

Amanda Forrister
Mayor

Rolf Hechler
Mayor Pro-Tem

Merry Jo Fahl
Commissioner



Destiny Mitchell
Commissioner

Shelly Harrelson
Commissioner

Bruce Swingle
City Manager

505 Sims St.
Truth or Consequences, New Mexico 87901
P: 575-894-6673 ♦ F: 575-894-7767
www.torcnm.org

REGULAR MEETING

THE REGULAR MEETING OF THE CITY COMMISSION OF THE CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO, TO BE HELD IN THE COMMISSION CHAMBERS, 405 W. 3RD ST., ON WEDNESDAY, APRIL 27, 2022; TO START AT 9:00 A.M.

A. CALL TO ORDER

B. INTRODUCTION

1. ROLL CALL

Hon. Amanda Forrister, Mayor
Hon. Rolf Hechler, Mayor Pro-Tem
Hon. Destiny Mitchell, Commissioner
Hon. Merry Jo Fahl, Commissioner
Hon. Shelly Harrelson, Commissioner

2. SILENT MEDITATION

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF AGENDA

C. PRESENTATIONS (10 Minutes):

1. Proclamation naming Saturday, May 7, 2022 as Miss Fiesta (Brooklynn Garcia) Day. Mayor Forrister
2. Issuance of certificates to the 2022 Miss Fiesta Royal Court Winners. Mayor Forrister
3. Presentation of the Status of Sierra Vista Hospital. SVH Chief Executive Officer Frank Corcoran

D. PUBLIC COMMENT (3 Minute Rule Applies)

E. REPORTS

1. City Manager
2. City Attorney
3. City Commission

F. CONSENT CALENDAR

1. City Commission Regular Minutes, April 13, 2022
2. Acknowledge Regular Public Utility Advisory Board Minutes, March 21, 2022
3. Subrecipient FY 21/22 3rd Quarter Reports

G. ORDINANCES/RESOLUTIONS/ZONING

1. Discussion/Action: Resolution No. 52 21/22 Approval of Annual Audit. Chris Garner, Pattillo, Brown & Hill, LLP and Carol Kirkpatrick, Finance Director
2. Discussion/Action: Resolution No. 55 21/22 Directing Law Enforcement personnel employed by the City of Truth or Consequences Police Department to utilize body worn cameras pursuant to NMSA 29-1-18. City Manager Swingle and Victor Rodriguez, Chief of Police

H. NEW BUSINESS

1. Discussion/Review: Review of revenue reports as part of the Budget Process. Carol Kirkpatrick, Finance Director
2. Discussion/Action: Review and approval of Memorandum of Understanding (MOU) between the United States Department of Veterans Affairs Healthcare System and the Truth or Consequences Police Department. City Manager Swingle and Victor Rodriguez, Chief of Police
3. Discussion/Action: State of New Mexico Department of Economic Development Agreement for the T or C Great Blocks Foch Street Improvements. City Manager Swingle
4. Discussion/Action: Approval of Landscape Architectural Services Proposal with MRWM. City Manager Swingle
5. Discussion/Action: Approval of the Experimental Aircraft Association (EAA) Agreement. City Manager Swingle
6. Discussion/Action: Approval of Extended Contract with RLC Services, LLC, DBA: Lynn's Landscape. Carol Kirkpatrick, Finance Director

I. EXECUTIVE SESSION

1. Threatened & Pending Litigation (Chuck VanGelder) pursuant to 10-15-1(H.7).
2. Threatened & Pending Litigation (George Henson) pursuant to 10-15-1(H.7).

J. RETURN TO REGULAR SESSION; ACTION (if any)

1. Threatened & Pending Litigation (Chuck VanGelder) pursuant to 10-15-1(H.7).
2. Threatened & Pending Litigation (George Henson) pursuant to 10-15-1(H.7).

K. ADJOURNMENT

The meeting will be broadcast live through KCHS on 101.9 FM.

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting please contact the City Clerk's Office, at 505 Sims Street, Truth or Consequences, New Mexico 87901, phone (575) 894-6673 at least one (1) week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the City Clerk's Office if a summary or other type of accessible format is needed.

NEXT REGULAR CITY COMMISSION MEETING MAY 11 , 2022



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: April 27, 2022

Agenda Item #: C.1

SUBJECT: Proclamation naming Saturday, May 7, 2022 as Miss Fiesta (Brooklynn Garcia) Day.
DEPARTMENT: City Clerk's Office
DATE SUBMITTED: April 22, 2022
SUBMITTED BY: Angela A. Torres, City Clerk-Treasurer
WHO WILL PRESENT THE ITEM: Mayor Forrister

Summary/Background:

The Miss Fiesta Pageant is a long time honored tradition that has taken place in Truth or Consequences for many years. This year's Miss Fiesta Pageant was held on Saturday, April 9, 2022. Today, we would like to honor our 2022 Miss Fiesta, with a proclamation that proclaims Saturday, May 7, 2022 as Miss Fiesta (Brooklynn Garcia) Day.

Recommendation:

None. Presentation only

Attachments:

-
-

Fiscal Impact (Finance): N/A

[Click here to enter text.](#)

Legal Review (City Attorney): N/A

[Click here to enter text.](#)

Approved For Submittal By: ☐ Department Director

Reviewed by: ☒ City Clerk ☐ Finance ☐ Legal ☐ Other: [Click here to enter text.](#)

Final Approval: ☒ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. [Click here to enter text.](#) Ordinance No. [Click here to enter text.](#)

Continued To: [Click here to enter a date.](#) Referred To: [Click here to enter text.](#)

☐ Approved ☐ Denied ☐ Other: [Click here to enter text.](#)

File Name: CC Agendas 4-27-2022



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: April 27, 2022

Agenda Item #: C.2

SUBJECT: Issuance of certificates to the 2022 Miss Fiesta Royal Court Winners.

DEPARTMENT: City Clerk's Office

DATE SUBMITTED: April 22, 2022

SUBMITTED BY: Angela A. Torres, City Clerk-Treasurer

WHO WILL PRESENT THE ITEM: Mayor Forrister

Summary/Background:

The Miss Fiesta Pageant is a long time honored tradition that has taken place in Truth or Consequences for many years. This year's Miss Fiesta Pageant was held on Saturday, April 9, 2022.

This year's Miss Fiesta pageant winner and Miss Congeniality was Brooklynn Garcia. 1st runner up was Jazelyn Cates, and 2nd runner up was Kimberly Molsbee.

Recommendation:

None. Presentation only

Attachments:

- None.

Fiscal Impact (Finance): N/A

[Click here to enter text.](#)

Legal Review (City Attorney): N/A

[Click here to enter text.](#)

Approved For Submittal By: ☐ Department Director

Reviewed by: ☒ City Clerk ☐ Finance ☐ Legal ☐ Other: [Click here to enter text.](#)

Final Approval: ☒ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. [Click here to enter text.](#) Ordinance No. [Click here to enter text.](#)

Continued To: [Click here to enter a date.](#) Referred To: [Click here to enter text.](#)

☐ Approved ☐ Denied ☐ Other: [Click here to enter text.](#)

File Name: CC Agendas 4-27-2022



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: April 27, 2022

Agenda Item #: C.3

SUBJECT: Presentation of the Status of Sierra Vista Hospital.
DEPARTMENT: City Clerk's Office
DATE SUBMITTED: April 22, 2022
SUBMITTED BY: Angela A. Torres, City Clerk-Treasurer
WHO WILL PRESENT THE ITEM: SVH Chief Executive Officer Frank Corcoran

Summary/Background:

SVH Chief Executive Officer (CEO) Frank Corcoran would like to give a status update on Sierra Vista Hospital.

Recommendation:

None. Presentation only

Attachments:

- None.

Fiscal Impact (Finance): N/A

[Click here to enter text.](#)

Legal Review (City Attorney): N/A

[Click here to enter text.](#)

Approved For Submittal By: ☐ Department Director

Reviewed by: ☒ City Clerk ☐ Finance ☐ Legal ☐ Other: [Click here to enter text.](#)

Final Approval: ☒ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. [Click here to enter text.](#) Ordinance No. [Click here to enter text.](#)

Continued To: [Click here to enter a date.](#) Referred To: [Click here to enter text.](#)

☐ Approved ☐ Denied ☐ Other: [Click here to enter text.](#)

File Name: CC Agendas 4-27-2022



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: April 27, 2022

Agenda Item #: F.1

SUBJECT: City Commission Regular Minutes, April 13, 2022
DEPARTMENT: City Clerk's Office
DATE SUBMITTED: April 22, 2022
SUBMITTED BY: Angela A. Torres, Clerk-Treasurer
WHO WILL PRESENT THE ITEM: Consent Calendar

Summary/Background:

Minutes approval.

Recommendation:

Approve the minutes.

Attachments:

- CC Minutes

Fiscal Impact (Finance): N/A

\$0.00

Legal Review (City Attorney): N/A

None.

Approved For Submittal By: ☐ Department Director

Reviewed by: ☒ City Clerk ☐ Finance ☐ Legal ☐ Other: Click here to enter text.

Final Approval: ☒ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. - Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC Agendas 4-27-2022

CITY COMMISSION MEETING MINUTES
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO
CITY COMMISSION CHAMBERS, 405 W. 3RD St.
WEDNESDAY, APRIL 13, 2022

A. CALL TO ORDER:

The meeting was called to order by Mayor Amanda Forrister at 9:00 a.m., who presided and Angela A. Torres, City Clerk-Treasurer, acted as Secretary of the meeting.

B. INTRODUCTION:

1. ROLL CALL:

Upon calling the roll, the following Commissioners were reported present.

Hon. Amanda Forrister, Mayor
Hon. Rolf Hechler, Mayor Pro-Tem
Hon. Destiny Mitchell, Commissioner
Hon. Merry Jo Fahl, Commissioner
Hon. Shelly Harrelson, Commissioner

Also Present: Bruce Swingle, City Manager
Angela A. Torres, City Clerk-Treasurer

There being a quorum present, the Commission proceeded with the business at hand.

2. SILENT MEDITATION:

Mayor Pro-Tem Forrister called for fifteen seconds of silent meditation.

3. PLEDGE OF ALLEGIANCE:

Mayor Pro-Tem Forrister called for Commissioner Hechler to lead the Pledge of Allegiance.

4. APPROVAL OF AGENDA:

Mayor Pro-Tem Hechler moved to approve the agenda as submitted. Commissioner Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

C. PRESENTATIONS:

1. Presentation of City of Truth or Consequences Employee Service Anniversary Awards:

City Manager Swingle and OJ Hechler, Community Services Director presented an Employee Service Anniversary Award to George Rea for 1 year of service with the City of Truth or Consequences.

City Manager Swingle and Benny Fuentes, Sanitation Director presented an Employee Service Anniversary Award to Frank Aguirre for 1 year of service with the City of Truth or Consequences.

City Manager Swingle presented an Employee Service Anniversary Award to Jesus Navarro for 15 years of service with the City of Truth or Consequences. Jesus could not be present at the meeting.

D. PUBLIC COMMENT (3 Minute Rule Applies):

Klaus Wittern addressed the Commission with comments related to:

- (1) His comments pertained to the comment that was made by the newspaper that the price of \$10 million dollars could be considered to sell the electric company. He is deeply concerned about that because he feels that \$25 million would be a more appropriate offer.

Kathleen Sloan addressed the Commission with comments related to:

- (1) The Copper Flat Mine Resolution. (Complete copy attached hereto and made a part hereof).

Rick Dumiak addressed the Commission with comments related to:

- (1) He is opposed of Resolution No. 05 21/22 that pertains to the \$50 trip fee for anyone who does not want an AMI Meter. (Complete copy attached hereto and made a part hereof).

Ron Pacourek addressed the Commission with comments related to:

- (1) He is concerned about the area on the other side of the river could be a fire hazard. East Riverside is a fare hazard as well.

Steve Zeschke addressed the Commission with comments related to:

- (1) He commented on the Frisbee Golf Tournaments and noted that there were a lot of people from out of state who attended. He suggested that we advertise Frisbee Golf a little bit more so people can play more often before the rates are raised.
- (2) He agreed with Mr. Wittern that \$10 million dollars is too low of an offer for us to sell the electric company.
- (3) He gave a shout out to Police Chief Rodriguez. He feels that he is doing a great job. He's happy about the revised ordinance that passed regarding RV Dwellings.

Torres, Angela

From: Kathleen Sloan <kathleen.sloan@gmail.com>
Sent: Monday, April 11, 2022 11:04 AM
To: Swingle, Bruce; Fahl, Merry Jo; Mitchell, Destiny; Forrister, Amanda; Harrelson, Shelly; Hechler, Rolf; Torres, Angela
Subject: NMCC resolution of support

Dear City Commissioners, City Manager and City Clerk,

Please consider this public comment for the April 13, 2022 city commission meeting, from Kathleen Sloan, living in Williamsburg, NM at 708 Olivo St.

I ask that the city commission not support the draft resolution that suggests the New Mexico Copper Corporation's Copper Flat Mine will bring local jobs.

Please be aware that in 2018 the city commission repealed its resolutions in support of the Copper Flat Mine after hearing an informed presentation on the project.

There will be few local jobs

--NMCC promised the Jicarillo Apache it would hire their people as part of the deal it made with the tribe to lease and release 1,200 acre feet a year of tribal water into the Rio Grande. The release is supposedly to partially offset the 7,500 acre feet a year of proposed water use by the mine.

--NMCC, in the Environmental Impact Statement prepared by the BLM on the project, states it will recruit employees from Silver City's mining workers as well as workers from Las Cruces.

--The Australian family that owns the mine made its money by setting up RV parks for mining projects. It will likely do the same for the Silver City, Las Cruces and Jicarillo employees. The sites include restaurants, convenience stores and beer parlors, so no trickle-down money will go off site since it will be a small company town.

--The Environmental Impact Statement states the project will last 12 years--a boom/bust unstable and unsustainable economy that will do little to help the Truth or Consequences economy.

Water and environmental impacts

--NMCC has been fighting since 2014 to use up to 7,500 acre feet of water a year--nearly four times the 1,300 acre feet a year the whole City of Truth or Consequences uses. The city should not support an industry that will use massive amounts of water in the desert. The water used can never be returned to the aquifer because it will be utterly toxic. Instead, the water must be allowed to evaporate over about 100 years, making the site vulnerable to toxic spills for generations. The city should not encourage highly polluting industries.

--The Environmental Impact Statement shows even 2,400 acre feet a year will impact the Rio Grande, which will in turn affect the Texas compact agreement, which will require that more water be released from Elephant Butte Lake and Caballo Lake to offset Copper Flat Mine's water use. Low lake levels will become a greater problem, causing the loss of more tourist dollars.

--The New Mexico Interstate Stream Commission is arguing that any water offsetting the mine's water use must come from nearby Caballo Lake, that the Jicarillo water offset will never reach this area.

--The Interstate Stream Commission makes the argument in legal briefs submitted to the Office of the State Engineer hearings' officer who will preside over the 70 or so protests filed against NMCC's application to transfer 2,400 acre feet a year from a Sta. Theresa site to the mine site.

--New Mexico Copper Corporation will use any resolutions passed by local governments in the OSE hearings to bolster its arguments that the Copper Flat Mine will be to the people's benefit. Water applications can be turned down if it is proven the water use will not be good "for the public's welfare."

--The people have spoken by filing suits and protests against the NMCC's proposed water use, paying a lot of money in legal fees over many years to protect their water. Please do not vote against the people and in support of a wealthy foreign corporation.

Sincerely,

Kathleen Sloan

Good morning Madam Mayor and City Commissioners

Rick Dumiak
705 Charles
TorC

For public comment.

Once again I come before you to ask that you repeal or revisit resolution 05 21/22.

In my opinion, resolution 05 21/22 unfairly charges a completely unreasonable and unjustified fee of \$50.00 per month to read my own as well as several other residents non smart electric meters.

Since this resolution was passed after my appeal to remove the smart meter from my residence was granted I personally have had to pay \$ 550.00 in meter reading fees, my average monthly utility bill averages \$115.00 per month but I am being penalized an extra \$50.00 per month or increase of about 45% per month. I ask you, does this seem fair to you?

I believe I should not have been subjected to the meter reading fee as there was no meter reading fee when my appeal to remove the smart meter and install a non smart meter was granted on June 23rd. 2021 prior to the passing of resolution 05 21/22, however I continue to fight this resolution for all of the residents that have asked for a non smart meter for whatever reason they have.

In my opinion, this ordinance was passed in retaliation to a few outspoken residents with numerous legitimate concerns with the smart meters that were purchased by the previous city commission without an expected vote that a \$ 1 million dollar purchase should bring about.

To continue to charge a few residents the outrageous penalty fee of \$50.00 each month to read an electric meter is a slap in the face to anyone that wants to get involved with local government. There is an understandable fear of retaliation to speak out in public against something that our city commission may or may not act on.

I hope you aware that the \$50.00 monthly meter reading fee is the highest meter reading fee in the entire country, not just the state but in the US.

This penalty fee was not arrived at after a proper cost analysis was performed or with input from the cities electrical department as to the actual labor cost and time needed to read an electric meter, and in fact our own Public Utility Advisory Board stated the \$50.00 fee was not justified and recommended charges ranging from \$0.00 to \$25.00 per month.

I feel there should be no charge to read our non smart electric meters as our meters were being read before the smart meters were purchased and installed.

In fact a electric meter reading fee seems to be built into our monthly utility bill as there is no extra charge shown to read our water meters and in fact, aren't we are all still paying an electric meter reading fee in our current utility bill?

As to my knowledge no one has gotten a reduction in their utility bills for not having to manually read the smart electric meters. Since our utility department is owned by the city and therefore the cities residents we should not be charged extra for something we have already been paying for.

The \$50.00 penalty charge was deemed a proper fee after one former city commissioner picked an amount to charge and in my opinion that was done as an emotional response to criticism of that former city commissioner. I can only assume the amount was picked to show those residents who the boss is, which is ironic since the city commission is supposed to represent its residents not punish them if a commissioner does not agree with them.

I implore this city commission to do the right thing and repeal resolution 05 21/22 as it is not only unfair but a continued bad memory of the animosity the former city commission generated between its residents and some of those former commissioners.

Thank you,
Rick Dumiak

- (4) He doesn't feel that the city should give Elephant Butte money for fireworks since we are cutting the budget, and it just drives people out of town.

Commissioner Mitchell read a comment submitted by Dimmitt Hayes. (Complete copy attached hereto and made a part hereof).

Commissioner Mitchell read a comment submitted by Ariel Dougherty. (Complete copy attached hereto and made a part hereof).

E. REPORTS:

City Manager Swingle reported the following:

- We received our audit from the state auditor's office. He gave city staff kudos for the work that they have done. Everyone is working multiple jobs. We have so many vacancies within the city and everyone is carrying more than their share of the water for this organization and they need to be recognized for that.
- They met with the Recreation Advisory Board regarding the softball league and putting some protocols in place that they felt would benefit the city. The board recommended safety waivers be put into place so Community Development Director Hechler is taking the lead on that. The goal is to get the league organized into some sort of designated sanctioned event.
- We received some complaints regarding sidewalks throughout the city. He explained that the business owners/property owners are responsible for the sidewalks in front of their property. It was suggested that we give exemptions and allow people to build without sidewalks then does the city then become responsible for sidewalks down the road. He would like to research what other communities are doing because he doesn't think that property owners realize that they are responsible for the sidewalks.
- We still have a number of vacancies on the boards. We still have vacancies on various city boards. We have two vacancies for the Airport Advisory Board. We have five vacancies on the Golf Course Advisory Board. We have two vacancies on the Lodgers Tax Advisory Board. We have two vacancies on the Impact Fee Advisory Board, and we have two vacancies on the Planning & Zoning Commission.
- We submitted for \$45 million dollars in congressional direct spending in grant funding for Water, Waste Water, and the Multigenerational Facility. Bo Easley in the Electric Department submitted for \$8.5 million dollars in direct spending funding for electrical needs.
- We only received one bid for the downtown MSD Project, and that bid was around 65% above of what the engineers estimate was on the project so we will send it back out to bid. The engineering firm is going to try and solicit more interest from other contractors to submit proposals.
- We received the final quotes for the cost of the redesign for the Main Street, Foch Street project. We are looking at about \$59,000 of additional cost for that so he talked to Carrie at MainStreet T or C, and she is looking for additional funding opportunities to cover that gap.

Torres, Angela

From: destiny m <destinydawn14@hotmail.com>
Sent: Tuesday, April 12, 2022 8:41 AM
To: Swingle, Bruce
Cc: Torres, Angela
Subject: Fw: Reopening of the copper mine in Sierra County

From: DA Hayes <dmdhayes@gmail.com>
Sent: Tuesday, April 12, 2022 8:37 AM
To: Destiny Mitchell <Destinydawn14@hotmail.com>
Subject: Reopening of the copper mine in Sierra County

Dear Commissioner Mitchell, fellow commissioners and City Manager Swingle:

As a 25 year resident and business owner of TorC I have had many conversations with fellow citizens about the need for economic development and the creation of jobs. I think we can all agree on the importance of these two factors to the future of any place we call home.

Unfortunately some think that mining is the answer. If the mine were opened it would create temporary jobs for others brought in from outside of the county. Data shows when the mine was operating in the '80 it had very little economic impact. Also, there is nothing more precious than our limited water supply, especially in the historic drought we are in. The pollution of our water and air by extraction of minerals does not go away. There are plenty of examples of short term jobs which pollute our environment and we, the tax payers, are left to pay for the clean up.

TorC and Sierra County are already experiencing economic development and growth. I ask you as commissioners to focus on the economic benefits of recreational cannabis, the construction of new homes in the city, Spaceport tourism, outdoor recreation opportunities, the robust real estate market, the increased interest in the hot springs. These are all clean sources of income, keep the monies local, and create a future to benefit us all and our children to come.

Thank you.

Sincerely, DImid Hayes

--

Sent from my iPad.

Truth or Consequences City Commission Meeting April 13, 2022
Public Comment – from Ariel Dougherty Caballo Road, TorC

On Item G. 3 – the Proposed Resolution No 56 21/22 on Commission Support for the Copper Flats Mine.

Water, water and more water.

There is no water to support this boondoggle of a proposed effort to revive this mine.

Please include the attached information from Max Yeh who made this powerpoint presentation in 2018 before this Commission. Especially, the 15th slide is telling:

NO NEW WATER RIGHTS MEANS

NO NEW WATER

MEANS

NO DEVELOPMENT BEYOND T or C's

40 YEAR PLAN

There was public hearing on this matter in September 2018 held at the Ralph Edwards Auditorium. The public was overwhelming opposed to the re-opening of this mine.

I urge this Commission to follow the lead of the public and oppose this Resolution.

Thank you. Respectfully submitted by Ariel Dougherty

COPPER FLAT MINE

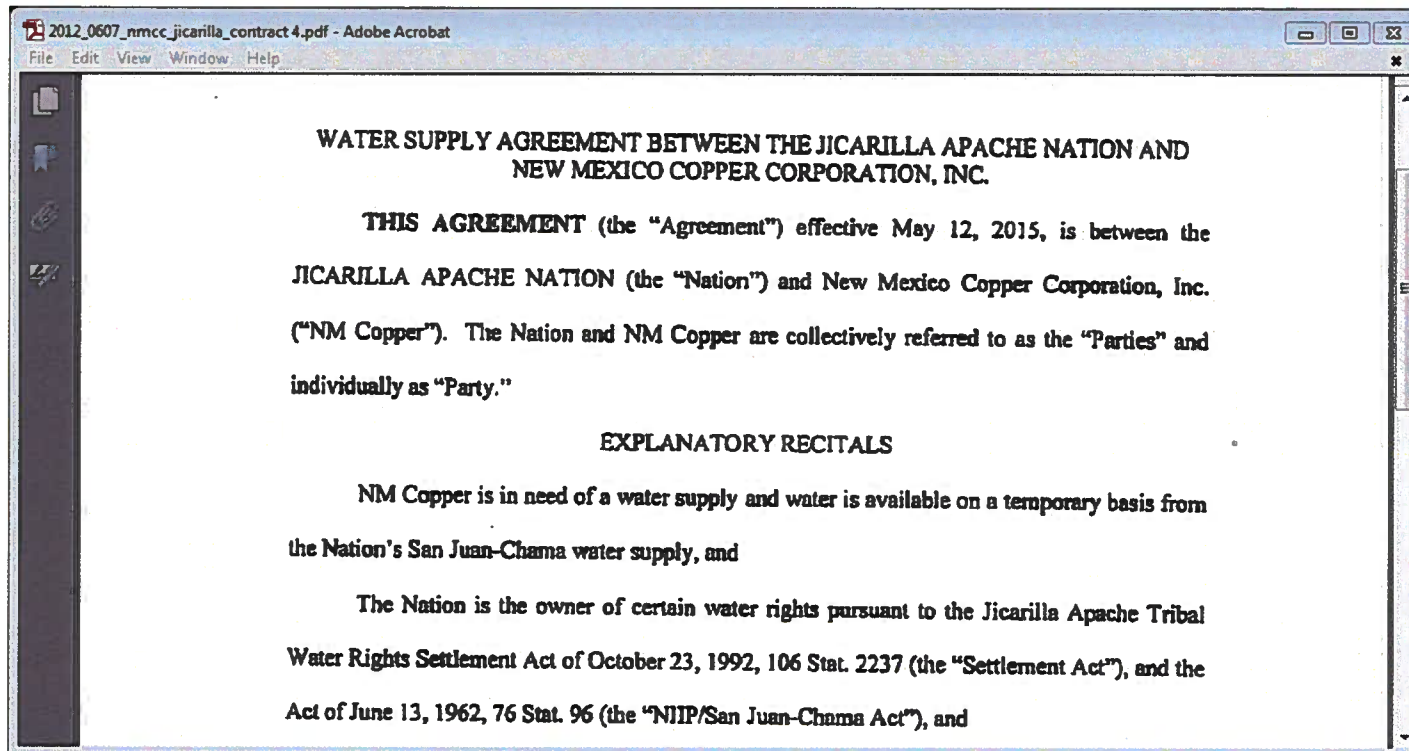
Problems?

JOBS

NMCC SAYS IT WILL CREATE 270 JOBS

OVER 11 YEARS

BUT . . .



TRICKLE ECONOMY

WILL THESE OUTSIDE WORKERS SPEND

MILLIONS OF DOLLARS IN T or C?

HAVE YOU HEARD OF

“COPPER FLAT VILLAGE”?

Karratha Village features 208 standard rooms. Three meals daily and full access to fitness and recreation facilities make working away from home healthier and more productive. The unique feature about this village is that all buildings have been designed to Cyclone Category D rating – the highest wind category in Australia. Located just 8 km from Karratha airport and within Western Australia's Pilbara region, at Madigan Rd, Karratha, WA 6714. *Stay for a day, a week, a month or more!*

Check-in: 2:00pm / Check-out: 10:00am



NMCC SAYS THAT IT WILL BUILD

“COPPER FLAT VILLAGE”

IF THE MARKET IS THERE

SO IF MONEY CAN BE MADE

NMCC, NOT T or C, WILL MAKE IT

STOP 'N GO MINING

NMCC SAYS IT WILL MINE FOR 11 YEARS

**BUT NMCC CAN'T RUN FOR 11 STRAIGHT
YEARS**

BECAUSE COPPER PRICES FLUCTUATE

NMCC'S TARGET OPERATING PRICE

\$3.00 per pound

HOWEVER

AVERAGE COPPER PRICE FROM 1900 TO 2012

\$2.50 per pound in 2012 dollars

NO CONSECUTIVE 11 YEARS ABOVE \$3.00/LB.

TODAY'S PRICE

\$2.65 per pound

STOP 'N GO MINING MEANS

PEOPLE'S LIVES ARE DISRUPTED

THE ECONOMY IS STRESSED

SOCIAL SERVICES AND FOOD PANTRIES CAN'T COPE

NMCC'S FINANCES

WORKING CAPITAL (6/17):

-\$81,000,000

ESTIMATED COST OF CONSTRUCTION (2013):

\$360,000,000

THEMAC'S SHARE PRICE:

6 ¢

THEMAC ENTERS INTO LETTER OF INTENT WITH YUNNAN HALILIYA

POSTED: 04/28/2016

| *POSTED BY: NEWS RESOURCE/PUBLISHER*

**WHAT WILL IT COST US
TO GET THESE FEW TEMPORARY AND
SOCIALLY DAMAGING JOBS?**

**WATER
AND WATER RIGHTS**

WATER

**NMCC WANTS TO USE 2 BILLION GALLONS A YEAR
THAT'S 22 BILLION GALLONS
DURING MINING**

WATER RIGHTS

WATER RIGHTS ARE LIMITED

IF NMCC GETS THE RIGHTS THE COUNTY DOESN'T

NMCC'S WATER RIGHTS

WILL LEAVE THE COUNTY

NO NEW WATER RIGHTS MEANS

NO NEW WATER

MEANS

NO DEVELOPMENT BEYOND T or C's

40 YEAR PLAN

AND NO GROWTH IN THE COUNTY

CITY COMMISSION APRIL 13, 2021 REGULAR MEETING MINUTES

- He provided a calendar from the Fire Department. Fire Chief Tooley was supposed to be on the agenda today to talk, but he got tied up in another meeting and couldn't make it. The T or C fire apparatus in the ladder truck is in the calendar. It is a nationwide calendar that is distributed around the country. That truck cost us around \$780,000. Chief Tooley saves every penny that the fire fund gets and he paid cash for the fire truck through fire protection funds. Not a city dollar was used.
- He updated on the glitch with the utility billing again. When we tried to do the net metering for the prior month it caused a lot of downstream problems within the Tyler system. What it did was instead of taking the traditional 30-day period for billing, it took a 40-day period for billing on Cycle A. It was caught in the processing of billing, but there were several that were sent out for a 40-day cycle. They were billed for actual usage, but it was for a 40-day cycle instead of a 30-day cycle. Those individuals who were affected can go into the utility office and billing can correct that for them or they can just go with the 40-day cycle and they will only be charged for a 20-day usage on their next billing cycle.

City Attorney Rubin reported the following:

- He reported on the lien process, and specifically on 1515 and 1517 Corzine. We obtained a judgement on Monday that allows us to continue. The process is that the City Commission will adopt a Resolution where they find a building that is dilapidated or may cause a threat to the safety and health of the community, and cannot be repaired in an expeditious manner so we will move forward with a resolution to demolish the building. After giving due process and notice to the property owners we will then proceed with the demolition, and then there is a statute that allows us to put a lien on the property for the cost of the removal of the rubble and the cost of demolishing the building. After the lien has been filed, he then has to file a law suit to seek a judgement allowing him to foreclose the lien for our cost of removing the rubble.

City Commission Reports:

Commissioner Harrelson reported the following:

- They are still working on their Junior Commissioner. They are in negotiations on who they are going to assign for this year and then they will be voted out next year.
- The High School Tennis Team has been having local tournaments. There was lots of interest. Today we had Silver City, and last week it was Chaparral. They had double and single tournaments. If you want to come out and support your youth there is a tournament today so you can go out and buy yourself a bag of chips and Gatorade and that money will go towards a pizza party at the end of the school year for the Tennis Team. It's bringing in income because the competitive teams' busses have to fill up their busses here and they ate at one of our restaurants.
- She thanked OJ Hechler and Sean Barnes for going down to the Tennis Courts and flipping on the lights for them.

CITY COMMISSION APRIL 13, 2021 REGULAR MEETING MINUTES

- She wanted to congratulate all of the girls that were brave enough to come out and stand in front of everyone, and answer questions. City Manager Swingle and Kathy Vickers did a great job of announcing it. She thanked them both for that.

Mayor Forrister explained that this is the first time that our high school has had a Tennis Team.

Commissioner Mitchell reported the following:

- She enjoyed the newly elected officials training. She had a great time. She feels that it was a great training, and she learned a lot. There were a lot of really good resources that were presented there. The PowerPoints had a lot of great information on them. It was also great for networking. She got a lot of cards because people want to copy our animal code ordinance. She joked that City Manager Swingle should be happy to have them because there is a lot of drama going on in other communities in New Mexico.
- She announced that they will be having their very 1st annual Mr. Fiesta competition this year for Fiesta weekend. It will be the Friday night of Fiesta.

Commissioner Fahl reported the following:

- In her ongoing position with the Jornada Conservation and Development. In her previous job she led efforts on preparing for community wild fire protection and at one time Sierra Soil had banned all salt cedar on the other side through the state. She thinks that there are funds available to do that and won't have a burden on the city. She will make a more concerned effort to get funding to do that. An ember wash from salt cedar can go over half a mile. She thinks that we all need to be more aware if you have salt cedar on your property. If you cut it, you need to treat it with an herbicide so it doesn't grow back. It is very volatile, and we all need to protect ourselves from a wild land fire because it spreads really fast. Salt Cedar is considered a weed by city code.
- She asked City Manager Swingle to provide the Commission with a list of what the city has funded for the Public Arts Board for in past 5 years.
- She attended the Sierra County Recreation and Tourism Board meeting. They promote events for the County, and they have a really good webpage. The Forrest Service has been attending the meetings so they get more activity and information about their goings and work.
- She attended the last Airport Advisory Board meeting and it was very interesting, and she learned a lot. She wants to attend a few more meetings as well as other advisory board meetings so they can get a feel for that because if they are going to promote people to be on the boards, they need to have a handle on what they do.

Mayor Pro-Tem Hechler reported the following:

- They had a cash party for Fiesta at the Civic Center. He appreciates that the city stepped up and assisted them with the event and cleanup. They also have a wonderful Fiesta Committee who helped clean up as well. It was a great community and Fiesta effort.

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- Fiesta is 3 weeks away, and they are meeting 2-3 times a week to get everything together. He met yesterday with Fiesta Chairman Nick Williams, and Virgin Galactic, and Virgin Galactic is going to be a major sponsor. This is their first effort with is in this regard so things are looking up, and he thinks we will have a wonderful event.

Mayor Forrister reported the following:

- The cash party was awesome, and it was neat to see the women of the wheels for education that were there assisting with the party. She also attended the newly elected training with Mayor Pro-Tem Hechler and Commissioner Mitchell, and their phones were blowing up with calls that were Fiesta related. They are working very hard along with the board, and she really appreciates that. She thinks that our community is really looking forward to an amazing Fiesta event.
- The newly elected officials training, and it was very helpful. They learned a lot. She hopes that they get the PowerPoints so we can send them to our advisory boards so they can learn how a meeting is supposed to be ran, and for them to understand which parameters they need to follow as well. She collected lots of cards, and it was good to have awesome networking, and hear how other Municipalities do business, and to see what kind of problems they are facing in their cities. We are not the only ones who are fighting an outdated infrastructure.
- She thinks it is great that Commissioner Fahl is incorporating the Forest Service into the Tourism Board because she feels that will open up a lot more tourism.
- We hit the fires in the city head on a few years ago with the big fire we had on Mims so if you think that large fires cannot happen here in our city you are very mistaken, and we all need to make a better effort into cleaning up our area around us.

F. CONSENT CALENDAR:

1. **City Commission Regular Minutes, March 23, 2022**
2. **Acknowledge Regular Airport Advisory Board Minutes, January 4, 2022**
3. **Acknowledge Regular Planning & Zoning Minutes, February 17, 2022**
4. **March 2022 Accounts Payable**
5. **Take-home vehicle form for Police Department**

Commissioner Fahl moved to approve the Consent Calendar as submitted. Commissioner Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

G. ORDINANCES/RESOLUTIONS/ZONING:

1. **Discussion/Action: Resolution No. 54 21/22 for the Sale of Surplus Property to be sold at the May 17, 2022 online Auction through J.J. Kane Associates, Inc. dba J.J. Kane Auctioneers:**

City Clerk Torres explained that this is the Resolution process to sell city surplus in an auction. The auction will be held online on May 17, 2022 through J.J. Kane Associates,

Inc. If approved the list of items provided in the packet will be advertised twice in our local newspaper, posted on the city website, posted on the City Clerk's bulletin board, and will be available at the City Clerk's Office.

Commissioner Mitchell moved to approve Resolution No. 54 21/22 for the Sale of Surplus Property to be sold at the May 17, 2022 online Auction through J.J. Kane Associates, Inc. dba J.J. Kane Auctioneers. Mayor Pro-Tem Hechler seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

2. Discussion/Action: Resolution No. 55 21/22 approval of Resolution 55 21/22 confirming the City of Truth or Consequences to participate in the New Mexico Department of Transportation Project Fund Call for Projects:

Traci Alvarez, Assistant City Manager explained that there is a typo correction. "Park" should not be included in the wording. This resolution is for the city to participate in the New Mexico Department of Transportation Project Fund Call for Projects for FY 2023. We would like to submit for multiple roadway and drainage improvements which are listed in attachment A. The total funding amount of \$2,965,358 (including our 5% required local match). However, staff is requesting a waiver from the cash match.

Mayor Pro-Tem Hechler stated under the second "whereas" the second line says finding. He thinks it should be "funding", unless he stands corrected.

Commissioner Mitchell moved to approve the approval of Resolution 55 21/22 confirming the City of Truth or Consequences Park to participate in the New Mexico Department of Transportation Project Fund Call for Projects with the change noted by Mayor Pro-Tem Hechler. Commission Fahl seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

3. Discussion/Action: Resolution No. 56 21/22 for Commission support of the Copper Flat Mine:

Jeff Smith gave a presentation regarding the Copper Flat Mine. (Copy of presentation attached hereto and made a part hereof).

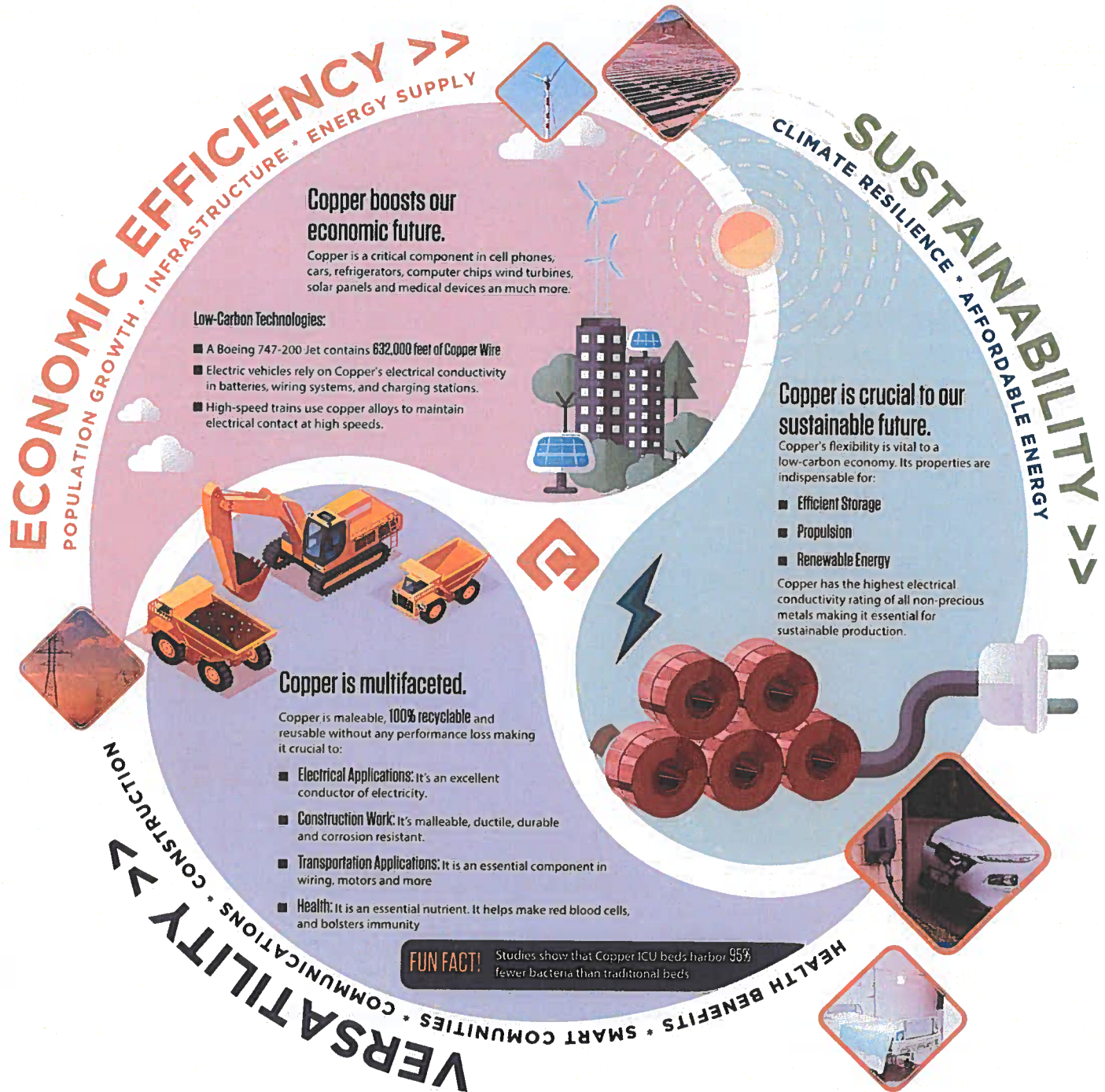
The Commission addressed the concerns with Mr. Smith regarding the concerns submitted by the public.

Commissioner Mitchell stated that she is concerned with employment because every business in town has a help wanted sign. Everyone here is looking for employees so to invite a company that wants to create 200 more jobs is dangerous to the economic development in Truth or Consequences and the County. She is also concerned on an environmental perspective. Mines are not good for an environment. The water also concerns her. She also feels that another main concern is that Hillsboro will not have any

Why Copper?

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New Mexico Copper Corporation to Bring Jobs, Sustainable Operation to Sierra County

About the Project

New Mexico Copper Corporation (NMCC) has been working to develop the Copper Flat Project in Sierra County since 2010. Since that time, NMCC has been performing environmental studies, planning for construction, operation and reclamation and looking at economic feasibility. Since 2012, the project has received several key permitting approvals, including federal environmental studies and air quality and groundwater discharge permits from NMED.

In Sierra County, Copper Flat will produce high quality copper concentrates that also contain significant quantities of molybdenum, gold, and silver. Copper is needed for the transition to clean energy and new technologies and is projected to be in massive short supply in coming years making copper mining more important than ever.

Economic Impact

- ▶ The project will bring **181 full-time, high-paying jobs** to Sierra County.
- ▶ In total, it is projected that NMCC will spend **\$45 million in Sierra County** alone.
- ▶ The economic benefits extend to the entire state:
 - Investment of more than **\$400 million in initial capital**
 - Creating **1,300 construction jobs**
 - Hiring **270 employees** for the operation
- ▶ To date, NMCC has invested **\$6 million in Sierra County**, including expenses like rent, vehicle maintenance and fuel, hotel and restaurants, banking services, contractors, utilities, land payments, property tax and donations.



Sustainability

- ▶ NMCC is committed to creating an operation following strict protocols in the following areas:
 - **Water conservation**
 - **Water quality**
 - **Air quality**
 - **Wildlife protection**
 - **Protection of cultural resources**
 - **Site Reclamation**
- ▶ NMCC has developed a robust closure and reclamation plan with the assurance to reclaim disturbed areas, returning land to post-operation uses that match existing uses and the needs of the area.

For more information, visit www.newmexicocopper.com.



more water left after this. She also suggested that this be heard during a public hearing due to the lack of community support.

Commissioner Mitchell made a motion to table this item until we can have a public hearing on it because she would really like to get the public's input.

Motion died for a lack of a second.

Mayor Pro-Tem Hechler explained that he was on the Commission in 2018 when they took more of a neutral stance in regards to the Mine. He met with the attorneys, and the thing that has changed since then is that they have had a census since then, and we have lost population since then. Economically the city is suffering, and we need to figure out a way to develop and harness economic growth for this community, and this may be one of the ways we can get it done.

Mayor Forrister stated that even if they were to not approve the resolution to support the Copper Flat Mine, that doesn't mean that they cannot move forward doing the Mine. This is only to give our support and that would allow us to give our opinion, and bring information back to T or C.

Commissioner Fahl explained that this should not impact the water in Hillsboro according to tons of studies that have been done.

Mayor Pro-Tem Hechler moved to approve Resolution No. 56 21/22 for Commission support of the Copper Flat Mine. Commission Harrelson seconded the motion. Roll call was taken by the Clerk-Treasurer.

**Hon. Destiny Mitchell, Commissioner voted nay
Hon. Shelly Harrelson, Commissioner voted aye
Hon. Merry Jo Fahl, Commissioner voted aye
Hon. Amanda Forrister, Mayor voted aye
Hon. Rolf Hechler, Mayor Pro-Tem voted aye**

Motion carried with a 4-1 vote.

4. Discussion/Action: Publication of Ordinance No. 730 amending the City of Truth or Consequences Municipal Code of Ordinances, by amending Section 6-77 pertaining to Storage on private property.

Traci Alvarez, Assistant City Manager explained that staff wishes to amend the code pertaining to storage on private property, and eliminate the section allowing residents to store dilapidated furniture, appliances, machinery, equipment, building material, junk, or other items which are either wrecked, junked, dismantled or in inoperative condition behind a fence creating a public health and sanitation issue.

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Commissioner Fahl feels that as long as what they are doing does not affect the value of their neighbor's home, and it is behind a fence, she does not feel it should be an issue.

City Manager Swingle explained that covering the items with a fence does not alleviate the issue, and the public health and safety hazard is still there whether it is fenced or not fenced. That is the main purpose of the amendment to this ordinance.

Commissioner Mitchell moved to approve publication of Ordinance No. 730 amending the City of Truth or Consequences Municipal Code of Ordinances, by amending Section 6-77 pertaining to Storage on private property. Mayor Pro-Tem Hechler seconded the motion. Roll call was taken by the Clerk-Treasurer.

Hon. Shelly Harrelson, Commissioner voted aye

Hon. Amanda Forrister, Mayor voted aye

Hon. Merry Jo Fahl, Commissioner voted nay

Hon. Rolf Hechler, Mayor Pro-Tem voted aye

Hon. Destiny Mitchell, Commissioner voted aye

Motion carried with a 4-1 vote.

5. Discussion/Action: Publication of Ordinance No. 731 amending the City of Truth or Consequences Municipal Code of Ordinances, by amending Sections 11-10-4 and 11-10-5 and adding Section 11-10-6 to the Planning & Zoning Code Pertaining to Storage Units/Shipping Containers with the added language as noted:

Traci Alvarez, Assistant City Manager stated that staff wishes to amend the code to include a section pertaining to shipping containers. Currently our municipal code does not address shipping containers. We've had a lot of phone calls pertaining to the use of them for storage units as well as for dwelling units. She did a lot of research from various Municipalities within New Mexico, and what is presented is pretty much a combination of those that would best fit the city. Storage containers as dwelling units would not be allowed. That is pretty much universal across our state. There are a few areas that allow them in specified rural districts. Our code will not allow them as storage units in residential areas except for in the case of moving or construction, and then it would be for a short period of time. We would allow the use of the shipping container within our commercial district as long as it is not in the downtown historical district as defined in our comprehensive plan. They would however have the option to go in front of the Planning & Zoning Board to get a conditional or special use permit to allow that.

Discussion ensued about different requirements that can be added to the ordinance for the allowance of the Shipping Containers.

The Commissioners had concerns with us not allowing them as storage units or tiny homes because a lot of places have them nowadays, they are great for storage, and that would encroach on people's property rights not to allow that.

Assistant City Manager Alvarez asked the Commission if they would like to see a revision similar to the commercial downtown areas that says that placement with a commercial and industrial district and residential would require a conditional use permit.

Commissioner Mitchell asked if they should add a size restriction to the property.

Assistant City Manager Alvarez stated that they can do it on a case by case basis if it is done as a conditional use permit.

Commissioner Mitchell made a motion to table this item of Publication of Ordinance No. 731 amending the City of Truth or Consequences Municipal Code of Ordinances, by amending Sections 11-10-4 and 11-10-5 and adding Section 11-10-6 to the Planning & Zoning Code Pertaining to Storage Units/Shipping Containers so that the language discussed can be included to the proposed ordinance. Commission Fahl seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

6. Discussion/Action: Publication of Ordinance No. 732 amending the City of Truth or Consequences Municipal Code of Ordinances, by amending Article 5 Pertaining to Motor Vehicles:

Police Chief Rodriguez explained that the purpose of the amendment to this ordinance is to beautify the city, and economic development. This section addresses the issues when it comes to junk motor vehicles that are out there. It talks about hoarding vehicles, unhitched trailers, and the casual sale of vehicles. We have residents that are selling cars out of their front yard. What we are trying to do with this is improve the quality of life. The Police Department deals with Code Enforcement and they constantly get calls from your constituents that are tired of other people infringing on their property rights and quality of life. This is not about the few, it's about the majority, and how we can impact the quality of life for the majority of the community.

Commissioner Mitchell moved to approve Publication of Ordinance No. 732 amending the City of Truth or Consequences Municipal Code of Ordinances, by amending Article 5 Pertaining to Motor Vehicles with amendments as noted. Commission Harrelson seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

H. NEW BUSINESS:

1. Discussion/Action: Presentation, review, and approval of the Law Enforcement Aided Diversion Programs Memorandum of Understanding (MOU):

Lisa Daniel, Olive Tree Executive Director and Victor Rodriguez, Chief of Police presented the Law Enforcement Aided Diversion Programs Memorandum of Understanding (MOU). (Copy of presentation attached hereto and made a part hereof).



LAW ENFORCEMENT ASSISTED DIVERSION

Law Enforcement Assisted Diversion (LEAD) is a community-based diversion program with the goals of improving public safety and public health, and reducing unnecessary justice system involvement of people who participate in the program. In a LEAD arrest diversion program, police officers have the option to divert individuals to a community-based intervention for law violations driven by unmet behavioral health needs, substance use disorders, or poverty.

For some of our community members, untreated substance use disorders, behavioral health needs, and poverty lead to a path toward the criminal justice system. When we can safely and appropriately provide treatment and interventions instead of incarceration, we can create a community that is both healthier and safer. The Law Enforcement Assisted Diversion (LEAD) program is designed to do just that - to provide access to treatment and social services while still being accountable to public safety. Evaluations have shown that participants in LEAD are 58% less likely to return to jail for this behavior than non-participants, creating a safer community and better health outcomes.

The general goals of the LEAD program are to: 1) improve public safety and public order, 2) reduce law violations by individuals who participate in the program 3) help individuals achieve sobriety, mental health balance and treatment, then ultimately stability in our community.

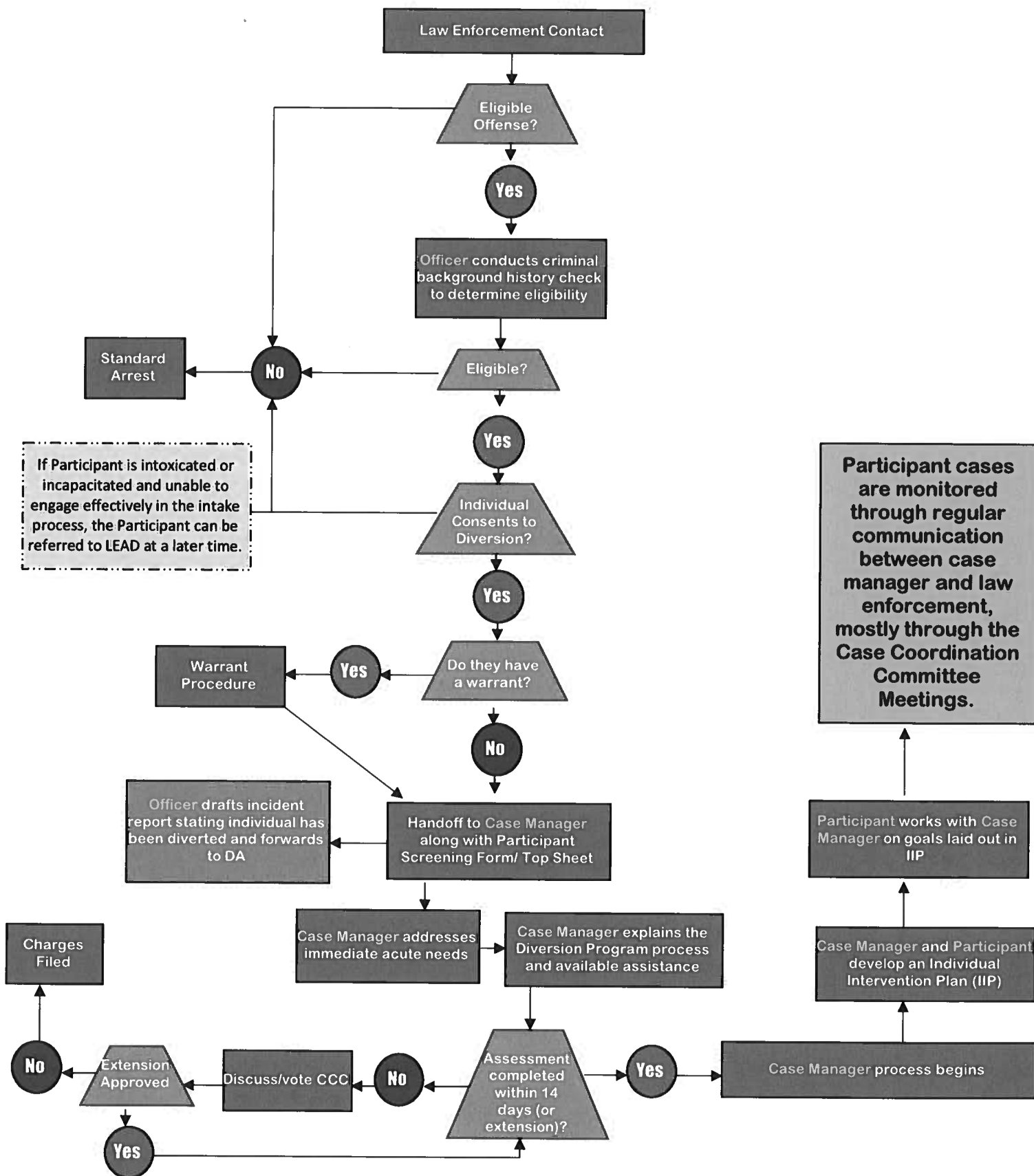
LEAD community partners include, but are not necessarily limited to: Sierra County, The Olive Tree, the City of Truth or Consequences, law enforcement agencies and jurisdictions throughout all of Sierra County, the Sierra County Detention, service providers, and elected officials.

The LEAD program is designed to offer services to individuals in lieu of arrest. These services include: Case Management, individual and group therapies, substance use disorder programs, anger management and other programs as identified by the individual's assessment, and assistance with general health

and living needs such as food, clothing, and hygiene supplies. The program offers housing for homeless individuals, assistance with obtaining documentation, such as a driver's license/ID or Social Security card and transportation for all these services.

As each individual's needs are addressed and treatment is provided, the individual starts their path to recovery and we are one step closer to achieving the program goals.

Sequence of Arrest/Diversion



Mayor Pro-Tem Hechler moved to approve the Law Enforcement Aided Diversion Programs Memorandum of Understanding (MOU) with the correction of the word data instead of date on the 3rd whereas. Commission Harrelson seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

2. Discussion/Action: Presentation, review, and approval of the Crisis Response Team Memorandum of Understanding (MOU). Lisa Daniel, Olive Tree Executive Director and Victor Rodriguez, Chief of Police

Lisa Daniel, Olive Tree Executive Director and Victor Rodriguez, Chief of Police presented the Crisis Response Team Memorandum of Understanding (MOU). (Copy of presentation attached hereto and made a part hereof).

Commissioner Mitchell moved to approve the Crisis Response Team Memorandum of Understanding (MOU). Commissioner Harrelson seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

3. Discussion/Action: Approval of Contract with Parkhill:

Traci Alvarez, Assistant City Manager explained that the Commission has been presented these contracts before. This is when the previous Commission approved Multiple Engineering and Architecture firms for on call services. This is for approval of the contract with Parkhill under the RFP that was approved April 20, 2021. What you have in your agenda packet is a draft. There are a couple of revisions that we are waiting for this engineer to approve. Staff is requesting that you approve entering into a contract once it meets final revision with the City Attorney.

Commissioner Mitchell moved to approve the Contract with Parkhill subject to legal revision. Mayor Pro-Tem Hechler seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

4. Discussion/Action: Approval of NMED Engineering Agreement with Wilson & Co. for the Water Trust Board Project 5089, for the Booster Station Improvements (pending NMED approval):

Traci Alvarez, Assistant City Manager explained that this project was originally awarded back in October 2020. It is one of those projects that goes through NMED approval which has a tendency to take a long time. They have been reviewing the contract. This is a boiler plate required contract that NMED requires as part of the funding process. It is in review at NMED and so we are requesting that the City Commission approve this

Crisis Response Team (CRT) WORKFLOW

01. 911 call comes in and law enforcement is dispatched.
02. Law enforcement assesses individual for safety first then for CRT criteria if mental health related.
03. If law enforcement believes CRT would benefit individual than the CRT line is called.
04. Designated CRT Staff answers CRT phone (per on-call schedule) and obtains initial assessment from law enforcement. CRT Staff then determines if peer support or therapist is needed.
05. For mental health issues that are relatively minor and/or non-emergencies, scheduled designated CRT Staff can either connect with the individual via telephone, iPad, or send another on-call peer support worker/case manager to go out to the scene.
06. For mental health issues that are escalated, designated CRT Staff will call scheduled on-call therapist who will then call law enforcement and then either connect with the individual via telephone, iPad, or go out to the scene.
07. For mental health issues that seem likely to need hospital treatment, therapist collaborates with law enforcement. Individual is transported to Sierra Vista Hospital per law enforcement protocol for medical clearance and therapist assessment. Therapist meets Law Enforcement at triage area of hospital for mental health assessment.
08. Therapist handles mental health assessment and Release of Information, while designated CRT Staff on schedule navigates treatment services/bed, out of town, etc.
09. Hospital staff perform medical assessment for clearance.
10. Hospital staff provide medical assessment/clearance form to Therapist and/or case manager.
11. Law enforcement gives copy of CRT assessment form to Therapist and/or case manager.
12. Individual is transported to out of town treatment by EMS.
13. Therapist and/or case manager puts all forms related to CRT incident in folder and drops off at The Olive Tree next business day for CRT case manager follow-up.

NOTE: Social referrals will be accepted from law enforcement and community at large.

CRT ELIGIBILITY CRITERIA FOR CALL OUT

1. 911 Dispatcher sends law enforcement to incident involving a mental health crisis.
2. Law enforcement assesses level of danger and/or criminal activity.
3. If situation is mental health related and deemed safe, then CRT is called to either speak to the individual in crisis or go out to the scene.
4. CRT assesses situation with individual in crisis.
5. Many crises are resolved at this level with follow-up resources and support provided at a later date.
6. At some point, law enforcement is released.
7. For those that need inpatient treatment, Law Enforcement will take individual to Sierra Vista Hospital with support from therapist and CIT Lead Case Manager for communication/connection with out of town inpatient placement.

agreement pending NMED approval. Once we get NMED approval we can get started on this project.

Commissioner Fahl moved to approve the NMED Engineering Agreement with Wilson & Co. for the Water Trust Board Project 5089, for the Booster Station Improvements (pending NMED approval). Commission Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

5. Discussion/Action: Approval of Summary Plat Amendment on Parcel 3022079415169, Palomas Hot Springs Townsite, Block 30, Lots 1 – 12:

Traci Alvarez, Assistant City Manager explained that the applicant is requesting to amend parcel 3022079415169 by reducing the number of lots. Currently the parcel is divided into 12 lots, and the applicant would like to widen the individual lot sizes, and reduce the parcel to 6 lots. This amendment does not have the effect to significantly alter the impacts on utilities, drainage, or traffic. The applicant request, and public hearing was presented at the Planning & Zoning Meeting on April 7, 2022. The Planning & Zoning Commission recommended approval with a 3-0 vote. We had a concern regarding that a variance request should have been a part of it as well, and that will be done.

Commissioner Fahl asked that the area not be recognized as an arroyo. It is a discharge channel for a flood control structure. It's part of the city's discharge from drainage above 6th street which crosses over by the old Monette Ford.

Mayor Pro-Tem Hechler moved to approve the Summary Plat Amendment on Parcel 3022079415169, Palomas Hot Springs Townsite, Block 30, Lots 1 – 12 pending the future variance request. Commission Fahl seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

6. Discussion/Action: Approval of request to vacate on Hyde Street between South Broadway and Cook Street:

Traci Alvarez, Assistant City Manager explained that the County is requesting that the city vacate the portion of Hyde Street that runs between the Fair barn and the Albert J. Lyons building between South Broadway and Cook Street. The applicant request, and public hearing was presented to the Planning & Zoning Commission on April 7, 2022. The Planning & Zoning Commission recommended approval with a 2-1 vote.

Mayor Forrister recused herself due to the fact that she is now on the Fair Board.

Mayor Forrister left the room while the item was voted on. Mayor Pro-Tem Hechler ran the meeting in the Mayor's absence.

Commissioner Mitchell moved to approve the request to vacate on Hyde Street between South Broadway and Cook Street with a note of easement. Commission Harrelson seconded the motion. Roll call was taken by the Clerk-Treasurer.

**Hon. Rolf Hechler, Mayor Pro-Tem voted aye
Hon. Destiny Mitchell, Commissioner voted aye
Hon. Shelly Harrelson, Commissioner voted aye
Hon. Merry Jo Fahl, Commissioner voted aye
Hon. Amanda Forrister, Mayor recused herself from the vote**

Motion carried with a 4-0 vote and 1 recusal.

7. Discussion/Action: Designate a City Commissioner or City Staff Member to represent the city on the Regional Transportation Planning Organization:

Traci Alvarez, Assistant City Manager explained that this is a board that hasn't had any designation since a previous Mayor a few years back. She has been attending the meetings on behalf of the city when she can. Sometimes it does conflict with her work schedule. On the Regional Transportation Planning Organization, you would be a voting member and you would represent the city in hopes of speaking on behalf of the city for funding that we need for NMDOT street funds. Whomever sits on the board would have to work close with the City Manager.

Mayor Forrister volunteered to be the Regional Transportation Planning Organization city representative.

Commissioner Mitchell moved to approve to appoint Mayor Forrister to be the city representative on the Regional Transportation Planning Organization. Commission Fahl seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

8. Discussion/Action: Approval of Purchase Requisitions over \$20,000.

Assistant City Manager Alvarez reviewed the Requisitions over \$20,000 as submitted in the packet.

Commissioner Fahl moved to approve the purchase requisitions over \$20,000 as submitted in the packet. Commission Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

9. Discussion/Action: Approval of MOU between the City of Truth or Consequences and the Hot Springs Cemetery Association:

OJ Hechler, Community Services Director explained that this is an MOU between the City and the Hot Springs Cemetery Association. The Hot Springs Cemetery Association provides grounds maintenance at the Hot Springs Cemetery and the City provides monetary support in the amount of \$4,000 annually that is paid in quarterly installments of \$1,000.

Commissioner Harrelson moved to approve the MOU between the City of Truth or Consequences and the Hot Springs Cemetery Association. Commission Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

OJ Hechler, Community Services Director thanked the association for their support. \$4,000 is not a lot for what they do over there. He appreciates everything they do for the cemetery and the way they communicate with city staff.

10. Discussion/Action: Approval of Memorandum of Understanding (MOU) with Sierra County for Pictometry Imagery Services:

City Manager Swingle explained that the County has tried to solicit partnership between the County and other governmental entities in the region on this project. They hired a company to come in and do a flyover, and do the Pictometry of the area. The imagery is incredible. The cost is \$10,000 every 3 years should the city choose to continue in the future if you agree to enter into the agreement. The funding would come from the community development budget to cover the cost. The benefit would be to community development, code enforcement, fire, police, all utility departments, and parks. The program is incredible. It actually allows you to see the debris and the waste on a property in almost real time. He highly recommends that the city move forward with this agreement.

Commissioner Mitchell moved to approve the Memorandum of Understanding (MOU) with Sierra County for Pictometry Imagery Services. Commission Harrelson seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

11. Discussion/Action: Authorize City Manager Swingle to proceed with a Quitclaim Deed transfer with New Mexico State for property exchange pertaining to the New Mexico State Veterans Home:

City Manager Swingle explained that the New Mexico State Veterans Home is going to build some small buildings where the grassy area is. On the left hand side by the Veterans Memorial Wall they would need to encroach on our property. Ironically, just above that we are actually encroaching on their property. We have some storage containers that are at the Veterans Memorial behind a fencing. With the State of New Mexico wanting us to give them a Quitclaim on the property, we asked in return the same

thing for the Veterans Memorial, and they agreed to that. They will pay for all survey costs to make that happen.

Commissioner Fahl moved to authorize City Manager Swingle to proceed with a Quitclaim Deed transfer with New Mexico State for property exchange pertaining to the New Mexico State Veterans Home. Commission Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

12. Discussion/Action: Review and Approval of request from AT&T and MD7 to facilitate modifications to the current cell site tower lease on Kopra Street:

City Manager Swingle explained that the last time this item was brought forward he asked that the Commission not approve this so we can have time to negotiate with them. After have the negotiations they feel that this is market value for the small amount of real state that they are going to be leasing, and the \$450 and some change is sufficient on a monthly basis with the increments included. After discussions, he tends to agree with them that this seems to be a pretty fair market value offer.

Mayor Forrister thanked City Manager Swingle for looking into it further before they approve this.

City Manager Swingle stated the difference between this opportunity and those others that we are working on that are several thousand dollars is what is on the property, and what the actual lease is for. This lease is not for the tower. It is only for the ground equipment at the site.

Commissioner Fahl asked if it is a good idea to lock ourselves into a lease that goes until 2060. She would hate to commit other Commissioners to that time frame.

City Manager Swingle stated from a corporate position they want to lock in the longest term they can so they can develop their business plan knowing that they have this site for a certain amount of years. That is something that the Commission should entertain. Should you wish to decrease that term, he doesn't see a problem with that at all. If the Commission chooses to change the expiration date, he will communicate that to them and then see where they want to go.

Commissioner Fahl made a motion to give City Manager Swingle permission to discuss modifications with AT&T and MD7 to the current cell site tower lease on Kopra Street with an expiration lease date of 2030. Commission Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer.

**Hon. Destiny Mitchell, Commissioner voted nay
Hon. Shelly Harrelson, Commissioner voted nay**

Hon. Amanda Forrister, Mayor voted nay
Hon. Merry Jo Fahl, Commissioner voted aye
Hon. Rolf Hechler, Mayor Pro-Tem voted nay

Mayor Pro-Tem Hechler made a motion to give City Manager Swingle permission to discuss modifications with AT&T and MD7 to the current cell site tower lease on Kopra Street as proposed. Commission Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer.

Hon. Amanda Forrister, Mayor voted aye
Hon. Rolf Hechler, Mayor Pro-Tem voted aye
Hon. Destiny Mitchell, Commissioner voted aye
Hon. Shelly Harrelson, Commissioner voted aye
Hon. Merry Jo Fahl, Commissioner voted nay

Motion carried with a 4-1 vote.

13. Discussion/Action: Approval of Cortez Gas Company Lease:

City Manager Swingle explained that several years ago the city thought it was in the best interest of the community to move the bulk propane out of the city limits. The City of Truth or Consequences accommodated Cortez Gas Company by letting them lease space across the street from the Airport. The contract is expiring, and the rent we were charging for the lease is \$100 a month. We increased the rent to \$250 a month. It is probably a little less than fair market value for what we are getting, but he feels that the safety of the community was the driving force behind the city. Cortez Gas Company is comfortable with the agreement and is willing to execute it should the Commissioners wish to do so.

Mayor Pro-Tem Hechler moved to approve the Cortez Gas Company Lease. Commission Harrelson and Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

14. Discussion/Action: Approval of Geronimo Trail Scenic Byway Lease:

City Manager Swingle explained that this is the lease for the Geronimo Trail Scenic Byway for them to occupy the Lee Belle Johnson facility. We provide that building to them at no cost, and the public benefit to the city is that they provide staffing for the visitor center, and meet and greet guests, as well as provide information and resources to our visitors.

Commissioner Mitchell moved to approve the Geronimo Trail Scenic Byway Lease. Mayor Pro-Tem Hechler seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

15. Discussion/Action: Approval of Senior Joint Office On Aging (SJOA) Contract Extension:

City Manager Swingle explained that this is an agreement extension to allow the Senior Joint Office on Aging (SJOA) to occupy the Ken James facility and provide SJOA services from the building. The contract expires in two days so it is rather timely. This would allow for eight one year renewals.

Commissioner Fahl moved to approve the Senior Joint Office on Aging (SJOA) Contract Extension. Mayor Pro-Tem Hechler seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

16. Discussion/Action: Approval of Lease Agreement between the Regents of New Mexico State University (NMSU) and the City of Truth or Consequences:

City Manager Swingle explained that the New Mexico State University (NMSU) would like to put a small weather station out at the Golf Course. It will be in a location that will not hamper golf activities. They will use it for educational and climate information. The agreement is for 5 years and it can be renewed each year thereafter in the interest of education and climatology. There is no rent involved in the lease because there is a public benefit in assisting our educational systems.

Commissioner Mitchell moved to approve the lease Agreement between the Regents of New Mexico State University (NMSU) and the City of Truth or Consequences. Commission Fahl seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

17. Discussion/Action: Approval of the Truth or Consequences Housing Authority Board's recommendation to re-appoint Lee Ann Tooley to serve another term on the board:

City Clerk Torres explained that Steven Rice from the T or C housing Authority contacted her for the re-appointment of LeeAnn Tooley to the T or C Housing Authority Board of Commissioners. He advertised the position back in November, and they received no response from the public. The Board met on March 24, 2022, and by motion approved sending a recommendation to the City Commission to re-appoint Ms. LeeAnn Tooley to serve another term as Commissioner on the T or C Housing Authority Board of Commissioners.

Commissioner Hechler made a motion to re-appoint Lee Ann Tooley to serve another term on the board. Commission Mitchell seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.

CITY COMMISSION APRIL 13, 2021 REGULAR MEETING MINUTES

I. EXECUTIVE SESSION:

- 1. Threatened & Pending Litigation (Discussion of ongoing zoning issues at 606 Camino Del Cielo. David R. Baake, Baake Law) pursuant to 10-15-1(H.7):**

Mayor Pro-Tem Hechler made a motion to go into executive session at 12:55 p.m. to discuss Threatened & Pending Litigation (Discussion of ongoing zoning issues at 606 Camino Del Cielo, (David R. Baake, Baake Law) pursuant to 10-15-1(H.7). Commissioner Fahl seconded the motion. Roll call vote was taken by the Clerk-Treasurer. Motion carried unanimously.

Mayor Forrister reconvened the meeting in open session at 1:53 p.m.

Mayor Pro-Tem Hechler certified that only matters pertaining Threatened & Pending Litigation (Discussion of ongoing zoning issues at 606 Camino Del Cielo, (David R. Baake, Baake Law) pursuant to 10-15-1(H.7) was discussed in Executive Session.

No action was taken.

J. ADJOURNMENT:

Mayor Forrister adjourned the meeting.

Passed and Approved this 27th day of April, 2022.

Amanda Forrister, Mayor

ATTEST:

Angela A. Torres, CMC, City Clerk



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: April 27, 2022

Agenda Item #: F.2

SUBJECT: Acknowledge Regular Public Utility Advisory Board Minutes, March 21, 2022.

DEPARTMENT: City Clerk's Office

DATE SUBMITTED: April 22, 2022

SUBMITTED BY: Angela A. Torres, City Clerk-Treasurer

WHO WILL PRESENT THE ITEM: Consent Calendar

Summary/Background:

Acknowledge Minutes.

Recommendation:

Acknowledge minutes.

Attachments:

Minutes

Fiscal Impact (Finance): N/A

\$0.00

Legal Review (City Attorney): N/A

None.

Approved For Submittal By: ☐ Department Director

Reviewed by: ☒ City Clerk ☐ Finance ☐ Legal ☐ Other: Click here to enter text.

Final Approval: ☒ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. - Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC Agendas 4-27-2022

**CITY OF TRUTH OR CONSEQUENCES
PUBLIC UTILITY ADVISORY BOARD
MONDAY, MARCH 21, 2022**

MINUTES

REGULAR MEETING

Regular meeting of the Public Utility Advisory Board of the City of Truth or Consequences, New Mexico to be held in the City Commission Chambers, 405 W. Third, Truth or Consequences, New Mexico, on Monday, March 21, 2022 at 3:30 pm.

CALL TO ORDER:

The meeting was called to order by Chairman Szigeti.

ROLL CALL:

George Szigeti, Chairman
Jeff Dornbusch, Vice-Chairman
Ron Pacourek, Member
Gil Avelar, Member
Don Armijo, Member

ALSO PRESENT:

Bruce Swingle, City Manager
Bo Easley, Electric Department Head
Sonya Renfro, Utility Department Manager
Dawn C. Barclay, Deputy City Clerk

1. APPROVAL OF AGENDA:

Vice-Chairman Dornbusch made a motion to approve the agenda. Member Pacourek seconded the motion. Motion carried unanimously.

2. APPROVAL OF MINUTES:

a. Regular meeting of February 22, 2022.

Member Armijo made a motion to approve the February 22, 2022 minutes. Member Avelar seconded the motion. Motion carried unanimously.

3. COMMENTS FROM THE PUBLIC:

There were no comments from the public.

4. NEW BUSINESS:

- a. Discussion/ Action: Utility Department report's regarding Service Fees that are not related to Rates or Customer Charges. Sonya Williams, Utility Department Manager**

Sonya Renfro, Utility Department Manager began discussions by reading the suggested rate increases from the Electric and Sanitation Departments. She also added her department's request to raise the service fee on the Williamsburg utility bill from \$1.00 to \$3.50 to start and then implement a possible 5% increase every year thereafter. Ms. Renfro and Bo Easley, Electric Department Head were present to answer any questions from the board.

Other topics discussed were;

- Implementing a standard backhoe fee of \$62.50 per hour as a standard charge for all departments.
- Reconnect fees increase.
- Electric Department: Equipment charges would apply to setting a pole, running new wire, and line extensions.
- Inconsistencies between departments, regarding what is considered city responsibilities vs customer's responsibilities to and from the meters.

After some discussion, the board would like to see the following from each department;

- One backhoe price averaged out between each city department.
- Any Ordinance and/or Resolution pertaining to said fees including connections fees.
- Water Departments proposed equipment rate increase report.
- Copy of Williamsburg Ordinance pertaining to the \$1.00 fee.
- Possible raising the proposed labor fee charge of \$35.00 to a higher amount. It was brought to the board's attention there is a 2-hour minimum charge on the labor fees.

Chairman Szigeti made a motion to table this topic until the above information requested is available to be presented at one time. Member Pacourek seconded the motion. Motion carried unanimously.

5. REPORTS FROM THE BOARD:

There were no reports from the board.

6. REPORTS FROM STAFF:

Bruce Swingle, City Manager wanted to address a few items, the first being Ordinance 664. It is still on hold before it goes to the City Commission for approval. There were some issues after a mock entry was posted to the billing software as a test run. A net metering for solar customers was the sample that was posted, but the results showed it was not a success. There will be a utility auditor visiting the utility department who specializes in the software program "Tyler" to help sort out some of these program issues. Mr. Swingle went on to update the board about the north transformer, it will be arriving a little sooner than expected, with hopes of having it installed before the summer season begins. Next, he spoke about the Downtown Water Project. The City has put out a "Request for Proposal" and is just waiting on the completion of the bidding process with the anticipation of starting the project in May 2022. Mr. Swingle last noted that the quarterly reports will be presented at the next scheduled Public Utility Advisory Board meeting in April.

Sonya Renfro reminded the board the City Sewer rates average will be going up next month.

7. ADJOURNMENT:

There being no further business to come before the Public Utility Advisory Board, Chairman Szigeti made a motion to adjourn the meeting. Member Pacourek seconded the motion. Motion carried unanimously. The meeting was adjourned.

PASSED AND APPROVED ON THIS 18th DAY OF APRIL 2022.

George Szigeti, Chairman
Public Utility Advisory Board



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: May 11, 2022

Agenda Item #: F.3

SUBJECT: Subrecipient FY 21/22 3rd Quarter Reports

DEPARTMENT: City Manager's Office

DATE SUBMITTED: April 20, 2022

SUBMITTED BY: Tammy Gardner, Executive Assistant

WHO WILL PRESENT THE ITEM: Consent Calendar

Summary/Background:

Contract requires that recipients of Subrecipient funding submit a quarterly report to the City by the 15th of the month following the quarter.

Recommendation:

Accept the 3rd Quarter Reports.

Attachments:

- Checklist
- Reports

[Click here to enter text.](#)

Fiscal Impact (Finance): N/A

\$0.00

Legal Review (City Attorney): N/A

None.

Approved For Submittal By: ☒ Department Director

Reviewed by: ☐ City Clerk ☐ Finance ☐ Legal ☐ Other: [Click here to enter text.](#)

Final Approval: ☐ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. [Click here to enter text.](#) Ordinance No. [Click here to enter text.](#)

Continued To: [Click here to enter a date.](#) Referred To: [Click here to enter text.](#)

☐ Approved ☐ Denied ☐ Other: [Click here to enter text.](#)

File Name: CC Agendas 4-27-2022.

SUBRECIPIENT QUARTERLY REPORTS**FISCAL YEAR: 2021-22**

Updated: 04/20/22

Reports are due by the 15th of the month following the quarter.

Exception: 4Q report due 06/03/2022

Exception: 4Q report due 06/03/2022

NAME OF ORGANIZATION	ALLOTMENT	1ST QTR. REPORT		2ND QTR. REPORT		3RD QTR. REPORT		4TH QTR. REPORT	
		YES	NO	YES	NO	YES	NO	YES	NO
(SUBRECIPIENT FUNDS)									
Companion Animal Action Team/CAAT Majie Powey 740-0421	\$1,500.00	X	10/13	X	1/12	X	4/8		
Domestic Abuse Intervention Center Blanca Chavez 894-3557	\$2,500.00	X	10/07	X	1/10	X	4/5		
Matthew 25 Food Pantry Dawn Jensen 847-785-9498	\$5,000.00	X	10/15	X	1/18				
SJOA / Sierra Joint Office on Aging Lisa Mattingly 894-6641	\$47,000.00	X	10/14	X	1/13	X	4/6		
The Club of Sierra County Rebecca Dow 575-571-1056	\$10,000.00	X	10/14	X	1/5	X	4/5		
(OTHER FUNDS)									
Geronimo Springs Museum Marilyn Pope 894-6600	\$7,500.00	X	9/17	X	1/4	X	4/1		
Geronimo Trail Scenic Byway LaRena Miller 894-2255	\$5,000.00	X	10/08	X	1/7	X	4/5		
MainStreet Truth or Consequences Linda DeMarino 740-6180	\$45,000.00	X	10/15	X	1/14	X	4/11		

1st Quarter: JUL, AUG, SEP

2nd Quarter: OCT, NOV, DEC

3rd Quarter: JAN, FEB, MAR

4th Quarter: APR, MAY, JUN

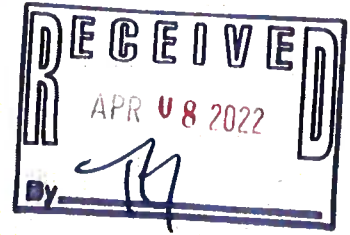
Copies to City Mgr. & Commission

Copies to City Mgr. & Commission

Copies to City Mgr. & Commission

Copies to City Mgr. & Commission

COMPANION ANIMAL ACTION TEAM
PO BOX 512
WILLIAMSBURG, NM 87942



SUBRECIPIENT GRANT
FY 2021/2022
(3rd) QUARTER INVOICE

Date of Invoice: *April 8, 2022*

Invoice Amount: \$ 375.00

Submit To: *City of Truth or Consequences*
ATTN: City Clerk's Office
505 Sims Street
Truth or Consequences, NM 87901

Allocation Amount: \$1500.00

Quarter Draw: \$375.00

Please send payment to: *Companion Animal Action Team*
PO Box 512
Williamsburg, NM 87942

Thank you,

Majorie E. Powey

Signature of Authorized Representative

Majorie E Powey
575-740-0421

SUB-RECIPIENT QUARTERLY REPORT

FY: 2021-20222ORGANIZATION: CAAT COMPANION ANIMAL ACTION TEAMALLOCATION: \$1,500.00

(FY Allotment, Not Qtr. Draw)

QUARTER: 3RD

(1st/2nd/3rd/4th)

(Please confine your report to a one-page "narrative" for each quarter.)

Paws and Hooves held a clinic on January 11, 2022. During that clinic we spayed 10 cats, neutered 8 cats, we neutered 3 dogs and spayed 4 dogs. All dogs were well over 50 lbs. The next clinic was scheduled for February 14 and we were at the building when we received a call from Dr Starr and she told us that the truck used to pull the clinic had broken down. They tried to get another truck but that one also had problems so we called all the owners and rescheduled them for April 19. We have two clinics in April and one in May and possibly one in early June. She is having some difficulty scheduling clinics due to one of her vets leaving. We insure that all animals are up to date for vaccines and pay for them if the owner cannot afford them. Attached is the voucher for January 11, 2022.

SUBMITTED BY:

Majorie E ovey

TYPED NAME

/

Majorie E Ovey

SIGNATURE

DATED: 04/08/22

INVOICE

PNH Mobile 2

3233 N. Mesa St Suite 210
El Paso, TX 79902
915-584-4491

"Helping El Paso Help Their Pets"

FOR: T or C CAAT
PO BOX 204
Williamsburg, NM

Printed: 01-11-22 at 2:41p
Date: 01-11-22
Account: 15892
Invoice: (open)

Date	For	Qty	Description	Price	Discount	Net Price
Services by Amy Starr, DVM PS						
01-11-22	2022/01/11	224	PNH-M Milleage (S/N Clinic) per mil			712.32
01-11-22		1	S/N Clinic Day			1500.00
01-11-22		26	PNH-M Presurgery Intake Exam	390.00	390.00	0.00 **
01-11-22		8	Feline Castration	440.00	440.00	0.00 **
01-11-22		10	Feline Ovariohistorectomy	750.00	750.00	0.00 **
01-11-22		4	Canine Ovariohisterectomy >40	480.00	480.00	0.00 **
01-11-22		3	Canine Castration >40	300.00	300.00	0.00 **
01-11-22		56	PNH-M2 Tramadol Tablet 50mg (1	26.32	26.32	0.00 **
01-11-22		16.90	PNH2 Ketamine-Xylazine Comb Inj			0.00
01-11-22		23	PNH2 Rabies 3yr Vaccine (10ml)			322.00
01-11-22		14	PNH2 Feline FVRCP Vaccine (1ml)			126.00
01-11-22		4	PNH2 K9 DAPP Inventory (1ml)			36.00
01-11-22		2.20	PNH-M2 Metacam/Loxi Inj 5mg/m (45.00
01-11-22		0.70	PNH-H Convenia Injection 80mg/ml			65.00

Services by

01-11-22	#1465	Check payment	-2806.32
----------	-------	---------------	----------

Old balance	Charges	Payments	Discount	New balance
0.00	2806.32	2806.32	2386.32 **	0.00

Your invoice total reflects our **Client Class 1** discount.

Reminders for: **2022/01/11**

Last done

01-11-23	MVC Exam W/Vaccines	01-11-22
----------	---------------------	----------

Thank you for letting us care for your pet(s)! Refer a new client and get \$20 off your next visit.

We will not process any type of credit card transaction without proper form of card holder's I.D. present.

We do not give refunds or reimbursements for professional services rendered, deposits

on surgeries/major procedures or inventory items that have left the facility. Further charges such as lab tests, radiology, hospitalization, anesthesia and pharmacy items not posted at the time of discharge may be billed later. We do require a 24 hour advanced notice on all/any cancellations. \$25 cancellation fee will be charged on all No show less than 24 hours notice and surgery deposits will be forfeited. We appreciate your understanding.

Also, check out our website (www.paws-n-hoovesvetclinic.com), online pharmacy, Facebook, YouTube, Pinterest, SnapChat and LinkedIn!

Do you have additional questions? Call us at Paws N' Hooves Mobile Veterinary Services (915) 490-4849 or Mesa Veterinary Clinic (915) 584-4491.

ORGANIZATION/RECIPIENT'S NAME
ADDRESS
CITY, STATE and ZIP

76

SUBRECIPIENT GRANT
FY 2021/2022
(3rd) QUARTER INVOICE

Date of Invoice: *April 5, 2022*

Invoice Amount: \$625.00

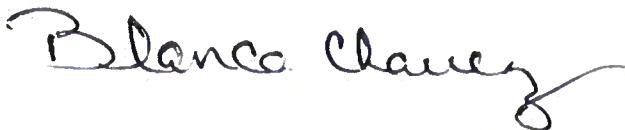
Submit To: *City of Truth or Consequences*
ATTN: City Clerk's Office
505 Sims Street
Truth or Consequences, NM 87901

Allocation Amount: \$2500.00

Quarter Draw: \$625.00

Please send payment to: *Domestic Abuse Intervention Center*
P.O. Box
Truth or Consequences, NM 87901

Thank you,



Blanca Chavez
575-894-3557

SUB-RECIPIENT QUARTERLY REPORTFY: 2021/22ORGANIZATION: Domestic Abuse Intervention CenterALLOCATION: \$2,500.00QUARTER: 3rd

(FY Allotment, Not Qtr. Draw)

(1st/2nd/3rd/4th)

(Please confine your report to a one-page "narrative" for each quarter.)

Statistical Information:		Years	Victimization	Referral	
Female- 30	Anglo- 26	18-21- 3	Emotional -29	Police- 4	Sherriff-
Male-9	Hispanic- 6	22-40- 22	Physical -16	Hospital-	Self-Referral-12
	Other- 7	41-59- 13	Sexual- 4	Courts- 16	Friends- 3
		60-74- 1	Stalking-	Family-	Other-
		Unknown - 0		CYFD-1	

Type of Contact:

Volunteer Hours: Total- 1657

Orders of Protection- 16

Cell Phone- 1648

Individual Support Sessions- 60

Adminstrate- 7.55

Group -142.5

Crisis -1.5

Victim Advocacy - 95.25

Office-

Crisis Intervention - 15

Direct Client Contact (crisis)-1.5

Shelter -6

Transportation- 2

Food - 5

Legal Advocacy -2

Case Management - 85.25

DVOTI Individual Sessions - 0

January -

February -

March

Dues 229.50

windstream -191.42

Windstream-204.08

Total \$625.00

SUBMITTED BY:

Blanca Chavez

TYPED NAME

/ 

SIGNATURE

DATED: 04/05/22

Rev. 5/2013

Sierra Joint Office on Aging
406 W. 4th Ave
Truth or Consequences, NM 87901

RECEIVED APR 08 2022

Ta

SUBRECIPIENT GRANT
FY 2021/2022
3rd QUARTER INVOICE

Date of Invoice: 4/5/2022

Invoice Amount: \$11,750.00

Submit To: *City of Truth or Consequences*
ATTN: *City Clerk's Office*
505 Sims Street
Truth or Consequences, NM 87901

Allocation Amount: \$47,000.00

Quarter Draw: \$11,750.00

Please send payment to: *Sierra Joint Office on Aging*
406 W. 4th Ave
Truth or Consequences, NM 87901

Thank you,



Lisa L. Mattingly
Finance Director
575-894-6641
575-740-2066

Th

SUB-RECIPIENT QUARTERLY REPORT

FY: 2021/22ORGANIZATION: Sierra Joint Office on AgingALLOCATION: \$47,000.00QUARTER: 3rd

(FY Allotment, Not Qtr. Draw)

(1st/2nd/3rd/4th)

(Please confine your report to a one-page "narrative" for each quarter.)

12,500 Meals served in the drive-thru for the months of January thru March 20226054 Meals delivered to Homebound seniors1974 Transportation (Rides)/local. Las Cruces rides have resumed as of September48 rides for Assisted Transportation1902.5 hrs. Homemaking services provided169.5 hours provided for Respite.We are now serving meals in the dining room but still offer meals to go as we have the last two years due to lingering COVID concerns.Transportation services have been opened up to other destinations besides doctors and grocery shopping. We have also resumed the Las Cruces run.Homemakers have resumed in home services with additional precautions put in place.We still continue with well-check calls to seniors to check in on them and make sure they have what they need and assist where possible. 645 calls this quarter.We are also assisting seniors who might be having trouble signing up for the COVID-19 vaccinations on the NMDOH website.SUBMITTED BY: Lisa L. Mattingly

TYPED NAME

SIGNATURE

DATED: 04/05/22

Rev. 5/2013

RECEIVED APR 05 2022

The Club
122 North Broadway St.,
T or C, NM 87901

SUBRECIPIENT GRANT
FY 2021/22
3rd QUARTER INVOICE



Date of Invoice: 4/4/2022

Invoice Amount: \$2,500

Submit To: *City of Truth or Consequences*
ATTN: *City Clerk's Office*
505 Sims Street
Truth or Consequences, NM 87901

Allocation Amount: \$10,000

Quarter Draw: \$2,500

Please send payment to: *The Club*
1300 S. Broadway St.
T or C, NM 87901

Thank you,

Charis Baxter
575-888-0174

SUB-RECIPIENT QUARTERLY REPORT

FY: 2021/22ORGANIZATION: The ClubALLOCATION: \$10,000.00

(FY Allotment, Not Qtr. Draw)

QUARTER: 3rd

(1st/2nd/3rd/4th)

(Please confine your report to a one-page "narrative" for each quarter.)

The Club provided free Dinners to all youth who attended our programming. We provided transportation to and from the schools as well as sports and club practices and meetings along with games. We were open 12-6 mon-fri during the holiday break and took fieldtrips to the aquarium, trampoline park and went Geocaching around town to explore our area. Youth learned how to read tape measures and other practical areas of math and construction.

We provided high quality trained mentors for youth to connect with as well as out of school time programming at no cost. We have provided a multitude of free classes based on youth interest.

The Club served a total of 34 registered youth during this quarter.

SUBMITTED BY: _____

Charis Baxter

TYPED NAME

SIGNATURE

DATED: 04/05/22

Rev. 5/2013

GERONIMO SPRINGS MUSEUM
211 MAIN
TRUTH OR CONSEQUENCES, NM 87901



SUBRECIPIENT GRANT
FY 2021/23
3RD QUARTER INVOICE

DATE OF INVOICE-MARCH 30, 2022

INVOICE AMOUNT-\$1,875.00

SUBMIT TO: CITY OF TRUTH OR CONSEQUENCES,
805 SIMS STREET
TRUTH OR CONSEQUENCES, NM 87901

ALLOCATION AMOUNT:: \$7,500.00
QUARTER DRAW: ~~\$1,250.00~~ \$1,875.00

PLEASE SEND PAYMENT TO: GERONIMO SPRINGS MUSEUM
211 MAIN
TRUTH OR CONSEQUENCES, NM 87901

THANK YOU,

A handwritten signature in cursive script that reads 'Marilyn Pope'.

MARILYN POPE
PHONE NO. 575-894-6600 (GSM) 575-740-0724 (C)

SUB-RECIPIENT REPORT**FY:2021/22****ORGANIZATION: GERONIMO SPRINGS MUSEUM****ALLOCATION: \$7,500.00****QUARTER: \$1,250.00**

FOLLOWING IS A LIST OF EXPENDITURES PARTIALLY PAID BY THESE MONIES

TURTLEBACK PEST CONTROL	1-13-22	#1127	\$52.63
	2-14-22	#1145	\$52.63
	3-28-22	#1165	\$52.63

WINDSTREAM	1-31-22	#1141	\$231.96
	2-14-22	#1151	\$266.14
	3-28-22	#1170	\$232.99

CITY OF T OR C	1-24-22	#1134	\$309.26
	2-28-22	#1153	\$411.52
	3-28-22	#1169	\$281.39

NEW MEXICO GAS	2-07-22	#1142	\$24.80
	2-28-22	#1152	\$136.89
	3-28-22	#1152	\$68.92

ALARM SERVICES DE LAS CRUCES	1-31-22	#1139	\$570.65
	2-29-22	#1154	\$422.42

TOTAL \$2,809.73

WE ARE SO THRILLED TO BE OPEN AND HAVING GOOD ATTENDANCE. WE ARE CELEBRATING OUR 50TH ANNIVERSARY THIS YEAR, SO ARE MAKING PLANS FOR A BIG CELEBRATION. MORE ABOUT THAT LATER! WE HAVE NEW DISPLAYS FOR GEM AND MINERAL, EL CAMINO REAL, AND GENEALOGY. WE WILL BE HOLDING AN OPEN HOUSE FOR THE FIESTA, AS WE ALWAYS DO. THERE WILL ALSO BE A PRESENTATION ON FIESTA SATURDAY. HENRIETTA MARTINEZ CHRISTMAS WILL BE DISCUSSING THE IMPORTANCE OF THE HISPANIC IN THE HISTORY OF OUR AREA.

COME BY AND VISIT ANYTIME. IF THERE ARE QUESTIONS OR SUGGESTIONS, PLEASE DON'T HESITATE TO SHARE THEM WITH US. WE ARE CURRENTLY OPEN FIVE DAYS A WEEK. HOWEVER, WE WILL BE GOING BACK TO THE OLD SCHEDULE THE LAST WEEK IN APRIL OF SEVEN DAYS A WEEK. WE ARE HAVING A TOUR GROUP TOMORROW FROM ALBUQUERQUE TOMORROW, SO THINGS ARE LOOKING UP.

WE THANK YOU SO SINCERELY FOR YOUR HELP WITH OUR COMMUNITY MUSEUM. WE ALWAYS STRIVE TO REPRESENT OUR AREA AT ITS BEST!

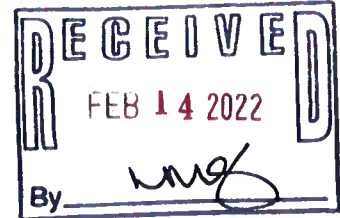
Marilyn Pope 3/30/22

Geronimo Trail Scenic Byway, Inc.

P O Box 1072 • 301 S Foch • Phone (575) 894-1968
Truth or Consequences, New Mexico 87901

INVOICE **subrecipient grant**

MA



Date 1-14-2022

To City of Truth or Consequences

For Operating expenses January 2022

Telephone \$ 195.08

Renters Insurance \$ 62.83

Postage \$ 121.88

Supplies & printing \$ 348.58

Actual total \$ 728.37

Amount due \$ 416.66 per contract

Thank you

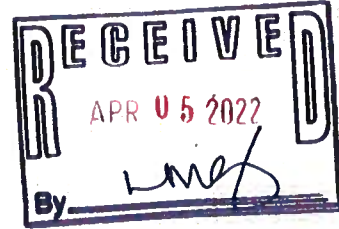
L Miller

Geronimo Trail Scenic Byway, Inc.

P O Box 1072 • 301 S Foch • Phone (575) 894-1968

Truth or Consequences, New Mexico 87901

INVOICE subrecipient grant



Date 4-4-2022

To City of Truth or Consequences

For Operating expenses February 2022 March 2022

Telephone	\$	200.98	129.46
-----------	----	--------	--------

Renters Insurance	\$	62.83	62.83
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Postage	\$	162.60	3.36
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Supplies & printing	\$	9.60	372.63
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Actual total	\$	436.01	568.28
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Amount due \$ 416.66 per contract per mo 833.32

Thank you

Lorona Miller

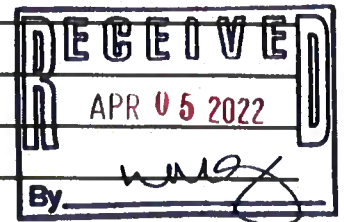
SUBRECIPIENT QUARTERLY REPORT(Report is due by the 15th of the month
following the quarter.)FY: **2021-2022**ORGANIZATION: **Geronimo Trail Scenic Byway**ALLOCATION: **\$5,000.00**QTR DRAW: **\$1,250.00**QUARTER: **3rd**

(FY Allotment, Not Qtr. Draw)

(1st/2nd/3rd/4th)

(Please detail the progress made in providing the services each quarter.)

*January, February, and March we were open 7 days a week, Monday - Thursday 10 - 3
Friday and Saturday 9 - 4:30 and Sunday 9 - 2:30. We had 2,480 visitors sign in, responded to 105
telephone calls for information, responded to 414 emails, and mailed out 5 packets of visitor
information. We sent one case of brochures to Silver City and shipped 2 cases of brochures to
the I-40 visitors center west of Gallup.*

Total expenses for the period:**Telephone \$ 525.52****Insurance \$ 188.49****Postage \$ 287.84****Supplies \$ 730.81****Total expenses for the qtr \$ 1732.66**

*Overage in expenses is paid by donations, Cash for Clubs receipts from Bullocks, sale of souvenir
items for both Truth or Consequences and Spaceport America on which we pay GRT. Any other
expenses and supplies are covered by the Director and Board donations. We have been open 7
days a week with 5 volunteers. Our visitation has increased since the Spaceport Tours are again
originating out of their visitor center. We continue to open and close the Spaceport room and
turn their equipment on and off.*

*Our supply line is higher because many of the flyers and handouts we re-print ourselves on one of
two laser printers, and ink has increased in cost. In our original contract the City was supplying us
with internet service, but that discontinued after Follow the Sun Tours left. We have been paying
our internet with our telephone bill. We had fiber-optics installed on a 3-year contract that
will decrease the cost of telephone and internet service during the term of the contract.*

*We contribute a minimum of 48 volunteer hours per week in the visitors center. The
director spends approximately 12 hours per month on administrative duties above and beyond
her volunteer hours. We are closed Thanksgiving, Christmas Day and New Year's Day and Easter.
We contribute over \$40,000.00 to the City with our volunteer duties promoting the City.*

SUBMITTED BY:

LaRena Miller

TYPED NAME

LaRena Miller

SIGNATURE

DATED: **04/04/22**

MainStreet Truth or Consequences
PO Box 1602
Truth or Consequences, NM 87901

SUBRECIPIENT GRANT
FY 2021/2022
(3rd) QUARTER INVOICE

Date of Invoice: 04/06/2022

Invoice Amount: \$ 11,250.00

Submit To: *City of Truth or Consequences*
ATTN: City Clerk's Office
505 Sims Street
Truth or Consequences, NM 87901

Allocation Amount: \$ 45,000
Quarter Draw: \$ 11,250.00

Please send payment to: *MainStreetTorC attn.: Treasurer*
PO Box 1602
Truth or Consequences, NM 87901

Thank you,



Blanch Almquist, Treasurer
(575) 543-8182

SUBRECIPIENT QUARTERLY REPORT
FY: 2021/2022

ORGANIZATION: MainStreet Truth or Consequences

ALLOCATION: \$45,000 \$11,250.00
(FY Allotment) (Quarterly Draw)

SUBMITTED BY: Blanch Almquist
Print Name

QUARTER: 3rd
(1st/2nd/3rd/4th)


Signature

(Please see attached)

**SUBRECIPIENT QUARTERLY REPORT
2021-2022**

FY

ORGANIZATION: MainStreet Truth or Consequences

ALLOCATION: \$45,000 **QUARTERLY DRAW:** \$11,250 **QTR:** 3rd (Jan 1 - March 31)

(Please detail the progress made in providing the services each quarter.)

MainStreet Truth or Consequences continues to provide community economic growth revitalization services to the property and business owners and residents of the district through the MainStreet Four-Point Approach®, and in alignment with the guidelines of the NMSC. Our work with the local government partners ensures that appropriate financial revitalization tools, created through state statute for economic development (inclusive of any statutory changes), are adopted by the local government partner for the MainStreet District. These tools may include the Local Economic Development Act (LEDA), a Metropolitan Redevelopment Area (MRA), District Master Plan, and/or Cultural Economic Development Plan, and related finance mechanisms, such as Tax Increment Finance District (TIF), a Tax Increment Development District (TIDD) and/or a Business Improvement District (BID).

Economic Transformation Strategy Progress - Enhance economic opportunities in the district and increase foot traffic by area residents and visitors.

- Developing a Relocation Package for new businesses and residents considering our community; currently with the designers and editors
- Planning, development and implementation of a new business survey supported the LEADS grant to survey new business owners on the process of starting a new business in our district, evaluating the results, and making a report to the City for improvements to the process; MainStreet TorC hired contractors for out/reach/promotion, to administer the survey, and for data entry; the survey is complete and closed; a report has been delivered to the City for review and consideration.
- Planning for Fiesta 2022, promoting, volunteering and providing sponsorship
- Collaborating with district businesses on beautification and façade renovation projects
- On-going
 - Providing information to help businesses stay up-to-date on Covid-related restrictions and requirements, as needed
 - Relaying information to help businesses access funding and assistance opportunities
 - Updating/maintaining a "minimally viable" vacancy list of downtown buildings
 - Providing information and assistance with startups, including support with licensing/permitting
 - Assisting partners in marketing of Small Business Saturday
 - Second Saturday Art Hop brochure and promotions
 - Promote Healing Waters Plaza as a place for events.

SUBMITTED BY:

Blanch Almquist, Treasurer DATED: 4/06/2022

MainStreetTorC Budget 2021-2022 attached

MAINSTREET TRUTH OR CONSEQUENCES BUDGET 2021-2022

Income

City of T or C Subrecipient Grant	\$45,000.00
Lodger's Tax	\$11,000.00
Board Contributions	\$3,500.00
Donations/Fundraising Goal-Gross	\$10,000.00
Sponsorships	\$5,000.00
USDA RBDG	\$10,150.00
NMMS LEADS Grant	\$7,400.00
Total Income	\$92,050.00

Personnel (list each position)

Executive Director	\$40,000.00
Benefits & Taxes 7.65% of salaries	\$3,060.00
Total Personnel and Benefits/Taxes	\$43,060.00

Administration Expense

Rent	\$3,600.00
Utilities	\$1,300.00
Telecommunications	\$1,260.00
Office Supplies & Materials	\$1,000.00
Postage and Mailing	\$150.00
Printing/Copying	\$500.00
Travel (mileage, transportation, per diem)	\$3,450.00
Memberships & Subscriptions	\$819.00
Liability Insurance	\$1,712.00
Contractors Bookkeeping/CPA	\$2,350.00
Training/Professional Development Registration Fees	\$300.00
Total Administration Expenses	\$16,441.00

Program Expense

Marketing/Outreach/Promotion	\$11,750.00
Awards & Recognitions	\$200.00
Dog Park	\$2,889.34
Other Projects	\$500.00
Total Program Expense	\$15,339.34

Total Operating Expenses

Total Operating Expenses	\$74,002.16
Total Income	\$92,050.00
Misc / Carryover 2022-23	\$18,047.84



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: April 27, 2022

Agenda Item #:

G.1

SUBJECT: Resolution No. 52 21/22 approving the acceptance of the Fiscal Year 2020-21 Audit.

DEPARTMENT: Finance

DATE SUBMITTED: April 12, 2022

SUBMITTED BY: Carol Kirkpatrick, Finance Director

WHO WILL PRESENT THE ITEM: Chris Garner, Pattillo, Brown & Hill, LLP and Carol Kirkpatrick, Finance Director

Summary/Background:

Mr. Chris Garner will give the overview Presentation. The State Auditor's Office has a requirement that all audits must be approved by Resolution.

Recommendation:

Presentation & Approve Resolution #52 21/22 accepting the Fiscal Year 2020-2021 Audit.

Attachments:

- Presentation

Fiscal Impact (Finance): TBD

Unknown at this time.

Legal Review (City Attorney): No

[Click here to enter text.](#)

Approved For Submittal By: ☒ Department Director

Reviewed by: ☒ City Clerk ☒ Finance ☒ Legal ☐ Other: [Click here to enter text.](#)

Final Approval: ☒ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. 52 21/22 Ordinance No. N/A

Continued To: [Click here to enter a date.](#) Referred To: [Click here to enter text.](#)

☐ Approved ☐ Denied ☐ Other: [Click here to enter text.](#)

File Name: CC Agendas 4/27/2022

BRIAN S. COLÓN, ESQ. CFE
STATE AUDITOR



NATALIE CORDOVA, CPA
DEPUTY STATE AUDITOR

State of New Mexico
Office of the State Auditor

CONSTITUENT SERVICES
(505) 476-3821

Via: Email

3/31/2022
Bruce Swingle, City Manager
bswingle@torcnm.org
City of Truth or Consequences

OSA Ref No. 6176

Re: Authorization to Release 2021 City of Truth or Consequences Audit Report

The Office of the State Auditor (OSA) received the audit report for your agency on 12/14/2021. The OSA has completed the review of the audit report required by Section 12-6-14(B) NMSA 1978 and any applicable provisions of the Audit Rule. This letter is your authorization to make the final payment to the Independent Public Accountant (IPA) who contracted with your agency to perform the financial and compliance audit. In accordance with the audit contract, the IPA is required to deliver to the agency the number of copies of the report specified in the contract.

Pursuant to Section 12-6-5 NMSA 1978, the audit report does not become a public record until five days after the date of this release letter, unless your agency has already submitted a written waiver to the OSA. Once the five-day period has expired, or upon the OSA's receipt of a written waiver:

- the OSA will send the report to the Department of Finance and Administration, the Legislative Finance Committee and other relevant oversight agencies;
- the OSA will post the report on its public website; and
- the agency and the IPA shall arrange for the IPA to present the report to the governing authority of the agency, per the Audit Rule, at a meeting held in accordance with the Open Meetings Act, if applicable.

The OSA has received a 5 day written waiver request by your agency and the report will posted to the OSA's website and made public immediately.

The IPA's findings and comments are included in the audit report on page 105-106. It is ultimately the responsibility of the governing authority of the agency to take corrective action on all findings and comments.

Sincerely,

A handwritten signature in blue ink, appearing to be "B. Colón", with a stylized flourish at the end.

Brian S. Colón, Esq. CFE
State Auditor

cc. Pattillo, Brown & Hill, LLP

**STATE OF NEW MEXICO CITY OF
TRUTH OR CONSEQUENCES**

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2021



PATTILLO, BROWN & HILL, LLP

CERTIFIED PUBLIC ACCOUNTANTS • BUSINESS CONSULTANTS

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
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**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
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STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES

Official Roster

June 30, 2021

<u>Title</u>	<u>Name</u>
City Commissioner/Mayor.....	Sandy Whitehead
Mayor Pro-Tem.....	Amanda Forrister
City Commissioner.....	Paul Baca
City Manager.....	Morris Madrid
Finance Director.....	Carol Kirkpatrick
City Clerk	Angela A. Torres
Municipal Judge	Judge B. Sanders

HOUSING AUTHORITY

Chairman	Greg D'Amour
Vice Chairman	LeeAnn Tooley
Commissioner.....	Daniel Mena
Commissioner	Earl Greer
Commissioner	Chris O'Rourke
Executive Director	Steven Rice
Senior Finance Specialist.....	Teresa Castaneda



Independent Auditors' Report

To Brian S. Colón, Esq.
New Mexico State Auditor

City Commission
City of Truth or Consequences

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, the aggregate remaining fund information and the budgetary comparison for the General Fund of the City of Truth or Consequences (the "City"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The City's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Housing Authority, which represents 14 percent, 8 percent, and 0.10 percent, respectively, of the assets, net position, and revenues of the City. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amount included in the Housing Authority, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are

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appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2021, and the respective changes in financial position, and where applicable, cash flows, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *Schedules of the City's Proportionate Share of the Net Pension Liability and Net OPEB Liability*, and *Schedules of City Contributions* on pages 64-68 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial

reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements, the combining and individual fund financial statements, and the budgetary comparisons that collectively comprise the City's basic financial statements. The other schedules required by 2.2.2 NMAC as noted in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards other schedules required by 2.2.2 NMAC as noted in the table of contents, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and the schedules required by 2.2.2 NMAC as noted in the table of contents, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2021 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Pattillo, Brown & Hill, LLP

Pattillo, Brown & Hill, L.L.P.
Albuquerque, New Mexico
December 8, 2021

BASIC FINANCIAL STATEMENT

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
STATEMENT OF NET POSITION
June 30, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
ASSETS AND DEFERRED OUTFLOWS				
Current assets				
Cash, investments and cash equivalents	\$ 3,985,425	4,145,541	8,130,966	1,013,066
Investments	1,750,305	1,034,528	2,784,833	366,453
Receivables:				
Property taxes	19,271	-	19,271	-
Other taxes	767,517	-	767,517	-
Charges for services, net	-	731,539	731,539	-
Due from other governments	31,519	-	31,519	8,831
Notes receivable	-	-	-	105,647
Prepaid expenses	-	-	-	48,143
Accounts receivable - tenants, net	-	-	-	11,681
Due from other funds	(161,874)	161,874	-	-
Inventory	69,987	615,018	685,005	32,506
Total current assets	6,462,150	6,688,500	13,150,650	1,586,327
Noncurrent assets				
Restricted cash and cash equivalents	1,688,932	126,955	1,815,887	227,128
Capital assets	23,585,532	43,230,746	66,816,278	9,268,028
Less: Accumulated depreciation	(11,553,454)	(13,822,306)	(25,375,760)	(6,235,108)
Total noncurrent assets	13,721,010	29,535,395	43,256,405	3,260,048
Total assets	20,183,160	36,223,895	56,407,055	4,846,375
DEFERRED OUTFLOWS				
Deferred Outflows - Pension	2,001,303	839,355	2,840,658	517,248
Deferred Outflows - OPEB	477,284	305,150	782,434	154,383
Total deferred outflows	2,478,587	1,144,505	3,623,092	671,631

See Notes to Financial Statements.

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
STATEMENT OF NET POSITION (CONTINUED)
June 30, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
LIABILITIES AND DEFERRED INFLOWS				
Current liabilities				
Accounts payable	169,179	885,121	1,054,300	34,450
Accrued payroll expenses	26,255	38,555	64,810	8,813
Accrued interest	5,666	10,098	15,764	-
Tenant deposit	-	-	-	34,434
Customer deposits	-	275,265	275,265	-
FSS deposits	-	-	-	69,167
Unearned revenue	-	-	-	490
Due within one year				
Bonds, notes and loans payable	426,026	367,516	793,542	45,079
Compensated absences	93,406	47,020	140,426	30,135
Total current liabilities	720,532	1,623,575	2,344,107	222,568
Due in more than one year				
Bonds, notes and loans payable	2,907,025	3,572,607	6,479,632	642,219
Compensated absences	186,813	94,043	280,856	-
Accrued landfill closure costs	-	802,264	802,264	-
Net Pension Liability	5,792,950	2,476,418	8,269,368	1,781,582
Net OPEB Liability	1,929,708	1,233,749	3,163,457	574,411
Total noncurrent liabilities	10,816,496	8,179,081	18,995,577	2,998,212
Total liabilities	11,537,028	9,802,656	21,339,684	3,220,780
DEFERRED INFLOWS				
Deferred Inflows - Pension	357,853	52,452	410,305	59,453
Deferred Inflows - OPEB	796,957	509,528	1,306,485	260,499
Total deferred inflows	1,154,810	561,980	1,716,790	319,952
NET POSITION				
Net investment in capital assets	8,699,027	25,468,317	34,167,344	2,345,622
Restricted for				
Special projects	2,299,704	-	2,299,704	-
Debt service	2,309,593	367,516	2,677,109	-
Capital outlay	1,620,517	-	1,620,517	-
Housing assistance payments	-	-	-	82,036
Committed To				
Subsequent year's expenditures	471,103	-	471,103	-
Unrestricted (Deficit)	(5,430,035)	1,167,931	(4,262,104)	(450,384)
Total net position	\$ 9,969,909	27,003,764	36,973,673	1,977,274

See Notes to Financial Statements.

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
STATEMENT OF ACTIVITIES
Year Ended June 30, 2021

					Net (Expense) Revenue and Changes in Net Position			
		Program Revenues			Primary Government			
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Component Unit
Primary government								
Governmental activities								
General government	\$ 3,016,402	258,144	350,814	23,087	(2,384,357)	-	(2,384,357)	-
Public safety	1,911,685	367,354	353,187	50,000	(1,141,144)	-	(1,141,144)	-
Public works	1,247,234	-	30,000	-	(1,217,234)	-	(1,217,234)	-
Culture and recreation	698,589	9,472	26,188	-	(662,929)	-	(662,929)	-
Health and welfare	136,944	-	-	-	(136,944)	-	(136,944)	-
Interest on long-term debt	106,802	-	-	-	(106,802)	-	(106,802)	-
Total governmental activities	7,117,657	634,970	760,189	73,087	(5,649,411)	-	(5,649,411)	-
Business-Type Activities								
Joint utility office	533,837	50,108	-	-	-	(483,729)	(483,729)	-
Electric	5,827,744	6,678,480	-	-	-	850,736	850,736	-
Water	1,249,064	1,408,340	327,475	-	-	486,751	486,751	-
WWTP	1,117,819	1,087,235	204,079	-	-	173,495	173,495	-
Airport	421,532	135,446	253,972	-	-	(32,114)	(32,114)	-
Solid Waste	1,945,259	2,225,424	7,970	-	-	288,135	288,135	-
Impact Fees	-	1,464	-	-	-	1,464	1,464	-
Cemetery	9,873	10,130	-	-	-	257	257	-
Golf Course	222,358	4,193	-	-	-	(218,165)	(218,165)	-
Total business-type activities	11,327,486	11,600,820	793,496	-	-	1,066,830	1,066,830	-
Total primary government	\$ 18,445,143	12,235,790	1,553,685	73,087	(5,649,411)	1,066,830	(4,582,581)	-
Component Unit								
Housing Authority	\$ 2,181,679	591,405	1,542,844	10,505	-	-	-	(36,925)
General revenues and transfers								
Taxes								
Property taxes					\$ 171,061	-	171,061	-
Gross receipts tax					4,242,687	716,690	4,959,377	-
Gasoline and motor vehicle taxes					78,769	-	78,769	-
Other taxes					427,957	-	427,957	-
Miscellaneous revenue					120,430	88,449	208,879	44,707
Transfers					3,564,585	(3,564,585)	-	-
Unrestricted investment earnings					26,599	14,238	40,837	(73,150)
Gain (loss) on disposition of assets					-	-	-	-
Total general revenues and transfers					8,632,088	(2,745,208)	5,886,880	(28,443)
Change in net position					2,982,677	(1,678,378)	1,304,299	(65,368)
Net Position - beginning					6,987,232	29,062,404	36,049,636	2,042,642
Restatement, Note 16					-	(380,262)	(380,262)	-
Net Position - beginning, as restated					6,987,232	28,682,142	35,669,374	2,042,642
Net position, ending					\$ 9,969,909	27,003,764	36,973,673	1,977,274

See Notes to Financial Statements.

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2021

	General Fund 100	Debt Service Funds 403	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash, investments and cash equivalents	\$ 1,221,485	112,934	2,622,864	3,957,283
Restricted cash and cash equivalents	-	1,688,932	-	1,688,932
Investments	106,052	597,281	1,046,972	1,750,305
Receivables:				
Property taxes	19,271	-	-	19,271
Other taxes	555,678	71,868	139,971	767,517
Due from other governments	31,519	-	-	31,519
Miscellaneous receivables	-	-	-	-
Due from other funds	-	-	124,084	124,084
Inventory	68,944	-	1,043	69,987
Total assets	\$ 2,002,949	2,471,015	3,934,934	8,408,898
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 151,973	-	17,206	169,179
Accrued payroll expenses	24,440	-	1,815	26,255
Due to Other Funds	-	161,422	124,536	285,958
Total liabilities	176,413	161,422	143,557	481,392
DEFERRED INFLOWS				
Property taxes	12,331	-	-	12,331
Total deferred inflows	12,331	-	-	12,331
FUND BALANCES				
Nonspendable:				
Inventory	68,944	-	1,043	69,987
Restricted to:				
Public safety	-	-	883,215	883,215
Culture and recreation	-	-	543,209	543,209
Transportation and roads	-	-	482,585	482,585
Fire protection	-	-	372,180	372,180
Veteran's Wall	-	-	18,515	18,515
Debt service expenditures	-	2,309,593	-	2,309,593
Capital projects	5,351	-	1,615,166	1,620,517
Committed to:				
Subsequent year's expenditures	471,103	-	-	471,103
Unassigned	1,268,807	-	(124,536)	1,144,271
Total fund balances	1,814,205	2,309,593	3,791,377	7,915,175
Total liabilities, deferred inflows and fund balances	\$ 2,002,949	2,471,015	3,934,934	8,408,898

See Notes to Financial Statements.

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
RECONCILIATION OF THE BALANCE SHEET
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
Year Ended June 30, 2021

Total Fund Balance Governmental Funds
Governmental Funds Balance Sheet

Governmental
Activities

Amounts reported for governmental activities in the statement of net position are different because:

Fund balances - total governmental funds	\$ 7,915,175
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Residual balance of Internal Service Funds are included within the governmental activities but not reported within the governmental funds.	28,142
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	12,032,078
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Delinquent property taxes and grants not collected within sixty days after year end are not considered "available" revenues and are considered to be unavailable revenue in the fund financial statements, but are considered revenue in the Statement of Activities.	12,331
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Defined benefit pension plan and other post employment benefit deferred outflows are not financial resources and, therefore, are not reported in the funds.	2,478,587
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Defined benefit pension plan and other post employment benefit deferred inflowss are not financial resources and, therefore, are not reported in the funds.	(1,154,810)
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Accrued interest	(5,666)
Compensated absences	(280,219)
Bonds and notes payable	(3,333,051)
Net Pension liability	(5,792,950)
Net OPEB Liability	(1,929,708)

Total long-term and other liabilities	(11,341,594)
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Net position of governmental activities (Statement of Net Position)	\$ 9,969,909
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See Notes to Financial Statements.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended June 30, 2021**

	General Fund 100	Debt Service Funds 403	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes:				
Property	\$ 193,792	\$ -	\$ -	\$ 193,792
Gross receipts	3,453,455	425,503	363,729	4,242,687
Gasoline and motor vehicle	-	-	78,769	78,769
Other	174,332	-	253,625	427,957
Intergovernmental				
Federal capital grants	-	-	50,000	50,000
State capital grants	-	23,087	-	23,087
State operating grants	230,289	-	529,900	760,189
Charges for services	80,692	-	425,931	506,623
Licenses and fees	128,347	-	-	128,347
Investment income	793	17,323	8,483	26,599
Miscellaneous	27,843	-	92,587	120,430
Total revenues	4,289,543	465,913	1,803,024	6,558,480
Expenditures				
Current				
General government	2,380,786	142,996	429,527	2,953,309
Public safety	1,766,906	-	198,705	1,965,611
Public works	723,451	-	558,966	1,282,417
Culture and recreation	567,976	-	150,319	718,295
Health and welfare	140,807	-	-	140,807
Capital outlay	5,351	-	1,631,517	1,636,868
Debt service				-
Principal	-	1,672,816	-	1,672,816
Interest	-	114,506	-	114,506
Total expenditures	5,585,277	1,930,318	2,969,034	10,484,629
Excess (deficiency) of revenues over (under) expenditures before other financings sources (uses)	(1,295,734)	(1,464,405)	(1,166,010)	(3,926,149)
Other Financing Sources (Uses)				
Loan proceeds	-	1,211,998	-	1,211,998
Transfers, in	1,898,626	503,929	2,494,819	4,897,374
Transfers, out	(616,264)	(337,899)	(378,626)	(1,332,789)
Total other financing sources (uses)	1,282,362	1,378,028	2,116,193	4,776,583
Net change in fund balances	(13,372)	(86,377)	950,183	850,434
Fund balances, beginning of year	1,827,577	2,395,970	2,841,194	7,064,741
Fund balances, end of year	\$ 1,814,205	\$ 2,309,593	\$ 3,791,377	\$ 7,915,175

See Notes to Financial Statements.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2021**

**Net Change in Fund Balances - Total Governmental Funds
(Statement of Revenue, Expenditures, and Changes
in Fund Balances)**

\$ 850,434

Amounts reported for governmental activities in the statement of activities are different because:

Change in net position of internal service funds (44,886)

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital expenditures	1,772,350	
Transfers and deletions	(46,885)	
Depreciation expense	<u>(488,493)</u>	
		1,236,972

Revenues in the governmental funds that provide current financial resources are not included in the Statement of Activities because they were recognized in a prior period.

Change in unavailable revenue related to property taxes receivable (22,731)

Governmental funds report City pension and other pension benefit (OPEB) contributions as expenditures. However, in the Statement of Net Activities, the cost of pension benefits and other postemployment benefits earned net of employee contributions is reported as pension and OPEB expense:

Pension expense	439,720
OPEB expense	153,876

The issuance of long-term debt (e.g. bonds, loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction; however, has any effect on net position.

The following table represents the changes in long-term debt for the fiscal year:

Change in bonds, notes, and loans payable	460,808
Change in compensated absences	(99,220)
Change in accrued interest on long-term debt	<u>7,704</u>

Change in net position in governmental activities	\$ <u>2,982,677</u>
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See Notes to Financial Statements.

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
STATEMENT OF REVENUES AND EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (GAAP BASIS)
GENERAL FUND
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance from Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes				
Property	\$ 181,700	181,700	197,106	15,406
Gross Receipts	3,340,336	3,340,336	3,434,981	94,645
Other	112,434	183,734	174,786	(8,948)
Intergovernmental income:				
State operating grant	416,987	416,987	291,729	(125,258)
Charges for services	104,000	104,000	82,358	(21,642)
Licenses and fees	167,208	167,208	131,216	(35,992)
Fines and forfeits	4,000	4,000	3,771	(229)
Investment earnings	800	800	793	(7)
Miscellaneous	70,000	150,279	27,873	(122,406)
Total revenues	4,397,465	4,549,044	4,382,313	(166,731)
Expenditures				
Current				
General government	2,374,871	2,456,781	2,164,932	291,849
Public safety	2,014,541	1,984,541	1,814,778	169,763
Public works	965,854	965,854	706,322	259,532
Culture and recreation	667,155	667,155	578,661	88,494
Health and welfare	191,514	231,553	157,312	74,241
Capital Outlay	-	5,351	5,351	-
Total expenditures	6,213,935	6,311,235	5,427,356	883,879
Excess (deficiency) of revenues over (under) expenditures before other financing sources (uses)	(1,816,470)	(1,762,191)	(1,045,043)	717,148
Other Financing Sources (Uses)				
Transfers, in	2,054,532	2,054,532	1,898,626	(155,906)
Transfers, out	748,461	748,461	(616,264)	(1,364,725)
Total other financing sources (uses)	2,802,993	2,802,993	1,282,362	(1,520,631)
Net change in fund balances	986,523	1,040,802	237,319	(803,483)
Net change in fund balance (non-GAAP budgetary basis)			237,319	
Adjustments to revenues			(92,771)	
Adjustments to expenditures			(157,918)	
Net change in fund balance (GAAP)			\$ (13,370)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
June 30, 2021

ASSETS	Business Type Activities			
	Joint Utility Office 502	Electric 503	Water 504	WWTP 506
Current Assets				
Cash and cash equivalents	\$ 433,118	1,260,607	521,182	668,146
Investments	41,814.00	86,542	129,218	250,931
Receivables				
Charges for services	17,481	372,577	98,098	68,255
Due from other government	-	-	-	-
Miscellaneous receivables	-	-	-	-
Due from other funds	35,019	17,018	143,142	-
Inventory	-	289,611	151,431	60,724
Total current assets	527,432	2,026,355	1,043,071	1,048,056
Noncurrent Assets				
Restricted cash and cash equivalents	-	-	10	-
Restricted investment	-	-	-	-
Capital assets	183,893	6,789,481	5,550,140	18,451,812
Less accumulated depreciation	(62,700)	(3,306,171)	(1,964,423)	(4,145,855)
Total noncurrent assets	121,193	3,483,310	3,585,727	14,305,957
Total assets	648,625	5,509,665	4,628,798	15,354,013
DEFERRED OUTFLOWS - PENSION RELATED	142,690	176,265	92,329	134,297
DEFERRED OUTFLOWS - OPEB RELATED	51,306	63,091	32,154	48,264
Total Deferred Outflows	193,996	239,356	124,483	182,561
LIABILITIES				
Current Liabilities				
Accounts payable	6,706	497,634	236,027	14,175
Accrued payroll expenses	5,806	9,162	4,164	5,798
Accrued compensated absences	5,740	18,012	2,988	8,812
Customer deposits	1,450	254,170	18,171	1,114
Accrued interest	-	-	10,098	-
Due to other funds	-	-	-	5,651
Current portion of long-term debt	-	95,687	95,635	81,194
Total current liabilities	19,702	874,665	367,083	116,744
Non-Current Liabilities				
Accrued compensated absences	11,481	36,025	5,976	17,625
Accrued landfill closure costs	-	-	-	-
Bonds, notes and loans	-	131,234	826,512	2,189,861
Net pension liability	420,991	520,048	272,406	396,227
Net OPEB Liability	207,436	255,085	130,002	195,135
Total non-current liabilities	639,908	942,392	1,234,896	2,798,848
Total liabilities	659,610	1,817,057	1,601,979	2,915,592
DEFERRED INFLOWS - PENSION RELATED	8,917	11,015	5,770	8,392
DEFERRED INFLOWS - OPEB RELATED	85,669	105,348	53,690	80,589
Total deferred inflows	94,586	116,363	59,460	88,981
NET POSITION				
Net investment in capital assets	121,193	3,256,389	2,663,570	12,034,902
Restricted for debt service	-	95,687	95,635	81,194
Unrestricted (Deficit)	(32,768)	463,525	332,637	415,905
Total net position	88,425	3,815,601	3,091,842	12,532,001
Total net position	\$ 88,425	3,815,601	3,091,842	12,532,001

See Notes to Financial Statements.

Business Type Activities					Governmental Activities	
Airport Fund 509	Solid Waste Fund 505/507	Impact Fees 301	Other Enterprise Fund	Total	Internal Service Fund 600	
61,503	1,132,887	3,994	\$ 64,104	4,145,541	\$	28,142
-	424,207	101,816	-	1,034,528		-
59,568	115,560	-	-	731,539		-
-	-	-	-	-		-
-	-	-	-	-		-
-	-	-	-	195,179		-
113,252	-	-	-	615,018		-
<u>234,323</u>	<u>1,672,654</u>	<u>105,810</u>	<u>64,104</u>	<u>6,721,805</u>		<u>28,142</u>
-	-	126,945	-	126,955		-
-	-	-	-	-		-
6,446,109	4,606,951	-	1,202,360	43,230,746		-
(1,717,205)	(2,159,371)	-	(466,581)	(13,822,306)		-
<u>4,728,904</u>	<u>2,447,580</u>	<u>126,945</u>	<u>735,779</u>	<u>29,535,395</u>		<u>-</u>
<u>4,963,227</u>	<u>4,120,234</u>	<u>232,755</u>	<u>799,883</u>	<u>36,257,200</u>		<u>28,142</u>
50,361	226,626	-	16,787	839,355		-
17,421	85,134	-	7,780	305,150		-
<u>67,782</u>	<u>311,760</u>	<u>-</u>	<u>24,567</u>	<u>1,144,505</u>		<u>-</u>
30,846	94,547	-	5,186	885,121		276
1,278	9,326	-	3,021	38,555		-
-	11,215	-	253	47,020		-
-	360	-	-	275,265		-
-	-	-	-	10,098		-
3,604	24,050	-	-	33,305		-
-	95,000	-	-	367,516		-
<u>35,728</u>	<u>234,498</u>	<u>-</u>	<u>8,460</u>	<u>1,656,880</u>		<u>276</u>
-	22,431	-	505	94,043		-
-	802,264	-	-	802,264		-
-	425,000	-	-	3,572,607		-
148,585	668,633	-	49,528	2,476,418		-
70,434	344,203	-	31,454	1,233,749		-
<u>219,019</u>	<u>2,262,531</u>	<u>-</u>	<u>81,487</u>	<u>8,179,081</u>		<u>-</u>
<u>254,747</u>	<u>2,497,029</u>	<u>-</u>	<u>89,947</u>	<u>9,835,961</u>		<u>276</u>
3,147	14,162	-	1,049	52,452		-
29,089	142,153	-	12,990	509,528		-
<u>32,236</u>	<u>156,315</u>	<u>-</u>	<u>14,039</u>	<u>561,980</u>		<u>-</u>
4,728,904	1,927,580	-	735,779	25,468,317		-
-	95,000	-	-	367,516		-
15,122	(243,930)	232,755	(15,315)	1,167,931		27,866
<u>4,744,026</u>	<u>1,778,650</u>	<u>232,755</u>	<u>720,464</u>	<u>27,003,764</u>		<u>27,866</u>
<u>4,744,026</u>	<u>1,778,650</u>	<u>232,755</u>	<u>\$ 720,464</u>	<u>27,003,764</u>	<u>\$</u>	<u>27,866</u>

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION - PROPRIETARY FUNDS
Year Ended June 30, 2021

	Business Type Activities			
	Joint Utility Office 502	Electric 503	Water 504	WWTP 506
Operating Revenues				
Charges for Services	\$ 50,108	6,678,480	1,408,340	1,087,235
Total operating revenues	50,108	6,678,480	1,408,340	1,087,235
Operating Expenses				
General operating	138,611	4,927,740	711,672	315,498
Personnel services	385,531	575,831	283,431	411,697
Depreciation	4,224	224,312	113,004	303,415
Utilities	5,471	99,861	140,957	75,544
Total operating expenses	533,837	5,827,744	1,249,064	1,106,154
Operation income (loss)	(483,729)	850,736	159,276	(18,919)
Non-Operating Revenues (Expenses)				
Interest expense	-	-	-	(11,665)
Investment earnings	2,971	4,611	4,601	621
Gross receipts tax	-	433,061	59,826	48,362
Miscellaneous income	-	28,697	7,971	92
Grant income	-	-	327,475	204,079
Total non-operating revenue (expenses)	2,971	466,369	399,873	241,489
Income (loss) before contributions and transfers	(480,758)	1,317,105	559,149	222,570
Transfers, in	841,931	1,362,725	1,073,025	932,992
Transfers, out	(1,784,831)	(3,234,901)	(1,414,838)	(1,165,531)
Change in net position	(1,423,658)	(555,071)	217,336	(9,969)
Net Position, beginning	1,512,083	4,370,672	2,874,506	12,922,232
Restatement, Note 16	-	-	-	(380,262)
Net Position, beginning as restated	1,512,083	4,370,672	2,874,506	12,541,970
Net position, end of year	\$ 88,425	3,815,601	3,091,842	12,532,001

See Notes to Financial Statements.

Business Type Activities					Governmental Activities
Airport Fund 509	Solid Waste Fund 505/507	Impact Fees 301	Other Enterprise Fund	Total	Internal Service Fund 600
135,446	2,225,424	1,464	14,323	\$ 11,600,820	\$ 9,215
135,446	2,225,424	1,464	14,323	11,600,820	9,215
160,765	1,181,264	-	73,051	7,508,601	54,377
124,736	668,134	-	136,092	2,585,452	-
122,902	94,396	-	8,535	870,788	-
13,129	1,465	-	14,553	350,980	-
421,532	1,945,259	-	232,231	11,315,821	54,377
(286,086)	280,165	1,464	(217,908)	284,999	(45,162)
-	-	-	-	(11,665)	-
32	938	415	49	14,238	-
-	175,441	-	-	716,690	-
-	-	-	51,689	88,449	-
253,972	7,970.00	-	-	793,496	-
254,004	184,349	415	51,738	1,601,208	-
(32,082)	464,514	1,879	(166,170)	1,886,207	(45,162)
359,218	353,878	-	180,000	5,103,769	-
(268,218)	(800,035)	-	-	(8,668,354)	-
58,918	18,357	1,879	13,830	(1,678,378)	(45,162)
4,685,108	1,760,293	230,876	706,634	29,062,404	73,028
-	-	-	-	(380,262)	-
4,685,108	1,760,293	230,876	706,634	28,682,142	73,028
4,744,026	1,778,650	232,755	720,464	\$ 27,003,764	\$ 27,866

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
Year Ended June 30, 2021

	Joint Utility Office	Electric	Water	WWTP
Cash Flows From Operating Activities				
Cash received from customers and others	\$ 151,385	6,567,586	908,590	980,984
Cash paid for vendors and employees	(596,400)	(5,316,849)	(1,058,703)	(1,024,503)
Net cash provided (used) by operating activities	(445,015)	1,250,737	(150,113)	(43,519)
Cash flows from noncapital financing activities				
Government contributions	-	-	327,475	204,079
Gross receipts taxes	-	433,061	59,826	48,362
Miscellaneous income	-	28,697	7,971	92
Landfill closure costs	-	-	-	-
Transfers	(942,900)	(1,872,176)	(341,813)	(232,539)
Net cash provided (used) by noncapital financing activities	(942,900)	(1,410,418)	53,459	19,994
Cash Flows from Investing Activities				
Purchases of investments	999,939	1,354,851	145,269	(146,753)
Interest on investments	2,971	4,611	4,601	(11,044)
Net cash (used) provided by investing activities	1,002,910	1,359,462	149,870	(157,797)
Cash Flows from Capital and Related Financing Activities				
Acquisition of capital assets	-	(1,104,426)	(850,362)	(300,205)
Capital contributions from governmental activities	-	-	-	-
Interest paid	-	-	-	-
Proceeds from issuance of long-term debt	-	-	-	-
Principal payments on bonds, loans and notes payable	-	226,921	(33,542)	501,241
Net cash provided (used) by capital and related financing activities	-	(877,505)	(883,904)	201,036
Net increase (decrease) in cash and cash equivalents	(385,005)	322,276	(830,688)	19,714
Cash and cash equivalents, beginning of year	818,123	938,331	1,351,880	648,432
Cash and cash equivalents, end of year	\$ 433,118	1,260,607	521,192	668,146
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities				
Operating income (loss)	\$ (483,729)	850,736	159,276	(18,919)
Noncash items				
Depreciation expense	4,224	224,312	113,004	303,415
PERA pension plan expense	62,733	80,045	26,543	79,770
RHC OPEB plan expense	(16,541)	(20,340)	(10,366)	(15,561)
Prior period adjustment	-	-	-	(380,262)
Adjustments to operating income (loss) to net cash provided by operating activities:				
Loss on disposal of capital assets	-	-	-	-
Change in assets and liabilities:				
Accounts receivable	-	(140,603)	(44,301)	19,437
Inventory	(17,481)	128,779	(1,834)	(1,854)
Accounts payable	3,126	106,082	(229,715)	(34,606)
Accrued payroll expenses	(514)	(2,631)	(1,061)	(2,204)
Accrued compensated absences	4,371	9,562	146	7,264
Accrued landfill closure costs	-	-	-	-
Interest payable	-	-	(3,301)	-
Due to/from other funds	(1,204)	721	(161,307)	1
Meter deposits	-	14,074	2,803	-
Net cash provided (used) by operating activities	\$ (445,015)	1,250,737	(150,113)	(43,519)

See Notes to Financial Statements.

Airport Fund	Solid Waste Fund	Impact Fees	Business Type Activities		Governmental Activities
			Other Enterprise Fund	Total	Internal Service Fund
193,826	3,065,051	1,464	18,280	11,887,166	9,215
(331,829)	(2,631,325)	-	(238,796)	(11,198,405)	(54,101)
(138,003)	433,726	1,464	(220,516)	688,761	(44,886)
253,972	7,970	-	-	793,496	-
-	175,441	-	-	716,690	-
-	-	-	51,738	88,498	-
-	(52,842)	-	-	(52,842)	-
91,000	(446,157)	-	180,000	(3,564,585)	-
344,972	(315,588)	-	231,738	(2,018,743)	-
-	40,986	(355)	-	2,393,937	-
32	938	415	-	2,524	-
32	41,924	60	-	2,396,461	-
(175,483)	(193,536)	-	-	(2,624,012)	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(95,000)	-	-	599,620	-
(175,483)	(288,536)	-	-	(2,024,392)	-
31,518	(128,474)	1,524	11,222	(957,913)	(44,886)
29,985	1,261,361	129,415	52,882	5,230,409	73,028
61,503	1,132,887	130,939	64,104	4,272,496	28,142
(286,086)	280,165	1,464	(217,908)	284,999	(45,162)
122,902	94,396	-	8,536	870,789	-
25,299	84,105	-	(4,647)	353,848	-
(5,616)	(27,449)	-	(2,508)	(98,381)	-
-	-	-	-	(380,262)	-
-	-	-	-	-	-
(6,656)	(22,860)	-	-	(194,983)	-
(10,881)	35,747	-	-	132,476	-
29,684	4,979	-	(885)	(121,335)	276
(2,059)	799,464	-	(925)	790,070	-
(4,590)	13,457	-	(2,179)	28,031	-
-	(828,193)	-	-	(828,193)	-
-	-	-	-	(3,301)	-
-	(85)	-	-	(161,874)	-
-	-	-	-	16,877	-
(138,003)	433,726	1,464	(220,516)	688,761	(44,886)

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The City of Truth or Consequences, (City), New Mexico, which was incorporated in 1917, operates under a Commission / Manager form of government. Five commissioners are elected at large and one of the commissioners serves as Mayor. This reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the City's financial statements to be misleading or incomplete.

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in generally accepted accounting principles (GAAP). Blended component unit, although legally separate entities, are in substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that is legally separate from the government.

The basic (but not the only) criteria for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, the City has one component unit required to be reported under GASB Statements No. 14, No. 39, and No 61.

The Truth or Consequences Housing Authority (The Authority) has been determined to be a component unit of the City that should be discretely presented in the City's financial statements pursuant to the criteria described above. The authority was audited by another auditor and has separately issued financial statements and all exhibits, schedules and footnotes are included in those financial statements. Excerpts of the component unit's activities that we deemed material are included in the City's financial report. The Authority's separately issued financial statements may be obtained directly from their administrative office as follows: Executive Director, Truth or Consequences Housing Authority, 108 South Cedar, Truth or Consequences, New Mexico 87901.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component units. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and fund financial statements

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment, are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Indirect costs are not allocated to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement focus, basis of accounting and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements and the fiduciary fund – agency financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Derived tax revenues (gross receipts taxes, cigarette taxes and gas taxes) are recognized when the underlying transaction takes place. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The **General** fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**C. Measurement focus, basis of accounting and financial statement presentation
(Continued)**

The **Debt Service Fund** was created to account for the accumulation of resources for, and the repayment of general long-term principal, interest, and related costs of the general obligation bonds. Revenues for this fund are taxes generated by sources designated in bond obligations. The fund is required by bond-obligation requirements.

The government reports the following major proprietary funds:

The **Joint Utility Office** fund accounts for the provision of water, electric, sewer and wastewater services to the residents of the city. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, billing and collection.

The **Electric** fund accounts for the provision of electric services to the residents of the city. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, billing and collection.

The **Water** fund accounts for the provision of water services to the residents of the city. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, billing and collection.

The **Waste Water Treatment Plant** fund accounts for the provision of sewer and waste water services to the residents of the city. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, billing and collection.

The **Airport Fund** used to account for the operations and maintenance of the airport. Financing is provided by fuel sales and fees for services. The fund is authorized by City Commissioner.

The **Solid Waste** fund accounts for the activities of the City's solid waste services.

The **Impact Fee** fund is authorized by City Ordinance No. 563, 11-14-06, and states the City may enact or impose development impact fees on land within its municipal boundaries. An impact fee may be imposed only to pay the following specified costs of constructing capital improvements or facility expansions: 1) estimated capital improvements plan costs; 2) planning, surveying and engineering fees paid to an

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**C. Measurement focus, basis of accounting and financial statement presentation
(Continued)**

independent qualified professional who is not a City employee for services provided for and directly related to the construction of capital improvements or facility expansions; 3) fees actually paid or contracted to be paid to an independent qualified professional, who is not a City employee, for the preparation or updating of capital improvements plan; and 4) up to three percent of total impact fees collected for administrative costs for City employees who are qualified professionals.

Additionally, the City maintains one individual internal service fund. A description of the fund is as follows:

The ***Internal Service*** fund accounts for the costs of maintaining the City's vehicle and equipment fleet. The fund bills various City departments to cover the cost of maintaining the City's fleet.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's utility and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided 2) operating grants and contributions and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

D. Assets, Liabilities and Net Position

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers for sales and services. The utilities also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is City policy to use restricted resources first, then unrestricted resources as they are needed.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities and Net Position (Continued)

Deposits and Investments. The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the City to invest in obligations of the U.S. Treasury, repurchase agreements, Certificates of Deposits, and the State Treasurer's Investment Pool. Investments for the City are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations and is not SEC registered. The reported value of the pool is the same as the fair value of the pool shares. Generally, investment income earned as a result of pooling is distributed to the appropriate funds utilizing a formula based on the average daily balance of cash and investments of each fund. All investment in such pool is voluntary.

Receivables and Payables. Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources in the event they are not received within 60 days at year end.

The joint utility enterprise fund is responsible for billing and collecting electric, water, and wastewater charges using a cycle billing system. No billing cycles are billed in advance of services. Metered accounts are billed in arrears and have been accrued. The only unearned revenue is customer payments for prepaid electric distribution construction. Customers are required to pay 100% of the estimate prepared by the electric director. When the job is complete the actual costs of the job are prepared and the customer is either refunded the overpayment or billed for the shortage. These payments for construction are then reported as increases in net assets at the end of the fiscal year. All trade receivables are shown net of an allowance for uncollectible accounts. The City is required to provide service and grant credit to a diverse customer base within its service territory. The City may require security deposits prior to providing service to customers depending upon an assessment of credit worthiness.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. In the government-wide and governmental fund financial statements, delinquent property taxes are recorded when levied. Property taxes are considered to be 100 % collectible.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities and Net Position (Continued)

Property taxes are levied on November 1 based on the assessed value of property as listed on the previous January 1 and are due in two payments by November 10th and April 10th. Property taxes uncollected after November 10th and April 10th are considered delinquent and the City may assess penalties and interest. The taxes attach as an enforceable lien on property thirty (30) days thereafter, at which time they become delinquent. Property taxes are collected by Sierra County and remitted monthly to the City.

The City estimates the allowance for uncollectible accounts based on the days delinquent. The City has estimated all accounts that are greater than 120 days to be uncollectible.

Restricted Assets: Restricted assets consist of those funds expendable for operating purposes but restricted by donors or other outside agencies as to the specific purpose for which they may be used and restricted for future debt service payments, capital projects, customer deposits and other restrictions.

Inventories and Prepaid Items. Inventories are by the City and the Joint Utility, Airport, and Solid Waste Funds and are valued at cost using the first-in/first-out (FIFO) method. Certain payments to vendors reflect costs applicable to future accounting periods wide and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets. Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are, reported in the applicable governmental or business- type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Such assets, including infrastructure, have higher limits that must be met before they are capitalized. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Computer software costs, whether externally purchased or developed in-house, shall be capitalized if the total cost of the software equals or exceeds \$5,000 and has a life of at least two years. Library books and periodicals are estimated to have a useful life of less than one year or are under the capitalization threshold and are expensed when purchased.

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities and Net Position (Continued)

Property, plant, and equipment of the primary government have the following threshold levels to be capitalized and are depreciated using the straight-line method over the following estimated useful lives:

	<u>Estimated Useful Life</u>
Buildings and improvements	10-50 years
Equipment	5-25 years
Infrastructure including golf course and airport	10-50 years
Vehicles	5-10 years
Utility plant	20-40 years

Compensated Absences. Each employee of the City may accumulate a total of thirteen to twenty-six days of vacation per year. Employees may accumulate up to thirty days of vacation and carry leave forward from calendar year to calendar year. Upon termination, employees will be paid up to thirty days of accrued vacation pay leave. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability is reported in the governmental funds only if they have matured.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental or proprietary fund that will pay it. In prior years, substantially all of the related expenditures have been liquidated by the general fund. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the government-wide statement of net position.

Sick Leave – Each employee of the City may accumulate a total of thirteen days of sick leave per year. Sick leave can be carried forward from calendar year to calendar year. Upon separation of employment, an employee with five or more continuous years of service will be compensated for one third of the first 480 accrued sick leave hours for a total of 160 hours. Employees with less than five years of continuous service forfeit all accrued sick leave at separation of employment. Employees cannot donate sick leave at time of separation.

Deferred Outflows/Inflows of Resources. In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Also, in addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows are reported in the governmental funds regarding property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities and Net Position (Continued)

Long-Term Obligations. In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs related to insurance, are amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs other than related insurance are expended in the year incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs related to insurance, during the current period. The face amount of debt issued is reported as other financing sources. Bond premium and discounts are reported as other financing uses. Issuance costs, even if withheld from actual net proceeds received, are reported as debt service expenditures.

Pension. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA's. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB): For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the New Mexico Retiree Health Care Authority (NMRHCA) and additions to and deductions from NMRHCA's fiduciary net position have been determined on the same basis as they are reported by NMRHCA. For this purpose, NMRHCA recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fund Equity Flow Assumptions. In the fund financial statements, governmental funds report restricted and unassigned fund balances. Restricted fund balances represent amounts that are constrained externally by creditors (such as debt covenants), grantors, contributors, or laws of other governments. Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities and Net Position (Continued)

Fund Balances. In the fund financial statements, fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the City Commission. City Commission is the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the City Commission.

Assigned – amounts that are constrained by the City's intent to use them for a specific purpose, but are neither restricted nor committed. The City has not established a policy regarding the assignment of funds, so this category of fund balance represents the residual amounts not otherwise reported as unspendable, restricted, or committed in governmental funds outside of the general fund.

Unassigned – all other spendable amounts.

Use of Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted for all funds. All budgets are consistent with generally accepted accounting principles (GAAP). All annual appropriations lapse at fiscal year-end. Carryover funds must be appropriated in the budget of the subsequent fiscal year. Because the budget process in the State of New Mexico requires that the beginning cash balance be appropriated in the budget of the subsequent fiscal year, such appropriated balance is legally restricted and is therefore presented as a reserved portion of fund balance.

Actual expenditures may not exceed the budget on a fund basis. Budgets may be amended by City Commission resolution with approval by the State Department of Finance and Administration. City department heads may make transfers of appropriations within a fund. The legal level of budgetary control is the fund level. Increases or decreases of appropriations between funds require the approval of the governing Commission.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

A. Budgetary Information (Continued)

The city follows the follows the following procedures in establishing the budgetary data reflected in the financial statements:

The City follows the following procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to June, the City Manager submits to the City Commission a proposed operating budget for preliminary approval for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. A budget is prepared for each fund.
2. Prior to September 1, the budget is legally enacted through passage of a resolution and the Local Government Division of the State Department of Finance and Administration approves the final budget.
3. After the budget is adopted any supplemental appropriations must be approved by the City Commission

The budgetary basis and GAAP basis are the same for all governmental fund types. Budgets for proprietary enterprise funds are adopted on a non-GAAP basis, using the spending measurement focus as in governmental fund types.

B. Excess of Expenditures over Appropriations

As of June 30, 2021, the City did not over expend the budget in any fund.

NOTE 3. DEPOSITS AND INVESTMENTS

State statutes authorize the investment of the City funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government Obligations. All invested funds of the City properly followed State investment requirements as of June 30, 2021.

Deposits of funds may be in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the City. Deposits may be made to the extent that they are insured by an agency of the United States or by collateral deposited as security or by bond given by the financial institution.

The rate of interest in non-demand interest-bearing accounts shall be set by the State Board of Finance, but in no case shall the rate of interest be less than one hundred percent of the asked price on United States Treasury bills of the same maturity on the date of deposit.

Excess of funds may be temporarily invested in securities which are issued by the State of by the United States government, or by their departments or agencies, and which are either direct obligations of the State of the United States or are backed by the full faith and credit of those governments.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

As of June 30, 2021, the City had the following deposits and investments:

Demand deposits	\$	8,257,913
Certificates of deposit		2,254,574
State Treasurer's LGIP		530,259
Cash with fiscal Agent		<u>1,688,940</u>
Total	\$	<u>12,731,686</u>
Governmental funds	\$	7,424,662
Proprietary funds		<u>5,307,024</u>
Total	\$	<u>12,731,686</u>

The City has investments in the State Treasurer external investment pool (the Local Government Investment Pool). The investments are valued at fair value based on quoted market prices as of June 30, 2021. The State Treasurer Local Government Investment Pool (LGIP) is not SEC registered. Section 6-10-10 I, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment fund in securities that are issued by the United States government or by its departments or agencies and are either direct obligations of the United States or are backed by the full faith and credit of the United States government or are agencies sponsored by the United States government. The Local Government Investment Pool investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments. The pool does not have unit shares. Per Section 6-10-10.1F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the amounts were invested. Participation in the local government investment pool is voluntary. The LGIP has been rated by Standard & Poor's and has received an AAAM rating.

Investment Type	Weighted Average Maturities	Fair Value	Rating*
New Mexico LGIP	[48] day WAM(R), [78] day WAM (F)	530,259	AAAM
		\$ <u>530,259</u>	

*Based off Moody's rating

In addition to the investment in LGIP above there are \$2,254,574 of certificates of deposit that are greater than 90 days and therefore are considered investments in the Statement of Net Position.

Interest Rate Risk. The risk that interest rate variations may adversely affect the fair value of an investment. An acceptable method for reporting interest rate risk is weighted average maturity (WAM). The State Treasurer's Office uses this method for reporting purposes for the Local Government Investment Pool. As of June 30, 2021 the LGIP WAM (R) was 48 days and WAM (F) was 78 days. The City does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
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June 30, 2021**

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Interest Rate Risk. The risk that interest rate variations may adversely affect the fair value of an investment. An acceptable method for reporting interest rate risk is weighted average maturity (WAM). The State Treasurer's Office uses this method for reporting purposes for the Local Government Investment Pool. As of June 30, 2021 the LGIP WAM (R) was 48 days and WAM (F) was 78 days. The City does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

Credit Risk. As directed by State Statute 6-10-36, E. and F., excess funds may be invested in securities backed by the full faith and credit of the United States Government, such as treasury notes, bills and bonds; in securities of Agencies that are guaranteed by the United States Government; bonds or negotiable securities of the State of New Mexico or of any county, municipality or school district in the State of New Mexico which has a taxable valuation of real property for the last preceding year of at least one million dollars (\$1,000,000) and has not defaulted in the payment of any interest or sinking fund obligation or failed to meet any bonds at maturity at any time within five years last preceding. The LGIP is exempt from this reporting requirement.

Custodial Credit Risk (Deposits) - City. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statute requires that the bank deposits be 50% collateralized and repurchase agreements be 102% collateralized. The City's accounts at an insured depository institution, including all non-interest bearing transaction accounts, will be insured by the FDIC up to the standard maximum deposit insurance amount of \$250,000 for demand deposit accounts and \$250,000 for time and savings accounts. At June 30, 2021, \$0 of the City's bank balances of \$10,761,554, was exposed to custodial credit risk. The collateral pledged is listed in the table of contents of this report and as listed below.

		First Saving Bank
Deposits in Bank		
Bank Deposits	\$	8,506,980
Certificates of Deposit		2,254,574
Total on Deposit		10,761,554
Less: FDIC insurance		(250,000)
Total uninsured public funds	\$	10,511,554
 Pledged Collateral Required:		
50% on deposits	\$	5,255,777
 Pledged Collateral at June 30, 2021		11,140,768
Excess (Deficiency)	\$	5,884,991

Custodial Credit Risk (Deposits) - Component. Custodial credit risk is the risk that in the event of a bank failure, the Housing Authority deposits may not be returned to it. The Housing Authority does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63 NMSA 1978). At June 30, 2021, \$703,401 of the Housing Authority's bank balance of \$1,617,414 was exposed to custodial credit risk. Although the \$703,401 was uninsured, all of that amount was collateralized by collateral held by the pledging bank's trust department, not in the Housing Authority's name. None of the Housing Authority's deposits were

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
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June 30, 2021**

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

uninsured and uncollateralized at June 30, 2021.

Custodial Credit Risk (Investments). In the case of investments, this is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The LGIP is exempt from this reporting requirement.

Collateral. Only securities backed by the full faith and credit of the United States Government will be accepted as collateral. The City may make an exception and accept as collateral securities from a governmental entity within the State of New Mexico as described by State Statute 6-10-16-A. All securities pledged as collateral shall be held by a third-party financial institution. Any change in the institution holding the collateral must have prior approval of management.

Concentration of Credit Risk – Investments. For an investment, concentration of credit risk is when any one issuer is 5% or more of the investment portfolio of the City. The investments in New Mexico State LGIP represent 100%, of the investment portfolio. The City's policy related to concentration credit risk is to comply with the state statute as put forth in the Public Money Act (Section 6-10-63, NMSA 1978).

GASB Statement No. 72 requires investment to be presented at fair value. This statement provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are described as follows:

Basis of Fair Value Measurement –

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.
Level 2	Quoted prices in markets that are not considered to be active or financial instruments without quoted market prices, but for which all significant inputs are observable, either directly or indirectly.
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following table sets forth by level, within the fair value hierarchy, the City's assets had a fair value as of June 30, 2021:

Investment in	Investment Assets at Fair Value as of June 30, 2021			
	Level 1	Level 2	Level 3	Total
New Mexico LGIP	\$ 530,259	-	-	530,259
Total	\$ 530,259	-	-	530,259

STATE OF NEW MEXICO
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June 30, 2021

NOTE 4. RECEIVABLES

Governmental receivables as of June 30, 2021 are as follows:

	General	Debt Service	Other Governmental Funds	Total
Property taxes	\$ 19,271	-	-	19,271
Other taxes:				
Gross receipts taxes	555,678	71,868	103,730	731,276
Franchise and lodgers taxes	-	-	26,229	26,229
Gasoline taxes	-	-	10,012	10,012
Grants receivables	31,519	-	-	31,519
Total	\$ 606,468	71,868	139,971	818,307

Receivables for governmental activities are considered to be 100% collectible.

Governmental funds report *unavailable revenue* in connection with receivables for revenues that are not considered to be available to liquidate in the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. Unavailable revenue related to property taxes receivable was \$12,331 for the year ended June 30, 2021.

Proprietary fund receivables as of June 30, 2021 are as follows:

	Major Enterprise Funds	Other Enterprise Funds	Total
Charges for services	\$ 759,710	-	759,710
Less: Allowance for uncollectible accounts	(103,461)	-	(103,461)
Other receivables:			
Intergovernmental-grants:			
Federal	59,568	-	59,568
Gross Receipts Tax	15,722	-	15,722
Totals	\$ 731,539	-	731,539

**STATE OF NEW MEXICO
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June 30, 2021**

NOTE 4. RECEIVABLES (CONTINUED)

Component Unit

As of June 30, 2021, the Housing Authority had the following receivables:

Tenant receivables	\$	12,576
Allowance for doubtful accounts - tenants		(895)
Grants receivable		8,831
Notes receivable		105,647
Total	\$	<u>126,159</u>

The Authority's notes receivable consist of three promissory notes from related entities which are owed to the Return to Owner Program. These notes were executed for the purpose of funding future tax credit properties for which the Authority plans to be a participating member. These notes are considered fully receivable.

**STATE OF NEW MEXICO
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NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 was as follows:

Governmental Activities	Balance June 30, 2020	Additions	Transfers	Deletions	Balance June 30, 2021
Non-Depreciable Assets					
Land	\$ 3,844,684	136,000	-	(46,885)	3,933,799
Construction in progress	-	-	-	-	-
Total non-depreciable assets	3,844,684	136,000	-	(46,885)	3,933,799
Depreciable Assets					
Buildings and improvements	9,349,795	-	-	-	9,349,795
Land Improvements	144,511	400,544	-	-	545,055
Equipment	2,544,090	60,750	-	-	2,604,841
Infrastructure	2,753,089	-	-	-	2,753,089
Vehicles	3,006,790	1,175,055	303,202	(86,094)	4,398,953
Total depreciable assets	17,798,275	1,626,350	303,202	(86,094)	19,651,733
Accumulated Depreciation					
Building and improvements	(5,411,975)	(157,070)	-	-	(5,569,045)
Land Improvements	(6,120)	(5,407)	-	-	(11,527)
Equipment	(2,167,393)	(55,667)	-	-	(2,223,060)
Infrastructure	(825,014)	(93,364)	-	-	(918,378)
Vehicles	(2,437,351)	(176,985)	(303,202)	86,094	(2,831,444)
Total Accumulated Depreciation	(10,847,853)	(488,493)	(303,202)	86,094	(11,553,453)
Governmental Capital Assets, net	\$ 10,795,107	1,283,857	-	(46,885)	12,032,079

Depreciation expense was charged to functions/programs of the government as follows:

Governmental Activities:	
General Government	\$ 183,479
Public safety	164,385
Public works	75,521
Public health and welfare	8,358
Culture and recreation	56,750
	<u>\$ 488,493</u>

**STATE OF NEW MEXICO
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NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 5. CAPITAL ASSETS (CONTINUED)

Business-Type Activities	Balance June 30, 2020	Additions	Transfer	Deletions	Balance June 30, 2021
Non-depreciable assets:					
Land	\$ 2,623,071	-	-	-	2,623,071
Construction in progress	6,795,328	945,333	(6,795,328)	-	945,333
Total non-depreciable assets	9,418,399	945,333	(6,795,328)	-	3,568,404
Depreciable assets:					
Building & Improvements	5,092,393	55,715	-	-	5,148,107
Land Improvements	21,461	24,202	-	-	45,663
Utility plant	18,737,231	141,923	6,707,076	-	25,586,230
Equipment	4,221,949	1,008,917	88,252	-	5,319,118
Vehicles	3,062,460	500,764	-	-	3,563,224
Total depreciable assets	31,135,494	1,731,522	6,795,328	-	39,662,343
Accumulated depreciation:					
Land Improvements	(537)	(1,275)	-	-	(1,812)
Building and improvements	(1,616,624)	(102,387)	-	-	(1,719,010)
Utility plant	(6,040,100)	(509,666)	-	-	(6,549,766)
Equipment	(3,282,618)	(82,896)	-	-	(3,365,514)
Vehicles	(2,011,639)	(174,565)	-	-	(2,186,204)
Total accumulated depreciation	(12,951,518)	(870,789)	-	-	(13,822,307)
Business-type activities capital assets, net	\$ 27,602,375	1,806,006	-	-	29,408,440

Depreciation expense was charged to functions/programs of the business- type as follows:

Business-Type Activities:	
Joint Utility Fund	\$ 4,890
Electric	228,377
Water	117,998
WWTP	265,347
Airport	141,903
Solid Waste	104,324
Golf Course Fund	7,809
Cemetery Fund	141
	<u>\$ 870,789</u>

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 5. CAPITAL ASSETS (CONTINUED)

The following summarizes changes in capital assets activity for the Authority during fiscal year 2021.

Component Unit	Balance June 30, 2020	Additions	Deletions	Transfers	Balance June 30, 2021
Capital assets not being depreciation:					
Land	\$ 637,536	-	-	-	637,536
Total capital assets not being depreciated	637,536	-	-	-	637,536
Depreciable assets:					
Land improvements	793,023	4,708	-	-	797,731
Buildings and improvements	6,798,924	-	-	-	6,798,924
Dwelling equipment	435,507	7,822	-	-	443,329
Non-dwelling equipment	560,535	29,973	-	-	590,508
Total depreciable assets	8,587,989	42,503	-	-	8,630,492
Accumulated depreciation:					
Land improvements	620,106	18,132	-	-	638,238
Buildings and improvements	4,682,540	130,303	-	-	4,812,843
Dwelling equipment	224,657	11,801	-	-	236,458
Non-dwelling equipment	512,624	34,945	-	-	547,569
Total accumulated depreciation	6,039,927	195,181	-	-	6,235,108
Component unit capital assets, net	\$ 3,185,598	(152,678)	-	-	3,032,920

Depreciation expense for the year ended June 30, 2021 totaled \$195,181 for the Authority.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund transfers and advances consisted of the following as of June 30, 2021:

TRANSFERS

Governmental Funds	Transfer In	Transfer Out
General	\$ 1,898,626	616,264
Corrections Fund	30,000	-
Lodgers Tax	-	90,000
Municipal Pool	60,000	-
PD GRT	280,264	105,456
Pledge State	503,929	337,899
Senior Grants	-	183,170
CI Reserve	2,014,753	-
Other State Funded Projects	109,802	-
Business-Type Funds		
Joint Utility Office	841,931	1,784,831
Electric Fund	1,362,725	3,234,901
Water Fund	1,073,025	1,414,838
WWTP	932,992	1,165,531
Solid Waste Fund	353,878	800,035
Golf Course	180,000	-
Municipal Airport	359,218	268,218
Net Transfers	\$ 10,001,143	10,001,143

Transfers are used to 1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, 2) move restricted amounts from borrowings to the debt service fund to establish mandatory reserve accounts, 3) move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

STATE OF NEW MEXICO
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June 30, 2021

NOTE 6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Governmental Funds	Due To/Due From	
	Due To	Due From
PD GRT	\$ -	\$ 827
CI Reserve	116,329	239,586
NMFA Projects	97,930	-
Water Trust Board Projects	26,606	-
Pledge State	161,422	-
Business-Type Funds		
Joint Utility Office	-	35,019
Electric Fund	-	17,018
Water Fund	18,280	161,422
WWTP	28,572	22,921
Solid Waste Fund	17,725	1,276
Solid Waste Transfer Station	7,601	-
Golf Course	-	-
Municipal Airport	150,054	146,450
Net Total	\$ 624,519	\$ 624,519

NOTE 7. LONG-TERM DEBT

General Obligation Bonds. The City has the capacity to issue general obligation bonds to provide funds for the acquisition and/or construction of major capital projects, but as of June 30, 2018 no general obligation bonds had been issued.

Revenue Bonds. The City has the capacity to issue bonds where the City pledges gross receipts tax revenue and revenues derived from the acquired or constructed assets to pay debt service, but as of June 30, 2020 the City had one revenue bond issued on February 2, 2012 for the construction of the solid waste collection center and other equipment required for optimal operation. The bond bears interest at 3.95% per annum and matures on June 1, 2026. The payment of principal, premium and interest thereon, whether at maturity or on a redemption date, are paid with the income derived from the operation of the joint utility system which includes revenues from the solid waste collection center.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 7. LONG-TERM DEBT (CONTINUED)

Governmental Activities

During the year ended June 30, 2021, the following changes occurred in the liabilities reported in the government-wide statement of net position:

	Balance 6/30/2020	Additions	Retirements	Balance 6/30/2021	Due Within One Year
Police Department					
Building	\$ 86,532	-	(13,937)	72,595	14,119
Streets Loan	1,211,998	-	(1,211,998)	-	-
2020 Refunding	-	1,211,998	(158,889)	1,053,109	115,000
NMFA Fire Pumper	97,882	-	(22,882)	75,000	28,311
Law Enforcement	83,851	-	(20,932)	62,919	20,952
Equipment					
Disadvantaged Funding	228,432	-	-	228,432	-
Infrastructure					
Infrastructure and IT	815,358	-	(110,351)	705,007	111,440
Refunding Recreational	1,269,816	-	(133,827))	1,135,989	136,204
Loan					
Total Notes Payable	3,793,859	1,211,998	(1,672,816)	3,333,051	426,026
Compensated Absences	180,999	249,620	(150,401)	280,219	93,406
Total Long-term debt	\$ 3,974,858	1,461,618	(1,823,217)	3,613,270	519,432

On April 14, 2006, the City borrowed \$265,152 from the New Mexico Finance Authority. The note matures on May 1, 2026 and accrues interest at 1.2700% per annum. The proceeds of the loan were used for acquiring a building for use by the City's police department. The payments of principal and interest are paid from pledged gross receipts tax revenues. As of June 30, 2021, the City has an outstanding balance of \$72,595.

On September 18, 2020, the city refinanced the October 13, 2009 loan of \$2,046,949 loan for \$1,124,188 from the New Mexico Finance Authority. The loan was funded on September 18, 2020. The note matures on May 1, 2030 and accrues interest at rates from per annum. The proceeds of the loan were used for making improvements and repairs to the City's streets and drainage systems. The payments of principal and interest are paid from the first increment of one-quarter of one percent (0.25%) of municipal gross receipts tax, dedicated to the general fund. As of June 30, 2021, the City has an outstanding balance of \$1,053,109.

On June 21, 2013, the City borrowed \$228,113 from the New Mexico Finance Authority. The note matures on May 1, 2024 and accrues interest at 0.0071% per annum. The proceeds of the loan were used to acquire a Fire Pumper for use by the City's volunteer fire department. The payments of principal and interest are paid from an interception of the State Fire Marshalls allocation. As of June 30, 2021, the City has an outstanding balance of \$75,000.

**STATE OF NEW MEXICO
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June 30, 2021**

NOTE 7. LONG-TERM DEBT (CONTINUED)

On June 28, 2018, the City borrowed \$103,833 from the New Mexico Finance Authority. The note matures on May 1, 2024 and accrues interest at a rate of .099% per annum. The proceeds of the loan were used for acquiring law enforcement equipment. The payments of principal and interest are paid from pledged state shared gross receipts tax revenue. As of June 30, 2021, the City has an outstanding balance of \$62,919.

On August 30, 2019, the City issued \$2,475,799 bond par amount in state-shared gross receipts tax refunding bonds, PPRF-4968 to refund the series 2009 state shared gross receipts tax bonds, pay the cost of issuance and purchase IT equipment and Infrastructure. The associated debt was subsequently called on August 30, 2019. The true interest cost on the new bond series is 1.52% with a final maturity on May 1, 2029. The net present value savings resulting from this refunding is \$256,051. The difference in cash flow requirements to service the old debt of \$1,973,831 and the cash flows to service the debt of \$1,470,698 is \$503,133. The debt is secured through maturity by state shared gross receipts tax revenues. For the current year, principal and interest paid was \$244,178 and \$29,701, respectively. As of June 30, 2021, the City has an outstanding balance of \$228,432 (PPRF-4968-C), \$705,007 (PPRF-4968 B), and \$1,135,989 (PPRF-4968-A) respectively. For a total of \$2,069,428

The annual requirements to amortize the governmental activities debt as of June 30, 2021, including interest payments, are as follows:

Year Ending June, 30	Principal	Interest	Admin Fees	Total Requirements
2022	426,026	31,279	2,296	459,601
2023	424,716	27,888	1,993	454,597
2024	428,553	24,352	1,691	454,596
2025	388,196	20,621	1,386	410,203
2026	392,489	16,614	1,100	410,203
2027-2030	1,273,071	26,074	1,645	1,300,790
	<u>\$ 3,333,051</u>	<u>146,828</u>	<u>10,111</u>	<u>3,489,990</u>

The debt service and fire protection fund have typically been used to liquidate long-term liabilities.

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 7. LONG-TERM DEBT (CONTINUED)

Business-Type Activities

	Balance 6/30/2020	Additions	Retirements	Balance 6/30/2021	Due Within One Year
Revenue Bonds					
Series 2012 Solid					
Waste Revenue	\$ 615,000	-	(95,000)	520,000	95,000
Total Revenue Bonds	615,000	-	(95,000)	520,000	95,000
Loans Payable					
Water Tank Loan	117,253	-	(117,253)	-	-
NMFA	142,380	-	(12,783)	129,597	12,185
NMFA	99,445	-	(8,287)	91,158	8,287
NMFA TorC 19 (66%)	626,306	-	(40,592)	585,714	41,469
NMFA TorC 19 (34%)	323,074	-	(20,939)	302,135	21,391
PER/Asset Mgmt Plan	43,185	108	-	43,293	6,553
Waste Water Project Design/Construction Phase 2	53,845	-	(3,846)	49,999	3,846
NMFA	57,996	-	(3,867)	54,129	3,867
NMFA	89,643	-	(26,258)	63,385	26,691
NMFA	321,376	-	(94,455)	226,921	95,687
NMFA	-	9,000	-	9,000	450
USDA Debt	851,000	-	(16,000)	835,000	16,000
USDA WWTP	-	715,000	(208)	714,792	25,844
USDA WWTP	-	315,000	-	315,000	10,246
Total Loans Payable	2,725,503	1,039,108	(344,488)	3,420,123	272,516
Compensated Absences	112,800	187,965	(159,701)	141,064	47,020
Total Long-term debt	\$ 3,453,303	1,227,073	(599,189)	4,081,187	414,536

Revenue Bonds

On February 3, 2012, the City issued solid waste revenue bond in the amount of \$1,260,000 for the construction of the solid waste collection center and purchase of any equipment necessary for optimal operation. The bond bears interest at 3.95% per annum and matures on June 1, 2026. The payment of principal, premium and interest thereon, whether at maturity or on a redemption date, are paid with income derived from the operation of the joint utility system which includes revenues from the solid waste collection center. As of June 20, 2021, the City has an outstanding balance of \$520,000.

**STATE OF NEW MEXICO
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June 30, 2021**

NOTE 7. LONG-TERM DEBT (CONTINUED)

The annual requirements to amortize the revenue bonds as of June 30, 2021, including interest payments, are as follows:

Year Ending June 30,	Principal	Interest	Total Requirements
2022	95,000	20,540	115,540
2023	100,000	16,788	116,788
2024	105,000	12,838	117,838
2025	110,000	8,690	118,690
2026	110,000	4,345	114,345
Total \$	520,000	63,201	583,201

Loans Payable

On December 30, 2011, the City borrowed \$256,000 from the New Mexico Finance Authority. The note matures on June 1, 2032, with 0% interest rate with an administrative fee component of $\frac{1}{4}$ of 1%. The proceeds of the loan were used for ground storage tanks. The payments of principal and interest are paid from net revenues from the City's utility system. At June 30, 2021 the City has an outstanding balance of \$129,597.

On October 1, 2012, the City borrowed \$165,741 from the New Mexico Finance Authority. The note matures on May 1, 2032 and accrues interest at 0% interest rate per annum. The proceeds of the loan were used for water storage tanks for the City's water and sewer utility system. The payments of principal and interest are paid from pledged net revenues from the City's utility system. At June 30, 2021 the City has an outstanding balance of \$91,158.

On August 17, 2012, the City borrowed \$1,424,865 from the New Mexico Finance Authority. The note matures on May 1, 2033 and accrues interest at 3.00% per annum with an administrative fee component of $\frac{1}{4}$ of 1%. The proceeds of the loan were used to refinance Revenue Bonds 95, 96, and 98. The payments of principal and interest are paid from pledged net revenues from the City's utility system. At June 30, 2021 the City has an outstanding balance of \$887,849.

On March 21, 2014, the City borrowed \$64,000 from the New Mexico Finance Authority. The note matures on June 1, 2033 and accrues interest at 0% per annum and an administrative fee of $\frac{1}{4}$ of 1%. The proceeds of the loan were used for storage, conveyance, or delivery of water to end users and included 2 planning reports. The payments of principal and administrative fees are paid from pledged net revenues from the City's utility system. At June 30, 2021 the City has an outstanding balance of \$43,293.

On March 3, 2015, the City borrowed \$75,000 from the New Mexico Finance Authority. The note matures on June 1, 2035 and accrues interest at 0% per annum. The proceeds of the loan were used for wastewater system improvements Phase II-A. The payments of principal and interest are paid from pledged net revenues from the City's utility system. At June 30, 2021 the City has an outstanding balance of \$49,999.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 7. LONG-TERM DEBT (CONTINUED)

On January 8, 2016, the City borrowed \$75,000 from the New Mexico Finance Authority. The note matures on June 1, 2035 and accrues interest at 0% per annum. The proceeds of the loan were used for funding the local matching requirement of a Colonias Infrastructure Project to improve the City's wastewater system as part of Phase II-A. The payments of principal and interest are paid from pledged net revenues from the City's utility system. At June 30, 2021 the City has an outstanding balance of \$54,129.

On August 2, 2019 the City refinanced a note from the NMFA in the amount of \$500,318. The note matures May 1, 2024. The proceeds of the loan were used to refund the New Mexico Finance Authority loan no. PPRF-1704 (\$391,199) and New Mexico environmental department loan no. RIP 95-16 (\$109,119). The current year principal and interest paid was \$89,299 and \$5,261, respectively. The current year principal and interest paid was \$89,299 (\$69,822 for Electric and \$19,476 for Water) and \$5,261 (\$3,821 for Electric and \$1,065 for Water), respectively. The payments of principal and interest are paid from pledged net revenues from the City's Joint Utility System. At June 30, 2021 the City has an outstanding balance of \$290,306 (\$226,991 Electric and \$63,385 Water).

On September 20, 2019 the City borrowed \$9,000 for the preparation of a municipal water system preliminary engineering report. Colonias Infrastructure project fund loan/grant. NM Colonias infrastructure board (CIB) and the NM Finance Authority. The loan maturity is on June 1, 2041.

On May 11, 2016, the City issued Joint Utility System Improvement Revenue Bonds, series 2015, in the principal amount of \$910,000 for the purpose of acquiring, extending, enlarging, bettering, repairing, or otherwise improving the wastewater system within the City's joint utility system. The bond bears interest at 2.25% per annum and matures on May 11, 2056. The payment of principal, premium, and interest thereon, whether at maturity or on a redemption date, are paid with net revenues derived from the operation of the City's joint utility system. As of June 30, 2021, the City has an outstanding balance of \$835,000.

On September 5, 2019 the City borrowed \$715,000 for Phase 2B Improvements to include rehabilitation of existing biological treatment processes and lift station upgrades to the Clancy, North Date, Nickel, and Mims lift stations. Loan maturity is September 5, 2059. Loan payments begin one year after closing on 9/5/2020. The interest rate is 1.625%. Funding was administered on behalf of the Rural Utilities Service (RUS) by the State and Area staff of USDA Rural Development. As of June 30, 2021, the City has an outstanding balance of \$714,792.

On September 5, 2019 the City borrowed \$315,000 for Phase 2B Improvements to include rehabilitation of existing biological treatment processes and lift station upgrades to the Clancy, North Date, Nickel, and Mims lift stations. Loan maturity is September 5, 2059. Loan payments begin one year after closing on 9/5/2020. The interest rate is 2.125%. Funding was administered on behalf of the Rural Utilities Service (RUS) by the State and Area staff of USDA Rural Development. As of June 30, 2021, the City has an outstanding balance of \$315,000.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 7. LONG-TERM DEBT (CONTINUED)

On June 28, 2019, the City borrowed \$620,543 and had \$620,542 in grant for a total of 1,241,085 from the New Mexico Finance Authority Drinking Water State Revolving Loan Fund Loan and Subsidy Agreement. A portion of the Loan funds made available under this Agreement pursuant to the DWSRLF Act and Safe Drinking Water Act may be forgiven, if forgiven, will not be required to be repaid. The note matures on June 1, 2041 and accrues interest at 0.25% per annum. The proceeds of the loan were used for funding the acquisition, design, construction, improvement, expansion, repair and rehabilitation of drinking water supply facilities as authorized by the Safe Drinking Water Act.

The annual requirement to amortize the loan payables as of June 30, 2021, including interest payments, are as follows:

Year Ending June, 30	Principal	Interest	Admin Fees	Total Requirements
2022 \$	252,334	69,090	290	321,714
2023	215,184	65,262	168	280,614
2024	219,403	61,765	85	281,253
2025	137,128	57,936	-	195,064
2026	139,489	55,190	-	194,679
2027-2031	746,017	229,354	-	975,371
2032-2036	438,861	145,885	-	584,746
2037-2041	243,264	113,439	-	356,703
2042-2046	266,531	88,265	-	354,796
2047-2051	294,128	60,368	-	354,496
2052-2056	326,902	29,539	-	356,441
2057-2059	140,882	3,775	-	144,657
\$	<u>3,420,123</u>	<u>979,868</u>	<u>543</u>	<u>4,400,534</u>

Compensated Absences- Employees of the City are able to accrue a limited amount of vacation and other compensatory time during the year. One third of sick hours accrued are payable to employees of at least 5 years, and a maximum of 240 vacation hours are payable to all employees. Employees accrue hours based on the following schedule:

	Years of Service	Hours Per Pay Period	Working Days Per Year
Sick Leave:	0+	4.0 Hours	13 Days (104 Hours)
Annual Leave:	0 to 3 Years	4.0 Hours	13 Days (104 Hours)
	3 to 15 Years	6.0 Hours	20 Days (160 Hours)
	15+ Years	8.0 Hours	26 Days (208 Hours)

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 7. LONG-TERM DEBT (CONTINUED)

Component Unit

The following summarizes changes in long-term liability activity during fiscal year 2021:

	Balance 6/30/2020	Additions	Retirements	Balance 6/30/2021	Due Within One Year
USDA Loans Hacienda Orgullo #1	\$ 248,547	-	(21,515)	227,032	23,736
USDA Loans Hacienda Orgullo #2	77,339	-	(6,726)	70,613	7,423
USDA Loan Puesta Del Sol	402,022	-	(12,369)	389,653	13,920
Compensated absences	24,654	55,508	(50,027)	30,135	30,135
Total Long-term debt	\$ 752,562	55,508	(90,637)	717,433	75,214

The USDA Loan liabilities are collateralized by the property purchased/renovated with the funds.

Compensated absences decreased by \$5,481 and the balances are paid from the programs under which they are incurred.

The Hacienda Orgullo notes are payable to the U.S. Department of Agriculture, through the Rural Housing Service. The stated interest rates are paid 1% by the Authority, and the remainder by Rural Housing Service, in the form of a debt service subsidy.

The Puesta del Sol note is payable to the U.S. Department of Agriculture, through the Rural Housing Service. The Authority receives a fixed debt service subsidy from the Rural Housing Service of \$3,681 per month.

The terms of each note payable are summarized below:

Description	Date of Issue	Maturity Date	Interest Rate	Subsidy Rate	Original Amount of Issue	Balance June 30, 2021
USDA Loan Hacienda Orgullo #1	12/19/1981	8/19/2030	1.00%	10.750%	\$ 312,140	\$ 227,032
USDA Loan Hacienda Orgullo #2	12/19/1981	10/19/2030	1.00%	9.000%	1,000,000	70,613
USDA Loan Puesta Del Sol	12/1/1994	3/1/2034	1.00%	11.875%	495,788	389,653
Total Loans						\$ 687,298

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 7. LONG-TERM DEBT (CONTINUED)

Debt service requirements on long-term debt at June 30, 2021, are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2022	\$ 45,079	\$ 71,279	\$ 116,358
2023	47,138	71,279	118,417
2024	49,419	61,905	111,324
2025	51,951	56,819	108,770
2026	54,761	51,428	106,189
2026-2031	300,086	163,601	463,687
2032-2034	138,864	24,579	163,443
	<u>\$ 687,298</u>	<u>\$ 500,890</u>	<u>\$ 1,118,118</u>

NOTE 8. RESTRICTED FUND BALANCES

Fund balances were restricted for the following purposes:

Subsequent Years Expenditures. The New Mexico Department of Finance and Administration (DFA) requires that 1/12th of the general fund budgeted expenditures be restricted as subsequent year expenditures to maintain an adequate cash flow until the next significant GRT collection.

NOTE 9. COMMITMENTS AND CONTINGENCIES

Risk Management. The City is also exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omission; and natural disasters. In addition, the City is party to numerous pending or threatened lawsuits, under which it may be required to pay certain amounts upon final disposition of these matters. The City has historically retained these risks, except where it has determined that commercial insurance is more cost beneficial or legally required. The City has covered all claim settlements and judgments out of its General Fund resources, except where specifically identifiable to an enterprise fund. The City currently reports substantially all of its risk management activities, except worker's compensation, in its General Fund. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Current liabilities are reported when the liability has matured. These losses include an estimate of claims that have been incurred but not reported.

Contingent Liabilities. Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
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NOTE 10. JOINTLY GOVERNED ORGANIZATIONS

The City is a participant in a *joint powers agreement with the Village of Williamsburg* for police protection services wherein the City is to provide management, operations, patrols, police powers under the direction and guidance of the City Chief of Police and the Trustees of the Village in accordance with applicable provisions of the New Mexico State Laws and Regulations. The Village will pay the City \$40,000 yearly. The agreement was entered into on February 10, 2015. The term of this contract is three years, each fiscal year the party's shall review the agreement.

The City is a participant in a *joint powers agreement with the City of Elephant Butte* for animal control services. The City of Truth or Consequences shall provide, through the Animal Control Officer, control of dangerous animals and enforcement of the City of Elephant Butte's Ordinance No. 134. The City of Elephant Butte shall pay \$50 per response and/or patrol plus an additional \$25 per hour after the first hour. The contract may be renewed annually for up to 2 additional years.

The City is a participant in a *memorandum of understanding with Sierra County* for MALCO site cleanup. The parties shall endeavor to work together to prepare and submit a grant application to secure funding to clean the MALCO site and nearby county sites, and to expend funds received in conjunction with the grant application purpose. This agreement was entered into on March 16, 2015. The agreement is cancellable by either party within 30 days advance written notice.

The City is a participant in a *joint powers agreement with Sierra County* to share resources in order to protect the citizens of the County and to humanely treat the stray animals in the County through the joint exercise of the City's Animal Control Officers. The County shall pay the City, \$30 for each response by the City's Animal Control Officers as requested by the County. The County shall be responsible for any charges arising from the "animal shelter" related to care, feeding and disposal. The contract shall remain in effect for 3 years until it is terminated pursuant to the terms of the JPA.

The City is a participant in a *joint powers agreement with Sierra County* for fiscal agent for animal shelter services with Sierra Veterinary Services. The City has entered into a contract with the Sierra Veterinary Services for the housing, feeding, adoption, and final disposition of all impounded animals. The County shall be \$3,000 per month for all regular services. The contract may be renewed annually for up to 4 years, upon the parties' mutual consent.

The City is a participant in a *memorandum of understanding with the City of Truth or Consequences Housing Authority* wherein the City shall provide the following equipment and services to the Housing Authority; 1 recycling collection trailer with recycling bins and processing of recyclable materials. The Housing Authority shall pay a fee of \$50 per trailer to the City in the event delivered materials contain greater than 25% contaminant by volume. This agreement shall remain in effect until terminated by either party pursuant to the agreement terms.

The City is a participant in a *joint powers agreement with the Sierra County, the Village of Williamsburg, and the City of Elephant Butte* wherein all parties agree to provide intergovernmental cooperation between each participant for the centralized dispatching of area law enforcement and emergency services, and to allow entry by other subdivisions or municipal corporations. The parties to the agreement are responsible each for a base amount of \$200,000

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 10. JOINTLY GOVERNED ORGANIZATIONS (CONTINUED)

annually, but shall be negotiated. The agreement was entered into on June 22, 2010 and will remain in full force until by mutual agreement of the parties or by written notice by one party to the other giving 30 day notice of cancellation. Each party is responsible for the audit of its own related expenditures.

The City is a participant in a *joint powers agreement with the New Mexico Spaceport Authority* wherein both parties agree to provide services for the reconstruction, administration, and use for the Spaceport related activities. The City is responsible for \$175,000 contribution for environmental remediation. The agreement was entered into on October 29, 2009 and will remain in full force for one year unless mutually agreed by both parties to extend to a possible five to thirty years. The agreement can be terminated upon 30 days of written notice. Each party is responsible for the audit of its own related expenditures.

The City is a participant in a *joint powers agreement with the Village of Williamsburg* for road maintenance wherein the City is to provide road maintenance services which includes, but is not limited to street sweeping, pot hole patching, replacement of street signs and grant writing assistance. The Village will pay the City pursuant to a rate schedule and reimburse the City for fees charged in the performance of this MOU. This contract is renewable on an annual basis. The agreement can be terminated upon 30 days of written notice.

The City is a participant in a *joint powers agreement with the Sierra County, the Village of Williamsburg, and the City of Elephant Butte* wherein all parties agree to provide and maintain an adequate health care facility, including acute care hospital within the County. The City is responsible for 3/16% gross receipts tax, pledged for operations. The pledge shall not exceed 20 years. The agreement was adopted on May 14, 1998 and revised on July 15, 2009 and will remain in full force until by mutual agreement of the parties or by written notice by one party to the other giving 30 day notice of cancellation. Each party is responsible for the audit of its own related expenditures.

NOTE 11. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT PLAN

General Information about the Pension Plan

Plan Description – *Public Employees Retirement Fund* is a cost-sharing, multiple employer defined benefit pension plan. This fund has six divisions of members, including State General, State Police/Adult Correction Officers, Municipal General, Municipal Police/Detention Officers, Municipal Fire, and State Legislative Divisions, and offers 24 different types of coverage within the PERA plan. All assets accumulated may be used to pay benefits, including refunds of member contributions, to any of the plan members or beneficiaries, as defined by the terms of this plan. Certain coverage plans are only applicable to a specific division. Eligibility for membership in the Public Employees Retirement Fund is set forth in the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). Except as provided for in the Volunteer Firefighters Retirement Act (10-11A-1 to 10-11A-7, NMSA 1978), the Judicial Retirement Act (10-12B-1 to 10-12B-19, NMSA 1978), the Magistrate Retirement Act (10-12C-1 to 10-12C-18, NMSA 1978), and the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978), each employee and elected official of every

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
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June 30, 2021

NOTE 11. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT PLAN (CONTINUED)

affiliated public employer is required to be a member in the Public Employees Retirement Fund, unless specifically excluded.

Benefits Provided. Benefits are generally available at age 65 with five or more years of service or after 25 years of service regardless of age for TIER I members. Provisions also exist for retirement between ages 60 and 65, with varying amounts of service required. Certain police and fire members may retire at any age with 20 or more years of service for Tier I members. Generally, the amount of retirement pension is based on final average salary, which is defined under Tier I as the average of salary for the 36 consecutive months of credited service producing the largest average; credited service; and the pension factor of the applicable coverage plan. Monthly benefits vary depending upon the plan under which the member qualifies, ranging from 2% to 3.5% of the member's final average salary per year of service. The maximum benefit that can be paid to a retiree may not exceed a range of 60% to 90% of the final average salary, depending on the division. Benefits for duty and non-duty death and disability and for post-retirement survivors' annuities are also available.

Tier II. The retirement age and service credit requirements for normal retirement for PERA state and municipal general members hired increased effective July 1, 2013 with the passage of Senate Bill 27 in the 2013 Legislative Session. Under the new requirements (Tier II), general members are eligible to retire at any age if the member has at least eight years of service credit and the sum of the member's age and service credit equals at least 85 or at age 67 with 8 or more years of service credit. General members hired on or before June 30, 2013 (Tier I) remain eligible to retire at any age with 25 or more years of service credit. Under Tier II, police and firefighters in Plans 3, 4 and 5 are eligible to retire at any age with 25 or more years of service credit. State police and adult correctional officers, peace officers and municipal juvenile detention officers will remain in 25-year retirement plans, however, service credit will no longer be enhanced by 20%. All public safety members in Tier II may retire at age 60 with 6 or more years of service credit. Generally, under Tier II pension factors were reduced by .5%, employee Contribution increased 1.5 percent and effective July 1, 2014 employer contributions were raised .05 percent. The computation of final average salary increased as the average of salary for 60 consecutive months.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 11. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT PLAN (CONTINUED)

Contributions. See PERA's comprehensive annual financial report for Contribution provided description.

PERA Contribution Rates and Pension Factors in effect during FY19						
	Employee Contribution Percentage		Employer Contribution Percentage	Pension Factor per year of Service		Pension Maximum as a Percentage of the Final Average Salary
	Annual Salary less than \$20,000	Annual Salary greater than \$20,000		TIER 1	TIER 2	
Coverage Plan						
STATE PLAN						
State Plan 3	7.42%	8.92%	16.99%	3.0%	2.5%	90%
MUNICIPAL PLANS 1 - 4						
Municipal Plan 1 (plan open to new employers)	7.0%	8.5%	7.4%	2.0%	2.0%	90%
Municipal Plan 2 (plan open to new employers)	9.15%	10.65%	9.55%	2.5%	2.0%	90%
Municipal Plan 3 (plan closed to new employers 6/95)	13.15%	14.65%	9.55%	3.0%	2.5%	90%
Municipal Plan 4 (plan closed to new employers 6/00)	15.65%	17.15%	12.05%	3.0%	2.5%	90%
MUNICIPAL POLICE PLANS 1 - 5						
Municipal Police Plan 1	7.0%	8.5%	10.40%	2.0%	2.0%	90%
Municipal Police Plan 2	7.0%	8.5%	15.40%	2.5%	2.0%	90%
Municipal Police Plan 3	7.0%	8.5%	18.90%	2.5%	2.0%	90%
Municipal Police Plan 4	12.35%	13.85%	18.90%	3.0%	2.5%	90%
Municipal Police Plan 5	16.3%	17.8%	18.90%	3.5%	3.0%	90%
MUNICIPAL FIRE PLANS 1 - 5						
Municipal Fire Plan 1	8.0%	9.5%	11.40%	2.0%	2.0%	90%
Municipal Fire Plan 2	8.0%	9.5%	17.9%	2.5%	2.0%	90%
Municipal Fire Plan 3	8.0%	9.5%	21.65%	2.5%	2.0%	90%
Municipal Fire Plan 4	12.8%	14.3%	21.65%	3.0%	2.5%	90%
Municipal Fire Plan 5	16.2%	17.7%	21.65%	3.5%	3.0%	90%
MUNICIPAL DETENTION OFFICER PLAN 1						
Municipal Detention Officer Plan 1	16.65%	18.15%	17.05%	3.0%	3.0%	90%
STATE POLICE AND ADULT CORRECTIONAL OFFICER PLANS, ETC.						
State Police and Adult Correctional Officer Plan 1	7.6%	9.1%	25.50%	3.0%	3.0%	90%
State Plan 3 - Peace Officer	7.42%	8.92%	16.99%	3.0%	3.0%	90%
Juvenile Correctional Officer Plan 2	4.78%	6.28%	26.12%	3.0%	3.0%	90%

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 11. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT PLAN (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2021, the City reported a liability of \$8,269,368 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2020 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2020. There were no significant events or changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2020. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined.

For PERA Fund Division Municipal General, at June 30, 2021, the City reported a liability of \$6,349,794 for its proportionate share of the net pension liability. At June 30, 2020, the City's proportion was .3140% percent, which was an increase of 0.0296% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the City recognized PERA Fund Division Municipal General Pension expense of \$386,170. At June 30, 2021, the City reported PERA Fund Division Municipal General deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 175,968	-
Changes in assumptions	117,484	-
Net difference between projected and actual earnings on pension plan investments	1,161,187	-
Changes in proportion and differences between City's contributions and proportionate share of contributions	385,301	134,492
City's contributions subsequent to the measurement date	312,252	-
Total	\$ <u>2,152,192</u>	<u>134,492</u>

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 11. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT PLAN (CONTINUED)

\$312,252 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2022	\$	529,181
2023		458,276
2024		433,073
2025		284,918
2026		-
Thereafter		-

For PERA Fund Division Municipal Police, at June 30, 2021, the City reported a liability of \$1,919,574 for its proportionate share of the net pension liability. At June 30, 2020, the City's proportion was 0.2235% percent, which was a decrease of 0.0491% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the City recognized PERA Fund Division Municipal Police pension income of \$38,441. At June 30, 2021, the City reported PERA Fund Division Municipal Police deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 111,548	-
Changes in assumptions	45,457	-
Net difference between projected and actual earnings on pension plan investments	329,480	-
Changes in proportion and differences between City's contributions and proportionate share of contributions	80,632	275,813
City's contributions subsequent to the measurement date	121,349	-
Total	\$ <u>688,466</u>	<u>275,813</u>

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 11. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT PLAN (CONTINUED)

\$121,349 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date June 30, 2020 will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2022	\$	86,664
2023		82,646
2024		41,104
2025		80,890
2026		-
Thereafter		-

Component Unit

For PERA Fund Municipal General Division, at June 30, 2021, the Truth or Consequences Housing Authority reported a liability of \$1,781,582 for its proportionate share of the net pension liability. At June 30, 2020, the Housing Authority's proportion was 0.0881% percent, which was a decrease of 0.0038% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2021, the Truth or Consequences Housing Authority recognized PERA Fund Municipal General Division pension expense of \$89,000. At June 30, 2021, the Housing Authority reported PERA Fund Municipal General Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 49,372	-
Changes in assumptions	32,963	-
Net difference between projected and actual earnings on pension plan investments	325,798	-
Changes in proportion and differences between Authority's contributions and proportionate share of contributions	15,782	59,453
Authority's contributions subsequent to the measurement date	93,333	-
Total	\$ 517,248	59,453

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
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June 30, 2021

NOTE 11. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT PLAN (CONTINUED)

\$93,333 reported as deferred outflows of resources related to pensions resulting from the Housing Authority's contributions subsequent to the measurement date June 30, 2020 will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2022	\$	113,188
2023		88,957
2024		82,376
2025		79,941
2026		-
Thereafter		-

Actuarial assumptions: The total pension liability in the June 30, 2020 actuarial valuation was determined using the following significant actuarial assumptions, applied to all periods included in the measurement.

Actuarial valuation date	June 30, 2019
Actuarial cost method	Entry age normal
Amortization method	Level Percentage of Pay
Amortization period	Solved for based on statutory rates
Asset valuation method	4 Year smoothed Market Value
Actuarial assumptions	
Investment rate of return	7.25% annual rate, net of investment expense
Projected benefit payment	100 years
Payroll growth	3.00%
Projected salary increases	3.25% to 13.50% annual rate
Includes inflation at	2.50%
	2.75% all other years
Mortality assumption	The mortality assumptions are based on the RPD-2014 Blue Collar mortality table with female ages set forward one year. Future improvement in mortality rates is assumed using 60% of the MP-2017 projection scale generationally. For non-public safety groups, 25% of in-service deaths are assumed to be duty related and 35% are assumed to be duty-related for public safety groups.
Experience study dates	July 1, 2008 to June 30, 2017 (demographic) and July 1, 2010 through June 20, 2018 (economic)

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 11. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT PLAN (CONTINUED)

The total pension liability, net pension liability, and certain sensitivity information are based on an actuarial valuation performed as of June 30, 2019. The total pension liability was rolled-forward from the valuation date to the plan year ended June 30, 2020. These assumptions were adopted by the Board use in the June 30, 2019 actuarial valuation.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	35.50%	5.90%
Risk Reduction & Mitigation	19.50%	1.00%
Credit Oriented Fixed Income	15.00%	6.20%
Real Assets	20.00%	6.00%
Multi-Risk Allocation	10.00%	6.40%
Total	100.0%	

Discount rate: A single discount rate of 7.25% was used to measure the total pension liability as of June 30, 2020. This single discount rate was based on a long-term expected rate of return on pension plan investments of 7.25%, compounded annually, net of expense. Based on the stated assumptions and the projection of cash flows, the plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The projections of cash flows used to determine this single discount rate assumed that plan member and employer contributions will be made at the current statutory levels.

Sensitivity of the Employer's proportionate share of the net pension liability to changes in the discount rate: The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 11. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT PLAN (CONTINUED)

PERA Fund Division Municipal General

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
City's proportionate share of the net pension liability	\$ 9,091,253	6,349,794	4,076,572

PERA Fund Division Municipal Police

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
City's proportionate share of the net pension liability	\$ 2,754,774	1,919,574	1,236,008

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in separately issued PERA financial reports.

Payables to the pension plan: At June 30, 2021 the City had no outstanding contributions to the pension plan and therefore, had no payables reported as of June 30, 2021.

Component Unit

Sensitivity of the Employer's proportionate share of the net pension liability to changes in the discount rate: The following presents the Truth or Consequences Housing Authority's proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

PERA Fund Division Municipal General

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Housing Authority's proportionate share of the net pension liability	\$ 2,550,762	1,781,582	1,143,777

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in separately issued PERA financial reports.

Payables to the pension plan: As of June 30, 2021, amounts due to PERA from the Authority totaled \$8,411.

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 12. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN

Plan Description - Employees of the City are provided with OPEB through the Retiree Health Care Fund (the Fund)—a cost-sharing multiple-employer defined benefit OPEB plan administered by the New Mexico Retiree Health Care Authority (NMRHCA). NMRHCA was formed February 13, 1990, under the New Mexico Retiree Health Care Act (the Act) of New Mexico Statutes Annotated, as amended (NMSA 1978), to administer the Fund under Section 10-7C-1-19 NMSA 1978. The Fund was created to provide comprehensive group health insurance coverage for individuals (and their spouses, dependents and surviving spouses) who have retired or will retire from public service in New Mexico.

NMRHCA is an independent agency of the State of New Mexico. The funds administered by NMRHCA are considered part of the State of New Mexico financial reporting entity and are OPEB trust funds of the State of New Mexico. NMRHCA's financial information is included with the financial presentation of the State of New Mexico.

Benefits provided. The Fund is a multiple employer cost sharing defined benefit healthcare plan that provides eligible retirees (including terminated employees who have accumulated benefits but are not yet receiving them), their spouses, dependents and surviving spouses and dependents with health insurance and prescription drug benefits consisting of a plan, or optional plans of benefits, that can be contributions to the Fund and by co-payments or out-of-pocket payments of eligible retirees.

Employees covered by benefit terms – At June 30, 2020, the Fund's measurement date, the following employees were covered by the benefit terms:

Plan membership	
Current retirees and surviving spouses	52,179
Inactive and eligible for deferred benefit	10,916
Current active members	91,082
	<hr/>
	154,177
Active membership	
State general	17,097
State police and corrections	1,830
Municipal general	17,538
Municipal police	3,159
Municipal fire	1,966
Educational Retirement Board	49,492
	<hr/>
	91,082

Contributions – Employer and employee contributions to the Fund total 3% for non-enhanced retirement plans and 3.75% of enhanced retirement plans of each participating employee's salary as required by Section 10-7C-15 NMSA 1978. The contributions are established by statute and are not based on an actuarial calculation. All employer and employee contributions are non-refundable under any circumstance, including termination of the employer's participation in the Fund. Contributions to the Fund from the City were \$72,458 for the year ended June 30, 2021.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

**NOTE 12. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN
(CONTINUED)**

Contributions – Component Unit – Employer and employee contributions to the Fund total 3% for non-enhanced retirement plans and 3.75% of enhanced retirement plans of each participating employee's salary as required by Section 10-7C-15 NMSA 1978. The contributions are established by statute and are not based on an actuarial calculation. All employer and employee contributions are non-refundable under any circumstance, including termination of the employer's participation in the Fund. Contributions to the Fund from the Authority were \$ 15,182 for the year ended June 30, 2021.

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2021, the City reported a liability of \$3,163,457 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019 and rolled forward to June 30, 2020. The City's proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2020. At June 30, 2020, the City's proportion was 0.07534 percent.

For the year ended June 30, 2021, the City recognized OPEB income of \$117,612. At June 30, 2021 the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 17,251	561,745
Changes in assumptions	621,009	561,808
Change in proportion	71,716	182,932
Net difference between projected and actual earnings on OPEB plan investments	-	-
Employer contributions subsequent to the measurement date	72,458	-
Total	\$ 782,434	1,306,485

Deferred outflows of resources totaling \$72,458 represent City contributions to the Fund made subsequent to the measurement date and will be recognized as a reduction of net OPEB liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

**NOTE 12. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN
(CONTINUED)**

Year ended June 30:		
2022	\$	(303,797)
2023		(254,816)
2024		(127,278)
2025		(21,897)
2026		111,279
Total	\$	<u>(596,509)</u>

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – Component Unit

At June 30, 2021, the Authority reported a liability of \$574,411 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020. The Authority's proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2020. At June 30, 2021, the Authority's proportion was 0.01368 percent.

For the year ended June 30, 2021, the Authority recognized OPEB income of \$31,862. At June 30, 2021 the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	102,000
Changes in assumptions	112,761	102,011
Changes in proportions	23,308	56,488
Net difference between projected and actual earnings on OPEB plan investments	3,132	-
Employer contributions subsequent to the measurement date	15,182	-
Total	\$ <u>154,383</u>	<u>260,499</u>

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

**NOTE 12. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN
(CONTINUED)**

Deferred outflows of resources totaling \$15,182 represent Authority contributions to the Fund made subsequent to the measurement date and will be recognized as a reduction of net OPEB liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year ended June 30:		
2022	\$	(54,806)
2023		(45,912)
2024		(22,007)
2025		(6,533)
2026		7,960
Total	\$	<u>(121,298)</u>

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2019 and rolled forward to June 30, 2020, using the following actuarial assumptions:

Actuarial cost method	Entry age normal, level percent of pay, calculated on individual employee basis
Asset valuation method	Market value of assets
Actuarial assumptions:	
Inflation	2.50% for ERB; 2.25% for PERA
Projected payroll increases	3.25% to 13.50% based on years of service, including inflation
Investment rate of return	7.25%, net of OPEB plan investment expense and margin for adverse deviation including inflation
Health care cost trend rate	8% graded down to 4.5% over 14 years for Non-Medicare medical plan costs and 7.5% graded down to 4.5% over 12 years for Medicare medical plan costs

Rate of Return – The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which the expected future real rates of return (net of investment fees and inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumptions.

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

**NOTE 12. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN
(CONTINUED)**

The best estimates for the long-term expected rate of return is summarized as follows:

Asset Class	Long-Term Rate of Return
U.S. core fixed income	2.1%
U.S. equity – large cap	7.1
Non U.S. – emerging markets	10.2
Non U.S. – developed equities	7.8
Private equity	11.8
Credit and structured finance	5.3
Real estate	4.9
Absolute return	4.1
U.S. equity – small/mid cap	7.1

Discount Rate – The discount rate used to measure the Fund’s total OPEB liability is 2.86% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates proportional to the actuary determined contribution rates. For this purpose, employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included. Based on those assumptions, the Fund’s fiduciary net position was projected to be available to make all projected future benefit payments for current plan members through the fiscal year ending June 30, 2039. Thus, the 7.25% discount rate was used to calculate the net OPEB liability through 2040. The index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher was used beyond 2040, resulting in a blended discount rate of 2.86%.

Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates. The following presents the net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.86 percent) or 1-percentage-point higher (3.86 percent) than the current discount rate; percent) than the current discount rate:

1% Decrease (1.86%)	Current Discount Rate (2.86%)	1% Increase (3.86%)
\$ <u>3,932,190</u>	<u>3,163,457</u>	<u>2,569,306</u>

The following presents the net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

**NOTE 12. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN
(CONTINUED)**

	1% Decrease	Current Discount Rate	1% Increase
\$	<u>2,596,607</u>	<u>3,163,457</u>	<u>3,593,428</u>

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in NMRHCA's audited financial statements for the year ended June 30, 2019.

Payables changes in the net OPEB liability. At June 30, 2021, the City did not accrue any payables for OPEB.

Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates – Component Unit. The following presents the net OPEB liability of the Authority, as well as what the Authority's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.86 percent) or 1-percentage-point higher (3.86 percent) than the current discount rate; percent) than the current discount rate:

	1% Decrease (1.86%)	Current Discount Rate (2.86%)	1% Increase (3.86%)
\$	<u>713,995</u>	<u>574,411</u>	<u>466,527</u>

The following presents the net OPEB liability of the Authority, as well as what the Authority's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	1% Decrease	Current Discount Rate	1% Increase
\$	<u>471,484</u>	<u>574,411</u>	<u>652,483</u>

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in NMRHCA's audited financial statements for the year ended June 30, 2020.

Payables changes in the net OPEB liability. At June 30, 2021, the Authority reported a payable of \$857 for outstanding contributions due to NMRHCA for the year ended June 30, 2021.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 13. RECENT ACCOUNTING PRONOUNCEMENTS

In January 2017, the GASB issued Statement No. 84, Fiduciary Activities. The implementation of the Statement was postponed by Statement No. 95 to reporting periods beginning after December 15, 2019. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The City has reviewed the requirements of GASB 84 and determined there are no fiduciary funds requiring disclosure in accordance with the new pronouncement.

In August 2018, the GASB issued Statement No. 90, an amendment of Statements No. 14 and No. 61, Majority Equity Interests. The implementation of Statement No. 90 was postponed by Statement No. 95. The new effective date is for reporting periods beginning after December 15, 2019. Statement No. 90 modifies previous guidance for reporting a government's majority equity interest in a separate organization. This Statement also provides guidance for reporting a component unit if a government acquires a 100 percent equity interest in that component unit. There are no equity interests, and the implementation of this Statement had no effect on the City's financial statements.

The following GASB pronouncements have been issued, but are not yet effective at June 30, 2021.

GASB Statement No. 87, Leases

GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period.

GASB Statement No. 91, Conduit Debt Obligations.

GASB Statement No. 92, Omnibus 2020

GASB Statement No. 93, Replacement of Interbank Offered Rates

GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements

GASB Statement No. 96, Subscription-Based Information Technology Arrangements

GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans

The City will implement the new GASB pronouncements in the fiscal year no later than the required effective date. The City believes that the above listed new GASB pronouncements will not have a significant financial impact to the City or in issuing its financial statements.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO FINANCIAL STATEMENTS
June 30, 2021**

NOTE 14. TAX ABATEMENTS

Governmental Accounting Standards Board Statement No. 77 requires the City to disclose information on certain tax abatement agreements affecting the City. Accordingly, the City did not have any tax abatements affecting the City during the year ended June 30, 2021.

NOTE 15. SUBSEQUENT EVENTS

Events subsequent to June 30, 2021 have been evaluated by management through December 9, 2021, the date the financial statements were available for issuance. In the opinion of management, no events occurring after June 30, 2021 require adjustment or disclosure in the financial statement.

NOTE 16. PRIOR YEAR RESTATEMENT

The City has understated long-term debt and overstated fund balance by \$380,262 in the 2020 financial statements. The long-term debt balance was adjusted to recognize the prior year loan proceeds, leading to a restatement of 2020 balances.

REQUIRED SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2021

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET
PENSION LIABILITY
Public Employees Retirement Association (PERA)
For Last 10 Fiscal Years*

Fiscal Year Measurement Date	30-Jun						
	2021 2020	2020 2019	2019 2018	2018 2017	2017 2016	2016 2015	2015 2014
City's Proportion of the Net Pension Liability (Asset)							
Municipal General	0.3140%	0.2844%	0.3050%	0.2907%	0.2954%	0.2908%	0.3329%
Municipal Police	0.2235%	0.2726%	0.2449%	0.2673%	0.2561%	0.2958%	0.2904%
Component Unit - Municipal General	0.0881%	0.0919%	0.0943%	0.0892%	0.0806%	0.0782%	0.0982%
City's Proportionate Share of Net Pension Liability (Asset)							
Municipal General	\$ 6,349,794	4,923,246	4,862,829	3,994,463	4,719,498	2,964,958	2,596,977
Municipal Police	1,919,574	2,013,612	1,670,963	1,485,027	1,889,582	1,396,406	964,276
Component Unit - Municipal General	1,781,582	1,590,886	1,503,496	1,225,684	1,287,717	797,317	766,065
	<u>\$ 10,050,950</u>	<u>8,527,744</u>	<u>8,037,288</u>	<u>6,705,174</u>	<u>7,896,797</u>	<u>5,158,681</u>	<u>4,327,318</u>
City's Covered-Employee Payroll							
Municipal General	\$ 3,142,135	2,595,131	2,595,131	2,861,475	2,550,738	2,246,083	2,439,725
Municipal Police	600,126	607,558	607,558	537,439	550,728	838,111	934,075
Component Unit - Municipal General	661,805	664,249	631,912	617,593	615,593	571,154	605,461
	<u>\$ 4,404,066</u>	<u>3,866,938</u>	<u>3,834,601</u>	<u>4,016,507</u>	<u>3,717,059</u>	<u>3,655,348</u>	<u>3,979,261</u>
City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll							
Municipal General	202.09%	189.71%	187.38%	139.59%	185.02%	132.01%	106.45%
Municipal Police	319.86%	331.43%	275.03%	276.32%	343.11%	166.61%	103.23%
Component Unit - Municipal General	269.20%	239.50%	237.93%	198.46%	209.18%	139.60%	126.53%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability							
Municipal General	66.36%	70.52%	71.13%	73.74%	69.18%	76.99%	81.29%
Municipal Police	66.36%	70.52%	71.13%	73.74%	69.18%	76.99%	81.29%
Component Unit - Municipal General	66.36%	70.52%	71.13%	73.74%	69.18%	76.99%	81.29%

*Governmental Accounting Standards Board Statement 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the City is not available prior to fiscal year 2015, the year the statement's requirements became effective

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
SCHEDULE OF CITY CONTRIBUTIONS
JUNE 30, 2021

SCHEDULE OF CITY'S CONTRIBUTIONS
Public Employees Retirement Association (PERA)
Last Ten Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contributions in relation to the contractually required contribution							
Municipal General	\$ 312,252	325,317	247,835	273,271	243,595	241,619	229,899
Municipal Police	121,349	106,850	114,829	101,576	104,088	96,273	107,568
Component Unit - Municipal General	93,333	81,402	80,042	76,145	74,420	65,939	61,787
	<u>\$ 526,934</u>	<u>513,569</u>	<u>442,706</u>	<u>450,992</u>	<u>422,103</u>	<u>403,831</u>	<u>399,254</u>
Contractually required contributions							
Municipal General	\$ 312,252	325,317	247,835	273,271	243,595	241,619	229,899
Municipal Police	121,349	106,850	114,829	101,576	104,087	96,273	107,568
Component Unit - Municipal General	93,333	81,402	80,042	76,145	74,420	65,939	61,787
	<u>\$ 526,934</u>	<u>513,569</u>	<u>442,706</u>	<u>450,992</u>	<u>422,102</u>	<u>403,831</u>	<u>399,254</u>
City's covered payroll							
Municipal General	\$ 3,142,135	3,319,561	2,595,131	2,861,475	2,550,738	2,246,083	2,439,725
Municipal Police	600,126	557,963	607,558	537,439	550,728	838,111	934,075
Component Unit - Municipal General	758,805	661,805	631,912	631,912	615,593	571,154	605,461
	<u>\$ 4,501,066</u>	<u>4,539,329</u>	<u>3,834,601</u>	<u>4,030,826</u>	<u>3,717,059</u>	<u>3,655,348</u>	<u>3,979,261</u>
Contributions "in relation" as a percentage of covered-employee payroll							
Municipal General	9.94%	9.80%	9.55%	9.55%	9.55%	10.76%	10.24%
Municipal Police	20.22%	19.15%	18.90%	18.90%	18.90%	11.49%	12.83%
Component Unit - Municipal General	12.30%	12.30%	12.05%	12.05%	12.09%	11.54%	10.20%

*Governmental Accounting Standards Board Statement 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the City is not available prior to fiscal year 2015, the year the statement's requirements became effective

** Amounts for covered payroll for are imputed using the contribution rates for the various plans

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
JUNE 30, 2021**

**New Mexico Retiree Healthcare Authority
For Last 10 Fiscal Years***

	Fiscal Year Measurement Date	30-Jun			
		2021 2020	2020 2019	2019 2018	2018 2017
City's Proportion of the Net OPEB liability		0.07534%	0.07443%	0.07961%	0.07837%
Component Unit's Proportion of the Net OPEB Liability		0.01368%	0.01497%	0.01431%	0.01436%
City's Proportionate Share of the Net OPEB Liability	\$	3,163,457	2,413,310	3,461,725	3,551,472
Component Unit's Proportionate Share of the Net OPEB Liability	\$	574,411	485,385	622,249	650,748
City's Covered-Employee Payroll	\$	3,238,201	3,105,911	3,415,760	3,264,618
Component Unit's Covered -Employee Payroll	\$	661,850	662,764	632,179	598,187
City's Proportionate Share of the Net OPEB Liability as a Percentage of Its Covered-Employee Payroll		97.69%	77.70%	101.35%	108.79%
Authority's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered-Employee Payroll		86.79%	73.24%	98.43%	108.79%
Plan Fiduciary Net Position as a Percentage of the Total OPEBn Liability		16.50%	18.92%	13.14%	11.34%

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City and component unit will present information for available years.*

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
SCHEDULE OF CITY'S CONTRIBUTIONS
JUNE 30, 2021**

**New Mexico Retiree Healthcare Authority
Last Ten Fiscal Years***

	2021	2020	2019	2018
Contractually Required Contribution - City	\$ 72,458	65,883	124,404	248,862
Contractually Required Contribution - Component Unit	15,182	13,237	13,257	12,645
Contributions in Relation to the Contractually Required Contribution - City	(72,458)	(65,883)	122,885	124,901
Contributions in Relation to the Contractually Required Contribution - Component Unit	<u>(15,182)</u>	<u>(13,237)</u>	<u>(13,257)</u>	<u>(12,645)</u>
Contribution Deficiency (Excess) - City			1,519	123,961
Contribution Deficiency (Excess) - Component Unit	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Employer's covered-employee payroll - City	\$ 3,483,095	3,105,911	3,415,760	3,264,618
Employer's covered-employee payroll - Component Unit	\$ 759,114	632,179	662,764	632,179
Contributions as a percentage of covered-employee payroll - City	2.08%	2.12%	3.60%	3.83%
Contributions as a percentage of covered-employee payroll - Component Unit	2.00%	2.00%	2.00%	2.00%

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City and Component Unit will present information for available years.*

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO PENSION AND OPEB REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021**

Changes of benefit terms: The PERA and COLA and retirement eligibility benefits changes in recent years are described in Note 1 of PERA's CFAR. <https://www.saonm.org>

Assumptions: The Public Employ Retirement Association of New Mexico Annual Actuarial Valuations as of June 30, 2020 report is available at <http://www.nmpera.org/>

Retiree Health Care Authority (RHCA). In the June 30, 2019 actuarial valuation rolled forward to the measurement date of June 30, 2020, , changes in assumptions and differences between expected and actual experience include adjustments resulting from a decrease in the discount rate from 4.16% to 2.86%, changes in medical carrier election assumptions based on recent enrollment, and updated Medicare Advantage trends to reflect 2020 and 2021 premiums.

SUPPLEMENTARY INFORMATION

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NON-MAJOR FUNDS
June 30, 2021**

Special Revenue Funds

Fire Protection - 209

To account for the operations and maintenance of the fire department. The operations are financed by an allotment from the annual fire grant from the State of New Mexico. Authority: NMSA 59-A-53-1.

Recreation Fund - 217

To account for the operation and maintenance of recreational facilities in the City. Financing is provided by a specific annual cigarette tax levy. The fund is authorized by Section 7-12-1 and 7-12-15, NMSA 1978.

Correction Fees - 201

To establish an additional source of funds to municipalities to offset the costs of corrections. The source of funds is a five dollar fee, which must be paid by all persons violating laws relating to the operations of a motor vehicle. Authority: NMSA 33-0-3.

Law Enforcement Protection - 211

To account for grant funds used for maintenance and development of the City's police force. Financing is provided by a grant from the State of New Mexico. Such revenue provides for purchase and repair of equipment as well as classes to upgrade the training of police personnel and may be used only for these purposes. Funding authority is NMSA 29-13-1.

Police Department GRT Fund - 296

To account for 0.25% GRT for public safety purposes to include as salaries and equipment as authorized and approved by the City Commission.

Lodger's Tax - 214

To account for the lodger's tax as authorized under 3-38-13 through 3-38-24 NMSA 1978. The City must use not less than 40% of the tax collected for advertising, publicizing and promotion of tourist-related attractions, facilities and events.

Municipal Streets - 216

To account for various street projects funded by cooperative agreements with the New Mexico State Department of Transportation. The fund is authorized by Section 7-1-6.24, NMSA 1978.

Municipal Pool - 295

To account for the City's pool funds. This fund was authorized by the City Commission.

State Library - 294

To account for a local grant and private donations for the operations of the public City library. This fund is authorized by NMSL Rule 92-1.

Veteran's Wall Perpetual Care - 293

To account for monies related to the columbarium for the Veteran's Memorial Park owned by the City. This fund was authorized by the City Commission.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NON-MAJOR FUNDS
June 30, 2021**

Capital Projects Funds

Senior Transportation - 304

To account for monies appropriated for the meal site center for city residents. This fund is authorized by Section 13-1-59, NMSA 1978.

Capital Expenditures - 305

To account for monies related to upgrades and improvements for the senior meal sites as approved by the City Commission. This fund was authorized by the City Commission.

Local Economic Development Act (LEDA) – 319

To account for monies related to the Local Economic Development Act, which allows the pursuit of public resources for economic development purposes. This fund was authorized by the City Commission.

Golf Course Improvements - 307

To account for monies related to capital outlay upgrade of the golf course. This fund was authorized by the City Commission.

USDA Street Sweeper - 308

To account for the federal grant received to purchase a Street Sweeper. This fund was authorized by the City Commission.

R & R Emergency - 310

To account for the accumulation of resources to be used in the event of an emergency with construction expenditures in mind. This fund was authorized by the City Commission.

Veteran's Wall - 303

To account for monies related to the Veteran's Memorial Park owned by the City. This fund was authorized by the City Commission.

CDBG Project - 314

To account for the proceeds of a Community Development Block Grant (CDBG) from the U.S. Department of Housing and Urban Development. The grant is being used for water system improvements. Grant proceeds flow through the State Department of Finance and Administration. This fund was authorized by the City Commission.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NON-MAJOR FUNDS
June 30, 2021**

Capital Projects Funds (Continued)

Capital Improvement Reserve – 315

This is a reserve fund that is used to fund capital outlay, maintenance and repairs. In 2020-2021 it was used for technology equipment, roof renovations, vehicles, renovation of Ralph Edwards Park, and pool repairs. The city received loan proceeds to refund these expenditures in 2021-2022. The loan came from new money on PPRF-4698 a refund of loan PPRF-2246 NMFA.

NMFA Projects – 360

Projects funded by the New Mexico Finance Authority Loan proceeds and grants. For 2020-2021 these projects included a City Wide Water Preliminary Engineering Report, a River Walk Feasibility Study, and a Sanitary Sewer Asset Management Plan.

Water Trust Board Projects – 370

Loan/grant project funded by the Water Trust Board and the New Mexico Finance Authority for the Booster Station and Austin Street Improvement.

Other State Funded Projects – 380

NMED DWSRLF Funds for Marshall Street, North Pershing, 2nd Avenue and Sierra Vista Drive Water line replacement.

Proprietary Funds

Golf Course Fund - 508

To account for the operations and maintenance of the City's public golf course. Financing is provided by fees for services. The fund is authorized by City Commission.

Cemetery Fund - 501

To account for the operation and maintenance of the City cemetery. Financing is provided through lot sales and fees for services. The fund is authorized by 14-41-1, NMSA 1978.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2021**

	Special Revenue			
	Fire Protection 209	Recreation Fund 217	Correction Fees 201	Law Enforcement Protection 211
Assets				
Cash and cash equivalents	\$ 374,002	5,406	16,221	-
Restricted cash and cash equivalents	-	-	-	-
Investments	-	-	-	-
Receivables:				
Other taxes	-	-	-	-
Miscellaneous receivables	-	-	-	-
Due from other funds	-	-	-	-
Inventory	-	-	-	-
Total assets	\$ 374,002	5,406	16,221	-
Liabilities				
Accounts payable	\$ 1,822	-	2,264	-
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	1,822	-	2,264	-
Deferred Inflows - Property Taxes				
Unearned revenue - property taxes	-	-	-	-
Total Deferred Inflows	-	-	-	-
Total Liabilities and Deferred Inflows	1,822	-	2,264	-
Fund balances				
Nonspendable				
Inventory	-	-	-	-
Spendable:				
Restricted for:				
Public Safety	-	-	13,957	-
Culture and recreation	-	5,406	-	-
Transportation and roads	-	-	-	-
Fire protection	372,180	-	-	-
Veteran's Wall	-	-	-	-
Capital projects	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	372,180	5,406	13,957	-
Total liabilities and fund balances	\$ 374,002	5,406	16,221	-

Special Revenue

Police Department GRT Fund 296	Lodger's Tax 214	Municipal Streets Fund 216	Municipal Pool 295	State Library 294	Veteran's Wall Perpetual Care 293
808,220	495,235	433,546	23,133	3,649	1,150
-	-	-	-	-	-
-	-	-	-	-	-
60,211	26,229	53,531	-	-	-
-	-	-	-	-	-
827	-	-	-	-	-
-	-	266	777	-	-
<u>869,258</u>	<u>521,464</u>	<u>487,343</u>	<u>23,910</u>	<u>3,649</u>	<u>1,150</u>
-	725	4,492	7,793	110.00	-
-	-	-	1,815	-	-
-	-	-	-	-	-
<u>-</u>	<u>725</u>	<u>4,492</u>	<u>9,608</u>	<u>110</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>725</u>	<u>4,492</u>	<u>9,608</u>	<u>110</u>	<u>-</u>
-	-	266	777	-	-
869,258	-	-	-	-	-
-	520,739	-	13,525	3,539	-
-	-	482,585	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1,150
-	-	-	-	-	-
-	-	-	-	-	-
<u>869,258</u>	<u>520,739</u>	<u>482,851</u>	<u>14,302</u>	<u>3,539</u>	<u>1,150</u>
<u>869,258</u>	<u>521,464</u>	<u>487,343</u>	<u>23,910</u>	<u>3,649</u>	<u>1,150</u>

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2021

	Capital Projects			
	Senior Transportation 304	Capital Expenditures 305	Local Econ. Dev. Act (LEDA) 319	USDA Street Sweeper 308
Assets				
Cash and cash equivalents	\$ 60,080	85,259	-	100
Restricted cash and cash equivalents	-	-	-	-
Investments	-	-	-	-
Receivables:				
Other taxes	-	-	-	-
Miscellaneous receivables	-	-	-	-
Due from other funds	-	-	-	-
Inventory	-	-	-	-
Total assets	\$ 60,080	85,259	-	100
Liabilities				
Accounts payable	\$ -	-	-	-
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	-	-	-	-
Deferred Inflows - Property Taxes				
Unearned revenue - property taxes	-	-	-	-
Total Deferred Inflows	-	-	-	-
Total Liabilities and Deferred Inflows	-	-	-	-
Fund balances				
Nonspendable				
Inventory	-	-	-	-
Spendable:				
Restricted for:				
Public Safety	-	-	-	-
Culture and recreation	-	-	-	-
Transportation and roads	-	-	-	-
Fire protection	-	-	-	-
Veteran's Wall	-	-	-	-
Capital projects	60,080	85,259	-	100
Unassigned	-	-	-	-
Total fund balances	60,080	85,259	-	100
Total liabilities and fund balances	\$ 60,080	85,259	-	100

Capital Projects

[illegible]

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2021**

	Capital Projects			
	NMFA Projects 360	Water Trust Board Fund 370	Other State Funded Projects 380	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ -	-	-	2,622,864
Restricted cash and cash equivalents	-	-	-	-
Investments	-	-	-	1,046,972
Receivables:				-
Other taxes	-	-	-	139,971
Miscellaneous receivables			-	-
Due from other funds				124,084
Inventory	-	-	-	1,043
Total assets	\$ -	-	-	3,934,934
Liabilities				
Accounts payable	\$ -	-	-	17,206
Accrued payroll	-	-	-	1,815
Due to other funds	97,930	26,606	-	124,536
Total liabilities	97,930	26,606	-	143,557
Deferred Inflows - Property Taxes				
Unearned revenue - property taxes	-	-	-	-
Total Deferred Inflows	-	-	-	-
Total Liabilities and Deferred Inflows	97,930	26,606	-	143,557
Fund balances				
Nonspendable				
Inventory	-	-	-	1,043
Spendable:				
Restricted for:				
Public Safety	-	-	-	883,215
Culture and recreation	-	-	-	543,209
Transportation and roads	-	-	-	482,585
Fire protection	-	-	-	372,180
Veteran's Wall	-	-	-	18,515
Capital projects	-	-	-	1,615,166
Unassigned	(97,930)	(26,606)	-	(124,536)
Total fund balances	(97,930)	(26,606)	-	3,791,377
Total liabilities and fund balances	\$ -	-	-	3,934,934

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2021**

	Special Revenue			
	Fire Protection 209	Recreation Fund 217	Correction Fees 201	Law Enforcement Protection 211
Revenues				
Taxes:				
Gross Receipts	\$ -	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal capital grants	-	-	-	-
State operating grants	326,587	-	-	26,600
State capital grants	-	-	-	-
Charges for services	-	-	4,047	-
Investment income	1,050	-	-	-
Miscellaneous	-	5,355	-	-
Total revenues	327,637	5,355	4,047	26,600
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	77,717	-	32,898	26,600
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	797,360	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	875,077	-	32,898	26,600
Excess (deficiency) of revenues over (under) expenditures	(547,440)	5,355	(28,851)	-
Other Financing Sources (Uses)				
Transfers, in	-	-	30,000	-
Transfers, out	-	-	-	-
Total other financing sources (uses)	-	-	30,000	-
Net change in fund balances	(547,440)	5,355	1,149	-
Fund balances - beginning of year	919,620	51	12,808	-
Fund balances, end of year	\$ 372,180	5,406	13,957	-

Special Revenue					
Police Department GRT Fund 296	Lodger's Tax 214	Municipal Streets Fund 216	Municipal Pool 295	State Library 294	Veteran's Wall Perpetual Care 293
-	-	363,307	422	-	-
-	-	78,769	-	-	-
-	253,625	-	-	-	-
50,000	-	-	-	-	-
-	-	30,000	-	26,188	-
-	-	-	-	-	-
363,307	49,105	-	9,472	-	-
548	448	462	-	-	-
-	-	562	-	613	775
<u>413,855</u>	<u>303,178</u>	<u>473,100</u>	<u>9,894</u>	<u>26,801</u>	<u>775</u>
-	128,293	38,005	-	-	-
61,490	-	-	-	-	-
-	-	422,558	-	-	-
-	-	-	119,793	27,388	-
95,218	-	216,286	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>156,708</u>	<u>128,293</u>	<u>676,849</u>	<u>119,793</u>	<u>27,388</u>	<u>-</u>
<u>257,147</u>	<u>174,885</u>	<u>(203,749)</u>	<u>(109,899)</u>	<u>(587)</u>	<u>775</u>
280,264	-	-	60,000	-	-
(105,456)	(90,000)	-	-	-	-
<u>174,808</u>	<u>(90,000)</u>	<u>-</u>	<u>60,000</u>	<u>-</u>	<u>-</u>
431,955	84,885	(203,749)	(49,899)	(587)	775
<u>437,303</u>	<u>435,854</u>	<u>686,600</u>	<u>64,201</u>	<u>4,126</u>	<u>375</u>
<u>869,258</u>	<u>520,739</u>	<u>482,851</u>	<u>14,302</u>	<u>3,539</u>	<u>1,150</u>

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2021

	Capital Projects			
	Senior Transportation 304	Capital Expenditures 305	Local Econ. Dev. Act (LEDA) 319	USDA Street Sweeper 308
<i>Revenues</i>				
Taxes:				
Gross Receipts	\$ -	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal capital grants	-	-	-	-
State operating grants	60,080	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	28	-	-
Miscellaneous	-	85,231	-	-
<i>Total revenues</i>	<u>60,080</u>	<u>85,259</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	60,080	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>60,080</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>85,259.00</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)				
Transfers, in	-	-	-	-
Transfers, out	(183,170)	-	-	-
<i>Total other financing sources (uses)</i>	<u>(183,170)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>(183,170)</u>	<u>85,259</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>243,250</u>	<u>-</u>	<u>-</u>	<u>100</u>
<i>Fund balances, end of year</i>	<u>\$ 60,080</u>	<u>85,259</u>	<u>-</u>	<u>100</u>

Capital Projects

Golf Course Improvements 307	R & R Emergency 310	Veteran's Wall 303	CI Reserve 315	Road/Street Project 340
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	5,947	-
-	-	51	-	-
-	-	51	5,947	-
-	-	-	-	-
-	-	-	184,106	-
-	-	-	-	-
-	-	-	-	-
-	-	3,138	-	-
-	-	-	383,321	-
-	-	-	-	-
-	-	-	-	-
-	-	3,138	567,427	-
-	-	(3,087)	(561,480)	-
-	-	-	2,014,753	-
-	-	-	-	-
-	-	-	2,014,753	-
-	-	(3,087)	1,453,273	-
16,454	0	20,452	-	-
16,454	-	17,365	1,453,273	-

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2021

	Capital Projects			
	NMFA Projects 360	Water Trust Board Fund 370	Other State Funded Projects 380	Total Nonmajor Governmental Funds
<i>Revenues</i>				
Taxes:				
Gross Receipts	\$ -	-	-	363,729
Gasoline and motor vehicle	-	-	-	78,769
Other	-	-	-	253,625
Intergovernmental				-
Federal capital grants	-	-	-	50,000
State operating grants	60,445	-	-	529,900
State capital grants	-	-	-	-
Charges for services	-	-	-	425,931
Investment income	-	-	-	8,483
Miscellaneous	-	-	-	92,587
<i>Total revenues</i>	<u>60,445</u>	<u>-</u>	<u>-</u>	<u>1,803,024</u>
<i>Expenditures:</i>				
Current:				
General government	79,123	-	-	429,527
Public safety	-	-	-	198,705
Public works	-	26,606	109,802	558,966
Culture and recreation	-	-	-	150,319
Capital outlay	79,252	-	-	1,631,517
Debt service				-
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>158,375</u>	<u>26,606</u>	<u>109,802</u>	<u>2,969,034</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(97,930)</u>	<u>(26,606)</u>	<u>(109,802)</u>	<u>(1,166,010)</u>
Other Financing Sources (Uses)				
Transfers, in	-	-	109,802	2,494,819
Transfers, out	-	-	-	(378,626)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>109,802</u>	<u>2,116,193</u>
<i>Net change in fund balances</i>	<u>(97,930)</u>	<u>(26,606)</u>	<u>-</u>	<u>950,183</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,841,194</u>
<i>Fund balances, end of year</i>	<u>\$ (97,930)</u>	<u>(26,606)</u>	<u>-</u>	<u>3,791,377</u>

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
June 30, 2021**

	Business Type Activities - Enterprise Funds		
	Golf Course 508	Cemetery 501	Total Nonmajor Enterprise Funds
ASSETS			
Current assets			
Cash, investments and cash equivalents	\$ 24,440	39,664	64,104
Receivables:			
Charges for services, net	-	-	-
Total current assets	<u>24,440</u>	<u>39,664</u>	<u>64,104</u>
Noncurrent assets			
Capital assets	1,056,511	145,849	1,202,360
Less: Accumulated depreciation	(439,657)	(26,924)	(466,581)
Total assets	<u>641,294</u>	<u>158,589</u>	<u>799,883</u>
DEFERRED OUTFLOWS - PENSION RELATED	16,787	-	16,787
DEFERRED OUTFLOWS - OPEB RELATED	7,780	-	7,780
Total Deferred Outflows	<u>24,567</u>	<u>-</u>	<u>24,567</u>
LIABILITIES AND NET POSITION			
Current liabilities			
Accounts payable	3,814	1,372	5,186
Accrued payroll	3,021	-	3,021
Accrued compensated absences	253	-	253
Due to other funds	-	-	-
Total current liabilities	<u>7,088</u>	<u>1,372</u>	<u>8,460</u>
Non-Current Liabilities			
Compensated absences	505	-	505
Net pension liability	49,528	-	49,528
Net OPEB Liability	31,454	-	31,454
Total non-current liabilities	<u>81,487</u>	<u>-</u>	<u>81,487</u>
Total liabilities	<u>88,575</u>	<u>1,372</u>	<u>89,947</u>
DEFERRED INFLOWS - PENSION RELATED	1,049	-	1,049
DEFERRED INFLOWS - OPEB RELATED	12,990	-	12,990
Total deferred inflows	<u>14,039</u>	<u>-</u>	<u>14,039</u>
Net position			
Net investment in capital assets	616,854	118,925	735,779
Unrestricted	(53,607)	38,292	(15,315)
Total net position	<u>\$ 563,247</u>	<u>157,217</u>	<u>720,464</u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION
NONMAJOR PROPRIETARY FUNDS
For the Year Ended June 30, 2021

	Business Type Activities - Enterprise Funds		
	Golf Course 508	Cemetery 501	Total Nonmajor Enterprise Funds
<i>Operating Revenues</i>			
Charges for services	\$ 4,193	10,130	14,323
<i>Total revenues</i>	<u>4,193</u>	<u>10,130</u>	<u>14,323</u>
<i>Operating Expenses</i>			
General operating	63,300	9,751	73,051
Personnel services	136,092	-	136,092
Depreciation	8,413	122	8,535
Utilities	14,553	-	14,553
<i>Total operating expenses</i>	<u>222,358</u>	<u>9,873</u>	<u>232,231</u>
<i>Operating income (loss)</i>	<u>(218,165)</u>	<u>257</u>	<u>(217,908)</u>
<i>Nonoperating revenues (expenses)</i>			
Investment income	29	20	49
Miscellaneous income	51,689	-	51,689
<i>Total non-operating revenues (expenses)</i>	<u>51,718</u>	<u>20</u>	<u>51,738</u>
<i>Income (loss) before contributions and transfers</i>	<u>(166,447)</u>	<u>277</u>	<u>(166,170)</u>
Transfers in	180,000	-	180,000
Transfers out	-	-	-
<i>Change in net position</i>	<u>13,553</u>	<u>277</u>	<u>13,830</u>
Net position - beginning	<u>549,694</u>	<u>156,940</u>	<u>706,634</u>
<i>Net position - end of year</i>	<u>\$ 563,247</u>	<u>157,217</u>	<u>720,464</u>

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
For the Year Ended June 30, 2021

	Business Type Activities - Enterprise Funds		
	Golf Course	Cemetery	Total Nonmajor Enterprise Funds
<i>Cash flows from operating activities</i>			
Cash received from user charges	\$ 8,149	10,131	18,280
Cash payments to suppliers for goods and services	(228,812)	(9,984)	(238,796)
<i>Net cash provided (used) by operating activities</i>	(220,663)	147	(220,516)
<i>Cash flows from noncapital financing activities</i>			
Miscellaneous income	51,718	20	51,738
Transfers	180,000	-	180,000
<i>Net cash provided by noncapital financing activities</i>	231,718	20	231,738
<i>Cash flows from investing activities</i>			
Interest on investments	-	-	-
<i>Net cash provided by investing activities</i>	-	-	-
<i>Cash flows from capital and related financing activities</i>			
Acquisition of capital assets	-	-	-
<i>Net cash (used) by capital and related financing activities</i>	-	-	-
<i>Net (decrease) increase in cash and cash equivalents</i>	11,055	167	11,222
Cash and cash equivalents - beginning of year	13,385	39,497	52,882
Cash and cash equivalents - end of year	\$ 24,440	39,664	64,104
<i>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</i>			
Operating income (loss)	\$ (218,165)	257	(217,908)
Adjustments to reconcile operating income to net cash provided (used) by operating activities			
Depreciation	8,413	123	8,536
PERA Pension Expense	(4,647)	-	(4,647)
RHC OPEB Expense	(2,508)	-	(2,508)
Changes in assets and liabilities			
Receivables	-	-	-
Accounts payable	(885)	-	(885)
Accrued payroll	(925)	-	(925)
Accrued compensated absences	(1,946)	(233)	(2,179)
<i>Net cash provided (used) by operating activities</i>	\$ (220,663)	147	(220,516)

OTHER SUPPLEMENTARY SCHEDULES

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
SCHEDULE OF CASH AND INVESTMENT ACCOUNTS
Year Ended June 30, 2021**

Bank Name	Account Type	Totals
First Savings Bank		
GENERAL	Demand Account	\$ 1,224,579
LOCAL GOVERNMENT CORRECTIONS	Demand Account	16,221
FIRE PROTECTION	Demand Account	374,002
LAW ENFORCEMENT PROTECTION	Demand Account	-
LODGER'S TAX	Demand Account	495,235
MUNICIPAL STREET FUND	Demand Account	433,546
RECREATION	Demand Account	5,356
FEDERAL SEIZURE SHARE	Demand Account	-
VETERANS WALL PERPETUAL CARE	Demand Account	1,150
LIBRARY	Demand Account	3,649
MUNICIPAL POOL	Demand Account	23,133
PD GRT FUND	Demand Account	808,220
PD CONFIDENTIAL	Demand Account	6,796
ELECTRICAL CONSTRUCTION	Demand Account	4
VETERANS WALL	Demand Account	17,364
SENIOR GRANTS	Demand Account	60,080
CAPITAL IMPROVEMENTS GENERAL	Demand Account	85,259
CAPITAL IMPROVEMENT JT UTILITY	Demand Account	270,634
GOLF COURSE IMPROVEMENTS	Demand Account	16,454
USDA STREET SWEEPER	Demand Account	100
USDA WWTP FUND	Demand Account	40,042
R & R AIRPORT (FFA)	Demand Account	20,462
CAPITAL IMPOV RESERVE	Demand Account	283,044
EMERGENCY REPAIR RESERVE	Demand Account	117,064
WASTE WATER RESERVE	Demand Account	109,919
ELECTRICAL CONSTRUCTION RESERVE	Demand Account	8,126
PLEDGE STATE TAX	Demand Account	112,934
CEMETARY FUND	Demand Account	39,664
TRANSFER STATION	Demand Account	20
GOLF COURSE	Demand Account	24,259
MUNICIPAL AIRPORT	Demand Account	40,741
INTERNAL SERVICE	Demand Account	28,142
PD BONDS	Demand Account	1,000
REVOLVING FUND	Demand Account	278,949
W/WW Impact Fees	Demand Account	3,486
Impact WW Dennis Murati	Demand Account	1,802
Impact WW James Lewis	Demand Account	1,802
Impact WW NM Veterans Home	Demand Account	101,521
Impact WW Lewis & Janet Kern	Demand Account	2,703
Impact WW Robert Uno Maki	Demand Account	1,351
Impact WW Alexander Andrassy	Demand Account	1,051
Impact WW Walter Pucci	Demand Account	2,702
Impact WW First Savings Bank	Demand Account	450
Impact WW Marcia Mohr	Demand Account	600
Impact WW R&N Apartments	Demand Account	5,403
Impact WW Karon Morgan	Demand Account	300
Impact WW Cielo Vista LLC	Demand Account	6,303
Impact WW White Sands Fed CU	Demand Account	1,465
Joint Utility (pooled cash)	Demand Account	3,429,893
CD INVESTMENT R&R SEWER	Time Account	146,231
CD INVESTMENT R&R WATER	Time Account	129,218
CD INVESTMENT PLEDGE	Time Account	597,281
CD INVESTMENT CAPITAL IMPROVE	Time Account	1,046,972
CD INVESTMENT EMERG REPAIR	Time Account	41,814
CD INVESTMENT WASTE WATER REPAIR	Time Account	104,700
CD INVESTMENT ELEC CONST	Time Account	86,542
CD INVESTMENT HSLO	Time Account	101,816
Total for First Savings Bank		<u>10,761,554</u>

NMFA			
New Mexico Finance Authority		Cash/Investment	1,688,940
	Total NMFA		<u>1,688,940</u>
NM LGIP Fund			
LGIP Fund			530,259
	Total NM LGIP		<u>530,259</u>
Total on Deposit and Investments		Cash/Investment	<u>12,980,753</u>
Reconciling Items			<u>(249,067)</u>
Total Deposits and Investments			<u>12,731,686</u>
Less: Restricted Cash and Cash Equivalents per the Statement of Net Position			1,815,887
Less: Investments per the Statement of Net Position			<u>2,784,833</u>
Total Unrestricted Cash and Cash Equivalents per the Statement of Net Position		\$	<u>8,130,966</u>

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
SCHEDULE OF PLEDGED COLLATERAL
Year Ended June 30, 2021**

<u>Name of Depository</u>	<u>Description of Pledged Collateral</u>	<u>Maturity</u>	<u>CUSIP Number</u>	<u>Fair Market Value at June 30, 2021</u>	<u>Location of Safekeeper</u>
First Savings Bank					
	FNMA 10YR	4/1/2024	31418BB54	65,729	Federal Reserve, Beresford SD
	FNMA 15YE	8/1/2026	31417Y4X2	89,733	Federal Reserve, Beresford SD
	GNMA II 15YR	10/20/2026	36202FX43	224,167	Federal Reserve, Beresford SD
	FNMA 15YR	12/1/2026	3138E1HB6	430,658	Federal Reserve, Beresford SD
	FNMA 15YR	2/1/2027	3138E4X71	97,203	Federal Reserve, Beresford SD
	GNMA 15YR	2/15/2027	36176XBY4	44,643	Federal Reserve, Beresford SD
	GNMA 15YR	2/15/2027	36176XBY4	315,294	Federal Reserve, Beresford SD
	GNMA II 15YR	3/20/2027	36202F4K9	183,153	Federal Reserve, Beresford SD
	FNR 2012-66 HE	6/25/2027	3136A6A20	149,564	Federal Reserve, Beresford SD
	GNR 2012-96 AD	8/20/2027	38378HAU0	62,786	Federal Reserve, Beresford SD
	FNR 2012-96 DB	9/25/2027	3136A75A6	107,883	Federal Reserve, Beresford SD
	FHR 4136 NG	11/15/2027	3137AWKN4	73,304	Federal Reserve, Beresford SD
	FHR 4136 NG	11/15/2027	3137AWKN4	146,608	Federal Reserve, Beresford SD
	FGLMC 15YR	6/1/2027	31307DB62	54,882	Federal Reserve, Beresford SD
	FNMA 15YR	10/1/2028	3138ELUS0	109,629	Federal Reserve, Beresford SD
	FGLMC 15YR	12/1/2028	3132KEMF9	392,829	Federal Reserve, Beresford SD
	FMNA 15YR	7/1/2029	31410LN57	190,229	Federal Reserve, Beresford SD
	FNMA 15YR	12/1/2029	3138ERHG8	110,197	Federal Reserve, Beresford SD
	FNMA 15YR	12/1/2029	3138ERHG8	220,395	Federal Reserve, Beresford SD
	FNMA RELO 15YR	12/1/2029	3140J5EA3	138,543	Federal Reserve, Beresford SD
	FGLMC 15YR	2/1/2030	3128MECV1	123,180	Federal Reserve, Beresford SD
	FNMA 15YR	2/1/2030	3138ETU53	113,524	Federal Reserve, Beresford SD
	FGLMC 15YR	8/1/2031	3128ME4M0	493,726	Federal Reserve, Beresford SD
	FHR 4080 NA	5/15/2032	3137ARS72	644,251	Federal Reserve, Beresford SD
	FGLMC 20YR	4/1/1933	3128P7ZN6	471,739	Federal Reserve, Beresford SD
	FNMA 20YR	9/1/1938	3140JATN8	210,862	Federal Reserve, Beresford SD
	FNMA 20YR	3/1/2039	3140JAM62	255,890	Federal Reserve, Beresford SD
	FNMA 20YR	10/1/2039	3140QB2W7	208,161	Federal Reserve, Beresford SD
	FNMA 20YR	9/1/2040	3140HGI57	283,160	Federal Reserve, Beresford SD
	FNMA 20YR	4/1/2041	3140QKDF2	413,519	Federal Reserve, Beresford SD
	FNR 2014-71 M	8/25/2041	3136ALJJ1	981,608	Federal Reserve, Beresford SD
	FNR 2014-37 GJ	6/25/2042	3136AKGQ0	126,250	Federal Reserve, Beresford SD
	FNR 2014-37 GJ	6/25/2042	3136AKGQ0	88,375	Federal Reserve, Beresford SD
	FNR 2013-73 TC	9/25/2042	3136AFTR5	85,206	Federal Reserve, Beresford SD
	FNR 2013-73 TC	9/25/2042	3136AFTR5	60,861	Federal Reserve, Beresford SD
	FNR 2017-18 CA	1/25/2043	3136AVQK8	99,383	Federal Reserve, Beresford SD
	FHR 4505 PA	5/15/2044	3137BKWM8	35,309	Federal Reserve, Beresford SD
	GNR 2018-153 WJ	11/20/2045	38381AZ58	189,164	Federal Reserve, Beresford SD
	GNR 2018-12 GM	7/20/2046	38380UT52	326,616	Federal Reserve, Beresford SD
	GNR 2018-12 GM	7/20/2046	38380UT52	118,770	Federal Reserve, Beresford SD
	GNMA 30YR	10/15/2047	3622AAP81	502,317	Federal Reserve, Beresford SD
	GNR 2020-7 MJ	8/20/2049	38382DC09	697,147	Federal Reserve, Beresford SD
	FHR 4927 LG	9/25/2049	3137FPZZ1	316,147	Federal Reserve, Beresford SD
	FHR 4927 LG	9/25/2049	3137FPZZ1	274,911	Federal Reserve, Beresford SD
	GNMA II 30YR	7/20/2050	3622AAUX0	200,351	Federal Reserve, Beresford SD
	FRLMC 30YR	2/1/2051	3132DMTES	612,912	Federal Reserve, Beresford SD
Total				\$ 11,140,768	

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
TRUTH OR CONSEQUENCES HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE
June 30, 2021

Line Item Number	Description	Low Rent Public Housing Program NM020000001 14.850	Child Care and Development Block Grant 93.575	Rural Rental Housing Loans 10.415	Rural Rental Assistance Payments 10.427
111	Cash - Unrestricted	\$ 227,935	\$ 91,340	\$ 50,583	\$ -
113	Cash - Other Restricted	22,892	-	119,923	-
114	Cash - Tenant Security Deposits	27260	-	7,628	-
100	Total Cash	278,087	91,340	178,134	-
122	Accounts Receivable - HUD Other Projects	122,127	-	-	-
125	Accounts Receivable - Miscellaneous	-	-	-	-
126	Accounts Receivable - Tenants - Dwelling Rents	5,917	-	6,659	-
126.1	Allowance for Doubtful Accounts - Dwelling Rents	(592)	-	(303)	-
120	Total Receivables, Net of Allowance for Doubtful Accounts	127,452	-	6,356	-
131	Investments - Unrestricted	230,732	-	-	-
130	Total Investments	230,732	-	-	-
142	Prepaid Expenses and Other Assets	42,992	-	3,903	-
143	Inventories	28,477	-	4,029	-
150	Total Current Assets	707,740	91,340	192,422	-
161	Land	431,590	-	205,946	-
162	Buildings	4,728,361	6,551	2,058,819	-
163	Furniture, Equipment & Machinery - Dwellings	236,962	-	56,243	-
164	Furniture, Equipment & Machinery - Administration	477,435	16,342	20,771	-
165	Leasehold Improvements	614,464	18,015	85,210	-
166	Accumulated Depreciation	(4,735,151)	(30,515)	(1,432,213)	-
167	Construction in progress	245,616	-	-	-
160	Total Capital Assets, Net of Accumulated Depreciation	1,999,277	10,393	994,776	-
180	Total Non-Current Assets	1,999,277	10,393	994,776	-
190	Total Assets	2,707,017	101,733	1,187,198	-
200	Deferred Outflows of Resources	330,714	-	126,798	-
290	Total Assets and Deferred Outflows of Resources	\$ 3,037,731	\$ 101,733	\$ 1,313,996	\$ -

Resident Opportunity and Supportive Services 14.870	Housing Choice Vouchers Program 14.871	Housing Choice Vouchers CARES Act Funding 14.HCC	Mainstream Vouchers Program 14.879	Mainstream CARES Act Funding 14.MSC	HOME Investment Partnerships Program 14.239	Business Activities	Total
\$ -	\$ 202,173	\$ -	\$ -	\$ -	\$ 5,958	\$ 419,869	\$ 997,858
-	49,425	-	-	-	-	-	192,240
-	15,209	-	-	-	-	-	50,097
-	\$ 266,807	-	-	-	\$ 5,958	\$ 419,869	1,240,195
-	-	-	-	-	-	-	122,127
-	-	-	-	-	-	250,367	250,367
-	-	-	-	-	-	-	12,576
-	-	-	-	-	-	-	(895)
-	-	-	-	-	-	250,367	384,175
-	52,009	-	-	-	-	83,712	366,453
-	52,009	-	-	-	-	83,712	366,453
-	1,248	-	-	-	-	-	48,143
-	-	-	-	-	-	-	32,506
-	320,064	-	-	-	5,958	753,948	2,071,472
-	-	-	-	-	-	-	637,536
-	-	-	-	-	-	-	6,793,731
-	-	-	-	-	-	-	293,205
-	35,730	-	-	-	-	29,973	580,251
-	-	-	-	-	-	-	717,689
-	(35,730)	-	-	-	-	(1,499)	(6,235,108)
-	-	-	-	-	-	-	245,616
-	-	-	-	-	-	28,474	3,032,920
-	-	-	-	-	-	28,474	3,032,920
-	320,064	-	-	-	5,958	782,422	5,104,392
-	61,323	-	-	-	-	152,796	671,631
\$ -	\$ 381,387	\$ -	\$ -	\$ -	\$ 5,958	\$ 935,218	\$ 5,776,023

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
TRUTH OR CONSEQUENCES HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE
June 30, 2021

Line Item Number	Description	Low Rent Public Housing Program NM020000001 14.850	Child Care and Development Block Grant 93.575	Rural Rental Housing Loans 10.415	Rural Rental Assistance Payments 10.427
311	Bank Overdraft	\$ -	\$ -	\$ -	\$ -
312	Accounts Payable <= 90 Days	26,145	31	7,874	-
321	Accrued Wage/Payroll Taxes Payable	8,813	-	-	-
322	Accrued Compensated Absences - Current Portion	11,394	-	5,844	-
341	Tenant Security Deposits	27,354	-	7,080	-
342	Unearned Revenues	-	-	490	-
343	Current Portion of Long-term Debt - Capital Projects	-	-	45,079	-
345	Other Current Liabilities	20,888	-	144,720	-
310	Total Current Liabilities	94,594	31	211,087	-
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	-	642,219	-
357	Accrued Pension and OPEB Liabilities	1,204,367	-	346,103	-
350	Total Non-Current Liabilities	1,204,367	-	988,322	-
300	Total Liabilities	1,298,961	31	1,199,409	-
400	Deferred Inflows of Resources	135,478	-	35,076	-
508.1	Net Investments in capital assets	1,999,277	10,393	307,478	-
511	Restricted Net Position	-	-	-	-
512	Unrestricted Net Position	(395,985)	91,309	(227,967)	-
513	Total Equity/Net Position	1,603,292	101,702	79,511	-
600	Total Liabilities, Deferred Inflows of Resources, and Equity/Net Position	\$ 3,037,731	\$ 101,733	\$ 1,313,996	\$ -

Resident Opportunity and Supportive Services 14.870	Housing Choice Vouchers Program 14.871	Housing Choice Vouchers Program 14.871C	Mainstream Vouchers Program 14.879	Mainstream Vouchers Program 14.879C	HOME Investment Partnerships Program 14.239	Business Activities	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	400	-	-	-	-	-	34,450
-	-	-	-	-	-	-	8,813
-	999	-	-	-	-	11,898	30,135
-	-	-	-	-	-	-	34,434
-	-	-	-	-	-	-	490
-	-	-	-	-	-	-	45,079
-	41,185	-	7,094	-	-	113,297	327,184
-	42,584	-	7,094	-	-	125,195	480,585
-	-	-	-	-	-	-	642,219
-	282,380	-	-	-	-	523,143	2,355,993
-	282,380	-	-	-	-	523,143	2,998,212
-	324,964	-	7,094	-	-	648,338	3,478,797
-	48,554	-	-	-	-	100,844	319,952
-	-	-	-	-	-	28,474	2,345,622
-	82,036	-	-	-	-	-	82,036
-	(74,167)	-	(7,094)	-	5,958	157,562	(450,384)
-	7,869	-	(7,094)	-	5,958	186,036	1,977,274
\$ -	\$ 381,387	\$ -	\$ -	\$ -	\$ 5,958	\$ 935,218	\$ 5,776,023

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
TRUTH OR CONSEQUENCES HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE
June 30, 2021

Line Item Number	Description	Low Rent Public Housing Program NM020000001 14.850	Child Care and Development Block Grant 93.575	Rural Rental Housing Loans 10.415	Rural Rental Assistance Payments 10.427	Resident Opportunity and Supportive Services 14.870
70300	Net Tenant Rental Revenue	\$ 254,799	\$ 20,040	\$ 140,049	\$ -	\$ -
70400	Tenant Revenue - Other	142	-	2630	-	-
70500	Total Tenant Revenue	254,941	20,040	142,679	-	-
70600	HUD PHA Operating Grants	251,446	-	69,540	135,671	-
70800	Other Governmental Grants	-	-	-	-	131,449
71100	Investment Income - Unrestricted	818	-	-	-	-
71400	Fraud Recovery	-	-	-	-	-
71500	Other Revenue	16,215	127	5,006	-	-
70000	Total Revenue	523,420	20,167	217,225	135,671	131,449
91100	Administrative Salaries	46,557	-	20,167	-	-
91200	Auditing Fees	10,376	2,965	5,929	-	-
91300	Outside Management Fees	-	-	18,976	-	-
91310	Book-keeping Fee	4,100	-	-	-	-
91400	Advertising and Marketing	1,129	-	530	-	-
91500	Employee Benefit Contributions -					
	Administrative	24,555	-	1,681	-	-
91600	Office Expenses	17,017	-	7,129	-	-
91700	Legal Expense	-	-	117	-	-
91800	Travel	1,227	-	-	-	-
91900	Other Operating - Administrative	5,873	2,192	12,605	-	-
91000	Total Operating - Administrative	110,834	5,157	67,134	-	-
92100	Tenant Services - Salaries	45,954	-	-	-	-
92300	Employee Benefit Contributions -					
	Tenant Services	9,288	-	-	-	-
92400	Tenant Services - Other	2,382	3	-	-	-
92500	Total Tenant Services	57,624	3	-	-	-
93100	Water	31,053	203	14,449	-	-
93200	Electricity	32,477	-	5,712	-	-
93300	Gas	4,170	907	3,573	-	-
93600	Sewer	18734	-	14,578	-	-
93800	Other Utilities Expense	75,326	239	1,545	-	-
93000	Total Utilities	161,760	1,349	39,857	-	-

Housing Choice Vouchers Program 14.871	Housing Choice Vouchers CARES Act Funding 14.HCC	Mainstream Vouchers Program 14.879	Mainstream CARES Act Funding 14.MSC	HOME Investment Partnerships Program 14.239	Business Activities	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 414,888
-	-	-	-	-	-	2,772
-	-	-	-	-	-	417,660
834,634	40,005	85,237	5,367	-	-	1,421,900
-	-	-	-	-	-	131,449
1,659	-	-	-	9	2,306	4,792
2,484	-	-	-	-	-	2,484
2,789	-	-	-	-	211,092	235,229
841,566	40,005	85,237	5,367	9	213,398	2,213,514
4,651	30,404	-	5,367	-	60,608	167,754
7,411	-	-	-	-	2,965	29,646
-	-	-	-	-	-	18,976
3,990	-	-	-	-	1,285	9,375
-	-	-	-	-	-	1,659
11,770	-	-	-	-	20,063	58,069
7,765	5,687	11,985	-	-	24,752	74,335
-	-	-	-	-	-	117
-	-	-	-	-	1,737	2,964
-	3,914	-	-	-	21,284	45,868
35,587	40,005	11,985	5,367	-	132,694	408,763
-	-	-	-	-	-	45,954
-	-	-	-	-	-	9,288
-	-	-	-	-	-	2,385
-	-	-	-	-	-	57,627
-	-	-	-	-	-	45,705
-	-	-	-	-	-	38,189
-	-	-	-	-	-	8,650
-	-	-	-	-	-	33,312
-	-	-	-	-	-	77,110
-	-	-	-	-	-	202,966

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
TRUTH OR CONSEQUENCES HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE
June 30, 2021

Line Item Number	Description	Low Rent Public Housing Program NM020000001 14.850	Child Care and Development Block Grant 93.575	Rural Rental Housing Loans 10.415	Rural Rental Assistance Payments 10.427
94100	Ordinary Maintenance & Operation - Labor	\$ 71,470	\$ -	\$ 43,847	\$ -
94200	Ordinary Maintenance & Operation - Materials & Other	22,974	41	16,564	-
94300	Ordinary Maintenance & Operation Contracts	106,078	3,255	63,299	-
94500	Employee Benefit Contributions - Ordinary Maintenance	1,641	-	8,865	-
94000	Total Maintenance	202,163	3,296	132,575	-
96110	Property Insurance	21,485	636	6,612	-
96100	Total Insurance Premiums	21,485	636	6,612	-
96200	Other General Expenses	63,035	-	7,188	-
96400	Bad Debt - Tenant Rents	3,887	-	620	-
96000	Total Other General	66,922	-	7,808	-
96720	Interest on Notes Payable (Short and Long Term)	-	-	78,228	-
96700	Total Interest Expense and Amortization Cost	-	-	78,228	-
96900	Total Operating Expenses	620,788	10,441	332,214	-
97000	Excess Operating Revenue Over Operating Expenses	(97,368)	9,726	(114,989)	135,671
97300	Housing Assistance Payments	-	-	-	-
97400	Depreciation Expense	121,559	2,457	69,667	-
90000	Total Expenses	742,347	12,898	401,881	-
10010	Operating Transfers In	141,951	-	135,671	-
10020	Operating Transfers Out	(10,502)	-	-	(135,671)
10100	Total Other Financing Sources (Uses)	131,449	-	135,671	(135,671)

Resident Opportunity and Supportive Services 14.870	Housing Choice Vouchers Program 14.871	Housing Choice Vouchers CARES Act Funding 14.871HCC	Mainstream Vouchers Program 14.879	Mainstream CARES Act Funding 14.MSC	HOME Investment Partnerships Program 14.239	Business Activities	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 115,317
-	-	-	-	-	-	-	39,579
-	-	-	-	-	-	19,023	191,655
-	-	-	-	-	-	-	10,506
-	-	-	-	-	-	19,023	357,057
-	-	-	-	-	-	-	28,733
-	-	-	-	-	-	-	28,733
-	-	-	-	-	-	-	70,223
-	-	-	-	-	-	-	4,507
-	-	-	-	-	-	-	74,730
-	-	-	-	-	-	-	78,228
-	-	-	-	-	-	-	78,228
-	35,587	40,005	11,985	5,367	-	151,717	1,208,104
131,449	805,979	-	73,252	-	9	61,681	1,005,410
-	801,448	-	74,144	-	-	-	875,592
-	-	-	-	-	-	1,499	195,182
-	837,035	40,005	86,129	5,367	-	153,216	2,278,878
-	-	-	-	-	-	-	277,622
(131,449)	-	-	-	-	-	-	(277,622)
(131,449)	-	-	-	-	-	-	-

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
TRUTH OR CONSEQUENCES HOUSING AUTHORITY
FINANCIAL DATA SCHEDULE
June 30, 2021

Line Item Number	Description	Low Rent Public Housing Program NM020000001 14.850	Child Care and Development Block Grant 93.575	Rural Rental Housing Loans 10.415	Rural Rental Assistance Payments 10.427
10000	Excess (Deficiency) of Operating Revenue Over (Under) Expenses	\$ (87,478)	\$ 7,269	\$ (48,985)	\$ -
11030	Beginning Equity	1,690,770	94,433	128,496	-
11040-10	Correction of Equity Classification	-	-	-	-
	Ending Equity (deficit)	\$ 1,603,292	\$ 101,702	\$ 79,511	\$ -
11190	Unit Months Available	1,200	12	636	-
11210	Number of Unit Months Leased	1,126	12	527	-
11270	Excess Cash	\$ 554,740	\$ -	\$ -	\$ -
11620	Building Purchases	\$ 12,530	\$ -	\$ -	\$ -

Resident Opportunity and Supportive Services 14.870	Housing Choice Vouchers Program 14.871	Housing Choice Vouchers CARES Act Funding 14.HCC	Mainstream Vouchers Program 14.879	Mainstream CARES Act Funding 14.MSC	HOME Investment Partnerships Program 14.239	Business Activities	Total
\$ -	\$ 4,531	\$ -	\$ (892)	\$ -	\$ 9	\$ 60,182	\$ (65,364)
-	(2,860)	-	-	-	5,949	125,854	2,042,642
-	6,198	-	(6,202)	-	-	-	(4)
\$ -	\$ 7,869	\$ -	\$ (7,094)	\$ -	\$ 5,958	\$ 186,036	\$ 1,977,274
-	2,040	-	240	-	-	-	4,128
-	1,851	-	240	-	-	-	3,756
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 554,740
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,530

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2021**

Federal Grantor or Pass-Through Grantor/Program Title	Pass-through Grant Number	Assistance Listing Number	Federal Expenditures
Department of Transportation			
Airport Improvement Program			
Runway 3-35-0042-017-2017 (Phase 2)	N/A	20.106	<u>214,483</u>
Total Airport Improvement Program			<u>214,483</u>
Total Department of Transportation			<u>214,483</u>
Department of Agriculture			
Water and Waste Disposal Systems for Rural Communities			
WWTP Improvements 2B	N/A	10.760	<u>769,850</u>
Total Water and Waste Disposal Systems for Rural Communities Grants			<u>769,850</u>
Community Facilities Loans and Grants			
Total Community Facilities Loans and Grants	N/A	10.766	<u>87,700</u>
Water and Waste Disposal Loans and Grants			
USDA Waste Water Treatment Plant	N/A	10.770	<u>141,925</u>
Total Water and Waste Disposal Loans and Grants			<u>141,925</u>
Total United States Department of Agriculture			<u>999,475</u>
Total Federal Financial Assistance			<u>\$ 1,213,958</u>

A Denotes Major Program

See Notes to the Schedule of Expenditures of Federal Awards

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
NOTES TO SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2021**

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of the City under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations. Because the Schedule presents only a portion of the operations of the City, it is not intended to and does not present the financial position, changes in net assets, and cash flows of the City. Expenditures reported on the Schedule are reported on the accrual basis of accounting.

Subrecipients of Grant Awards

There were no sub-recipients during fiscal 2021.

Loans

The City expended federal awards in the form of loans in the Water and Waste Disposal Systems for Rural Communities program totaling \$769,850 during the year ended June 30, 2021.

Indirect Cost Rate

The City has elected not to use the 10% de Minimis Indirect Cost Rate.

COMPLIANCE



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT
AUDITING STANDARDS***

To Brian S. Colón, Esq.
New Mexico State Auditor

City Commission
City of Truth or Consequences

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, the aggregate remaining fund information, and the budgetary comparison of the General Fund of the City of Truth or Consequences (the "City") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 8, 2021.

Our report includes a reference to other auditors who audited the financial statements of the Housing Authority, as described in our report on City of Truth or Consequences financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque



Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards, and which are described in the accompanying schedule of findings and responses as items 2021-001 and NM CU 2021-001.

City's Response to Findings

The City's response to the findings identified in our audit are described in the accompanying schedule of findings and responses. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Pattillo, Brown & Hill, LLP

Pattillo, Brown & Hill, LLP
Albuquerque, New Mexico
December 8, 2021



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

To Brian S. Colón, Esq.
New Mexico State Auditor

The City Commission
City of Truth or Consequences

Report on Compliance for Each Major Federal Program

We have audited the City of Truth or Consequences, New Mexico (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Pattillo, Brown & Hill, LLP

Pattillo, Brown, & Hill, L.L.P.
Albuquerque, New Mexico
December 8, 2021

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2021**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of Auditor’s report issued: Unmodified

Internal control over financial reporting:
Material Weakness reported? No

Significant deficiencies reported not
considered to be material weaknesses? No

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:
Material weaknesses reported? No

Significant deficiencies reported not
considered to be material weaknesses? None

Type of auditor’s report issued on
compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported
in accordance with Uniform Guidance? No

Identification of major programs:
Water and Waste Disposal System for Rural Communities – Assistance Listing Number #
10.760

Dollar threshold used to distinguish
Between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? No

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2021

SECTION II – FINDINGS – FINANCIAL STATEMENT AUDIT

None

**SECTION III – FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD
PROGRAMS AUDIT**

None

**SECTION IV – Other Findings, AS REQUIRED BY NEW MEXICO STATE STATUTE, SECTION
12-6-5, NMSA 1978**

2021-001 AUDIT OF VENDORS NMAC 3-38-17.1 (Other Noncompliance)

CONDITION: During our testing of lodgers tax revenue, it was noted that the City had \$250,110 and \$277,318 of lodgers tax revenue in fiscal year 2021 and 2020, respectively. However, the City did not perform an agreed upon procedure related to lodgers tax ("Lodgers Tax Audit").

CRITERIA: Per NMAC 3-38-17.1 "The governing body of any municipality or county collecting over two hundred fifty thousand dollars (\$250,000) in occupancy proceeds shall select for annual random audits one or more vendors to verify the amount of gross rent subject to the occupancy tax and to ensure that the full amount of occupancy tax on that rent is collected."

EFFECT: The City is not in compliance with NMAC 3-38-17.1 audit of vendors.

CAUSE: Changes in Lodgers Tax rates and revenue caused the City to exceed the \$250,000 threshold of NMAC 3-38-17.1 requiring an annual audit of vendors.

RECOMMENDATION: We recommend the City perform an audit of vendors as soon as possible and monitor lodger tax revenue to determine if an audit of vendors is considered necessary in following fiscal years.

MANAGEMENT RESPONSE: Management was not aware that an audit had to be performed on this fund. Management will compose a plan of action to determine which businesses need to be audited and proceed with an annual audit. Management will plan to perform annual audits of this fund in future years.

RESPONSIBLE PARTY FOR CORRECTIVE ACTION: City Manager and Finance Director.

TIMELINE FOR CORRECTIVE ACTION: June 30, 2022.

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2021**

SECTION V – COMPONENT UNIT FINDINGS

A. FINANCIAL STATEMENT FINDINGS

None Noted

B. SECTION 12-6-5 NMSA 1978 FINDINGS

NM 2021-001 ANNUAL INVENTORY CERTIFICATION (Other Noncompliance)

CONDITION: The Housing Authority has not performed an annual capital asset inventory certification of their fixed assets listing timely.

CRITERIA: According to State Audit Rule 2.2.2.10 V Capital Asset Inventory: (2) Section 12-20-1-16 NMSA 1978 required each agency to conduct an annual physical inventory of movable chattels and equipment on the inventory list at the end of each fiscal year. The agency shall certify the correctness of the inventory after the physical inventory. This certification should be provided to the agency's auditors in addition according to NMAC 2.20.1.16 the results of the physical inventory shall be recorded in a written inventory report, certified as to correctness and signed by the governing authority of the agency.

EFFECT: Items could be presented on the capital assets listing that do not exist or items could exist that are not on the listing. As well as the listing could be misstated.

CAUSE: The Housing Authority was unaware of the requirement.

RECOMMENDATION: We recommend that once the annual inventory has been complete, the Housing Authority has it certified by the Housing Authority's Board of Commissioners.

MANAGEMENT RESPONSE: With regard to FYE2021 audit finding, relating to Annual Inventory Certification, Housing Authority staff, primarily Facilities Manager, will implement inventory documentation of capital assets prior to fiscal year-end beginning in FYE 2022. Once completed, documentation will be presented to Housing Authority Board of Commissioners for certification at a scheduled Board meeting just prior to fiscal year-end 2022.

RESPONSIBLE PARTY FOR CORRECTIVE ACTION: Facilities Manager and Housing Authority staff.

TIMELINE FOR CORRECTIVE ACTION: June 30, 2022.

C. FEDERAL AWARD FINDINGS

None Noted

STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2021

SECTION VI - STATUS OF PRIOR YEAR FINDINGS

Description					Status
<u>Financial Statement Findings</u>					
2020-001	Controls Over Cash Disbursements (Other Noncompliance)				Resolved
2020-002	(Previously 2019-001) Controls Surrounding Payroll Disbursements (Other Noncompliance)				Resolved
<u>Component Unit Findings</u>					
None noted					

**STATE OF NEW MEXICO
CITY OF TRUTH OR CONSEQUENCES
EXIT CONFERENCE
Year Ended June 30, 2021**

The contents of this report were discussed in the exit conference held on December 9, 2021, with the following in attendance:

Representing the City of Truth or Consequences:

Sandy Whitehead	Mayor
Morris Madrid	City Manager
Carol Kirkpatrick	Finance Director

Representing Pattillo, Brown & Hill:

Chris Garner	CPA, Partner
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The financial statements were prepared with the assistance of Pattillo, Brown & Hill, LLP from the books and records of the City of Truth or Consequences.



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: April 27, 2022

Agenda Item #: G.2

SUBJECT: Resolution No. 55 21/22 directing law enforcement personnel employed by the City of Truth or Consequences Police Department to utilize body worn cameras pursuant to NMSA 29-1-18

DEPARTMENT: Police Department

DATE SUBMITTED: April 20, 2022

SUBMITTED BY: Chief Victor Rodriguez

WHO WILL PRESENT THE ITEM: Chief Victor Rodriguez and City Manager Swingle

Summary/Background:

Seeking Commission Review/Approval of Resolution #55 21/22 directing law enforcement personnel employed by the City of Truth or Consequences Police Department to utilize body worn cameras pursuant to NMSA 29-1-18.

Recommendation:

Approval of Resolution.

Attachments:

- Review/Approval of Resolution #55 21/22 directing law enforcement personnel employed by the City of Truth or Consequences Police Department to utilize body worn cameras pursuant to NMSA 29-1-18

Fiscal Impact (Finance): No

[Click here to enter text.](#)

Legal Review (City Attorney): Yes

[Click here to enter text.](#)

Approved for Submittal By: ☒ Department Director

Reviewed by: ☐ City Clerk ☐ Finance ☒ Legal ☐ Other: [Click here to enter text.](#)

Final Approval: ☒ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. 55 21/22 Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC Agendas 4-27-2022



RESOLUTION NO. 55 21/22

**A RESOLUTION DIRECTING LAW ENFORCEMENT PERSONNEL
EMPLOYED BY THE CITY OF TRUTH OR CONSEQUENCES POLICE
DEPARTMENT TO UTILIZE BODY-WORN CAMERAS PURSUANT TO
NMSA 29-1-18**

WHEREAS, the efforts of City of Truth or Consequences officials is to provide transparent services throughout the community.

WHEREAS, NMSA 29-1-18 became effective on September 20, 2020, requiring certain law enforcement agencies to use body-worn cameras while on duty; and

WHEREAS, NMSA 29-1-18 requires that law enforcement agencies adopt policies and procedures governing the use of body-worn cameras (Exhibit A- Truth or Consequences Police Department Policy 152: Use of Recording Equipment); and

WHEREAS, NMSA 29-1-18 requires that on duty officers, within certain law enforcement agencies, comply with the policies and procedures that have been adopted (Exhibit A- Truth or Consequences Police Department Policy 152: Use of Recording Equipment).

NOW THEREFORE, BE IT FURTHER RESOLVED by the governing body of the City of Truth or Consequences, that NMSA 29-1-18 is required to be complied with by the on duty officers who are employed by the City of Truth or Consequences Police Department and on duty officers who fail to comply with the policies and procedures, as adopted herein by reference (Exhibit A- Truth or Consequences Police Department Policy 152: Use of Recording Equipment), shall be presumed to have acted in bad faith and shall be held accountable as set forth.

PASSED, APPROVED AND ADOPTED this 27th day of April, 2022.

ATTEST:

Amanda Forrister, Mayor

Angela Torres, City Clerk

NUMBER: 152	SUPERSEDES: NEW	EFFECTIVE DATE:	PAGE 1 of 4
SUBJECT: Use of Recording Equipment		APPROVED BY: Chief Victor Rodriguez	
NMLEA STANDARDS: ADM.14.01			

I. *PURPOSE:*

The purpose of this General Order is to establish procedures for the proper use of recording devices as well as the storage and management of digital recordings.

II. *POLICY:*

It is the policy of the Truth or Consequences Police Department to use recording devices for the purposes of, but not limited to documenting citizen contacts, capturing evidence for use in criminal prosecution, training and evaluating work performance, including protection against false allegations of misconduct.

APPLICABILITY:

This General Order applies to all employees. This General Order supersedes all previous versions.

REFERENCES

- 29-1-16 NMSA 1978
- 29-1-18 NMSA 1978
- 32A-2-14 NMSA 1978
- Inspection of Public Records Act (IPRA) Section 14 Article 2 NMSA 1978
- 1.19.8 NMAC (New Mexico Administrative Code)

DEFINITIONS

Body Worn Camera (BWC). The Body worn Camera or other similar devices that are issued by the department.

Evidence Transfer Manager (ETM). The ETM is the docking station used to upload data and recharge BWC's.

Digital Information Management System (DIMS) – A data entry system that collects and manages digital audio and photo evidence to simplify the acquisition and archiving of field and lab gathered digital evidence.

Officers – Any commissioned peace officer, animal control officer, or code enforcement officer.

Recording Device – Any device capable of creating and storing audio and/or video recordings.

Local Government Records Retention and Disposition Schedule for New Mexico Municipalities (LGRRDS). 1.19.8 NMAC

III. PROCEDURES:

- A.** Officers shall carry a properly functioning department issued recording device on their person at all times while on duty. If issued a BWC, the BWC shall be used as the primary recording device. Officers in a plain clothes or undercover assignment do not have to carry a recording device, but shall have a recording device available to them. In situations where a BWC becomes inoperable or non-functioning due to a device error or malfunction, or sudden loss of power, an officer shall make a reasonable attempt to utilize a secondary recording device such as an audio recorder.
- B.** BWCs shall be worn in a location that allows the device to capture images of what is in front of the officer.
- C.** Officers shall record whenever responding to a call for service or at the initiation of any other law enforcement or investigative encounter between the officer and a member of the public. Recording devices shall be activated as soon as practical, consistent with officer safety. Once activated, recording devices shall be used for the remainder of the citizen contact. If the recording is stopped during the citizen contact, the officer will note on the recording and/or in a police report the reason the recording was deactivated. Examples of when officers shall record include, but are not limited to:
 - 1.** Traffic stops and crash investigations;
 - 2.** Domestic dispute investigations/ civil standbys;
 - 3.** Calls involving a mentally ill or emotionally disturbed person;
 - 4.** During all search and arrest warrant services;
 - 5.** Anytime the potential for a use of force exists. This includes but is not limited to calls for service regarding: affrays, disorderly subjects, uncooperative shoplifters, and weapons calls;
 - 6.** All custodial interrogations of adults and/or juveniles in accordance with 29-1-16 and 32A-2-14 NMSA 1978 unless another method of electronic recording of the interrogation is available, such as an interview room equipped with audio and/or visual recording equipment;
 - 7.** During all arrests, when practical, until the prisoner is secured in a transport vehicle. Recording should continue and/or resume if the prisoner is or becomes uncooperative and/or combative. Nothing in this section precludes an officer from recording throughout transport and processing of cooperative prisoners at his/her discretion (e.g.; transporting a prisoner of the opposite sex);
 - 8.** Any type of encounter not mentioned above in which a recording would prove useful in later judicial and/or administrative proceedings such as a citizen alleging dissatisfaction with police response;
 - 9.** Anytime a supervisor directs an officer employee to use a recording device.
- D.** Officers are not required to disclose to the public recording equipment is in use.

- E. Officers may use their recording devices for documentation purposes at crime and accident scenes, or other on-duty events as the officer employee deems appropriate.
- F. Officers shall not utilize recording devices in the following situations:
 - 1. At any closed court proceedings or hearings.
 - 2. At any location legally authorized to limit recording and/or recording devices (i.e.; hospitals, bathrooms) unless it is a police related incident or the officer is interacting with a prisoner that is located at the hospital.
- G. Employees are not allowed to record other employees unless the employees are engaged in a call for service, citizen interaction, criminal investigation, or Chief of Police approved administrative investigation.

DISPOSITION OF RECORDINGS

- A. Audio, image, and video recordings shall either be entered into DIMS or downloaded to the ETM prior to going off-duty unless a supervisor authorizes an extension to this deadline.
- B. All evidence entered into DIMS shall be noted in an offense/incident report.
- C. Officers with BWC's shall label all video recordings downloaded into the ETM with the proper category, case number (when applicable), and location of incident. Officers shall label the video recordings on or before their next duty day.
- D. Employees including officers shall not destroy or alter any type of recording unless authorized by statute, through proper court order, or by city policy in accordance to LGRRDS.
- E. Recordings shall not be released to another criminal justice agency without approval of the Chief of Police, or his/her designee. When recordings are released, the department shall maintain the original recording and provide the requesting agency with a duplicate unless there are specific reasons for releasing the original recording. If an original recording is released, the department shall retain possession of a duplicate copy.
- F. Recordings are property of Truth of Consequences Police Department and they shall not be reviewed by unauthorized persons, unless authorized by the Chief of Police, by court order, or under an approved Inspection of Public Records Act (IPRA) request.
- G. Employees are not authorized to copy or release recordings without supervisory approval. Employees shall not post recordings to any social media website.

RETENTION OF RECORDINGS

- A. All non-evidentiary recordings shall be retained for one hundred and twenty (120) days from the date the recording was submitted, at which time the recording will be destroyed as set forth in the retention settings of the DIMS or ETM database in accordance with NMSA 29-1-18 (A) (3). This retention and destruction meet all Retention and Disposition Schedules LGRRDS.
- B. All evidentiary recordings shall be retained as part of the case file and will be kept and destroyed according to the LGRRDS.

- C. Any recording deemed to be of value for training purposes may be retained and forwarded to the training supervisor. The recording must no longer be needed for any judicial or administrative proceedings. It is recommended that officers involved in the recording be contacted to inquire about any objection they may have to its use.

SUPERVISORY RESPONSIBILITIES

- A. Routinely inspect recording devices to ensure they are functioning properly.
- B. Arrange for replacement or repair of any issued recording device that is not functioning properly.
- C. Supervisors shall randomly review recordings to assist in the periodic assessment of an officer's performance and the recording devices performance. Supervisors will determine whether the recording device is being fully and properly utilized, if downloads are taking place in a timely manner, if BWC videos are labeled appropriately, and if any material on a recording may benefit personnel in training. It is within a supervisor's discretion to review recordings more frequently.



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: April 27, 2022

Agenda Item #: H.1

SUBJECT: Revenue Reports as part of the Budget Process

DEPARTMENT: Finance Department

DATE SUBMITTED: April 20, 2022

SUBMITTED BY: Carol Kirkpatrick, Finance Director

WHO WILL PRESENT THE ITEM: Carol Kirkpatrick, Finance Director

Summary/Background: Present current and future revenues to the Commission as part of the budget process.

Recommendation:

None

Attachments:

[Click here to enter text.](#)

- General Fund Revenue Information
- Enterprise Fund Revenue Information
- Special Revenue Funds Information
- Gross Receipts Tax Revenue Information

Fiscal Impact (Finance): No

Legal Review (City Attorney): No

Approved For Submittal By: ☒ Department Director

Reviewed by: ☒ City Clerk ☒ Finance ☐ Legal ☐ Other: [Click here to enter text.](#)

Final Approval: ☒ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. [Click here to enter text.](#) Ordinance No. .

Continued To: . Referred To: .

☐ Approved ☐ Denied ☐ Other: .

File Name: CC Agendas 4/27/2022

**REVENUE INFORMATION
AS OF MARCH 31, 2022**

GENERAL FUND REVENUE HISTORY

MAIN REVENUE SOURCES ONLY

- * 3 Year Actual Revenue History
- * Current Year Information With Amount Budgeted and Amount Received to Date
- * Next Year's Draft Estimated Revenue

ENTERPRISE FUNDS REVENUE HISTORY

- * 3 Year Actual Revenue History
- * Current Year Information With Amount Budgeted, Amount Received, and % Received to Date
- * Next Year's Draft Estimated Revenue and Comparison of 2022-23 to 2021-22 Budget

SPECIAL REVENUE FUNDS REVENUE HISTORY

- * 3 Year Actual Revenue History
- * Current Year Information With Amount Budgeted, Amount Received, and % Received to Date
- * Next Year's Draft Estimated Revenue

GROSS RECEIPTS TAX

- * Gross Receipts Tax Municipal Local Options (Breakout of Taxes and Ordinances)
- * Detail of Gross Receipts Tax Received



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: April 27, 2022

Agenda Item #: H.2

SUBJECT: Memorandum of Understanding between the United States Department of Veterans Affairs- New Mexico Veterans Affairs Healthcare System and the Truth or Consequences Police Department

DEPARTMENT: Police Department

DATE SUBMITTED: April 20, 2022

SUBMITTED BY: Chief Victor Rodriguez

WHO WILL PRESENT THE ITEM: Chief Victor Rodriguez and City Manager Swingle

Summary/Background:

Seeking Commission approval to enter into a Memorandum of Understanding between the United States Department of Veterans Affairs- New Mexico Veterans Affairs Healthcare System and the Truth or Consequences Police Department

Recommendation:

Approval of MOU

Attachments:

- Memorandum of Understanding between the United States Department of Veterans Affairs- New Mexico Veterans Affairs Healthcare System and the Truth or Consequences Police Department

Fiscal Impact (Finance): No

Legal Review (City Attorney): Yes

Approved for Submittal By: ☒ Department Director

Reviewed by: ☐ City Clerk ☐ Finance ☒ Legal ☐ Other: Click here to enter text.

Final Approval: ☒ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. - Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC Agendas 4-27-2022



DEPARTMENT OF VETERANS AFFAIRS
NEW MEXICO VA HEALTHCARE SYSTEM

1501 San Pedro Drive, SE
Albuquerque, NM 87108

April 15, 2022

To: Chief of Police
Truth or Consequences Police Department
Truth of Consequences, New Mexico

Subject: Memorandum of Understanding

1. To establish general working relationships between the New Mexico Veteran Affairs Healthcare Service Police Department and your agency as a means of reinforcing interagency coordination and responsibility concerning law enforcement, emergency response, requests for assistance, Physical Security, and access control operations. We are requesting your approval and signature on the attached Memorandum of Understanding between our agencies.
2. The Memorandum of Understanding with your Agency is required per VA Police Handbook 0730 and in accordance with the VA Office of Security and Law Enforcement policies.
3. Please review the attached memorandum and, if you and your agency agree, please sign this Memorandum of Understanding. The memorandum needs to be returned to our agency within thirty days. Please use the return addressed envelope and return to the New Mexico Veteran Affairs Healthcare Service Police Department.
4. Thank you for your assistance and cooperation in this matter. If you have any questions, feel free to contact me at 505-256-5713 or robert.foster2@va.gov or Deputy Chief Thomas P. Iovinella at 505-260-2650 or thomas.iovinella@va.gov.

Respectfully,

A handwritten signature in black ink, appearing to read "Robert D Foster", is written over a horizontal line.

Robert D Foster
Chief of Police

**MEMORANDUM OF UNDERSTANDING
BETWEEN
UNITED STATES DEPARTMENT OF VETERANS AFFAIRS, NEW MEXICO
VETERAN AFFAIRS HEALTH CARE SYSTEM
AND
TRUTH OR CONSEQUENCES POLICE DEPARTMENT**

This Memorandum of Understanding (MOU) is entered into between the U.S. Department of Veterans Affairs (VA) New Mexico Veteran Affairs Healthcare System (NMVAHCS) and the Truth or Consequences Police Department, herein after referred to as "parties."

1. PURPOSE. To establish general working relationships between the NMVAHCS Police Service and Truth or Consequences Police Department as a means of reinforcing interagency coordination and responsibility concerning law enforcement, emergency response, requests for assistance, and physical security and access control operations at Truth or Consequences New Mexico Veteran Affairs CCBOC located at 1960 North Date ST., Truth or Consequences NM 87109.

2. REFERENCES.

- a) VA Directive 0730, *Security and Law Enforcement*, 12 December 2012
- b) VA Handbook 0730, *Security and Law Enforcement*, 11 August 2000
- c) NMVAHCS Police Local Standard Operating Procedure Section III Law Enforcement Jurisdiction.

3. GENERAL.

a. Department of Veteran Affairs Truth or Consequences CCBOC is located in the City of Truth or Consequences. Department Of Veteran Affairs Truth or Consequences CCBOC provides primary, specialty, and extended care to Veterans throughout Truth or Consequences and surrounding areas. The mission of the Department of Veteran Truth or Consequences CCBOC is to provide timely, efficient, ethical, safe, compassionate, and quality health care to Veteran patients.

b. The Truth or Consequences Police Department has concurrent jurisdiction with the Federal Government over Department of Veteran Affairs Truth or Consequences CCBOC. This jurisdiction grants local police agencies the authority to jointly enforce Federal and State laws with VA Police on Department of Veteran Affairs Truth or Consequences CCBOC properties.

4. RESPONSIBILITIES.

- a. Truth or Consequences Police Department will:

(1) Maintain law and order and enforce Federal and state laws and, including the hospital building and designated parking lots, for the protection of property owned or occupied by the VA and persons on the property.

b. Truth or Consequences Police Department will:

(1) Respond to NMVAHCS Police Service's requests for assistance. Such assistance may include, but not limited to, the following situations:

(A) Armed hostage taking situations that would require an armed response to assist VA Police in containing the situation until appropriate Federal agencies (such as the Federal Bureau of Investigation - FBI) can respond to assume control.

(B) Crimes involving armed robberies of funds, drugs, or properties where the individuals committing the crimes leave VA police jurisdiction.

(C) Vehicle accident investigations, which may result in non-injuries, injuries, or death involving the VA Police patrol vehicles.

(D) Any major incident that would require additional Officers for traffic control to allow emergency vehicles a clear access to the facility.

(2) Provide additional Officers when needed to assist with the physical arrest of a violent/disorderly person(s) who poses a serious threat to VA patients, visitors, medical staff or themselves.

(3) Provide assistance in the transportation of prisoner(s) who have been arrested at the Department of Veteran Affairs Truth or Consequences CCBOC.

(4) Authorize access to and use of Truth or Consequences Police Department central dispatch and patrol units in the field for VA Police. The parties agree that the access and use of such information is solely limited to official law enforcement purposes and that the process of reprogramming VA radios would be at no cost to the City of Truth or Consequences.

(5) Should any VA Police Officer be involved in a shooting, the FBI will be notified immediately. If the FBI declines investigation, or if the FBI response is delayed, Truth or Consequences Police Department may provide investigative assistance to NMVAHCS Police. This assistance may range from establishing, preserving, and controlling the crime scene, to performing as the lead investigative agency.

5. ACCEPTANCE & RATIFICATION

a. The provisions of this MOU are effective upon signature and date as indicated below and will be reviewed every 3 years, or as required.

b. This agreement may be unilaterally suspended or cancelled by either side upon giving at least 180 days written notice to the other party.

c. This MOU does not create additional jurisdiction or limit or modify existing jurisdiction vested in the parties. This MOU is intended exclusively to provide guidance and documents an agreement for general support between the parties. Nothing contained herein creates or extends any right, privilege, or benefit to any person or entity.

d. Other areas of mutual interest may arise where services and support from one party of this MOU is required by the other party of this MOU. This MOU is not meant to limit those instances nor prohibit cooperation outside the above listed situations set forth and agreed upon.

**FOR DEPARTMENT OF VETERANS AFFAIRS NEW MEXICO HEALTHCARE
SYSTEM**

Robert D. Foster
Chief of Police, U.S. Dept. Veterans Affairs
New Mexico VA Health Care System

Date

Robert McKenrick
Executive Director
New Mexico VA Health Care System

Date

FOR TRUTH OR CONSEQUENCES POLICE DEPARTMENT

Victor J. Rodriguez
Chief of Police

Date



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: April 27, 2022

Agenda Item #: H.3

SUBJECT: State of New Mexico Department of Economic Development Agreement for the T or C Great Blocks Foch Street Improvements

DEPARTMENT: City Manager's Office

DATE SUBMITTED: April 21, 2022

SUBMITTED BY: Tammy Gardner

WHO WILL PRESENT THE ITEM: Bruce Swingle, City Manager

Summary/Background:

Discussion/Action for the agreement between the EDD and the City of Truth or Consequences in partnership with MainStreet Truth or Consequences.

Recommendation:

Approval of agreement.

Attachments:

- Agreement
- -

Fiscal Impact (Finance): Yes

\$320,000.00

Legal Review (City Attorney): Choose an item.

-

Approved For Submittal By: ☒ Department Director

Reviewed by: ☐ City Clerk ☐ Finance ☐ Legal ☐ Other: Click here to enter text.

Final Approval: ☒ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. [Click here to enter text.](#) Ordinance No. [Click here to enter text.](#)

Continued To: [Click here to enter a date.](#) Referred To: [Click here to enter text.](#)

☐ Approved ☐ Denied ☐ Other: [Click here to enter text.](#)

File Name: CC Agendas 4-27-2022

Public Places (“AIPP amount”) (\$0)¹, if applicable, which equals three hundred and twenty thousand dollars (\$320,000.00) (the “Adjusted Appropriation Amount”).

In the event of a conflict among the Appropriation Amount, the Reversion Date, as defined herein and/or the purpose of the Project, as set forth in this Agreement, and the corresponding appropriation language in the laws cited above in this Article I(A), the language of the laws cited herein shall control.

This project is referred to throughout the remainder of this Agreement as the “Project”; the information contained in Article I(A) is referred to collectively throughout the remainder of this Agreement as the “Project Description.” If Attachment A imposes more stringent requirements than any requirement set forth in this Agreement, the more stringent requirements of Attachment A shall prevail, in the event of irreconcilable conflict. (See ATTACHMENT A) The Grantee shall reference the Project’s number in all correspondence with and submissions to the Department concerning the Project, including, but not limited to, Requests for Payment and reports.

ARTICLE II. LIMITATION ON DEPARTMENT’S OBLIGATION TO MAKE GRANT DISBURSEMENT TO GRANTEE

A. Upon the Effective Date of this Agreement, for permissible purposes within the scope of the Project Description, the Grantee shall only be reimbursed monies for which the Department has issued and the Grantee has received a Notice of Department’s Obligation to Reimburse² Grantee (hereinafter referred to as “Notice of Obligation”). This Grant Agreement and the disbursement of any and all amounts of the above referenced Adjusted Appropriation Amount are expressly conditioned upon the following:

- (i) Irrespective of any Notice of Obligation, the Grantee’s expenditures shall be made on or before the Reversion Date and, if applicable, an Early Termination Date (i.e., the goods have been delivered and accepted or the title to the goods has been transferred to the Grantee and/or the services have been rendered for the Grantee); and
- (ii) The total amount received by the Grantee shall not exceed the lesser of: (a) the Adjusted Appropriation Amount identified in Article I(A) herein or (b) the total of all amounts stated in the Notice(s) of Obligation evidencing that the Department has received and accepted the Grantee’s Third Party Obligation(s), as defined in subparagraph iii of this Article II(A); and
- (iii) The Grantee’s expenditures were made pursuant to the State Procurement Code and execution of binding written obligations or purchase orders with third party contractors or vendors for the provision of services, including professional

¹ The AIPP amount is “an amount of money equal to one percent or two hundred thousand dollars (\$200,000), whichever is less, of the amount of money appropriated for new construction or any major renovation exceeding one hundred thousand dollars (\$100,000).” Section 13-4A-4 NMSA 1978.

² “Reimburse” as used throughout this Agreement includes Department payments to the Grantee for invoices received, but not yet paid, by the Grantee from a third party contractor or vendor, if the invoices comply with the provisions of this Agreement and are a valid liability of the Grantee.

- services, or the purchase of tangible personal property and real property for the Project, hereinafter referred to as "Third Party Obligations"; and
- (iv) The Grantee's submittal of timely Requests for Payment in accordance with the procedures set forth in Article IX of this Agreement; and
 - (v) In the event that capital assets acquired with Project funds are to be sold, leased, or licensed to or operated by a private entity, the sale, lease, license, or operating agreement:

- a. must be approved by the applicable oversight entity (if any) in accordance with law; or

- b. if no oversight entity is required to approve the transaction, the Department must approve the transaction as complying with law.

- Prior to the sale, lease, license, or operating agreement being approved pursuant to Articles II(A)(v)(a) and II(A)(v)(b) herein, the Department may, in its sole and absolute discretion and unless inconsistent with State Board of Finance imposed conditions, reimburse the Grantee for necessary expenditures incurred to develop the Project sufficiently to make the sale, lease, license, or operating agreement commercially feasible, such as plan and design expenditures; and
- (vi) The Grantee's submission of documentation of all Third Party Obligations and amendments thereto (including terminations) to the Department and the Department's issuance and the Grantee's receiving of a Notice of Obligation for a particular amount in accordance with the terms of this Agreement shall be governed by the following:

- a. The Grantee shall submit to the Department one copy of all Third Party Obligations and amendments thereto (including terminations) as soon as possible after execution by the Third Party **but prior to execution by the Grantee.**
 - b. Grantee acknowledges and agrees that if it chooses to enter into a Third Party Obligation prior to receiving a Notice of Obligation that covers the expenditure, it is solely responsible for such obligations.
 - c. The Department may, in its sole and absolute discretion, issue to Grantee a Notice of Obligation for the particular amount of that Third Party Obligation that only obligates the Department to reimburse Grantee's expenditures made on or before the Reversion Date or an Early Termination Date. The current Notice of Obligation form is attached to this Agreement as Exhibit 2.
 - d. The date the Department signs the Notice of Obligation is the date that the Department's Notice of Obligation is effective. After that date, the Grantee is authorized to budget the particular amount set forth in the Notice of Obligation, execute the Third Party Obligation and request the Third Party to begin work. Payment for any work performed or goods received prior to the effective date of the Notice of Obligation is wholly and solely the obligation of the Grantee.

B. The Grantee shall implement, in all respects, the Project. The Grantee shall provide all necessary qualified personnel, material, and facilities to implement the

Project. The Grantee shall finance its share (if any) of the costs of the Project, including all Project overruns.

C. Project funds shall not be used for purposes other than those specified in the Project Description.

D. Unless specifically allowed by law, Project funds cannot be used to reimburse Grantee for indirect Project costs.

ARTICLE III. NOTICE PROVISIONS AND GRANTEE AND DEPARTMENT DESIGNATED REPRESENTATIVES

Whenever written notices, including written decisions, are to be given or received, related to this Agreement, the following provisions shall apply.

The Grantee designates the person(s) listed below, or their successor, as their official representative(s) concerning all matters related to this Agreement:

Grantee: _____
Name: _____
Title: _____
Address: _____
Email: _____
Telephone: _____

The Grantee designates the person(s) listed below, or their successor, as their Fiscal Officer or Fiscal Agent concerning all matters related to this Agreement:

Grantee: _____
Name: _____
Title: _____
Address: _____
Email: _____
Telephone: _____

The Department designates the persons listed below, or their successors, as the Points of Contact for matters related to this Agreement.

Department: Economic Development Department
Name: Julie Blanke
Title: Program Planning Specialist
Address: EDD/MainStreet, PO Box 20003, Santa Fe, NM, 87504-5003
Email: julie.blanke@state.nm.us
Telephone: 505-753-8860/505-827-0363

The Grantee and the Department agree that either party shall send all notices, including written decisions, related to this Agreement to the above named persons by email or regular mail. In the case of mailings, notices shall be deemed to have been given and received upon the date of the receiving party's actual receipt or five calendar days after mailing, whichever shall first occur. In the case of email transmissions, the notice shall be deemed to have been given and received on the date reflected on the delivery receipt of email.

ARTICLE IV. REVERSION DATE, TERM, DEADLINE TO EXPEND FUNDS

A. As referenced in Article I(A), the applicable law establishes a date by which Project funds must be expended by Grantee, which is referred to throughout the remainder of this Agreement as the "Reversion Date." Upon being duly executed by both parties, this Agreement shall be effective as of the date of execution by the Department. It shall terminate on June 30, 2024 the Reversion Date unless Terminated Before Reversion Date ("Early Termination") pursuant to Article V herein.

B. The Project's funds must be expended on or before the Reversion Date and, if applicable, Early Termination Date of this Agreement. For purposes of this Agreement, it is not sufficient for the Grantee to encumber the Project funds on its books on or before the Project's Reversion Date or Early Termination Date. Funds are expended and an expenditure has occurred as of the date that a particular quantity of goods are delivered to and received by the Grantee or title to the goods is transferred to the Grantee and/or as of the date particular services are rendered for the Grantee. Funds are *not* expended and an expenditure has *not* occurred as of the date they are encumbered by the Grantee pursuant to a contract or purchase order with a third party.

ARTICLE V. EARLY TERMINATION

A. Early Termination Before Reversion Date Due to Completion of the Project or Complete Expenditure of the Adjusted Appropriation or Violation of this Agreement

Early Termination includes:

- (i) Termination due to completion of the Project before the Reversion Date; or
- (ii) Termination due to complete expenditure of the Adjusted Appropriation Amount before the Reversion Date; or
- (iii) Termination for violation of the terms of this Agreement; or
- (iv) Termination for suspected mishandling of public funds, including but not limited to, fraud, waste, abuse, and conflicts of interest.

Either the Department or the Grantee may early terminate this Agreement prior to the Reversion Date by providing the other party with a minimum of fifteen (15) days' advance, written notice of early termination. Grantee hereby waives any rights to assert an impairment of contract claim against the Department or the State of New Mexico in the event of Early Termination of this Agreement by the Department pursuant to Article V(A).

B. Early Termination Before Reversion Date Due to Non-appropriation

The terms of this Agreement are expressly made contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Agreement. Throughout this Agreement the term “non-appropriate” or “non-appropriation” includes the following actions by the New Mexico Legislature: de-authorization, reauthorization or revocation of a prior authorization. The Legislature may choose to non-appropriate the Appropriation referred to in Article I and, if that occurs, the Department shall early terminate this Agreement for non-appropriation by giving the Grantee written notice of such termination, and such termination shall be effective as of the effective date of the law making the non-appropriation. The Department’s decision as to whether sufficient appropriations or authorizations are available shall be accepted by the Grantee and shall be final. Grantee hereby waives any rights to assert an impairment of contract claim against the Department or the State of New Mexico in the event of Early Termination of this Agreement by the Department pursuant to Article V(B).

C. Limitation on Department’s Obligation to Make Grant Disbursements to Grantee in the Event of Early Termination

In the event of Early Termination of this Agreement by either party, the Department’s sole and absolute obligation to reimburse the Grantee is expressly conditioned upon the limitations set forth Article II.

ARTICLE VI. SUSPENSION OF NEW OR FURTHER OBLIGATIONS

A. The Department may choose, in its sole and absolute discretion, to provide written notice to the Grantee to suspend entering into new and further obligations. Upon the receipt of such written notice by the Grantee:

- (i) The Grantee shall immediately suspend entering into new or further written obligations with third parties; and
- (ii) The Department will suspend the issuance of any new or further Notice of Obligation under this Agreement; and
- (iii) The Department may direct the Grantee to implement a corrective action plan in accordance with Article VI(D) herein.

B. In the event of Suspension of this Agreement, the Department’s sole and absolute obligation to reimburse the Grantee is expressly conditioned upon the limitations set forth in Article II herein.

C. A suspension of new or further obligations under this Agreement shall remain in effect unless or until the date the Grantee receives written notice given by the Department informing the Grantee that the Suspension has been lifted or that the Agreement has been Early Terminated in accordance with Article V herein. If the Suspension is lifted, the Department will consider further requests for Notice of Obligation.

D. Corrective Action Plan in the Event of Suspension

In the event that the Department chooses, in its sole and absolute discretion to direct the Grantee to suspend entering into new or further written obligations with third parties pursuant to Article VI(A), the Department may, but is not obligated to, require the Grantee to develop and implement a written corrective action plan to remedy the grounds for the Suspension. Such corrective action plan must be approved by the Department and be signed by the Grantee. Failure to sign a corrective action plan or meet the terms and deadlines set forth in the signed corrective action plan, is hereby deemed a violation of the terms of this Agreement for purposes of Early Termination, Article V(A)(iii). The corrective action plan is in addition to, and not in lieu of, any other equitable or legal remedy, including but not limited to Early Termination.

ARTICLE VII. AMENDMENT

This Agreement shall not be altered, changed, or amended except by instrument in writing duly executed by both the parties hereto.

ARTICLE VIII. REPORTS

A. Database Reporting

The Grantee shall report monthly Project activity by entering such Project information as the Department and the Department of Finance and Administration may require, such information entered directly into a database maintained by the Department of Finance and Administration (<http://cpms.dfa.state.nm.us>). Additionally, the Grantee shall certify on the Request for Payment form (Exhibit 1) that updates have been maintained and are current in the database. The Grantee hereby acknowledges that failure to perform and/or certify updates into the database will delay or potentially jeopardize the reimbursement of funds. The Department shall give Grantee a minimum of thirty (30) days' advance written notice of any changes to the information the Grantee is required to report.

Monthly reports shall be due on the last day of each month, beginning with the first full month following execution of this Agreement by the Department and ending upon the submission of the final request for reimbursement for the Project.

B. Requests for Additional Information/Project Inspection

During the term of this Agreement and during the period of time during which the Grantee must maintain records pursuant to Article VIII, the Department may:

- (i) request such additional information regarding the Project as it deems necessary; and
- (ii) conduct, at reasonable times and upon reasonable notice, onsite inspections of the Project.

Grantee shall respond to such requests for additional information within a reasonable period of time, as established by the Department.

ARTICLE IX. REQUEST FOR PAYMENT PROCEDURES AND DEADLINES

A. The Grantee shall request payment by submitting a Request for Payment, in the form attached hereto as Exhibit 1. Payment requests are subject to the following procedures:

- (i) The Grantee must submit a Request for Payment; and
- (ii) Each Request for Payment must contain proof of payment by the Grantee or liabilities incurred by the Grantee showing that the expenditures are valid or are liabilities incurred by the Grantee in the form of actual unpaid invoices received by the Grantee for services rendered by a third party or items of tangible personal property received by the Grantee for the implementation of the Project; provided, however, that the Grantee may be reimbursed for unpaid liabilities only if the Department, in its sole and absolute discretion, agrees to do so and in accordance with any special conditions imposed by the Department.
- (iii) In cases where the Grantee is submitting a Request for Payment to the Department based upon invoices received, but not yet paid, by the Grantee from a third party contractor or vendor, if the invoices comply with the provisions of this Agreement and are a valid liability of the Grantee, the Grantee shall make payment to those contractors or vendors within five (5) business days from the date of receiving reimbursement from the Department or such shorter period of time as the Department may prescribe in writing. The Grantee is required to certify to the Department proof of payment to the third party contractor or vendor within ten (10) business days from the date of receiving reimbursement from the Department.

B. The Grantee must obligate 5% of the Adjusted Appropriation Amount within six months of acceptance of the grant agreement and must have expended no less than 85% of the Adjusted Appropriation Amount six months prior to the reversion date.

C. **Deadlines**

Requests for Payments shall be submitted by Grantee to the Department on the earlier of:

- (i) Immediately as they are received by the Grantee but at a minimum thirty (30) days from when the expenditure was incurred or liability of the Grantee was approved as evidenced by an unpaid invoice received by the Grantee from a third party contractor or vendor; or
- (ii) July 15 of each year for all unreimbursed expenditures incurred during the previous fiscal year; or
- (iii) Twenty (20) days from date of Early Termination; or
- (iv) Twenty (20) days from the Reversion Date.

D. The Grantee's failure to abide by the requirements set forth in Article II and Article IX herein will result in the denial of its Request for Payment or will delay the processing of Requests for Payment. The Department has the right to reject a payment request for the Project unless and until it is satisfied that the expenditures in the Request for Payment are for permissible purposes within the meaning of the Project Description

and that the expenditures and the Grantee are otherwise in compliance with this Agreement, including but not limited to, compliance with the reporting requirements and the requirements set forth in Article II herein to provide Third Party Obligations and the Deadlines set forth in Article IX herein. The Department's ability to reject any Request for Payment is in addition to, and not in lieu of, any other legal or equitable remedy available to the Department due to Grantee's violation of this Agreement.

**ARTICLE X. PROJECT CONDITIONS AND RESTRICTIONS;
REPRESENTATIONS AND WARRANTIES**

- A. The following general conditions and restrictions are applicable to the Project:
- (i) The Project's funds must be spent in accordance with all applicable state laws, regulations, policies, and guidelines, including, but not limited to, the State Procurement Code (or local procurement ordinance, where applicable).
 - (ii) The Project must be implemented in accordance with the New Mexico Public Works Minimum Works Act, Section 13-4-10 through 13-4-17 NMSA 1978, as applicable. Every contract or project in excess of sixty thousand dollars (\$60,000) that the Grantee is a party to for construction, alteration, demolition or repair or any combination of these, including painting and decorating, of public buildings, public works or public roads and that requires or involves the employment of mechanics, laborers or both shall contain a provision stating the minimum wages and fringe benefits to be paid to various classes of laborers and mechanics, shall be based upon the wages and benefits that will be determined by the New Mexico Department of Workforce Solutions to be prevailing for the corresponding classes of laborers and mechanics employed on contract work of a similar nature in the locality. Further, every contract or project shall contain a stipulation that the contractor, subcontractor, employer or a person acting as a contractor shall pay all mechanics and laborers employed on the site of the project, unconditionally and not less often than once a week and without subsequent unlawful deduction or rebate on any account, the full amounts accrued at time of payment computed at wage rates and fringe benefit rates not less than those determined pursuant to Section 13-4-11 (B) NMSA 1978 to be the prevailing wage rates and prevailing fringe benefit rates issued for the project.
 - (iii) The Project may only benefit private entities in accordance with applicable law, including, but not limited to, Article IX, Section 14 of the Constitution of the State of New Mexico, the "Anti-Donation Clause."
 - (iv) The Grantee shall not for a period of 10 years from the date of this agreement convert any property acquired, built, renovated, repaired, designed or developed with the Project's funds to uses other than those specified in the Project Description without the Department's express, advance, written approval, which may include a requirement to reimburse the State for the cost of the project, transfer proceeds from the disposition of property to the State, or otherwise provide consideration to the State.

- (v) The Grantee shall comply with all federal and state laws, rules and regulations pertaining to equal employment opportunity. In accordance with all such laws, rules and regulations the Grantee agrees to assure that no person shall, on the grounds of race, color, national origin, sex, sexual preference, age or handicap, be excluded from employment with Grantee, be excluded from participation in the Project, be denied benefits or otherwise be subject to discrimination under, any activity performed under this Agreement. If Grantee is found to be not in compliance with these requirements during the life of this Agreement, Grantee agrees to take appropriate steps to correct any deficiencies. The Grantee's failure to implement such appropriate steps within a reasonable time constitutes grounds for terminating this Agreement.
- B. The Grantee hereby represents and warrants the following:
 - (i) The Grantee has the legal authority to receive and expend the Project's funds.
 - (ii) This Agreement has been duly authorized by the Grantee, the person executing this Agreement has authority to do so, and, once executed by the Grantee, this Agreement shall constitute a binding obligation of the Grantee, enforceable according to its terms.
 - (iii) This Agreement and the Grantee's obligations hereunder do not conflict with any law or ordinance or resolution applicable to the Grantee, the Grantee's charter (if applicable), or any judgment or decree to which the Grantee is subject.
 - (iv) The Grantee has independently confirmed that the Project Description, including, but not limited to, the amount and Reversion Date, is consistent with the underlying appropriation in law.
 - (v) The Grantee's governing body has duly adopted or passed as an official act a resolution, motion, or similar action authorizing the person identified as the official representative of the Grantee to sign the Agreement and to sign Requests for Payment.
 - (vi) The Grantee shall abide by New Mexico laws regarding conflicts of interest, governmental conduct and whistleblower protection. The Grantee specifically agrees that no officer or employee of the local jurisdiction or its designees or agents, no member of the governing body, and no other public official of the locality who exercises any function or responsibility with respect to this Grant, during their tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed or goods to be received, pursuant to this Grant. Further, Grantee shall require all of its contractors to incorporate in all subcontracts the language set forth in this paragraph prohibiting conflicts of interest.
 - (vii) No funds have been paid or will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of this or any agency or body in connection with the awarding of any Third Party Obligation and that the Grantee shall require certifying

language prohibiting lobbying to be included in the award documents for all sub-awards, including subcontracts, loans and cooperative agreements. All sub-recipients shall be required to certify accordingly.

ARTICLE XI. STRICT ACCOUNTABILITY OF RECEIPTS AND DISBURSEMENTS; PROJECT RECORDS

A. The Grantee shall be strictly accountable for receipts and disbursements relating to the Project's funds. The Grantee shall follow generally accepted accounting principles, and, if feasible, maintain a separate bank account or fund with a separate organizational code, for the funds to assure separate budgeting and accounting of the funds.

B. For a period of six (6) years following the Project's completion, the Grantee shall maintain all Project related records, including, but not limited to, all financial records, requests for proposals, invitations to bid, selection and award criteria, contracts and subcontracts, advertisements, minutes of pertinent meetings, as well as records sufficient to fully account for the amount and disposition of the total funds from all sources budgeted for the Project, the purpose for which such funds were used, and such other records as the Department shall prescribe.

C. The Grantee shall make all Project records available to the Department, the Department of Finance and Administration, and the New Mexico State Auditor upon request. With respect to the funds that are the subject of this Agreement, if the State Auditor or the Department of Finance and Administration finds that any or all of these funds were improperly expended, the Grantee may be required to reimburse to the State of New Mexico, to the originating fund, any and all amounts found to be improperly expended.

ARTICLE XII. IMPROPERLY REIMBURSED FUNDS

If the Department determines that part or all of the Appropriation Amount was improperly reimbursed to Grantee, including but not limited to, Project funds reimbursed to Grantee based upon fraud, mismanagement, misrepresentation, misuse, violation of law by the Grantee, or violation of this Agreement, the Grantee shall return such funds to the Department for disposition in accordance with law.

ARTICLE XIII. LIABILITY

Neither party shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this Agreement. Any liability incurred in connection with this Agreement is subject to immunities and limitations of the New Mexico Tort Claims Act.

ARTICLE XIV. SCOPE OF AGREEMENT

This Agreement constitutes the entire and exclusive agreement between the Grantee and Department concerning the subject matter hereof. The Agreement supersedes any and all prior or contemporaneous agreements, understandings, discussions, communications, and representations, written or verbal.

ARTICLE XV. REQUIRED NON-APPROPRIATIONS CLAUSE IN CONTRACTS FUNDED IN WHOLE OR PART BY FUNDS MADE AVAILABLE UNDER THIS AGREEMENT

The Grantee acknowledges, warrants, and agrees that Grantee shall include a “non-appropriations” clause in all contracts between it and other parties that are (i) funded in whole or part by funds made available under this Agreement and (ii) entered into after the effective date of this Agreement that states:

“The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Agreement. If sufficient appropriations and authorization are not made by the Legislature, the City of Truth or Consequences in partnership with MainStreet Truth or Consequences may immediately terminate this Agreement by giving Contractor written notice of such termination. The City of Truth or Consequences in partnership with MainStreet Truth or Consequences’ decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. Contractor hereby waives any rights to assert an impairment of contract claim against the City of Truth or Consequences in partnership with MainStreet Truth or Consequences or the Economic Development Department or the State of New Mexico in the event of immediate or Early Termination of this Agreement by the City of Truth or Consequences in partnership with MainStreet Truth or Consequences or the Department.”

ARTICLE XVI. REQUIRED TERMINATION CLAUSE IN CONTRACTS FUNDED IN WHOLE OR PART BY FUNDS MADE AVAILABLE UNDER THIS AGREEMENT

Grantee acknowledges, warrants, and agrees that Grantee shall include the following termination clause in all contracts that are (i) funded in whole or part by funds made available under this Agreement and (ii) entered into after the effective date of this Agreement:

“This contract is funded in whole or in part by funds made available under an Economic Development Department Grant Agreement. Should the Economic Development Department early terminate the grant agreement, the City of Truth or Consequences in partnership with MainStreet Truth or Consequences may early terminate this contract by providing Contractor written notice of such termination. In the event of termination pursuant to this paragraph, the City of Truth or Consequences in partnership with MainStreet Truth or Consequences’ only liability shall be to pay Contractor for acceptable goods delivered and services rendered before the termination date.”

Grantee hereby waives any rights to assert an impairment of contract claim against the Department or the State of New Mexico in the event of Early Termination of this Agreement by the Department.

XVII. COMPLIANCE WITH UNIFORM FUNDING CRITERIA.

- A. Throughout the term of this Agreement, Grantee shall:
1. submit all reports of annual audits and agreed upon procedures required by Section 12-6-3(A)-(B) NMSA 1978 by the due dates established in 2.2.2 NMAC, reports of which must be a public record pursuant to Section 12-6-5(A) NMSA 1978 within forty-five days of delivery to the State Auditor;
 2. have a duly adopted budget for the current fiscal year approved by its budgetary oversight agency (if any);
 3. timely submit all required financial reports to its budgetary oversight agency (if any); and
 4. have adequate accounting methods and procedures to expend grant funds in accordance with applicable law and account for and safeguard grant funds and assets acquired by grant funds.
- B. In the event Grantee fails to comply with the requirements of Paragraph A of this Article XVII, the Department may take one or more of the following actions:
1. suspend new or further obligations pursuant to Article VI(A) of this Agreement;
 2. require the Grantee to develop and implement a written corrective action plan pursuant to Article VI(D) of this Agreement to remedy the non-compliance;
 3. impose special grant conditions to address the non-compliance by giving the Grantee notice of such special conditions in accordance with Article III of this Agreement; the special conditions shall be binding and effective on the date that notice is deemed to have been given pursuant to Article III; or
 4. terminate this Agreement pursuant to Article V(A) of this Agreement.

[THIS SPACE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date of execution by the Department.
GRANTEE

Signature of Official with Authority to Bind Grantee

Entity Name

By: _____
(Type or Print Name)

Date

Mari Fresquez
Signature of MainStreet President

By: Mari Fresquez
(Type or Print Name)

4/19/2022
Date

Economic Development Department

By: _____
Cabinet Secretary

Date

Legal Counsel – Certifying legal sufficiency

Date

STATE OF NEW MEXICO
CAPITAL GRANT PROJECT
Request for Payment Form
Exhibit 1

Grant Number: 419-A21F2103-2210

I. Grantee Information

(Make sure information is complete & accurate)

A. Grantee: _____
B. Address: _____
(Complete Mailing, including Suite, if applicable)

City State Zip
C. Phone No: _____
D. Grant No: _____
E. Project Title: _____
F. Grant Expiration Date: _____

II. Payment Computation

A. Payment Request No. _____
B. Grant Amount: _____
C. AIPP Amount (If Applicable): _____
D. Funds Requested to Date: _____
E. Amount Requested this Payment: _____
F. Reversion Amount (If Applicable): _____
G. Grant Balance: _____
H. ☐ GF ☐ GOB ☐ STB (attach wire if first draw)
I. ☐ Final Request for Payment (if Applicable)

III. Fiscal Year : _____

(The State of NM Fiscal Year is July 1, 20XX through June 30, 20XX of the following year)

IV. ☐ Reporting Certification: I hereby certify to the best of my knowledge and belief, that database reporting is up to date; to include the accuracy of expenditures and grant balance, project status, project phase, achievements and milestones; and in compliance with Article VIII of the Capital Outlay Grant Agreement.

V. ☐ Compliance Certification: Under penalty of law, I hereby certify to the best of my knowledge and belief, the above information is correct; expenditures are properly documented, and are valid expenditures or actual receipts; and that the grant activity is in full compliance with Article IX, Sec. 14 of the New Mexico Constitution known as the "anti donation" clause.

Grantee Fiscal Officer
or Fiscal Agent (if applicable)

Grantee Representative

Printed Name

Printed Name

Date: _____

Date: _____

(State Agency Use Only)

Vendor Code: _____ Fund No.: _____ Loc No.: _____

I certify that the State Agency financial and vendor file information agree with the above submitted information.

Division Fiscal Officer

Date

Division Project Manager

Date

NOTICE OF OBLIGATION TO REIMBURSE GRANTEE

EXHIBIT 2

Notice of Obligation to Reimburse Grantee [# 1]

DATE: [_____]

TO: Department Representative:

[_____]

FROM: Grantee:

[_____]

Grantee Official Representative:

[_____]

SUBJECT: Notice of Obligation to Reimburse Grantee

Grant Number:

[_____]

Grant Termination Date:

[_____]

As the designated representative of the Department for Grant Agreement number [_____] entered into between Grantee and the Department, I certify that the Grantee has submitted to the Department the following third party obligation executed, in writing, by the third party's authorized representative:

Vendor or Contractor:

[_____]

Third Party Obligation Amount:

[_____]

Vendor or Contractor:

[_____]

Third Party Obligation Amount:

[_____]

Vendor or Contractor:

[_____]

Third Party Obligation Amount:

[_____]

I certify that the State is issuing this Notice of Obligation to Reimburse Grantee for permissible purposes within the scope of the project description, subject to all the terms and conditions of the above referenced Grant Agreement.

Grant Amount (Minus AIPP if applicable):

[_____]

The Amount of this Notice of Obligation:

[_____]

The Total Amount of all Previously Issued Notices of Obligation:

[_____]

The Total Amount of all Notices of Obligation to Date:

[_____]

Note: Contract amounts may exceed the total grant amount, but the invoices paid by the grant will not exceed the grant amount.

Department Rep. Approver:

[_____]

Title:

[_____]

Signature:

[_____]

Date:

[_____]



EXHIBIT 4
STATE OF NEW MEXICO
New Mexico MainStreet Capital Outlay Grant
FY2022 (A21F2103) Progress Report Form

☐ PROGRESS REPORT

☐ FINAL REPORT

Grantee _____

Title of Project _____

Report Date _____

1. Please provide a detailed progress report for the project referenced above by answering the following questions

- Description of accomplishments to date - include all contracts with a 3rd party to expend the grant funds with the name of the company and amount of contracts

- Projected timeline for completing the project

- Statement of the impact of the project

- Detailed budget breakdown of expenditures to date · if no expenditures to date, indicate your estimated timeline for spending the grant money

- Description of any problems or delays encountered

- Any other information that may be of assistance to the Economic Development Department in its evaluation of your progress

2. Grant Amount _____

Expended to Date _____

Grant Balance _____

I hereby certify that the aforementioned Capital Outlay Project funds are being expended in accordance with the Project description (Exhibit A) of the executed Grant Agreement, and in compliance with all other applicable state statutory/regulatory requirements.

Name/Title *please print*

Signature

Date

Grant Number: 419-A21F2103-2210

**ATTACHMENT A
PROJECT DESCRIPTION & SCOPE OF WORK**

Name of Grantee(s): City of Truth or Consequences in partnership with and for the benefit of MainStreet Truth or Consequences

Grant Amount: \$320,000.00.

Project Name: Great Blocks on MainStreet: Phase I

Project Description: Great Blocks on MainStreet: Phase I Design, Planning, Engineering and Construction completion



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: April 27, 2022

Agenda Item #: H.4

SUBJECT: Approve Landscape Architectural Services Proposal with MRWM

DEPARTMENT: Assistant City Manager

DATE SUBMITTED: April 22, 2022

SUBMITTED BY: Traci Alvarez

WHO WILL PRESENT THE ITEM: Bruce Swingle

Summary/Background:

MainStreet received Great Block's funding assistance for plan and design of Foch Street. This proposal will be for plan revisions/alternatives as deemed necessary to meet allocated funding, as well as bid and construction oversight for project completion. Funding is provided by 2 NM Department of Economic Development Capital Appropriations – (\$1,000,000.00 FY21 and \$320,000.00 FY22)

Recommendation:

Approve Landscape Architectural Services Proposal with MRWM procured thru CES

Attachments:

- Landscape Architectural Services Proposal with MRWM
- Opinion of Probable Construction Cost 7-23-21

Fiscal Impact (Finance): Yes

City is the Fiscal Agent for Mainstreet Grant Fund Allocations requiring reimbursement of paid expenses

Legal Review (City Attorney): Yes

Approved For Submittal By: ☐ Department Director

Reviewed by: ☐ City Clerk ☐ Finance ☒ Legal ☐ Other: [Click here to enter text.](#)

Final Approval: ☒ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. [Click here to enter text.](#) Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC Agendas 4-27-2022

April 22, 2022

Mr. Bruce Swingle
City Manager
City of Truth or Consequences
401 McAdoo St
Truth or Consequences, NM 87901

Re: T or C Great Blocks – Foch Street Improvements – Landscape Architectural Services - REVISED

Mr. Swingle:

MRWM is excited to be a part of the upcoming T or C Great Blocks - Foch Street Improvements project. Per your request, MRWM is pleased to offer the City of Truth or Consequences the following proposal for landscape architectural and civil engineering services for the project.

We understand that you would like this scope of work to be contracted through CES. This proposal is based on the general conditions and hourly rates of that contract. Our CES vendor contract number is 19-01B-C108-ALL.

PROPOSED SERVICES

1. Construction Document Revisions:

MRWM will prepare plan revisions to the previously completed Construction Documents to indicate which project elements are in the base bid and which are alternates. We will discuss these changes with the City over Zoom prior to making any revisions.

2. Bidding Phase Services:

MRWM will provide bidding phase services as follows:

- Coordination with Department of Workforce Solutions
- Advertisement of project for bid
- Coordination of plan distribution to contractors
- Attendance at a pre-bid conference in T or C or via Zoom (City's preference)
- Responding to questions from prospective bidders and preparation of any required addenda
- Attendance at bid opening conference in T or C
- Review of all received bids
- Preparation of a Recommendation for Award
- Issuance of a Notice of Award

3. Construction Phase Services

Based on a 6-month construction period, MRWM will provide construction phase services as follows:

- Execution of Notice to Proceed
- Attendance at a pre-construction meeting in T or C
- Review of submittals and contractor pay applications
- Review of plant material prior to planting
- Review and respond to RFI's
- Attendance at sixteen (16) construction observation meetings at the project site in T or C
- Preparation of a project punch list and verification of final completion (two additional visits)
- Review of contractor close-out documents

4. Sub-consultants:

MRWM will collaborate with the following sub-consultants during the construction period:

- Isaacson & Arfman, Inc. will provide Civil Engineering support during the construction period.
- Hughes Design Company, LLC will provide Electrical Engineering support during the construction period.

PROPOSED FEES

MRWM staff anticipates spending approximately 375 to 400 hours in work on plan revisions, bidding, and construction phase services. MRWM would propose the following fees for the above work, payable upon presentation of a monthly statement as design and planning progress, in accordance with our Cooperative Education Services (CES) Contract (#19-01B-C108-ALL). *Please note that this is a lump sum proposal; however, the following information indicates estimated hours required to complete each task. Hourly rates shown for MRWM are CES discounted rates. Proposed sub-consultant proposals are attached. MRWM mark up for profit and overhead on sub-consultants (8%) also indicates a CES discount.*

ITEM #1 – Construction Document Revisions

	<u>CES Hourly Rate</u>	<u># of Hours</u>	<u>Sub-total</u>
Principal Landscape Architect	\$ 147.00	6	\$ 882.00
Landscape Architect	\$ 83.30	30	\$ 2,499.00
Item #1 Sub-Total (not including NMGR):			\$ 3,381.00

ITEM #2 – Bidding Phase Services

	<u>CES Hourly Rate</u>	<u># of Hours</u>	<u>Sub-total</u>
Principal Landscape Architect	\$ 147.00	16	\$ 2,352.00
Landscape Architect	\$ 83.30	40	\$ 3,332.00
Item #1 Sub-Total (not including NMGR):			\$ 5,684.00

ITEM #3 – Construction Phase Services

	<u>CES Hourly Rate</u>	<u># of Hours</u>	<u>Sub-total</u>
Principal Landscape Architect	\$ 147.00	92	\$13,524.00
Landscape Architect	\$ 83.30	208	\$17,326.40
Item #1 Sub-Total (not including NMGR):			\$30,850.40

ITEM #4: Sub-consultants

	<u>Sub-total</u>
Isaacson Arfman, Inc.	\$13,100.00
Hughes Design Company, LLC.	\$ 1,000.00
MRWM P&O @ 8%	\$ 1,128.00
Item #7 Sub-Total:	\$15,228.00

FEE SUMMARY

1.	Construction Document Revisions:	\$ 3,381.00
2.	Bidding Phase Services	\$ 5,684.00
3.	Construction Phase Services	\$30,850.40
4.	Sub-Consultants	\$15,228.00

<u>Items #1 through #4 above: a lump sum of</u>	\$55,143.40
plus tax NMGR @ 7.875%	\$ 4,342.54

TOTAL FEE INCLUDING TAX.....\$59,485.94

CES vendor contract number.....19-01B-C108-ALL

Quote valid for.....30 days

Please note that this proposal includes a total of twenty (20) trips by MRWM to T or C. If the project requires MRWM to make additional trips to T or C, the trip will be additional services and will be invoiced at the rate of \$750.00 per trip. MRWM will consult with T or C staff prior to scheduling any additional visits to T or C. The parties will agree that any additional trips are necessary prior to MRWM planning the same.

We customarily send out our invoices on or about the twenty-fifth of each month and would request payment within 30 days. Please note that we reserve the right to assign, factor, or otherwise collect

Mr. Bruce Swingle

April 22, 2022

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accounts that are 90 days or more overdue. If the overall scope of work were to change for the project, we would appreciate your consideration of a renegotiation of our fee.

We understand that this project is subject to the following requirements from the state of New Mexico:

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of this Agreement. If sufficient appropriations and authorization are not made by the Legislature, the City of Truth or Consequences in partnership with Truth or Consequences MainStreet may immediately terminate this Agreement by giving Contractor written notice of such termination. The City of Truth or Consequences in partnership with Truth or Consequences MainStreet's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. Contractor hereby waives any rights to assert an impairment of contract claim against the City of Truth or Consequences in partnership with Truth or Consequences MainStreet or the Economic Development Department or the State of New Mexico in the event of immediate or Early Termination of this Agreement by the City of Truth or Consequences in partnership with Truth or Consequences MainStreet or the Department.

This contract is funded in whole or in part by funds made available under an Economic Development Department Grant Agreement. Should the Economic Development Department early terminate the grant agreement, the City of Truth or Consequences in partnership with Truth or Consequences MainStreet may early terminate this contract by providing Contractor written notice of such termination. In the event of termination pursuant to this paragraph, the City of Truth or Consequences in partnership with Truth or Consequences MainStreet's only liability shall be to pay Contractor for acceptable goods delivered and services rendered before the termination date.

If these terms are agreeable to you, please execute a purchase order for this work to CES in the amount required for the selected scope of work (inclusive of NMGR). Purchase Orders should be uploaded to the Direct Purchase portal accessed through the online interactive Blue Book.

Yours truly,
MORROW REARDON WILKINSON MILLER, LTD.



Robert Loftis
Principal Landscape Architect

Acceptable:

Mr. Bruce Swingle
City of Truth or Consequences

Date

TorC Great Blocks - Revised July 2021

Opinion of Probable Construction Cost

Great Blocks - Foch St. (Main Ave. to Broadway St.)

Item	Quantity	UNIT	Unit Cost	Total
Mobilization	1	LS	\$45,000.00	\$45,000.00
Demolition	1	LS	\$100,000.00	\$100,000.00
Traffic Control	1	LS	\$10,000.00	\$10,000.00
Layout and staking	1	LS	\$7,500.00	\$7,500.00
Grading	1	LS	\$60,000.00	\$60,000.00
Utility Adjustments	1	ALLOW	\$10,000.00	\$10,000.00
4" Concrete walks	1,247	SY	\$68.00	\$84,796.00
6" Concrete walks	149	SY	\$120.00	\$17,880.00
Sidewalk Culvert with Lid	2	EA	\$2,000.00	\$4,000.00
Accessible ramps	14	EA	\$3,000.00	\$42,000.00
Curb and gutter	1,451	LF	\$25.00	\$36,275.00
Fillet with Curb and Gutter	12	EA	\$5,000.00	\$60,000.00
Valley gutter	105	LF	\$30.00	\$3,150.00
Regular Curb Cuts	14	EA	\$500.00	\$7,000.00
Notched Outlet	4	EA	\$500.00	\$2,000.00
6" Header Curb	174	LF	\$42.00	\$7,308.00
8" reinforced header curb	54	LF	\$60.00	\$3,240.00
8" reinforced header curb at tree grate	55	LF	\$65.00	\$3,575.00
Turndown edge at tree grate	95	LF	\$25.00	\$2,375.00
Containment Curb	62	LF	\$15.00	\$930.00
Tree Grate	5	EA	\$1,750.00	\$8,750.00
Brick pavers at sidewalks	1,350	SF	\$30.00	\$40,500.00
Concrete seatwall	14	EA	\$2,500.00	\$35,000.00
Planter area preparation at tree grate	5	EA	\$750.00	\$3,750.00
Basin Cobble Sediment Traps	15	EA	\$300.00	\$4,500.00
Sponges in Basin Swale	23	EA	\$100.00	\$2,300.00
Basin Infrastructure (Compost, Seed, Clayliner, Soil etc.)	1	ALLOW	\$6,000.00	\$6,000.00
Automatic Irrigation system	1	LS	\$50,000.00	\$50,000.00
Perennials	1	ALLOW	\$5,000.00	\$5,000.00
Shrubs - 5 Gal.	50	EA	\$50.00	\$2,500.00
Shrubs - 1 Gal.	81	EA	\$35.00	\$2,835.00
Boulders	27	EA	\$350.00	\$9,450.00
1" Gravel Mulch	12	CY	\$164.00	\$1,968.00
2"-4" Cobblestone	6	CY	\$246.00	\$1,476.00
2" Cal. Trees	10	EA	\$450.00	\$4,500.00
Banner Poles	8	EA	\$2,000.00	\$16,000.00
Electrical	1	LS	\$150,000.00	\$150,000.00
(removed asphalt patching)				
Asphalt Pavement	2,974	SY	\$18.75	\$55,762.50
Base Course	2,974	SY	\$6.00	\$17,844.00
Wheelchair parking space marking and sign	2	EA	\$750.00	\$1,500.00
Traffic Striping	1	ALLOW	\$18,000.00	\$18,000.00

Subtotal : 100% CDs 9-2019 **\$944,864.50**

25% Contingency **\$236,166.13**

Subtotal 100% CDs w/ Contingency **\$1,180,830.63**

8.5% NMGR (until July 2021) **\$100,370.60**

Construction Total with Tax and Contingency **\$1,281,201.23**

Construction Phase Services (Approx) 1 LS \$35,000.00 \$35,000.00

8.5% NMGR (until July 2021) \$2,975.00

Total with Tax and Contingency **\$1,319,176.23**

Note: Prices are based on current market conditions and are subject to change.

TorC Great Blocks - Revised July 2021

Opinion of Probable Construction Cost

Additive Alternates

Item	Quantity	UNIT	Unit Cost	Total
Large Shade Structure	1	ALLOW	\$75,000.00	\$75,000.00
Trash Receptacles	4	EA	\$1,500.00	\$6,000.00
Educational signage	1	LS	\$5,000.00	\$5,000.00
Turndown Edge at Green Gutter	480	LF	\$45.00	\$21,600.00
Reinforced Curb and Gutter @ Green Gutter	430	LF	\$60.00	\$25,800.00
Concrete Check Dams	13	EA	\$500.00	\$6,500.00
Regular Curb Cuts	13	EA	\$500.00	\$6,500.00
Angled Curb Cuts	14	EA	\$500.00	\$7,000.00
Notched Outlet	3	EA	\$500.00	\$1,500.00
Paver Sediment Traps	23	EA	\$300.00	\$6,900.00
Catch Basin Sediment Traps at slope	5	EA	\$1,250.00	\$6,250.00
Shrubs - 1 Gal.	54	EA	\$35.00	\$1,890.00
Reduction of concrete and standard curb and gutter	1	LS	-\$14,550.00	-\$14,550.00
Subtotal : 100% CDs				\$155,390.00
25% Contingency				\$38,847.50
Subtotal 100% CDs w/ Contingency				\$194,237.50
8.5% NMGR (until July 2021)				\$16,510.19
Total with Tax and Contingency				\$210,747.69

Note: Prices are based on current market conditions and are subject to change.



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: April 27, 2022

Agenda Item #: H.5

SUBJECT: Experimental Aircraft Association, (EAA) Agreement
DEPARTMENT: City Manager's Office
DATE SUBMITTED: April 14, 2022
SUBMITTED BY: Tammy Gardner
WHO WILL PRESENT THE ITEM: Bruce Swingle, City Manager

Summary/Background:

Agreement between the City of Truth or Consequences and the EAA to allow the association to house their airplane in a hangar in exchange for services described in attached agreement.

Recommendation:

Approve

Attachments:

- EAA Hangar Agreement
- [Click here to enter text.](#)

Fiscal Impact (Finance): No

Legal Review (City Attorney): Yes

Approved For Submittal By: ☒ Department Director

Reviewed by: ☐ City Clerk ☐ Finance ☐ Legal ☐ Other: [Click here to enter text.](#)

Final Approval: ☒ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. [Click here to enter text.](#) Ordinance No. [Click here to enter text.](#)

Continued To: [Click here to enter a date.](#) Referred To: [Click here to enter text.](#)

☐ Approved ☐ Denied ☐ Other: [Click here to enter text.](#)

File Name: CC Agendas 4-27-2022

AGREEMENT

May 1, 2022

This AGREEMENT is entered into by and between the City of Truth or Consequences, a municipality corporation (hereinafter referred to as “City”) and the Experimental Aircraft Association, (hereinafter referred to as “Association”).

RECITALS

A. The City owns and operates the City of Truth or Consequences Municipal Airport.

B. The Association provides services to the City and the community.

C. The airplane assigned to the Association’s hangar is described as below:

Aircraft Make, Model & Serial Number _____

FAA Registration (N#): _____

D. The parties desire to enter into this Agreement whereby the Association will be allowed to house the aforesaid airplane at a hangar within the City’s Airport in exchange for services described below.

NOW THEREFORE, in consideration for the mutual promises contained herein, the parties hereby agree as follows:

1. The City does hereby allow and permit the Association to house their airplane at a City Airport hangar. The specific hangar has already been agreed to by the parties.

2. In consideration for the above, the Association shall provide services to the City to be agreed upon by the parties. The services shall include, but not necessarily limited to the following:

a. The Association will develop and submit a plan to the Airport Advisory Board to construct camp sites at the airport for transient pilots. Camp sites will provide additional incentive for pilots to refuel at the airport.

b. The Association will establish a Young Eagle Flight Program for youths ages 8-17. The program will conduct one event to introduce and inspire kids to the world of aviation.

c. The Association will host a community fly-in event at the airport.

3. The term of this Agreement shall be for 1 year, commencing on May 1, 2022 and ending on April 30, 2023. This Agreement can be renewed up to three (3) additional years upon the mutual consent of the parties.

4. Either party may terminate this Agreement by giving thirty (30) days to the other party.

5. The Association agrees to hold the City free and harmless from any claims for damages arising out of the housing of the aforesaid airplane at the City's Airport, unless such damage resulted from intentional conduct.

EXPERIMENTAL AIRCRAFT ASSOCIATION:

By: _____

MAILING ADDRESS: _____

Phone: _____

Email: _____

CITY OF TRUTH OR CONSEQUENCES:

By: _____
EAA Official

Bruce Swingle, City Manager

City of Truth or Consequences Municipal Airport
Shooting Star Road
North Hwy 181
Truth or Consequences, NM 87901
Phone: 575-894-6199
Email: ktcs@torcnm.org



City of Truth or Consequences

AGENDA REQUEST FORM

MEETING DATE: April 27, 2022

Agenda Item #: H.6

SUBJECT: Approval of Extended Contract with RLC Services, LLC, DBA Lynn's Landscape
DEPARTMENT: Finance
DATE SUBMITTED: April 21, 2022
SUBMITTED BY: Carol Kirkpatrick, Finance Director
WHO WILL PRESENT THE ITEM: Carol Kirkpatrick, Finance Director

Summary/Background:

Per Resolution No 46 20/21 Execution of Contracts; Grant Agreements; Memoranda of Understanding; Joint Powers Agreements; Settlement Agreements; Purchases (Contract and Purchases More Than \$20,000)

Recommendation:

Approval Recommended by Chief Procurement Officer /Finance Director

Attachments:

- Extended Contract with RLC Services, LLC, DBA Lynn's Landscape 5/15/22 through 5/14/23
- Original RFP and Contract 5/15/2020 through 5/14/21

Fiscal Impact (Finance): Choose an item.

Amount as needed per purchase orders.

Legal Review (City Attorney): Choose an item.

Click here to enter text.

Approved For Submittal By: ☒ Department Director

Reviewed by: ☒ City Clerk ☒ Finance ☐ Legal ☐ Other: Click here to enter text.

Final Approval: ☒ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. Click here to enter text. Ordinance No. Click here to enter text.

Continued To: Click here to enter a date. Referred To: Click here to enter text.

☐ Approved ☐ Denied ☐ Other: Click here to enter text.

File Name: CC Agendas 4-27-2022

EXTENSION OF CONTRACT BETWEEN
THE CITY OF TRUTH OR CONSEQUENCES ("CITY")
AND RLC SERVICES, LLC D/B/A LYNN'S LANDSCAPE

Comes now the Parties, and hereby agree to extend a certain Contract, as described below.

RECITALS

1. The parties entered into a certain Contract in May 2020, a copy of which is attached hereto as Exhibit A.
2. The term of the Contract was from May 15, 2020 through May 14, 2021.
3. The parties entered into an extended Contract from May 15, 2021 through May 14, 2022. Exhibit B
4. The parties desire to extend the Contract from May 15, 2022 through May 14, 2023 under the same terms and conditions.

IT IS THEREFORE AGREED that the aforesaid Contract is hereby extended through May 14, 2023. All other terms and conditions set forth in the Contract shall remain in full force and effect.

THE CITY:

LYNN'S LANDSCAPE:

(Acknowledgements appear on the following page)

ACKNOWLEDGEMENTS

STATE OF NEW MEXICO |
COUNTY OF SIERRA | . ss

The foregoing instrument was acknowledged before me by _____
for LYNN'S LANDSCAPE, on the _____ day of _____ 2022.

Notary Public

My Commission Expires:
(Seal) _____

STATE OF NEW MEXICO |
| . ss
COUNTY OF SIERRA |

The foregoing instrument was acknowledged before me by _____
for THE CITY, on the _____ day of April 2022.

Notary Public

My Commission Expires:
(Seal)_____



CITY OF TRUTH OR CONSEQUENCES

CONTRACT

RFP

THIS AGREEMENT is made and entered into by and between the City of Truth or Consequences, State of New Mexico, hereinafter referred to as the "City" and RLC Services, LLC d/b/a Lynn's Landscape, hereinafter referred to as the "Contractor", and is effective as of the date set forth below upon which it is executed by the City and Contractor.

IT IS AGREED BETWEEN THE PARTIES:

1. Scope of Work.

The Contractor shall perform the work outlined in the Scope of Work attached hereto as EXHIBITS A and B and incorporated herein by reference.

2. Compensation.

A. Labor fees for tree trimming and landscaping is currently \$40/ hour per worker plus GRT.

Lift truck pricing is \$110/ per hour and bobcat work is \$95/hour plus GRT.

Hauling and dump fees are estimated per load and prior approximations can be given.

The installation of fencing varies due to the product type, number of gates, layout, etc. Free estimates are always available on a per job basis.

B. Contractor must submit a detailed statement accounting for all services performed and expenses incurred within fifteen (15) days following the completion of a previous month. If the City finds that the services are not acceptable, within thirty days after the date of receipt of written notice from the Contractor that payment is requested, it shall provide the Contractor a letter of exception explaining the defect or objection to the services, and outlining steps the Contractor may take to provide remedial action. Upon certification by the City that the services have been received and accepted, payment shall be tendered to the Contractor within thirty days after the date of acceptance. If payment is made by mail, the payment shall be deemed tendered on the date it is postmarked. However, the City shall not incur late charges, interest, or penalties for failure to make payment within the time specified herein.

C. The payment of taxes due for any money received under this Agreement shall be the Contractor's sole responsibility and shall be reported under the Contractor's Federal and State tax identification number(s).

3. Term.

This Agreement shall begin May 15, 2020 and terminate on May 14, 2021 unless terminated pursuant to paragraph 4 (Termination). This term can be extended for up to three(3) additional annual terms under the same terms and conditions herein.

4. Termination.

A. Termination. This Agreement may be terminated by either of the parties hereto upon written notice delivered to the other party at least thirty (30) days prior to the intended date of termination. Except as otherwise allowed or provided under this Agreement, the City's sole liability upon such termination shall be to pay for acceptable work prior to the termination. The thirty (30) day period shall commence running upon the other party receiving such notice. Provided, however that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under or breaches of this Agreement. The Contractor shall submit an invoice for such work within thirty (30) days of receiving or sending the notice of termination. Notwithstanding the foregoing, this Agreement may be terminated immediately upon written notice to the Contractor if the Contractor becomes unable to perform the services contracted for, as determined by the City or if, during the term of this Agreement, the Contractor or any of its officers, employees or agents is indicted for fraud, embezzlement or other crime due to misuse of government funds or due to the Appropriations paragraph herein. THIS PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE THE CITY'S OTHER LEGAL RIGHTS AND REMEDIES CAUSED BY THE CONTRACTOR'S DEFAULT/BREACH OF THIS AGREEMENT.

5. Status of Contractor.

The Contractor is an independent contractor performing services for the City and are not employees of the City. The Contractor shall not accrue leave, retirement, insurance, bonding, use of City vehicles, or any other benefits afforded to employees of the City of Truth or Consequences as a result of this Agreement. The Contractor acknowledges that all sums received hereunder are reportable by the Contractor for tax purposes, including without limitation, self-employment and business income tax. The Contractor agrees not to purport to bind the City of Truth or Consequences unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

6. Assignment.

The Contractor shall not assign or transfer any interest in this Agreement or assign any claims for money due or to become due under this Agreement without the prior written approval of the City.

7. Subcontracting.

The Contractor shall not subcontract any portion of the services to be performed under this Agreement without the prior written approval of the City. No such subcontract shall relieve the primary Contractor from its obligations and liabilities under this Agreement, nor shall any subcontract obligate direct payment from the City. In all cases, the contractor is solely responsible for fulfillment of this Agreement.

8. Release.

Final payment of the amounts due under this Agreement shall operate as a release of the procuring agency of the City, its officers and employees, and the City of Truth or Consequences from all liabilities, claims and obligations whatsoever arising from or under this Agreement.

9. Amendment.

This Agreement shall not be altered, changed or amended except by instrument in writing executed by the parties hereto and all other required signatories.

10. Merger.

This Agreement incorporates all the Agreements, covenants and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, Agreements and understandings have been merged into this written Agreement. No prior Agreement or understanding, oral or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

11. Equal Opportunity Compliance.

The Contractor agrees to abide by all federal, state and City laws and rules and regulations, pertaining to equal employment opportunity. In accordance with all such laws, the Contractor assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Agreement. If Contractor is found not to be in compliance with these requirements during the life of this Agreement, Contractor agrees to take appropriate steps to correct these deficiencies.

12. Applicable Law.

In any action, suit or legal dispute arising from this Agreement, the Contractor agrees that the laws of the State of New Mexico shall govern and that venue will lie in the Seventh Judicial District Court in Truth or Consequences City. By execution of this Agreement, Contractor acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Agreement.

13. Workers Compensation.

The Contractor agrees to comply with State laws and rules applicable to workers compensation benefits. If the Contractor fails to comply with the Workers Compensation Act and applicable rules when required to do so, this Agreement may be terminated by the City.

14. Records and Financial Audit.

The Contractor shall maintain detailed time and expenditure records that indicate the date; time, nature and cost of services rendered during the Agreement's term and effect and retain them for a period of three (3) years from the date of final payment under this Agreement. The records shall be subject to inspection by the City, the Department of Finance and

Administration and the State Auditor. The City shall have the right to audit billings both before and after payment. Payment under this Agreement shall not foreclose the right of the City to recover excessive or illegal payments

15. Disclaimer and Hold Harmless.

The City shall not be liable to the Contractor, or the Contractor's successors, heirs, administrators, or assigns, for any loss, damage, or injury, whether to Contractor's person or property, occurring in connection with Contractor's performance of Contractor's duties according to this Agreement. Contractor shall hold the Truth or Consequences City harmless from all loss, damage, and injury, including court costs and attorney fees, incurred by the City in connection with the performance by Contractor of Contractor's duties according to this Agreement.

16. Indemnification.

The Contractor shall defend, indemnify and hold harmless the City of Truth or Consequences from all actions, proceeding, claims, demands, costs, damages, attorneys' fees and all other liabilities and expenses of any kind from any source which may arise out of the performance of this Agreement, caused by the negligent act or failure to act of the Contractor resulting in injury or damage to persons or property during the time when the Contractor has or is performing services pursuant to this Agreement. In the event that any action, suit or proceeding related to the services performed by the Contractor or any officer, agent, employee, servant or subcontractor under this Agreement is brought against the Contractor, the Contractor shall, as soon as practicable but no later than two (2) days after it receives notice thereof, notify the legal counsel of the City of Truth or Consequences by certified mail. The Contractor shall carry a liability insurance with a minimum level of \$1,000,000.00.

17. Invalid Term or Condition.

If any term or condition of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected and shall be valid and enforceable.

18. Enforcement of Agreement.

A party's failure to require strict performance of any provision of this Agreement shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision. No waiver by a party of any of its rights under this Agreement shall be effective unless express and in writing, and no effective waiver by a party of any of its rights shall be effective to waive any other rights.

19. Authority.

If Contractor is other than a natural person, the individual(s) signing this Agreement on behalf of Contractor represents and warrants that he or she has the power and authority to bind Contractor, and that no further action, resolution, or approval from Contractor is necessary to enter into a binding contract.

20. Mediation.

In the event a dispute arises as to the rights and obligations among the parties hereto, the parties agree to attempt to resolve the dispute through mediation as a condition precedent to seeking legal and equitable remedies. The parties agree to evenly split the costs of any such mediation services. The parties shall mutually agree upon the choice of mediator.

21. Attorney's Fees.

In the event this Agreement results in dispute, mediation, litigation, or settlement between the parties to this Agreement, the prevailing party of such action shall be entitled to an award of attorneys' fees and court costs.

22. Cooperation.

All parties hereto will fully cooperate with the other and their respective counsel, accountant, and agents in connection with any steps required to be taken under this Agreement.


23. Notices.

Any notice required to be given to either party by this Agreement shall be in writing and shall be delivered in person, by courier service or by U.S. mail, either first class or certified, return receipt requested, postage prepaid, as follows:


To the City: Morris Madrid, City Manager
505 Sims Street
Truth or Consequences, NM 87901

To the Contractor: Lynn's Landscape
420 Warm Springs Blvd.
Elephant Butte, NM 87935

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of signature by the City Commissioners below.

By: 
Lynn Camerer
420 Warm Springs Blvd.
Elephant Butte, NM 87935

Date: 5-14-20

By: 
Morris Madrid
505 Sims St.
Truth or Consequences, NM 87901

Date: 5-11-2020

By: 
Truth or Consequences City Purchasing Agent

Date: 05.14.20

**THE CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO
REQUEST FOR PROPOSALS (RFP) FOR
LANDSCAPE SERVICES**

A. Scope of Work

The City of Truth or Consequences is requesting competitive proposals from qualified businesses to provide various landscaping services. The scope of project for which the landscaping services are required shall be made available to all City of Truth or Consequences departments and City owned locations and shall include, but are not limited to the following:

General Landscaping Services

Tree/scrub trimming, tree removal, weed removal/trimming

Landscape cloth placement, tree and shrub planting, landscape reseeding

Irrigation valve and line repairs and installation

Fence repair and fence installation

Ground leveling and erosion work

Mowing, fertilization, aeration and reseeding

Trail building and maintenance

Painting

NMDA Certified Pesticide Commercial Applicator preferred

Offeror shall provide all necessary power tools and equipment, that are serviceable and in good working condition, required to perform these duties. Work will be authorized on a case by case basis by individual department approved itemized task orders including man/equipment hours, services/materials provided including disposal costs (proof of disposal may be required). Must have a valid City and State Business License, and be bonded. Please include rate sheet to include all costs associated with services.

SCOPE OF WORK:

TRIMMING

We are a reliable source for the trimming of all vegetation. In the winter months, we tackle radical tree trimming projects that often require a lift truck, electric saws and pole saws. Loppers and hand pruners are used for flowering shrubs, bushes and smaller vegetation. Gas-powered trimmers are necessary for other vegetation, like native grasses. Timing is crucial when it comes to trimming and we have the knowledge to perform this service when required.

VEGETATION REMOVAL

It is often necessary to remove a tree or bush from its current location. Our qualified crew is able to tackle this issue. Often times the tree will just have to be cut down to ground level with a chain saw and have holes bored into it to stop its growth. Smaller vegetation can be dug out and removed.

IRRIGATION

Providing water to plants in our desert area is a key factor to their growth. Our knowledgeable workers have had much experience in this field. Ewing Irrigation Company in Las Cruces offers classes, supplies and advice to assist us with Irrigation installations and problems. From replacing water valves to installing automatic timers, we are able to fully install a system to meet the needs of most any landscape project.

LANDSCAPING

Our highly qualified staff is eager to provide many landscaping options for your property. Lynn often takes a potential customer around the area to share some of the stunning projects we have done in the past years. He will then sit down with them and draw out a potential sketch. At this time, certain plants will be chosen, area boundaries will be drawn up, irrigation system will be planned, and a time line for the project will be set. Some of the landscaping options available are artificial grass, colored gravel of various sizes, walk paths, flagstone, sod, fountains, retaining walls (block or railroad tie), fencing, mounding, and the installation of vegetation.

FENCING

There are several choices of fencing available to our clients. Cedar privacy has become a #1 choice for yards in residential areas. Chain link continues to be the norm for customers who need to provide a safe area for their dogs or just prefer the safety it provides. Split-rail fencing is another option. Automatic gates have become quite popular over the past few years and we have been trained to provide this service. Our quality products are generally ordered and assembled from our supplier in Albuquerque, but sometimes we use local stores to purchase products for smaller jobs. We have a small inventory of fencing materials on hand for repairs. Both residential and commercial businesses have called on us for their fencing needs.

YARD CARE

Although most home owners do not have grass in our area, we have the experience and equipment to provide year-round lawn care for those who do. Mowing, aerating, fertilizing and reseeding are all necessary to maintain a grassy area, be it a field or a yard. In the spring, we offer our fertilization service to all our yearly contracts and other customers in need of this service.

GROUND LEVELING AND EROSION CONTROL

We have the machinery and experience to assist people with their erosion control issues. By leveling ground, diverting rain, installing retaining walls and French drains or culverts, we can solve many problems. Ponding areas, sunken areas with larger rock, are sometimes all that is necessary. Whatever the problem or solution, we have the manpower and "know-how" to fix it.

TRAIL BUILDING AND MAINTENANCE

Our team of skilled workers is capable of trail building and maintenance. We have created walk paths with flagstone and crusher fines for parks and residential customers. Often these trails are lined with larger rock or metal edging to maintain borders.

PAINTING AND PESTICIDE APPLICATION

We rely on local subcontractors for various projects that require extensive painting or pesticide applications.

No matter what the daily projects are, each day starts off with a meeting with the foremen and Lynn. At this time, there is a discussion about the tools and machinery needed to perform the tasks at hand. The foremen are responsible for maintaining the condition of their vehicles, as well as addressing any safety concerns at this time. Each crew leader, in turn, has a meeting with their workers, stressing any safety issues. Lynn's Landscape has had no Workman's Compensation claims to date.

EXHIBIT B

**EXTENSION OF CONTRACT BETWEEN
THE CITY OF TRUTH OR CONSEQUENCES ("CITY")
AND RLC SERVICES, LLC D/B/A LYNN'S LANDSCAPE**

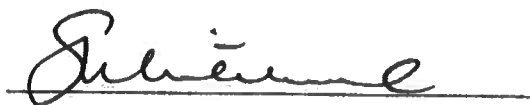
Comes now the Parties, and hereby agree to extend a certain Contract, as described below.

RECITALS

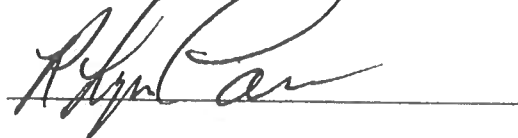
1. The parties entered into a certain Contract in May 2020, a copy of which is attached hereto as Exhibit A.
2. The term of the Contract was from May 15, 2020 through May 14, 2021.
3. The parties desire to extend the Contract through May 14, 2022 under the same terms and conditions.

IT IS THEREFORE AGREED that the aforesaid Contract is hereby extended through May 14, 2022. All other terms and conditions set forth in the Contract shall remain in full force and effect.

THE CITY:



LYNN'S LANDSCAPE:



(Acknowledgements appear on the following page)


STATE OF NEW MEXICO |
COUNTY OF SIERRA | .ss:

Lisa Gabaldon
Notary Public

My Comm
(Seal) (

STATE OF NEW MEXICO |
COUNTY OF SIERRA | .SS:

Jacqueline L. [Signature]
Notary Public

 OFFICIAL SEAL
Jacqueline Griffin
NOTARY PUBLIC
STATE OF NEW MEXICO
My Comm. Expires Feb 23, 2025