MINUTES OF THE
NEW MEXICO STATE BOARD OF FINANCE

REGULAR MEETING
Santa Fe, New Mexico

July 21, 2015

A Regular Meeting of the New Mexico State Board of Finance was called to order on this date at 9:08 a.m. in the Governor’s Cabinet Room, Fourth Floor, State Capitol Building, Santa Fe, New Mexico.

1. ROLL CALL: QUORUM PRESENT

Members Present:
The Hon. John A. Sanchez, Lt. Governor [leaving at 12:10 p.m.]
The Hon. Tim Eichenberg, State Treasurer
Mr. Robert J. Aragon, Public Member
Mr. Adelmo Archuleta, Public Member
Mr. Michael Brasher, Public Member, Secretary
Mr. John Kormanik, Public Member

Members Absent:
The Hon. Susana Martinez, President

Staff Present:
Dr. Thomas E. Clifford, Secretary of Finance and Administration
Mr. Jeff Primm, Acting Director, State Board of Finance

Legal Counsel Present:
Mr. Luis Carrasco, Attorney General’s Office

Others Present:
[See sign-in sheets.]

3. APPROVAL OF AGENDA

ANNOUNCEMENT: NEXT REGULAR MEETING – TUESDAY, SEPTEMBER 15, 2015

Item 2 was temporarily deferred to allow additional time for bond counsel to examine bids.

Lt. Governor Sanchez moved approval of the agenda, as amended. Mr. Archuleta seconded the motion, which passed 5-0 by voice vote. [Mr. Eichenberg was not present during the vote.]
4. **APPROVAL OF MINUTES: June 24, 2015 (Regular Meeting)**

Mr. Brasher moved approval of the June 24, 2015 minutes, as submitted. Mr. Aragon seconded the motion, which passed 5-0 by voice vote. [Mr. Eichenberg was not present during the vote.]

**EMERGENCY FUND BALANCES**
Presenter: Jeff Primm, Acting Director

5. **Emergency Balances -- July 2015**

- Operating Reserve Fund $2,000,000.00
- FY14 Emergency Water Fund $118,100.00

Mr. Primm reported these balances.

[Mr. Eichenberg joined the proceedings.]

Presenters: David Buchholtz, Co-Bond Counsel, Rodey, Dickason, Sloan, Akin & Robb, P.A., Jill Sweeney, Co-Bond Counsel, Sherman & Howard, LLC; Louis Choi, Financial Advisor, Public Resources Advisory Group; Laci Knowles, Sherman & Howard, LLC; Matt Beck, Rodey, Dickason, Sloan, Akin & Robb, P.A.

2. **EXAMINATION OF BIDS, SEVERANCE TAX BONDS, SERIES 2015A AND SUPPLEMENTAL SEVERANCE TAX BONDS, SERIES 2015B**

Lt. Governor Sanchez stated, “Agenda Item 2 is for the purpose of publicly examining bids received for the purchase of the State of New Mexico Severance Tax Bonds, Series 2015A, in the aggregate principal maximum amount of $139,170,000 and Supplemental Severance Tax Bonds, Series 2015B in the aggregate principal maximum amount of $75,000,000. A Notice of Bond Sale has been published in The Albuquerque Journal, a newspaper of general circulation in the State of New Mexico once at least five days (5) prior to the date of this meeting. A Notice of Bond Sale also has been published in the Bond Buyer, a recognized financial journal outside the State of New Mexico, one time at least five (5) business days prior to the date of this meeting. Please proceed with the bids, Mr. Choi.”

Mr. Choi stated that there were two separate sales this morning, with eight bidders submitting bids for the Series 2015A Severance Tax Bonds, in the amount of $139,170,000. The best bidder in that sale was Barclays’ Capital Inc. at a true interest cost of 2.039343 percent, followed by a bid from Bank of America/Merrill Lynch at 2.068178 percent. In addition, there were lesser bids from six other firms: Citigroup, JPMorgan, Morgan Stanley, TD Securities, Wells Fargo Bank and US Bancorp Investments. [Note: Mr. Choi read the bid details under Item 6.]

Mr. Buchholtz stated that they cleared approximately $152 million worth of projects from the capital outlay bill that was passed in the special session.

Responding to Dr. Clifford, Mr. Primm said 852 projects were reviewed in the special session of which 58 were not funded for various reasons.

Mr. Choi stated that, at 8:30 a.m. today, bids were examined for the Supplemental Severance Tax Bonds, Series 2015B. A pool of nine firms submitted offers, eight of which were compliant with all of the
terms. TD Securities had submitted a bid with a true interest cost of 2.082537 percent, followed by Barclay’s at 2.102894 percent. TD Securities failed to send in a security deposit, receipt of which is statutorily required prior to the bid opening, and so they were not in compliance.

PRIVATE ACTIVITY BONDS

Presenter: Matthew Segerdal, Principal, Huntley Witmer Development, LLC; Duane E. Brown, Counsel, Modrall Sperling, Roehl, Harris & Sisk, PA

8. City of Hobbs – Requests Approval of Volume Cap Allocation for Acquisition and Rehabilitation of the Multi-family Housing Washington Place Apartments in Hobbs (up to $6,500,000)

Mr. Segerdal stated that the City of Hobbs (Hobbs) is requesting approval of volume cap allocation for the acquisition and rehabilitation of the multifamily housing Washington Place Apartments (Project). Washington Place was built in 1979. The project contains 76 units located on three separate parcels throughout the city, and financing will consist of a combination of 4 percent low-income housing tax credits and a HOME award, which are dependent on New Mexico Mortgage Finance Authority (MFA) approval, and a construction loan and a 35-year permanent loan through Standard and Poor’s unenhanced multifamily housing bond program.

Mr. Brown said the City of Hobbs is very interested in seeing this project go forward and “they are all behind it.”

Mr. Primm asked Mr. Segerdal to briefly explain why there is a housing shortage in the area.

Mr. Segerdal responded that there is a vacancy rate in the community of less than 1 percent, which is “extreme.” In addition, the property to be rehabilitated has had high levels of occupancy for the past ten years, despite its poor condition, with a long waiting list. It is important to preserve the affordability of this Section 8 property rather than have it go to market and lose its affordability for low-income residents in the community. He stated that the economic activity in the area has caused a housing shortage.

Mr. Segerdal confirmed that the amount of the volume bond cap was at $5.5 million and not $6.5 million, as originally requested.

Mr. Primm noted that Mr. Segerdal’s letter to the Board states that the City of Hobbs would approve the sale resolution after the successful sale of the bonds.

Mr. Brown responded that, on July 7, the City Commission approved an authorizing ordinance that set forth the parameters of the bond issue, but because the City didn’t have the volume cap or tax credits available at the time, they contemplated coming back after the bonds were sold on September 8 to fill in the remaining details. The City Commission would meet that night to take action.

Mr. Primm noted that the City Planning Department indicated in writing that the City has not adopted a zoning ordinance to regulate land uses and location of different types of development, or specific business uses throughout the city; and therefore, the existing use is in conformance with the applicable zoning law as of 2014. He asked if there is any reason to believe that that circumstance has changed since 2014, or is the zoning still applicable for this site.
Mr. Brown responded that Planning Director Kevin Robinson confirmed last week that the zoning is as indicated in the 2014 letter.

Mr. Primm recommended that any approval of this item be contingent upon Director’s receipt, with review of counsel, of information required by 2.61.4.8(C) NMAC, which relates to post-closing notification within seven days of closing of the bonds.

Mr. Primm requested that the motion for approval confirm that the amount of volume cap was $5.5 million.

Responding to Dr. Clifford, Mr. Segerdal stated that 100 percent of the residents must be below 60 percent of the area income. Each of the residents will be income-verified and that information will be provided to MFA and the City of Hobbs. He said the vetting process is extremely thorough. He said there is an opportunity for residents to stay if their income increases, and adjustments are also made as a family size increases, etc.

Responding to Mr. Aragon, Mr. Segerdal stated that this is a Section 8 property, and a tenant can only pay 30 percent of their income in rent. If their income increases, HUD will no longer make up the difference in rent and it is the tenant’s responsibility to make up the difference. The income of individual tenants is analyzed annually, and tenants who exceed a certain threshold are moved out.

Mr. Aragon said he has been chair of the Private Activity Bond Subcommittee, and his concern is that there be strict compliance. He asked if the state’s annual bonding capacity would be impacted in any way if a property were to fall out of compliance.

Mr. Primm responded no. What would be put at risk is the actual bond issuance and the exempt nature of a particular project, with the bond buyers finding themselves owning taxable bonds instead of tax-exempt bonds. That would not be a risk that would extend to the state’s bonding reputation.

Mr. Segerdal stated that their compliance is addressed by their property management company and their tax credit investors. In addition, their accounting firm is an affordable housing tax credit specialist. He added that their vetting process is extremely thorough and their management company oversees 40 or 50 different properties in numerous states.

Mr. Archuleta commented that there has been tremendous demand for housing in the Hobbs area, which is well documented, but wondered if the decline in oil and gas revenues has impacted housing needs in that area.

Mr. Brown responded that a lot of tenants are truly low income, on Social Security and other income assistance, and are not affected by the price of oil and gas or the job market in that area.

Mr. Aragon commented that this is his fifth year on the Board of Finance, and in that time, the Board has reviewed about $30 million worth of projects through the MFA. He said he knows there is a tremendous amount of bond capacity, but understands a number of projects have somehow been stymied in the process, and wondered why.

Mr. Brasher commented that mixed-use projects might be more successful in terms of being more readily accepted by the surrounding neighborhoods.
Dr. Clifford noted that the tax-exempt premium has been very low for the last several years, and that may be one reason why there is less interest in the program.

The motion, with the contingencies, passed 6-0 by voice vote.

PROPERTY DISPOSITIONS

Presenters: Nancy V. Nieto, Counsel, Cuddy & McCarthy LLP; Allan Tapia, Superintendent; Martin J. Montaño, Operations Director; Jake Baber, Finance Director; Vince Montoya, Board Member; Mayor Jack Torres, Town of Bernalillo

9. Bernalillo Municipal School District – Requests Approval of Sale of Real Property of the Roosevelt Primary School Located on Camino Don Tomas in Bernalillo to the Town of Bernalillo ($1,250,000)

Mr. Tapia stated that the Bernalillo Municipal School District (District) is requesting approval of the sale of real property of the Roosevelt Primary School (Roosevelt Complex) at 342 Camino Don Tomas in Bernalillo to the Town of Bernalillo. The property consists of land, buildings and seven portables. The Roosevelt Primary School accommodated kindergarten through second grade from pre-1950 until 2011. The New Mexico Public School Facilities Authority (PSFA) determined that the buildings on the campus failed to meet adequacy standards and were not suitable for occupancy for educational purposes. The property is approximately 334,105 square feet, or 7.79 acres. An appraisal completed in April 2015 determined a market value of $1,290,000, and the District determined that the negotiated sale of the property for $1,250,000 is in the best interests of the District.

Mr. Tapia stated that the Roosevelt Complex was put on the market in 2012, but there was very little interest from anyone. One offer was made, substantially below appraisal value, and it was not from a government agency. Because of that, they conducted the second appraisal in April 2015.

Mr. Tapia noted that the District is still carrying the property on the books at a cost of more than $30,000 a year in insurance premiums.

Mr. Tapia also stated that a charter school approached the District in 2007-08, but the cost to bring the building up to code was prohibitive.

Responding to Mr. Kormanik, Mayor Torres said they have a number of uses for the property, which is contiguous to their town hall and police department. The two-story Works Projects Administration (WPA) building will be refurbished into a library. They also have departments that need additional space for training rooms and office use. In addition, they have been approached by Sandoval County, which needs additional space for their fire department headquarters. He stated that they plan to have three to four weeks of “community dialogue” on interests from other entities.

Mr. Archuleta commented that this is a “win-win project” for the community, state and schools.

Mr. Primm recommended that approval be contingent upon Director’s receipt, with review of counsel, of a fully executed purchase and sale agreement, and evidence related to 1.5.23.9(B)(9) NMAC. Mr. Primm said this has to do with PSFA evidence that the building did not meet Public School Capital Outlay Council (PSCOC) occupancy standards or that all charter schools were offered a right to the property and refused.
Mr. Brasher moved for approval, with the contingencies. Mr. Archuleta seconded the motion, which passed 6-0 by voice vote.

SEVERANCE TAX BONDS


6. Acceptance of Bids and Adoption of Bid Resolution, Including Form of Official Statement, Severance Tax Bonds, Series 2015A

Ms. Sweeney reviewed the resolution accepting the best bid. The best bid was from Barclay’s Capital, Inc., in the amount of $129,195,000, plus a premium of $22,672,227.30, which provides the amount of money needed to accomplish the projects.

Mr. Buchholtz stated that the Preliminary Official Statement as posted did not have material changes from the statement that was before the Board at the last meeting.

Mr. Choi read the bids and true interest costs (TIC), as follows:

<table>
<thead>
<tr>
<th>Bidder</th>
<th>TIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barclay’s Capital</td>
<td>2.039343</td>
</tr>
<tr>
<td>Bank of America/Merrill Lynch</td>
<td>2.068178</td>
</tr>
<tr>
<td>Citigroup Global Markets</td>
<td>2.071684</td>
</tr>
<tr>
<td>JP Morgan Securities</td>
<td>2.074453</td>
</tr>
<tr>
<td>Morgan Stanley &amp; Co.</td>
<td>2.079624</td>
</tr>
<tr>
<td>TD Securities [ineligible]</td>
<td>2.088196</td>
</tr>
<tr>
<td>Wells Fargo Bank</td>
<td>2.090007</td>
</tr>
<tr>
<td>US Bancorp Investments</td>
<td>2.118442</td>
</tr>
</tbody>
</table>

Dr. Clifford noted that the state tries to structure its debt so that one year isn’t favored over another in terms of the claims that it makes on its long-term revenue stream. He noted that the premium concept influences that, as this is $22 million less of long-term debt that the state has to issue this year to meet its funding needs. He said apparently that is very hard for the state to factor into its planning without penalizing itself.

Mr. Buchholtz responded that, while the principal amount goes down, because you have a premium, the interest rate goes up. So the facial interest rate on the bonds is 5 percent even though the true cost is 2.09 percent.

Dr. Clifford said a question for the financial advisors would be whether the program as the state manages it, once everything is factored in, is relatively neutral between the different years in terms of the claims that each year’s issue makes on the long-term resources of the program. He suggested that this be revisited as an educational issue.

Mr. Primm noted that there are two options as far as the resolutions before the Board. One version includes delegation of authority, and one that does not. He said this delegation of authority would
authorize Dr. Clifford to modify the projects within the issuance total, if necessary, to address any errors that may be discovered.

Mr. Primm said Project 15-0225, for $130,000 (New Mexico School for the Deaf project), became eligible this morning. He said staff is proposing that the project list and sizing of the bonds be changed to incorporate that project. He noted that Exhibit A states a total project list amount of $151,731,220. With inclusion of this project, the total will increase to 151,861,220.

Dr. Clifford pointed out that the delegation language in Section 8 in the resolution does not track with what Mr. Primm just described. He said it talks about including additional projects, but does not talk about removing or adjusting the size of projects that are already included.

Dr. Clifford commented that staff has done a very good job of identifying projects that are ready to proceed, and have identified the overwhelming majority of what was approved by the legislature. He said he felt any adjustments could be addressed in the December bond issue, and so delegation of authority was not really necessary if the Board was not comfortable with this.

Mr. Kormanik said he found this problematic in terms of setting a long-term precedent. He commented that staff has a hard enough time getting these projects together, and it troubled him that at an unknown point in the future, such authority could be misused to get a project included.

Mr. Archuleta said he had no problem with delegating authority to Dr. Clifford, but “I hate that, once something gets into a document like this, somewhere down the road somebody looks back and says well, you’ve done that before. People forget circumstances and it becomes something that’s perhaps expected instead of being an anomaly.”

Mr. Primm requested that the certification page following the project list (page 253 of binder) be amended in paragraph 3 to reflect that notice of this meeting was given in accordance with State Board of Finance policy 14-01 and not 15-01.

Mr. Brasher disclosed that his wife works for the Department of Senior Affairs for the City of Albuquerque, and some of the projects under Aging and Long Term Services are for her area, although she does not have a financial interest. He said he does not have a conflict of interest under the Board rules and state law.

Mr. Aragon moved for approval, without delegation of authority (paragraph 8); with the correction on the certification page; and adding the New Mexico School for the Deaf project in the amount of $130,000 to the project list. Mr. Brasher seconded the motion, which passed 6-0 by voice vote.

7. Acceptance of Bids and Adoption of Bid Resolution, Including Form of Official Statement, Supplemental Severance Tax Bonds, Series 2015B

Ms. Sweeney reviewed the resolution accepting the best bid. The principal amount of these bonds, following the resizing, is $69,745,000 with a premium amount of $11,217,826, providing a sufficient amount for the projects. The best bid was submitted by Barclays Capital, Inc. The interest rate on the bonds is 5 percent.
Mr. Choi read the bids and true interest costs (TIC), as follows:

<table>
<thead>
<tr>
<th>Bidder</th>
<th>TIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>TD Securities [non-compliant]</td>
<td>2.082537</td>
</tr>
<tr>
<td>Barclay’s Capital [winning bid]</td>
<td>2.102894</td>
</tr>
<tr>
<td>Citigroup Global Markets</td>
<td>2.108207</td>
</tr>
<tr>
<td>Bank of America/Merrill Lynch</td>
<td>2.117117</td>
</tr>
<tr>
<td>Morgan Stanley &amp; Co.</td>
<td>2.119505</td>
</tr>
<tr>
<td>JP Morgan Securities</td>
<td>2.121956</td>
</tr>
<tr>
<td>Wells Fargo Bank</td>
<td>2.140007</td>
</tr>
<tr>
<td>US Bancorp Investments</td>
<td>2.145851</td>
</tr>
<tr>
<td>Robert W. Baird &amp; Company</td>
<td>2.207205</td>
</tr>
</tbody>
</table>

Mr. Kormanik noted that the due diligence on these projects was conducted by the PSCOC, and at no time did staff or the Board have the opportunity to look at individual projects in terms of whether they had passed the due diligence test.

Mr. Primm responded that this was correct.

Responding to Dr. Clifford, Mr. Choi said the actual production on these bonds is $80,961,202. The bonds were downsized from $75 million to $69 million.

Mr. Primm stated that the certification amount is roughly $76 million, so there might be a sizing issue.

[This item was temporarily deferred pending resolution of the sizing question.]

[Lt. Governor Sanchez stepped away from the proceedings.]

**PROPERTY DISPOSITIONS**

Presenter: J. Vance Lee, Executive Director, Support Services Division

10. **Alamogordo Public Schools – Requests Approval of Trade of Real Property in Lots 2 and 4 of Grady Subdivision in Alamogordo with the City of Alamogordo**

Mr. Lee requested approval of the trade of real property with the City of Alamogordo. Alamogordo Public Schools (APS) reports that the proposed trade will facilitate ingress and egress for two nearby APS schools, provide additional parking and aid traffic control around the schools. The APS property to be traded consists of two parcels totaling 1.681 acres located at 1200 East First Street and 500-AS Canyon Road, appraised at $30,000. The City property to be traded is a single parcel totaling 1.375 acres, appraised at $32,000. APS has agreed to pay the $2,000 appraisal cost to balance the transaction.

Mr. Carrasco stated that staff recommends that approval of this transaction be contingent upon Director’s receipt, with review of counsel, of signed minutes or a resolution by the City approving the property trade, and any staff changes associated with confirmation of the property legal description.

Mr. Archuleta moved for approval, with the contingency. Mr. Aragon seconded the motion, which passed 5-0 by voice vote. [Lt. Governor Sanchez was not present for the vote.]
Presenter: Mike Gallagher, County Manager

11. Lea County – Requests Approval of Sale of Real Property at North Dal Paso in Hobbs to Covenant Health Systems ($125,000)

Mr. Gallagher stated that Lea County is requesting approval of the sale of real property at North Dal Paso in Hobbs to Covenant Health Systems to construct a small outpatient surgical facility to encourage economic development and to allow for the expansion of healthcare services to its citizens. The property is approximately 46,750 square feet on 1.073 acres. An appraisal completed in January 2015 valued the market price of the property at $163,500, which is the sale price. Mr. Gallagher stated that the agenda incorrectly listed the purchase amount as being $125,000.

Mr. Gallagher stated that the County conducted a healthcare needs assessment with many stakeholders in Lea County, the City of Hobbs, and its hospitals, and found that the community was significantly underserved by healthcare practitioners and surgeons. The County has aggressively been trying to recruit and entice more healthcare practitioners to the area.

Mr. Carrasco stated that the Board received a corrected version of the resolution reflecting that the sale price would be the appraised value. He asked whether the Board of County Commissioners (BCC) approved that correction.

Mr. Gallagher responded that the BCC was aware of the correction, and its intent was to sell the property at market rate. When the BCC first contemplated selling the property, Covenant Health Systems wanted to have an idea of how much it would cost before moving ahead. The County had a market rate analysis completed, which indicated that the property would be appraised at $125,000. The appraisal done in January 2015 reflected the market price at $163,500.

Mr. Carrasco said there seemed to be some disagreement in the documents as to whether the property was improved or vacant, and asked for clarification.

Mr. Gallagher responded that the property is vacant, but there are city utilities adjacent to the property that include sewer, water and electric. The County also has a parking lot adjacent to the property. The subject property is part of a larger tract of land that has been improved, which has caused some of the confusion.

Mr. Carrasco requested that approval of this transaction be conditioned upon sale of the property at market value or higher; and Director’s receipt, with review of counsel, of a governing body resolution that clarifies the sale price and addresses water rights; a revised and fully executed sale agreement containing staff’s changes; any revisions to associated transactions documents related to confirmation of property’s legal description; and the recorded memorandum referenced in Article 12.16 of the purchase and sale agreement after closing, or the deletion of Article 12.16.

By way of explanation, Mr. Carrasco said staff is looking for the purchaser’s signature on the purchase and sale agreement and removal of any instances or potential instances of County indemnification of the purchaser, especially at Article 12.20. He said Exhibit A to the purchase and sale agreement does not appear to provide a sufficiently detailed description of the property and the need to confirm partial sale of the property that was acquired by the County. The property described by the company secretary’s certificate does not appear to match the deed description. He said staff believes that all of this can be addressed in the proposed contingencies.
Mr. Archuleta moved for approval, with the contingencies. Mr. Eichenberg seconded the motion, which passed 5-0 by voice vote. [Lt. Governor Sanchez was not present during the vote.]

[Lt. Governor Sanchez returned to the proceedings.]

12. Lea County – Requests Approval of Sale of Real Property at the Southeast Corner of the Intersection of New Mexico State Highways 18 and 176 in Eunice to Wildcatter Realty Advisors, LLC ($100,000)

Mr. Gallagher stated that Lea County is requesting approval of the sale of real property at the southeast corner of the intersection of State Highways 18 and 176 in Eunice to Wildcatter Realty Advisors, LLC, for the purpose of future economic development. The vacant land is approximately 27,226 acres. An appraisal report completed in January 2015 supports the $100,000 sale price.

Mr. Gallagher said Lea County purchased the property in December 2010 from the State Land Office for $82,000. The County and the State Land Office believed the County would be in a better position to have this property developed in a way that would help diversify the local economy. He said there are some contingencies in the purchase agreement, and the County is certain that the purchaser, Wildcatter Investments, will develop the property in a way that is consistent with those contingencies. He said the agreement between the State Land Office and the County gives the County 10 years to have the property developed as described in the agreement. If the County fails to meet that timeline, the property will revert to the State Land Office.

Mr. Gallagher said the developer proposes to have a hotel, truck stop and restaurant on the property.

Mr. Carrasco asked Mr. Gallagher if the Board of County Commissioners (BCC) had approved the corrections in the resolution that was adopted previously.

Mr. Gallagher responded that the intent of the BCC was to sell the property at market rate. The market analysis indicated the land would appraise for $100,000, which is the amount that the BCC had contemplated in selling the property.

Mr. Carrasco said the corrections made the sale subject to Board of Finance approval and whether there was any conveyance of water rights.

Mr. Gallagher responded that no water rights will be conveyed with this sale. It was the BCC’s intent that any sale of the property would be contingent upon approval by the Board of Finance. He said they would be happy to have the BCC adopt the corrected resolution, if the Board wishes.

Mr. Carrasco said there was some disagreement in the documents as to whether the property was vacant or improved, and asked for clarification.

Mr. Gallagher responded that there is electricity at the property. Municipal water and sewer, provided by Eunice, is in close proximity to the property. There are some improvements on the property, but they are limited to a variety of different oil leases on the property, and those improvements serve a variety of different wells and pump jacks on the property and would not service the proposed development on the property.
Mr. Carrasco said staff would recommend that any approval of this request be contingent upon Director's receipt, with review of counsel, of a revised and fully executed sale agreement containing staff's changes; any revision to associated transactions documents related to confirmation of property's legal description; and a governing body resolution that clarifies that it is subject to State Board of Finance approval and addresses water rights; and the recorded memorandum referenced in Article 12.16 of the purchase and sale agreement after closing, or the deletion of Article 12.16.

Responding to Mr. Kormanik, Mr. Gallagher said the State Land Office, BCC and local development office all agreed that a truck stop, hotel and restaurant would be the most appropriate use for this property, which is between Andrews, Texas and Funice. Based on the County's economic studies of the area and traffic counts, the City of Hobbs, County and economic development office collectively agreed that this would be the most suitable use of the property. At the time, the State Land Office and County agreed that the County would be in a better position to market the property and have it developed "in a more streamlined fashion." The agreement requires the County to pay $25,000 back to the State Land Office.

Mr. Gallagher said several parties have indicated an interest in buying the property since 2010, but based on the County's vetting, Wildcatter is the only company so far that has the means and resources to develop it.

Mr. Aragon asked how the County advertised the property for sale.

Mr. Gallagher responded that the County had engaged a variety of local realtors to advertise the property as being available. When the County acquired the property from the State Land Office, the best use of the property was determined as "economic diversification to include retail," and that has been how the County has been reviewing proposals for the property. He said all of the proposals received to date, including discussions with companies interested in developing the property, have an interest in tax abatements or economic development incentives. The BCC was not interested in enabling a company to develop the property.

Mr. Aragon suggested that perhaps issuing an RFP would have been appropriate in seeking the best proposals. He said the process seemed "choppy." He said he wasn't sure the County was getting the best offer possible.

Mr. Gallagher responded that the process followed by the County in this transaction was the same one used in the previous agenda item, for a surgical center. He noted that county governments are not subject to the RFP requirement and only have to sell a property at the market rate.

Mr. Aragon commented that it would be a best practice to send out RFPs to see if there is someone willing to pay more than $100,000.

Responding to Mr. Eichenberg, Mr. Gallagher said the County does publish public notice that it is contemplating the sale of this property. In addition, this was discussed in County Commission meetings prior to approving the actual sale.

Mr. Eichenberg asked if the County would entertain any interest from him in purchasing the property for development were he to show up at a meeting and hear about the potential sale and then
contact the County. Mr. Gallagher responded that he saw nothing that would prohibit the County from entertaining a proposal from Mr. Eichenberg.

Mr. Gallagher added that the County acquired this property in 2010, five years ago, and has discussed developing this property since then with a variety of developers, most of whom have been speculators. He also noted that the property is not generating any tax revenue. In addition, companies have asked for some type of tax abatement, which is not in the best interest of County citizens or the state. Finally, he stated that this property is in a strategic location between Eunice and Andrews, Texas, and that the quick disposal of this property will allow it to be developed much sooner, generating tax dollars that are not now being generated.

Mr. Archuleta recalled the same line of questioning at a Board of Finance meeting about four months ago in reference to a South Valley property in Bernalillo County. He said the County underwent the same vetting process that Mr. Gallagher has described. He added that there have been two or three other properties sold by Bernalillo County that the Board has reviewed.

Responding to Mr. Brasher, Mr. Gallagher said the State Land Office had been unsuccessful in developing the property and made an agreement with the County. In a public meeting in December 2010, the County Commission approved the resolution purchasing the property. He said a vendor had not been selected. He said the resolution did not say that the purpose of the sale was to generate revenue to the County. The agreement indicated that the sale would be for an economic development project, with no reference to revenue being generated for the County.

Mr. Gallagher stated that, because the County had agreed to purchase the property in a public meeting, the County believes that a variety of people learned that the County was interested in having the property sold and developed. He said the fact that companies from around the U.S. contacted the County is evidence that the property was well marketed and advertised by the realtors.

Mr. Brasher commented that the County could have issued an RFP, and what is best for the public might have been an RFP given that this is an economic development project. He said he wasn’t sure this was the best deal for the County. Referring to Mr. Archuleta’s comments, he agreed that this is “done all the time in Bernalillo County, but this is a little bit different, and that gives me some pause here.”

Mr. Archuleta noted that the sale price is the appraisal price, and he wasn’t sure that an RFP would yield a price much higher than that.

Lt. Governor Sanchez suggested that perhaps the legislature should look at what authority counties should have in sales of this type.

Mr. Aragon said he saw nothing in the package that says Wildcatter LLC would actually do any economic development on the property. He said they are just acquiring it fee simple, and it all seems speculative. He said, “No plans, nothing, other than I guess a handshake. And if the intended purpose is for economic development, how are we going to know what the highest and best use is in terms of a proposal?” He said this is one of the first times he has seen a transaction brought before the Board with no information on what steps were to be taken to achieve the stated purpose.
Mr. Primm said one of the contingencies has to do with a legal description of the property. He said apparently there is a typo in the appraisal that was carried through to the Property Tax Division technical review. He said he believes this can be addressed at the staff level.

Mr. Archuleta moved for approval, subject to the contingencies. Mr. Eichenberg seconded the motion, which passed 4-2 voice vote, with Mr. Aragon and Mr. Brasher voting against the motion.

[Continued Item]

7. Acceptance of Bids and Adoption of Bid Resolution, Including Form of Official Statement, Supplemental Severance Tax Bonds, Series 2015B

Ms. Sweeney reported that the B Note was in the amount of $59,890,100, and there is no premium because the notes are not publicly sold. The total for the B bonds, including the premium, is $80,951,202, which leaves a remaining contingency of $1,624.

Mr. Kormanik moved for approval, with the contingency requested by staff. Mr. Aragon seconded the motion.

Mr. Brasher noted that some projects included fixed assets, which have a shorter life expectancy, and asked staff to comment.

Mr. Primm responded that tax counsel reviews the uses to ensure that they are in line with IRS requirements. There are definitely instances where equipment is included and is allowable, and there are some situations where uses are not deemed allowable under IRS code.

Mr. Buchholtz added that, when the legislature adopts a list of projects, and the Governor's Office either signs them or vetoes them, on the signed ones, bond counsel will give a fair amount of deference to that decision relative to what projects are appropriate under state law. Therefore, the state gives itself a fair amount of freedom under the taxable note to finance some of those projects. For better or for worse, they cannot give the same amount of deference to the IRS rules, but have very specific details rules that they go through on each project to determine that they can give a tax free bond opinion on these bonds.

Mr. Buchholtz stated that certain capital costs, such as a uniform or a piece of equipment, have a short life, and the IRS has very detailed regulations take into consideration the size, size of the life of all the projects being funded under the one issue, and the maturities of the issue. As an example, $10-$20 million worth of bonds are retired in a $150 million bond in the first three or four years, and one could say that some of those shorter-term capital costs can be matched up with the shorter-term borrowing.

The motion passed 6-0 by voice vote.

PROPERTY DISPOSITIONS

Presenters: David Trujillo, Deputy County Manager; Christopher Madrid, Economic Development Director; Adan Trujillo, County Attorney; Ambrose Baros, Chief Executive Officer, Hoy Recovery Center, Inc.

13. Rio Arriba County – Requests Approval of Lease of Real Property at Private Drive 1098 in Velarde with Hoy Recovery Program, Inc. ($115,000 per year)
County Attorney Adan Trujillo stated that Rio Arriba County is requesting approval of a lease of real property at Private Drive 1098 in Velarde with Hoy Recovery Program, Inc. The property is a total of 25,424 square feet to include a 1,254 square foot administration building; 14,860 square foot main dormitory building; 878 square foot administration annex; 2,255 square foot group home #1; 937 square foot group home #2; 3,040 square foot gymnasium; 1,800 square foot outbuildings; and 400 square foot Tuff shed. The lease is to assure continuity in addressing major public health issues. He said this particular piece is for inpatient substance abuse mental health services.

Mr. Kormanik asked what funding services were used by the County to acquire this property. Deputy County Manager David Trujillo responded that the major funding source was a federal grant of $900,000 to purchase the property in approximately 2002. He said the McCune Foundation and other foundations also contributed, and about $1 million was used to secure the property from capital outlay funds.

Mr. Aragon noted that the documentation states that there will be four beds reserved for Rio Arriba County residents at all times, which seems very low.

Mr. Baros responded that the correct number has since been raised to eight (four male and four female) and that means that any resident considered “high acute,” whether they are in the County detention center or in the hospital, will be able to use one of these emergency beds in the recovery center. Pregnant females and IUD drug users are part of that population. He said these beds are in addition to the 36 beds already in the unit.

Mr. Aragon said everyone has read about the problems being experienced in Rio Arriba County associated with chemical or drug dependency, and he was glad that the number was increased to eight.

Mr. Aragon suggested that Hoy Recovery Center reach out to the behavioral health centers at UNM, because they are doing very good things in the area of addictive medicine, and have several addictive medicine specialists on staff.

Responding to Mr. Archuleta, Mr. Baros said Hoy has an extensive waiting list. He said judges often call Hoy wanting to refer people, and Hoy wants to run specialized programs in order to help with jail diversion programs.

Mr. Baros also stated that there is a significant increase in heroin use among younger people and there are a number of referrals from clients who are under 18. They try to find placement in an adolescent facility in those instances, because entry into Hoy is for clients 18 and over. He said it is very difficult to get an adolescent into an adolescent treatment center, since Medicaid guidelines say that clinical necessity for admission is when the adolescent is “an imminent danger to self or others.” Medicaid doesn’t see drug abuse as falling into that category and there is a big push to send these adolescents through outpatient programs. The overdose rate with heroin is extremely high, however, so it is a dangerous drug. He stated that Hoy is working with the behavioral health collaborative to help people understand that these young people need immediate medical attention as they go through withdrawal.

[Lt. Governor Sanchez left the meeting.]

Staff requested that approval be contingent upon Director’s receipt, with review of counsel, of revised and fully executed lease agreement; that the lease be amended to contain a holdover
provision that authorizes no more than six months of holding over; to rework Exhibit A to reflect the calculation method and agreed-upon unitized value of uncompensated care, as it is encountered specifically with an eye towards reducing any compensated or reimbursed value from the values that will be allowed for the services in kind value; and a revised Exhibit B reflecting the correct number of beds.

Mr. Archuleta moved for approval, with the contingencies. Mr. Aragon seconded the motion, which passed 5-0 by voice vote.

STATE TREASURER’S OFFICE
Presenter: Vikki Hanges, Local Government Investment Pool Portfolio Manager
14. Approval of State Treasurer’s Investment Performance Benchmarks

Ms. Hanges stated that the State Treasurer’s Office (STO) plans to maintain the same benchmarks it has been using for the past several years in the following portfolios:

- General Fund Liquidity, Bank Balances, REPO Pool, STBF, TRAN & Local Government Investment Pool: 100 percent Standard & Poor’s Government Investment Pool Index;
- General Fund Core: 100 percent Bank of America/Merrill Lynch 0-5 Year US Treasury;
- Bond Proceeds Pools (Tax-exempt and Taxable): 100 percent Bank of America/Merrill Lynch 0-3 Year US Treasury.

Mr. Eichenberg moved for approval. Mr. Aragon seconded the motion, which passed 4-0 by voice vote. [Mr. Archuleta was not present during the vote.]


Ms. Hanges presented this report.

Mr. Kormanik noted underperformance relative to some benchmarks, and asked Ms. Hanges to comment.

Ms. Hanges responded that several portfolios have been structured conservatively to their benchmarks. Interest rates have been extremely low, and the Federal Reserve has come out on many occasions saying that they may be ready to increase short-term interest rates. STO has been holding the portfolios slightly short of the benchmarks in the event that interest rates do go up, thus preserving principal in a market that has been quite volatile.

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

Ms. Nicosin presented this report.

17. Facilities Management Division – Requests Approval to Adopt July-December 2015
Ms. Nicosin reviewed the July-December 2015 Schedule of Repairs, and requested approval.

Mr. Archuleta moved for approval. Mr. Kormanik seconded the motion, which passed 5-0 by voice vote.

**STAFF ITEMS**

Presenter: Jeff Primm, Acting Director

18. Proposed Amendment to Rule: Acceptance of Credit/Debit Cards and Use of Electronic Fund Transfers

Secretary Brasher stated, “The next item on the agenda is the proposal of adoption of amendment to board rule at 2.60.8 NMAC. Staff has proposed the changes to the rule and we will start with staff explaining the proposed rule amendments and public comment received and why these amendments should or should not be adopted and then, the Board may start deliberating the merits of the rule amendment. We may modify the rule as long as it is the logical outgrowth of the record generated through the rulemaking process.

“I need to state two legal items for the record. First, rules become effective upon publication in the New Mexico Register. Second, the legal standard is that we need to ‘inform the public’ of our reasoning when we choose to amend our rules. The comments of one member on the record, if it explains our reasoning, satisfies this legal standard.”

Mr. Primm reported that staff received only one written comment, which was from the Department of Finance & Administration, signed by Secretary Clifford. Secretary Clifford had submitted six comments for consideration prior to adoption of this amendment, summarized as follows:

1. 2.60.8.8(A) and (B). To add proposed language indicating that the state may establish a statewide credit card acceptance system in the future.

2. 2.60.8.8(B). To add a requirement to agency responsibilities that an agency must confirm that its chief financial officer and chief information officer will cooperate with the State Board of Finance (SBOF) to ensure ongoing compliance with Payment Card Industry Data Security Standards (PCI-DSS). Intent for this addition is to improve agency awareness of the resources it will be required to dedicate to card acceptance and to establish specific responsible parties at each agency.

3. 2.60.8.8(B)(7) to 2.60.8.8(B)(3). To add the language requiring an agency to pay any assessment by the state to cover the ongoing cost of statewide compliance with PCI-DSS.

4. 2.60.8.8(C). To add the possibility of revocation to the subsection that permits the SBOF to deny an agency the ability to accept payment cards. The intent of this change is to keep the language of the second sentence consistent with the first sentence of this subsection.

5. To make all references to “payment card industry data security standards” consistent in the rule.
6. 260.8.10. To add language to this section based on review by the Financial Control Division of DFA to update the rule to reflect current practices.

Mr. Primms said DFA's comments, which appear to be very helpful and good comments, achieve bringing this Rule into current practices and to reflect the very serious Payment Card Industry (PCI) compliance efforts that are currently underway at the state.

Mr. Primms stated that, should the Board choose to move forward with this version of the Rule, including DFA's public comments, staff recommends it do so based on the rationale that he has stated for making the changes.

Dr. Clifford commented that security issues have become huge, and the fiscal agent is facing a lot of pressure from the industry to improve the state's security systems. He stated that some third party vendors have approached the state and said they can make the state PCI compliant if it provides them with all of the necessary data, but the state is not at the point yet where it can just give them all of the data that it needs. The state is still on the hook for improving the security of its system. With the statewide payment card acceptance system, the state may eventually be able to outsource a lot of this function and wants to keep the process fluid to allow for that possibility in the future.

Mr. Kormanik noted that the Rule says a convenience fee can be charged to customers, but wondered if the additional cost being borne by DFA and the Board for implementing these systems could be incorporated into a fee. He said he was not specifically referring to the security system; this was a broader question.

Dr. Clifford noted that Section 260.8.3(8) states that "A state agency may charge a uniform convenience fee to cover the approximate costs imposed by a financial institution that are directly related to processing a credit card or electronic transfer transaction...and amounts collected are appropriated to the state agency to defray the cost of processing the transaction." He said his reading of this would be that it would include all of the costs associated with the use of these cards.

Mr. Kormanik said his concern was that the Board is responsible for these rules that affect the way that agencies use credit cards. As a Board member, he said he didn't want to be subject to a problem because the state isn't resourced enough to initiate what the statute requires. He said there seems to be a provision in statute that would allow an additional fee to be incorporated that would help DFA and the Board to implement this statute.

With respect to the resource issue, Dr. Clifford said one is the transaction costs associated with the fiscal agent or third party to manage these transactions, and statute says the state can charge a fee to cover those costs. He said the security assessment, however, is an ongoing issue and they are still discussing internally whether this should be a general fund obligation or can it be costed out to the entity using these transactions. He said that decision hasn't been finalized, but his reading of the language says the state could add that to the fee.

Mr. Carrasco commented that it looks like the authority to assess a cost is related to the approximate cost imposed by a financial institution, but it is not specific to costs that are not imposed by a financial institution.

Dr. Clifford said he felt the Board should get a legal analysis of this language.
Secretary Brasher said he had a long history of voting against this kind of thing when he was on the Albuquerque City Council “because they walk and talk and feel like a tax increase for the person who’s paying the bills.” He said he realizes the Board needs to provide the funds for this, but hopes “this doesn’t wind up being a revenue stream and paying for some employees who are now charged to the credit card.”

Mr. Carrasco stated that, if the will of the Board is to approve this rule, he would recommend a motion to approve the rule change with the amendments offered by the Department of Finance & Administration for the reasons specified by Mr. Primm and Dr. Clifford.

Mr. Aragon so moved. Mr. Kormanik seconded the motion, which passed 5-0 by voice vote.

19. Proposed Amendment to Rule: Bond Projects Disbursements

Secretary Brasher stated, “The next item on the agenda is the proposal of adoption of amendment to board rule at 2.61.6 NMAC. Staff has proposed the changes to the rule and we will start with staff explaining the proposed rule amendments and public comment received and why these amendments should or should not be adopted and then, the Board may start deliberating the merits of the rule amendment. We may modify the rule as long as it is the logical outgrowth of the record generated through the rulemaking process.

I need to state two legal items for the record. First, rules become effective upon publication in the New Mexico Register. Second, the legal standard is that we need to ‘inform the public’ of our reasoning when we choose to adopt new rules. The comments of one member on the record, if it explains our reasoning, satisfies this legal standard.”

“We are ready for Mr. Primm to make his presentation.”

Mr. Primm stated that the Board received no public comment on this proposed rule change, so the Board will be acting off of the same version that was presented and published for public comment.

Mr. Primm stated that two changes are proposed to this rule. First, Board of Finance guidance regarding bond proceed requests and expenditures (2.61.6.8(G)) has been amended to eliminate reimbursement and refinancing to reflect current practices of grants that are issued by state agencies. Second, draw requests by state educational institutions (2.61.6.9(A)(1)(e)) require additional documentation because clarification was needed for different types of projects. The amendment should be adopted because these changes will assist the agency compliance with the rule.

Responding to Dr. Clifford, Mr. Primm stated that staff was finding instances where the Higher Education Department (HED) was bringing forward projects, and staff was realizing that there was no solid way of communicating to the staff person who does the draw requests whether or not that particular project had been approved by the Board. It took a lot of work for them to go and verify that. Rather than incur all of that investigatory time for every single project, in consultation with HED, staff developed a one-pager. This notifies the HED entities that this isn’t optional any longer and is actually required.

Mr. Carrasco added that this is a very good safeguard, as well, as one of the actions before the Board today actually went through this process, where it was discovered late in the game that Board of Finance
approval was required. As Mr. Primm stated, there was no real way to communicate that information other than staff realizing it after the fact.

Mr. Archuleta moved for approval of the amendments for the reasons stated by Mr. Primm and Dr. Clifford. Mr. Aragon seconded the motion, which passed 5-0 by voice vote.

20. Proposed New Rule: Determinations of the State Board of Finance

Secretary Brasher stated, “The next item on the agenda is the proposal of adoption of a new board rule at 2.61.9 NMAC. Staff has proposed the new rule and we will start with staff explaining the proposed rule and public comment received and why this rule should or should not be adopted and then, the Board may start deliberating the merits of the rule. We may modify the rule as long as it is the logical outgrowth of the record generated through the rulemaking process.”

Responding to Secretary Brasher, Mr. Primm stated that no public comments were received.

Dr. Clifford stated that he has been in communication with the Governor’s Office regarding this proposed new rule. He said there are two concerns, one involving the Board’s role in reviewing county industrial revenue bond (IRB) issuances. The concern of the Governor’s Office is that it may be a little too narrow in that the factors and conditions to be reviewed may not encompass all the types of projects that counties have been looking at through their IRB programs. He said it might be useful to defer this item to allow additional review.

Secretary Brasher said he was pleased that the Governor’s Office was looking into this.

Secretary Clifford added that the Board may have come up with something that would tie the hands of future Board members, and the question is whether the Board wants to make the rule more specific or more broad.

Secretary Brasher stated that he researched the last time the Board reviewed an IRB project; and in looking at that, the expectation of one of the applicants was that this would be a judicial process with the ability to call witnesses, cross examine witnesses, etc. He said perhaps the language in the rule should include that the rules of evidence do not apply, and the Administrative Procedures Act would not apply. He also recalled discussion about proprietary issues coming up and the expectation that the Board would keep those issues confidential, which is impossible given that someone can file a request for the information and the Board would be required to provide it. He said perhaps that should be incorporated into the rule, as well.

Mr. Carrasco agreed with Secretary Brasher that it would make sense to assess this from a more global standpoint.

Mr. Carrasco noted that, because the public comment period has closed, the Board would have to direct staff to republish the rule and invite additional public comment.

Mr. Archuleta moved to reject the proposed rule change, as prepared. Mr. Aragon seconded the motion, which passed 5-0 by voice vote.
Mr. Archuleta moved that the Board come back with a more comprehensive rule that would take into account the testimony that was provided today with regard to the comprehensive nature of the rule change itself, as well as other information that the Board may provide outside of this meeting; and that staff be directed to republish the proposed rule in accordance with correct procedure. Mr. Aragon seconded the motion, which passed 5-0 by voice vote.

21. **Bond Counsel’s Communication Regarding Ability of the Town of Silver City’s Qualified Energy Conservation Bonds to be Issued under State Law**

Ms. Sweeney stated that, as part of the Board’s action at last month’s meeting with respect to this item, Bond Counsel was directed to take a look at the state law issues, and has determined that the town is indeed authorized to issue those bonds and receive the allocation.

22. **Report of Changes Made to Schedule A Project List of the Amendment to Severance Tax Note Resolution, Series 2015S-A through the Delegation of Authority**

Mr. Primm directed the Board’s attention to an email summarizing the changes that were made based on the delegation of authority to the project list for the senior note that closed last month. Two projects were added to the list: Project 13-1180 and Project 15-1122. One further change was made, because one large project, Project 15-0190, was being used to throttle the project amount in order to absorb other projects. An alteration was made to that project amount in order to include the two projects.

Mr. Archuleta moved to ratify the changes that were made. Mr. Aragon seconded the motion, which passed 5-0 by voice vote.

23. **Report of Changes Made to Exhibit A Project List of the Resolution Reauthorizing Certain Severance Tax Bond Projects through the Delegation of Authority**

Mr. Primm directed the Board’s attention to Exhibit B in the binder. One additional project became eligible, Project 13-1798, and was added to the project list.

Mr. Aragon moved to ratify. Mr. Archuleta seconded the motion, which passed 5-0 by voice vote.

24. **May 21, 2015 Meeting Minutes – Verbatim Transcript Amendment to Item No. 6**

Mr. Primm said this item is being brought forward for informational purposes, as the May 21, 2015 minutes were approved at last month’s meeting subject to a change to Item 6, removing the summary of the discussion and replacing it with a verbatim version of the discussion.

25. **Custody Bank Contract Extension with JP Morgan Chase Bank, NA**

Mr. Primm said staff is recommending approval of an extension of the Custody Bank Contract with JP Morgan Chase Bank for an additional two-year period. The primary client and user of these services, the State Treasurer’s Office, has indicated that they are interested in continuing this relationship for their investment purposes.
Mr. Primm said staff is bringing this forward somewhat early, as there is no Board meeting in August, in the interest of having additional time to issue an RFP were the Board to not approve this request.

Mr. Archuleta moved staff’s recommendation. Mr. Eichenberg seconded the motion, which passed 5-0 by voice vote.

26. **Delegation of Signature Authority in Absence of Director and Acting Director**

Mr. Primm said this item is being brought to the Board for its consideration. Staff is recommending that the Board move to delegate signature authority in the absence of himself as Acting Director, or in absence of a Director, between July 22 and the Board’s next regularly scheduled meeting. Staff proposes that Stephanie Schardin Clarke be delegated signature authority on behalf of the office of the Director of the State Board of Finance.

Mr. Eichenberg moved staff’s recommendation, with signature authority extended to Ms. Schardin Clarke through 12/31/15. Mr. Aragon seconded the motion, which passed 5-0 by voice vote.

27. **Board of Finance Dashboard Report**

Mr. Primm stated that the report can be found on page 1,397 of the electronic agenda.

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

Mr. Primm stated that the STO custody charges are not yet available for the contract that was discussed (Item 25), but staff is in the process of receiving and processing that.

Secretary Brasher thanked staff, Board members and Bond Counsel for their exceptional work in recent weeks.

29. **Joint Powers Agreements for Month-Ended May 2015**

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

Its business completed, the State Board of Finance adjourned the meeting at 1:50 p.m.

Susana Martínez, President

Date

9/17/15

Michael Brasher, Secretary

Date

9/15/15