MINUTES OF THE
NEW MEXICO STATE BOARD OF FINANCE
REGULAR MEETING
Santa Fe, New Mexico
October 20, 2015

A Regular Meeting of the New Mexico State Board of Finance was called to order on this date at 9:10 a.m. in the Governor’s Cabinet Room, Fourth Floor, State Capitol Building, Santa Fe, New Mexico.

1. **ROLL CALL: QUORUM PRESENT**

**Members Present:**
Mr. Adelmo Archuleta, Public Member
Mr. Robert J. Aragon, Public Member
Mr. Michael Brasher, Public Member, Secretary
Mr. John Kormanik, Public Member

**Members Absent:**
The Hon. Susana Martinez, President
The Hon. John A. Sanchez, Lt. Governor
The Hon. Tim Eichenberg, State Treasurer

**Staff Present:**
Dr. Thomas E. Clifford, Secretary of Finance and Administration [arriving 10:30 a.m.]
Ms. Leila Burrows Kleats, Director, State Board of Finance
Mr. Jeff Primm, Deputy Director, State Board of Finance

**Legal Counsel Present:**
Mr. Luis Carrasco, Attorney General’s Office
Ms. Susanne Roubidoux, Attorney General’s Office

**Others Present:**
[See sign-in sheets.]

2. **APPROVAL OF AGENDA**

**ANNOUNCEMENT: NEXT REGULAR MEETING – TUESDAY, NOVEMBER 17, 2015**

Ms. Kleats stated that the following items had been withdrawn from the agenda:

6. Artesia Special Hospital District – Requests Approval of Lease of Real Property At 702 N. 13th Street in Artesia with Artesia General Hospital
9. Northern New Mexico Community College, El Rito and Española Campuses – Requests Approval of Critical Infrastructure Improvements
11. New Mexico State University – Doña Ana Community College – Requests Approval of East Mesa Campus Improvements

Mr. Aragon moved approval of the agenda, as amended. Mr. Archuleta seconded the motion, which passed 4-0 by voice vote.

3. APPROVAL OF MINUTES: September 15, 2015 (Regular Meeting)

Mr. Aragon moved approval of the minutes of the September 15, 2015 meeting, as submitted. Mr. Kormanik seconded the motion, which passed 3-0 by voice vote. [Mr. Archuleta abstained from the vote.]

EMERGENCY FUND BALANCES
Presenter: Leila Burrows Kleats, Director

4. Emergency Balances -- October 2015

- Operating Reserve Fund: $2,000,000.00
- Emergency Water Fund: $118,100.00

Ms. Kleats reported these balances.

BONDS
Presenter: David Paul, Financial Advisor, Fiscal Strategies Group, Inc.; David Buchholtz, Bond Counsel, Rodey, Dickason, Sloan, Akin & Robb, P.A.

5. Debt Affordability Study Presentation

Mr. Paul stated that, each year, Fiscal Strategies Group works with State Board of Finance (SBOF or Board) counsel and the Department of Finance and Administration (DFA) to prepare a Debt Affordability Study, which constitutes a review of the outstanding indebtedness of the state for the purposes of determining the stability and affordability of the bonding program and identifying credit issues, threats to the state credit rating, and other issues salient to the management of the state.

Responding to Mr. Kormanik, Mr. Paul stated that, before statutory changes were made to allow for the issuance of “sponge bonds” and supplemental bonds, senior bonds used an amount of Severance Tax Bonding Fund revenues equal to somewhat less than 50 percent of the bonding fund revenues received during the prior fiscal year, which was the statutory limit. At that point, somewhat more than 50 percent of the revenue stream, again calculated based on prior year receipts, flowed to the Severance Tax Permanent Fund (STPF). While initially all supplemental bonds required legislative approval, that approval was later ceded by statute to the Public School Capital Outlay Council (PSCOC). The long-term portion of the supplemental program was limited to 12.5 percent of revenues (as in all of these statutory caps, based on prior year receipts); so at that point, no more than 62.5 percent of the revenues could be used for long-term debt, and the rest of the money flowed to the STPF. He said the “sponge bond program” was developed when it was determined that additional revenue in the bonding fund couple be accessed for capital projects purposes if a very short term bond was issued and those monies could be used to repay that bond. This was established in statute, which allowed for the
issuance of very short term, often one-day bonds, to increase funding for capital projects. At that point, as much as 95 percent of the bonding fund revenues were made available for debt service, with much of that being for the one-day sponge bonds to allow available revenues to be utilized for capital projects authorized by the legislation. At that point, 5 percent of the bonding fund revenues (still based on prior year revenues) would flow into the STPF.

Mr. Paul said the new legislation does a couple of things. It both reduces the amount of the revenues over a period of years that can be used for bond funding, whether through “sponge bonds” or long-term bonds; and it makes the calculation the lesser of current estimated or prior year actual revenues. These two things will restore a certain amount of funding to the STPF.

Mr. Aragon asked Mr. Paul to comment on occasional newspaper reports that come out about the death of the STPF.

Mr. Paul commented that the statutory construct on the use of the STPF revenues “makes them pretty permanent.” He said there has been a cap on the growth of those funds, and the size of the fund has been less than it would have been had more money flowed into it, but those funds are quite substantial.

Mr. Aragon asked if this contemplates declining oil and gas production levels in the extractive industries, as well as the coalmines in Colfax County.

Mr. Paul responded that the flow into the fund is directly affected if prices fall by 50 percent and debt service remains the same. If production falls by 50 percent, then that presumes prices have fallen as well, so the impact is more than a 50 percent loss of revenues.

Highlights from Mr. Paul’s presentation:

-- Bond ratings remain solid, with continuing vulnerability to timeliness of financial reporting and pension funding.

-- General obligation ratings reflect stable reserve levels since the economic downturn.

-- Negative rating outlook on GO rating from S&P reflects uncertainties introduced by cash reconciliation issues.

-- Operating reserves have been maintained at critical threshold of 10% of recurring appropriations.

-- Five percent reserve floor remains critical point for general obligation ratings.

-- Economics and demographic measures place New Mexico towards the low end of range for highest rating category.

-- Infrastructure demands of a large state with dispersed population increases debt costs. New Mexico has had a relatively high level of indebtedness.
-- Relatively high debt ratios illustrate importance of reserves as underpinning of New Mexico’s
general obligation credit strength.

-- Moody's recalculates state unfunded pension liabilities based on high-grade bond rate in
range of 5.5% to compare liabilities across states.

-- Allocates pension liabilities to each responsible level of government.

-- Net pension liability for New Mexico is more than twice the outstanding debt.

Mr. Aragon noted that the graph on page 10, detailing Moody’s fiscal year 2013 pension
adjustments. The discount rate for the New Mexico Retirement Fund (PERA, ERB, Judicial Retirement
Fund, Magistrate Retirement Fund, Legislative Retirement Fund and Volunteer Firefighters Retirement
Fund) was reported at 7.75 percent, for an overall reported funded ratio of 66.7 percent, in contrast to
Moody’s adjusted funded ratio of 51.8 percent.

Mr. Aragon commented that the 7.75 percent return on investment reported by the actuaries often
is not achieved. He recalled comments by ERB Executive Director Jan Goodwin before this Board two
years ago, when she said that the unfunded liability could reach 70 percent. He said this has an impact
on the state’s credit rating, because the state does not have enough money today to cover all the
promises that the legislature has made to the public employees.

Mr. Paul said he would suggest this is less a credit rating issue than a fundamental local financial
viability issue. Ten years from now, when the share of state revenues that has to go in to meet pension
obligations has incrementally increased, the last problem the state will have is its credit rating: “It's the
funding services that you’re going to be worried about, because if school district budgets are
increasingly usurped to make pension deposits, as well as firefighter and police budgets, that’s the risk.”

Mr. Buchholtz said he was not trying to diminish a very serious problem, but noted that the
legislature enacted some legislative and pension reforms, and the New Mexico Supreme Court upheld
some challenges to those changes under the New Mexico Constitution. He contrasted this to Illinois,
which has hardly done anything.

Conclusion of Affordability of State Board of Finance Debt Programs:

• The 2015 Debt Affordability Study projects the availability for authorization of $2.65 billion of
  new general obligation and senior severance tax secured long-term debt over the next 10
  years.
• The projected debt capacity of the core state bonding programs would not place stress on
  the state’s general fund.
• The projected debt capacity of the core state bonding programs is affordable with respect to
  the revenue streams that are dedicated to debt repayment.
• The Severance Tax Bonding Program has been impacted by reductions in oil prices this year,
  and the program would be impacted if long-term prices are sustained at low price and
  production levels.
• The state’s key debt ratios are at the high end of its peer group and above national median
  levels. The state retires its debt rapidly and funds a significant portion of its annual capital
  expenditures utilizing cash resources.
• The state’s historically strong general fund reserves are central to its strong credit ratings. The target of maintaining reserve levels above 10% of recurring appropriations is important to continued credit strength.
• Management of pension fund liabilities, continued improvements to the timing and quality of annual financial reports, and resolution of cash reconciliation issues remain other key credit issues, along with future trends in natural resource pricing and production.

PROPERTY DISPOSITIONS
Presenter: Deborah Weiss, Verizon Wireless

7. Otero County – Requests Approval of Lease of Real Property at 21 McGregor Range Road in Chaparral with RSA 6-1 Partnership dba Verizon Wireless, LLC ($10,800 per year)

Ms. Kleats stated that staff just received word from Otero County that County Representative Paul Quairoli is unable to appear at this meeting. She said staff is prepared to discuss the issues if the Board wishes to proceed.

Ms. Weiss stated that she is present on behalf of Verizon, and spoke with Mr. Quairoli, and is prepared to present on his behalf. She said that Mr. Quairoli was called away to a fire early this morning in Chaparral.

Ms. Weiss reported that Verizon Wireless proposes to place a wireless cellular tower facility at 21 McGregor Range Road in Chaparral under a lease agreement with Otero County. The site would be of benefit to the first responders and citizens in the community, providing health, safety and welfare by radio communication. She said it would increase radio communications for Verizon customers at the prison facility for their personnel, the military at the White Sands base, visitors to the jail, home security systems, and web browsing. She said Verizon has prepared a lease agreement, and it has been reviewed and “somewhat pre-approved” by staff. She stated that Verizon originally proposed a lease payment of $900 a month with a credit of $250 for the appraisal, which just expired in October, and so they have requested a revised appraisal. She said the appraisal is expected in another week to ten days.

Mr. Primm said he had mentioned to Board members in the briefings that the appraisal for the property needed to be dealt with. The appraisals the Board normally accepts for real estate dispositions are expected to be one year or less in age when they appear before the Board. He said this item was submitted last month, but there was a rather long list of items that they were asked to address, and the County subsequently withdrew the item in order take care of them. At that time, the appraisal was still less than one year old. Mr. Primm said he felt an argument could be made that the appraisal was valid at the time it was submitted to the Board in good faith last month, and that the Board could choose to accept the appraisal given these special circumstances. He said it appears the County is prepared to get a new appraisal, however, which would be at additional cost to the taxpayers.

Secretary Brasher commented that this was not a concern for him, since the appraisal was not stale at the time it was originally submitted.

Secretary Brasher referred to Exhibit E to the lease agreement and asked if the County has looked at the specifications for the tower, and is the equipment being proposed for the public safety service going to keep them under the threshold mark.
Ms. Weiss responded yes. She said the tower is 190 feet, and Verizon is putting six panels at the 190-foot center of rad, and the County is placing their omni-antennas at the 170-foot center of rad, as well as ground equipment. She said the tower is self-supported and is designed to handle four carriers. If the County were to come back at a later date and decide to put additional equipment on, which they would be allowed to do, they would have to follow the standard guidelines of the manufacturer of the tower to make sure they did not overload it. If the tower were to become fully loaded, it would require additional enhancements to beef it up. She said this is very common in the industry, and the last person on the tower would have to pay for the enhancements and absorb the cost involved.

Secretary Brasher commented that, when one deals in an RF environment, interference is a real problem. He said the agreement states that if the County causes interference with their public safety equipment to Verizon, they have to cease operations. He said that is not acceptable, and he assumed the County would continue to operate.

Ms. Weiss responded that, the public safety system runs on a band that is far beyond what is going to cause interference with Verizon.

Secretary Brasher commented that interference could be caused by the County’s or Verizon’s equipment being bad or any number of other things. He noted that the lease states that Verizon can continue to operate at reduced power, or even go to full power from time to time, even if it is causing interference for the County, yet the County doesn’t have the same luxury. He commented that it is very hard to detect the cause of any interference, and in some instances, it can be coming from a third party off site.

Secretary Brasher said he would like the state to develop its own language for these agreements rather than having Verizon write them. He said he would also suggest that Otero County take another look at Exhibit E, because it made no sense to him.

Ms. Weiss stated that there is a time period to cure the problem when there is interference, so the power does not have to be cut off immediately.

Mr. Aragon responded that a subparagraph of Exhibit E states otherwise: “In the event that lessor’s equipment causes such interference... lessor agrees immediately to cease operations until such interference is removed...”

Secretary Brasher additionally noted that subparagraph (xiv) states that 24 hours’ written notice is required to perform maintenance and similar functions on the tower.

[Dr. Clifford joined the proceedings.]

Mr. Archuleta said he could appreciate Secretary Brasher’s efforts to protect the public, but this is a situation where private enterprise is putting up its own money and has to have an agreement that allows it to stay competitive with other cellular providers.

Secretary Brasher thanked Mr. Archuleta for his comments but said he did not think it reasonable to expect Otero County to shut down its public safety systems if they are causing harmful interference to Verizon’s radio system.
Ms. Weiss responded that Verizon could work with staff to allow for a reasonable timeframe for the County to cure the problem if, for instance, it is caused by a malfunctioning radio system. She said typically the 911 systems are on such a different bandwidth that interference would be rare; rather, it is more typically from other co-locators.

Mr. Archuleta commented that, ideally, there should be a co-drafted document that looks out for the greater good of the public as well as the private side.

Secretary Brasher said he would like to see the Board approve this, but contingent upon amending the lease agreement to address his concern.

Mr. Aragon agreed with the comments made by Mr. Archuleta and Secretary Brasher, but noted that this lease agreement was approved by the Otero County Commission, which has jurisdiction over this matter.

Mr. Carrasco clarified that the rule provides a definition of “current appraisal,” which is the date of the appraisal at the time it is submitted to the Board. He said the Board could therefore accept the appraisal based on the rule.

Mr. Primm stated that the Board could make a finding about this particular case just to indicate that it is outside the norm of what the Board would expect to see, but it is compliant in that the applicant made an earlier submission that was complete and in good faith.

Mr. Aragon said the Board should make such a finding to avoid any ambiguity.

Secretary Brasher said he hoped Otero County would be sent a copy of today’s Board minutes so they can understand the Board’s concerns about certain aspects of the lease agreement.

Mr. Archuleta asked if the Board might send a message recommending that both parties sit down and amend the lease agreement.

Mr. Primm responded that, in this instance, the governing body had approved the original version of the lease. Some changes have been negotiated between the parties since then, and the normal course of action is for the Board to receive a revised governing body resolution. He said there may still be an opportunity for them to include that type of consideration.

Mr. Primm noted that the resolution adopted by the Otero County Commission does allow for the County Manager to make changes.

Mr. Primm recommended that approval of this request be contingent upon Director’s receipt, with review of counsel, of a final executed lease agreement containing staff’s changes; a revised and recorded memorandum of lease Exhibit A; a letter from the appraiser authorizing SBOF to release the appraisal under inspection of public records laws; acknowledgement from Verizon that the provided Phase I is subject to inspection of public records laws; and a signed resolution of the governing body approving the final version of the lease, including staff’s changes.

Mr. Aragon moved for approval, with the contingencies. Mr. Kormanik seconded the motion, which passed 4-0 by voice vote.
Ms. Weiss said she would discuss with Verizon the need for future contracts to address the issue of public safety interference and to come up with some reasonable conditions around that.

**HIGHER EDUCATION DEPARTMENT**

Presenters: Ronald James, Capital Projects Coordinator, New Mexico Higher Education Department; Dr. Daniel Lopez, President; Alex Garcia, Director of Special Projects; Richard Cervantes, Vice President, Finance & Administration

8. **New Mexico Institute of Mining and Technology – Requests Approval of Construction of the Chemistry Building ($15,640,878)**

Mr. James stated that New Mexico Institute of Mining and Technology (New Mexico Tech) is requesting approval of the construction of the 39,000 square foot, two-story Chemistry Building. This is part of the institution’s five-year plan. The facility would consist of classroom, laboratory, and office space and a secured chemical stock room with student gathering and study spaces. The vacant existing 27,082 square foot Bureau of Geology building, built in 1974 is in substandard condition and does not meet code and ADA requirements, and would be demolished to make space for the new building. The sources of funding are $15 million in 2014 state general obligation bonds and $640,878 from New Mexico Tech’s internal reserve fund.

Responding to Mr. Kormanik, Dr. Lopez said the source of the funding is from residuals from overhead, which is permissible under their guidelines. He stressed that New Mexico Tech has to have substantial reserves in order to service its contracts, which are usually 90 days reimbursable.

Responding to Mr. Archuleta, Mr. Garcia said they are at “99 percent” in terms of construction documents, and the budget is current. Mr. Archuleta said he had asked this question because there has been an increase in construction costs in the last few months. He said he hoped New Mexico Tech would get some good bids.

**Mr. Aragon moved for approval. Mr. Kormanik seconded the motion, which passed 4-0 by voice vote.**

[The agenda was reprioritized by unanimous consent.]

**New Mexico State University – Requests Approval of a Budget Increase for the Jett Hall and Jett Annex Renovations and Additions ($19,200,000)**

Mr. James stated that New Mexico State University (NMSU) is requesting approval of a budget increase for the construction renovations of Jett Hall and Jett Annex. The Board approved a $17,200,000 budget for this project in May 2015. Since then, NMSU has received additional legislative appropriations specifically for this project that it wishes to use to expand the scope to include improvements that were
previously outside of available budget. Jett Hall has not received a major renovation since it was built over 50 years ago. The sources of funding are 2014 general obligation bonds in the amount of $17,200,000, 2015 severance tax bonds in the amount of $1,500,000 and $500,000 from the 2015 Attorney General’s Consumer Settlement Fund.

Mr. Carrasco asked for confirmation that the email print screen received from NMSU was reflective of the AG Settlement Fund revenue sources. Mr. Haubold confirmed that this was correct.

Mr. Carrasco asked that approval be contingent upon director’s receipt of the total cost per square foot for the project.

Mr. Archuleta moved for approval. Mr. Aragon seconded the motion, which passed 4-0 by voice vote.

13. New Mexico State University – Requests Approval of Landfill Closure Project ($1,006,056)

Mr. James stated that NMSU was requesting approval of the closure and post closure of the former NMSU municipal solid waste construction and demolition landfill to include closure and post closure in accordance with applicable regulations and a New Mexico Environment Department Solid Waste Bureau approved closure plan. The landfill originated as a borrow pit for Highway Department construction work in 1965 and 1966. It was repurposed as an unpermitted landfill site in 1974. The sources of funding are the fiscal year 2012 building, repair and renewal fund in the amount of $306,056 and major land sale funds in the amount of $700,000.

Mr. Archuleta moved for approval. Mr. Aragon seconded the motion, which passed 4-0 by voice vote.

Presenters: Ronald James, Capital Projects Coordinator, New Mexico Higher Education Department; Dr. Steve Gamble, President; Scott Smart, Vice President of Business Administration

10. Eastern New Mexico University – Requests Approval of a Budget increase for the Multi-purpose Athletic Facility Project ($14,500,000)

Mr. James stated that Eastern New Mexico University (ENMU) is requesting approval of a budget increase for the Multi-purpose Athletic Facility Project. The Board approved a $12 million budget for this project in April 2015. ENMU reports that subsequent cost estimate refinements indicated the originally approved budget was overly optimistic and would have necessitated a reduction in project scope, including abandoning the artificial turf. ENMU believes the additional $2.5 million in funding will be sufficient to ensure that the full scope of the project, including the artificial turf, can be built. The additional $2.5 million comes from $1,235,000 in the institution’s funds, $750,000 of additional funds raised, and $515,000 from the 2015 Special Session Severance Tax Bond. The increase is being requested due to the completion of the design of the project and the realization that some cost elements are higher than anticipated because of the large amount of construction in the area.

Mr. Archuleta asked how the Board can be assured that this will be a sufficient amount of money for ENMU to complete the project.
Dr. Gamble responded that they have a firm under contract. He said the $12 million originally forecasted wasn’t a guess, but it also wasn’t “scientific enough” for them to come up with an accurate estimate. He said Bradbury Stamm came to ENMU saying that the subcontractors there were obligated to Cannon Air Force Base, which is building a new barracks, a hospital and new housing. He said this means Bradbury Stamm is having to go further out to find subcontractors, which is costing more money.

Dr. Gamble stated that ENMU has $13 million in one-time funds, of which $4 million is obligated as a match for 2014 and 2016 general obligation bonds. He said the $13 million does not include BR&R and ER&R balances, which are over $1.2 million; so even if the project were to exceed the $14.5 million, which they do not anticipate, they would have money to cover the remainder through student fees they have collected. He stated that ENMU designs its annual budget by assuming revenues will exceed expenses by $1 million.

Dr. Gamble stated that ENMU has had 19 straight fall semesters of growth. Two years ago and last year, and again this year, ENMU was the only four-year institution in the state to grow.

Mr. Primm requested that approval be contingent upon director’s receipt of the total cost per square foot of the project and a revised Higher Education Department Form 1A that HED Form 1A.

Mr. Archuleta moved for approval, with the contingencies. Mr. Aragon seconded the motion, which passed 4-0 by voice vote.

[Agenda was reprioritized with unanimous consent.]

GENERAL SERVICES DEPARTMENT
Presenter: Pamela Nicosin, Deputy Director, Facilities Management Division

16. Facilities Management Division – Requests Approval of October 2015 Schedule of Repairs

Ms. Nicosin requested approval of the October 2015 Schedule of Repairs, for a total cost of $872,371.

Mr. Aragon moved for approval. Mr. Archuleta seconded the motion, which passed 4-0 by voice vote.

STAFF ITEMS
Presenter: Leila Burrows Kleats, Director

17. Proposed Extension of Fiscal Agent Banking Services Agreement with Wells Fargo Bank

Ms. Kleats stated that staff is recommending a two-year extension of this agreement with Wells Fargo Bank. The agreement is set to expire at the end of April, which will require staff to begin the RFP process immediately if the extension is not approved at this meeting. If the two-year extension is approved today, staff will bring forward a draft amendment for final approval at a future Board meeting.
Responding to Mr. Archuleta, Mr. Primm said the original contract had contractual extensions built into it that would allow for three two-year extensions.

Board members asked Mr. Primm to bring the amendment back for ratification at a future meeting.

**Mr. Kormanik moved for approval, contingent upon Board approval of the final form of the contract amendment extending agreement at the next meeting. Mr. Aragon seconded the motion.**

Dr. Clifford asked staff to discuss the request by the State Treasurer’s Office (STO) for local representation on the contract.

Mr. Primm stated that STO had mentioned in their letter to the Board that some of the services that once were provided by Wells Fargo in New Mexico are now being provided regionally. He agreed that Wells Fargo’s New Mexico footprint was one of the strengths of their RFP response, but he did not know that their overall banking footprint in New Mexico has changed too much. One of the strengths is that there are a lot of local branches through Wells Fargo. He said STO had noticed that lockbox services and deposit activities were now being performed out of state, which is partly because of the changing business model in banking practices for imaging, where it makes more sense from the bank’s perspective to do those in economies of scale regionally. He said he would also note that the Board, as contract holder, is receiving much better interactions with Wells Fargo than contemplated in the RFP. For instance, Wells Fargo is holding monthly meetings with the stakeholders, including the Board and STO, that have been very helpful.

Dr. Clifford suggested formalizing that relationship in the contract amendment.

**The motion passed 4-0 by voice vote.**

**STATE TREASURER’S OFFICE**
Presenter: Vikki Hanges, Local Government Investment Pool Portfolio Manager

**14. Monthly Investment Reports for Month-Ended August 31, 2015.**

Ms. Hanges presented this report.

Ms. Hanges stated that, in response to a suggestion at a recent Board meeting, STO spoke with Board financial advisor David Paul to discuss whether it made sense to issue Tax Revenue Anticipation Notes (TRAN). The last time STO issued a TRAN was in 2011, in the amount of $400 million, with a return of $400,000. She said the TRAN was almost a year in length (August through June), interest rates were higher, and there was more of a spread between the issuance and what the proceeds could be invested in. In looking at this again with Mr. Paul, it was noted that, if STO were to issue $400 million again, it would probably sell on December 1 and mature on June 30 and would cost about $570,000 between interest and expenses of issuing the deal, which STO calculated at 24 basis points. The net gain would be about $100,000.

**GENERAL SERVICES DEPARTMENT**

**15. Capitol Buildings Repair Fund Financial Status Report for Month-Ended August 31, 2015**
Although Ms. Nicosin was not present to deliver this report in person, the report was submitted to the Board and is available in the electronic agenda.

**STAFF ITEMS**
Presenter: Leila Burrows Kleats, Director

18. **Capital Projects – September 2015 Authorized but Unissued Projects List**

Board members reviewed the list of Severance Tax Authorized but Unissued projects as of September 29, 2015.

Ms. Kleats stated that there was an additional project that was partially funded and was overlooked, so the revised total should be $18.6 million.

19. **Board of Finance Dashboard Report**

Ms. Kleats reviewed the Dashboard Report.

20. **Fiscal Agent/Custodial Bank Fees**

Mr. Primm stated that there are no great deviations in fees as compared to this time last year.


Mr. Primm read the Joint Powers Agreements into the record.

**Comments by Mr. Carrasco**

Mr. Carrasco informed the Board that he has been extended an offer to join the law firm of Rodey, Dickason, Sloan, Akin & Robb, P.A., which he anticipates accepting. He introduced his colleague, Assistant Attorney General Susanne Roubidoux, who was expected to take over as Board counsel.

Mr. Buchholtz stated that his firm was very impressed with Mr. Carrasco’s substantive skills, but also his fine attention to detail. He said the firm is thrilled to have him join the team.

**ADJOURNMENT**

Its business completed, the State Board of Finance adjourned the meeting at 12:05 p.m.

Susana Martinez, President

Date
Michael Brasher, Secretary

11/30/2015

Date