

NEW MEXICO STATE BOARD OF FINANCE

REGULAR MEETING

Santa Fe, New Mexico

November 18, 2025

A regular meeting of the New Mexico State Board of Finance was called to order on this date at 9:15 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 [joining at 10:15 a.m.]

The Hon. Laura M. Montoya, New Mexico State Treasurer

Mr. Paul Cassidy, Public Member

Mr. Michael S. Sanchez, Secretary, Public Member

Ms. Wendy Trevisani, Public Member

Members Excused:

The Hon. Michelle Lujan Grisham, President

Mr. Joseph Lujan, Public Member

Staff Present:

Ms. Ashley Leach, Director

Mr. Marcos B. Trujillo, Deputy Director

Mr. Roberto Vasquez, Board Administrator

Mr. Zachary Shandler, Board Legal Counsel

2. APPROVAL OF AGENDA

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

3. APPROVAL OF MINUTES: October 21, 2025, Regular Meeting

Member Trevisani moved approval of the October 21, 2025, meeting minutes. Member Cassidy seconded the motion, which passed unanimously. [Treasurer Montoya abstaining.]

CONSENT AGENDA (Items 4-12)

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

4. University of New Mexico—Requests Approval of Capital Expenditures for The Acquisition of Building, Located at 1820 Randolph Road SE in Albuquerque (\$1,850,000)

- Contingent upon director's and counsel's receipt of a fully executed warranty deed

Submitted by: Matthew O'Reilly, P.E., Director of Real Estate, Department of Cultural Affairs

5. Department of Cultural Affairs—Requests Approval of the Lease of Real Property, Located at Fort Stanton Historical Site in Lincoln County, to the County of Lincoln (\$1.00/year)

- Contingent upon director's and counsel's receipt and review of (1) a revised and fully executed lease agreement and (2) a fully executed resolution of the Lincoln county commission providing approval

Submitted by: Christopher Madrid, Deputy County Manager, Taos County, and Anna Silva, Cabinet Secretary, General Services Department

6. Taos County and New Mexico General Services Department—Request Approval of the Donation/Acquisition of Real Property, known as the Veterans Cemetery, Located at 65 Arroyo del Alamo Circle in Taos County

- Contingent upon director's and counsel's receipt and review of (1) a fully executed donation agreement, (2) a fully executed warranty deed, (3) confirmation of water rights being conveyed, and (4) an updated title binder Schedule B and / or revised explanation letter.

Submitted by: Mona Romero, Real Property Agent, Bernalillo County

7. Bernalillo County—Requests Approval of the Donation of Real Property, Located at 133 Virginia Ave NE in Albuquerque, to East Central Ministries

- Contingent upon director's and counsel's receipt and review of (1) a fully executed donation agreement, (2) a fully executed quitclaim deed, and (3) a revised and fully executed resolution of the county commission providing approval, with necessary provisions included

8. Bernalillo County—Requests Approval of the Lease of Real Property, Located at 3900 Vassar Drive NE in Albuquerque, to Brinks Inc. (\$244,625)

- Contingent upon director's and counsel's receipt and review of a fully executed lease agreement

Submitted by: Marlene Arzola, Executive Assistant, Bernalillo County

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

10. Bernalillo County—Requests an Extension of its Private Activity Bond Volume Cap Allocation for the Desert Willow Apartments Project in Albuquerque (\$26,000,000)

Submitted by: Marcos B. Trujillo, Deputy Director, State Board of Finance

11. Private Activity Bond Cap Allocation 2025 Expiration Date

Submitted. By: Ashley Leach, Director, State Board of Finance

12. State Board of Finance Meeting Schedule for Calendar Year 2026

Treasurer Montoya moved for approval, with the contingencies. Member Cassidy seconded the motion, which passed unanimously.

BONDING PROGRAMS

Presenter: Luis Carrasco, Bond Counsel, Rodey, Dickason, Sloan, Akin & Robb, P.A.

13. Authorizing Resolution for State of New Mexico Severance Tax Note, Series 2025S-C (Maximum Principal Amount of \$24,246,585)

Mr. Carrasco said this is one of a series of short-term bonds to fund legislatively appropriated projects for water, tribal infrastructure and colonias infrastructure projects, and since 2023, funding the New Mexico Housing Trust Fund. In June 2025, the board issued its Severance Tax Note series 2025SA-1 in the principal amount of \$512,580,689 for these purposes, but only partially funded the appropriation to the Water Trust Board for water projects statewide. The funds available to the Water Trust Board were then reduced in July 2025 to fund the projects for which the legislature had appropriated to the Department of Indian Affairs. In total, \$24,246,585 remains due to the Water Trust Board following the board's actions concerning the initial partial funding and subsequent reduction of funds available to the Water Trust Board. The board's issuance of the series 2025S-C note in the same amount will rectify the funding shortage and provide all funds due to the Water Trust Board at the level specified in the Severance Tax Bonding Act.

Mr. Carrasco said this would conclude the need for board action on the issuance of this note.

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

14. Authorizing Resolution for Supplemental Severance Tax Note, Series 2025S-D (Maximum Principal Amount of \$742,600,000)

Mr. Carrasco stated that this Supplemental Severance Tax Note only funds public school capital outlay projects and public school capital improvements. The resolution is otherwise substantially similar to the resolution for the SC note just approved, but the pledge on the amounts in the Severance Tax Bonding Fund for this note are subordinate to the pledge of such funds for senior Severance Tax Bond notes.

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

GENERAL SERVICES DEPARTMENT CONTRACT

Presenter: Anna Silva, Cabinet Secretary, General Services Department

15. General Services Department—Requests Approval of a Contract with Jaynes Corporation for Construction of a Reality Based Training Facility, Located at 86 Bataan Boulevard in Santa Fe (\$15,763,635)

Ms. Silva made a presentation on the facility. She said the building will be single story and include firing range improvements. Site improvements will include parking lots, access roads, perimeter fencing and a security gate.

Ms. Leach said that approval would be contingent upon director's and counsel's receipt and review of a fully executed contract.

Member Cassidy moved for approval, subject to the contingency. Treasurer Montoya seconded the motion, which passed unanimously.

STATE FAIRGROUNDS DISTRICT BOARD

Presenter: Alex Greenberg, Economic Development Advisor, Office of the Governor; Nancy Locke, Master Planner, Stantec

16. State Fairgrounds District—Requests Approval of Issuance of Series 2026A Revenue Bonds based on Approval (1) District Predevelopment Phase A Plan Is in accordance with State Fairgrounds District Act; (2) Proceeds of Series 2026A Revenue Bonds will be used for projects in furtherance of the district Development plan and in accordance with the State Fairgrounds District Act And (3) the Projects will generate sufficient revenue to repay the Series 2026A Revenue Bonds

Mr. Greenberg began his presentation by stating that the status quo of the International District is not sustainable, and that Albuquerque is rated as one of the 20 most dangerous cities in the world. He said the 250 acres in the district can be the engine for revitalization with the proper investment, infrastructure and support. He detailed crime statistics in the district between 2023 and 2025.

Ms. Locke said there is strong support for improvements to the neighborhood by the community. She said there haven't been investments in the area for a long time, and the area is highly deficient of park space with extremely high pedestrian fatalities.

Mr. Greenberg stated that the State Fairgrounds District board has approved Phase A of the predevelopment plan, which is the \$22 million bond package. Last month, the district board approved a larger bond package for Phase B of the plan, which includes some park space, utility infrastructure upgrades, and some pedestrian safety upgrades.

Member Cassidy said this TIDD structure allows money that ordinarily would go to the general fund to be redirected for the purpose of revitalizing the state fair and the state fair infrastructure. He said it appears that this will be a 25-year note. If the structures on an 8.55-acre development go away, how much GRT is ordinarily there and what does that do to the debt service structure. In addition, the gaming enterprise has a lease with 22 years left on it, although the revenues continue in the financial feasibility beyond that term. He asked Mr. Greenberg how they plan to deal with that. He commented that this is a financial issue in terms of structuring the first set of bonds as it may impact the debt capacity in the second set of bonds.

Mr. Cassidy commented that this looks like this is a publicly marketed debt structure and he would hope that the Governor's Office and this board would look to the NM Finance Authority as a financing vehicle.

Mr. Greenberg clarified that the 8.55 acres is the developed portion of the property, with 12 acres of undeveloped land surrounding it. The size of the fairgrounds ultimately would be just over 245 acres.

Responding to Treasurer Montoya, Mr. Greenberg said the final version of the plan in terms of where the state fair will be located should be released in February. Treasurer Montoya questioned why this couldn't wait until the final plan was available. Mr. Greenberg responded that, whether the fair stays or is moved, other aspects of the development can be facilitated in the interim using current revenues and bonding capacity. He cited the need to address the "heat desert," where there is virtually no green space, as well as urgently needed pedestrian safety upgrades.

Responding to Treasurer Montoya, Mr. Greenberg said moving the fair to another part of the state would cost between \$500 million and \$1 billion, which would be prohibitive even if that course of action were decided upon.

[Lt. Governor Morales joined the meeting.]

Given that this is one of the most dangerous parts of the city, Member Trevisani asked if there are any efforts to deal with the problem now as opposed to later, and what is being done to avoid the prospect of simply moving the problem elsewhere. Mr. Greenberg responded that this project could be the engine for revitalization of the entire neighborhood. This is also why the Governor deployed the National Guard to the area, to try to impact the public safety problems there. He said this is trying to attack the problem from multiple angles to make sure that there are economic development opportunities with meaningful job creation along with pedestrian safety upgrades and facilitating additional support for policing.

Member Sanchez said he agreed with Treasurer Montoya's concern that the board is being asked to approve something that hasn't been finalized and which potentially could go in a direction the board doesn't favor. He also agreed with Member Trevisani that this is just moving the problem to another part of Albuquerque, or to Sandoval or Valencia county, and questioned why the City of Albuquerque didn't do something about this a long time ago. He commented that it was troubling to hear Mr. Greenberg's comments that seemed to imply that this project would essentially force people to move out of the area as a solution to the overall problem. He said he found his presentation to be inappropriate, and he would not vote in favor of this request.

Treasurer Montoya said she would feel more comfortable voting on a development plan as opposed to a predevelopment plan. She asked if this could wait until January. Mr. Greenberg responded that the sense of urgency around this area and making sure they can complete the upgrades they need to with the bond capacity that exists is extremely important, so he did not believe they could wait until January.

Ms. Leach stated that the board would have to act on this request prior to the legislative session in January.

Lt. Governor Morales moved for approval. Member Cassidy seconded the motion, which failed on a tied vote, with Lt. Governor Morales and Member Cassidy voting in favor, Treasurer Montoya and Member Sanchez voting against, and Member Trevisani in abstention.

Member Sanchez moved that this request be brought before the Board of Finance at a special meeting to be held before the regular December meeting.

Ms. Locke stated that the final master plan would be completed in February with all of the implementation strategies and policies that go along with it, but there will be three development plans in December, with the final one selected in January or potentially in December.

Member Sanchez commented that this would be more acceptable than what was presented today.

Member Cassidy seconded the motion, which passed unanimously.

PRESENTATIONS

Presenters: Isidoro Hernandez, Executive Director, CEO, Housing NM; Arundhati Bose, Chief Financial Officer, Housing NM

17. Housing New Mexico Private Activity Bonds Volume Cap Needs for 2026 And 2025 PAB Carryforward

Mr. Hernandez presented an overview of the Housing New Mexico program and its accomplishments this year.

Ms. Bose stated that Housing New Mexico is asking for 40 percent, or \$159.8 million, of the total allocation for their single-family program and \$200 million in the multifamily category. This request is intended to support housing initiatives across the state and includes projects led by Housing New Mexico or ones for which they are providing a Low-Income Housing Tax Credit.

[The board took a short break because of Internet connection problems. Deputy Director Trujillo informed the board that he had accepted a position with the New Mexico Public Schools Facilities Authority as Executive Director and would start on November 24.]

Responding to Member Cassidy, Mr. Hernandez said they are chipping away at the 32,000 multifamily housing unit shortage. Their pipeline currently has 5,500 units, and they continue to add each year with the applications they receive. They have attracted some out-of-state developers, which is bringing in capital from outside the state.

Responding to Treasurer Montoya, Mr. Hernandez said the \$45 million they received from the Severance Tax Fund was allocated toward rental and has largely been expended.

INFORMATIONAL ITEMS

Presenter: Deanne Woodring, Investment Consultant, Government Portfolio Advisors

18. State Treasurer's Office Quarterly Investment Report for Quarter-Ended September 30, 2025

Ms. Woodring made a presentation.

Presenter: Ashley Leach, Director, State Board of Finance

19. State Treasurer's Office Investment Report for Month-Ended September 30, 2025

Ms. Leach reported that, at the end of September, the State Treasurer managed \$18.9 billion in assets. During the month, the office earned approximately \$62.7 million from its investment positions. On an unrealized mark-to-market basis, the portfolios decreased by \$2.2 million.

20. General Services Department Capital Buildings Repair Fund Financial Status and Legislative Capital Projects Financial Status Reports for Month-Ended October 31, 2025

Ms. Leach reported that, at the end of October, GSD had expended \$28.3 million out of a total of \$30.6 million in awards. GSD is reporting all projects on schedule. For the LCPFS in October, there was a total of \$190.2 million expended out of a total \$507.6 million in total appropriations. All projects are reported to be on time with the exception of two projects.

21. Emergency Balances – November 18, 2025

	<u>Balance</u>	<u>Appropriation</u>
Operating Reserve Fund	\$4,000,000.00	\$4,000,000.00
FY25-26 Special Appropriation	\$ 386,568.43	\$2,000,000.00
Emergency Water Fund	\$109,900.00	\$ 109,900.00

Ms. Leach reported these balances.

22. Fiscal Agent and Custodial Bank Fees Report

Ms. Leach reported that, in October, SBOF continued to realize negative net fees for fiscal agent and treasury services. Gross fees, prior to application of the earnings credit, totaled \$106,940. Total fees, not accounting for the earnings deduction, increased by 7.8 percent.

Ms. Leach said the billing has remained steady for custody bank services, at around \$15,000 per month.

23. Department of Finance & Administration Approved Joint Powers Agreements for Month-Ended October 31, 2025

Ms. Leach said DFA approved eight JPAs in October. Five were between the New Mexico School for the Blind and Visually impaired and school districts for the provisions of services to students who have been referred to NMSBVI (Alamogordo, Cimarron, Cloudcroft, Portales, and Pecos).

Ms. Leach stated that two JPAs were between Sierra County, the City of Truth or Consequences, the City of Elephant Butte, and the Village of Williamsburg. Both were extensions of these JPAs, which have been in existence for some time.

- One was memorializing the extension and also formal withdrawal of the City of Elephant Butte from the JPA to support the operations of the Sierra Vista Hospital through gross receipts tax dedications used for repayment of loans from NMFA. Elephant Butte must continue to contribute 0.125 percent of its municipal GRT and 0.0625 percent of its municipal infrastructure GRT until the 2016 and 2018 loans are defeased.
- The second was an extension of the JPA for providing intergovernmental cooperation between the parties in creating and funding the Sierra County Regional Dispatch Authority, a public safety answering point for the centralized dispatching of that area law enforcement and emergency services, and to allow entry by other political subdivisions or municipal corporations into this JPA.

Ms. Leach said the last JPA was an extension of the existing agreement between the City of Tucumcari, Quay County, Village of Logan, Village of San Jon and Village of House to define the terms and conditions for operating, administering, and maintaining the Tucumcari/Quay Regional Emergency Communications Center.

24. Annual Tax Increment Development District Report

Ms. Leach said six TIDDS have been previously approved by the Board of Finance to receive a state gross receipts tax increment dedication.

Ms. Leach said the three TIDDS that have received any substantial amount of increment include Mesa del Sol, Winrock Town Center, and Taos Ski Valley. These three TIDDS have also reported public infrastructure improvements exceeding \$35 million since their inception. All three continue to see both public and private infrastructure and investment activity. Mesa del Sol's activity has really ramped up since Netflix began its operations. Taos Ski Valley continues to see various public infrastructure improvements. Winrock is seeing continued private investment, but much of the planned public infrastructure has come to completion. The South Campus TIDD is starting to report greater GRT revenues (Raising Cane's) as well as prospective new developments in the coming years.

Ms. Leach said new to the report this year is information on the financings of the various TIDDS receiving state increment. She noted that the DevCo and Lower Petroglyphs TIDDS, while approved to receive state GRT, have not received legislative approval to issue bonds. Thus, any GRT increment generated in those districts is not able to be utilized at this time for infrastructure improvements.

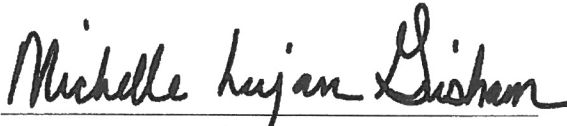
Of the four remaining TIDDS, South Campus is the only one that has not undergone any debt financing to date. The other three districts have taken different approaches to debt

financing, including long-term tax-exempt bonds, short term taxable notes, and a “draw down bond.”

Other

Ms. Leach and board members thanked Deputy Director Marcos Trujillo for his six and a half years of service to the board and wished him the best in his new position as executive director of the New Mexico Public Schools Facilities Authority.

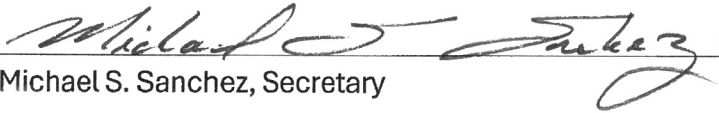
ADJOURNMENT: 11:50 a.m.



Michelle Lujan Grisham, President

12-18-25

Date



Michael S. Sanchez, Secretary

December 19th, 2025

Date