

NEW MEXICO STATE BOARD OF FINANCE

REGULAR MEETING

Santa Fe, New Mexico

May 20, 2025

A regular meeting of the New Mexico State Board of Finance was called to order on this date at 9:00 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. Howie Morales, Lt. Governor

The Hon. Laura M. Montoya, New Mexico State Treasurer [virtual; left at 9:45 a.m.]

Mr. Michael S. Sanchez, Secretary, Public Member [virtually]

Mr. Paul Cassidy, Public Member

Mr. Joseph Lujan, Public Member

Ms. Wendy Trevisani, Public Member

Members Excused:

The Hon. Michelle Lujan Grisham, President

Staff Present:

Ms. Ashley Leach, Director

Mr. Marcos B. Trujillo, Deputy Director

Mr. Roberto Vasquez, SBOF Administrator

Legal Counsel Present:

Mr. Zachary Shandler

Mr. Blaine Moffat

Ms. Rebecca Guay [virtual]

2. APPROVAL OF AGENDA

Member Cassidy moved for approval of the agenda. Member Lujan seconded the motion, which passed unanimously.

3. APPROVAL OF MINUTES: March 18, 2025, Regular Meeting

Member Trevisani moved approval of the March 18, 2025, meeting minutes. Member Lujan seconded the motion, which passed unanimously.

CONSENT AGENDA (Items 4-14)

Submitted by: Joe Brown, Capital Projects Director, Higher Education Department

4. New Mexico Institute of Mining and Technology—Requests Approval of Capital Expenditures for Construction of the Unmanned Aerial System Field (\$650,000)

- Contingent upon director's and counsel's receipt and review of approved certificate of adequate parking

5. University of New Mexico—Requests Approval of Capital Expenditures for Alvarado Hall Elevator Installation (\$2,959,849)

6. University of New Mexico—Requests Approval of the Acquisition of Real Property, Located at 1020 Avenida de Cesar Chavez in Albuquerque (\$1,250,000)

- Contingent upon director's and counsel's receipt and review of (1) a fully executed warranty deed, (2) a fully executed amendment to the purchase agreement, and (3) submission of an executed easement agreement

Submitted by: Sylvia Tillbrook, Executive Assistant, Otero County

7. Otero County—Requests Approval of the Lease of Real Property, Located at 56 Cottage Row in Otero County, known as the High Rolls Senior Center, to Sacramento Mountains Senior Services Inc. (\$24,581 / year, services in lieu Of rent)

8. Otero County—Requests Approval of the Lease of Real Property, Located at 1118 Indiana Avenue in Alamogordo, to Otero Arts Inc. (\$16,236 / year, services in lieu of rent)

Submitted by: Michael Padilla, Right-of-way Supervisor, Middle Rio Grande Conservancy District

9. Middle Rio Grande Conservancy District—Requests Approval of the Sale of Real Property, Located within the Elena Gallegos Grant, Grecian Ave. and Guadalupe Trail NW / Harwood Lateral, to David Stang (\$77,398)

- Contingent upon director's and counsel's receipt and review of (1) a fully executed lease agreement, (2) a fully executed quitclaim deed, (3) fully executed board

minutes or a resolution from the MRGCD Board, and (4) a favorable appraisal review report from the Taxation and Revenue Department's Property Tax Division

Submitted by: Danette Cabber, Executive Director, Estancia Valley Solid Waste Authority

10. Estancia Valley Solid Waste Authority—Requests Approval of the Sale of Real Property, Located at 214 South 5th Street in Estancia, to the Town of Estancia (\$224,000)

- Contingent upon director's and counsel's receipt and review of (1) a fully executed purchase agreement, (2) a fully executed addendum no. 2, and (3) a fully executed quitclaim deed

Submitted by: Jessica Cadena, Associate Superintendent, Gadsden Independent School District

11. Gadsden Independent School District—Requests Approval of the Sale of Real Property, Located at 2160 NM-192 in San Miguel, to the Alto de Las Flores Mutual Domestic Water Association (\$78,410)

- Contingent upon director's and counsel's receipt and review of (1) a fully executed purchase agreement and (2) a fully executed quitclaim deed

Submitted by: Kaycee Sandoval, Administrator, Village of Eagle Nest

12. Village of Eagle Nest—Requests Approval of the Conversion of its Emergency Operating Loan to a Grant (\$300,000)

Submitted by: Kristy Donaldson, Chelsea Investment Company

13. Bernalillo County—Requests an Extension of its 2025 Private Activity Bond Volume Cap Allocation for the West Mesa Ridge A Apartments Project in Albuquerque (\$28,900,000)

Submitted by: Denise Benavidez, Deputy Director of Community Development Santa Fe County

14. Santa Fe County—Requests an Extension of its 2025 Private Activity Bond Volume Cap Allocation for the Turquoise Trail Apartments Project in Santa Fe (\$70,000,000)

Member Trevisani moved approval of Consent Agenda items 4-14, with the contingencies. Member Lujan seconded the motion, which passed unanimously.

[Member Sanchez joined the proceedings virtually.]

HIGHER EDUCATION

Presenters: Joe Brown, Capital Projects Director, NMHED; Enrico Volpato, Executive Director, UNM Hospital Facility Services; Gregory Smith, Director, UNM Hospital Planning & Construction; Mike Chicarelli, Chief Operating Officer

15. University of New Mexico Health Sciences Center / Hospital—Requests Approval of Capital Expenditures for Construction of the Sandia Vista Primary Care Clinic (\$19,000,000)

Mr. Brown stated that this is a request for approval of capital expenditures totaling \$19,000,000 to construct the Sandia Vista Primary Care Clinic, to be located at 9600 Gibson Boulevard, S.W. in Albuquerque. It will be approximately 16,741 square feet. The cost per square foot is \$998. The clinic will have 22 exam rooms and will have four consultation rooms, half of which will be dedicated to behavioral health. There will be a staff respite room and a retinal scan room. There will be outpatient services, including a retail pharmacy, radiology suite, rehab services room, and outpatient lab. This project is being funded by the UNM Hospital capital renovation fund in the amount of \$19 million.

Mr. Volpato said they anticipate they will be able to serve 21,000 patient visits annually. The facility is a one stop shop for patients, where they will be able to get their primary care needs met, including pharmacy, radiology, and outpatient treatment rooms. In addition, there will be some community service space. The clinic is based on a model that they have built throughout the city.

Mr. Volpato said they are currently negotiating for the construction contract and plan to start in July.

Member Trevisani asked how many of the 21,000 patient visits are for those who are already being served in the system at another location. Mr. Chicarelli responded that this is difficult to define, but they know that there is a tremendous amount of unmet need for primary care services in that area of the city. They would expect to see more new patients in the new facility.

Treasurer Montoya asked what secondary plan UNM Hospital has in place in the event there are problems with funding from the federal government. While the funding is already set aside for construction, she asked what the secondary strategic plan is for making sure the building has the necessary staff in place.

Mr. Chicarelli responded that someone would have to look at their programs and determine how they will manage healthcare in that environment. They are required to maintain a net margin and so they would have to make adjustments to their care delivery and

reallocate resources as necessary. No matter what, they will have to provide basic healthcare.

Member Cassidy commented that he really appreciates the fact that they did a community survey to identify health delivery services for this part of the community. He asked what plans there are for future service delivery spots for the metro area. He also wondered if the expected cost of \$998 per square foot for the subject facility will hold or will it be less.

Mr. Volpato responded that they are in a challenging time with tariffs and they have had high construction costs over the last five years. They are in the negotiating stage, so they are not at the point where they can make the information public. They do know they will come in within budget and expect that the cost per square foot will be less than \$998. This will allow them to have capacity for unforeseen circumstances in the future,

Responding to Member Cassidy, Mr. Chicarelli said he does not expect they will change the methodology they used to site the clinic going forward and expected that they would use that same methodology in siting future primary care locations in Bernalillo County. He stated that they have 33-40 different locations where they have clinics in Bernalillo County.

Lt. Governor Morales asked if there is any collaboration or communication with other providers such as Lovelace and Presbyterian in deciding on where to locate facilities.

Mr. Chicarelli responded that, generally, they have frequent conversations with Presbyterian, Lovelace, etc., and have good relationships with them. In planning where to site the subject facility they didn't meet with them to discuss it, but they do look at where they have clinical platforms and navigate away from those areas and focus on "healthcare deserts" in determining where to site future clinics.

Ms. Leach stated that she and Deputy Director Trujillo will be attending a working meeting with UNM leadership to learn about their ten-year plans both with the campus and the hospital and dive more deeply into upcoming projects. She thanked Director Brown and his team for this invitation.

Member Cassidy moved for approval. Member Lujan seconded the motion, which passed unanimously.

REAL PROPERTY SALES AND LEASES

Presenters: Sherry Dominguez, Fixed Assets, Clovis Municipal Schools; Jay Brady, Deputy Superintendent of Operations, Technology & Athletics, Clovis Municipal Schools; Loran Hill, Senior Director of Operations, Clovis Municipal Schools

16. Clovis Municipal Schools—Requests Approval of the Sale of Real Property, Located at 1309 Maple & 1200 Hickory in Clovis, to Nick Griego & Sons Construction (\$240,000)

Mr. Brady stated that the Clovis Municipal Schools has a 6.75-acre plot in Clovis that previously was the site of an elementary school that was demolished about ten years ago. They have gone through the bid process and other requirements to put the property up for sale. They received one bid for \$240,000 from Nick Griego & Sons Construction, who have plans to develop the property for housing.

Ms. Leach stated that the property has two plots of land, one 2.07 acres and the other 4.68 acres. The sale is to Nick Griego & Sons Construction. The district has owned the property since 1949 and has no use for it. The sale price of \$240,000 is slightly higher than the appraised value of \$221,000 for the combined properties.

Ms. Leach said approval is contingent upon director's and counsel's receipt and review of (1) a fully executed purchase agreement and (2) a fully executed quitclaim deed.

Responding to Mr. Lujan, Mr. Brady said that they held onto the property for ten years after the elementary school was demolished for potential other uses, but because enrollment continues to shrink, they saw no reason to hold onto the property any longer. He said they plan to use the funds from the sale of this property to remodel and make capital improvements to the district's facilities.

Lt. Governor Morales said he understands population numbers are increasing in Clovis and questioned why there is declining enrollment. Mr. Brady responded that while there were families located at Cannon AFB when they had the F-111, that is no longer the case with the Special Operations Group. He said men and women do not typically bring children with them for this mission.

Member Lujan moved for approval, with the contingencies. Member Trevisani seconded the motion, which passed unanimously.

[Treasurer Montoya left the proceedings.]

Presenters: Cody Diehl, Superintendent of Schools, Farmington Municipal Schools; Bobbi Newland, Chief Financial Officers, Farmington Municipal Schools; Heather Boone, Attorney; Isaac Gamboa, Executive Director of Operations

17. Farmington Municipal Schools—Requests Approval of the Sale of Real Property, Located at 2001 North Dustin Avenue in Farmington, to McDonald's USA, LLC (\$848,000)

Mr. Diehl said Farmington Municipal Schools is requesting approval of the sale of their old central office. They have owned the property since 1983. They have had several campuses that house their central office programs, which they have consolidated into one, so no longer need the facility. They have had some interest in the property, but the cost of renovation has

deterred a lot of people from buying. They received an offer in the fall, and they are requesting approval for that.

Ms. Leach added that the building is about 10,891 square feet. The building was appraised in November 2024 at \$790,000, and the purchase price is \$848,000. The potential buyer is McDonald's USA, LLC.

Ms. Leach said approval is contingent upon director's and counsel's receipt and review of (1) a revised and fully executed real estate contract that includes revisions requested by staff and counsel and (2) a fully executed quitclaim deed.

Responding to Member Cassidy, Mr. Diehl said they are about 500 students down over the last five years but are seeing an uptick in production in the basin, so hopefully there will be an increase down the road.

Member Cassidy moved for approval, with the contingencies. Ms. Trevisani seconded the motion, which passed unanimously.

PRIVATE ACTIVITY BONDS

Presenters: Christi Wheelock, Tax Credit Program Analyst, Housing New Mexico; Thomas Andrews, CEO, Thomas Development Group, LLC; Jonathan Andrews, Vice President, Thomas Development Group, LLC; Jacobo Martinez, Assistant Director of Housing Development, Housing New Mexico; Steve Likes, Bond Counsel, Kutak Rock; Natalie Green, Housing and Neighborhood Revitalization Administrator, City of Las Cruces

18. Housing New Mexico —Requests a Private Activity Bond Volume Cap Allocation and an Extension for the Peachtree Canyon II Apartments Project In Las Cruces (\$23,350,000)

Mr. Martinez said this is a request for approval of a private Activity Bond volume cap allocation of \$23,350,000 to finance the construction of a new 144-unit multifamily apartment project in Las Cruces. Peachtree Canyon II is the second phase of the Peachtree Canyon Community. The project will include six three-story buildings containing 48 one-, 48 two-, and 48 three-bedroom units, with 138 units being income restricted with income at no more than 60 percent of the AMI. Six units will be income restricted with income at no more than 30 percent of AMI.

Mr. Thomas Andrews said he has been actively developing affordable housing in New Mexico for 25 years. Up to today, all the projects have been fully or partially owned by nonprofit organizations. They are partnering with New Mexico Housing and Community Development Corporation with this project, which is based in Truth or Consequences.

Mr. Jonathan Andrews said construction is expected to start in August. They will be keeping the same development team as with Phase II, and the cost per unit will be \$285,000.

Responding to Member Trevisani, Mr. Thomas Andrews said they are on time and on budget at this point and have had no pushback as far as price increases. Some buildings will come on line in the fall, with more buildings coming on line over a four-to-five-month period starting in October, with the completion date set in February 2026.

Ms. Wheelock added that this is a non-transient program, so tenants have to sign a lease of at least six months. Typically, they sign a one-year lease. The rents do not change during that period. Sometimes the utility amounts can change, but tenants are given a 90-day notice and receive a utility allowance that is deducted from the rent.

Responding to Member Cassidy, Mr. Martinez said they recently completed their 9 percent affordable housing tax round and the average cost per unit was \$320,000, so they are seeing increases in construction costs as well as soft costs. He said that about \$22,000,000 will be left in the private activity bond after the \$23,350,000 for this project is allocated. They do have some projects lined up that are asking for consideration.

Member Lujan moved for approval. Member Sanchez seconded the motion, which passed unanimously.

PRESENTATIONS

Presenters: Thomas Neale, Director of Real Estate, University of New Mexico; Joe Brown, Capital Projects Director, NMHED; Leah Murray, Associate Director, Real Estate Division, UNM; Christine Landavazo, Associate University Counsel, UNM; Justin Horowitz, Rodey Law Firm

19. UNM Presentation on Upcoming Property Acquisition

Mr. Horowitz stated that he serves as counsel to UNM, and other lawyers at the Rodey Law Firm serve as bond counsel to the Board of Finance. He spoke with the Executive and legal counsel about his participation today, and they were comfortable with his disclosure.

Mr. Neale stated that UNM would be bringing this project to the Board of Finance at next month's meeting, which is a request to approve an acquisition of an office research building on the island of Maui in Hawaii. The acquisition is for the Maui High Performance Computing Center, which was created in 1994 by UNM for its advance Research Computing that supported the Air Force Research Laboratory and the Department of Defense High Performance Computer Modernization program.

Mr. Neale stated that, in 1993, UNM entered into a build-to-suit lease agreement for the property in the research park at 550 Lipoa Parkway. The building is about 31,000 square feet and is located on 2.69 acres. UNM entered into a lease with a private entity, which sold the property in 2000. A new lease was financed through certificates of participation, which are analogous to bonds. The Bank of New York Mellon Trust Company is the current leaseholder

and trustee. UNM has the option to purchase the property from the trustee for \$9,165,000. As UNM is a residual beneficiary of the trust estate, it will receive any amounts held by the trustee of overpayment of rents under the lease. UNM would like to execute the purchase option. It has been working with counsel on the mechanics of closing this transaction.

Mr. Neale stated that, over the term, in 2000 UNM lost its contract and sublet the facility to the University of Hawaii. It has sublet the property for the duration of this lease agreement. In 2010, UNM lost the contract to a private defense contractor, and that award was challenged. The challenge was upheld, and from that point forward UNM has sublet to the federal government for \$850,000 a year. Throughout the term of this sublease, UNM has been using the payments from the federal government to make the master lease payments, so UNM has had this property at very little cost.

Mr. Neale said the federal government has procured another site in the research park and they anticipate starting construction in the near term. They would like to enter into a new lease post-closing at \$992,000 per year net, so UNM won't have any maintenance or repair obligation. From that point, UNM thinks they will be in there about two years, and it is thinking about exit strategies.

Regarding the \$9,165,000 purchase option, Mr. Neale said their appraisal is for \$5.9 million. UNM would execute the purchase agreement at \$9,165,000, which will be refunded to UNM post-closing when the trust is discharged. In addition, there is \$1,040,000 that sits in a rental reserve trust that will also be conveyed to UNM. The net benefit of the transaction is about \$7,000,000. The Rodey Law Firm is working on the mechanics of the transaction.

Member Cassidy asked if the \$5.9 million includes deferred maintenance that this facility might have. Mr. Neale responded yes. There is about \$768,000 of deferred maintenance, principally for aging mechanical systems, gaskets on the windows, and some deteriorating grout. The federal government has total responsibility for maintaining the asset, but UNM will want to make sure it is protected beyond the two-year lease term. He said the University of Hawaii has expressed interest in the property.

Mr. Moffat stated that in reviewing this item with all of the documents and contracts associated with this sale, in order to preserve any future conflicts or any view of impropriety that may be associated with this, they would not be able to provide any legal guidance on this particular item. They spoke with DFA general counsel and have come to an agreement for this particular item.

Presenters: David Paul, Fiscal Strategies Group, Inc.; Louis Choi, Senior Managing Director, Public Resources Advisory Group

20. Presentation on Municipal Bond Market Volatility and Activity

Mr. Paul and Mr. Choi made this presentation.

BONDING PROGRAM

Presenter: Luis Carrasco, Director, Rodey, Dickason, Sloan, Akin & Robb, PA

21. Authorizing and Delegating Resolution for State of New Mexico Severance Tax Bonds, Series 2025A (Maximum Principal Amount of \$292,000,000)

Mr. Carrasco said these bonds are a series of long-term bonds issued by the Board of Finance to fund legislatively appropriated projects. He reviewed highlights from the resolution. The sale of the bonds is scheduled to occur on June 17, with closing prior to the end of the month. The bonds will be sold at a competitive sale with a 10-year maturity.

Ms. Leach stated that there is a small set of 20 projects instituted in \$92,000,000, all of them statewide. Staff worked very closely with both Infrastructure Division Director Billingsley as well as LFC staff during the session when they were contemplating a long-term sale to ensure that projects were included that would be more shovel-ready and expended quickly, since this is a tax-exempt issuance.

Member Cassidy moved for approval. Member Sanchez seconded the motion, which passed unanimously.

22. Authorizing Resolution for State of New Mexico Severance Tax Notes, Series 2025S-A (Maximum Principal Amount of \$620,000,000)

Mr. Carrasco stated that these notes are two of a series of short-term bonds to finance legislatively appropriated projects and the statutory set asides for water projects, Colonias projects, tribal projects, and the Housing Trust Fund. These are the traditional projects that have been funded with Severance Tax Notes over the last several decades and will be funded to the extent possible with the proceeds of the 2025S-A1 note to a maximum amount of \$538,400,000. In addition is the issuance of the 2025S-A2 notes in amount of up to \$81,600,000 to provide additional funding to the Capital Development and Reserve Fund.

Member Lujan moved for approval. Member Cassidy seconded the motion, which passed unanimously.

23. Authorizing Resolution for State of New Mexico Supplemental Severance Tax Note, Series 2025S-B (Maximum Principal Amount of \$600,000,000)

Mr. Carrasco stated that this note is one of a series of short-term bond notes which fund Public School Capital Outlay Projects and Public School Capital Improvement Projects.

Ms. Leach said there is still one month of oil and gas revenues to come in, plus a couple of deposits in interest earnings. They should have something closer to \$530 million for Public School Capital Outlay Projects in June.

Member Trevisani moved for approval. Member Cassidy seconded the motion, which passed unanimously.

Presenters: Ashley Leach, Director, State Board of Finance; Kenneth Guckenberger, Partner, Kutak Rock LLP

24. Preliminary Official Statement for State of New Mexico Severance Tax Bonds, Series 2025A

Mr. Guckenberger made this presentation.

Member Cassidy moved for approval. Member Lujan seconded the motion, which passed unanimously.

STAFF ITEMS

Presenter: Ashley Leach, Director, State Board of Finance

25. Finalist Award and Approval of Contract for Arbitrage Services with Delegation To Staff to Finalize Contract and Submit to the Contracts Review Bureau for Approval

The Board may enter executive session pursuant to 10-15-1(H)6 to discuss competitive sealed proposals in response to RFP# 25-341-4000-00007 Arbitrage Services

Ms. Leach said staff is requesting approval of the recommended finalist for the Board's arbitrage services contract, as well as approval of the draft contract for execution. The approval would also delegate to the state the ability to make any final changes to the contract resulting from review by the contractor and review by the General Service was Department Contracts Review Bureau.

Ms. Leach said the Board approved staff to begin procuring disclosure counsel services at the January 2024 meeting. The RFP was issued Marh 6, 2025, with. Proposals due March 26, 2025. Notice of the RFP was sent direction to five firms that provide arbitrage services and was sent to any vendors who have elected to receive notices of procurements from DFA. She stated that she served as the procurement manager.

Ms. Leach said the Evaluation Committee Report was provided separately to all Board members who provided an executed confidentiality agreement. With that information provided, the Evaluation Committee is recommending BLX as the finalist and that the contract be awarded to BLX.

[Board members elected not to enter executive session for further discussion on this item.]

Member Sanchez moved for approval. Member Lujan seconded the motion, which passed unanimously.

26. Initiation of Rule Making Process for Consideration of Gross Receipts Tax Increment Dedications Pursuant to the Metropolitan Redevelopment Act, Chapter 3, Article 60A, NMSA 1978

Ms. Leach stated that this consideration will provide staff and counsel with a formal approval to initiate the creation of rule governing the Board's consideration of GRT increment dedications pursuant to the Metropolitan Redevelopment Act, Chapter 3, Article 60A NMSA 1978.

Ms. Leach said the Board has in the past approved a contract with Rodey Law Firm to begin drafting the rule. Staff have been doing that work and are closing in on concluding that. At this point, they have a working draft of the rule. They anticipate publishing the rule and scheduling the public hearing, probably in the fall.

Member Cassidy moved for approval. Member Trevisani seconded the motion, which passed unanimously.

27. Initiation of Rule Making Process for Revisions to 1.5.23 NMAC – Real Property Acquisitions, Sales, Trades, or Leases

Ms. Leach said this consideration will provide staff and counsel with a formal approval to initiate an amendment to 1.5.23 NMAC Real Property Acquisitions, Sales, Trades, or Leases to incorporate changes resulting from SB 274 during the 2025 legislative session. Thresholds for real property dispositions requiring agency and State Board of Finance approval were increased and will be effective June 20, 2025.

Member Lujan moved for approval. Member Cassidy seconded the motion, which passed unanimously.

28. Initiation of Rule Making Process for Revisions to 2.61.6 NMAC – Bond Project Disbursements

Ms. Leach stated that this consideration will provide staff and counsel with a formal approval to initiate a repeal and replacement of 2.61.6 NMAC Bond Project Disbursements. The SBOF Division has implemented a new system for bond proceed drawdown and reimbursement, and the rule governing bond project proceed disbursement should be amended to reflect updated processes.

Member Trevisani moved for approval. Member Lujan seconded the motion, which passed unanimously.

INFORMATIONAL ITEMS

Presenter: Ashley Leach, Director, State Board of Finance

29. 2025 Legislative Report

Ms. Leach presented this report.

30. Housing New Mexico Housing Trust Fund 3rd Quarter FY25 Earmark Report

Ms. Leach presented this report.

31. General Services Department Capital Buildings Repair Fund Financial Status Report for Month-Ended April 30, 2025

Ms. Leach presented this report.

32. General Services Department Legislative Capital Projects Financial Status Report for Month-Ended April 30, 2025

Ms. Leach presented this report.

33. State Treasurer's Office Investment Report for Months-Ended February 28, 2025, and March 31, 2025

Ms. Leach reported that, at the end of January, STO managed \$17.2 billion in assets. During the month, STO earned approximately \$57.2 million from its investment positions. On an unrealized mark-to-market basis, the portfolios increased by \$12.1 million.

Ms. Leach reported that, at the end of February, STO managed \$17.5 billion in assets. During the month, STO earned approximately \$54.7 million from its investment positions. On an unrealized mark-to-market basis, the portfolios increased by \$14.1 million.

34. Emergency Balances – May 20, 2025

	<u>Balance</u>	<u>Appropriation</u>
Operating Reserve Fund	\$1,621,056.57	\$4,000,000.00
FY25-26 Special Appropriation	\$2,000,000.00	\$2,000,000.00
Emergency Water Fund	\$0.00	\$ 109,900.00

Ms. Leach stated that the zero balance in the Emergency Water Fund reflects numerous awards and grants that the board has approved this year. There was a large request from the Town of Silver City in March, as well as requests from the Bernalillo County Metropolitan

Court; Village of Columbus Casas Adobes Mutual Domestic Water Consumers Association; and Cañada de Los Alamos Mutual Domestic Water Consumers Association.

Ms. Leach stated that staff is collaborating very closely with DFA's Local Government Division as well as the Infrastructure Division to create a single point of contact at DFA for emergency requests so they can triage and determine which funding source may be best for those emergencies. Staff anticipates quite a few emergencies at next month's board meeting.

Lt. Governor Morales asked if the executive order requiring that audits be up-to-date and accurate would have an effect on any of the communities seeking emergency funding. Ms. Leach responded that the board has historically provided funding if they can identify a fiscal agent. Anticipating that the EO might be rescinded and/or now that there is House Bill 493 coming into play July 1, she thinks the process will change, and the board will not necessarily have to refuse the funding but ensure that they have a fiscal agent in place and that the board is providing assistance while ensuring that the public dollar is protected.

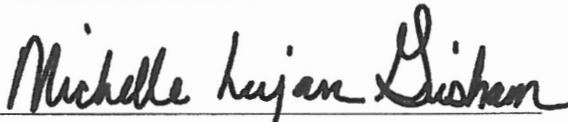
35. Fiscal Agent and Custodial Bank Fees Report

Ms. Leach presented this report.

36. Department of Finance & Administration Approved Joint Powers Agreements for Months-Ended March 31, 2025, and April 30, 2025

Ms. Leach presented this report.

ADJOURNMENT: 11:35 a.m.



Michelle Lujan Grisham, President

6-20-25

Date



Michael S. Sanchez, Secretary

June 20, 2025

Date