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COLFAX COUNTY, NM - Freda L. Baca - County Clerk
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ORDINANCE #2015 - 01

AUTHORIZING THE ISSUANCE OF THE COLFAX COUNTY, NEW MEXICO GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS, SERIES 2015, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED SIX MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$6,500,000) TO PROVIDE FUNDS FOR CAPITAL IMPROVEMENT PROJECTS THROUGHOUT THE COUNTY; PROVIDING FOR THE ISSUANCE AND SALE OF THE BONDS; PROVIDING THAT THE BONDS WILL BE PAYABLE AND COLLECTIBLE SOLELY FROM THE REVENUES DERIVED FROM THE COUNTY HOLD HARMLESS GROSS RECEIPTS TAX IMPOSED BY THE COUNTY PURSUANT TO SECTION 7-20E-28 NMSA 1978; PROVIDING FOR THE DISPOSITION OF THE RECEIPTS DERIVED FROM THE GROSS RECEIPTS TAX; PROVIDING THAT CERTAIN TERMS OF THE BONDS WILL BE ESTABLISHED IN A SUBSEQUENT RESOLUTION; PROVIDING FOR THE TERMS AND CONDITIONS OF THE BONDS, THE MANNER OF THEIR EXECUTION, THE METHOD OF PAYING THE BONDS AND OTHER DETAILS CONCERNING THE BONDS, INCLUDING BUT NOT LIMITED TO COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH AND APPERTAINING THERETO.

Capitalized terms used in the following preambles have the same meaning as defined in Section 1 of this Ordinance unless the context requires otherwise.

WHEREAS, the County is a legally and regularly created, established, organized and existing county under the general laws of the State of New Mexico; and

WHEREAS, pursuant to Section 7-20E-28 NMSA 1978 and County Ordinance No. 2014-05, adopted on September 23, 2014 (the "Tax Ordinance"), the County authorized the county hold harmless gross receipts tax, imposed at a rate of one-fourth of one percent (0.25%) on any person engaging in business in the County for the privilege of engaging in business in the County and distributed monthly from the Revenue Division of the New Mexico Taxation and Revenue Department to the County, effective January 1, 2015 (the "Pledged Revenues"); and

WHEREAS, the Pledged Revenues are not pledged to the payment of any bonds or other obligations which are presently outstanding and unpaid; and

WHEREAS, the Board hereby determines that there is an urgent need for the Project and that the Bonds shall be issued for the Project which consequently will provide for the public health, peace and safety of the County and its residents; and

WHEREAS, the County expects to receive an offer from Purchaser to purchase the Bonds pursuant to a Bond Purchase Agreement, as approved pursuant to the terms of the Sale Resolution; and

WHEREAS, the Board has determined and hereby determines that it is in the best interests of the County and its residents that the Bonds be issued with a first lien, but not an exclusive first lien, on the Pledged Revenues on parity with the lien thereon of future Parity Bonds, if any; and

WHEREAS, there has been on deposit with the County Clerk and presented to the Board this Ordinance; and

WHEREAS, the Board hereby determines that the Project to be financed by the Bonds is for governmental purposes and is not a project which would cause the Bonds to be "private activity bonds" as defined by the Internal Revenue Code of 1986, as amended; and

WHEREAS, the Board has determined that it is in the best interest of the County to authorize issuance and sale of the Bonds pursuant to this Ordinance, the Sale Resolution and the Bond Purchase Agreement.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE COUNTY OF COLFAX:

Section 1. Definitions. As used in this Ordinance, the following terms shall, for all purposes, have the meanings herein specified, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined):

"Acquisition Fund" means the "Colfax County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2015 Acquisition Fund" created in Section 16 of this Ordinance.

"Act" means the general laws of the State, including Sections 4-62-1 through 4-62-10 and Section 7-20E-28 NMSA 1978, as amended, and enactments of the Board relating to the issuance of the Bonds, including this Ordinance, the Tax Ordinance and the Sale Resolution.

"Board" means the Board of County Commissioners of the County or any future successor governing body of the County.

"Bond Purchase Agreement" means the Bond Purchase Agreement to be entered into between the County and the Purchaser at the time of the adoption of the Sale Resolution.

"Bondholder," "holder," "owner" or "Owner" means the registered owner of any Bond as shown on the registration books of the County for the Bonds, from time to time,

maintained by the Registrar. Any reference to a majority or a particular percentage or proportion of the Bondholders shall mean the Holders at the particular time of a majority or of the specified percentage or proportion in aggregate principal amount of all Bonds then outstanding.

“Bonds” means the “Colfax County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2015” authorized by this Ordinance and the Sale Resolution.

“Business Day” means a day on which commercial banks in the city in which the principal office of the Paying Agent and Registrar is located are open for conduct of substantially all of their business operations.

“Chairman” means the Chairman of the Board.

“Code” means the Internal Revenue Code of 1986, as amended, including, when appropriate, the statutory predecessor of the Code, and all applicable regulations whether proposed, temporary or final, including regulations issued and proposed pursuant to the statutory predecessor of the Code, and, in addition, all official rulings and judicial determinations applicable to the Bonds, and under the statutory predecessor of the Code and any successor provisions to those sections or regulations.

“Continuing Disclosure Undertaking” means the continuing disclosure undertaking with respect to the Bonds executed by the County for the benefit of Bondholders.

“County” means the County of Colfax in the State of New Mexico.

“County Local Option Gross Receipts Tax Act” means Sections 7-20E-1 through 7-20E-28 NMSA 1978, as amended.

“Debt Service Fund” means the “Colfax County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2015, Debt Service Fund” established in Section 16 of this Ordinance.

“Depository” means The Depository Trust Company, New York, New York, or such other securities depository as may be designated by an officer of the County.

“Event of default” means any of the events stated in Section 24 of this Ordinance.

“Expenses” means the reasonable and necessary fees, costs and expenses incurred by the County with respect to the issuance of the Bonds, including the fees, compensation, costs and expenses paid or to be paid to the Paying Agent, Registrar, Purchaser, and attorneys’ and financial advisors’ fees.

“Federal Securities” as used in this Ordinance shall include only direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by the United States of America.

“Fiscal Year” means the period commencing on July 1 in each calendar year and ending on June 30 of the next succeeding calendar year, or any other twelve-month period which any appropriate authority may hereafter establish for the County as its fiscal year.

“Herein,” “hereby,” “hereunder,” “hereof,” “hereinafter” and “hereafter” refer to the entire Ordinance and not solely to the particular section or paragraph of this Ordinance in which such word is used.

“Hold Harmless Gross Receipts Tax Revenues” means the one-fourth of one percent county hold harmless gross receipts tax revenues received by the County pursuant to the County Local Option Gross Receipts Tax Act and the Tax Ordinance.

“Income Fund” means the “Colfax County, New Mexico County Hold Harmless Gross Receipts Tax Income Fund” created in Section 16 of this Ordinance.

“Independent Accountant” means (A) an accountant employed by the State of New Mexico and under supervision of the State Auditor of the State of New Mexico, or (B) any certified public accountant, registered accountant, or firm of such accountants duly licensed to practice and practicing as such under the laws of the State of New Mexico, appointed and paid by the County who (i) is, in fact, independent and not under the domination of the County, (ii) does not have any substantial interest, direct or indirect, with the County, and (iii) is not connected with the County as an officer or employee of the County, but who may be regularly retained to make annual or similar audits of the books or records of the County.

“Insurance Policy” means the insurance policy, if any, issued by the Insurer guaranteeing the scheduled payment of principal of and interest on the Bonds when due.

“Insured Bank” means a bank or savings and loan association insured by an agency of the United States.

“Insurer” means a municipal bond insurance company, if any, to be identified in the Sale Resolution.

“Interest Payment Date” means each February 1 and August 1, or as otherwise provided in the Sale Resolution, commencing on the date established in the Sale Resolution.

“NMSA” means the New Mexico Statutes Annotated, 1978 Compilation, as amended and supplemented.

“Ordinance” means this County Ordinance, as amended or supplemented from time to time.

“Outstanding” or “outstanding” when used in reference to the Bonds means, on any particular date, the aggregate of all Bonds delivered under this Ordinance except:

A. those cancelled at or prior to such date or delivered or acquired by the County at or prior to such date for cancellation;

B. those otherwise deemed to be paid in accordance with Section 27 or Section 30 of this Ordinance;

C. those in lieu of or in exchange or substitution for which other Bonds shall have been delivered, unless proof satisfactory to the County and the Paying Agent is presented that any Bond for which a new Bond was issued or exchanged is held by a bona fide holder or in due course; and

D. those Bonds which have been refunded in accordance with this Ordinance or other ordinance of the County authorizing the issuance of the applicable bonds.

“Parity Bonds” or “Parity Obligations” means the Bonds and any other bonds or other obligations, hereafter issued or incurred payable from and constituting a lien upon the Pledged Revenues on parity with the Bonds, as provided in Section 20 of this Ordinance.

“Paying Agent” means BOKF, N.A. dba Bank of Albuquerque, as agent for the County for the payment of the Bonds, the interest thereon and any prior redemption premium in connection therewith, and any successor.

“Pledged Revenues” means the amounts of money derived from all of the revenue attributable to the county hold harmless gross receipts tax transferred to the County pursuant to Section 7-1-6.13 NMSA 1978, which county hold harmless gross receipts tax is imposed on all persons engaging in business in the County pursuant to the Tax Ordinance, and as authorized by the County Local Option Gross Receipts Tax Act, (1) which tax equals, subject to the exemptions specified in Sections 7-20E-4(A) and 7-20E-5 NMSA 1978, and the deductions referenced in Section 7-20E-7 NMSA 1978, one-fourth of one percent (0.25%) of the gross receipts of all persons engaging in business in the County for the privilege of engaging in business in the County, and (2) which amounts are collected and, after any deductions for administrative costs and any disbursements for tax credits, refunds and the payment of interest applicable to such gross receipts tax and subject to any increase or decrease pursuant to Section 7-1-6.15 NMSA 1978, are distributed monthly (together with the balance of the County’s gross receipt tax) by the Revenue Division of the Taxation and Revenue Department of the State of New Mexico to the County pursuant to Section 7-1-6.13 NMSA 1978.

“Preliminary Official Statement” and “Official Statement” means the disclosure documents used by the Purchaser in connection with the sale of the Bonds to the public.

“Principal Payment Date” means August 1 in each year beginning August 1, 2016, or as otherwise provided in the Sale Resolution.

“Project” means (1) capital improvement projects throughout the County, and (2) paying Expenses.

“Purchaser” means the purchaser of the Bonds as provided in the Sale Resolution.

“Rebate Fund” means the “Colfax County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2015, Rebate Fund” established in Section 23(N) of this Ordinance.

“Registrar” means BOKF, N.A. dba Bank of Albuquerque, as agent for the County for the payment of the Bonds, the interest thereon and any prior redemption premium in connection therewith, and any successor.

“Reserve Fund” means the “Colfax County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2015, Reserve Fund” established by Section 16 of this Ordinance.

“Reserve Fund Insurance Policy” means any policy of insurance, surety bond, letter of credit or other financial instrument issued to the County, the proceeds of which shall be used to prevent deficiencies in the payment of the principal of or interest on the Bonds resulting from insufficient amounts being on deposit in the Debt Service Fund to make the payment of principal of and interest on the Bonds as the same become due. Each policy shall be written by a bank, insurance company or any financial institution experienced in insuring or guaranteeing municipal bonds whose policies of insurance, surety bond, letter of credit or other financial instrument would not adversely affect the rating of the Bonds by Moody’s and/or S&P to the extent that the Bonds are or are to be so rated.

“Reserve Requirement” means an amount which is equal to the least of (i) ten percent (10%) of the proceeds of the Bonds as the term proceeds is used in Section 148(d)(1) of the Code, (ii) the maximum annual debt service on the Bonds, or (iii) one hundred twenty-five percent (125%) of the average annual debt service on the Bonds.

“Sale Resolution” means a resolution to be adopted by the Board after sale of the Bonds which shall specify the exact aggregate principal amounts of the Bonds, the maturity dates, the amounts maturing on each maturity date, the interest rates, municipal bond insurance, debt service reserve surety bond, and the redemption features applicable to the Bonds and which shall approve the Bond Purchase Agreement, Preliminary Official Statement, Official Statement and other documents and which may contain such other terms and provisions as the Board may determine; provided that in no event shall the Sale Resolution specify a net effective interest rate on the Bonds in excess of the statutory maximum of twelve percent (12%) per annum.

“State” means the State of New Mexico.

“Tax Ordinance” means Ordinance No. 2014-05, adopted by the Board on September 23, 2014, imposing the Hold Harmless Gross Receipts Tax.

Section 2. Ratiofication. All action heretofore taken (not inconsistent with the provisions of this Ordinance) by the Board and the officers of the County, directed toward the Project, the issuance of the Bonds for the Project and the sale of the Bonds to the Purchaser be, and the same hereby is, ratified, approved and confirmed.

Section 3. Authorization of Project. The Project and the method of financing the Project are hereby authorized and ordered at a total cost not to exceed \$6,500,000 and the necessity thereof is hereby so declared, excluding any such cost defrayed or to be defrayed by any source other than Bond proceeds.

Section 4. Findings. The Board hereby declares that it has considered all relevant information and data and hereby makes the following findings:

- A. Moneys available for the Project from all sources other than the issuance of revenue bonds are not sufficient to defray the cost of the Project.
- B. The Pledged Revenues may lawfully be pledged to secure the payment of the Bonds.
- C. It is economically feasible to defray, in part, the cost of the Project by the issuance of the Bonds.
- D. The issuance of the Bonds pursuant to the Act, to provide funds for the financing of the Project is necessary and in the interest of the public health, safety and welfare of the residents of the County.
- E. The net effective interest rate on the Bonds must be less than the statutory maximum of twelve percent (12%), as to be provided in the Sale Resolution.

Section 5. Bonds—Authorization and Detail.

A. Authorization. This Ordinance has been adopted by the affirmative vote of a majority of all of the members of the Board. For the purpose of protecting the public health, conserving the property, protecting the general welfare and prosperity of the residents of the County, it is hereby declared necessary that the County, pursuant to the Act, issue its negotiable, fully registered, revenue bonds to be designated “Colfax County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2015,” in an aggregate principal amount not to exceed \$6,500,000 and the issuance, sale and delivery of the Bonds is hereby authorized. The Bonds shall be sold through a negotiated sale to the Purchaser pursuant to the Bond Purchase Agreement and Sale Resolution.

B. Details of Bonds. The Bonds shall be issued in an aggregate principal amount not to exceed \$6,500,000 for the Project. The forms, terms, and provisions of the Bonds, in the form set forth in Section 13 of this Ordinance are hereby approved with only such changes therein as are not inconsistent with this Ordinance, as supplemented by the Sale Resolution.

The Bonds shall be negotiable instruments but shall be issued only as fully registered bonds, in such numbers and denominations as may be requested by the Purchaser, but exchangeable for other fully registered Bonds of any denominations which are multiples of \$5,000. The Bonds shall be numbered separately and consecutively and shall be dated the date of

delivery. The Bonds shall bear interest, at a rate of interest not to exceed twelve percent (12%) per annum, as set forth in the Sale Resolution, from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from their date, payable semi-annually on February 1 and August 1 in each year and shall mature on August 1 of each year, or as otherwise set forth in the Sale Resolution.

Section 6. Prior Redemption. The Bonds may be subject to optional redemption and/or mandatory sinking fund redemption prior to their stated maturities at a redemption price and on the dates established therefore in the Sale Resolution.

A. Notice to Registrar. The Registrar shall not be required to give notice of any optional redemption unless the Registrar has received written instructions from the County in regard thereto, at least 45 days prior to such redemption date unless waived by the Registrar.

B. Notice to Owners. Notice of redemption shall be given by the Registrar by sending a copy of such notice by first-class, postage prepaid mail at least thirty (30) days prior to the redemption date to the registered owner of each Bond, or portion thereof, to be redeemed at the address shown as of the close of business of the Registrar on the fifth day prior to the mailing of notice on the registration books kept by the Registrar. Neither the County's failure to give such notice nor the Registrar's failure to give such notice to the registered owner of any Bond, or any defect therein, shall affect the validity of the proceedings for the redemption of any Bonds for which proper notice was given. Notices of redemption shall specify the maturity dates and the number or numbers of the Bonds to be redeemed (if less than all are to be redeemed) and if less than the full amount of any Bond is to be redeemed, the amount of such Bonds to be redeemed, the date fixed for redemption, and that on such redemption date there will become and be due and payable upon each Bond to be redeemed at the office of the Paying Agent the principal amount to be redeemed plus accrued interest to the redemption date and that from and after such date interest will cease to accrue on such amount. Notice having been given in the manner hereinbefore provided, the Bond or Bonds so called for redemption shall become due and payable on the redemption date so designated and if an amount of money sufficient to redeem all Bonds called for redemption shall on the redemption date be on deposit with the Paying Agent, the Bonds to be redeemed shall be deemed not outstanding and shall cease to bear interest from and after such redemption date. Upon presentation of the Bonds to be redeemed at the office of the Paying Agent, the Paying Agent will pay the Bond or Bonds so called for redemption with funds deposited with the Paying Agent by the County.

C. Conditional Notice. If money or securities sufficient to pay the optional redemption price of the Bonds to be called for optional redemption are not on deposit with the Paying Agent prior to the giving of notice of optional redemption pursuant to paragraph B of this Section, such notice shall state such Bonds will be redeemed in whole or in part on the optional redemption date in a principal amount equal to that part of the optional redemption price received by the Paying Agent by 2:00 p.m. on the applicable optional redemption date. If the full amount of the optional redemption price is not received as set forth in the preceding sentence, the notice shall be effective only for those Bonds for which the optional redemption price is on deposit with the Paying Agent. If all Bonds called for optional redemption cannot be redeemed, the Bonds to be redeemed shall be selected in a manner deemed reasonable and fair by the

County and the Paying Agent shall give notice, in the manner in which the original notice of optional redemption was given, that such money was not received. In that event, the Paying Agent, shall promptly return to the owners thereof the Bonds or certificates which it has received evidencing the part thereof which have not been redeemed.

Section 7. Filing of Signatures. Prior to the execution of any Bond, the Chairman and County Clerk may each file, pursuant to Sections 6-9-1 to 6-9-6 NMSA 1978, as amended, with the New Mexico Secretary of State his or her manual signature certified by him or her under oath; provided that filing shall not be necessary for any officer where any previous filing may have legal application to the Bonds.

Section 8. Execution and Authentication of Bonds.

A. Execution. The Bonds shall be signed with the engraved, imprinted, stamped or otherwise reproduced facsimile of the signature, or the manual signature, of the Chairman and shall be attested with the facsimile or manual signature of the County Clerk. There shall be affixed to each Bond the printed, engraved, stamped or otherwise placed facsimile of, or imprint of, the County's corporate seal. The Bonds shall be authenticated by the manual signature of the Registrar. The Bonds when authenticated and bearing the manual or facsimile signatures of the officers in office at the time of signing thereof shall be valid and binding special obligations of the County, notwithstanding that before delivery thereof and payment therefor, any or all of the persons whose signatures appear thereon shall have ceased to fill their respective offices. The Chairman and County Clerk, at the time of the execution of the Bonds and the signature certificate, each may adopt as and for his or her own facsimile signature, the facsimile signature of his or her predecessor in office if such facsimile signature appears upon any of the Bonds or certificates pertaining to the Bonds.

B. Authentication. No Bond shall be valid or obligatory for any purpose unless the certificate of authentication has been duly and manually executed by the Registrar.

Section 9. Negotiability. The Bonds shall be fully negotiable and shall have all the qualities of negotiable paper, and the Bondholders shall possess all rights enjoyed by the holders of negotiable instruments under the provisions of the Uniform Commercial Code-Investment Securities. Except as set forth herein, the Bonds outstanding shall in all respects be equally and ratably secured, without preference, priority or distinction on account of the date or dates or the actual time or times of the issuance or maturity of the Bonds.

Section 10. Payment and Presentation of Bonds for Payment. Principal and interest on the Bonds shall be payable in lawful money of the United States of America, without deduction for exchange or collection charges. Principal shall be payable in immediately available funds at maturity thereof upon presentation and surrender of such Bond at the principal office of the Paying Agent or at the designated office of any successor Paying Agent. Interest on the Bonds shall be payable by check or draft mailed to the registered owner thereof (or in such other manner as may be agreed upon by the Paying Agent and the registered owner), as shown on the registration books maintained by the Registrar at the address appearing therein on the 15th day of the calendar month next preceding the Interest Payment Date (the "Record Date"). Any interest

which is not timely paid or provided for shall cease to be payable to the owner thereof (or of one or more predecessor Bonds) as of the Record Date, but shall be payable to the owner thereof (or of one or more predecessor Bonds) at the close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to Bond owners not less than ten days prior thereto. If any Bond presented for payment remains unpaid at maturity, it shall continue to bear interest at the rate or rates designated in, and applicable to, such Bond from time to time. If any Bond is not presented for payment at maturity when funds available therefor have been deposited with the Paying Agent, it shall cease bearing interest on and from the date of maturity.

Section 11. Registration, Transfer, Exchange and Ownership of Bonds.

A. Registration, Transfer and Exchange. The County shall cause books for registration, transfer, and exchange of the Bonds as provided herein to be kept at the principal office of the Registrar. Upon surrender for transfer or exchange of any fully registered Bond at the principal office of the Registrar duly endorsed by the registered owner or his attorney duly authorized in writing, or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Registrar and duly executed, the Registrar shall authenticate and deliver, not more than three (3) business days after receipt of the Bond or Bonds to be transferred, in the name of the transferee or registered owner, as appropriate, a new Bond or Bonds in authorized denominations, in fully registered form of the same aggregate principal amount, maturity and interest rate.

B. Limitations. The Registrar shall close books for change of registered owners' addresses on each Record Date; transfers will be permitted within the period from each Record Date to each Interest Payment Date, but such transfers shall not include a transfer of accrued interest payable.

C. Owner of the Bonds. The person in whose name any Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of either the principal of or interest on any such Bond shall be made only to or upon the order of the registered owner thereof or his legal representative as stated herein, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

D. Replacement Bonds. If any Bonds shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such Bond, if mutilated, and such evidence, information or indemnity relating thereto as the Registrar may reasonably require, if lost, stolen or destroyed, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same maturity and interest rate, bearing a number or numbers not contemporaneously outstanding. If any such lost, stolen, destroyed or mutilated Bond shall have matured, the Registrar may request the Paying Agent to pay such bond in lieu of replacement.

E. Additional Bonds. Executed but unauthenticated Bonds are hereby authorized to be delivered to the Registrar in such quantities as may be convenient to be held in custody by the Registrar pending delivery as herein provided.

F. Charges. For each new Bond issued in connection with a transfer or exchange, the Registrar may make a charge to the owner of the Bond requesting such exchange or transfer sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

G. Successor Registrar or Paying Agent. If the Registrar or Paying Agent initially appointed hereunder shall resign or is prohibited by law from continuing as Registrar or Paying Agent, or if the County shall reasonably determine that said Registrar or Paying Agent has become incapable of fulfilling its duties hereunder, the County may, upon notice mailed to each registered owner of Bonds at the address last shown on the registration books, appoint a successor Registrar or Paying Agent, or both. Every such successor Registrar or Paying Agent shall be a bank or trust company located in and in good standing in the United States and having a shareholders' equity (e.g., capital stock, surplus and undivided profits), however denominated, not less than \$50,000,000. It shall not be required that the same institution serves as both Registrar and Paying Agent hereunder, but the County shall have the right to have the same institution serve as both Registrar and Paying Agent hereunder.

H. Book Entry. The Bonds may be issued or registered, in whole or in part, in book-entry form from time to time with no physical distribution of bond certificates made to the public, with a Depository acting as securities depository for the Bonds. A single certificate for each maturity date of the Bonds issued in book-entry form will be delivered to the Depository and immobilized in its custody. The book-entry system will evidence ownership of the Bonds in authorized denominations, with transfer of ownership effected on the books of the Depository and its participants ("Participants"). As a condition to delivery of the Bonds in book-entry form, the Purchaser will, immediately after acceptance of delivery thereof, deposit, or cause to be deposited, the Bond certificates with the Depository, registered in the name of the Depository or its nominee. Principal, premium, if any, and interest will be paid to the Depository or its nominee as the registered owner of the Bonds. The transfer of principal, premium, if any, and interest payments to Participants will be the responsibility of the Depository; the transfer of principal, premium, if any, and interest payments to the beneficial owners of the Bonds (the "Beneficial Owners") will be the responsibility of Participants and other nominees of Beneficial Owners maintaining a relationship with Participants (the "Indirect Participants"). The County will not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Depository, Participants or Indirect Participants.

If (i) the Bonds are not eligible for the services of the Depository, (ii) the Depository determines to discontinue providing its services with respect to the Bonds or (iii) the County determines that a continuation of the system of book-entry transfers through the Depository ceases to be beneficial to the County or the Beneficial Owners, the County will either identify another Depository or Bonds certificates will be delivered to the Beneficial Owners or their nominees, and the Beneficial Owners or their nominees, upon authentication of Bonds and registration of those Bonds in the Beneficial Owners' or nominees' names, will become the

owners of the Bonds for all purposes. In that event, the County shall mail an appropriate notice to the Depository for notification to Participants, Indirect Participants and Beneficial Owners of the substitute Depository or the issuance of bond certificates to Beneficial Owners or their nominees, as applicable.

Officers of the County are authorized to sign agreements with the Depository relating to the matters set forth in this Section.

Notwithstanding any other provision of this Ordinance, so long as all of the Bonds are registered in the name of the Depository or its nominee, all payments of principal, premium, if any, and interest on the Bonds, and all notices with respect to the Bonds, shall be made and given by the Paying Agent, Registrar or the County to the Depository as provided in this Ordinance and by the Depository to its Participants or Indirect Participants and notices to the Beneficial Owners of the Bonds in the manner provided in an agreement or letter of the County to the Depository.

Section 12. Special Limited Obligations. All of the Bonds and all payments of principal, premium, if any, and interest thereon at maturity, together with any interest accruing thereon, shall be special limited obligations of the County and shall be payable and collectible solely from the Pledged Revenues, which revenues are so pledged and are payable as set forth in Section 17 of this Ordinance. The owner or owners of the Bonds may not look to any general or other fund for the payment of the principal of or interest on such obligations, except the designated special funds pledged therefor. The Bonds shall not constitute an indebtedness or a debt of the County within the meaning of any constitutional, charter or statutory provision or limitation, nor shall they be considered or held to be general obligations of the County, and each of the Bonds shall recite that it is payable and collectible solely out of the Pledged Revenues, pledged as set forth in this Ordinance, and that the holders thereof may not look to any general or other municipal fund for the payment of the principal of and interest on the Bonds. Nothing herein shall prevent the County from applying other funds of the County legally available therefor to the payment of the Bonds, in its sole discretion.

Section 13. Form of Bonds. The forms, terms and provisions of the Bonds shall be substantially in the form set forth below, with such changes therein as are not inconsistent with this Ordinance.

[Form of Bond]

STATE OF NEW MEXICO

UNITED STATES OF AMERICA

COUNTY OF COLFAX

COLFAX COUNTY, NEW MEXICO
GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS
SERIES 2015

Bond No. _____ \$ _____

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF BOND</u>	<u>CUSIP</u>
___% per annum	August 1, ____	February __, 2015	_____

PRINCIPAL AMOUNT:

REGISTERED OWNER:

The County of Colfax (the "County"), in the State of New Mexico (the "State"), a political subdivision duly organized and existing under the Constitution and laws of the State, for value received, promises to pay, solely from the special funds available for the purpose set forth below, to the Registered Owner stated above, or registered assigns, on the Maturity Date stated above (unless this bond may be and is called for prior redemption, in whole or in part, in which case on such redemption date), upon presentation and surrender of this bond to BOKF, N.A. dba Bank of Albuquerque, in Albuquerque, New Mexico, or any successor (as such, the "Paying Agent"), the Principal Amount stated above and premium, if any, and to pay interest on the unpaid Principal Amount at the Interest Rate stated above on February 1 and August 1 of each year (each, an "Interest Payment Date") to the Maturity Date stated above, or until redeemed if called for redemption prior to maturity. If, upon presentation and surrender at maturity or for prior redemption, payment of this bond is not made, interest shall continue at the Interest Rate stated above until the Principal Amount is paid in full. This bond will bear interest from the most recent date to which interest has been paid or provided for or if no interest has been paid or provided for, from the Date of Bond stated above. Interest on this bond is payable by check or draft mailed to the registered owner hereof (or by such other arrangement as may be mutually agreed to by the Paying Agent and the registered owner) as shown on the registration books for this issue maintained by BOKF, N.A. dba Bank of Albuquerque, in Albuquerque, New Mexico, or any successor (as such, the "Registrar"), at the address appearing therein at the close of business on the fifteenth day of the calendar month next preceding the Interest Payment Date (the "Record Date"). Any interest which is not timely paid or duly provided for shall cease to be payable to the owner hereof (or of one or more predecessor Bonds, defined below) as of the Record Date, but shall be payable to the owner hereof (or of one or more predecessor Bonds) at the close of business on a special record date to be fixed by the Paying Agent for the payment of interest. Notice of the special record date shall be given to owners of Bonds as then shown on the Registrar's registration books not less than ten days prior to the special record date. The principal of, premium, if any, and interest on this bond are payable in lawful money of the United States of America, without deduction for exchange or collection charges.

This bond is one of a duly authorized series of fully registered bonds of the County in the aggregate principal amount of \$_____ issued in denominations of \$5,000 or integral multiples thereof, designated as Colfax County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2015 (the "Bonds"), issued under and pursuant to County Ordinance No. _____, as supplemented by County Resolution No. _____, (collectively the "Bond Legislation").

The Bonds maturing on and after August 1, 20____, are subject to prior redemption at the option of the County, in one or more units of principal of \$5,000 on and after August 1, 20____, in

whole or in part on any date. If the Bonds are optionally redeemed in part, the Bonds to be so redeemed shall be selected by lot by the Registrar in such manner as the Registrar shall consider appropriate and fair.

Notice of redemption shall be given by the Registrar by sending a copy of such notice by first-class, postage prepaid mail at least thirty (30) days prior to the redemption date to the registered owner of each Bond, or portion thereof, to be redeemed at the address shown as of the close of business of the Registrar on the fifth day prior to the mailing of notice on the registration books kept by the Registrar. Neither the County's failure to give such notice nor the Registrar's failure to give such notice to the registered owner of any Bond, or any defect therein, shall affect the validity of the proceedings for the redemption of any Bonds for which proper notice was given. Notices of redemption shall specify the maturity dates and the number or numbers of the Bonds to be redeemed (if less than all are to be redeemed) and if less than the full amount of any Bond is to be redeemed, the amount of such Bonds to be redeemed, the date fixed for redemption, and that on such redemption date there will become due and payable upon each Bond to be redeemed at the office of the Paying Agent the principal amount to be redeemed plus accrued interest to the redemption date and that from and after such date interest will cease to accrue on such amount. Notice having been given in the manner hereinbefore provided, the Bond or Bonds so called for redemption shall become due and payable on the redemption date so designated and if an amount of money sufficient to redeem all Bonds called for redemption shall on the redemption date be on deposit with the Paying Agent, the bonds to be redeemed shall be deemed not outstanding and shall cease to bear interest from and after such redemption date. Upon presentation of the Bonds to be redeemed at the office of the Paying Agent, the Paying Agent will pay the Bond or Bonds so called for redemption with funds deposited with the Paying Agent by the County.

Books for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender for transfer or exchange of a Bond at the principal office of the Registrar, duly endorsed or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar shall authenticate and deliver, not more than three (3) business days after receipt of the Bond or Bonds to be transferred, in the name of the transferee or owner a new Bond or Bonds in fully registered form of the same aggregate principal amount, maturity and interest rate, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of Bonds shall be without charge to the owner or any transferee, but the Registrar may require the payment by the owner of any Bond of any tax or other similar governmental charge required to be paid with respect to such exchange or transfer. The Registrar will close books for change of registered owners' addresses on each Record Date; transfers will be permitted within the period from each Record Date to each Interest Payment Date, but such transfers shall not include a transfer of accrued interest payable.

The person in whose name any Bond is registered on the registration books kept by the Registrar shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof and for all other purposes except as may otherwise be provided with respect to payment of interest in the Bond Legislation; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the registered owner

thereof or his legal representative. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar will, upon receipt of such Bond, if mutilated, and such evidence, information or indemnity relating thereto as the Registrar may reasonably require, if lost, stolen or destroyed, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same maturity and interest rate, bearing a number or numbers not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated Bond shall have matured, the Registrar may direct the Paying Agent to pay such Bond in lieu of replacement.

This bond does not constitute an indebtedness of the County within the meaning of any constitutional or statutory provision or limitation, shall not be considered or held to be a general obligation of the County, and is payable and collectible solely out of the Pledged Revenues pursuant to the pledge made by and as defined in the Bond Ordinance. Payment of the bonds of the series of which this bond is one and the interest thereon shall be made solely from, and as security for such payment, there are pledged pursuant to the Bond Ordinance the amounts of money derived from all of the revenue attributable to the county hold harmless gross receipts tax transferred to the County pursuant to Section 7-1-6.13 NMSA 1978, which county hold harmless gross receipts tax is imposed on all persons engaging in business in the County pursuant to County Ordinance No. 2014-05, adopted on September 23, 2014, and as authorized by the County Local Option Gross Receipts Tax Act, (1) which tax equals, subject to the exemptions specified in Sections 7-20E-4(A) and 7-20E-5 NMSA 1978, and the deductions referenced in Section 7-20E-7 NMSA 1978, one-fourth of one percent (0.25%) of the gross receipts of all persons engaging in business in the County for the privilege of engaging in business in the County, and (2) which amounts are collected and, after any deductions for administrative costs and any disbursements for tax credits, refunds and the payment of interest applicable to such gross receipts tax and subject to any increase or decrease pursuant to Section 7-1-6.15 NMSA 1978, are distributed monthly (together with the balance of the County's gross receipt tax) by the Revenue Division of the Taxation and Revenue Department of the State of New Mexico to the County pursuant to Section 7-1-6.13 NMSA 1978.

The registered owner may not look to any general or other fund for the payment of the principal of, interest upon, and any prior redemption premium in connection with this obligation except the special funds (i.e., the Pledged Revenues) pledged therefor. Payment of this bond and the interest thereon shall be made solely from, and as security for such payment there are pledged, pursuant to the Bond Legislation, two special funds identified as the "Colfax County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2015, Debt Service Fund" and the "Colfax County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2015, Reserve Fund" into which the County covenants to pay from the Pledged Revenues sums sufficient to pay when due the principal of and interest on the bonds of the series of which this is one and sufficient to create and maintain a reasonable and specified reserve for the payment of principal of and interest on such bonds. Reference is made to the Bond Legislation for a description of said funds and the nature and extent of the security afforded thereby for the payment of the principal of and the interest on the bonds. The bonds are equitably and ratably secured by a lien on the Pledged Revenues, and the bonds constitute an irrevocable and first lien

(but not necessarily and exclusively first lien) upon the Pledged Revenues and on parity with the lien thereon of any Parity Obligations. Additional bonds may be issued and made payable from the Pledged Revenues, upon satisfaction of the conditions set forth in the Bond Legislation, having a lien thereon either on a parity with, or subordinate and junior to, the lien on the Pledged Revenues of the Bonds, but additional bonds may not be issued with a lien thereon superior to the lien thereon of the Bonds.

The Bonds are issued to provide funds for the purposes of (1) capital improvement projects throughout the County, and (2) paying the costs of the issuance of the Bonds.

The County covenants and agrees with the owner of this bond and with each and every person who may become the owner hereof that it will keep and perform all of the covenants of the Bond Legislation.

This bond is subject to the condition, and every owner hereof by accepting the same agrees with the obligor and every subsequent owner hereof, that the principal of and interest on this bond shall be paid, and this bond is transferable, free from and without regard to any equities, set-offs or crossclaims between the obligor and the original purchaser or any other owner hereof.

It is hereby certified that all acts and conditions necessary to be done or performed by the County or to have happened precedent to and in the issuance of the Bonds to make them legal, valid and binding special obligations of the County have been performed and have happened as required by law, and that the Bonds do not exceed or violate any constitutional or statutory limitation of or pertaining to the County.

This bond shall not be valid or obligatory for any purpose until the Registrar shall have manually signed the Certificate of Authentication.

IN WITNESS WHEREOF, Colfax County, New Mexico, has caused this bond to be signed and executed on the County's behalf with the facsimile or manual signature of the Chairman and the facsimile or manual signature of the County Clerk and has caused the corporate seal or a facsimile thereof of the County to be affixed hereon, all as of the Date of Bond.

COLFAX COUNTY, NEW MEXICO

[SEAL]

By William E. Sandoz
Chair, Board of County Commissioners

By Freda L. Baca
County Clerk



[Form of Registrar's Certificate of Authentication]

Certificate of Authentication

This is one of the Bonds described in the Bond Legislation, and this bond has been registered on the registration books kept by the undersigned as Registrar for the Bonds.

Date of Authentication: _____

BOKF, N.A. dba Bank of Albuquerque,
as Registrar and Paying Agent

By _____
Authorized Officer

[End of Form of Registrar's Certificate of Authentication]

[Form of Assignment]

Assignment

For value received, _____ hereby sells, assigns and transfer
unto _____ the within bond and hereby irrevocably constitutes and
appoints _____ attorney, to transfer the same on the books of the
Registrar, with full power of substitution in the premises.

Social Security or Tax Identification No. of Assignee _____

Dated: _____

NOTE: The assignor's signature to this Assignment must correspond with the name as written
on the face of the within bond in every particular, without alteration or enlargement or any
change whatsoever.

[End of Form of Assignment]

[End of Form of Bond]

Section 14. Period of Project's Usefulness. It is hereby determined and recited that the period of usefulness of the Project is not less than the final maturity date of the Bonds.

Section 15. Disposition of Proceeds. Except as herein otherwise specifically provided, the proceeds derived from the sale of the Bonds, shall be used and paid solely for the valid costs of the Project.

A. Accrued Interest. Upon the sale of the Bonds, all moneys received as accrued interest shall be deposited into the Debt Service Fund to apply on the payment of interest next due on the Bonds.

B. Reserve Fund. Upon the sale of the Bonds, if determined necessary by the County and as set forth in the Sale Resolution, the County shall either acquire a Reserve Fund Insurance Policy in an amount equal to the Reserve Requirement to be used as provided in Section 17 hereof, or deposit bond proceeds in the Reserve Fund in an amount equal to the Reserve Requirement.

C. Expenses. Upon the sale and delivery of the Bonds, an amount necessary to pay Expenses shall be used for payment of the Expenses in compliance with applicable law.

D. Insurance Policy Premium. Upon the sale and delivery of the Bonds, and only if not paid directly by the Purchaser, an amount necessary to pay the premiums for the Insurance Policy and Reserve Fund Insurance Policy, if any, shall be paid to the Insurer.

E. Project. Upon the sale and delivery of the Bonds, any remaining Bond proceeds after funding the Reserve Fund, if any, and payment of Expenses shall be deposited promptly upon receipt thereof in the Acquisition Fund.

F. Purchaser Not Responsible. The Purchaser of the Bonds shall in no manner be responsible for the application or disposal by the County or by its officers of the funds derived from the sale thereof or of any other funds herein designated.

Section 16. Funds and Accounts. The County hereby creates the following special and separate funds, which shall be under the control of the County:

A. Income Fund. Creates the "Colfax County, New Mexico County Hold Harmless Gross Receipts Tax Income Fund" for deposit of the Pledged Revenues.

B. Reserve Fund. Creates the "Colfax County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2015, Reserve Fund" to be maintained by the County.

C. Debt Service Fund. Creates the "Colfax County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2015, Debt Service Fund" to be maintained by the County.

D. Acquisition Fund. Creates the "Colfax County, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2015, Acquisition Fund" to be maintained by the County.

Section 17. Deposit of Pledged Revenues and Flow of Funds.

A. County Hold Harmless Gross Receipts Tax Income Fund. The Pledged Revenues are hereby pledged to the payment of the Bonds. So long as any of the Bonds are outstanding either as to principal or interest, or both, the County shall credit all Pledged Revenues received from the New Mexico Taxation and Revenue Department to the Income Fund. The following payments shall be made from the Income Fund.

B. Debt Service Fund. As a first charge on the Pledged Revenues, the following amounts shall be withdrawn from the Income Fund and shall be concurrently credited to the Debt Service Fund:

(1) To the Debt Service Fund, the following:

(a) Monthly, commencing on the first day of the month immediately succeeding the delivery of the Bonds, an amount in equal monthly installments necessary, together with any other moneys therein and available therefor, to pay the first maturing installment of interest on the Bonds, and monthly thereafter, commencing on each Interest Payment Date, one-sixth (1/6) of the amount necessary to pay the next maturing installment of interest on the Bonds then outstanding.

(b) Monthly, commencing on the first day of the month immediately succeeding the delivery of the Bonds, an amount in equal monthly installments necessary, together with any other moneys therein and available therefor, to pay the first maturing installment of principal of the outstanding Bonds and monthly thereafter, commencing on each Principal Payment Date, one-twelfth (1/12) of the amount necessary to pay the next maturing installment of principal on the Bonds then outstanding.

C. Credit. In making the deposits required to be made into the Debt Service Fund, if there are any amounts then on deposit in the Debt Service Fund available for the purpose for which such deposit is to be made, the amount of the deposit to be made pursuant to paragraph B above shall be reduced by the amount available in such fund and available for such purpose.

D. Transfer of Money out of Debt Service Fund. Each payment of principal and interest becoming due on the Bonds shall be transferred from the Debt Service Fund to the Paying Agent on or before four Business Days prior to the due date of such payment.

E. Payment of Parity Bonds. Concurrently with the payment of the Pledged Revenues required by Paragraph B of this Section, any amounts on deposit in the Income Fund shall be used by the County for the payment of principal of, interest on, premium, if any, and debt service reserve fund deposits relating to Parity Bonds, if any, outstanding or hereafter authorized to be issued and payable from the Pledged Revenues, as applicable, as the same

accrue. If funds on deposit in the Income Fund are not sufficient to pay when due the required payments of principal of, interest on and debt service reserve fund deposits relating to the Bonds and any other outstanding Parity Bonds, then the available funds in the Income Fund will be used, first, on a pro rata basis, based on the amount of principal and interest then due with respect to each series of outstanding Parity Bonds, for the payment of principal and interest on all series of outstanding Parity Bonds and, second, to the extent of remaining available funds in the Income Fund, on a pro rata basis, based on the amount of debt service reserve fund deposits then required with respect to each series of outstanding Parity Bonds, for the required debt service reserve fund deposits for all series of outstanding Parity Bonds.

F. Reserve Fund. Unless provided for differently in the Sale Resolution, immediately upon the sale and delivery of the Bonds, a deposit in an amount equal to the Reserve Requirement will be made into the Reserve Fund from proceeds of the Bonds or, alternatively, the County may acquire a Reserve Fund Insurance Policy in an amount equal to all or part of the Reserve Requirement so that the combined amount of cash in the Reserve Fund and the amount of the Reserve Fund Insurance Policy is equal to the Reserve Requirement. Amounts on deposit in the Income Fund, after making the deposits into the Debt Service Fund and the debt service funds for Parity Bonds required by Paragraphs B and E of this Section, may also be used by the County pursuant to this Paragraph F to make deposits into the Reserve Fund if required to meet the Reserve Requirement or to pay the annual premiums or other costs required by or associated with any Reserve Fund Insurance Policy. No payment need be made into the Reserve Fund so long as the moneys or the Reserve Fund Insurance Policy therein shall equal not less than the Reserve Requirement. The moneys in the Reserve Fund shall be accumulated and maintained as a continuing reserve to be used, except as hereinafter provided in Paragraphs G and H of this Section, only to prevent deficiencies in the payment of the principal of and interest on the Bonds resulting from failure to deposit into the Debt Service Fund sufficient funds to pay the principal and interest as the same become due.

G. Termination upon Deposits to Maturity. No payment need be made into the Debt Service Fund, the Reserve Fund, or both, if the moneys in the Debt Service Fund and Reserve Fund (excluding the amount represented by a Reserve Fund Insurance Policy) total a sum at least equal to the entire amount of the Bonds then outstanding, both as to principal and interest to their respective maturities, and both accrued and not accrued, in which case, moneys in said funds in an amount at least equal to such principal and interest requirements shall be used solely to pay such as the same accrue and any moneys in excess thereof in said funds and any other moneys derived from the Pledged Revenues may be used in any lawful manner determined by the County.

H. Defraying Delinquencies in the Debt Service Fund and Reserve Fund. If, on any Interest Payment Date or Principal Payment Date, the amount on deposit in the Debt Service Fund is insufficient to make the payments of principal and interest then due on the Bonds, then an amount shall be paid into the Debt Service Fund on such date from the Reserve Fund equal to the difference between the amount on deposit in the Debt Service Fund and the full amount to be paid on such date. The money so used shall be replaced in the Reserve Fund, or the amounts drawn from the Reserve Fund Insurance Policy shall be repaid from the first Pledged Revenues thereafter received that are not required to be deposited in the Debt Service

Fund or in debt service funds for Parity Bonds as set forth in Paragraph E of this Section. The moneys in the Reserve Fund shall be used solely and only for the purpose of paying the principal of and the interest on the Bonds; provided, however, that any moneys at any time in excess of the Reserve Requirement in the Reserve Fund may be withdrawn therefrom and applied as set forth in Paragraph J of this Section. Cash accumulated in the Reserve Fund shall not be invested in a manner which could cause the Bonds to become arbitrage bonds within the meaning of the Code.

I. Subordinate Bonds. After making the payments or deposits hereinabove required to be made pursuant to the preceding paragraphs of this Section, the County may use any amounts remaining in the Income Fund for the payment of debt service and related expenses on subordinate bonds or other subordinate obligations payable from Pledged Revenues hereafter issued by the County.

J. Use of Surplus Pledged Revenues. After making all the payments hereinabove required to be made by this Section, the remaining Pledged Revenues, if any, may be applied to any other lawful purpose, as the County may from time to time determine.

Section 18. General Administration of Funds. The funds designated in Section 16 shall be administered and invested as follows:

A. Places and Times of Deposits. The funds shall be separately maintained as a trust fund or funds for the purposes established and shall be deposited in one or more bank accounts in an Insured Bank or Banks. Each account shall be continuously secured to the extent required by law and shall be irrevocable and not withdrawable by anyone for any purpose other than the designated purpose. Payments shall be made into the proper account on the first day of the month except when the first day shall not be a Business Day, then payment shall be made on the next succeeding Business Day. No later than four Business Days prior to each Interest Payment Date, moneys sufficient to pay interest and principal then due on the Bonds shall be transferred to the Paying Agent. Nothing in this Ordinance shall prevent the County from establishing one or more bank accounts in an Insured Bank or Banks for all the funds required by this Ordinance or shall prevent the combination of such funds and accounts with any other bank account or accounts for other funds and accounts of the County.

B. Investment of Moneys. Moneys in any fund or account not immediately needed may be invested in any investment permitted by law. The obligations so purchased as an investment of moneys in any fund or account shall be deemed to be part of such fund or account, and the interest accruing thereon and any profit realized therefrom shall be credited to such fund or account, and any loss resulting from such investment shall be charged to such fund or account. The County Treasurer shall present for redemption or sale on the prevailing market any obligations so purchased as an investment of moneys in the fund or account whenever it shall be necessary to do so in order to provide moneys to meet any payment or transfer from such fund.

C. Reserve Fund. The County shall annually on or about August 1 of each year, value the Reserve Fund on the basis of the current fair market value of deposits and investments credited to the Reserve Fund. For purposes of determining the amount on deposit in the Reserve Fund, any Reserve Fund Insurance Policy held by, or the benefit of which is

available to, the County as security for the Bonds shall be deemed to be a deposit in the face amount of the policy or the stated amount of the credit facility provided, except that, if the amount available under a Reserve Fund Insurance Policy has been reduced as a result of a payment having been made thereunder or as a result of the termination, cancellation or failure of such Reserve Fund Insurance Policy and not reinstated or another Reserve Fund Insurance Policy provided, then, in valuing the Reserve Fund, the value of such Reserve Fund Insurance Policy shall be reduced accordingly. If, upon any valuation, the value of the Reserve Fund, including interest earnings, exceeds the Reserve Requirement, the excess amount shall be withdrawn and deposited into the Income Fund; if the value is less than the applicable requirement, the County shall replenish such amounts from the first Pledged Revenues thereafter received not required to be deposited into the Debt Service Fund or in debt service funds for Parity Bonds as set forth in Paragraph F of Section 17 hereof.

At such time as the Bonds are paid in full or are deemed to be paid in full, the amount on deposit in the Reserve Fund may be used to pay the final installments of principal and interest on the Bonds and otherwise may be withdrawn and transferred to the County to be used for any lawful purpose, provided that, if such amounts are used for a purpose other than payment of the Bonds, there shall be delivered an opinion of nationally recognized bond counsel that the purpose for which such funds are to be used is a lawful purpose for which such proceeds may be used under the laws of the State of New Mexico and that such use shall not adversely affect the exclusion of interest on any Bonds from gross income of the recipient thereof for federal income tax purposes.

If moneys have been withdrawn from the Reserve Fund or a payment has been made under a Reserve Fund Insurance Policy constituting all or a portion of the Reserve Fund, and deposited into the Debt Service Fund to prevent a default on the Bonds, then the County will pay, from Pledged Revenues, the full amount so withdrawn, together with interest, if any, required under the terms of the Reserve Fund Insurance Policy and as provided hereunder, or so much as shall be required to restore the Reserve Fund to the Reserve Requirement and to pay such interest, if any. Such repayment shall be made as required by paragraph H of Section 17 hereof.

The County may, in part or in whole, replace money in the Reserve Fund with a Reserve Fund Insurance Policy.

Section 19. Lien on Pledged Revenues. The Pledged Revenues and the amounts and securities on deposit in the Debt Service Fund and the Reserve Fund, if any, and the proceeds thereof, are hereby authorized to be pledged to, and are hereby pledged, and the County grants a security interest therein for, the payment of the principal of, premium, if any, and interest on the Bonds, subject to the uses thereof permitted by, and the priorities set forth in, this Ordinance. The Bonds constitute an irrevocable and first lien, but not necessarily an exclusive first lien, on the Pledged Revenues on parity with the lien thereon of the Parity Bonds.

Section 20. Additional Bonds Payable from Pledged Revenues.

A. Parity Bonds Test. This Ordinance shall not prevent the issuance of additional Parity Bonds payable from and constituting a lien upon the Pledged Revenues on parity with the lien of the Bonds. Before any additional Parity Bonds are actually issued, it must be determined that:

(1) The County is then current in the accumulation of all amounts which are required to have then been accumulated in the Debt Service Fund and the Reserve Fund as required by Section 17 of this Ordinance; and

(2) The requirements of either of the following subparagraphs (a) or (b) of this Section are met and a certificate or opinion as provided for in paragraph B of this Section has been obtained:

(a) The annual Pledged Revenues for the Fiscal Year immediately preceding the date of the ordinance authorizing the issuance of any Parity Bonds shall have been sufficient to pay an amount representing at least one hundred twenty-five percent (125%) of the maximum annual principal and interest coming due in subsequent Fiscal Years on (1) the outstanding Bonds, (2) other outstanding Parity Bonds payable from and constituting a lien upon the Pledged Revenues, and (3) the Parity Bonds proposed to be issued, excluding reserves therefor; or

(b) If, during the period beginning on the first day of the completed Fiscal Year immediately preceding the date of the ordinance authorizing the issuance of the Parity Bonds proposed to be issued and ending on the date of such ordinance, a change in the rate of Pledged Revenues has been adopted by law, the estimate of the Pledged Revenues (sometimes herein the "Estimated Revenues"), determined by changing the actual Pledged Revenues for the preceding Fiscal Year by the percentage of rate increase or decrease in the gross receipts tax rate, shall have been sufficient to pay an amount representing at least one hundred twenty-five percent (125%) of the maximum annual principal and interest coming due in subsequent Fiscal Years on (1) the outstanding Bonds, (2) other outstanding Parity Bonds payable from and constituting a lien upon the Pledged Revenues, and (3) the Parity Bonds proposed to be issued, excluding reserves therefor. The preceding Fiscal Year shall be determined as aforesaid from the date of adoption of the ordinance authorizing the issuance of additional Parity Bonds and shall not be determined from the date of publication of such ordinance or adoption of any ordinance which amends or supplements such ordinance.

B. Certification or Opinion Regarding Revenues. A written certificate or opinion by an Independent Accountant or the County Manager that the Pledged Revenues or the Estimated Revenues, when determined as provided in Paragraph A of this Section, are sufficient to pay the required amounts under the applicable test in Paragraph A of this Section, shall conclusively determine the right of the County to issue additional Parity Bonds. The Independent Accountant or County Manager may utilize the results of any annual audit to the extent it covers the applicable period.

C. Subordinate Obligations Permitted. Nothing in this Ordinance shall prevent the County from issuing bonds or other obligations payable from the Pledged Revenues and having a lien on the Pledged Revenues subordinate to the lien of the Bonds.

D. Superior Obligations Prohibited. The County shall not issue any obligation having a lien on the Pledged Revenues which is prior and superior to the Bonds.

Section 21. Refunding Bonds. The provisions of Section 20 of this Ordinance are subject to the following exceptions:

A. Privilege of Issuing Refunding Obligations. If at any time the County shall find it desirable to refund any outstanding obligations constituting a lien upon the Pledged Revenues, the Bonds or other obligations, or any part thereof, may be refunded, but only with the consent of the holders, unless the obligations shall then mature or be callable for redemption, or the plan of refunding calls for payment of the obligations at maturity or at a redemption date, regardless of whether the lien priority is changed by the refunding except that superior obligations are prohibited as provided in Paragraph D of Section 20 of this Ordinance and except as provided in Paragraphs B and C of this Section.

B. Limitation upon Issuance of Parity Refunding Obligations. No refunding obligations shall be issued with a lien on the Pledged Revenues on parity with the lien of the Bonds, unless:

(1) The lien on the Pledged Revenues of the outstanding obligations so refunded is on a parity with the lien on the Pledged Revenues of the Bonds; or

(2) The refunding obligations are issued in compliance with Paragraph A of Section 20 of this Ordinance.

C. Refunding Part of an Issue. The refunding bonds or other refunding obligations issued shall enjoy complete equality of lien with the portion of any bonds or other obligations of the same issue which is not refunded, if any there be; and the holder or holders of such refunding bonds or other refunding obligations shall be subrogated to all of the rights and privileges enjoyed by the owner or owners of the same issue refunded thereby. If only a part of any issue or issues is refunded, then there may be no refunding without the consent of the holders of the unrefunded portion of such obligations, unless:

(1) The refunding obligations do not increase the aggregate principal and interest requirements for any Fiscal Year commencing prior to the last maturity date of such unrefunded obligations; or

(2) The lien of the refunding obligations is subordinate to the lien of any obligations not refunded; or

(3) The refunding bonds or other refunding obligations are issued in compliance with Paragraph A of Section 20 of this Ordinance.

D. Limitation Upon Issuance of Any Refunding Obligations. Any refunding obligations payable from Pledged Revenues shall be issued with such details as the Board may by ordinance provide, subject to the inclusion of any such rights and privileges designated in Paragraph C of this Section, but without impairing any contractual obligation imposed by any proceedings authorizing any unrefunded portion of any issue or issues, including the Bonds.

Section 22. Equality of Parity Bonds. The Parity Bonds from time to time outstanding shall not be entitled to any priority one over the other in the application of the Pledged Revenues, regardless of the time or times of their issuance or the date incurred, it being the intention of the Board that, except as set forth herein, there shall be no priority among Parity Bonds regardless of whether they are issued and delivered or incurred at different times.

Section 23. Protective Covenants. The County hereby covenants and agrees with each and every holder of the Bonds issued hereunder:

A. Use of Bond Proceeds. The County will proceed without delay to apply the proceeds of the Bonds as set forth in Section 15 of this Ordinance.

B. Payment of Bonds Herein Authorized. The County will promptly pay the principal of and the interest on every Bond at the place, on the date and in the manner specified herein and in the Bonds according to the true intent and meaning hereof.

C. County's Existence. The County will maintain its corporate identity and existence so long as any of the Bonds remain outstanding, unless another political subdivision by operation of law succeeds to the liabilities and rights of the County, without adversely affecting to any material degree the privileges and rights of any owner of the Bonds.

D. Extension of Interest Payments. In order to prevent any accumulation of claims for interest after maturity, the County will not directly or indirectly extend or assent to the extension of time for the payment of any claim for interest on any of the Bonds, and the County will not directly or indirectly be a party to or approve any arrangements for any such extension. If the time for payment of any such interest shall be extended, such installment or installments of interest, after such extension or arrangement, shall not be entitled in case of default hereunder to the benefit or security hereof, except subject to the prior payment in full of the principal of all Bonds hereunder and then outstanding and of the matured interest on such Bonds, the payment of which has not been extended.

E. Records. So long as any of the Bonds remain outstanding, proper books of record and account will be kept by the County separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the Pledged Revenues.

F. Audits and Budgets. The County will, within two hundred and seventy (270) days following the close of each Fiscal Year, cause an audit of its books and accounts relating to the Pledged Revenues to be commenced by an Independent Accountant showing the

receipts and disbursements in connection with such revenues. The County agrees to furnish forthwith a copy of each of such audits and reports to the Purchaser, the holder of any of the Bonds and the Insurer, if any, at its written request.

G. Other Liens. Other than as described and identified by this Ordinance, there are no liens or encumbrances of any nature whatsoever on or against the Pledged Revenues.

H. Duty to Impose County Hold Harmless Gross Receipts Tax. If State law or any County ordinance or part thereof, which in any manner affect the Pledged Revenues, shall ever be held to be invalid or unenforceable, it shall be the duty of the County to immediately take any action necessary to produce sufficient Pledged Revenues to comply with the contracted obligations of this Ordinance, except as is provided in Paragraph I of this Section.

I. Impairment of Contract. The County agrees that any law, ordinance or resolution of the County that in any manner affects the Pledged Revenues or the Bonds shall not be repealed or otherwise directly or indirectly modified, in such a manner as to impair adversely any Bonds outstanding, unless such Bonds have been discharged in full or provision has been fully made therefor or unless the required consents of the holders of the then outstanding Bonds and the Insurer, if any, are obtained pursuant to Section 29 of this Ordinance.

J. Debt Service Fund and Reserve Fund. The Debt Service Fund and Reserve Fund shall be used solely and only, and those funds are hereby pledged, for the purposes set forth in this Ordinance.

K. Surety Bonds. Each County official and employee being responsible for receiving Pledged Revenues shall be bonded at all times, which bond shall be conditioned upon the proper application of Pledged Revenues.

L. Performing Duties. The County will faithfully and punctually perform all duties with respect to the Bonds required by the Constitution and laws of the State of New Mexico and the ordinances and resolutions of the County relating to the Bonds.

M. Tax Covenants. The County covenants that it will restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code. The Chairperson and other officers of the County having responsibility for the issuance of the Bonds shall give an appropriate certificate of the County, for inclusion in the transcript of proceedings for the Bonds, setting forth the reasonable expectations of the County regarding the amount and use of all the proceeds of the Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of interest on the Bonds.

The County covenants that it (a) will take or cause to be taken such actions which may be required of it for the interest on the Bonds to be and remain excluded from gross income for federal income tax purposes, and (b) will not take or permit to be taken any actions which would adversely affect that exclusion, and that it or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Bonds to the governmental purpose of the

borrowing, (ii) restrict the yield on investment property acquired with those proceeds, (iii) make timely rebate payments to the federal government, if required, (iv) maintain books and records and make calculations and reports, and (v) refrain from certain uses of proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code. The Chairperson and other appropriate officers are hereby authorized and directed to take any and all actions, make calculations and rebate payments, and make or give reports and certifications, if any, as may be required or appropriate to assure such exclusion of that interest.

N. Rebate Fund. In furtherance of the covenants set forth in the preceding paragraph, the County hereby establishes a fund separate from any other funds established and maintained hereunder designated as the Rebate Fund. Money and investments in the Rebate Fund shall not be used for the payment of the Bonds and amounts credited to the Rebate Fund shall be free and clear under any pledge under this Ordinance. Money in the Rebate Fund shall be invested pursuant to the procedures and in the manner provided in Section 18(B) for investment of money, and all amounts on deposit in the Rebate Fund shall be held by the County, or a designated trustee, in trust, to the extent required to pay rebatable arbitrage to the United States of America. The County shall unconditionally be entitled to accept and rely upon the recommendation, advice, calculation and opinion of an accounting firm or other person or firm with knowledge of or experience in advising with respect to the provisions of the Code relating to rebatable arbitrage. The County shall remit all rebate installments and the final rebate payment to the United States of America as required by the provisions of the Code. Any moneys remaining in the Rebate Fund after redemption and payment of all the Bonds and payment and satisfaction of any rebatable arbitrage shall be withdrawn and remitted to the County.

O. Continuing Disclosure Obligations. The officers of the County are authorized to sign such documents and to take such actions in the future with respect to the County's continuing disclosure obligations as are necessary or desirable to comply with the Continuing Disclosure Undertaking and the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. Notwithstanding any other provisions of this Ordinance, failure of the County to comply with the Continuing Disclosure Undertaking shall not be considered an "event of default" under Section 24 hereof, and holders and beneficial owners of Bonds shall be entitled to exercise only such rights with respect thereto as are provided in the Continuing Disclosure Undertaking.

P. Qualified Tax-Exempt Obligations. The Bonds are hereby designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. The County has no "subordinate entities" with authority to issue tax-exempt obligations within the meaning of that Section of the Code. In that connection, the Board hereby covenants that the Board in or during the calendar year in which the Bonds are issued, (i) will not designate as "qualified tax-exempt obligations" for the purposes of Section 265(b)(3) of the Code, tax-exempt obligations, including the Bonds, in an aggregate principal amount in excess of ten million dollars and (ii) will not issue tax-exempt obligations within the meaning of Section 265(b)(4) of the Code, including the Bonds and any qualified 501(c)(3) bonds as defined in Section 145 of the Code (but excluding obligations, other than qualified 501(c)(3) bonds, that are private activity bonds as defined in Section 141 of the Code), in an aggregate principal amount exceeding ten million dollars.

Section 24. Events of Default. Each of the following events is hereby declared an "event of default":

A. Nonpayment of Principal. Failure to pay the principal of any of the Bonds when the same becomes due and payable, either at maturity or otherwise.

B. Nonpayment of Interest. Failure to pay any installment of interest when the same becomes due and payable.

C. Default of any Provision. Default by the County in the due and punctual performance of its covenants or conditions, agreements and provisions contained in the Bonds or in this Ordinance on its part to be performed, and the continuance of such default (other than a default set forth in subparagraphs A and B of this Section) for sixty (60) days after written notice specifying such default and requiring the same to be remedied has been given to the County by the holders of twenty-five percent (25%) in aggregate principal amount of the Bonds then outstanding.

D. Bankruptcy. The County (i) files a petition or application seeking reorganization, arrangement under Federal bankruptcy law, or other debtor relief under the laws of any jurisdiction, or (ii) is the subject of such petition or application which the County does not contest or is not dismissed or discharged within sixty (60) days.

Section 25. Remedies upon Default. Upon the happening and continuance of any of the events of default as provided in Section 24 of this Ordinance, then in every case the holder or holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then outstanding, including, but not limited to, a trustee or trustees therefor, may proceed against the County, the Board and its agents, officers and employees to protect and enforce the rights of any holder of Bonds under this Ordinance by mandamus or other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for the appointment of a receiver or for the specific performance of any covenant or agreement contained herein or in an award relating to the execution of any power herein granted for the enforcement of any legal or equitable remedy as such holder or holders may deem most effectual to protect and enforce the rights provided above, or to enjoin any act or thing which may be unlawful or in violation of any right of any Bondholder, or to require the Board to act as if it were the trustee of an express trust, or any combination of such remedies. All such proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all holders of the Bonds then outstanding. The failure of any Bondholder so to proceed shall not relieve the County or any of its officers, agents or employees of any liability for failure to perform any duty. Each right or privilege of such holder (or trustee thereof) is in addition and cumulative to any other right or privilege, and the exercise of any right or privilege by or on behalf of any holder shall not be deemed a waiver of any other right or privilege.

Section 26. Duties upon Default. Upon the happening of any of the events of default provided in Section 24 of this Ordinance, the County, in addition, will do and perform all proper

acts on behalf of and for the owners of the Bonds to protect and preserve the security created for the payment of the Bonds and to insure the payment of the principal of and interest on the Bonds promptly as the same become due. All proceeds derived therefrom, so long as any of the Bonds, either as to principal or interest, are outstanding and unpaid, shall be applied as set forth in Section 17 of this Ordinance. In the event the County fails or refuses to proceed as provided in this Section, the holder or holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then outstanding, after demand in writing, may proceed to protect and enforce the rights of the owners of the Bonds as hereinabove provided.

Section 27. Bonds Not Presented When Due. If any Bonds shall not be duly presented for payment when due at maturity, and if moneys sufficient to pay such Bonds are on deposit with the Paying Agent for the benefit of the owners of such Bonds, all liability of the County to such owners for the payments of such Bonds shall be completely discharged, such Bonds shall not be deemed to be outstanding and it shall be the duty of the Paying Agent to segregate and to hold such moneys in trust, without liability for interest thereon, for the benefit of the owners of such Bonds as may be provided in any agreement hereafter entered into between the Paying Agent and an officer of the County.

Section 28. Approval of Documents; Delegated Powers. The officers of the County be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance, including, without limiting the generality of the foregoing, the publication of the summary of this Ordinance set out in Section 36 (with such changes, additions and deletions as they may determine), the printing of the Bonds, and the execution thereof, the execution of the Bond Purchase Agreement, the Continuing Disclosure Undertaking, the Preliminary Official Statement and of such certificates and agreements as may be required by the Purchaser, the Insurer, if any, or bond counsel.

Section 29. Amendment of Ordinance. This Ordinance may be amended without the consent of the holder of any Bond to cure any ambiguity or to cure, correct or supplement any defect or inconsistent provision contained herein. Prior to the date of the initial delivery of the Bonds to the Purchaser, the provisions of this Ordinance may be supplemented with the written consent of the Purchaser with respect to any changes which are not inconsistent with the substantive provisions of this Ordinance. Except as provided above, this Ordinance may be amended without receipt by the County of any additional consideration, but with the written consent of the holders of three-fourths (3/4ths) of the Bonds then outstanding (not including Bonds which may be held for the account of the County); but no ordinance adopted without the written consent of the holders of all outstanding Bonds shall have the effect of permitting:

- A. An extension of the maturity of any Bond; or
- B. A reduction of the principal amount or interest rate of any Bond; or
- C. The creation of a lien upon the Pledged Revenues ranking prior to the lien or pledge created by this Ordinance; or

D. A reduction of the principal amount of Bonds required for consent to such amendatory ordinance; or

E. The establishment of priorities as between Bonds issued and outstanding under the provisions of this Ordinance; or

F. The modification of or otherwise affecting the rights of the holders of less than all the outstanding Bonds.

Section 30. Defeasance. When all principal and interest in connection with the Bonds hereby authorized have been duly paid, the pledge and lien for the payment of the Bonds shall thereby be discharged and the Bonds shall no longer be deemed to be outstanding within the meaning of this Ordinance. Payment shall be deemed made with respect to any Bond or Bonds when the County has placed in escrow with a commercial bank exercising trust powers, an amount sufficient (including the known minimum yield from Federal Securities) to meet all requirements of principal and interest as the same become due to their final maturities. Any Federal Securities shall become due when needed in accordance with a schedule agreed upon between the County and such bank at the time of the creation of the escrow.

Section 31. Ordinance Irrepealable. After any of the Bonds are issued, this Ordinance shall be and remain irrepealable until the Bonds and the interest thereon shall be fully paid, canceled and discharged, as herein provided, or there has been defeasance as herein provided.

Section 32. Severability Clause. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 33. Repealer Clause. All bylaws, orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 34. Effective Date. Upon due adoption of this Ordinance, it shall be recorded in the book of ordinances of the County kept for that purpose, authenticated by the signatures of the Chairman and County Clerk, and the title and general summary of the subject matter contained in this Ordinance (set out in Section 36 below) shall be published in a newspaper which maintains an office and is of general circulation in the County, or posted in accordance with law, and said Ordinance shall be in full force and effect thirty days after recording.

Section 35. Limitation of Action Period. After the passage of the thirty (30) days from the publication required by Section 36 hereof, any action attacking the validity of any proceedings had or taken by the County preliminary to and in the authorization and issuance of the Bonds shall be perpetually barred.

Section 36. General Summary for Publication. Pursuant to the general laws of the State, the title and a general summary of the subject matter contained in this Ordinance shall be published in substantially the following form:

[Form of Summary of Ordinance for Publication]

Colfax County, New Mexico

Notice of Adoption of Ordinance

Notice is hereby given of the title and of a general summary of the subject matter contained in an ordinance duly adopted and approved by the Board of County Commissioners of Colfax County, New Mexico, on January 13, 2015, relating to the authorization and issuance of the County's Gross Receipts Tax Improvement Revenue Bonds, Series 2015. Complete copies of the Ordinance are available for public inspection during the normal and regular business hours of the County Clerk, 230 N. 3rd Street, Raton, New Mexico.

The title of the Ordinance is:

AUTHORIZING THE ISSUANCE OF THE COLFAX COUNTY, NEW MEXICO GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS, SERIES 2015, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED SIX MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$6,500,000) TO PROVIDE FUNDS FOR CAPITAL IMPROVEMENT PROJECTS THROUGHOUT THE COUNTY; PROVIDING FOR THE ISSUANCE AND SALE OF THE BONDS; PROVIDING THAT THE BONDS WILL BE PAYABLE AND COLLECTIBLE SOLELY FROM THE REVENUES DERIVED FROM THE COUNTY HOLD HARMLESS GROSS RECEIPTS TAX IMPOSED BY THE COUNTY PURSUANT TO SECTION 7-20E-28 NMSA 1978; PROVIDING FOR THE DISPOSITION OF THE RECEIPTS DERIVED FROM THE GROSS RECEIPTS TAX; PROVIDING THAT CERTAIN TERMS OF THE BONDS WILL BE ESTABLISHED IN A SUBSEQUENT RESOLUTION; PROVIDING FOR THE TERMS AND CONDITIONS OF THE BONDS, THE MANNER OF THEIR EXECUTION, THE METHOD OF PAYING THE BONDS AND OTHER DETAILS CONCERNING THE BONDS, INCLUDING BUT NOT LIMITED TO COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH AND APPERTAINING THERETO.

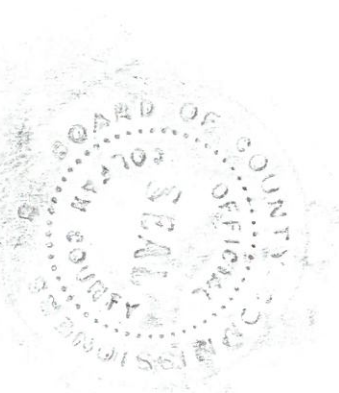
The title sets forth a general summary of the subject matter contained in the Ordinance. This notice constitutes compliance with Section 6-14-6 NMSA 1978.

[End of Form of Summary for Publication]

PASSED, APPROVED AND ADOPTED THIS 13th DAY OF JANUARY, 2015.

COLFAX COUNTY, NEW MEXICO

[SEAL]



ATTEST:

By

William E. Sauter

Chairman

By

Freda L. Baca

Freda L. Baca, Clerk of the Board

Signature Page for Ordinance

Commissioner Fernandez moved adoption of the foregoing ordinance, duly seconded by Commissioner Newton.

The motion to adopt said ordinance, as amended, upon being put to a vote, was passed and adopted on the following recorded vote:

Those Voting Aye:

Chairman, Bill Seubbe
Vice-Chairman Newton
Commissioner Hernandez

Those Voting Nay:



Those Absent:

None

KL02 (3) Commissioners having voted in favor of said motion, the Chairman declared said motion carried and said ordinance adopted, whereupon the Chairman and County Clerk signed the ordinance upon the records of the minutes of the Board.

After consideration of the matters not relating to the ordinance, the meeting on motion duly made, seconded and unanimously carried, was adjourned.

COLFAX COUNTY, NEW MEXICO



[SEAL]

By William E. Sauble
Chairman

ATTEST:

By Freda L. Baca
Freda L. Baca, Clerk of the Board

Signature Page for Ordinance

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STATE OF NEW MEXICO)
) ss.
COUNTY OF COLFAX)

The Board of Commissioners (the "Board") of Colfax County in the State of New Mexico, met in regular session in full conformity with law and the rules and regulations of the County at the Colfax County Courthouse, 230 N. 3rd Street, Raton, New Mexico, being the regular meeting place of the Board on the 13th day of January, 2015, at the hour of 9:00 a.m. Upon roll call, the following members were found to be present:

William E. Sanble

James L. Newton

R. J. Tarrant

Absent:

Also Present:

Thereupon, there was officially filed with the County Clerk, the Chairman and each Commissioner a copy of a proposed ordinance in final form.