UNM GALLUP

UNM-Gallup College District General Obligation Bonds

Frequently Asked Questions

What is a General Obligation Bond?

General Obligations Bonds are a form of voter-approved borrowing that requires voter approval by local residents before the bonds can be issued. They are a proven and accepted method of funding brick-and-mortar projects across the state; proceeds must be used to fund capital projects. The money generated for the University's projects after a successful election is repaid in semiannual debt service payments via property tax collections.

Why is UNM-Gallup requesting money from the community?

UNM-Gallup's financial resources come primarily from local and state funds. Particularly, it is a state requirement for UNM-Gallup to match 25% of state funding with local money for capital projects. The bonds would fulfill this obligation.

Without local financial support, UNM-Gallup could not operate at its full potential. The success of the school means success for community members — from dual-enrollment high school students to adult and lifelong learners.

What is the UNM-Gallup General Obligation College District Bond?

The Advisory Board of the UNM-Gallup Branch Community College District is asking McKinley County voters to decide on whether to approve $10 million in general obligation bonds for campus improvement projects. The bonds would be sold over a period of 4 years — not all at once.

The bonds act as an economic multiplier for capital improvement projects at UNM-Gallup. State funds will be used to match bond funds for projects, thereby leveraging and maximizing the impact of state taxpayer dollars.

If the bonds are approved, what will the proceeds be used for?

The proceeds will be used to support construction and/or remodeling projects for outdated buildings and utility facilities on the UNM-Gallup campus. Please note the state has the ultimate authority on which capital projects are approved. Proposed projects and costs may be subject to change over time.

The following are UNM-Gallup’s current priorities for the College District Bond proceeds:

- **$1 million** for the renovation of science classrooms and labs in the north wing of Calvin Hall Center and the renovation of the Calvin Hall Center auditorium. These funds would be paired with potential funding from General Obligation Bond 3.

- **$4 million** for the renovation of the Physical Education Complex and creation of a student life space inside the complex.

- **$350,000** to repair the exterior stucco and roof of Gurley Hall in addition to the exterior stucco of Zollinger Library.

- **$250,000** to improve the parking lot of the Facilities Management Department

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- **$1 million to $2.5 million** for accessibility improvements to exterior spaces on campus in compliance with the federal Americans with Disabilities Act.

How will the bonds benefit me and my community?

UNM-Gallup serves the greater Gallup-McKinley County area, including sovereign Indigenous nations such as the Navajo Nation, Pueblo of Zuni, and more. Maintaining the buildings and facilities on campus is critical to ensure the institution operates to its full potential. Improvements to UNM-Gallup’s physical spaces are necessary for providing safe, comfortable and welcoming learning environments for all. Construction and renovation projects also create jobs in the local economy in fields such as architectural design, construction, building materials, landscaping, furniture, moving companies, and equipment.

- UNM-Gallup offers more than 30 certificate and associate degree programs, including access to a bachelor’s degree program in nursing.
- UNM-Gallup’s Community Education and Workforce Development program offers in-person and online professional certification courses in a variety of fields.
- The Small Business Development Center at UNM-Gallup offers support for local small business owners.
- UNM-Gallup’s Adult Basic Education program provides adult learners with free classes for high school equivalency test preparation, refresher courses for getting ready to attend college, and help exploring career and education pathways.
- Dual-credit courses for students with the Center for Career & Technical Education, McKinley Academy, and Middle College High School enable high school students to graduate with an associate degree in addition to their diploma while gaining early experience and education in their field of interest.

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I’ve heard that bonds can increase the amount of taxes that I pay. Will these bonds increase my taxes?

Yes, the proposed new bond would be repaid through residential and non-residential property taxes if approved. The University paid off all our debt in 2024 and as a result, the debt service mill levy dropped to $0. If the 2026 election is approved, our plan would be to implement a new debt service mill levy to help fund various projects across the University campus. The expected debt service rate is below the previous 5-year average.

- *Ranch and agriculture land is taxed differently compared to residential land. It is based off the quarter section and will vary depending on the property size and intended use (grazing land, dry farm land, irrigated land, etc.).*

The property tax increase will vary depending on the value of the property owned. The proposed increase starts at $2.00 per $1,000 of Taxable Assessed Valuation.

For example, a homeowner has a $150,000 property value, taxes will be applied against 1/3 of the property value. Creating a taxable value of $50,000.

- In this scenario, a resident would see their property taxes increase by approximately $2.08 per month ($150,000 *1/3 *2.0/ 1,000/ 12)

Potential Tax Impact		
Residential/Commercial Property Value	**Taxable Value (1/3 of Full Value)**	**Approximate Monthly Cost of $2.0 Mill Increase**
$100,000.00	$33,333.33	$ 1.39
$150,000.00	$50,000.00	$ 2.08
$200,000.00	$66,666.67	$ 2.78

The potential impact on property taxes is based on the projected debt service for $10 million of bond sales over a 13-year period. The impact may be subject to change based on multiple factors, including property values, the amount the University would issue at any given time, the interest rates at the time of the bond sale, and the principal maturity schedule for the bonds.

How is the bond question presented on the ballot?

Shall the Advisory Board of the University of New Mexico Gallup Branch Community College District, be authorized to issue up to $10,000,000 of general obligation bonds 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?

FOR General Obligation Bonds ☐

AGAINST General Obligation Bonds ☐

I see "Bond Question 3," aka GO Bond 3, on the ballot too? How is this different?

Bond Question 3 is asking for statewide higher education funding to support New Mexico's public colleges, universities and specialty schools. These bonds will NOT raise taxes because they will come online as other bonds are sunsetting.

The College District Bond would specifically improve the UNM-Gallup campus and is expected to increase property taxes.

For more information on GO Bond 3, visit higheredbond3.com.

To learn more about UNM-Gallup's plans for GO Bond 3 proceeds if it is approved, visit the UNM-Gallup Newsroom.