

*New Mexico Finance Authority*  
**207 Shelby St.**  
**Santa Fe, NM 87501**  
**(505) 984-1454**

**Minutes of Board Meeting**  
**May 27, 2021**  
**Via Zoom**  
**Santa Fe, New Mexico**

**Present:**

A.J. Forte	Executive Director, NMML
Andrew J. Burke	Chief Financial Officer - NMSU
Jon Clark	Designee for Secretary, NM Economic Dev. Dept.
Judi Kahl	Designee for Secretary, NM Environment Dept.
Katherine Miller, Chair	Santa Fe County Manager
Leslie Nathanson Juris, Board Secretary	Public Member, Santa Fe, NM
Marcos Trujillo	Designee for Secretary, Dept. of Finance & Admin.
Martin Abran Suazo	Public Member, Las Vegas, NM
Matthew Lovato	Designee for Secretary, NMENRD
Steve Kopelman, Vice Chair	Executive Director, NMC

**Finance Authority Staff:**

Alex Orozco	Angela Quintana
Bryan Otero	Charlotte Larragoite
Connie Marquez	Dan Opperman
Dora Cde Baca	Joe Maldonado
John Brooks	Leslie Medina
Lynn Taulbee	Mark Lovato
Mary Finney	Marquita Russel
Michael Vonderheide	Michael Zavelle
Mona Killian	Norman Vuylsteke
Oscar Rodriguez	Rio Trujillo
Ron Cruz	Shawna Johnson
Susan Rodriguez	Todd Johansen

**Guests:**

Aaron Hamilton	Moss Adams
Anne Browne	Sutin Thayer & Browne
Brad Patterson	Gilmore & Bell
Christine Choi	PFM
Erik Harrigan	RBC Capital Markets
Gregory Borys	
Helen Atkeson	
Jerry Kyle	Orrick, Herrington & Sutcliffe
John Archuleta	
Joseph Cohen	

Karen Torrez  
Laurie Tish  
Raquel Alarcon  
Regina Grayson  
Richard Virtue  
Susen Ellis  
Suzanne Bruckner  
Vanessa Montoya

NMED DW Bureau  
Moss Adams  
City of Sunland Park  
RBC Capital Markets  
Virtue & Najjar  
BOKF  
Sutin Thayer & Browne  
City of Belen

1. **Call to Order and Roll Call.** Chair Katherine Miller called the meeting to order at 9:00 a.m. A roll call established a quorum. (*Chair Miller remarked that Vice-Chair Kopelman will chair the meeting. Chair Miller will participate by phone.*)
2. **Approval of Agenda.**  
Member Suazo moved, seconded by Member Forte, to approve the agenda. The motion passed.
3. **Approval of the April 29, 2021 Board Minutes.**  
Member Suazo moved, seconded by Member Forte, for approval of the April 29, 2021 Board minutes. The motion passed.
4. **Report from the Chief Executive Officer.** Ms. Marquita Russel reported on the following:
  - ◆ *Small Business Recovery Loan Fund (SB 3, the Small Business Recovery and Stimulus Act):* The application for the SBRLF opened on May 11 and will close on May 31, 2022. As of May 21, approximately 1,900 applications had been started, of which approximately 800 have been submitted. Of the 800 submitted applications, 35% or 280, are from SBRLF 1.0 borrowers. Staff anticipates that the first of the applications will begin funding during the week of May 24.
  - ◆ *New Mexico LEDA Recovery Grants (HB 11, Local Economic Development Act Changes):* The application for the LEDA grant opened on May 18 and will close on June 15, 2021. As of Friday, May 21 NMFA had received 220 applications totaling approximately \$10 million. These applications will create approximately 2,250 new FTEs.
  - ◆ *Staffing Update:* NMFA is actively recruiting for the Credit Administration Manager, the Recovery Programs Manager, two Regional Finance Managers, an Accountant and Staff Attorney. Once these key positions are filled, staff will address the additional vacancies as well as any new positions authorized as part of the FY 2022 budget.
  - ◆ *Loan, Grant, and Participation Modifications:* No modifications to loans were requested since the last report.

**Report from the Public Lending Committee.** (*Committee members are Mr. A.J. Forte, Chair, Secretary Debbie Romero (Mr. Marcos Trujillo), Secretary James Kenney (Ms. Judi Kahl), Mr. Steve Kopelman (Mr. Leandro Cordova).*)

5. **Update on Activities.** A quorum of the Public Lending Committee met on May 19, 2020. The Committee reviewed 49 projects, all forwarded with recommendation for approval by the Board. The recommendation included three LGPF projects, fourteen from PPRF, thirty-two WTB projects, and a review of the SFY 2022 Intended Use Plan.

- 6. Consideration and Recommendation for Approval of Watrous MDWCA (Mora County) – Water Asset Management Plan – PG-5581.** The Watrous MDWCA (“Association”) applied to the Local Government Planning Fund (“LGPF”) for \$50,000 to fund a Water Asset Management Plan to map the existing water system, to improve, refine, and document asset management practices and funding strategies for the system while providing the framework to understand and manage the utility system and communicate the level of service commitments to the customers
- 7. Consideration and Recommendation for Approval of Peña Blanca WSD (Sandoval County) – Water Asset Management Plan – PG-5582.** The Peña Blanca WSD applied to the Local Government Planning Fund for \$50,000 to fund a Water Asset Management Plan to provide a process for determining the most effective way of allocating limited funding to the highest priority projects. The scope of the asset management plan will address the current state of assets, level of service goals, asset criticality, life cycle costing and long-term funding.
- 8. Consideration and Recommendation for Approval of Peña Blanca WSD (Sandoval County) – Preliminary Engineering Report – PG-5583.** Peña Blanca WSD applied to the Local Government Planning Fund (“LGPF”) for \$50,000 to fund a Preliminary Engineering Report (“PER”) to evaluate water source, storage, and distribution alternatives for applying for Water Trust Board funding in the FY22 application cycle.
- 9. Consideration and Recommendation for Approval of Clayton Municipal School District (Union County) –2021 Education Technology Note – PPRF-5578.** The Clayton Municipal School District (“District”) applied to the Public Project Revolving Fund (“PPRF”) for \$200,000 to finance the purchase of Education Technology Equipment for District-wide projects.

The proceeds will be used for, but are not limited to, a combination of education technology equipment to include computers, software, phone lines, remote school needs, and related equipment.

The State Constitution does not require Districts to receive voter approval for education technology equipment and related projects when equipment is acquired through a lease-purchase agreement. The District will enter into a lease-purchase agreement with the NMFA secured by ad valorem property taxes. The NMFA takes title to the equipment in the nature of a security interest for the length of the agreement with the District retaining all responsibilities of ownership.

The 2020 Audit received an unmodified opinion with two findings neither a significant deficiency nor a material weakness.

- 10. Consideration and Recommendation for Approval of Village of Taos Ski Valley (Taos County) – 2021 Equipment Loan – PPRF-5579.** The Village of Taos Ski Valley (“Village”) applied to the Public Project Revolving Fund (“PPRF”) for \$454,771 to purchase a new fire apparatus and respective equipment. The Village will pledge State Fire Protection Funds as the revenue source for this loan.

The Village has an ISO class rating of five with one main station, one substation, and a recently certified and approved administration office. The Village will receive funding for the newly certified

administration office in FY2022 which will be included in the District’s annual base distribution of \$145,946.

The 2020 audit received an unmodified opinion with one finding neither a material weakness nor a significant deficiency.

**11. Consideration and Recommendation for Approval of De Baca County – 2021 Law Enforcement Vehicle Loan – PPRF-5567.** De Baca County (“County”) applied to the Public Project Revolving Fund (“PPRF”) for \$49,622 to purchase a new police vehicle and respective equipment.

The County will pledge \$20,600 of Law Enforcement Protection Funds as the revenue source for this loan. The County qualifies for 0% disadvantaged funding based on the MHI.

The 2020 audit received an unmodified opinion with one finding neither a material weakness nor a significant deficiency.

**12. Consideration and Recommendation for Approval of Village of Fort Sumner (De Baca County) – 2021 Law Enforcement Equipment Loan – PPRF-5576.** The Village of Fort Sumner (“Village”) applied to the Public Project Revolving Fund (“PPRF”) for \$49,622 to finance the purchase of a new police vehicle and respective equipment.

The Village will pledge \$20,000 of Law Enforcement Protection Funds as the revenue source for the loan. The Village qualifies for 0% disadvantaged funding based on the MHI.

The 2020 audit received an unmodified opinion with no findings.

**13. Consideration and Recommendation for Approval of Village of Santa Clara (Grant County) – 2021 Law Enforcement Equipment Loan – PPRF-5575.** The Village of Santa Clara (“Village”) applied to the Public Project Revolving Fund (“PPRF”) for \$93,340 to purchase two new police vehicles and respective equipment.

The Village will pledge Law Enforcement Protection Funds as the revenue source for the loan. The Village receives an annual distribution of \$21,800 and qualifies for 0% disadvantaged funding based on the MHI.

The 2020 audit received an unmodified opinion with one finding neither a material weakness nor significant deficiency.

**14. Consideration and Recommendation for Approval of Caballo Soil and Water Conservation District (Doña Ana County) – 2021 Equipment Loan – PPRF-5569.** The Caballo Soil and Water Conservation District (“District”) applied to the Public Project Revolving Fund (“PPRF”) for \$334,000 to purchase a new construction excavator.

The District has 19 flood control structures within their boundaries, the majority being constructed in the late 1950’s and early 1960’s to prevent flooding and sediment transport to agricultural land below the structures. The excavator will enable the District to steadily work at removing sediment from the pooling areas which have been filling with sediment over the past 50 years increasing the possibility of

flooding. Upon completion of the sediment removal, the excavator will be used for maintenance of outlet channels.

The 2020 mill levy is valued at \$80,974. Staff utilized 85% of the three-year average which is the more conservative approach.

The 2020 Agreed Upon Procedures received no opinion.

**15. Consideration and Recommendation for Approval of Town of Hagerman (Chaves County) – 2021 Equipment Loan – PPRF-5577.** The Town of Hagerman (“Town”) on behalf of the Fire Department (“Department”) applied to the Public Project Revolving Fund (“PPRF”) for \$282,000 to purchase a new Pumper/Tanker apparatus.

The Department has an ISO rating of six with two main stations receiving an annual base distribution of \$117,168 from State Fire Protection Funds. The Department will contribute \$175,000 in carry-forward funds toward the project.

The 2020 audit received an unmodified opinion with one finding neither a material weakness nor a significant deficiency.

**16. Overview of the 2021 Water Trust Board (“WTB”) Application Cycle and Recommended Water Project Fund Projects.** Ms. Angela Quintana reviewed the requirements of the Water Project Fund to select projects to recommend for funding. By statute, the WTB submits recommendations to the NMFA for making grants and loans to projects authorized by the Legislature using an annual application process.

The WPF receives an annual 9% earmark of Senior Severance Tax Bonds (“STBs”) and a \$4 million distribution from the WTB of which 10% is sent to the Office of the State Engineer (“OSE”) and Administrative Office of the Courts for adjudication purposes reflected in the breakdown below.

9% Senior Severance Tax Bonds	\$ 53,261,589.00
WTF Distribution	\$ 4,000,000.00
Gross Total	<u>\$ 57,261,589.00</u>
Less Adjudication	<u>\$ ( 5,726,159.00)</u>
<b>Available Funding</b>	<b>\$ 51,535,430.00</b>

The recommendations resulted from a comprehensive review for policy and regulatory compliance, project readiness, and evidence of complete funding.

**17. Consideration and Recommendation for Approval of Southern Sandoval CAFCA (Sandoval County) – Lower Venada Bank and Levee Stabilization – WPF-5440.** Construction of bank and levee stabilization improvements for the lower Venada Arroyo from NM 528 to the Rio Grande. Recommended funding: 100% grant - \$800,000.

**18. Consideration and Recommendation for Approval of Village of Columbus (Luna County) – W. Broadway Drainage and Flood Control – WPF-5414.** Design of flood control improvements from

Adams Street to NM 11, along the north side of Broadway Blvd. Recommended funding: 60% grant - \$189,000 and 40% loan - \$126,000 totaling \$315,000.

- 19. Consideration and Recommendation for Approval of Upper Rio Grande WSD (Rio Arriba County) – Dam Site 18 Sediment Removal – WPF-5444.** Construction for sediment removal from Sebastian Martin Black Mesa Dam Site 18. Recommended funding 100% grant - \$300,000
- 20. Consideration and Recommendation for Approval of City of Sunland Park (Doña Ana County) – Memorial Pines Phase II Sediment Basins – WPF-5441.** Design and ROW acquisition services for the Memorial Pines Phase II flood control and sediment basins, to alleviate flooding and sediment erosion control along Memorial Pines. Recommended funding: 60% grant - \$75,000 and 40% grant - 450,000 totaling \$125,000.
- 21. Consideration and Recommendation for Approval of City of Truth or Consequences (Sierra County) – Cantrell Dam Design/Rehabilitation – WPF-5442.** Plan, design, environmental permitting, ROW appraisals and land acquisition for the reconstruction of Cantrell Dam. Recommended funding: 60% grant - \$450,000 and 40% loan - \$300,000 totaling \$750,000.
- 22. Consideration and Recommendation for Approval of Albuquerque BCWUA (Bernalillo County) – Phase 6 Advanced Meter Infrastructure – WPF-5401.** Replace approximately 18,000 existing water meters with Advanced Metering Infrastructure (“AMI”) meters and devices. Recommended funding: 60% grant - \$1,200,000 and 40% loan - \$800,000 totaling \$2,000,000.
- 23. Consideration and Recommendation for Approval of Los Alamos County – Los Alamos WTP Filtration Project – WPF-5426.** Construct a filtration treatment process at the Los Alamos Wastewater Treatment Plant. Recommended funding: 48% grant - \$1,200,000 and 52% loan - \$1,300,000 totaling \$2,500,000.
- 24. Consideration and Recommendation for Approval of City of Gallup (McKinley County) – Navajo Gallup-Reach 27.7B – WPF-5424.** Navajo Gallup Water Supply Project - Construction of 3.6 miles of 16” waterline and meter station to Reaches 27.6 and 27.7A on the northwest of Gallup via gravity and pumping. Recommended funding: WPF 60% grant - \$4,624,963 and WPF 40% loan - \$3,083,308 totaling \$7,708,271.
- 25. Consideration and Recommendation for Approval of Village of Ruidoso (Lincoln County) – H-1979-S10 and H-1497-S Well Improvements – WPF-5435.** Construct improvements to two existing inactive wells to increase drinking water production in Eagle Creek drainage including new submersible pump and motor, wellhead improvements, yard piping, meter vault, valve vault, connection to existing transmission lines and other necessary appurtenances. Recommended Funding: 45% grant - \$501,750 and 55% loan - \$613,250 totaling \$1,115,000.
- 26. Consideration and Recommendation for Approval of Albuquerque BCWUA (Bernalillo County) – To’Hajiilee Water Supply Pipeline – WPF-5402.** Construction of approximately 7.4-mile pipeline to To’Hajiilee from ABCWUA existing storage tanks on Albuquerque’s west side to To’Hajiilee Navajo Chapter. Recommended funding: WPF 60% grant - \$4,624,963 and WPF 40% loan - \$3,083,308 totaling \$7,708,271.

27. **Consideration and Recommendation for Approval of Williams Acres WSD (McKinley County) – Water Distribution System – WPF-5446.** Construct/equip (Phase I) a water supply system for Williams Acres WSD. Recommended funding: 90% grant - \$810,000 and 10% loan -\$90,000 totaling \$900,000.
28. **Consideration and Recommendation for Approval of Santa Clara Pueblo (Rio Arriba County) – Water Systems Improvements – WPF-538.** Construction of new waterlines in the West Housing area of the Pueblo to replace the existing deteriorated and undersized waterlines. Recommended funding: 100% grant - \$1,398,584.
29. **Consideration and Recommendation for Approval of City of Roswell (Chavez County) – Edgewood Waterline Replacement Ph. 2 – WPF-5434.** Construction to include waterline replacement of 12" C-900 waterline (Cherry St.); 12" C-900 stub out (N. Garden Ave.); upgrade to 8" stub out/ties (Akinson Ave.); connect existing waterlines to new 12" waterlines. Recommended funding: 60% grant - \$450,000 and 40% loan -\$300,000 totaling \$750,000.
30. **Consideration and Recommendation for Approval of Union del Llano MDWCA (Taos County) – Water System Improvements – WPF-5443.** Design and construction of Phase 3 to connect the infrastructure from the two water systems and complete the water storage tank. Recommended funding: 75% grant - \$1,275,000 and 25% loan - \$425,000 totaling \$1,700,000.
31. **Consideration and Recommendation for Approval of Regina MDWCA (Sandoval County) – Water System Improvements – WPF-5431.** Construct/replace existing 2" waterline from junction of Rincon Road and NM Hwy 96 to 10,000 ft north with new 6" PVC including meters and all appurtenances. Recommended funding: 84% grant - \$1,124,009 and 16% loan - \$214,097 totaling \$1,338,106.
32. **Consideration and Recommendation for Approval of City of Belen (Valencia County) – Aragon Tank Cover – WPF-5408.** Design and construct roof replacement and cathodic protection installation for Aragon Tank #5. Recommended funding: 55% grant - \$220,000 and 45% loan - \$180,000 totaling \$400,000.
33. **Consideration and Recommendation for Approval of Rodarte MDWCA (Taos County) – Rodarte MDWCA Water System Improvements Project – WPF-5433.** Construction of an interconnection to the Peñasco MDWCA water system including replacing existing distribution lines to 4-inch waterline and new water meters. Recommended funding: 76% grant - \$1,275,280 and 24% grant -\$402,720 totaling \$1,678,000
34. **Consideration and Recommendation for Approval of City of Eunice (Lea County) – Water Tanks Project – WPF-5420.** Construct, replacement, and rehabilitation of water storage tanks including related construction engineering services. Recommended funding: 45% grant - \$396,951 and 55% loan - \$485,163 totaling \$882,114.
35. **Consideration and Recommendation for Approval of El Rito Regional W&WWA (Rio Arriba County) – Water System Improvements – WPF-5417.** Design and construct supplemental water supply, water storage facility, and distribution waterlines. Recommended funding: 80% grant - \$1,007,680 and 20% loan - \$251,920 totaling \$1,250,600.

- 36. Consideration and Recommendation for Approval of La Cueva MDWCA (San Miguel County) – Water System Improvements Phase 2 – WPF-5425.** Construct a water system improvement project to include a supplemental water supply well and a pumphouse including booster station. Recommended funding: 88% grant - \$628,311 and 12% loan - \$85,679 totaling \$713,900.
- 37. Consideration and Recommendation for Approval of Mescalero Apache Tribe (Otero County) – Mescalero Summit WST – WPF-5427.** Construct/replace tank with newly constructed 90K welded steel storage tank. 100% grant - \$223,000.
- 38. Consideration and Recommendation for Approval of Eastern NMWUA (Curry County) – ENMWUA Pipeline Conveyance Project – WPF-5416.** Design completion and construction of the interim ground water pipelines including ROW easements. Recommended funding: 60% grant - \$4,624,963 and 40% loan - \$3,083,309 totaling \$7,708,272.
- 39. Consideration and Recommendation for Approval of Doña Ana MDWCA (Doña Ana County) – Tank Rehab Project – WPF-5415.** Construction to rehabilitate the inside and outside of four (4) water tanks. Recommended funding: 60% grant - \$1,500,000 and 40% loan - \$1,000,000 totaling \$2,500,000.
- 40. Consideration and Recommendation for Approval of Otis MDWC&SWA (Eddy County) – Water System Improvements PH VI & VIII – WPF-5429.** Design and construction of Phase VI and VIII water system improvements including Phase VI - installation of water line looping and Phase VIII - new 10" water transmission line extending from Well #5 to water storage and treatment facility. Recommended funding: 60% grant - \$1,504,033 and 40% loan - \$1,002,689 totaling \$2,506,722.
- 41. Consideration and Recommendation for Approval of Rio Lucio MDWCA (Taos County) – Water System Improvements – WPF-5432.** Construction of 4,300' of 2 and 4-inch waterline to replace existing undersized and antiquated waterlines and meter replacement. Recommended funding: 85% grant - \$637,925 and 15% loan - \$112,575 totaling \$750,500.
- 42. Consideration and Recommendation for Approval of Alto Lakes WSD (Lincoln County) – Tank Replacement – WPF-5406.** Design and construction of 500,000-gallon storage tank, demolition of 150,000-gallon deteriorating tank, pipe and appurtenance relocation and replacement. Recommended funding: 60% grant - \$534,000 and 40% loan - \$356,000 totaling \$890,000.
- 43. Consideration and Recommendation for Approval of El Salto MDWCA (Taos County) – Backup Well – WPF-5418.** Design and construct to locate, drill, house and connect a backup well to the El Salto MDWCA system. Recommended funding: 58% grant - \$87,000 and 42% loan - \$63,000 totaling \$150,000.
- 44. Consideration and Recommendation for Approval of Peña Blanca WSD (Sandoval County) - Water System Improvements – WPF-5430.** Design of 9,500 linear ft. of 6-inch waterline and 1,000 linear ft. of 4-inch waterline to replace existing asbestos concrete and undersized waterline, upgrade existing meters to radio read, installation of a PRV station, installation of eight fire hydrants and rehabilitation of an existing 70,000-gal welded steel water storage tank. Recommended funding: 85% grant - \$140,250 and 15% loan - \$24,750 totaling \$165,000.



- 45. Consideration and Recommendation for Approval of Claunch-Pinto SWCD (Torrance County) – Estancia Basin Restoration – WPF-5413.** Plan, design and implement on-the-ground watershed restoration for the Estancia Basin. Recommended funding: 100% grant - \$600,000
- 46. Consideration and Recommendation for Approval of Claunch-Pinto SWCD (Torrance County) – Greater Rio Grande Restoration – WPF-5412.** Greater Rio Grande Watershed Alliance - Design and implement a landscape-scale restoration project that will reduce catastrophic wildfire risk and improve health of the forest and riparian areas within the Upper and Middle Rio Grande watershed. Recommended funding: 100% grant - \$600,000
- 47. Consideration and Recommendation for Approval of Ute Creek SWCD (Harding County) Canadian Watershed Restoration Project – WPF-5445.** Design/construct/management/masticate or pull 500 acres of standing dead salt cedar within the Canadian River watershed. Recommended funding: 100% grant - \$600,000
- 48. Consideration and Recommendation for Approval of San Juan SWCD (San Juan County) – San Juan Watershed Project 2021 – WPF-5436.** Construct/conduct riparian invasive tree removal and revegetation in the San Juan Basin watershed. Recommended funding: 100% grant - \$500,000

**Member Suazo moved, seconded by Member Forte, for approval of Consent Agenda items 6 – 48. The motion passed 10 – 0 on a roll call vote.**

- 49. Consideration and Recommendation for Approval of Taos Municipal School District (Taos County) – 2021 General Obligation Bond – PPRF-5566.** The Taos Municipal School District (“District”) applied to the Public Project Revolving Fund (“PPRF”) for \$1,800,000 to finance the purchase of Education Technology Equipment for District-wide projects.

The proceeds will be used for education technology equipment including hardware, computers, network upgrades and services, servers, software, replacements, licensing, technology installation, maintenance, support and training services, and related equipment, subscription and online support, and additional items included on the project list.

The State Constitution does not require Districts to receive voter approval for education technology equipment and related projects when equipment is acquired through a lease-purchase agreement. The District will enter into a lease-purchase agreement with the NMFA secured by ad valorem property taxes. The NMFA takes title to the equipment in the nature of a security interest for the length of the agreement with the District retaining all responsibilities of ownership.

The 2020 Audit received an unmodified opinion with nine findings including two significant deficiencies. A corrective action plan was provided.

**Member Suazo moved, seconded by Member Kahl, for approval of Taos Municipal School District Project PPRF-5566. The motion passed 10 – 0 on a roll call vote.**

- 50. Consideration and Recommendation for Approval of Cimarron Municipal School District (Colfax) –2021 Education Technology Note – PPRF-5565.** Cimarron Municipal School District

applied to the Public Project Revolving Fund (“PPRF”) for \$1,300,000 to finance the purchase of Education Technology Equipment for District-wide projects.

The proceeds will be used for a combination of education technology equipment to include Chromebooks, projector replacement, network upgrades and services, servers, copiers, mobile devices, software, licensing, technology training services, related equipment, subscription support, and additional items included on the project list.

The State Constitution does not require Districts to receive voter approval for education technology equipment and related projects when equipment is acquired through a lease-purchase agreement. The District will enter into a lease-purchase agreement with the NMFA secured by ad valorem property taxes. The NMFA takes title to the equipment in the nature of a security interest for the length of the agreement with the District retaining all responsibilities of ownership.

The 2020 audit received an unmodified opinion with six findings none a significant deficiency nor a material weakness.

**51. Consideration and Recommendation for Approval of San Miguel County – Series 2021 GRT Refunding Revenue Bonds (Series 2011) – PPRF-5571.** San Miguel County applied to the Public Project Revolving Fund (“PPRF”) for \$2,545,000 to refund its Series 2011 public gross receipts tax refunding revenue bonds for economic savings.

The Series 2011 public bonds closed in September 2011 for \$4,980,000 with a call date of June 1, 2021. The proceeds of the loan were used for defraying the cost of refunding, paying, and discharging three separate loan agreements: Series 2003 NMFA loan for \$1,474,088, Series 2008A NMFA loan for \$2,963,924, and Series 2008B NMFA loan for \$1,269,485.

The County requested a waiver of the debt service reserve fund based on Standard & Poor’s AA+ rating issued in 2011. Standard & Poor’s re-affirmed the rating in November 2014 as stable with an A rating. Moody’s rated the County in 2015 as A/2. The debt service payments will be intercepted monthly

The loan is presented with .75bp added to the rates. Based on the current market environment, the refunding of the Series 2011 public tax-exempt bonds would likely achieve a net present value savings of approximately 5.7% equating to \$126,000 over the life of the refunding loan. The maturity of the refunding bonds matches the terms of the refunded loan with a final maturity of 2029.

The County will pledge both the County Infrastructure GRT and the County Capital Outlay GRT for the repayment of the loan. Staff utilized FY2021 revenues of each GRT to determine debt service coverage of 1.28xs. Both the May and June’s monthly 2021 GRT revenues were input in the credit analysis as the previous year’s FY2020 GRT revenues. The process was applied to obtain a twelve-month total since the data is not available. The pledged revenue of the County Infrastructure GRT consists of the first and second increments (0.125%) for a total of .25%. The pledged revenue of the County Capital Outlay GRT consists of the first and second increments (0.0625%) for a total of .125%.

The 2020 audit received an unmodified opinion with three findings, none a material weakness nor a significant deficiency.

**52. Consideration and Recommendation for Amended Approval of City of Rio Rancho (Sandoval County) – Amendment of Loan Agreements – Multiple PPRF Loans.** The City of Rio Rancho (“City”) applied to the Public Project Revolving Fund (“PPRF”) to amend Loan Agreements PPRF-5156, PPRF-4810, PPRF-3541, PPRF-3518A, and PPRF-3518B from a monthly payment to a semi-annual payment schedule.

On April 30, 2021, the City submitted a request to amend the five current PPRF loans agreements from a monthly payment schedule to a semi-annual payment schedule. The City cited that changing the repayment schedules would be more straightforward by simplifying their monthly bookkeeping, their audit process, and their preparation of the Comprehensive Annual Financial Report. The main benefit from this change would be reducing the number of debt invoices processed each month.

The City’s FY2020 audit was unmodified with zero findings and all debt service payments are current.

**53. Consideration and Recommendation for Approval of City of Clovis (Curry County) – 2021 Road Improvement Loan – PPRF-5580.** The City of Clovis (“City”) applied to the Public Project Revolving Fund (“PPRF”) for \$3,250,000 to finance the construction and repair of roads within the City.

The City will pledge distribution of the State Shared GRT towards the repayment of the loan. Moody’s issued an Aa3 rating on its GRT in March 2018 and reaffirmed in April 2020, therefore a debt service reserve is not required.

The 2020 audit received an unmodified opinion with one finding, a material weakness which has been resolved.

**54. Consideration and Recommendation for Approval of Belen Consolidated School District (Valencia County) – 2021 General Obligation Bond – PPRF-5568.** The Belen Consolidated School District (“District”) applied to the Public Project Revolving Fund (“PPRF”) for \$2,000,000 to finance projects consistent with the District’s 2018 – 2023 Master Plan.

In November 2019, the District received voter approval of \$10,000,000 for school infrastructure valid for four years. The District will issue General Obligation Bonds in the amount of \$2,000,000 which the NMFA will purchase with the PPRF.

The GO Bond purchase risk is significantly reduced by Section 22-18-13 NMSA 1978 which guarantees payment by the Department of Finance and Administration (“DFA”) should the District default.

The 2020 audit received an unmodified opinion with seven findings including two material weaknesses. The District submitted a corrective action plan.

**55. Consideration and Recommendation for Approval of City of Sunland Park (Doña Ana County) – 2021 Infrastructure Loan – PPRF-5584.** The City of Sunland Park applied to the Public Project Revolving Fund (“PPRF”) for \$997,524 to purchase an approximate 28.12-acre vacant lot within the City boundaries including water rights to purchase and construct a medical office complex.

The property has been appraised and is awaiting NMTRD-PTD’s review and approval. The City is pledging the 1st and 2nd increments of the Municipal local option GRT. Due to the nature of the

proposed use of the property, the loan will be treated as a taxable transaction. The City will have the option to prepay Principal Components under this agreement; however, the City shall not be permitted to fully redeem all Principal Components under this Loan Agreement prior to ten (10) years following the closing date.

The 2020 audit received an unmodified opinion with four findings none a material weakness nor a significant deficiency.

**Member Suazo moved, seconded by Member Miller, for approval of agenda items 50 – 55. The motion passed 10 – 0 on a roll call vote.**

**56. Review of Drinking Water State Revolving Loan Fund SFY 2022 Intended Use Plan.** Mr. Todd Johansen presented the Intended Use Plan (“IUP”) for the Drinking Water State Revolving Loan Fund (“DWSRLF”).

Under the Drinking Water State Revolving Loan Fund Act ("Act"), the NMFA works with the New Mexico Environment Department (“NMED”) in the administration of the federally funded Drinking Water program. Federal guidelines require an annual publication of an IUP by each State informing the public on the use of federal funds during the fiscal year, including any new requirements of the federal grant. NMED is responsible for publishing the IUP under the Act but requires that NMFA partner in the publishing of the document. As the grantee, the NMFA applies for the Federal Fiscal Year 2021 capitalization grant, which requires NMFA’s borrowers to follow various federal regulations. This year, the State will be required to provide 14% of mandatory capitalization grant subsidy, plus up to an additional 35% subsidy under the Disadvantaged Community Program. NMFA offers “subsidy” as principal forgiveness.

The SFY 2022 IUP details the following:

1. The application for re-allocated capitalization grant funds from another State.
2. Financial status of the DWSRLF.
3. The State’s short term and long-term programmatic goals.
4. Use of funds specified for Services to Public Water Systems (NMED Set-Asides).
5. NMED’s priority ranking system and an Annual Fundable Priority List of projects.

The draft IUP will be posted on the NMED and NMFA websites following this meeting for a 30-day review and comment period. Comments received are included in the final document sent to EPA Region 6 for approval.

**Report from the Economic Development Committee** (*Committee members are Secretary Alicia Keyes (Mr. Jon Clark), Chair, Secretary Sarah Cottrell Propst (Mr. Matthew Lovato), Secretary James Kenney (Ms. Judi Kahl), and Ms. Leslie Nathanson Juris.*)

**57. Update on Activities.** The Economic Development Committee met on Tuesday, May 18; however, a quorum could not be established. Staff presented the items to Members Clark and Nathanson-Juris.

1. *Private Lending Portfolio Report.* Staff provided an overview of the private lending portfolios and an update on several of the projects within the portfolios.
2. *Essential Services Working Capital Program (“ESWCP”).* Staff presented a request to amend an ESWCP Line of Credit Agreement to extend the maturity and repayment provisions for Build with

Robots. This item was presented with the staffs' recommendation for approval.

3. *New Markets Tax Credit*. Staff presented the prioritization of Round 30 applications that had been received and evaluated. Seven applications were received, three which were recommended for approval by the Finance New Mexico Advisory Board and staff. The item appears on the agenda as a staff recommendation.

**58. Consideration for Approval to Amend the Build with Robots Essential Services Working Capital Loan Agreement – ES-5306.** Request to amend the Build with Robots Essential Services Working Capital Program Loan Agreement

Build With Robots, Inc. (“BWR”) is requesting an amendment to its Essential Services Working Capital Program (“ESWCP”) Line of Credit Loan Agreement (“LOC”) to extend the maturity date and modify the repayment provisions.

In March 2021, the NMFA approved BWR’s request to extend their interest only payments until May 16, 2021, allowing BWR to complete its contemplated Series 2021A Equity Raise (“Equity Raise”), the funds which are to be used to pay-off the LOC. The LOC has a current balance of \$618,631. BWR wishes to amend the LOC to extend the maturity date through August 16, 2021, and to modify the repayment terms to require \$100,000 monthly payments of principal and interest, with a lump-sum final payment due on the August 16, 2021 maturity date. There is no penalty for pre-payment should the Equity Raise take place prior to final maturity.

Staff recommends approval of the LOC amendment extending the maturity date to August 16, 2021 with \$100,000 monthly principal and interest payments and a final balloon payment.

**Member Clark moved, seconded by Member Nathanson-Juris, for approval to amend Project ES-5306, Build with Robots Essential Services Working Capital Loan Agreement. Motion passed 9 – 0 on a roll call vote with Member Suazo unavailable for the vote.**

**59. Consideration for Approval of the Prioritization for Round 30 Ranking of NMTC Applications.** Approval of prioritization for Round 30 ranking of New Markets Tax Credit (“NMTC”) applications.

Seven applications submitted a complete application by the April 19, 2021 deadline, four qualifying as urban and three as rural applications. Evaluated by a three-member committee, three of the seven applications reviewed met the policy requirements of at least 60 points and a moderate readiness to proceed. Pursuant to policy, the Finance New Mexico Advisory Board (“FNMA”) reviewed the projects and recommends approval. Appearing on the NMTC priority list does not guarantee that a project will receive NMTC allocation.

Staff will complete its due diligence in the priority order established by the Board to determine if the project is able to meet NMFA’s underwriting criteria and close within five months. Upon meeting the criteria staff will recommend the project to both the FNMA and the NMFA Board for preliminary approval, which sets the parameters for NMTC financing. Projects receiving preliminary approval from the NMFA Board are given 90 days to execute a financing term sheet and an additional 60 days to document and close the transaction.

## Round 30 Projects

<u>Rank</u>	<u>Score</u>	<u>Applicant</u>	<u>Location</u>	<u>Readiness to Proceed</u>	<u>NMTC Amount Requested</u>
1	68.00	Bueno Foods	Urban	Moderate	\$ 14,000,000
2	65.50	Rose's SW Paper Expansion	Urban	Moderate	\$ 15,000,000
3	61.17	Affordable Solar	Urban	High	\$ 6,100,000
4	51.67	Hotel Avid	Urban	High	\$ 8,500,000
5	47.83	Milan Project	Rural	Low	\$ 10,000,000
6	45.67	Hampton Home2	Rural	High	\$ 14,893,368
7	37.33	Leprino	Rural	High	\$ 15,000,000
Total Allocation Requested for Round 30 Projects					\$ 83,493,368

**Member Suazo moved, seconded by Member Clark, for approval of the recommendation for prioritization for Round 30 Ranking of NMTC Applications. The motion passed 10 – 0 on a roll call vote.**

**Report from the Finance & Disclosure Committee.** (*Committee members are Mr. Martin Suazo, Chair, Mr. A.J. Forte, and Secretary Alicia Keyes (Mr. Jon Clark).*)

- 60. Update on Activities.** A quorum of the Finance & Disclosure Committee met on May 19, 2021. The Committee reviewed the following and recommended Board approval where required:
- Review of the Preliminary Official Statement (“POS”) for the New Mexico Finance Subordinate Lien Public Project Revolving Fund Revenue Bonds, Tax-Exempt Series 2021B.* Staff was joined by Jerry Kyle, Jr. (Disclosure Counsel, Orrick Herrington & Sutcliffe) in presenting the review of the POS for the Series 2020B PPRF Bonds. Brad Patterson (Bond Counsel, Gilmore & Bell) was also present at the meeting. Staff discussed the underlying transaction, explained the process by which the Committee performs its review, and Mr. Kyle walked the members of the Committee through a detailed discussion of the POS.
  - Consideration for Recommendation to the Board to enter into a Professional Services Agreement with Moss Adams for FY2021 External Auditing Services.* Staff presented, and provided a detailed explanation, of the FY2021 External Audit RFP and scoring.
  - Consideration for Recommendation to the Board to enter into a Professional Services Agreement with PFM Financial Advisors, LLC for Municipal Advisory Services.* Staff presented, and provided a detailed explanation, of the Municipal Advisor RFP and scoring. The Committee voted unanimously to recommend PFM Financial Advisors, LLC to be the NMFA’s municipal advisor for the next 3 years.
  - Consideration for Recommendation to the Board of the FY2022 Budget.* Staff presented the proposed FY2022 Budget, to which the Committee voted unanimously to recommend the FY2022 Budget be presented to the Board for final approval.
  - Update on Activities/Notifications.* Staff briefed the Committee that it has amended its contract with Coastal Cloud by adding additional services, compensation and extending the term through the end of the calendar year. Coastal Cloud is the integrator for the NMFA’s new loan and grants management platform developed to properly implement both the LEDA Grant and Small Business

Loan Recovery programs, each of which were approved or reconstituted during the Regular Session of the 2021 Legislature. The NMFA requires the continuing services of Coastal Cloud for post Go-Live Enhancements and ongoing technical support.

**61. Consideration for Approval of the FY2022 Budget.** Mr. Oscar Rodriguez presented a detailed explanation of the FY2022 proposed budget. Mr. Rodriguez noted the plan for the FY 2022 budget is markedly higher for both revenues and expenditures than that of the original FY 2021 budget approved last May. It is also significantly higher than what is projected for year-end this fiscal year. The drivers behind this increase are the addition of the Local Economic Development Act (LEDA) grants program and the newly re-authorized Small Business Recovery Loan (SBRL) program, both of which will be operated by NMFA.

**Member Forte moved, seconded by Member Suazo for approval of the FY2022 budget. The motion passed 10 – 0 on a roll call vote.**

**62. Consideration for Approval to Enter into a Professional Services Agreement with Moss Adams for FY2021 External Auditing Services.** The Finance and Disclosure Committee and staff recommend retaining Moss Adams to perform the external audit of FY 2021, with the possibility of serving as NMFA’s external auditor through FY 2024.

The contract for external audit services expired at the end of 2020. On April 23, 2021, NMFA issued a Request for Proposals (“RFP”) for external auditor services with notices emailed all the firms on the Office of State Auditor’s list of certified firms. The deadline for receipt of proposals was May 7, 2021 at 5:00 PM. Four proposals were received including Moss Adams, REDW, EIDE Bailly, and Carl, Riggs & Ingram. A team of two NMFA managers and a member of the Audit Committee scored the proposals.

Moss Adams, NMFA’s auditor for the past four years received the highest score:

	Scorer 3	Scorer 1	Scorer 2	Average
Moss Adams	92	100	93	95
REDW	91	94	74	74
Eide Bailly	87	70	69	69
Car, Riggs & Ingram	82	76	76	76

Their cost proposal for the upcoming audit is \$117,00, escalating \$2000 every year for the subsequent three years.

**Member Suazo moved, seconded by Member Burke, for approval to enter into a Professional Services Agreement with Moss Adams for FY2021 External Auditing Services. The motion passed 10 – 0 on a roll call vote.**

*Member Forte departed the meeting at 11:00 a.m.*

**63. Consideration for Approval to Enter into a Professional Services Agreement with PFM Financial Advisors, LLC for Municipal Advisory Services.** The Finance and Disclosure Committee and staff recommend entering into a Profession Services Agreement with PFM Financial Advisors, LLC for Municipal Advisory Services.

NMFA issued an RFP for Municipal Advisory Services for the Public Project Revolving Fund (“PPRF”) program on April 1, 2021 and received 2 proposals: (i) PFM Financial Advisors LLC, (“PFM”) and (ii) Ranson Financial Group, LLC (“Ranson”). PFM, the PPRF’s current Municipal Advisory service provider, received the highest scoring proposal. Mr. Michael Zavelle provided a detailed explanation of the Municipal Advisor RFP and scoring.

**Member Suazo moved, seconded by Member Nathanson-Juris, to approve the recommendation to enter into a Professional Services Agreement with PFM Financial Advisors LLC as the PPRF Municipal Advisor for the next three years. The motion passed 9 – 0 on a roll call vote.**

**64. Consideration for Approval of FY2022 PPRF, NMDOT and Standalone Bond Underwriter Pool and Underwriter Takedown Schedules.** Mr. Michael Zavelle presented the Fiscal Year 2022 PPRF, NMDOT, and Standalone Bond Underwriting Pool recommendation for Board approval.

NMFA issued an RFP on April 15, 2021 to select six underwriters to be eligible senior managers for the Fiscal Year 2022 PPRF, NMDOT, and Standalone Bond Underwriting Pool, and to select up to two underwriters to be alternative co-managers should members of the senior pool have a conflict and not be able to serve as a co-manager for a bond issue. By policy, the Board must approve both the underwriter assignments and the underwriter takedown commitments for the July 1, 2021 to June 30, 2022 period.

Seven individuals scored the RFP with scoring completed on May 20, 2021. The six underwriters eligible to be selected as senior managers based on RFP points scored, in order, are: Bank of America Securities, J.P. Morgan Securities, RBC Capital Markets, Morgan Stanley, Wells Fargo Securities and Stifel Nicolaus & Co. Piper Sandler, having scored seventh, is the first alternate co-manager. Two proposals were received from firms applying only to be a co-manager. 280 Securities having scored highest in the co-manager only category is the second alternate co-manager. Ranking and absolute point scoring produced overall results consistent with each other within a reasonable range.

Staff recommends that the Board approve: 1) the RFP results to form the FY2022 PPRF, NMDOT and Standalone Bond Underwriter Pool for the period July 1, 2021 to June 30, 2022 per the following chart of underwriter assignments; and 2) FY2022 not to exceed underwriter takedown commitments. NMFA reserves the right to adjust underwriter takedowns based on market conditions but accepts that takedowns will be no less than those proposed.

**New Mexico Finance Authority  
PPRF NMDOT Scheduled FY2022 Underwriter Pool Assignments**

<b>Bond Issue</b>	<b>Senior Manager</b>	<b>Co-Manager</b>	<b>Co-Manager</b>
#1	Bank of America	Wells Fargo	Stifel Nicolaus
#2	JP Morgan	RBC	Morgan Stanley
#3	RBC	Bank of America	JP Morgan
#4	Morgan Stanley	Wells Fargo	Stifel Nicolaus
#5	Wells Fargo	RBC	Morgan Stanley
#6	Stifel Nicolaus	Bank of America	JP Morgan



New Mexico Finance Authority  
PPRF FY2022 Underwriter Pool Takedowns

Final Scoring Rank =		1	2	3	4	5	6	
Years to Maturity		BAML	JPM	RBC	MS	WFB	STIF	Average
1	2022	\$ 0.50	\$ 0.50	\$ 2.50	\$ 1.50	\$ 3.00	\$ 1.25	\$ 1.16
2	2023	\$ 1.25	\$ 1.50	\$ 2.50	\$ 1.50	\$ 3.00	\$ 2.00	\$ 1.47
3	2024	\$ 1.25	\$ 1.50	\$ 2.50	\$ 1.50	\$ 3.00	\$ 2.00	\$ 1.47
4	2025	\$ 1.25	\$ 1.50	\$ 2.50	\$ 1.50	\$ 3.00	\$ 2.00	\$ 1.47
5	2026	\$ 1.50	\$ 2.00	\$ 2.50	\$ 2.00	\$ 3.00	\$ 2.00	\$ 1.63
6	2027	\$ 1.50	\$ 2.00	\$ 2.50	\$ 2.00	\$ 3.00	\$ 2.25	\$ 1.66
7	2028	\$ 1.50	\$ 2.00	\$ 2.50	\$ 2.00	\$ 3.00	\$ 2.25	\$ 1.66
8	2029	\$ 1.50	\$ 2.50	\$ 2.50	\$ 2.50	\$ 3.00	\$ 2.25	\$ 1.78
9	2030	\$ 1.50	\$ 2.50	\$ 2.50	\$ 2.50	\$ 3.00	\$ 2.50	\$ 1.81
10	2031	\$ 2.00	\$ 2.50	\$ 2.50	\$ 2.50	\$ 3.00	\$ 2.50	\$ 1.88
11	2032	\$ 2.00	\$ 3.00	\$ 2.50	\$ 2.75	\$ 3.00	\$ 2.50	\$ 1.97
12	2033	\$ 2.00	\$ 3.00	\$ 2.50	\$ 2.75	\$ 3.00	\$ 2.50	\$ 1.97
13	2034	\$ 2.50	\$ 3.00	\$ 2.50	\$ 2.75	\$ 3.00	\$ 2.50	\$ 2.03
14	2035	\$ 2.50	\$ 3.00	\$ 2.50	\$ 2.75	\$ 3.00	\$ 2.50	\$ 2.03
15	2036	\$ 2.50	\$ 3.00	\$ 2.50	\$ 2.75	\$ 3.00	\$ 2.50	\$ 2.03
16	2037	\$ 2.50	\$ 3.50	\$ 2.50	\$ 2.75	\$ 3.00	\$ 2.50	\$ 2.09
17	2038	\$ 2.50	\$ 3.50	\$ 2.50	\$ 2.75	\$ 3.00	\$ 2.50	\$ 2.09
18	2039	\$ 2.50	\$ 3.50	\$ 2.50	\$ 2.75	\$ 3.00	\$ 2.75	\$ 2.13
19	2040	\$ 2.50	\$ 3.50	\$ 2.50	\$ 2.75	\$ 3.00	\$ 2.75	\$ 2.13
20	2041	\$ 2.50	\$ 3.50	\$ 2.50	\$ 2.75	\$ 3.00	\$ 2.75	\$ 2.13
21	2042	\$ 2.50	\$ 3.50	\$ 2.50	\$ 2.75	\$ 3.00	\$ 2.75	\$ 2.13
22	2043	\$ 2.50	\$ 3.50	\$ 2.50	\$ 2.75	\$ 3.00	\$ 2.75	\$ 2.13
23	2044	\$ 2.50	\$ 3.50	\$ 2.50	\$ 2.75	\$ 3.00	\$ 2.75	\$ 2.13
24	2045	\$ 2.50	\$ 3.50	\$ 2.50	\$ 2.75	\$ 3.00	\$ 2.75	\$ 2.13
25	2046	\$ 2.50	\$ 3.50	\$ 2.50	\$ 2.75	\$ 3.00	\$ 3.00	\$ 2.16
26	2047	\$ 2.50	\$ 3.50	\$ 2.50	\$ 2.75	\$ 3.00	\$ 3.00	\$ 2.16
27	2048	\$ 2.50	\$ 3.50	\$ 2.50	\$ 2.75	\$ 3.00	\$ 3.00	\$ 2.16
28	2049	\$ 2.50	\$ 3.50	\$ 2.50	\$ 2.75	\$ 3.00	\$ 3.00	\$ 2.16
29	2050	\$ 2.50	\$ 3.50	\$ 2.50	\$ 2.75	\$ 3.00	\$ 3.00	\$ 2.16
30	2051	\$ 2.50	\$ 3.50	\$ 2.50	\$ 2.75	\$ 3.00	\$ 3.00	\$ 2.16

PPRF & NMDOT bond issues typically fall in the 8-to-20-year range

Member Suazo moved, seconded by Member Nathanson-Juris, for approval of FY2022 PPRF, NMDOT and Standalone Bond Underwriter Pool and Underwriter Takedown Schedules. The motion passed 9 – 0 on a roll call vote.

**65. Consideration for Approval of the Authorizing and Delegating Resolution for the New Mexico Finance Authority Subordinate Lien Public Project Revolving Fund Revenue Bonds, Series 2021B, Preliminary Official Statement, Twenty-Second Supplemental Indenture of Trust and Related Documents.** A detailed review of the substantially final Preliminary Official Statement to be used in the marketing of Series 2021B Bonds was presented to the Board.

The authorizing and delegating resolution will, among other things, direct NMFA staff and consultants to

prepare for the issuance of the Series 2021B Bonds, and delegate to certain members and officers of the NMFA the authority to determine the final terms of the Series 2021B Bonds, subject to certain parameters.

The Series 2021B Bonds will be issued in an approximate amount not to exceed \$38,975,000 and will be used by the NMFA for the purposes of (i) originating loans to or purchasing securities from certain governmental entities that will be used to finance certain Projects for such governmental entities or reimbursing loans previously made to or securities purchased from such governmental entities, and (ii) paying costs incurred in connection with the issuance of the Series 2021B Bonds. NMFA staff and consultants will continue to prepare for the sale of the Series 2021B Bonds, now expected to occur in June 2021.

Mr. Dan Opperman, Mr. Michael Zavelle, Mr. Jerry Kyle, and Mr. Brad Patterson reviewed and discussed the proposed POS and the authorizing and delegating resolution. The Board selected Member Miller as the authorized designee for the bond sale.

**Member Suazo moved, seconded by Member Burke, moved for approval of the Authorizing and Delegating Resolution for the New Mexico Finance Authority Subordinate Lien Public Project Revolving Fund Revenue Bonds, Series 2021B, Preliminary Official Statement, Twenty-Second Supplemental Indenture of Trust and Related Documents. The motion passed 10 – 0 on a roll call vote.**

**Report from the Audit Committee** (*Committee members are Mr. Andrew Burke, Chair, Mr. Martin Suazo, Secretary Sarah Cottrell Propst (Mr. Matthew Lovato, and Mr. Steve Kopelman (Mr. Leandro Cordova).*)

**66. Update on Activities.** The Audit Committee meeting scheduled on May 19, 2021 was cancelled for lack of a quorum. The items that were scheduled to be discussed were the selection of the external auditor and NMTC auditor and the third quarter financial statements. The external auditor recommendation and financial statements are presented to the Board for consideration and approval, the former with the recommendation by the Finance and Disclosure Committee and the latter as a staff recommendation.

**67. Consideration for Approval of 3<sup>rd</sup> Quarter Financial Report.** Staff presented NMFA's balance sheet, income statement and cash flow statement as of March 31, 2020. NMFA's financial performance through the 3<sup>rd</sup> quarter of the year reflects little impact from the Covid-19 public emergency. NMFA's biggest revenue stream, GGRT, has remained steady, going down only \$1.2 million (4.4%) year to date in comparison to the same point last year. The trend for loan applications and new loans funded does not appear to vary from the annual business cycle.

**Member Suazo moved, seconded by Member Burke, to approve the 3<sup>rd</sup> Quarter Financial Report. The motion passed 9 – 0 on a roll call vote.**

**68. Next Board Meeting**

Thursday, June 24, 2021 – 9:00 a.m.

Location/Mode Via Zoom

Santa Fe New Mexico

**69. Adjournment**

The meeting adjourned at 11:00 a.m.

Leslie Hathaway Juris  
Secretary  
6/25/2021  
Date