VILLAGE COUNCIL WORKSHOP
VIA ZOOM TELECONFERENCE
TAOS SKI VALLEY, NEW MEXICO
MONDAY, JANUARY 10, 2022 10:30 A.M.

1. **CALL TO ORDER AND NOTICE OF MEETING**
2. **ROLL CALL**
3. **APPROVAL OF THE AGENDA**
4. **WORKSHOP:**

   A. Village of Taos Ski Valley Plan of Finance
5. **ANNOUNCEMENT OF THE DATE, TIME & PLACE OF THE NEXT MEETING OF THE VILLAGE COUNCIL**
6. **ADJOURNMENT**

Join Zoom Meeting
https://us02web.zoom.us/j/88218293319?pwd=eXVQb04xTWl0eWk4QTM5cWVsTkk4UT09

Meeting ID: 882 1829 3319

Passcode: 526340

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STIFEL

THE VILLAGE OF Taos Ski Valley

Village of Taos Ski Valley, New Mexico

10 Year Budget Projections and Project Capacity

Winter 2022

SECTION I.

General Fund
Historical Financial Data and Budget Projections

General Fund - Historical and Budgeted Revenues

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	Audited Financials								Budgeted
	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY2021	FY2022
REVENUES		*5.3%*	*0.4%*	*1.5%*	*-4.9%*	*4.3%*	*7.4%*	*2.1%*	
Property taxes	$ 445,371	$ 469,079	$ 471,028	$ 478,287	$ 454,707	$ 474,357	$ 509,612	$ 520,363	$ 520,000
Gross receipt taxes (GRT without HH)	971,191	1,277,717	1,527,824	1,486,612	1,607,139	1,805,346	1,378,311	1,521,744	1,104,500
Hold Harmless GRT (Transfer to Joint Utility)	-	-	-	-	-	270,511	264,327	257,949	200,000
Franchise taxes	-	-	-	-	-	-	64,819		75,000
State operating grants	-	90,000	90,500	90,000	90,000	90,000	105,176	91,749	90,000
Charges for services	90,000	1,664	-	-	-	-	-		
Licenses and fees	11,532	72,711	77,757	76,043	61,308	76,239	58,603	84,077	78,000
Interest income	412	5,232	2,963	9,933	21,009	98,996	73,019	15,152	6,925
Federal Operating Grant (Cares Act)								97,699	-
Miscellaneous income (includes franchise taxes)	81,916	1,614	87,107	42,053	122,846	123,200	21,770	92,283	9,000
TOTAL REVENUES	**$ 1,600,422**	**$ 1,918,017**	**$ 2,257,179**	**$ 2,182,928**	**$ 2,357,009**	**$ 2,938,649**	**$ 2,475,637**	**$ 2,681,016**	**$ 2,083,425**

Take Aways and Notes:

- **Property tax** revenue has **averaged 2% growth** over the past 7 years
- **Property tax** revenues provide **21% of total revenues** on average

- **GRT** revenues are the primary revenue source for the Village and **average 67% of total revenues**
- **GRT** revenues grew substantially in FY2016 due to large TSVI construction projects (non-recurring)
- **GRT** annual Village revenue has averaged approximately $1.525M since 2015

- **HHGRT** revenues began in 2019 and has averaged $248k per year
- **HHGRT** revenues are pledged to repayment of a portion of the USDA WWTP Loan

- State Operating Grants are restricted funds and can only be used for specific purposes

Source: New Mexico TRD property tax certificates.

General Fund - Historical and Budgeted Operational Expenditures

STIFEL

	Audited[1]								Budgeted
	FYE14	FYE15	FYE16	FYE17	FYE18	FYE19	FYE20	FYE2021	FYE22
General government	$ 777,261	$ 957,211	$ 971,519	$ 1,028,543	$ 1,059,391	$ 1,120,078	$ 1,182,180	$ 1,184,159	$ 974,370
Public safety	$ 186,436	$ 191,415	$ 213,545	$ 167,232	$ 190,918	$ 268,549	$ 275,952	$ 250,886	$ 444,404
Capital outlay and Outside Contractors	-	-	48,899	870,003	350,064	640,743	331,402	895,514	286,000
Fire/EMS Wages - *from Fire Dept Projections*									176,000
Debt Service:									
2016 TML NFMA - GRT *(05/1/2046)*									69,162
Other - DS GRT Payback TRD									31,160
Other									
Principal	-	-	-	33,469	28,508	28,821	55,198	60,885	
Interest	-	-	-	34,101	40,653	40,340	39,930	39,439	
TOTAL EXPENDITURES	**$ 963,697**	**$ 1,148,626**	**$ 1,233,963**	**$ 2,133,348**	**$ 1,669,534**	**$ 2,098,531**	**$ 1,884,662**	**$ 2,430,883**	**$ 1,981,096**
Excess of revenues over (under) expenditures	**$ 636,725**	**$ 769,391**	**$ 1,023,216**	**$ 49,580**	**$ 687,475**	**$ 840,118**	**$ 590,975**	**$ 250,133**	**$ 102,329**
	81%	83%	79%	48%	63%	53%	63%	49%	49%

Take Aways and Notes:

- General Gov't line item includes Salaries, Health Insurance, FICA, PERA, Legal Services, Auditor, and Utilities
- Public Safety includes Law Enforcement and EMS as the main expenditures
- Capital Outlay includes Outside Contractors and one-time improvements and repairs
- Debt Service attributable to the General Fund includes two loans

- **General Govt** expenditures increased 23% in FY2015 then averages 4% growth from FY2016-2021
- General Govt expenditures in FY2022 have been budgeted to drop 18%

- **Public Safety** expenditures averaged $273K over the last 3 fiscal years
- Public Safety expenditures are budgeted to increase by 61% in FY2022, to $444k

- ***General Fund Excess Revenues is an important metric*** *which demonstrates operating performance prior to any transfers in or out.*

Source: New Mexico TRD property tax certificates.

General Fund - Historical and Budgeted Non Operational Expenditures

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	Audited[1]								Budgeted
Other financing sources (uses):	FYE14	FYE15	FYE16	FYE17	FYE18	FYE19	FYE20	FYE2021	FYE22
Proceeds from sale of capital assets	$ -	$ -	$ -	-	$ -	$ 16,100	-	*872,000*	
Transfers in	382,555	396,261	5,500	957	501,523	555,106	122,224	63,068	45,000
Transfers out	(389,305)	(457,654)	(204,610)	(275,231)	(875,252)	(613,324)	(961,184)	(1,513,692)	(1,264,194)
Transfers out - Streets/Roads									
Loan Proceeds - Restricted	-	-	-	1,266,477	-	-	186,958		
Total Other financing sources (uses)	$ (6,750)	$ (61,393)	$ (199,110)	$ 992,203	$ (373,729)	$ (42,118)	$ (652,002)	$ (578,624)	**$ (1,219,194)**
Net Change in Fund Balance	**$ 629,975**	**$ 707,998**	**$ 824,106**	**$ 1,041,783**	**$ 313,746**	**$ 798,000**	**$ (61,027)**	**$ (328,491)**	**$ (1,116,865)**
Fund balance at beginning of year	$ 770,237	$ 1,298,671	$ 1,876,403	$ 2,443,320	$ 3,235,644	$ 3,303,627	$ 3,478,380	$ 3,308,513	$ 2,980,022
Fund balance at end of year	**$ 1,400,212**	**$ 2,006,669**	**$ 2,700,509**	**$ 3,485,103**	**$ 3,549,390**	**$ 4,101,627**	**$ 3,308,513**	**$ 2,980,022**	**$ 1,863,157**
Unassigned fund balance	***$ 1,298,671***	***$ 1,876,403***	***$ 2,443,320***	***$ 3,235,644***	***$ 3,303,627***	***$ 3,478,380***	***$ 3,065,098***	***$ 2,690,188***	***$ 1,573,323***
Unassinged fund balance as a % of Revenues	*81%*	*98%*	*108%*	*148%*	*140%*	*118%*	*124%*	*100%*	*76%*

Take Aways and Notes:

- **General Fund Transfers Out** increased significantly in FY2018 and have averaged $850k over the past 4 years
  - Transfers Out are **budgeted at $1.26M for FY2022**
  - Transfers Out have been used primarily for capital expenditures and to subsidize enterprise fund operations
- **Fund Balance** includes the Village's General Fund, General Reserve, General KCEC, General Government Improvement, and Law Enforcement
- **Unassigned General Fund Balance is the heaviest weighed financial metric** evaluated by creditors, rating agencies and lenders. It denotes funds that have not been encumbered or restricted by the Village and how much funds the Village has available in stressful times.
  - ***Portions of the current unassigned balanced are Village Restricted including $555k for undergrounding***
  - Recommend maintaining a minimum 50% General Fund Balance in stabilized operating times
  - A higher level should be maintained during growth periods with limited recurring revenue and large capital improvement needs

General Fund – Historical and Budgeted Financial Ratios and Metrics

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Debt Ratios and Metrics	Audited FY2014	Audited FY2015	Audited FY2016	Audited FY2017	Audited FY2018	Audited FY2019	Audited FY2020	Unaudited FY2021	Budgeted FY2022
Total Revenues	$ 1,600,422	$ 1,918,017	$ 2,257,179	$ 2,182,928	$ 2,357,009	$ 2,938,649	$ 2,475,637	$ 2,681,016	$ 2,083,425
Less: Current Expenditures	963,697	1,148,626	1,233,963	2,065,778	1,600,373	2,029,370	1,789,534	2,330,559	1,880,774
Plus: Total Other Financing Sources (Uses)	(6,750)	(61,393)	(199,110)	992,203	(373,729)	(42,118)	(652,002)	(578,624)	(1,219,194)
Revenue Available for Debt Service	**$ 629,975**	**$ 707,998**	**$ 824,106**	**$ 1,109,353**	**$ 382,907**	**$ 867,161**	**$ 34,101**	**$ (228,167)**	**$ (1,016,543)**
Income Available @ 1.2x Coverage	$ 524,979	$ 589,998	$ 686,755	$ 924,461	$ 319,089	$ 722,634	$ 28,418	$ (190,139)	$ (847,119)
Maximum Annual Debt Service Outstanding	$ -	$ -	$ -	$ 67,570	$ 69,161	$ 69,161	$ 95,128	$ 100,324	$ 100,322
Annual Debt Service Coverage (MADS)	***0.00x***	***0.00x***	***0.00x***	***16.42x***	***5.54x***	***12.54x***	***0.36x***	***-2.27x***	***-10.13x***
Additional Funds Available Debt Service	$ 524,979	$ 589,998	$ 686,755	$ 856,891	$ 249,928	$ 653,473	$ (66,711)	$ (290,463)	$ (947,441)
Future Issuance of Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2.00
Annual Debt Service Coverage (MADS)	***0.00x***	***0.00x***	***0.00x***	***16.42x***	***5.54x***	***12.54x***	***0.36x***	***-2.27x***	***-10.13x***
Fund Balance Available for DS and Cap Exp	$ 1,298,671	$ 1,876,403	$ 2,443,320	$ 3,235,644	$ 3,303,627	$ 3,478,380	$ 3,065,098	$ 2,690,188	$ 1,573,323
Operating Expenditures	963,697	1,148,626	1,233,963	2,065,778	1,600,373	2,029,370	1,789,534	2,330,559	1,880,774
Expenses per Day (365)	2,640.27	3,146.92	3,380.72	5,659.67	4,384.58	5,559.92	4,902.83	6,385.09	5,152.81
Days Cash on Hand	**492**	**596**	**723**	**572**	**753**	**626**	**625**	**421**	**305**
Suggested Fund Balance Minimum - 50%	$ 481,849	$ 574,313	$ 616,982	$ 1,066,674	$ 834,767	$ 1,049,266	$ 942,331	$ 1,215,442	$ 990,548

Take Aways and Notes:

- General Fund revenues available for debt service do not provide any additional capacity based on FY's 2020 to 2022
- No additional funds for debt service and project financing currently exist
- Fund Balance has declined over the past two years and is budgeted to decline in 2022 by approximately $1M
- The Village currently has a strong Fund Balance and Days Cash on Hand metric

Source: New Mexico TRD property tax certificates.

General Fund – Projected Revenues

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REVENUES	Growth	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032
						Projected[2]					
Property taxes	2.50%	$ 546,706	$ 560,374	$ 574,383	$ 588,743	$ 603,462	$ 618,548	$ 634,012	$ 649,862	$ 666,109	$ 682,761
Gross receipt taxes (GRT without HH)	From GRT	1,393,344	1,387,156	1,328,881	1,322,511	1,354,101	1,320,123	1,334,849	1,425,018	1,445,194	1,443,525
Hold Harmless GRT (Transfer to Joint Utility)	From GRT	267,950	265,126	238,537	235,630	250,044	234,541	241,260	282,402	291,607	290,846
Franchise taxes	5.00%	75,000	78,750	82,688	86,822	91,163	95,721	100,507	105,533	110,809	116,350
State operating grants	0.00%	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Charges for services	3.00%	-	-	-	-	-	-	-	-	-	-
Licenses and fees	3.00%	73,092	75,285	77,544	79,870	82,266	84,734	87,276	89,894	92,591	95,369
Interest income	0.00%	11,039	11,039	11,039	11,039	11,039	11,039	11,039	11,039	11,039	11,039
Federal Operating Grant (Cares Act)	0.00%	-	-	-	-	-	-	-	-	-	-
Miscellaneous income (includes franchise taxes)	3.00%	41,018	42,248	43,516	44,821	46,166	47,551	48,977	50,447	51,960	53,519
TOTAL REVENUES		$ 2,230,199	$ 2,244,852	$ 2,208,049	$ 2,223,805	$ 2,278,196	$ 2,267,716	$ 2,306,659	$ 2,421,792	$ 2,467,701	$ 2,492,562

Take Aways and Notes:

- **Historical property tax** revenue has **averaged 2% growth** over the past 7 years and is assumed to grow at that rate in the analysis
- **GRT** revenues projections assume the following:
  - Current local GRT tax rate is maintained at a total of 3.6625%
  - Increased development and construction that began in 2016 is projected to continue through 2032
  - Projected construction GRT Receipts in 2023 are equivalent to the 2016-2021 average receipts
  - All other GRT activity and receipts grow at an 5% annual rate through 2032
- **HHGRT** is calculated based off the same gross receipts figures and assumptions
- *GRT projected revenue is based on construction activity provided by developer and historical data points*
- *GRT revenues are projected to decline $350k when increased construction activity ends*

General Fund – Projected
Operational Expenditures and Operational Surplus/ Deficiencies

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OPERATING EXPENDITURES	Growth	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032
		Projected[2]									
Current:											
General government	5.00%	$ 1,169,248	$ 1,227,711	$ 1,289,096	$ 1,353,551	$ 1,421,228	$ 1,492,290	$ 1,566,904	$ 1,645,250	$ 1,727,512	$ 1,813,888
Public safety	5.00%	339,935	356,931	374,778	393,517	413,193	433,852	455,545	478,322	502,238	527,350
Capital outlay and Outside Contractors	2.00%	410,093	418,295	426,661	435,194	443,898	452,776	461,832	471,068	480,490	490,099
Fire/EMS Wages - *from Fire Dept Projections*	From FD	176,000	186,560	197,754	209,619	222,196	235,528	249,659	264,639	280,517	297,348
Debt Service:											
2016 TML NFMA - GRT *(05/1/2046)*	0.00%	69,162	69,162	69,162	69,162	69,162	69,162	69,162	69,162	69,162	69,162
Other - DS GRT Payback TRD	3.00%	31,160	31,160	31,160	31,160						
Other	3.00%										
Principal	3.00%										
Interest	3.00%										
TOTAL EXPENDITURES		**$ 2,195,598**	**$ 2,289,819**	**$ 2,388,611**	**$ 2,492,203**	**$ 2,569,677**	**$ 2,683,608**	**$ 2,803,102**	**$ 2,928,441**	**$ 3,059,919**	**$ 3,197,848**
Excess of revenues over (under) expenditures		**$ 34,600**	**$ (44,967)**	**$ (180,562)**	**$ (268,398)**	**$ (291,482)**	**$ (415,892)**	**$ (496,443)**	**$ (506,649)**	**$ (592,218)**	**$ (705,285)**

Take Aways and Notes:

- General Government 5% growth rate includes wages, insurance and total benefits
- Public Safety 5% growth rate includes wages, insurance and total benefits
- Debt Service figures are actual

- *The General Fund is projected to run a operational deficit in 2024 – 2032 based on current assumptions*
  - *Increased budgetary spending on Fire and EMS*

General Fund – Projected Non Operational Expenditures

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		Projected[2]									
	Growth	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032
Proceeds from sale of capital assets	3.00%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transfers in	0.00%	-	-	-	-	-	-	-	-	-	-
Transfers out	to JUF	(267,950)	(265,126)	(238,537)	(235,630)	(250,044)	(234,541)	(241,260)	(282,402)	(291,607)	(290,846)
Transfers out - Streets/Roads	3.00%	(225,000)	(231,750)	(238,703)	(245,864)	(253,239)	(260,837)	(268,662)	(276,722)	(285,023)	(293,574)
Loan Proceeds - Restricted	0.00%	-	-	-	-	-	-	-	-	-	-
Total Other financing sources (uses)		$ (492,950)	$ (496,876)	$ (477,239)	$ (481,494)	$ (503,284)	$ (495,378)	$ (509,922)	$ (559,124)	$ (576,631)	$ (584,420)
Net Change in Fund Balance		**$ (458,349)**	**$ (541,844)**	**$ (657,801)**	**$ (749,892)**	**$ (794,765)**	**$ (911,270)**	**$ (1,006,365)**	**$ (1,065,772)**	**$ (1,168,849)**	**$ (1,289,705)**
Fund balance at beginning of year		$ 1,863,157	$ 1,404,808	$ 862,964	$ 205,163	$ (544,729)	$ (1,339,494)	$ (2,250,764)	$ (3,257,129)	$ (4,322,901)	$ (5,491,750)
Fund balance at end of year		**$ 1,404,808**	**$ 862,964**	**$ 205,163**	**$ (544,729)**	**$ (1,339,494)**	**$ (2,250,764)**	**$ (3,257,129)**	**$ (4,322,901)**	**$ (5,491,750)**	**$ (6,781,456)**
Unassigned fund balance		**$ 1,114,974**	**$ 573,130**	**$ (84,671)**	**$ (834,563)**	**$ (1,629,328)**	**$ (2,540,598)**	**$ (3,546,963)**	**$ (4,612,735)**	**$ (5,781,584)**	**$ (7,071,290)**
Unassinged fund balance as a % of Revenues											

Take Aways and Notes:

- Transfers out display only the Road funds and HHGRT and being sent to the Joint Utility Fund for payment of USDA WWTP debt service
  - ***Historical and budgeted transfers out have averaged $1.05M annually from FY2018 to FY2022****
- Net Change in Fund Balance is projected to be negative every year
  - *The Unassigned Fund Balance is projected to be negative in 2025*
  - *The General Fund Balance is projected to be negative in 2026*
- *Projected growth in Expenditures outpace projected growth in Revenues leading to the deficiencies and shortfall*

General Fund – Projected Financial Ratios and Metrics

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					Projected					
	FYE23	FYE24	FYE25	FYE26	FYE27	FYE28	FYE29	FYE30	FYE31	FYE32
Debt Ratios and Metrics										
Total Revenues	$ 2,230,199	$ 2,244,852	$ 2,208,049	$ 2,223,805	$ 2,278,196	$ 2,267,716	$ 2,306,659	$ 2,421,792	$ 2,467,701	$ 2,492,562
Less: Current Expenditures	2,095,276	2,189,497	2,288,289	2,391,881	2,500,515	2,614,446	2,733,940	2,859,279	2,990,757	3,128,686
Plus: Total Other Financing Sources (Uses)	(492,950)	(496,876)	(477,239)	(481,494)	(503,284)	(495,378)	(509,922)	(559,124)	(576,631)	(584,420)
Revenue Available for Debt Service	**$ (358,027)**	**$ (441,522)**	**$ (557,479)**	**$ (649,570)**	**$ (725,603)**	**$ (842,108)**	**$ (937,203)**	**$ (996,610)**	**$ (1,099,687)**	**$ (1,220,543)**
Income Available @ 1.2x Coverage	$ (298,356)	$ (367,935)	$ (464,566)	$ (541,308)	$ (604,669)	$ (701,757)	$ (781,002)	$ (830,509)	$ (916,406)	$ (1,017,120)
Maximum Annual Debt Service Outstanding	$ 100,322	$ 100,322	$ 100,322	$ 100,322	$ 69,162	$ 69,162	$ 69,162	$ 69,162	$ 69,162	$ 69,162
Annual Debt Service Coverage (MADS)	***-3.57x***	***-4.40x***	***-5.56x***	***-6.47x***	***-10.49x***	***-12.18x***	***-13.55x***	***-14.41x***	***-15.90x***	***-17.65x***
Additional Funds Available Debt Service	$ (398,678)	$ (468,257)	$ (564,888)	$ (641,630)	$ (673,831)	$ (770,919)	$ (850,164)	$ (899,671)	$ (985,568)	$ (1,086,282)
Future Issuance of Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Annual Debt Service Coverage (MADS)	***-3.57x***	***-4.40x***	***-5.56x***	***-6.47x***	***-10.49x***	***-12.18x***	***-13.55x***	***-14.41x***	***-15.90x***	***-17.65x***
Fund Balance Available for DS and Cap Exp	$ 1,404,808	$ 862,964	$ 205,163	$ (544,729)	$ (1,339,494)	$ (2,250,764)	$ (3,257,129)	$ (4,322,901)	$ (5,491,750)	$ (6,781,456)
Operating Expenditures	2,095,276	2,189,497	2,288,289	2,391,881	2,500,515	2,614,446	2,733,940	2,859,279	2,990,757	3,128,686
Expenses per Day (365)	5,740.48	5,998.62	6,269.28	6,553.10	6,850.73	7,162.87	7,490.25	7,833.64	8,193.86	8,571.74
Days Cash on Hand	**245**	**144**	**33**	**-83**	**-196**	**-314**	**-435**	**-552**	**-670**	**-791**
Suggested Fund Balance Minimum - 50%	$ 1,097,799	$ 1,144,910	$ 1,194,305	$ 1,246,101	$ 1,284,839	$ 1,341,804	$ 1,401,551	$ 1,464,221	$ 1,529,960	$ 1,598,924

<u>Take Aways and Notes:</u>

- Projected Revenues available for additional debt service result in $0 available over the next 10 years for additional project financing
- Fund Balance is projected to turn negative in FY2026

Source: New Mexico TRD property tax certificates.

General Fund – Summary

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Historical Financial Performance and Observations:

Revenues

- Primary revenue sources are from GRT (67%) and Property Tax (22%)
- GRT Revenues averaged $1.12M in 2014 and 2015, and increase in 2016 to 2021 to an average of $1.55M

Expenditures

- General Government is the highest expense on an annual basis
  - Averaged 80% of the budget in 2014 – 2016, and 55% of the budget in 2017-2022

Fund Balance

- Strong metric for the Village with a range from 81% to 148% of annual revenues over a 10 year period
- Unassigned balance has decreased from a high level or $3.5M in 2019 to a budgeted finish of $1.7M in 2022

Projected Financial Performance and Observations:

Revenues

- Assumes increased construction activity occurs through 2032 with data provided by the developer
- Revenue is projected to decline approximately $350k when heavy construction activity ends
- Non-recurring revenues from increased construction should be paired with one-time expenditures (i.e. capital maintenance and improvements)

Expenditures

- General Fund is projected to run a deficit in 2022 through 2032 based on analysis assumptions
- The projected deficit grows substantially after development and construction is anticipated to decline
- *Historical and budgeted transfers out have averaged $1.05M annually from FY2018 to FY2022*
  - *Projections assume only HHGRT is transferred out which averages $230k/annually*

Fund Balance

- *The Unassigned Fund Balance is projected to be negative in 2025 and the General Fund Balance is projected to be negative in 2026*

Capital Expenditure and Project Financing Capacity:

- *No additional revenues for debt service projected to be available over the next 10 years to provide for additional project financing*

SECTION II.

Joint Utility Funds

Historical Financial Data and Budget Projections

Joint Utility Fund – Historical and Budgeted Operational Revenues & Expenditures

STIFEL

	Joint Utility Fund - Audited Financials								Budgeted
	FYE14[3]	FYE15[3]	FYE16[3]	FYE17[3]	FYE18[3]	FYE19	FYE20	FYE21	FYE22
OPERATING REVENUES*		*3.0%*	*17.2%*	*4.1%*	*-0.9%*	*11.6%*	*2.7%*	*-12.1%*	*49.8%*
Charges for Services	$ 696,714	$ 704,177	$ 825,344	$ 859,465	$ 851,967	$ 950,775	$ 976,518	$ 858,206	$ 1,285,585
SS Development Fees (other charges for services)	-	-	-	-	-	-	-	-	25,000
Water System Dev (other charges for services)									25,000
Other Fees									600
Connection Fees	-	-	-	-	-	-	-	-	-
TOTAL OPERATING REVENUES	**$ 696,714**	**$ 704,177**	**$ 825,344**	**$ 859,465**	**$ 851,967**	**$ 950,775**	**$ 976,518**	**$ 858,206**	**$ 1,336,185**
OPERATING EXPENDITURES AND DEBT									
Personnel Services	$ 223,806	$ 266,812	$ 271,523	$ 298,986	$ 512,961	$ 452,351	$ 532,000	$ 433,505	$ 464,055
Contractual Services	163,710	9,756	51,047	41,026	56,166	31,079	15,358	21,948	87,500
Supplies	63,522	68,914	118,388	59,226	97,589	78,988	54,141	48,346	63,695
Operating	413,524	109,265	55,911	60,067	68,338	74,747	-		
Maintenance and Materials	-	-	-	-	-	-	65,394	10,374	32,700
Utilities	-	-	-	-	-	-	53,010	88,551	129,250
Miscellaneous *(inc. Self Insurance for 21 and 22)*	-	-	-	-	-	-	20,655	46,122	30,320
Travel	1,596	1,909	2,731	2,186	796	423	-	-	-
Total Operating Costs	866,158	456,656	499,600	461,491	735,850	637,588	740,558	648,846	807,520
Debt Service:									
2007 CWSRF WWTP *(11/01/2026)*									101,288
2010 WTB NMFA - Net Rev *(06/01/2030)*									26,247
2016 WTB NMFA - Net Rev *(06/01/2035)*									8,731
2018 CWSRF - Net Rev *(01/22/2023)*									72,540
2020 USDA WWTP - Net Rev *(06/12/2061)*									128,903
2020 USDA HHGRT - Rev *(06/12/2061)*									$ 157,548
Depreciation and amortization	201,899	336,402	191,663	179,435	150,307	136,963	201,012	437,356	
Interest expense	21,036	-	-	50,275	87,642	132,126	100,111	183,226	
Debt issuance expense	-	-	-	-	-	-	102,957	-	-
TOTAL OPERATING EXPENDITURES	**$ 1,089,093**	**$ 793,058**	**$ 691,263**	**$ 691,201**	**$ 973,799**	**$ 906,677**	**$ 1,144,638**	**$ 1,269,428**	**$ 1,302,777**
Net Operating Surplus/(Deficiency)	**$ (392,379)**	**$ (88,881)**	**$ 134,081**	**$ 168,264**	**$ (121,832)**	**$ 44,098**	**$ (168,120)**	**$ (411,222)**	**$ 33,408**

Take Aways and Notes:

- *2022 Revenues are budgeted to increase 50% compared to FY2021, well beyond highest year totals and averages*
- *In 2018, retirement costs of water/sewer employees started being reported within the fund instead of GF*
- *Net Operating Surplus needs to be $99,051 to meet a Debt Service Coverage Ratio of 1.2 times debt service for FY22*

Joint Utility Fund – Historical and Budgeted Non-Operating Revenues/Expenditures & Fund Balance

STIFEL

	Joint Utility Fund - Audited Financials								Budgeted
	FYE14[3]	FYE15[3]	FYE16[3]	FYE17[3]	FYE18[3]	FYE19	FYE20	FYE21	FYE22
NON-OPERATING REVENUES*									
Transfer In - Hold Harmless GRT	$ -	$ -	$ -	$ -	$ -	$ -	$ 102,784	$ 208,188	$ 200,000
Transfer In - General Fund and Reserve	24,274	143,962	405,306	747,876	426,224	1,251,499	858,884	949,726	347,692
Transfer In - O&M Fund 32									10,000
Interest income	263	61,331	539	2,941	4,875	8,073	13,386	1,023	1,450
Other income	-	-	-	425	859	25	9,004	9,222	-
State and federal capital grants	679	20	-	-	-	-	2,099,460	-	150,000
TOTAL NON-OPERATING REVENUES	**$ 25,216**	**$ 205,313**	**$ 405,845**	**$ 751,242**	**$ 431,958**	**$ 1,259,597**	**$ 3,083,518**	**$ 1,168,159**	**$ 709,142**
NON-OPERATING EXPENSES									
Capital Expenditures and Improvements	-	-	-	-	-	-	-		400,000
Cash transfers	-		143,323	373,527	2,172,490	5,085,954		-	-
Purchases for resale	697	641	700	-	-	-	-	-	-
Loss of sale of asset	-	-	174,364	-	-	-	-	-	-
TOTAL NON-OPERATING FUND EXPENDITURES	**$ 697**	**$ 641**	**$ 318,387**	**$ 373,527**	**$ 2,172,490**	**$ 5,085,954**	**$ -**	**$ -**	**$ 400,000**
Net Non-Operating Surplus/(Deficiency)	**$ 24,519**	**$ 204,672**	**$ 87,458**	**$ 377,715**	**$ (1,740,532)**	**$ (3,826,357)**	**$ 3,083,518**	**$ 1,168,159**	**$ 309,142**
TOTAL JOINT UTILITY FUND REVENUES	**$ 721,930**	**$ 909,490**	**$ 1,231,189**	**$ 1,610,707**	**$ 1,283,925**	**$ 2,210,372**	**$ 4,060,036**	**$ 2,026,365**	**$ 2,045,327**
TOTAL JOINT UTILITY FUND EXPENDITURES	**$ 1,089,790**	**$ 793,699**	**$ 1,009,650**	**$ 1,064,728**	**$ 3,146,289**	**$ 5,992,631**	**$ 1,144,638**	**$ 1,269,428**	**$ 1,702,777**
Excess Revenues over Expenditures	***$ (367,860)***	***$ 115,791***	***$ 221,539***	***$ 545,979***	***$ (1,862,364)***	***$ (3,782,259)***	***$ 2,915,398***	***$ 756,937***	***$ 342,550***
Net Position at beginning of year	$ 1,805,887	$ 1,438,027	$ 1,553,818	$ 1,911,443	$ 2,350,803	$ 488,439	$ (3,117,781)	$ 8,162,057	$ 8,918,994
Net Position at end of year	**$ 1,438,027**	**$ 1,553,818**	**$ 1,775,357**	**$ 2,457,422**	**$ 488,439**	**$ (3,293,820)**	**$ (202,383)**	**$ 8,918,994**	**$ 9,261,544**
Restatement	$ -	$ -	$ 136,086	$ (106,619)	$ -	$ 176,039	$ 8,364,440	$ -	
Restated positions at beginning of year	-	-	1,689,904	1,804,824	-	664,478	5,246,659	-	
Restated position at end of year	**$ 1,438,027**	**$ 1,553,818**	**$ 1,911,443**	**$ 2,350,803**	**$ 488,439**	**$ (3,117,781)**	**$ 8,162,057**	**$ 8,918,994**	**$ 9,261,544**
Unrestricted							***$ 822,463***	***$ 1,189,288***	***$ 1,184,146***
Restricted (includes capital assets)							*$ 7,339,594*	*$ 7,729,706*	*$ 8,077,398*

Take Aways and Notes:

- GF transfers to the JUF averaged $775k over the past six years
- Large Non-Operating Expenditures (Cash transfers) in 2018 and 2019 are for the WWTP
- ***Unrestricted Position**** grew by $373k last year and is budgeted to grow $343k in FY22

- **Auditor includes some Village restricted funds in Unrestricted line item. Will modify practice with next Audit.*
  - ***$210k restricted for NMED, CWSRF, and WTB Debt Service***
  - ***$370k restricted for O&M Maintenance and Depreciation***

  - ***Anticipated expenses to correct the WWTP project were not included/budgeted at of the end of fiscal year***

Joint Utility Fund – Historical and Budgeted Financial Ratios and Metrics

STIFEL

	Ratios Calculated from Audited Financials								Budgeted
Ratios and Metrics	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net Operating Surplus	$ (367,860)	$ 115,791	$ 134,081	$ 168,264	$ (121,832)	$ 44,098	$ (168,120)	$ (411,222)	$ 33,408
Add HHGRT	$ -	$ -	$ -	$ -	$ -	$ -	$ 102,784	$ 208,188	$ 200,000
	$ -	$ -	$ -	$ -	$ -	$ -	$ -		
Net System Revenue Available for Debt Service	**$ (367,860)**	**$ 115,791**	**$ 134,081**	**$ 168,264**	**$ (121,832)**	**$ 44,098**	**$ (65,336)**	**$ (203,034)**	**$ 233,408**
Maximum Annual Debt Service Outstanding	$ 222,935	$ 336,402	$ 191,663	$ 229,710	$ 237,949	$ 269,089	$ 404,080	$ 620,582	$ 495,257
Annual Debt Service Coverage (MADS)	***-1.65x***	***0.34x***	***0.70x***	***0.73x***	***-0.51x***	***0.16x***	***-0.16x***	***-0.33x***	***0.47x***
Additional Funds Available Debt Service	*(590,795)*	*(220,611)*	*(57,582)*	*(61,446)*	*(359,781)*	*(224,991)*	*(469,416)*	*(823,616)*	*(261,849)*
Additional Bond Capacity									
Future Issuance of Bonds (Scenario)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Annual Debt Service Coverage (MADS)									
Fund Balance Available for DS and Cap Exp	$ 1,438,027	$ 1,553,818	$ 1,911,443	$ 2,350,803	$ 488,439	$ (3,117,781)	$ 822,463	$ 1,189,288	$ 1,184,146
Operating Expenditures	1,089,093	793,058	691,263	691,201	973,799	906,677	1,144,638	1,269,428	1,302,777
Expenses per Day (365)	2,983.82	2,172.76	1,893.87	1,893.70	2,667.94	2,484.05	3,135.99	3,477.88	3,569.25
Days Cash on Hand	**482**	**715**	**1009**	**1241**	**183**	**-1255**	**262**	**342**	**332**
Suggested Fund Balance Minimum - 50%	$ 544,895	$ 396,850	$ 504,825	$ 532,364	$ 1,573,145	$ 2,996,316	$ 572,319	$ 634,714	$ 851,388

Take Aways and Notes:

- Debt Service Coverage from Net System Revenues has been below 1.0 times every year since 2014
  - Difference is subsidized by the General Fund transfers
  - Indicates Cash flow and financing capacity are weak
- The Village has a strong Fund Balance and Days Cash on Hand metric
  - Recommend maintaining a larger balance due to large system and lack of revenues (~210 days)
  - Excess balances can be used for capital expenditures in lieu of, or in conjunction with, financing

Source: New Mexico TRD property tax certificates.

Joint Utility Fund – Projected Operational Revenues & Expenditures

STIFEL

	Growth	FYE23	FYE24	FYE25	FYE26	FYE27	FYE28	FYE29	FYE30	FYE31	FYE32
		Projected[2]									
OPERATING REVENUES*											
Charges for Services	*5.00%*	$ 1,098,583	$ 1,153,512	$ 1,211,187	$ 1,271,747	$ 1,335,334	$ 1,402,101	$ 1,472,206	$ 1,545,816	$ 1,623,107	$ 1,704,262
SS Development Fees (other charges for services)	*0.00%*	25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ -
Water System Dev (other charges for services)	*0.00%*	25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ -
Other Fees	*0.00%*	600	$ 600	$ 600	$ 600	$ 600	$ 600	$ 600	$ 600	$ 600	$ 600
Connection Fees	*0.00%*	*50,000*	$ 50,000	$ 50,000	$ 50,000	$ 200,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 200,000
TOTAL OPERATING REVENUES		**$ 1,199,183**	**$ 1,254,112**	**$ 1,311,787**	**$ 1,372,347**	**$ 1,585,934**	**$ 1,502,701**	**$ 1,572,806**	**$ 1,646,416**	**$ 1,723,707**	**$ 1,904,862**
OPERATING EXPENDITURES AND DEBT											
Personnel Services	*6.00%*	$ 505,111	$ 535,418	$ 567,543	$ 601,596	$ 637,691	$ 675,953	$ 716,510	$ 759,500	$ 805,071	$ 853,375
Contractual Services	*5.00%*	$ 43,682	45,866	48,160	50,567	53,096	55,751	58,538	61,465	64,538	67,765
Supplies	*6.00%*	55,394	58,718	62,241	65,975	69,934	74,130	78,577	83,292	88,290	93,587
Operating		-	-	-	-	-	-	-	-	-	-
Maintenance and Materials	*6.00%*	36,156	38,325	40,625	43,062	45,646	48,385	51,288	54,365	57,627	61,085
Utilities	*5.00%*	135,713	142,498	149,623	157,104	164,959	173,207	181,868	190,961	200,509	210,535
Miscellaneous *(inc. Self Insurance for 21 and 22)*	*5.00%*	32,366	33,984	35,683	37,467	39,341	41,308	43,373	45,542	47,819	50,210
Travel	*5.00%*	1,071	1,125	1,181	1,240	1,302	1,367	1,436	1,507	1,583	1,662
Total Operating Costs		809,493	855,934	905,055	957,012	1,011,969	1,070,100	1,131,590	1,196,633	1,265,436	1,338,218
Debt Service:											
2007 CWSRF WWTP *(11/01/2026)*	*0.00%*	101,288	101,288	101,288	101,288	101,288	-	-	-	-	-
2010 WTB NMFA - Net Rev *(06/01/2030)*	*0.00%*	26,247	26,247	26,247	26,247	26,247	26,247	26,247	26,247	26,247	-
2016 WTB NMFA - Net Rev *(06/01/2035)*	*0.00%*	8,731	8,731	8,731	8,731	8,731	8,731	8,731	8,731	8,731	8,731
2018 CWSRF - Net Rev *(01/22/2023)*	*0.00%*	72,540	72,540								
2020 USDA WWTP - Net Rev *(06/12/2061)*	*0.00%*	128,903	128,903	128,903	128,903	128,903	128,903	128,903	128,903	128,903	128,903
2020 USDA HHGRT - Rev *(06/12/2061)*	*0.00%*	$ 157,548	$ 157,548	$ 157,548	$ 157,548	$ 157,548	$ 157,548	$ 157,548	$ 157,548	$ 157,548	$ 157,548
Depreciation and amortization		125,325	125,325	125,325	125,325	125,325	125,325	125,325	125,325	125,325	125,325
Interest expense											
Debt issuance expense	*3.00%*	-	-	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENDITURES		**$ 1,430,075**	**$ 1,351,191**	**$ 1,327,772**	**$ 1,379,729**	**$ 1,434,686**	**$ 1,391,529**	**$ 1,453,019**	**$ 1,518,062**	**$ 1,586,865**	**$ 1,633,400**
Net Operating Surplus/(Deficiency)		**$ (230,892)**	**$ (97,079)**	**$ (15,985)**	**$ (7,382)**	**$ 151,248**	**$ 111,172**	**$ 119,787**	**$ 128,354**	**$ 136,842**	**$ 271,462**

Take Aways and Notes:

- A 5% growth rate in service revenues is needed for the JUF to break even each year, along with additional development fees
- Includes connection fees of \$50k are collected annually and \$200k every 5th year
- FY23 Charges are projected at 12.5% growth from FY2020, as estimated by the developer

Joint Utility Fund – Projected Non-Operating Revenues & Fund Balance

STIFEL

	Growth	FYE23	FYE24	FYE25	FYE26	FYE27	FYE28	FYE29	FYE30	FYE31	FYE32
		Projected[2]									
NON-OPERATING REVENUES*											
Transfer In - Hold Harmless GRT	*from GF*	$ 267,950	$ 265,126	$ 238,537	$ 235,630	$ 250,044	$ 234,541	$ 241,260	$ 282,402	$ 291,607	$ 290,846
Transfer In - General Fund and Reserve	*0.00%*	-	-	-	-	-	-	-	-	-	-
Transfer In - O&M Fund 32											
Interest income	*0.00%*	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963
Other income	*0.00%*	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578	2,578
State and federal capital grants	*0.00%*	-	-	-	-	-	-	-	-	-	-
TOTAL NON-OPERATING REVENUES		**$ 276,491**	**$ 273,667**	**$ 247,078**	**$ 244,171**	**$ 258,585**	**$ 243,082**	**$ 249,801**	**$ 290,943**	**$ 300,149**	**$ 299,387**
NON-OPERATING EXPENSES											
Capital Expenditures and Improvements	*5.00%*	250,000	262,500	275,625	289,406	303,877	319,070	335,024	351,775	369,364	387,832
Cash transfers	*0.00%*	-	-	-	-	-	-	-	-	-	-
Purchases for resale	*5.00%*	291	306	321	337	354	372	390	410	430	452
Loss of sale of asset	*5.00%*	-	-	-	-	-	-	-	-	-	-
TOTAL NON-OPERATING FUND EXPENDITURES		**$ 250,291**	**$ 262,806**	**$ 275,946**	**$ 289,743**	**$ 304,230**	**$ 319,442**	**$ 335,414**	**$ 352,185**	**$ 369,794**	**$ 388,284**
Net Non-Operating Surplus/(Deficiency)		**$ 26,200**	**$ 10,862**	**$ (28,868)**	**$ (45,572)**	**$ (45,645)**	**$ (76,360)**	**$ (85,613)**	**$ (61,242)**	**$ (69,645)**	**$ (88,896)**
TOTAL JOINT UTILITY FUND REVENUES		**$ 1,475,673**	**$ 1,527,779**	**$ 1,558,865**	**$ 1,616,518**	**$ 1,844,519**	**$ 1,745,783**	**$ 1,822,607**	**$ 1,937,359**	**$ 2,023,856**	**$ 2,204,250**
TOTAL JOINT UTILITY FUND EXPENDITURES		**$ 1,680,366**	**$ 1,613,997**	**$ 1,603,718**	**$ 1,669,472**	**$ 1,738,916**	**$ 1,710,971**	**$ 1,788,433**	**$ 1,870,247**	**$ 1,956,659**	**$ 2,021,684**
Excess Revenues over Expenditures		*$ (204,692)*	*$ (86,217)*	*$ (44,853)*	*$ (52,954)*	*$ 105,603*	*$ 34,812*	*$ 34,174*	*$ 67,112*	*$ 67,196*	*$ 182,566*
Net Position at beginning of year		$ 8,918,994	$ 8,714,302	$ 8,628,084	$ 8,583,231	$ 8,530,277	$ 8,635,880	$ 8,670,692	$ 8,704,866	$ 8,771,979	$ 8,839,175
Net Position at end of year		**$ 8,714,302**	**$ 8,628,084**	**$ 8,583,231**	**$ 8,530,277**	**$ 8,635,880**	**$ 8,670,692**	**$ 8,704,866**	**$ 8,771,979**	**$ 8,839,175**	**$ 9,021,741**
Restatement											
Restated positions at beginning of year											
Restated position at end of year		**$ 8,714,302**	**$ 8,628,084**	**$ 8,583,231**	**$ 8,530,277**	**$ 8,635,880**	**$ 8,670,692**	**$ 8,704,866**	**$ 8,771,979**	**$ 8,839,175**	**$ 9,021,741**
Unrestricted		***$ 979,454***	***$ 893,236***	***$ 848,384***	***$ 795,429***	***$ 901,032***	***$ 935,844***	***$ 970,018***	***$ 1,037,131***	***$ 1,104,327***	***$ 1,286,893***
Restricted (includes capital assets)		*$ 7,734,848*	*$ 7,734,848*	*$ 7,734,848*	*$ 7,734,848*	*$ 7,734,848*	*$ 7,734,848*	*$ 7,734,848*	*$ 7,734,848*	*$ 7,734,848*	*$ 7,734,848*

Take Aways and Notes:

Joint Utility Fund – Projected Financial Ratios and Metrics

STIFEL

Ratios and Metrics	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
	Projected									
Net Operating Surplus	$ (230,892)	$ (97,079)	$ (15,985)	$ (7,382)	$ 151,248	$ 111,172	$ 119,787	$ 128,354	$ 136,842	$ 271,462
Add HHGRT	$ 267,950	$ 265,126	$ 238,537	$ 235,630	$ 250,044	$ 234,541	$ 241,260	$ 282,402	$ 291,607	$ 290,846
Net System Revenue Available for Debt Service	**$ 37,058**	**$ 168,047**	**$ 222,552**	**$ 228,248**	**$ 401,292**	**$ 345,713**	**$ 361,047**	**$ 410,756**	**$ 428,449**	**$ 562,309**
Maximum Annual Debt Service Outstanding	$ 620,582	$ 620,582	$ 548,042	$ 548,042	$ 548,042	$ 446,754	$ 446,754	$ 446,754	$ 446,754	$ 420,507
Annual Debt Service Coverage (MADS)	***0.06x***	***0.27x***	***0.41x***	***0.42x***	***0.73x***	***0.77x***	***0.81x***	***0.92x***	***0.96x***	***1.34x***
Additional Funds Available Debt Service	*(583,524)*	*(452,535)*	*(325,490)*	*(319,794)*	*(146,750)*	*(101,041)*	*(85,707)*	*(35,998)*	*(18,305)*	*141,802*
Additional Bond Capacity	None	None	None	None	None	None	None	None	None	
Future Issuance of Bonds (Scenario)										
Annual Debt Service Coverage (MADS)	***0.06x***	***0.27x***	***0.41x***	***0.42x***	***0.73x***	***0.77x***	***0.81x***	***0.92x***	***0.96x***	***1.34x***
Fund Balance Available for DS and Cap Exp	$ 979,454	$ 893,236	$ 848,384	$ 795,429	$ 901,032	$ 935,844	$ 970,018	$ 1,037,131	$ 1,104,327	$ 1,286,893
Operating Expenditures	1,430,075	1,351,191	1,327,772	1,379,729	1,434,686	1,391,529	1,453,019	1,518,062	1,586,865	1,633,400
Expenses per Day (365)	3,918.01	3,701.89	3,637.73	3,780.08	3,930.65	3,812.41	3,980.87	4,159.07	4,347.58	4,475.07
Days Cash on Hand	**250**	**241**	**233**	**210**	**229**	**245**	**244**	**249**	**254**	**288**
Suggested Fund Balance Minimum - 50%	$ 840,183	$ 806,998	$ 801,859	$ 834,736	$ 869,458	$ 855,486	$ 894,216	$ 935,123	$ 978,330	$ 1,010,842

Take Aways and Notes:

Source: New Mexico TRD property tax certificates.

SECTION II.

Fire Department
Historical Financial Data and Budget Projections

Fire Department – Historical and Budgeted Operational Revenues & Expenditures

STIFEL

	Fire Fund Audited[1] plus GF Items for Wages/Benefits								Budgted
	FYE2014	FYE2015	FYE2016	FYE2017	FYE2018	FYE2019	FYE2020	FYE2021	FYE2022
FIRE FUND REVENUES*		*3.0%*	*11.6%*	*2.3%*	*4.8%*	*8.7%*	*5.0%*	*4.3%*	
State Operating Grants	$ 85,778	$ 89,561	$ 99,910	$ 102,216	$ 107,072	$ 116,402	$ 122,171	$ 127,434	$ 84,279
Additional State Revenues/Grants (Admin)	-	-	-	-	-	-	-	-	
Additional State Revenues/Grants (2nd Firestation)	-		-	-	-	-	-	-	-
Interest income	318	-	490	1,372	3,737	2,969	-	-	-
Miscellaneous income	-	26,649	40	-	-	-	5,000	-	-
FIRE FUND TOTAL REVENUES	**$ 86,096**	**$ 116,210**	**$ 100,440**	**$ 103,588**	**$ 110,809**	**$ 119,371**	**$ 127,171**	**$ 127,434**	**$ 84,279**
*GF REVENUES FOR FIRE WAGES/BENEFITS**	$ -	$ -	$ -	$ -	$ -	*$ 20,000*	*$ 20,000*	*$ 20,000*	*$ 176,000*
TOTAL FIRE DEPARTMENT REVENUES	**$ 86,096**	**$ 116,210**	**$ 100,440**	**$ 103,588**	**$ 110,809**	**$ 139,371**	**$ 147,171**	**$ 147,434**	**$ 260,279**
FIRE FUND EXPENDITURES									
Public safety*	$ 57,629	$ 101,247	$ 64,237	$ 102,907	$ 55,533	$ 74,716	$ 55,548	$ 70,026	$ 150,300
Capital outlay*	-	-	2,891	-	-	130,000	21,615		
Bldg Lease Payment (Should flow through to GF as Re	-	-	-	-	-	-	-	-	
Debt Service**(limited to 2.0x DSCR on $145k)* :	-	-	-	-	-	-	-	-	
Series 2021 NMFA Loan	-	-	-	-	-	-	-	-	1,942
Series 2022 Firestation Scenario	-	-	-	-	-	-	-	-	-
TBD - Future Capital Financing	-	-	-	-	-	-	-		
TBD - Future Capital Financing	-	-	-	-	-	-	-		
FIRE FUND TOTAL EXPENDITURES	**$ 57,629**	**$ 101,247**	**$ 67,128**	**$ 102,907**	**$ 55,533**	**$ 204,716**	**$ 77,163**	**$ 70,026**	**$ 152,242**
*GF EXPENDITURES FOR WAGES/BENEFITS**	$ -	$ -	$ -	$ -	$ -	*$ 20,000*	*$ 20,000*	*$ 20,000*	*$ 176,000*
TOTAL FIRE DEPARTMENT EXPENDITURES	**$ 57,629**	**$ 101,247**	**$ 67,128**	**$ 102,907**	**$ 55,533**	**$ 224,716**	**$ 97,163**	**$ 90,026**	**$ 328,242**
Excess of revenues over (under) expenditures	*$ 28,467*	*$ 14,963*	*$ 33,312*	*$ 681*	*$ 55,276*	*$ (85,345)*	*$ 50,008*	*$ 57,408*	*$ (67,963)*
Other financing sources (uses):									
Additional Transfers in (GF for wages shown above)	$ 65,000	$ 60,000	$ 40,000	$ -	$ -	$ -	$ -	$ 20,000	$ -
Transfers out	(65,000)	(60,000)	(40,000)	-	-	-	-	(20,000)	-
Total Other financing sources (uses)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fund balance at beginning of year	$ 259,112	$ 287,579	$ 302,542	$ 335,854	$ 336,535	$ 391,811	$ 306,466	$ 356,474	$ 413,882
Fund balance at end of year	**$ 287,579**	**$ 302,542**	**$ 335,854**	**$ 336,535**	**$ 391,811**	**$ 306,466**	**$ 356,474**	**$ 413,882**	**$ 345,919**

Take Aways and Notes:

- *State Operating Grant revenues are restricted funds and can only be used for specific expenditures*
- *Fire Department wages are paid by the General Fund*

Fire Department – Historical and Budgeted Financial Ratios and Metrics

STIFEL

Financing Scenarios, Ratios and Metrics	Audited FYE2014	FYE2015	FYE2016	FYE2017	FYE2018	FYE2019	FYE2020	FYE2021	Budgted FYE2022
Grant Revenues Available for Debt Service*	**$ 28,467**	**$ 14,963**	**$ 36,203**	**$ 681**	**$ 55,276**	**$ 44,655**	**$ 71,623**	**$ 57,408**	**$ (66,021)**
Revenue Available @ 2.0x Coverage	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (33,011)
Current Total Annual Debt Service Outstanding	$ 58,417	$ 58,417	$ 58,417	$ 58,417	$ 58,417	$ 58,417	$ 58,417	$ 58,417	$ 1,942
Annual Debt Service Coverage (MADS)	***0.49x***	***0.26x***	***0.62x***	***0.01x***	***0.95x***	***0.76x***	***1.23x***	***0.98x***	***-34.00x***
Additional Grant Revenues Available for Debt Service	$ 32,056	$ 32,056	$ 32,056	$ 32,056	$ 32,056	$ 32,056	$ 32,056	$ 32,056	$ -
Fund Balance Available for DS and Cap Exp	$ 287,579	$ 302,542	$ 335,854	$ 336,535	$ 391,811	$ 306,466	$ 356,474	$ 413,882	
Operating Expenditures	57,629	101,247	67,128	102,907	55,533	204,716	77,163	$ 97,163	$ 326,300
Expenses per Day (365)	158	277	184	282	152	561	211	266	894
Days Cash on Hand	**1821**	**54**	**197**	**2**	**363**	**80**	**339**	**216**	**387**
Suggested Fund Balance Minimum - 50%	$ 28,815	$ 50,624	$ 33,564	$ 51,454	$ 27,767	$ 112,358	$ 48,582	$ 45,013	$ 76,121

*State Fire Marshall's Office limits annual debt service to 2.0x DSCR calculated off of State Fire Grant Baseline (as of 05/04/2021 the baseline grant amount totals $145,946)

Take Aways and Notes:

Fire Department – Projected Operational Revenues & Expenditures

STIFEL

	Growth	FYE2023	FYE2024	FYE2025	FYE2026	FYE2027	FYE2028	FYE2029	FYE2030	FYE2031
						Projected[2]				
FIRE FUND REVENUES*										
State Operating Grants	**3.00%**	$ 131,257	$ 135,195	$ 139,251	$ 143,428	$ 152,163	$ 161,430	$ 171,261	$ 181,690	$ 192,755
Additional State Revenues/Grants (Admin)	**3.00%**	75,000	77,250	79,568	81,955	86,946	92,241	97,858	103,818	110,140
Additional State Revenues/Grants (2nd Firestation)	**3.00%**	35,000	36,050	37,132	38,245	40,575	43,046	45,667	48,448	51,399
Interest income	**0.00%**	-	-	-	-	-	-	-	-	-
Miscellaneous income	**0.00%**	-	-	-	-	-	-	-	-	-
FIRE FUND TOTAL REVENUES		**$ 241,257**	**$ 248,495**	**$ 255,950**	**$ 263,628**	**$ 279,683**	**$ 296,716**	**$ 314,786**	**$ 333,956**	**$ 354,294**
*GF REVENUES FOR FIRE WAGES/BENEFITS**		*$ 186,560*	*$ 197,754*	*$ 209,619*	*$ 222,196*	*$ 249,659*	*$ 280,517*	*$ 315,189*	*$ 354,147*	*$ 397,919*
TOTAL FIRE DEPARTMENT REVENUES		**$ 427,817**	**$ 446,248**	**$ 465,568**	**$ 485,824**	**$ 529,342**	**$ 577,233**	**$ 629,975**	**$ 688,103**	**$ 752,213**
FIRE FUND EXPENDITURES										
Public safety*	**3.00%**	$ 83,790	$ 86,303	$ 88,892	$ 91,559	$ 97,135	$ 103,051	$ 109,327	$ 115,985	$ 123,048
Capital outlay*	**3.00%**	10,000	10,300	10,609	10,927	11,593	12,299	13,048	13,842	14,685
Bldg Lease Payment (Should flow through to GF as Re	**5.00%**	*24,000*	*25,200*	*26,460*	*27,783*	*30,631*	*33,770*	*37,232*	*41,048*	*45,256*
Debt Service* *(limited to 2.0x DSCR on $145k)* :										
Series 2021 NMFA Loan		58,417	58,417	58,417	58,417	58,417	58,417	-	-	-
Series 2022 Firestation Scenario			*32,056*	*32,056*	*32,056*	*32,056*	*32,056*	*32,056*	*32,056*	*32,056*
TBD - Future Capital Financing										
TBD - Future Capital Financing										
FIRE FUND TOTAL EXPENDITURES		**$ 176,206**	**$ 212,276**	**$ 216,434**	**$ 220,743**	**$ 229,832**	**$ 239,593**	**$ 191,662**	**$ 202,931**	**$ 215,045**
*GF EXPENDITURES FOR WAGES/BENEFITS**	**6.00%**	*$ 186,560*	*$ 197,754*	*$ 209,619*	*$ 222,196*	*$ 249,659*	*$ 280,517*	*$ 315,189*	*$ 354,147*	*$ 397,919*
TOTAL FIRE DEPARTMENT EXPENDITURES		**$ 362,766**	**$ 410,030**	**$ 426,053**	**$ 442,938**	**$ 479,491**	**$ 520,110**	**$ 506,852**	**$ 557,078**	**$ 612,964**
Excess of revenues over										
(under) expenditures		**$ 65,051**	**$ 36,218**	**$ 39,515**	**$ 42,886**	**$ 49,851**	**$ 57,123**	**$ 123,123**	**$ 131,025**	**$ 139,249**
Other financing sources (uses):										
Additional Transfers in (GF for wages shown above)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transfers out		-	-	-	-	-	-	-	-	-
Total Other financing sources (uses)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fund balance at beginning of year		$ 345,919	$ 410,970	$ 447,188	$ 486,703	$ 529,589	$ 579,440	$ 636,563	$ 759,686	$ 890,711
Fund balance at end of year		$ 410,970	$ 447,188	$ 486,703	$ 529,589	$ 579,440	$ 636,563	$ 759,686	$ 890,711	$ 1,029,960

Take Aways and Notes:

- *Grant revenues are anticipated and projected to increase based on a new administrative position and with the buildout of a 2nd firehouse*

Fire Department – Projected Financial Ratios and Metrics

STIFEL

Financing Scenarios, Ratios and Metrics	Projected								
	FYE2023	FYE2024	FYE2025	FYE2026	FYE2027	FYE2028	FYE2029	FYE2030	FYE2031
Grant Revenues Available for Debt Service*	**$ 180,946**	**$ 180,946**	**$ 180,946**	**$ 180,946**	**$ 180,946**	**$ 180,946**	**$ 180,946**	**$ 180,946**	**$ 180,946**
Revenue Available @ 2.0x Coverage	$ 90,473	$ 90,473	$ 90,473	$ 90,473	$ 90,473	$ 90,473	$ 90,473	$ 90,473	$ 90,473
Current Total Annual Debt Service Outstanding	$ -	$ 58,417	$ 58,417	$ 58,417	$ 58,417	$ 58,417	$ -	$ -	$ -
Annual Debt Service Coverage (MADS)	***#DIV/0!***	***3.10x***	***3.10x***	***3.10x***	***3.10x***	***3.10x***	***#DIV/0!***	***#DIV/0!***	***#DIV/0!***
Additional Grant Revenues Available for Debt Service	$ 90,473	$ 32,056	$ 32,056	$ 32,056	$ 32,056	$ 32,056	$ 90,473	$ 90,473	$ 90,473
	Addtl Cap	**None**	**None**	**None**	**None**	**None**	**Addtl Cap**	**None**	**None**
Fund Balance Available for DS and Cap Exp									
Operating Expenditures	$ 362,766	$ 351,613	$ 367,637	$ 384,522	$ 421,074	$ 461,693	$ 506,852	$ 557,078	$ 612,964
Expenses per Day (365)	994	963	1,007	1,053	1,154	1,265	1,389	1,526	1,679
Days Cash on Hand	**414**	**464**	**483**	**503**	**502**	**503**	**547**	**584**	**613**
Suggested Fund Balance Minimum - 50%	$ 88,103	$ 106,138	$ 108,217	$ 110,371	$ 114,916	$ 119,796	$ 95,831	$ 101,466	$ 107,523

*State Fire Marshall's Office limits annual debt service to 2.0x DSCR calculated off of State Fire Grant Baseline (as of 05/04/2021 the baseline grant amount totals $145,946)

Take Aways and Notes:

SECTION II.

Impact Fees Capital Projects
Historical Financial Data and Budget Projections

Impact Fees– Historical and Projected Operational Revenues & Expenditures

RESTRICTED FUNDS

STIFEL

	Audited Financials		Budgeted		Projected[2]									
	FY2020	FY2021	FY2022	***Growth***	FYE2023	FYE2024	FYE2025	FYE2026	FYE2027	FYE2028	FYE2029	FYE2030	FYE2031	FYE2032
Revenues														
Licenses and Fees	$ 72,448	$ 40,961	$ -	***0.00%***	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Public Safety Impact Fees	-	-	$ 5,020	***0.00%***	244,000	244,000	244,000	244,000	244,000	244,000	244,000	244,000	244,000	244,000
Transportation Impact Fees			16,025	***0.00%***	273,795	273,795	273,795	273,795	273,795	273,795	273,795	273,795	273,795	273,795
Parks and Public Spaces Impact Fees			3,015	***0.00%***	136,444	136,444	136,444	136,444	136,444	136,444	136,444	136,444	136,444	136,444
Wastewater Facilities Impact Fees				***0.00%***	432,209	432,209	432,209	432,209	432,209	432,209	432,209	432,209	432,209	432,209
Water Facilities Impact Fees				***0.00%***	233,725	233,725	233,725	233,725	233,725	233,725	233,725	233,725	233,725	233,725
		-		***0.00%***	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	**$ 72,448**	**$ 40,961**	**$ 24,060**		$1,320,173	$1,320,173	$1,320,173	$1,320,173	$1,320,173	$1,320,173	$1,320,173	$ 1,320,173	$ 1,320,173	$ 1,320,173
Annual Aggregated Total						$2,640,347	$3,960,520	$5,280,694	$6,600,867	$7,921,041	$9,241,214	$10,561,388	$11,881,561	$13,201,734
EXPENDITURES ARE RESTRICTED														
General Government		$ 69	$ -	***3.00%***	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Capital Outlay	12,900	15,638	-	***3.00%***	-	-	-	-	-	-	-	-	-	-
Public Safety	11,986	-	50,000	***5.00%***	-	-	-	-	-	-	-	-	-	-
Parks and Rec			30,000											
Roads and Equipment			55,000											
TOTAL EXPENDITURES	**$ 24,886**	**$ 15,707**	**$ 135,000**		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Excess of revenues over														
(under) expenditures	***$ 47,562***	***$ 25,254***	*$ (110,940)*		**$1,320,173**	**$1,320,173**	**$1,320,173**	**$1,320,173**	**$1,320,173**	**$1,320,173**	**$1,320,173**	**$ 1,320,173**	**$ 1,320,173**	**$ 1,320,173**
Other financing sources (uses):														
Transfers out	$ (56,290)	$ (93,465)	$ -		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	-				-	-	-	-	-	-	-	-	-	-
Total Other financing sources (uses)	$ (56,290)	$ (93,465)	$ -		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fund balance at beginning of year	$771,367	$ 762,639	$ 694,428		$ 583,488	$1,903,661	$3,223,835	$4,544,008	$5,864,182	$7,184,355	$8,504,529	$ 9,824,702	$11,144,876	$12,465,049
Fund balance at end of year	**$762,639**	**$ 694,428**	**$ 583,488**		**$1,903,661**	**$3,223,835**	**$4,544,008**	**$5,864,182**	**$7,184,355**	**$8,504,529**	**$9,824,702**	**$11,144,876**	**$12,465,049**	**$13,785,222**

Take Aways and Notes:

- *State Operating Grant revenues are restricted funds and can only be used for specific expenditures*
- *Fire Department wages are paid by the General Fund*

STIFEL

SECTION I.

Future Debt Capacity – Based on Bond Amortization

Joint Utility Net Revenue Bonds – Future Capacity

STIFEL

Based on current 5% revenue growth projection:

2022 – 2032	***No Debt Capacity***
Annual Revenue Available	$0
Final maturity	20 years
Interest Rate	4%

Based on 7.5% growth annually in JUF revenues:

2028	***$475,000 Debt Capacity***
Annual Revenue Available	$35,000
Final maturity	20 years
Interest Rate	4%
2031	***$2,375,000 Debt Capacity***
Annual Revenue Available	$175,000
Final maturity	20 years
Interest Rate	4%

Based on 10% growth annually in JUF revenues:

2028	***$2,650,000 Debt Capacity***
Annual Revenue Available	$195,000
Final maturity	20 years
Interest Rate	4%
2030	***$2,715,000 Debt Capacity***
Annual Revenue Available	$200,000
Final maturity	20 years
Interest Rate	4%
2032	***$5,640,000 Debt Capacity***
Annual Revenue Available	$415,000
Final maturity	20 years
Interest Rate	4%

Issuer:	VILLAGE OF TAOS SKI VALLEY				VILLAGE OF TAOS SKI VALLEY				VILLAGE OF TAOS SKI VALLEY			
Type:	Water Project Fund				Kachina Water Tank				Wastewater Treatment Plant			
Series:	Series 2010, NMFA 176-WTB				Series 2015, NMFA 351-WTB				Series 2020, USDA (JSWR)			
Dated Date	1/15/2010				2/26/2016				7/12/2020			
Original Par:	$511,401				$164,000				$3,326,485			
Current Par:	$233,293				$128,374				$3,326,485			
Enhancement:	None				None				None			
Call Provisions:	Non-Callable				Non-Callable				Non-Callable			
Due:	6/1				6/1				Monthly on the 12th			
Calendar Year	**Principal**	**Coupon**	**Interest**	**Annual DS**	**Principal**	**Coupon**	**Interest**	**Annual DS**	**Principal**	**Coupon**	**Interest**	**Annual DS**
2020												
2021	$25,663	0.250%	$583	$26246	$8,409	0.250%	$321	$8,730	$50,446	2.375%	$78,457	$128,903
2022	25,728	0.250%	519	26247	8,430	0.250%	300	8,730	51,657	2.375%	77,246	128,903
2023	25,792	0.250%	455	26247	8,452	0.250%	279	8,731	52,897	2.375%	76,006	128,903
2024	25,856	0.250%	390	26246	8,473	0.250%	258	8,731	54,167	2.375%	74,736	128,903
2025	25,921	0.250%	326	26247	8,494	0.250%	237	8,731	55,468	2.375%	73,435	128,903
2026	25,986	0.250%	261	26247	8,515	0.250%	215	8,730	56,800	2.375%	72,103	128,903
2027	26,051	0.250%	196	26247	8,536	0.250%	194	8,730	58,163	2.375%	70,740	128,903
2028	26,116	0.250%	131	26247	8,558	0.250%	173	8,731	59,560	2.375%	69,343	128,903
2029	26,180	0.250%	65	26245	8,579	0.250%	151	8,730	60,990	2.375%	67,913	128,903
2030					8,601	0.250%	130	8,731	62,454	2.375%	66,449	128,905
2031					8,622	0.250%	108	8,730	63,954	2.375%	64,949	128,903
2032					8,644	0.250%	87	8,731	65,489	2.375%	63,414	128,903
2033					8,665	0.250%	65	8,730	67,062	2.375%	61,841	128,903
2034					8,687	0.250%	43	8,730	68,672	2.375%	60,231	128,903
2035					8,709	0.250%	22	8,731	70,321	2.375%	58,582	128,905
2036									72,009	2.375%	56,894	128,903
2037									73,738	2.375%	55,165	128,903
2038									75,509	2.375%	53,394	128,903
2039									77,322	2.375%	51,581	128,903
2040									79,178	2.375%	49,725	128,903
2041									81,079	2.375%	47,824	128,903
2042									83,026	2.375%	45,877	128,903
2043									85,019	2.375%	43,883	128,903
2044									87,061	2.375%	41,842	128,903
2045									89,151	2.375%	39,752	128,903
2046									91,292	2.375%	37,611	128,903
2047									93,484	2.375%	35,419	128,903
2048									95,728	2.375%	33,175	128,903
2049									98,027	2.375%	30,876	128,903
2050									100,380	2.375%	28,523	128,903
2051									102,790	2.375%	26,112	128,903
2052									105,258	2.375%	23,644	128,905
2053									107,786	2.375%	21,117	128,903
2054									110,374	2.375%	18,529	128,903
2055									113,024	2.375%	15,879	128,903
2056									115,737	2.375%	13,165	128,903
2057									118,516	2.375%	10,387	128,903
2058									121,362	2.375%	7,541	128,903
2059									124,276	2.375%	4,627	128,903
2060									127,260	2.375%	1,643	128,903
Total:	**$233,293**		**$2,926**	**$236219**	**$128,374**		**$2,582**	**$130,956**	**$3,326,485**		**$1,829,630**	**$5,156,115**

GRT Bonds – Future Capacity

STIFEL

Based on current GRT projections:

2026	***$1,500,000 Debt Capacity***
Annual Revenue Available	$110,352
Final maturity	20 years
Interest Rate	4%
2046	***$925,000 Debt Capacity***
Annual Revenue Available	$68,000
Final maturity	20 years
Interest Rate	4%
2060	***$2,130,000 Debt Capacity***
Annual Revenue Available	$157,000
Final maturity	20 years
Interest Rate	4%

Issuer:	VILLAGE OF TAOS SKI VALLEY				VILLAGE OF TAOS SKI VALLEY				VILLAGE OF TAOS SKI VALLEY			
Type:	Wastewater Facility Construction Loan				Taos Mountain Lodge Purchase				Wastewater Treatment Plant			
Series:	Series 2007, CWSRF Loan # 1438049				Series 2016, NMFA 3452-PP				Series 2020, USDA (GRT)			
Dated Date	2007				7/1/2016				7/12/2020			
Original Par:	$1,641,757				$1,266,477				$4,065,704			
Current Par:	$687,524				$1,146,448				$4,065,704			
Enhancement:	None				None				None			
Call Provisions:	May prepay all or any part of the principal w/o penalty				7/1/2021 @ Par				Non-Callable			
Due:	11/27				5/1				Monthly on the 12th			
Calendar Year	Principal	Coupon	Interest	Annual DS	Principal	Coupon	Interest	Annual DS	Principal	Coupon	Interest	Annual DS
2020	$89,726	3.000%	$20,626	$110,352								
2021	92,418	3.000%	17,934	110,352	$29,722	1.840%	$39,166	$68,888	$61,656	2.375%	$95,892	$157,548
2022	95,191	3.000%	15,161	110,352	30,269	2.080%	38,578	68,847	63,136	2.375%	94,412	157,548
2023	98,046	3.000%	12,306	110,352	30,898	2.370%	37,897	68,795	64,652	2.375%	92,896	157,548
2024	100,988	3.000%	9,364	110,352	31,630	2.520%	37,132	68,762	66,204	2.375%	91,344	157,548
2025	104,017	3.000%	6,335	110,352	32,427	2.620%	36,309	68,736	67,794	2.375%	89,754	157,548
2026	107,138	3.000%	3,214	110,352	33,277	2.730%	35,430	68,707	69,422	2.375%	88,126	157,548
2027					34,186	2.880%	34,483	68,669	71,089	2.375%	86,459	157,548
2028					35,170	3.040%	33,456	68,626	72,795	2.375%	84,753	157,548
2029					36,239	3.140%	32,353	68,592	74,543	2.375%	83,005	157,548
2030					37,377	3.240%	31,178	68,555	76,333	2.375%	81,215	157,548
2031					38,588	3.340%	29,929	68,517	78,166	2.375%	79,382	157,548
2032					39,877	3.400%	28,606	68,483	80,043	2.375%	77,505	157,548
2033					41,233	3.450%	27,217	68,450	81,964	2.375%	75,584	157,548
2034					42,655	3.500%	25,759	68,414	83,932	2.375%	73,616	157,548
2035					44,148	3.550%	24,229	68,377	85,948	2.375%	71,600	157,548
2036					45,716	3.600%	22,623	68,339	88,011	2.375%	69,537	157,548
2037					47,361	3.650%	20,935	68,296	90,124	2.375%	67,424	157,548
2038					49,090	3.700%	19,163	68,253	92,288	2.375%	65,260	157,548
2039					50,906	3.750%	17,300	68,206	94,504	2.375%	63,044	157,548
2040					52,815	3.810%	15,340	68,155	96,773	2.375%	60,775	157,548
2041					54,827	3.860%	13,275	68,102	99,097	2.375%	58,451	157,548
2042					56,944	3.900%	11,107	68,051	101,476	2.375%	56,072	157,548
2043					59,165	3.940%	8,831	67,996	103,913	2.375%	53,635	157,548
2044					61,496	3.970%	6,445	67,941	106,408	2.375%	51,140	157,548
2045					63,937	4.000%	3,945	67,882	108,962	2.375%	48,585	157,548
2046					66,495	4.010%	1,333	67,828	111,579	2.375%	45,969	157,548
2047									114,258	2.375%	43,290	157,548
2048									117,001	2.375%	40,547	157,548
2049									119,810	2.375%	37,738	157,548
2050									122,687	2.375%	34,861	157,548
2051									125,633	2.375%	31,915	157,548
2052									128,649	2.375%	28,899	157,548
2053									131,738	2.375%	25,810	157,548
2054									134,901	2.375%	22,647	157,548
2055									138,140	2.375%	19,408	157,548
2056									141,457	2.375%	16,091	157,548
2057									144,853	2.375%	12,695	157,548
2058									148,331	2.375%	9,217	157,548
2059									151,893	2.375%	5,655	157,548
2060									155,540	2.375%	2,008	157,548
Total:	$687,524		$84,940	$772,464	$1,146,448		$632,020	$1,778,468	$4,065,704		$2,236,214	$6,301,918

Fire Funds Grant Revenue Bonds – Future Capacity

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Based on current 5% revenue growth projection:

2022	***$435,000 Debt Capacity***
Annual Revenue Available	$32,000
Final maturity	20 years
Interest Rate	4%

2028	***$788,000 Debt Capacity***
Annual Revenue Available	$58,000
Final maturity	20 years
Interest Rate	4%

Based on paying off current loan with fund balance:

2028	***$1,223,000 Debt Capacity***
Annual Revenue Available	$90,000
Final maturity	20 years
Interest Rate	4%

2028	***$788,000 Debt Capacity***
Annual Revenue Available	$58,000
Final maturity	20 years
Interest Rate	4%

** According to USDA, the Annual DS of the Village's Series 2020 USDA (GRT) is $157,596.*

General Obligation Bonds – Future Capacity

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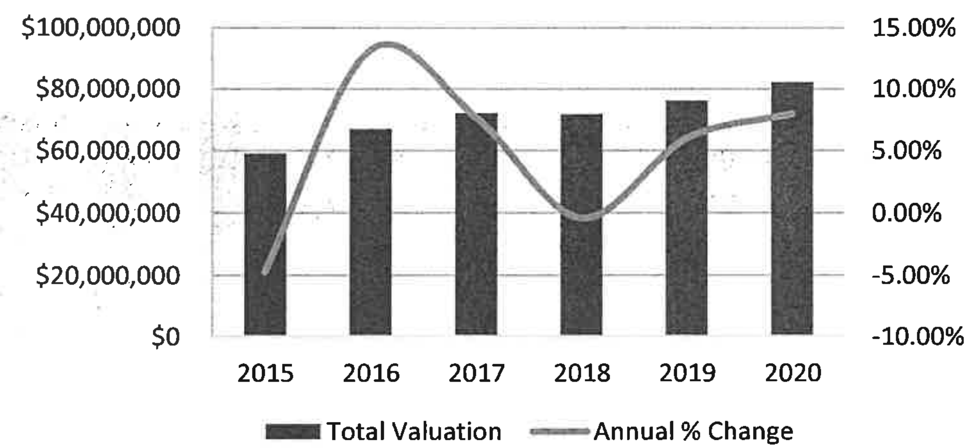
Based on current statutory limitation:

Must be approved by voters 50% + 1

2022	***$3,400,000 Debt Capacity***
Annual Debt Service	$389,000
Final maturity	10 years
Interest Rate	2.5%
Mill Levy	4.9 mill levy
2025	***$1,500,000 Debt Capacity***
Annual Debt Service	$172,000
Final maturity	10 years
Interest Rate	2.5%
Mill Levy	4.9 mill levy (no increase)
2028	***$1,250,000 Debt Capacity***
Annual Debt Service	$142,000
Final maturity	10 years
Interest Rate	2.5%
Mill Levy	4.9 mill levy (no increase)
2031	***$1,500,000 Debt Capacity***
Annual Debt Service	$172,000
Final maturity	10 years
Interest Rate	2.5%
Mill Levy	4.9 mill levy (no increase)
2034	***$1,250,000 Debt Capacity***
Annual Debt Service	$142,000
Final maturity	10 years
Interest Rate	2.5%
Mill Levy	4.9 mill levy (no increase)

Historical Assessed Valuation

Tax Year	Total Residential	Total Non-Residential	Total Valuation	Annual % Change
2015	$27,106,668	$32,129,816	$59,236,484	-4.7%
2016	28,984,785	38,070,268	67,055,053	13.2%
2017	28,839,021	43,384,404	72,223,425	7.7%
2018	28,854,855	43,060,597	71,915,452	-0.4%
2019	30,168,617	46,029,143	76,197,760	6.0%
2020	**$35,605,609**	**$46,680,560**	**$82,286,169**	**8.0%**



General Obligations – Property Tax

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Property Tax

There are 2 essential factors for determining a tax or mill levy rate:

- **Taxable Assessed Value:** First, DFA needs to know the value of the property to be taxed. The New Mexico Property Tax Division (PTD) prepares appraisals for all the state assessed or "centrally assessed" properties located in the county and they prepare the State Assessed Appraisal reports which are sent to the county Assessor. The county Assessor then submits a certified Appraisal and Tax Year Abstract to the New Mexico Property Tax Division (PTD). The Assessor's Abstract specifies the total and net taxable values for every category of property located within the county. These reports must be sent to PTD by June 15 of every year. PTD then reviews the reports and forwards them to DFA.

- **Revenues Demands of the Village:** Second, DFA needs to know how much revenue the tax must generate in order to meet the financial requirements for the entity receiving the funds. DFA receives and approves the budgets of each entity.

- Operational tax rate limit
  - 7.65 mill
  - Revenue Demands/Taxable Assessed Value = Tax or Mill Levy Rate

- Debt service tax rate limit
  - City Bonding Capacity = Current Assessed Value x 4.00%
  - $3,423,104 = $85,577,615 X 0.04

- What can it be used for?
  - Safety
  - Public Spaces
  - Streets and Roads
  - Sanitation

- Established through an election and 50% +1 vote to pass

Source: New Mexico Tax & Revenue Department. (2021, September 16).

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SECTION I.

Village Infrastructure Capital Improvement Plan

Village – Infrastructure Capital Improvement Plan ("ICIP")

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Year & Priority	Project Name	Total Cost	Funded	Unfunded Amount	2023	2024	2025	2026	2027
23.1	Kachina Distribution Lines	$ 225,000		$ 225,000	$ 225,000				
23.2	Twining Rd. Improvements - Planning, Engineering, Design, & Construction	$ 5,400,000	$ 362,500	$ 5,037,500	$ 2,725,000	$ 1,500,000	$ 812,500		
23.3	Water Line Upgrades and Expansion Village Wide (see note for specific segments)	$ 6,500,000		$ 6,500,000	$ 2,000,000	$ 2,000,000	$ 1,000,000	$ 1,000,000	$ 500,000
23.4	Renovate and Expand Primary Fire Station #1	$ 2,500,000		$ 2,500,000		$ 1,500,000	$ 1,000,000		
23.5	Fire Hydrants Additional (see note for locations)	$ 250,000		$ 250,000		$ 125,000	$ 125,000		
23.6	Multi-Purpose Trails (Amizette to Kachina) Planning, Acquisition, and Development	$ 750,000		$ 750,000	$ 250,000	$ 250,000	$ 250,000		
23.7	Acquire Snow Storage Area/Land	$ 1,500,000		$ 1,500,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000
23.8	Pumper Tender (Fire Dept.)	$ 500,000		$ 500,000	$ 500,000				
23.9	Renovate and Expand New Village Hall Complex (incl. Public Safety facilities)	$ 3,350,000	$ 1,200,000	$ 2,150,000	$ 1,850,000	$ 300,000			
23.10	WasteWater Line Upgrades and Expansion - Amizette	$ 12,694,584		$ 12,694,584			$ 4,000,000	$ 4,694,584	$ 4,000,000
24.1	Water Line Upgrades and Expansion - Amizette	$ 4,750,000		$ 4,750,000				$ 2,750,000	$ 2,000,000
24.2	Road Improvements Village Wide (see note for specific locations)	$ 12,687,808		$ 12,687,808	$ 1,000,000	$ 2,000,000	$ 2,687,808	$ 4,000,000	$ 3,000,000
24.3	Purchase Public Safety Vehicles and Equipment	$ 150,000		$ 150,000		$ 150,000			
24.4	Road Grader	$ 250,000		$ 250,000		250000			$ 250,000
24.5	Fire Rescue Truck	$ 400,000		$ 400,000		$ 400,000			
24.6	Helipad Site Development	$ 750,000		$ 750,000		$ 750,000			
24.7	Public Safety Building Land Acquisition	$ 230,000		$ 230,000			$ 230,000		
24.8	Electric Vehicle Charging Station	$ 75,000		$ 75,000			$ 75,000		
24.9	Solar Energy Collection and Panel Installation	$ 175,000		$ 175,000			$ 175,000		
24.10	Gunsite Springs Engineering, Design, Construction and Distribution Lines	$ 1,750,000		$ 1,750,000			$ 1,750,000		
24.11	Water Line Upgrades and Expansion - Bull of the Woods	$ 1,000,000		$ 1,000,000			$ 1,000,000		
24.12	Purchase Replacement Fire Engine	$ 475,000		$ 475,000			$ 475,000		
25.1	Fire Sub-station #2 Expand and Renovate	$ 1,500,000		$ 1,500,000				$ 1,500,000	
25.2	Undergrounding of Electric Lines Village Wide	$ 2,000,000	$ 400,000	$ 1,600,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000
25.3	WasteWater Line Upgrades and Expansion - Bull of the Woods	$ 750,000		$ 750,000			$ 750,000		
25.4	Public Safety Repeater Building	$ 150,000		$ 150,000				$ 150,000	
25.5	Phoenix Spring Redevelopment & Repair (Planning, Engineering, Design, & Construction)	$ 500,000		$ 500,000		$ 250,000	$ 250,000		
25.6	Purchase Village Vehicles	$ 150,000		$ 150,000				$ 150,000	
25.7	Hiker Parking Lot Expansion or Additional Location and Improvements	$ 350,000		$ 350,000		$ 350,000			
25.8	Public Transit (NCRTD) Stops/Pull-outs/Shelters (match)	$ 150,000		$ 150,000		$ 50,000	$ 150,000		
25.9	Kachina Wetland Park Improvements	$ 300,000		$ 300,000		$ 300,000			
25.10	Public Restrooms and Recreational Structures	$ 350,000		$ 350,000		$ 350,000			
25.11	Pumper Vactor Truck - Purchase and Equip	$ 175,000		$ 175,000				$ 175,000	
25.12	Snow Dragon (snow melt)	$ 150,000		$ 150,000				$ 150,000	
26.1	Public Works Material & Vehicle Storage Building	$ 750,000		$ 750,000				$ 500,000	$ 250,000
26.2	Surface Water Treatment Plant Gunsite (Plan, Engineer, Design, & Construction)	$ 1,500,000		$ 1,500,000				$ 1,500,000	
26.3	Land Acquisition for Conservation Easements (SWPP Phoenix and Gunsite)	$ 350,000		$ 350,000				$ 350,000	
26.4	Recycling Facility - Planning, Design, & Construction	$ 300,000		$ 300,000				$ 50,000	$ 250,000
26.5	Public Works Dumptruck	$ 125,000		$ 125,000					$ 125,000
26.6	Purchase Water Truck	$ 100,000		$ 100,000					$ 100,000
27.1	MultiHog Attachment - Trilety sweeper	$ 70,000		$ 70,000					$ 70,000
27.2	Ladder Truck (Fire Dept.)	$ 2,250,000		$ 2,250,000					$ 2,250,000
					$ 9,252,023	$ 11,227,024	$ 15,432,333	$ 17,671,610	$ 13,495,000
	SubTotal (excluding funded projects)	**$ 66,369,892**							
	Funded Projects:	**$ 1,962,500**	**$ 1,962,500**						
	Total all Projects from 2023 to 2027	**$ 68,332,392**	**$ 1,962,500**	**$ 66,369,892**					
	* CIP projects noted in green								

** According to USDA, the Annual DS of the Village's Series 2020 USDA (GRT) is $157,596.*

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