

Budget wrangling in Santa Fe leaves schools, county in tough spot

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The Taos News, 1/26/2017

One of the biggest issues facing state lawmakers during the 60-day legislative session is filling the \$70 million gap in New Mexico's budget. And in a repeat of last year's solvency measures, schools and local governments are set to take a hit. Four bills were making their way through both chambers of the New Mexico Legislature this week.

Together, they would plug the hole in this year's budget by taking money away from school districts' savings accounts, fire departments, construction projects and law enforcement.

Before the bills can be sent to the governor's desk for her signature, a committee must reconcile the bills (that is, make the language identical). The governor can approve, veto or line-item veto the solvency package.

Though the final details and dollar amounts of just how much schools and local governments are going to lose because of the legislative wrangling are still being determined, local government leaders in Taos told

The Taos News the cuts could be substantial.

Schools

In the special session last October, the Taos Municipal School District (TMSD) lost about \$422,000 out of its budget for the school year that's currently in progress. Now, the district could lose another \$365,000 before the school year is even over. The October budget cut took about \$292,000 out of the district's "student equalization guarantee" distribution (SEG), the pool of money that accounts for more than 90 percent of a school district's annual operational revenue.

Another \$104,000 came out the district's transportation budget while about \$36,000 came out of the fund for instructional materials in the classroom, according to TMSD Superintendent Dr. Lillian Torrez.

If all the 2017 cuts currently on the table are signed by the governor, that would mean a total loss of about \$787,000 in the current TMSD budget, which has steadily shrunk in years past due to fewer students attending schools in the district.

Another proposal under consideration would "sweep" the cash balances of school districts; essentially, it would take money from the savings accounts of districts with more money.

The proposal would only impact those districts with more than a 3 percent cash balance, according to Torrez. Taos schools — with a 3.9 percent cash balance — could lose another \$160,000.

"That would wipe us out," Torrez said.

"Needless to say, we will need to tighten our budget even more next year," Torrez said.

Taos County

While the educational cuts will have the effect of continuing a trend of shrinking budgets for the Taos schools, other cuts would put in jeopardy the stable financial situation the Taos County government has built up over several years.

Unlike schools, county funding comes from a number of funds and sources within the state and federal governments.

Pulling money from fire stations, 911 departments and the DWI program would force the county to pick up the slack for those services.

“It’ll be up to the counties to fill the hole. It may not hit us today, but they can break us,” said Taos County Manager Leandro Cordova.

Furthermore, capital projects (that is, improvement to infrastructure) will also likely be put on hold. The county recently went in with the town to go after about \$1.5 million to fix up Camino del Medio in Taos.

“We should prepare ourselves to get zero [for capital improvements], along with everyone else,” Cordova said.

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