

New Mexico Finance Authority
810 W. San Mateo Rd., Santa Fe, New Mexico 87505
(505) 984-1454
NMFA Board Meeting Minutes
January 22, 2026
NMFA Board Room

Members Present:

Kathy Keith, Chair	Public Member, Los Alamos Natl. Laboratory
Martin Suazo, Vice Chair	Public Member, Las Vegas, NM
Richard Garcia (via zoom)	Designee, New Mexico Association of Counties
Isaac Romero	Designee, NM Economic Development Dept.
Andrew Burke (via zoom)	Public Member, Las Cruces, NM
Ashley Leach	Designee, NM Dept. of Finance and Administration
Ben Shelton	Designee, Energy, Minerals & Natural Resources Dept.
Kelsey Rader (via zoom)	Designee, NM Environment Department
Teresa Costantinidis	Public Member, University of New Mexico

Members Absent:

Ronald Lovato	Public Member, Ohkay Owingeh
AJ Forte	Executive Director, NM Municipal League

1. **Call to Order and Roll Call.** Chair Keith called the meeting to order at 9:01 a.m. A quorum was established.
2. **Approval of Agenda.** Member Suazo moved, seconded by Member Shelton, to approve the agenda. **The motion passed 10 – 0.**
3. **Approval of Board Minutes.** Member Suazo moved, seconded by Member Shelton, to approve **December 11, 2025, Board Minutes.** **The motion passed 10 – 0.**
 - 3.2 **Approval of the Correction of June 26, 2025 Minutes.** Staff presented a minor change to the June 26, 2025, which incorrectly designated Member Forte as Chair, rather than Secretary. **Member Suazo moved, seconded by Member Shelton to approve staff’s recommendation to make the change in item 3.2.** **The motion passed 10 – 0.**
4. **Report from the Chief Executive Officer (“CEO”), Marquita Russel.**

Connie Marquez retired after 25 years and Ryan Olguin has left NMFA for a job in the private sector. Connie’s role will transition to a systems designer position focused on workflow automation, and recruitment for Ryan’s replacement is underway. Regarding the State Fairgrounds TIDD, staff has reviewed and commented on the Master Indenture for bond issuance under Senate Bill 481 (2025) and as required by law. With minor revisions, NMFA is prepared to approve the Master Indenture, with Supplemental Indenture approval to follow before bond issuance.

Child Care Facility Revolving Loan Fund demand remains high, with 113 applications totaling \$116 million submitted for \$12 million in available funding. Most priority projects appear on today’s agenda, highlighting the need for additional capital.

During the legislative session, NMFA presented priorities to the House Appropriations and Finance Committee and anticipates supporting key funding initiatives, including \$20 million for child care, \$100 million for Opportunity Enterprise Programs, and \$100 million for the Water Project Fund. NMFA also supports expanding PPRF eligibility to include charter school foundations to broaden project scope and reduce risk.

Finally, the Finance & Disclosure and Audit Committees reviewed a proposed update to the cost allocation methodology, which ties indirect costs to program size and complexity. This change aims to distribute indirect costs more equitably among larger programs like PPRF and Water Trust Board, with annual updates planned as part of the budget process.

The Q2 Financial Transactions Report reflects strong performance across NMFA programs. A total of 67 closings were completed, representing \$351.77 million, with PPRF driving the majority of volume and dollars, including a significant \$164.42 million refinancing for the Albuquerque Bernalillo County Water Utility Authority. During the quarter NMFA approved 32 new applications totaling \$133.33 million and processed \$50.62 million in disbursements—approximately two-thirds as loans and one-third as grants. Execution was concentrated in education and water infrastructure, with notable colonias activity. PPRF led by dollar volume (\$231.82 million), followed by DWSRLF (\$61.79 million) and WTB (\$29.37 million). Key individual closings included Quay County (\$20.15 million), University of New Mexico Foundation (\$13 million), and the Water Utility Authority refinancing. Overall, PPRF and WPF together accounted for roughly 78% of total disbursements for the quarter.

Informational Only.

- 5. Public Lending Committee.** *Committee Members are Mr. A.J. Forte, Chair, (Ms. Alison Nichols), Secretary Erin Taylor (Mr. Ben Shelton), Secretary James Kenney (Ms. Kelsey Rader), Ms. Joy Esparsen (Mr. Richard Garcia) and Mr. Ron Lovato.*

5.1 Update on Activities. A quorum of the Public Lending Committee met on January 14, 2025, via Zoom. Member Nichols chaired the meeting, with members Richard Garcia, Ben Shelton, Dennis Romero, and Ronald Lovato in attendance. Staff presented one PG project, five PPRF projects, and two DWSRLF projects. All were approved by the Committee.

Informational Only.

Member Costantinidis left the meeting at 9:46 a.m.

- 6. Approval of Consent Agenda.**

6.1 Approval of Consent Agenda. **Member Suazo moved, seconded by Member Romero, to approve the consent agenda. The motion passed 9 – 0.**

- 7. Regular Agenda.**

7.1 Texico MSD (Curry County). PPRF-6993. \$1,500,000, General Obligation Bonds (GOB). Texico has applied to the PPRF to finance projects approved by voters in November 2025 totaling \$3 million. The first tranche of GOB, \$1.5 million, will be purchased by NMFA through the PPRF. The funds will support critical improvements across the District, including roof replacements on all campuses, ADA-

compliant restroom remodels, elementary school exterior repairs, sound and lighting upgrades for the Education Complex, interior renovations, elementary gym improvements, construction of a vehicle storage barn, parking lot upgrades, and associated issuance costs. These projects aim to enhance facilities and infrastructure for students and staff in Texico, Curry County, and part of Roosevelt County, New Mexico.

Member Suazo moved, seconded by Member Romero for approval of item 7.1 authorizing financing of the Texico MSD project. The motion passed 9-0.

7.2 Dora Consolidated School District (Roosevelt County). PPRF-7000. \$2,000,000. GOB. The District has applied to the PPRF for \$2 million, representing the first tranche of a voter-approved \$3 million bond authorization from November 2025. Funds will support district-wide facility improvements outlined in the five-year FMP, including expansion of the Career and Technical Education building to enhance the metal works program, main building flooring replacement, and construction of two teacher housing units. These projects aim to improve educational infrastructure and support long-term sustainability for the District.

Member Suazo moved, seconded by Member Romero for approval of item 7.2 authorizing financing of the Dora CSD project. The motion passed 9-0.

7.3 Truth or Consequences (Sierra County). PPRF-6997. \$200,000. Equipment Loan. The City has applied to the PPRF to purchase a street sweeper, replacing equipment that has exceeded its useful life. The City seeks a PPRF loan to acquire a modern street sweeper to ensure reliable and efficient street maintenance, as only one of its two older sweepers remains operational. The new equipment will enhance service levels, improve neighborhood cleanliness and appearance, and help maintain safe, well-kept streets for residents and visitors. The City will provide \$40,000 in contributing funds as part of the transaction. The City has pledged its GRT as the revenue source for this loan.

Member Suazo moved, seconded by Member Romero for approval of item 7.3 authorizing financing of the Truth or Consequences project. The motion passed 9-0.

7.4 Clovis Community College (“CCC”) (Curry County). PPRF-6996. \$3,200,000. Gross Systems Revenue. CCC is requesting \$3.2 million from the PPRF to finance the purchase and improvements of the Chase Gentry Building. The acquisition will expand CCC’s main campus and provide modern facilities for workforce education, continuing education, and career and technical programs. The building includes offices, training rooms, conference spaces, a cafeteria, and extensive parking, and is in excellent condition for rapid operational use. Improvements will include connectivity to CCC’s infrastructure and outfitting with furniture and equipment. This expansion supports CCC’s mission to deliver accessible, high-quality education and will enable new programs in trades and short-term credentials, strengthening partnerships with local industry and economic development organizations. This loan represents CCC’s second PPRF financing, following a prior refunding loan that matured in 2021.

Member Suazo moved, seconded by Member Leach for approval of item 7.4 authorizing financing of the CCC project. The motion passed 9-0.

7.5 Town of Red River (Taos County). DW-6974. \$1,905,000 Municipal Local Option GRT. Red River is undertaking the Tenderfoot Area Waterline Replacement project, which involves replacing aging waterlines to reduce unaccounted water loss (currently about 70%) and improve fire suppression

capabilities. The scope includes installation of 8” and 14” C900 waterlines, gate valves, fire hydrants, service connections, new meter assemblies, curb and gutter replacement, pavement patching, and related construction services. Funding will cover contract document preparation, construction, and construction-phase services. The pledged revenue for the loan is the 0.25% Local Municipal GRT (formerly the 5th increment), with a strong debt service coverage ratio of 4.37x. The ordinance dedicates 50% of this GRT to sewer improvements and 50% to water system improvements. The loan term is 20 years with a net interest cost of 0.25%, representing the administrative fee.

Member Suazo moved, seconded by Member Romero for approval of item 7.5 authorizing financing of the Town of Red River project. The motion passed 9-0.

- 8. Economic Development Committee.** *Committee members: Secretary Rob Black, Chair (Mr. Isaac Romero), Secretary Erin Taylor (Mr. Ben Shelton), Ms. Teresa Costantinidis, Secretary Wayne Propst (Ms. Ashley Leach), and Mr. Ronald Lovato.*

8.1 Update on Activities. A quorum of the Economic Development Committee met on December 2, 2025, via Zoom. Member Sam Collins chaired, with members Ashley Leach and Teresa Costantinidis in attendance. Staff presented one OEHD application, nine Child Care Revolving Loan Fund applications which the committee approved. Staff presented the October 2025 Monthly Program report as well as a Portfolio Management Watchlist as information items.

Informational Only.

8.2 Bella Luz Apartments. OEHD-7028. \$1,700,000. 58-Unit Redevelopment of Lamplighter Inn to Apartments. Bella Luz is a planned 58-unit multifamily adaptive reuse development consisting of 36 studio units and 22 one-bedroom units. Designed to serve households earning at or below 30% and 80% of the AMI, 15 of the units (25%) will be set aside for households with special housing need which the developer will partner with The Life Link, a behavioral health service provider focused on supportive housing, to lease. The financing structure of the OERF-HD loan consists of a 30-year term with a 24-month interest only period. Staff went over the borrower background, management team, and guarantor information. Representatives from Bella Luz also spoke about the project and answered questions from the board.

Member Suazo moved, seconded by Member Romero for approval of item 8.2 authorizing financing of the Bella Luz Apartments project. The motion passed 9-0.

- 9. Child Care Revolving Loan Fund Agenda.**

9.1 Presentation of Child Care Revolving Loan Fund (“CCFRLF”) Projects. The CCFRLF established in 2003 and expanded through legislative amendments in 2023 and 2025, now offers low-interest, long-term loans of up to \$2.5 million at a 2% fixed rate to support health, safety, and capacity improvements for child care providers, including start-ups and employer-based programs. In partnership with the ECECD, the program aims to increase quality child care in underserved areas. Following policy updates approved in August 2025, NMFA and ECECD launched the first funding round in September, closing in November with 113 applications requesting \$116 million. ECECD prioritized 11 applications, and nine projects are presented for approval today. These projects will create space for an additional 914 children statewide, including 247 infants, 315 toddlers, 196 preschool-aged children, and 120 others. Staff described the location, collateral, obligor, management team, community impact, strength and weaknesses

for each project. Dr. Heinz, from ECECD made additional comments about the program to the Board. Private Child Care representatives provided additional comments.

9.2 Youth Development Inc. CCRLF-7019. \$400,000.

9.3 Creative Kids Childcare Center, LLC. CCRLF-7009. \$375,000.

9.4 Future Generations LLC. CCRLF-7017. \$882,000.

9.5 The Sunnyside Daycare. CCRLF-7021. \$2,205,000.

9.6 Kids Planet II CDC. CCRLF-7023. \$351,000.

9.7 123 Child Development Center. CCRLF-7005. \$1,280,000.

9.8 3-D Enterprises, Inc (Primary Borrower) & Bella Luna Investments, LLC (Co-Borrower). CCRLF-206. \$2,500,000.

9.9 La Colmena, LLC. CCRLF-115. \$2,278,029.

9.10 Fundamentals Early Education and Ca. CCRLF-7015 \$400,000.

Member Suazo moved, seconded by Member Romero for approval of items 9.1-9.10. The motion passed 9-0.

10. Finance and Disclosure Committee. *(Committee members: Mr. Martin Suazo, Chair, Mr. A.J. Forte (Ms. Alison Nichols), Secretary Wayne Propst (Ms. Ashley Leach), 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 on January 14, 2025, via Zoom. Member Martin Suazo chaired the meeting with members Richard Garcia and Dennis Romero in attendance.

The November 2025 Investment Report was reviewed as an information item. The Mid-Year Budget Performance Report was presented and approved. The Bond Issuance Forecast was an information item that was presented. Staff also provided a procurement notification as an information item. Finally, a new cost allocation methodology was introduced for discussion, reflecting operational growth and requiring disclosure in the next annual financial report (information item).

Informational Only.

10.2 Presentation of the Investment Report. NMFA staff reported total invested funds of approximately \$1.92 billion, including \$1.73 billion in NMFA funds and \$196.7 million in New Mexico Department of Transportation funds. Net income for the first half of FY 2026 was \$32.5 million, reflecting a 6% increase over the same period last year. The portfolio showed an unrealized gain of about \$6.5 million, supported by recent interest rate cuts by the Federal Reserve. NMFA continues to maintain a strategy of well-laddered portfolios, ensuring liquidity within policy constraints while managing investments prudently.

Informational Only.

10.3 Mid-Year Budget Update. Staff reported total NMFA budget is on track to end the fiscal year within a net variance of 0.9%, with the operating budget projected to come in 5.8% (approximately \$1.6 million) under its \$26 million limit. Revenues are expected to increase by \$14.7 million (2.7%) over the approved budget, primarily due to the early receipt of SSBCI 1.0 funds. Total expenditures are projected to rise by \$11.9 million (4.9%), driven by higher loan financing pass-throughs, grant expenses, and accelerated capital costs for the IBA project. Personnel costs are forecasted to exceed budget by \$1 million, while contractual services are expected to come in \$2.6 million below budget. Staff recommends reallocating \$1.1 million from contractual savings to cover personnel and operating overages and transferring \$1.5 million of remaining savings to the capital budget to support the accelerated IBA project.

Member Suazo moved, seconded by Member Romero, for approval of item 10.3. The motion passed 9-0.

- 11. Audit Committee Report.** *Committee members: Mr. Andrew Burke, Chair, Mr. Martin Suazo, Secretary Erin Taylor (Mr. Ben Shelton), and Ms. Joy Esparsen (Mr. Richard Garcia), and Ms. Teresa Costantinidis.*

11.1 Update on Activities. A quorum of the Audit Committee met January 14, 2025, via Zoom. Member Burke chaired the meeting with members Ben Shelton, Richard Garcia, Teresa Costantinidis, and Martin Suazo in attendance.

Staff presented the November 2025 financial statements and the Annual Comprehensive Financial Statement which were approved. Staff introduced a proposed revision to the cost allocation methodology to better reflect programmatic activity rather than solely time-based allocation. This change, representing a significant accounting adjustment, will be considered for adoption next month and disclosed in the next annual financial report. This was presented as an information item.

Informational Only.

- 12. Next Board Meeting.** Thursday, February 26, 2026 9:00 a.m. – 12:00 p.m NMFA Board Room

- 13. Adjournment.** The meeting adjourned at 10:46 a.m.

AJ forte

Secretary
03 / 10 / 2026

Date