

**VALENCIA ASSOCIATION OF LOCAL ELECTED OFFICIALS (VALEO)  
QUARTERLY MEETING**

**Tuesday, August 18, 2026 6:00 PM – 7:00 PM**

**Valencia County – Valencia County Administration Building  
444 Luna Ave., Los Lunas, NM, 87031**

**1. Call to Order**

The meeting was called to order at 6:00 pm by Mr. Gerard Saiz, Valencia County Commissioner.

**2. Pledge of Allegiance**

Representative Brian Baca led the Pledge of Allegiance.

**3. Introduction**

The following were in attendance:

Mr. Gerard Saiz, Valencia County Commissioner  
Mr. Jim Bruhn, Bosque Farms Councilor  
Ms. Gail Armstrong, State Representative  
Mr. Joseph Chavez, Mayor of Peralta  
Mr. Dante Berry, Valencia County Commissioner  
Ms. Erica Martinez, Bosque Farms Clerk/Administrator  
Mr. Manny Zamora, Bosque Farms Councilor  
Mr. Steven Holdman, Belen Councilor  
Mr. Brian Baca, State Representative  
Mr. Charles Griego, Mayor of Los Lunas  
Mr. Joseph Bizzell, Valencia County Commissioner  
Mr. Chris Gillespie, Mayor of Bosque Farms  
Mr. Robert Noblin, Mayor of Belen  
Ms. Tanya Mirabal Moya, State Representative  
Mr. Rudy Espinoza, Belen Councilor  
Mr. Greg Martin, Village of Los Lunas Administrator  
Ms. Ronita Wood, Bosque Farms Councilor  
Mr. Mike Milam, Valencia County Clerk  
Ms. Brenda Hume, Valencia County Chief Deputy Clerk & Arroyo Flood Control District  
Mr. Frank Ortega, Belen Councilor  
Mr. Jhonathan Aragon, Valencia County Manager  
Ms. Lichelle Armstrong, Valencia County Chief Administrator

**4. Review of Past Minutes (*June 9, 2026 – Valencia County*):**

Commissioner Saiz asked if there were any changes to the minutes and there were none. He deemed the minutes to be approved as presented.

## **5. New Business**

### **• ICIP Training/Discussion with Valencia County Legislators**

Representative Gail Armstrong introduced Ms. Cally Carswell with the Legislative Finance Committee and said she runs the Capital Outlay for the State of New Mexico.

Ms. Carswell gave a presentation via Zoom on the ICIP and Capital Outlay process. **(See attached Exhibit).**

Representative Gail Armstrong spoke about the unspent Capital Outlay money, how to make sure to use it and how the legislators collaborate to try to fully fund projects.

Mr. Greg Martin went over the Village of Los Lunas' process and what they provide to legislators regarding ICIP.

Representative Brian Baca discussed the ICIP requests and how important it is to get together for meetings prior to January.

Representative Tanya Mirabal Moya said she appreciates how well they all collaborate no matter what side of the aisle they are and the importance of getting projects fully funded.

Manager Aragon said for them all to please reach out to their legislators because they are all more than willing to help whether it's their district or not.

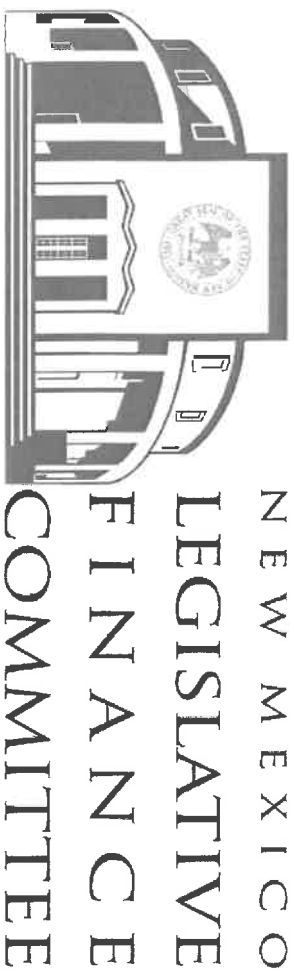
Representative Tanya Mirabal Moya said they are hoping to get Valencia County Day on Thursday, February 4<sup>th</sup> and she hopes to see everybody there.

## **6. Future VALEO Meeting Schedule**

- November 17, 2026 – Belen**
- February 16, 2027 – Bosque Farms**

## **7. Adjourn**

@ 7:05 pm



# **Capital Outlay 101**

Valencia County, August 2026

Cally Carswell, LFC

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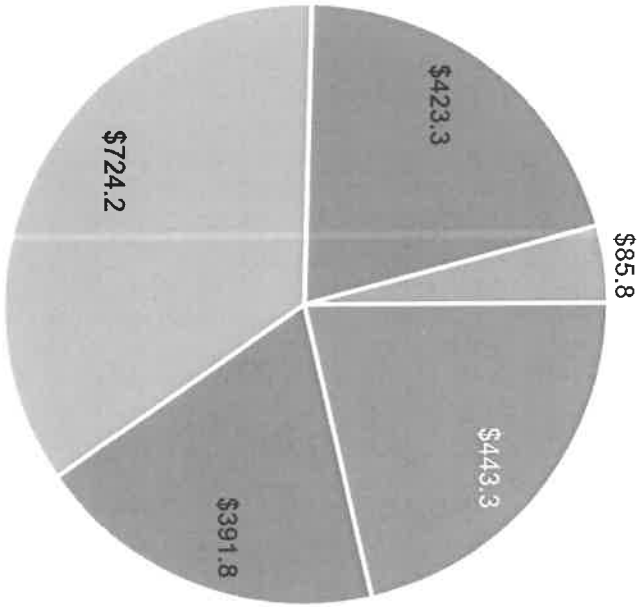
# What is Capital Outlay?

- Capital outlay appropriations support the development, improvement and acquisition of physical assets
- Appropriations are made to state agencies, higher education institutions, local and tribal governments, and other public bodies
- Eligible projects include renovation of existing facilities, construction of new facilities, equipment and vehicle purchase, acquisition of property
- Appropriations may only be made to public entities for assets that are or will be publicly owned



# 2026 Session Recap - Appropriations

## 2026 Capital Outlay All Funding Sources Total \$2.1 Billion (in millions)

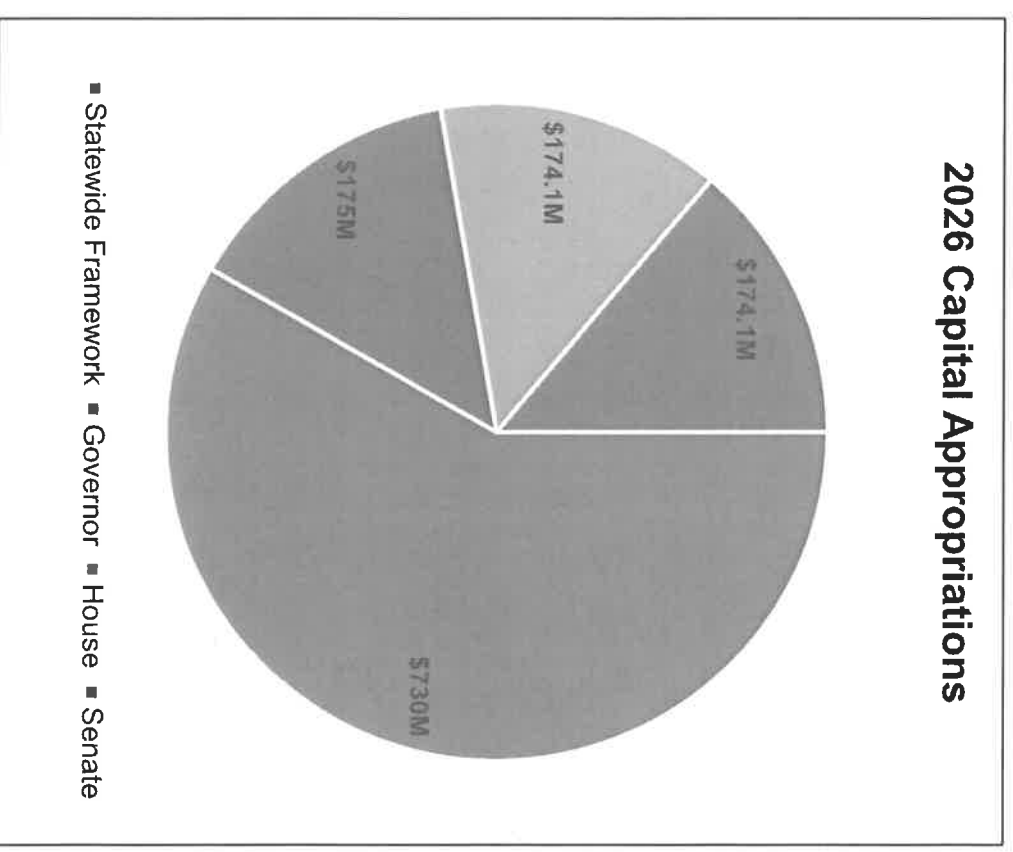


- General Fund
- General Obligation Bonds
- Severance Tax Bond
- Earmark Funds
- Other State Funds



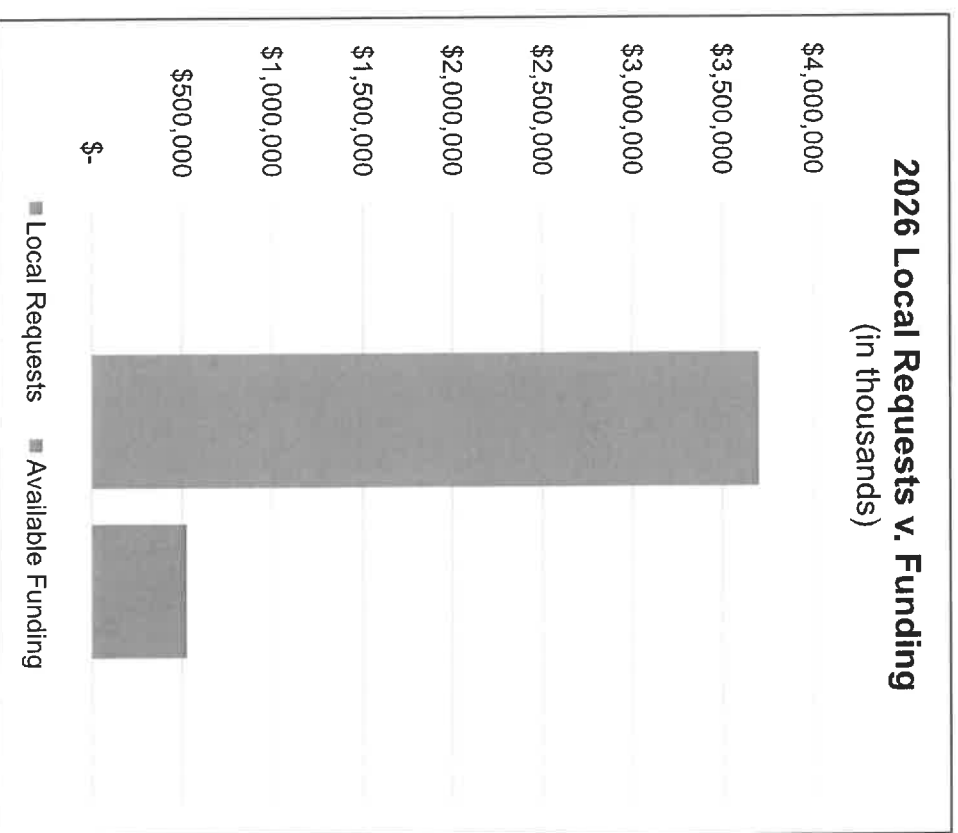
# 2026 Session Recap - Appropriations

- Typically, about 50% of appropriations in the capital bill go to state-owned projects
- The other 50% is divided between the House, Senate and Governor for local projects, including tribal projects
- The House and Senate shares are divided evenly among all members
  - In 2026:
    - \$2.5 million for every Representative
    - \$4.2 million for every Senator
- Minimal vetoes by governor, amounting to less than \$2 million of \$1.3 billion bill



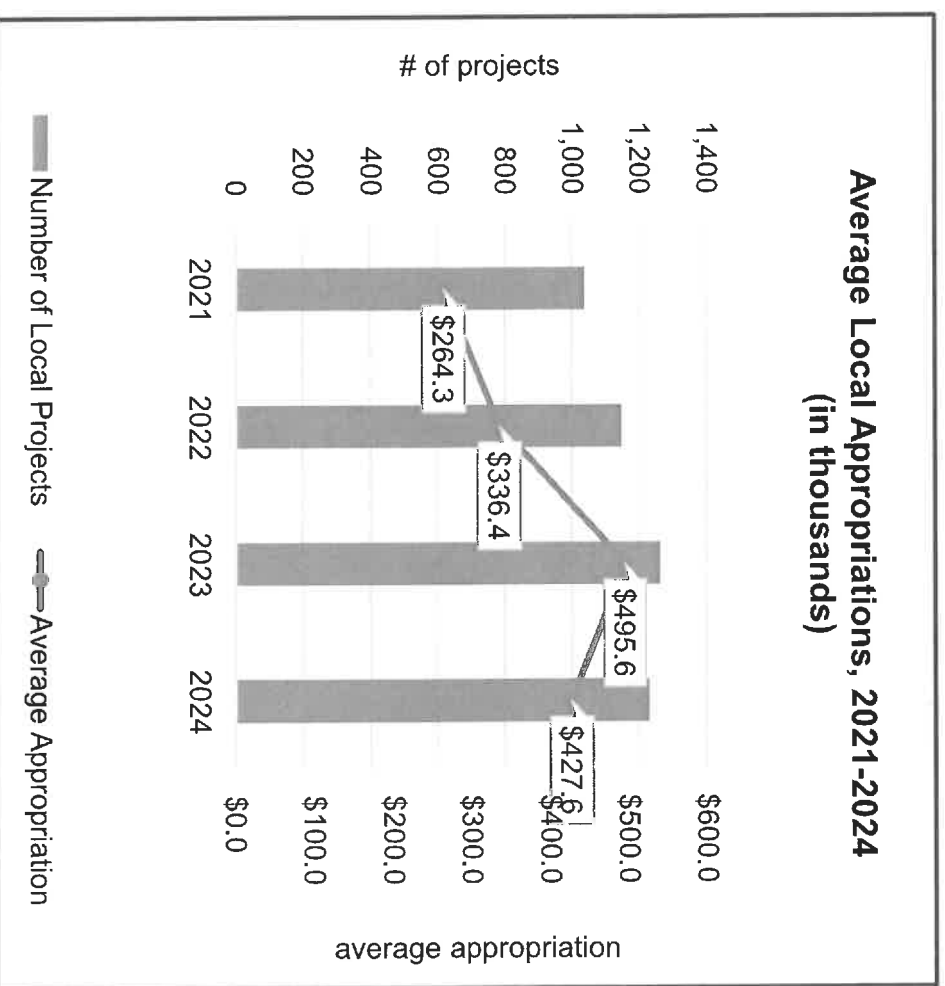
# The Capital Challenge: *Never Enough* Funding

- Requests for direct appropriations from legislators and the governor *far* exceed available funding
- This has remained true even as state revenues surged
- In the 2026 Session:
  - Local entities requested \$3.7 billion in direct appropriations for capital projects
  - Funding available for these projects totaled \$525 million – or 14 percent of requests
- The result? Piecemeal funding.
  - About half of roughly 1,200 projects in the 2026 capital bill received 50 percent or less of requested funds



# Local Project Funding Trends

- 60% of local capital appropriations in 2025 were for \$250K or less
- Only about 130 appropriations in 2025 were for \$1 million or more—less than 10 percent.
- Appropriations above \$5 million were even more rare, with less than 20 or more than 1,300 projects receiving appropriations at that level.
- Larger appropriations typically require the support of the governor



# Infrastructure Capital Improvement Plans

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- The infrastructure capital improvement plan (ICIP) is a five-year planning tool through which local governments prioritize capital projects and identify timelines and funding sources
- Local government ICIPs are usually developed through the governing body and are then submitted to the Department of Finance and Administration's Infrastructure Planning and Development Division (IPDD)
- The deadline for initial submission of the FY28-FY32 ICIP was July 1
- Amendments to the draft ICIP may be made through November 1
- **Starting in 2027, capital outlay appropriations of \$100,000 or more may only be made to projects that appear on an ICIP**



# Legislative Process - *New Appropriations*

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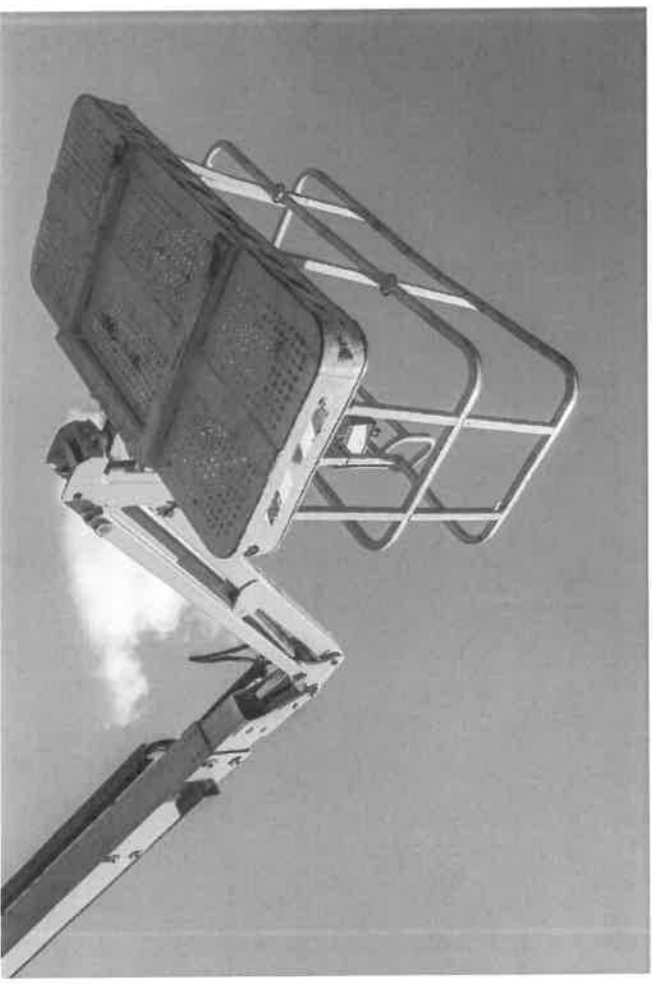
- Requests for capital outlay from House and Senate members are submitted through the Legislative Council Service (LCS)
- Deadlines are usually announced by LCS by early fall
- Last year, the request portal opened in early November and closed in mid December
- Legislators receive a final list of requests during session and typically have a short window in which to make allocations
- The total amount each legislator and the governor receives each year varies based on revenues and other factors. The amount is finalized during session.
- **Many communities review their requests with their local legislators in the summer or fall before the legislative session**



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# Legislative Process - *New Appropriations*

- Appropriations for construction are authorized for expenditures over four years
- Appropriations for equipment and vehicle purchases are authorized over two years
- New requirements will apply to both state and local appropriations in the 2027 session as a result of legislation enacted this year (HB247)



# Legislative Process - Reauthorizations

- Reauthorization requests have a separate – and later – deadline than new appropriations
- Reauthorizations requests are also handled by the Legislative Council Service
- Sponsors of the original appropriation must sign off on reauthorization requests
- Starting in 2027:
  - Projects may only be reauthorized for a time extension once. Projects that have already been reauthorized to extend time will not be eligible for an additional extension in 2027.
  - Time extensions are limited to two years.
  - At least 10 percent of the original appropriation must be encumbered by January 1 for a project to be eligible for a time extension.
  - Projects cannot be reauthorized to change their purpose
  - Projects may be reauthorized to make technical changes



# Legislative Process – Spending Requirements

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- An additional provision in the 2026 capital outlay reform bill (HB247) requires DFA to freeze funds to any projects that are within six months of reversion and have neither expended nor encumbered any of the original appropriation.
- The Legislature may repurpose these funds during the session.



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# Other Things to Know

- Capital outlay appropriations are reimbursement based
- Local entities must answer a questionnaire to determine project scope and readiness and execute a grant agreement with an administering agency before they can begin spending capital appropriations
- Notices of obligations and pay requests are filed with the administering agency
- Entities are required to report on the progress of projects every quarter. These updates are provided to legislators.
- Additional state grant programs exist to fund local capital projects



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# Useful Links

- Legislative Council Service capital outlay request forms

[https://www.nmlegis.gov/Legislation/BillFinder/Capital Outlay Request For ms](https://www.nmlegis.gov/Legislation/BillFinder/Capital%20Outlay%20Request%20Forms)

- DFA ICIP info

<https://www.nmdfa.state.nm.us/infrastructure-planning-and-development-division/icip/>

- CAPS – the quarterly reporting and project tracking system

<https://caps.nm.gov>



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# Thank you!

For any additional questions or concerns, please reach out to any of the following staff members at LFC and LCS:

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