

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

**Minutes of Board Meeting**  
**November 17, 2022**  
**Via Zoom**  
**Santa Fe, New Mexico**

**Present:**

Katherine Miller, Chair  
Martin Suazo, Vice Chair  
Andrew Burke  
Cleve McDaniel  
Jon Clark  
Judi Kahl  
Marcos Trujillo  
Matthew Lovato  
Ronald Lovato

Public Member, Santa Fe, NM  
Public Member, Las Vegas, NM  
Public Member, Las Cruces, NM  
New Mexico Tech  
Designee for Secretary, NM Economic Development  
Designee for Secretary, NM Environment Dept.  
Designee for Secretary, Dept. of Finance/Admin.  
Designee for Secretary, NMENRD  
Public Member, Ohkay Owingeh

**Absent:**

Joy Esparsen  
A.J. Forte, Secretary

Executive Director – NMC  
Executive Director, NMML

**Finance Authority Staff:**

Adam Johnson  
Brad Fluetsch  
Carmela Manzari  
Cherise Martinez  
Dan Opperman  
Dora Cde Baca  
Joe Maldonado  
Jolin Anaya  
Lawrence Pierce  
Lynn Taulbee  
Mark Montoya  
Marquita Russel  
Michael Zavelle  
Oscar Rodriguez  
Rio Trujillo  
Ryan Decker  
Sean Endler  
Susan Rodriguez

Aaron Kayser  
Bryan Otero  
Charlotte Larragoite  
Connie Marquez  
Delanne Reichard  
Joanne Johnson  
John Brooks  
Kryshana Madrid  
Leslie Medina  
Mark Lovato  
Martin Ortega  
Michael Vonderheide  
Norman Vuylsteke  
Paul Romero  
Ron Cruz  
Ryan Olguin  
Susan Pittard  
Todd Johansen

**Guests:**

Wayne Lloyd  
Cally Carswell  
Susen Ellis  
Suzanne Bruckner  
Sheb Mirando

Lloyd & Associates Architects  
LFC  
BOKF  
Sutin Thayer & Browne  
Lloyd & Associates Architects

1. **Call to Order and Roll Call.** Chair Katherine Miller called the meeting to order at 9:03 a.m. A roll call established a quorum.
2. **Approval of Agenda.** Member McDaniel moved, seconded by Member Clark, to approve the agenda. The motion passed 9 – 0 on a voice vote.
3. **Approval of the October 27, 2022 Board Minutes.**

3.1 **Approval of the October 27, 2022 Board Minutes.** Member Suazo moved, seconded by Member Clark, for approval of the October 27, 2022, Board minutes. The motion passed 9 – 0 on a voice vote.

4. **Report from the Chief Executive Officer.**

4.1 **Report from the CEO.** Ms. Marquita Russel reported on the following:

*Staff Update.* Sean Endler is the new Network Engineer and Krystal Hurtado is joining the accounting department. Credit Analyst Aaron Kayser has rejoined the NMFA. Credit Analyst Austin Anaya has accepted a position at NMED. John Brooks has been promoted to Chief of Credit and Lending. He will oversee the staff and systems in the Credit and Lending departments allowing Chief of Program Operations, Adam Johnson, to focus on the continued development of the program administration departments. Staff anticipates having a permanent hybrid model in place by the end of the March 2023 with a comprehensive salary survey completed for the FY2024 budget. The SOPs will update the job descriptions which were last updated in 2015 and should be complete in early calendar 2023.

At the November 10, 2022 NMFA Oversight Committee, the Committee endorsed the Water Trust Board and PPRF authorization lists, and the PPRF appropriation bill along with reviewing and providing comments on a draft of a 100+ page bill that amends 10 statutes.

The Regional Finance Managers have initiated a focused outreach effort to heighten communities' awareness and understanding of the NMFA. The initial meeting on November 9 in Cibola County was well attended with future tours planned throughout the State.

NMFA was unsuccessful in securing NMTC allocation for a second year. Staff will prepare another application for future funding.

The Water Task Force is completing a report expected to be issued before Thanksgiving. The Task Force will work with the Executive and Legislative branches in implementing the comprehensive recommendations. Although the recommendations do not impact NMFA directly, NMFA will participate actively in the planning.

- 5. Public Lending Committee Report.** *(Committee members are Mr. A.J. Forte, Chair, (Ms. Alison Nichols), Secretary Debbie Romero (Mr. Marcos Trujillo), Secretary James Kenney (Ms. Judi Kahl), Ms. Joy Esparsen (Mr. Richard Garcia) and Mr. Ron Lovato.*

**5.1 Update on Activities.** Public Lending Committee did not meet in November.

- 6. Economic Development Committee** *(Committee members: Secretary Alicia Keyes (Mr. Jon Clark), Chair, Secretary Sarah Cottrell Propst (Mr. Matthew Lovato), Secretary James Kenney (Ms. Judi Kahl), Secretary Debbie Romero (Mr. Marcos Trujillo) and Mr. Ronald Lovato.*

**6.1 Update on Activities.** The Economic Development Committee met on Tuesday, November 8, 2022 with Member Jon Clark chairing the meeting and Members Matthew Lovato and Marcos Trujillo in attendance. The Committee reviewed the Economic Development Portfolio, received updates on three loans, and approved the Opportunity Enterprise Revolving Funds draft rules for presentation to the NMFA Oversight Committee on November 10, 2022.

**6.2 Adoption of Rules Governing the Administration of the Opportunity Enterprise Loan Program.** Ms. Russel discussed the proposed rules governing enterprise loan assistance under the Opportunity Enterprise Act. Staff recommends approval of a set of rules specifically for direct loan assistance with certain parameters in collaboration with the Board for further development. The Rules incorporate OERB and NMFA Board feedback. The NMFA Oversight Committee also approved the Rules.

**Member McDaniel moved, seconded by Member Clark, for the adoption of the rules governing the administration of the Opportunity Enterprise Loan Program. The motion passed 9 – 0 on a roll call vote.**

- 7. Finance and Disclosure Committee Report.** *(Committee members: Mr. Martin Suazo, Chair, Mr. A.J. Forte (Ms. Alison Nichols), Secretary Debbie Romero (Mr. Marcos Trujillo) and Ms. Joy Esparsen (Mr. Richard Garcia).*

**7.1 Update on Activities.** The Finance & Disclosure Committee met on November 8, 2022 with Member Martin Suazo chairing the meeting and Members Marcos Trujillo and Richard Garcia in attendance. Presentations included the Bond Sale Report, Investment Report, NMFA Investment Policy Annual Review, NMFA Broker/Dealer Annual Review, Procurement Notifications, and the Budget Performance Report.

**7.2 Report on the PPRF 2022C Bond Sale.** The PPRF senior lien tax-exempt 2022C series bonds sold November 3 in the par amount of \$67,500,000 with all bond maturities sold. Lead manager was JPMorgan with Goldman Sachs and Wells Fargo as co-managers. The Board designee was Richard Garcia. The bonds close November 30, 2022.

The PPRF 2022C tax-exempt senior lien bonds mature in June 2042 with an average life of 9.85 years and an effective interest rate on a true interest cost (TIC) basis of 4.00%. The bonds reimbursed \$72,360,000 of PPRF loans including a \$28 million loan for New Mexico State University. The bonds are callable in June 2032.

Mr. Zavelle provided an overview of the 2022C bond issue including final coupons, yields and investor orders and a DBC report including the final debt service schedule and key issuance statistics.

**7.3 Annual Review of NMFA Investment Policy.** Staff and Government Portfolio Advisors (“GPA”), NMFA’s External Investment Advisors, recommend no changes to the Investment Policy Statement based on the annual review of the Investment Policy Statement. The review focused on any changes in State Statutes or with industry wide changes that would affect the manner in which the Authority makes investments. Staff and GPA concluded that the Investment Policy requires no changes at this time.

**7.4 Annual Review and Approval of NMFA Broker Dealer List.** Staff presented and provided the annual review of the broker/dealer list for NMFA trading activity. NMFA has an only approved broker/dealer list utilized by NMFA Investments for trading on Bloomberg. Recommended for removal was Deutsche Bank due to inactivity in the area of NMFA’s market, and the addition of the following five firms: Morgan Stanley, Bank of NY Mellon, Goldman Sachs, TD Securities and KeyBank. The Committee unanimously approved the new Broker/Dealer list.

**Member Suazo moved, seconded by Member Burke, for approval of the NMFA Broker Dealer List. The motion passed 7 – 0 on a roll call vote with Member Ron Lovato and Member Matthew Lovato unavailable for the vote.**

**7.5 Budget Performance Report as of September 30, 2022.** Mr. Oscar Rodriguez presented the budget performance report for the first quarter of FY 2023 as of September 30, 2022. Program activity in the first quarter did not accelerate or slow down appreciably compared to the same period last year. Although the operating budget through the first three months of the year appears to be under the operating budget through the first three months of the year, it is too soon to project any line item significantly below or above the approved budget at year end.

**8. Audit Committee Report.** *(Committee members: Mr. Andrew Burke, Chair, Mr. Martin Suazo, Secretary Sarah Cottrell Propst (Mr. Matthew Lovato), Secretary Alicia Keyes (Mr. Jon Clark) and Mr. Cleve McDaniel.)*

**8.1 Update on Activities.** The Audit Committee met on November 9, 2022 with Members Andrew Burke, Chair, Jon Clark, Matthew Lovato, and Cleve McDaniel in attendance. Staff presented Financial Statements and Financial Performance Indicators. Staff requested approval of Internal Audit Assurance Services of Loan Closing Process submitted by BDO, NMFA’s internal auditor, and Staff provided an update on the office building project.

**8.2 Acceptance of the September 30, 2022 Financial Statements.** Mr. Oscar Rodriguez presented the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cash Flows for September 2022.

**Member Andrew Burke moved, seconded by Member Suazo, to accept the September 20, 2022 financial statements. The motion passed 7 – 0 on a roll call vote with Member Ron Lovato and Member Matthew Lovato unavailable for the vote.**

**9. Executive Session.**

**9.1 Closed Session to Discuss Matters Pertaining to the Purchase, Acquisition or Disposal of Real Property, as Allowed by NMFA 1978, Section 10-15-1(H)(8).**

Chair Miller entertained a motion for the NMFA Board of Directors to go into Executive Session to discuss matters pertaining to the purchase, acquisition, or disposal of real property, as allowed by NMSA 1978, Section 10-15-1(H)(8).

**Member McDaniel moved, seconded by Member Clark, that the Board convene in Executive Session as allowed by NMSA 1978, Section 10-15-1(H)(8). The motion passed 7 – 0 on a roll call vote with Member Ron Lovato and Member Matthew Lovato unavailable for the vote.**

The Board reconvened in open session. Chair Miller stated “We are now in open meeting. Let the record reflect that no action was taken during the closed meeting and the only thing discussed were matters pertaining to the purchase, acquisition, or disposal of real property, as allowed by NMSA 1978, Section 10-15-1(H)(8).”

**10. Other Items.**

**10.1 Approval of Authorizing and Delegating Resolution for the Purchase of a New NMFA Office Building.** Mr. Dan Opperman presented the resolution authorizing the purchase of the real property located at 810 W San Mateo, Santa Fe, New Mexico for \$3,400,000 with certain parameters for the purpose of renovating the property to use as the NMFA’s headquarters; delegating to certain members and officers of the NMFA the authority to complete its due diligence on the property, including anything and all things necessary to ensure the safe operations of NMFA to meet its business needs, authorizing a preliminary budget for construction and renovation of the property of \$10,500,000, inclusive of the purchase price, and authorizing the taking of all other actions necessary to complete the transactions authorized by this resolution.


**Member Clark moved, seconded by Member Trujillo, to approve the authorizing and delegating resolution for the purchase of a new NMFA office building. The motion passed 6 – 0 on a roll call vote with Member Suazo abstaining and Member Ron Lovato and Member Matthew Lovato unavailable for the vote.**

**11. Next Board Meeting.**

Thursday, December 15, 2022 – 9:00 a.m. Via Zoom

12. **Adjournment.** Member Clark moved, seconded by Member Kahl, to adjourn the meeting. The motion passed 7 – 0 on a voice vote. Member Ron Lovato and Member Matthew Lovato were unavailable for the vote.

The meeting adjourned at 11:25 a.m.

  
\_\_\_\_\_  
Secretary

12-15-22  
\_\_\_\_\_  
Date