

*Sandra Whitehead  
Mayor*

*Brendan Tolley  
Mayor Pro-Tem*

*Amanda Forrister  
Commissioner*



*Paul Baca  
Commissioner*

*Randall Aragon  
Commissioner*

*Morris Madrid  
City Manager*

*505 Sims St.  
Truth or Consequences, New Mexico 87901  
P: 575-894-6673 x 301 ♦ F: 575-894-7767  
[www.torcnm.org](http://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. 3<sup>RD</sup> ST., ON WEDNESDAY, JULY 22, 2020; TO START AT 9:00 A.M.

### A. CALL TO ORDER

### B. INTRODUCTION

#### 1. ROLL CALL

Hon. Sandra Whitehead, Mayor  
Hon. Brendan Tolley, Mayor Pro-Tem  
Hon. Paul Baca, Commissioner  
Hon. Randall Aragon, Commissioner  
Hon. Amanda Forrister, Commissioner

#### 2. SILENT MEDITATION

#### 3. PLEDGE OF ALLEGIANCE

#### 4. APPROVAL OF AGENDA

### C. PRESENTATIONS: (10 Minutes)

1. Rio Grande Trail Project. Attila Bality, National Park Service
2. Film Liaison Report. Cary "Jagger" Gustin, Film Liaison

### D. PUBLIC COMMENT (3 Minute Rule Applies)

### E. RESPONSE TO PUBLIC COMMENT

### F. CONSENT CALENDAR

1. City Commission Regular Minutes, July 08, 2020
2. Acknowledge Regular Recreation Advisory Board Minutes, March 2, 2020

G. PUBLIC HEARINGS

1. Public Hearing/Discussion/Action: Final Adoption of Ordinance No. 715 authorizing the City of Truth or Consequences to opt in to the Regular Local Election Act, pursuant to NMSA 1978 Section 1-22-3.1(2018). City Manager Madrid

H. ORDINANCES/RESOLUTIONS/ZONING

1. Discussion/Action: Ordinance No. 716 for publication refunding of PPRF-5198 and new money for infrastructure projects, including the Loan Agreement, Intercept Agreement and closing documents. City Manager Madrid

I. OLD BUSINESS

1. Discussion/Action: Consideration of amendments to Resolution 33 19/20 pertaining to a back to work plan for the City of Truth or Consequences. City Manager Madrid

J. NEW BUSINESS

1. Discussion/Action: Survey via Utility Bill regarding City Commission Meeting Times. Commissioner Aragon
2. Discussion/Action: Consider the appointment of Larry Mullenax and Mark Shipley to the Airport Advisory Board. City Manager Madrid
3. Discussion/Action: Consider the appointment of Cary "Jagger" Gustin to serve another 2 year term as the Film Liaison. City Manager Madrid

K. WORKSHOP

1. Discussion/update: Review of "draft" 2020-2021 Final Budget. City Manager Madrid

L. REPORTS

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

M. ADJOURNMENT

**Submission for public input shall be submitted by email to [torcpubliccomment@torcnm.org](mailto:torcpubliccomment@torcnm.org), by fax at (575) 894-6690, or a hard copy can be dropped off at the City Clerk's Office at 505 Sims Street, Truth or Consequences, NM. Please submit any input you may have by Monday, July 20, 2020**

**There will be a limited amount of in-person attendance allowed in the Chambers based on Covid safe practices.**



**The meeting will be broadcast live through KCHS on 101.9 FM. You may also access the meeting using the information listed below:**

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**NEXT REGULAR CITY COMMISSION MEETING AUGUST 12, 2020**



# CITY OF TRUTH OR CONSEQUENCES

## AGENDA REQUEST FORM

MEETING DATE: July 22, 2020

*Agenda Item #: C.1*

**SUBJECT:** Presentation: Rio Grande Trail Project.  
**DEPARTMENT:** Clerk's Office  
**DATE SUBMITTED:** July 15, 2020  
**SUBMITTED BY:** Angela A. Torres, City Clerk  
**WHO WILL PRESENT THE ITEM:** Attila Bality, National Park Service

***Summary/Background:***

This item was requested to be on the agenda to address some concerns received by citizens in regards to the Rio Grande Trail Project also known as the "Riverwalk."

***Recommendation:***

None – Information and Update only.

***Attachments:***

- Presentation
- -

***Fiscal Impact (Finance):*** N/A

***Legal Review (City Attorney):*** N/A

***Approved For Submittal By:*** ☐ Department Director

***Reviewed by:*** ☒ City Clerk ☐ Finance ☐ Legal ☐ Other: \_

***Final Approval:*** ☒ City Manager

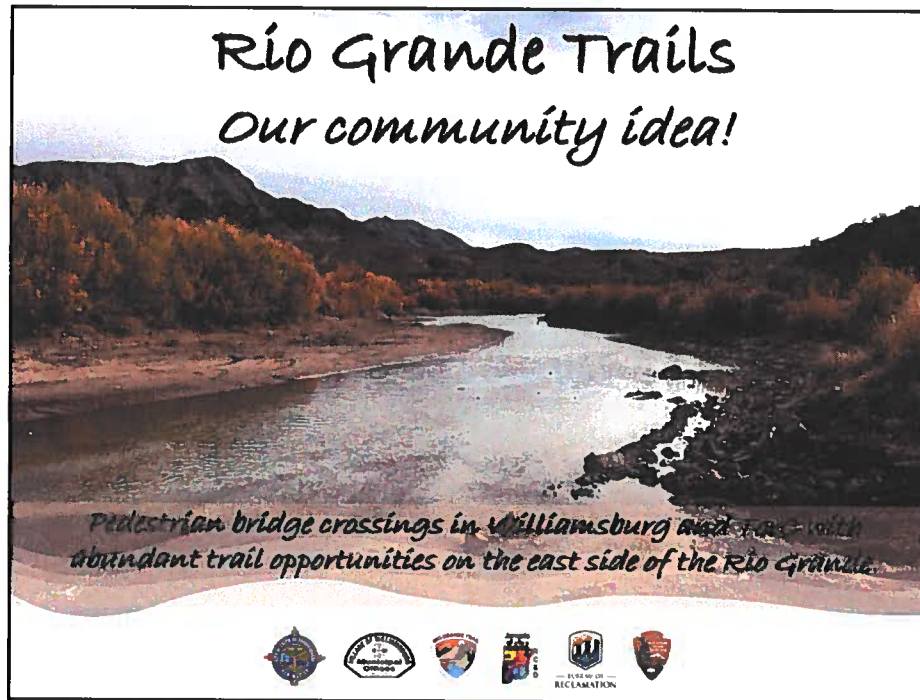
### CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. - Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC Agendas 7-22-2020



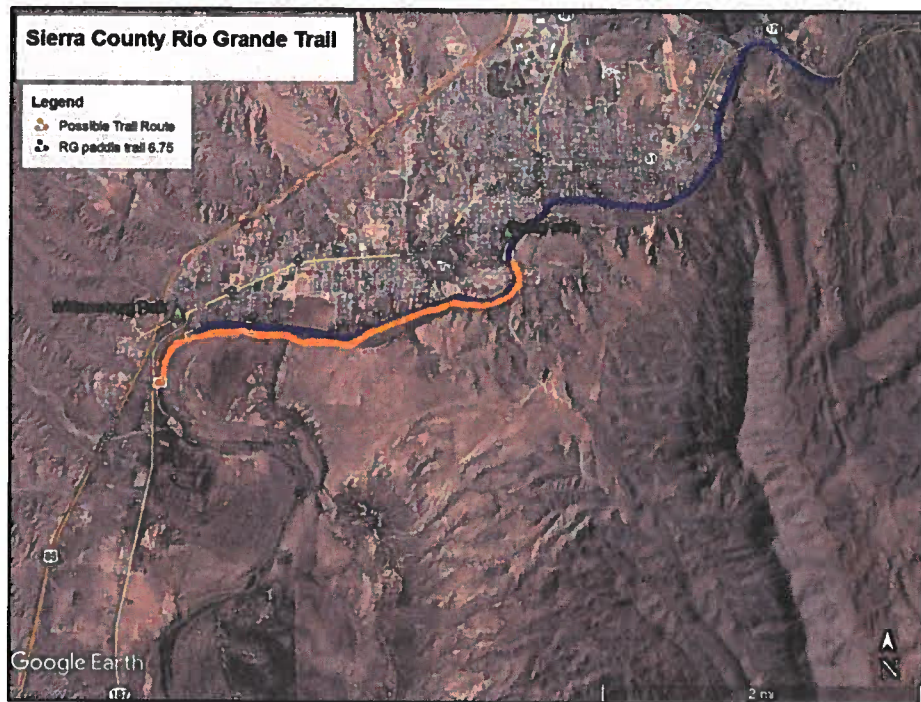
The City of TorC applied for technical assistance from the National Park Service to support the development of a “comprehensive, collaborative trail/footbridge plan in June of 2019. The TorC City Commission and Williamsburg Trustee’s adopted similar resolutions supporting the project in June, 2019. The National Park Service reviewed and scored the application and selected the project in September 2019. Your project scored well because you wanted the project to address close to home recreation for residents, improving community health outcomes, economic development through improved quality of life benefits and perhaps adventure tourism. Your application also clearly showed numerous community partners supportive of the project idea. The NPS is helping TorC and Williamsburg develop a conceptual plan to help you move forward. It’s up to local leaders and community champions to make it happen.

The NPS Rivers, Trails & Conservation Assistance Program provides staff support to communities interested in establishing or improving close to home park, trails and open space opportunities. We work across the country working on trail corridor plans, regional trail system plans, open space acquisition and management and river recreation access and conservation.

Initial meetings with elected officials and community leaders occurred during October and November of 2019 and those early meetings helped frame the planning approach to this project. Some of the key elements included establishing a “planning team” representing the various stakeholders, agreeing on a collaborative work plan and extensive civic engagement strategy.

So far, and it’s really early in the process (with considerable setback due to public health restrictions) we’ve identified some core partners and we expect more partners to join as the vision and goals for the project become more clear and refined

Key partners include: The City of TorC, Village of Williamsburg, Jornada Resource Conservation and Development District, Hot Springs Marketing, TorC Mainstreet, Bureau of Reclamation. Other supporting participants include Sierra County Tourism, Sierra Vista Hospital, Hot Springs High School 4H, Art and JROTC, NM State Parks, Outdoor Adventure Program and ACT Kids.



The Rio Grande Trail – a 500 mile cross state recreational trail - Vision and Framework was adopted several years ago. Realistically, for the Rio Grande Trail to happen, it's up to local governments to implement sections of the trail. For the most part, existing trails within state park units or BLM lands have been designated. TorC and Socorro show the most promise for new RGT trail experiences.

The key elements of this project include determining the feasibility of constructing pedestrian bridges in TorC and Williamsburg to access the south side of the river, developing a 3.25 mile long trail on the river left bench of the Rio, and formalizing two track roads and social trails into a formal trails network on the Bureau of Reclamation and Bureau of Land Management properties. And, improving river access sites to create a 6.75 mile Rio Grande paddle trail.

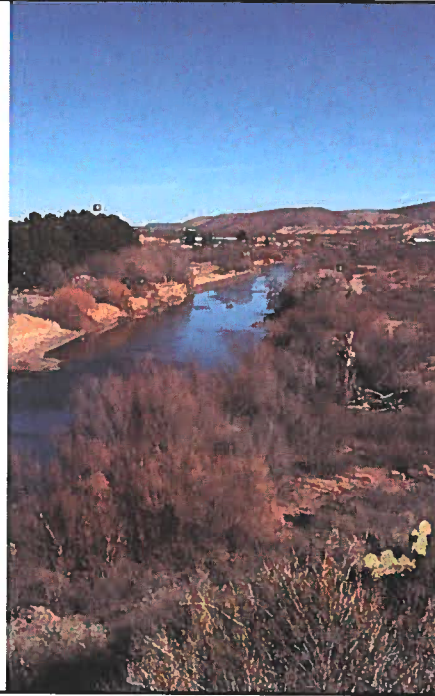


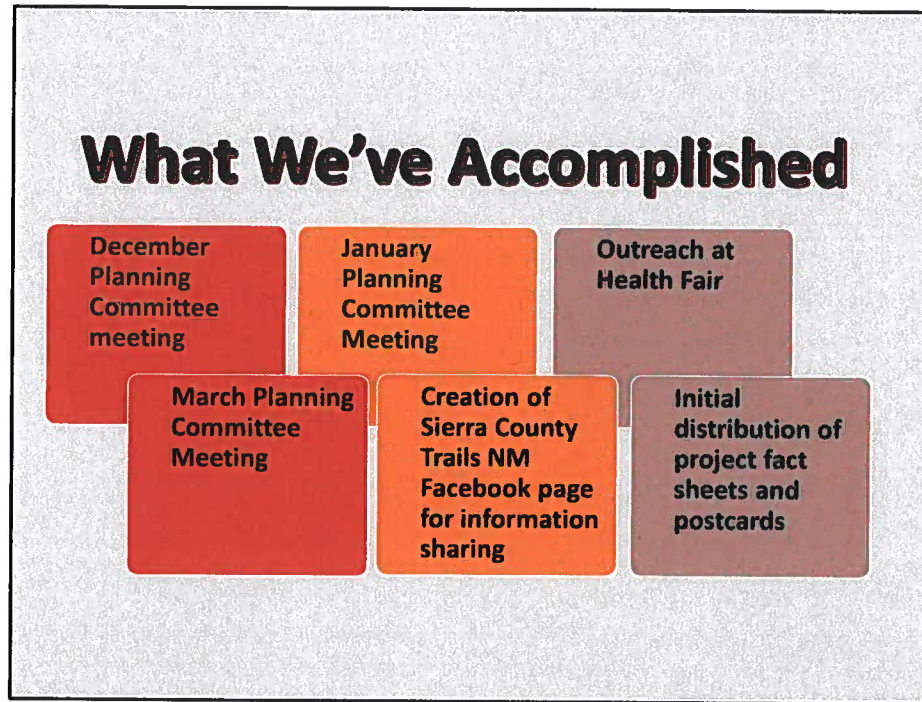
When completed, this Trail Network would:

- ☐ Let you hike, bike, run on a riverside trail from TorC to Williamsburg
- ☐ Provide public lands access on the east side of the Rio Grande
- ☐ Become part of the Rio Grande Trail - a 500 mile cross-state recreational trail
- ☐ Improve the paddling and tubing river access from Elephant Butte Dam to Williamsburg
- ☐ Teach about the pre-historical and historical settlements along the Rio Grande valley
- ☐ Increase river conservation efforts through education and habitat improvement projects
- ☐ Improve quality of life for residents by supporting healthy, active lifestyles
- ☐ Boost our adventure tourism opportunities

Our planning principles include:

- ☐ Respecting private property interests along the proposed trail corridor
- ☐ Listening to and addressing community concerns
- ☐ Keeping the community informed
- ☐ Working with all federal and state land management planning processes to assure our project goals align with various resource or administrative policies of those agencies

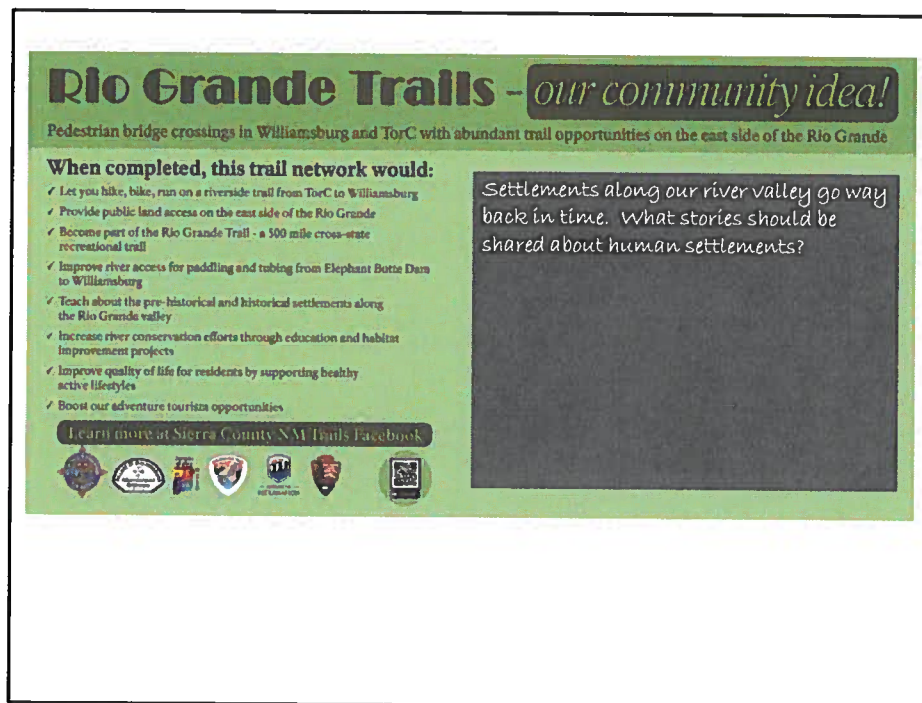




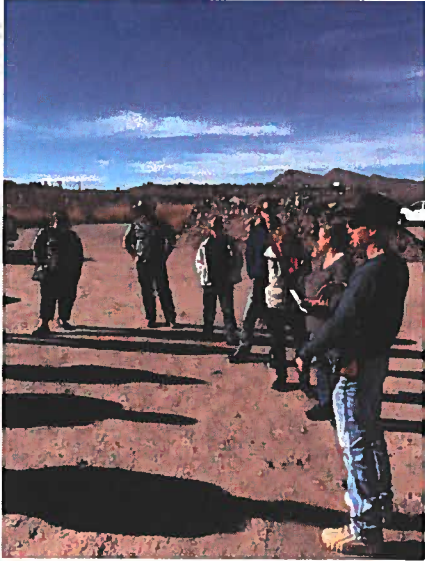
Our planning team began to form in December. The group – with new participants at every meeting -- met three times until the public health restrictions forced us to adapt. During the early meetings we established a workplan with ample opportunities for community engagement. One of the tasks was tabling at the Health Fair, where the project idea generated favorable reactions and statements.

As TorC gets more comfortable with virtual meetings we'll continue to engage local residents. We need to agree on Vision and Goals, we need to understand all the issues and opportunities related to bridge and trail construction. For example, could the project adversely impact natural or cultural resources along the river.

The mission of the planning team is to deliver a conceptual trail plan to City Commission and Village Trustee's for adoption within a year. Timing is perfect as we're likely to see an influx of federal and state funding for trails development and land conservation in the next few years. Funding follows a good plan



Our newest strategy is engaging with residents at Rotary Park and Williamsburg community park. Two 4x8 information panels have been installed so people can learn more about the project. People will have an opportunity to leave comments on chalkboards. Our planning team will supply some prompting questions on a weekly basis. Thanks to the City public works staff for installing the signs and we really appreciate the ACT kids and Outdoor Adventure Program for volunteering to monitor the signs and chalkboards.



## Get Involved!

### Working Groups

- ✓ River Access
- ✓ Trails routes
- ✓ History
- ✓ Communications
- ✓ Conservation

Contacts:

Merry Jo Fahl, Project Coordinator  
[jornadaresourceconservationdev@gmail.com](mailto:jornadaresourceconservationdev@gmail.com)

Attila Bality, National Park Service  
[attila\\_bality@nps.gov](mailto:attila_bality@nps.gov)

We'd like to leave you with some ideas to think about:

First there are several ways community members and Commissioners could support this planning project:

- We'd like to establish various working groups to do some of the work. We want to know how to improve river access, where are the trails you are hiking and running on; What's the history of the our prehistoric and historic settlements, How do we enhance the river corridor and the wetlands?
- How can City Commission help promote this project throughout the community?
- How can we better coordinate with other parks and recreation efforts underway in the City, specifically Ralph Edwards park
- How can we engage with the NM Finance Authority grant received by the City. Could some of funds be allocated towards addressing engineering needs for bridge crossings or geo technical engineering for trail sustainability. Could they be used to figure out a better low water dam system at Rotary Park?

Merry Jo Fahl and Gina Kelly are the co-chairs for this project. Attila is our technical representative. Any of us are willing to discuss the project with you.



Thanks for allowing us time on your agenda today.



# CITY OF TRUTH OR CONSEQUENCES

## AGENDA REQUEST FORM

MEETING DATE: July 22, 2020

Agenda Item #: C.2

**SUBJECT:** Presentation: Film Liaison Report.  
**DEPARTMENT:** Clerk's Office  
**DATE SUBMITTED:** July 15, 2020  
**SUBMITTED BY:** Angela A. Torres, City Clerk  
**WHO WILL PRESENT THE ITEM:** Cary "Jagger" Gustin, Film Liaison

**Summary/Background:**

Cary "Jagger" Gustin, City of Truth or Consequences Film Liaison will be giving a brief film report.

**Recommendation:**

None – Information and Update only.

**Attachments:**

- Request letter & supporting documents
- -

**Fiscal Impact (Finance):** N/A

**Legal Review (City Attorney):** N/A

**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 7-22-2020

Date: July 22, 2020

Film Report To: City of Tere Commission

Good Morning Mayor Whitehead fellow Commissioners  
ladies of the commission Ladies and Gentlemen

It is an honor to speak before you!!

I am Cary Jagger Gustin and I have been serving as your Film  
Liaison to the NM Film Office for the past 2 years.

As you probably are aware the Film Industry state wide is  
shuttered and no productions are being worked on because of the  
Corona Virus restrictions.

There are things happening at the state level: Gov Grisham just  
appointed a new Governor's Council on Film and Media Industries  
The chair is James D. Gollin, an investment banker with extensive  
experience with non-profits and commissions. The council is  
charged with working to sustain film industry growth and create  
more high paying jobs for NM.

In February of this year Amber Dodson was named Film Office  
Director. Amber is an Industry professional and worked in the  
Albuquerque Film Office previously. I know her from that office.  
Down south in Las Cruces: The city has a 75, thousand square foot  
film production facility in operation and are working to attract  
films to this southern part of NM. This information is a part of  
your packet this morning.

In January of this year T or C played host to Red Carpet  
Broadcasting "lone Wolf" film production. I estimate the  
company spent approximately \$30 thousand on their 7 day shoot.

I will now stand for any questions you may have and request  
reappointment to the next 2 year term to the NM Film Office

Estimate of spending:  
Red Carpet Broadcasting LLC  
“Lone Wolf“ film shoot  
1-16-2020 thru 1-22-2020

17 hotel rooms----17 X \$110.00 = \$1,870    \$1,870 x 7 = \$13,090

Location rental-----\$500 x 7 days =        \$3,500

Meals allowance----- \$55 per day x 33 =        \$1,815

Fuel for vehicles: 12 vehicles 30 gallon tanks

                         Filled up twice 30 x \$2.10 per gallon

                         \$63 X 12 =                                \$756

Individual spending: coffee, batteries, cigarettes

                         Energy drinks etc

                         33 x \$40 = \$1,320 x 7 days =        \$9,240

Estimate of spending for 7 days of film production:        \$28,401

**Follow Up Filming in Truth or Consequences**  
**January 2020**

Picture Title: Alone Wolf  
Prod. Company: Red Carpet Broadcasting LLC  
Address: 1501 3<sup>rd</sup> St NW Albuquerque, NM 87102

The Production Company Red Carpet Broadcasting would like to Thank everyone in Sierra County and T or C for their hospitality while filming Alone Wolf from 1/16-1-22.

The total crew and cast was 33 staying in 17 motel rooms for 7 day and nights.

The main location rented was the Sierra Vista Hospital. The old wing was perfect for our story line and a couple storage rooms were set deck for the movie's purposes.

The whole experience in T or C was wonderful. The residents were inviting and made our stay enjoyable. Their generosity and efforts helped make our project even better than we had envisioned.

Our experience was overwhelmingly positive. Our Producers are discussing how we can make more productions in Sierra County and T or C, with possibly moving some of our permanent operations to the area.

Thank You,

Jordan Rivera

General Manager RCB  
(505) 401-7850  
contactjordan@yahoo.com


Visit Desert Exposure

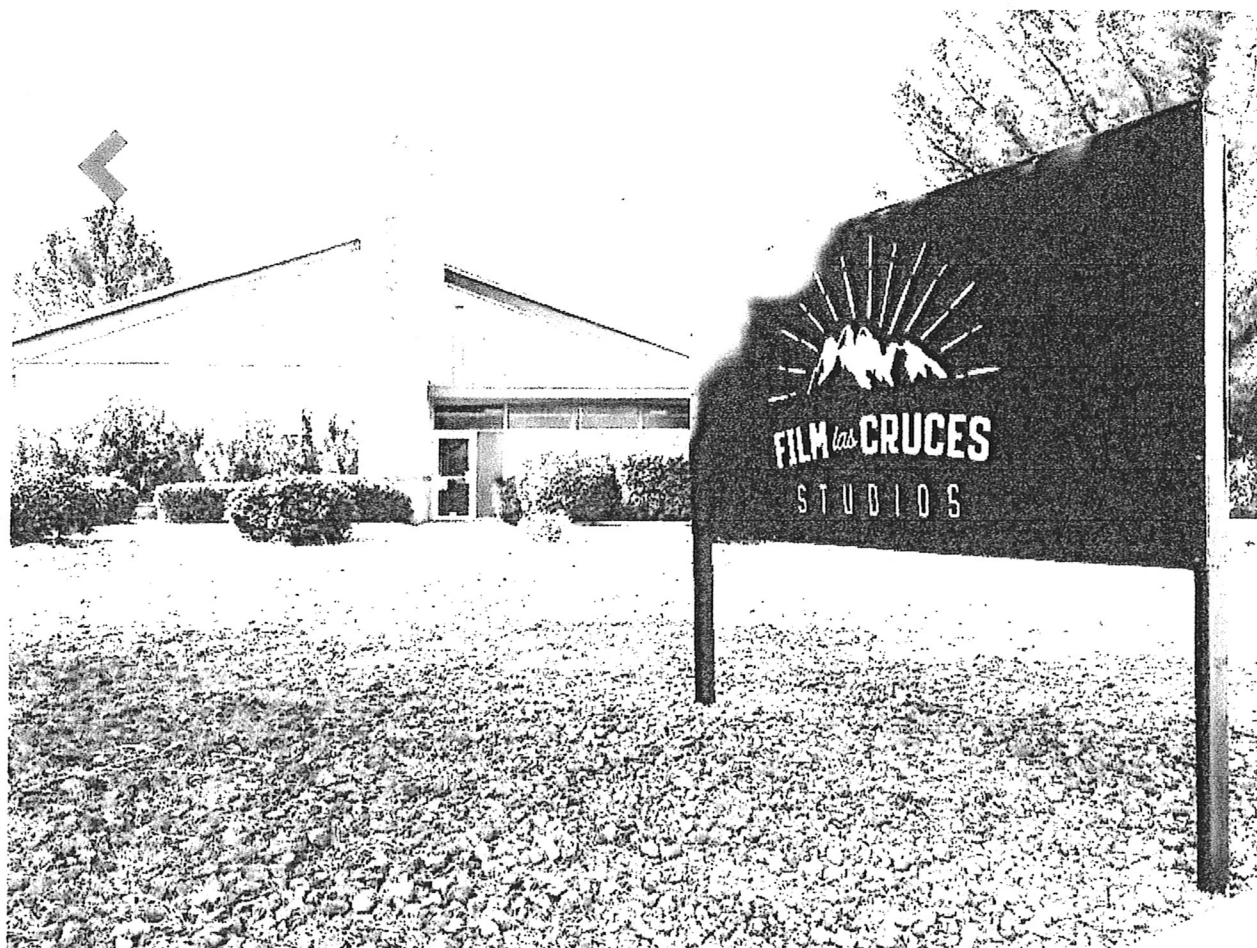
# THE LAS CRUCES **Bulletin**<sup>(1)</sup>

LAS CRUCES BULLETIN

FILM LAS CRUCES

## **COVID-19 could bring film opportunities to Las Cruces**

 View fullscreen



(/uploads/original/20200619-112047-Film Studio.jpg)

## FLC Studios

### FILM LAS CRUCES PHOTOS



Posted Friday, June 19, 2020 11:24 am

## By Mike Cook

Film and media production are likely to have a faster and stronger recovery from COVID-19 than other industries, and Las Cruces could have an important role to play in Hollywood's "new normal."

That's what Film Las Cruces (FLC) Director Don Gray told the Las Cruces City Council at a recent work session, as councilors examined several options to expand film and television opportunities in Las Cruces.

The health pandemic "has created some really interesting market forces," Gray said, and "a



lot of opportunity.”

In the next 12-24 months, film studios will begin making small productions, and will be looking for “contained environments in which to shoot” he said. “Anybody who has these contained spaces is going to be in the conversation in this industry.”

Filmmakers will also be looking to eliminate as much travel as possible, he said, but they will also be seeking locations outside of densely populated areas like Los Angeles and New York.

With its smaller population, proximity to West Coast studios, a 75,000-square foot film studio already in operation and the state’s 35 percent film rebate, Gray said, Las Cruces could be a very attractive option.

The city has nearly \$1 million in state capital outlay funds and \$3 million in hold-harmless gross receipts tax funds targeted for film and TV production and has had an agreement with FLC to provide film and TV production since 2016.

The city issued an RFP for the management and operation of a Las Cruces film soundstage facility in 2018 but was unable to come to an agreement with the only respondent to the RFP and cancelled it in January of this year.

City Economic Development Department Director Griselda Martinez said options going forward include 1) buying and retro-fitting Las Cruces Film Studios at 2100 S. Valley Drive; 2) partnering with New Mexico State University and Doña Ana Community College on a purpose-build film studio at NMSU’s Arrowhead Park; and 2a) partnering with NMSU and DACC on a workforce training facility for digital media.

State Sen. Jeff Steinborn, D-Doña Ana, who is president of the FLC board and a leader in creating New Mexico’s film rebate, said Las Cruces should rely on the state to help with funding to attract an anchor tenant to Las Cruces. The state, he said, has invested \$27 million in Local Economic Development Act (LEDA) funds into building three films in northern New Mexico.

“We all need to be leaning on the state of New Mexico pretty hard to create the same opportunity for southern New Mexico,” Steinborn said.

In the meantime, he and Gray said the city should invest \$20,000-\$30,000 in sound-treatment improvements at Film Las Cruces Studios. The city’s total investment in the studio since it became operational, Steinborn said, is \$20,000 to purchase sets. The studio, which was previously a Coca Cola bottling plant, is privately owned and is leased by DACC, which uses it as a training facility for students in its Creative Media Technology program.



DACC President Monica Torres said DACC and NMSU have, for the past five years, been working on the development of a creative campus to “support high-demand, good-paying jobs with state-of-the-art digital and emerging media skill development,” with a goal to create a collaboration among “industry, government and academia to create a focused center of digital media.”

She said local voters passed a 2018 DACC bond issue that will provide \$3.9 million for a 15,000-square-foot creative media technology facility at Arrowhead Park.

### **Film Las Cruces expands Film Friendly Business program – sign your business up!**

Film Las Cruces wants to list every local business in the region in its Film Friendly Business Directory.

"When we talk about the opportunities that exist in the film industry we have a tendency to fixate on film crew jobs," said Film Las Cruces Director Don Gray, "and that's very important, but the part we sometimes forget is that film and TV productions are looking to spend their money locally with as many support businesses as possible when they come to town – if they can find them."

"A recent study conducted by the Motion Picture Association points out that the film industry nationwide is a network of 93,000 small businesses of less than 10 employees each," Gray said. "It's not just the giant companies you think of that service the needs of film productions. And we need to identify those businesses locally that can support the industry."

"And don't worry if your business isn't necessarily providing what you think film and TV productions need, because they need everything, from the obvious like hotel rooms and office supplies to the not so obvious like real estate agents, dog walkers and local gift companies."

In an effort to list EVERY business and support service in Las Cruces and Doña Ana County, Film Las Cruces has eliminated the requirement that businesses offer specific film industry discounts. They still encourage discounts — it makes Las Cruces and Doña Ana County that much more attractive to the industry, Gray said -- but it is no longer a requirement to list in the FREE directory. Those businesses that do offer specific discounts will be identified as such in the listings.

Create your listing at [www.filmlascruces.com/film-friendly-vendor-landing-page](http://www.filmlascruces.com/film-friendly-vendor-landing-page) (<http://www.filmlascruces.com/film-friendly-vendor-landing-page/>).

## **Keywords**

Film Las Cruces (/search\_mode/keyword/browse.html?search\_filter=Film Las Cruces), Don Gray (/search\_mode/keyword/browse.html?search\_filter= Don Gray), COVID-19 (/search\_mode/keyword/browse.html?search\_filter= COVID-19)

Steven L. Green  
Mayor

Sandra K. Whitehead  
Mayor Pro-Tem

Kathleen Clark  
Commissioner



Rolf Hechler  
Commissioner

Paul Baca  
Commissioner

Juan A. Fuentes  
City Manager

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[www.torcnm.org](http://www.torcnm.org)

August 23, 2018

New Mexico Film Office  
1100 Saint Francis Drive, Suite 1213  
First Floor Joseph Montoya Building  
Santa Fe, New Mexico 87505

*file copy!*

To the New Mexico State Film Office:

Re: Endorsement for Cary "Jagger" Gustin, Film Liaison

Mr. Nick Maniatis,

The City Commission of the City of Truth or Consequences, New Mexico at their Regular meeting held August 22, 2018, voted unanimously to re-appoint Cary "Jagger" Gustin as the City of Truth or Consequences Film Liaison Representative.

Mr. Gustin has served as the City of Truth or Consequences Film Liaison, and is well acquainted with City and County Locations which have been used for films; he also has extensive Community knowledge, through leadership roles on Boards of Director. Mr. Gustin is very familiar with the City of Truth or Consequences and the surrounding areas. We are fortunate to have Mr. Gustin's knowledge and experience.

We wish to encourage the New Mexico Film Office to work closely with Mr. Gustin; as the home to Spaceport America, our Historic District's cluster of 1950's store fronts, the areas water ways encompassing the Rio Grande River, Elephant Butte Lake, Caballo Lake and the Hot Mineral Springs area; not to mention Ghost towns and outlying County regions to include major cattle and Bison ranch operations, we are the premiere site for film locations. Exciting things are happening here in Truth or Consequences.

This endorsement stays in effect approximately two (2) years and expires at the end of the following fiscal year, which is June 30, 2020.

Sincerely,

  
Renee L. Cantin, City Clerk-Treasurer

CC: Cary "Jagger" Gustin



# CITY OF TRUTH OR CONSEQUENCES

## AGENDA REQUEST FORM

MEETING DATE: July 22, 2020

Agenda Item #: F.1

**SUBJECT:** City Commission Regular Meeting Minutes for July 08, 2020  
**DEPARTMENT:** City Clerk's Office  
**DATE SUBMITTED:** July 15, 2020  
**SUBMITTED BY:** Angela A. Torres, Clerk-Treasurer  
**WHO WILL PRESENT THE ITEM:** City Manager Madrid

**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 7-22-2020

CITY COMMISSION MEETING MINUTES  
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO  
CITY COMMISSION CHAMBERS, 405 W. 3<sup>RD</sup> St.  
WEDNESDAY, JULY 8, 2020

**A. CALL TO ORDER:**

The meeting was called to order by Mayor Sandra Whitehead 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. Sandra Whitehead, Mayor  
Hon. Brendan Tolley, Mayor Pro-Tem  
Hon. Paul Baca, Commissioner  
Hon. Randall Aragon, Commissioner  
Hon. Amanda Forrister, Commissioner

Also Present: Morris Madrid, 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 Whitehead called for fifteen seconds of silent meditation.

**3. PLEDGE OF ALLEGIANCE:**

Mayor Whitehead called for Commissioner Aragon to lead the Pledge of Allegiance.

**4. APPROVAL OF AGENDA:**

City Manager Madrid requested that item F1 be removed from this agenda and added to next month's agenda.

**Mayor Pro-Tem Tolley moved to approve the agenda as amended with removal of item F1. Commissioner Forrister seconded the motion. Motion carried unanimously.**

**C. COMMENTS FROM THE PUBLIC:**

Ron Pacourek addressed the Commission with comments related to:

- 1) He was happy to not see any jet ski's on the river this past weekend.
- 2) He expressed his concerns regarding brush and overgrowth across from the river that can possibly cause a fire.
- 3) He wants the city to be more pro-active.
- 4) He thinks the city should start an employee suggestion program.

City Manager Madrid read comments submitted by Lillis Urban.  
(Complete copy attached hereto and made a part hereof).

Hans Townsend addressed the Commission with comments related to changing the meetings to evenings.

**D. RESPONSE TO PUBLIC COMMENTS:**

Commissioner Aragon responded to Hans Townsend comments regarding the meetings being held in the evenings. He suggested that the city send out a survey to the citizens to receive input on whether or not they should change the meetings to the evenings or keep them as is.

Mayor Whitehead also addressed the comment from Hans Townsend regarding the meetings being held in the evenings.

Commissioner Forrister also addressed Mr. Townsend's comments regarding the meetings being held in the evenings. She agreed with Commissioner Aragon's comments regarding having a survey done by the public.

Commissioner Baca also commented on Mr. Townsend's comments regarding the meetings being held in the evenings. He feels it's better to keep them in the mornings.

City Manager Madrid also addressed Mr. Townsend's comments of changing the meetings to the evenings. We need to make sure people are going to attend the meetings in the evenings if we decide to make that change.

City Attorney Rubin reminded the Commission that it had been agreed by the Commission not to make a decision to change the meetings until the pandemic has subsided.

**D. CONSENT CALENDAR:**

- 1. City Commission Regular Minutes, June 24, 2020**
- 2. Acknowledge Special Planning & Zoning Commission Minutes, May 12, 2020**
- 3. Acknowledge Regular Planning & Zoning Commission Minutes, June 10, 2020**
- 4. Accounts Payable, June 2020**

Commissioner Forrister moved to approve the consent calendar as submitted. Commissioner Baca seconded the motion. Motion carried unanimously.

**E. PUBLIC HEARINGS:**

- 1. Discussion/Action: Final Adoption of Ordinance No. 709 amending the Code of Ordinances by adding a Section related to Sale of Real Property pursuant to §NMSA 1978 3-54-1:**

This item was removed from the agenda.

**F. ORDINANCES/RESOLUTIONS/ZONING:**

- 1. Discussion/Action: Resolution No. 01 20/21 Open Meetings Act and reasonable notice of meetings:**

City Manager Madrid explained that this is a Resolution that is required to be brought forth to the Commission the first meeting of every fiscal year.

Commissioner Aragon pointed out that subsection C, line 3 of the Resolution is redundant and should be removed.

City Manager Madrid agreed.

**Mayor Pro-Tem Tolley moved to approve Resolution No. 01 20/21 Open Meetings Act and reasonable notice of meetings with the removal of subsection C. Commissioner Forrister seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

- 2. Discussion/Action: Resolution 02 20/21 Authorizing participation in local government road fund program administered by New Mexico Department of Transportation:**

City Manager Madrid explained every year we apply for Local Government Road Funding. The amount offered is a total of \$82,651. The amount being funded by the New Mexico Department of Transportation is \$61,988. The Local Government Road Fund requires a 25% match and in this case it is \$20,663. The Resolution is required to

## CITY COMMISSION JULY 8, 2020 REGULAR MEETING MINUTES

guarantee the match is available, and to show that the Governing Body supports the project.

Mayor Pro-Tem Tolley asked if we have made provisions in our current budget for the portion the city will be matching.

City Manager Madrid responded by saying the match should come from the Local Road Fund in the final budget.

**Commissioner Forrister moved to approve Resolution 02 20/21 Authorizing participation in local government road fund program administered by New Mexico Department of Transportation. Commissioner Baca seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

### **3. Discussion/Action: Resolution No. 03 20/21 Animal Shelter Fees:**

City Manager Madrid explained that this item is a request to change the current fees at the Animal Shelter. Some of the fees are increased in order to stabilize and increase our revenues. It will also insure that animals that are adopted are 100% ready to be adopted. In prior cases, we allowed for animals to be adopted and then get spayed or neutered after they were already adopted, but in a lot of cases we couldn't confirm that was being followed through. This will insure that all of the things that are required including shots, and spay/neutering will happen before any adoption is completed. We will be responsible for collecting the fees, and we will make sure that the animals are in good enough health to be adopted.

Commissioner Forrister pointed out that the Resolution states that prices can increase by \$25 if not sterilized.

City Manager Madrid explained in some cases the animal may have a physical condition that will not allow it to have that procedure done and that would be one of the basic exceptions.

City Attorney Rubin pointed out that the amount on the resolution should be changed to \$59.67.

**Commissioner Baca moved to approve Resolution No. 03 20/21 Animal Shelter Fees with correction of the amount \$59.67 as stated by City Attorney Rubin. Mayor Pro-Tem Tolley seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**G. OLD BUSINESS:**

**1. Discussion/Action: Consideration of amendments to Resolution 33 19/20 pertaining to a back to work plan for the City of Truth or Consequences:**

City Manager Madrid explained that this is a recurring item that will continue to be on the agenda until this pandemic is over. The only comment he has is that there has been a directive given by the Governor that there be a stricter promotion of wearing masks.

Commissioner Aragon explained that a petty misdemeanor in the amount of a \$100 fine can be cited for not wearing a mask. We can either leave the plan the way it is or make a mandate or official document stating that we support the Governor. We have no choice. She is saying that we have to enforce it. Several citizens have reached out to him with concerns regarding this matter. Therefore, he feels we need to do something.

Commissioner Forrister stated that people from out of State are still coming to our community and shopping in our stores, staying in our motels, and floating the river because they can no longer go to the lake. She feels that we should put in a concern saying that closing of the lake is causing bigger congregations in our city.

Commissioner Aragon stated it could be as simple as the City Manager apprising the Police Department on complying with it so they know what to do.

City Manager Madrid has concerns regarding the enforcement portion of this because how do you regulate irresponsible behavior? The people we need to deal with are those who don't respect the rules. Is it worth putting our Police Department at a higher risk by having them constantly approach people who are not wearing masks when we don't have the ability to replace officers if they get sick? That is the disadvantage of being a small department. The other thing is the heavy-handedness of it all is disturbing, and he thinks that our Police in general get attacked enough already. He can literally picture a person not wearing a mask who is approached by an officer asking them to please put a mask, giving the Police Officer a finger in the face with a vulgar remark. If we can get our local business to participate in promoting the use of masks that would be very helpful.

Commissioner Forrister stated that she doesn't think we need to get into the legal implications of HIPA and why someone is refusing to wear a mask. She thinks that would open up a big problem for our Police Department.

Mayor Whitehead stated that we have received this directive by our Governor. Whether you like the Governor or not, we have to wear masks, and we should wear masks. She respects the people who don't want to wear a mask, and she respects the people that do wear the mask. She wears a mask because she wants to protect the public from whatever she might have, and she has people in her family who are very vulnerable to the COVID virus, so she is going to double protect them. She understands if you don't



## CITY COMMISSION JULY 8, 2020 REGULAR MEETING MINUTES

want to wear a mask, but if you go into a place where the mask is required, either respectfully put the mask on and go in and do your business, or don't go in at all. There are several options out there that give the opportunity to shop without going into the store. She has heard several people say that they are livid by the amount of people who refuse to wear a mask. Again, we are looking at our economy staying open and people are fussing all of the time saying we can't survive if our economy closes down again. There is the opportunity that we could be shut down again in 7-10 days because our numbers continue to spike. She is trying to keep us safe and is asking that everyone please wear their masks. Not only for yourself, but for the public as well.

Commissioner Aragon recommended that we come up with something for the Police Officers to tell the people who refuse to follow the Governor's order.

City Manager Madrid does not think that the Commission needs to take any action today. It may be a good approach to either participate in the referral to the state level or ask someone to wear a mask, and if needed we can provide it. It is a fine line in the enforcement area, and one thing that he will say is if we have someone who is being foolish and spitting on someone and saying they have the virus then yes, we would absolutely respond as if that were an assault call. However, our police force has the same right to be protected as the general public.

City Attorney Rubin stated that the directive from the Governor's Office states the New Mexico Department of Health June 30, 2020 Public Health Emergency Order requires all individuals to wear a mask or cloth face covering in public except when eating, drinking, or exercising, or unless a Health Care Provider instructs otherwise. The second paragraph reads clear and willful violations of masks/face coverings shall be cited of violations of the PHA under Section 24-1-21. The third paragraph is the enforcement provision and it talks about the criteria for enforcement.

Police Chief Apodaca responded by saying that his interpretation of that statute is that we give local governments the authority to pass an Ordinance because there is a specific reason why the State Police are the only ones enforcing the Department of Health's statute. He feels that our local businesses should refuse service to anyone not wearing a mask, and if that person refuses, then at that time the Police Department is called and that person could be charged with trespassing.

Mayor Whitehead asked that City Attorney Rubin and Police Chief Apodaca look at the order to see what kind of direction we can go in because she feels this is a future item will need to be addressed.

Mayor Pro-Tem Tolley explained that the last sentence of the first paragraph in the directive states that they are instructing state and local law enforcement authorities to enforce the mask and face covering requirements. It is not a suggestion, they are instructing local law enforcement to enforce that.

No action was taken on this item.

**2. Discussion/Action: Approval of amendment to Tower Lease Agreement between the City of Truth or Consequences and CommNet Cellular Inc., dba Verizon Wireless:**

City Manager Madrid stated that this is an item that had been referred from a prior meeting. Mayor Pro-Tem Tolley had a few concerns. He then asked Mayor Pro-Tem Tolley if those concerns had been addressed adequately.

Mayor Pro-Tem Tolley responded by saying he had several issues that needed to be addressed, and they were addressed by City Attorney Rubin and City Manager Madrid. One of the concerns that was pointed out by Fire Chief Tooley was the interruption of emergency communications, and that portion was addressed. There was also a question about the boundaries, and that has been addressed by using an updated legal description rather than an old one. His concern at the last meeting about the city being locked into the contract for 30 years was explained to him, and even though he does not like it, he now understands it.

City Attorney Rubin reviewed the changes that need to be made to the agreement which was:

**Exhibit A.** The Parties may subsequently substitute an updated Legal Description with an updated Survey

**Paragraph 20 Interference.** Tenant warrants that its use of the Premises will not interfere with those existing radio frequency uses ~~on the Leased Premises~~ within the City at the Effective Date of this Amendment.

**Mayor Pro-Tem Tolley moved to approve Approval of amendment to Tower Lease Agreement between the City of Truth or Consequences and CommNet Cellular Inc., dba Verizon Wireless with amendments mentioned by City Attorney Rubin. Commissioner Baca seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**I. NEW BUSINESS:**

**1. Discussion/Action: Final Approval of request for a Special Use Permit to do a live/work Retail Store/Art Gallery at 320 Broadway, Truth or Consequences, NM:**

City Manager Madrid explained that the Planning & Zoning Commission has had a couple of meetings. The first meeting was a basic orientation to define their purpose and determine their roles and responsibilities as a Commission. The second meeting was to address the next three items on our agenda. The Public Hearings were held at that Commission level and they approved all three items and these items are on the agenda for final approval.

## CITY COMMISSION JULY 8, 2020 REGULAR MEETING MINUTES

City Attorney Rubin explained that the Battershell Process was previously held here at the Commission level when we did not have a Planning & Commission. Now that we have a Planning & Zoning Commission, the Battershell Process will be conducted at the Planning & Zoning level. The Planning & Zoning Commission, after hearing the testimony approved the live/work permit. An issue that has come up many times over the last few years is the concern where we grant a live/work permit, and what would happen if somehow the owner doesn't operate their business anymore. We have talked about the possibility of putting conditions on the live/work permit, but in this case the Planning & Zoning Commission decided that they didn't need to do that.

City Manager Madrid explained that these three items have been approved by the Planning & Zoning Commission. However, in the future we may have items that require a Battershell Hearing if the Planning & Zoning Commission denies something and the applicant appeals to the City Commission.

Mayor Pro-Tem Tolley feels there should be some conditions added to some of the live/work permits.

City Manager Madrid recommended that the Commission approve these items with a provision that they will be subject to a one year approval. The permit would be good for one year, and if the conditions are still in place then it is subject to renewal. In this particular case it is not an issue, but in the future we could have those types of issues where we need the Commission's authority to address them.

Commissioner Forrister asked about the letter submitted by Eddie Russ.

City Attorney Rubin stated that Mr. Russ was an opponent and his concern was addressed at the Planning & Zoning level.

**Mayor Pro-Tem Tolley moved to approve Final Approval of request for a Special Use Permit to do a live/work Retail Store/Art Gallery at 320 Broadway, Truth or Consequences, NM with subject of a 1 year approval. Commissioner Forrister seconded the motion. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

### **2. Discussion/Action: Final Approval of request for a Summary Plat Amendment and Variance at 408 Main Street, 410 Main Street, and 412 Main Street, Truth or Consequences, NM pursuant to Chapter 15, Sec. 15-17., Amendment of plats:**

City Manager Madrid explained that this is another item that was approved by the Planning & Zoning Commission. It is a fairly simple item involving a re-drawing of a boundary.

**Commissioner Forrister moved to approve Final Approval of request for a Summary Plat Amendment and Variance at 408 Main Street, 410 Main Street and 412 Main Street, Truth or Consequences, NM pursuant to Chapter 15, Sec. 15-17., Amendment of plats. Motion seconded by Commissioner Aragon. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**3. Discussion/Action: Final Approval of request for a Summary Plat Amendment and Variance Request at 323 W. Riverside Drive, Truth or Consequences, NM pursuant to Chapter 15, Sec. 15-17., Amendment of plats:**

City Manager Madrid explained that this is another re-drawing of a boundary. The city requirements have been met, and the questions and concerns by Planning & Zoning have been addressed.

Mayor Pro-Tem Tolley asked about bringing the sidewalks up to code, which was stated in the Planning & Zoning Commission minutes.

Grant/Projects Coordinator/Zoning Official Alvarez responded by saying the request is for a variance, and our Municipal Code states that anytime you amend a plat you have to bring it to a certain standard which would be putting in a sidewalk, curb and gutter. In this case, it would be a hardship on the property owner to put in a sidewalk, curb, and gutter over the entire street just to amend their property line.

**Commissioner Baca moved to approve Final Approval of request for a Summary Plat Amendment and Variance Request at 323 W. Riverside Drive, Truth or Consequences, NM pursuant to Chapter 15, Sec. 15-17., Amendment of plats. Motion seconded by Commissioner Forrister. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

**4. Discussion/Action: Authority to negotiate price agreement for the Clean Water State Revolving Loan Fund RFP's:**

City Manager Madrid stated that we have been offered funding from the Clean Water State Revolving Loan Fund for Vacuum Station Improvements and Processing and moving Wastewater. There is a strict procurement process that needs to be followed. The procurement code requires that all terms, conditions, and discussions be kept confidential until negotiations are complete. He can't discuss the specifics, but he can discuss the process. We did a request for proposals and we used a standard grading criteria based on the proposal documents. We also conducted personal interviews with the three firms that submitted proposals. Normally that presents a clear winner in the race of three, but in this case it has not. He is requesting your approval to negotiate price with each one of the different firms that applied and bring back one for final

approval after the negotiations take place. All three firms are very qualified, so no matter who we select, we are going to get a good firm. The three potential candidates are Smith Engineering, Bohannon Huston, and Wilson & Company.

**Mayor Pro-Tem Tolley moved to approve to give City Manager Madrid authority to negotiate price agreement for the Clean Water State Revolving Loan Fund RFP's. Motion seconded by Commissioner Forrister. Roll call was taken by the Clerk-Treasurer. Motion carried unanimously.**

The Commission agreed to let Commissioner Aragon give his reports prior to items I5 and I6 due to the facts that he has to recuse himself from those items.

**Commissioner Aragon reported the following:**

- He commented on item I5 by saying Policies & Procedures are very important and Section 10-4 of our ordinance states that rules and regulations have to be approved by the Governing Body. However, this is the first Municipality where he has worked, where the Commission has to approve the Policies & Procedures for the Police Department. He thinks the Chief of Police has the authority to approve them on his own. The Commission doesn't need to micromanage what the Police Department does unless it's a radical issue.
- As for item I6, he believes that the Chief of Police also has the authority to determine who gets training.

City Manager Madrid stated the ordinance requires that out of state travel be approved by the Commission.

**Commissioner Aragon continued to report the following:**

- He is the President of the Rotary Club. He commended Mr. Madrid for following up on his concern relating to removing the graffiti and cleaning up the park.
- 11-2-2 in the code is the finding and facts for recommendations and decisions for the Planning & Zoning Commission. There are seven key things they need to think about on every P & Z issue. He asked that the city consider forming a check list of the Planning & Zoning Commission's facts & findings.
- He suggested that a survey be sent out in the utility bills on whether or not the public wishes to change the City Commission Meetings to the evenings or keep them as is.
- He feels we should consider dedicating a segment of animal control fines to be deposited into a special budget account that would be used specifically to fund sterilizations; consequently, citizens that adopt a dog or cat would not have to fund the sterilization payment for this procedure as the funds in the special account would go towards sterilization. This protocol was adopted via an ordinance in a municipality that I served and it lowered the cost for citizens desiring to adopt a pet.
- He commented on correspondence he received from citizens asking that the Police Department be de-funded.

Commissioner Aragon then recused himself from the remainder of the meeting.

**5. Discussion/Action: Police Department Policy & Procedures:**

Police Chief Apodaca stated, with our present policy, and the proposed policy, the Chief of Police's directives are a part of that policy. However, we are changing the entire policy. The present policy was implemented 16 years ago, and needless to say a lot of aspects in Law Enforcement has changed. He noted that the changes to the policy has been reviewed and approved by our City Attorney.

Mayor Pro-Tem Tolley does not feel comfortable approving a document that he has not reviewed.

Commissioner Forrister stated that the Commission is only voting to give Police Chief Apodaca the authority to move forward with implementing new Policy & Procedures for the Police Department.

**Commissioner Forrister made a motion to approve Police Chief Apodaca to move forward with implementing the Police Department Policy & Procedures. Commissioner Baca seconded the motion. Roll call was taken by the Clerk-Treasurer.**

**Hon. Brendan Tolley, Mayor Pro-Tem voted nay**

**Hon. Amanda Forrister, Commissioner voted aye**

**Hon. Paul Baca, Commissioner voted aye**

**Hon. Sandra Whitehead, Mayor voted aye**

**Hon. Randall Aragon, Commissioner recused himself from this item.**

**Motion carried with a 3-1 vote and one abstained.**

**6. Discussion/Action: Out of State training approval for Deputy Chief Baker:**

City Manager Madrid stated that he had a conversation with Chief Apodaca about our crime rate, and for the calendar year of 2019, Truth or Consequences is ranked the 11<sup>th</sup> safest place out of 106 cities. He congratulated Chief Apodaca and the Police Department for their hard work and service. He continued by saying, we have a department that is not broken and does not need to be fixed or de-funded. He explained that the Police Department in Las Vegas was de-funded and the homicide rate went from 1 a year, to 5 in 4 months. The FBI had to step in to take back the community from drug use. We are in a High Intensity Drug Trafficking Area from the corridor of I-25 from

El Paso to Denver. His son is a Police Officer in Las Vegas, and when I asked why we don't have the same meth and heroin problem here as they do up there, his son responded, it's because you haven't let them in the door, don't let them in the door. As you can see from the operations in the last couple of weeks, our department has not let them in the door, and the only way to keep them from coming in is to support our Police Department. The Police Department always has his complete support.

Police Chief Apodaca stated that Deputy Chief Baker has requested to attend the FBI National Academy which is located in Quantico, Virginia. The entire trip is funded except for her travel expenses. He needs the Commission's approval since the training is out of state.

**Mayor Pro-Tem Tolley moved to approve Out of State training approval for Deputy Chief Baker. Mayor Whitehead seconded the motion. Roll call was taken by the Clerk-Treasurer.**

**Hon. Sandra Whitehead, Mayor voted aye**

**Hon. Brendan Tolley, Mayor Pro-Tem voted aye**

**Hon. Paul Baca, Commissioner voted aye**

**Hon. Amanda Forrister, Commissioner voted aye**

**Hon. Randall Aragon, Commissioner recused himself from this item.**

**Motion carried with a 4-0 vote with one recusal.**

#### **E. REPORTS:**

**City Manager Madrid reported the following:**

- He announced that he will be out of the office the week of July 15<sup>th</sup>. Police Chief Apodaca will be in charge during his absence.
- He announced that they received a used backup trash truck from Albuquerque.
- He received requests in regards to charging stations for electric cars in the downtown area. He and Electric Department Director Easley are looking into that.
- They have a call this afternoon with USDA regarding our Water System Improvement Projects.

**Mayor Pro-Tem Tolley reported the following:**

- He thanked Police Chief Apodaca and Deputy Chief Baker for everything they do.
- He addressed the parking along the river at the Ralph Edwards Park. He would like for the city to explore alternative parking areas.

City Manager Madrid responded by saying there will not be any parking near the river.

**Commissioner Forrister reported the following:**

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- She also received concerns regarding parking along the river at the Ralph Edwards Park.

**Mayor Whitehead reported the following:**

- She too has also received emails for us to de-fund the T or C Police Department.

**M. ADJOURNMENT:**

**Commissioner Forrister moved to adjourn at 10:56 a.m. Mayor Pro-Tem Tolley seconded the motion. Motion carried unanimously.**

**Passed and approved this 22<sup>nd</sup> day of July 2020.**

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Sandra Whitehead, Mayor

ATTEST:

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Angela A. Torres, CMC, City Clerk





# CITY OF TRUTH OR CONSEQUENCES

## AGENDA REQUEST FORM

MEETING DATE: July 22, 2020

Agenda Item #: F.2

**SUBJECT:** Acknowledge Regular Recreation Board Minutes for March 2, 2020.

**DEPARTMENT:** City Clerk's Office

**DATE SUBMITTED:** July 15, 2020

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

**WHO WILL PRESENT THE ITEM:** City Manager Madrid

**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 7-22-2020

City of Truth or Consequences  
Recreation Advisory Board  
Minutes of the regular meeting  
March 2, 2020

The meeting was called to order at 6:02 by Chairman, Greg D'Amour

Those in attendance were:

Greg D'Amour, Chair  
Carole Wheeler, Vice Chair/Secretary  
Christie Conklin, Board Member  
Jeni Neely, Board Member  
Ingo Hoepfner, Board Member

Also in attendance were O.J. Hechler, Parks & Rec. Dept. Manager, Kyle Blacklock, Swimming Pool Manager,

The Pledge of Allegiance was recited.

The agenda was approved with a motion by Carole Wheeler and a second by Jeni Neely.

The minutes of the meeting held February 3, 2020 were approved with one correction by a motion by Christie Conklin, and a second by Carole Wheeler.

Comments from the Public:

Brandon Collins - Mr. Collins offered a proposal to the Board to establish a "disc golf" course in the City. He discussed his experience with disc golf and the fact that many cities where he has visited had multiple courses and even established leagues with tournaments. Chairman D'Amour encouraged him to research the areas he deems suitable for establishing a course and to please return to the Rec Board with some options to present to the City Commission.

Chris Ontiveros - Mr. Ontiveros mentioned the current operation of the softball league. He discussed a change in the league board personnel and its resumption of drawing up guidelines in accordance with USAAA sanctioning. He reported there are already 6 teams signed up for this season. There are some problematic issues with the park lights required to be shut off at 11pm, and their need to mark the location of the sprinkler heads on that field in order to prevent player injuries and broken sprinkler heads.

## Recreation Department Needs Assessment Update

Swimming Pool Update - Kyle Blacklock advised that the pool is now closed and that its re-opening date is questionable. He and City Manager, Morris Madrid, have been working with an engineering company to determine the exact condition of the pool, and what future changes may be needed. The engineers have not responded as of this date.

Dog Park Update - Carole Wheeler discussed an up-coming fundraising event at the dog park with proceeds benefiting the areas' animal welfare organizations.

Ball field and Parks Update - O.J. Hechler presented an updated landscape demolition plan for the Ralph Edwards Park. The actual ground breaking will begin March 9, 2020. He also gave the Board an update on the Soft Ball field, "A" Field, and the "T" ball field. He also addressed some of Chris Ontiveros' concerns regarding the soft ball field and lighting issues.

Other Discussion - None

The meeting was adjourned at 6:58 with a motion by Christie Conklin and a second by Carole Wheeler.





# CITY OF TRUTH OR CONSEQUENCES

## AGENDA REQUEST FORM

MEETING DATE: July 22, 2020

Agenda Item #: G.1

**SUBJECT:** Public Hearing and Final Adoption of Ordinance No. 715 authorizing the City of Truth or Consequences to opt in to the Regular Local Election Act, pursuant to NMSA 1978 Section 1-22-3.1(2018), and consideration of an Alternative Ordinance.

**DEPARTMENT:** City Clerk's Office

**DATE SUBMITTED:** July 15, 2020

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

**WHO WILL PRESENT THE ITEM:** City Manager Madrid

**Summary/Background:**

Publication of proposed Ordinance 715 to allow the City of Truth or Consequences to opt in to the Regular Local Election Act, pursuant to NMSA 1978 Section 1-22-3.1(2018) was approved on June 24, 2020. If this Ordinance is adopted, the Regular Local Elections will be held the first Tuesday of November of odd numbered years.

**Recommendation:**

- Final adoption of Ordinance No. 715

**Attachments:**

- Proposed Ordinance 715

**Fiscal Impact (Finance):** N/A

**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 7-22-2020

**City of Truth or Consequences, New Mexico**  
**LOCAL ELECTION ACT**

**ORDINANCE NO. 715**

**AN ORDINANCE OF THE CITY OF TRUTH OR CONSEQUENCES OPTING INTO THE REGULAR LOCAL ELECTION FOR THE ELECTION OF MUNICIPAL OFFICERS, PURSUANT TO THE OPT IN REQUIREMENT OF NMSA 1978, SECTION 1-22-3.1 (2018).**

**WHEREAS**, on July 1, 2018 the Local Election Act went into effect as Chapter 1, Article 22, NMSA 1978 establishing the Regular Local Election, a consolidated election day for non-partisan local government bodies on the first Tuesday after the first Monday in November of each off-numbered year; *and*

**WHEREAS**, the Local Election Act also established the Municipal Officer Election Day on the first Tuesday of March of even-numbered years; *and*

**WHEREAS**, the Local Election Act provides the option for each municipality to determine if its elective officers shall be elected on the Municipal Officer Election Day or at the Regular Local Election; *and*

**WHEREAS**, the City of Truth or Consequences has considered the issues related to opting in, including uniformity of procedure and convenience for the voters.

**NOW, THEREFORE**, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO:

**SECTION 1. MUNICIPAL OFFICERS TO BE ELECTED AT THE REGULAR LOCAL ELECTION**

Pursuant to Subsection B of Section 1-22-3.1 NMSA 1978, the City of Truth or Consequences opts into the election of its municipal officers on the Regular Local Election Day, the first Tuesday of November of odd numbered years.

**SECTION 2. ADJUSTMENT OF TERMS TO CORRESPOND WITH NEW ELECTION DATE**

Pursuant to the statutory municipal option to choose how to adjust the terms of the terms of municipal office holders for opting into the Regular Local Election Act, the terms of elected officers are adjusted by lengthening the terms as follows:

- (A) Municipal officers elected or appointed to a term ending in 2022 shall serve until December 31, 2021. The new term of the position shall be elected at the regular local election in November 2021, and the new term shall commence January 1, 2022; and
- (B) Municipal officers elected or appointed to a term ending in 2024 shall serve until December 31, 2023. The new term of the position shall be elected at the regular local election in November 2023, and the new term shall commence January 1, 2024.

**SECTION 3. FILING WITH SECRETARY OF STATE**

Following approval of this ordinance, the Municipal Clerk shall file a copy of the ordinance with the secretary of state no later than June 30, 2021.

**PASSED, ADOPTED, AND APPROVED on this 22nd day of July, 2020.**

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Sandra Whitehead, Mayor

**ATTEST:**

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Angela A. Torres, City Clerk-Treasurer



## City of Truth or Consequences

### AGENDA REQUEST FORM

MEETING DATE: July 22, 2020

Agenda Item #: H.1

**SUBJECT:** Ordinance No. 716 for publication refunding of PPRF-5198 and new money for infrastructure projects, including the Loan Agreement, Intercept Agreement and closing documents.

**DEPARTMENT:** City Manager

**DATE SUBMITTED:** July 15, 2020

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

**WHO WILL PRESENT THE ITEM:** City Manager Madrid

**Summary/Background:**

This item is for publication of Ordinance 716 to establish financing capacity for future capital projects and assets that may not be funded by other sources.

**Recommendation:**

Approve the ordinance for publication.

**Attachments:**

- Ordinance No. 716
- Supporting documents

**Fiscal Impact (Finance):** TBD

**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. 716

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: Click here to enter text.

File Name: CC Agendas 7-22-2020



STATE OF NEW MEXICO  
CITY OF TRUTH OR CONSEQUENCES  
SIERRA COUNTY

The City Commission (the “Governing Body”) of the City of Truth or Consequences, New Mexico, met in regular session in full conformity with law and the rules and regulations of the Governing Body in the City Commission Chambers, 405 W. 3<sup>rd</sup> Street, in Truth or Consequences, New Mexico being the meeting place of the Governing Body for the regular meeting held on the 12th day of August, 2020, at the hour of 9:00 a.m. Upon roll call, the following members were found to be present:

Present: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Absent: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Also Present: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Thereupon, there was officially filed with the City Clerk-Treasurer a copy of a proposed Ordinance in final form.

CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO  
ORDINANCE NO. 716

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND INTERCEPT AGREEMENT BY AND BETWEEN THE CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY (THE "FINANCE AUTHORITY"), IN THE PRINCIPAL AMOUNT OF \$1,166,036 FOR THE PURPOSE OF REFUNDING FINANCE AUTHORITY LOAN NO. PPRF-2367, FINANCING IMPROVEMENTS TO STREETS, ALLEYS, SIDEWALKS AND CURBS FOR THE GOVERNMENTAL UNIT AND FUNDING A LOAN AGREEMENT RESERVE ACCOUNT, AND EVIDENCING THE SPECIAL LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO REPAY THE PRINCIPAL AMOUNT OF \$1,166,036, TOGETHER WITH INTEREST THEREON; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE PRINCIPAL AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM A ONE-QUARTER OF ONE PERCENT INCREMENT OF MUNICIPAL GROSS RECEIPTS TAX REVENUES AUTHORIZED PURSUANT TO SECTIONS 7-19D-9, NMSA 1978, AS AMENDED, AND DISTRIBUTED TO THE GOVERNMENTAL UNIT BY THE STATE TAXATION AND REVENUE DEPARTMENT; PROVIDING FOR THE DISTRIBUTION OF MUNICIPAL GROSS RECEIPTS TAX REVENUES TO BE REDIRECTED BY THE STATE TAXATION AND REVENUE DEPARTMENT TO THE FINANCE AUTHORITY OR ITS ASSIGNS FOR THE PAYMENT OF PRINCIPAL AND INTEREST DUE ON THE LOAN AGREEMENT PURSUANT TO AN INTERCEPT AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT AND INTERCEPT AGREEMENT.

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

WHEREAS, the Governmental Unit is a legally and regularly created, established, organized and existing municipality under the general laws of the State; and

WHEREAS, the Governing Body has determined and hereby determines that the Project may be financed with amounts borrowed under the Loan Agreement and that it is in the best interest of the Governmental Unit and its residents that the Loan Agreement and Intercept Agreement be executed and delivered and that the financing of the Project take place by executing and delivering the Loan Agreement; and

WHEREAS, the Governing Body has determined pursuant to the Act that it may lawfully pledge the Pledged Revenues for the payment of amounts due under the Loan Agreement; and

WHEREAS, pursuant to the Act, the Governmental Unit has by the Municipal Gross Receipts Tax Ordinance imposed a one-quarter of one percent (0.25%) increment of Municipal Gross Receipts Tax on the gross receipts of all persons engaging in business within the Governmental Unit which provides for the Pledged Revenues; and

WHEREAS, other than as described in Exhibit "A" to the Loan Agreement, the Pledged Revenues have not heretofore been pledged to secure the payment of any obligation, which is currently outstanding; and

WHEREAS, the Loan Agreement shall be a special, limited obligation of the Governmental Unit, payable solely from the Pledged Revenues, and shall not constitute a general obligation of the Governmental Unit, or a debt or pledge of the full faith and credit of the Governmental Unit or the State; and

WHEREAS, the Governmental Unit desires to provide that distributions of the Pledged Revenues be redirected to the Finance Authority or its assigns pursuant to an Intercept Agreement between the Governmental Unit and the Finance Authority (the "Intercept Agreement") for the payment of amounts due under the Loan Agreement; and

WHEREAS, there have been presented to the Governing Body and there presently are on file with the City Clerk-Treasurer this Ordinance and the forms of the Loan Agreement and Intercept Agreement, which are incorporated by reference and considered to be a part hereof; and

WHEREAS, the Governing Body hereby determines that the Project to be financed by the Loan is to be used for governmental purposes of the Governmental Unit and will not be used for purposes which would cause the Loan Agreement to be deemed a "private activity bond" as defined by the Internal Revenue Code of 1986, as amended; and

WHEREAS, the Governing Body intends by this Ordinance to authorize the execution and delivery of the Loan Agreement and Intercept Agreement in the amount and for the purposes set forth herein; and

WHEREAS, all required authorizations, consents and approvals in connection with (i) the use and pledge of the Pledged Revenues to the Finance Authority (or its assigns) for the payment of the amounts due under the Loan Agreement, (ii) the use of the proceeds of the Loan Agreement to finance the Project, and (iii) the authorization, execution and delivery of the Loan Agreement and the Intercept Agreement which are required to have been obtained by the date of this Ordinance, have been obtained or are reasonably expected to be obtained.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO:

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

"Act" means the general laws of the State, Sections 3-31-1 through 3-31-12 and Section 7-19D-9, NMSA 1978, as amended, and enactments of the Governing Body relating to the Loan Agreement and Intercept Agreement, including this Ordinance.

"Aggregate Annual Debt Service Requirement" means the total principal and interest payments due and payable pursuant to the Loan Agreement and on all Parity Obligations secured by a pledge of the Pledged Revenues for any one Fiscal Year.

“Authorized Officers” means the Mayor, City Manager and City Clerk-Treasurer of the Governmental Unit.

“Bonds” means public project revolving fund revenue bonds, if any, issued hereafter by the Finance Authority and specifically related to the Loan Agreement and the Loan Agreement Payments.

“Closing Date” means the date of execution, delivery and funding of the Loan Agreement.

“Code” means the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder.

“Completion Date” means the date of final payment of the cost of the Project.

“Distributing State Agency” means the department or agency of the State, as described on the Term Sheet attached as Exhibit “A” to the Loan Agreement, authorized to distribute the Pledged Revenues on behalf of the Governmental Unit.

“Expenses” means the cost of execution of the Loan Agreement and the costs of issuance of the Bonds, if any, and the periodic and regular fees and expenses incurred by the Finance Authority in administering the Loan Agreement, including legal fees.

“Finance Authority” means the New Mexico Finance Authority.

“Finance Authority Debt Service Account” means the debt service account in the name of the Governmental Unit and held by the Finance Authority to pay principal and interest on the Loan Agreement as the same become due.

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

“Governing Body” means the City Commission of the Governmental Unit, or any future successor governing body of the Governmental Unit.

“Governmental Unit” means the City of Truth or Consequences, New Mexico.

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

“Indenture” means the General Indenture of Trust and Pledge dated as of June 1, 1995, as amended and supplemented, by and between the Finance Authority and the Trustee, or successor trustee, or the Subordinated General Indenture of Trust and Pledge dated as of March 1, 2005, as supplemented, by and between the Finance Authority and the Trustee, or successor trustee, as determined by the Finance Authority pursuant to a Pledge Notification or Supplemental Indenture (as defined in the Indenture).

“Intercept Agreement” means the Intercept Agreement, between the Governmental Unit and Finance Authority providing for the direct payment by the Distributing State Agency to the Finance Authority of Pledged Revenues in amounts sufficient to pay Loan Agreement Payments, and any amendments or supplements to the Intercept Agreement.

“Loan” means the funds to be loaned to the Governmental Unit by the Finance Authority pursuant to the Loan Agreement.

“Loan Agreement” means the Loan Agreement dated the Closing Date between the Finance Authority and the Governmental Unit which provides for the financing of the Project and requires payments by or on behalf of the Governmental Unit to the Finance Authority and/or the Trustee.

“Loan Agreement Principal Amount” means the original principal amount of the Loan Agreement as shown on Exhibit “A” to the Loan Agreement.

“Loan Agreement Reserve Account” means the loan agreement reserve account established in the name of the Governmental Unit, funded from the proceeds of the Loan Agreement and administered by the Trustee pursuant to the Indenture.

“Loan Agreement Reserve Requirement” means, with respect to the Loan, the amount shown as the Loan Agreement Reserve Account Deposit on Exhibit “A” to the Loan Agreement, which amount does not exceed the least of: (i) ten percent (10%) of the Loan Agreement Principal Amount; (ii) one hundred twenty-five percent (125%) of the average annual principal and interest requirements under the Loan Agreement; or (iii) the maximum annual principal and interest requirements under the Loan Agreement.

“Municipal Gross Receipts Tax Ordinance” means the Governmental Unit Ordinance passed and approved by the Governmental Unit pursuant to the Act on January 22, 1979, with an effective date of January 1, 1980, which imposes a Municipal Local Option Gross Receipts Tax in the amount of one-quarter of one percent (.25%) of the gross receipts of all persons engaging in business within the Governmental Unit. The Tax Ordinance originally imposed what was known as the first increment of Municipal Local Option Gross Receipts Tax. Pursuant to Laws 2019, Chapter 274, the County Local Option Gross Receipts Tax imposed by the Tax Ordinance is no longer identifiable as the first increment and instead comprises one-quarter of one percent (.25%) of the maximum rate of municipal gross receipts tax that may be imposed under NMSA 1978, Section 7-19D-9 of 1.625 percent.

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

“Ordinance” means this Ordinance No. 715 adopted by the Governing Body on August 12, 2020 approving the Loan Agreement and Intercept Agreement as amended from time to time.

“Parity Obligations” means the Loan Agreement and any other obligations, now or hereafter issued or incurred, payable from or secured by a lien or pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues on parity with the Loan Agreement, including those obligations described on the Term Sheet attached as Exhibit “A” to the Loan Agreement.

“Pledged Revenues” means revenues of the Governmental Unit received pursuant to the Municipal Gross Receipts Tax Ordinance and pledged to payment of the Loan Agreement Payments pursuant to the Ordinance and described on the Term Sheet.

“Program Account” means the account in the name of the Governmental Unit established pursuant to the Indenture and held by the Trustee for the deposit of the net proceeds of the Loan Agreement for disbursement to the Governmental Unit for payment of the costs of the Project.

“Project” means the project described in Exhibit “A” to the Loan Agreement, the refunding of the Refunded Loan.

“Refunded Loan” means Loan No. PPRF-2367 between the Finance Authority and the Governmental Unit dated November 20, 2009 in the original principal amount of \$2,046,949.

“State” means the State of New Mexico.

“Term Sheet” means Exhibit “A” attached to the Loan Agreement.

“Trustee” means BOKF, NA, Albuquerque, New Mexico, or any successor trustee company, national or state banking association or financial institution at the time appointed Trustee by the Finance Authority.

Section 2. Ratification. All actions heretofore taken (not inconsistent with the provisions of this Ordinance) by the Governing Body and officers of the Governmental Unit directed toward the financing of the Project and the execution and delivery of the Loan Agreement and the Intercept Agreement are hereby ratified, approved and confirmed.

Section 3. Authorization of the Project, the Loan Agreement and the Intercept Agreement. The financing of the Project and the method of financing the Project through execution and delivery of the Loan Agreement and the Intercept Agreement are hereby authorized and ordered. The Project is for the benefit and use of the Governmental Unit.

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

A. The Project is needed to meet the needs of the Governmental Unit and its residents and the issuance and delivery of the Loan Agreement is necessary and advisable.

B. Moneys available and on hand for the Project from all sources other than the Loan are not sufficient to defray the costs of financing the Project.

C. The Pledged Revenues may lawfully be pledged to secure the payment of amounts due under the Loan Agreement.

D. It is economically feasible to defray, in whole or in part, the costs of the Project by the execution and delivery of the Loan Agreement.

E. The Project and the execution and delivery of the Loan Agreement and the Intercept Agreement pursuant to the Act to provide funds for the financing of the Project are

necessary and in the interest of the public health, safety and welfare of the residents of and the public served by the Governmental Unit.

F. The Governmental Unit will finance the Project, in whole or in part, with the net proceeds of the Loan.

G. Other than as described in the Term Sheet, the Governmental Unit does not have any outstanding obligations payable from the Pledged Revenues which it has incurred or will incur prior to the initial execution and delivery of the Loan Agreement and the Intercept Agreement.

H. The net effective interest rate on the Loan does not exceed twelve percent (12.0%) per annum, which is the maximum rate permitted by State law.

I. Pursuant to Section 7-19D-9, NMSA 1978, as amended, the Governmental Unit heretofore has adopted the Municipal Gross Receipts Tax Ordinance, which imposes a one-quarter of one percent (0.25%) increment of Municipal Gross Receipts Tax on the gross receipts of persons engaging in business within the Governmental Unit.

J. Pursuant to Section 7-1-6.12, NMSA 1978, as amended, the Governmental Unit receives Pledged Revenues from the Distributing State Agency.

#### Section 5. Loan Agreement and Intercept Agreement - Authorization and Detail.

A. Authorization. This Ordinance has been adopted by the affirmative vote of at least a three-fourths majority of all of the members of the Governing Body. For the purpose of protecting the public health, conserving the property, protecting the general welfare and prosperity of the residents of the Governmental Unit and financing the Project, it is hereby declared necessary that the Governmental Unit, pursuant to the Act, execute and deliver the Loan Agreement and Intercept Agreement evidencing a special, limited obligation of the Governmental Unit to pay a principal amount of \$1,166,036, plus interest thereon, and the execution and delivery of the Loan Agreement and Intercept Agreement are hereby authorized. The Governmental Unit shall use the proceeds of the Loan to (i) finance the Project; (ii) fund the Loan Agreement Reserve Account; and (iii) make a deposit to the Finance Authority Debt Service Account. The project financed by the Refunded Loan will be owned by the Governmental Unit.

B. Detail. The Loan Agreement and Intercept Agreement shall be in substantially the form of the Loan Agreement and Intercept Agreement presented at the meeting of the Governing Body at which this Ordinance was adopted. The Loan shall be in an original aggregate principal amount of \$1,166,036, shall be payable in installments of principal due on May 1 of the years designated in Exhibit "B" to the Loan Agreement and bear interest payable on May 1 and November 1 of each year, beginning on November 1, 2020 at the rates designated in Exhibit "B" to the Loan Agreement.

Section 6. Approval of Loan Agreement and Intercept Agreement. The forms of the Loan Agreement and Intercept Agreement, as presented at the meeting of the Governing Body at which this Ordinance was adopted are hereby approved. Authorized Officers are hereby individually authorized to execute, acknowledge and deliver the Loan Agreement and the Intercept Agreement, with such changes, insertions and omissions as may be approved by such individual Authorized Officers, and the City Clerk-Treasurer is hereby authorized to affix the seal of the

Governmental Unit on the Loan Agreement and Intercept Agreement and attest the same. The execution of the Loan Agreement and the Intercept Agreement by an Authorized Officer shall be conclusive evidence of such approval.

Section 7. Special Limited Obligation. The Loan Agreement shall be secured by the pledge of the Pledged Revenues as set forth in the Loan Agreement and shall be payable solely from the Pledged Revenues. The Loan Agreement, together with other obligations of the Governmental Unit thereunder, shall be a special, limited obligation of the Governmental Unit, payable solely from the Pledged Revenues as provided in this Ordinance and the Loan Agreement and shall not constitute a general obligation of the Governmental Unit or the State, and the holders of the Loan Agreement may not look to any general or other fund of the Governmental Unit for payment of the obligations thereunder. Nothing contained in this Ordinance or in the Loan Agreement, or any other instruments, shall be construed as obligating the Governmental Unit (except with respect to the application of the Pledged Revenues), as incurring a pecuniary liability or a charge upon the general credit of the Governmental Unit or against its taxing power, nor shall a breach of any agreement contained in this Ordinance, the Loan Agreement, or any other instrument impose any pecuniary liability upon the Governmental Unit or any charge upon its general credit or against its taxing power. The Loan Agreement shall never constitute an indebtedness of the Governmental Unit within the meaning of any State constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Governmental Unit or a charge against its general credit or taxing power. Nothing herein shall prevent the Governmental Unit from applying other funds of the Governmental Unit legally available therefore to payments required by the Loan Agreement, in its sole and absolute discretion.

Section 8. Disposition of Proceeds: Completion of Financing of the Project.

A. Program Account, Finance Authority Debt Service Account and Loan Agreement Reserve Account. The Governmental Unit hereby consents to creation of the Finance Authority Debt Service Account to be held and maintained by the Finance Authority and to the Program Account and the Loan Agreement Reserve Account to be held by the Trustee pursuant to the Indenture, each in connection with the Loan. The Governmental Unit hereby approves: (i) the deposit of a portion of the proceeds of the Loan Agreement in the Program Account and the Finance Authority Debt Service Account; and (ii) the deposit of funds in the amount of the Loan Agreement Reserve Requirement in the Loan Agreement Reserve Account, all as set forth in Exhibit "A" to the Loan Agreement.

The proceeds derived from the execution and delivery of the Loan Agreement shall be deposited promptly upon the receipt thereof in the Program Account, the Loan Agreement Reserve Account and the Finance Authority Debt Service Account, all as provided in the Loan Agreement and the Indenture.

Until the Completion Date, the money in the Program Account shall be used and paid out solely for the purpose of financing the Project in compliance with applicable law and the provisions of the Loan Agreement and the Indenture.

The Governmental Unit will finance the Project with all due diligence.



B. Completion of Financing of the Project. Upon the Completion Date, the Governmental Unit shall execute and send to the Finance Authority a certificate stating that financing of and payment for the Project have been completed. As soon as practicable, and, in any event, not more than sixty (60) days from the Completion Date, any balance remaining in the Program Account shall be transferred and deposited into the Finance Authority Debt Service Account, as provided in the Loan Agreement and the Indenture.

C. Finance Authority and Trustee Not Responsible. The Finance Authority and the Trustee shall in no manner be responsible for the application or disposal by the Governmental Unit or by its officers of the funds derived from the Loan Agreement or of any other funds herein designated.

Section 9. Deposit of Pledged Revenues, Distributions of the Pledged Revenues and Flow of Funds.

A. Deposit of Pledged Revenues. Pursuant to the Intercept Agreement, Pledged Revenues shall be paid to the Finance Authority for deposit in the Finance Authority Debt Service Account and remittance to the Trustee in an amount sufficient to pay principal, interest, premium, if any, and other amounts due under the Loan Agreement, including sufficient Pledged Revenues in the Loan Agreement Reserve Account to maintain the Loan Agreement Reserve Requirement.

B. Termination on Deposits to Maturity. No payment shall be made into the Finance Authority Debt Service Account if the amounts in the Finance Authority Debt Service Account and Loan Agreement Reserve Account total a sum at least equal to the entire aggregate amount to become due as to principal and interest on, and any other amounts due under, the Loan Agreement in which case moneys in such account in an amount at least equal to such principal and interest requirements shall be used solely to pay such obligations as the same become due, and any moneys in excess thereof in such accounts shall be transferred to the Governmental Unit and used as provided below.

C. Use of Surplus Revenues. After making all the payments hereinabove required to be made by this Section and any payments required by outstanding Parity Obligations, any moneys remaining in the Finance Authority Debt Service Account shall be transferred to the Governmental Unit on a timely basis and shall be applied to any other lawful purpose, including, but not limited to, the payment of bonds or obligations subordinate and junior to the Loan Agreement, or other purposes authorized by the Governmental Unit, the Constitution and laws of the State, as the Governmental Unit may from time to time determine.

Section 10. Lien on Pledged Revenues. Pursuant to the Loan Agreement, the Pledged Revenues are hereby authorized to be pledged to, and are hereby pledged, and the Governmental Unit grants a security interest therein for, the payment of the principal, interest, and any other amounts due under the Loan Agreement, subject to the uses hereof permitted by and the priorities set forth in this Ordinance. The Loan Agreement constitutes an irrevocable and first lien, but not necessarily an exclusive first lien, on the Pledged Revenues as set forth herein and therein and the Governmental Unit shall not create a lien on the Pledged Revenues superior to that of the Loan Agreement.

Section 11. Authorized Officers. Authorized Officers are hereby individually authorized and directed to execute and deliver any and all papers, instruments, opinions, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Ordinance, the Loan Agreement, the Intercept Agreement and all other transactions contemplated hereby and thereby. Authorized Officers are hereby individually authorized to do all acts and things required of them by this Ordinance, the Loan Agreement and the Intercept Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Ordinance, the Loan Agreement and the Intercept Agreement, including but not limited to, the execution and delivery of closing documents in connection with the execution and delivery of the Loan Agreement and the Intercept Agreement and the publication of the summary of this Ordinance set out in Section 17 of this Ordinance (with such changes, additions and deletions as may be necessary).

Section 12. Amendment of Ordinance. Prior to the date of the initial delivery of the Loan Agreement to the Finance Authority, the provisions of this Ordinance may be supplemented or amended by resolution or ordinance of the Governing Body with respect to any changes which are not inconsistent with the substantive provisions of this Ordinance. This Ordinance may be amended without receipt by the Governmental Unit of any additional consideration, but only with the prior written consent of the Finance Authority.

Section 13. Ordinance Irrepealable. After the Loan Agreement has been executed and delivered, this Ordinance shall be and remains irrepealable until all obligations due under the Loan Agreement and Intercept Agreement shall be fully paid, canceled and discharged, as herein provided.

Section 14. Severability Clause. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 15. Repealer Clause. All bylaws, orders, resolutions, and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 16. Effective Date. Upon due adoption of this Ordinance, it shall be recorded in the book of the Governmental Unit kept for that purpose, authenticated by the signatures of the Mayor and City Clerk-Treasurer of the Governmental Unit, and the title and general summary of the subject matter contained in this Ordinance (set out in Section 17 below) shall be published in a newspaper which maintains an office and is of general circulation in the Governmental Unit, or posted in accordance with law, and said Ordinance shall be in full force and effect thereafter, in accordance with law.

Section 17. General Summary for Publication. Pursuant to the general laws of the State, the title and a general summary of the subject matter contained in this Ordinance shall be published in substantially the following form:

(Form of Summary of Ordinance for Publication)

City of Truth or Consequences, New Mexico  
Notice of Adoption of Ordinance

Notice is hereby given of the title and of a general summary of the subject matter contained in Ordinance No. 715, duly adopted and approved by the Governing Body of the City of Truth or Consequences, New Mexico, on August 12, 2020. A complete copy of the Ordinance is available for public inspection during the normal and regular business hours of the City Clerk-Treasurer, 505 Sims Street, Truth or Consequences, New Mexico. The title of the Ordinance is:

CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO  
ORDINANCE NO. 715

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND INTERCEPT AGREEMENT BY AND BETWEEN THE CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY (THE "FINANCE AUTHORITY"), IN THE PRINCIPAL AMOUNT OF \$1,166,036 FOR THE PURPOSE OF REFUNDING FINANCE AUTHORITY LOAN NO. PPRF-2367, FINANCING IMPROVEMENTS TO STREETS, ALLEYS, SIDEWALKS AND CURBS FOR THE GOVERNMENTAL UNIT AND FUNDING A LOAN AGREEMENT RESERVE ACCOUNT, AND EVIDENCING THE SPECIAL LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO REPAY THE PRINCIPAL AMOUNT OF \$1,166,036, TOGETHER WITH INTEREST THEREON; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE PRINCIPAL AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM A ONE-QUARTER OF ONE PERCENT INCREMENT OF MUNICIPAL GROSS RECEIPTS TAX REVENUES AUTHORIZED PURSUANT TO SECTIONS 7-19D-9, NMSA 1978, AS AMENDED, AND DISTRIBUTED TO THE GOVERNMENTAL UNIT BY THE STATE TAXATION AND REVENUE DEPARTMENT; PROVIDING FOR THE DISTRIBUTION OF MUNICIPAL GROSS RECEIPTS TAX REVENUES TO BE REDIRECTED BY THE STATE TAXATION AND REVENUE DEPARTMENT TO THE FINANCE AUTHORITY OR ITS ASSIGNS FOR THE PAYMENT OF PRINCIPAL AND INTEREST DUE ON THE LOAN AGREEMENT PURSUANT TO AN INTERCEPT AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT AND INTERCEPT AGREEMENT.

A general summary of the subject matter of the Ordinance is contained in its title. This notice constitutes compliance with Section 6-14-6, NMSA 1978.

(End of Form of Summary for Publication)

“Loan Agreement Term” means the term of this Loan Agreement as provided under Article III of this Loan Agreement.

“Municipal Gross Receipts Tax Ordinance” means the Governmental Unit Ordinance passed and approved by the Governmental Unit pursuant to the Act on January 22, 1979, with an effective date of January 1, 1980, which imposes a Municipal Local Option Gross Receipts Tax in the amount of one-quarter of one percent (.25%) of the gross receipts of all persons engaging in business within the Governmental Unit. The Tax Ordinance originally imposed what was known as the first increment of Municipal Local Option Gross Receipts Tax. Pursuant to Laws 2019, Chapter 274, the County Local Option Gross Receipts Tax imposed by the Tax Ordinance is no longer indentifiable as the first increment and instead comprises one-quarter of one percent (.25%) of the maximum rate of municipal gross receipts tax that may be imposed under NMSA 1978, Section 7-19D-9 of 1.6875 percent.

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

“Ordinance” means the Governmental Unit Ordinance No. 716 adopted by the Governing Body on August 12, 2020 approving this Loan Agreement and the Intercept Agreement and pledging the Pledged Revenues to the payment of the Loan Agreement Payments as shown on the Term Sheet.

“Parity Obligations” means this Loan Agreement, and any other obligations, now outstanding or hereafter issued or incurred, payable from or secured by a lien or pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues on a parity with this Loan Agreement, including any such obligations shown on the Term Sheet.

“Permitted Investments” means securities which are at the time legal investments of the Governmental Unit for the money to be invested, as applicable, including but not limited to the following, if permitted by law: (i) securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States, the federal home loan mortgage association, the federal national mortgage association, the federal farm credit bank, federal home loan banks or the student loan marketing association or that are backed by the full faith and credit of the United States government; (ii) negotiable securities of the State; (iii) money market funds which invest solely in obligations described in clause (i) above which are rated in the highest rating category by Moody’s Investors Service, Inc., or S&P Global Ratings; and (iv) the State Treasurer’s short-term investment fund created pursuant to Section 6-10-10.1, NMSA 1978, as amended, and operated, maintained and invested by the office of the State Treasurer.

“Pledged Revenues” means revenues of the Governmental Unit received pursuant to the Municipal Gross Receipts Tax Ordinance and pledged to payment of the Loan Agreement Payments pursuant to the Ordinance and described on the Term Sheet.

“Principal Component” means the portion of each Loan Agreement Payment paid as principal on this Loan Agreement as shown on Exhibit “B” hereto.

“Program Account” means the account in the name of the Governmental Unit established pursuant to the Indenture and held by the Trustee for the deposit of the net proceeds of this Loan Agreement for disbursement to the Governmental Unit for payment of the costs of the Project.

“Project” means the refunding of the Refunded Loan, as described on the Term Sheet.

“Refunded Loan” means the Loan Agreement No. PPRF-2367 dated November 20, 2009, in the original principal amount of \$2,046,949 from the Finance Authority to the Governmental Unit.

“Term Sheet” means Exhibit “A” attached hereto.

“Trustee” means BOKF, NA, Albuquerque, New Mexico, or any successor trust company, national or state banking association or financial institution at the time appointed the Trustee by the Finance Authority.

“Unassigned Rights” means the rights of the Finance Authority to receive payment of administrative expenses, reports and indemnity against claims pursuant to the provisions of this Loan Agreement which are withheld in the granting clauses of the Indenture from the pledge, assignment and transfer of this Loan Agreement to the Trustee.

## ARTICLE II REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1 Representations, Covenants and Warranties of the Governmental Unit.  
The Governmental Unit represents, covenants and warrants:

(a) Binding Nature of Covenants. All covenants, stipulations, obligations and agreements of the Governmental Unit contained in this Loan Agreement shall be deemed to be the covenants, stipulations, obligations and agreements of the Governmental Unit to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Governmental Unit and its successors and upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Loan Agreement, all rights, powers and privileges conferred and duties and liabilities imposed upon the Governmental Unit by the provisions of this Loan Agreement and the Ordinance shall be exercised or performed by the Governmental Unit or by such members, officers, or officials of the Governmental Unit as may be required by law to exercise such powers and to perform such duties.

(b) Personal Liability. No covenant, stipulation, obligation or agreement contained in this Loan Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any officer, agent or employee of the Governmental Unit or member of the Governing Body in his or her individual capacity, and neither the members of the Governing Body nor any officer, agent or employee of the Governmental Unit executing this Loan Agreement shall be liable personally on this Loan Agreement or be subject to any personal liability or accountability by reason of the execution and delivery thereof.

(c) Authorization of Loan Agreement and Intercept Agreement. The Governmental Unit is a political subdivision of the State and is duly organized and existing under the statutes and laws of the State. Pursuant to the Act, as amended and supplemented from time to time, the Governmental Unit is authorized by the Act to enter into the transactions contemplated by this Loan Agreement and the Intercept Agreement and to carry out its obligations hereunder and thereunder. The Governmental Unit has duly authorized and approved the execution and delivery of this Loan Agreement, the Intercept Agreement, and the other documents related to the transaction.

(d) Use of Loan Agreement Proceeds. The Governmental Unit shall proceed without delay in applying the proceeds of this Loan Agreement (less the deposits to the Loan Agreement Reserve Account, if any, and the Finance Authority Debt Service Account to the financing of the Project.

(e) Payment of Loan Agreement. The Governmental Unit shall promptly pay Loan Agreement Payments, as specified in Exhibit "B" hereto, according to the true intent and meaning of this Loan Agreement. Loan Agreement Payments are payable solely from the Pledged Revenues or from the proceeds of refunding bonds or other refunding obligations which the Governmental Unit may hereafter issue in its sole discretion and which are payable from the Pledged Revenues; and nothing in this Loan Agreement shall be construed as obligating the Governmental Unit to pay Loan Agreement Payments from any general or other fund of the Governmental Unit other than such special funds. Nothing contained in this Loan Agreement, however, shall be construed as prohibiting the Governmental Unit in its sole and absolute discretion, from making such payments from any moneys which may be lawfully used, and which are legally available, for that purpose.

(f) Financing and Completion of Project. The Project will consist of the refunding of the Refunded Loan. The Project will be financed and completed so as to comply with all applicable ordinances, resolutions and regulations, if any, and any and all applicable laws relating to the financing and completion of the Project and to the use of the Pledged Revenues.

(g) Necessity of Project. The financing of the Project under the terms and conditions provided for in this Loan Agreement is necessary, convenient and in furtherance of the governmental purposes of the Governmental Unit and is in the best interests of the Governmental Unit and its residents.

(h) Legal, Valid and Binding Special Obligation. The Governmental Unit has taken all required action necessary to authorize the execution and delivery of this Loan Agreement and the Intercept Agreement, and this Loan Agreement and the Intercept Agreement constitute legal, valid and binding special obligations of the Governmental Unit enforceable in accordance with their terms.

(i) Loan Agreement Term. The weighted average maturity of 5.720 years of the Loan Agreement does not exceed 120% of the remaining reasonably expected life of the project funded by the Refunded Loan which is at least \_\_\_\_ ( ) years.

(j) Use of Project. During the Loan Agreement Term, the project funded by the Refunded Loan will at all times be used for the purpose of benefiting the Governmental Unit as a whole.

(k) No Private Activity. The Governmental Unit is a “governmental unit” within the meaning of Sections 103 and 141(b)(6) of the Code. In addition, no amounts disbursed from the Program Account and used to finance the Project shall be used in the trade or business of a person who is not a “governmental unit” within the meaning of Sections 103 and 141(b)(6) of the Code.

(l) No Excess Loan Agreement Proceeds. The amount loaned to the Governmental Unit under this Loan Agreement as set forth on the Term Sheet does not exceed the sum of: (i) the cost of the Project; (ii) the Loan Agreement Reserve Requirement; and (iii) an amount necessary to pay costs related to issuance of the Bonds, if any.

(m) No Breach or Default Caused by Loan Agreement or Intercept Agreement. Neither the execution and delivery of this Loan Agreement and the Intercept Agreement, nor the fulfillment of or compliance with the terms and conditions in this Loan Agreement and the Intercept Agreement, nor the consummation of the transactions contemplated herein and therein, conflicts with or results in a breach of terms, conditions or provisions of any restriction or any agreement or instrument to which the Governmental Unit is a party or by which the Governmental Unit is bound or any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the Governmental Unit or its properties are subject, or constitutes a default under any of the foregoing.

(n) Irrevocable Enactments. While this Loan Agreement remains outstanding and unpaid, any ordinance, resolution or other enactment of the Governing Body applying the Pledged Revenues for the payment of this Loan Agreement, including the Ordinance, shall be irrevocable until this Loan Agreement has been paid in full as to both principal and interest, and shall not be subject to amendment or modification in any manner which would in any way jeopardize the timely payment of Loan Agreement Payments.

(o) Outstanding Debt. Except for the Parity Obligations, if any, described on the Term Sheet, there are currently no outstanding bonds, notes or other obligations of the Governmental Unit which are payable from and secured by a parity lien on the Pledged Revenues. No additional indebtedness, bonds or notes of the Governmental Unit payable on a priority ahead of the indebtedness herein authorized out of the Pledged Revenues shall be created or incurred while this Loan Agreement remains outstanding.

(p) No Litigation. To the knowledge of the Governmental Unit, no litigation or proceeding is pending or threatened against the Governmental Unit or any other person affecting the right of the Governmental Unit to execute or deliver this Loan Agreement or the Intercept Agreement or to comply with its obligations under this Loan Agreement or the Intercept Agreement. Neither, the execution and delivery of this Loan Agreement or the Intercept Agreement by the Governmental Unit nor compliance by the Governmental Unit with the obligations under such agreements, requires the approval of any regulatory body, or any other entity, which approval has not been obtained or which is not reasonably expected to be obtained.

(q) No Event of Default. No event has occurred and no condition exists which, upon the execution and delivery of this Loan Agreement and the Intercept Agreement, would constitute an Event of Default on the part of the Governmental Unit under this Loan Agreement or the Intercept Agreement.

(r) Pledged Revenues Not Budgeted. The portion of the Pledged Revenues necessary to pay the Loan Agreement Payments, as and when due, is not needed or budgeted to pay current or anticipated operational or other expenses of the Governmental Unit.

(s) Expected Coverage Ratio. The Pledged Revenues (giving credit for any increase in Pledged Revenues which has received final approval of the Governing Body and become effective) from the Fiscal Year immediately preceding the Closing Date were equal to or exceeded, and, on an ongoing basis during each year of the Loan Agreement Term, are reasonably expected to equal or exceed, one hundred twenty-five percent (125%) of the maximum Aggregate Annual Debt Service Requirement.

(t) No Extension of Interest Payments. The Governmental Unit will not extend or be a party to the extension of the time for paying any interest on this Loan Agreement.

(u) Governmental Unit's Existence. The Governmental Unit will maintain its corporate identity and existence so long as this Loan Agreement is unpaid, unless another political subdivision by operation of law succeeds to the liabilities and rights of the Governmental Unit without adversely affecting to any substantial degree the privileges and rights of the Finance Authority.

(v) Continuing Disclosure. The Governmental Unit covenants that it shall provide continuing disclosure to the Finance Authority, as the Finance Authority may require, that shall include, but not be limited to: annual audits, operational data required to update information in any disclosure documents used to assign or securitize the Loan Agreement Payments by issuance of Bonds by the Finance Authority pursuant to the Indenture, and notification of any event deemed material by the Finance Authority.

(w) Tax Covenants. The Governmental Unit covenants that it shall restrict the use of the proceeds of this Loan Agreement in such manner and to such extent, if any, as may be necessary so that this Loan Agreement will not constitute an arbitrage bond under Section 148 of the Code and that it shall pay any applicable rebate to the Internal Revenue Service. Authorized Officers are hereby authorized and directed to execute an Arbitrage and Tax Certificate as may be required by the Finance Authority and such additional certificates as shall be necessary to establish that this Loan Agreement is not an "arbitrage bond" within the meaning of Section 148 of the Code and the Treasury Regulations promulgated or proposed with respect thereto, including Treasury Regulation Sections 1.148-1 through 1.148-11, 1.149 and 1.150 as the same currently exist, or may from time to time hereafter be amended, supplemented or revised. The Governmental Unit covenants to comply with the provisions of any such Arbitrage and Tax Certificate and the provisions thereof will be incorporated herein by reference to the same extent as if set forth herein. The Governmental Unit covenants that no use will be made of the proceeds of this Loan Agreement, or any funds or accounts of the Governmental Unit which may be deemed to be Gross Proceeds (as defined in Treasury Regulation Section 1.148-1(b)) of this



Loan Agreement, which use, if it had been reasonably expected on the Closing Date, would have caused this Loan Agreement to be classified as an “arbitrage bond” within the meaning of Section 148 of the Code. Pursuant to this covenant, the Governmental Unit obligates itself to comply throughout the Loan Agreement Term with the requirements of Sections 103 and 141 through 150 of the Code and the regulations proposed or promulgated with respect thereto. The Governmental Unit further represents and covenants that no bonds or other evidence of indebtedness of the Governmental Unit payable from substantially the same source as this Loan Agreement have been or will be issued, sold or delivered within fifteen (15) days prior to or subsequent to the Closing Date.

(x) Pledged Revenues Covenants. The Governing Body has duly adopted the Municipal Gross Receipts Tax Ordinance imposing a one-quarter of one percent (0.25%) increment of Municipal Gross Receipts Tax, which constitutes the Pledged Revenues. The Municipal Gross Receipts Tax Ordinance has not been repealed or superseded and is in full force and effect.

Section 2.2 Representations, Covenants and Warranties of the Finance Authority. The Finance Authority represents, covenants and warrants for the benefit of the Governmental Unit as follows:

(a) Authorization of Loan Agreement and Intercept Agreement. The Finance Authority is a public body politic and corporate constituting a governmental instrumentality, separate and apart from the State, duly organized, existing and in good standing under the laws of the State, has all necessary power and authority to enter into and perform and observe the covenants and agreements on its part contained in this Loan Agreement and the Intercept Agreement and, by proper action, has duly authorized the execution and delivery of this Loan Agreement and the Intercept Agreement.

(b) Assignment of Rights. The Finance Authority may not pledge or assign the Pledged Revenues, the Loan Agreement Payments or any of its other rights under this Loan Agreement and the Intercept Agreement except to the Trustee pursuant to the Indenture.

(c) No Breach or Default Caused by Loan Agreement or Intercept Agreement. Neither the execution and delivery of this Loan Agreement or the Intercept Agreement, nor the fulfillment of or compliance with the terms and conditions of this Loan Agreement or the Intercept Agreement, nor the consummation of the transactions contemplated in this Loan Agreement or the Intercept Agreement, conflicts with or results in a breach of the terms, conditions and provisions of any restriction or any agreement or instrument to which the Finance Authority is a party or by which the Finance Authority is bound or constitutes a default under any of the foregoing and will not conflict with or constitute a violation of any constitutional or statutory provision or order, rule, regulation, decree or resolution of any court, government or governmental authority having jurisdiction over the Finance Authority or its property, and which conflict or violation will have a material adverse effect on the Finance Authority or the financing of the Project.

(d) No Litigation. To the knowledge of the Finance Authority, there is no litigation or proceeding pending or threatened against the Finance Authority or any other person

affecting the right of the Finance Authority to execute or deliver this Loan Agreement or the Intercept Agreement, or to comply with its obligations under this Loan Agreement or the Intercept Agreement. Neither, the execution and delivery of this Loan Agreement or the Intercept Agreement by the Finance Authority, nor compliance by the Finance Authority with its obligations under this Loan Agreement and the Intercept Agreement, requires the approval of any regulatory body, or any other entity, which approval has not been obtained.

(e) Legal, Valid and Binding Obligations. This Loan Agreement and the Intercept Agreement constitute the legal, valid and binding obligations of the Finance Authority enforceable in accordance with their terms.

(f) Tax-Exempt Reimbursement of Amount Loaned. The Finance Authority intends to reimburse the public project revolving fund (as defined in the Finance Authority Act) for the amount of the Loan from the proceeds of tax-exempt bonds which the Finance Authority expects to issue within eighteen (18) months of the Closing Date.

### ARTICLE III LOAN AGREEMENT TERM

The Loan Agreement Term shall commence on the Closing Date and shall not terminate until this Loan Agreement has been paid in full or provision for the payment of this Loan Agreement has been made pursuant to Article VIII hereof.

### ARTICLE IV LOAN; APPLICATION OF MONEYS

On the Closing Date, the Finance Authority shall transfer the Loan Agreement Principal Amount as follows:

(a) To the Trustee, the amount shown on the Term Sheet as the Program Account deposit shall be deposited into the Governmental Unit's Program Account to be maintained by the Trustee pursuant to the Indenture and disbursed pursuant to Section 6.2 hereof at the direction of the Governmental Unit as needed by the Governmental Unit for the Project; and

(b) To the Trustee, the amount shown on the Term Sheet as the Loan Agreement Reserve Account deposit shall be deposited in the Governmental Unit's account maintained in the Loan Agreement Reserve Fund by the Trustee pursuant to the Indenture; and

(c) To the Finance Authority, the amount shown on the Term Sheet as the Finance Authority Debt Service Account deposit shall be deposited into the Finance Authority Debt Service Account to be maintained by the Finance Authority or its assignee and utilized as provided in Section 5.2 hereof.

### ARTICLE V LOAN TO THE GOVERNMENTAL UNIT; PAYMENTS BY THE GOVERNMENTAL UNIT

Section 5.1 Loan to the Governmental Unit; Payment Obligations Limited to Pledged Revenues; Pledge of Pledged Revenues. The Finance Authority hereby lends to the Governmental Unit and the Governmental Unit hereby borrows from the Finance Authority an amount equal to the Loan Agreement Principal Amount. The Governmental Unit promises to pay, but solely from the sources pledged herein, the Loan Agreement Payments as herein provided. The Governmental Unit does hereby convey, assign and pledge unto the Finance Authority and unto its successors in trust forever all right, title and interest of the Governmental Unit in and to: (i) the Pledged Revenues to the extent required to pay the Loan Agreement Payments on parity with the Parity Obligations; (ii) the Finance Authority Debt Service Account, such account being held by the Finance Authority; (iii) the Program Account and the Loan Agreement Reserve Account, such accounts being held by the Trustee; and (iv) all other rights hereinafter granted, for the securing of the Governmental Unit's obligations under this Loan Agreement, including payment of the Loan Agreement Payments and Additional Payment Obligations; provided, however, that if the Governmental Unit, its successors or assigns, shall well and truly pay, or cause to be paid, all Loan Agreement Payments at the time and in the manner contemplated by this Loan Agreement, then, upon such final payment or provision for payment by the Governmental Unit, this Loan Agreement and the rights created thereby shall terminate; otherwise, this Loan Agreement shall remain in full force and effect. The Loan Agreement Payments shall, in the aggregate, be sufficient to pay the Principal Component and Interest Component when due, the payment schedule of which is attached hereto as Exhibit "B."

The pledge of the Pledged Revenues and the lien thereon shall be effective upon the Closing Date. The Governmental Unit and the Finance Authority acknowledge and agree that the Loan Agreement Payments of the Governmental Unit hereunder are limited to the Pledged Revenues, and that this Loan Agreement shall constitute a special, limited obligation of the Governmental Unit. No provision of this Loan Agreement shall be construed or interpreted as creating a general obligation or other indebtedness of the Governmental Unit within the meaning of any constitutional or statutory debt limitation. No provision of this Loan Agreement shall be construed to pledge or to create a lien on any class or source of Governmental Unit moneys other than the Pledged Revenues, nor shall any provision of this Loan Agreement restrict the future issuance of any bonds or obligations payable from any class or source of Governmental Unit moneys other than the Pledged Revenues. In addition, to the extent not required for the payment of obligations of the Governmental Unit hereunder, the Pledged Revenues may be utilized by the Governmental Unit for any other purposes permitted by law.

Section 5.2 Payment Obligations of Governmental Unit. As provided in the Intercept Agreement, the Distributing State Agency shall cause to be transferred from the Pledged Revenues, the amounts provided in subsections (a)(i) and (ii) of this Section 5.2 for deposit into the Finance Authority Debt Service Account and the amount provided in subsection (c) for deposit into the Loan Agreement Reserve Account. The Finance Authority Debt Service Account shall be established and held by the Finance Authority and the Loan Agreement Reserve Account shall be established and held by the Trustee, each on behalf of the Governmental Unit. All Pledged Revenues received by the Finance Authority pursuant to this Section 5.2 shall be accounted for and maintained on an ongoing basis by the Finance Authority in the Finance Authority Debt Service Account and all Loan Agreement Payments shall be remitted to the Trustee. The amounts on deposit in the Finance Authority Debt Service Account and Loan

Agreement Reserve Account shall be expended and used by the Finance Authority or the Trustee, as the case may be, only in the manner and order of priority specified below.

(a) As a first charge and lien, but not an exclusive first charge and lien, on the Pledged Revenues (on a parity with the lien on the Pledged Revenues created by any outstanding Parity Obligations), the Governmental Unit shall remit to the Finance Authority, and the Finance Authority shall transfer and deposit into the Finance Authority Debt Service Account the following from the Pledged Revenues received pursuant to the Intercept Agreement from the Governmental Unit, which the Finance Authority shall transfer to the Trustee in accordance with the Indenture:

(i) Interest Components. (A) Monthly, beginning on the first day of the month following the Closing Date, an amount in equal monthly installments which is necessary to pay the first maturing Interest Component coming due on this Loan Agreement (which is November 1, 2020), and (B) on the first day of each month thereafter, one-sixth (1/6) of the amount necessary to pay the next maturing Interest Component on this Loan Agreement as described in Exhibit "B";

(ii) Principal Payments. (A) Monthly, beginning on the first day of the month following the Closing Date, an amount in equal monthly installments which is necessary to pay the first maturing Principal Component (which is May 1, 2021), and (B) on the first day of each month thereafter, one-twelfth (1/12) of the amount which is necessary to pay the next maturing Principal Component on this Loan Agreement during the Loan Agreement Term, as described in Exhibit "B".

(b) Each Loan Agreement Payment shall be transferred by the Finance Authority from the Finance Authority Debt Service Account to the Trustee.

(c) As a second charge and lien on the Pledged Revenues received from the Governmental Unit after deposits in (a) and (b) have been made, the Trustee shall transfer and deposit to the Loan Agreement Reserve Account any amounts necessary to replenish the Loan Agreement Reserve Account to the Loan Agreement Reserve Requirement. Moneys in the Loan Agreement Reserve Account shall be held and administered by the Trustee and shall be used only to prevent deficiencies in the payment of the Principal Component and Interest Component of the Loan Agreement Payments resulting from a failure to deposit into the Finance Authority Debt Service Account sufficient funds to pay debt service requirements on the Loan; provided, that the final two Interest Components and the final Principal Component on the Loan shall be payable from the Loan Agreement Reserve Account. If funds are withdrawn from the Loan Agreement Reserve Account to pay debt service on the Loan, at the direction of the Finance Authority or the Trustee, additional Pledged Revenues shall be deposited into the Loan Agreement Reserve Account in amounts in equal monthly installments sufficient to restore the amount on deposit therein to the Loan Agreement Reserve Requirement within one (1) year following such withdrawal; provided, that no additional Pledged Revenues shall be intercepted to replenish the Loan Agreement Reserve Account following the transfer of the amount in the Loan Agreement Reserve Account to the Finance Authority Debt Service Account for payment of the final two Interest Components and the final Principal Component.

Notwithstanding any other provisions hereof, the Finance Authority shall have the right to waive the requirement of the Loan Agreement Reserve Account and the Loan Agreement Reserve Requirement, and any moneys in the Loan Agreement Reserve Account may, at the written direction of the Finance Authority, be applied to the Finance Authority Debt Service Account, or released to the Governmental Unit for the Project or used for any other purposes provided by law. If amounts in the Loan Agreement Reserve Account are released by the Finance Authority, the references in this Loan Agreement to the Loan Agreement Reserve Account and the Loan Agreement Reserve Requirement shall be of no further force and effect.

(d) Subject to the foregoing deposits, the Finance Authority or the Trustee shall annually use the balance of the Pledged Revenues received, if any, at the request of the Governmental Unit: (i) to credit against upcoming Loan Agreement Payments; or (ii) to distribute to the Governmental Unit for any purpose permitted by law.

Section 5.3 Manner of Payment. All payments of the Governmental Unit hereunder shall be paid in lawful money of the United States of America to the Finance Authority at the address designated in Section 11.1 herein, for remittance to the Trustee. The obligation of the Governmental Unit to make payments hereunder, from and to the extent of the available Pledged Revenues, shall be absolute and unconditional in all events, except as expressly provided hereunder, and payment hereunder shall not be abated through accident or unforeseen circumstances. Notwithstanding any dispute between the Governmental Unit, the Finance Authority, the Trustee, any vendor or any other person, the Governmental Unit shall make all deposits hereunder, from and to the extent of the available Pledged Revenues, when due and shall not withhold any deposit hereunder pending final resolution of such dispute, nor shall the Governmental Unit assert any right of set-off or counterclaim against its obligation to make such deposits required hereunder.

Section 5.4 Disposition of Payments by the Trustee. The Trustee shall deposit all moneys received from the Finance Authority under this Loan Agreement in accordance with the Indenture.

Section 5.5 Additional Parity Obligations. No provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional Parity Obligations payable from the Pledged Revenues, nor to prevent the issuance of bonds or other obligations refunding all or a part of this Loan Agreement; provided, however, that before any such additional Parity Obligations are actually issued (excluding refunding bonds or refunding obligations which refund Parity Obligations but including parity refunding bonds and obligations which refund subordinate obligations as provided in Section 5.6 hereof), it must be determined that:

(a) The Governmental Unit is then current in all of the accumulations required to be made into the Finance Authority Debt Service Account and the Loan Agreement Reserve Account as provided herein.

(b) No default shall exist in connection with any of the covenants or requirements of the Ordinance or this Loan Agreement.

(c) The Pledged Revenues received by or credited to the Governmental Unit for the Fiscal Year or for any twelve (12) consecutive months out of the twenty-four (24) months preceding the date of the issuance of such additional Parity Obligations (the "Historic Test Period") shall have been sufficient to pay an amount representing one hundred twenty-five percent (125%) of the combined maximum Aggregate Annual Debt Service Requirement coming due in any subsequent Fiscal Year on the then outstanding Parity Obligations and the Parity Obligations proposed to be issued (excluding the accumulation of any reserves therefor).

(d) A written certification or opinion by the Governmental Unit's Treasurer or chief financial officer or by an Independent Accountant that the Pledged Revenues for the Historic Test Period are sufficient to pay said amounts, shall be conclusively presumed to be accurate in determining the right of the Governmental Unit to authorize, issue, sell and deliver the Parity Obligations proposed to be issued.

(e) No provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional bonds or other obligations payable from the Pledged Revenues constituting a lien upon such Pledged Revenues subordinate and junior to the lien of this Loan Agreement nor to prevent the issuance of bonds or other obligations refunding all or part of this Loan Agreement as permitted by Section 5.6 hereof.

(f) The Governmental Unit shall not issue bonds or other obligations payable from the Pledged Revenues having a lien thereon prior and superior to this Loan Agreement.

Section 5.6 Refunding Obligations. The provisions of Section 5.5 hereof are subject to the following exceptions:

(a) If at any time after the Closing Date, while this Loan Agreement, or any part thereof, is outstanding, the Governmental Unit shall find it desirable to refund any outstanding bonds or other outstanding obligations payable from the Pledged Revenues, this Loan Agreement, such bonds or other obligations, or any part thereof, may be refunded (but the holders of this Loan Agreement or bonds to be refunded may not be compelled to surrender this Loan Agreement or their bonds, unless this Loan Agreement, the bonds or other obligations, at the time of their required surrender for payment, shall then mature, or shall then be callable for prior redemption at the Governmental Unit's option), regardless of whether the priority of the lien for the payment of the refunding obligations on the Pledged Revenues is changed, except as provided in subparagraph (e) of Section 5.5 hereof and in subparagraphs (b) and (c) of this Section.

(b) No refunding bonds or other refunding obligations payable from the Pledged Revenues shall be issued on a parity with this Loan Agreement unless:

(i) The outstanding obligations so refunded are Parity Obligations and the refunding bonds or other refunding obligations do not increase any aggregate annual principal and interest obligations evidenced by such refunded obligations; or

(ii) The refunding bonds or other refunding obligations are issued in compliance with Section 5.5 hereof.



(c) The refunding bonds or other obligations so issued shall enjoy complete equality of lien on the Pledged Revenues with the portion of this Loan Agreement or any bonds or other obligations of the same issue which is not refunded, if any; and the holder or holders of such refunding bonds or such other refunding obligations shall be subrogated to all of the rights and privileges enjoyed by the holder or holders of this Loan Agreement or the bonds or other obligations of the same issue refunded thereby. If only a part of this Loan Agreement or the outstanding bonds and any other outstanding obligations of any issue or issues payable from the Pledged Revenues is refunded, then such obligations may not be refunded without the consent of the holder or holders of the unrefunded portion of such obligations, unless:

(i) The refunding bonds or other refunding obligations do not increase any aggregate annual principal and interest obligations evidenced by such refunded obligations and by the outstanding obligations not refunded on and prior to the last maturity date of such unrefunded obligations; or

(ii) The refunding bonds or other refunding obligations are issued in compliance with Section 5.5 hereof; or

(iii) The lien on the Pledged Revenues for the payment of the refunding obligations is subordinate to each such lien for the payment of any obligations not refunded.

(d) Any refunding bonds or other refunding obligations payable from the Pledged Revenues shall be issued with such details as the Governmental Unit may provide by ordinance or resolution, but without any impairment of any contractual obligations imposed upon the Governmental Unit by any proceedings authorizing the issuance of any unrefunded portion of such outstanding obligations of any one or more issues (including, but not necessarily limited to, this Loan Agreement).

Section 5.7 Investment of Governmental Unit Funds. Money on deposit in the Finance Authority Debt Service Account established by the Finance Authority for the Governmental Unit may be invested by the Finance Authority in Permitted Investments at the discretion of the Finance Authority. Money on deposit in the Program Account and the Loan Agreement Reserve Account held by the Trustee and created hereunder may be invested by the Trustee in Permitted Investments at the written direction of the Finance Authority or at the discretion of the Trustee. Any earnings on any of said accounts shall be held and administered in each respective account and utilized in the same manner as the other moneys on deposit therein.

Section 5.8 Governmental Unit May Budget for Payments. The Governmental Unit may, in its sole discretion, but without obligation and subject to the Constitution of the State, governing laws, and its budgetary requirements, make available properly budgeted and legally available funds to defray any insufficiency of Pledged Revenues to pay Loan Agreement Payments; provided, however, the Governmental Unit has not covenanted and cannot covenant to make such funds available and has not pledged any of such funds for such purpose.

## ARTICLE VI THE PROJECT

Section 6.1 Agreement to Finance the Project. The Governmental Unit hereby agrees that to effectuate the purposes of this Loan Agreement and to effectuate the financing and completion of the Project, it shall make, execute, acknowledge and transmit any contracts, orders, receipts, writings and instructions with any other persons, firms or corporations and, in general, do all things which may be requisite or proper to finance the Project. The Governmental Unit agrees to finance and complete the Project through the application of moneys to be disbursed from the Program Account pursuant to Section 6.2 of this Loan Agreement.

Section 6.2 Disbursements From the Program Account. So long as no Event of Default shall occur, the Trustee shall disburse moneys from the Program Account in accordance with Section 6.2 of the Indenture upon receipt by the Trustee of a requisition substantially in the form of Exhibit "C" attached hereto signed by an Authorized Officer of the Governmental Unit.

No disbursement shall be made from the Program Account without the approval of Bond Counsel: (i) to reimburse the Governmental Unit's own funds for expenditures made prior to the Closing Date; (ii) to refund or advance refund any tax-exempt obligations issued by or on behalf of the Governmental Unit; (iii) to be used, directly or indirectly, to finance a project used or to be used in the trade or business of a person who is not a "governmental unit," within the meaning of Section 141(b)(6) of the Code; or (iv) to expend funds after the date that is three (3) years after the execution and delivery of this Loan Agreement.

Section 6.3 Completion of the Project. Upon completion of the Project, an Authorized Officer of the Governmental Unit shall deliver a certificate to the Finance Authority and the Trustee substantially in the form of Exhibit "D" attached hereto stating that, to the best of his or her knowledge, the Project has been completed and accepted by the Governmental Unit, and all costs have been paid. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being.

Section 6.4 Application of Loan Agreement Proceeds Subsequent to Completion of the Project. Upon completion of the Project as signified by delivery of the completion certificate contemplated in Section 6.3 hereof or in the event that the Finance Authority and the Trustee shall not have received a certificate of completion as required by Section 6.3 hereof by the date three (3) years from the Closing Date (or such later date as is approved in writing by Bond Counsel), the Trustee shall transfer the amounts remaining in the Program Account (except amounts necessary for payment of amounts not then due and payable) to the Finance Authority Debt Service Account and such amounts shall be used for the payment of Loan Agreement Payments.

## ARTICLE VII COMPLIANCE WITH LAWS AND RULES; OTHER COVENANTS

Section 7.1 Further Assurances and Corrective Instruments. The Finance Authority and the Governmental Unit agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect

description of the Project or of the Pledged Revenues, or for otherwise carrying out the intention hereof.

Section 7.2 Finance Authority and Governmental Unit Representatives. Whenever under the provisions hereof the approval of the Finance Authority or the Governmental Unit is required, or the Governmental Unit or the Finance Authority is required to take some action at the request of the other, such approval or such request shall be given for the Finance Authority or for the Governmental Unit by an Authorized Officer of the Finance Authority or the Governmental Unit, as the case may be, and any party hereto shall be authorized to act on any such approval or request.

Section 7.3 Requirements of Law. During the Loan Agreement Term, the Governmental Unit and the Finance Authority shall observe and comply promptly with all current and future orders of all courts having jurisdiction over the parties hereto, the Project or the Pledged Revenues.

Section 7.4 First Lien; Equality of Liens. The Loan Agreement Payments constitute an irrevocable first lien (but not necessarily an exclusive first lien) upon the Pledged Revenues. The Governmental Unit covenants that the Loan Agreement Payments and any Parity Obligations herein authorized to be issued and from time to time outstanding shall be equitably and ratably secured by a first lien on the Pledged Revenues and shall not be entitled to any priority one over the other in the application of the Pledged Revenues regardless of the time or times of the issuance of such obligations, it being the intention of the Governmental Unit that there shall be no priority between the Loan Agreement Payments and any such Parity Obligations regardless of the fact that they may be actually issued and delivered at different times.

Section 7.5 Expeditious Completion. The Governmental Unit shall complete the Project with all practical dispatch.

## ARTICLE VIII PREPAYMENT OF LOAN AGREEMENT PAYMENTS

Section 8.1 Prepayment. There is no option to prepay this Loan Agreement in whole or in part, unless as described below.

Section 8.2 Defeasance. Should the Governmental Unit pay or make provision for payment of the Loan such that all amounts due pursuant to this Loan Agreement shall be deemed to have been paid and defeased, then the Loan Agreement Payments hereunder shall also be deemed to have been paid, the Governmental Unit's payment obligations hereunder shall be terminated, this Loan Agreement and all obligations contained herein shall be discharged and the pledge hereof released. Such payment shall be deemed made when the Governmental Unit has deposited with an escrow agent, in trust, (i) moneys sufficient to make such payment, and/or (ii) noncallable Government Obligations maturing as to principal and interest in such amount and at such times as will ensure the availability of sufficient moneys to make such payment and when all necessary and proper expenses of the Finance Authority have been paid or provided for. In the event the Governmental Unit makes provisions for defeasance of this Loan Agreement, the

Governmental Unit shall cause to be delivered (1) a report of an independent nationally recognized certified public accountant verifying the sufficiency of the escrow established to pay this Loan Agreement in full when due or upon an irrevocably designated prepayment date, and (2) an opinion of Bond Counsel to the effect that this Loan Agreement is no longer outstanding, each of which shall be addressed and delivered to the Finance Authority. Government Obligations within the meaning of this Section 8.2, unless otherwise approved by the Finance Authority, shall include only (1) cash, (2) U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series – “SLGs”), and (3) obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

## ARTICLE IX INDEMNIFICATION

From and to the extent of the Pledged Revenues, to the extent permitted by law, the Governmental Unit shall and hereby agrees to indemnify and save the Finance Authority and the Trustee harmless against and from all claims, by or on behalf of any person, firm, corporation or other legal entity arising from the project financed by the Refunded Loan during the Loan Agreement Term, from: (i) any act of negligence or other misconduct of the Governmental Unit or breach of any covenant or warranty by the Governmental Unit hereunder; and (ii) the incurrence of any cost or expense in connection with the project financed by the Refunded Loan in excess of the Loan Agreement proceeds and interest on the investment thereof. The Governmental Unit shall indemnify and save the Finance Authority and the Trustee harmless, from and to the extent of the available Pledged Revenues, from any such claim arising as aforesaid from (i) or (ii) above, or in connection with any action or proceeding brought thereon and, upon notice from the Finance Authority or the Trustee, shall defend the Finance Authority or the Trustee, as applicable, in any such action or proceeding.

## ARTICLE X EVENTS OF DEFAULT AND REMEDIES

Section 10.1 Events of Default Defined. Any one of the following shall be an Event of Default under this Loan Agreement:

(a) Failure by the Governmental Unit to pay any amount required to be paid under this Loan Agreement on the date on which it is due and payable;

(b) Failure by the Governmental Unit to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Loan Agreement, other than as referred to in paragraph (a), for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to the Governmental Unit by the Finance Authority or the Trustee unless the Finance Authority and the Trustee shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice can be wholly cured within a period of time not materially detrimental to the rights of the Finance Authority or the Trustee but cannot be cured within the applicable thirty (30) day period, the Finance Authority and the Trustee will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the Governmental Unit within the

applicable period and diligently pursued until the failure is corrected; and provided, further, that if by reason of force majeure the Governmental Unit is unable to carry out the agreements on its part herein contained, the Governmental Unit shall not be deemed in default under this paragraph (b) during the continuance of such inability (but force majeure shall not excuse any other Event of Default);

(c) Any warranty, representation or other statement by or on behalf of the Governmental Unit contained in this Loan Agreement or in any instrument furnished in compliance with or in reference to this Loan Agreement is false or misleading in any material respect;

(d) A petition is filed against the Governmental Unit under any bankruptcy, moratorium, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and is not dismissed within thirty (30) days after such filing, but the Finance Authority and the Trustee shall have the right to intervene in the proceedings prior to the expiration of such thirty (30) days to protect their interests;

(e) The Governmental Unit files a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, moratorium, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under any such law; or

(f) The Governmental Unit admits insolvency or bankruptcy or its inability to pay its debts as they become due or is generally not paying its debts as such debts become due, or becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or a custodian (including, without limitation, a receiver, liquidator or trustee) of the Governmental Unit for any of its property is appointed by court order or takes possession thereof and such order remains in effect or such possession continues for more than thirty (30) days, but the Finance Authority and the Trustee shall have the right to intervene in the proceedings prior to the expiration of such thirty (30) days to protect their interests.

**Section 10.2 Remedies on Default.** Whenever any Event of Default has occurred and is continuing and subject to Section 10.3 hereof, the Finance Authority or the Trustee may take any or all of the following actions as may appear necessary or desirable to collect the payments then due and to become due or to enforce performance of any agreement of the Governmental Unit in this Loan Agreement or the Intercept Agreement:

(a) By mandamus or other action or proceeding or suit at law or in equity to enforce the rights of the Finance Authority and the Trustee under this Loan Agreement and the Intercept Agreement against the Governmental Unit, and compel the Governmental Unit to perform or carry out its duties under the law and the agreements and covenants required to be performed by it contained herein; or

(b) By suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Finance Authority or the Trustee; or

(c) Intervene in judicial proceedings that affect this Loan Agreement or the Pledged Revenues; or

(d) Cause the Governmental Unit to account as if it were the trustee of an express trust for all of the Pledged Revenues; or

(e) Take whatever other action at law or in equity may appear necessary or desirable to collect amounts then due and thereafter to become due under this Loan Agreement or to enforce any other of its rights thereunder; or

(f) Apply any amounts in the Program Account toward satisfaction of any of the obligations of the Governmental Unit under this Loan Agreement.

Section 10.3 Limitations on Remedies. A judgment requiring a payment of money entered against the Governmental Unit may reach only the available Pledged Revenues.

Section 10.4 No Remedy Exclusive. Subject to Section 10.3 hereof, no remedy herein conferred upon or reserved to the Finance Authority or the Trustee is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder as now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Finance Authority or the Trustee to exercise any remedy reserved in this Article X, it shall not be necessary to give any notice, other than such notice as may be required in this Article X.

Section 10.5 Waivers of Events of Default. The Finance Authority or the Trustee may in its discretion waive by written waiver any Event of Default hereunder and the consequences of such an Event of Default provided, however, that there shall not be waived: (i) any Event of Default in the payment of the principal of this Loan Agreement at the date when due as specified herein; or (ii) any default in the payment when due of the interest on this Loan Agreement, unless prior to such waiver or rescission, all arrears of interest, with interest at the rate borne by this Loan Agreement on all arrears of payments of principal and all expenses of the Finance Authority or the Trustee, in connection with such Event of Default shall have been paid or provided for, and in case of any such waiver or rescission, or in case any proceeding taken by the Finance Authority or the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case, the Finance Authority and the Trustee shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 10.6 No Additional Waiver Implied by One Waiver. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be in writing and limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 10.7 Agreement to Pay Attorneys' Fees and Expenses. In the event that the Governmental Unit shall default under any of the provisions hereof and the Finance Authority or



the Trustee shall employ attorneys or incur other expenses for the collection of payments hereunder, or the enforcement of performance or observance of any obligation or agreement on the part of the Governmental Unit herein contained, the Governmental Unit agrees that it shall on demand therefor pay to the Finance Authority or the Trustee, as applicable, the fees of such attorneys and such other expenses so incurred, to the extent that such attorneys' fees and expenses may be determined to be reasonable by a court of competent jurisdiction; provided, however, that the obligation of the Governmental Unit under this Section shall be limited to expenditures from and to the extent of the available Pledged Revenues.

## ARTICLE XI MISCELLANEOUS

Section 11.1 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered as follows: if to the Governmental Unit, City of Truth or Consequences, 505 Sims Street, Truth or Consequences, New Mexico 87901, Attention: City Manager; if to the Finance Authority, New Mexico Finance Authority, 207 Shelby Street, Santa Fe, New Mexico 87501, Attention: Chief Executive Officer; and if to the Trustee, BOKF, NA, 100 Sun Avenue NE, Suite 500, Albuquerque, New Mexico 87109, Attention: Trust Division. The Governmental Unit, the Finance Authority, and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 11.2 Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon the Finance Authority, the Governmental Unit and their respective successors and assigns, if any.

Section 11.3 Amendments. The Governmental Unit agrees that this Loan Agreement will not be amended without the prior written consent of the Finance Authority, and, if the Loan has been pledged under the Indenture (as defined herein), without the prior written consent of the Trustee (as defined herein), the Finance Authority and the Governmental Unit, pursuant to the Indenture.

Section 11.4 No Liability of Individual Officers, Directors or Trustees. No recourse under or upon any obligation, covenant or agreement contained in this Loan Agreement shall be had against any member, employee, director or officer, as such, past, present or future, of the Finance Authority, either directly or through the Finance Authority, or against any officer, employee, director, trustee or member of the Governing Body, past, present or future, as an individual so long as such individual was acting in good faith. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such officer, employee, director, trustee or member of the Governing Body or of the Finance Authority is hereby expressly waived and released by the Governmental Unit and by the Finance Authority as a condition of and in consideration for the execution of this Loan Agreement.

Section 11.5 Severability. In the event that any provision of this Loan Agreement, other than the requirement of the Governmental Unit to pay hereunder, shall be held invalid or

unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.6 Execution in Counterparts. This Loan Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.7 Assignment by the Finance Authority. Pursuant to the Indenture, this Loan Agreement and the Intercept Agreement may be assigned and transferred by the Finance Authority to the Trustee, which assignment and transfer is hereby acknowledged and approved by the Governmental Unit.

Section 11.8 Compliance with Governing Law. It is hereby declared by the Governing Body that it is the intention of the Governmental Unit by the execution of this Loan Agreement to comply in all respects with the provisions of the New Mexico Constitution and statutes as the same govern the pledge of the Pledged Revenues to payment of all amounts payable under this Loan Agreement.

Section 11.9 Applicable Law. This Loan Agreement shall be governed by and construed in accordance with the laws of the State.

Section 11.10 Captions. The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Loan Agreement.

(Signature pages follow)

IN WITNESS WHEREOF, the Finance Authority, on behalf of itself, and as approved by the Board of Directors of the Finance Authority on April 23, 2020, has executed this Loan Agreement in its corporate name by its duly authorized officer; and the Governmental Unit has caused this Loan Agreement to be executed in its corporate name and the seal of the Governmental Unit affixed and attested by its duly authorized officers. All of the above are effective as of the date first above written.

NEW MEXICO FINANCE AUTHORITY

By: \_\_\_\_\_  
Marquita D. Russel, Chief Executive Officer

PREPARED FOR EXECUTION BY OFFICERS  
OF THE NEW MEXICO FINANCE AUTHORITY:  
Sutin, Thayer & Browne A Professional Corporation  
As Loan Counsel

By: \_\_\_\_\_  
Suzanne Wood Bruckner

APPROVED FOR EXECUTION BY OFFICERS OF  
THE NEW MEXICO FINANCE AUTHORITY:

By: \_\_\_\_\_  
Daniel C. Opperman  
Chief Legal Officer

CITY OF TRUTH OR CONSEQUENCES,  
NEW MEXICO

[SEAL]

By: \_\_\_\_\_  
Sandra Whitehead, Mayor

ATTEST:

By: \_\_\_\_\_  
Angela Torres, City Clerk-Treasurer

5483971

EXHIBIT "A"

TERM SHEET

New Mexico Finance Authority Loan No. PPRF-5198

Governmental Unit:	City of Truth or Consequences, New Mexico
Project Description:	Refund the Loan Agreement No. PPRF-2367 dated November 20, 2009, in the original principal amount of \$2,046,949 from the Finance Authority to the Governmental Unit
Loan Agreement Principal Amount:	\$1,166,036
Disadvantaged Funding Amount:	\$0
Pledged Revenues:	The a one-quarter of one percent (0.25%) increment of of Municipal Gross Receipts Tax, dedicated to the General Fund, enacted pursuant to Section 7-19D-9, NMSA 1978 and City Ordinance, adopted on January 22, 1979 with an effective date of January 1, 1980, which distributions are made monthly by the New Mexico Taxation and Revenue Department.
Coverage Ratio:	125%
Distributing State Agency:	State of New Mexico Taxation and Revenue Department
Currently Outstanding Parity Obligations:	None
Additional Parity Bonds Test:	125%
Authorizing Legislation:	Ordinance No. 716 adopted on August 12, 2020
Closing Date:	September 18, 2020
Blended Interest Rate:	_____%
Funds Received from Refunded Loan:	\$ _____ (Loan Agreement Reserve Account) \$ _____ (Cash – Debt Service Account)
Program Account Deposit:	\$ _____
Loan Agreement Reserve Account Deposit:	\$ _____

Finance Authority Debt Service  
Account Deposit:

\$ \_\_\_\_\_

First Interest Payment Date: May 1, 2021

First Principal Payment Date: May 1, 2021

Final Payment Date: May 1, 2030

PROGRAM ACCOUNT DEPOSITS MUST BE USED WITHIN THREE YEARS UNLESS A  
LATER DATE IS APPROVED IN WRITING TO THE TRUSTEE AND THE FINANCE  
AUTHORITY BY BOND COUNSEL TO THE FINANCE AUTHORITY

EXHIBIT “B”

DEBT SERVICE SCHEDULE FOR LOAN REPAYMENT

[SEE ATTACHED]



EXHIBIT "C"

FORM OF REQUISITION

RE: \$1,166,036 Loan Agreement by and between the City of Truth or Consequences, New Mexico, and the New Mexico Finance Authority (the "Loan Agreement").

TO: BOKF, NA  
c/o New Mexico Finance Authority  
[PPRF@nmfa.net](mailto:PPRF@nmfa.net)

You are hereby authorized to disburse from the Program Account – City of Truth or Consequences, New Mexico (2020 Refunding Loan), with regard to the above-referenced Loan Agreement the following:

LOAN NO.: PPRF-5198  
2020

CLOSING DATE: September 18,

REQUISITION NUMBER: \_\_\_\_\_

NAME AND ADDRESS OF PAYEE: \_\_\_\_\_

AMOUNT OF PAYMENT: \$ \_\_\_\_\_

PURPOSE OF PAYMENT: \_\_\_\_\_

Each obligation, item of cost or expense mentioned herein is for costs of the Project, is due and payable, has not been the subject of any previous requisition and is a proper charge against the Program Account – City of Truth or Consequences, New Mexico (2020 Refunding Loan).

All representations contained in the Loan Agreement and the related closing documents remain true and correct and the City of Truth or Consequences, New Mexico, is not in breach of any of the covenants contained therein.

If this is the final requisition, payment of costs of the Project is complete or, if not complete, the City of Truth or Consequences, New Mexico, shall, and understands its obligation to, complete the financing of the Project from other legally available funds.

Capitalized terms used herein, are used as defined or used in the Loan Agreement.

DATED: \_\_\_\_\_ By: \_\_\_\_\_  
Authorized Officer of Borrower  
Title: \_\_\_\_\_  
Print Name and Title

EXHIBIT "D"

CERTIFICATE OF COMPLETION

RE: \$1,166,036 Loan Agreement by and between the City of Truth or Consequences, New Mexico, and the New Mexico Finance Authority (the "Loan Agreement").

TO: New Mexico Finance Authority  
[PPRF@nmfa.net](mailto:PPRF@nmfa.net)

Susen Ellis  
Vice President, Corporate Trust  
BOKF, NA  
100 Sun Avenue NE, Suite 500  
Albuquerque, New Mexico 87109

LOAN NO.: PPRF-5198

CLOSING DATE: September 18, 2020

In accordance with Section 6.3 of the Loan Agreement, the undersigned states, to the best of his or her knowledge, that the financing of the Project has been completed and accepted by the Governmental Unit, and all costs have been paid as of the date of this Certificate. Notwithstanding the foregoing, this certification is given without prejudice to any rights against third parties which exist at the date of this Certificate or which may subsequently come into being.

Capitalized terms used herein, are used as defined or used in the Loan Agreement.

DATED: \_\_\_\_\_

By: \_\_\_\_\_  
Authorized Officer of Governmental Unit

Title: \_\_\_\_\_  
Print Name and Title

# SUTIN THAYER BROWNE

A PROFESSIONAL CORPORATION

LAWYERS

IRWIN S. MOISE (1906-1984)  
LEWIS R. SUTIN (1908-1992)  
FRANKLIN JONES (1919-1994)  
RAYMOND W. SCHOWERS (1948-1995)  
GRAHAM BROWNE (1935-2003)  
NORMAN S. THAYER (1933-2018)  
STEPHEN CHARNAS (1934-2018)  
MICHAEL G. SUTIN (1935-2019)

ROBERT G. HEYMAN (Of Counsel)

NOE ASTORGA-CORRAL  
LILIANA BENITEZ DE LUNA

ANNE P. BROWNE  
SUZANNE WOOD BRUCKNER  
STEFAN R. CHACÓN  
MARIA MONTOYA CHAVEZ  
EDUARDO A. DUFFY  
TINA MUSCARELLA GOOCH  
ALISON K. GOODWIN  
JESSE D. HALE  
SUSAN M. HAPKA  
WADE L. JACKSON  
DAVID H. JOHNSON  
ROBERT J. JOHNSTON  
CHRISTINA M. LOONEY

STEVAN DOUGLAS LOONEY  
DEBORAH E. MANN  
BRANA L. MEECH  
LYNN E. MOSTOLLER  
CHARLES J. PIECHOTA  
JAY D. ROSENBLUM  
FRANK C. SALAZAR  
JUSTIN R. SAWYER  
ANDREW J. SIMONS  
BARBARA G. STEPHENSON  
MARIPOSA PADILLA SIVAGE  
BENJAMIN E. THOMAS  
L. CURTIS VERNON

6100 UPTOWN BLVD NE, SUITE 400  
ALBUQUERQUE, NEW MEXICO 87110  
POST OFFICE BOX 1945  
ALBUQUERQUE, NEW MEXICO 87103  
505-883-2500  
FAX 505-888-6565

150 WASHINGTON AVE, SUITE 210  
SANTA FE, NEW MEXICO 87501  
POST OFFICE BOX 2187  
SANTA FE, NEW MEXICO 87504  
505-988-5521  
FAX 505-982-5297

WWW.SUTINFIRM.COM

September 18, 2020

New Mexico Finance Authority  
207 Shelby St.  
Santa Fe, NM 87501

City of Truth or Consequences  
Truth or Consequences, New Mexico

\$1,166,036 New Mexico Finance Authority  
Loan to City of Truth or Consequences  
(PPRF-4968)

Ladies and Gentlemen:

We have acted as Loan Counsel to the New Mexico Finance Authority (the "Finance Authority") in connection with the \$1,166,036 Loan Agreement (the "Loan Agreement") between the City of Truth or Consequences, New Mexico (the "Governmental Unit") and the Finance Authority. The Loan Agreement is executed and delivered by the Governmental Unit pursuant to Sections 3-31-1 through 3-31-12, NMSA 1978, as amended, and the Governmental Unit's Ordinance No. 716, adopted on August 12, 2020 (the "Ordinance"). The Loan Agreement has been executed and delivered to provide funds to refund Finance Authority Loan No. PPRF-2367 and to fund the Loan Agreement Reserve Account, as described in the Loan Agreement.

We have examined the Loan Agreement, Intercept Agreement, Ordinance and such other law and certified proceedings and other documents as we deem necessary to deliver this opinion. As to all questions of fact material to the opinions set forth herein, we have relied upon representations of the Governmental Unit contained in the Ordinance and certified proceedings and other documents furnished to us, without undertaking to verify the same by independent investigation. In addition, we have relied upon statements of law made by the Governmental Unit's legal counsel in the certified proceedings.

Based on our examination, we are of the opinion that, under existing laws, regulations, rulings and judicial decisions as of the date hereof, subject to the provisions of federal bankruptcy law and other laws affecting creditors' rights and further subject to the exercise of judicial

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discretion in accordance with general principles of equity and the assumptions, qualifications and limitations contained in this opinion:

1. The Ordinance creates a valid and binding special limited obligation of the Governmental Unit enforceable in accordance with its terms and creates the pledge of the net revenues of the Governmental Unit's a one-quarter of one percent (.25%) increment of Municipal Gross Receipts Tax Revenues (the "Pledged Revenues") which it purports to create.

2. The Loan Agreement is a valid and binding special limited obligation of the Governmental Unit, enforceable in accordance with its terms and provisions and the terms and provisions of the Ordinance.

3. The Loan Agreement is a valid and binding special limited obligation of the Finance Authority, enforceable against the Finance Authority in accordance with its terms and provisions.

4. The Loan Agreement is payable solely from, and such payment is secured by a valid and binding first lien (but not an exclusive first lien) on the Pledged Revenues and on a parity with the lien thereon of other outstanding obligations secured by a first lien on the Pledged Revenues as set forth in the Loan Agreement. The Finance Authority has no right to have taxes levied by the Governmental Unit for the payment of principal of or interest on the Loan Agreement and the Loan Agreement does not represent or constitute a debt or a pledge of, or a charge against, the general credit of the Governmental Unit.

5. Assuming continuing compliance by the Finance Authority and the Governmental Unit with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), with the covenants of the Governmental Unit regarding the use, expenditure and investment of Loan Agreement proceeds and assuming the accuracy of certain representations of the Finance Authority and the Governmental Unit, interest on the Loan Agreement is excludable from gross income of the owners of the Loan Agreement for purposes of federal income taxation. Failure of the Governmental Unit to comply with its covenants and with the requirements of the Code may cause interest on the Loan Agreement to become includable in gross income for federal income tax purposes retroactive to the date of the Loan Agreement.

6. Interest on the Loan Agreement is excluded from net income of the owners thereof for State of New Mexico income tax purposes.

7. The Loan Agreement may be pledged as an "Additional Pledged Loan" or as a "Loan" under the General Indenture of Trust and Pledge dated as of June 1, 1995, as amended and supplemented, by and between the Finance Authority and BOKF, NA, as successor trustee (the "Trustee"), or the Subordinated General Indenture of Trust and Pledge dated as of March 1, 2005, as supplemented, by and between the Finance Authority and the Trustee, as determined by the Finance Authority pursuant to a pledge notification or supplemental indenture.

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We express no opinion with respect to the provisions of the Loan Agreement and the Ordinance with respect to indemnification, provisions requiring that amendments be in writing or payment of attorneys' fees. Other than as described in this opinion, we have not addressed nor are we opining on the tax consequences to any person of the investment in, or the receipt of interest on, the Loan Agreement.

This opinion letter is limited to matters expressly stated in this opinion letter and no opinion is inferred or may be implied beyond the matters expressly stated in this opinion letter.

We express no opinion as to, or the effect or applicability of, any laws other than the laws of the State of New Mexico and the federal laws of the United States of America. The opinions expressed herein are based only on the laws in effect as of the date hereof, and in all respects are subject to and may be limited by future legislation, as well as developing case law. We undertake no obligation to update or modify this opinion for any future events or occurrences, including, but not limited to, determining or confirming continuing compliance by the Finance Authority and the Governmental Unit with the requirements of the Code.

The foregoing opinions represent our legal judgment based upon a review of existing legal authorities that we deem relevant to render such opinions and are not a guarantee of results.

We understand that this opinion is being relied upon by the addressees hereof, and we consent to such reliance, but this opinion may not be delivered to or relied upon by any other person or entity without our written consent.

Very truly yours,

SUTIN, THAYER & BROWNE  
A Professional Corporation

5484006

## INTERCEPT AGREEMENT

This INTERCEPT AGREEMENT is made and entered into September 18, 2020, by and between the NEW MEXICO FINANCE AUTHORITY (the "Finance Authority"), a public body politic and corporate constituting a governmental instrumentality separate and apart from the State of New Mexico (the "State") under the laws of the State and the CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO, a political subdivision duly organized and existing under the laws of the State (the "Governmental Unit").

### W I T N E S S E T H:

WHEREAS, Sections 6-21-1 through 6-21-31, NMSA 1978, as amended, authorized the creation of the Finance Authority within the State to assist in financing the cost of public projects of participating qualified entities, including the Governmental Unit, such as the refunding of Finance Authority Loan No. PPRF-2367 for the Governmental Unit; and

WHEREAS, pursuant to Sections 6-21-1 through 6-21-31, NMSA 1978, as amended, and Sections 3-31-1 through 3-31-12, NMSA 1978, as amended (collectively, the "Act"), the Finance Authority and the Governmental Unit are authorized to enter into agreements to facilitate the financing of the Project as described in the Loan Agreement by and between the Finance Authority and the Governmental Unit of even date herewith (the "Loan Agreement"); and

WHEREAS, the Governmental Unit desires to finance the Project and such financing is permitted under the Act; and

WHEREAS, the Finance Authority has established its Loan Program (the "Program") funded by its public project revolving fund (as defined in the Act) for the financing and refinancing of infrastructure and equipment projects upon the execution of the Loan Agreement and the assignment of loan agreements to a trustee (the "Trustee"); and

WHEREAS, the Governmental Unit desires to borrow \$1,166,036 from the Program for the purpose of financing the Project, which Loan is to be governed by this Intercept Agreement and by the Loan Agreement; and

WHEREAS, the Act confers upon the Finance Authority the authority to loan funds to the Governmental Unit to finance the Project, and Sections 7-1-6.12 and 7-1-6.15, NMSA 1978, as amended, authorize the Governmental Unit to direct that its distribution of a one-quarter of one percent (.25%) increment of Municipal Receipts Tax Revenues (the "Pledged Revenues") from the State Taxation and Revenue Department (the "Distributing State Agency") be paid to the Finance Authority or its assignee, to secure payments under the Loan Agreement.

NOW THEREFORE, the parties hereto agree:

Unless otherwise defined in this Intercept Agreement and except where the context by clear implication otherwise requires, capitalized terms used in this Intercept Agreement shall have for all purposes of this Intercept Agreement the meanings assigned thereto in the Loan Agreement and the Indenture, as defined in the Loan Agreement.

Section 1. Authorization to the Finance Authority. The Governmental Unit hereby recognizes that the Finance Authority has made a Loan to the Governmental Unit in the amount of \$1,166,036 to finance the Project. Pursuant to the Loan Agreement and this Intercept Agreement, the Loan and all Loan Agreement Payments on the Loan made by or on behalf of the Governmental Unit shall be collected by the Finance Authority and remitted to the Trustee. All payments due on the Loan from the Pledged Revenues shall be paid by the Distributing State Agency to the Finance Authority or its designee, on behalf of the Governmental Unit, from scheduled distributions of the Pledged Revenues in accordance with the Intercept Schedule attached hereto as Exhibit "A" (the "Intercept Schedule").

This Intercept Agreement shall be deemed a written certification, authorization and request by the Governmental Unit to the Distributing State Agency to pay to the Finance Authority, on behalf of the Governmental Unit, sums shown on the Intercept Schedule from distributions of the Pledged Revenues pursuant to Sections 7-1-6.12 and 7-1-6.15, NMSA 1978, as amended, to insure compliance with the Loan Agreement and repayment of the Loan. Upon written notice to the Distributing State Agency from the Finance Authority, the amount of the Pledged Revenues to be paid to the Finance Authority shall be increased from the amounts shown on Exhibit "A" to defray any delinquencies in the Finance Authority Debt Service Account or Loan Agreement Reserve Account, if any, established for the Governmental Unit. Any accumulation of the Pledged Revenues in an amount in excess of the next Loan Agreement Payment and the Loan Agreement Reserve Requirement, if any, shall be redirected by the Finance Authority to the benefit of the Governmental Unit on a timely basis as provided in Section 5.2 of the Loan Agreement.

To the extent applicable and to the extent that the Pledged Revenues are insufficient to meet the debt service requirements due on the Loan and other Parity Obligations (as defined in the Loan Agreement) now or hereafter issued or incurred, the amounts intercepted under this Intercept Agreement shall be applied to allow partial payment on a pro-rata basis of the debt service due and owing on the Loan Agreement and other Parity Obligations.

Section 2. Term; Amendments. This Intercept Agreement will remain in full force and effect from its effective date as herein provided until such time as the Loan made pursuant to the Loan Agreement and this Intercept Agreement have been paid in full. Nothing herein shall be deemed in any way to limit or restrict the Governmental Unit from issuing its own obligations, providing its own program or participating in any other program for the financing of public projects which the Governmental Unit may choose to finance. This Intercept Agreement may be amended only by written instrument signed by the parties hereto.



Section 3. Authorization. The execution and performance of the terms of this Intercept Agreement have been authorized and approved by Ordinance No. 716, passed and adopted on August 12, 2020 by the Governing Body of the Governmental Unit, which Ordinance is in full force and effect on the date hereof.

Section 4. Severability of Invalid Provisions. If any one or more of the provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such provision shall be null and void and shall be deemed separable from the remaining provisions and shall in no way affect the validity of any of the other provisions hereof.

Section 5. Counterparts. This Intercept Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 6. Further Authorization. The Governmental Unit agrees that the Finance Authority shall do all things necessary or convenient to the implementation of the Program to facilitate the Loan to the Governmental Unit.

Section 7. Effective Date. This Intercept Agreement shall take effect on the Closing Date of the Loan.

Section 8. Initial Intercept Date. As indicated on the Intercept Schedule, the first distribution of the Pledged Revenues that is to be intercepted by the Distributing State Agency under the terms of this Intercept Agreement consist of Pledged Revenues due to the Governmental Unit distributed in November, 2020.

Section 9. Final Intercept Date. Once the Loan has been fully paid off and satisfied, Finance Authority shall provide written notice to the Distributing State Agency to discontinue the interception of the Governmental Unit's Pledged Revenues.

[Remainder of page left intentionally blank]

[Signature page follows]

IN WITNESS WHEREOF, the parties to this Intercept Agreement have caused their names to be affixed hereto by the proper officers thereof as of the date first above written.

NEW MEXICO FINANCE AUTHORITY

By: \_\_\_\_\_  
Marquita D. Russel, Chief Executive Officer

CITY OF TRUTH OR CONSEQUENCES,  
NEW MEXICO

By: \_\_\_\_\_  
Sandra Whitehead, Mayor

(SEAL)

Attest:

By: \_\_\_\_\_  
Angela Torres, City Clerk-Treasurer

Acknowledged:

By: \_\_\_\_\_  
State Taxation and Revenue Department

Date: \_\_\_\_\_

5483978

EXHIBIT "A"

INTERCEPT SCHEDULE  
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO  
PPRF-5198

Payment Dates	Pledged Revenues	Amount
Monthly, beginning November, 2020 through April, 2021	The revenues from the County Local Option Gross Receipts Tax imposed by the Governmental Unit Ordinance passed and approved by the Governmental Unit pursuant to the Act on January 22, 1979, with an effective date of January 1, 1980, which imposes a Municipal Local Option Gross Receipts Tax in the amount of one-quarter of one percent (.25%) of the gross receipts of all persons engaging in business within the Governmental Unit. The Tax Ordinance originally imposed what was known as the first increment of Municipal Local Option Gross Receipts Tax. Pursuant to Laws 2019, Chapter 274, the County Local Option Gross Receipts Tax imposed by the Tax Ordinance is no longer indentifiable as the first increment and instead comprises one-quarter of one percent (.25%) of the maximum rate of municipal gross receipts tax that may be imposed under NMSA 1978, Section 7-19D-9 of 1.625 percent.	\$
May, 2021 through April, 2030		\$

STATE OF NEW MEXICO )  
SIERRA COUNTY ) ss. ARBITRAGE AND TAX  
 ) CERTIFICATE

4. Sources and Uses of Loan Funds. The Governmental Unit has received Loan proceeds from the public project revolving fund, as defined in the New Mexico Finance Authority Act, Sections 6-21-1, *et seq.*, NMSA 1978, as amended and supplemented, in the amount of

\$\_\_\_\_\_ from the Finance Authority (the "Proceeds"). The Proceeds do not exceed the amount reasonably necessary for the purposes for which the Refunding Loan was entered into.

5. Expenditure Expectations. The Governmental Unit reasonably expects that the \$\_\_\_\_\_ of Proceeds deposited into the Governmental Unit's Program Account in the Program Fund together with other legally available funds and anticipated earnings from the investment of such Proceeds until they are spent, are expected to be expended within ninety (90) days of the date hereof.

The estimated total costs of the Project will not be less than \$\_\_\_\_\_ plus investment earnings thereon during the acquisition period.

Proceeds in the amount of \$\_\_\_\_\_ will be deposited into the Finance Authority Debt Service Account to be maintained by the Finance Authority or its assignee and utilized as provided in Section 5.2 of the Refunding Loan.

6. Investment of Proceeds. Except for the investment of the Proceeds (i) in the Program Account established under the Indenture with respect to the Refunding Loan pending the payment of the costs of the Project, (ii) in the Refunding Loan Reserve Account established under the Indenture with respect to the Refunding Loan to be applied to prevent deficiencies in the payment of principal and interest on the Refunding Loan, and (iii) in the Finance Authority Debt Service Account established and administered by the Finance Authority pending the payment of debt service on the Refunding Loan, there will be no investment of the Proceeds.

7. Bona Fide Debt Service Fund. Debt service payments on the Refunding Loan will be paid from the Pledged Revenues of the Governmental Unit deposited to the Finance Authority Debt Service Account created with respect to the Refunding Loan. Because the Pledged Revenues of the Governmental Unit for any year will exceed debt service on the Refunding Loan, it is assumed that current debt service paid by the Governmental Unit for deposit in the Finance Authority Debt Service Account will be derived entirely from the current Pledged Revenues. The Finance Authority Debt Service Account will be depleted at least once a year except for an amount not to exceed the greater of the earnings on the Finance Authority Debt Service Account for the immediately preceding bond year or one-twelfth ( $1/12^{\text{th}}$ ) of debt service on the Loan for the immediately preceding bond year. The Governmental Unit has not created or established, nor does it expect to create or establish, any debt service fund, redemption fund, replacement fund, sinking fund or other similar fund which is reasonably expected to be used to pay principal or interest on the Refunding Loan or pledged therefor, except for the Finance Authority Debt Service Account and the Refunding Loan Reserve Account.

8. Reserve Account. Proceeds in the amount of \$\_\_\_\_\_ will be deposited in the Governmental Unit's Refunding Loan Reserve Account in the Agreement Reserve Fund held by the Trustee under the Indenture, which amount does not exceed the least of (i) one hundred twenty-five percent (125%) of the average annual principal and interest requirements under the Refunding Loan; (ii) the maximum annual principal and interest requirements under the Refunding Loan, or (iii) ten percent (10%) of the Refunding Loan Principal Amount. Amounts held in the Governmental Unit's Refunding Loan Reserve Account may be applied to prevent deficiencies in the payment of principal and interest on the Refunding Loan resulting from a failure by the

Governmental Unit to deposit into the Finance Authority Debt Service Account sufficient funds to pay debt service on the Refunding Loan.

9. No Disposition of Original Project. The Refunded Loan was entered into for the purpose of financing streets, alleys, sidewalks and curbs within the Governmental Unit (the "Original Project"). The undersigned reasonably expect that no part of the Original Project financed with the proceeds of the Refunded Loan has been sold or otherwise disposed of, and reasonably expects that no part of the Original Project will be sold or otherwise disposed of, in whole or in part, during the term of the Refunding Loan.

10. General Tax Covenant. The Governmental Unit has covenanted in the Refunding Loan that no use will be made of the Proceeds, or any funds or accounts of the Governmental Unit which may be deemed to be Gross Proceeds (as defined in Treasury Regulation Section 1.148(b)) of the Refunding Loan, which use, if it had been reasonably expected on the date hereof, would have caused the Refunding Loan to be classified as an "arbitrage bond" within the meaning of Section 148 of the Code. The Governmental Unit has further obligated itself in the Refunding Loan to comply throughout the term of the Refunding Loan with the requirements of Sections 103 and 141 through 150 of the Code and regulations proposed or promulgated with respect thereto.

11. Transferred Proceeds. Approximately \$ \_\_\_\_\_ of remaining proceeds of the Refunded Loan are expected to be expended by \_\_\_\_\_, and are considered "transferred proceeds" of the Refunded Loan.

12. Use of Project. The Original Project financed with the proceeds of the Refunded Loan has been used for the purposes intended for the life of the Refunded Loan and is expected to continue to be used for the purposes intended as long as the Refunding Loan is outstanding.

13. Private Business Use Limitations. None of the proceeds of the Refunded Loan nor the Proceeds of the Refunding Loan will be used by a private business or any entity other than a governmental unit or secured by payments from or property of a private business or any entity other than a governmental unit except pursuant to a management contract which conforms with Revenue Procedure 2017-13 of the United States Treasury. For purposes of the preceding sentence a governmental unit does not include the United States Government or any agency or instrumentality thereof.

14. No Common Plan of Financing. There are no other obligations which are being issued or sold at substantially the same time as the Refunding Loan pursuant to a common plan of financing with the Refunding Loan and that will be paid out of the Pledged Revenues or will have substantially the same claim to be paid out of the Pledged Revenues as the Refunding Loan.

15. No Federal Guarantees. The Loan is not federally guaranteed within the meaning of Section 149(b) of the Code.

16. Information Filing. Loan Counsel for the Finance Authority, on behalf of the Governmental Unit, will timely file the Form 8038-G with respect to the Refunding Loan attached hereto as Exhibit "A" with the Internal Revenue Service. The Finance Authority has verified

certain information necessary to complete the Form 8038-G as shown on the Finance Authority Certificate attached hereto as Exhibit "B".

17. Hedge Bonds. The Loan is not a hedge bond as defined in Section 149 of the Code.

18. No Reimbursement. None of the Proceeds will be used to reimburse the Governmental Unit for costs paid for the Project more than sixty (60) days prior to the date hereof.

19. Refunding. Proceeds of the Loan will be used to pay the costs of refunding, refinancing, discharging and redeeming the outstanding Refunded Loan on or about September 18, 2020.

20. Economic Life of Refunding Loan and Refunded Loan. The weighted average maturity of \_\_\_\_\_ years of the Refunding Loan does not exceed 120% of the remaining reasonably expected economic life of the Original Project, which is \_\_\_\_\_ years. The remaining weighted average maturity of the Refunded Loan is \_\_\_\_\_ years.

21. Record Retention. The Governmental Unit will manage and retain records related to the Loan as follows:

A. Records will be retained for the life of the Loan, including any refunding loans related thereto, plus three (3) years. Records may be in the form of documents or electronic copies of documents, appropriately indexed to the Loan and compliance functions;

B. Basic records relating to the Loan transaction, including transcript documents executed in connection with the issuance of the Loan (i.e., the authorizing documents, Form 8038-G, the tax certificate, and any elections made with respect to the Loan, if applicable), any amendments, and copies of rebate calculations and records of payments, including Forms 8038-T;

C. Records pertaining to the use of Loan-financed facilities by public and private sources including copies of management agreements and research agreements;

D. Records pertaining to expenditures of Loan proceeds including requisitions, appraisal and property purchase contracts, account statements, invoices, payment vouchers, and the final allocation of proceeds to expenditures;

E. Records pertaining to all sources of payment or security for the Loan; and

F. Records pertaining to investments including guaranteed investment contract documents under the Treasury Regulations, records of purchase and sale of other investments, and records of investment activity sufficient to permit calculation of arbitrage rebate or demonstration that no rebate is due.

[Signature page follows]



This certificate is being executed and delivered to establish the reasonable expectations of the Governmental Unit for purposes of Sections 103 and 141 through 148 of the Code, and the undersigned officers of the Governmental Unit are the officers of the Governmental Unit charged with the responsibility of entering into the Refunding Loan. The foregoing is based upon the reasonable expectations of the undersigned on the date hereof, and to the best of our knowledge, information and belief, the above expectations are reasonable.

Dated: September 18, 2020

CITY OF TRUTH OR CONSEQUENCES,  
NEW MEXICO

[SEAL]

By: \_\_\_\_\_  
Sandra Whitehead, Mayor

By: \_\_\_\_\_  
Morris Madrid, City Manager

5484023

\$1,076,378  
TRUTH OR CONSEQUENCES, NEW MEXICO  
NEW MEXICO FINANCE AUTHORITY  
PUBLIC PROJECT REVOLVING FUND REFUNDING AND NEW MONEY LOAN  
Loan No. PPRF-5198

Closing Date: July 31, 2020

TRANSCRIPT OF PROCEEDINGS  
INDEX

1. Open Meeting Act Resolution No. 01 19/20 adopted July 10, 2019 - **update**
2. Ordinance No. 716, adopted August 12, 2020, Agenda, and the Affidavits of Publication of the Notice of Intent to Adopt Ordinance and Notice of Adoption of Ordinance in the *Sierra County Sentinel*
3. Notice of Redemption of Loan No. PPRF-2367 to Finance Authority and Trustee
4. Correspondence related to Department of Finance and Administration Approval of Refunding
5. Loan Agreement
6. Intercept Agreement
7. General and No Litigation Certificate
8. Arbitrage and Tax Certificate with Form 8038-G and evidence of filing and Finance Authority Tax Representations Certificate
9. Delivery, Deposit and Cross-Receipt Certificate
10. Approving Opinion of Sutin, Thayer & Browne A Professional Corporation, Loan Counsel to the Finance Authority
11. Finance Authority Application and Project Approval (informational only)

TRANSCRIPT DISTRIBUTION LIST

Truth or Consequences, New Mexico  
New Mexico Finance Authority  
BOKF, NA  
Sutin, Thayer & Browne A Professional Corporation  
Jaime Rubin, Esq.

[on City letterhead]

August 13, 2020

State of New Mexico  
Department of Finance and Administration  
180 Bataan Memorial Building  
Santa Fe, New Mexico 87501

Attention: Brenda Suazo-Giles, LGD Budget and Finance Bureau Chief  
Via Email at: [brendal.suazo-giles@state.nm.us](mailto:brendal.suazo-giles@state.nm.us)

**Re: City of Truth or Consequences, New Mexico Refunding Loan from New Mexico  
Finance Authority, Loan No. PPRF-5198**

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Ladies and Gentlemen:

The City of Truth or Consequences, New Mexico ("City") seeks the approval of the New Mexico Department of Finance and Administration pursuant to Section 3-31-9(E), NMSA 1978, as amended. The City has negotiated with the New Mexico Finance Authority (the "Finance Authority") for the refunding of its \$2,046,949 Loan No. PPRF-2367 dated November 20, 2009, in the outstanding refundable principal amount of \$\_\_\_\_\_, using a new loan from the Finance Authority (the "Loan").

The refunding will capitalize on current low interest rates to create economic savings for the City and contribute to future cash flow relief. The City expects to have a net present value saving of approximately \$\_\_\_\_\_ by doing the refunding. Enclosed is a Financing Plan from the Finance Authority evidencing these savings. Note that the City is not incurring fees for outside bond counsel or for a financial advisor.

The City hereby certifies that it will comply with all provisions of Section 3-31-1 through 3-31-12, NMSA 1978, as amended. The City expects that Sutin, Thayer & Browne A Professional Corporation, counsel to the Finance Authority, will deliver its bond counsel opinion that the Ordinance adopted by the City on August 12, 2020 (copy attached), and the Loan Agreement (copy attached) between the City and the Finance Authority to be executed in connection with the Loan are valid and binding special, limited obligations of the City.

Please contact the undersigned at 575-894-6690 if you have questions or require any further information in connection with this request for approval. Closing of the Loan is scheduled for

September 18, 2020, and we would appreciate receiving your response by September 10, 2020, if possible. Thank you.

Very truly yours,

CITY OF TRUTH OR CONSEQUENCES,  
NEW MEXICO

By \_\_\_\_\_  
Morris Madrid, City Manager

Enclosures (Hard copy with tabs and electronic copy)  
5483981

cc w/enc: Local Government Division of the Department of Finance & Administration  
Attention: Secretary Donnie Quintana ([Donnie.Quintana@state.nm.us](mailto:Donnie.Quintana@state.nm.us))  
New Mexico Finance Authority  
Attention: Ron Cruz ([rcruz@nmfa.net](mailto:rcruz@nmfa.net))  
Sutin, Thayer & Browne A Professional Corporation  
Attention: Suzanne Wood Bruckner, Esq. ([swb@sutinfirm.com](mailto:swb@sutinfirm.com))

## INDEX TO ATTACHMENTS

1. Financing Plan
2. Form of Ordinance No. \_\_\_\_ adopted by the City on June 24, 2020 authorizing the Loan
3. Draft Loan Agreement
4. Certification of the City RE Statutory Compliance (contained in cover letter)

\$1,166,036  
CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO  
NEW MEXICO FINANCE AUTHORITY LOAN

STATE OF NEW MEXICO                    )  
SIERRA COUNTY                         ) ss.   GENERAL AND NO LITIGATION  
TRUTH OR CONSEQUENCES            )       CERTIFICATE

IT IS HEREBY CERTIFIED by the undersigned, the duly elected and chosen, Mayor, City Manager and City Clerk-Treasurer and Attorney for the City of Truth or Consequences, New Mexico (the "Governmental Unit") in Sierra County, and the State of New Mexico (the "State") (provided, that the Attorney for the Governmental Unit is certifying only as to Paragraphs 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 13, 14, 16, 17, 18, 20, 21, 22, 24 and 25 hereof):

Capitalized terms used in this Certificate have the same meaning as defined in Governmental Unit Ordinance No. 716 adopted on August 12, 2020 (the "Ordinance") unless otherwise defined in this Certificate or the context requires otherwise.

1.     The Governmental Unit is a political subdivision of the State and is duly organized and validly existing under and pursuant to the laws of the State, its full name being "Truth or Consequences."

2.     The Governmental Unit was incorporated in the year 1916.

3.     From at least April 30, 2019 (except as otherwise noted), to and including the date of this Certificate, the following were and now are the duly chosen, qualified and acting officers of the Governmental Unit:

Mayor/Chairman:	Sandra Whitehead
Mayor Pro-Tem:	Brendan Tolley
Commissioners:	Randall Aragon Paul Baca Amanda Forrister
City Manager:	Morris Madrid
Attorney:	Jaime (Jay) Rubin
City Clerk-Treasurer:	Angela Torres

4.     The population of the Governmental Unit's jurisdictional and service area is not less than seventy-five percent (75%) English speaking and is less than twenty-five percent (25%) Spanish speaking.

5. There is no reason within our knowledge, after due inquiry with respect thereto, why the Governmental Unit may not enter into the Loan Agreement and Intercept Agreement with the New Mexico Finance Authority (the "Finance Authority"), as authorized by the Ordinance.

6. The Governmental Unit has duly authorized the execution, delivery and performance of its obligations under the Loan Agreement and the Intercept Agreement. The Loan Agreement and the Intercept Agreement have been duly authorized, executed and delivered by the Governmental Unit.

7. The Ordinance has been duly signed and adopted in accordance with all applicable laws and has not been repealed, rescinded, revoked, modified, amended or supplemented in any manner except as set forth in the Ordinance. The Ordinance constitutes valid and sufficient legal authority for the Governmental Unit to carry out and enforce the provisions of the Loan Agreement and the Intercept Agreement. No referendum petition has been filed with respect to the Ordinance under the provisions of the laws, bylaws or regulations or charter of the Governmental Unit and the laws of the Governmental Unit or the State.

8. No event will result from the execution and delivery of the Loan Agreement or the Intercept Agreement that constitutes a default or an event of default under any of the Loan Agreement, the Intercept Agreement or the Ordinance, and no event of default and no default under the Loan Agreement, the Intercept Agreement or the Ordinance has occurred and is continuing on the date of this Certificate.

9. The Governmental Unit has duly authorized and approved the consummation by it of all transactions and has complied with all requirements and satisfied all conditions, which are required by the Loan Agreement and the Intercept Agreement to have been authorized, approved, performed or consummated by the Governmental Unit at or prior to the date of this Certificate. The Governmental Unit has full legal right, power and authority to carry out and consummate the transactions contemplated by the Ordinance, the Loan Agreement and the Intercept Agreement.

10. A. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the enforceability of the Loan Agreement and the Intercept Agreement or to any of the actions required to be taken by the Ordinance, the Loan Agreement or the Intercept Agreement on or prior to the date of this Certificate have been obtained and are in full force and effect; and

B. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the financing of the Project have been obtained and are in full force and effect.

11. None of the following does or will conflict with, or constitute a breach by the Governmental Unit of, or default by the Governmental Unit under any law, court decree or order, governmental regulation, rule or order, resolution, agreement, indenture, mortgage or other instrument to which the Governmental Unit is subject or by which it is bound:

A. The Governmental Unit's adoption of the Ordinance; or



B. Any action contemplated by or pursuant to the Ordinance, the Loan Agreement or the Intercept Agreement.

12. No material adverse change has occurred, nor has any development occurred involving a prospective material and adverse change in, or affecting the affairs, business, financial condition, results of operations, prospects, or properties of the Governmental Unit or the Pledged Revenues since the date of the Ordinance.

13. To the best of our knowledge and belief, after due inquiry with respect thereto, none of the events of default referred to in Article X of the Loan Agreement has occurred.

14. Subsequent to the adoption of the Ordinance, the Governmental Unit has not pledged or otherwise encumbered the Pledged Revenues. On the date of this Certificate there are no other outstanding obligations with a lien or encumbrance against the Pledged Revenues senior to or on a parity with the lien of the Loan Agreement except as set forth in the Term Sheet attached as Exhibit "A" to the Loan Agreement.

15. The Loan Agreement prohibits the Governmental Unit from issuing any bonds or other obligations with a lien on Pledged Revenues senior to the lien thereon of the Loan Agreement on the Pledged Revenues. The Loan Agreement permits the Governmental Unit to issue additional bonds or other obligations with a lien on the Pledged Revenues on a parity with or subordinate to the lien of the Loan Agreement on the Pledged Revenues upon satisfaction of the conditions set forth in the Loan Agreement.

16. There is no threatened action, suit, proceeding, inquiry or investigation against the Governmental Unit, at law or in equity, by or before any court, public board or body, nor to the Governmental Unit's knowledge is there any basis therefor, affecting the existence of the Governmental Unit or the titles of its officials to their respective offices, or seeking to prohibit, restrain or enjoin the pledge of revenues or assets of the Governmental Unit pledged or to be pledged to pay the principal, premium, if any, and interest on the Loan Agreement, or in any way materially adversely affecting or questioning: (a) the territorial jurisdiction of the Governmental Unit; (b) the use of the proceeds of the Loan Agreement for the Project and to pay certain costs of the Finance Authority associated with the administration of its public projects revolving fund loan program; (c) the validity or enforceability of the Loan Agreement, the Intercept Agreement or any proceedings of the Governmental Unit taken with respect to the Loan Agreement, the Intercept Agreement or the Ordinance; (d) the execution and delivery of the Loan Agreement or the Intercept Agreement; or (e) the power of the Governmental Unit to carry out the transactions contemplated by the Loan Agreement, the Intercept Agreement or the Ordinance.

17. The Governmental Unit has complied with all the covenants and satisfied all the conditions on its part to be performed or satisfied at or prior to the date hereof, and the representations and warranties of the Governmental Unit contained in the Loan Agreement, the Intercept Agreement and in the Ordinance are true and correct as of the date hereof.

18. The Governmental Unit is not in default, and has not been in default within the ten (10) years immediately preceding the date of this Certificate, in the payment of principal of, premium, if any, or interest on any bonds, notes or other obligations which it has issued, assumed or guaranteed as to payment of principal, premium, if any, or interest except that no representation

is made with respect to industrial revenue bonds or conduit bonds payable solely from installment sale or lease payments, loan repayments or other amounts received by the Governmental Unit from private entities.

19. To the best of our knowledge and belief, neither the Mayor, City Manager, City Clerk-Treasurer, any member of the Governing Body, nor any other officer, employee or other agent of the Governmental Unit is interested (except in the performance of his or her official rights, privileges, powers and duties), directly or indirectly, in the profits of any contract, or job for work, or services to be performed and appertaining to the Project.

20. Regular meetings of the Governing Body have been held in the Commission Chambers, 405 W. 3<sup>rd</sup> Street, Truth or Consequences, New Mexico 87901, the principal meeting place of the Governing Body.

21. The Governing Body has no rules of procedure which would invalidate or make ineffective the Ordinance or other action taken by the Governing Body in connection with the Loan Agreement. Open Meetings Act Resolution No. 01 19/20, as adopted and approved by the Governing Body on July 10, 2020, establishes notice standards as required by Sections 10-15-1 through 10-15-4, NMSA 1978. Open Meetings Act Resolution No. 01 19/20 has not been amended or repealed. All action of the Governing Body with respect to the Loan Agreement, the Intercept Agreement and the Ordinance was taken at meetings held in compliance with Open Meetings Act Resolution No. 01 19/20.

22. The *Sierra County Sentinel* is a legal newspaper which maintains an office and is of general circulation in the Governmental Unit's jurisdictional and service area.

23. The Pledged Revenues from the Fiscal Year immediately preceding the Closing Date were equal to or exceeded, and, on an ongoing basis during each year of the Loan Agreement Term, are reasonably expected to equal or exceed one hundred twenty-five percent (125%) of the maximum Aggregate Annual Debt Service Requirement.

24. The Pledged Revenues may lawfully be pledged to secure the payment of amounts due under the Loan Agreement.

25. The Mayor, City Manager and City Clerk-Treasurer, on the date of the signing of the Loan Agreement and the Intercept Agreement and on the date of this Certificate, are the duly chosen, qualified and acting officers of the Governmental Unit authorized to execute such agreement.

26. The Governmental Unit understands that Sutin, Thayer & Browne A Professional Corporation represents the Finance Authority in this Loan and the Governmental Unit has had the opportunity to consult other counsel in connection with the Loan.

27. This Certificate is for the benefit of the Finance Authority.

28. This Certificate may be executed in counterparts.

[Signature page follows]

WITNESS our hands and the seal of the Governmental Unit this 18<sup>th</sup> day of September, 2020.

TRUTH OR CONSEQUENCES, NEW MEXICO

By \_\_\_\_\_  
Sandra Whitehead, Mayor

By \_\_\_\_\_  
Angela Torres, City Clerk-Treasurer

By \_\_\_\_\_  
Morris Madrid, City Manager

[SEAL]

APPROVED:

Paragraphs 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 13, 14, 16, 17, 18, 20, 21, 22, 24 and 25 are approved and confirmed.

\_\_\_\_\_  
Jaime (Jay) Rubin, Attorney for the  
City of Truth or Consequences, New Mexico

5484003



# CITY OF TRUTH OR CONSEQUENCES

## AGENDA REQUEST FORM

MEETING DATE: July 22, 2020

Agenda Item #: I.1

**SUBJECT:** Discussion/Action: Consideration of Amendments to Resolution 33 19/20 pertaining to a back to work plan for the City of Truth or Consequences.

**DEPARTMENT:** City Clerk's Office

**DATE SUBMITTED:** July 15, 2020

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

**WHO WILL PRESENT THE ITEM:** City Manager Madrid

**Summary/Background:**

This is a re-occurring item that will be presented at each meeting during the COVID-19 Pandemic.

**Recommendation:**

Review of Resolution 33 19/20.

**Attachments:**

Resolution 33 19/20

**Fiscal Impact (Finance):** TBD

**Legal Review (City Attorney):** N/A

**Approved For Submittal By:** ☐ Department Director

**Reviewed by:** ☒ City Clerk ☐ Finance ☒ Legal ☐ Other: -

**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 7-22-2020



## **RESOLUTION NO. 33 19/20**

### **A RESOLUTION ADOPTING A GET BACK TO WORK PLAN**

**WHEREAS**, the City of Truth or Consequences City Commission met upon notice of meeting duly published on May 27, 2020, at 5:30 P.M. in the City Commission Chambers, 405 W. 3rd Street, Truth or Consequences, New Mexico 87901 via teleconference; and

**WHEREAS**, on March 11, 2020, the Governor of New Mexico issued Executive Order 2020-04, in response to an outbreak of a novel coronavirus identified as COVID-19, declaring a state of public health emergency under the Public Health Emergency Response Act and invoking powers under the All Hazards Emergency Management Act and the Emergency Licensing Act; and

**WHEREAS**, pursuant to the declaration of a public health emergency, the Secretary of the New Mexico Department of Health has issued several Public Health Emergency Orders, including the Order of March 23, 2020, in which the Secretary defined essential business and ordered that all "non-essential" businesses, including non-profits, reduce their in-person workforce by 100%; and

**WHEREAS**, on April 6, 2020 the Secretary amended the March 23, 2020, Order and ordered that all "non-essential" businesses, including non-profits, close "office spaces, retail spaces, or other public spaces" of the businesses; and

**WHEREAS**, on April 6, 2020, the Governor of New Mexico issued Executive Order 2020, which among other actions, extended the declaration of a public health emergency until May 1, 2020, unless rescinded or extended; and

**WHEREAS**, the Governor of New Mexico amended Executive Order 2020 on May 15, 2020, effective until rescinded or amended; and

**WHEREAS**, in rural areas, small businesses are the primary, and sometimes the sole, provider of essential goods and services; and

**WHEREAS**, the blanket closure of small businesses deemed "non-essential" has had a significant impact on those businesses and continues to have, and the local economy in general; and

**WHEREAS**, data related to COVID-19 shows that the virus has impacted different areas in New Mexico; and

**WHEREAS**, Sierra County currently has a low number of confirmed cases; and

**WHEREAS**, The City of Truth or Consequences acknowledges that the best safe health practices are a shared responsibility of all its citizens and visitors; and

**WHEREAS**, the City of Truth or Consequences appears to be positioned to allow businesses to re-open in progressive degrees and timing; and

**WHEREAS**, the City of Truth or Consequences supports maximum testing and requests maximum support from the State of New Mexico; and

**WHEREAS**, data related to Covid-19 shows that the virus has impacted different areas in New Mexico, and continues to be a serious health risk; and

**NOW, THEREFORE BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TRUTH OR CONSEQUENCES, THAT IT IS HEREBY ADOPTING THE FOLLOWING AS ITS GET BACK TO WORK PLAN:**

The following safe practices shall be followed as appropriate:

1. Continue social distancing of six feet while working, shopping, and all other times possible.
2. Employees of business establishments shall wear masks. Businesses have the right to require customers to wear masks.
3. Gatherings of 10 persons or more are prohibited.
4. Sanitation supplies and/or facilities shall be available at all businesses.
5. Vulnerable individuals should continue to stay at home.
6. Travel shall be reduced as much as possible.

Specifically:

- a. Previously closed Bars, Restaurants and Lodging may operate at Fifty percent (50%) of capacity as designated by the New Mexico State Fire Marshal. Distances between tables/barstools less than six feet is prohibited.
- b. Previously closed Retail Stores may operate at Fifty percent (50%) of capacity as designated by the New Mexico State Fire Marshal.
- c. Medical facilities may operate at full (100%) capacity while maintaining safe distancing and sanitizing requirements.
- d. Close contact businesses such as Cosmetologists, Barbers, Manicurists, etc. may service customers on a one to one basis. No waiting areas will be permitted.
- e. Recreational facilities may open at 50% capacity if they are able to follow safe distancing requirements.

The Civic Center May be used for essential meetings at the discretion of the City Manager. This Resolution shall go into effect commencing May 27, 2020 unless otherwise superseded by an Executive Order from State Authority.

This Resolution may be amended by the City Commission in its discretion.

**PASSED, APPROVED, and ADOPTED this 27<sup>th</sup> day of May, 2020.**



**ATTEST:**

**Angela A. Torres, City Clerk-Treasurer**

**Sandra Whitehead, Mayor**





# City of Truth or Consequences

## AGENDA REQUEST FORM

MEETING DATE: July 22, 2020

Agenda Item #: 1.1

**SUBJECT:** Survey Via Utility Bill Regarding Commission Meeting Times

**DEPARTMENT:** City Commission

**DATE SUBMITTED:** July 13, 2020

**SUBMITTED BY:** Commissioner Randall Aragon

**WHO WILL PRESENT THE ITEM:** Randall Aragon, City Commissioner

### **Summary/Background:**

Many citizens have expressed their thoughts to me (and other Commissioners) that we should consider a return to conducting the City Commission meetings in the evening. Doing so (according to those concerned) will allow those working to listen and/or attend in person to express their feelings on issues. There is an excellent survey method to insure that all our residents may democratically express their opinion as to the meeting times. Our "Utility Bill" allows for a message to be added in the center of the bill. The survey would list in text the following: "Circle your choice of Commission Meeting Times—Option #1 (meetings to remain at 9:00 A.M. or Option #2 (meetings to be conducted at 6:00 P.M.). The resident would sign their name below their choice and provide the Utility Office the bill who would (if requested) make a copy and return the original back to the resident. The completed surveys would then be tallied and provided to the Commissioners for their review and final decision.

### **Recommendation:**

That this initiative be discussed by the City Commissioners for review and if considered reasonable be executed by the City Manager. The survey should be widely advertised via the media, city Facebook, and other sources to insure our residents are cognizant of this democratic process to insure their input is being considered.

### **Attachments:**

- None

### **Fiscal Impact (Finance):** Choose an item.

It has been mentioned that those employees that must attend in the evening would be subject to overtime; however, those that must attend are generally "exempt"/salaried employees who are not eligible for overtime. Even if their supervisors do offer them time off for working over this may be negated by providing them time off earlier in the day or time off prior to any scheduled meeting.

### **Legal Review (City Attorney):** N/A

**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 7-22-2020





## City of Truth or Consequences

### AGENDA REQUEST FORM

MEETING DATE: July 22, 2020

Agenda Item #: 1.2

**SUBJECT:** Consider the appointment of Larry Mullenax and Mark Shipley to the Airport Advisory Board.

**DEPARTMENT:** Clerk's Office

**DATE SUBMITTED:** July 15, 2020

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

**WHO WILL PRESENT THE ITEM:** City Manager Madrid

**Summary/Background:**

On July 7, 2020 the Airport Advisory Board unanimously voted to recommend the appointment of Larry Mullenax and Mark Shipley to serve another two year term on the Airport Advisory Board.

**Recommendation:**

Appointment of Larry Mullenax and mark Shipley to the Airport Advisory Board.

**Attachments:**

- None.

**Fiscal Impact (Finance):** No

-

**Legal Review (City Attorney):** N/A

-

**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 7-22-2020



## City of Truth or Consequences

### AGENDA REQUEST FORM

MEETING DATE: July 22, 2020

Agenda Item #: 1.3

**SUBJECT:** Consider the appointment of Cary "Jagger" Gustin to serve another 2 year term as the Film Liaison.

**DEPARTMENT:** Clerk's Office

**DATE SUBMITTED:** July 15, 2020

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

**WHO WILL PRESENT THE ITEM:** City Manager Madrid

**Summary/Background:**

Mr. Gustin has served as the City of Truth or Consequences Film Liaison for 28 years. He is requesting that the City Commission approve him for another two year term.

**Recommendation:**

Consider re-appointment of Mr. Cary "Jagger" Gustin as the City of Truth or Consequences Film Liaison.

**Attachments:**

- Request letter

**Fiscal Impact (Finance):** No

-

**Legal Review (City Attorney):** N/A

-

**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 7-22-2020

July 14<sup>th</sup>, 2020

Sandy Whitehead, Mayor  
T or C City Commission  
City of Truth or Consequences  
City Hall 505 Sims Streets  
Truth or Consequences, NM 87901

RE: Film Report and Request for Reappointment

Dear Mayor Whitehead

It has been my honor to serve as your appointed Film Liaison to The New Mexico Film Office for the past 2 years. I am requesting Approximately 5 to 10 minutes of your Agenda time on your July 22<sup>nd</sup>, 2020 Commission meeting. At that time I will give your commission a quick film report and request reappointment for another 2 year term.

This will mark my 28 year to serve the City of Truth or Consequences to this State Film Office Appointment. The contacts and professional relationships I have established in the New Mexico Film Industry are valuable tools to bring filming here to the city. I have a great working relationship with the Film Office and communicate regularly with other Liaisons around the state.

Thank You in Advance for your consideration of my request.

Sincerely



Cary Jagger Gustin, Film Liaison Truth or Consequences, NM  
NM Film Office

Cc: Morris Madrid, City Mgr.  
Tammy Gardner, Executive Assistant



## City of Truth or Consequences

### AGENDA REQUEST FORM

MEETING DATE: July 22, 2020

Agenda Item #: K.1

**SUBJECT:** Review of "draft" 2020-2021 Final Budget

**DEPARTMENT:** Finance

**DATE SUBMITTED:** July 16, 2020

**SUBMITTED BY:** Carol Kirkpatrick, Finance Director

**WHO WILL PRESENT THE ITEM:** City Manager Madrid

**Summary/Background:**

Review Draft of Final Budget to be approved on July 29, 2020 at a Special Session and to hear presentations from Departments

**Recommendation:**

Recommend approval

**Attachments:**

- "draft" 2020-2021 Final Budget
- .

**Fiscal Impact (Finance):** Choose an item.

**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. . Ordinance No. .

Continued To: . Referred To: .

☐ Approved ☐ Denied ☐ Other: .

File Name: CC Agendas 7-22-2020



**City of Truth or Consequences Project Status Report**  
**Status Report Date: 05.27.2020**

Funding Source	Project I.D.	Grant Amount	Match Req.	Loan	Total	Status
NMFA Colonias 2019	City-wide Water PER	\$ 81,000.00	\$ 9,000.00	\$ 9,000.00	\$ 99,000.00	Pending Agreement Approval by CPB
NMED CWSRLF	Vacuum Sewer Rehabilitation	\$ 100,000.00	\$ -	\$ 373,000.00	\$ 473,000.00	City to go out to RFP for AED
NMED DWSRLF	Marshall St., N. Pershing, 2nd Ave., and Sierra Vista Dr. Waterline Replacement	\$ 620,542.00		\$ 620,543.00	\$ 1,241,085.00	In Design Phase
USDA-RD	MSD Water System Improvements	\$ 3,960,000.00		\$ 5,457,000.00	\$ 9,417,000.00	In Design Phase
2019/2020 LGRF NMDOT Cooperative	Various Streets	\$ 30,000.00	\$ 10,000.00		\$ 40,000.00	Const Estimated to start in spring
2019/2020 Capital Appropriation	SJOA Ken James Senior Center - Roof Repair/Improvements	\$ 210,000.00			\$ 210,000.00	Tentative Start date April 10
2019/2020 Capital Appropriation	SJOA Ken James Senior Center - Meal Trucks Purchase and Equip	\$ 90,000.00			\$ 90,000.00	In delivery process
USDA-RD - CF Equipment Grant	Parks Maintenance Truck and Equipment	\$ 37,700.00	\$ 30,923.00		\$ 68,623.00	Waiting on final equipment arrival est. April
NM Tourism - Clean and Beautiful	Ralph Edwards Park Beautification Phase 1 - (Grant Funds for Irrigation Equip Only)	\$ 51,000.00	\$ 70,175.00		\$ 121,175.00	Construction Doc by March 31
NMDOT Aviation Division	Airfield Maintenance and Consumable Items	\$ 19,705.00	\$ 2,189.00		\$ 21,894.00	Available for Use
NMDOT Aviation Division	Electrical Vault Design Construction (FAA Grant - \$214,522/NMDOT State Grant - \$11,919)	\$ 226,441.00	\$ 11,919.00		\$ 238,360.00	Waiting on Fed Grant Agreement
2020/2021 LGRF NMDOT Cooperative	Various Streets (Foch, Locust, Yucca, Palo Verde, Sierra Vista Dr., Pine, and Corbett)	\$ 61,988.00	\$ 20,663.00	\$ -	\$ 82,651.00	Waiting on Grant Agreement
NMFA Water Trust Board	Booster Station and Austin St. Improvements	\$ 641,146.00	\$ 71,000.00		\$ 712,146.00	Waiting on Official Award Letter
Colonias 2020	MSD Project Roadway Replacement	\$ 900,000.00	\$ 100,000.00	\$ 100,000.00	\$ 1,100,000.00	Waiting on Official Award Letter

					\$ -	
	<b>CURRENT FUNDED PROJECT TOTALS</b>	<b>\$ 7,029,522.00</b>	<b>\$ 325,869.00</b>	<b>\$ 6,559,543.00</b>	<b>\$ 13,914,934.00</b>	
					\$ -	

NM Tourism Clean and Beautiful	Shelters, Benches, Picnic Tables, Lighting, Security Cameras	\$ 141,000.00				Pending application review
NMFA Planning Grant No. 1	Sanitary Sewer Asset Management Plan	\$ 50,000.00			\$ 50,000.00	Pending application review
NMFA Planning Grant No. 2	River Walk Feasibility	\$ 50,000.00	\$ 10,000.00		\$ 60,000.00	Pending application review
2020/2021 LGRF NMDOT MAP	Gold Street	\$ 221,160.06	\$ 73,720.02	\$ -	\$ 294,880.08	Pending application review
USDA-RD - CF Equipment Grant	Police Department Vehicles and Equipment	\$ 61,398.73	\$ 50,235.33		\$ 111,634.06	Pending application review
CDBG Planning Grant	Comprehensive Master Plan Update				\$ -	Submitting Application
CDBG 2020/2021 Capital Project	Regional Project between City and Village of Williamsburg	\$ 1,500,000.00	\$ 112,500.00	\$ -	\$ 1,612,500.00	Submitting Application
BOR Water Smart Grant Application	Upgrade Water Meters to AMI				\$ -	Future application
	<b>CURRENT FUTURE PROJECT TOTALS</b>	<b>\$ 1,882,558.79</b>	<b>\$ 246,455.35</b>	<b>\$ -</b>	<b>\$ 2,129,014.14</b>	

\$ 13,914,934.00 <--Secured  
\$ 2,129,014.14 <--Pending

USDA-RD	1. WWTP Phase 2B - Plant Improvements Project and Sanitary Sewer Collection Improvements	\$ 4,515,400.00		\$ 715,000.00	\$ 5,230,400.00	Scheduling Final Walk-thru
USDA-RD	2. WWTP Phase 2B - Plant Improvements Project and Sanitary Sewer Collection Improvements	\$ 485,600.00		\$ 315,000.00	\$ 800,600.00	Waiting on final equipment delivery

**CITY OF TRUTH OR CONSEQUENCES  
2020-21 BUDGET WORK SHOP  
JULY 22, 2020**

**Handouts:**

- Budgeting 101
- Deadlines and Requirements
- Budgeting by Fund
- Budget Adjustment Requests (BARS)
- Budgeting Do's and Don'ts
- Recommended Budget Calendar

**Memorandum BFB #20-02 (Donnie J. Quintana, Director)**

**New Mexico Department of Finance and Administration, Local  
Government Division**

- Checklist of Budget Documents

**Presentations by Departments**

**Review of Draft of Final 2020-21 Operating Budget**

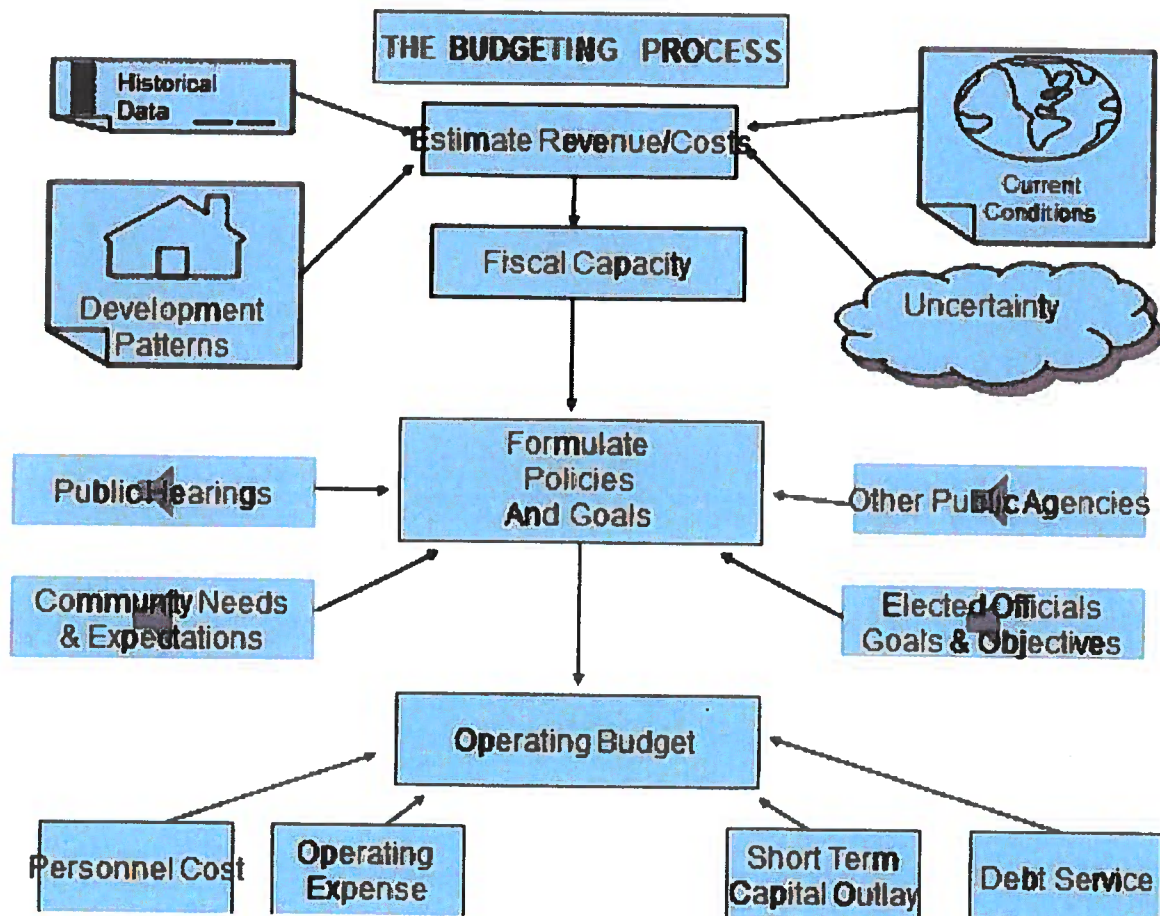
- Draft Final Budget
- Draft Final Budgeted Revenues
- Draft Final Budgeted Expenditures
- Draft Final Schedule of Transfers
  
- Highlights of Changes in Draft Final Budget (Handed Out at Workshop)

# BUDGETing

A budget is a monetary plan, communication tool and a legal binding contract.

The budget process can be broken down into four (4) basic stages:

Stages	Techniques/Areas
1. Preparation	Forecasting revenues and expenditures, cost analysis, capital budgeting, debt administration and other personnel issues, assessing financial conditions, and economic development
2. Approval	Review of information developed in preparation stages
3. Execution	Accounting, revenue administration, expenditure administration, purchasing, cash management, and investments
4. Review	Auditing



## DEADLINES:

In order to comply with Section 6-6-2 NMSA 1978, local governments have the following deadlines to adhere to:

**June 1** - Interim Budget due

[**NOTE:** NM law does not allow time extensions.]

**July 31** - Final Budget due {any changes to budget from interim budget submission with only exception- beginning cash balances on recap page}

- Budget approval resolution due
- Fiscal year-end financial reports due
- Year-end budget adjustment due

## REQUIREMENTS:

- **BUDGET RESOLUTION:** governing body must adopt a budget by resolution and submit to LGD for approval.
- **BUDGET DISCUSSIONS SUBJECT TO "OPEN MEETINGS ACT":** governing body discussions on the budget are subject to the New Mexico "Open Meetings Act" [NMSA 1978 Chapter 10, Article 15]. If a governing body establishes a finance committee to work with the budget officer in preparing the budget, the committee's meetings are also subject to the law.
- **BUDGET HEARINGS:** governing body should hold budget workshops and hearings as needed but **must hold** a minimum of **one (1) budget hearing**.
- **LGD Cash Balances Reserve Requirements:**

### **Municipalities:**

**1/12th** of the budgeted *GENERAL FUND EXPENDITURES* **must be** maintained in the fiscal year ending cash balance on June 30.

### **Counties:**

**3/12th** of the budgeted *GENERAL FUND EXPENDITURES* **must be** maintained in the fiscal year ending cash balance on June 30.

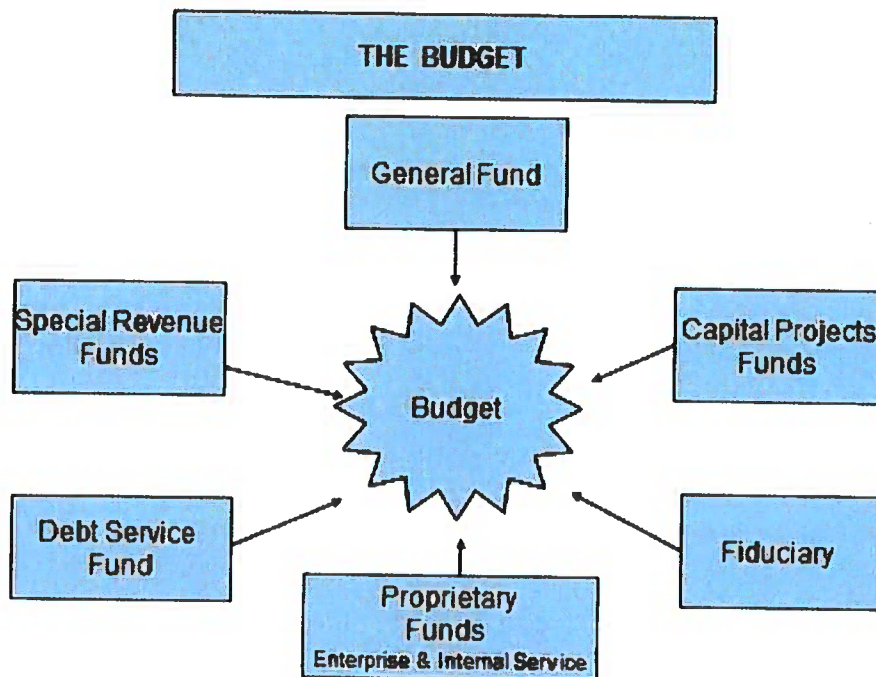
**1/12th** of the budgeted *ROAD FUND EXPENDITURES* **must be** maintained in the fiscal year ending cash balance on June 30.

This requirement helps maintain an adequate cash flow if there are shortfalls in gross receipts and property tax collections.

Additional portion of the general fund cash balance can be reserved by direct action of the governing body. The action to set up a reserve must specify the purpose, the amount and the expected date for its use.



# Budgeting By Fund



13

**General Fund** – non-restrictive, used for operating purposes

**Special Revenue Funds** - account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes

**Capital Projects Funds** - account for financial resources to be used for the acquisition or construction of major capital projects

**Debt Service Funds** - account for the accumulation of resources for the payment of general obligation and long-term debt principal and interest.

## Proprietary Funds

**Enterprise Funds** - account for operations of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, i.e. Electric, Water, Gas, Sewer, Solid Waste Utility

**Internal Service Funds** - account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit on a cost-reimbursement basis. i.e. Risk management, motor pool, etc.

## Fiduciary Funds

**Trust and Agency Funds** - account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. They include: (a) expendable trust funds, (b) nonexpendable trust funds, (c) pension trust funds and (d) agency funds. i.e. motor vehicle, meter deposits, etc.

# **BUDGET ADJUSTMENT Requests (BARs):**

Chapter 6, Article 6 of the New Mexico Statutes Annotated (NMSA) 1978 requires the Local Government Division (LGD), Budget & Finance Bureau to:

- REVIEW AND APPROVE BUDGET ADJUSTMENT RESOLUTIONS (if applicable)

**THE LOCAL GOVERNMENT DIVISION INTERPRETS SECTION 6-6-6 TO APPLY TO A FUND'S TOTAL BUDGET. IF A FUND'S TOTAL BUDGET IS NOT OVERSPENT, THEN THE FUND IS IN COMPLIANCE WITH SECTION 6-6-6.**

## **ADJUSTMENTS REQUIRING LGD APPROVAL:**

- ☐ Increases and/or decreases to budgeted **revenues** (fund level)
- ☐ Increases and/or decreases to budgeted **expenditures** (fund level)
- ☐ Transfers, in or out (between funds)
- ☐ Transfers of cash, both permanent and temporary (between funds)
- ☐ Any combination of the above

## **ADJUSTMENTS NOT REQUIRING LGD APPROVAL:**

***Still requires action by the governing body***

- ☐ Transfers of budget between departments within a fund
- ☐ Transfers of budget between line items within a department within a fund.

**ALL BARs MUST BE approved by the governing body (regardless if they need to be approved by LGD or kept internal) and should be reviewed by the effected department heads within the entity.**

**Entity should not process any adjustments prior to getting proper authorization from required level of authorization.**

## **Budgeting DO'S AND DON'TS**

- Never budget recurring cost, i.e. full-time equivalent (FTE) from non-recurring (i.e., one time) revenues.
- Start a capital equipment reserve; use sales of equipment proceeds to fund.  
(Put one-time revenue windfalls in reserve or a "Capital Improvements Program" fund.)
- Review insurance premium vs. coverage. Establish a loss prevention program and avoid actions by the governing body and other public officials which may lead to lawsuits.
- Periodically review need for programs, projects, departments. Consider zero growth budgets.
- Try to minimize the number of funds established.

Recommended Budget Calendar		
Task	Timing	Responsibility
1. Set up budget format for each fund, department, division and account.	January	Finance Department
2. Compare total actual expenditures from previous fiscal year to establish total expenditures and revenue for current fiscal year.	Mid-February	Finance Department
3. Prepare instructions for elected officials & department heads. Indicate any guidelines that should be considered, such as estimated gasoline increases, telephone, postage, etc.	Mid-February	Finance Department
4. Send instructions, appropriate budget page and appropriate analysis of expenditures.	First week in March	Finance Department
5. Complete or update estimates for this year and budget requests for next year.	Mid-March	Elected Officials & Department Heads
6. Attach justification for budget requests and return.	April 1	Elected Officials & Department Heads
7. Review departmental requests and update revenue estimates and proposed adjustments.	First week in April	County/City Manager & Finance Department
8. Send budget proposals to Governing Body.	Second week in April	Finance Department
9. Hold workshops with elected officials, department heads, and have hearings for public input.	Third week in April	Governing Body
10. Return budget preparation turnaround worksheet to elected official or department head for review and comment.	End of April	Finance Department
11. Finalize budget and submit to governing body for review. Estimate ending cash balance as of June 30 and reflect on recap of budget.	Early-May	Finance Department
12. Review recommended budget and approve.	May Meeting	Governing Body
13. Prepare budget for submission to DFA/LGD.	By June 1	Finance Department
14. Budget approval granted.	By July 1	DFA/LGD
15. Hold final budget hearing, submit final adjustments and financial reports as of June 30 to DFA/LGD.	By July 30	Governing Body/Manager
16. Load budget into accounting system.	For July processing	Finance Department
17. Review and certify budget.	By 1st Monday in September	DFA/LGD
18. Load final budget adjustment into accounting system.	September	Finance Department
19. Certification of tax rates to counties.	September	DFA/LGD
20. Instructions to impose tax rate to county assessor.	September	Governing Body

**MICHELLE LUJAN GRISHAM**  
GOVERNOR



**OLIVIA PADILLA-JACKSON**  
CABINET SECRETARY

**DONNIE J. QUINTANA**  
DIRECTOR

STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
LOCAL GOVERNMENT DIVISION  
Bataan Memorial Building ♦ 407 Galisteo St. ♦ Suite 202 ♦ Santa Fe, NM 87501  
PHONE (505) 827-4950 ♦ FAX (505) 827-4948

**MEMORANDUM BFB #20-02**

TO: New Mexico Counties and Municipalities

FROM: Donnie J. Quintana, Director  
Local Government Division

DATE: March 2, 2020

SUBJECT: Fiscal Year 2020-21 Budget Preparation & Submission Guidelines

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We cordially provide the following guidelines to ensure statutory compliance with Section 6-6-2 NMSA 1978 that requires each local public body to furnish and file with the Department of Finance and Administration (DFA), Local Government Division (LGD) a proposed (interim) budget for the next fiscal year. Furthermore, this statute authorizes the LGD to prescribe the form for all budgets, books, records and accounts for local public bodies.

Pursuant to Section 6-6-2.K. NMSA 1978, DFA/LGD requires that Fiscal Year 2020-21 interim budgets for counties and municipalities be submitted on the Local Government Budget Management System (LGBMS). Additionally, budget supporting schedules in the prescribed Excel format will be submitted electronically as attached files via LGBMS.

Also required is the submission of a new Security Access Form (SAF) for each individual within your local government who requires access to the system for Fiscal Year 2020-21. In order to safeguard the data submitted on LGBMS, please be sure to submit a SAF to deactivate the account of anyone that has left your respective agencies.

The Security Access Form (SAF), LGBMS User Guide, LGBMS FAQ document, and other information are available on our website: <http://www.nmdfa.state.nm.us/lgbms.aspx>

**PLEASE NOTE:**

We offer the following recommendations in preparing a balanced interim budget, in the event your local government is facing financial/budgetary challenges:

- Adopting and applying formal policy that strictly disallows recurring expenditures from cash balances and non-recurring revenues,

- Implementing an immediate freeze on all current vacant employee positions (excluding health and public safety services positions) as well as increases to employee salaries (excluding union contractual obligations),
- Implementing an immediate freeze on any new non-essential contracts that affect the General Fund,
- Discontinue the practice of providing funds to any non-profit organizations that are not tied to a legislative appropriation

#### **INTERIM Budget Deadlines:**

##### **Counties & Municipalities**

Budget Submittal on LGBMS: June 1, 2020 *[submission extensions cannot be granted]*

Budget Resolution: optional at this date

Property Tax Resolution: June 1, 2020 (changes to the operating mill levy)

##### **LGD**

Interim Approval Letter: July 1, 2020

*NOTE: Approval of the interim budget designates it a legal binding document until the final budget is approved.*

#### **FINAL Budget Deadlines**

**For the below identified REQUIREMENTS is July 31, 2020:**

##### **Counties & Municipalities**

Budget Revisions on LGBMS

Budget Resolution

Budget Supporting Schedules

4th quarter report

4th quarter report Resolution

##### **LGD**

Final Approval Letter: September 1, 2020

*NOTE: Approval of the final budget designates it as a legal binding document. The final budget as approved on LGBMS is the official budget of record for your local government.*

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#### **Other Required Items:**

##### **Resolutions**

Sample resolutions for budget and 4th quarter report adoptions are located on our website:  
<http://www.nmdfa.state.nm.us/bfb-forms.aspx>

##### **Supporting Schedules**

Required schedules that support the budget are listed below and can be found on our website:  
<http://www.nmdfa.state.nm.us/bfb-forms.aspx>

- Property Tax Calculation Worksheet - calculates projected property tax revenue.
- Debt Schedule - lists all outstanding debt {loans, revenue & general obligation bonds}.
- S-5 (DETAIL OF NON-BUDGETED RESERVE REQUIREMENTS form) - lists additional reserves (not LGD required reserves which are automatically calculated by LGBMS) and must tie to amounts reported in LGBMS under Object Code 10105 Locally Imposed Reserve.

- Revenue Checklist - lists all GRT imposed increments including intercepted GRT amounts [refer to Memorandum #BFB-19-02 "*Guidelines for Reporting Gross Receipts Tax and Various Intercepts*" located on our website: [http://www.nmdfa.state.nm.us/Budget\\_Memos\\_1.aspx](http://www.nmdfa.state.nm.us/Budget_Memos_1.aspx); however, due to de-earmarking of GRT revenue (enactment of 2019 House Bill 479), local governments have more discretion in budgeting revenue so long as "GRT" LGBMS line items are used for tracking purposes].
- Form S-2 (SCHEDULE OF INSURANCE) - lists all insurance costs.
- Salary Schedule - lists salaries and benefits associated with each budget position [Personnel schedules generated from your systems will be accepted].
- County Elected Official Salary Schedule - lists salaries of all county elected officials to review compliance with NM Statutory caps.
- FY21 Co-Muni Budget Work Plan Questionnaire – describes major issues affecting an entity's FY2020-21 budget and how those factors are being addressed in the budget.

#### **4th Quarter Report**

This report will be submitted on the LGBMS Reporting Module, under the "FY2020 Q4" reporting period. A governing body approved resolution approving the 4<sup>th</sup> Quarter Report is also required and must be attached in the "files" menu of the LGBMS Reporting Module.

#### **OTHER:**

Items on the Budget Recapitulation (Recap) Page to be aware of:

- Beginning cash on recap page must tie to the 4th quarter report ending cash (before reserves)
- Investments must be reported in the investments column
- Total Transfers must always equal to zero (LGBMS will flag this as an error)
- Adjusted Ending Cash balances of any Fund cannot be negative, including Funds that are awaiting grant reimbursements (LGBMS will flag this as an error)
- County Expenditure Limitations: Pursuant to Section 6-6-7 NMSA 1978, county officials may not expend in excess of 50% of the approved budget for the fiscal year during which the terms of office of any official will expire.

#### **LGD RESERVES (LGBMS will automatically calculate):**

*General Fund Reserve Requirements:*

- Muni Reserve is 1/12<sup>th</sup> of total budgeted expenditures
- County Reserve is 3/12<sup>ths</sup> of total budgeted expenditures

*County Road Fund Reserve Requirements:*

- County Reserve is 1/12<sup>th</sup> of total budgeted expenditures

#### **Salary Increases:**

One- time temporary salary increases (known as bonuses) are not allowed.

See the "*July 2, 2008 Memo Performance Bonuses, Retroactive Pay Increases and Bonuses In Lieu of Pay Increases*" memo located on our website:

[http://www.nmdfa.state.nm.us/Budget\\_Memos\\_1.aspx](http://www.nmdfa.state.nm.us/Budget_Memos_1.aspx)



**New Mexico Department of Finance and Administration  
Local Government Division  
Budget Request Forms**

**CHECKLIST OF BUDGET DOCUMENTS**

**Deadlines:** Budget Submission – June 1<sup>st</sup>

LGD does not have statutory authority to extend this date.

**Year-end Quarter Report (4<sup>th</sup> quarter) - July 31<sup>st</sup>**

NOTE: Final budget approval cannot be made without this report.

(Please provide an electronic form as well as a paper copy.)

**Year-end Resolution - July 31<sup>st</sup>**

LGD will not extend deadline for resolutions for the fiscal year beyond this date.

**Required Documents:** Submit all of the above documents in either hard copy or electronic form.

- ☐ **RESOLUTION** approving submission of the ensuing fiscal year's interim and final budget requests.
- ☐ Budget Recapitulation (**RECAP**) (summary of estimated beginning cash balances, revenues, transfers, expenditures and ending cash balances). Ending cash balances must be a zero or positive number. Transfer total must equal to zero.
- ☐ **COVER LETTER NOTED ITEMS** – Please include language in your cover letter to LGD indicating the amount your entity has appropriated for the following:
  - **Audit Cost** for both municipalities & counties,
  - **1% Property Tax Administrative Fee** for municipalities.
- ☐ **REVENUE CHECKLIST FORM** – Complete form, specifying all GRT revenues and County Detention Distribution (if applicable).
- ☐ **SALARY SCHEDULE** – Must include Grand Totals for Number of FTE, Total Salaries and Benefits Budgeted, and Average Salary Increase (%). NOTE: County's must ensure elected officials' salary does not exceed allowable limit.
- ☐ **INSURANCE SCHEDULE** - Identify amounts budgeted by fund.
- ☐ **BOND SCHEDULE** - Please include copies of all current debt schedules and complete the Debt Service Summary document. The DS Summary must reconcile to the budget detail.
- ☐ **NON-BUDGETED RESERVE REQUIREMENTS SCHEDULE** - Complete form S-5.
- ☐ **LEPF** - If carrying forward any prior year balances, please provide **carryover approval letter**.

NOTE: **PROPERTY TAX CALCULATION** table has been removed from the budget recap document and currently exists as a supplemental document and is located on the first tab of the new budget forms. Identify any newly implemented Property Tax Authority (mill rates) in the comments section.

Signature & Title \_\_\_\_\_ Date \_\_\_\_\_

Phone \_\_\_\_\_

**CITY OF TRUTH OR CONSEQUENCES  
DRAFT FINAL BUDGET  
2020-2021**

**As of 7/17/2020**

		7/1/2020	7/1/2020	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	6/30/2021	
Fund No	Fund	Actual Beginning Cash Balance 7/1/20	+ Investments	+ Revenues	+ Transfers In	- Transfers Out	- Expenditures	= Ending Cash Balance 6/30/21	Less DFA Local Reserve Requirement (1/12 of Exp)	Adjusted Ending Cash Balance 6/30/21	
<b>GENERAL FUNDS</b>											
11000	General Fund	\$ 1,073,202	\$ 105,897	\$ 4,382,465	\$ 1,986,804	\$ (733,461)	\$ (6,198,935)	\$ 615,972	\$ (516,577.92)	\$ 99,394	
<b>SPECIAL REVENUE FUNDS</b>											
20100	Corrections (201)	\$ 15,585	\$ -	\$ 7,400	\$ 34,800		\$ (42,200)	\$ 15,585	\$ -	\$ 15,585	
20500	Hold Harmless (296)	\$ 373,926	\$ -	\$ 350,265	\$ 280,264	\$ (62,728)	\$ (203,702)	\$ 738,025	\$ -	\$ 738,025	
20900	Fire Protection (209)	\$ 922,735	\$ -	\$ 326,728			\$ (1,183,628)	\$ 65,835	\$ -	\$ 65,835	Revised 7-10-20
21100	Law Enforcement Protection (211)	\$ -	\$ -	\$ 26,600	\$ -	\$ -	\$ (26,600)	\$ -	\$ -	\$ -	
21400	Lodgers' Tax (214)	\$ 412,007	\$ -	\$ 352,400	\$ -	\$ (90,000)	\$ (281,305)	\$ 393,102	\$ -	\$ 393,102	
21600	Municipal Street (216)	\$ 582,157	\$ -	\$ 454,360	\$ 45,000	\$ (130,663)	\$ (838,845)	\$ 112,009	\$ -	\$ 112,009	
21700	Recreation (295)	\$ 58,641	\$ -	\$ 5,750	\$ 76,437	\$ -	\$ (114,727)	\$ 26,101	\$ -	\$ 26,101	
	Subtotal	\$ 2,365,050	\$ -	\$ 1,523,503	\$ 436,501	\$ (283,391)	\$ (2,691,007)	\$ 1,350,656	\$ -	\$ 1,350,656	
21800	Intergovernmental Grants										
	Municipal Court JAF (101)	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ (15,000)	\$ (15,000)	\$ -	\$ -	\$ -	
	NM Clean and Beautiful (101)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	7-10-20 Removed No Award 20-21
	Juvenile Justice JJAC (101)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	7-10-20 Removed
	Subtotal	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ (15,000)	\$ (15,000)	\$ -	\$ -	\$ -	
21900	Senior Grants										
	Senior Grants (304)	\$ 5	\$ -	\$ 309,076	\$ 65,827	\$ (309,076)	\$ (65,832)	\$ 0	\$ -	\$ 0	Revised 7-10-20
	Subtotal	\$ 5	\$ -	\$ 309,076	\$ 65,827	\$ (309,076)	\$ (65,832)	\$ 0	\$ -	\$ 0	
29900	Other Special Revenue										
	Library (294)	\$ 42		\$ 53,995			\$ (39,810)	\$ 14,227	\$ -	\$ 14,227	
	PD Confidential (297)	\$ 8,430	\$ -	\$ -	\$ 10,000	\$ -	\$ (15,000)	\$ 3,430	\$ -	\$ 3,430	
	Vet Wall Perpetual Care (293)	\$ 375		\$ -	\$ -	\$ -	\$ (375)	\$ -	\$ -	\$ -	



		7/1/2020	7/1/2020	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	6/30/2021
Fund No	Fund	Actual Beginning Cash Balance 7/1/20	+ Investments	+ Revenues	+ Transfers In	- Transfers Out	- Expenditures	= Ending Cash Balance 6/30/21	Less DFA Local Reserve Requirement (1/12 of Exp)	Adjusted Ending Cash Balance 6/30/21	
	PD Donations (298)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Subtotal	\$ 8,846	\$ -	\$ 53,995	\$ 10,000	\$ -	\$ (55,185)	\$ 17,656	\$ -	\$ 17,656	
	<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>\$ 2,373,902</b>	<b>\$ -</b>	<b>\$ 1,901,574</b>	<b>\$ 527,328</b>	<b>\$ (607,467)</b>	<b>\$ (2,827,024)</b>	<b>\$ 1,368,313</b>	<b>\$ -</b>	<b>\$ 1,368,313</b>	
<b>ENTERPRISE FUNDS</b>											
50100	Water Enterprise (504)	\$ 423,855		\$ 1,093,559		\$ (435,935)	\$ (1,033,887)	\$ 47,591		\$ 47,591	
50200	Solid Waste Enterprise (505)	\$ 1,156,886	\$ 423,586.80	\$ 2,224,413		\$ (394,779)	\$ (2,286,278)	\$ 1,123,828		\$ 1,123,828	
50300	Wastewater/Sewer Enterprise (506)	\$ 507,838		\$ 1,143,550		\$ (292,818)	\$ (1,028,662)	\$ 329,908		\$ 329,908	
50400	Airport Enterprise (509)	\$ 28,727		\$ 217,806	\$ 121,000	\$ (32,189)	\$ (335,344)	\$ 0		\$ 0	
50600	Cemetery Enterprise (501)	\$ 39,497		\$ 8,014		\$ -	\$ (11,000)	\$ 36,511		\$ 36,511	
51400	Electric Utility (504)	\$ 817,276	\$ 1,356,416.56	\$ 7,328,874		\$ (1,655,255)	\$ (6,539,533)	\$ 1,307,779		\$ 1,307,779	
51800	Golf Course Enterprise (508)	\$ 13,285		\$ 35,100	\$ 195,133	\$ -	\$ (244,764)	\$ 1,246		\$ 1,246	
52100	Joint Utility (502)	\$ 92,224		\$ 58,500	\$ 393,372	\$ -	\$ (515,436)	\$ 28,660		\$ 28,660	
						\$ -					
	<b>TOTAL ENTERPRISE FUNDS</b>	<b>\$ 3,079,588</b>	<b>\$ 1,780,003</b>	<b>\$ 12,109,815</b>	<b>\$ 709,505</b>	<b>\$ (2,810,976)</b>	<b>\$ (11,994,904)</b>	<b>\$ 2,875,523</b>	<b>\$ -</b>	<b>\$ 2,875,523</b>	
<b>CAPITAL PROJECTS FUNDS</b>											
30400	Road Street Project (NEW)	\$ -	\$ -	\$ 111,693	\$ 32,852		\$ (144,545)	\$ -		\$ -	Added 7-10-20
30600	NMFA PROJECT (NEW)	\$ -	\$ -	\$ 1,090,000	\$ 109,000		\$ (1,199,000)	\$ -		\$ -	Added 7-10-20
30700	Water Trust Board Project	\$ -	\$ -	\$ 641,146	\$ 71,000		\$ (712,146)	\$ -		\$ -	Added 7-10-20
30800	Other State Funded Projects	\$ -	\$ -	\$ 1,714,085	\$ -	\$ -	\$ (1,714,085)	\$ -		\$ -	Added 7-10-20
30900	Other Federal Funded Projects (320 USDA Water System Improvement)	\$ 442,375	\$ -	\$ 8,974,625	\$ -	\$ -	\$ (9,417,000)	\$ 0		\$ 0	Added 7-10-20
30900	Other Federal Funded Projects (309 - USDA Capital Imp Fund (USDA WWTP)	\$ 49,801		\$ -				\$ 49,801	\$ -	\$ 49,801	
30900	Other Federal Funded Projects (312 - R&R Airport )	\$ 958		\$ -				\$ 958	\$ -	\$ 958	
30900	Other Federal Funded Projects (308 - USDA Equipment Grant) Debt \$ proceeds)	\$ 100		\$ -				\$ 100	\$ -	\$ 100	
39900	Other Capital Projects (New)	\$ -	\$ -	\$ 226,441	\$ 11,919	\$ -	\$ (238,360)	\$ -			Added 7-10-20
39900	Other Capital Projects (306 - Capital Improvements Jt Uti)	\$ 324,220		\$ 4,700	\$ 7,713	\$ -	\$ -	\$ 336,633	\$ -	\$ 336,633	
39900	Other Capital Projects (301 Impact Fees)	\$ 129,414	\$ 101,461	\$ -	\$ -	\$ -	\$ -	\$ 230,875	\$ -	\$ 230,875	
39900	Other Capital Projects (302 Elec Const)	\$ 4		\$ -				\$ 4	\$ -	\$ 4	

		7/1/2020	7/1/2020	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	6/30/2021	
Fund No	Fund	Actual Beginning Cash Balance 7/1/20	+ Investments	+ Revenues	+ Transfers In	- Transfers Out	- Expenditures	= Ending Cash Balance 6/30/21	Less DFA Local Reserve Requirement (1/12 of Exp)	Adjusted Ending Cash Balance 6/30/21	
39900	Other Capital Projects (303 Vet Wall)	\$ 28,589.36	\$ -	\$ -	\$ -	\$ -	\$ (20,000)	\$ 8,589	\$ -	\$ 8,589	Revised 7/10/20
39900	Other Capital Projects (307- Golf Course Impl)	\$ 16,454	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,454	\$ -	\$ 16,454	
39900	Other Capital Projects (311 - R&R Sewer)	\$ -	\$ 145,720	\$ 500	\$ -		\$ -	\$ 146,220	\$ -	\$ 146,220	
39900	Other Capital Projects (313 - R&R Water)	\$ 0	\$ 128,767	\$ -				\$ 128,767	\$ -	\$ 128,767	
39900	Other Capital Projects (315 - Capital Improvement Reserves)	\$ 725,318	\$ 1,041,753	\$ 500	\$ 248,959	\$ (99,632)		\$ 1,916,898	\$ -	\$ 1,916,898	
39900	Other Capital Projects (316 - Emergency Reserves)	\$ 104,455	\$ 41,606	\$ 100	\$ 12,500		\$ (30,000)	\$ 128,661	\$ -	\$ 128,661	
39900	Other Capital Projects (317 - WW Repair Reserves)	\$ 90,793	\$ 104,178	\$ 100	\$ 19,027		\$ (30,000)	\$ 184,098	\$ -	\$ 184,098	
39900	Other Capital Projects (318 - Electrical Const Reserve)	\$ 121,051	\$ 84,976	\$ 85	\$ 10,000	\$ -	\$ -	\$ 216,112	\$ -	\$ 216,112	
	TOTAL CAPITAL PROJECTS FUNDS	\$ 2,033,533	\$ 1,648,460	\$ 12,763,975	\$ 522,970	\$ (99,632)	\$ (13,505,136)	\$ 3,364,170	\$ -	\$ 3,364,170	
FIDUCIARY & INTERNAL SERVICE FUNDS											
60200	Internal Service (600 Fleet Maint)	\$ 73,028	0	\$ 8,500			\$ (18,000)	\$ 63,528	\$ -	\$ 63,528	
79900	Other Trust & Agency (700 PD Bonds)	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000		\$ 1,000	
	TOTAL FIDUCIARY & INTERNAL SERVICE FUNDS	\$ 74,028	\$ -	\$ 8,500	\$ -	\$ -	\$ (18,000)	\$ 64,528	\$ -	\$ 64,528	
DEBT SERVICE FUNDS											
40300	Other Revenue Bond Debt Service	\$ -	\$ -	\$ 541,326	\$ 119,293	\$ -	\$ (119,293)	\$ 541,326		\$ 541,326	
40400	NMFA Loan Debt Service	\$ 113,798	\$ 2,385,717	\$ -	\$ 350,489		\$ (811,190)	\$ 2,038,815		\$ 2,038,815	
49900	Other Debt Service (309 - USDA WWTP Debt \$ proceeds)				\$ 35,147		\$ (35,147)	\$ -		\$ -	
								\$ -		\$ -	
	TOTAL DEBT SERVICE FUNDS	\$ 113,798	\$ 2,385,717	\$ 541,326	\$ 504,929	\$ -	\$ (965,630)	\$ 2,580,141	\$ -	\$ 2,580,141	
GRAND TOTAL (ALL FUND)											
		\$ 8,748,052	\$ 5,920,078	\$ 31,707,655	\$ 4,251,536	\$ (4,251,536)	\$ (35,509,629)	\$ 10,868,648	\$ (516,578)	\$ 10,352,070	

CITY OF TRUTH OR CONSEQUENCES							
DRAFT FINAL BUDGETED REVENUES							
2020-21							
REVISED 7-10-20							
	2019-20	2019-20	2019-20	2019-20	2020-21		
	BUDGETED REVENUE	BAR	FINAL BUDGETED REVENUE	ACTUAL EOY REVENUE	PROJECTED BUDGETED REVENUE		NOTES
<b>11000 GENERAL FUND</b>							
<b>MUNICIPAL TAXES</b>							
FRANCHISE TAX	\$ 50,300	\$ -	\$ 50,300	\$ 46,555	\$ 53,000	5.37%	
GROSS RECEIPTS HOSPITAL	\$ 252,000	\$ 15,000	\$ 267,000	\$ 265,693	\$ 265,000	-0.75%	
1/8% INFRASTRUCTURE	\$ 165,000	\$ 13,000	\$ 178,000	\$ 177,180	\$ 177,000	-0.56%	
GROSS RECEIPTS (3/4%)	\$ 930,000	\$ 215,000	\$ 1,145,000	\$ 1,151,336	\$ 1,151,336	0.55%	
GROSS RECEIPTS HB 6	\$ -	\$ 59,434	\$ 59,434	\$ 59,434	\$ 59,434	0.00%	
1/4% MGRT (POLICE)	\$ 300,000	\$ 57,000	\$ 357,000	\$ 354,257	\$ -	-100.00%	20-21 REVENUES WILL BE POSTED DIRECTLY TO 20500-2403 HOLD HARMLESS (PDGRT)
PROPERTY TAX - CURRENT YEAR	\$ 160,800	\$ 3,000	\$ 163,800	\$ 171,445	\$ 171,000	4.40%	7/10/20 Added \$3,000 to projected in 20-21 cover 1% Admin Fee + additional 8,000 for increased revenue recd in 19-20
PROPERTY TAX - PRIOR YEAR	\$ 10,700	\$ -	\$ 10,700	\$ 10,887	\$ 10,700	0.00%	
<b>SUBTOTAL</b>	<b>\$ 1,868,800</b>	<b>\$ 362,434</b>	<b>\$ 2,231,234</b>	<b>\$ 2,236,787</b>	<b>\$ 1,887,470</b>	<b>-15.41%</b>	
<b>STATE SHARED TAXES</b>							
MOTOR VEHICLE REGISTRATION	\$ 22,000	\$ -	\$ 22,000	\$ 22,382	\$ 22,000	0.00%	
GROSS RECEIPTS TAX 1.225%	\$ 1,450,000	\$ 333,000	\$ 1,783,000	\$ 1,763,221	\$ 1,747,000	-2.02%	
<b>SUBTOTAL</b>	<b>\$ 1,472,000</b>	<b>\$ 333,000</b>	<b>\$ 1,805,000</b>	<b>\$ 1,785,603</b>	<b>\$ 1,769,000</b>	<b>-1.99%</b>	
<b>LICENSES AND PERMITS</b>							
Animal Licenses	\$ 3,000	\$ (1,800)	\$ 1,200	\$ 1,315	\$ 1,500	25.00%	
Building Permits	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	
Business Lic/Reg	\$ 17,000	\$ 465	\$ 17,465	\$ 17,640	\$ 18,000	3.06%	

		BUDGETED REVENUE	BAR	FINAL BUDGETED REVENUE	ACTUAL EOY REVENUE	PROJECTED BUDGETED REVENUE		NOTES
	Liquor Licenses	\$ 4,400	\$ -	\$ 4,400	\$ 3,525	\$ 4,000	-9.09%	
	Other Licenses & Permits	\$ 2,000	\$ 380	\$ 2,380	\$ 2,480	\$ 3,000	26.05%	
	<b>SUBTOTAL</b>	<b>\$ 26,400</b>	<b>\$ (955)</b>	<b>\$ 25,445</b>	<b>\$ 24,960</b>	<b>\$ 26,500</b>	<b>4.15%</b>	
	<b>CHARGES FOR SERVICES</b>							
	ANIMAL POUND FEES	\$ 12,000	\$ 51,000	\$ 63,000	\$ 67,855	\$ 105,708	67.79%	Increased by \$35,708 7-10-20
	PRINTING COPYING FEES	\$ 700	\$ 800	\$ 1,500	\$ 1,531	\$ 2,000	33.33%	
	RENT OF PUBLIC FACILITIES	\$ 40,000	\$ 15,418	\$ 55,418	\$ 55,419	\$ 60,000	8.27%	
	OTHER CHARGES FOR SERVICE	\$ 4,000	\$ 3,620	\$ 7,620	\$ 7,696	\$ 8,000	4.99%	
	<b>SUBTOTAL</b>	<b>\$ 56,700</b>	<b>\$ 70,838</b>	<b>\$ 127,538</b>	<b>\$ 132,500</b>	<b>\$ 175,708</b>	<b>37.77%</b>	
	<b>FINES AND FORFEITS</b>							
	COURT FINES OTHER	\$ 6,000	\$ -	\$ 6,000	\$ 5,382	\$ 6,000	0.00%	
	AOC/JID COMPUTER SYSTEM	\$ 24,000	\$ -	\$ 24,000	\$ 8,251	\$ 24,000	0.00%	
	<b>SUBTOTAL</b>	<b>\$ 30,000</b>	<b>\$ -</b>	<b>\$ 30,000</b>	<b>\$ 13,633</b>	<b>\$ 30,000</b>	<b>0.00%</b>	
	<b>MISCELLANEOUS REVENUE</b>							
	INSURANCE RECOVERY	\$ -	\$ 5,023	\$ 5,023	\$ 5,023	\$ -	-100.00%	DO NOT BUDGET UNLESS RECEIVED
	INTEREST INCOME	\$ 800	\$ -	\$ 800	\$ 931	\$ 800	0.00%	
	SURPLUS AUCTION	\$ 3,000	\$ (3,000)	\$ -	\$ -	\$ -	0.00%	DO NOT BUDGET UNLESS RECEIVED
	WILLIAMSBURG - PD	\$ 10,000	\$ -	\$ 10,000	\$ 10,000	\$ 20,000	100.00%	NEW CONTRACT FOR 2020-21
	PROPERTY SALES	\$ -	\$ 36,013	\$ 36,013	\$ 36,013	\$ -	-100.00%	DO NOT BUDGET UNLESS RECEIVED
	MISCELLANEOUS REVENUE	\$ 1,000	\$ 924	\$ 1,924	\$ 1,935	\$ -	-100.00%	DO NOT BUDGET UNLESS RECEIVED
	COMMUNICATIONS LEASE	\$ 32,000	\$ -	\$ 32,000	\$ 31,600	\$ 30,000	-6.25%	PENDING CONTRACT FOR 20-21
	<b>SUBTOTAL</b>	<b>\$ 46,800</b>	<b>\$ 38,960</b>	<b>\$ 85,760</b>	<b>\$ 85,502</b>	<b>\$ 50,800</b>	<b>-40.76%</b>	



		BUDGETED REVENUE	BAR	FINAL BUDGETED REVENUE	ACTUAL EOY REVENUE	PROJECTED BUDGETED REVENUE		NOTES
<b>FEDERAL</b>								
	USDA FEDERAL REIMBURSEMENT-PARKS	\$ -	\$ -	\$ -	\$ -	\$ 70,000		7-10-20 Added
	<b>SUBTOTAL</b>	\$ -	\$ -	\$ -	\$ -	\$ 70,000		
<b>STATE</b>								
	NM BEAUTIFICATION	\$ 55,000	\$ 5,842	\$ 60,842	\$ 12,182	\$ 48,660	-20.02%	WILL MOVE TO 21800 INTERGOVERNMENTAL IN 20-21
	JJAC GRANT	\$ 50,140	\$ 27,727	\$ 77,867	\$ 57,857	\$ 2,897	-96.28%	WILL MOVE TO 21800 INTERGOVERNMENTAL IN 20-21
	OBD/DWI/SATURATION	\$ 2,930	\$ 3,230	\$ 6,160	\$ 6,290	\$ 6,430	4.38%	
	SMALL CITIES ASSISTANCE	\$ 400,000	\$ 74,203	\$ 474,203	\$ 474,203	\$ 300,000	-36.74%	NEED AWARD LETTER
	JAF GRANT	\$ 10,000	\$ -	\$ 10,000	\$ 4,926	\$ -	-100.00%	WILL MOVE TO 21800 INTERGOVERNMENTAL IN 20-21
	MAINSTREET GRANT	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ -	-100.00%	NEED AWARD LETTER
	LODGER'S TAX ADMIN FEE	\$ 15,000	\$ -	\$ 15,000	\$ 15,000	\$ 15,000	0.00%	
	<b>SUBTOTAL</b>	\$ 533,070	\$ 136,002	\$ 669,072	\$ 595,458	\$ 372,987	-44.25%	
<b>TOTAL GENERAL FUND REVENUE</b>		\$ 4,033,770	\$ 940,279	\$ 4,974,049	\$ 4,874,444	\$ 4,382,465	-11.89%	
<b>20000 SPECIAL REVENUE FUNDS</b>								
<b>20100 CORRECTIONS FUND</b>								
	CORRECTION FEES	\$ 10,000	\$ (5,921)	\$ 4,079	\$ 4,239	\$ 5,000	22.58%	
	DWI PREVENTION FEES	\$ 40	\$ 51	\$ 91	\$ 91	\$ 100	9.89%	
	JUDICIAL EDUCATION FEES	\$ 1,500	\$ (903)	\$ 597	\$ 636	\$ 800	34.00%	
	LABORATORY FEES	\$ 75	\$ 39	\$ 114	\$ 114	\$ 100	-12.28%	
	COURT AUTOMATION FEES	\$ 2,500	\$ (1,316)	\$ 1,184	\$ 1,262	\$ 1,400	18.24%	
	<b>SUBTOTAL</b>	\$ 14,115	\$ (8,050)	\$ 6,065	\$ 6,342	\$ 7,400	22.01%	REVENUES DOWN SIGNIFICANTLY

		BUDGETED REVENUE	BAR	FINAL BUDGETED REVENUE	ACTUAL EOY REVENUE	PROJECTED BUDGETED REVENUE		NOTES
	20500 POLICE DEPARTMENT GRT FUND (296)							
	FEDERAL GRANTS/LOANS	\$ -	\$ 97,876	\$ 97,876	\$ 97,877	\$ -	-100.00%	NO AWARD YET
	1/4% MGRT (POLICE) New 20-21	\$ -	\$ -	\$ -	\$ -	\$ 350,000	100.00%	MOVED PD GRT FROM 11000 FUND FOR 20-21
	USDA GRANTS	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	NO AWARD YET
	3M GOGENT FINGER PRINTS	\$ -	\$ -	\$ -	\$ 165	\$ 165	#DIV/0!	
	INTEREST INCOME	\$ 800	\$ -	\$ 800	\$ 199	\$ 100	-87.50%	
	MISCELLANEOUS REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	
	<b>SUBTOTAL</b>	<b>\$ 800</b>	<b>\$ 97,876</b>	<b>\$ 98,676</b>	<b>98240.873</b>	<b>\$ 350,265</b>	<b>254.96%</b>	
	20900 STATE FIRE FUND							
	STATE - FIRE ALLOTMENT	\$ 312,200	\$ -	\$ 312,200	\$ 312,200	\$ 326,428	4.56%	Revised 7-10-20 received awared letter
	INVESTMENT INCOME	\$ 300	\$ -	\$ 300	\$ 881	\$ 300	0.00%	
	<b>SUBTOTAL</b>	<b>\$ 312,500</b>	<b>\$ -</b>	<b>\$ 312,500</b>	<b>313080.72</b>	<b>\$ 326,728</b>	<b>4.55%</b>	
	21100 LAW ENFORCEMENT PROTECTION FUND							
	STATE ALLOTMENT	\$ 27,800	\$ -	\$ 27,800	\$ 27,800	\$ 26,600	-4.32%	
	<b>SUBTOTAL</b>	<b>\$ 27,800</b>	<b>\$ -</b>	<b>\$ 27,800</b>	<b>27800</b>	<b>\$ 26,600</b>	<b>-4.32%</b>	
	21400 LODGER'S TAX ACT							
	PROMOTION/ADVERTISING	\$ 180,000	\$ -	\$ 180,000	\$ 166,413	\$ 180,000	0.00%	
	CITY'S PORTION FOR MAINT	\$ 120,000	\$ -	\$ 120,000	\$ 110,905	\$ 120,000	0.00%	
	STATE ADVERTISING GRANT	\$ 27,805	\$ -	\$ 27,805	\$ 5,280	\$ -	-100.00%	NEED AWARD LETTER
	LATE PENALTIES	\$ 1,000	\$ -	\$ 1,000	\$ 100	\$ 100	-90.00%	
	INVESTMENT INCOME	\$ 150	\$ -	\$ 150	\$ 429	\$ 300	100.00%	
	1% CONVENTION CENTER FEE	\$ 52,000	\$ -	\$ 52,000	\$ 56,303	\$ 52,000	0.00%	
	<b>SUBTOTAL</b>	<b>\$ 380,955</b>	<b>\$ -</b>	<b>\$ 380,955</b>	<b>339428.7</b>	<b>\$ 352,400</b>	<b>-7.50%</b>	

		BUDGETED REVENUE	BAR	FINAL BUDGETED REVENUE	ACTUAL EOY REVENUE	PROJECTED BUDGETED REVENUE		NOTES
	21600 MUNICIPAL STREET FUND							
	GROSS RECEIPTS-INTRA (STREET	\$ 174,000	\$ 185,000	\$ 359,000	\$ 354,257	\$ 349,000	-2.79%	
	GASOLINE 1 CENT	\$ 75,000	\$ -	\$ 75,000	\$ 84,925	\$ 75,000	0.00%	
	STATE-LGRF	\$ 30,000	\$ -	\$ 30,000	\$ -	\$ 30,000	0.00%	
	INVESTMENT INCOME	\$ 360	\$ -	\$ 360	\$ 497	\$ 360	0.00%	
	STATE CAPITAL APPROPRIATIONS	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	
	<b>SUBTOTAL</b>	<b>\$ 279,360</b>	<b>\$ 185,000</b>	<b>\$ 464,360</b>	<b>439679.97</b>	<b>\$ 454,360</b>	<b>-2.15%</b>	
	21700 MUNICIPAL POOL							
	GRT	\$ 700	\$ -	\$ 700	\$ 391	\$ 700	0.00%	
	SWIMMING POOL PROCEEDS	\$ 12,300	\$ -	\$ 12,300	\$ 7,428	\$ 4,250	-65.45%	
	POOL DEPOSIT/RENTAL	\$ 800	\$ -	\$ 800	\$ 1,250	\$ 800	0.00%	
	MISCELLANEOUS REVENUE	\$ -	\$ -	\$ -	\$ 762	\$ -	0.00%	
	<b>SUBTOTAL</b>	<b>\$ 13,800</b>	<b>\$ -</b>	<b>\$ 13,800</b>	<b>9831</b>	<b>\$ 5,750</b>	<b>-58.33%</b>	
	21800 INTERGOVERNMENTAL GRANTS (MOVED FROM 11000 GENERAL FUND)							
	MUNICIPAL COURT JAF (New Fund)	\$ -	\$ -	\$ -	\$ -	\$ 15,000		PER BUDGET REQUEST
	NM CLEAN AND BEAUTIFUL (New Fund)	\$ -	\$ -	\$ -	\$ -			7/10/20 NO AWARD FOR 20-21
	JUVENILE JUSTICE JJAC (New Fund)	\$ -	\$ -	\$ -	\$ -	\$ -		7/10/20 REMOVED
	<b>SUBTOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,000</b>		
	21900 SENIOR GRANT (304)							
	EQUIPMENT VEHICLE SJOA GRANT	\$ -	\$ 99,076	\$ 99,076	\$ -	\$ 90,000	-9.16%	
	DONATIONS	\$ -	\$ -	\$ -	\$ -	\$ 9,076		9,076 DUE FROM SJOA
	BUILDING RENOVATIONS SJOA GRANT	\$ -	\$ 210,000	\$ 210,000	\$ -	\$ 210,000	0.00%	7/10/20 PY and CY Money
	<b>SUBTOTAL</b>	<b>\$ -</b>	<b>\$ 309,076</b>	<b>\$ 309,076</b>	<b>0</b>	<b>\$ 309,076</b>	<b>0.00%</b>	

		BUDGETED REVENUE	BAR	FINAL BUDGETED REVENUE	ACTUAL EOY REVENUE	PROJECTED BUDGETED REVENUE		NOTES
29900 LIBRARY FUND								
	STATE LIBRARY GRANT	\$ 24,340	\$ 14,185	\$ 38,525	\$ -	\$ 38,525	0.00%	
	STATE GRANT IN AID	\$ 11,670	\$ -	\$ 11,670	\$ 14,106	\$ 11,670	0.00%	
	DONATIONS	\$ 1,800	\$ -	\$ 1,800	\$ 1,731	\$ 1,800	0.00%	
	VILLAGE EB-COUNTY CONTRIBUTIONS	\$ 2,000	\$ -	\$ 2,000	\$ -	\$ 2,000	0.00%	
	<b>SUBTOTAL</b>	<b>\$ 39,810</b>	<b>\$ 14,185</b>	<b>\$ 53,995</b>	<b>15836.53</b>	<b>\$ 53,995</b>	<b>0.00%</b>	
29900 PD CONFIDENTIAL (297)								
	INTEREST INCOME	\$ -	\$ -	\$ -	\$ 3	\$ -		
	MISC. REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -		
	<b>SUBTOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>2.9</b>	<b>\$ -</b>		
29900 VET WALL PERPETUAL CARE (293)								
	DONATIONS	\$ -	\$ 775	\$ 775	\$ 775	\$ -	-100.00%	
	<b>SUBTOTAL</b>	<b>\$ -</b>	<b>\$ 775</b>	<b>\$ 775</b>	<b>\$ 775</b>	<b>\$ -</b>	<b>-100.00%</b>	
29900 PD DONATIONS (298)								
	DONATIONS (POLICE CANINE)	\$ 10,000	\$ (9,700)	\$ 300	\$ 300	\$ -		
	<b>SUBTOTAL</b>	<b>\$ 10,000</b>	<b>\$ (9,700)</b>	<b>\$ 300</b>	<b>300</b>	<b>\$ -</b>		
<b>20000 TOTAL SPECIAL REVENUE FUNDS</b>		<b>\$ 1,079,140</b>	<b>\$ 589,162</b>	<b>\$ 1,668,302</b>	<b>\$ 1,251,318</b>	<b>\$ 1,901,574</b>	<b>13.98%</b>	
<b>30000 CAPITAL PROJECTS</b>								
<b>301 - IMPACT FEES</b>								
	WATER IMPACT FEES	\$ -	\$ -	\$ -	\$ 9,300	\$ -		
	WASTE WATER IMPACT FEES	\$ -	\$ -	\$ -	\$ 3,300	\$ -		
	INVESTMENT INCOME	\$ 25	\$ -	\$ 25	\$ 60	\$ -		
	<b>SUBTOTAL</b>	<b>\$ 25</b>	<b>\$ -</b>	<b>\$ 25</b>	<b>12660.22</b>	<b>\$ -</b>		



		BUDGETED REVENUE	BAR	FINAL BUDGETED REVENUE	ACTUAL EOY REVENUE	PROJECTED BUDGETED REVENUE		NOTES
	<b>302 - ELEC CONSTRUCTION</b>							
	INTEREST INCOME	\$ 70	\$ -	\$ 70	\$ 48	\$ -		
	INVESTMENT INCOME	\$ -	\$ -	\$ -	\$ 318	\$ -		
	<b>SUBTOTAL</b>	<b>\$ 70</b>	<b>\$ -</b>	<b>\$ 70</b>	<b>365.71</b>	<b>\$ -</b>		
	<b>303 VET WALL</b>							
	INTEREST INCOME	\$ -	\$ -	\$ -	\$ -	\$ -		
	INVESTMENT INCOME	\$ -	\$ -	\$ -	\$ -	\$ -		
	<b>SUBTOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		
	<b>306 - CI Jt Uti</b>							
	COLONIAS CIF -4927 per	\$ -	\$ 81,000	\$ 81,000	\$ -	\$ -		
	INTEREST INCOME	\$ -	\$ -	\$ -	\$ 303	\$ 200		
	INVESTMENT INCOME	\$ -	\$ -	\$ -	\$ 4,151	\$ 4,500		
	<b>SUBTOTAL</b>	<b>\$ -</b>	<b>\$ 81,000</b>	<b>\$ 81,000</b>	<b>4453.52</b>	<b>\$ 4,700</b>		
	<b>309 -USDA WWTP</b>							
	USDA LOAN	\$ -	\$ 897,232	\$ 897,232	\$ 894,232	\$ -		
	USDA GRANT	\$ 6,031,000	\$ (206,522)	\$ 5,824,478	\$ 5,170,085	\$ -		
	<b>SUBTOTAL</b>	<b>\$ 6,031,000</b>	<b>\$ 690,710</b>	<b>\$ 6,721,710</b>	<b>6064316.74</b>	<b>\$ -</b>		

		BUDGETED REVENUE	BAR	FINAL BUDGETED REVENUE	ACTUAL EOY REVENUE	PROJECTED BUDGETED REVENUE		NOTES
<b>311 - R&amp;R Sewer</b>								
	INVESTMENT INCOME-R&R SEWER CD	\$ 500		\$ 500	\$ 510	\$ 500		
	<b>SUBTOTAL</b>	<b>\$ 500</b>	<b>\$ -</b>	<b>\$ 500</b>	<b>510.29</b>	<b>\$ 500</b>		
<b>312 - R&amp;R Airport</b>								
	FEDERAL GRANTS/ LOANS	\$ 214,522	\$ -	\$ 214,522	\$ -	\$ -		Do we carry this over
	AIRPORT FUEL FARM GRANT #TCS-12-04	\$ -	\$ 99,500	\$ 99,500	\$ -	\$ -		
	LOCAL/STATE GRANTS/LOANS	\$ 11,919	\$ -	\$ 11,919	\$ -	\$ -		
	FEDERALGRANT 3-35-0042-009-2006	\$ 19,705	\$ -	\$ 19,705	\$ -	\$ -		
	<b>SUBTOTAL</b>	<b>\$ 246,146</b>	<b>\$ 99,500</b>	<b>\$ 345,646</b>	<b>0</b>	<b>\$ -</b>		
<b>315 - Capital Improvement Reserves</b>								
	INTEREST INCOME	\$ -	\$ -	\$ -	\$ 730	\$ 500		
	<b>SUBTOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>729.88</b>	<b>\$ 500</b>		
<b>316 - Emergency Reserve</b>								
	INTEREST INCOME	\$ 90	\$ -	\$ 90	\$ 156	\$ 100		
	<b>SUBTOTAL</b>	<b>\$ 90</b>	<b>\$ -</b>	<b>\$ 90</b>	<b>156.44</b>	<b>\$ 100</b>		
<b>317 - WW Reserve</b>								
	INTEREST INCOME	\$ 100	\$ -	\$ 100	\$ 138	\$ 100		
	<b>SUBTOTAL</b>	<b>\$ 100</b>	<b>\$ -</b>	<b>\$ 100</b>	<b>138.07</b>	<b>\$ 100</b>		
<b>318 - Electrical Const Reserve</b>								
	INTEREST INCOME	\$ 85	\$ -	\$ 85	\$ 115	\$ 85		
	<b>SUBTOTAL</b>	<b>\$ 85</b>	<b>\$ -</b>	<b>\$ 85</b>	<b>115.44</b>	<b>\$ 85</b>		

		BUDGETED REVENUE	BAR	FINAL BUDGETED REVENUE	ACTUAL EOY REVENUE	PROJECTED BUDGETED REVENUE		NOTES
30400-Road Street Project								7-10-20 Added
Project: 2019/2020 LGRF NMDOT Cooperative Various Streets (7004)								
State Co-op (DOT)	\$	-	\$	-	\$	-	\$	30,000
Project: 2020/2021 LGRF NMDOT Cooperative Various Streets (Foch, Locust, Yucca, Palo Verde, Sierra Vista Dr., Pine, and Corbett) (7007)								
State Co-op (DOT)	\$	-	\$	-	\$	-	\$	61,988
Project: NMDOT Aviation Division Airfield Maintenance and Consumable Items (7005)								
State Co-op (DOT)	\$	-	\$	-	\$	-	\$	19,705
<b>SUBTOTAL</b>	\$	-	\$	-	\$	-	\$	111,693
30600 NMFA PROJECT								7-10-20 Added
Project: NMFA Colonias 2019 City-Wide Water Preliminary Engineering Report (7000)								
Other State Grants	\$	-	\$	-	\$	-	\$	81,000
Loan Proceeds	\$	-	\$	-	\$	-	\$	9,000
Project: NMFA Colonias 2020 MSD Project Roadway Replacement (7009)								
Other State Grants	\$	-	\$	-	\$	-	\$	900,000
Loan Proceeds	\$	-	\$	-	\$	-	\$	100,000
<b>SUBTOTAL</b>	\$	-	\$	-	\$	-	\$	1,090,000
30700 Water Trust Board Project								7-10-20 Added
Project: NMFA Water Trust Board Booster Station and Austin St. Improvements (7008)								
State Water Trust Board Grants	\$	-	\$	-	\$	-	\$	641,146
<b>SUBTOTAL</b>	\$	-	\$	-	\$	-	\$	641,146
30800 Other State Funded Projects								7-10-20 Added
Project: NMED CWSRLF Vacuum Sewer Rehabilitation (7001)								
Other State Grants	\$	-	\$	-	\$	-	\$	100,000

		BUDGETED REVENUE	BAR	FINAL BUDGETED REVENUE	ACTUAL EOY REVENUE	PROJECTED BUDGETED REVENUE		NOTES
	Loan Proceeds	\$ -	\$ -	\$ -	\$ -	\$ 373,000		
	Project: NMED DWSRLF Marshall St , N. Pershing, 2nd Ave. and Sierra Vista Dr. Waterline Replacement (7002)							
	Other State Grants	\$ -	\$ -	\$ -	\$ -	\$ 620,542		
	Loan Proceeds	\$ -	\$ -	\$ -	\$ -	\$ 620,543		
	<b>SUBTOTAL</b>	\$ -	\$ -	\$ -	\$ -	\$ 1,714,085		
	30900 Other Federal Funded Projects (320 - USDA Water System Improvements)							7-10-20 Added
	Project: USDA-RD MSD Water System Improvements (7003)							
	Other Federal	\$ -	\$ 1,148,676	\$ 1,148,676	\$ 442,375	\$ 3,517,625		
	Loan Proceeds	\$ -	\$ -	\$ -	\$ -	\$ 5,457,000		
	<b>SUBTOTAL</b>	\$ -	\$ 1,148,676	\$ 1,148,676	\$ 442,375	\$ 8,974,625		
	39900 Other Capital Projects							
	NMDOT Aviation Division Electrical Vault Design Construction (FAA Grant - \$214,522/NMDOT State Grant - \$11,919) (7006)							7-10-20 Added
	Federal-Airport	\$ -	\$ -	\$ -	\$ -	\$ 214,522		
	Other State Distributions (operational)	\$ -	\$ -	\$ -	\$ -	\$ 11,919		
	<b>SUBTOTAL</b>	\$ -	\$ -	\$ -	\$ -	\$ 226,441		
	<b>30000 TOTAL OTHER CAPITAL PROJECTS</b>	\$ 6,278,016	\$ 2,019,886	\$ 8,297,902	\$ 6,525,821	\$ 12,763,975		
	<b>DEBT SERVICE</b>							
	40300 OTHER REVENUE BOND DEBT SERVICE	\$ -				\$ -		
	LOAN PROCEEDS	\$ -	\$ 2,976,665	\$ 2,976,665	\$ 2,976,665	\$ 500,194		
	GRT INTERCEPTED	\$ 364,249	\$ 79,526	\$ 443,775	\$ 448,030	\$ 22,882		
	INTERCEPTED FIRE MARSHAL	\$ 23,380	\$ -	\$ 23,380	\$ 23,032	\$ 250		
	INVESTMENT INCOME - CHECKING	\$ 250	\$ -	\$ 250	\$ 103	\$ 18,000		

		BUDGETED REVENUE	BAR	FINAL BUDGETED REVENUE	ACTUAL EOY REVENUE	PROJECTED BUDGETED REVENUE		NOTES
	INVESTMENT INCOME NMFA	\$ 6,845	\$ -	\$ 6,845	\$ 17,352	\$ -		
	<b>SUBTOTAL</b>	<b>\$ 394,724</b>	<b>\$ 3,056,191</b>	<b>\$ 3,450,915</b>	<b>\$ 3,465,181</b>	<b>\$ 541,326</b>		
	40400 NMFA LOAN DEBT SERVICE							
	LOAN PROCEEDS	\$ -	\$ -	\$ -	\$ -	\$ -		
	GRT INTERCEPTED	\$ -	\$ -	\$ -	\$ -	\$ -		
	OTHER	\$ -	\$ -	\$ -	\$ -	\$ -		
						\$ -		
	<b>SUBTOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		
	49900 OTHER DEBT SERVICE							
	LOAN PROCEEDS	\$ -	\$ -	\$ -	\$ -	\$ -		
	GRT INTERCEPTED	\$ -	\$ -	\$ -	\$ -	\$ -		
	OTHER	\$ -	\$ -	\$ -	\$ -	\$ -		
						\$ -		
	<b>SUBTOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		
	<b>400000 TOTAL DEBT SERVICE REVENUE</b>	<b>\$ 394,724</b>	<b>\$ 3,056,191</b>	<b>\$ 3,450,915</b>	<b>\$ 3,465,181</b>	<b>\$ 541,326</b>		
	<b>50000 ENTERPRISE FUNDS</b>							
	50100 WATER DIVISION (504)							
	GROSS RECEIPTS-WA	\$ 49,355	\$ -	\$ 49,355	\$ 38,432	\$ 46,208	-6.38%	
	UTILITY SERVICES	\$ 987,100	\$ -	\$ 987,100	\$ 856,850	\$ 1,026,850	4.03%	ESTIMATED INCREASE IN FEES BEG 7/1/20 PER MM
	UTILITY SERVICES CONNECTIONS	\$ 14,400	\$ -	\$ 14,400	\$ 11,091	\$ 10,000	-30.56%	
	WATER TAP FEES	\$ 4,040	\$ -	\$ 4,040	\$ 7,528	\$ 7,500	85.64%	
	MERCHANDISE & JOBBING	\$ -	\$ -	\$ -	\$ 283	\$ -	0.00%	
	NON-PAYMENT PENALTIES	\$ 2,300	\$ -	\$ 2,300	\$ 3,095	\$ 3,000	30.43%	
	IMPACT FEES	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	

		BUDGETED REVENUE	BAR	FINAL BUDGETED REVENUE	ACTUAL EOY REVENUE	PROJECTED BUDGETED REVENUE		NOTES
	<b>SUBTOTAL</b>	\$ 1,057,195	\$ -	\$ 1,057,195	917280.28	\$ 1,093,559	3.44%	
	50200 SOLID WASTE DIVISION (505)							
	GROSS RECEIPTS-TR	\$ 68,300	\$ -	\$ 68,300	\$ 68,482	\$ 68,513	0.31%	
	GRT - ENVIRONMENTAL	\$ 79,300	\$ 8,400	\$ 87,700	\$ 88,587	\$ 87,700	0.00%	
	GOVT GROSS RECEIPTS TAX	\$ 9,700	\$ -	\$ 9,700	\$ 10,494	\$ 9,700	0.00%	
	TRANSFER STATION REV	\$ 500,000	\$ -	\$ 500,000	\$ 502,279	\$ 500,000	0.00%	
	UTILITY SERVICES	\$ 1,450,000	\$ -	\$ 1,450,000	\$ 1,484,264	\$ 1,522,500	5.00%	5% Anticipated increase in Fees 7/1/20
	NON-PAYMENT PENALTIES	\$ 4,000	\$ -	\$ 4,000	\$ 4,465	\$ 4,000	0.00%	
	MISC(RECYCLING) SOLID WASTE	\$ 35,900	\$ -	\$ 35,900	\$ 20,019	\$ 32,000	-10.86%	
	<b>SUBTOTAL</b>	\$ 2,147,200	\$ 8,400	\$ 2,155,600	\$ 2,178,591	\$ 2,224,413	3.19%	
	50300 WASTEWATER DIVISION (506)							
	GROSS RECEIPTS-SW	\$ 48,000	\$ -	\$ 48,000	\$ 46,877	\$ 47,250	-1.56%	
	UTILITY SERVICES	\$ 1,100,000	\$ -	\$ 1,100,000	\$ 1,028,981	\$ 1,050,000	-4.55%	
	SEWER TAP FEES	\$ 3,000	\$ -	\$ 3,000	\$ 9,450	\$ 4,000	33.33%	
	NON-PAYMENT PENALTIES	\$ 2,300	\$ -	\$ 2,300	\$ 1,947	\$ 2,300	0.00%	
	Miscellaneous Income	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	
	MOU With Williamsburg for Sewer Repair	\$ -	\$ -	\$ -	\$ -	\$ 40,000	0.00%	Increased revenue to match expenses. Still need MOU or JPA
	<b>SUBTOTAL</b>	\$ 1,153,300	\$ -	\$ 1,153,300	1087255.45	\$ 1,143,550	-0.85%	
	50400 MUNICIPAL AIRPORT (509)							
	REGULAR GAS SALES	\$ -	\$ -	\$ -	\$ -			
	GOVT GROSS RECEIPTS	\$ 4,500	\$ 950	\$ 5,450	\$ 5,038	\$ 5,500	0.92%	
	NEW FEDERAL CARES ACT AIRPORT GRANT	\$ -	\$ -	\$ -	\$ -	\$ 30,000	#DIV/0!	
	RENTALS	\$ 33,000	\$ (5,974)	\$ 27,026	\$ 28,298	\$ 29,506	9.18%	
	LEASE AGREEMENT	\$ 2,500	\$ (2,020)	\$ 480	\$ -	\$ -	-100.00%	
	RENTS/ROYALTIES	\$ 9,000	\$ (7,725)	\$ 1,275	\$ 1,400	\$ 1,300	1.96%	

		BUDGETED REVENUE	BAR	FINAL BUDGETED REVENUE	ACTUAL EOY REVENUE	PROJECTED BUDGETED REVENUE		NOTES
	SHORT TERM HANGAR RENTAL	\$ 500	\$ 1,395	\$ 1,895	\$ 2,075	\$ 1,500	-20.84%	
	AVIATION FUEL SALES	\$ 50,000	\$ 10,000	\$ 60,000	\$ 59,097	\$ 65,000	8.33%	
	OIL SALES	\$ -	\$ -	\$ -	\$ 37	\$ -	0.00%	
	JET FUEL SALES	\$ 80,000	\$ 5,000	\$ 85,000	\$ 83,983	\$ 85,000	0.00%	
	INVESTMENT INCOME	\$ -	\$ -	\$ -	\$ 28	\$ -	0.00%	
	INSURANCE/OTHER REIMBURSEMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	
	<b>SUBTOTAL</b>	<b>\$ 179,500</b>	<b>\$ 1,626</b>	<b>\$ 181,126</b>	<b>179955.93</b>	<b>\$ 217,806</b>	<b>20.25%</b>	
	50600 CEMETERY (501)							
	OTHER CHARGES FOR SERVICES	\$ 11,000	\$ -	\$ 11,000	\$ 8,530	\$ 8,000	-27.27%	
	INVESTMENT INCOME	\$ 14.00	\$ -	\$ 14	\$ 20	\$ 14	0.00%	
	<b>SUBTOTAL</b>	<b>\$ 11,014</b>	<b>\$ -</b>	<b>\$ 11,014</b>	<b>8549.92</b>	<b>\$ 8,014</b>	<b>-27.24%</b>	
	51400 ELECTRIC DIVISION (503)							
	GROSS RECEIPTS-YD-JOINT UTILITY	\$ 933	\$ -	\$ 933	\$ 812	\$ 933	0.00%	
	GROSS RECEIPTS-EL-JOINT UTILITY	\$ 478,667	\$ -	\$ 478,667	\$ 418,465	\$ 455,600	-4.82%	
	UTILITY SERVICES YARD LIGHT	\$ 18,873	\$ -	\$ 18,873	\$ 18,976	\$ 18,841	-0.17%	
	UTILITY SERVICES-ELEC DIV	\$ 6,400,000	\$ -	\$ 6,400,000	\$ 6,247,551	\$ 6,800,000	6.25%	
	UTILITY SERVICES CONNECTIONS	\$ 21,200	\$ -	\$ 21,200	\$ 15,563	\$ 14,000	-33.96%	
	MERCHANDISE & JOBBING	\$ 30,000	\$ -	\$ 30,000	\$ 11,571	\$ 10,000	-66.67%	
	PENALTY-YD	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	
	NON-PAYMENT PENALTIES	\$ 6,000	\$ -	\$ 6,000	\$ 4,480	\$ 5,000	-16.67%	
	INTEREST	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	
	SURPLUS AUCTION PROCEEDS	\$ -	\$ -	\$ -	\$ 4,038	\$ -	#DIV/0!	
	MISC INCOME	\$ 1,500	\$ 132,431	\$ 133,931	\$ 141,678	\$ 1,500	-98.88%	19-20 has \$132,431 refund from Sun Financial - one time
	MIS. (POLE RENTALS, ETC.) - ELECTRIC	\$ 30,000	\$ -	\$ 30,000	\$ 18,606	\$ 23,000	-23.33%	
	<b>SUBTOTAL</b>	<b>\$ 6,987,173</b>	<b>\$ 132,431</b>	<b>\$ 7,119,604</b>	<b>6881739.95</b>	<b>\$ 7,328,874</b>	<b>2.94%</b>	



		BUDGETED REVENUE	BAR	FINAL BUDGETED REVENUE	ACTUAL EOY REVENUE	PROJECTED BUDGETED REVENUE		NOTES
51800 GOLF COURSE (508)								
	GOVT GRT	\$ -	\$ 1,600	\$ 1,600	\$ 1,652	\$ 1,600	0.00%	
	INVESTMENT INCOME	\$ -	\$ 17	\$ 17	\$ 18	\$ -	0.00%	
	MISC. INCOME	\$ 177,000	\$ (145,000)	\$ 32,000	\$ 31,515	\$ 30,000	-6.25%	
	SIGN-IN FEE (EXP./IMPROV.)	\$ 8,000	\$ (3,500)	\$ 4,500	\$ 3,429	\$ 3,500	-22.22%	
	<b>SUBTOTAL</b>	<b>\$ 185,000</b>	<b>\$ (146,883)</b>	<b>\$ 38,117</b>	<b>36613.27</b>	<b>\$ 35,100</b>	<b>-7.92%</b>	
52100 JOINT UTILITY OFFICE (502)								
	RETURNED CHECK FEES	\$ 1,500	\$ -	\$ 1,500	\$ 1,319	\$ 1,500	0.00%	
	PENALTIES FOR CHARGES	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	
	RED TAG FEE	\$ 55,000	\$ -	\$ 55,000	\$ 48,277	\$ 55,000	0.00%	
	RECOVERIES/COLLECTIONS	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	
	INVESTMENT INCOME	\$ 2,000	\$ -	\$ 2,000	\$ 2,675	\$ 2,000	0.00%	
	NM ONE CALL REIMB	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	
	SALES OTHER/MISC	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	
	CASH SHORT/OVER	\$ -	\$ -	\$ -	\$ 20	\$ -	0.00%	
	<b>SUBTOTAL</b>	<b>\$ 58,500</b>	<b>\$ -</b>	<b>\$ 58,500</b>	<b>52290.46</b>	<b>\$ 58,500</b>	<b>0.00%</b>	
<b>TOTAL 50000 ENTERPRISE FUNDS</b>		<b>\$ 11,778,882</b>	<b>\$ (4,426)</b>	<b>\$ 11,774,456</b>	<b>\$ 11,342,276</b>	<b>\$ 12,109,815</b>	<b>2.85%</b>	
60000 INTERNAL SERVICE AND FIDUCIARY FUNDS								
60200 INTERNAL SERVICE FUND								
	FUEL & PARTS SALES	\$ 14,000	\$ -	\$ 14,000	\$ 7,915	\$ 8,500	-39.29%	
	<b>SUBTOTAL</b>	<b>\$ 14,000</b>	<b>\$ -</b>	<b>\$ 14,000</b>	<b>7915.29</b>	<b>\$ 8,500</b>	<b>-39.29%</b>	
<b>TOTAL 60000 INTERNAL SERVICE AND FIDU</b>		<b>\$ 14,000</b>	<b>\$ -</b>	<b>\$ 14,000</b>	<b>\$ 7,915</b>	<b>\$ 8,500</b>	<b>-39.29%</b>	



		BUDGETED REVENUE	BAR	FINAL BUDGETED REVENUE	ACTUAL EOY REVENUE	PROJECTED BUDGETED REVENUE		NOTES
<b>TOTAL ALL FUNDS</b>		<b>\$ 23,578,532</b>	<b>\$ 6,601,092</b>	<b>\$ 30,179,624</b>	<b>\$ 27,466,956</b>	<b>\$ 31,707,655</b>	<b>5.06%</b>	

CITY OF TRUTH OR CONSEQUENCES					
DRAFT - FINAL BUDGETED EXPENDITURES					
RECAP OF ALL FUNDS					
2020-21					
REVISIONS IN RED 7-10-20					
<b>11000 GENERAL FUND</b>					
1001 GOVERNING BODY					
	SUBTOTAL PERSONNEL SERVICES	\$ 32,941			
	SUBTOTAL OPERATING COST	\$ 149,487			
	TOTAL 1001 GOVERNING BODY		\$ 182,428		
1009 MUNICIPAL COURT					
	SUBTOTAL PERSONNEL SERVICES	\$ 183,794			
	SUBTOTAL OPERATING COST	\$ 57,160			
	SUBTOTAL CAPITAL	\$ 8,000			
	TOTAL 1009 MUNICIPAL COURT		\$ 248,954		
2001 CITY MANAGER					
	SUBTOTAL PERSONNEL SERVICES	\$ 219,313			
	SUBTOTAL OPERATING COST	\$ 29,338			
	TOTAL 2001 CITY MANAGER		\$ 248,651		
2002 GENERAL ADMINISTRATION					
	SUBTOTAL PERSONNEL SERVICES	\$ -			
	SUBTOTAL OPERATING COST	\$ 632,550			
	TOTAL 2002 GENERAL ADMINISTRATION		\$ 632,550	7/10/20 Increased for Admin Fee on Property Tax	
				Total Increase	\$ 3,000
2004 FINANCE/BUDGET/ACCOUNTING					
	SUBTOTAL PERSONNEL SERVICES	\$ 415,717		7-10-20 Revised for New CPO/Admin Assistant	
	SUBTOTAL OPERATING COST	\$ 80,385			
	TOTAL 2004 FINANCE/BUDGET/ACCOUNTING		\$ 496,102	Total Increase	\$ 55,513
2006 FLEET OPERATIONS & MAINTENANCE					
	SUBTOTAL PERSONNEL SERVICES	\$ 93,912			
	SUBTOTAL OPERATING COST	\$ 27,476			
	TOTAL 2006 FLEET OPERATIONS & MAINTENANCE		\$ 121,388		
2008 MUNICIPAL CLERK					
	SUBTOTAL PERSONNEL SERVICES	\$ 158,300			
	SUBTOTAL OPERATING COST	\$ 43,051			
	TOTAL 2008 MUNICIPAL CLERK		\$ 201,351		
2014 ECONOMIC/COMMUNITY DEVELOPMENT					
	SUBTOTAL PERSONNEL SERVICES	\$ 81,314			
	SUBTOTAL OPERATING COST	\$ 110,200			
	TOTAL 2014 ECONOMIC/COMMUNITY DEVELOPMENT		\$ 191,514		

3001 LAW ENFORCEMENT					
	SUBTOTAL PERSONNEL SERVICES	\$ 1,195,209			
	SUBTOTAL OPERATING COST	\$ 365,410			
	SUBTOTAL CAPITAL	\$ -			
	TOTAL 3001 LAW ENFORCEMENT		\$ 1,560,619		
3002 FIRE PROTECTION					
	SUBTOTAL OPERATING COST	\$ 21,500			
	TOTAL 3002 FIRE PROTECTION		\$ 21,500		
3004 ANIMAL SHELTER					
	SUBTOTAL PERSONNEL SERVICES	\$ 159,134	7-10-20 Increase for new position		
	SUBTOTAL OPERATING COST	\$ 64,267			
	TOTAL 3004 ANIMAL SHELTER		\$ 223,401	Total Increase	\$ 35,708
3004 ANIMAL CONTROL					
	SUBTOTAL PERSONNEL SERVICES	\$ 150,068			
	SUBTOTAL OPERATING COST	\$ 18,400			
	TOTAL 3004 ANIMAL CONTROL		\$ 168,468		
4003 PARKS & RECREATION					
	SUBTOTAL PERSONNEL SERVICES	\$ 267,479			
	SUBTOTAL OPERATING COST	\$ 187,700	7/10/20 Increase budget for Sub/Dues & Tele.		
	TOTAL 4003 PARKS AND RECREATION		\$ 455,179	Total Increase	\$ 4,600
4004 LIBRARY					
	SUBTOTAL PERSONNEL SERVICES	\$ 192,306	7/10/20 Increased for Raises		
	SUBTOTAL OPERATING COST	\$ 11,170			
	SUBTOTAL CAPITAL	\$ 8,500			
	TOTAL 4004 LIBRARY		\$ 211,976	Increase	\$ 16,404
4101 HEALTH AND WELFARE (HOSPITAL GRT)					
	SUBTOTAL PERSONNEL SERVICES	\$ -			
	SUBTOTAL OPERATING COST	\$ 269,000			
	SUBTOTAL CAPITAL	\$ -			
	TOTAL 4101 HEALTH AND WELFARE (HOSPITAL GRT)		\$ 269,000		
5101 PUBLIC WORKS (MAINT)					
	SUBTOTAL PERSONNEL SERVICES	\$ 400,067			
	SUBTOTAL OPERATING COST	\$ 121,752			
	SUBTOTAL CAPITAL	\$ 37,000			
	TOTAL 5101 PUBLIC WORKS (MAINT)		\$ 558,819		
5104 HIGHWAYS AND STREETS					
	SUBTOTAL PERSONNEL SERVICES	\$ 404,535			
	SUBTOTAL OPERATING COST	\$ 2,500			
	TOTAL 5104 HIGHWAYS AND STREETS		\$ 407,035		
TOTAL GENERAL FUNDS				Total Increase	
			\$ 6,198,935	\$ 115,225	

<b>20000 SPECIAL REVENUE FUNDS</b>				
20100 CORRECTIONS				
	SUBTOTAL OPERATING COST	\$ 42,200		
	SUBTOTAL CAPITAL	\$ -		
			\$ 42,200	
20500 HOLD HARMLESS				
	SUBTOTAL OPERATING COST	\$ 163,952		
	SUBTOTAL CAPITAL	\$ 39,750		
	TOTAL 20500 HOLD HARMLESS		\$ 203,702	
20900 FIRE PROTECTION				
	SUBTOTAL OPERATING COST	\$ 403,628	7/10/20 increased budget due to increase in award	
	SUBTOTAL CAPITAL	\$ 780,000		
	TOTAL 20900 FIRE PROTECTION FUND		\$ 1,183,628	Total Increase \$ 14,428
21100 LAW ENFORCEMENT PROTECTION				
	SUBTOTAL OPERATING COST	\$ 16,600		
	SUBTOTAL CAPITAL	\$ 10,000		
	TOTAL 21100 LAW ENFORCEMENT PROTECTION		\$ 26,600	
21400 LODGER'S TAX				
	SUBTOTAL OPERATING COST	\$ 281,305		
	TOTAL 21400 LODGER'S TAX		\$ 281,305	
21600 MUNICIPAL STREETS				
	SUBTOTAL OPERATING COST	\$ 658,845		
	SUBTOTAL CAPITAL	\$ 180,000		
	TOTAL 21600 MUNICIPAL STREETS		\$ 838,845	
21700 RECREATION - SWIMMING POOL				
	SUBTOTAL PERSONNEL SERVICES	\$ 86,177		
	SUBTOTAL OPERATING COST	\$ 28,550		
	SUBTOTAL CAPITAL	\$ -		
	TOTAL 21700 RECREATION - SWIMMING POOL		\$ 114,727	
21800-2002 MUNICIPAL COURT - JAF GRANT 1030				
	SUBTOTAL PERSONNEL SERVICES	\$ 750		
	SUBTOTAL OPERATING COST	\$ 14,250		
	TOTAL 21800 INTERGOVERNMENTAL GRANTS -JAF		\$ 15,000	
21800-2002 NM CLEAN AND BEAUTIFUL 2000				
	SUBTOTAL OPERATING COST	\$ -	7-10-20 Removed, no award in 20-21	
	TOTAL 21800 INTERGOVERNMENTAL GRANTS -NM CLEAN & BEAUTIFUL		\$ -	Total Decrease \$ (55,000)
21800-2002 JUVENILE JUSTICE JJAC 3000				
	SUBTOTAL OPERATING COST	\$ -	7-10-20 Increase in Contract	
	TOTAL 21800 INTERGOVERNMENTAL GRANTS - JJAC		\$ -	Total Increase \$ 30,139





<b>TOTAL 30400 ROAD/STREET PROJECTS</b>						\$	<b>144,545</b>	\$	<b>144,545</b>
<b>30600 NMFA PROJECTS</b>									
SUBTOTAL OPERATING COST						\$	-		
SUBTOTAL CAPITAL						\$	1,199,000		
TOTAL 30600 NMFA PROJECTS							\$	1,199,000	7-10-20 Added \$ 1,199,000 Total Increase
<b>TOTAL 30600 NMFA PROJECT</b>						\$	<b>1,199,000</b>	\$	<b>1,199,000</b>
<b>30700 Water Trust Board Project</b>									
SUBTOTAL OPERATING COST						\$	-		
SUBTOTAL CAPITAL						\$	712,146		
TOTAL WATER TRUST BOARD PROJECT							\$	712,146	7-10-20 Added \$ 712,146 Total Increase
<b>TOTAL 30700 WATER TRUST BOARD PROJECT</b>						\$	<b>712,146</b>	\$	<b>712,146</b>
<b>30800 Other State Funded Projects</b>									
SUBTOTAL OPERATING COST						\$	-		
SUBTOTAL CAPITAL						\$	1,714,085		
TOTAL OTHER STATE FUNDED PROJECTS							\$	1,714,085	7-10-20 Added \$ 1,714,085 Total Increase
<b>TOTAL 30800 OTHER STATE FUNDED PROJECTS</b>						\$	<b>1,714,085</b>	\$	<b>1,714,085</b>
<b>30900 Other Federal Funded Projects</b>									
SUBTOTAL OPERATING COST						\$	-		
SUBTOTAL CAPITAL						\$	9,417,000		
TOTAL OTHER FEDERAL FUNDED PROJECTS							\$	9,417,000	7-10-20 Added \$ 9,417,000 Total Increase
<b>TOTAL 30900 OTHER FEDERAL FUNDED PROJECTS</b>						\$	<b>9,417,000</b>	\$	<b>9,417,000</b>
<b>39900 Other Capital Projects</b>									
SUBTOTAL OPERATING COST						\$	-		
SUBTOTAL CAPITAL						#REF!			
TOTAL OTHER CAPITAL PROJECTS							\$	238,360	7-10-20 Added \$ 238,360 Total Increase
<b>TOTAL 39900 OTHER CAPITAL PROJECTS</b>						\$	<b>238,360</b>	\$	<b>238,360</b>

<b>40000 DEBT SERVICE</b>					
	40300 OTHER REVENUE BOND DEBT SERVICE				
	SUBTOTAL OPERATING COST	\$ 119,293			
	TOTAL 40300 OTHER REVENUE BOND DEBT SERVICE		\$ 119,293		
	40400 NMFA LOAN DEBT SERVICE				
	SUBTOTAL OPERATING COST	\$ 811,190			
	TOTAL 40400 NMFA LOAN DEBT SERVICE		\$ 811,190		
	49900 OTHER DEBT SERVICE				
	SUBTOTAL OPERATING COST	\$ 35,147			
	TOTAL 49900 OTHER DEBT SERVICE		\$ 35,147		
<b>TOTAL 40000 DEBT SERVICE</b>			<b>\$ 965,630</b>	<b>\$ -</b>	
<b>50000 ENTERPRISE FUNDS</b>					
	50100 WATER ENTERPRISE				
	SUBTOTAL PERSONNEL SERVICES	\$ 331,739			
	SUBTOTAL OPERATING COST	\$ 602,148	Added 7-10-20 for Emergency Repairs		
	SUBTOTAL CAPITAL	\$ 100,000			
	TOTAL 50100 WATER UTILITY		\$ 1,033,887	Total Increase	\$ 30,111
	50200 SOLID WASTE ENTERPRISE				
	SUBTOTAL PERSONNEL SERVICES	\$ 697,375			
	SUBTOTAL OPERATING COST	\$ 1,338,903			
	SUBTOTAL CAPITAL	\$ 250,000			
	TOTAL 50200 SOLID WASTE ENTERPRISE		\$ 2,286,278		
	50300 WASTEWATER/SEWER ENTERPRISE				
	SUBTOTAL PERSONNEL SERVICES	\$ 423,623			
	SUBTOTAL OPERATING COST	\$ 515,039			
	SUBTOTAL CAPITAL	\$ 90,000			
	TOTAL 50300 WASTE WATER/SEWER ENTERPRISE		\$ 1,028,662		
	50400 AIRPORT ENTERPRISE				
	SUBTOTAL PERSONNEL SERVICES	\$ 149,803			
	SUBTOTAL OPERATING COST	\$ 185,541			
	SUBTOTAL CAPITAL	\$ -			
	TOTAL 50400 AIRPORT ENTERPRISE		\$ 335,344		
	50600 CEMETARY ENTERPRISE				
	SUBTOTAL PERSONNEL SERVICES	\$ -			
	SUBTOTAL OPERATING COST	\$ 11,000			
	SUBTOTAL CAPITAL	\$ -			
	TOTAL 50600 CEMETARY ENTERPRISE		\$ 11,000		



51400 ELECTRIC UTILITY					
	SUBTOTAL PERSONNEL SERVICES	\$ 557,941			
	SUBTOTAL OPERATING COST	\$ 4,740,667			
	SUBTOTAL CAPITAL	\$ 1,240,925			
	TOTAL 51400 ELECTRIC UTILITY		\$ 6,539,533		
51800 GOLF ENTERPRISE					
	SUBTOTAL PERSONNEL SERVICES	\$ 128,564			
	SUBTOTAL OPERATING COST	\$ 106,200			
	SUBTOTAL CAPITAL	\$ 10,000			
	TOTAL 51800 GOLF ENTERPRISE		\$ 244,764		
52100 JOINT UTILITY					
	SUBTOTAL PERSONNEL SERVICES	\$ 361,556	7/10/20 Increased for Raises		
	SUBTOTAL OPERATING COST	\$ 153,880			
	SUBTOTAL CAPITAL	\$ -			
	TOTAL 52100 JOINT UTILITY		\$ 515,436	Total Increase	\$ 31,460
<b>TOTAL 50000 ENTERPRISE FUNDS</b>			<b>\$ 11,994,904</b>	<b>\$ 61,571</b>	Total Increase
60000 INTERNAL SERVICE FUNDS					
60200 MAINTENANCE SERVICES					
	SUBTOTAL PERSONNEL SERVICES	\$ -			
	SUBTOTAL OPERATING COST	\$ 18,000	7-10-20 Reduced \$18,000		
	SUBTOTAL CAPITAL	\$ -	Duplicated amounts		
	TOTAL 60200 MAINTENANCE SERVICES		\$ 18,000	Total Decrease	\$ (18,000)
<b>TOTAL 60000 INTERNAL SERVICE FUNDS</b>			<b>\$ 18,000</b>	<b>\$ (18,000)</b>	Total Decrease
<b>GRAND TOTAL ALL EXPENDITURES FOR 2020-21</b>			<b>\$ 35,509,629</b>	<b>\$ (74,506)</b>	
<b>ORIGINAL PRELIMINARY BUDGET</b>			<b>\$ 22,239,278</b>		
<b>DIFFERENCE</b>			<b>\$ 13,270,351</b>		

# DRAFT FINAL SCHEDULE OF TRANSFERS 2020-21

REVISED 7-10-20					Fiscal Year 2020-21 Preliminary		
Fund No.	Fund Name	Transfer In (Out) Description	Purpose				
11000	General	IN					
		(51400) Electric Utility	General Fund Support	\$	1,290,000		
		(50100) Water Utility	General Fund Support	\$	40,000		
		(50200) Solid Waste Utility	General Fund Support	\$	125,000		Revised 7-10-20
		(50300) Water Wastewater Utility	General Fund Support	\$	90,000		
			Repay Temporary Transfer for SJOA				
		(21900) Senior Grants	Grant 19-20 & 20-21	\$	309,076		Revised 7-10-20
		(21400) Lodgers Tax	Civic Ctr Wages	\$	35,000		
			\$1.50 PD Raises beginning 2019-20				
		(20500) PD GRT Hold Harmless	and beyond	\$	52,728		
		(21800) Munciiipal Court JAF	Repay Temporary Transfer	\$	15,000		
		(21800) NM Clean and Beautiful		\$	-		
		(21800) Juvenile Justice JJAC	Repay Temporary Transfer	\$	-		
		(50400) Airport	Reimb GF for \$30,000 Cares Act Grant (	\$	30,000		Added 7-10-20
Total Transfer IN				\$	1,986,804		
		OUT					
		(20100) Corrections	Support from General Fund	\$	(34,800)		5/19/20 Revenues do not s
		(20500) PD GRT Hold Harmless	PY Revenues Owed & Paid off	\$	(237,127)		
		(20500) PD GRT Hold Harmless	19-20 Revenues Owed (partial)	\$	(43,137)		
		(21900) Senior Grants	Temporary to Cover Reimb for SJOA Gr	\$	(65,827)		
		(51800) Golf Course	Support from General Fund	\$	(140,133)		
		(50400) Municipal Airport	Support from General Fund	\$	(121,000)		
		(21700) Municipal Pool	Support from General Fund	\$	(76,437)		
		(21800) Munciiipal Court JAF	Temporary to Cover Reimbursement Pe	\$	(15,000)		
		(21800) NM Clean and Beautiful	Temporary to Cover Reimbursement Pe	\$	-		
		(21800) Juvenile Justice JJAC	Temporary to Cover Reimbursement Pe	\$	-		
Total Transfer OUT				\$	(733,461)		
101 - Net Transfers				\$	1,253,343		

21800 Special Revenue IN/OUT

# DRAFT FINAL SCHEDULE OF TRANSFERS 2020-21

REVISED 7-10-20

Fund No.	Fund Name	Transfer In (Out) Description	Purpose	Fiscal Year 2020-21 Preliminary	
	Municipal Court JAF	(11000) General Fund	Temporary to Cover Reimbursement Per	\$	15,000
		(11000) General Fund	Repay Temporary Transfer	\$	(15,000)
	NM Clean and Beautiful	(11000) General Fund	No grant for 20-21	\$	-
				\$	-
	Juvenile Justice JJAC	(11000) General Fund	Temporary to Cover Reimbursement Per	\$	-
		(11000) General Fund	Repay Temporary Transfer for 2020-21	\$	-

Revised 7-10-20

Removed 7-17-20

Removed 7-17-20

**21800 Net Transfers \$ -**

## 20100 Corrections IN (19-935)

(11000) General Fund	Support from General Fund	\$	34,800
<b>201 -Total Transfer IN</b>		<b>\$</b>	<b>34,800</b>

## 29900 PD Confidential IN

(20500) PD GRT Hold Harmless	\$10,000 to replace Community Policing	\$	10,000
<b>297 -Total Transfer IN</b>		<b>\$</b>	<b>10,000</b>

## 20500 PD GRT Hold Harmless IN (24-935)

(11000) General Fund	PY Revenues Owed	\$	237,127
(11000) General Fund	2019-20 GRT Revenue	\$	43,137
<b>296 -Total Transfer IN</b>		<b>\$</b>	<b>280,264</b>

## OUT

(11000) General Fund	\$1.50 PD Raises beginning 2019-20 and	\$	(52,728)
(29900) PD Confid	\$10,000 to replace Community Policing	\$	(10,000)
(20100) Corrections Fund	Deficit Coverage		
(403) Debt Service	NMFA CAMERAS/REPEATER		

**296 -Total Transfer OUT \$ (62,728)**

**296 Net Transfers \$ 217,536**

# DRAFT FINAL SCHEDULE OF TRANSFERS 2020-21

REVISED 7-10-20

Fund No.	Fund Name	Transfer In (Out) Description	Purpose	Fiscal Year 2020-21 Preliminary	
21400	Lodgers Tax	OUT (25-17-930)			
		(51800) Golf Course	Golf Course Support	\$	(55,000)
		(11000) General Fund	Civic Center Custodial Wages & Benefits	\$	(35,000)
			<b>214 - Total Transfer OUT</b>	<b>\$</b>	<b>(90,000)</b>
52100	Jt. Utility Office	20-21 Allocate admin fees evenly		<b>\$</b>	<b>393,373</b>
(36-01)		(51400) Electric Division	Utility Department Support	\$	98,343
(36-01)		(50100) Water Division	Utility Department Support	\$	98,343
(36-01)		(50200) Solid Waste Division	Utility Department Support	\$	98,343
(36-01)		(50300) Waste Water Division	Utility Department Support	\$	98,343
		<b>Total Transfer IN</b>			
			<b>502 -Total Transfer IN</b>	<b>\$</b>	<b>393,372</b>
51400	Electric Division	Transfer OUT			
(37-02)		(11000) General Fund	General Fund Support	\$	(1,290,000)
		(52100) Joint Utility Office	Utility Department Support	\$	(98,343)
		(302) Electrical Construction	Debt Pymt.		
		(302) Electrical Construction	Cielo Vista & Substation		
		(40400) NMFA Loan Debt Service	Debt Pymt. NMFA PPRF-4967	\$	(98,948)
		(306) Capital Improvement Jt. Utility	Per City Code		
		(315) Capital Improvement Reserves	Per City Code 14-35 b	\$	(154,839)
		(316) Emergency Repair Reserve	Per City Code 14-35 c	\$	(3,125)
		(318) ElectricalConstruction Reserves	Per City Code 14-35 e	\$	(10,000)
		<b>Total Transfer OUT</b>			
			<b>503 Total Transfer OUT</b>	<b>\$</b>	<b>(1,655,255)</b>
50100	Water Division	Transfer OUT			
		(11000) General Fund	General Fund Support	\$	(40,000)
		(52100) Joint Utility Office	Utility Department Support	\$	(98,343)
		(403) Pledge State	Debt Pymt. NMFA PPRF-4967	\$	(27,601)
		(315) Capital Improvement Reserves	Per City Code 14-35 b	\$	(20,639)
		(306) Capital Improvement Jt. Utility	Per City Code		

# DRAFT FINAL SCHEDULE OF TRANSFERS 2020-21

REVISED 7-10-20

Fund No.	Fund Name	Transfer In (Out) Description	Purpose	Fiscal Year 2020-21 Preliminary	
			Debt Payment (NMFA TorC		
		(403) Debt Service	2,17,18,19,22)	\$ (216,227)	Revised 7-10-20
	(313) R&R Water Fund	Bank Activity			
	(316) Emergency Repair Fund	Per City Code 14-35 c		\$ (3,125)	7-10-20 Added
	(21600) Streets	Street Repair, Hot and Cold Mix		\$ (30,000)	
Total Transfer OUT		504 - Total Transfers OUT	\$ (435,935)		
50200 Solid Waste Division					
Transfer OUT					
	(403) Pledge Debt Service	Capital One Revenue Bond		\$ (119,293)	
	(52100) Joint Utility Office	Utility Department Support		\$ (98,343)	
	(11000) General Fund	General Fund Support		\$ (125,000)	
	(306) Capital Improvement Jt. Utility	Per City Code			
	(315) Capital Improvement Reserves	Per City Code 14-35 b		\$ (49,018)	7-10-20 Added
	(316) Emergency Repair Fund	Per City Code 14-35 c		\$ (3,125)	
Total Transfer OUT		505 - Total Transfers OUT	\$ (394,779)		
50300 Waste Water Division					
Total Transfer IN			\$ -		
Transfer OUT					
	(11000) General Fund	General Fund Support		\$ (90,000)	
	(52100) Joint Utility Office	Utility Department Support		\$ (98,343)	
	(306) Capital Improvement Jt. Utility	Per City Code			
	(403) Debt Services	Debt Service (NMFA TorC 24,27)		\$ (7,713)	Revised 7-10-20
	(309) USDA WWTP	Debt Service-USDA Loan 9 (\$910,000)		\$ (35,147)	
	(315) Capital Improvement Reserves	Per City Code 14-35 b		\$ (24,463)	Added 7-10-20
	(316) Emergency Repair Fund	Per City Code 14-35 c		\$ (3,125)	Added 7-10-20
	(317) Waste Water Repair Reserves	Per City Code		\$ (19,027)	Added 7-10-20
	(21600) Streets	Street Repairs, Hot and Cold Mix		\$ (15,000)	
Total Transfer OUT		506 - Total Transfers Out	\$ (292,818)		



# DRAFT FINAL SCHEDULE OF TRANSFERS 2020-21

REVISED 7-10-20

Fund No.	Fund Name	Transfer In (Out) Description	Purpose	Fiscal Year 2020-21 Preliminary	
51800	Golf Course	IN (43-935)			
		(11000) General Fund	General Fund Support	\$	140,133
		(21400) Lodgers Tax	Golf Course Allocation	\$	55,000
			<b>508 -Total Transfer IN</b>	<b>\$</b>	<b>195,133</b>
		TRANSFERS OUT			
		(307) GCIF	Capital Improvement Reserve	\$	-
50400	Airport	IN (44-935)			
		(11000) General Fund	General Fund Support	\$	121,000
			<b>509 -Total Transfer IN</b>	<b>\$</b>	<b>121,000</b>
		TRANSFERS OUT			
		(30400) Road Street Project	Project: NMDOT Aviation Division Airfield	\$	(2,189)
		(11000) General Fund	Reimb GF for \$30,000 Cares Act Grant (	\$	(30,000)
			<b>50400 -Total Transfer OUT</b>	<b>\$</b>	<b>(32,189)</b>
21600	Street	IN (45-935)			
		(101) General Fund	Turner Donation/McAdoo Street Project		
		(304) Senior Grants	Closing Senior Grants Bank Acct		
		(50300) Waste Water	Street Repair, Hot and Cold Mix	\$	15,000.00
		(50100) Water	Street Repair, Hot and Cold Mix	\$	30,000.00
			<b>21600 -Total Transfer IN</b>	<b>\$</b>	<b>45,000</b>
21600	Street	TRANSFERS OUT			
		(30400) Road Street Project	Project: 2019/2020 LGRF NMDOT Cooperative Various Streets (7004)	\$	(10,000)
		(30400) Road Street Project	Project: 2020/2021 LGRF NMDOT Cooperative Various Streets (Foch, Locust, Yucca, Palo Verde, Sierra Vista Dr., Pine, and Corbett) (7007)	\$	(20,663)
		(30600) NMFA Projects	Project: NMFA Colonias 2020 MSD Project Roadway Replacement (7009)	\$	(100,000)
			<b>21600 -Total Transfer OUT</b>	<b>\$</b>	<b>(130,663.00)</b>

# DRAFT FINAL SCHEDULE OF TRANSFERS 2020-21

REVISED 7-10-20

Fund No.	Fund Name	Transfer In (Out) Description	Purpose	Fiscal Year 2020-21 Preliminary
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## 21700 Municipal Pool

### IN (48-933)

(11000) General Fund	General Fund Support	\$	76,437
	<b>295 -Total Transfer IN</b>	<b>\$</b>	<b>76,437</b>

Original  
Revised  
Cash Savings in Xfr

## 21900 Senior Grants

### IN/OUT (49-17-930)

(11000) General Fund	SJOA Grant 19-20 before reimbursemer	\$	65,827
	Removed \$300,000. Transferred		
	\$243,250 in 19-20, expensed		
	\$243,244.68 leaving a bal of \$5.32 Will		
	pay out out \$65,832 in 20-21. Need		
	<b>304 -Total Transfer IN</b>	<b>\$</b>	<b>65,827</b>

Revised 7-10-20

### IN/OUT (49-17-930)

(101) General Fund	General Fund Support		
(11000) General Fund	SJOA Grant 19-20 after reimbursement	\$	(309,076)
(216) Streets	Closing Senior Grants Bank Acct		
	<b>304 -Total Transfer OUT</b>	<b>\$</b>	<b>(309,076)</b>
	<b>304 - Net Transfers</b>	<b>\$</b>	<b>(243,249)</b>

Revised 7-10-20

## 306 CI Jt. Utility (306) Capital Improvements

### TRANSFERS IN

(315) Capital Improvement Reserves	Project: NMFA Colonias 2019 City-Wide	\$	7,713
(315) Capital Improvement Reserves	Project: NMFA Colonias 2020 MSD	\$	-

**306 -Total Transfer IN \$ 7,713**

### TRANSFERS OUT

40400 NMFA Loan Debt Service (403)	TORC 2 OPERATING
40400 NMFA Loan Debt Service (403)	TORC 18 OPERATING
40400 NMFA Loan Debt Service (403)	TORC 19 OPERATING
40400 NMFA Loan Debt Service (403)	TORC 18 RESERVE



# DRAFT FINAL SCHEDULE OF TRANSFERS 2020-21

REVISED 7-10-20

Fund No.	Fund Name	Transfer In (Out) Description	Purpose	Fiscal Year 2020-21 Preliminary
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40400 NMFA Loan Debt Service (403)

TORC 19 RESERVE

Debt Service funds are combined with capital funds and need to be seperated

306 -Total Transfer OUT \$ -

## Capital Improvement

### 315 Reserves (315)

#### TRANSFERS IN

51400 Electric Division (503)

Per City Code 14-35 b

\$ 154,839

7-10-20 Added

50100 Water Department (504)

Per City Code 14-35 b

\$ 20,639

7-10-20 Added

50200 Solid Waste (505)

Per City Code 14-35 b

\$ 49,018

7-10-20 Added

50300 Waste Water

Per City Code 14-35 b

\$ 24,463

7-10-20 Added

315- Total Transfer In \$ 248,959.00

#### TRANSFERS OUT

(306) Capital Imp Jt Utility

Project: NMFA Colonias 2019 City-Wide

\$ (7,713)

7-10-20 Added

(306) Capital Imp Jt Utility

Project: NMFA Colonias 2020 MSD

\$ -

7-10-20 Added

Project: NMFA Water Trust Board

Booster Station and Austin St.

(30700) Water Trust Board Project

Improvements (7008)

\$ (71,000)

7-10-20 Added

(30900) Other Federal Funded

NMDOT Aviation Division Electrical

Projects

Vault Design Construction

\$ (11,919)

7-10-20 Added

(306) NMFA Projects

Project: NMFA Colonias 2019 City-Wide

\$ (9,000)

315 -Total Transfer OUT \$ (99,632)

## Emergency Repair

### 316 Reserve (316)

#### TRANSFERS IN

51400 Electric Division (503)

Per City Code 14-35 c

\$ 3,125

7-10-20 Added

**DRAFT FINAL SCHEDULE OF TRANSFERS 2020-21**

REVISED 7-10-20

Fund No.	Fund Name	Transfer In (Out) Description	Purpose	Fiscal Year 2020-21 Preliminary	
		50100 Water Department (504)	Per City Code 14-35 c	\$ 3,125	7-10-20 Added
		50200 Solid Waste (505)	Per City Code 14-35 c	\$ 3,125	7-10-20 Added
		50300 Waste Water	Per City Code 14-35 c	\$ 3,125	7-10-20 Added
			<b>316- Total Transfer In</b>	<b>\$ 12,500.00</b>	
317	Waste Water Repair Reserve (317)	<b>TRANSFERS IN</b>			
		50300 Waste Water	Per City Code 14-35 d	\$ 19,027	7-10-20 Added
			<b>317- Total Transfer In</b>	<b>\$ 19,027</b>	
318	Electrical Construcion Reserve (318)	<b>TRANSFERS IN</b>			
		51400 Electric Division	Per City Code 14-35 e	\$ 10,000	7-10-20 Added
			<b>317- Total Transfer In</b>	<b>\$ 10,000</b>	
	(30400) Road Street Project	<b>TRANSFERS IN</b>			
		21600 Streets (216)	Project: 2019/2020 LGRF NMDOT Cooperative Various Streets (7004)	\$ 10,000	7-10-20 Added
		21600 Streets (216)	Project: 2020/2021 LGRF NMDOT Cooperative Various Streets (Foch, Locust, Yucca, Palo Verde, Sierra Vista Dr., Pine, and Corbett) (7007)	\$ 20,663	7-10-20 Added
		50400 Airport	Project: NMDOT Aviation Division Airfield	\$ 2,189	7-10-20 Added
			<b>30400 Total Transfer In</b>	<b>\$ 32,852</b>	
	(30600) NMFA Projects	<b>TRANSFERS IN</b>			
		Capital Improvement Reserve (315)	Project: NMFA Colonias 2019 City-wide Water Preliminary Engineering Report (7000)	\$ 9,000	7-10-20 Added
		21600 Streets (216)	Project: NMFA Colonias 2020 MSD Project Roadway Replacement (7009)	\$ 100,000	7-10-20 Added

# DRAFT FINAL SCHEDULE OF TRANSFERS 2020-21

REVISED 7-10-20

Fund No.	Fund Name	Transfer In (Out) Description	Purpose	Fiscal Year 2020-21 Preliminary
			30600 Total Transfer In	\$ 109,000

## (30700) Water Trust Board Project

### TRANSFERS IN

Capital Improvement Reserve (315)	Booster Station and Austin St. Improvements (7008)	\$ 71,000	7-10-20 Added
		30700 Total Transfer In	\$ 71,000

## (30900) Other Federal Funded Projects

### TRANSFERS IN

Capital Improvement Reserve (315)	NMDOT Aviation Division Electrical Vault Design Construction	\$ 11,919	7-10-20 Added
		30900 Total Transfer In	\$ 11,919

## 40000 Pledge (43)

### IN (12-935)

40400 NMFA Loan Debt S	(296) PD GRT	NMFA CAMERAS/REPEATER		
40400 NMFA Loan Debt S	(51400) Electric	Debt Pymt. NMFA PPRF-4967	\$ 98,948	
40400 NMFA Loan Debt S	(50100) Water	Debt Pymt. NMFA PPRF-4967	\$ 27,601	
40400 NMFA Loan Debt S	(50100) Water Division	Debt Payment (NMFA TorC 2,17,18,19,2	\$ 216,227	7-10-20 Revised
40400 NMFA Loan Debt S	(506) Wastewater	Debt Service (NMFA TorC 24,27)	\$ 7,713	7-10-20 Revised
40400 NMFA Loan Debt S	306 CI Jt Utility	TORC 2 OPERATING		7-10-20 Added
40400 NMFA Loan Debt S	306 CI Jt Utility	TORC 18 OPERATING		7-10-20 Added
40400 NMFA Loan Debt S	306 CI Jt Utility	TORC 19 OPERATING		7-10-20 Added
40400 NMFA Loan Debt S	306 CI Jt Utility	TORC 18 RESERVE		7-10-20 Added
40400 NMFA Loan Debt S	306 CI Jt Utility	TORC 19 RESERVE		7-10-20 Added
Subtotal NMFA Debt			\$ 350,489	

## 40300

(505) Solid Waste Division	Capital One Revenue Bond	
(50200) Solid Waste	Debt Pymt. Capital One Loan	\$ 119,293

306 Debt Service funds were combined with capital funds and need to be seperated

# DRAFT FINAL SCHEDULE OF TRANSFERS 2020-21

REVISED 7-10-20

Fund No.	Fund Name	Transfer In (Out) Description	Purpose	Fiscal Year 2020-21 Preliminary
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403 -Total Transfer IN \$ 469,782

49900 (309)USDA WWTP IN (64-935)

(50300) Waste Water Debt Service-USDA Loan 9 (\$910,000) \$ 35,147

309 -Total Transfer IN \$ 35,147

\$ -