



NEW MEXICO  
**FINANCE AUTHORITY**

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## 2016 Annual Report



*Financing Your Future, Believing in New Mexico*

# TABLE OF CONTENTS

## I. Introduction

Chairman of the Board's Message .....	1
Chief Executive Officer's Message .....	2

## II. General Information

Board Members .....	3
NMFA Staff .....	4

## III. NMFA Overview

History of Programs .....	5
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## IV. NMFA Programs and Activity

Infrastructure & Capital Equipment Programs .....	6
Public Project Revolving Fund	
Local Government Planning Fund	
Colonias Infrastructure Project Fund	
Water Programs .....	8
Drinking Water State Revolving Loan Fund	
Water Trust Board	
Water Project Fund	
Acequia Project Fund	
Community Facilities & Economic Development Programs.....	10
Primary Care Capital Fund	
Behavioral Health Capital Fund	
Statewide Economic Development Finance Act	
Loan Participation Programs	
Smart Money Loan Participation Program	
Collateral Support Participation Program	
New Markets Tax Credits Program	
Conduit Economic Development Bonds	
Other Programs .....	14
Department of Transportation Bonds	
Other Programs "Stand-Alone" Bonds	

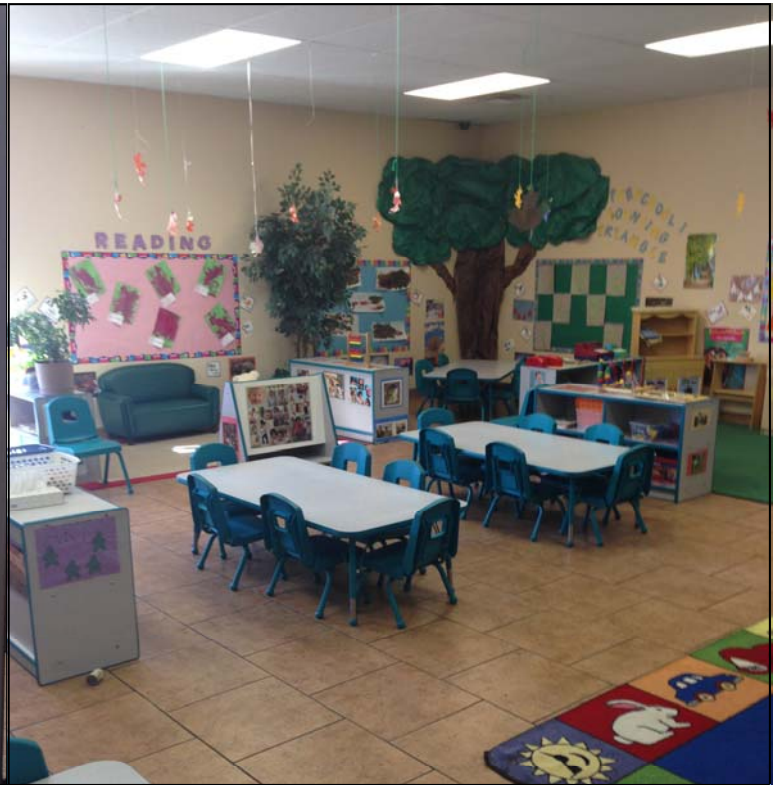
## V. Total Operating Budget

Annual Budgets 2016 – 2017 .....	16
Total Operating Budget Distribution .....	17
Total Operating Budget by Category .....	18



# I. Introduction

Fiscal Year 2016 Annual Report







## Message from NMFA Chairman John McDermott

To Governor Martinez and Members of the New Mexico State Legislature:

This December marks the completion of my third year as Chairman of the New Mexico Finance Authority. I am honored to lead an organization with a clear mandate to contribute to the economic growth and vitality of New Mexico and I'm impressed by the professionalism of the Board and staff in fulfilling our important mission.

Over the past year, the Board and staff have adapted their resources and energy to those areas most in need. At the forefront of this effort is helping our cities and counties that are currently repaying loans with dwindling resources. The NMFA's AAA-rated Public Project Revolving Fund has provided an effective tool to lowering impact of loans undertaken for past critical infrastructure projects. This also includes the expansion of our New Markets Tax Credit program, which was recently awarded \$45 million by the US Department of Treasury for investment in businesses in low-income communities across the State.

The team assembled at the NMFA is singularly focused on helping New Mexicans and delivering low cost capital that creates opportunities. Their openness to new ideas and strong work ethic are making a big difference in the communities across the state.

I continue to be amazed by the diversity and vast amount of assistance provided by NMFA and by the level of competence demonstrated by its staff and consultants in meeting its mission. On behalf of the Board and staff of the New Mexico Finance Authority, I am pleased to submit our annual report for 2016.

John McDermott  
Chairman



## Message from the CEO

We reflect on the past year with a great sense of accomplishment and an acknowledgement that a great deal of work still needs to be completed.

Fiscal year 2016 was a year of building. After an exhaustive search, we selected a comprehensive database program that will allow us to track projects and financings from cradle to grave. This new foundation will provide greater efficiencies and better management of our data and will ultimately provide our clients and partners with tools for managing their financings with greater ease. This past year we also filled the gaps in our human infrastructure with the addition of a seasoned Chief Compliance Officer and in welcoming an experienced Chief Financial Officer.

Fiscal year 2016 also marked another year of success in the amount of financing provided to New Mexico communities and businesses with more than \$325 million in loan and grant financing provided, a 60% increase over fiscal year 2015. Behind these figures are projects that create jobs and provide critical services to New Mexicans.

The breadth and diversity of our programs requires an efficient, knowledgeable and creative Board and staff. NMFA's Board members dedicate countless hours each month to committee work and Board meetings. Their active and thoughtful participation ensures that we can continue to operate as the State's Infrastructure Bank, creating and sustaining economic opportunities throughout our State.

The foundation of our success lies with our partnerships with the Legislature, Governor Martinez and her administration, our Board, consultants and our clients. We appreciate their support and look forward to another year of growth and investment.

Robert P. Coalter  
Chief Executive Officer



## II. General Information

Fiscal Year 2016 Annual Report



*Financing Your Future, Believing in New Mexico*



# NEW MEXICO FINANCE AUTHORITY

## BOARD MEMBERS

**John E. McDermott, *Chair***

Chief Executive Officer  
McDermott Advisory Services, LLC

**William Fulginiti, *Vice-Chair***

Executive Director  
New Mexico Municipal League

**Tony Delfin, *Secretary***

Acting Cabinet Secretary  
New Mexico Energy, Minerals & Natural Resources Department

**Katherine Ulibarri, *Treasurer***

Vice President for Finance & Operations  
Central New Mexico Community College

**Matt Geisel, *Member***

Cabinet Secretary Designate  
New Mexico Economic Development Department

**Dorothy “Duffy” Rodriguez, *Member***

Cabinet Secretary Designate  
New Mexico Department of Finance & Administration

**Blake Curtis, *Member***

Chief Executive Officer  
Curtis & Curtis Seed & Supply

**Butch Tongate, *Member***

Cabinet Secretary Designate  
New Mexico Environment Department

**Steve Kopelman, *Member***

Executive Director  
New Mexico Association of Counties

*(2 vacant positions)*





# NEW MEXICO FINANCE AUTHORITY

## NMFA STAFF

Chief Executive Officer  
Robert P. Coalter

Chief Administrative Officer  
Dora Mae Cde Baca

Chief Compliance Officer  
Heather Boone

Executive Assistant/Records  
Mgr.  
Connie Marquez-Valencia

Director of IT  
Floyd Trujillo

Information Security Analyst  
Mona Killian

IT Systems Analyst  
Frank Ibarra

Administrative Support  
Specialist III  
Mark Dalton

Administrative Support  
Specialist I  
Helen Poston

General Counsel  
Dan Opperman

Assistant General Counsel  
Bryan Otero

Chief Financial Strategist  
Michael Zavelle

Investment Manager  
Mark Lovato

Chief Financial Officer  
Oscar Rodriguez

Senior Accountant II  
Robert Spradley

Senior Accountant II  
LaRain Valdez

Senior Accountant I  
Richard Garcia

Senior Accountant I  
Joanne Johnson

Accountant III  
Bambi Russom

Accountant II  
Claudette Romero

Chief of Programs  
Marquita D. Russel

Director of Commercial  
Lending  
John Brooks

Commercial Credit Analyst  
Jolene Meadows

Sr. Administrative Assistant  
Theresa Garcia

Director of Water Resources  
Michael Vonderheide

Sr. Program Administrator/  
WTB  
Angela Quintana

Sr. Program  
Administrator/DW  
Todd Johansen

Water Resources Admin.  
Mary Finney

Sr. Administrative Assistant  
Charlotte Larragoite

Chief Lending Officer  
Zach Dillenback

Lending Officer  
Vince Lithgow

Lending Officer  
Carmela Manzari

Loan Closing Coordinator  
Leslie Medina

PPRF Program Analyst  
Robert Brannon

Financial Analyst  
Maria Gallardo

Sr. Administrative Assistant  
Lisa Barela





## III. NMFA Overview

Fiscal Year 2016 Annual Report



## Overview

The New Mexico State Legislature created the New Mexico Finance Authority in 1992 as a mechanism for accessing low-cost capital for New Mexico cities, counties and certain departments of state government. The enabling statute created the Public Project Revolving Fund (“PPRF”), the Finance Authority’s flagship program, as the primary vehicle to accomplish this financing objective. As authorized by statute, the Finance Authority issues PPRF bonds to replenish the funds it loans to New Mexico governmental entities. The statute provided that a portion of the Governmental Gross Receipts Tax would be dedicated to the PPRF and would serve as additional credit enhancement for PPRF bondholders.

Additionally, the Finance Authority uses the Governmental Gross Receipts Tax proceeds to provide subsidized loans to communities with below-median incomes. In fiscal year 2015, the Finance Authority amended its PPRF Rules and Regulations to provide a greater amount of support to these Disadvantaged Communities and as a result, nearly doubled the amount of assistance provided from approximately \$3 million in fiscal year 2015 to \$5.7 million in fiscal year 2016.

The low interest rate environment in fiscal year 2016 also fueled increased refinancing activity in the PPRF with approximately \$110 million in refinancing activity, an estimated increase of 25% over fiscal year 2015.

Through the years, the Finance Authority has become a reliable source of financings for a broad range of projects. Building upon the success with the PPRF, the Legislature has broadened the Finance Authority’s financing programs to include targeted programs for vital water and wastewater projects as well as transportation, community facilities and economic development projects.

To date, the Finance Authority has provided more than \$3.645 billion to more than 2,450 projects throughout the state.





## IV. NMFA Programs and Activity

Fiscal Year 2016 Annual Report



*Financing Your Future, Believing in New Mexico*



## **Infrastructure and Capital Equipment Programs**

The Finance Authority has become synonymous with low-cost funding for planning and financing critical infrastructure projects. In addition to the Public Project Revolving Fund, the Finance Authority currently offers the Local Government Planning Fund and the Colonias Infrastructure Project Fund.

### ***Public Project Revolving Fund***

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The Public Project Revolving Fund (“PPRF”) is the New Mexico Finance Authority’s flagship program and was created in 1992 to assist a wide range of public entities in accessing the capital markets at low or below-market interest rates. The Finance Authority’s main purpose is to coordinate the planning and financing of state and local public projects, provide long-term planning based on state and local capital needs and to improve cooperation among the executive and legislative branches of state and local governments. These goals are achieved primarily through the PPRF.

The PPRF is funded primarily through the Finance Authority’s share of Government Gross Receipts Tax (“GGRT”), which is the tax levied on goods and services provided by local governments. In fiscal year 2016, the PPRF’s share of the GGRT approximated \$28.1 million. The Finance Authority uses available funds to make loans to borrowers and then replenishes the PPRF by issuing tax-exempt bonds secured by the PPRF loans made to qualified entities and the annual GGRT receipts.

Since its inception, the Finance Authority has served a diversity of borrowers and project types. This diversity, coupled with the annual receipt of GGRT, has helped the PPRF attain higher bond ratings, lower costs of issuance to all borrowers, and subsidize interest rates on loans to disadvantaged entities. The advantage is being able to offer all borrowers the PPRF’s ‘AAA’ rates regardless of a borrower’s underlying credit. The impact of the PPRF’s high bond rating means that Finance Authority is able to float its bonds at lower interest rates and pass along the savings to New Mexico’s communities, regardless of their underlying credit, who are able to stretch further their limited public dollars for public projects due to lower interest rates.

In October 2015, the Finance Authority expanded the reach and impact of its below-market interest rate loans to Disadvantaged Qualified Entities by broadening the definition of Disadvantaged Qualified Entity, lowering the interest rate for one category of Disadvantaged Qualified Entity from 3% to 2% and increasing the amount to \$500,000 from \$200,000 of 0% and 2% funding provided annually to these borrowers. As a result, the Finance Authority provided even greater impact to those most in need.

In fiscal year 2016, the Finance Authority closed 67 loans totaling \$236,937,208

***Pubic Project Revolving Fund Eligibility:***

***Applicants:*** Local governments, including tribal entities and charter schools

***Projects:*** Infrastructure, building and capital equipment projects

***Terms:*** Loans of up to 30 years, based upon the useful life of the project, offered at low, fixed interest rates

***Other:*** Entities with median household incomes less than the State's median household income are eligible to receive 0% or 2% interest rates for up to \$500,000 per entity per fiscal year.

***Local Government Planning Fund***

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The Local Government Planning Fund funds critical planning documents for a variety of public infrastructure projects. Eligible plans include Preliminary Engineering Reports, Feasibility Studies, Environmental Information Documents, Comprehensive Plans, Asset Management Plans, Water Conservation Plans, Master Plans, Local Economic Development Act Plans and Metropolitan Redevelopment Act Plans. Applications are accepted monthly and grants are made on a reimbursement basis. In fiscal year 2016, the Finance Authority closed 32 grant agreements totaling \$1,301,765.

***Local Government Planning Fund Eligibility:***

***Applicants:*** Local governments, including tribal entities and mutual domestic water consumers associations

***Projects:*** Preliminary engineering reports, environmental information documents, water conservation plans, long-term water plans, energy efficiency audits and economic development plans

***Terms:*** Grant eligibility is determined by project type and the applicant's ability to pay for all or a portion of the planning document.

***Other:*** Prioritization of funding is determined by Board policy.

***Colonias Infrastructure Project Fund***

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In 2010, the Legislature adopted the Colonias Infrastructure Act to help certain communities in Southern New Mexico that lack basic infrastructure for water and wastewater, solid waste disposal, flood and drainage control, roads and housing. The purpose of the Act is to ensure adequate financial resources for infrastructure development for Colonia-recognized communities, provide for the planning and development of infrastructure in an efficient and cost-effective manner, and develop infrastructure projects to improve quality of life and encourage

economic development. In fiscal year 2016, the Finance Authority closed 37 projects totaling \$18,020,574.

***CIP Eligibility:***

***Applicants:*** Local governments, including counties, cities and mutual domestic water consumers associations. Qualified entities must be able to demonstrate adequate capacity to construct and operate the project over the long-term

***Projects:*** Preliminary engineering reports, plans and specifications, and construction

***Terms:*** Funds are delivered as 90% grant, 10% loan, with provisions for loan waivers. The loans are structured with terms of up to 20 years at 0% interest.

***Other:*** Projects are selected by the Colonias Infrastructure Board and recommended to the Finance Authority for funding.

## **Water Programs**

The Finance Authority is a key part of the State's efforts to improve the quality and quantity of drinking water through its Drinking Water State Revolving Loan Fund and the programs managed by the Water Trust Board. Water programs represent the NMFA's second largest area of program activity.

### ***Drinking Water State Revolving Loan Fund***

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The Drinking Water State Revolving Loan Fund ("DWSRLF") is operated in partnership with the New Mexico Environment Department ("NMED") to provide low-cost financing for the construction of and improvements to drinking water facilities throughout New Mexico in order to protect drinking water quality and the public health.

This federal program, managed by the Finance Authority on behalf of the State of New Mexico, is funded through a federal capitalization grant of approximately \$8 million annually. The State is required to match the federal grant by 20 percent. The primary use of the funding is to provide below-market rate loans that fund vital water quality projects. As provided under the federal guidelines, NMED uses 27 percent of the capitalization grant to fund its duties under the federal Safe Drinking Water Act. Similarly, the Finance Authority uses 4 percent for its management of the program. To date, the Finance Authority's loan fund has received \$180 million in federal Environmental Protection Agency ("EPA") capitalization grants, which has been matched by the Finance Authority with \$34.9 million and \$46.9 million in interest and loan repayments.



In 2011, the federal government began requiring that a portion of the capitalization grants be delivered to communities with additional subsidy. The Finance Authority provides its additional subsidy through low-cost loans with principal forgiveness determined on a sliding scale. Following two years of unprecedented demand, the financing activity under the program has stabilized and the Finance Authority closed 10 loans totaling \$16,436,843, an 82% increase over fiscal year 2015 financings.

***DWSRLF Eligibility:***

***Applicants:*** Municipal and community water systems

***Projects:*** Water infrastructure and equipment

***Terms:*** Loans of up to 30 years are offered at below market, fixed interest rates

- Disadvantaged public entities: 0% for the first \$600,000
- Community water systems: 2%
- Non-profit water systems: 3%

***Other:*** In addition to below-market interest rates, water systems operated by public entities may be eligible to receive additional subsidies such as principal forgiveness subject to funding availability.

## ***Water Trust Board***

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Pursuant to the Water Project Finance Act, the Finance Authority provides administrative support to the 16-member Water Trust Board and manages two programs on its behalf: the Water Project Fund and the Acequia Project Fund. The Finance Authority makes loans and grants for projects recommended by the Water Trust Board and authorized by the Legislature. Eligible projects reflect the State's comprehensive effort to promote funding for projects that improve water quantity up and down the value chain—from the water source to its use. With a reliable revenue stream to fund applications annually and a transparent set of policies that guide applicants, the Water Trust Board has become an increasingly sought-after source of funding for a variety of water projects statewide.

## ***Water Project Fund***

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The Water Project Fund annually receives an earmark of the Severance Tax Bonds as well as a distribution from the Water Trust Fund to a variety of water projects recommended by the Water Trust Board and authorized by the Legislature. Following changes the Water Trust Board made to its rules and policies in FY 2015 that streamlined the application process and requirements, the Finance Authority nearly doubled its funding in fiscal year 2016, closing 37 awards totaling \$44,919,505. These awards were a combination of grants and loans, based upon the financial capacity of the applicants.

### ***Water Project Fund Eligibility:***

**Applicants:** State and local governments, including tribal entities and mutual domestic water consumers associations

**Projects:** Planning and construction funding for five types of water projects:

- Water treatment, conservation or reuse
- Flood prevention
- Endangered Species Act collaborative efforts
- Water storage, conveyance and delivery infrastructure improvements
- Watershed restoration and management initiatives

**Terms:** Loan/Grant combinations with the loan component dependent on the repayment ability of the applicant; loans are offered at 0% interest for terms of up to 20 years.

**Other:** Applicants are required to demonstrate at the time of award the ability to fully expend the funds within 12-18 months.

### ***Acequia Project Fund***

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Through the Acequia Project Fund, the Finance Authority funds planning and design for Acequia projects recommended by the Water Trust Board and authorized by the Legislature. In FY 2016, the Water Trust Board did not recommend any projects for funding from the Acequia Project Fund.

### ***Acequia Project Fund Eligibility:***

**Applicants:** Acequias

**Projects:** Planning and design

**Terms:** 100% grants with \$20,000 maximum grant per project.

## **Community Facilities & Economic Development Programs**

The Finance Authority has been active in the financing of private facilities since 1994 with the establishment of the Primary Care Capital Fund. With the creation of the Statewide Economic Development Finance Act in 2003, the Legislature made the Finance Authority a key partner in economic development. Currently, the Finance Authority actively offers five funding programs in this area.

### ***Primary Care Capital Fund***

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The Primary Care Capital Fund (“PCCF”) was created by the 1994 Legislature with an initial appropriation of \$5 million to be used as a revolving fund. To date, the Finance Authority and its partners at the Department of Health (“DOH”) have funded 19 loans totaling more than \$12 million. The Finance Authority did not make any new loans in FY 2016.

#### ***PCCF Eligibility:***

***Applicants:*** 501(c) (3) non-profit primary care health providers

***Projects:*** Building and capital equipment acquisitions

***Terms:*** Loans of up to 15 years are offered at a 3% interest rate, fixed

***Other:*** Borrowers who provide care to indigent patients at free or reduced prices are eligible to receive up to 20% of their annual principal and interest payments reduced through a contract-for-services negotiated with DOH.

### ***Behavioral Health Capital Fund***

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Tailored after the successful Primary Care Capital Fund, this program provides low cost capital to behavioral health clinics in rural and underserved areas of the state. Capitalized by the Finance Authority with \$2.5 million, this small loan program provides below-market interest rate loans to non-profit behavioral health care providers. The Finance Authority did not make any new loans in FY 2016.

#### ***BHCF Eligibility:***

***Applicants:*** 501(c) (3) non-profit behavioral care health providers

***Projects:*** Building and capital equipment acquisitions

***Terms:*** Loans of up to 15 years are offered at a fixed interest rate of 3%.

***Other:*** Borrowers who provide care to indigent patients at free or reduced prices may be eligible to receive up to 20% of their annual principal and interest payments reduced through a contract-for-services negotiated with HSD.



## ***Statewide Economic Development Finance Act***

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The Statewide Economic Development Finance Act (“SWEDFA”) was enacted into law in 2003 and authorizes the Finance Authority to issue bonds, make loans and provide loan and bond guarantees on behalf of private entities, including businesses and non-profit corporations, from the Economic Development Revolving Fund. SWEDFA partners the Finance Authority with the New Mexico Economic Development Department (“NMEDD”) in creating and operating finance programs that help stimulate the economy through job creation and business growth, particularly in rural and underserved areas of New Mexico. To date the Finance Authority has implemented several programs that help stimulate the economy and create jobs.

### ***Loan Participation Programs***

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The first program implemented under SWEDFA was Smart Money, a loan participation program funded by a net appropriation of \$5.1 million in State funds. In January 2012, the Finance Authority and NMEDD received from the US Department of Treasury approximately \$13.2 million in federal State Small Business Credit Initiative (“SSBCI”) funding made available through the federal Small Business Jobs Act, approximately \$8 million of which is used to fund the Collateral Support Participation program, which works through banks to support new small business lending and help entrepreneurs expand their businesses, thereby creating and retaining jobs for New Mexicans.

### ***Smart Money Loan Participation Program***

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The Smart Money Loan Participation Program was the first program implemented under SWEDFA. Smart Money creates greater access to capital throughout rural and underserved areas of New Mexico by allowing the Finance Authority to purchase up to 49% of loans originated, underwritten and serviced by local banks at low, fixed interest rates. To date, the Finance Authority has purchased participations totaling \$5,669,162 in five loans across the State.

#### ***Smart Money Eligibility:***

***Applicants:*** Businesses and non-profit corporations

***Projects:*** Working capital, equipment and building projects

***Terms:*** Loans of up to 25 years are offered at low, fixed interest rates.

***Other:*** The Finance Authority can purchase up to 49% of a bank’s loan dependent on the maturity of the loan, job creation derived from the project, and lien position of the participation.

## ***Collateral Support Participation Program***

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This program uses federal funding provided through the SSBCI and is designed to spur private investment by mitigating bank risk. Through the Collateral Support Participation program, New Mexico banks can increase their collateral value while lowering the businesses' debt service. This program differs from Smart Money because it focuses on buying shorter term, smaller loan participations that may be subordinated to bank financing. In fiscal year 2016, the Finance Authority and NMEDD funded two projects totaling \$1,321,668.

### ***Collateral Support Participation Program Eligibility:***

***Applicants:*** Businesses and non-profit corporations

***Projects:*** Working capital, equipment and building projects

***Terms:*** Loans of up to 25 years are offered at low, fixed interest rates.

***Other:*** The Finance Authority can purchase up to 40% of a bank's loan dependent on the term of the loan, location of the project, and lien position offered to the Finance Authority.

## ***New Markets Tax Credits Program***

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In 2007, with the explicit authorization of the Legislature, the Finance Authority formed a for-profit subsidiary called Finance New Mexico, LLC, to pursue an allocation of federal tax credits available under the New Markets Tax Credit (NMTC) program. To date, the US Department of Treasury has awarded Finance New Mexico a total of \$256 million in NMTC allocations received in 2007, 2010, 2014 and most recently as part of the combined 2015/2016 awards. Under this program, subsidiaries of Finance New Mexico lend to private for-profit and not-for-profit organizations to spur job creation and development activities in low-income areas of the state.

The purpose of the NMTC is perfectly aligned with the goals of the SWEDFA, which is to provide private businesses in rural or low-income communities across the State with greater access to capital. Under this program, Finance New Mexico leverages private capital with funds derived from the sale of tax credit to investors. The incentive to investors is a 39 percent federal income tax credit earned over seven years for every dollar invested in a qualified low income community enterprise. The benefit to New Mexico businesses is very low-cost capital, with flexible lending criteria and the potential to convert portions of NMTC loans to equity.

In fiscal year 2016, Finance New Mexico closed on one NMTC transaction totaling \$7.75 million.

### ***New Markets Tax Credit Eligibility***

**Applicants:** For-profit and not-for-profit entities located in federally designated low-income census tracts.

**Projects:** Building, equipment and working capital

**Terms:** Terms of up to 40 years are offered at below market interest rates, with interest only due for the first seven years.

**Other:** Successful applicants must secure a primary lender that is willing to leverage its loans through the NMTC program. Funding is offered through quarterly competitive application cycles and is subject to available funding.

### ***Conduit Economic Development Bonds***

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Through this program, the Finance Authority can help for-profit and not-for-profit businesses, particularly in rural and underserved areas of New Mexico, access the national bond market and take advantage of federal programs that can lower their interest rates through the issuance of tax-exempt bonds. To date, the Finance Authority has not exercised its authority to issue these bonds.

#### ***Conduit Economic Development Bond Eligibility:***

**Applicants:** Small manufacturers and 501(c) (3) non-profit corporations

**Projects:** Building and equipment projects

**Terms:** Terms of up to 30 years offered at either fixed or variable interest rates.

**Other:** The Finance Authority is able to issue bonds for projects when requested by the local government where the project is located.

## **Other Programs**

### ***Department Of Transportation Bonds***

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In 2003, the State Legislature authorized the issuance of \$1.585 billion in bonds to fund approximately 40 statewide transportation expansion and improvement projects. The enabling legislation named the Finance Authority as the agent for the New Mexico Department of Transportation (NMDOT) and authorized the Authority to issue \$1.585 billion in bonds to finance the projects.

### ***Other Programs “Stand-Alone” Bonds***

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Earlier in its history, the Finance Authority, pursuant to legislation, issued bonds for a number of projects for other state agencies or departments. These bonds were issued outside the PPRF, and were called “Stand-Alone” bonds. The proceeds of these bonds were used, generally, to fund the construction of buildings. For various reasons, these projects were not considered at the time to meet the criteria necessary to qualify for a PPRF loan. Over time, the requirements to qualify as a PPRF project have become less restrictive, and similar projects today are funded as PPRF loans, not as non-PPRF Stand-Alone bonds. For each of the Stand-Alone bonds, the source of repayment of the debt is a revenue pledge authorized through a legislative appropriation.



## V. Total Operating budget

Fiscal Year 2016 Annual Report





# New Mexico Finance Authority

## Budget for Fiscal Years 2016 thru 2017

<u>REVENUES</u>	Budget FY16	Actual FY16	Budget FY17	Budget FY17 to Actual FY16	Budget FY16 to Budget FY17
Administration fee revenue	3,939,407	3,532,578	3,697,400	4.7%	-6.1%
Interest revenue bonded loans	47,970,000	48,745,502	49,955,000	2.5%	4.1%
Interest on equity loans	2,810,650	2,989,052	2,055,500	-31.2%	-26.9%
Interest income from investments	990,100	1,548,383	1,575,900	1.8%	59.2%
Appropriation revenue	41,569,000	33,127,880	38,849,900	17.3%	-6.5%
Grant revenue	62,426,632	56,602,985	57,650,000	1.8%	-7.7%
<b>Total Revenues</b>	<b>159,705,789</b>	<b>146,546,379</b>	<b>153,783,700</b>	<b>4.9%</b>	<b>-3.7%</b>

### EXPENDITURES

<b>Operating Expenses</b>					
Personnel services	4,966,146	4,515,207	4,915,065	8.9%	-1.0%
Professional services	2,741,100	2,693,081	2,594,200	-3.7%	-5.4%
Operating costs	1,410,298	1,104,879	1,268,470	14.8%	-10.1%
<b>Total - Operating Expenses</b>	<b>9,117,544</b>	<b>8,313,167</b>	<b>8,777,735</b>	<b>5.6%</b>	<b>-3.7%</b>

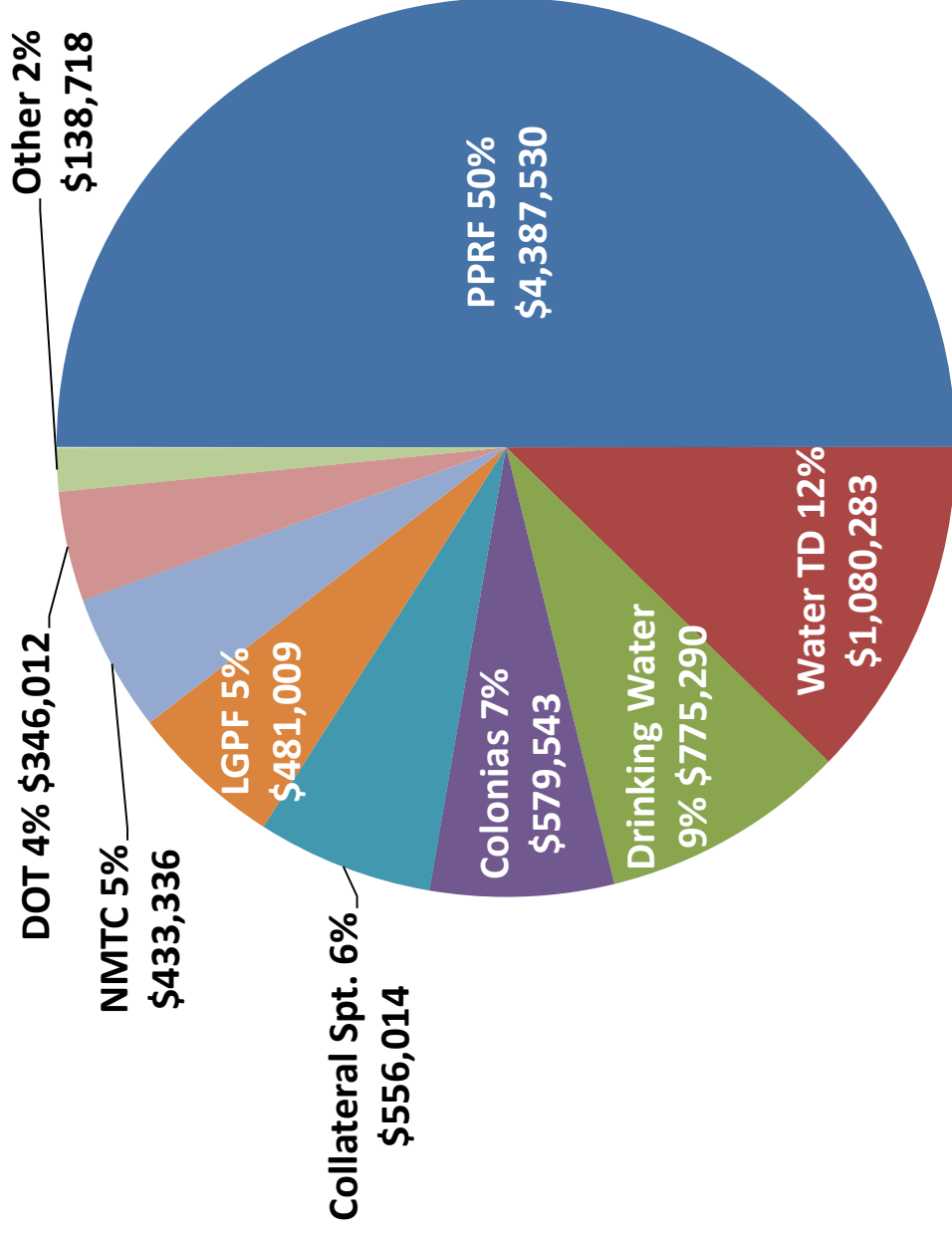
### **Non-Operating Increases (Decreases)**

Capital Outlay	(14,300,000)	(19,100,000)	(16,200,000)	-15.2%	13.3%
Grants to others	(55,378,969)	(44,860,328)	(61,810,089)	37.8%	11.6%
Transfers to other agencies	(5,805,000)	(11,727,594)	(9,535,000)	-18.7%	64.3%
New loans	(25,237,677)	(11,776,862)	(7,202,018)	-38.8%	-71.5%
Bond/Loan interest Expense	(48,366,599)	(51,154,490)	(48,258,858)	-5.7%	-0.2%
Bond Issuance Expense	(1,500,000)	(1,525,161)	(2,000,000)	31.1%	33.3%
<b>Net other increases (decreases)</b>	<b>(150,588,245)</b>	<b>(140,144,435)</b>	<b>(145,005,965)</b>	<b>3.5%</b>	<b>-3.7%</b>

<b>Excess (deficit) revenues over expenses</b>	<b>\$ -</b>	<b>\$ (1,911,223)</b>	<b>\$ -</b>
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# Total Operating Budget Distribution

## \$8,777,735



# Total Operating Budget by Category

## \$ 8,777,735

