

REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
VILLAGE OF TAOS SKI VALLEY TAX INCREMENT DEVELOPMENT DISTRICT

Via Zoom TeleConference  
Email [vtsv@vtsv.org](mailto:vtsv@vtsv.org) for meeting attendance information

January 24, 2024  
1:00 p.m.

AGENDA

1. Call to Order and Roll Call
2. Approval of Agenda
3. Consideration to Approve Minutes of the October 25, 2023 Regular Meeting of the Board of Directors of the Village of Taos Ski Valley Tax Increment Development District
4. Other Business
  - A. Consideration to Approve **Resolution No. 2024-51** Concerning Open Meetings and Notice Required
  - B. Consideration to Approve **Resolution No. 2024-54** Requesting Acceptance and Approval of the FY2023 Final Audit
  - C. Consideration to Approve **Resolution No. 2024-52** Approving the 2nd Quarter FY2024 Financial Report as of December 31, 2023
  - D. Consideration to Approve **Resolution No. 2024-53** Acknowledging and Approving a FY2024 Budget Adjustment Request
  - E. Acknowledgement of the Requirement for Village of Taos Ski Valley TIDD Board Members to submit Outside Employment disclosure forms on an Annual Basis
  - F. Request for the Board to Acknowledge and Approve Payment to the Village of Taos Ski Valley for Compensation of Clerk and Administrative Assistant Services from July-December 2023
  - G. Review of TIDD 2023 Election
  - H. Consideration to Approve a TIDD Board Chair and a TIDD Board Chair Pro Tem
  - I. Developer Update
5. Miscellaneous
6. Announcement of the Date, Time, and Place of the Next Meeting of the TIDD Board
7. Adjournment

REGULAR MEETING DRAFT MINUTES  
OF THE BOARD OF DIRECTORS OF THE  
VILLAGE OF TAOS SKI VALLEY TAX INCREMENT DEVELOPMENT DISTRICT

Via Zoom TeleConference  
See [www.vtsv.org](http://www.vtsv.org) for meeting attendance information

October 25, 2023  
2:00 p.m.

MINUTES

1. Call to Order and Roll Call

The TIDD Board meeting was called to order by Board Chair Wittman.

**Roll Call:** Ann Wooldridge, TIDD Clerk, called the role and a quorum was present.

**TIDD Board Members Present:**

Board Chair Wittman  
Board Member Caldwell  
Board Member Leach  
Board Member Rockey

**Board Members Not Present:**

Board Member Duffy

2. Approval of Agenda

**MOTION:** To approve the agenda as presented

**MOTION:** Board Member Caldwell      **SECOND:** Board Member Rockey

**PASSED:** 4-0

3. Consideration to Approve the Minutes of the July 26, 2023 Regular Meeting of the Board of Directors of the Village of Taos Ski Valley Tax Increment Development District

**MOTION:** To Approve the Minutes of the July 26, 2023 Regular Meeting of the Board of Directors of the Village of Taos Ski Valley Tax Increment Development District

**MOTION:** Board Member Rockey      **SECOND:** Board Member Leach      **PASSED:** 4-0

4. Other Business

A. Consideration to Approve **Resolution No. 2024-50** Acknowledging the 1st Quarter FY2024 TIDD Financial Report as of September 30, 2023

**MOTION:** To Acknowledge and Approve the 1st Quarter FY2024 Financial Report as of September 30, 2023

**MOTION:** Board Member Rockey      **SECOND:** Board Member Caldwell

**PASSED:** 4-0

**B. Election Update**

Ann Marie Wooldridge, TIDD Clerk, reported that everything was in order for the November 7, 2-23 Local Election of TIDD Board Members.

**C. Developer Update**

Co-Treasurer and Board Member Chaz Rockey presented a financial roll forward of the TIDD accounting.

**5. Miscellaneous**

- 6. Announcement of the Date, Time, & Place of the Next Meeting of the TIDD Board:**  
The next scheduled meeting of the TIDD Board will be held on January 24, 2023 at 2:00 p.m. Via Zoom. (Note: this was later changed to 1:00 pm)

**7. Adjournment**

**MOTION:** To Adjourn the meeting

**MOTION:** Board Member Rockey **SECOND:** Board Member Caldwell **PASSED:**4-0

|                              |        |  |
|------------------------------|--------|--|
|                              | Attest |  |
| _____<br>Board Chair Wittman |        | _____<br>TIDD Clerk Ann Marie Wooldridge |

**VILLAGE OF TAOS SKI VALLEY TAX INCREMENT DEVELOPMENT DISTRICT**  
**Board of Directors Meeting**  
**Agenda Item**

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**AGENDA ITEM TITLE:** Consideration to Approve Resolution No. 2024-51 A Resolution Concerning Governing Body Meetings and Public Notice Required

**DATE:** January 24, 2024

**PRESENTED BY:** District Clerk Ann Marie Wooldridge , CMC

**STATUS OF AGENDA ITEM:** New Business

**CAN THIS ITEM BE RESCHEDULED:** Not recommended

**BACKGROUND INFORMATION:** Required annually by the State of New Mexico, this is the open meetings act that governs when and how meetings will be conducted.

**RECOMMENDATION:** Motion to approve Resolution No. 2024-51A Resolution Concerning Governing Body Meetings and Public Notice Required.

**VILLAGE OF TAOS SKI VALLEY TAX INCREMENT DEVELOPMENT  
DISTRICT  
RESOLUTION NO. 2024-51**

**A RESOLUTION CONCERNING BOARD MEETINGS AND PUBLIC NOTICE  
REQUIRED**

WHEREAS, the Board of Directors (the "Board") of the Village of Taos Ski Valley Tax Increment Development District (the "District"), a tax increment development district established and existing pursuant to Sections 5-15-1 through 5-15-28, NMSA 1978, met in regular session via Zoom on January 24, 2024 at 1:00 p.m.; and

WHEREAS, Section 10-15-1(B) of the Open Meetings Act (Sections 10-15-1 through 10-15-4, NMSA 1978) states that, except as may be otherwise provided in the Constitution or the provisions of the Open Meetings Act, all meetings of a quorum of members of any board, council, commission, administrative adjudicatory body or other policymaking body of any state or local public agency held for the purpose of formulating public policy, discussing public business or for the purpose of taking any action within the authority of or the delegated authority of such body, are declared to be public meetings open to the public at all times; and

WHEREAS, any meetings subject to the Open Meetings Act at which the discussion or adoption of any proposed resolution, rule, regulation or formal action occurs shall be held only after reasonable notice to the public; and

WHEREAS, Section 10-15-1 (D) of the Open Meetings Act requires the Board to determine annually what constitutes reasonable notice of its public meetings.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE VILLAGE OF TAOS SKI VALLEY TAX INCREMENT DEVELOPMENT DISTRICT:

1. All meetings of the Board shall be held via Zoom or as otherwise indicated in the meeting notice.

2. The agenda for each meeting will be available at least seventy-two (72) hours prior to the meeting from the Village Administrator's Office, Taos Ski Valley, New Mexico. Notice of regular meetings will be given at least seven (7) days in advance of the meeting date. The notice shall indicate how a copy of the agenda may be obtained.

3. Special meetings may be called by the Chairperson or any other Director upon three (3) days notice. The notice shall include an agenda for the meeting or information on how members of the public may obtain a copy of the agenda. The agenda shall be available to the public at least seventy-two (72) hours before any special meeting.

4. Emergency meetings will be called only under unforeseen circumstances which demand immediate action to protect the health, safety and property of citizens or to

protect the public body from substantial financial loss. The Board will avoid emergency meetings whenever possible. Emergency meetings may be called by the Chairperson or a majority of the members upon twenty-four (24) hours' notice unless threats of personal injury or property damage require less notice. The notice for all emergency meetings shall include an agenda for the meeting or information on how the public may obtain a copy of the agenda. Within ten days of taking action on an emergency matter, the Board shall report to the attorney general's office the action taken and the circumstances creating the emergency; provided that the requirement to report to the attorney general is waived upon the declaration of a state or national emergency.

5. For the purposes of regular meetings described in paragraph 2 of this resolution, notice requirements are met if notice of the date, time, place and agenda is posted at the Village of Taos Ski Valley offices above the Taos Ski Valley Firehouse, 7 Firehouse Road, at the Box Canyon/ U.S. Post Office for Taos Ski Valley, New Mexico, at the Taos Ski Valley Trash Compactor, and at three other places within the Village, as provided by Section 3-1-2 NMSA 1978. The notice may be placed in a newspaper of general circulation in the Village of Taos Ski Valley, including, without limitation, the *Taos News* and the *Albuquerque Journal*. The Clerk shall also mail copies of the written notice to those broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation which have made a written request for notice of public meetings.

6. For the purposes of special meetings and emergency meetings described in paragraph 3 and 4 of this resolution, notice requirements shall be met by posting notice of the date, time, place, and agenda in the offices of the District. The District's Clerk shall also provide telephone notice to those broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation that have made a written request for notice of public meetings.

7. In addition to the information specified above, all notices shall include the following language: "If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the Village of Taos Ski Valley Tax Increment Development District, c/o the Village Administrator, Taos Ski Valley, New Mexico 87525 at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the Village of Taos Ski Valley Tax Increment Development District, c/o the Village Administrator, telephone number: (575) 776-8220, Taos Ski Valley, New Mexico 87525 if a summary or other type of accessible format is needed."

8. The Board may close a meeting to the public only if the subject matter of such discussion or action is exempted from the open meeting requirement under Section 10-15-1(H) of the Open Meetings Act.

(a) If any meeting is closed during an open meeting, such closure shall be approved by a majority vote of a quorum of the Board taken during the open meeting.

The authority for the closure and the subjects to be discussed shall be stated with reasonable specificity in the motion for closure and the vote on closure of each individual member shall be recorded in the minutes. Only those subjects specified in the motion may be discussed in a closed meeting.

(b) If the decision to hold a closed meeting is made when the Board is not in an open meeting, the closed meeting shall not be held until public notice, appropriate under the circumstances, stating the specific provision of law authorizing the closed meeting and the subjects to be discussed with reasonable specificity is given to the members and to the general public.

(c) Following completion of any closed meeting, the minutes of the open meeting that was closed, or the minutes of the next open meeting if the closed meeting was separately scheduled, shall state whether the matters discussed in the closed meeting were limited only to those specified in the motion or notice for closure.

(d) Except as provided in Section 10-15-1(H) of the Open Meetings Act, any action taken as a result of discussions in a closed meeting shall be made by vote of the Board in an open public meeting.

9. Board Members may participate in and hold a meeting by means of video teleconference or telephone conference as provided in, and subject to the requirements of, the Open Meetings Act, i.e. when it is otherwise difficult or impossible for the member to attend the meeting in person, provided that each member participating by teleconference or telephone conference can be identified when speaking, all participants are able to hear each other at the same time, and members of the public attending the meeting are able to hear any member of the Board who speaks during the meeting.

10. This Resolution shall be effective for the period beginning on January 24, 2024 through January 24, 2025.

Passed by the Board of Directors this 24<sup>th</sup> day of January, 2024

BOARD OF DIRECTORS OF THE VILLAGE OF TAOS SKI VALLEY TAX  
INCREMENT DEVELOPMENT DISTRICT

\_\_\_\_\_  
Chairperson

ATTEST: \_\_\_\_\_  
Clerk

**Village of Taos Ski Valley  
TIDD Board Meeting  
Agenda Item**

**AGENDA ITEM TITLE:** Consideration to Approve **Resolution No. 2024-54** Requesting Acceptance and Approval of the FY2023 Final Audit

**DATE:** January 24, 2024

**PRESENTED BY:** Misty Schuck, Co-Treasurer/Geoff Mamerow; SW Accounting

**STATUS OF AGENDA ITEM:** New Business

**CAN THIS ITEM BE RESCHEDULED?:** Not Recommended

**BACKGROUND INFORMATION:** The fiscal year 2023 audit was submitted to the State Auditor's office in October 2023. The audit has now been approved and released by the Office of the State Auditor. Copies of the audit have been distributed to the Board along with the letter from the auditors with a discussion of the financial status of the Village of Taos Ski Valley TIDD. The TIDD received an unmodified opinion with no findings.

**RECOMMENDATION:** Motion to approve **Resolution No. 2024-54** to accept and approve the final FY2023 audit.



**VILLAGE OF TAOS SKI VALLEY TIDD**  
**RESOLUTION NO. 2024-54**

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**A RESOLUTION REQUESTING ACCEPTANCE AND APPROVAL OF THE FY2023 FINAL AUDIT**

**WHEREAS**, the Village of Taos Ski Valley TIDD is required by statute to contract with an independent auditor to perform the required annual audit or agreed upon procedures for Fiscal Year 2023; and,

**WHEREAS**, the Village of Taos Ski Valley TIDD has directed the accomplishment of the audit for FY2023 be completed; and,

**WHEREAS**, this audit has been completed and presented to the Village of Taos Ski Valley TIDD per the Letter from the State Auditor authorizing release of the FY2023 audit; and

**WHEREAS**, NMAC 2.2.2.10 (M) (4) provides in pertinent part that “Once the audit report is officially released to the agency by the state auditor (by a release letter) and the required waiting period of five calendar days has passed, unless waived by the agency in writing, the audit report shall be presented by the IPA, to a quorum of the governing authority of the agency at a meeting held in accordance with the Open Meetings Act, if applicable;” and,

**NOW THEREFORE, BE IT RESOLVED that** the Village of Taos Ski Valley TIDD does hereby accept and approve the completed audit report, with no findings as indicated within this document.

**ACCEPTED AND APPROVED** this 24th day of January 2024 in a regular session by the Village of Taos Ski Valley Tax Increment Development District Board at Village of Taos Ski Valley, Taos County, New Mexico.

PASSED, ADOPTED, AND APPROVED this 24th Day of January 2024.

VOTES: \_\_\_\_ Yes      \_\_\_\_ No

VILLAGE OF TAOS SKI VALLEY, NEW MEXICO

\_\_\_\_\_  
TIDD Board Chair

ATTEST:

\_\_\_\_\_  
Ann M. Wooldridge, TIDD Clerk

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT**

**ANNUAL FINANCIAL REPORT  
AND INDEPENDENT AUDITORS' REPORT  
FOR THE YEAR ENDED JUNE 30, 2023**

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## **INTRODUCTORY SECTION**

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
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**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
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**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
Official Roster  
June 30, 2023**

**TIDD BOARD**

Thomas Wittman ..... Board Chair  
Chaz Rockey ..... Co-Treasurer / Board Member  
Richard Duffy ..... Board Member  
Henry Caldwell..... Board Member  
Ashley Leach ..... (DFA Appointed) Board Member  
Misty Schuck ..... Co-Treasurer/Non-Voting

## **FINANCIAL SECTION**





Auditors~Consultants~CPA

## INDEPENDENT AUDITOR'S REPORT

Joseph Maestas, P.E.  
New Mexico State Auditor  
Santa Fe, New Mexico  
and  
Village of Taos Ski Valley  
Tax Increment Development TIDD Board  
Taos Ski Valley, New Mexico

### Opinions

We have audited the accompanying financial statements of the governmental activities, the major fund, and the budgetary comparisons of the general fund of the Village of Taos Ski Valley Tax Increment Development District, New Mexico (the TIDD) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the TIDD's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the budgetary comparisons of the general fund of the TIDD, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and with standards applicable to financial audits contained in Governmental Auditing Standards issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the TIDD, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Key Audit Matters

There are no Key Audit Matters to report as of June 30, 2023.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the TIDD's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and governmental auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and governmental auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the TIDD's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the TIDD's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 12-15 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the TIDD's basic financial statements. The Schedule of Deposits and Investments (Schedule I) and the Schedule of Collateral Pledged by Depository for Public Funds (Schedule II) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, Schedule I and Schedule II are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated October 20, 2023 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Village's internal control over financial reporting and compliance.

*Southwest Accounting Solutions, LLC*

Albuquerque, New Mexico

October 20, 2023

## **REQUIRED SUPPLEMENTARY INFORMATION**

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2023**

**Introduction**

As Management of the Village of Taos Ski Valley Tax Increment Development District (TIDD), we offer readers of the TIDD's financial statements this narrative overview and analysis of the financial activities of the TIDD for the fiscal year ending June 30, 2023. We encourage readers to consider the financial information presented here in conjunction with the financial statements and accompanying notes which follow this section.

The TIDD is a political subdivision of the State of New Mexico duly created and existing pursuant to Tax Increment for Development Act (Act), Sections 5-15-1 through 5-15-28 NMSA 1978, as amended and Village of Taos Ski Valley (Village) Resolution No. 2015-274.

The TIDD is governed by the TIDD Board, consisting of five voting members and one nonvoting member. The Board has control over and management supervision of all affairs of the TIDD.

The purpose of the TIDD, pursuant to the Resolution of the Village that formed the TIDD, is to provide financing of the infrastructure improvements set forth in the Tax Increment Development Plan that was approved by the Village as required pursuant to the Act and the Master Development Agreement among the TIDD, the Village and the developer, Taos Ski Valley, Inc. as agent for Twining Development, LLC and Santander Holdings, LLC.

**Financial Highlights**

- In the Statement of Net Position, the TIDD's assets exceeded liabilities by \$5,770,960 (net position)
- In the Statement of Activities, the gross receipts tax increment amounted to \$2,362,665 which represents an increase of \$842,160 over fiscal year 2022.
- Ad valorem tax increment amounted to \$412,630 which represents an increase of \$119,770 over fiscal year 2022.
- In the Statement of Activities, the TIDD's expenses were \$47,329. The primary expenses of the TIDD were for administrative expenses and contractual expenses.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the TIDD's basic financial statements. The TIDD's basic financial statements are comprised of: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the TIDD's finances in a manner similar to a private sector business.

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2023**

The statement of net position presents information on all of the TIDD's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the TIDD is improving or deteriorating.

The statement of activities presents information showing how the TIDD's net position changed during the fiscal year reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

In the government-wide financial statements, the TIDD's activities are presented in the following category:

**Governmental activities** – Governmental activities include the TIDD's basic activities for the financing of certain public infrastructure improvements as provided in the Act and the governing documents of the TIDD, including the Master Development Agreement among the TIDD, the developer and the Village.

In the fund financial statements, a fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The TIDD uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds** – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the TIDD's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The reconciliations are part of the basic financial statements and presented as listed in the table of contents.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found as part of the basic financial statements as listed in the table of contents.

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2023**

**Government-wide Financial Analysis**

Net position may serve over time as a useful indicator of a TIDD's financial position. The TIDD's assets exceed liabilities by \$5,770,960 as of June 30, 2023.

The TIDD was formed, and may reimburse the developer, for the design and construction of infrastructure (consisting of streets, drainage, landscaping, water and wastewater improvements, gas line and other improvements). Overall activities in the current year are similar to those in the prior year as the TIDD is new and currently accumulating assets to reimburse for expenditures in future years.

The following table presents the condensed net position as of June 30, 2023 and 2022:

|                     | 2023                | 2022             |
|---------------------|---------------------|------------------|
| Current Assets      | \$ 5,776,253        | \$ 3,004,477     |
| Current Liabilities | (5,293)             | (3,085)          |
| Net position        | <u>\$ 5,770,960</u> | <u>3,001,392</u> |

**Changes in net position.** The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2023 and 2022:

|                               | 2023                | 2022                |
|-------------------------------|---------------------|---------------------|
| <b>Expenses:</b>              |                     |                     |
| General government            | \$ 47,329           | \$ 31,056           |
| <b>Total expense</b>          | 47,329              | 31,056              |
| <b>General revenues</b>       |                     |                     |
| Gross receipts                | 2,362,665           | 1,520,505           |
| Ad valorem                    | 412,630             | 292,860             |
| Interest income               | 41,602              | 3,421               |
| <b>Total general revenues</b> | <u>2,816,897</u>    | <u>1,816,786</u>    |
| <b>Change in net position</b> | <u>\$ 2,769,568</u> | <u>\$ 1,785,730</u> |

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2023**

**Financial Analysis of the Government's Funds**

The TIDD's revenues in the governmental fund amounted to \$2,816,897 while expenditures amounted to \$47,329.

The TIDD's main sources of revenues for the fiscal year ended June 30, 2023 were gross receipts tax increment and ad valorem tax increment. The Village of Taos Ski Valley, New Mexico has dedicated 75% of its gross receipts tax increment and the state of New Mexico dedicated 50% of the state's portion of gross receipts tax increment. The Village of Taos Ski Valley has dedicated 75% of its ad valorem tax increment and Taos County has dedicated 35% of its ad valorem tax increment. As this TIDD is relatively new, it is not possible at this time to determine what effect it will have on commercial activities within the Village of Taos Ski Valley Tax Increment Development District.

**General Fund Budgetary Highlights**

The TIDD adopts an annual budget, which projects the expected expenditures (based on administrative expenses and construction expenditure reimbursement) and the estimated gross receipts tax increments for each year. There were no changes in the original budget for the fiscal year 2023.

**Capital Assets and Debt Administration**

The TIDD owns no significant capital assets as of June 30, 2023. It is anticipated that the TIDD will not, in the future, own any capital assets. The capital improvements completed by the developer that are to be financed by the TIDD are all to be dedicated to the Village. It is anticipated that all dedications will be done by the developer directly to the Village, on behalf of the TIDD.

The TIDD has no debt as of June 30, 2023.

**Requests for Information**

This narrative overview and analysis of the financial activities of the TIDD for the fiscal year ending June 30, 2023 is designed to give its readers a general overview of the TIDD's finances. Questions regarding any information contained in this report or requests for additional information should be addressed to the Village of Taos Ski Valley Tax Increment Development District, Village of Taos Ski Valley, P.O. Box 100, 7 Firehouse Rd., Taos Ski Valley, NM, 87525.



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## **BASIC FINANCIAL STATEMENTS**

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
Statement of Net Position  
June 30, 2023**

Exhibit A-1

|   | <b>Governmental<br/>Activities</b> |
|---|------------------------------------|
| <b>Assets</b>                             |                                    |
| <b>Current Assets</b>                     |                                    |
| Cash and cash equivalents                 | \$ 5,558,936                       |
| Receivables:                              |                                    |
| Ad valorem receivables                    | 27,127                             |
| Gross receipts taxes receivables          | 190,190                            |
| <b>Total current assets</b>               | <u>5,776,253</u>                   |
| <b>Total assets</b>                       | <u><u>\$ 5,776,253</u></u>         |
| <b>Liabilities</b>                        |                                    |
| <b>Current Liabilities</b>                |                                    |
| Accounts payable                          | \$ 5,293                           |
| <b>Total Liabilities</b>                  | <u>5,293</u>                       |
| <b>Net Position</b>                       |                                    |
| Restricted for dedications                | 5,770,960                          |
| <b>Total net position</b>                 | <u>5,770,960</u>                   |
| <b>Total liabilities and net position</b> | <u><u>\$ 5,776,253</u></u>         |

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
Statement of Activities  
For the Year Ended June 30, 2023**

Exhibit A-2

|                                      |                  | Net (Expense)<br>Revenue and<br>Changes in Net<br>Position |
|--------------------------------------|------------------|--|
|                                      | Expenses         | Government<br>Activities                                   |
| <b>PRIMARY GOVERNMENT</b>            |                  |  |
| <b>Governmental activities</b>       |                  |  |
| General government                   | \$ 47,329        | \$ (47,329)  |
| <b>Total governmental activities</b> | <u>\$ 47,329</u> | <u>(47,329)</u>  |
| <b>General Revenues</b>              |                  |  |
| Gross receipts                       |                  | 2,362,665  |
| Ad valorem taxes                     |                  | 412,630  |
| Investment interest                  |                  | 41,602   |
| <b>Total general revenues</b>        |                  | <u>2,816,897</u>   |
| Changes in net position              |                  | 2,769,568  |
| Net position, beginning of year      |                  | 3,001,392  |
| Net position, end of year            |                  | <u><u>\$ 5,770,960</u></u>                                 |

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
Balance Sheet-Governmental Funds  
June 30, 2023**

Exhibit B-1  
Page 1 of 2

|  | <b>General<br/>Fund</b>    |
|--|----------------------------|
| <b>Assets</b>                              |                            |
| Cash and cash equivalents                  | \$ 5,558,936               |
| Ad valorem receivable                      | 27,127                     |
| Gross receipt taxes receivable             | 190,190                    |
| <b>Total assets</b>                        | <u>\$ 5,776,253</u>        |
| <b>Liabilities</b>                         |                            |
| Accounts payable                           | <u>\$ 5,293</u>            |
| <b>Total liabilities</b>                   | <u>5,293</u>               |
| <b>Fund balance</b>                        |                            |
| Restricted                                 | <u>5,770,960</u>           |
| <b>Total fund balances</b>                 | <u>5,770,960</u>           |
| <b>Total liabilities and fund balances</b> | <u><u>\$ 5,776,253</u></u> |

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
Reconciliation of the Balance Sheet to the Statement of Net Position  
Governmental Funds  
June 30, 2023**

Exhibit B-1  
Page 2 of 2

|   |                            |
|---|----------------------------|
| Total fund balance - governmental funds       | <u>\$ 5,770,960</u>        |
| Total net position of governmental activities | <u><u>\$ 5,770,960</u></u> |

|  |                            |
|--|----------------------------|
| <b>STATE OF NEW MEXICO</b><br><b>VILLAGE OF TAOS SKI VALLEY</b><br><b>TAX INCREMENT DEVELOPMENT DISTRICT</b><br><b>Statement of Revenues, Expenditures, and Changes in Fund Balances</b><br><b>Governmental Funds</b><br><b>For the Year Ended June 30, 2023</b> | Exhibit B-2<br>Page 1 of 2 |
|--|----------------------------|

|  | <u>General<br/>Fund</u>    |
|--|----------------------------|
| <b>Revenues</b>  |                            |
| Ad valorem taxes   | \$ 412,630                 |
| Gross receipt taxes                                      | 2,362,665                  |
| Investment interest                                      | 41,602                     |
| <b>Total revenue</b>                                     | <u>2,816,897</u>           |
| <b>Expenditures</b>                                      |                            |
| Current:   |                            |
| General government                                       | 47,329                     |
| <b>Total expenditures</b>                                | <u>47,329</u>              |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>2,769,568</u>           |
| Net change in fund balance                               | 2,769,568                  |
| Fund balance - beginning of year                         | 3,001,392                  |
| <b>Fund balance - end of year</b>                        | <u><u>\$ 5,770,960</u></u> |

|  |                            |
|--|----------------------------|
| <b>STATE OF NEW MEXICO</b><br><b>VILLAGE OF TAOS SKI VALLEY</b><br><b>TAX INCREMENT DEVELOPMENT DISTRICT</b><br><b>Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund</b><br><b>Balances - Governmental Funds to the Statement of Activities</b><br><b>For the Year Ended June 30, 2023</b> | Exhibit B-2<br>Page 2 of 2 |
|--|----------------------------|

|   |                            |
|---|----------------------------|
| Net change in fund balance - governmental funds   | \$ 2,769,568               |
| Change in net position of governmental activities | <u><u>\$ 2,769,568</u></u> |



**STATE OF NEW MEXICO**  
**VILLAGE OF TAOS SKI VALLEY**  
**TAX INCREMENT DEVELOPMENT DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Budget (Non-GAAP Budgetary Basis) and Actual**  
**For the Year Ended June 30, 2023**

Exhibit C-1

|  | <b>Budgeted Amounts</b> |                  | <b>Actual</b>         | <b>Variance</b>                |
|--|-------------------------|------------------|-----------------------|--------------------------------|
|  | <b>Original</b>         | <b>Final</b>     | <b>Non-GAAP Basis</b> | <b>Favorable (Unfavorable)</b> |
|  |                         |                  |                       | <b>Final to actual</b>         |
| <b>Revenues</b>  |                         |                  |                       |                                |
| <b>Taxes:</b>  |                         |                  |                       |                                |
| Property taxes   | \$ 200,000              | \$ 200,000       | \$ 387,462            | \$ 187,462                     |
| Gross receipts   | 1,775,000               | 1,775,000        | 2,221,710             | 446,710                        |
| Interest   | 2,500                   | 2,500            | 41,602                | 39,102                         |
| <b>Total revenue</b>   | <u>1,977,500</u>        | <u>1,977,500</u> | <u>2,650,774</u>      | <u>673,274</u>                 |
| <b>Expenditures</b>  |                         |                  |                       |                                |
| <b>Current</b>   |                         |                  |                       |                                |
| General government   | 46,000                  | 46,000           | 45,122                | 878                            |
| <b>Total expenditures</b>                                    | <u>46,000</u>           | <u>46,000</u>    | <u>45,122</u>         | <u>878</u>                     |
| Net Change in fund balance                                   | 1,931,500               | 1,931,500        | 2,605,652             |                                |
| Fund balance beginning of the year                           | 3,001,392               | 3,001,392        | 3,001,392             |                                |
| <b>Fund balance - end of year</b>                            | <u>4,932,892</u>        | <u>4,932,892</u> | <u>5,607,044</u>      |                                |
| <b>Net change in fund balance (non-GAAP budgetary basis)</b> |                         |                  | <u>2,605,652</u>      |                                |
| Adjustments to revenue for increase in receivables           |                         |                  | 166,123               |                                |
| Adjustment to expenditures for decrease in accounts payable  |                         |                  | (2,207)               |                                |
| <b>Net Change in fund balance (GAAP basis)</b>               |                         |                  | <u>\$ 2,769,568</u>   |                                |

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
Notes to the Financial Statements  
June 30, 2023**

**NOTE 1. Summary of Significant Accounting Policies**

The Tax Increment Development District (TIDD) is a political subdivision of the State of New Mexico duly created and existing pursuant to the Tax Increment for Development Act (Act), Sections 5-15-1 through 5-15-28 NMSA 1978, as amended, and Village of Taos Ski Valley (Village) Resolution No. 2015-274.

The purpose of the TIDD, pursuant to the Resolution of the Village that formed the TIDD, is to provide financing of the infrastructure improvements set forth in the Tax Increment Development Plan that was approved by the Village as required pursuant to the Act and the Master Development Agreement among the TIDD, the Village and the developer, Taos Ski Valley, Inc. as an agent for Twining Development, LLC and Santander Holdings, LLC.

**A. Financial Reporting Entity**

The Government Accounting Standards Board (GASB) Statement No. 61 established criteria for determining the government reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the TIDD is considered a primary government, since it is a special-purpose government that has a separately appointed body, is legally separate, and is fiscally independent of other state or local government. As used in GASB Statement No. 61, fiscally independent means that the TIDD may, without the approval or consent of another government entity, determine or modify its own budget, levy its own taxes or set rates or change, and issue bonded debt. The TIDD has no component units as defined by GASB Statement No. 61. There are no other primary governments with which the TIDD has a significant relationship.

The TIDD is governed by the TIDD Board, consisting of five voting members and a nonvoting member. The Board has control over and management supervision of all affairs of the TIDD.

This summary of significant accounting policies of the Tax Increment Development District (TIDD) is presented to assist in the understanding of the TIDD's financial statements. The financial statements and notes are the representation of the TIDD's management, who are responsible for their integrity and objectivity.

The financial statements of the TIDD have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standard Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of the TIDD's accounting policies are described below.

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
Notes to the Financial Statements  
June 30, 2023**

**NOTE 1. Summary of Significant Accounting Policies (continued)**

**B. Government-wide and fund financial statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government.

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. The TIDD does not receive program or grant revenues.

**C. Measurement focus, basis of accounting, and financial statement presentation.**

The government-wide financial statements ((i.e., the statement of net position and the statement of activities)) are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
Notes to the Financial Statements  
June 30, 2023**

**NOTE 1. Summary of Significant Accounting Policies (continued)**

**C. Measurement focus, basis of accounting, and financial statement presentation (continued)**

Program revenues reduce the costs of the function to be financed from the TIDD's general revenues. Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. The TIDD has no items that qualify as program revenues. Taxes and other items not properly included among program revenues are reported instead as general revenues. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

At present, all of the TIDD's net position is restricted and the TIDD only incurs expenses related to restricted resources.

Governmental funds are used to account for the TIDD's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets and the servicing of general long-term debt. Governmental funds include only one fund, the General Fund:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general governments, except those required to be accounted for in another fund. Revenues are provided through taxes, state sources, charges for services, licenses and fees, and other miscellaneous recoveries and revenue. Expenditures include all costs associated with the daily operation of the TIDD except for items included in other funds.

Under the requirements of GASB No. 34, the TIDD is required to present certain of its governmental funds as major based upon certain criteria. Given the TIDD has no other funds the general fund is the only fund presented in these financial statements.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements.

The TIDD reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. The TIDD does not currently employ indirect cost allocation systems.

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
Notes to the Financial Statements  
June 30, 2023**

**NOTE 1. Summary of Significant Accounting Policies (continued)**

**D. Assets, Liabilities, Deferred Outflows and Inflows of Resources, Net Position and Fund Balance**

**Cash and Cash Equivalents:** The TIDD's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the TIDD to invest in certificates of deposit, interest-bearing savings accounts, bonds or other obligations of the U.S. Government, which are guaranteed as to principal and interest by the U.S. government and the State Treasurer's Investment Pool.

Investments for the TIDD are reported at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

**Receivables:** All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

**Prepaid Items:** Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and proprietary financial statements. As of June 30, 2023 the TIDD had no prepaid expenses.

**Capital Assets:** As capital assets are constructed; the ownership will be transferred to the Village. As a result, the TIDD does not capitalize any capital assets on its financial statements.

**Accrued Expenses:** Accrued expenses are comprised of payroll expenditures based on amounts earned by the employees. At June 30, 2023, therefore carries no accrued expenses.

**Net Position:** The government-wide financial statements utilize a net position presentation. Net position is categorized as follows:

**Net Investment in Capital Assets** - Net investment in capital assets consist of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

**Restricted Net Position** – Consist of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation.

**Unrestricted Net Position** – All other net position that do not meet the definition of “restricted” or “investment in capital assets, net of related debt.”

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
Notes to the Financial Statements  
June 30, 2023**

**NOTE 1. Summary of Significant Accounting Policies (continued)**

**D. Assets, Liabilities, Deferred Outflows and Inflows of Resources, Net Position and Fund Balance**

**Fund Balance:** During 2009, GASB adopted Statement No. 54 to clarify the fund balance reporting guidelines of GASB 54. The fund balance reporting established by GASB 54 must be followed by all five of the governmental-type funds used by state and local governments. Based on the requirements of GASB 54, the total fund balance can be conceptually separated into two primary components: 1) Non-spendable fund balance and 2) Spendable fund balance. Fund balance is reported in these five classifications:

**Non-spendable** – the non-spendable balance includes amounts that cannot be spent because they are not in spendable form or legally, contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash; it also includes the long-term amount of inter-fund loans. At June 30, 2023 the TIDD reported \$0 in nonspendable fund balances.

**Restricted** – Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors or laws and regulations of other governments or are imposed by law through constitutional provisions or enabling legislation.

**Committed** – This fund balance amount has spending limitations that are constrained by the government’s highest level of decision-making authority.

At June 30, 2023, all of the TIDD on the governmental funds balance sheet in the amount of \$5,770,960 are restricted by enabling legislation for tax incentive development in the Village.

**Assigned** – The assigned fund balance classification is intended to be used for specific purposes such as special revenue funds, capital project funds, debt service funds, and permanent funds.

**Unassigned** – Unassigned fund balance is the residual classification for the General Fund and includes all spendable amount not contained in other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed or assigned.

**Interfund Transactions:** As there was only one governmental fund during the fiscal year, there were no interfund transactions (transfers/due to/from) with other governmental funds. If in the future, there are interfund transactions between governmental funds, they will be recorded as other financing sources (uses) for transfers and assets/liabilities for due from/to, respectively.

**Estimates:** The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
Notes to the Financial Statements  
June 30, 2023**

**NOTE 1. Summary of Significant Accounting Policies (continued)**

**D. Assets, Liabilities, Deferred Outflows and Inflows of Resources, Net Position and Fund Balance**

**Gross Receipts Tax Increment:** The TIDD's main source of revenue for the fiscal year ended June 30, 2023 has been gross receipts tax increment. Various public entities have pledged gross receipts tax increment to the TIDD. The Village dedicated 75% of its gross receipts tax increment. The New Mexico State Board of Finance, on behalf of the state of New Mexico, dedicated 50% of the state's portion of gross receipts tax increment. Given that prior to the formation of the TIDD there was no significant commercial activity within the TIDD, most all commercial activities currently attributable to the TIDD have generated gross receipts tax increment. The gross receipts tax increment is assessed on a monthly basis and distributed to the TIDD in the same manner as distributions are made under the provisions of the State Tax Administration Act.

**Ad Valorem (Property) Tax Increment:** In addition to gross receipts tax increment, the Village and County of Taos, New Mexico jurisdictions dedicated property tax increment of 75% and 35%, respectively. Assessments of property taxes are made by Taos County as of January 1 of each year, with one-half of the taxes on that assessment due the following November 10 and one-half due April 10 of the next calendar year. The Special Levy Installment due November 10 becomes delinquent on December 11, while the April 10 installment becomes delinquent on May 11.

**NOTE 2. Stewardship, Compliance and Accountability**

**Budgetary Information**

Annual budgets of the TIDD are prepared prior to June 1 and must be approved by the TIDD Board by resolution, and submitted to the Department of Finance and Administration for State approval. Once the budget has been formally approved, any amendments must also be approved by the TIDD Board and the Department of Finance and Administration. A separate budget is prepared for each fund. Line items within each budget may be over-expended; however, it is not legally permissible to over-expend any budget in total.

These budgets are prepared on the Non-GAAP cash basis, excluding encumbrances, and secure appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year.

The budgetary information presented in these financial statements has been amended in accordance with the above procedures.

Formal budgetary integration is employed as a management control device during the year for the General Fund. The TIDD is required to balance its budgets each year. Accordingly, amounts that are in excess or deficient are presented as changes in cash designated for expenditures, not as an excess or deficiency of revenues over expenditures. The TIDD Board may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance.

The accompanying Statements of Revenues, Expenditures, and Changes in Fund Balance – Budget (non-GAAP Budgetary Basis) and Actual presents comparisons of the legally adopted budget with actual data on a budgetary basis.

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
Notes to the Financial Statements  
June 30, 2023**

**NOTE 2. Stewardship, Compliance and Accountability (continued)**

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with Generally Accepted Accounting Principles, a reconciliation of resultant basis, perspective, equity, and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2023 is presented as part of the budgetary statements.

**NOTE 3. Deposits and Investments**

State statutes authorize the investment of TIDD funds in a wide variety of instruments including certificates of deposit and other similar obligations, the state investment pool, money market accounts, and United States Government obligations. The TIDD is not aware of any invested funds that did not meet the State investment requirements as of June 30, 2023.

Deposits of funds may be made in interest or non-interest-bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the TIDD. Deposits may be made to the extent that they are insured by an agency of the United States or by collateral deposited as security or by bond given by the financial institution.

The rate of interest in non-demand interest-bearing accounts shall be set by the State Board of Finance, but in no case shall the rate of interest be less than one hundred percent of the asked price on United States Treasury bills of the same maturity on the day of deposit.

Excess of funds may be temporarily invested in securities which are issued by the State or by the United States government, or by their departments or agencies, and which are either direct obligations of the State or the United States or are backed by the full faith and credit of those governments.

All of the TIDD's accounts at an insured depository institution, including time deposits, savings deposits, and interest bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate.

The collateral pledged is listed in the supplementary information. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico.

Custodial Credit Risk Deposits - is the risk that in the event of a bank failure, the TIDD's deposits may not be returned to it. The TIDD does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978) that require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued to the TIDD for at least one half the amount in excess of FDIC coverage on deposit with the institution.



**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
Notes to the Financial Statements  
June 30, 2023**

**NOTE 3. Deposits and Investments**

At June 30, 2023, \$4,256,407 of the TIDD's bank balance of \$4,506,407 was exposed to custodial credit risk. \$2,148,053 of the TIDD's cash deposits were uninsured and collateralized and \$2,108,354 was uninsured and uncollateralized at June 30, 2023.

|  | <u>Hillcrest Bank</u> |
|--|-----------------------|
| Deposits   | \$ 4,506,407          |
| Less: FDIC Coverage  | (250,000)             |
| Total uninsured public funds   | <u>4,256,407</u>      |
| Collateralized by securities held by pledging institutions or by its trust department or agent in other than the City's name | <u>2,148,053</u>      |
| Uninsured and uncollateralized   | <u>2,108,354</u>      |
| Collateral requirements (50% of uninsured funds)   | \$ 2,128,204          |
| Pledged Collateral   | <u>2,148,053</u>      |
| Over (under) collateralized  | <u>\$ 19,850</u>      |

The carrying amount of deposits and investments shown above are included in the TIDD's Statement of Net position as follows:

|   |                     |
|---|---------------------|
| Cash and cash equivalents - Governmental Activities per Exhibit A-1 | \$ 5,558,936        |
| Total cash and cash equivalents                                     | <u>5,558,936</u>    |
| Less: cash held at the New Mexico State Treasurers Office (LGIP)    | <u>(1,052,529)</u>  |
| Bank balance of deposits  | <u>\$ 4,506,407</u> |

**Investments**

New Mexico State Statutes authorize the creation of the short-term investment fund in the New Mexico State Treasury. The Statutes authorize the State Treasurer to pool monies received from local public bodies for investment purposes with public monies under control. The purpose of the local short-term fund is to provide a voluntary investment alternative for local political subdivisions to realize the maximum return consistent with safe and prudent management. The local short-term investment fund, along with other public monies in the State Treasurer's investment account, is invested in all AAAM rated securities. All investing is performed in accordance with State Statutes and the TIDD's investment policy.

As of June 30, 2023, the TIDD had the following investments and maturities:

| <u>Investment Type</u> | <u>Maturities</u>                | <u>Rating</u> | <u>Cost Basis</u> | <u>Market value</u> |
|------------------------|----------------------------------|---------------|-------------------|---------------------|
| New Mexico LGIP        | [22] day WAM R; [86] day WAM (F) | AAAm          | 1,052,529         | 1,052,529           |

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
Notes to the Financial Statements  
June 30, 2023**

**NOTE 3. Deposits and Investments (continued)**

Foreign Currency Risk --GASB Statement No. 40 defines foreign currency risk as the potential that changes in exchange rates may adversely affect the fair value of an investment or deposit. The LGIP does not have any foreign currency risk as all investments are denominated in US dollars.

The fair value framework uses a hierarchy that prioritizes the inputs to the valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1      Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the TIDD has the ability to access.
- Level 2      Inputs to the valuation methodology include:
  - Quoted prices for similar assets or liabilities in active markets.
  - Quoted prices for identical or similar assets or liabilities in inactive markets.
  - Inputs other than quoted prices that are observable for the asset or liability.
  - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3      Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. See above for discussion of valuation methodologies used to measure fair value of investments.

The valuation methodologies described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the TIDD believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

All of the TIDD's investments in New Mexico LGIP of \$1,052,529 are measured through level 1 input.

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
Notes to the Financial Statements  
June 30, 2023**

**NOTE 4. Receivables**

Receivables as of June 30, 2023, are as follows:

|                               | <u>Governmental<br/>Funds</u> |
|-------------------------------|-------------------------------|
| <b>Taxes Recieveable:</b>     |                               |
| Gross receipts taxes          | \$ 190,190                    |
| Ad valorem receivables        | 27,127                        |
| <b>Total Receivables, Net</b> | <u><u>\$ 217,317</u></u>      |

The above governmental receivables are deemed 100% collectible. In accordance with GASB 33, Ad Valorem (property tax) revenues receivables not collected within the period of availability was determined to be immaterial to the financial statements and was not reclassified as deferred inflow of resources in the governmental fund financial statements.

**NOTE 5. Risk Management**

The TIDD is exposed to various risk of loss from torts; theft of, damage to, and destruction of assets; business interruption; and errors and omission and natural disasters. The TIDD is not insured through private carriers for liability, casualty and director and office liability.

The TIDD has not filed any claims for which the settlement during the past three years. If such claims were filed, the TIDD would be responsible for a loss.

At June 30, 2023, no unpaid claims have been filed to the best of management's knowledge No major lawsuits have been filed against the TIDD.

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
Notes to the Financial Statements  
June 30, 2023**

**NOTE 6. Tax Abatements (GASB 77)**

The TIDD negotiated gross receipts and ad valorem tax abatement agreements with various entities. The TIDD has tax abatement agreements with three entities relating to four different abatements as of June 30, 2023:

| <u>Tax Abatement Program</u> | <u>Amount Abated</u> | <u>% Abated</u> |
|------------------------------|----------------------|-----------------|
| Gross Receipts Tax:          |                      |                 |
| Village of Taos Ski Valley   | \$ 1,123,356         | 75%             |
| State of New Mexico          | 1,239,309            | 50%             |
| Ad Valorem Tax:              |                      |                 |
| Village of Taos Ski Valley   | 273,144              | 75%             |
| Taos County                  | 139,486              | 35%             |
| Total Abatements             | <u>\$ 2,775,295</u>  |                 |

Each of these agreements was negotiated under state and local laws and has been passed by Legislation or resolution as applicable, including the New Mexico Tax Increment for Development Act, Sections 5-15-1 through 5-15-28 NMSA 1978, as amended. The eligibility criteria are for the entity to provide for financing of the infrastructure improvements as set forth in the Tax Increment Development Plan. The state law does not provide for the recapture of abated taxes in the event an abatement recipient does not fulfill the commitment it makes in return for the tax abatement.

**NOTE 7. Related Party**

During the year the Village of Taos Ski Valley Tax Increment Development District (TIDD) paid the Village \$11,877 to reimburse the Village for work the Village's employees did for the TIDD. Of this total, \$5,293 was a payable.

**NOTE 8. GASB 87 (Leases)**

The Village of Taos Ski Valley Tax Increment Development District (TIDD) had no leases related to GASB 87 at June 30, 2023.

**NOTE 9. Subsequent Events**

The date to which events occurring after June 30, 2023, the date of the most recent statement of net position, have been evaluated for possible adjustment to the financial statements or disclosures is October 20, 2023, which is the date on which the financial statements were available to be issued.

**NOTE 10. Restricted Net Position**

The government-wide statement of net position reports restricted net position in governmental funds of \$5,770,960 for dedications.

**NOTE 10. GASB 96 Subscription-Based Information Technology Arrangements (SBITS's)**

The TIDD had no SBITA's as of June 30, 2023.

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## **SUPPORTING SCHEDULES**

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
Schedule of Deposits and Investments  
June 30, 2023**

Schedule I

| <b>Bank Name/Account Name</b>                | <b>Account Type</b>       | <b>Bank Balance</b> | <b>Deposits in Transit</b> | <b>Outstanding Checks</b> | <b>Book Balance</b> |
|--|---------------------------|---------------------|----------------------------|---------------------------|---------------------|
| <b>Hillcrest Bank</b>                        |                           |                     |                            |                           |                     |
| General                                      |                           |                     |                            |                           |                     |
| Total on Hillcrest Bank                      | Interest Bearing Checking | \$ 4,506,407        | \$ -                       | \$ -                      | \$ 4,506,407        |
|  |                           | 4,506,407           | -                          | -                         | 4,506,407           |
| <b>State of New Mexico Treasurers Office</b> |                           |                     |                            |                           |                     |
| LGIP   |                           |                     |                            |                           |                     |
| Total LGIP Cash                              | Investment                | 1,052,529           | -                          | -                         | 1,052,529           |
|  |                           | 1,052,529           | -                          | -                         | 1,052,529           |
| <b>Total Cash and Cash Equivalents</b>       |                           | <b>\$ 5,558,936</b> | <b>\$ -</b>                | <b>\$ -</b>               | <b>\$ 5,558,936</b> |

See Independent Auditors' Report

STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
Schedule of Collateral Pledged by Depository for Public Funds  
June 30, 2023

Schedule II

| Name of<br>Depository | Description     | Maturity<br>Date | CUSIP     | Fair Market Value   |
|-----------------------|-----------------|------------------|-----------|---------------------|
| Hillcrest Bank        | FHR 5022 AP     | 10/25/2050       | 3137FXCm8 | \$ 22,469           |
| Hillcrest Bank        | FHR 5103 HB     | 5/25/2051        | 3137H0BP2 | 43,513              |
| Hillcrest Bank        | GRN 2017-185 AD | 4/16/2059        | 38380JGN2 | 90,862              |
| Hillcrest Bank        | GNR-2021-78 YA  | 5/20/2051        | 38382QH37 | 27,956              |
| Hillcrest Bank        | FNR 2021-43 KE  | 7/25/2051        | 3136BH6R5 | 462,636             |
| Hillcrest Bank        | FNR 2021 43 PE  | 7/25/2051        | 3136BH5C9 | 1,059,624           |
| Hillcrest Bank        | FNR 2017-104 LA | 11/25/2051       | 3136B0LR5 | 440,993             |
|                       |                 |                  |           | <u>\$ 2,148,053</u> |

See Independent Auditors' Report



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## **COMPLIANCE SECTION**



Auditors~Consultants~CPA

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To Joseph M. Maestas, P.E.  
New Mexico State Auditor  
And

Village of Taos Ski Valley  
Tax Increment Development District Board  
Taos Ski Valley, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the major fund, and the budgetary comparisons of the general fund of the Village of Taos Ski Valley Tax Increment Development District (the TIDD), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the TIDD's basic financial statements, and have issued our report thereon dated October 20, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the TIDD's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the TIDD's internal control. Accordingly, we do not express an opinion on the effectiveness of the TIDD's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the TIDD's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Southwest Accounting Solutions, LLC*

Albuquerque, New Mexico

October 20, 2023

STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
Schedule of Findings and Responses  
June 30, 2023

**SECTION I – SUMMARY OF AUDIT RESULTS**

**Financial Statements:**

Type of auditor report issued:

**Unmodified**

Internal control over financial reporting:

Material weakness identified

Significant deficiencies identified

No

Noncompliance material to the financial statements identified

No

No

**SECTION II – Prior Year Audit Findings**

No Prior Year Audit Findings

**SECTION III- Audit Findings**

No Audit Findings

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY  
TAX INCREMENT DEVELOPMENT DISTRICT  
Exit Conference  
June 30, 2023**

**Exit Conference**

An exit conference was held on October 20, 2023. In attendance were the following:

Representing The Village of Taos Ski Valley Tax Increment Development District:

|                |                           |
|----------------|---------------------------|
| Misty Schuck,  | Co-Treasurer              |
| Ann Woolridge, | TIDD Clerk                |
| Chaz Rockey,   | Co-Treasurer/Board Member |
| Thomas Witman, | Board Member              |

Representing Southwest Accounting Solutions, LLC:

|                    |                      |
|--------------------|----------------------|
| Geoff Mamerow, CFE | Senior Audit Manager |
|--------------------|----------------------|

**Auditor Prepared Financial Statements**

Southwest Accounting Solutions, LLC assisted the TIDD in the preparation of the GAAP-based financial statements and notes to the financial statements. The financial statements were prepared using the original books and records provided by the management of the TIDD. The responsibility for the financial statements remains with the TIDD.

**Village of Taos Ski Valley  
TIDD Board Meeting  
Agenda Item**

AGENDA ITEM TITLE: Consideration to Approve **Resolution No. 2024-52** Acknowledging and Approving the 2nd Quarter FY2024 DFA Financial Report as of December 31, 2023.

DATE: January 24, 2024

PRESENTED BY: Misty Schuck, Co-Treasurer

STATUS OF AGENDA ITEM: New Business

CAN THIS ITEM BE RESCHEDULED: Not Recommended

BACKGROUND INFORMATION: As per the Department of Finance (DFA), Local Government Division, it is required to have quarterly financial information submitted no later than 30 days after the close of each quarter. The Co-Treasurer is submitting this report to the Board for its acknowledgement and approval of the financial status of the TIDD as of December 31, 2023. The report is due on January 31, 2024 and will be submitted before the deadline. Attached are the following exhibits: (A) Quarterly report to be submitted to DFA (B) Balance Sheet as of 12/31/2023 and (C) Profit and Loss Statement for October 1, 2023 to December 31, 2023.

RECOMMENDATION: A motion from the Board is requested to approve **Resolution No. 2024-52** acknowledging and approving the 2nd quarter FY2024 DFA financial report as of December 31, 2023.

**STATE OF NEW MEXICO**  
**Village of Taos Ski Valley TIDD**  
**RESOLUTION NO. 2024-52**

**A RESOLUTION ACKNOWLEDGING THE 2nd QUARTER FY2024 DFA FINANCIAL  
REPORT AS OF DECEMBER 31, 2023**

**WHEREAS**, the Governing Board in and for the Village of Taos Ski Valley TIDD, State of New Mexico has developed a budget for fiscal year 2023– 2024; and

**WHEREAS**, the 2nd quarter report has been reviewed to ensure the accuracy of the financial information; and

**WHEREAS**, in an official meeting for the review of said documents was duly advertised and posted in compliance with the State of New Mexico Open Meetings Act; and

**WHEREAS**, it is hereby certified that the contents in this report are true and correct to the best of our knowledge and that this report depicts all funds for fiscal year to date as of December 31, 2023.

NOW THEREFORE, BE IT HEREBY RESOLVED that the governing body of the Village of Taos Ski Valley TIDD, State of New Mexico hereby acknowledges the 2nd Quarter report for FY2024 hereinafter described as Attachment "A".

PASSED, ADOPTED, AND APPROVED this 24th day of January 2024.

VOTES: \_\_\_\_\_ Yes      \_\_\_\_\_ No

**Village of Taos Ski Valley TIDD Governing Body:**

\_\_\_\_\_  
TIDD Board Chair

ATTEST:

\_\_\_\_\_  
Ann Wooldridge, Village Clerk



# Village of Taos Ski Valley TIDD

## Balance Sheet

As of December 31, 2023

|                                     |  | TOTAL                 |
|-------------------------------------|--|-----------------------|
| <b>ASSETS</b>                       |  |                       |
| Current Assets                      |  |                       |
| Bank Accounts                       |  |                       |
| 11000 Hillcrest Bank                |  |                       |
| 11030 New Mexico State Treasure     |  | 6,236,050.80          |
| <b>Total Bank Accounts</b>          |  | <b>1,080,580.08</b>   |
| <b>Total Current Assets</b>         |  | <b>\$7,316,630.88</b> |
| <b>TOTAL ASSETS</b>                 |  | <b>\$7,316,630.88</b> |
| <b>LIABILITIES AND EQUITY</b>       |  |                       |
| Liabilities                         |  |                       |
| Current Liabilities                 |  |                       |
| Accounts Payable                    |  |                       |
| 20000 Accounts Payable              |  |                       |
| <b>Total Accounts Payable</b>       |  | <b>0.00</b>           |
| <b>Total Current Liabilities</b>    |  | <b>\$0.00</b>         |
| <b>Total Liabilities</b>            |  | <b>\$0.00</b>         |
| Equity                              |  |                       |
| 32000 Retained Earnings             |  |                       |
| Net Income                          |  | 5,558,935.80          |
| <b>Total Equity</b>                 |  | <b>1,757,695.08</b>   |
| <b>TOTAL LIABILITIES AND EQUITY</b> |  | <b>\$7,316,630.88</b> |

# Village of Taos Ski Valley TIDD

## Profit and Loss

October - December, 2023

|  | TOTAL                 |                       |
|--|-----------------------|-----------------------|
|  | OCT - DEC, 2023       | JUL - DEC, 2023 (YTD) |
| Income   |                       |                       |
| 45000 Investments                                    |                       |                       |
| 45030 Interest-Savings, Short-term CD (46030)        | 17,716.23             | 34,461.65             |
| <b>Total 45000 Investments</b>                       | <b>17,716.23</b>      | <b>34,461.65</b>      |
| 46400 Other Types of Income                          |                       |                       |
| 41500 Property Tax - Current                         |                       |                       |
| 46412 Property Tax Taos County                       | 28,799.13             | 36,847.20             |
| 46413 Property Tax VTSV                              | 69,395.54             | 89,286.60             |
| <b>Total 41500 Property Tax - Current</b>            | <b>98,194.67</b>      | <b>126,133.80</b>     |
| 42900 Other State Shared Taxes                       |                       |                       |
| 46410 GRT Revenue-State                              | 535,770.01            | 712,214.21            |
| 46411 GRT Revenue-VTSV                               | 687,104.31            | 921,874.99            |
| <b>Total 42900 Other State Shared Taxes</b>          | <b>1,222,874.32</b>   | <b>1,634,089.20</b>   |
| <b>Total 46400 Other Types of Income</b>             | <b>1,321,068.99</b>   | <b>1,760,223.00</b>   |
| <b>Total Income</b>                                  | <b>\$1,338,785.22</b> | <b>\$1,794,684.65</b> |
| <b>GROSS PROFIT</b>                                  | <b>\$1,338,785.22</b> | <b>\$1,794,684.65</b> |
| Expenses   |                       |                       |
| 62100 Contract Services                              |                       |                       |
| 62140 Legal Fees (55020)                             | 114.11                | 966.40                |
| 62150 Outside Contract Services (55999)              |                       |                       |
| 65020 Postage, Mailing Service                       |                       | 3.63                  |
| 65110 GRT Admin Charges                              | 12,561.96             | 16,980.61             |
| 65161 Recording Fees                                 |                       | 2,693.75              |
| 65999 Accounting Fees                                |                       |                       |
| 65997 Accounting Fees - BCCPA                        | 5,538.03              | 10,971.08             |
| 65998 Accounting Fees VTSV                           |                       | 5,374.10              |
| <b>Total 65999 Accounting Fees</b>                   | <b>5,538.03</b>       | <b>16,345.18</b>      |
| <b>Total 62150 Outside Contract Services (55999)</b> | <b>18,099.99</b>      | <b>36,023.17</b>      |
| <b>Total 62100 Contract Services</b>                 | <b>18,214.10</b>      | <b>36,989.57</b>      |
| <b>Total Expenses</b>                                | <b>\$18,214.10</b>    | <b>\$36,989.57</b>    |
| <b>NET OPERATING INCOME</b>                          | <b>\$1,320,571.12</b> | <b>\$1,757,695.08</b> |
| <b>NET INCOME</b>                                    | <b>\$1,320,571.12</b> | <b>\$1,757,695.08</b> |

Village of Taos Ski Valley TIDD  
Board Meeting  
Agenda Item

AGENDA ITEM TITLE: Consideration to Approve **Resolution No. 2024-53** Acknowledging  
and Approving a FY2024 Budget Adjustment Request

DATE: January 24, 2024

PRESENTED BY: Misty Schuck

STATUS OF AGENDA ITEM: New Business

CAN THIS ITEM BE RESCHEDULED: Not Recommended

BACKGROUND INFORMATION: We project an increase in expenditures over the original approved budget for FY2024. In order to not have expenditures exceed the original amounts in the original approved budget, we are requesting a Budget Adjustment Request from the Department of Finance. We are requesting a Budget Adjustment Request of \$2,550,000.00 to ensure that expenditures do not exceed the budgeted amount. The Budget Adjustment Request is due April 30, 2024 and will be submitted timely.

RECOMMENDATION: A motion from the Board is requested to approve **Resolution No. 2024-53** acknowledging and approving a Budget Adjustment Request for FY2024.

**STATE OF NEW MEXICO  
VILLAGE OF TAOS SKI VALLEY TIDD  
RESOLUTION NO. 2024-53**

**REQUESTING APPROVAL OF A FY2024 BUDGET ADJUSTMENT REQUEST**

**WHEREAS**, the Governing Body in and for the Village of Taos Ski Valley TIDD, State of New Mexico has developed a budget for fiscal year 2023-2024; and

**WHEREAS**, said budget adjustment request is for projected increased expenditures over the original approved budget for FY2024; and

**WHEREAS**, in an official meeting for the review of said documents was duly advertised and posted in compliance with the State of New Mexico Open Meetings Act; and

**WHEREAS**, it is the majority opinion of this Board that the proposed budget adjustment request meets the requirements as currently determined for the 2023-2024 fiscal year.

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the Governing Body of the Village of Taos Ski Valley TIDD hereby adopts the budget adjustment request hereinabove described and respectfully requests approval from the Local Government Division of the Department of Finance and Administration.

PASSED, ADOPTED, AND APPROVED this 24th day of January 2024.

VOTES: \_\_\_\_ Yes      \_\_\_\_ No

MUNICIPAL GOVERNING BOARD OF  
VILLAGE OF TAOS SKI VALLEY TIDD, NEW MEXICO

\_\_\_\_\_  
TIDD Board Chair

ATTEST:

\_\_\_\_\_  
Ann M. Wooldridge TIDD Clerk

Village of Taos Ski Valley TIDD  
Board of Directors Meeting  
Agenda Item

AGENDA ITEM TITLE: **Acknowledgement of the Requirement for Village of Taos Ski Valley TIDD Board Members to submit Outside Employment disclosure forms on an annual basis**

DATE: January 24, 2024

PRESENTED BY: Ann Marie Wooldridge, TIDD Clerk

STATUS OF AGENDA ITEM: New Business

CAN THIS ITEM BE RESCHEDULED: Not Recommended

BACKGROUND INFORMATION: The Village of Taos Ski Valley TIDD received a letter a couple of years ago from the New Mexico State Auditor's office stating that the board was out of compliance with Section 10-16-4.2 NMSA Governmental Conduct Act.

**Per Section 10-16-4.2 NMSA Governmental Conduct Act, "Village of Taos Ski Valley TIDD Board Members will be required to sign the Outside Disclosure Form if they are engaged in employment in addition to being members on the Village of Taos Ski Valley TIDD Board."**

Accordingly, on an annual basis, the Board Chair and Board Members are required to and shall submit outside employment disclosure forms to acknowledge any employment other than their Board membership.

RECOMMENDATION: Staff recommends acknowledgment by the Board Members of this regulation and agreement that they will submit the required outside employment disclosure forms accordingly.



To: TIDD BOARD MEMBERS

From: TIDD CLERK

Subject: OUTSIDE EMPLOYMENT

**OUTSIDE EMPLOYMENT DISCLOSURE**

Name: \_\_\_\_\_

Date: \_\_\_\_\_

DESCRIPTION OF OUTSIDE EMPLOYMENT:

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\_\_\_\_\_  
Board Member

\_\_\_\_\_  
Date

\_\_\_\_\_  
Clerk Signature

\_\_\_\_\_  
Date

Village of Taos Ski Valley TIDD  
Board Meeting  
Agenda Item

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**AGENDA ITEM TITLE: Request for the Board to acknowledge and approve payment to the Village of Taos Ski Valley as compensation for Clerk, Administrative Assistant, and some Accounting work from July-December 2023**

DATE: January 24, 2024

PRESENTED BY: Ann Marie Wooldridge, TIDD Clerk

STATUS OF AGENDA ITEM: New Business

CAN THIS ITEM BE RESCHEDULED: Not Recommended

BACKGROUND INFORMATION: The Village of Taos Ski Valley adopted a resolution for the Village of Taos Ski Valley TIDD special district in January 2015. Since that time the Staff has dedicated many hours of service to the District. The Village is now requesting reimbursement for the Clerk, Administrative Assistant, and some Accounting time for specific, identifiable tasks which they have been performing from July-December, 2023. Clerk expenses for the period are \$2708.95, Administrative Services total \$382.13, and Accounting Services equal 279.64. Total requested reimbursement for services for July-December 2023 is \$3370.72.

RECOMMENDATION: A motion from the Board is requested to acknowledge and approve payment to the Village for the July-December 2023 hours for the Clerk, Administrative Assistant, and Accounting allocated time to the TIDD.

(575) 776-8220  
(575) 776-1145 Fax  
[www.vtsv.org](http://www.vtsv.org)

# INVOICE

Date: July 12, 2023

Bill To: **Village of Taos Ski Valley TIDD**

PO Box 100

Taos Ski Valley, NM 87525

Administrative services for Taos Ski Valley TIDD

Renee

Due Upon Receipt

|                        |    |       |
|------------------------|----|-------|
| Subtotal               | \$ | 24.40 |
| 7.65% FICA             | \$ | 1.87  |
| 10% Administrative Fee | \$ | 2.44  |
| Amount Due             | \$ | 28.71 |

*Please make checks payable to Village of Taos Ski Valley*



*Please make checks payable to Village of Taos Ski Valley*

*Please make checks payable to Village of Taos Ski Valley*

# INVOICE

The Village of Taos Ski Valley  
P.O. Box 100, 7 Firehouse Road  
Taos Ski Valley, NM 87525

Date: January 1, 2024

(575) 776-8220  
(575) 776-1145 Fax  
[www.vtsv.org](http://www.vtsv.org)

Bill To: Village of Taos Ski Valley TIDD  
PO Box 100  
Taos Ski Valley, NM 87525

| Comments                                     | Terms            |
|--|------------------|
| Accounting services for Taos Ski Valley TIDD | Due Upon Receipt |

[illegible]

*Please make checks payable to Village of Taos Ski Valley*

*Please make checks payable to Village of Taos Ski Valley*

The Village of Taos Ski Valley  
P.O. Box 100, 7 Firehouse Road

Taos Ski Valley, NM 87525

Vendor

Village of Taos Ski Valley TIDD  
PO Box 100  
Taos Ski Valley, NM 87529

# INVOICE

Date: 1/1/2024

(575) 776-8220

(575) 776-1145 Fax

[vtsv@vtsv.org](mailto:vtsv@vtsv.org)

| Clerk Billing July-December 2023 |                          |          |            |            |          | Due on Receipt |   |
|----------------------------------|--------------------------|----------|------------|------------|----------|----------------|---|
| Qty                              | Description              | Job Name | Unit Price | Line Total |          |                |   |
| 1.00                             | July Clerk services      |          | 683.84     | 683.84     |          |                |   |
| 1.00                             | August Clerk services    |          | 227.95     | 227.95     |          |                |   |
| 1.00                             | September Clerk services |          | 227.95     | 227.95     |          |                |   |
| 1.00                             | October Clerk services   |          | 547.07     | 547.07     |          |                |   |
| 1.00                             | November Clerk Services  |          | 547.07     | 547.07     |          |                |   |
| 1.00                             | December Clerk services  |          | 547.07     | 547.07     |          |                |   |
|                                  |                          |          |            |            |          |                |   |
|                                  |                          |          |            |            |          |                |   |
|                                  |                          |          |            |            |          |                |   |
|                                  |                          |          |            |            |          |                |   |
|                                  |                          |          |            |            |          |                |   |
|                                  |                          |          |            |            |          |                |   |
| 1.00                             |                          |          |            |            |          |                | - |
|                                  |                          |          | Subtotal   | \$         | 2,780.95 |                |   |
|                                  |                          |          | Sales Tax  |            |          |                |   |
|                                  |                          |          | Total      | \$         | 2,780.95 |                |   |

# INVOICE

The Village of Taos Ski Valley  
P.O. Box 100, 7 Firehouse Road  
Taos Ski Valley, NM 87525

Date: July 31, 2023

(575) 776-8220  
(575) 776-1145 Fax  
[www.vtsv.org](http://www.vtsv.org)

Bill To: Village of Taos Ski Valley TIDD  
PO Box 100  
Taos Ski Valley, NM 87525

| Comments                                     | Terms            |
|--|------------------|
| July Clerk services for Taos Ski Valley TIDD | Due Upon Receipt |

[illegible]

|                        |    |        |
|------------------------|----|--------|
| Subtotal               | \$ | 557.55 |
| 7.65% FICA             | \$ | 42.65  |
| 15% Administrative Fee | \$ | 83.63  |
| Amount Due             | \$ | 683.84 |

*Please make checks payable to Village of Taos Ski Valley*

*Please make checks payable to Village of Taos Ski Valley*

*Please make checks payable to Village of Taos Ski Valley*



(575) 776-8220  
(575) 776-1145 Fax  
[www.vtsv.org](http://www.vtsv.org)

# INVOICE

Date: **October 31, 2023**

Bill To: **Village of Taos Ski Valley TIDD**

PO Box 100

**Taos Ski Valley, NM 87525**

| Comments  | Terms            |
|---|------------------|
| October Clerk services for Taos Ski Valley TIDD | Due Upon Receipt |

[illegible]

*Please make checks payable to Village of Taos Ski Valley*

*Please make checks payable to Village of Taos Ski Valley*

(575) 776-8220  
(575) 776-1145 Fax  
www.vtsv.org

# INVOICE

Date: **December 31, 2023**

Bill To: Village of Taos Ski Valley TIDD

**PO Box 100**

**Taos Ski Valley, NM 87525**

| Comments   | Terms            |
|--|------------------|
| December Clerk services for Taos Ski Valley TIDD | Due Upon Receipt |

[illegible]

|                        |    |        |
|------------------------|----|--------|
| Subtotal               | \$ | 446.04 |
| 7.65% FICA             | \$ | 34.12  |
| 15% Administrative Fee | \$ | 66.91  |
| Amount Due             | \$ | 547.07 |

*Please make checks payable to Village of Taos Ski Valley*

Village of Taos Ski Valley  
Tax Increment Development District Board of Directors  
Agenda Item

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**AGENDA ITEM TITLE:** Discussion of TIDD 2023 Election

**DATE:** January 24, 2024

**PRESENTED BY:** District Clerk Ann Marie Wooldridge, CMC

**STATUS OF AGENDA ITEM:** New Business

**CAN THIS ITEM BE RESCHEDULED:** Not recommended

**BACKGROUND INFORMATION:**

The TIDD Board Member election was held as part of the Local Election on November 7, 2023. This year two Board members positions were up for election. The two candidates with the greatest number of votes were Renato Frimm and Doug Turner. The new Board members took office on January 1, 2024. They had been administered the Oaths of Office at a ceremony on December 19, 2023.

**RECOMMENDATION:** No action by the TIDD Board is necessary.

Village of Taos Ski Valley  
Tax Increment Development District Board of Directors  
Agenda Item

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**AGENDA ITEM TITLE:** Consideration to Approve Appointment of a TIDD Board Chair and TIDD Board Chair Pro Tem

**DATE:** January 24, 2024

**PRESENTED BY:** District Clerk Ann Marie Wooldridge, CMC

**STATUS OF AGENDA ITEM:** New Business

**CAN THIS ITEM BE RESCHEDULED:** Not recommended

**BACKGROUND INFORMATION:**

After a TIDD Board Member election, it is appropriate for the newly formed Board to vote on a new TIDD Board Chair and a TIDD Chair Pro Tem to act in the in TIDD Board Chair's absence.

**RECOMMENDATION:** A motion, or motions, are needed to select a Board Chair and Board Chair Pro Tem.

Taos Ski Valley TIDD  
Financial Rollforward

|                    | Interest Rate* | Days | Administrative |                 |                     |             | Infrastructure   |                |                 |                |                |                       |                |              | Strawberry Hill Utilities | Stream Restoration (Phase II) | Sutton Place Road (Phase II) | Total |
|--------------------|----------------|------|----------------|-----------------|---------------------|-------------|------------------|----------------|-----------------|----------------|----------------|-----------------------|----------------|--------------|---------------------------|-------------------------------|------------------------------|-------|
|                    |                |      | Dedication     | TIDD Operations | Wayfinding/ Signage | Plaza Space | Utils & Drainage | Sutton Road    | Sutton Crossing | Retention Pond | Stream Restore | Route 150 Natural Gas |                |              |                           |                               |                              |       |
| Dedication Type    |                |      | 18503-000      | 18501-000       | 18502-000           | 18504-000   | 18505-000        | 18506-000      | 18507-000       | 18508-000      | 18509-000      | 18510-000             | 18511-000      | 18512-000    | 18513-000                 | 18514-000                     |                              |       |
| Dedication Date    |                |      | 6/13/2017      | 6/13/2017       | 6/13/2017           | 6/13/2017   | 6/13/2017        | 6/13/2017      | 6/13/2017       | 6/13/2017      | 6/13/2017      | 6/13/2017             | 6/13/2017      | 6/13/2017    | 6/13/2017                 | 6/13/2017                     |                              |       |
| Dedication Cost    |                |      | \$ 421,698     | \$ 845,256      | \$ 93,330           | \$ 158,629  | \$ 1,538,545     | \$ 1,855,333   | \$ 1,054,280    | \$ 3,549,770   | \$ 528,187     | \$ 1,276,058          | \$ 4,797,795   | \$ 1,252,654 | \$ 1,533,758              | \$ 146,834                    | \$ 19,052,127                |       |
| FY 2020            |                |      |                |                 |                     |             |                  |                |                 |                |                |                       |                |              |                           |                               |                              |       |
| Req. Balance       |                |      | \$ 13,072      | \$ 26,201       | \$ 2,893            | \$ 4,917    | \$ 47,682        | \$ 1,375,479   | \$ 1,133,026    | \$ 3,814,908   | \$ 567,638     | \$ 1,371,368          | \$ 5,156,150   | \$ -         | \$ -                      | \$ -                          | \$ 13,513,345                |       |
| 9/30/19 Interest   | 3.03%          | 92   | \$ 100         | \$ 200          | \$ 22               | \$ 38       | \$ 364           | \$ 10,505      | \$ 8,653        | \$ 28,135      | \$ 4,335       | \$ 10,474             | \$ 39,379      | \$ -         | \$ -                      | \$ -                          | \$ 103,205                   |       |
| 12/31/19 Interest  | 3.03%          | 92   | \$ 100         | \$ 200          | \$ 22               | \$ 38       | \$ 364           | \$ 10,505      | \$ 8,653        | \$ 28,135      | \$ 4,335       | \$ 10,474             | \$ 39,379      | \$ -         | \$ -                      | \$ -                          | \$ 103,205                   |       |
| 3/31/20 Interest   | 2.88%          | 91   | \$ 94          | \$ 188          | \$ 21               | \$ 35       | \$ 342           | \$ 9,849       | \$ 8,113        | \$ 27,317      | \$ 4,065       | \$ 9,820              | \$ 36,921      | \$ -         | \$ -                      | \$ -                          | \$ 96,764                    |       |
| 6/30/20 Interest   | 2.88%          | 91   | \$ 94          | \$ 188          | \$ 21               | \$ 35       | \$ 342           | \$ 9,849       | \$ 8,113        | \$ 27,317      | \$ 4,065       | \$ 9,820              | \$ 36,921      | \$ -         | \$ -                      | \$ -                          | \$ 96,764                    |       |
| 6/30/20 Balance    |                |      | \$ 13,459      | \$ 26,977       | \$ 2,979            | \$ 5,063    | \$ 49,103        | \$ 1,416,187   | \$ 1,186,559    | \$ 3,927,813   | \$ 584,438     | \$ 1,411,956          | \$ 5,309,751   | \$ -         | \$ -                      | \$ -                          | \$ 13,813,284                |       |
| FY 2021            |                |      |                |                 |                     |             |                  |                |                 |                |                |                       |                |              |                           |                               |                              |       |
| Req. Balance       |                |      | \$ 13,459      | \$ 26,977       | \$ 2,979            | \$ 5,063    | \$ 49,103        | \$ 1,416,187   | \$ 1,186,559    | \$ 3,927,813   | \$ 584,438     | \$ 1,411,956          | \$ 5,309,751   | \$ -         | \$ -                      | \$ -                          | \$ 13,813,284                |       |
| 8/5/20 Interest    | 1.69%          | 36   | \$ 13,459      | \$ 26,977       | \$ 2,979            | \$ 5,063    | \$ 49,103        | \$ 1,416,187   | \$ 1,186,559    | \$ 3,927,813   | \$ 584,438     | \$ 1,411,956          | \$ 5,309,751   | \$ -         | \$ -                      | \$ -                          | \$ 13,813,284                |       |
| 6/5/20 Balance     |                |      | \$ (13,271)    | \$ (26,542)     | \$ (2,937)          | \$ (4,992)  | \$ (46,420)      | \$ (1,396,488) | \$ (1,150,332)  | \$ (606,958)   | \$ (585,412)   | \$ (1,414,309)        | \$ (5,317,600) | \$ -         | \$ -                      | \$ -                          | \$ (3,250,000)               |       |
| 8/6/20 Balance     |                |      | \$ 188         | \$ 375          | \$ 42               | \$ 71       | \$ 683           | \$ 19,699      | \$ 16,227       | \$ 3,327,403   | \$ 585,412     | \$ 1,414,309          | \$ 5,317,600   | \$ -         | \$ -                      | \$ -                          | \$ 10,882,007                |       |
| 9/30/20 Interest   | 1.69%          | 56   | \$ 0           | \$ 1            | \$ 0                | \$ 0        | \$ 2             | \$ 51          | \$ 42           | \$ 8,628       | \$ 1,518       | \$ 3,667              | \$ 13,788      | \$ -         | \$ -                      | \$ -                          | \$ 27,697                    |       |
| 12/31/20 Interest  | 1.69%          | 92   | \$ 1           | \$ 2            | \$ 0                | \$ 0        | \$ 3             | \$ 84          | \$ 69           | \$ 14,174      | \$ 2,494       | \$ 6,025              | \$ 22,652      | \$ -         | \$ -                      | \$ -                          | \$ 45,502                    |       |
| 3/31/21 Interest   | 1.93%          | 91   | \$ 1           | \$ 2            | \$ 0                | \$ 0        | \$ 3             | \$ 95          | \$ 78           | \$ 16,011      | \$ 2,817       | \$ 6,805              | \$ 25,587      | \$ -         | \$ -                      | \$ -                          | \$ 51,399                    |       |
| 6/30/21 Interest   | 1.93%          | 91   | \$ 1           | \$ 2            | \$ 0                | \$ 0        | \$ 3             | \$ 95          | \$ 78           | \$ 16,011      | \$ 2,817       | \$ 6,805              | \$ 25,587      | \$ -         | \$ -                      | \$ -                          | \$ 51,399                    |       |
| 6/30/21 Balance    |                |      | \$ 191         | \$ 381          | \$ 42               | \$ 72       | \$ 695           | \$ 20,024      | \$ 16,494       | \$ 3,392,225   | \$ 595,057     | \$ 1,437,612          | \$ 5,405,213   | \$ -         | \$ -                      | \$ -                          | \$ 10,858,006                |       |
| FY 2022            |                |      |                |                 |                     |             |                  |                |                 |                |                |                       |                |              |                           |                               |                              |       |
| 9/30/2021 Interest | 2.48%          | 92   | \$ 1           | \$ 2            | \$ 0                | \$ 0        | \$ 4             | \$ 125         | \$ 103          | \$ 21,142      | \$ 3,720       | \$ 8,986              | \$ 33,788      | \$ -         | \$ -                      | \$ -                          | \$ 67,873                    |       |
| 12/31/21 Interest  | 2.48%          | 92   | \$ 1           | \$ 2            | \$ 0                | \$ 0        | \$ 4             | \$ 125         | \$ 103          | \$ 21,142      | \$ 3,720       | \$ 8,986              | \$ 33,788      | \$ -         | \$ -                      | \$ -                          | \$ 67,873                    |       |
| 3/31/22 Interest   | 2.52%          | 90   | \$ 1           | \$ 2            | \$ 0                | \$ 0        | \$ 4             | \$ 124         | \$ 102          | \$ 21,016      | \$ 3,698       | \$ 8,933              | \$ 33,586      | \$ -         | \$ -                      | \$ -                          | \$ 67,468                    |       |
| 6/30/22 Interest   | 2.52%          | 91   | \$ 1           | \$ 2            | \$ 0                | \$ 0        | \$ 4             | \$ 126         | \$ 104          | \$ 21,250      | \$ 3,739       | \$ 9,032              | \$ 33,960      | \$ -         | \$ -                      | \$ -                          | \$ 68,647                    |       |
| 6/30/22 Balance    |                |      | \$ 196         | \$ 390          | \$ 43               | \$ 74       | \$ 712           | \$ 20,524      | \$ 16,905       | \$ 3,468,775   | \$ 609,933     | \$ 1,473,549          | \$ 5,540,335   | \$ 1,260,524 | \$ 1,543,394              | \$ 147,756                    | \$ 14,081,113                |       |
| FY 2023            |                |      |                |                 |                     |             |                  |                |                 |                |                |                       |                |              |                           |                               |                              |       |
| 9/30/2022 Interest | 3.88%          | 92   | \$ 2           | \$ 4            | \$ 0                | \$ 0        | \$ 7             | \$ 201         | \$ 165          | \$ 33,904      | \$ 5,965       | \$ 14,411             | \$ 54,183      | \$ 12,328    | \$ 15,094                 | \$ 1,445                      | \$ 137,709                   |       |
| 12/31/22 Interest  | 3.88%          | 92   | \$ 2           | \$ 4            | \$ 0                | \$ 0        | \$ 7             | \$ 201         | \$ 165          | \$ 33,904      | \$ 5,965       | \$ 14,411             | \$ 54,183      | \$ 12,328    | \$ 15,094                 | \$ 1,445                      | \$ 137,709                   |       |
| 3/31/23 Interest   | 4.79%          | 90   | \$ 2           | \$ 5            | \$ 1                | \$ 1        | \$ 8             | \$ 242         | \$ 200          | \$ 40,946      | \$ 7,204       | \$ 17,404             | \$ 65,437      | \$ 14,888    | \$ 18,229                 | \$ 1,795                      | \$ 166,311                   |       |
| 6/30/23 Interest   | 4.79%          | 91   | \$ 2           | \$ 5            | \$ 1                | \$ 1        | \$ 9             | \$ 245         | \$ 202          | \$ 41,401      | \$ 7,284       | \$ 17,597             | \$ 66,154      | \$ 15,053    | \$ 18,432                 | \$ 1,795                      | \$ 168,159                   |       |
| 6/30/23 Balance    |                |      | \$ 204         | \$ 407          | \$ 45               | \$ 77       | \$ 743           | \$ 21,413      | \$ 17,639       | \$ 3,616,930   | \$ 636,351     | \$ 1,537,373          | \$ 5,780,301   | \$ 1,315,121 | \$ 1,610,243              | \$ 154,156                    | \$ 14,891,002                |       |
| FY 2024            |                |      |                |                 |                     |             |                  |                |                 |                |                |                       |                |              |                           |                               |                              |       |
| 9/30/2023 Interest | 4.85%          | 92   | \$ 2           | \$ 5            | \$ 1                | \$ 1        | \$ 9             | \$ 251         | \$ 207          | \$ 42,468      | \$ 7,472       | \$ 18,051             | \$ 67,868      | \$ 15,441    | \$ 18,906                 | \$ 1,810                      | \$ 172,492                   |       |
| 12/31/23 Interest  | 4.85%          | 92   | \$ 2           | \$ 5            | \$ 1                | \$ 1        | \$ 9             | \$ 251         | \$ 207          | \$ 42,468      | \$ 7,472       | \$ 18,051             | \$ 67,868      | \$ 15,441    | \$ 18,906                 | \$ 1,810                      | \$ 172,492                   |       |
| 3/31/24 Interest   |                | 91   | \$ -           | \$ -            | \$ -                | \$ -        | \$ -             | \$ -           | \$ -            | \$ -           | \$ -           | \$ -                  | \$ -           | \$ -         | \$ -                      | \$ -                          | \$ -                         |       |
| 6/30/24 Interest   |                | 91   | \$ -           | \$ -            | \$ -                | \$ -        | \$ -             | \$ -           | \$ -            | \$ -           | \$ -           | \$ -                  | \$ -           | \$ -         | \$ -                      | \$ -                          | \$ -                         |       |
| Current Balance    |                |      | \$ 209         | \$ 417          | \$ 46               | \$ 79       | \$ 760           | \$ 21,916      | \$ 18,053       | \$ 3,701,866   | \$ 651,294     | \$ 1,573,474          | \$ 5,916,038   | \$ 1,346,003 | \$ 1,648,055              | \$ 157,776                    | \$ 15,035,986                |       |

\*The interest rate is reset on January 1 and July 1 of each year and is equal to the 10 Year Treasury Rate plus 1.0%. Interest is calculated quarterly on a 365 day basis and compounded annually.

\*\*Ownership of the natural gas components of the Route 150 Trench were dedicated to VTSV and then immediately transferred by VTSV to NM Gas.