

New Mexico Finance Authority
207 Shelby St. Santa Fe, N.M. 87501
(505) 984-1454
NMFA Board Meeting Minutes
October 31, 2024
New Mexico State Capitol, Room 307
490 Old Santa Fe Trail, Santa Fe, New Mexico

Members Present:

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

Members Absent:

New Mexico Finance Authority Staff

Aaron Kayser	Kryshana Madrid
Angela Quintana	Luanna Salazar
Angelo Jaramillo	Mark Lovato
Anthony Maestas	Marquita Russel
Brian DuBoff	Michael Vonderheide
Bryan Otero	Oscar Rodriguez
Carmela Manzari	Paul Romero
Charlotte Larragoite (via zoom)	Ratna Navabhaktula (via zoom)
Chip Pierce (via zoom)	Rick Herrman
Dan Opperman	Rio Trujillo
Donnie Quintana	Ron Cruz
Erika Falance	Ryan Olguin
Fernando Martinez	Ryan Marie Decker
Jeff Baade	Sharon Romero
John Brooks	Susan Pittard
John DuBois	Theresa Garcia
Jolin Anaya	Todd Johansen
Josh Young	

Guests:

Adam Daly	Gilmore & Bell
Ashley Whitehead	Enchanted Water
Brad Patterson	Gilmore & Bell
Daniel Carbajal	City of Belen
Deanne Woodring (via zoom)	CFA President, Government Portfolio Advisors
John Ojinaga	City of Bayard
Mike Dawson	CEO, Enchanted Water
Priscilla Lucero (via zoom)	SWNMCOG

- 1. Call to Order and Roll Call.** Chairman Keith called the meeting to order at 9:05 a.m. A quorum was established.
- 2. Approval of Agenda. Member Suazo moved, seconded by Member Esparsen to approve the agenda. The motion passed 10 – 0.**
- 3. Approval of Board Minutes.**
 - 3.1 Member Suazo moved, seconded by Member Trujillo, for approval of the September 26, 2024, Board Minutes. The motion passed 10 – 0.**
- 4. Report from the Chief Executive Officer (“CEO”), Marquita Russel.**

4.1 Report from the CEO. This month we welcomed newcomer Angelo Jaramillo to the role of Regional Finance Manager and welcomed back Kamila Rahimi to the role of Senior Accountant. Both Bob Spradley, a long-time Senior Accountant, and Rick Herrman, our Managing Director of Credit retired. We’re sorry to part ways with our colleagues, but excited to have talented individuals join our ranks.

The 2025 legislative agenda is shaping up. This year our request for legislative authorization for the PPRF will begin with approximately 150 entities and the Water Trust Board is expected to have 84 projects authorized. Our last standard piece of legislation is the PPRF Appropriation bill which directs approximately 35% of the prior year’s Governmental Gross Receipts Tax to one or more funds identified in statute. This year’s PPRF Appropriation bill proposes that \$6.25 million be transferred to the Drinking Water State Revolving Loan Fund to serve as the state match for 2025 capitalization grants, \$2 million to the Local Government Planning Fund, and \$5 million to the Cultural Affairs Infrastructure Fund.

In addition to our standard legislation, staff is requesting the New Mexico Finance Authority Oversight Committee to endorse minor changes to the Drinking Water State Revolving Fund Act and our renewed request for appropriations to the Primary Care Capital Fund (\$25 million), Behavioral Health Capital Fund (\$25 million) and the Child Care Revolving Fund (\$10 million). We continue to hear rumblings about potential legislation that would directly and indirectly impact NMFA, but have not seen anything concrete. I anticipate more information in November.

State Small Business Credit Initiative:

Department of Treasury notified the State that its application to reallocate SSBCI funding has been approved. This will allow NMFA to begin marketing the Loan Participation Program and the Capital

Access Program which helps financial institutions increase lending to small businesses in their communities.

Opportunity Enterprise funding:

The six-week application round for the commercial development and housing development funds closed in mid-October. We received 11 housing development applications requesting a total of \$60 million for approximately \$250 million of total project costs. Three of these projects are located in rural areas. Six of the applications are requesting workforce development housing assistance and five are requesting affordable housing infrastructure assistance. Similarly, 12 commercial development applications were received. These applications requested a total of \$97 million for approximately \$168 million in total project costs. Five of the projects are located in rural communities. The current timeline has staff making recommendations to the Opportunity Enterprise and Housing Development Review Board at the end of November.

Informational Only.

5. Other Items.

5.1 Adoption of the New Mexico Finance Authority Strategic Plan. Staff presented the strategic plan for the organization over the next three years. Staff went over the new mission, values, competencies, goals, and objectives. Staff recommends adoption of the attached 2025-2027 NMFA Strategic Plan.

Member Suazo moved, seconded by Member Esparsen, for approval of agenda item 5.1. The motion passed 10-0.

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. The Public Lending Committee met on October 23, 2024, via Zoom. Members Alison Nichols and Marcos Trujillo in attendance. A quorum was not established.

Staff briefed the committee on eight PPRF projects. Staff made an informational report on various Water Project Fund and Colonias Infrastructure Project Fund loans that are being restructured. Staff briefed the members on the five additional award recommendations from the Colonias Infrastructure Board. Staff briefed members on two Drinking Water loans. Staff also presented changes to the PPRF Loan Management Policies, and the Charter School Revolving Loan Fund polices and rules.

Informational Only.

7. Consent Agenda.

7.1 2024 Colonias Infrastructure Fund - Second Round of Awards. Staff presented for approval, grants and loans to 5 applicants recommended by the CIB from the 2nd Iteration of the 2024 application cycle. One project on this recommended list does not show historic capacity to undertake debt with the minimum 1x coverage. Verification of increased revenues and verification of the budgeted debt payment will be required prior to converting the construction loan to a permanent loan.

The CIB recommends approval of the 5 projects as presented. The grant/loan components consist of 90% grant and 10% loan, with the exception of one applicant who will take an additional loan in lieu of the required match component (80% grant / 20% loan) based upon CIF policies.

Informational Only.

7.2 Catron County, Infrastructure Project (CIF-6410). \$1,999,160.

7.3 Grant County, Infrastructure Project (CIF-6407). \$3,918,390.

7.4 Grant County, Infrastructure Project (CIF-6420). \$6,863,400.

7.5 Grant County, Infrastructure Project (CIF-6422). \$2,342,214.

7.6 Camino Real Regional Utility Authority, Infrastructure Project (CIF6409). \$1,971,905.

7.7 Chaves SWCD (the “District”) (Chaves County). PPRF 6536. \$312,000. Building Purchase Loan. Net Systems Revenue. The District has applied to the PPRF to finance the costs associated with the purchase of a building acquisition in Roswell and renovations. The District will consolidate its equipment to include a shop for vehicles, a covered area for trailers, and a warehouse for chemicals. The proceeds will also be used to provide for a small amount of renovation costs as to prepare for the District to move in and successfully operate. An appraisal for the property will be submitted to the Taxation & Revenue Department. The District will pledge its Net Systems Revenue as the revenue source.

7.8 Village of Columbus (Luna County). PPRF 6537. \$34,000. Equipment Loan. State Shared Gross Receipts Tax. The Village has applied to the PPRF to finance the purchase of a used tractor and respective equipment. The tractor will be used to expand their potable water and sewer systems for the Village. The Village will pledge State Shared Gross Receipts Tax as the revenue source for this loan.

7.9 Hagerman Fire Department (the “Town”) (Eddy County). PPRF 6539. \$578,403. Fire Equipment loan. State Fire Protection Funds. The Town has applied to the PPRF to purchase a fire truck and the respective equipment. The Town will pledge its State Fire Protection Funds as the revenue source for this loan. The Fire Department has an ISO class rating of six with 2 main stations and 1 admin building and receives an annual base distribution of \$175,752 from State Fire Protection Funds. The Town will contribute \$93,023 from carryover funds to contribute to the project as part of the transaction. The State Fire Marshal has provided a letter of approval for this loan.

Member Suazo moved, seconded by Member Trujillo, for approval of agenda items 7.2-7.9. The motion passed 10-0.

8. Regular Agenda

8.1 Enchanted Forest (the “Association”) (Lincoln County). DW-6520. \$1,250,000. The Association has applied to the DWSRLF to finance construction of a phased process for a new distribution system, design for the well improvements, and replace an existing fifty-year water system. The Association’s utility, water and wastewater households and businesses experience water source, water

storage, and distribution challenges daily. The Association also has one entire street that dead ends, has no loop around back into the system, and water becomes stagnant. The Association has a completed a PER. The five phases will include fire hydrants, new meters, a supplemental well house, replacement of the existing well house, and an additional water tank to meet foreflow requirements. The Association has secured funds through DWSRLF, Capital Outlay, and Water Trust Board.

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

8.2 City of Santa Fe (the “City”) (Santa Fe County). DW-6522. \$17,000,000. The City has applied to the DWSRLF to finance construction of a new flocculation and sedimentation process to provide safe drinking water and continued citizen water services. The proceeds will go to but not limited to flocculation and sedimentation improvements, including demolition of existing clarifier equipment, infrastructure additions, new flocculation and sedimentation equipment, all associated power, controls, process and chemical piping, and valves; a new flocculation MCC electrical building with associated grading and paving, potable water yard piping relocation, and all associated instrumentation, electrical, architectural, and HVAC design components; residuals blowdown pump replacement; a flocculation aid polymer system; repair and reconstruction of existing improvements affected by the work; and incidentals for complete and usable facility. Additionally, the City of Santa Fe’s Canyon Rd Water Treatment Plant. project will replace aging infrastructure with new state-of-the art infrastructure. The project combined with other planned upgrades will also increase the capacity of the water treatment plant.

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

8.3 University Medical Group (“UNM”) (Bernalillo County). PPRF 6538. \$19,120,000. The project is for the construction of a new medical office building for Truman Health Services (“THS”). The project will erect a 28,000 square foot medical office building with a pharmacy. The new medical office building is to replace their leased clinical, administrative, and pharmacy facilities which are antiquated and functionally non-remediable under current lease terms. UNM and THS proposed plans will expand the clinic space from 22 to 28 exam rooms and a procedure room. The construction cost of the new medical office building and purchase of the land is \$22,700,000 which includes a contingency of 10%. THS will contribute \$6MM to the project. A portion of THS’s contributed funds were to purchase the property located at 2020 University Boulevard 87106 for the new location of the medical building.

The Board of Regents, as the sole member of UNMMG advanced funds to the School of Medicine to acquire the real property for the new medical building. The funds were contributed by THS. UNM agrees to a ground lease of the real property back to UNMMG for an extended term of years and at an annual lease rate of \$1.00 per year. A portion of the THS’s funds were used for design, plans and specs. The project is ready to begin with the architectural plans 90% completed and an engagement contract has been procured with the construction company. THS will purchase furniture, fixtures, and equipment. THS anticipates a sixteen-month timeline to complete the project.

Member Burke moved, seconded by Member Suazo, for approval of agenda item 8.3. The motion passed 9-0. Member Costantinidis abstained from voting.

8.4 Taos Hospital (Taos County). PPRF-6511. \$24,795,000. Infrastructure and Equipment Loan. Gross Receipts Tax. Taos County has applied to the PPRF for the financing of capital improvement projects and various equipment acquisitions. The Hospital provided an extensive list of projects in multiple categories of building infrastructure advances, equipment description purchases and upgrades, and the estimated costs for the improvements. Effective July 1, 2024, the adopted rate of 0.50% is imposed for a ten-year term requirement and is allocated in the following manner: (1) utilizing 25% of the revenue to support a nursing program; and (2) remaining, 75% to be used for the payment of gross receipts tax bonds for hospital capital projects in the County.

The GRT requires an extraordinary mandatory redemption fund maintained by a Trust Depository. The mandatory redemption fund will commence on June 1, 2025, and on each June 1, thereafter. The pledged revenues are set aside and deposited monthly upon receipt by the Trust Depository into an income fund held by the Trust Depository. Secondly, the funds are transferred by the Trust Depository to the reserve fund, administrative expenses fund, and extraordinary mandatory redemption fund. Any costs associated with the extraordinary mandatory redemption feature will be the responsibility of the County when the debt service schedule is finalized with simultaneous loan rates.

Member Suazo moved, seconded by Member Esparsen, for approval of agenda item 8.4. The motion passed 10-0.

8.5 City of Belen (the “City”) (Valencia County). PPRF-6531. \$2,500,000. Infrastructure Loan. State Shared Gross Receipts Tax and MLOGRT. The City has applied to the PPRF to finance re-roofing the historic, Harvey House Museum, renovations to City Hall including replacement of four HVAC units and re-stuccoing, landscaping, repair to the irrigation system, and cost of Issuance.

The City has requested a springing reserve in lieu of a traditionally funded debt service reserve fund. PPRF Loan Management policies allows clients who have demonstrated the ability to meet their prior debt obligations and showed stable historical financial operations. In addition, the City has an equivalent AA-rating on its GRT revenue by S&P on bonds issued in 2016. The City will be required to cash fund a debt service reserve over a two-year period if the loan coverage falls below 2.00x coverage. Mitigating risk factors in the loan structure without a fully funded Debt Service Reserve Fund include: (1.) The Springing Reserve provides for the borrower to build a Reasonably Required Debt Service Reserve Fund over a maximum of two years if the coverage on the loan falls below 2.00x coverage (PPRF Debt Service Reserve Requirements).

Member Suazo moved, seconded by Member Trujillo, for approval of agenda item 8.5. The motion passed 10-0.

8.6 Clovis MSD (the “District”) (Curry County) PPRF-6532 \$5,000,000 2024 General Obligation Bond. The District has applied to the PPRF for financing of projects within the District. In November 2021, the District received voter approval of \$10,000,000 to erect, remodel, equip and furnish school buildings, including teacher housing, purchase or improve school grounds; purchase computer software and hardware for student use in public schools; provide matching funds for capital outlay projects funded pursuant to the PSCOA. This approval is valid for a period of four years. The District will issue General Obligation Bonds in the amount of \$5,000,000 which NMFA will purchase with the PPRF.

Member Suazo moved, seconded by Member Rader, for approval of agenda item 8.6. The motion passed 10-0.

8.7 City of Bayard (Grant County). PPRF-6534. \$2,033,381. Land Purchase Loan. Gross Receipts Tax. The City has applied to the PPRF to acquire, enhance or improve property for use as open space. The land includes five larger parcels, and 23 plotted lots located in between the Village of Santa Clara, and the City of Bayard, on State Highway 180. The purchase would also allow the City to tap into potential new tax revenue by way of maintaining present and future lease agreements. Therefore, the loan will be treated as taxable. The property has been appraised and will be submitted to New Mexico Taxation & Revenue Department’s Property Tax Division Appraisal Bureau. Ms. Priscella Lucero of SWNMCOG addressed the Board and relayed her appreciation to NMFA staff for this project.

Member Suazo moved, seconded by Member Esparsen, for approval of agenda item 8.7. The motion passed 10-0.

8.8 Southwest Solid Waste Authority (Grant County) Request to Use Debt Service Reserve Fund to Make Fiscal Year 2025 Loan Payments. Staff presented a request for a seven-month moratorium on monthly payments for SWSWA PPRF-4940 due to recent turnover in their finance department.

NMFA is proposing a payment schedule which would freeze payments until May 2025. The Debt Service Account will service the November 2024 interest only (I/O) payment. In May 2025, the Debt Service Account, which has a current balance of \$82,630, and the Debt Service Reserve Account with a balance of \$90,065 would be applied to the payment due at that time. This payment schedule will allow SWSWA to onboard financial staff and recover financially. Staff has confirmed receipt of the September payment and SWSWA is up to date with all payments. The credit analysis revealed that revenues have declined but NMFA was able to stay within coverage requirements for both Senior (1.52x) and Super Subordinate (1.18x) loan positions.

Staff is recommending a seven-month moratorium on monthly debt service payments on PPRF-4940 with payments set to resume May 2025. The Debt Service account alone will be used to make the November 2024 I/O payment. The Debt Service Account and the Debt Service Reserve Account will be used to make the May 2025 payment. The residual balance of the Debt Service Reserve Account will be applied to the principal balance of the loan, the payment amounts will be revised, and SWSWA will resume payments thereafter.

Member Suazo moved, seconded by Member Trujillo, for approval of agenda item 8.8. The motion passed 10-0.

8.9 Recommended Revisions to PPRF Loan Management Policies. Staff presented revisions to the PPRF Loan Management Policies relating to specific application and underwriting requirements for charter school facilities projects in advance of opening applications. Discussion ensued with staff answering questions from the Board.

Member Collins requested clarification to Section “Charter School Facilities Projects”; please change the minimum loan-to-value of 75% to maximum loan-to-value of 75%.

Member Suazo moved, seconded by Member Esparsen, for approval of agenda item 8.9, as amended. The motion passed 10-0. Member Nichols arrived at 10 am.

8.10 Recommended Rules for the Charter School Facilities Revolving Loan Fund (“CSFRF”). Staff presented the rules for the CSFRF to govern program administration that addresses House Bill 43/a requirements which will be accompanied by a separate policy containing more specific underwriting requirements and additional administrative aspects.

Member Suazo moved, seconded by Member Nichols, for approval of agenda item 8.10 as presented. The motion passed 10-0.

8.11 Recommended Policies for the CSFRF. Staff presented the policy for the CSFRF. The policy includes prioritization criterion, as due to the relatively low level of capitalization of the CSFRF relative to market demand. Staff went over the application requirements, prioritization, and financing parameters.

Member Suazo moved, seconded by Member Collins, for approval of agenda item 8.10. 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 October 22, 2024, via zoom. Member Sam Collins chaired the meeting with Members Teresa Costantinidis, Ben Shelton and Ron Lovato in attendance.

Staff presented an investment of up to \$10 million to Perennial Fund II. The Committee requested additional follow-up on the types of projects the fund would support which was provided following the meeting. Staff recommends approval of the investment in Map Capital’s Perennial Fund II. Staff presented the Monthly Program Monitoring Report an informational item.

Staff recommended approval of the prioritization list for the 33rd Round of Competitive NMTC applications. Two projects met the threshold for the priority list. Staff requested authority to apply for up to \$100 million in additional NMTC allocation when the application is made available. The Committee recommends approval. Staff and representatives from Gilmore and Bell, NMFA’s bond counsel, provided an overview of the final structure of the water reclamation project and the Preliminary Limited Offering Memorandum. The Committee recommends approval.

Informational Only.

9.2 Recommended Investment Commitment to Perennial Fund II. Staff presented an investment commitment of \$10 million to Perennial Fund II. Mr. Ethan Samson, from Meketa, went over the due diligence process for vetting Perennial Fund II and presented the economic impact the Fund is expected to have in New Mexico.

Perennial Fund II Founders, Philip Taylor and Brandon Welch introduced themselves to the Board, provided their entrepreneurial background as well as Perennial Fund II mission and track record. Staff and Perennial representatives answered question from the Board.

Staff recommends approval of an investment commitment of \$10 million to Mad Capital Perennial Fund II (state funded) from the Venture Capital Program Fund, subject to satisfactory negotiation of legal terms and closing.

Member Shelton moved, seconded by Member Costantinidis, for approval of agenda item 9.2. The motion passed 10-0.

9.3 Approval of Authorizing Resolution for the NMFA Environmental Improvement Revenue Bonds (Enchantment Water, LLC Project), Series 2024, Preliminary Limited Offering Memorandum, Trust Indenture, Financing Agreement, Bond Purchase Agreement and Related Documents. Staff and Bond Counsel, Gilmore & Bell, presented various documents for Enchantment Water, LLC, a subsidiary of Infinity Water Solutions, LLC. The State Board of Finance has approved the resolution. Staff and counsel answered questions from the Board. NMFA requests adoption of the authorizing resolution.

Member Suazo moved, seconded by Member Costantinidis, for approval of agenda item 9.3. The motion passed 10-0. Member Trujillo and Member Shelton abstained.

9.4 Recommendation of an Approval of Prioritization Ranking for Round 33 Rural Projects of NMTC Applications. Staff presented the ranking projects for the NMTC applications. Five applicants submitted a complete application. Four applications were deemed eligible. Staff will complete the due diligence in the priority order established by the Board to determine if the project can meet NMFA’s underwriting criteria and if it is able to close within five months. If it meets these criteria, then staff will recommend the project to both the Finance New Mexico Advisory Board and the NMFA Board of Directors for Preliminary Approval, which sets the parameters for NMTC financing, including the amount of NMTC allocation, the cash flow, and collateral requirements and the specific, quantifiable economic or community development “deliverables” to be achieved with the 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.

Staff recommends Project Build and Hotel Willa be prioritized as part of Application Round 33. Appearing on the NMTC priority list does not guarantee that a project will receive NMTC allocation.

Member Suazo moved, seconded by Member Collins, for approval of agenda item 9.4. The motion passed 10-0.

9.5 Request to Apply to the Community Development Financial Institutions Fund for NMTC Allocation. Staff presented the authorization for Finance New Mexico, LLC to submit an application to CDFI for additional NMTC allocation. CDFI is expected to announce the terms of its 2024-2025 Allocation Round in mid-November. The Notice of Allocation Availability will make \$10 billion available in NMTC allocation, with the maximum award capped at \$100 million. Given the demand for the program statewide, the successes achieved with the program to date, and the uncertainty surrounding any future

Congressional authorizations, Staff recommends approval of the attached resolution which authorizes the submittal of an application for up to \$100 million in NMTC allocation.

Member Suazo moved, seconded by Member Trujillo, for approval of agenda item 9.5. The motion passed 10-0.

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 on October 23, 2024, via Zoom. Member Martin Suazo chaired the meeting, with members Alison Nichols and Marcos Trujillo in attendance.

Staff presented the Investment Report for September 2024. Staff reported on the Federal Reserve interest rate cut and commented on its potential impact to the investment portfolio as an information item. Staff and representatives from GPA presented recommendations to the Investment Policy. The Committee recommends approval. Staff presented the annual review of the Broker/Dealer list. The recommendation includes adding two Broker/Dealers and deleting one. The Committee recommends approval.

Representatives from Gilmore & Bell reviewed the Preliminary Offering Memorandum for the Environmental Improvement Revenue Bonds. The Committee recommends approval.

Staff presented the 2024B PPRF Bond Issue and the Bond Issuance Report as information items. Staff notified the Committee of three Sole Source procurements for technology needed for the new building. This was an information item.

Informational Only.

10.2 Presentation of the Investment Report. Staff presented the investment report as of September 2024. Staff went over the portfolio group and net income.

Informational Only.

10.3 Approval of Broker/Dealer List. Staff presented the annual Broker/Dealer list for NMFA trading and reviewed the investment policy.

Staff recommends approval of Broker Dealer list with proposed new addition of Piper Sandler & Co. and deleting CitiGroup and RBC from the Broker List.

Member Suazo moved, seconded by Member Trujillo, for approval of agenda item 10.3. The motion passed 10-0.

10.4 Presentation of the Annual Review of Investment Policy. Staff and Deanne Woodring, CFA President of Government Portfolio Advisors presented the annual policy review recommending a “Business Continuity Addition”: This will provide for a back-up support Treasurer if there is an extended period that the position is vacated, and transactions need to be executed in line with this policy. Ms.

Woodring also stated GPA has reviewed and acknowledges that all brokers on the approved list meet the policy requirements.

Staff and GPA recommend approval of new section XVI. Business Continuity to the NMFA Investment Policy Statement as presented.

Member Suazo moved, seconded by Member Nichols, for approval of agenda item 10.4. The motion passed 10-0.

10.5 Summary of the Public Project Revolving Fund, Series 2024 B Issuance. The PPRF senior lien 2024B bonds were sold October 1, 2024 in the par amount of \$45,315,000. The 2024B bonds were sold to reimburse the PPRF for 26 previously issued loans. The lead managing underwriter was BofA Securities with Stifel and RBC Capital Markets as co-managers. The Board designee was Joy Esparsen. The bonds closed on October 16, 2024. The Board was provided an overview of the 2024B bond issue including final coupons, yields and final debt service schedule and key issuance statistics.

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.*

11.1 Update on Activities. A quorum of the Audit Committee met on October 23, 2024, via Zoom. Member Andy Burke chaired the meeting with Members Sam Collins, Ben Shelton and Teresa Costantinidis in attendance.

Staff presented the August 2024 financial Statements. The Committee accepted as presented. Staff provide an update on the NMFA building as an informational item.

Informational Only.

12. Next Board Meeting. December 12, 2024 at 9:00 am at the NM State Capitol, Room 322

13. Adjournment. The meeting adjourned at 11:40 a.m.



12 / 27 / 2024

Secretary
Date