

*New Mexico Finance Authority*  
**810 W. San Mateo Rd., Santa Fe, New Mexico 87505**  
**(505) 984-1454**  
**NMFA Board Meeting Minutes**  
**April 24, 2025**  
**Zoom Webinar**

**Members Present:**

Kathy Keith, Chair	Public Member, Los Alamos Natl. Laboratory
Richard Garcia	Designee, New Mexico Counties
Marcos Trujillo	Designee, NM Dept. of Finance and Administration
Sam Collins	Designee, NM Economic Development Dept.
Kelsey Rader	Designee, NM Environment Department
Teresa Costantinidis	Public Member, University of New Mexico
Alison Nichols	Designee, NM Municipal League
Ronald Lovato	Public Member, Ohkay Owingeh
Martin Suazo, Vice Chair	Public Member, Las Vegas, NM
Ben Shelton	Designee, Energy, Minerals & Natural Resources Dept.

**Members Absent:**

Andrew Burke	Public Member, Las Cruces, NM
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**New Mexico Finance Authority Staff:**

Aaron Kayser	Juliana Baumgartner
Adam Johnson	Kryshana Madrid
Angelo Jaramillo	Laura Williams
Anthony Silva	Leslie Medina
Anthony Maestas	Luanna Salazar
Angie Hunt	Lynn Taulbee
Arielle Lansdell	Mark Lovato
Bradley Fluetsch	Marquita Russel
Brenda Garcia	Michael Vonderheide
Brian DuBoff	Nkolika Onyia
Carmela Manzari	Norman Vuylsteke
Chip Pierce	Oscar Rodriguez
Delanne Reichard	Paul Romero
Dora Cde Baca	Ratna Navabhaktula
Erika Falance	Rio Trujillo
Fernando Martinez	Ron Cruz
George Elam	Ryan Decker
Jake Adams	Ryan Olguin
Jeff Baade	Sean Endler
Joanne Johnson	Sharon Romero
Jolin Anaya	Susan Pittard
Josh Young	Susan Rodriguez
John Brooks	Teresa Miler
John DuBois	Todd Johansen
	Tyler Espino

**Guests:**

Antonio Ortega	
Carla Najjar	Virtue & Najjar
Cooper Jones	Grants-Cibola County School District
Deanne Woodring	GPA
Isaac Leon	Sutin, Thayer, Browne
Jamie Lauders	Quay County
Jana Jolly	BDO
Kaeley Weimerskirch	RBC
Rich Wood	UNM
Ryan St. Clair	
Sheila Hudman	Village of Santa Clara
Suzanne Bruckner	Sutin, Thayer, Browne

1. **Call to Order and Roll Call.** Chairman Keith called the meeting to order at 9:00 a.m. A quorum was established.
2. **Approval of Agenda.** Member Suazo moved, seconded by Member Costantinidis to approve the agenda. The motion passed 10 – 0.
3. **Approval of Board Minutes.**
  - 3.1 Member Suazo moved, seconded by Member Trujillo, to approve the March 27, 2025, Board Minutes. The motion passed 10 – 0.
  - 3.2 Member Suazo moved, seconded by Member Garcia, to approve the April 17, 2025, Board Minutes. The motion passed 10 – 0.
4. **Report from the Chief Executive Officer (“CEO”), Marquita Russel.**
  - 4.1 **Report from the CEO.** CEO Russel provided a staffing update and an update on the new office location. CEO Russel went over the revenue growth assumptions and expenditure assumptions for the upcoming budget.

Opportunity Enterprise and Housing Review Board Activity: NMFA recently received its second round of housing development applications and its fourth round of commercial development applications. The OE Board met on Thursday, April 17th and prioritized five of 10 commercial development projects for NMFA’s review and six of 14 housing applications. The first of these projects is expected to come before the Board in June.

NMFA’s first round of applications for the Charter School Revolving Fund received six applications totaling approximately \$15 million. With the limited capitalization of \$10 million, staff will underwrite these applications in the order prioritized. We’ll also be working with consultants to ensure we’ve captured all the relevant monitoring pieces and have close oversight of the construction since these two areas of risk have greater significance with Charter School transactions.

Lendistry, the national small business CDFI that we entered into a loan servicing and portfolio management contract with in November, is expected to begin invoicing for the Small Business Recovery Loan Fund loans in May. This transition will reduce the current burdens on our finance and client services department which will allow them to fully turn their attention to our new programs and increasing activity in our existing programs.

NMFA's bills, and those positively impacting NMFA, were signed into Law by the Governor Michelle Lujan Grisham. House Bill 2 passed the House and Senate with \$230 million of general fund appropriations targeted to three NMFA programs which stayed intact during the signing process. The end result is that we will be adding one program to the NMFA roster (the \$20 million Solar Access Fund), significantly modifying another (the \$11 million Child Care Revolving Fund), and increasing modestly the entities eligible to apply for PPRF funding. We also received a three-year suspension of the prior legislative authorization requirement for PPRF loans which was contained in SB 170.

Budget Assumptions for FY 2026: NMFA's annual budgeting, which typically begins in March, began in April this year to allow us time to determine if proposed legislation and appropriations would come to fruition. With legislation now in place, staff presented to the Finance & Disclosure Committee its assumptions for activity driving the FY 2026 operating budget. The next step is to present a draft budget to the Committee in May, with a final budget targeted for presentation to the Board targeted in June. The budget is then revisited in January to ensure that our resources are correctly aligned with the activity to date and projected activity for the remainder of the year.

Private Entity activity is expected to increase as momentum builds on the Opportunity Enterprise Commercial Development and Housing Development programs. Three applications are expected to be offered in FY 26.

The federal State Small Business Credit Initiative in FY 2025 will result in applications and underwriting activity in FY 26. With interest rates expected to stay high, we anticipate banks will look to partners to help buy down the interest rate and reduce bank exposure to economic development projects. To ensure NMFA has the capacity to support these growing workloads, we will seek to contract underwriting and lending advice services for credits that we have less exposure to, such as housing, as well as recruiting an additional credit analyst.

Significant changes made during the 2025 legislative session to the Child Care Revolving Loan Fund are expected to make these loans more attractive and increased activity is expected. Rules will be amended in FY 25 with applications being made available by the end of the summer.

The federally funded Energy Efficiency loan program will be ready to accept applications in FY 26. Energy Mineral and Natural Resources, NMFA's partner in the program, will accept and vet applications and forward to NMFA for underwriting only those projects meeting the technical requirements.

Water Trust Board: Over the past several years, the legislature has appropriated additional funds to the Water Project Fund – on top of historically high levels of funding coming from its 8.1% net share of Senior Severance Tax Bonds. Normally, a WTB project has a project life of at least 4 years: a year-long application and legislative authorization process, 6 month readiness and closing process, and 2 ½ years to mobilize and complete construction. Beginning in FY26, the WTB will be able to fund wastewater projects. This new project eligibility, coupled with greater program capitalization, will drive increased activity for the next several years.

WTB Technical Assistance and Capacity Development contractors are expected to begin assisting community water systems in FY 26. The policies, processes and procurement necessary to support these efforts are nearing completion and we anticipate receiving letters of interest before the end of FY 25.

WTB staff will be supporting the WTB in its duties related to reviewing and recommending projects to the Interstate Stream Commission for funding from the federally funded New Mexico Unit Fund. NMFA received 18 applications for the pilot planning application and the ISC and WTB expect to open an application for construction opened at the end of fall or beginning of winter.

The federally funded Drinking Water State Revolving Loan and state-funded Colonias Infrastructure Board are seeing increased application, construction monitoring, and loan servicing activity due to increased funding from the past several years and for the upcoming year. Fortunately, we do not anticipate any significant funding cuts with the DWSRLF.

The Local Solar Access Fund will be developed in FY 26 and we expect to have rules in place before the end of the calendar year and begin accepting applications in calendar year 2026.

We expect the instability that has characterized the capital markets recently to continue, with interest rates remaining above the levels that prevailed for the better part of the past 10 years. We believe this will fuel additional interest in the PPRF, particularly from larger issuers who are looking to curb financing costs as much as possible. Additionally, because SB 170 suspended for three years legislative authorization for the PPRF, entities who recently became Qualified Entities but had not sought legislative authorization for projects will be able to apply for funding without delay.

We will continue our push to maintain a strong presence in New Mexico communities with county road shows that were started in 2023, where lending staff coordinate with Councils of Governments to hold day-long, local mini-conferences. This allows staff to foster more personal relationships with our clients and survey the needs in the area. Additionally, staff anticipates more active participation in conferences and increasing the conferences NMFA attends as NMFA rolls out new and retooled programs.

The Document & Data Management project is expected to complete a large part of its data transformation in FY 2026 with work continuing through FY 2027.

The Risk Rating project is expected to be completed in FY 2026. Its full integration into processes will occur with the Integrated Business Application (IBA) project. IBA will be NMFA's central operational focus next year. The project will mitigate a large number of organizational risks and will significantly increase employee efficiency. Through enhanced technologies and better integration of systems and processes, we expect to increase our underwriting capacity, acquire much needed analytical and reporting tools, and enhance our IT security.

IBA launched this fiscal year and undertook a comprehensive review of our requirements for integrated loan management and accounting technology and the available solutions in the market today. In FY 26, the project will move into a technical and change management planning phase to develop the technical architecture, project roadmap and change management strategy. These deliverables, expected at the end of the summer, will inform a final RFP for implementation services, with the purchase of software licenses and actual implementation beginning later in the year and completed in FY 2027. Separate studies for

impact measurement frameworks, quantification of impacts, and an analysis of needed tools for local governments will be started in FY 2025 and completed in FY 2026.

**Informational Only.**

**5. Other Items.**

**5.1 Update on the Integrated Business Application Project.** Staff presented an overview of the migration initiatives and technology options evaluation. The implementation timeline includes procurement for solution implementation partner, form project implementation teams, create feature backlog from roadmap, Build, test, and deploy solutions, set to begin by May through August 2025.

**Informational Only.**

**6. Public Lending Committee Report.** *Committee Members are Mr. A.J. Forte, Chair, (Ms. Alison Nichols), Secretary Wayne Propst (Mr. Marcos Trujillo), Secretary James Kenney (Ms. Kelsey Rader), Ms. Joy Esparsen (Mr. Richard Garcia) and Mr. Ron Lovato.*

**6.1 Update on Activities.** A quorum of the Public Lending Committee met on April 16, 2025, via Zoom. Member Nichols chaired the meeting, with members Richard Garcia, Marcos Trujillo and Ron Lovato in attendance.

Staff presented one PG application and three PPRF applications. The committee recommends these four items for approval to the Board. There was one PPRF project that was not reviewed by the committee. This project is recommended by staff for approval.

**Informational Only.**

**7. Consent Agenda.**

**7.1 Roswell (Chaves County). PG-6753. \$100,000. Asset Management Plan.** Roswell has come to the LGPF to fund an asset management plan for their fire protection system. The fire hydrant issue entails three city departments that have different numbers and locations of hydrants with unreliable capacity. An asset management plan will assist in developing a more orderly fire protection system by reconciling the location of the fire hydrants, completing GIS mapping, and identifying the work needed at each hydrant to achieve adequate water flows and reliable capacity.

**7.2 Santa Clara VFD (Grant County). PPRF-6741. \$269,305. Fire Equipment.** The Village of Santa Clara, on behalf of The Santa Clara Fire Department, has applied to the PPRF to purchase a fire truck and equipment. The Village will pledge its State Fire Protection Funds as the revenue source for this loan. The Fire Department has an ISO class rating of six (6) with one main station and no sub-station. The Fire Department receives an annual base distribution of \$58,584 from State Fire Protection Funds. The State Fire Marshal has provided a letter of approval for this loan.

**7.3 Tucumcari FD (Quay County). PPRF-6680. \$700,000. State Fire Protection Funds.** Tucumcari on behalf of the Tucumcari Fire Department, has applied to the PPRF to purchase a fire truck and equipment. The Tucumcari Fire Department is requesting funding for a new fire truck due to the limitations of their aging fleet, which includes models dating back to 1999. The existing fleet is unable to

meet essential fire flow standards, presenting a risk to the community. The City will pledge its State Fire Protection Funds as the revenue source for this loan. The Fire Department has an ISO class rating of five with two main stations and one admin building and receives an annual base distribution of \$185,001 from State Fire Protection Funds. The State Fire Marshal has provided a letter of approval for this loan.

**Member Suazo moved, seconded by Member Collins, for approval of agenda items 7.1-7.3. The motion passed 10-0.**

**8. Regular Agenda.**

**8.1 Quay County. PPRF-6692. \$1,296,134. Remodel and Construction of a Pre-Existing Building to Relocate Emergency Communications Center.** Quay County has submitted an application to the PPRF for the financing of construction and renovations to an existing County-owned building in Tucumcari, NM. The renovated building will serve as a new location for the Tucumcari Quay Regional Emergency Communication Center. Quay County will pledge its Emergency Medical GRT as the source of revenue for this loan.

**Member Suazo moved, seconded by Member Costantinidis, for approval of agenda item 8.1. The motion passed 10-0.**

**8.2 Grants/Cibola County School District. PPRF-6745. \$5,000,000. General Obligation Bond.** Grants County has applied to the PPRF for financing of projects within the District. In November 2023, voters approved and authorized \$20 million dollars of General Obligation Bonds (“GOB”) to erect, remodel, equip, and furnish school buildings; purchase or improve school grounds; purchase computer software and hardware for student use; provide matching funds for capital outlay projects funded pursuant to the Public School Capital Outlay Act. This GOB election authorization is valid for four (4) years. The District will issue GOB in the amount of \$5 million dollars for this request, which NMFA will purchase with the PPRF. Consulting Professionals Financial Advisor: RBC Capital Markets Corporation Bond Counsel: Art Melendres, Modrall Sperling The proceeds will be used for district-wide facility projects as identified in their current 2024-2029 five-year Facilities Master Plan. The security system upgrades are for eight (8) District school sites.

**Member Suazo moved, seconded by Member Trujillo, for approval of agenda item 8.2. The motion passed 10-0.**

**9. Economic Development Committee Report.** *Committee members: Secretary Rob Black, Chair (Mr. Sam Collins), Secretary Dylan Fuge (Mr. Ben Shelton), Ms. Teresa Costantinidis, Secretary Wayne Propst (Mr. Marcos Trujillo), and Mr. Ronald Lovato.*

**9.1 Update on Activities.** A quorum of the Economic Development Committee met on April 15, 2025, via Zoom Member Sam Collins chaired the meeting with members Marcos Trujillo, Ronald Lovato, and Ben Shelton in attendance. Staff presented the Monthly Program Monitoring Report for April 2025. This was an information item.

**Informational Only.**



- 10. Finance and Disclosure Committee Report.** *(Committee members: Mr. Martin Suazo, Chair, Mr. A.J. Forte (Ms. Alison Nichols), Secretary Wayne Propst (Mr. Marcos Trujillo), Secretary James Kenney (Ms. Kelsey Rader), and Ms. Joy Esparsen (Mr. Richard Garcia).*

**10.1 Update on Activities.** A quorum of the Finance & Disclosure Committee met April 16, 2025, via Zoom. Member Marcos Trujillo chaired the meeting, with members Alison Nichols and Richard Garcia in attendance.

Staff reported two Sole Source procurements as information items. Staff presented an IBA Project update and the Investment Report for the month ended March 31, 2025 and Government Portfolio Advisors presented its portfolio performance report. These were all information items.

Staff presented the April 2025 Bond Issuance Report as an information item. Staff updated the committee on the 2025B Subordinate Lein Bonds Sale as an information. Staff provided a presentation of the budget assumptions, outlook and timeline to guide the FY 2026 budget process. Staff will present an initial draft of the budget to the Committee

**10.2 Presentation of the Investment Report.** Staff and Deanne Woodring of GPA presented the investment report noting NMFA's total funds invested is \$1.77 billion, \$1.5 billion of which are NMFA funds and \$267.5 million of which are New Mexico Department of Transportation funds. The NMFA Portfolios are grouped by type of funds and benchmarked based upon governing statute, indenture requirements or anticipated liquidity need. Staff went into further detail regarding debt service reserve funds, operating funds, and program funds. Ms. Woodring discussed NMFA's strategy and market activity.

**Informational Only.**

- 11. Audit Committee Report.** *Committee members: Mr. Andrew Burke, Chair, Mr. Martin Suazo, Secretary Melanie Kenderdine (Mr. Ben Shelton), and Secretary Rob Black (Mr. Sam Collins), and Ms. Teresa Costantinidis.*

**10.1 Update on Activities.** A quorum of the Audit Committee met April 16, 2025, via Zoom. Member Andy Burke chaired the meeting, with members Sam Collins and Teresa Costantinidis in attendance.

Staff presented the financial statements for the month of February 2025. The committee accepted the financial statements. Staff presented a review of the progress made on the project at 810 West San Mateo. Staff shared that NMFA approved payment on three change orders as a information item.

- 11. Next Board Meeting.** Thursday, May 22, 2025 via Zoom – 9:00 a.m.

- 12. Adjournment.** The meeting adjourned at 10:34 a.m.

*AJ forte*

Secretary

05 / 22 / 2025

Date