	252,337			0	4.09	251,781			0	3.77	250,397.22			.00
Prep/Remedi al Instruction	Valencia County Branch	Skills Developme nt and Student Success -BU 393	Faculty Salaries	.20	20,500			0	.27	12,845			0	.23	12,752.94			.00
			Supplies_E xpense		1,049			0		849			0		702.96			.00
			Travel		50			0		50			0		.00			.00
		Total 393				.20	21,599			0	.27	13,744			0	.23	13,455.90	
		Adult Educ Ctr -BU 550	Administra tive Professional	.20	13,695			0	.20	13,695			0	.20	13,695.29			.00
		Adult Educ Ctr -BU 550	Supplies_E xpense		0			0		0			0		1,026.16			.00
Total 550				.20	13,695			0	.20	13,695			0	.20	14,721.45			.00
		Student Enrichmen t Ctr -BU 551	Federal Workstudy Salaries		1,500			0	.02	1,500			0	.03	742.50			.00
			State Workstudy Salaries		2,000			0	.07	2,000			0	.05	1,335.60			.00
			Student Salaries	.85	20,002			0	.48	12,402			0	.49	12,260.40			.00
		Student Enrichmen t Ctr -BU 551	Supplies_E xpense		3,456			0		3,456			0		3,269.31			.00
Total 551				.85	26,958			0	.57	19,358			0	.57	17,607.81			.00
Total Prep/Remedial Instruction				1.25	62,252			0	1.04	46,797			0	1.00	45,785.16			.00

Run on: 09/09/2024

Exhibit 10a - UNM VALENCIA Campus
Detail of Expenditures for Instruction

				Original Budget 2024 PERIOD 14			Revised Budget 2024 PERIOD 14			Actuals 2024 PERIOD 14		
				FTE	Unrestricted	FTE Restricted	FTE	Unrestricted	FTE Restricted	FTE	Unrestricted	FTE Restricted
Special Session Instruction	Valencia County Branch	Summer Session -BU 422	Faculty Salaries	.25	185,000	0	1.56	185,000	0	2.71	199,181.96	.00
Total 422				.25	185,000	0	1.56	185,000	0	2.71	199,181.96	.00
Total Special Session Instruction				.25	185,000	0	1.56	185,000	0	2.71	199,181.96	.00
Grand Total Exhibit 10a				43.86	4,298,587	0	60.48	4,360,154	0	58.14	3,981,470.35	57,791.00

Run on: 09/09/2024

**Exhibit 11 - UNM VALENCIA Campus
Expenditures for Academic Support**

Original	Revised	
Budget 2024	Budget 2024	Actuals 2024
PERIOD 14	PERIOD 14	PERIOD 14

			Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Academic Administration	Valencia County Branch	Acad Support Instruction	157,982	0	158,661	0	158,704.44	.00
		Computer Support	320,019	0	267,712	0	268,775.26	.00
		Dean of Instruction	215,765	0	215,765	0	211,987.67	.00
Total Academic Administration			693,766	0	642,138	0	639,467.37	.00
Academic Educ Media Svcs	Valencia County Branch	Audio Visual Services	54,302	0	53,702	0	48,997.71	.00
Total Academic Educ Media Svcs			54,302	0	53,702	0	48,997.71	.00
Academic Personnel Dev	Valencia County Branch	Faculty Assembly	600	0	600	0	123.20	.00
		Faculty Development	18,070	0	18,070	0	15,737.77	.00
		Rank-Tenure	4,330	0	4,330	0	3,206.75	.00
Total Academic Personnel Dev			23,000	0	23,000	0	19,067.72	.00
Libraries	Valencia County Branch	Branch Main Library	249,606	0	255,070	0	254,220.47	.00
Total Libraries			249,606	0	255,070	0	254,220.47	.00
Other	Valencia County Branch	Miscellaneous	230,276	0	237,212	0	138,676.53	.00
Total Other			230,276	0	237,212	0	138,676.53	.00
Items not in Exhibit	Contingency	Supplies_Expense	5,000	0	5,000	0	.00	.00
		Support Staff Salary	1,493	0	1,493	0	.00	.00
Sub-Total: Contingency			6,493	0	6,493	0	.00	.00
	Fringe Benefits	Accrued Annual Leave	0	0	0	0	172.74	.00
		Fica	68,370	0	68,370	0	63,470.47	.00
		Group Insurance	88,424	0	88,424	0	77,382.67	.00
		Other Staff Benefits	37,280	0	37,280	0	31,103.98	.00
		Retirement	159,326	0	159,326	0	156,817.34	.00
		Unemployment Compensation	653	0	653	0	606.77	.00
		Workers Compensation	1,006	0	1,006	0	1,128.24	.00
Sub-Total: Fringe Benefits			355,059	0	355,059	0	330,682.21	.00
	Overhead	Charge Inst. Support	45,325	0	45,325	0	47,431.00	.00
Sub-Total: Overhead			45,325	0	45,325	0	47,431.00	.00
	Workstudy	Federal Workstudy Salaries	0	28,022	0	10,000	.00	15,566.00
		State Workstudy Salaries	0	20,290	0	41,000	.00	31,271.00
Sub-Total: Workstudy			0	48,312	0	51,000	.00	46,837.00
Total Items not in Exhibit			406,877	48,312	406,877	51,000	378,113.21	46,837.00
Total			1,657,827	48,312	1,617,999	51,000	1,478,543.01	46,837.00

Run on: 09/09/2024

Exhibit 11a - UNM VALENCIA Campus
Detail of Expenditures for Academic Support

				Original Budget 2024 PERIOD 14				Revised Budget 2024 PERIOD 14				Actuals 2024 PERIOD 14			
				FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted
Other	Valencia County Branch	Miscellaneous -BU 437	Administrative Professional	.80	40,705		0	.80	40,705		0	.80	40,704.48		.00
			Federal Workstudy Salaries		1,500		0	.01	500		0	.01	201.00		.00
			State Workstudy Salaries		1,000		0	.13	3,300		0	.12	3,054.00		.00
			Student Salaries	1.41	32,998		0	1.00	28,434		0	1.13	28,376.40		.00
			Support Staff Salary	.20	11,967		0	.20	11,967		0	.20	11,966.66		.00
		Miscellaneous -BU 437	Contract Services		0		0		0		0		736.50		.00
			Equipment		5,000		0		4,034		0		1,245.88		.00
			Student Awards and Aid		6,200		0		4,960		0		.00		.00
			Supplies_E xpense		130,906		0		134,820		0		44,564.44		.00
			Travel		0		0		8,492		0		7,827.17		.00
			Total 437				2.41	230,276		0	2.14	237,212		0	2.26
Total Other				2.41	230,276		0	2.14	237,212		0	2.26	138,676.53		.00
Academic Administrati on	Valencia County Branch	Acad Support Instruction -BU 427	Administrative Professional	.50	45,385		0	.50	45,386		0	.50	45,385.55		.00
			Support Staff Salary	2.50	109,785		0	2.43	110,463		0	2.49	111,497.39		.00
		Acad Support Instruction -BU 427	Contract Services		0		0		0		0		30.19		.00
			Supplies_E xpense		2,682		0		2,682		0		1,791.31		.00
			Travel		130		0		130		0		.00		.00
Total 427				3.00	157,982		0	2.93	158,661		0	2.99	158,704.44		.00
		Dean of Instruction -BU 508	Administrative Professional	1.00	68,571		0	1.00	68,571		0	1.00	68,571.24		.00
			Faculty Salaries	1.00	135,463		0	1.00	135,463		0	1.00	135,462.36		.00
			Federal Workstudy Salaries		0		0		0		0	.02	588.00		.00
		Dean of Instruction -BU 508	Contract Services		0		0		0		0		350.00		.00

Run on: 09/09/2024

Exhibit 11a - UNM VALENCIA Campus
Detail of Expenditures for Academic Support

Original Budget 2024 PERIOD 14							Revised Budget 2024 PERIOD 14				Actuals 2024 PERIOD 14						
				FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted		
Academic Administrati on	Valencia County Branch	Dean of Instruction -BU 508	Supplies_E xpense		6,731		0		6,731		0		3,851.92		.00		
			Travel		5,000		0		5,000		0		3,164.15		.00		
Total 508				2.00	215,765		0	2.00	215,765		0	2.02	211,987.67		.00		
		Computer Support -BU 510	Administra tive Professional	3.00	152,606		0	.89	89,111		0	.67	60,740.48		.00		
			Federal Workstudy Salaries		1,500		0	.07	1,900		0	.11	2,763.00		.00		
			Other Salaries		0		0		0		0	.06	5,444.34		.00		
			State Workstudy Salaries		2,500		0	.12	2,500		0	.11	2,874.00		.00		
			Technician Salary	3.00	152,012		0	2.60	162,800		0	2.74	165,564.67		.00		
			Computer Support -BU 510	Contract Services		400		0		0		0		.00		.00	
			Equipment		0		0		0		0		9,352.24		.00		
			Supplies_E xpense		11,001		0		11,401		0		22,036.53		.00		
			Total 510				6.00	320,019		0	3.68	267,712		0	3.69	268,775.26	
		Total Academic Administration				11.00	693,766		0	8.61	642,138		0	8.70	639,467.37		.00
Academic Educ Media Svcs	Valencia County Branch	Audio Visual Services -BU 516	Faculty Salaries		2,000		0		1,400		0		.00		.00		
			Support Staff Salary	.80	47,866		0	.80	47,866		0	.80	47,866.54		.00		
		Audio Visual Services -BU 516	Supplies_E xpense		4,386		0		4,386		0		1,131.17		.00		
			Travel		50		0		50		0		.00		.00		
Total 516				.80	54,302		0	.80	53,702		0	.80	48,997.71		.00		
Total Academic Educ Media Svcs				.80	54,302		0	.80	53,702		0	.80	48,997.71		.00		
Academic Personnel Dev	Valencia County Branch	Faculty Developme nt -BU 514	Student Awards and Aid		2,675		0		524		0		.00		.00		
			Supplies_E xpense		4,737		0		6,161		0		6,809.18		.00		
			Travel		10,658		0		11,385		0		8,928.59		.00		
Total 514					18,070		0		18,070		0		15,737.77		.00		
		Rank-Tenu re -BU 544	Supplies_E xpense		2,453		0		2,453		0		3,206.75		.00		
			Travel		1,877		0		1,877		0		.00		.00		
Total 544					4,330		0		4,330		0		3,206.75		.00		

Run on: 09/09/2024

Exhibit 11a - UNM VALENCIA Campus
Detail of Expenditures for Academic Support

**Original
Budget 2024
PERIOD 14**

**Revised
Budget 2024
PERIOD 14**

**Actuals 2024
PERIOD 14**

				FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted
Academic Personnel Dev	Valencia County Branch	Faculty Assembly -BU 545	Supplies_Expense		105		0		105		0		123.20		.00
			Travel		495		0		495		0		.00		.00
Total 545					600		0		600		0		123.20		.00
Total Academic Personnel Dev					23,000		0		23,000		0		19,067.72		.00
Libraries	Valencia County Branch	Branch Main Library -BU 424	Administrative Professional	1.00	41,006		0	1.00	41,006		0	1.00	41,005.56		.00
			Faculty Salaries	2.00	134,698		0	2.00	135,298		0	2.00	135,242.52		.00
			Federal Workstudy Salaries		1,500		0	.05	1,018		0	.07	1,636.50		.00
			State Workstudy Salaries		3,000		0	.17	5,082		0	.18	4,495.80		.00
			Student Salaries		0		0	.16	3,264		0	.12	3,264.00		.00
		Branch Main Library -BU 424	Other Staff Benefits		0		0		0		0		33.06		.00
		Branch Main Library -BU 424	Library Acquisition		13,968		0		13,968		0		15,801.06		.00
			Services		3,796		0		3,796		0		3,922.68		.00
			Supplies_Expense		50,138		0		50,138		0		47,288.47		.00
			Travel		1,500		0		1,500		0		1,530.82		.00
Total 424				3.00	249,606		0	3.38	255,070		0	3.37	254,220.47		.00
Total Libraries				3.00	249,606		0	3.38	255,070		0	3.37	254,220.47		.00
Grand Total Exhibit 11a				17.21	1,250,950		0	14.93	1,211,122		0	15.13	1,100,429.80		.00

Run on: 09/09/2024

Exhibit 12 - UNM VALENCIA Campus Expenditures for Student Services

Original	Revised	
Budget 2024	Budget 2024	Actuals 2024
PERIOD 14	PERIOD 14	PERIOD 14

			Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Counsel & Career Guidance	Valencia County Branch	Counsel/Career Services	50,645	0	50,645	0	48,025.73	.00
		Testing Center	38,553	0	21,812	0	15,548.59	.00
Total Counsel & Career Guidance			89,198	0	72,457	0	63,574.32	.00
Financial Aid Administration	Valencia County Branch	Financial Aids Office/Veterans Affairs	136,315	0	130,565	0	126,106.79	.00
Total Financial Aid Administration			136,315	0	130,565	0	126,106.79	.00
Student Admin & Records	Valencia County Branch	Admissions/Registrar	184,185	0	161,685	0	154,439.76	.00
		Recruitment-Retention	166,504	0	130,111	0	126,597.86	.00
		Scholarships - Other	550	0	580	0	484.80	.00
Total Student Admin & Records			351,239	0	292,376	0	281,522.42	.00
Student Services Admin	Valencia County Branch	Student Services Admin	371,719	0	346,939	0	342,784.60	.00
Total Student Services Admin			371,719	0	346,939	0	342,784.60	.00
Items not in Exhibit	Contingency	Supplies_Expense	22,300	0	91,978	0	.00	.00
		Support Staff Salary	2,212	0	2,212	0	.00	.00
Sub-Total: Contingency			24,512	0	94,190	0	.00	.00
	Fringe Benefits	Accrued Annual Leave	0	0	0	0	994.18	.00
		Fica	51,602	0	51,602	0	51,368.00	.00
		Group Insurance	60,198	0	60,198	0	63,113.38	.00
		Other Staff Benefits	31,785	0	31,785	0	25,343.51	.00
		Retirement	122,627	0	122,627	0	127,794.31	.00
		Supplies_Expense	30,027	0	51,233	0	.00	.00
		Unemployment	536	0	536	0	493.98	.00
		Compensation						
		Workers Compensation	810	0	810	0	918.46	.00
Sub-Total: Fringe Benefits			297,585	0	318,791	0	270,025.82	.00
	Overhead	Charge Inst. Support	135,975	0	135,975	0	142,293.00	.00
Sub-Total: Overhead			135,975	0	135,975	0	142,293.00	.00
	Workstudy	Federal Workstudy Salaries	0	20,755	0	30,000	.00	21,334.00
		State Workstudy Salaries	0	28,275	0	25,000	.00	19,663.00
Sub-Total: Workstudy			0	49,030	0	55,000	.00	40,997.00
Total Items not in Exhibit			458,072	49,030	548,956	55,000	412,318.82	40,997.00
Total			1,406,543	49,030	1,391,293	55,000	1,226,306.95	40,997.00

Run on: 09/09/2024

Exhibit 12a - UNM VALENCIA Campus
Detail of Expenditures for Student Services

				Original Budget 2024 PERIOD 14				Revised Budget 2024 PERIOD 14				Actuals 2024 PERIOD 14			
				FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted
Counsel & Career Guidance	Valencia County Branch	Testing Center -BU 380	Support Staff Salary		0		0	.08	17,175		0	.29	11,118.37		.00
			Technician Salary	1.00	38,341		0	.15	4,425		0	.11	4,424.01		.00
		Testing Center -BU 380	Supplies_E xpense		212		0		212		0		6.21		.00
Total 380				1.00	38,553		0	.23	21,812		0	.40	15,548.59		.00
		Counsel/C areer Services -BU 431	Administra tive Professional	.80	44,444		0	.80	44,444		0	.80	44,444.27		.00
			Counsel/C areer Services -BU 431	Contract Services		525		0		525		0		.00	
			Supplies_E xpense		5,626		0		5,626		0		3,581.46		.00
			Travel		50		0		50		0		.00		.00
Total 431				.80	50,645		0	.80	50,645		0	.80	48,025.73		.00
Total Counsel & Career Guidance				1.80	89,198		0	1.03	72,457		0	1.20	63,574.32		.00
Financial Aid Administration	Valencia County Branch	Financial Aids Office/Vet erans Affairs -BU 173	Administra tive Professional	1.00	63,600		0	1.00	63,600		0	1.00	63,600.00		.00
			Federal Workstudy Salaries		1,500		0	.13	3,500		0	.11	2,784.00		.00
			Other Salaries		6,500		0	.01	2,712		0	.01	457.55		.00
			State Workstudy Salaries		3,500		0		500		0		.00		.00
			Student Salaries		0		0	.01	138		0	.03	712.80		.00
			Support Staff Salary		0		0	.82	44,637		0	.89	44,567.88		.00
			Technician Salary	1.00	50,000		0	.15	5,763		0	.11	5,762.16		.00
			Financial Aids Office/Vet erans Affairs -BU 173	Supplies_E xpense		8,715		0		5,880		0		3,009.69	
		Travel		2,500		0		3,835		0		5,212.71		.00	
		Total 173				2.00	136,315		0	2.12	130,565		0	2.15	126,106.79
Total Financial Aid Administration				2.00	136,315		0	2.12	130,565		0	2.15	126,106.79		.00

Run on: 09/09/2024

Exhibit 12a - UNM VALENCIA Campus
Detail of Expenditures for Student Services

Original Budget 2024 PERIOD 14							Revised Budget 2024 PERIOD 14					Actuals 2024 PERIOD 14			
				FTE	Unrestricted	FTE Restricted	FTE	Unrestricted	FTE Restricted	FTE	Unrestricted	FTE Restricted			
Student Admin & Records	Valencia County Branch	Admissions /Registrar -BU 435	Administra tive Professional	1.00	68,499		0	1.44	91,611		0	1.58	91,562.48		.00
			Federal Workstudy Salaries		2,500		0	.11	3,000		0	.10	2,469.30		.00
			State Workstudy Salaries		2,500		0	.21	6,500		0	.22	5,521.50		.00
			Student Salaries		0		0	.09	1,619		0	.06	1,618.80		.00
			Support Staff Salary	2.00	89,999		0	1.09	42,887		0	1.09	41,974.89		.00
		Admissions /Registrar -BU 435	Supplies_E xpense		18,487		0		9,546		0		5,771.25		.00
			Travel		2,200		0		6,522		0		5,521.54		.00
			Total 435			3.00	184,185		0	2.94	161,685		0	3.05	154,439.76
		Scholarshi ps - Other -BU 517	Supplies_E xpense		550		0		580		0		484.80		.00
Total 517					550		0		580		0		484.80		.00
		Recruitme nt-Retenti on -BU 518	Administra tive Professional	1.00	59,331		0	1.28	78,888		0	1.46	78,887.06		.00
			Other Salaries		56,000		0		0		0		.00		.00
			Support Staff Salary	1.00	35,079		0	.97	35,129		0	1.00	35,099.49		.00
		Recruitme nt-Retenti on -BU 518	Supplies_E xpense		14,394		0		13,444		0		11,092.05		.00
			Travel		1,700		0		2,650		0		1,519.26		.00
Total 518				2.00	166,504		0	2.25	130,111		0	2.46	126,597.86		.00
Total Student Admin & Records				5.00	351,239		0	5.19	292,376		0	5.51	281,522.42		.00
Student Services Admin	Valencia County Branch	Student Services Admin -BU 430	Administra tive Professional	2.00	186,874		0	1.95	165,101		0	1.96	165,100.74		.00
			Federal Workstudy Salaries		2,500		0	.05	900		0	.07	1,858.04		.00
			State Workstudy Salaries		3,000		0	.05	1,100		0	.04	1,032.90		.00
			Support Staff Salary	1.00	46,688		0	1.96	117,914		0	2.27	113,285.81		.00
			Technician Salary	2.00	106,095		0	.10	8,892		0	.08	8,891.19		.00

Run on: 09/09/2024

Exhibit 12a - UNM VALENCIA Campus
Detail of Expenditures for Student Services

				Original Budget 2024 PERIOD 14				Revised Budget 2024 PERIOD 14				Actuals 2024 PERIOD 14			
				FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted
Student Services Admin	Valencia County Branch	Student Services Admin -BU 430	Contract Services		175		0		175		0		120.76		.00
			Supplies_E xpense		18,757		0		36,627		0		36,723.89		.00
			Travel		7,630		0		16,230		0		15,771.27		.00
			Total 430	5.00	371,719		0	4.11	346,939		0	4.42	342,784.60		.00
Total Student Services Admin				5.00	371,719		0	4.11	346,939		0	4.42	342,784.60		.00
Grand Total Exhibit 12a				13.80	948,471		0	12.45	842,337		0	13.28	813,988.13		.00

Run on: 09/09/2024

Exhibit 13 - UNM VALENCIA Campus Expenditures for Institutional Support

Original	Revised	
Budget 2024	Budget 2024	Actuals 2024
PERIOD 14	PERIOD 14	PERIOD 14

			Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Community Relations	Valencia County Branch	Cultural Enrichment	600	0	600	0	606.00	.00
		Development Office	158,966	0	158,966	0	151,482.80	.00
		Diplomas/Commencement	2,600	0	2,600	0	3,275.37	.00
		Dues & Memberships	30,000	0	30,000	0	28,548.66	.00
		Public Relations	159,550	0	148,611	0	148,666.48	.00
		Staff Association	2,000	0	2,000	0	237.67	.00
		Staff Development Fund	6,000	0	6,000	0	2,345.55	.00
Total Community Relations			359,716	0	348,777	0	335,162.53	.00
Executive Management	Valencia County Branch	Advisory Board	15,460	0	15,460	0	11,208.58	.00
		Director's Office	298,159	0	337,794	0	334,525.60	.00
		Planning/Policy	650	0	650	0	.00	.00
Total Executive Management			314,269	0	353,904	0	345,734.18	.00
Fiscal Operations	Valencia County Branch	Business & Finance	385,232	0	397,232	0	392,294.81	.00
		Cashier/Student Acctg	48,669	0	49,919	0	48,970.89	.00
		Courier Services	9,250	0	11,750	0	6,526.52	.00
		Provision for	250	0	250	0	(123.00)	.00
		Uncollectable Accounts						
Total Fiscal Operations			443,401	0	459,151	0	447,669.22	.00
Gen Admin & Logistical Services	Valencia County Branch	Data Processing	15,967	0	15,967	0	15,256.29	.00
		Human Resources/Personnel	86,008	0	86,008	0	82,469.35	.00
		Postal Service	4,852	0	4,852	0	2,069.28	.00
		Security Services	499,906	0	503,906	0	509,098.22	.00
Total Gen Admin & Logistical Services			606,733	0	610,733	0	608,893.14	.00
Other	Valencia County Branch	Miscellaneous	153,830	0	154,295	0	83,496.04	.00
Total Other			153,830	0	154,295	0	83,496.04	.00
Items not in Exhibit	Contingency	Supplies_Expense	81,406	0	75,933	0	.00	.00
Sub-Total: Contingency			81,406	0	75,933	0	.00	.00
	Fringe Benefits	Accrued Annual Leave	0	0	0	0	10,035.83	.00
		Fica	109,613	0	109,613	0	104,295.08	.00
		Group Insurance	138,912	0	138,912	0	135,521.48	.00
		Other Staff Benefits	63,138	0	63,138	0	52,299.33	.00
		Retirement	253,735	0	253,735	0	263,213.92	.00
		Unemployment	1,041	0	1,041	0	1,021.35	.00
		Compensation						
		Workers Compensation	6,793	0	6,793	0	8,389.15	.00
Sub-Total: Fringe Benefits			573,232	0	573,232	0	574,776.14	.00
	Overhead	Charge Inst. Support	135,975	0	135,975	0	142,293.00	.00
Sub-Total: Overhead			135,975	0	135,975	0	142,293.00	.00
	Workstudy	Federal Workstudy Salaries	0	49,180	0	9,000	.00	10,133.00
		State Workstudy Salaries	0	19,445	0	40,000	.00	29,883.00
Sub-Total: Workstudy			0	68,625	0	49,000	.00	40,016.00
Total Items not in Exhibit			790,613	68,625	785,140	49,000	717,069.14	40,016.00
Total			2,668,562	68,625	2,712,000	49,000	2,538,024.25	40,016.00

Run on: 09/09/2024

Exhibit 13a - UNM VALENCIA Campus
Detail of Expenditures for Institutional Support

**Original
Budget 2024
PERIOD 14**

**Revised
Budget 2024
PERIOD 14**

**Actuals 2024
PERIOD 14**

				FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted
Other	Valencia County Branch	Miscellaneous -BU 437	Administrative Professional	.75	61,128		0	.72	61,128		0	.71	58,019.66		.00
		Miscellaneous -BU 437	Supplies_Expense		92,102		0		92,567		0		24,958.78		.00
			Travel		600		0		600		0		517.60		.00
Total 437				.75	153,830		0	.72	154,295		0	.71	83,496.04		.00
Total Other				.75	153,830		0	.72	154,295		0	.71	83,496.04		.00
Community Relations	Valencia County Branch	Development Office -BU 208	Administrative Professional	2.00	147,997		0	2.00	147,997		0	2.00	147,996.60		.00
		Development Office -BU 208	Supplies_Expense		9,579		0		9,579		0		2,382.34		.00
			Travel		1,390		0		1,390		0		1,103.86		.00
Total 208				2.00	158,966		0	2.00	158,966		0	2.00	151,482.80		.00
		Diplomas/Commencement -BU 210	Supplies_Expense		2,600		0		2,600		0		3,275.37		.00
Total 210					2,600		0		2,600		0		3,275.37		.00
		Public Relations -BU 407	Administrative Professional	1.00	65,635		0	1.00	54,696		0	.75	49,226.13		.00
			Federal Workstudy Salaries		0		0		0		0	.01	345.40		.00
		Public Relations -BU 407	Supplies_Expense		93,415		0		93,415		0		98,428.53		.00
			Travel		500		0		500		0		666.42		.00
Total 407				1.00	159,550		0	1.00	148,611		0	.76	148,666.48		.00
		Staff Association -BU 526	Supplies_Expense		1,500		0		1,500		0		237.67		.00
			Travel		500		0		500		0		.00		.00
Total 526					2,000		0		2,000		0		237.67		.00
		Staff Development Fund -BU 527	Supplies_Expense		4,250		0		4,250		0		1,845.55		.00
			Travel		1,750		0		1,750		0		500.00		.00
Total 527					6,000		0		6,000		0		2,345.55		.00
		Cultural Enrichment -BU 528	Supplies_Expense		600		0		600		0		606.00		.00
Total 528					600		0		600		0		606.00		.00

Run on: 09/09/2024

Exhibit 13a - UNM VALENCIA Campus
Detail of Expenditures for Institutional Support

**Original
Budget 2024
PERIOD 14**

**Revised
Budget 2024
PERIOD 14**

**Actuals 2024
PERIOD 14**

				FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted
Community Relations	Valencia County Branch	Dues & Memberships -BU 529	Supplies_Expense		30,000		0		30,000		0		28,548.66		.00
Total 529					30,000		0		30,000		0		28,548.66		.00
Total Community Relations				3.00	359,716		0	3.00	348,777		0	2.76	335,162.53		.00
Executive Management	Valencia County Branch	Planning/Policy -BU 189	Supplies_Expense		650		0		650		0		.00		.00
Total 189					650		0		650		0		.00		.00
		Advisory Board -BU 401	Contract Services		7,044		0		1,610		0		.00		.00
			Supplies_Expense		5,156		0		10,590		0		6,833.71		.00
			Travel		3,260		0		3,260		0		4,374.87		.00
			Total 401		15,460		0		15,460		0		11,208.58		.00
		Director's Office -BU 484	Administrative Professional	2.00	54,000		0	.79	54,000		0	.80	44,747.38		.00
			Faculty Salaries	1.00	199,280		0	1.00	209,280		0	1.00	209,280.04		.00
			Federal Workstudy Salaries		0		0		0		0		9.00		.00
			State Workstudy Salaries		1,000		0		500		0		.00		.00
			Director's Office -BU 484		0		0		30,135		0		30,135.00		.00
		Director's Office -BU 484	Equipment		5,500		0		2,984		0		87.99		.00
			Supplies_Expense		13,379		0		20,915		0		29,190.29		.00
			Travel		25,000		0		19,980		0		21,075.90		.00
			Total 484	3.00	298,159		0	1.79	337,794		0	1.80	334,525.60		.00
			Total Executive Management	3.00	314,269		0	1.79	353,904		0	1.80	345,734.18		.00
Fiscal Operations	Valencia County Branch	Business & Finance -BU 486	Administrative Professional	3.00	286,191		0	3.00	286,191		0	3.00	286,191.36		.00
			State Workstudy Salaries		0		0		0		0		57.00		.00
			Support Staff Salary	2.00	83,641		0	1.46	83,641		0	1.64	79,965.95		.00
			Business & Finance -BU 486		500		0		500		0		594.65		.00
		Business & Finance -BU 486	Equipment		1,056		0		2,256		0		7,419.46		.00
			Supplies_Expense		9,716		0		20,516		0		15,408.03		.00
			Travel		4,128		0		4,128		0		2,658.36		.00
			Total 486	5.00	385,232		0	4.46	397,232		0	4.64	392,294.81		.00

Run on: 09/09/2024

Exhibit 13a - UNM VALENCIA Campus
Detail of Expenditures for Institutional Support

**Original
Budget 2024
PERIOD 14**

**Revised
Budget 2024
PERIOD 14**

**Actuals 2024
PERIOD 14**

				FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted
Fiscal Operations	Valencia County Branch	Provision for Uncollectable Accounts -BU 492	Supplies_E xpense		250		0		250		0		(123.00)		.00
Total 492					250		0		250		0		(123.00)		.00
		Cashier/Student Acctg -BU 520	Federal Workstudy Salaries		3,000		0	.04	687		0	.07	1,767.00		.00
			State Workstudy Salaries		2,000		0	.26	7,563		0	.23	5,861.23		.00
			Support Staff Salary		2,216		0	.19	16,384		0	.40	16,283.18		.00
			Technician Salary	1.00	36,931		0	.69	21,263		0	.52	21,259.74		.00
		Cashier/Student Acctg -BU 520	Supplies_E xpense		2,522		0		2,522		0		2,085.20		.00
			Travel		2,000		0		1,500		0		1,714.54		.00
Total 520				1.00	48,669		0	1.18	49,919		0	1.22	48,970.89		.00
		Courier Services -BU 523	Federal Workstudy Salaries		2,500		0	.03	2,580		0	.05	1,256.41		.00
			State Workstudy Salaries		2,500		0	.16	4,920		0	.16	4,042.64		.00
			Student Salaries		0		0	.04	0		0	.03	774.00		.00
		Courier Services -BU 523	Supplies_E xpense		43		0		43		0		4.48		.00
			Travel		4,207		0		4,207		0		448.99		.00
Total 523					9,250		0	.23	11,750		0	.24	6,526.52		.00
Total Fiscal Operations				6.00	443,401		0	5.87	459,151		0	6.10	447,669.22		.00
Gen Admin & Logistical Services	Valencia County Branch	Postal Service -BU 201	Supplies_E xpense		4,852		0		4,852		0		2,069.28		.00
Total 201					4,852		0		4,852		0		2,069.28		.00
		Data Processing -BU 385	Contract Services		409		0		2,686		0		2,685.25		.00
			Equipment		3,000		0		723		0		143.99		.00
			Supplies_E xpense		12,558		0		12,558		0		12,427.05		.00
Total 385					15,967		0		15,967		0		15,256.29		.00

Run on: 09/09/2024

Exhibit 13a - UNM VALENCIA Campus
Detail of Expenditures for Institutional Support

**Original
Budget 2024
PERIOD 14**

**Revised
Budget 2024
PERIOD 14**

**Actuals 2024
PERIOD 14**

				FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted
Gen Admin & Logistical Services	Valencia County Branch	Human Resources/ Personnel -BU 493	Administrative Professional	.50	45,386		0	.50	45,386		0	.50	45,385.57		.00
			Support Staff Salary	.50	26,262		0	.49	26,262		0	.50	26,291.64		.00
		Human Resources/ Personnel -BU 493	Supplies_Expense		12,360		0		12,360		0		10,478.67		.00
			Travel		2,000		0		2,000		0		313.47		.00
Total 493				1.00	86,008		0	.99	86,008		0	1.00	82,469.35		.00
		Security Services -BU 494	Support Staff Salary	4.00	271,370		0	6.33	451,478		0	6.63	457,639.40		.00
			Technician Salary	3.00	197,768		0	.47	25,576		0	.35	25,575.26		.00
		Security Services -BU 494	Contract Services		279		0		279		0		791.94		.00
			Equipment		150		0		150		0		.00		.00
			Supplies_Expense		22,114		0		18,581		0		17,021.28		.00
			Travel		8,225		0		7,842		0		8,070.34		.00
		Total 494				7.00	499,906		0	6.80	503,906		0	6.98	509,098.22
Total Gen Admin & Logistical Services				8.00	606,733		0	7.79	610,733		0	7.98	608,893.14		.00
Grand Total Exhibit 13a				20.75	1,877,949		0	19.17	1,926,860		0	19.35	1,820,955.11		.00

Run on: 09/09/2024

Exhibit 14 - UNM VALENCIA Campus
Expenditures for Operations and Maintenance of Plant

Original	Revised	
Budget 2024	Budget 2024	Actuals 2024
PERIOD 14	PERIOD 14	PERIOD 14

			Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Operation & Maintenance of Plant	Valencia County Branch	Administration	138,949	0	113,949	0	113,807.16	.00
		Custodial	275,463	0	275,463	0	266,293.24	.00
		Grounds & Landscaping	89,830	0	89,830	0	85,224.91	.00
		Maintenance	106,705	0	131,705	0	121,394.61	.00
Total Operation & Maintenance of Plant			610,947	0	610,947	0	586,719.92	.00
Other	Valencia County Branch	Miscellaneous	103,081	0	103,081	0	82,999.47	.00
Total Other			103,081	0	103,081	0	82,999.47	.00
Items not in Exhibit	Contingency	Supplies_Expense	10,000	0	21,000	0	.00	.00
Sub-Total: Contingency			10,000	0	21,000	0	.00	.00
	Fringe Benefits	Accrued Annual Leave	0	0	0	0	(4,313.27)	.00
		Fica	43,937	0	43,937	0	31,511.67	.00
		Group Insurance	80,945	0	80,945	0	72,783.68	.00
		Other Staff Benefits	25,483	0	25,483	0	15,329.35	.00
		Retirement	107,718	0	107,718	0	77,287.23	.00
		Unemployment	419	0	419	0	295.23	.00
		Compensation						
		Workers Compensation	7,793	0	7,793	0	6,581.46	.00
Sub-Total: Fringe Benefits			266,295	0	266,295	0	199,475.35	.00
	Overhead	Charge Inst. Support	67,988	0	67,988	0	71,146.50	.00
Sub-Total: Overhead			67,988	0	67,988	0	71,146.50	.00
	Utilities	Electricity	171,000	0	180,000	0	118,041.23	.00
		Fuel_Heat_Cool	55,322	0	55,322	0	34,077.26	.00
		Sewer_Other	51,200	0	41,700	0	46,722.21	.00
		Water	13,000	0	13,500	0	7,729.36	.00
Sub-Total: Utilities			290,522	0	290,522	0	206,570.06	.00
Total Items not in Exhibit			634,805	0	645,805	0	477,191.91	.00
Total			1,348,833	0	1,359,833	0	1,146,911.30	.00

Run on: 09/09/2024

Exhibit 14a - UNM VALENCIA Campus
Detail of Expenditures for Operations and Maintenance of Plant

				Original Budget 2024 PERIOD 14				Revised Budget 2024 PERIOD 14				Actuals 2024 PERIOD 14				
				FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	
Other	Valencia County Branch	Miscellane ous -BU 437	Support Staff Salary		493		0		0		0		.00		.00	
			Technician Salary	1.50	46,800		0	1.46	49,608		0	1.50	49,668.00		.00	
		Miscellane ous -BU 437	Electricity		20,000		0		20,000		0		29,334.12		.00	
			Fuel_Heat _Cool		10,000		0		10,000		0		1,031.94		.00	
			Property Insurance		5,000		0		2,685		0		.00		.00	
			Sewer_Oth er		5,000		0		5,000		0		2,776.95		.00	
			Supplies_E xpense		13,788		0		13,788		0		188.46		.00	
			Water		2,000		0		2,000		0		.00		.00	
			Total 437			1.50	103,081		0	1.46	103,081		0	1.50	82,999.47	
Total Other			1.50	103,081		0	1.46	103,081		0	1.50	82,999.47		.00		
Operation & Maintenance of Plant	Valencia County Branch	Administra tion -BU 212	Administra tive Professional	1.00	76,065		0	.24	25,644		0	.18	25,643.21		.00	
			Administra tion -BU 212	Contract Services		6,750		0		6,750		0		320.72		.00
			Equipment		0		0		0		0		1,988.57		.00	
			Property Insurance		34,130		0		42,938		0		42,937.02		.00	
			Supplies_E xpense		20,804		0		37,417		0		42,917.64		.00	
			Travel		1,200		0		1,200		0		.00		.00	
			Total 212			1.00	138,949		0	.24	113,949		0	.18	113,807.16	
				Custodial -BU 213	Support Staff Salary		13,405		0		0		0		.00	
Technician Salary	7.00				223,413		0	6.63	236,818		0	6.79	232,457.59		.00	
Custodial -BU 213	Contract Services				0		0		0		0		2,060.00		.00	
	Supplies_E xpense				38,545		0		38,545		0		31,775.65		.00	
	Travel				100		0		100		0		.00		.00	
Total 213				7.00	275,463		0	6.63	275,463		0	6.79	266,293.24		.00	
		Grounds & Landscapin g -BU 214	Support Staff Salary		4,680		0		0		0		.00		.00	
			Technician Salary	2.50	78,000		0	2.43	82,680		0	2.50	82,905.42		.00	

Run on: 09/09/2024

Exhibit 14a - UNM VALENCIA Campus

Detail of Expenditures for Operations and Maintenance of Plant

				Original Budget 2024 PERIOD 14			Revised Budget 2024 PERIOD 14			Actuals 2024 PERIOD 14					
				FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted
Operation & Maintenance of Plant	Valencia County Branch	Grounds & Landscaping -BU 214	Equipment		300		0		300		0		349.00		.00
			Supplies_Expense		6,475		0		6,875		0		1,970.49		.00
			Travel		375		0		(25)		0		.00		.00
Total 214				2.50	89,830		0	2.43	89,830		0	2.50	85,224.91		.00
		Maintenance -BU 215	Support Staff Salary		1,879		0		0		0		.00		.00
			Technician Salary	1.00	31,200		0	.97	33,079		0	1.01	35,148.21		.00
		Maintenance -BU 215	Contract Services		0		0		0		0		2,479.48		.00
			Equipment		500		0		500		0		801.61		.00
			Supplies_Expense		70,326		0		95,326		0		80,686.73		.00
			Travel		2,800		0		2,800		0		2,278.58		.00
		Total 215				1.00	106,705		0	.97	131,705		0	1.01	121,394.61
Total Operation & Maintenance of Plant				11.50	610,947		0	10.27	610,947		0	10.48	586,719.92		.00
Grand Total Exhibit 14a				13.00	714,028		0	11.73	714,028		0	11.98	669,719.39		.00

Run on: 09/09/2024

Exhibit 15 - UNM VALENCIA Campus
Summary of Student Social and Cultural Development Activities

		Original Budget 2024 PERIOD 14		Revised Budget 2024 PERIOD 14		Actuals 2024 PERIOD 14	
		FTE Unrestricted	FTE Restricted	FTE Unrestricted	FTE Restricted	FTE Unrestricted	FTE Restricted
Revenues	Tuition and Fees	17,500	0	19,600	0	20,586.43	.00
	Private Gifts Grants and Contracts	480	0	740	0	780.00	.00
	Sales and Services	50	0	150	0	260.00	.00
	Other Sources	3,200	0	4,279	0	3,562.30	.00
Total Revenues		21,230	0	24,769	0	25,188.73	.00
Beginning Balance		25,015	0	20,023	0	20,022.79	.00
Total Available		46,245.00	.00	44,792.00	.00	45,211.52	.00
Expenditures	Contract Services	0	0	0	0	32.14	.00
	Student Awards and Aid	4,500	0	4,500	0	4,096.00	.00
	Supplies_Expense	17,665	0	19,906	0	17,608.91	.00
	Travel	3,055	0	3,259	0	289.77	.00
Total Expenditures		25,220	0	27,665	0	22,026.82	.00
Transfers (IN) or OUT		0	0	0	0	.00	.00
Ending Balance		21,025.00	.00	17,127.00	.00	23,184.70	.00

Run on: 09/09/2024

Exhibit 16 - UNM VALENCIA Campus
Summary of Research

		Original Budget 2024 PERIOD 14		Revised Budget 2024 PERIOD 14		Actuals 2024 PERIOD 14	
		FTE Unrestricted	FTE Restricted	FTE Unrestricted	FTE Restricted	FTE Unrestricted	FTE Restricted
Revenues	Federal Grants and Contracts	0	121,568	0	137,500	.00	71,348.00
Beginning Balance		0	0	0	0	.00	.00
Total Available		.00	121,568.00	.00	137,500.00	.00	71,348.00
Expenditures	Administrative Professional	0	0	0	0	.00	(241.00)
	Faculty Salaries	0	0	.50	30,000	.00	13,981.00
	Other Staff Benefits	0	0	0	7,500	.00	3,465.00
	Student Awards and Aid	0	77,941	0	65,000	.00	.00
	Supplies Expense	0	43,627	0	35,000	.00	54,143.00
Total Expenditures		0	121,568	.50	137,500	.00	71,348.00
Transfers (IN) or OUT		0	0	0	0	.00	.00
Ending Balance		.00	.00	.00	.00	.00	.00

Exhibit 17 - UNM VALENCIA Campus Summary of Public Service

Original
Budget 2024
PERIOD 14

Revised
Budget 2024
PERIOD 14

Actuals 2024
PERIOD 14

		FTE Unrestricted		FTE Restricted	FTE Unrestricted		FTE Restricted	FTE Unrestricted		FTE Restricted
Revenues	Federal Grants and Contracts		0	2,297,995		0	2,603,000		.00	2,318,625.00
	State Grants and Contracts		0	287,672		0	340,000		.00	366,143.00
	Private Gifts Grants and Contracts		19,000	181,165		56,635	195,000		100,029.63	161,087.00
	Sales and Services		10,900	0		11,560	0		10,359.00	.00
	Other Sources		568	0		568	0		92.00	.00
Total Revenues			30,468	2,766,832		68,763	3,138,000		110,480.63	2,845,855.00
Beginning Balance			14,833	0		111,390	0		111,389.65	.00
Total Available			45,301.00	2,766,832.00		180,153.00	3,138,000.00		221,870.28	2,845,855.00
Expenditures	Administrative Professional		0	12.00 627,622		0	17.00 780,000		.00 13.10	786,524.00
	Faculty Salaries		0	27.95 667,995		0	14.75 355,000		.00 2.21	368,341.00
	Federal Workstudy Salaries		0	.13 3,007		0	.21 5,000		.00 .22	5,820.00
	GA TA RA PA Salary		0	6,650		0	0		.00	.00
	Other Salaries		0	7,200		0	31,000		.00 .56	32,874.00
	State Workstudy Salaries		0	.09 2,094		0	2.64 62,000		.00 1.98	51,378.00
	Student Salaries		0	.75 17,515		0	1.07 25,000		.00 .77	20,644.00
	Support Staff Salary		0	4.00 119,210		0	4.00 200,000		.00 5.03	233,676.00
	Technician Salary		0	4.50 89,652		0	5.00 40,000		.00 .15	8,653.00
	Other Staff Benefits		0	400,000		0	500,000		.00	512,329.00
	Contract Services		0	0		0	0		2,500.00	.00
	Equipment		0	93,897		33,035	500,000		25,370.18	342,774.00
	Student Awards and Aid		40,900	7,968		50,461	34,000		12,505.00	.00
	Supplies_Expense		77,118	649,022		72,778	520,000		49,946.15	399,720.00
	Travel		100	75,000		100	86,000		.00	83,122.00
Total Expenditures			118,118	49.42 2,766,832		156,374	44.67 3,138,000		90,321.33	24.02 2,845,855.00
Transfers (IN) or OUT			0	0		8,505	0		8,505.00	.00
Ending Balance			-72,817.00	.00		15,274.00	.00		123,043.95	.00

Run on: 09/09/2024

Exhibit 17a - UNM VALENCIA Campus - Detail of Public Service Activities

Budget Unit 437 - Miscellaneous

		Original Budget 2024 PERIOD 14	Revised Budget 2024 PERIOD 14	Actuals 2024 PERIOD 14
FTE Unrestricted FTE Unrestricted FTE Unrestricted				
Revenues	Federal Grants and Contracts	0	0	0
	State Grants and Contracts	0	0	0
	Private Gifts Grants and Contracts	19,000	56,635	100,030
	Sales and Services	10,900	11,560	10,359
	Other Sources	568	568	92
Total Revenues		30,468	68,763	110,481
Beginning Balance		14,833	111,390	111,390
Total Available		45,301	180,153	221,871
Expenditures	Administrative Professional	0	0	0
	Faculty Salaries	0	0	0
	Federal Workstudy Salaries	0	0	0
	GA TA RA PA Salary	0	0	0
	Other Salaries	0	0	0
	State Workstudy Salaries	0	0	0
	Student Salaries	0	0	0
	Support Staff Salary	0	0	0
	Technician Salary	0	0	0
	Fica	0	0	0
	Other Staff Benefits	0	0	0
	Retirement	0	0	0
	Unemployment Compensation	0	0	0
	Workers Compensation	0	0	0
	Contract Services	0	0	2,500
	Equipment	0	33,035	25,370
	Student Awards and Aid	40,900	50,461	12,505
	Supplies Expense	77,118	72,778	49,946
	Travel	100	100	0
Total Expenditures		118,118	156,374	90,321
Transfers (IN) or OUT	Trsfr From I G	0	0	0
	Trsfr To Endowments	0	8,505	8,505
Total Transfers (IN) or OUT		0	8,505	8,505
Ending Balance		-72,817	15,274	123,045

Run on: 09/09/2024

Exhibit 17a - UNM VALENCIA Campus - Detail of Public Service Activities

Summary for Exhibit 17a

		Original Budget 2024 PERIOD 14	Revised Budget 2024 PERIOD 14	Actuals 2024 PERIOD 14
FTE Unrestricted FTE Unrestricted FTE Unrestricted				
Revenues	Federal Grants and Contracts	0	0	0
	State Grants and Contracts	0	0	0
	Private Gifts Grants and Contracts	19,000	56,635	100,030
	Sales and Services	10,900	11,560	10,359
	Other Sources	568	568	92
Total Revenues		30,468	68,763	110,481
Beginning Balance		14,833	111,390	111,390
Total Available		45,301	180,153	221,871
Expenditures	Administrative Professional	0	0	0
	Faculty Salaries	0	0	0
	Federal Workstudy Salaries	0	0	0
	GA TA RA PA Salary	0	0	0
	Other Salaries	0	0	0
	State Workstudy Salaries	0	0	0
	Student Salaries	0	0	0
	Support Staff Salary	0	0	0
	Technician Salary	0	0	0
	Fica	0	0	0
	Other Staff Benefits	0	0	0
	Retirement	0	0	0
	Unemployment Compensation	0	0	0
	Workers Compensation	0	0	0
	Contract Services	0	0	2,500
	Equipment	0	33,035	25,370
	Student Awards and Aid	40,900	50,461	12,505
	Supplies Expense	77,118	72,778	49,946
	Travel	100	100	0
Total Expenditures		118,118	156,374	90,321
Transfers (IN) or OUT	Trsfr From I G	0	0	0
	Trsfr To Endowments	0	8,505	8,505
Total Transfers (IN) or OUT		0	8,505	8,505
Ending Balance		-72,817	15,274	123,045

Run on: 09/09/2024

Exhibit 18 - UNM VALENCIA Campus
Summary of Internal Services

		Original Budget 2024 PERIOD 14		Revised Budget 2024 PERIOD 14		Actuals 2024 PERIOD 14	
		FTE Unrestricted	FTE Restricted	FTE Unrestricted	FTE Restricted	FTE Unrestricted	FTE Restricted
Revenues	Sales and Services	771	0	771	0	5.00	.00
Beginning Balance		14,223	0	34,162	0	34,162.08	.00
Total Available		14,994		34,933		34,167.08	
Expenditures	Contract Services	0	0	0	0	23.25	.00
	Supplies_Expense	126,748	0	126,722	0	93,856.98	.00
	Travel	10,700	0	10,700	0	4,441.64	.00
Total Expenditures		137,448	0	137,422	0	98,321.87	.00
General Charges	Internal Service Ctr Internal Sales	(136,677)	0	(143,017)	0	(103,232.39)	.00
Net Expenditures		771	0	-5,595	0	-4,910.52	.00
Transfers (IN) or OUT		0	0	0	0	.00	.00
Ending Balance		14,223	0	40,528	0	39,077.60	.00

Run on: 09/09/2024

Exhibit 19 - UNM VALENCIA Campus
Summary of Student Aid Grants and Stipends

Original	Revised	Actuals 2024
Budget 2024	Budget 2024	PERIOD 14
PERIOD 14	PERIOD 14	

			Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
Revenues	Private Sources - Gifts & Other	Undergrad - State Scholarships	35,000	0	35,000	0	25,203.18	.00
	Private and Other Sources	Gifts for Schools and Fellowships	16,100	0	62,122	0	27,997.20	.00
	Other	Miscellaneous	800	0	22,992	0	22,534.68	.00
Total Revenues			51,900	0	120,114	0	75,735.06	.00
Beginning Balance			123,275	0	149,284	0	149,283.91	.00
Total Available			175,175		269,398		225,018.97	.00
Expenditures	Private Sources - Gifts & Other	Undergrad - State Scholarships	191,046	0	191,281	0	218,607.18	.00
	Private and Other Sources	Gifts for Schools and Fellowships	38,500	0	78,065	0	56,225.34	.00
	Other	Miscellaneous	7,400	0	29,592	0	14,679.00	.00
Total Expenditures			236,946	0	298,938	0	289,511.52	.00
Transfers (IN) or OUT			(157,496)	0	(157,496)	0	(195,396.40)	.00
Ending Balance			95,725	0	127,956	0	130,903.85	.00

Run on: 09/09/2024

Exhibit 20 - UNM VALENCIA Campus Summary of Auxiliary Enterprises

		Original Budget 2024 PERIOD 14				Revised Budget 2024 PERIOD 14				Actuals 2024 PERIOD 14			
		FTE Unrestricted		FTE Restricted		FTE Unrestricted		FTE Restricted		FTE Unrestricted		FTE Restricted	
Revenues	Tuition and Fees		28,000		0		28,000		0		27,447.21		.00
	Federal Grants and Contracts		0		15,000		0		10,000		.00		9,710.00
	State Grants and Contracts		0		15,000		0		20,000		.00		12,377.00
	Sales and Services		294,793		0		294,793		0		335,733.00		.00
	Other Sources		4,735		0		4,735		0		6,583.32		.00
Total Revenues			327,528		30,000		327,528		30,000		369,763.53		22,087.00
Beginning Balance			285,394		0		138,582		0		138,582.29		.00
Total Available			612,922.00		30,000.00		466,110.00		30,000.00		508,345.82		22,087.00
Expenditures	Administrative Professional	1.00	56,774		0	1.00	56,774		0	1.00	56,773.56		.00
	Federal Workstudy Salaries		3,500	.69	15,000	.09	3,500	.43	10,000	.13	3,236.70	.37	9,710.00
	State Workstudy Salaries	1.00	5,000	.69	15,000	.19	5,000	.85	20,000	.17	4,125.54	.48	12,377.00
	Support Staff Salary		4,053		0		4,053		0		.00		.00
	Technician Salary	1.75	67,548		0	1.92	67,548		0	1.98	77,274.43		.00
	Accrued Annual Leave		120		0		120		0		1,534.89		.00
	Fica		6,893		0		6,893		0		9,709.21		.00
	Group Insurance		12,794		0		12,794		0		24,543.24		.00
	Other Staff Benefits		3,840		0		3,840		0		4,891.50		.00
	Retirement		12,953		0		12,953		0		24,329.86		.00
	Unemployment Compensation		68		0		68		0		93.14		.00
	Workers Compensation		530		0		530		0		786.84		.00
	Charge Inst. Support		24,000		0		24,000		0		24,000.00		.00
	Contract Services		5,638		0		5,638		0		7,717.62		.00
	Cost of Good Sold		0		0		0		0		304,999.73		.00
	Equipment		0		0		0		0		4,331.02		.00
	Student Awards and Aid		0		0		0		0		330.00		.00
	Supplies Expense		260,361		0		230,361		0		34,048.54		.00
	Travel		100		0		100		0		.00		.00
	Internal Service Ctr Internal Sales		(81,644)		0		(81,644)		0		(53,051.75)		.00
Total Expenditures		3.75	382,528	1.38	30,000	3.20	352,528	1.28	30,000	3.28	529,674.07	.85	22,087.00
Transfers (IN) or OUT			0		0		0		0		.00		.00
Ending Balance			230,394.00		.00		113,582.00		.00		-21,328.25		.00

Run on: 09/09/2024

Exhibit A - UNM VALENCIA Campus
Summary of Current Fund Revenues By Source

		Original Budget 2024 PERIOD 14		Revised Budget 2024 PERIOD 14		Actuals 2024 PERIOD 14	
		Unrestricted	Restricted	Unrestricted	Restricted	Unrestricted	Restricted
TUITION AND FEES	Instruction and General Ex 2	1,449,760	0	1,555,002	0	1,553,893	0
	Student Social and Cultural Ex 15	17,500	0	19,600	0	20,586	0
	Student Aid Ex 19	13,000	0	13,000	0	13,726	0
	Auxiliaries Ex 20	28,000	0	28,000	0	27,447	0
TOTAL TUITION AND FEES		1,508,260	0	1,615,602	0	1,615,652	0
STATE APPROPRIATIONS	Instruction and General Ex 2	7,547,371	0	7,622,371	0	7,622,099	0
TOTAL STATE APPROPRIATIONS		7,547,371	0	7,622,371	0	7,622,099	0
LOCAL APPROPRIATIONS	Instruction and General Ex 2	3,641,747	0	3,641,747	0	3,858,658	0
TOTAL LOCAL APPROPRIATIONS		3,641,747	0	3,641,747	0	3,858,658	0
FEDERAL GRANTS AND CONTRACTS	Instruction and General Ex 2	0	138,940	0	59,000	0	116,121
	Research Ex 16	0	121,568	0	137,500	0	71,348
	Public Service Ex 17	0	2,297,995	0	2,603,000	0	2,318,625
	Auxiliaries Ex 20	0	15,000	0	10,000	0	9,710
TOTAL FEDERAL GRANTS AND CONTRACTS		0	2,573,503	0	2,809,500	0	2,515,804
STATE GRANTS AND CONTRACTS	Instruction and General Ex 2	0	85,294	0	151,000	2,853	107,292
	Research Ex 16	0	0	0	0	0	0
	Public Service Ex 17	0	287,672	0	340,000	0	366,143
	Auxiliaries Ex 20	0	15,000	0	20,000	0	12,377
TOTAL STATE GRANTS AND CONTRACTS		0	387,966	0	511,000	2,853	485,812
PRIVATE GIFTS GRANTS AND CONTRACTS	Student Social and Cultural Ex 15	480	0	740	0	780	0
	Research Ex 16	0	0	0	0	0	0
	Public Service Ex 17	19,000	181,165	56,635	195,000	100,030	161,087
	Student Aid Ex 19	38,900	0	107,114	0	62,009	0
TOTAL PRIVATE GIFTS GRANTS AND CONTRACTS		58,380	181,165	164,489	195,000	162,819	161,087
SALES AND SERVICES	Instruction and General Ex 2	10,200	0	16,814	0	18,015	0
	Student Social and Cultural Ex 15	50	0	150	0	260	0
	Public Service Ex 17	10,900	0	11,560	0	10,359	0
	Internal Services Ex 18	771	0	771	0	5	0
	Auxiliaries Ex 20	294,793	0	294,793	0	335,733	0
TOTAL SALES AND SERVICES		316,714	0	324,088	0	364,372	0
OTHER SOURCES	Instruction and General Ex 2	227,991	0	305,246	0	332,417	0
	Student Social and Cultural Ex 15	3,200	0	4,279	0	3,562	0
	Research Ex 16	0	0	0	0	0	0
	Public Service Ex 17	568	0	568	0	92	0
	Auxiliaries Ex 20	4,735	0	4,735	0	6,583	0
TOTAL OTHER SOURCES		236,494	0	314,828	0	342,654	0
Grand Total		13,308,966	3,142,634	13,683,125	3,515,500	13,969,107	3,162,703

Run on: 09/09/2024

Exhibit B - UNM VALENCIA Campus Summary of Current Fund Salaries

Original
Budget 2024
PERIOD 14

Revised
Budget 2024
PERIOD 14

Actuals 2024
PERIOD 14

		FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted
SALARIES BY CATEGORY AND EXHIBIT													
Faculty Salaries	Instruction Ex 10	35.80	3,011,340	.00	0	52.45	3,040,529	.00	0	50.21	3,076,152	.00	0
	Academic Support Ex 11	3.00	272,161	.00	0	3.00	272,161	.00	0	3.00	270,705	.00	0
	Institutional Support Ex 13	1.00	199,280	.00	0	1.00	209,280	.00	0	1.00	209,280	.00	0
	Operations and Maintenance of Plant Ex 14	.00	0	.00	0	.00	0	.00	0	.00	0	.00	0
	Research Ex 16	.00	0	.00	0	.00	0	.50	30,000	.00	0	.22	13,981
	Public Service Ex 17	.00	0	27.95	667,995	.00	0	14.75	355,000	.00	0	2.21	368,341
	Total Faculty Salaries	39.80	3,482,781	27.95	667,995	56.45	3,521,970	15.25	385,000	54.21	3,556,137	2.43	382,322
Administrative Professional	Instruction Ex 10	3.20	153,287	.00	0	2.14	173,529	.00	0	2.03	129,915	.00	0
	Academic Support Ex 11	6.30	348,273	.00	0	4.19	284,779	.00	0	3.97	256,407	.00	0
	Student Services Ex 12	5.80	422,748	.00	0	6.47	443,644	.00	0	6.80	443,595	.00	0
	Institutional Support Ex 13	9.25	660,337	.00	0	8.00	649,398	.00	0	7.76	631,567	.00	0
	Operations and Maintenance of Plant Ex 14	1.00	76,065	.00	0	.24	25,644	.00	0	.18	25,643	.00	0
	Research Ex 16	.00	0	.00	0	.00	0	.00	0	.00	0	.00	-241
	Public Service Ex 17	.00	0	12.00	627,622	.00	0	17.00	780,000	.00	0	13.10	786,524
	Auxiliaries Ex 20	1.00	56,774	.00	0	1.00	56,774	.00	0	1.00	56,774	.00	0
	Total Administrative Professional	26.55	1,717,484	12.00	627,622	22.04	1,633,768	17.00	780,000	21.74	1,543,901	13.10	786,283
GA TA RA PA Salary	Instruction Ex 10	.00	0	.00	0	.13	2,845	.00	0	.10	2,844	.00	0
	Research Ex 16	.00	0	.00	0	.00	0	.00	0	.00	0	.00	0
	Public Service Ex 17	.00	0	.00	6,650	.00	0	.00	0	.00	0	.00	0
	Total GA TA RA PA Salary	.00	0	.00	6,650	.13	2,845	.00	0	.10	2,844	.00	0
Support Staff Salary	Instruction Ex 10	4.00	204,186	.00	0	4.71	222,367	.00	0	4.74	214,251	.00	0
	Academic Support Ex 11	3.50	171,111	.00	0	3.43	171,789	.00	0	3.49	171,331	.00	0
	Student Services Ex 12	4.00	173,978	.00	0	4.93	259,954	.00	0	5.53	246,046	.00	0
	Institutional Support Ex 13	6.50	383,489	.00	0	8.47	577,765	.00	0	9.16	580,180	.00	0
	Operations and Maintenance of Plant Ex 14	.00	20,457	.00	0	.00	0	.00	0	.00	0	.00	0
	Research Ex 16	.00	0	.00	0	.00	0	.00	0	.00	0	.00	0
	Public Service Ex 17	.00	0	4.00	119,210	.00	0	4.00	200,000	.00	0	5.03	233,676
	Auxiliaries Ex 20	.00	4,053	.00	0	.00	4,053	.00	0	.00	0	.00	0
	Total Support Staff Salary	18.00	957,274	4.00	119,210	21.54	1,235,928	4.00	200,000	22.92	1,211,809	5.03	233,676

Run on: 09/09/2024

Exhibit B - UNM VALENCIA Campus Summary of Current Fund Salaries

Original
Budget 2024
PERIOD 14

Revised
Budget 2024
PERIOD 14

Actuals 2024
PERIOD 14

		FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted
Technician Salary	Instruction Ex 10	.00	0	.00	0	.00	0	.00	0	.00	0	.00	0
	Academic Support Ex 11	3.00	152,012	.00	0	2.60	162,800	.00	0	2.74	165,565	.00	0
	Student Services Ex 12	4.00	194,436	.00	0	.41	19,080	.00	0	.31	19,077	.00	0
	Institutional Support Ex 13	4.00	234,699	.00	0	1.16	46,839	.00	0	.87	46,835	.00	0
	Operations and Maintenance of Plant Ex 14	12.00	379,413	.00	0	11.49	402,185	.00	0	11.79	400,179	.00	0
	Research Ex 16	.00	0	.00	0	.00	0	.00	0	.00	0	.00	0
	Public Service Ex 17	.00	0	4.50	89,652	.00	0	5.00	40,000	.00	0	.15	8,653
	Auxiliaries Ex 20	1.75	67,548	.00	0	1.92	67,548	.00	0	1.98	77,274	.00	0
Total Technician Salary		24.75	1,028,108	4.50	89,652	17.58	698,452	5.00	40,000	17.69	708,931	.15	8,653
Other Salaries	Instruction Ex 10	.00	71,371	.00	0	.00	0	.00	0	.00	0	.00	0
	Academic Support Ex 11	.00	0	.00	0	.00	0	.00	0	.06	5,444	.00	0
	Student Services Ex 12	.00	62,500	.00	0	.01	2,712	.00	0	.01	458	.00	0
	Research Ex 16	.00	0	.00	0	.00	0	.00	0	.00	0	.00	0
	Public Service Ex 17	.00	0	.00	7,200	.00	0	.00	31,000	.00	0	.56	32,874
Total Other Salaries		.00	133,871	.00	7,200	.01	2,712	.00	31,000	.07	5,902	.56	32,874
Federal Workstudy Salaries	Instruction Ex 10	.00	5,500	1.88	40,983	.16	4,400	.43	10,000	.15	3,766	.43	11,297
	Academic Support Ex 11	.00	4,500	1.28	28,022	.12	3,418	.43	10,000	.21	5,189	.60	15,566
	Student Services Ex 12	.00	6,500	.95	20,755	.29	7,400	1.28	30,000	.28	7,111	.82	21,334
	Institutional Support Ex 13	.00	5,500	2.25	49,180	.07	3,267	.38	9,000	.13	3,378	.39	10,133
	Operations and Maintenance of Plant Ex 14	.00	0	.00	0	.00	0	.00	0	.00	0	.00	0
	Research Ex 16	.00	0	.00	0	.00	0	.00	0	.00	0	.00	0
	Public Service Ex 17	.00	0	.13	3,007	.00	0	.21	5,000	.00	0	.22	5,820
	Auxiliaries Ex 20	.00	3,500	.69	15,000	.09	3,500	.43	10,000	.13	3,237	.37	9,710
Total Federal Workstudy Salaries		.00	25,500	7.18	156,947	.73	21,985	3.16	74,000	.90	22,680	2.83	73,860
State Workstudy Salaries	Instruction Ex 10	.00	7,000	.79	17,284	.38	10,100	1.92	45,000	.35	8,825	1.02	26,475
	Academic Support Ex 11	.00	6,500	.93	20,290	.43	10,882	1.75	41,000	.42	10,424	1.20	31,271
	Student Services Ex 12	.00	9,000	1.29	28,275	.27	8,100	1.07	25,000	.26	6,554	.76	19,663
	Institutional Support Ex 13	.00	5,500	.89	19,445	.42	12,983	1.71	40,000	.40	9,961	1.15	29,883
	Operations and Maintenance of Plant Ex 14	.00	0	.00	0	.00	0	.00	0	.00	0	.00	0
	Research Ex 16	.00	0	.00	0	.00	0	.00	0	.00	0	.00	0
	Public Service Ex 17	.00	0	.09	2,094	.00	0	2.64	62,000	.00	0	1.98	51,378
	Auxiliaries Ex 20	1.00	5,000	.69	15,000	.19	5,000	.85	20,000	.17	4,126	.48	12,377
Total State Workstudy Salaries		1.00	33,000	4.68	102,388	1.69	47,065	9.94	233,000	1.60	39,890	6.59	171,047

Run on: 09/09/2024

Exhibit B - UNM VALENCIA Campus Summary of Current Fund Salaries

Original
Budget 2024
PERIOD 14

Revised
Budget 2024
PERIOD 14

Actuals 2024
PERIOD 14

		FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted	FTE	Unrestricted	FTE	Restricted
Student Salaries	Instruction Ex 10	.85	20,002	.00	0	.48	16,402	.00	0	.55	13,814	.00	0
	Academic Support Ex 11	1.41	32,998	.00	0	1.16	31,698	.00	0	1.25	31,640	.00	0
	Student Services Ex 12	.00	0	.00	0	.09	1,757	.00	0	.09	2,332	.00	0
	Institutional Support Ex 13	.00	0	.00	0	.04	0	.00	0	.03	774	.00	0
	Research Ex 16	.00	0	.00	0	.00	0	.00	0	.00	0	.00	0
	Public Service Ex 17	.00	0	.75	17,515	.00	0	1.07	25,000	.00	0	.77	20,644
Total Student Salaries		2.26	53,000	.75	17,515	1.77	49,857	1.07	25,000	1.92	48,560	.77	20,644
Grand Total SALARIES BY CATEGORY AND EXHIBIT													
		112.36	7,431,018	61.06	1,795,179	121.94	7,214,582	55.42	1,768,000	121.15	7,140,653	31.46	1,709,359
SALARIES BY CATEGORY													
Faculty Salaries		39.80	3,482,781	27.95	667,995	56.45	3,521,970	15.25	385,000	54.21	3,556,137	2.43	382,322
Administrative Professional		26.55	1,717,484	12.00	627,622	22.04	1,633,768	17.00	780,000	21.74	1,543,901	13.10	786,283
GA TA RA PA Salary		.00	0	.00	6,650	.13	2,845	.00	0	.10	2,844	.00	0
Support Staff Salary		18.00	957,274	4.00	119,210	21.54	1,235,928	4.00	200,000	22.92	1,211,809	5.03	233,676
Technician Salary		24.75	1,028,108	4.50	89,652	17.58	698,452	5.00	40,000	17.69	708,931	.15	8,653
Other Salaries		.00	133,871	.00	7,200	.01	2,712	.00	31,000	.07	5,902	.56	32,874
Federal Workstudy Salaries		.00	25,500	7.18	156,947	.73	21,985	3.16	74,000	.90	22,680	2.83	73,860
State Workstudy Salaries		1.00	33,000	4.68	102,388	1.69	47,065	9.94	233,000	1.60	39,890	6.59	171,047
Student Salaries		2.26	53,000	.75	17,515	1.77	49,857	1.07	25,000	1.92	48,560	.77	20,644
Grand Total SALARIES BY CATEGORY													
		112.36	7,431,018	61.06	1,795,179	121.94	7,214,582	55.42	1,768,000	121.15	7,140,653	31.46	1,709,359
SALARIES BY EXHIBIT													
Instruction Ex 10		43.85	3,472,686	2.67	58,267	60.45	3,470,172	2.35	55,000	58.13	3,449,568	1.45	37,772
Academic Support Ex 11		17.21	987,555	2.21	48,312	14.93	937,527	2.18	51,000	15.14	916,704	1.80	46,837
Student Services Ex 12		13.80	869,162	2.24	49,030	12.47	742,647	2.35	55,000	13.28	725,173	1.58	40,997
Institutional Support Ex 13		20.75	1,488,805	3.14	68,625	19.16	1,499,532	2.09	49,000	19.35	1,481,975	1.54	40,016
Operations and Maintenance of Plant Ex 14		13.00	475,935	.00	0	11.73	427,829	.00	0	11.97	425,822	.00	0
Research Ex 16		.00	0	.00	0	.00	0	.50	30,000	.00	0	.22	13,740
Public Service Ex 17		.00	0	49.42	1,540,945	.00	0	44.67	1,498,000	.00	0	24.02	1,507,910
Auxiliaries Ex 20		3.75	136,875	1.38	30,000	3.20	136,875	1.28	30,000	3.28	141,410	.85	22,087
Grand Total SALARIES BY EXHIBIT		112.36	7,431,018	61.06	1,795,179	121.94	7,214,582	55.42	1,768,000	121.15	7,140,653	31.46	1,709,359

Run on: 09/09/2024

University of New Mexico <i>Valencia Campus</i>	L I N E	Original Budget FY23-24	Revised Budget FY23-24	Actuals FY23-24
PROPOSED SALARY INCREASES	1			
	2			
Returning Faculty	3	6.00%	3.00%	3.50%
Temporary Part-Time Faculty	4	6.00%	3.00%	4.00%
Returning Professional Staff (FLSA exempt)	5	6.00%	3.00%	3.00%
Returning Support Staff (FLSA non-exempt)	6	6.00%	3.00%	3.00%
GA/TA	7	6.00%	3.00%	3.00%
Students	8	0.00%	0.00%	0.00%
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EXHIBIT d ~Tuition, Summer Session, Required Fees, Revenue from Fees

Page 1

University of New Mexico <i>Valencia Campus</i>	L I N E	Original Budget FY23-24	Revised Budget FY23-24	Actuals FY23-24
REGULAR SEMESTER	1			
UNDERGRADUATE TUITION	2			
Part-time Students (Hourly Rate)	3	74.50	74.50	74.50
Resident In-District	4	74.50	74.50	74.50
Resident Out-of-District	5	74.50	74.50	74.50
Non-Resident	6	210.00	210.00	210.00
Full-time Students (per semester)	7	894.00	894.00	894.00
Resident In-District	8	894.00	894.00	894.00
Resident Out-of-District	9	894.00	894.00	894.00
Non-Resident	10	2,520.00	2,520.00	2,520.00
Summer Session	11			
Hourly Tuition Rate (Hourly Rate)	12	74.50	74.50	74.50
GRADUATE TUITION	13			
Part-time Students (Hourly Rate)	14			
Resident In-District	15			
Resident Out-of-District	16			
Non-Resident	17			
Full-time Students (per semester)	18			
Resident In-District	19			
Resident Out-of-District	20			
Non-Resident	21			
Summer Session	22			
Hourly Tuition Rate	23			
REQUIRED FEES	24			
Full-time Students	25	45.00	45.00	45.00
Part-time Students	26	22.50	22.50	22.50
Non-Resident	27	45.00	45.00	45.00
TOTAL TUITION & REQUIRED FEES	28			
Full-time Undergraduate	29	939.00	939.00	939.00
Resident In-District	30	939.00	939.00	939.00
Resident Out-of-District	31	939.00	939.00	939.00
Non-Resident	32	2,565.00	2,565.00	2,565.00
Full-time Graduate	33			
Resident In-District	34			
Resident Out-of-District	35			
Non-Resident	36			
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EXHIBIT d ~Tuition, Required Fees, and Revenue From Required Fees

Page 2

University of New Mexico <i>Valencia Campus</i>	L I N E	Original Budget FY23-24	Revised Budget FY23-24	Actuals FY23-24
OFF - CAMPUS TUITION	1			
Extension - Per Credit Hour	2			
Correspondence - Per Credit Hour	3			
Resident Center - Per Credit Hour	4			
	5			
DISTRIBUTION OF REQ FEE RATE-Full-time Student	6			
Student Activities	7	9.00	9.00	9.00
Instruction-Technology	8	18.00	18.00	18.00
Athletics	9			
Student Center	10	3.00	3.00	3.00
Cafeteria	11	9.00	9.00	9.00
Student Aid	12	6.00	6.00	6.00
	13			
	14			
Debt Service	15			
	16			
REVENUE FROM REQUIRED FEES APPLIED TO:	17			
Instruction (Exhibit 10)	18	48,215	36,250	41,544.00
Student Activities (Exhibit 15)	19	26,000	19,600	20,768.42
Student Aid (Exhibit 19)	20	17,000	13,000	13,848.00
Student Center (Exhibit 20)	21	9,200	6,000	6,920.42
Cafeteria (Exhibit 20)	22	25,000	22,000	20,768.42
Athletics (Exhibit 21)	23			
	24			
	25			
	26			
Total Revenue from Required Fees	27	125,415	96,850	103,849

EXHIBIT e ~Salaries of Principal Officers

Page 1

University of New Mexico <i>Valencia Campus</i>	L I N E	Original Budget FY23-24	Revised Budget FY23-24	Actuals FY23-24
Exhibit 11 Dean of Instruction, Laura Musselwhite	1 2 3	135,462	135,462	135,462.36
Exhibit 12 Director of Student Affairs, Hank Vigil Director of Student Affairs, Armando Bustamante	4 5 6	124,756	10,396 98,000	10,396.29 94,111.15
Exhibit 13 Chancellor, Samuel Dosumu Director of Busines Operations, Richard Goshorn	7 8 9	199,280 157,321	199,280 157,321	199,280.04 157,320.84
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APPENDIX E

FORM OF CONTINUING DISCLOSURE UNDERTAKING

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CONTINUING DISCLOSURE UNDERTAKING

Section 1. Recitals. This Continuing Disclosure Undertaking (the "Undertaking") is executed and delivered by the University of New Mexico Valencia Branch Community College District (the "District"), in connection with the issuance of the \$7,280,000* University of New Mexico Valencia Branch Community College District General Obligation (Limited Tax) Bonds, Series 2025, (the "Bonds"). The Bonds are being issued pursuant to an Authorizing Resolution of the District adopted on February 4, 2025, as supplemented by a Sale Certificate executed on April __, 2025* (collectively, the "Resolution"). Pursuant to the Resolution, to allow the underwriter of the Bonds to comply with the Rule (defined below), the District 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 audited financial statements of the University of New Mexico 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 financial statements for the District as submitted to the New Mexico Department of Higher Education in the District's annual report called "Report of Actuals" and certain financial and operating information with respect to the District, delivered at least annually pursuant to Sections 3(a) and 3(b) of this Undertaking. Annual Financial Information may, but is not required to, include Audited Financial Statements for the University of New Mexico.

(b) "Audited Financial Statements" means the University of New Mexico annual financial statements, prepared in accordance with GAAP for governmental units as prescribed from time to time by GASB, which financial statements have been audited by such auditor as may then be required or permitted by the laws of the State.

(c) "EMMA" means the MSRB's Electronic Municipal Market Access system located on the MSRB website at emma.msrb.org.

(d) "Events" means the events listed in Section 3(d) of this Undertaking.

(e) "Financial Obligation" shall mean 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 final official statement has been provided to the Municipal Securities Rulemaking Board in compliance with Rule 15c2-12.

(f) "Fiscal Year" means the Fiscal Year of the University, ending June 30.

(g) "MSRB" means the Municipal Securities Rulemaking Board. The current address of the MSRB is 1300 I Street NW, Suite 1000, Washington, DC 20005, Main Phone: 202-838-1500, Fax: 202-898-1500.

(h) "Official Statement" means the Official Statement delivered in connection with the original issue and sale of the Bonds.

(i) "Owners" means the registered owners of the Bonds, and so long as the Bonds are subject to the book-entry system, any Beneficial Owner, as such term is defined in the Resolution.

(j) "Report Date" means March 31 of each year, beginning in 2026.

(k) "Rule" means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934, as amended (17 C.F.R. Part 240, §240.15C2-12), as the same may be amended from time to time.

(l) "SEC" means the Securities and Exchange Commission.

- (m) “State” means the State of New Mexico.

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

(a) The District, or its designated agent, will provide the Annual Financial Information for the preceding fiscal year to EMMA 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 District, or its designated agent, will provide unaudited financial statements as part of the Annual Financial Information. In such cases, Audited Financial Statements will be provided to EMMA when and if available.

(c) The District, 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 District, which have been submitted to EMMA 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 through EMMA.

(d) At any time the Bonds are outstanding, the District, 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 Bond holders, if material;
- (viii) Bond calls, if material, or tender offers;
- (ix) defeasances;
- (x) release, substitution or sale of property securing repayment of the Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or a similar event with respect to the District or an obligated person¹;

¹ The event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person

(xiii) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, 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;

(xiv) appointment of a successor or additional trustee, or a change of name of a trustee, if material;

(xv) Incurrence of a Financial Obligation of the obligated person, if material, or an agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, 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) At any time the Bonds are outstanding, the District shall file, in a timely manner not in excess of ten (10) business days after the occurrence of an Event, a notice of such occurrence with EMMA.

(f) At any time the Bonds are outstanding, the District shall provide to EMMA, notice in a timely manner not in excess of ten (10) business days after the occurrence of any failure of the District to timely provide the Annual Financial Information and Audited Financial Statements as specified in Section 3 hereof.

Section 4. Method of Transmission. Unless otherwise required by law and subject to technical or economic feasibility, the District, or its designated agent, will employ such methods of electronic or physical information transmission as are requested or recommended from time to time by EMMA, the MSRB and the SEC.

Section 5. Enforcement. The obligations of the District under this Undertaking are for the benefit of the Owners (including the beneficial owners) of the Bonds. Each Owner is authorized to take action to seek specific performance by court order to compel the District to comply with its obligations under this Undertaking, which action will be the exclusive remedy available to it or any other Owner or beneficial owner of the Bonds. Any such action shall be brought only in a State court of competent jurisdiction in Valencia County or Socorro County. The District'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 such Resolution will be available to the Owners (including the beneficial owners) of the Bonds with respect to such a breach.

Section 6. Term. The District'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 has been paid or legally defeased pursuant to the terms of the Resolution; (ii) the date on which the District 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. The District may amend this Undertaking from time to time, without the consent of any Owner, upon the District's receipt of an opinion of independent counsel experienced in federal securities laws to the effect that such amendment:

(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 District;

(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 District and the Owners and creates no rights in any other person or entity.

Section 9. Special Funds. This Undertaking shall be subject to availability of necessary funds from annual revenues of the District and shall not be deemed to create a general obligation indebtedness of the District.

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

Date: _____, 2025

THE ADVISORY BOARD OF THE UNIVERSITY OF NEW
MEXICO – VALENCIA BRANCH

[SEAL]

By _____
Paul T. Luna, Chair

ATTEST:

Belinda Martinez, Secretary

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APPENDIX F
OFFICIAL NOTICE OF BOND SALE

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OFFICIAL NOTICE OF BOND SALE

\$7,280,000*

UNM – VALENCIA BRANCH COMMUNITY COLLEGE DISTRICT
COUNTIES OF VALENCIA AND SOCORRO, STATE OF NEW MEXICO
GENERAL OBLIGATION (LIMITED TAX) BONDS
SERIES 2025

PUBLIC NOTICE IS HEREBY GIVEN that the Governing Board (“Board”) of the University of New Mexico – Valencia Branch Community College District (“District”), Counties of Valencia and Socorro, New Mexico, will, between 8:30 a.m. and 9:00 a.m., prevailing Mountain time on April 3, 2025, or such other date and time as indicated below (the “Rescheduled Bid Date” and “Rescheduled Deadline,” respectively, and together with the Original Bid Date and the Original Deadline, the “Bid Date” and “Deadline,” respectively), receive bids sent by electronic transmission to the Board via the facilities of PARITY for the purchase of the District’s General Obligation (Limited Tax) Bonds, Series 2025, in the aggregate principal amount of \$7,280,000 (the “Bonds”). Bids must be submitted as an electronic bid using the facilities of PARITY. No other method of submitting bids will be accepted. After receipt of such bids, the Chairman of the Board, Chancellor of the District or Director of Business Operations/CFO/PIO/FM (each a “Delegate”) will take action to award the Bonds to the best bidder therefore and certify to the Board in writing that the final terms of the Bonds comply with the parameters and conditions established in the Resolution adopted by the Board on February 4, 2025.

Bid Date: April 3, 2025

**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)**

Submit Bid via PARITY

This Official Notice of Bond Sale, and the information set forth herein, are not to be treated as a complete disclosure of all relevant information with respect to the Bonds. The information set forth herein is subject, in all respects, to a more complete description of the Bonds and the security therefore set forth in the Preliminary Official Statement dated March 27, 2025 (the “Preliminary Official Statement”).

DESCRIPTION OF ISSUE: The Bonds were authorized at a an election held within the District on November 5, 2024. The District has prepared the Preliminary Official Statement, relating to the Bonds which is deemed by the District 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. Details of the Bonds, including maturities, redemption provisions, payment dates and security for payment are contained in the Preliminary Official Statement. The Preliminary Official Statement is subject to revision, amendment and completion in a Final Official Statement.

The Bonds will be issued in the aggregate principal amount of \$7,280,000, will be dated the date of delivery, will be issued as fully registered bonds and will mature on August 1 of each year as follows:

<u>Years</u> <u>Maturing</u>	<u>Amounts</u> <u>Maturing</u>
2026	\$ 525,000
2027	685,000
2028	100,000
2029	100,000
2030	340,000
2031	100,000
2032	210,000
2033	215,000
2034	350,000
2035	655,000
2036	460,000
2037	480,000
2038	500,000
2039	520,000
2040	545,000
2041	345,000
2042	365,000
2043	385,000
2044	400,000

The Bonds will be fully registered bonds in the denomination of \$5,000 each, or any integral multiple thereof. Interest on the Bonds will be payable on February 1, 2026 and semiannually thereafter on February 1 and August 1 of each year.

ADJUSTMENT OF PRINCIPAL AMOUNTS, MODIFICATION OR CLARIFICATION PRIOR TO RECEIPT OF BIDS: The Delegate may, after consultation with the Board's financial and bond advisors, in the Delegate's sole discretion and prior to the examination of bids, (i) adjust the aggregate principal amount set forth herein; (ii) adjust individual maturities; and/or (iii) 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 8:30 a.m., prevailing Mountain Time, on the Bid Date.

RESCHEDULING OF BID DATE AND DEADLINE: The Delegate may, after consultation with the Board's municipal and bond advisors, in the Chief Executive Officer's sole discretion on notice given at least twenty-four (24) hours prior to April 3, 2025 (the "Original Deadline"), reschedule the bid date and Original Deadline, and may, at that time or a subsequent time on at least twenty-four (24) hours prior notice, in each case via TM3 and/or Bloomberg Financial Services, establish a rescheduled bid date and rescheduled deadline and a place where electronic bids will be publicly examined.

For purposes of the bids received through the electronic bidding process, the time as maintained by PARITY shall constitute the official time.

BID ADJUSTMENT AFTER RECEIPT OF BIDS: The District reserves the right, after receipt of bids, to adjust the principal amount and maturity schedule for the Bonds by increasing or decreasing the principal amount of each maturity, no later than two (2) hours following receipt of bids to obtain sufficient funds to complete the improvements and/or to maintain the debt service mill levy at an acceptable level; notice of any adjustment will be given promptly to the best bidder and any adjustment will be done in a "spread neutral" manner.

ELECTRONIC BIDDING PROCEDURES: Any prospective bidder must submit its electronic bid through the facilities of PARITY. Subscription to i-Deal's BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The Board will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe. No other provider of bidding services and no other means of delivery (i.e. telephone, telefax or physical delivery) will be accepted.

An electronic bid made through the facilities of PARITY shall be deemed an irrevocable offer to purchase the Bonds on the terms provided in this Official Notice of Meeting and Bond Sale ("Notice"), and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the Board. The Board and Stifel Nicolaus & Co. ("District's Municipal Advisor") shall not be responsible for any malfunction or mistake made by or as a result of the use of the facilities of PARITY, the use of such facilities being the sole risk of the prospective bidder.

If any provisions of this Notice conflict with information provided by PARITY, as the approved provider of electronic bidding services, this Notice shall control. Further information about PARITY, including any fee charged, may be obtained from BIDCOMP/PARITY, 1359 Broadway, 2nd Floor, New York, New York 10018, i-Deal Prospectus:(212) 849-5024 or (212) 849-5025; BidComp/Parity: (212) 849-5021.

For information purposes only, bidders are requested to state in their electronic bids the true interest cost to the Board, as described under "BASIS OF AWARD" below. All electronic bids shall be deemed to incorporate the provisions of this Notice and the Official Bid Form.

REDEMPTION: Bonds maturing on and after August 1, 2034, are subject to prior redemption prior to their maturity on or after August 1, 2033, at the option of the District, in whole or in part at any time, at par value.

PAYMENT OF PURCHASE PRICE: The purchaser will be required to make payment of the balance of the purchase price of the Bonds (after credit for the purchaser's good faith deposit, without interest to the purchaser) in immediately available funds at a depository designated by the District.

INTEREST RATE, BID LIMITATIONS, AND MAXIMUM PREMIUM LIMITATION: The maximum net effective interest rate permitted on the Bonds is six and three quarters percent (6.75%), and no interest rate on any maturity of the Bonds may be greater than six and three quarters percent (6.75%) per annum. It is permissible to bid different or split rates of interest; provided, however, that: (1) 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 (1/8th) or one-twentieth (1/20th) of one percent (1%) per annum; (3) the maximum interest rate specified for any maturity may not exceed the minimum interest rate specified for any other maturity by more than two percent (2%); and (4) the bid premium shall not exceed six percent (6%). A bid of zero percent is not permitted. The purchaser's discount shall not exceed two percent (2%) of the aggregate principal amount of the Bonds.

The Bonds will not be sold for less than par.

Bidders are required to submit a bid specifying the lowest rate or rates of interest and premium, if any, which may not exceed six percent (6%) of the par amount of the Bonds at which such bidder will purchase the Bonds. 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 on the Bonds stated as a nominal annual percentage rate (see "BASIS OF AWARD" below), (c) gross interest cost, (d) premium, if any, and (e) net interest cost. Only unconditional bids shall be considered. . Bids should be submitted as an electronic bid using the facilities of PARITY. No other method of submitting bids will be accepted (see "FURTHER INFORMATION" below).

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 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. Such calculation shall be based on a 360-day year consisting of twelve thirty day months and a semiannual compounding interval. The District reserves the right to waive any irregularity or informality in any bid, except time of filing.

GOOD FAITH DEPOSIT: Not later than 2:00 p.m. (prevailing Mountain Time) on April 3, 2025, and prior to the official award of the Bonds, the successful bidder must send an electronic wire transfer to such account as the District shall specify in immediately available funds a good faith deposit of \$145,600 (equal to 2% of the par amount of the Bonds). If such wire transfer is not received from the successful bidder by 2:00 p.m. (prevailing Mountain

Time) on April 3, 2025, 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.

If the successful bidder fails or neglects to complete the purchase of the Bonds within thirty (30) days following the acceptance of the bid or within ten (10) days after the Bonds are offered for delivery, whichever is later, the amount of the deposit shall be forfeited to the District as liquidated damages, and, in that event, the Board may accept the bid of the one making the next best bid. If all bids are rejected, the Board shall readvertise the Bonds for sale in the same manner as herein provided for the original advertisement. If there be two or more equal bids and such bids are the best bids received, the Delegate shall determine which bid shall be accepted.

TIME OF AWARD AND DELIVERY: The Delegate 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 through the facilities of The Depository Trust Company, New York, New York, within 60 days of the acceptance of the bid. If for any reason delivery cannot be made within 60 days, the successful bidder shall have the right to purchase the Bonds during the succeeding 30 days upon the same terms, or at the request of the successful bidder, during the succeeding 30 days, the good faith deposit will be returned, and such bidder shall be relieved of any further obligation. It is anticipated that the delivery of the Bonds will be on or about April 24, 2025.

FURTHER INFORMATION: Information concerning the Bonds, information regarding electronic bidding procedures, bid submission and other matters related to the Bonds, including printed copies of this Notice and the Preliminary Official Statement ("Preliminary Official Statement"), may be obtained from the District's Municipal Advisor, Stifel Nicolaus & Co., 6565 Americas Parkway, NE, Suite 200, Albuquerque, New Mexico 87110. This Notice and the Preliminary Official Statement are available for viewing in electronic format at www.i-dealprospectus.com. The District has prepared the Preliminary Official Statement for dissemination to potential purchasers of the Bonds, but will not prepare any other document or version for such purpose except as described below. In addition, any NASD registered broker-dealers or dealer banks with The Depository Trust Company clearing arrangements who bid on the Bonds are advised that they may either: (a) print out a copy of the Preliminary Official Statement on their own printer or (b) at any time prior to the sale date, elect to receive a photocopy of the Preliminary Official Statement in the mail by requesting it from the District's Municipal Advisor. All bidders must review the Preliminary Official Statement, and by submitting a bid for the Bonds, each bidder certifies that such bidder has done so prior to participating in the bidding.

The District will agree in a separate agreement to provide certain periodic information and notices of material events in accordance with Securities and Exchange Commission Rule 15c2-12 ("Rule"), as described in the Preliminary Official Statement under "Continuing Disclosure of Information." The Preliminary Official Statement is deemed final by the District for purposes of Rule 15c2-12(b)(1) except for the omission of the following information: the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings, other terms of the securities depending on such matters, and the identity of the purchaser. The Board will furnish to the successful bidder or bidders, acting through a designated senior representative, in accordance with instructions received from such successful bidder(s) in order to comply with the Rule, within seven (7) business days from the sale date an aggregate of 20 copies of the final Official Statement, reflecting interest rates and other terms relating to the initial reoffering of the Bonds. The cost of preparation of the Official Statement shall be borne by the District except for the cost of any final Official Statement in excess of the number specified shall be borne by the successful bidder(s).

TRANSCRIPT AND LEGAL OPINIONS: The Bonds are subject to the approval of the New Mexico Attorney General as to form and legality. In addition, the legality of the Bonds will be approved by Modrall, Sperling, Roehl, Harris & Sisk, P.A., Attorneys at Law, Albuquerque, New Mexico, whose opinion approving the legality of the Bonds will be furnished to the successful bidder at no cost to the successful bidder. The opinion will state in substance that the issue of the Bonds is valid and legally binding upon the District, that all of the taxable property in the District is subject to the levy of a tax to pay the same, and that interest on the Bonds is excludable from gross income for purposes of federal income tax as set forth in the form of opinion attached to the Preliminary Official Statement.

The successful bidder (without cost to such bidder) will also be furnished with a complete transcript of the legal proceedings, including a no-litigation certificate stating that to the knowledge of the signer or signers thereof, as of the date of the delivery of the Bonds, no litigation is pending affecting their validity or the levy or collection of such taxes for their payment.

ESTABLISHMENT OF ISSUE PRICE (HOLD-THE-OFFERING PRICE RULE MAY APPLY IF COMPETITIVE SALE REQUIREMENTS ARE NOT SATISFIED): The winning bidder shall assist the District in establishing the issue price of the Bonds and shall execute and deliver to the District at closing an “issue price” or similar certificate, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the District, and Bond Counsel. All actions to be taken by the District to establish the issue price of the Bonds may be taken on behalf of the District by the District’s municipal advisor identified herein and any notice or report to be provided to the District may be provided to the District’s municipal advisor.

(a) The District intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “competitive sale requirements”) because:

(i) the District shall disseminate a Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;

(ii) all bidders shall have an equal opportunity to bid;

(iii) the District may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

(iv) the District anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to the Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

In the event that the competitive sale requirements described above in subparagraph (a) are not satisfied, the District shall so advise the winning bidder. The District may determine to treat (i) the first price at which 10% of each maturity of the Bonds is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis. The winning bidder shall advise the District if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The District shall promptly advise the winning bidder, at or before the time of award of the Bonds, which maturities of the Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule during the Holding Period, as defined in subparagraph (d)(i) below. Bids will not be subject to cancellation in the event that the District determines to apply the hold-the-offering-price rule to any maturity of the Bonds. Bidders should prepare their bids on the assumption that all of the maturities of the Bonds will be subject to the 10% test in order to establish the issue price of the Bonds.

(b) The District acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The District further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

(c) By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement, and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Bonds of each

maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

(d) The following terms are defined below:

(i) Hold-the-Offering-Price Maturity means a maturity of the Bonds of which less than 10% has been sold to the Public on the Sale Date.

(ii) Holding Period means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (a) the close of the fifth business day after the Sale Date, or (b) the date on which the winning bidder sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

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

(iv) 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. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(v) Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is expected to be April 3, 2025.

(vi) Underwriter means (i) any person that agrees pursuant to a written contract with the District (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 retail distribution agreement participating in the initial sale of the Bonds to the to the Public).

BANK-QUALIFIED: The District will designate the Bonds as “qualified tax exempt obligations” for purposes of Section 265(b)(3) of the Internal Revenue Code.

RATINGS: A rating of “A1” has been received by Moody’s Investors Service.

OPTIONAL BOND INSURANCE: The District has applied for a policy of municipal bond insurance with respect to the Bonds. If the Bonds qualify for municipal bond insurance, and any bidder desires to purchase such policy, such indication and the name of the desired insurer must be set forth on the bidder’s Official Bid Form. The District specifically reserves the right to reject any bid specifying municipal bond insurance, even though such bid may result in the lowest TIC to the Issuer.

If the winning bidder elects to purchase the Bonds with municipal bond insurance, certain rating agencies will assign their rating to the Bonds with the understanding that upon delivery of the Bonds, a policy insuring the payment when due of the principal of and interest on the Bonds will be issued by such bond insurer. All cost associated with the purchase and issuance of such municipal bond insurance policy and associated ratings and expenses (other than any independent rating requested by the Issuer) shall be paid by the winning bidder. Failure of the municipal bond insurer to issue the policy after the award of the Bonds shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Bonds.

BOOK-ENTRY ONLY OBLIGATIONS: The Bonds will be issued in book-entry only form through the facilities of the Depository Trust Company

CUSIP NUMBERS: CUSIP identification numbers may be typed or printed on the Bonds, but neither the failure to provide such number on any Bond nor any error with respect thereto will constitute cause for failure or refusal by the purchaser thereof to accept delivery of and to pay for the Bonds in accordance with the terms hereof. The District's Municipal Advisor shall make timely application in writing to the CUSIP Service Bureau for and shall obtain CUSIP numbers. CUSIP identification numbers may be typed or printed on the Bonds, but neither the failure to provide such number on any Bond nor any error with respect thereto will constitute cause for failure or refusal by the purchaser thereof to accept delivery of and to pay for the Bonds in accordance with the terms hereof. All expenses in relation to the CUSIP Service charge for the assignment of said numbers will be the responsibility of and will be paid for by the District's Municipal Advisor.

BLUE SKY LAWS: The District 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.

By submitting a bid, the initial purchaser represents that the sale of the Bonds in states other than New Mexico will be made only under exemptions from registration, or, wherever necessary, the initial purchaser will register the Bonds in accordance with the securities laws of the state in which the Bonds are offered or sold. The District agrees to cooperate with the initial purchaser, at the initial purchaser's written request and expense, in registering the Bonds or obtaining an exemption from registration in any state where such action is necessary but will not consent to service of process in any such jurisdiction.

EXHIBIT A

FORM OF CERTIFICATE REGARDING ISSUE PRICE

(For use where three or more bids for the Bonds were received by the District.)

The undersigned hereby certifies as follows with respect to the \$_____ principal amount of University of New Mexico Valencia Branch Community College District General Obligation (Limited Tax) Bonds, Series 2025 (the "Bonds").

1. *Reasonably Expected Initial Offering Price.*

- (a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Underwriter are the prices listed in Schedule A (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Underwriter in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by the Underwriter to purchase the Bonds.
- (b) The Underwriter was not given the opportunity to review other bids prior to submitting its bid.
- (c) The bid submitted by the Underwriter constituted a firm offer to purchase the Bonds.

2. *Defined Terms.*

- (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. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.
- (c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is April 3, 2025.
- (d) *Underwriter* means (i) any person that agrees pursuant to a written contract with the District (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 retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Underwriter's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the District with respect to certain of the representations set forth in the Tax Compliance Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Modrall, Sperling, Roehl, Harris & Sisk, P.A., as Bond Counsel in connection with rendering its opinion that the interest on the Bonds is excluded 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 District from time to time relating to the Bonds.

By: _____
Name: _____
Dated: _____

(For use where the District did not receive three or more bids for the Bonds.)

CERTIFICATE REGARDING ISSUE PRICE

The undersigned hereby certifies as follows with respect to the \$_____ principal amount of University of New Mexico Valencia Branch Community College District General Obligation (Limited Tax) Bonds, Series 2025 (the "Bonds").

1. *Hold-the-Price.*

- (a) Other than the Bonds maturing in ____ ("Hold-the-Price Maturities"), if any, the first prices at which at least ten percent ("Substantial Amount") of the principal amount of each Maturity was sold on the Sale Date to the Public are their respective initial offering prices ("Initial Offering Prices"), as listed in the pricing wire or equivalent communication for the Bonds that is attached to this Certificate as Schedule A.
- (b) On or before the Sale Date, the Purchaser offered to the Public each Maturity of the Hold-the-Price Maturities at their respective Initial Offering Prices, as set forth in Schedule A hereto.
- (c) As set forth in the Notice of Sale, the Purchaser agreed in writing to neither offer nor sell any of the Hold-the-Price Maturities to any person at any higher price than the Initial Offering Price for such Hold-the-Price Maturity until the earlier of the close of the fifth business day after the Sale Date or the date on which the Purchaser sells a Substantial Amount of a Hold-the-Price Maturity of the Bonds to the Public at no higher price than the Initial Offering Price for such Hold-the-Price Maturity.

2. *Defined Terms.*

- (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. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.
- (c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is April 3, 2025.
- (d) *Underwriter* means (i) any person that agrees pursuant to a written contract with the District (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 retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Underwriter's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the District with respect to certain of the representations set forth in the Tax Compliance Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Modrall, Sperling, Roehl, Harris & Sisk, P.A., as Bond Counsel in connection with rendering its opinion that the interest on the Bonds is excluded 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 District from time to time relating to the Bonds.

By: _____
Name: _____
Dated: _____