



QUAY COUNTY GOVERNMENT  
300 South Third Street  
P.O. Box 1246  
Tucumcari, NM 88401  
Phone: (575) 461-2112  
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AGENDA  
REGULAR SESSION  
QUAY COUNTY BOARD OF COMMISSIONERS  
April 22, 2019

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**9:00 A.M. Call Meeting to Order**

Pledge of Allegiance

Approval of Minutes-Regular Session April 8, 2019

Approval/Amendment of Agenda

**Public Comment**

**Ongoing Business**

**New Business**

- I. **C. Renee Hayoz, Presbyterian Medical Services, Administrator**
  - Presentation of **Monthly RPHCA Reports**
  
- II. **Brenda Bishop, Quay County Extension Service – County Program Director**
  - Presentation of **Quarterly Report – January – March 2019**
  
- III. **Ozy Adams, Deputy District Attorney**
  - Discussion of **Animal Ordinance**
  
- IV. **Ellen White, Quay County Clerk**
  - **Correspondence**
  
- V. **Larry Moore, Quay County Road Superintendent**
  - **Road Update**
  
- VI. **Cheryl Simpson, Quay County Finance Director**
  - Request Approval of **DFA 3<sup>rd</sup> Quarterly Report**
  - Request Approval of **DWI 3<sup>rd</sup> Quarterly Financial Reports**
  - Request Approval of **DWI Office Rental Agreement 2019-2020**
  - Request Approval of **FY 19 Audit Contract with Carr, Riggs & Ingram**



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Quay County, NM Ellen White - County Clerk. County\_Cle



- VII. Richard Primrose, Quay County Manager**
- Request Approval of **FY 2018-2019 Resolution No. 29 – EPCOG Participation**
  - Request Approval of **FY 2018-2019 Resolution No. 28 – NMFA Bard-Endee Loan**
  - **Correspondence**
- VIII. Indigent Claims Board**
- **Call Meeting to Order**
  - Request Approval of **Indigent Minutes for the February 25, 2019 Meeting**
  - Request Approval of **March/April Claims Prepared by Sheryl Chambers**
  - **Adjourn**
- IX. Request Approval of Accounts Payable**
- X. Other Quay County Business That May Arise During the Commission Meeting and/or Comments from the Commissioners**
- XI. Request Approval for Closed Executive Session**
- **Pursuant to Section 10-15-1(H) 7. The New Mexico Open Meetings Act Pertaining to Threatened or Pending Litigation**
- XII. Franklin McCasland, Quay County Commission Chairman**
- Proposed action, if any, from Executive Session

**Adjourn**

*Lunch-Time and Location to be Announced*

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**1:00 P.M. Work Session at the  
Proposed Ute Lake Subdivision**

**REGULAR SESSION-BOARD OF QUAY COUNTY COMMISSIONERS**

**April 22, 2019**

**9:00 A.M.**

BE IT REMEMBERED THE HONORABLE BOARD OF QUAY COUNTY COMMISSIONERS met in regular session the 22<sup>nd</sup> day of April, 2019 at 9:00 a.m. in the Quay County Commission Chambers, Tucumcari, New Mexico, for the purpose of taking care of any business that may come before them.

**PRESENT & PRESIDING:**

Franklin McCasland, Chairman  
Mike Cherry, Member  
Sue Dowell, Member  
Ellen L. White, County Clerk  
Richard Primrose, County Manager

**OTHERS PRESENT:**

Larry Moore, Quay County Road Superintendent  
Renee Hayoz, Presbyterian Medical Services Administrator  
Brenda Bishop and Jason Lamb, Quay County Extension Services  
Rusty Shafer, Quay County Sheriff  
Ozy Adams, Deputy District Attorney  
Janie Hoffman, Quay County Assessor  
Donald Adams, Quay County Fire Marshal  
Cheryl Simpson, Quay County Manager's Office  
Ron Warnick, Quay County Sun

Chairman McCasland called the meeting to order. Jason Lamb led the Pledge of Allegiance.

A MOTION was made by Sue Dowell, SECONDED by Mike Cherry to approve the minutes from the April 8, 2019 regular session as presented. MOTION carried with Cherry voting "aye", Dowell voting "aye" and McCasland voting "aye".

A MOTION was made by Mike Cherry, SECONDED by Sue Dowell to approve the Agenda as presented. MOTION carried with Cherry voting "aye", Dowell voting "aye" and McCasland voting "aye".

Public Comments: NONE

**NEW BUSINESS:**

Renee Hayoz, Presbyterian Medical Services Administrator, presented the monthly RPHCA Report for the time period ending March 31, 2019. A copy of this Report is attached to the minutes.

Hayoz mentioned that the local clinic recently received three distinguished awards. LaDonna Chacon was awarded Outstanding Provider; Alyssa Diaz for Outstanding Customer Services and the Staff received the Team Talent award.

Brenda Bishop, Quay County Extension Home Economist and Jason Lamb, Quay County Ag Agent presented the Quarterly Report for January-March, 2019. A copy the Report is attached to the minutes.

Warren Frost, Quay County Attorney, joined the meeting. Time noted. 9:15 a.m.

Ozy Adams, Deputy District Attorney requested the Board of Commissioners adopt an Animal Ordinance. Adams explained that State Law requires every County to have an Ordinance in place. Adams presented a copy of the Roosevelt County Ordinance stating it seemed to be a good template that Quay County could use. Warren Frost, Quay County Attorney agreed to work with Adams and create a draft to present to the Commissioners at the next meeting. Sheriff Shafer expressed his willingness to review the document regarding enforcement.

Ellen White, Quay County Clerk presented the following correspondence:

- Election of NMC Board Member
- Press Release for Special Logan Election
- 2019 Special Election Voter Guide
- Local Election Act Webinar Trainings
- Ongoing Voter File District Clean-up in preparation for Local Election in November, 2019
- Senate Bill 672 Impacts
- Senate Bill 407 Impacts

Larry Moore, Quay County Road Superintendent, presented the following updates:

1. Request for millings to the State Transportation Department for School Bus Projects in the San Jon area have been resubmitted.
2. James Gallegos is the new District 4 Engineer.
3. Crews are performing routine maintenance of equipment, cleaning ditches and culverts and repairing potholes.

Commissioner Dowell has been contacted by resident who reported locked cattle guards in the area of Quay Road 25 and Quay Road BC. Moore, Primrose and Sheriff Shafer will investigate the complaint.

Cheryl Simpson, Quay County Finance Director, requested approval of the following items:

1. DFA 3<sup>rd</sup> Quarterly Report. A MOTION was made by Mike Cherry, SECONDED by Sue Dowell to approve. MOTION carried with Cherry voting "aye", Dowell voting "aye" and McCasland voting "aye". A copy of said Report is attached to these minutes.
2. DWI 3<sup>rd</sup> Quarterly Financial Reports, including the Distribution Fund and Grant reports. A MOTION was made by Mike Cherry, SECONDED by Sue Dowell to approve all reports for DWI. MOTION carried with Cherry voting "aye", Dowell voting "aye" and McCasland voting "aye". A copy of both Reports is attached to these minutes.

3. 2019-2020 DWI Office Rental Agreement at the monthly amount of \$600.00. A MOTION was made by Mike Cherry, SECONDED by Sue Dowell to approve the Agreement. MOTION carried with Dowell voting "aye", Cherry voting "aye" and McCasland voting "aye". A copy is attached.
4. FY19 Audit Contract with Carr, Riggs & Ingram in the total amount of \$39,158.63. A MOTION was made by Sue Dowell, SECONDED by Mike Cherry to approve the Contract. MOTION carried with Cherry voting "aye", Dowell voting "aye" and McCasland voting "aye". A copy of this Contract is attached to these minutes.

Quay County Manager, Richard Primrose requested approval of the following items:

1. Resolution No. 29; Eastern Plains Council of Government Participation. A MOTION was made by Sue Dowell, SECONDED by Mike Cherry to approve. MOTION carried with Dowell voting "aye", Cherry voting "aye" and McCasland voting "aye" A copy is attached to these minutes.
2. Resolution No. 28; New Mexico Finance Authority Loan Resolution and supporting documents for the Bard-Endee Loan. A MOTION was made by Mike Cherry, SECONDED by Sue Dowell to approve. MOTION carried with Cherry voting "aye", Dowell voting "aye" and McCasland voting "aye". A copy of said Resolution is attached to these minutes.

Primrose presented the following correspondence:

1. Letter of thanks from Shana Stowe from the House area to the Road Department for recent roadwork in their area.
2. Copy of monthly Gross Receipts Tax Report.
3. Letter of thanks from Donna Powell to the Courthouse Staff for assisting her recently in obtaining a new 911 address.
4. A budget workshop will be on the May 13 regular session agenda with the final approval set for May 28.
5. A Public Hearing will be held at the May 13<sup>h</sup> meeting prior to approval of a new subdivision.
6. Received an email from the Otero County Commissioners stating they have declared a State of Emergency regarding the influx of illegal immigration.

Chairman McCasland called the Indigent Claims Board to order. Time noted 10:00 a.m.

---- INDIGENT CLAIMS----

Return to regular session. Time noted 10:05 a.m.

ACCOUNTS PAYABLE:

A MOTION was made by Sue Dowell SECONDED by Mike Cherry to approve the expenditures included in the Accounts Payable Report ending April 18, 2019. MOTION carried with Dowell voting "aye", Cherry voting "aye" and McCasland voting "aye".

Other Quay County Business That May Arise during the Commission Meeting and/or comments from the Commissioners:

Chairman McCasland voiced his concern regarding implementing an Animal Control Ordinance.

A MOTION was made by Sue Dowell, SECONDED by Mike Cherry to go into Executive Session pursuant to the Open Meetings Act pursuant to Section 10-15-1(H)7 to discuss Threatened or Pending Litigation. MOTION carried with Cherry voting "aye", McCasland voting "aye" and Dowell voting "aye".

Time noted 10:20 a.m.

-----EXECUTIVE SESSION-----

Return to regular session. Time noted 10:45 a.m.

A MOTION was made by Mike Cherry, SECONDED by Sue Dowell stating only Threatened or Pending Litigation was discussed during Executive Session. MOTION carried with Cherry voting "aye", McCasland voting "aye" and Dowell voting "aye".

There being no further business, a MOTION was made by Sue Dowell SECONDED by Mike Cherry to adjourn. MOTION carried with McCasland voting "aye", Cherry voting "aye" and Dowell voting "aye". Time noted 10:50 a.m.

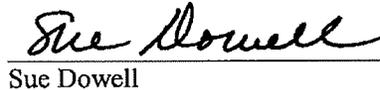
Commissioners adjourned to attend a Work Session in Logan regarding the new Subdivision proposal.

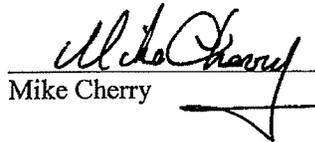
Respectfully submitted by Ellen White, County Clerk.

BOARD OF QUAY COUNTY COMMISSIONERS

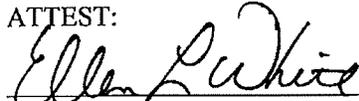


  
Franklin McCasland

  
Sue Dowell

  
Mike Cherry

ATTEST:

  
Ellen L. White, County Clerk

**Clinic/Program Name:** Quay County Family Health Center  
**Month Reported:** March 2019

**Monthly RPHCA Narrative Report**

*Please provide brief but detailed information for the following questions. Answer all questions or mark N/A.*

- 1. Please describe any changes in the types of services provided during the month reported. Describe any discussions about adding new services**

No changes in type of services provided for the month of March.

- 2. Please describe any difficulties encountered in providing services during the month reported. What were the causes of the difficulties?**

Several PTO days taken by both Providers as well as meetings/trainings and community outreach events.

- 3. Were there any changes in the encounters (+ or - 10%) from the previous month reported? Please explain any causes for the changes.**

Encounters are at 82% of the monthly goal for the month of February. This is due mostly to PTO days taken by both Providers and several meetings/trainings.

- 4. Please describe any changes in the staffing pattern (regardless of the position or the change in FTE).**

None. We are fully staffed with the full time position. We are hiring for Temp On Call positions. One clinical and one administrative position.

- 5. Please describe recruitment efforts for any positions. Which positions? What actions have been taken?**

Posting on PMS job site and local hiring FB page.

- 6. Were there any changes to the hours? Explain.**

No changes were made. Hours continue to be 7:00 AM – 5:30 PM, Monday through Friday.

- 7. What efforts did you make to collaborate with local and statewide entities?**

03/08 – Administrator attended the Quay Co Health Meeting  
03/11 & 25 – Administrator met with Quay Co Commissioners  
03/26 – Administrator attended the Community Health Improvement Plan Meeting  
03/29 – Administrator met with the Tobacco Cessation Coordinator

- 8. Please describe any methods for increasing clinic utilization that your program and staff are engaging in.**

Site continues to provide care at the Quay County Detention Center.

**9. Please describe the outreach activities your program and staff provided to the community during the month reported.**

- The Senior Centers in the communities of San Jon and House were visited and senior services were provided.
- 03/19 – Administrator and 2 clinical staff participated in the Maze of Life Event
- 03/21 – QCFHC hosted an STD training with other NMDOH employees/staff.
- 03/29 – Administrator and 1 clinical staff attended and participated in the Community Outreach Event

**10. Have you received any new funding? Are you aware of any new funding opportunities? Please describe any new initiatives or projects that have been implemented.**

None at this time. FY20 RPHCA Grant Application was submitted on 04/04/19

**Please note the date of the last advisory board meeting AND THE AGENDA ITEMS DISCUSSED.**

Meeting was held on March 20, 2019

PMS Board Report  
Dental Access  
Community Outreach  
Clinic Update  
New Board Member Recruitment  
Home Visiting Update

**RPHCA Program  
Monthly Level of Operations Form**

revised 7/7/15

<b>Organization Name: Presbyterian Medical Services</b>		<b>Contract #</b>	18774
<b>Reporting Site: Quay County Family Health Center</b>		<b>Report Month/Year:</b>	04/01/19
<b>Action Plan Item</b>		<b>Actual Monthly Level</b>	
<b>Level of Operations</b>	<b>Total Number of Primary Care Encounters</b>		363
	<b>By Provider Type:</b>		
	Physician Encounters		
	Midlevel Practitioner Encounters		363
	Dentist Encounters		
	Dental Hygienist Encounters		
	Behavioral Health Encounters		
	All Other Licensed/Certified Provider Encounters		
	<b>By Payment Source:</b>		
	Sliding Fee Encounters - Medical/Behavioral Health		35
	Sliding Fee Encounters - Dental		
	Medicaid Encounters - Medical/Behavioral Health		130
	Medicaid Encounters - Dental		
	County Indigent Encounters		
	Other 3 <sup>rd</sup> Party Encounters		90
Medicare Encounters		104	
100% Self Pay (non-discounted/non-3 <sup>rd</sup> party) Encounters		4	
<b>Unduplicated Number of Users</b>	<b>Total # of unduplicated users</b>		20
	At or Below Poverty		14
	Between Poverty and 200% of Poverty		6
	Above 200% of Poverty		
<b>Staffing Level</b>	<b>Administrative Staff</b>		3
		<b>Clinical FTEs</b>	<b>Admin FTEs</b>
	Physicians	0.05	
	Certified Nurse Practitioners	2	3
	Physician Assistants		
	Certified Nurse Midwives		
	Dentists		
	Dental Hygienists		
	Behavioral Health Professionals		
	Community Health Workers		
	Clinical Support Staff		2.2
All Other Staff		0.5	
<b>Prior Month's Primary Care Financial Information</b>	<b>Please enter the month being reported: June</b>		
	<b>Total Primary Care Revenues - all sources</b>		71,284
	Sliding Fee Revenues - Medical		4,224
	Sliding Fee Revenues - Dental		0
	Medicaid Revenues - Medical		21,256
	Medicaid Revenues - Dental		0
	County Indigent Fund Revenues		0
	Other 3 <sup>rd</sup> Party Revenues		10,754
	Medicare Revenues		13,944
	100% Self Pay (non-discounted/non-3 <sup>rd</sup> party) Patient Revenues		222
	Contracts/Grants Revenues (including RPHCA)		20,884
	<b>Total Primary Care Expenditures</b>		72,515
	<b>Total Primary Care Charges</b>		77,537
Sliding Fee Discounts - Medical		8,052	
Sliding Fee Discounts - Dental		0	
<b>Prepared by: C Renee Hayoz</b>		<b>4/8/2019</b>	



# Quay County Extension Service

College of Agricultural, Consumer and Environmental Sciences

## Quarterly Report – January – March 2019

Brenda Bishop, Family Consumer Sciences Agent, County Program Director  
Jason Lamb, Agriculture Agent  
Colette Mapes, Administrative Assistant  
Joyce Runyan, Program Assistant

### Agriculture

#### Production Agriculture

USDA Farm Service Agency asked the Quay County Agricultural Agent to conduct grass assessments for the Noninsured Crop Disaster Assistance Program (NAP). The assessment measures grazing loss for rangeland that is less productive than normal growing seasons. Grass samples were taken from five areas throughout the county, weighed, and grazing loss was calculated against historic data to determine the total percent of grazing loss. This year because of the above normal range grass production there was no loss for the county.

A Beginning Farmer and Landowner Match-up meeting was held as part of the Land Access and mentorship program. Beginning farmers were teamed up with land owners and discussed production planning and the implementation of the products they planned to produce. The program also educated beginning farmers on raising vegetables, small livestock production, hoop house construction, and developing a business plan. Twenty-nine people attended the training, eight of which were beginning farmers.

The Agricultural Agent presented information on hoop houses, cattle production, raising sheep and goats, and helped with setting up and organizing the program. Participants matched-up with land owners and gained a better understanding of production planning. According to evaluations all indicated they learned more about production planning. Eight-five percent stated that the information gained would help them in their businesses.

#### Profitable Livestock Production

The Southwest Beef Symposium is a collaboration between Texas A&M and NMSU. The program rotates between the two states every year. Quay County hosted the 2019 two-day event with 65 producers attending the symposium. Ranchers gained knowledge in beef marketing, Beef Quality Assurance (BQA), water management on the ranch, vaccination protocols, and handling common dystocia problems. The Agricultural Agent moderated the program, assisted with set up, and advertising. Seven local producers received their BQA certification that will enhance safe beef production in the county. Seventy-eight percent of the participants indicated that they increased their knowledge in using modified live viruses and

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sixty-five percent increased knowledge in antimicrobial use in beef cattle according to the evaluations. Eight producers gained skills in handling and identifying calving problems.

An Artificial Insemination (AI) School was held for local ranchers to learn skills that could enhance their cattle operations. Fifteen producers attended the school and gained an in-depth understanding of the processes of AI. Cattle producers gained knowledge of AI equipment, breeding schedules, and vaccinations needed, and participated in hands-on demonstrations. The school was presented by the NMSU Beef Cattle Specialist and the NMSU Livestock specialist. The Agricultural Agent served as host for the school, set up the program, conducted registration and acted as the moderator.

Evaluations showed 98 percent of the participants were likely to utilize the information in the future. All indicated that the program would enhance their efficiency and profitability. Overall rating of the class was excellent to above average. Participants stated that they would like to learn palpation techniques on live animals but the demonstrations were excellent.

The Tucumcari Bull Test Sale occurred at the Tucumcari Agricultural Science Center and is a cooperative program with producers from New Mexico, Colorado, Oklahoma, and Texas. Producers work closely with NMSU specialists to test bulls for the sale. The Agricultural Agent assists with organizing, advertising, and planning the event. The sale grosses over \$350,000 annually for producers and provides local buyers the opportunity to improve their herd genetics through obtaining high quality sires.

## **Quay County 4-H Program**

January is an organizational month for Quay County 4-H. Meetings are held with the shooting sports leaders to prepare for upcoming year and set dates; finance committee to review the expenses of the council and prepare a budget for presentation to the council; 4-H leaders and parents to work on any issues that they feel need change and to work on a calendar for the year. Recommendations were prepared to go to the 4-H Council for discussion and voting.

FEC Agent held two additional practices before the National FCS Bowl trip to help prepare the team. The team's trip was five days and they were accompanied by a parent and the FCS Agent. The FCS Bowl team practiced most of the first two days during the trip and then had some time to do a few fun things after their contest day. They placed 4<sup>th</sup> in the National Contest.

The new Quay County 4-H Council Officers are young. To help these new 4-Hers, a team building workshop was held for them. The workshop was designed to help them get to know each other and to feel comfortable interacting with each other. The growth was amazing during the workshop as the kids learned to work together, practiced making motions and learned their role in keeping the meeting going. Most importantly they learned that the president cannot make motions, so they had to do it. They improved their teamwork skills

while they prepared their own lunch and solved a fun problem. Six of the eight officers attended. The workshop was run by both agents and the program assistant.

Every year 4-H members have the opportunity to meet their legislative representatives in Santa Fe during 4-H Day Roundhouse. Each 4-Her that attends takes a handout to give to the legislators that represent Quay County. The kids and chaperones are required to attend a training on etiquette and make the handout. The Program Assistant provided the training, helped the kids prepare the handouts that included his or her picture and printed them. This is a valuable opportunity that allows 4-H members and parents to see government in action and represent 4-H on a state level. There were seven people that attended the training and went to the roundhouse.

Tractor Supply Company Clover Days is March 27-April 7. During the time shoppers can purchase clovers and 90% of the amount purchased comes back to Quay County. The Program Assistant designed an information board to display at Tractor Supply Company during Clover Days and set it up at the store. The Council Officers will host a reception in April.

### **Enrollment/Organization**

Quay County 4-H enrollment ended in January and our enrollment decreased 14% over last year to 121 members with only 19 first year members. Numbers for many of our projects were similar to last year, the decrease was reflected in lower shooting sports project numbers. The council will be working on recruiting in the Fall. (See Attached Summary.)

While our first year 4-Hers attended a fun packed workshop, the FCS and Agricultural Agent met with new parents for an orientation to Quay County 4-H. They were introduced to the structure of Quay County 4-H and given tips for helping their child succeed in 4-H. They learn where to look for help and answers and were introduced to the roles of the office staff. They received the yearly calendar of activities and learned about fundraisers, contests and record books. They had plenty of opportunity to ask questions and were provided handouts to help them prepare for the year. Six new parents attended the orientation.

March starts the donation campaign for the upcoming Horse Show and Rodeo Events. A meeting was held with volunteers from each 4-H club to divide up businesses to contact. Letters and forms were prepared for 4-Hers to take with them when asking for donations. Letters were sent to the previous saddle donors and some corporations. Program Assistant coordinated the meeting.

### **4-H Project Workshops**

The Welcome to 4-H workshop introduces youth to 4-H and informs them of expectations and opportunities 4-H offers. The Quay County officer team and other junior leaders teach the beginning 4-H members about the pledge, motto, 4-H council, projects, and contests through interactive games. They participate in a demonstration and leadership activity. They do a community service project and they make a fair exhibit. Nine council officers and junior

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leaders helped with the 2019 workshop and they gained valuable leadership experience. Seven first year members attended.

During this quarter four sewing workshops were held for Sewing I 4-Hers by the FCS Agent and Program Assistant. These 4-Hers learned the parts of a sewing machine, how to run and control the speed on their machine, how to thread the machine they will be using and they made a scrunchie. Then they completed a pin cushion, tote bag and most finished a skirt. There are three first year sewers.

Four workshops were held for the Sewing II 4-Hers. They learned to cut out fabric and the importance of pinning. They learned to alter a pattern and how to layout the pattern on their fabric and cut it out. Each made patchwork pillows and most finished their pants. There were five 4-Hers in Sewing II.

The Program Assistant offered a Welcome to Cloverbuds Workshop for our 4-Hers in kindergarten through second grade. During the workshop the Cloverbuds learned the 4-H pledge and hand motions. They learned about the importance of washing hands and did a science experiment about how cakes rise and learned about air and how it affects the way things move while flying paper airplanes. For their snack, they made a cake and learned to measure ingredients and follow a recipe. Eleven Cloverbuds and parents attended.

### **Shooting Sports**

The State 4-H Shooting Sports leader training was held in Tucumcari. The program attracted 111 participants that were trained on shooting sports disciplines such as archery, shotgun, hunting, rifle, pistol, and muzzleloader. The Agricultural Agent assisted in the setup and operation of the programs. Shooting sports instructors learned policies and procedures, tips for teaching youth, shooting sports safety and program management. Plus, instructors become certified to teach youth shooting sports skills. Five new leaders from Quay County were trained that will directly impact Quay County 4-H programs.

Prior to the training, the Program Assistant and Agricultural Agent accompanied three city workers and five 4-Hers to the 5-mile park shooting ranges to clean up trash brought out and dumped by people using the shooting ranges. A dump truck was filled to the top with trash. Another workday was held to hang the arrow curtains and prepare the Southend of the fair barn and Travis Nelson Building for the training and upcoming shooting season.

The Agricultural Agent assisted the Shooting Sports leaders in conducting a shooting sports orientation and safety meeting for all 4-Hers enrolled in shooting sports. During this meeting range rules and equipment needs are discussed. One Hundred and one 4-Hers and parents attended the meeting.

During this quarter Quay County 4-H was notified that the organization will receive \$12,428.37 worth of equipment from the three NRA grants that were submitted in November by the FCS Agent.

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Practices began in March for all five shooting disciplines. All staff help to get equipment to needed practices and work with leaders to make sure everything runs smoothly. The Agricultural Agent assists with Archery practice.

### **School Programs**

The Maze Of Life, sponsored by Mesalands Community College and the Quay County Health Council is held each year for eighth graders, high school and college students. The Maze of Life was held at Mesalands Community College. The event educates youth on health and safety in the community. 415 youth attended the program from Tucumcari Schools and Logan schools. The Agricultural Agent presented information on preparing a quick escape pack that youth can put together for emergencies. Youth learned how easy and inexpensive it is to prepare for a disaster. They learned to pick a place to meet when a disaster occurs and have emergency contact information available. Youth also learned what their families can do to be more prepared.

Egg to Chick is an agricultural education program provided third grade classes. It is a five-week program to incubate fertilized chicken eggs to learn developmental stages, components of the egg, incubation guidelines, food safety and preventing salmonella, and the importance of agriculture. The Program Assistant contacts the all the county schools to make arrangements for the program. The Program Assistant also contacted the egg producers for donations a dozen eggs for each of the 7 classes that participate. The program visits will start in April.

## **Economic and Community Development**

The Agricultural Agent attended a Disasters in Climate Change conference hosted by New Mexico Cooperative Extension Service in conjunction with the Colorado Cooperative Extension. Topics included disaster preparedness such as wild fires, livestock disease out breaks, incident command structures and functions and financial recordkeeping and reporting.

The Agricultural and FCS agents attended an Extension in-service training on Community Development. Topics covered were situational analysis, demographics, power dynamics, how groups function, the community development process, and asset mapping. Agents worked as teams to practice facilitation of community development projects.

The FCS Agent worked with the Chamber and Economic Development Corp to offer two "New Mexico True Hospitality" Trainings. A total of 21 people attended the 3-hour workshop that focused on good customer service and know what is in the area to keep visitors here. Evaluations showed that before the presentation 36% had a high to very high knowledge of tourism and after the presentation 92% had a high to very high knowledge. 80% thought they had high to very high knowledge of providing excellent customer service before the workshop and 100% felt they did after the workshop.

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FCS Agent and Program Assistant assisted Presbyterian Healthcare Services and the Health Council with a Community Health Forum and Community Meeting. Thirty-six people attended the meeting and forty-one people attended the forum. During the meeting the attendees learned the data around health issues affecting Quay County and prioritized the issues. During the forum the participants learned how the previous group prioritized the issues and selected the top six issues to work on. As groups the participants came up with strategies to address the issues. The information will be used for a Community Health Improvement Plan the hospital is required to complete every three years.

## **Family Consumer Sciences**

### **Food and Nutrition**

#### **Gut Microbiome**

FCS Agent presented a program prepared by the Health and Wellness Specialist on the Gut Microbiome. Participants learned what the microbiome is and how it protects our gut from leaky gut. They also learned the role the microbiome plays in all aspects of our health. The program ended with a discussion on prebiotics and probiotics and healthy food choices for your gut. This program was presented to three groups for a total of 50 participants. Evaluations of the program showed knowledge increase around what the gut microbiome does and how what we eat affects it. Forty-seven percent stated that they were very likely to seek out foods to improve their gut health and 32% were likely to. Following the program, three women reported back that they have been purchasing and eating probiotic foods.

FCS Agent prepared a packaged program and provided to each Extension club titled "Easy 4 Ingredient Recipes." These recipes are less expensive to make because they use fewer ingredients. They often are healthier and perfect for a small family of one or two people. Included in the program are tips for success when substituting ingredients.

#### **Diabetes Cooking School**

Kitchen Creations Cooking School for people with diabetes was held for four Thursday evenings in February. The class had 17 enrolled and 15 completed the four sessions. This is an excellent curriculum that combines meal planning with healthy food preparation methods. Participants learn about foods that are high in carbohydrates, portion sizes, how to balance plates and healthy food preparation methods.

All report some success during the cooking school from meeting the weekly goals of applying something they learned that week to lowering blood sugar levels. One lady who was having a hard time keeping her blood sugar low, spoke of eating very little food. She had trained her mind and stomach not to eat much, because she was afraid of carbohydrates. We asked her to try the 50/50 plate and increase the number of servings she was eating. The second week, she reported that her blood sugar numbers had dropped 30 points and she felt better. At the end of the class, she was still struggling with eating food and had decided to focus on being

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sure to get food from each group in a meal. Her blood sugar continued to drop during the four weeks.

### **Healthy You**

Healthy You is an evidence proven program from Colorado State University. Seven were signed up for the seven-week class, but only three people showed up to each of the classes. Participants learned about the importance of including all food groups in their diets, the need to balance intake and output, the importance of varying their exercise, and portions. Participants expressed that they had tried the tips shared at the sessions and the recipes. Favorite recipes were the humus, lime jicama, and kale chips. Participants learned skills in mindful eating habits and the importance of each of the food groups. Each participant had a special dietary health need, so those were addressed. These needs included gluten free, diverticulitis, and diabetes. For one participant the social aspect of the classes was very important as she was feeling isolated after retirement.

During this wrap up session the screenings were repeated. One participant was thrilled to learn she had lost six pounds during the sessions and it wasn't even hard. The best part of the class for her was getting out of the house and being with other women. She felt the suggestions of new foods we discussed and prepared during class were a help. We worked hard to find recipes that helped with each participant's health issues. The other participants did not lose weight, but that was not their goal. They reported that they felt they were eating healthier. One participant had been on a high protein, no carb diet for a long time and was starting to have health complications. She enjoyed learning about making healthy choices from all food groups and has reported adding some carbohydrates to her meals.

### **Health and Wellness**

#### **GROW Healthy Kids**

During this quarter the FCS Agent, Program Assistant and eight members of the Nutrition and Fitness Committee have been very busy with preparing for Spring activities which include a 2019 Step Into Spring Walking Challenge for our more competitive participants and a Move Your Way exercise challenge for couch potatoes and seniors. The campaigns will kick off April 14<sup>th</sup> and last six weeks.

The series of 1<sup>st</sup> Saturday Walks started in March and will continue through September. The first walk of the Spring occurred on a very cold nasty day. The theme was Walk with A Teacher. We did have three teachers show up and two walkers from the community. April's walk will be Walk with a Paws and Claws dog.

#### **Falls Prevention Network**

As a result of the Falls prevention grant that was written in the Fall and awarded, a network was formed. There are six deliverables and work has begun on most of them. The first was forming a network made up of representatives from different sectors of the community. The network has 19 members. A media campaign will begin May 1.

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Another deliverable is to give presentations to 200 Senior Citizens about the dangers of Falls and ways to prevent Falls. FCS Agent prepared a presentation using handouts from the CDC. Don't Fall For It or Over It has been presented four times to 151 Seniors. Of those that completed the evaluations all listed something that they had learned. 68% indicated that they will do a home safety check using the materials provided. Materials were delivered to 22 home-bound seniors. More presentations are planned.

### **Strong Seniors Stay Young**

Utilizing research based curriculum, the classes help Senior Citizens improve their activities of daily living by helping them become more mobile and flexible. The classes involve weight training using hand weights and leg weights, followed by stretching and balance exercises. Classes are held in a dedicated room at Mesaland's Community College and are team taught by FCS Agent and Fitness Center Director. The Spring session of Strong Seniors Stay Young started with 32 participants registered and 25 attending regularly. Those re-enrolling stressed how much the class helps them be able to move better and they feel their balance is better.

### **ServSafe Certification Trainings**

A three-hour ServSafe Food Handlers class was held with five people participating. This class is designed for restaurants and covers how food becomes unsafe and what we need to do to insure food is prepared safely. All five passed the test with an average test score of 97%.

An eight-hour ServSafe Food Manager training was held with seven attending. All attendees learned about the food safety requirements for running a food establishment. Four passed the test to become certified managers and the others only missed the mark by a couple of questions. The food manager training is an intense eight hours of training. The others will be able to take an on-line test for an additional fee. For some this was the first test they had taken since they were in school and the process was intimidating. Average test score was 77%.

### **Resource Management**

Reducing our Carbon Footprint and Reducing Plastic Use were the topics for the Extension Association clubs' program in February. A leader guide was prepared and sent to the two clubs.

The FCE Agent presented the program to 13 foster grandparents and senior companions. The participants learned what a carbon footprint is and easy changes they could make at home to reduce their impact on the environment especially their carbon footprint. As a bonus most of these tips also saves them money as they reduce fuel and heating costs and food wastes. The reducing plastic use tips also helps to save money by using reusable containers instead of throw away plastics.

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**Total personal contacts by staff at the Quay County Extension Service January – March 2019 was 7545. Media contacts was 37387 for a total 44932.**

**Follow Us:**

**Webpage:** <http://quayextension.nmsu.edu/>

**FaceBook:** <https://www.facebook.com/pages/Quay-County-Cooperative-Extension-Service/136226003111147?ref=bookmarks>

**Home Ec Blog:** <http://nmsuguayhomeec.blogspot.com/>

**Ag Blog:** <http://nmsuguayag.blogspot.com/>

**Quay County 4-H Enrollment 2018-2019  
Year Runs from October 1st – September 30th**

Total number of youth enrolled = 126  
Total number of leaders/parents = 111  
First Year Members = 19  
Youth Volunteer enrollment = 1

**Animal Projects:**

- Market Steer: 4
- Heifer: 10
- Horse: 6
- Goat: 26
- Lamb: 3
- Swine: 15
- Poultry: 14
- Rabbit: 11
- Dog: 3
- Rodeo: 17

**Shooting Sports:**

- Archery: 33
- Muzzleloader: 3
- Rifle: 31
- Shotgun: 21
- Pistol: 4

Food Projects: 20  
Clothing Projects: 12  
Art/Crafts/Fibers: 26

Other Projects: 42  
Cloverbud Projects: 43 (18 Members)

**State of New Mexico  
Local Government Budget Management System (LGBMS)**

**Report Recap - Fiscal Year 2018-2019 - Quay County - FY 2019 Q3**

Printed from LGBMS on 2019-04-17 10:52:02

Fund	Cash	Investments	Revenues	Transfers	Expenditures	Adjustments	Balance	Reserves	Adjusted Balance
11000 General Operating Fund	919,702.00	0.00	2,672,871.41	-919,483.00	1,754,273.72	3,205.32	922,012.01	438,568.43	483,443.58
20200 Environmental	126,068.00	0.00	42,338.52	0.00	1,327.29	0.00	167,077.23	0.00	167,077.23
20300 County Property Valuation	81,755.00	0.00	47,686.04	0.00	32,646.34	68.00	96,842.70	0.00	96,842.70
20400 County Road	285,365.00	0.00	1,372,972.48	372,032.80	929,598.82	2,833.64	1,103,607.10	77,466.40	1,026,140.70
20600 Emergency Medical Services	10,825.00	0.00	26,014.00	0.00	19,041.07	1,645.90	19,443.83	0.00	19,443.83
20800 Farm & Range	308.00	0.00	0.00	0.00	0.00	0.00	308.00	0.00	308.00
20900 Fire Protection	988,909.00	0.00	1,159,280.25	-149,772.00	677,255.45	570.83	1,421,742.63	0.00	1,421,742.63
21100 Law Enforcement Protection	0.00	0.00	23,600.00	0.00	23,600.00	0.00	0.00	0.00	0.00
21800 Intergovernmental Grants	4,995.00	0.00	23,664.91	29,493.00	36,420.55	169.99	19,902.35	0.00	19,902.35
22000 Indigent Fund	187,661.00	0.00	260,449.88	0.00	158,902.14	0.00	289,208.74	0.00	289,208.74
22100 Hospital Gross Receipts Tax	882,020.00	0.00	1,109,015.63	-91,697.61	795,599.75	98.69	1,103,836.96	0.00	1,103,836.96
22300 DWI Fund	10,629.00	0.00	96,406.62	0.00	91,776.96	0.00	15,258.66	0.00	15,258.66
22500 Clerks Recording & Filing Fund	22,563.00	0.00	9,186.73	0.00	7,054.57	0.00	24,705.16	0.00	24,705.16
22600 Jail - Detention	93,232.00	0.00	430,358.30	690,000.00	1,102,615.97	1,457.72	112,432.05	0.00	112,432.05
22700 County Emergency Communications and Medical & Behavioral Health GRT	551,559.00	0.00	380,363.05	0.00	297,935.54	0.00	633,986.51	0.00	633,986.51
29900 Other Special Revenue	465,573.00	0.00	121,476.10	91,697.61	235,344.69	-5,765.00	437,637.02	0.00	437,637.02
30200 CDBG (HUD) Project	33,190.00	0.00	20,990.29	50,000.00	61,406.88	16,039.51	59,812.92	0.00	59,812.92
30300 State Legislative Appropriation Project	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

30400 Road/Street Projects	189,434.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	189,434.00	0.00	189,434.00	0.00	189,434.00
39900 Other Capital Projects	2,096,254.00	0.00	4,345.58	-350,000.00	52,689.59	0.00	0.00	0.00	1,697,908.99	0.00	1,697,908.99	0.00	1,697,908.99
40400 MMFA Loan Debt Service	0.00	0.00	153,967.33	277,739.20	284,501.90	4,545.63	0.00	0.00	151,750.26	0.00	151,750.26	0.00	151,750.26
Totals	6,950,042.00	0.00	7,954,985.12	0.00	6,463,989.23	24,870.23	0.00	0.00	8,465,908.12	516,034.83	7,949,873.29	516,034.83	7,949,873.29

**QUAY COUNTY**  
**FISCAL YEAR: 2018-19**  
**REPORT PERIOD: 03/19**

FUND NUMBER AND TITLE	BEGINNING CASH BALANCE	REVENUES	TRANSFERS	EXPENDITURES	CHANGE IN BALANCE SHEET	ENDING CASH BALANCE
401 GENERAL FUND	919,701.49	2,672,871.41	( 919,493.00)	1,754,273.72	3,205.32	922,011.50
402 ROAD FUND	285,384.48	1,372,972.48	372,032.80	929,696.82	2,833.64	1,103,608.58
403 FARM & RANGE FUND	307.87	.00	.00	.00	.00	307.87
406 HEALTH CARE ASSISTANCE FUND	187,860.88	260,449.88	.00	158,902.14	.00	289,208.62
407 FIRE DISTRICT NO 1 FUND	30,015.20	199,759.53	( 25,131.00)	49,464.68	86.58	155,265.65
408 FIRE DISTRICT NO 2 FUND	138,595.84	65,103.89	( 13,764.00)	34,428.91	34.88	153,543.50
409 FIRE DISTRICT NO 3 FUND	165,094.01	66,945.60	( 18,715.00)	20,744.49	.00	192,580.12
410 NARA VISA FIRE FUND	71,065.05	47,021.03	( 13,343.00)	17,065.77	101.45	87,778.76
411 FORREST FIRE FUND	145,217.74	212,220.09	( 8,619.00)	316,775.35	91.37	32,134.85
412 JORDAN FIRE FUND	118,327.20	108,558.25	( 17,138.00)	24,198.84	41.46	183,592.07
413 BARD ENDEE FIRE FUND	172,511.45	243,540.25	( 22,263.00)	37,778.36	83.54	356,093.88
414 EMERGENCY MEDICAL SERVS FUND	10,824.69	28,014.00	.00	19,041.07	1,845.90	19,443.52
415 QUAY FIRE DIST FUND	54,162.23	61,980.68	( 18,453.00)	19,483.81	.00	78,228.10
418 FORRESTRY FIRE FUNDS	144,189.92	19,521.60	.00	18,601.91	.00	147,109.61
418 PORTER FIRE DEPT.	41,968.33	96,904.11	( 12,348.00)	48,081.93	40.92	78,485.43
419 QUAY COUNTY EMERGENCY MANAG	4,178.90	13,482.51	29,493.00	27,420.55	189.99	19,901.85
420 QUAY COUNTY FIRE MARSHALL	53,961.68	59,248.82	.00	9,257.33	90.83	104,042.00
421 DETENTION CENTER	43,632.83	430,358.30	890,000.00	1,082,098.67	1,457.72	83,350.28
430 SAFETY NET CARE POOL FUND	.00	.00	91,697.61	91,697.61	.00	.00
431 COUNTY EMERGENCY COMMUNICAT	551,558.09	380,383.05	.00	297,935.54	.00	633,985.60
499 REAPPRAISAL FUND	81,764.55	47,686.04	.00	32,848.34	88.00	96,842.25
501 HOSPITAL FUND	882,019.64	1,109,015.63	( 91,597.61)	795,599.75	98.69	1,103,836.60
503 RURAL ADDRESSING FUND	73,110.34	2,025.22	.00	22,717.06	.00	52,418.50
516 ASAP - OTHER CHARGES	7,288.37	1,957.36	.00	1,620.79	10.00	7,634.94
520 TUC. DOMESTIC VIOLENCE PROGRA	12,027.93	2,980.92	.00	5,835.14	.00	9,153.71
562 DEBT SERVICE	.00	.00	277,739.20	282,284.83	4,545.83	.00
563 NMFA DEBT RESERVE	.00	153,987.33	.00	2,217.07	.00	151,750.26
601 SEIZURE FUND	58.85	.99	.00	.00	.00	57.85
602 CONFISCATED/SEIZURE FUND	102.90	.00	.00	.00	.00	102.90
603 DRUG ENFORCEMENT FUND	357.97	6.18	.00	.00	.00	364.15
607 LAW ENFORCEMENT PROTECTION F	.00	23,600.00	.00	23,600.00	.00	.00
610 JUVENILE DET OFFICER FUND	49,599.07	.00	.00	20,517.40	.00	29,081.67
613 PRIMARY CARE CLINIC	148,042.04	69,675.36	.00	70,776.35	( 5,775.00)	139,168.05
621 CLERK'S EQUIP REC FUND	22,562.40	9,196.73	.00	7,054.67	.00	24,704.56
622 DWI DISTRIBUTION	8,205.47	76,726.68	.00	76,440.96	.00	8,491.19
623 ENVIRONMENTAL GROSS REC FUND	126,067.81	42,338.52	.00	1,327.29	.00	167,077.04
624 DWI GRANT FUND	2,422.80	18,679.94	.00	15,336.00	.00	6,766.74
628 UNDERAGE DRINKING PREVENTION	817.60	10,182.40	.00	11,000.00	.00	.00
628 MISDEMEANOR COURT COMPLIANCE	37,097.75	12,799.85	.00	13,078.36	.00	36,819.24
631 DWI PROBATION FEES	21,210.35	10,058.67	.00	11,580.10	.00	19,688.92
632 DWI SCREENING FEES	6,389.98	1,424.78	.00	105.00	.00	7,689.76
633 DWI TREATMENT FEES	1,450.83	60.53	.00	.00	.00	1,511.36
634 DWI UA FEES	11,545.45	984.64	.00	1,332.37	.00	11,197.72
639 WILDLIFE SERVICES	4,721.03	.00	.00	.00	.00	4,721.03
649 COUNTY IMPROVEMENTS	2,086,253.19	4,345.58	( 350,000.00)	52,689.59	.00	1,697,909.18
650 ROAD EQUIPMENT FUND	189,433.74	.00	.00	.00	.00	189,433.74
655 CDBG - QUAY COUNTY	32,899.34	.00	50,000.00	50,943.01	16,038.51	47,995.84
656 CDBG PLANNING GRANT	289.82	20,890.29	.00	10,463.87	.00	10,816.24
<b>GRAND TOTAL</b>	<b>6,950,033.11</b>	<b>7,954,985.12</b>	<b>.00</b>	<b>6,463,989.23</b>	<b>24,870.23</b>	<b>8,465,899.23</b>

# Distribution Fund Financial Status Report

Local DWI Program

Exhibit F

Financial Status Report No. **3**

**A. Program Name:** Quincy County      **II. Distribution Computations:**  
**B. Address:** P.O. Box 1248      **A. September:** 25,115.75      **A. Current Yr. Distribution Year To Date:** 76,725.68  
19-D-D-21 Amendment #2      **B. December:** 21,875.45      **B. Current Yr. Expenditures To Date:** 115.44  
8055-97      **C. March:** 0.00      **C. Current Expenditures This Period:** 0.00  
**C. Telephone No.:** (575) 461-2112      **D. Total Year To Date:** 76,725.68      **IV. Report Period Ending:** 31-Mar-19

Budget Categories	Approved Budget			Expenditures Year to Date			Expenditures This Request		
	Distribution Budget	Un/Alloc. Match	Total Budget	Distribution Budget	Un/Alloc. Match	Total Budget	Distribution Budget	Un/Alloc. Match	Total Budget
ADMINISTRATIVE*									
Personnel Services	6,026.00	0.00	6,026.00	4,489.75	0.00	4,489.75	1,533.25	0.00	1,533.25
Employee Benefits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Travel (In-State)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contractual Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PROGRAM									
Personnel Services	60,571.00	17,102.00	77,673.00	47,398.05	12,864.50	60,262.55	16,074.63	3,252.00	19,326.63
Employee Benefits	15,881.00	2,790.00	18,671.00	13,311.12	2,210.08	15,521.18	4,984.33	586.68	5,561.01
Travel (In-State)	2,500.00	0.00	2,500.00	2,498.93	0.00	2,498.93	115.44		115.44
Travel (Out-of-State)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Supplies	0.00	2,000.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating Costs	6,373.00	6,000.00	12,373.00	5,452.61	4,500.00	9,952.61	991.48	1,500.00	2,491.48
Contractual Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Minor Equipment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital Outlay*	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL EXPENDITURES</b>	<b>85,325.00</b>	<b>33,915.00</b>	<b>119,243.00</b>	<b>68,660.71</b>	<b>24,064.31</b>	<b>92,725.02</b>	<b>22,175.88</b>	<b>6,851.93</b>	<b>29,027.81</b>

IV. CERTIFICATION: Under penalty of law, I hereby certify to the best of my knowledge and belief, the above information is correct, expenditures are properly documented, required/matching funds have been spent/obligated in the reported amount, and the copies of all required documentation are attached, or on file for review. The documentation for this payment is true and reflects correct copies of the originals. All payment requests listed are not funded by any other funding source. The services provider shall not bill the grantee and another funding source for the same client at the same time.

Richard D. Primrose, County Manager      Andre Stafe, Coordinator  
 Program Fiscal Officer (Printed Name and Title)      Program Representative (Printed Name and Title)  
Shirley H. Primrose      Andrew Stafe  
 Program Fiscal Officer (Signature)      Program Representative (Signature)  
 Date: 4/17/19      Date: 4-16-2019

(OFF-Local Government Division Use Only)

Local Government Division Fiscal Officer \_\_\_\_\_ Date \_\_\_\_\_  
 Local Government Division Project Representative \_\_\_\_\_ Date \_\_\_\_\_

**LOCAL DWI GRANT FUND**

**Distribution Fund Financial Status Report  
Breakdown By Program Component Expenditures F(1)**

Program: Quay County  
Project No 19-D-21 Amendment #2  
Report No. 3

Total Distribution Reported This Quarter 22,175.88  
Total In-Kind/Match This Quarter 6,861.93  
Total Expenditures Reported This Quarter 29,037.81

**Distribution Expenditures:**

	Budget
Prevention	26,813.00
Enforcement	0.00
Screening	0.00
Domestic Violence	0.00
Treatment:Outpatient/Jailbased	0.00
Compliance Monitoring/Tracking	36,441.00
Coor, Plan & Eval	22,071.00
Alternative Sentencing	0.00
<b>Totals:</b>	<b>85,325.00</b>

This Request	YTD
9,612.46	24,850.03
	0.00
	0.00
	0.00
6,223.41	24,162.33
6,340.01	18,648.35
	0.00
<b>22,175.88</b>	<b>68,660.71</b>

**In-Kind/Match Expenditures:**

	Budget
Prevention	5,500.00
Enforcement	0.00
Screening	0.00
Domestic Violence	0.00
Treatment:Outpatient/Jailbased	0.00
Compliance Monitoring/Tracking	21,048.00
Coor, Plan & Eval	7,372.00
Alternative Sentencing	0.00
<b>Totals:</b>	<b>33,818.00</b>

This Request	YTD	Additional In-Kind/Match
	3,500.00	
	0.00	60
	0.00	
	0.00	
4,738.64	13,839.20	2358.16
2,113.28	6,725.11	1207.37
	0.00	
<b>6,861.93</b>	<b>24,064.31</b>	<b>3625.53</b>

Checks:  
Total Expenditures This Reimbursement: 29,027.81  
Total Expenditures Year to Date: 92,725.02  
Total Additional In-Kind Match Year to Date: 8,291.60

I hereby certify to the best of my knowledge and belief, the above information is correct, expenditures are properly documented, required/matching funds have been spent/obligated in the reported amount, and the copies of all required documentation are attached, or on file for review. The documentation for this payment is true and reflects correct copies of the originals. All payment requests listed are not funded by any other funding source. The service provider shall not bill the grantee and another funding source for the same client at the same time.

*Cheryl Simpson*  
Name

*Finance Director*  
Title

*4/17/19*  
Date

**Exhibit G - Distribution**  
**Detailed Breakdown By Budget Category**  
**LOCAL DWI PROGRAM**

Grantee: Quay County	Total Distribution This Quarter:	22,175.88
Project No.: 19-D-J-D-21	Total In-Kind/Match This Quarter:	6,851.93
Request No.: 3	Total Expenditures Reported This Request:	29,027.81

**Distribution Expenditures:**

**ADMINISTRATIVE**

*Administrative expenses are not allowed.*

**PROGRAM**

**Personnel Services**

Pay Period	Name	Job title	Check Number	Amount	Component
12/23/18-1/5/2019	Andrea Shafer	DWI Coordinator	Direct Deposit	900.00	Coordination
1/6/19-1/19/19	Andrea Shafer	DWI Coordinator	Direct Deposit	900.00	Coordination
1/20/19-2/2/19	Andrea Shafer	DWI Coordinator	Direct Deposit	900.00	Coordination
2/3/19-2/16/19	Andrea Shafer	DWI Coordinator	Direct Deposit	900.00	Coordination
2/17/19-3/2/19	Andrea Shafer	DWI Coordinator	Direct Deposit	900.00	Coordination
3/3/19-3/16/19	Andrea Shafer	DWI Coordinator	Direct Deposit	900.00	Coordination
12/23/18-1/5/2019	Susan Lease	Preventionist	Direct Deposit	701.02	Prevention
1/6/19-1/19/19	Susan Lease	Preventionist	Direct Deposit	701.02	Prevention
1/20/19-2/2/19	Susan Lease	Preventionist	Direct Deposit	701.02	Prevention
2/3/19-2/16/19	Susan Lease	Preventionist	Direct Deposit	701.02	Prevention
2/17/19-3/2/19	Susan Lease	Preventionist	Direct Deposit	701.02	Prevention
12/23/18-1/5/2019	Richard Marano	Compliance Officer	Direct Deposit	8514.55	Compliance
1/6/19-1/19/19	Richard Marano	Compliance Officer	Direct Deposit	854.00	Compliance
1/20/19-2/2/19	Richard Marano	Compliance Officer	Direct Deposit	720.00	Compliance
2/3/19-2/16/19	Richard Marano	Compliance Officer	Direct Deposit	720.00	Compliance
2/17/19-3/2/19	Richard Marano	Compliance Officer	Direct Deposit	720.00	Compliance
3/3/19-3/16/19	Richard Marano	Compliance Officer	Direct Deposit	756.00	Compliance
<b>Total Personnel Services:</b>				<b>16,074.63</b>	

**Employee Benefits**

Pay Period	Name	Job title	Check Number	Amount	Component
12/23/18-1/5/2019	Andrea Shafer	DWI Coordinator	Direct Deposit	158.38	Coordination
1/6/19-1/19/19	Andrea Shafer	DWI Coordinator	Direct Deposit	158.38	Coordination
1/20/19-2/2/19	Andrea Shafer	DWI Coordinator	Direct Deposit	158.38	Coordination
2/3/19-2/16/19	Andrea Shafer	DWI Coordinator	Direct Deposit	158.38	Coordination
2/17/19-3/2/19	Andrea Shafer	DWI Coordinator	Direct Deposit	158.38	Coordination
3/3/19-3/16/19	Andrea Shafer	DWI Coordinator	Direct Deposit	158.11	Coordination

Date of Travel/Location	Purpose of Travel	Check Date	Name	Check Number	Amount	Component
12/23/18-1/5/2019	Susan Lease	1/10/2019	Direct Deposit		328.71	Prevention
1/6/19-1/19/19	Susan Lease	1/24/2019	Direct Deposit		328.71	Prevention
1/20/19-2/2/19	Susan Lease	2/7/2019	Direct Deposit		328.71	Prevention
2/3/19-2/16/19	Susan Lease	2/21/2019	Direct Deposit		1825.82	Prevention
2/17/19-3/2/19	Susan Lease	3/7/2019	Direct Deposit		119.24	Prevention
12/23/18-1/5/2019	Richard Mirano	1/10/2019	Direct Deposit		125.42	Compliance
1/6/19-1/19/19	Richard Mirano	1/24/2019	Direct Deposit		125.42	Compliance
1/20/19-2/2/19	Richard Mirano	2/7/2019	Direct Deposit		125.42	Compliance
2/3/19-2/16/19	Richard Mirano	2/21/2019	Direct Deposit		131.83	Compliance
2/17/19-3/2/19	Richard Mirano	3/7/2019	Direct Deposit		131.83	Compliance
3/3/19-3/16/19	Richard Mirano	3/21/2019	Direct Deposit		133.36	Compliance
Total Employee Benefits:					4,994.33	

Travel (In-State)	Purpose of Travel	Check Date	Name	Check Number	Amount	Component
1/16/2019	NMAC Leg Conf	1/31/2019	Susan Lease	JE-37274	115.44	Compliance

Travel (Out-of-State)	Purpose of Travel	Check Date	Name	Check Number	Amount	Component
					115.44	
Total Travel (In-State):					115.44	
Total Travel (Out-of-State):					0.00	

Supplies (\*Please list Prevention Giveaways/Promotional Items separately below)

Date of Order	Check Date	Vendor/Item	Description	Check Number	Amount	Component
*Prevention Giveaways/Promotional Items						
Total Supplies:					0.00	

Operating Costs

Period Covered	Check Date	Vendor/Item	Description	Check Number	Amount	Component
January 1/4/19	1/23/2019	Xcel Energy	Electricity	37638 Ref 294	78.40	Compliance
February 2/5/19	2/15/2019	Xcel Energy	Electricity	37870 Ref 383	69.79	Compliance
March 3/5/19	3/13/2019	Xcel Energy	Electricity	38042 Ref 348	65.58	Compliance
January 12/26/18	1/10/2019	City of Tucumcari	Water	37619 Ref 76	99.66	Compliance
February 1/22/19	2/7/2019	City of Tucumcari	Water	37795 Ref 540	99.66	Compliance
March 2/25/19	3/7/2019	City of Tucumcari	Water	37967 Ref 31	99.66	Compliance
January 1/10/19	1/24/2019	N M Gas Co.	Heating Fuel	37699 Ref 332	51.00	Compliance
February 2/12/19	2/21/2019	N M Gas Co.	Heating Fuel	37911 Ref 457	51.00	Compliance
March 3/11/19	3/21/2019	N M Gas Co.	Heating Fuel	38097 Ref 421	51.00	Compliance
2/25/2019	3/7/2019	Lowe's Ace Hardw	Drain Cleaner	38008 Ref 78	23.99	Compliance
3/6/2019	3/7/2019	Fought Mechanical	Electrical Maint	37988 Ref 232	188.08	Compliance
1/25/2019	2/15/2019	Wellborn Pharmacy	Gloves	37871 Ref 382	9.03	Compliance
2/4/2019	2/12/2019	SPC Office Products	Envelopes	37923 Ref 364	84.00	Compliance
1/31/2019	1/31/2019	Neopost Mail Machin	Postage	ACH Ref 5	20.63	Compliance
Total Operating Costs:					991.48	

Contractual Services Period Covered	Check Date	Vendor	Description	Check Number	Amount	Component
					0.00	
Total Contractual Services:						
Minor Equipment Date of Order	Check Date	Vendor/Item	Description	Check Number	Amount	Component
					0.00	
Total Minor Equipment:						
Capital Outlay Date of Order	Check Date	Vendor/Item	Description	Check Number	Amount	Component
					0.00	
Total Capital Outlay:						

Total Distribution Expenditures for the Quarter: 22,175.88  
 Check: 22175.88

I hereby certify to the best of my knowledge and belief, the above information is correct, expenditures are properly documented, required / matching funds have been spent / obligated in the reported amount, and that copies of all required documentation are attached or files for review. The documentation for this payment is true and reflects correct copies of the originals.  
 I certify that the items listed in this report have not been billed or reported previously to the Local DWI Grant & Distribution program.  
 I certify that all payment requests listed are not funded by any other funding source and that the service provider shall not bill this grant/distribution fund and any other funding source for the same service provided to the same client at the same time.

Cheryl Saylor Name

Finance Director Title

4/17/19 Date

**Exhibit G - Distribution In-Kind/Match**  
 Detailed Breakdown By Budget Category  
 LOCAL DWI PROGRAM

Grantee:	Quay County	Total Distribution This Quarter:	22,175.88
Project No.:	19-D-J-D-21	Total In-Kind/Match This Quarter:	6,861.93
Request No.:	3	Total Expenditures Reported This Quarter:	29,027.81

**In-Kind/Match Expenditures:**

**ADMINISTRATIVE**

**Personnel Services**

Pay Period	Name	Job Title	Check Number	Amount	Component
Jan, Feb, Mar	Cheryl Simpson	Finance Director		867.15	Compliance
Jan, Feb, Mar	Sheryl Chambers	Bookkeeping		491.10	Compliance
Jan, Feb	Council Meeting	7 Voting Members		175.00	Compliance
Total Personnel Services:				1,533.25	

**Employee Benefits**

Pay Period	Name	Job Title	Check Number	Amount	Component
Total Employee Benefits:				0.00	

**Travel**

Date of Travel/Location	Purpose of Travel	Check Date	Name	Check Number	Amount	Component
Total Travel:						0.00

**Contractual Services**

Period Covered	Check Date	Vendor	Description	Check Number	Amount	Component
Total Contractual Services:						0.00

**Operating Costs**

Period Covered	Check Date	Vendor/Item	Description	Check Number	Amount	Component
Total Operating Costs:						0.00

**PROGRAM**

**Personnel Services**

Pay Period	Name	Job Title	Check Number	Amount	Component
12/23/18-1/5/2019	Richard Marano	Compliance Officer	1110/2019	225.00	Compliance

Pay Period	Name	Job Title	Check Number	Amount	Component
1/6/19-1/19/19	Richard Marano	Compliance Officer	Direct Deposit	240.00	Compliance
1/20/19-2/2/19	Richard Marano	Compliance Officer	Direct Deposit	240.00	Compliance
2/3/19-2/18/19	Richard Marano	Compliance Officer	Direct Deposit	240.00	Compliance
2/17/19-3/2/19	Richard Marano	Compliance Officer	Direct Deposit	252.00	Compliance
3/3/19-3/18/19	Richard Marano	Compliance Officer	Direct Deposit	252.00	Compliance
1/23/19-1/5/2019	Andrea Shafer	DWI Coordinator	Direct Deposit	300.00	Coordination
1/6/19-1/19/19	Andrea Shafer	DWI Coordinator	Direct Deposit	300.00	Coordination
1/20/19-2/2/19	Andrea Shafer	DWI Coordinator	Direct Deposit	300.00	Coordination
2/3/19-2/18/19	Andrea Shafer	DWI Coordinator	Direct Deposit	300.00	Coordination
2/17/19-3/2/19	Andrea Shafer	DWI Coordinator	Direct Deposit	300.00	Coordination
3/3/19-3/18/19	Andrea Shafer	DWI Coordinator	Direct Deposit	300.00	Coordination

Total Personnel Services: 3,252.00

Pay Period	Name	Job Title	Check Number	Amount	Component
1/23/19-1/5/2019	Richard Marano	Compliance Officer	Direct Deposit	39.72	Compliance
1/6/19-1/19/19	Richard Marano	Compliance Officer	Direct Deposit	41.80	Compliance
1/20/19-2/2/19	Richard Marano	Compliance Officer	Direct Deposit	41.80	Compliance
2/3/19-2/18/19	Richard Marano	Compliance Officer	Direct Deposit	41.80	Compliance
2/17/19-3/2/19	Richard Marano	Compliance Officer	Direct Deposit	43.85	Compliance
3/3/19-3/18/19	Richard Marano	Compliance Officer	Direct Deposit	44.42	Compliance
1/23/19-1/5/2019	Andrea Shafer	DWI Coordinator	Direct Deposit	52.12	Coordination
1/6/19-1/19/19	Andrea Shafer	DWI Coordinator	Direct Deposit	52.12	Coordination
1/20/19-2/2/19	Andrea Shafer	DWI Coordinator	Direct Deposit	52.12	Coordination
2/3/19-2/18/19	Andrea Shafer	DWI Coordinator	Direct Deposit	52.12	Coordination
2/17/19-3/2/19	Andrea Shafer	DWI Coordinator	Direct Deposit	52.12	Coordination
3/3/19-3/18/19	Andrea Shafer	DWI Coordinator	Direct Deposit	52.68	Coordination

Total Employee Benefits: 566.68

Date of Travel/Location	Purpose of Travel	Check Date	Name	Check Number	Amount	Component
Total Travel (In-State):					0.00	

Date of Travel/Location	Purpose of Travel	Check Date	Name	Check Number	Amount	Component
Total Travel (Out-of-State):					0.00	

Date of Order	Check Date	Vendor/Item	Description	Check Number	Amount	Component
Total Supplies:					0.00	

Operating Costs	Period Covered	Check Date	Description	Check Number	Amount	Component
January	1/24/2019		Rent	37712	500.00	Compliance-Prob. Fe
February	2/7/2019		Rent	37837	500.00	Compliance-Prob. Fe

March

3/7/2018

Quey County

38025

Rent

899.02

Compliance-Prob. Fe

Total Operating Costs: 1,500.00

Contractual Services	Period Covered	Check Date	Vendor	Description	Check Number	Amount	Component
						Total Contractual Services:	0.00

Minor Equipment	Date of Order	Check Date	Vendor/Item	Description	Check Number	Amount	Component
						Total Minor Equipment:	0.00

Capital Outlay	Date of Order	Check Date	Vendor/Item	Description	Check Number	Amount	Component
						Total Capital Outlay:	0.00

Total In-Kind/ Match: 6,851.93

Check: 6851.93

Additional In-Kind/Match	Total Amount	Fee Amount & Source	Additional Sources
Prevention	\$		Other
Enforcement	\$	60.00 Screening Fees	
Screening	\$		
Domestic Violence			
Treatment: Outpatient/Jail based	\$ 2,358.16		
Compliance Monitoring/Tracking	\$ 1,207.37	Probation Fees	
Coordination, Planning, & Evaluation		U.A. Fees	
Alternative Sentencing			

Fees Collected Summary	All fees collect this reporting period	All fees spent this reporting period
Prevention		
Enforcement	\$ 515.00	\$ 60.00
Screening		
Domestic Violence		
Treatment: Outpatient/Jail based	\$	
Compliance Monitoring/Tracking	\$ 2,817.00	\$ 3,858.16
Coordination, Planning, & Evaluation	\$ 284.00	\$ 1,207.37
Alternative Sentencing		

FY19 Beginning Fee Balance (Must Match Treasurer's Rep)	To Be Completed First Quarter
Prevention	
Enforcement	\$ 6,369.98
Screening	
Domestic Violence	
Treatment: Outpatient	\$ 1,450.83
Compliance Monitoring	\$ 21,210.36
Coordination, Planning	\$ 11,545.46
Alternative Sentencing	\$

I hereby certify to the best of my knowledge and belief, the above information is correct, expenditures are properly documented, required / matching funds have been spent / obligated in the reported amount, and that copies of all required documentation I certify that the items listed in this report have not been billed or reported previously to the Local DWI Grant & Distribution Program. I certify that all payment requests listed are not funded by any other funding source and that the service provider shall not bill this grant/distribution fund and any other funding source for the same service provided to the same client at the same time.

*Cheryl Simpson*  
Name

*Finance Director*  
Title

*4/17/19*  
Date

**LOCAL DWI GRANT PROGRAM  
Request For Payment/Financial Status Report**

Exhibit D

Payment Request No.: **3**

**A. Grantee:** Quay County  
**B. Address:** P.O. Box 1246  
Prichard, NM 88401  
**C. Telephone No.:** (575) 461-1112  
**D. Grant No.:** 19-D-G-21 Amendment #1

**Payment Request No.:** 3  
**A. Grant Award:** \$15,336.00  
**B. Funds Received To Date:** \$7,820.82  
**C. Amount Requested This Payment:** \$7,515.18  
**D. Grant Balance:** \$0.00  
**III. Report Period Ending:** 31-Mar-18

Budget Categories	Approved Budget		Expenditures Year to Date		Expenditures This Request		Total Expenditures
	Grant Funds	In/Kind Match	Grant Funds	In/Kind Match	Grant Funds	In/Kind Match	
<b>ADMINISTRATIVE*</b>							
Personnel Services	0.00	0.00	0.00	0.00	0.00	0.00	Per. Serv.
Employee Benefits	0.00	0.00	0.00	0.00	0.00	0.00	Empl. Ben.
Travel	0.00	0.00	0.00	0.00	0.00	0.00	Travel In
Contractual Services	0.00	0.00	0.00	0.00	0.00	0.00	Contract
Operating Expenses	0.00	0.00	0.00	0.00	0.00	0.00	Operating
<b>PROGRAM</b>							
Personnel Services	11,296.00	1,534.00	11,296.00	1,534.00	5,721.00	0.00	Per. Serv.
Employee Benefits	4,040.00	0.00	4,040.00	0.00	1,794.18	0.00	Empl. Ben.
Travel (In-State)	0.00	0.00	0.00	0.00	0.00	0.00	Travel In
Travel (Out-of-State)	0.00	0.00	0.00	0.00	0.00	0.00	Travel Out
Supplies	0.00	0.00	0.00	0.00	0.00	0.00	Supplies
Operating Costs	0.00	0.00	0.00	0.00	0.00	0.00	Operating
Contractual Services	0.00	0.00	0.00	0.00	0.00	0.00	Contractual
Minor Equipment	0.00	0.00	0.00	0.00	0.00	0.00	Minor Equip
Capital Outlay	0.00	0.00	0.00	0.00	0.00	0.00	Capital Outf
<b>TOTAL EXPENDITURES</b>	<b>15,336.00</b>	<b>1,534.00</b>	<b>16,870.00</b>	<b>1,534.00</b>	<b>7,515.18</b>	<b>0.00</b>	<b>7,515.18</b>

IV. CERTIFICATION: Under penalty of law, I hereby certify to the best of my knowledge and belief, the above information is correct, expenditures are properly documented, required/matching funds have been spent/budgeted in the reported amount, and the copies of all required documentation are attached, or on file for review. The documentation for this payment is true and reflects correct copies of the originals. All payment requests listed are not funded by any other funding source. The service provider shall not bill the grantees and another funding source for the same client at the same time.

Richard D. Ramsey  
 Grantee Fiscal Officer (Printed Name and Title)  
7/9/19  
 Grantee Fiscal Officer (Signature) Date

Andrea Shaker  
 Grantee Representative (Printed Name and Title)  
3/9/2019  
 Grantee Representative (Signature) Date

Local Government Division Fiscal Officer \_\_\_\_\_ Date \_\_\_\_\_  
 Local Government Division Project Representative \_\_\_\_\_ Date \_\_\_\_\_  
(For Local Government Division Use Only)

**LOCAL DWI GRANT PROGRAM**  
 Request for Payment/Financial Status Report  
 Breakdown By Program Component Expenditures D(1)

Exhibit D (1)

Grantee: Quay County  
 Project No. 19-D-G-21 Amendment #1  
 Request No. 3

Total Grant Funds Requested This Request: 7,515.18  
 Total In-Kind/Match This Request: 0.00  
 Total Expenditures Reported This Request: 7,515.18

Grant Expenditures:	Budget	This Request	YTD
Prevention	15,338.00	7,515.18	15,338.00
Enforcement	0.00		0.00
Screening	0.00		0.00
Domestic Violence	0.00		0.00
Treatment: Outpatient/Jailbased	0.00		0.00
Compliance Monitoring/Tracking	0.00		0.00
Coordination, Planning & Evaluation	0.00		0.00
Alternative Sentencing	0.00		0.00
<b>Totals:</b>	<b>15,338.00</b>	<b>7,515.18</b>	<b>15,338.00</b>

In-Kind/Match Expenditures:	Budget	This Request	YTD	Additional In-Kind/Match
Prevention	1,534.00		1,534.00	
Enforcement	0.00		0.00	
Screening	0.00		0.00	
Domestic Violence	0.00		0.00	
Treatment: Outpatient/Jailbased	0.00		0.00	
Compliance Monitoring/Tracking	0.00		0.00	
Coordination, Planning & Evaluation	0.00		0.00	
Alternative Sentencing	0.00		0.00	
<b>Totals:</b>	<b>1,534.00</b>	<b>0.00</b>	<b>1,534.00</b>	<b>0</b>

Total Expenditures This Reimbursement: 7,515.18  
 Total Expenditures Year to Date: 15,870.00  
 Total Additional In-Kind Match Year to Date: 874.58

7515.18  
16870.00

I hereby certify to the best of my knowledge and belief, the above information is correct, expenditures are properly documented, required/matching funds have been spent/obligated in the reported amount, and the copies of all required documentation are attached, or on file for review. The documentation for this payment is true and reflects correct copies of the originals. All payment requests listed are not funded by any other funding source. The service provider shall not bill the grantee and another funding source for the same client at the same time.

Cheryl Simpson  
 Name

Finance Director  
 Title

3/19/2019  
 Date





**Exhibit G - Grant In-Kind/Match**  
**Detailed Breakdown By Budget Category**  
**LOCAL DWI GRANT PROGRAM**

Grantee:	Quay County	Total Grant Funds Requested This Request:	7,515.18
Project No.:	19-D-J-G-21	Total In-Kind/Match This Request:	0.00
Request No.:	3	Total Expenditures Reported This Request:	7,515.18

**In-Kind/Match Expenditures:**

**ADMINISTRATIVE**  
**Personnel Services**

Pay Period	Name	Job Title	Check Number	Amount	Component
Total Personnel Services:				0.00	

**Employee Benefits**

Pay Period	Name	Job Title	Check Number	Amount	Component
Total Employee Benefits:				0.00	

**Travel**

Date of Travel	Location	Purpose of Travel	Check Date	Name	Check Number	Amount	Component
Total Travel:						0.00	

**Contractual Services**

Period Covered	Check Date	Vendor	Description	Check Number	Amount	Component
Total Contractual Services:					0.00	

**Operating Costs**

Period Covered	Check Date	Vendor/Item	Description	Check Number	Amount	Component
Total Operating Costs:					0.00	

**PROGRAM**  
**Personnel Services**

Pay Period	Name	Job Title	Check Number	Amount	Component

Employee Benefits	Pay Period	Name	Job Title	Check Number	Amount	Component
Total Personnel Services:						0.00

Travel (In-State)	Date of Travel/Location	Purpose of Travel	Check Date	Name	Check Number	Amount	Component
Total Employee Benefits:							0.00

Travel (Out-of-State)	Date of Travel/Location	Purpose of Travel	Check Date	Name	Check Number	Amount	Component
Total Travel (In-State):							0.00
Total Travel (Out-of-State):							0.00

Supplies	Date of Order	Check Date	Vendor/Item	Description	Check Number	Amount	Component
Total Supplies:							0.00

Operating Costs	Period Covered	Check Date	Vendor/Item	Description	Check Number	Amount	Component
Total Operating Costs:							0.00

Contractual Services	Period Covered	Check Date	Vendor	Description	Check Number	Amount	Component
Total Contractual Services:							0.00

Minor Equipment	Date of Order	Check Date	Vendor/Item	Description	Check Number	Amount	Component

Total Minor Equipment: 0.00

Capital Outlay Date of Order	Check Date	Vendor/Item	Description	Check Number	Amount	Component
					<b>Total Capital Outlay:</b>	0.00

Total In-Kind/ Match: Check: 0.00

Additional In-Kind/Match	Total Amount	Fee Amount & Source	Additional Sources
Prevention			
Enforcement			
Screening			
Domestic Violence			
Treatment: Outpatients/Jail based			
Compliance Monitoring/Tracking			
Coordination, Planning, & Evaluation			
Alternative Sentencing			

I hereby certify to the best of my knowledge and belief, the above information is correct, expenditures are properly documented, required / matching funds have been spent / obligated in the reported amount, and that copies of all required documentation I certify that the items listed in this report have not been billed or reported previously to the Local DWI Grant & Distribution program. I certify that all payment requests listed are not funded by any other funding source and that the service provider shall not bill this grant/distribution fund and any other funding source for the same service provided to the same client at the same time.

Cheryl Simpson  
Name

Finance Director  
Title

3/19/2019  
Date

**RENTAL AGREEMENT**

**1. Parties**

The parties to this agreement are Quay County, hereinafter called "landlord", and Quay County DWI Program, hereinafter called "tenant."

**2. Property**

Landlord hereby lets the following property to tenant for the term of this agreement:

(a) the real property known as:

**113 E. Main Street described as: Lot 17, Block 34 of Tucumcari OT Subdivision**

And (b) the following furniture and appliances on said property:

\_\_\_\_\_  
\_\_\_\_\_

**3. Term**

This agreement shall run from month-to-month, beginning on: July 1, 2019 until June 30, 2020.  
This agreement will automatically renew contingent upon Quay County receiving DWI Distribution Funds or unless one of the parties hereto notifies the other of its termination. Either party to this agreement may cancel the agreement by written notice to the appropriate party representatives no later than 30 days prior to the actual cancellation.

**4. Rent**

The monthly rental for said property shall be \$ 600.00, due and payable by check by the 1<sup>st</sup> day of each month.

**5. Utilities**

Tenant agrees to furnish the following services and/or utilities: (X) electricity, (X) gas, (X) garbage collection, (X) trash removal, and (X) water.

**6. Deposits**

Tenant will pay the following deposits and/or fees:

**No deposit required**

To \_\_\_\_\_

This amount will be refunded within three weeks following the termination of the tenancy; unpaid rent, charges for damages beyond normal wear and tear, and costs for reasonable cleaning may be deducted.

**In addition, it is agreed:**

7. Tenant shall not lease, sublease or assign the premises without the prior written consent of the landlord (but this consent shall not be withheld unreasonably).
8. Landlord may enter the premises at reasonable times for the purpose of inspection, maintenance or repair, and show the premises to buyers or prospective tenants.



Contract No.

**STATE OF NEW MEXICO  
AUDIT CONTRACT**

Quay County

hereinafter referred to as the "Agency," and

Carr, Riggs & Ingram, LLC

hereinafter referred to as the "Contractor," agree:

As required by the Audit Rule, NMAC Section 2.2.2.1 et seq., Contractor agrees to, and shall, inform the Agency of any restriction placed on Contractor by the Office of the State Auditor pursuant to NMAC Section 2.2.2.8, and whether the Contractor is eligible to enter into this Contract despite the restriction.

1. **SCOPE OF WORK** (Include in Paragraph 25 any expansion of scope)

A. The Contractor shall conduct a financial and compliance audit of the Agency for Fiscal Year 2019 in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the Audit Act and the Audit Rule (NMAC Section 2.2.2.1 et seq.).

2. **DELIVERY AND REPRODUCTION**

A. In order to meet the delivery terms of this Contract, the Contractor shall deliver the following documents to the State Auditor on or before the deadline set forth for the Agency in NMAC Section 2.2.2.9:

- 1. an organized, bound and paginated hard copy of the Agency's audit report for review;
- 2. a copy of the signed management representation letter provided to the IPA by the Agency as required by AU-C580; and
- 3. a copy of the completed State Auditor Report Review Guide available at [www.osanm.org](http://www.osanm.org);

B. Reports postmarked by the Agency's due date will be considered received by the due date for purposes of NMAC Section 2.2.2.9. Unfinished or excessively deficient reports will not satisfy this requirement; such reports will be rejected and returned to the Contractor and the State Auditor may take action in accordance with NMAC Section 2.2.2.13. If the State Auditor does not receive copies of the management representation letter and the completed Report Review Guide with the audit report or prior to submittal of the audit report, the State Auditor will not consider the report submitted to the State Auditor.

C. As soon as the Contractor becomes aware that circumstances exist that will make the Agency's audit report late, the Contractor shall immediately provide written notification of the situation to the State Auditor. The notification shall include an explanation regarding why the audit report will be late, when the IPA expects to submit the report and a concurring signature by the Agency.

D. Pursuant to NMAC Section 2.2.2.10, the Contractor shall prepare a written and dated engagement letter that identifies the specific responsibilities of the Contractor and the Agency.

E. After its review of the audit report pursuant to NMAC Section 2.2.2.13, the State Auditor shall authorize the Contractor to print and submit the final audit report. Within five business days after the date of the authorization to print and submit the final audit report, the Contractor shall provide the State Auditor an electronic version of the audit report, in PDF format, and the electronic copy of the Excel version of the Summary of Findings Form, Vendor Schedule, Fund Balances, and any GASB 77 data (if applicable). After the State Auditor officially releases the audit report by issuance of a release letter, the Contractor shall deliver 3 copies of the audit report to the Agency. The Agency or Contractor shall ensure that every member of the Agency's governing authority shall receive a copy of the report.

F. The Agency, upon delivery of its audit report, shall submit to the Federal Audit Clearinghouse (FAC) the completed dated collection form and the reporting package described in Section 200.512 of Uniform Guidance for Federal Awards. The submission is required to be made within 30 calendar days of receipt of the auditor's report, or nine months after the end of the audit period.

3. **COMPENSATION**

- A. The total amount payable by the Agency to the Contractor under this Contract shall not exceed \$39,158.63 including applicable gross receipts tax.
- B. Contractor agrees not to, and shall not, perform any services in furtherance of this Contract prior to approval by the State Auditor. Contractor acknowledges and agrees that it will not be entitled to payment or compensation for any services performed by Contractor pursuant to this Contract prior to approval by the State Auditor.
- C. Total Compensation will consist of the following:

SERVICES	AMOUNTS
(1) Financial statement audit	<u>\$29,150.00</u>
(2) Federal single audit	<u>\$0.00</u>
(3) Financial statement preparation	<u>\$7,150.00</u>
(4) Other nonaudit services, such as depreciation schedule updates	<u>\$0.00</u>
(5) Other (i.e., component units, specifically identified)	<u>\$0.00</u>

Gross Receipts Tax = \$2,858.63

Total Compensation = \$39,158.63 including applicable gross receipts tax

- D. The Agency shall pay the Contractor the New Mexico gross receipts tax levied on the amounts payable under this Contract and invoiced by the Contractor. Payment is subject to availability of funds pursuant to the Appropriations Paragraph set forth below.
- E. The State Auditor may authorize progress payments to the Contractor by the Agency; provided that the authorization is based upon evidence of the percentage of audit work completed as of the date of the request for partial payment. Progress payments up to 70% do not require State Auditor approval, provided that the Agency certifies receipt of services. The Agency must monitor audit progress and make progress payments only up to the percentage that the audit is completed prior to making such payment. Progress payments of 70% or more but less than or equal to 90% require State Auditor approval after being approved by the Agency. If requested by the State Auditor, the Agency shall provide a copy of the approved progress billings. The State Auditor may allow only the first 50% of progress payments to be made without State Auditor approval if the Contractor's previous audits were submitted after the due date. Final payment for services rendered by the Contractor shall not be made until a determination and written finding is made by the State Auditor in the release letter that the audit has been made in a competent manner in accordance with the provisions of this Contract and applicable rules of the State Auditor.
4. **TERM.** Unless terminated pursuant to Paragraphs 5 or 19, this Contract shall terminate one calendar year after the latest date on which it is signed.

#### 5. **TERMINATION, BREACH AND REMEDIES**

- A. This Contract may be terminated:
1. By either party without cause, upon written notice delivered to the other party and the State Auditor at least ten (10) days prior to the intended date of termination.
  2. By either party, immediately upon written notice delivered to the other party and the State Auditor, if a material breach of any of the terms of this Contract occurs. Unjustified failure to deliver the report in accordance with Paragraph 2 shall constitute a material breach of this Contract.
  3. By the Agency pursuant to Paragraph 19, immediately upon written notice to the Contractor and the State Auditor.
  4. By the State Auditor, immediately upon written notice to the Contractor and the Agency after determining that the audit has been unduly delayed, or for any other reason.
- B. By termination, neither party may nullify obligations already incurred for performance or failure to perform prior to the date of termination. If the Agency or the State Auditor terminates this Contract, the Contractor shall be entitled to compensation for work performed prior to termination in the amount of earned, but not yet paid, progress payments, if any, that the State Auditor has authorized to the extent required by Paragraph 3(E). If the Contractor terminates this Contract for any reason other than Agency's breach of this Contract, the Contractor shall repay to the Agency the full amount of any progress payments for work performed under the terms of this Contract.
- C. Pursuant to NMAC Section 2.2.2.8, the State Auditor may disqualify the Contractor from eligibility to contract for audit services with the State of New Mexico if the Contractor knowingly makes false statements, false assurances or false disclosures under this Contract. The State Auditor on behalf of the Agency or the Agency may bring a civil action for damages or any other relief against a Contractor for a material breach of this Contract.
- D. **THE REMEDIES HEREIN ARE NOT EXCLUSIVE, AND NOTHING IN THIS SECTION 5 WAIVES OTHER LEGAL RIGHTS AND REMEDIES OF THE PARTIES.**

**6. STATUS OF CONTRACTOR**

The Contractor and its agents and employees are independent contractors performing professional services for the Agency and are not employees of the Agency. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles or any other benefits afforded to employees of the Agency as a result of this Contract. The Contractor agrees not to purport to bind the State of New Mexico to any obligation not assumed under this Contract unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

**7. ASSIGNMENT**

The Contractor shall not assign or transfer any interest in this Contract or assign any claims for money due or to become due under this Contract.

**8. SUBCONTRACTING**

The Contractor shall not subcontract any portion of the services to be performed under this Contract without the prior written approval of the Agency and the State Auditor. An agreement between the Contractor and a subcontractor to subcontract any portion of the services under this Contract shall be completed on a form prescribed by the State Auditor. The agreement shall be an amendment to this Contract and shall specify the portion of the audit services to be performed by the subcontractor, how the responsibility for the audit will be shared between the Contractor and the subcontractor, the party responsible for signing the audit report and the method by which the subcontractor will be paid. Pursuant to NMAC Section 2.2.2.8, the Contractor may subcontract only with independent public accounting firms that are on the State Auditor's List of Approved Firms, and that are not otherwise restricted by the Office from entering into such a contract.

**9. RECORDS**

The Contractor shall maintain detailed time records that indicate the date, time, and nature of services rendered during the term of this Contract. The Contractor shall retain the records for a period of at least five (5) years after the date of final payment under this contract. The records shall be subject to inspection by the Agency and the State Auditor. The Agency and the State Auditor shall have the right to audit billings both before and after payment. Payment under this Contract shall not foreclose the right of the Agency or the State Auditor on behalf of the Agency to recover excessive or illegal payments.

**10. RELEASE**

The Contractor, upon receiving final payment of the amounts due under the Contract, releases the State Auditor, the Agency, their respective officers and employees and the State of New Mexico from all liabilities, claims and obligations whatsoever arising from or under this Contract. This paragraph does not release the Contractor from any liabilities, claims or obligations whatsoever arising from or under this Contract.

**11. CONFIDENTIALITY**

All information provided to or developed by the Contractor from any source whatsoever in the performance of this Contract shall be kept confidential and shall not be made available to any individual or organization by the Contractor, except in accordance with this Contract or applicable standards, without the prior written approval of the Agency and the State Auditor.

**12. PRODUCT OF SERVICES; COPYRIGHT AND REPORT USE**

Nothing developed or produced, in whole or in part, by the Contractor under this Contract shall be the subject of an application for copyright by or on behalf of the Contractor. The Agency and the State Auditor may post an audited financial statement on their respective websites once it is publicly released by the State Auditor. For District Courts and District Attorneys only, the contractor agrees that the Financial Control Division of the Department of Finance and Administration (DFA) is free to use the audited financial statements in the statewide Comprehensive Annual Financial Report (CAFR) and that the Contractor's audit report may be relied upon during the audit of the statewide CAFR, if applicable. However, DFA should not provide to any third party, other than the CAFR auditor, the District Courts' or District Attorneys' draft audit reports or their opinion letters or findings.

**13. CONFLICT OF INTEREST**

The Contractor represents and warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Contract. Each of the Contractor and the Agency certifies that it has followed the requirements of the Governmental Conduct Act, Section 10-16-1, et seq., NMSA 1978, regarding contracting with a public officer, state employee or former state employee, as required by the applicable professional standards.

**14. INDEPENDENCE**

The Contractor represents and warrants its personal, external and organizational independence from the Agency in accordance with the *Government Auditing Standards 2011 Revision*, issued by the Comptroller General of the United States, and NMAC Section 2.2.2.8. The Contractor shall immediately notify the State Auditor and the Agency in writing if any impairment to the Contractor's independence occurs or may occur during the period of this Contract.

**15. AMENDMENT**

This Contract shall not be altered, changed or amended except by prior written agreement of the parties and with the prior written approval of the State Auditor. Any amendments to this Contract shall comply with the Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978.

16. **MERGER**

This Contract supersedes all of the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Contract. Contractor and Agency shall enter into and execute an engagement letter pursuant to NMAC Section 2.2.2.10, consistent with Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards (GAGAS). The engagement letter and any associated documentation included with or referenced in the engagement letter shall not be interpreted to amend this Contract. Conflicts between the engagement letter and this Contract are governed by this Contract, and shall be resolved accordingly.

17. **APPLICABLE LAW**

The laws of the State of New Mexico shall govern this Contract. By execution of this Contract, Contractor irrevocably consents to the exclusive personal jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising from or related to this Contract.

18. **AGENCY BOOKS AND RECORDS**

The Agency is responsible for maintaining control of all books and records at all times and the Contractor shall not remove any books and records from the Agency's possession for any reason.

19. **APPROPRIATIONS**

The terms of this Contract are contingent upon sufficient appropriations and authorization being made by the legislature or the Agency's governing body for the performance of this Contract. If sufficient appropriations and authorization are not made by the legislature or the Agency's governing body, this Contract shall terminate upon written notice being given by the Agency to the Contractor. The Agency's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. This section of the Contract does not supersede the Agency's requirement to have an annual audit pursuant to Section 12-6-3(A) NMSA 1978.

20. **PENALTIES FOR VIOLATION OF LAW**

The Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for bribes, gratuities and kickbacks.

21. **EQUAL OPPORTUNITY COMPLIANCE**

The Contractor shall abide by all federal and state laws, rules and regulations, and executive orders of the Governor of the State of New Mexico pertaining to equal employment opportunity. In accordance with all such laws, rules, regulations and orders, the Contractor assures that no person in the United States shall, on the grounds of race, age, religion, color, national origin, ancestry, sex, physical or mental handicap or serious medical condition, spousal affiliation, sexual orientation or gender identity be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Contract. If the Contractor is found not to be in compliance with these requirements during the life of this Contract, the Contractor shall take appropriate steps to correct these deficiencies.

22. **WORKING PAPERS**

A. The Contractor shall retain its working papers of the Agency's audit conducted pursuant to this Contract for a period of at least five (5) years after the date shown on the opinion letter of the audit report, or longer if requested by the federal cognizant agency for audit, oversight agency for audit, pass through-entity or the State Auditor. The State Auditor shall have access to the working papers at the State Auditor's discretion. When requested by the State Auditor, the Contractor shall deliver the original or clear, legible copies of all working papers to the requesting entity.

B. The Contractor should follow the guidance of AU-C 210 A.27 to A.31 and AU-C 510 .A3 to .A11 in communications with the predecessor auditor and to obtain information from the predecessor auditor's audit documentation.

23. **DESIGNATED ON-SITE STAFF**

The Contractor's on-site individual auditor responsible for supervision of work and completion of the audit is Eric Spurlin. The Contractor shall notify the Agency and the State Auditor in writing of any changes in staff assigned to perform the audit.

24. **INVALID TERM OR CONDITION**

If any term or condition of this Contract shall be held invalid or unenforceable, the remainder of this Contract shall not be affected.

25. **OTHER PROVISIONS**

SIGNATURE PAGE

This Contract is made effective as of the date of the latest signature.

AGENCY

CONTRACTOR

Quay County

Carr, Riggs & Ingram, LLC

PRINTED NAME:	<u>Franklin McCasland</u>	PRINTED NAME:	_____
SIGNATURE:	<u>Franklin McCasland</u>	SIGNATURE:	_____
TITLE:	<u>Commission Chair</u>	TITLE:	_____
DATE:	<u>4/22/2019</u>	DATE:	_____



State Auditor Contract No. 19 - 5020

FY 2018-2019 Resolution No. 29  
RESOLUTION AND AGREEMENT  
OF  
QUAY COUNTY

APPROVING PARTICIPATION IN THE PROGRAMS  
OF THE  
EASTERN PLAINS COUNCIL OF GOVERNMENTS  
FOR FISCAL YEAR 2019-2020

WHEREAS the County of Quay (hereinafter known as the "MEMBER"), desires to continue as a participating member in the programs and policy development for the Eastern Plains Council of Governments (hereinafter known as the "EPCOG"):

WHEREAS, it is necessary and desirable that an agreement setting forth the services to be performed by the EPCOG and the MEMBER be entered into, with the EPCOG agreeing to furnish the following:

- a. Implement the work program as established by the EPCOG Board of Directors for the 2019-2020 Fiscal Year including providing technical assistance, project and program planning, proposal development and funding assistance.
- b. Continue eligibility as an Economic Development District for participating localities under Section 402 of the Public Works and Economic Development Act of 1965, as amended.
- c. Address problems, issues and opportunities of a regional nature which go beyond single municipal or county jurisdictional boundaries and serve as a liaison and advocate for local governments within the region at the state and federal levels.
- d. Contract with NMDOT to provide RPO planning assistance to the Northeast and Southwest RPOs in collaboration with SENMEDD/COG and NCNMEDD.
- e. Support planning, development and implementation of infrastructure plans and projects including assistance with preparation of Infrastructure Capital Improvement Plans (ICIP) as requested.

WHEREAS it is necessary to set forth the sum to be paid by the MEMBER to the EPCOG as annual dues, thereby placing the MEMBER with voting powers on the EPCOG Board of Directors as provided in the EPCOG By-Laws, with the MEMBER agreeing to furnish the following:

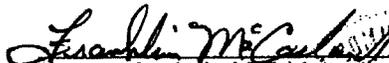
- a. To participate through their designated representative or alternate, in EPCOG's policy development process by attending meetings, helping formulate the annual work program, reviewing the EPCOG Goals and Objectives, and concurrences with the District Comprehensive Economic Development Strategy (CEDS).
- b. To pay to the EPCOG the sum of \$2,216.00 as annual membership dues as payment for the aforementioned services for the period beginning July 1, 2019 and ending June 30, 2020.
- c. The MEMBER hereby appoints Richard Pinnose as their designated representative and Duke Cherry as alternate.

NOW THEREFORE BE IT RESOLVED THAT the MEMBER and the EPCOG hereby mutually agree to the aforementioned provisions of the Resolution and Agreement.

ATTESTATION:

  
Clerk or other Authorized Official

MEMBER GOVERNMENT

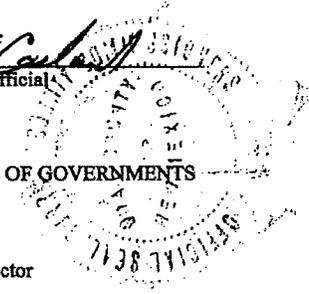
  
Signature of Authorized Official

ATTESTATION:

  
Mary Gray, Executive Assistant

EASTERN PLAINS COUNCIL OF GOVERNMENTS

  
Sandy Chancey, Executive Director



STATE OF NEW MEXICO

QUAY COUNTY

The County Commission (the "Governing Body") of Quay County, New Mexico, met in regular session in full conformity with law and the rules and regulations of the Governing Body at 301 S. 3<sup>rd</sup> Street, Tucumcari, New Mexico 88401, being the meeting place of the Governing Body for the regular meeting held on April 22, 2019, at the hour of 9:00 a.m. Upon roll call, the following members were found to be present:

Present: Franklin McCasland, Chairman  
Mike Cherry, Member  
Sue Dowell, Member

\_\_\_\_\_

\_\_\_\_\_

Absent: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Also Present: Richard Primrose, Manager  
Ellen White, Clerk  
Cheyl Simpson, Finance Director

Thereupon, there was officially filed with the Chairman and County Clerk a copy of a proposed resolution in final form.

QUAY COUNTY, NEW MEXICO  
RESOLUTION 2018-2019 No. 28

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND INTERCEPT AGREEMENT BY AND BETWEEN QUAY COUNTY, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY (THE "FINANCE AUTHORITY"), EVIDENCING A SPECIAL, LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT OF \$150,000 TOGETHER WITH INTEREST THEREON, FOR THE PURPOSE OF PURCHASING NEW FIREFIGHTING APPARATUS AND RELATED EQUIPMENT FOR THE BARD-ENDEE VOLUNTEER FIRE DEPARTMENT WITHIN THE GOVERNMENTAL UNIT, PAYING A LOAN PROCESSING FEE; AND PROVIDING FOR THE PLEDGE AND PAYMENT OF THE PRINCIPAL AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE DISTRIBUTION OF STATE FIRE PROTECTION FUND REVENUES DISTRIBUTED BY THE STATE TREASURER TO THE GOVERNMENTAL UNIT PURSUANT TO SECTION 59A-53-7, NMSA 1978; PROVIDING FOR THE DISTRIBUTION OF STATE FIRE PROTECTION FUND REVENUES TO BE REDIRECTED BY THE STATE TREASURER TO THE FINANCE AUTHORITY OR ITS ASSIGNS FOR THE PAYMENT OF PRINCIPAL AND INTEREST DUE ON THE LOAN AGREEMENT PURSUANT TO AN INTERCEPT AGREEMENT; APPROVING THE FORM AND TERMS OF, AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT AND INTERCEPT AGREEMENT; SETTING THE MAXIMUM INTEREST RATE OF THE LOAN; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT AND INTERCEPT AGREEMENT.

Capitalized terms used in the following recitals have the same meaning as defined in Section 1 of this Resolution unless the context requires otherwise.

WHEREAS, the Governmental Unit is a legally and regularly created, established, organized and existing county under the general laws of the State; and

WHEREAS, the Governing Body has determined and hereby determines that the Project may be financed with amounts borrowed under the Loan Agreement and that it is in the best interest of the Governmental Unit and its residents that the Loan Agreement and Intercept Agreement be executed and delivered and that the financing of the acquisition of the Project take place by executing and delivering the Loan Agreement and Intercept Agreement; and

WHEREAS, the Governmental Unit may use the Pledged Revenues to finance the Project; and

WHEREAS, the Governing Body has determined pursuant to the Act that it may lawfully pledge the Pledged Revenues for the payment of amounts due under the Loan Agreement; and

WHEREAS, other than as described in Exhibit "A" to the Loan Agreement, the Pledged Revenues have not been pledged to secure the payment of any obligation which is currently outstanding; and

WHEREAS, the Loan Agreement shall be a special, limited obligation of the Governmental Unit, payable solely from the Pledged Revenues and shall not constitute a general obligation of the Governmental Unit, or a debt or pledge of the full faith and credit of the Governmental Unit or the State; and

WHEREAS, the Governmental Unit desires to provide that distributions of the Pledged Revenues be redirected to the Finance Authority or its assigns pursuant to the Intercept Agreement between the Governmental Unit and the Finance Authority (the "Intercept Agreement") for the payment of amounts due under the Loan Agreement; and

WHEREAS, other than the Pledged Revenues, no tax revenues collected by the Governmental Unit shall be pledged to the Loan Agreement; and

WHEREAS, there have been presented to the Governing Body and there presently are on file with the County Clerk this Resolution and the forms of the Loan Agreement and Intercept Agreement, which are incorporated by reference and considered to be a part hereof; and

WHEREAS, the Governing Body hereby determines that the Project to be financed by the Loan is to be used for governmental purposes of the Governmental Unit and will not be used for purposes which would cause the Loan Agreement to be deemed a "private activity bond" as defined by the Internal Revenue Code of 1986, as amended; and

WHEREAS, the Governing Body intends by this Resolution to authorize the execution and delivery of the Loan Agreement in the amount and for the purposes set forth herein; and

WHEREAS, all required authorizations, consents and approvals in connection with (i) the use and pledge of the Pledged Revenues to the Finance Authority (or its assigns) for the payment of the amounts due under the Loan Agreement, (ii) the use of the proceeds of the Loan Agreement to finance the Project, and (iii) the authorization, execution and delivery of the Loan Agreement and Intercept Agreement which are required to have been obtained by the date of this Resolution, have been obtained or are reasonably expected to be obtained.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF QUAY COUNTY, NEW MEXICO:

Section 1. Definitions. As used in this Resolution, the following terms shall, for all purposes, have the meanings herein specified, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined):

"Act" means the general laws of the State, Sections 4-62-1 through 4-62-10, NMSA 1978, as amended, Sections 59A-53-1 through 59A-53-19, NMSA 1978, as amended, and enactments of the Governing Body relating to the Loan Agreement and Intercept Agreement, including this Resolution.

“Aggregate Annual Debt Service Requirement” means the total principal and interest payments due and payable pursuant to the Loan Agreement and on all Parity Obligations secured by a pledge of the Pledged Revenues for any one Fiscal Year.

“Authorized Officers” means the Chairman, Vice Chairman, Finance Director and County Clerk.

“Bonds” means public project revolving fund revenue bonds, if any, issued hereafter by the Finance Authority to fund or reimburse the Loan Agreement.

“Closing Date” means the date of execution, delivery and funding of the Loan Agreement.

“Code” means the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder.

“Completion Date” means the date of final payment of the cost of the Project.

“Distributing State Agency” means the department or agency of the State, as described on the Term Sheet, authorized to distribute the Pledged Revenues on behalf of the Governmental Unit.

“Expenses” means the cost of issuance of the Loan Agreement and the costs of issuance of the Bonds, if any, and the periodic and regular fees and expenses incurred by the Finance Authority in administering the Loan Agreement, including legal fees.

“Finance Authority” means the New Mexico Finance Authority.

“Finance Authority Debt Service Account” means the debt service account in the name of the Governmental Unit established under the Indenture and held by the Finance Authority to pay principal and interest, if any, on the Loan Agreement as the same become due.

“Fiscal Year” means the period commencing on July 1 in each calendar year and ending on the last day of June of the next succeeding calendar year, or any other twelve-month period which any appropriate authority may hereafter establish for the Governmental Unit as its fiscal year.

“Governing Body” means the County Commission of the Governmental Unit, or any future successor governing body of the Governmental Unit.

“Governmental Unit” means Quay County, New Mexico.

“Herein,” “hereby,” “hereunder,” “hereof,” “hereinabove” and “hereafter” refer to this entire Resolution and not solely to the particular section or paragraph of this Resolution in which such word is used.

“Indenture” means the General Indenture of Trust and Pledge dated as of June 1, 1995, as amended and supplemented, by and between the Finance Authority and the Trustee, as successor trustee, or the Subordinated General Indenture of Trust and Pledge dated as of March 1, 2005, as

supplemented, by and between the Finance Authority and the Trustee, as successor trustee, as determined by the Finance Authority pursuant to a Pledge Notification or Supplemental Indenture (as defined in the Indenture).

“Intercept Agreement” means the Intercept Agreement, dated the Closing Date, between the Governmental Unit and Finance Authority providing for the direct payment by the Distributing State Agency to the Finance Authority of Pledged Revenues in amounts sufficient to pay principal and interest due on the Loan Agreement, and any amendments or supplements to the Intercept Agreement.

“Loan” means the funds to be loaned to the Governmental Unit by the Finance Authority pursuant to the Loan Agreement.

“Loan Agreement” means the Loan Agreement dated the Closing Date between the Finance Authority and the Governmental Unit which provides for the financing of the Project and requires payments by or on behalf of the Governmental Unit to the Finance Authority and/or the Trustee and any amendments or supplements thereto, and including the exhibits attached to the Loan Agreement.

“Loan Agreement Principal Amount” means the original principal amount of the Loan Agreement as shown on the Term Sheet.

“NMSA” means the New Mexico Statutes Annotated, 1978, as amended and supplemented.

“Parity Obligations” means the Loan Agreement and any other obligations, now or hereafter issued or incurred, payable from or secured by a lien or pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues on parity with the Loan Agreement, including those obligations described on the Term Sheet.

“Pledged Revenues” means the State Fire Protection Fund revenues distributed to the Governmental Unit, which is utilizing the Project and benefiting from the Loan Agreement, which distribution is made periodically by the State Treasurer pursuant to Section 59A-53-7, NMSA 1978, as amended, in the amount certified by the State Fire Marshal or the New Mexico Public Regulation Commission.

“Processing Fee” means the processing fee to be paid on the Closing Date by the Governmental Unit to the Finance Authority for the costs of originating and servicing the Loan, as shown on the Term Sheet.

“Program Account” means the account in the name of the Governmental Unit established pursuant to the Indenture and held by the Trustee for the deposit of the net proceeds of the Loan Agreement for disbursement to the Governmental Unit for payment of the costs of the Project.

“Project” means the project described in Exhibit “A” to the Loan Agreement.

“Resolution” means this Resolution 2018-2019 No. 28 adopted by the Governing Body on April 22, 2019, approving the Loan Agreement and the Intercept Agreement and pledging the Pledged Revenues to the payment of the Loan Agreement as shown on the Term Sheet, as supplemented and amended from time to time.

“State” means the State of New Mexico.

“Term Sheet” means Exhibit “A” to the Loan Agreement.

“Trustee” means BOKF, NA, Albuquerque, New Mexico, or any successor trustee company, national or state banking association or financial institution at the time appointed Trustee by the Finance Authority.

Section 2. Ratification. All actions heretofore taken (not inconsistent with the provisions of this Resolution) by the Governing Body and officers of the Governmental Unit directed toward the acquisition of the Project and the execution and delivery of the Loan Agreement and the Intercept Agreement, be, and the same hereby are, ratified, approved and confirmed.

Section 3. Authorization of the Project, the Loan Agreement and the Intercept Agreement. The acquisition of the Project and the method of financing the Project through execution and delivery of the Loan Agreement and the Intercept Agreement are hereby authorized and ordered. The Project is for the benefit and use of the Governmental Unit.

Section 4. Findings. The Governmental Unit hereby declares that it has considered all relevant information and data and hereby makes the following findings:

A. The Project is needed to meet the needs of the Governmental Unit and its residents and the issuance and delivery of the Loan Agreement is necessary and advisable.

B. Moneys available and on hand for the Project from all sources other than the Loan are not sufficient to defray the cost of acquiring the Project.

C. The Pledged Revenues may lawfully be pledged to secure the payment of amounts due under the Loan Agreement.

D. It is economically feasible to defray, in whole or in part, the costs of the Project by the execution and delivery of the Loan Agreement.

E. The Project and the execution and delivery of the Loan Agreement and the Intercept Agreement pursuant to the Act to provide funds for the financing of the Project are necessary and in the interest of the public health, safety and welfare of the residents of the Governmental Unit.

F. The Governmental Unit will acquire the Project, in whole or in part, with the net proceeds of the Loan.

G. Other than as described in the Term Sheet, the Governmental Unit does not have any outstanding obligations payable from the Pledged Revenues which it has incurred or will incur prior to the initial execution and delivery of the Loan Agreement and the Intercept Agreement.

H. The net effective interest rate on the Loan does not exceed twelve percent (12.0%) per annum, which is the maximum rate permitted by State law.

Section 5. Loan Agreement and Intercept Agreement - Authorization and Detail.

A. Authorization. This Resolution has been adopted by the affirmative vote of at least a majority of all of the members of the Governing Body. For the purpose of protecting the public health, conserving the property, protecting the general welfare and prosperity of the residents of the Governmental Unit and acquiring the Project, it is hereby declared necessary that the Governmental Unit, pursuant to the Act, execute and deliver the Loan Agreement and the Intercept Agreement evidencing a special, limited obligation of the Governmental Unit to pay a principal amount of \$150,000 plus interest thereon, and the execution and delivery of the Loan Agreement and the Intercept Agreement are hereby authorized. The Governmental Unit shall use the proceeds of the Loan to (i) finance the acquisition of the Project; (ii) pay the Processing Fee; and (iii) make a deposit to the Finance Authority Debt Service Account. The Project will be owned by the Governmental Unit.

B. Detail. The Loan Agreement and Intercept Agreement shall be in substantially the forms of the Loan Agreement and Intercept Agreement presented at the meeting of the Governing Body at which this Resolution was adopted. The Loan shall be in an original aggregate principal amount of \$150,000, shall be payable in installments of principal due on May 1 of the years designated in Exhibit "B" to the Loan Agreement and bear interest payable on November 1 and May 1 of each year, beginning on November 1, 2020, at the rates designated in Exhibit "B" to the Loan Agreement.

Section 6. Approval of Loan Agreement and Intercept Agreement. The forms of the Loan Agreement and the Intercept Agreement, as presented at the meeting of the Governing Body at which this Resolution was adopted are hereby approved. Authorized Officers are hereby individually authorized to execute, acknowledge and deliver the Loan Agreement and the Intercept Agreement, with such changes, insertions and omissions that are consistent with this Resolution as may be approved by such individual Authorized Officers, and the County Clerk is hereby authorized to affix the seal of the Governmental Unit on the Loan Agreement and the Intercept Agreement and attest the same. The execution of the Loan Agreement and the Intercept Agreement by an Authorized Officer shall be conclusive evidence of such approval.

Section 7. Special Limited Obligation. The Loan Agreement shall be secured by the pledge of the Pledged Revenues as set forth in the Loan Agreement and shall be payable solely from the Pledged Revenues. The Loan Agreement, together with other obligations of the Governmental Unit thereunder, shall be a special, limited obligation of the Governmental Unit, payable solely from the Pledged Revenues as provided in this Resolution and the Loan Agreement and shall not constitute a general obligation of the Governmental Unit or the State, and the holders of the Loan Agreement may not look to any general or other fund of the Governmental Unit for payment of the obligations thereunder. Nothing contained in this Resolution or in the Loan Agreement, or any other instruments, shall be construed as obligating the Governmental Unit (except with respect to the application of the Pledged Revenues), as incurring a pecuniary liability or a charge upon the general credit of the Governmental Unit or against its taxing power, nor shall a breach of any agreement contained in this Resolution, the Loan Agreement, or any other instrument impose any pecuniary liability upon the Governmental Unit or any charge upon its general credit or against its taxing power. The Loan Agreement shall never constitute an indebtedness of the Governmental Unit within the meaning of any State constitutional provision or statutory limitation and shall never constitute or give rise to a

pecuniary liability of the Governmental Unit or a charge against its general credit or taxing power. Nothing herein shall prevent the Governmental Unit from applying other funds of the Governmental Unit legally available therefore to payments required by the Loan Agreement, in its sole and absolute discretion.

Section 8. Disposition of Proceeds: Completion of Acquisition of the Project.

A. Program Account, Finance Authority Debt Service Account. The Governmental Unit hereby consents to creation of the Finance Authority Debt Service Account to be held by the Finance Authority and to the Program Account, to be held by the Trustee pursuant to the Indenture, each in connection with the Loan. The Governmental Unit hereby approves: (i) the deposit of a portion of the proceeds of the Loan Agreement in the Program Account and the Finance Authority Debt Service Account; and (ii) the payment of the Processing Fee to the Finance Authority, all as set forth in Exhibit "A" to the Loan Agreement.

The proceeds derived from the execution and delivery of the Loan Agreement shall be deposited promptly upon the receipt thereof in the Program Account and Finance Authority Debt Service Account and the Processing Fee shall be paid to the Finance Authority, all as provided in the Loan Agreement and the Indenture.

Until the Completion Date, the money in the Program Account shall be used and paid out solely for the purpose of acquiring the Project in compliance with applicable law and the provisions of the Loan Agreement and the Indenture.

The Governmental Unit will acquire the Project with all due diligence.

B. Completion of Acquisition of the Project. Upon the Completion Date, the Governmental Unit shall execute and send to the Finance Authority a certificate stating that acquisition of and payment for the Project have been completed. As soon as practicable, and, in any event, not more than sixty (60) days from the Completion Date, any balance remaining in the Program Account shall be transferred and deposited into the Finance Authority Debt Service Account, as provided in the Loan Agreement and the Indenture.

C. Finance Authority and Trustee Not Responsible. The Finance Authority and the Trustee shall in no manner be responsible for the application or disposal by the Governmental Unit or by its officers of the funds derived from the Loan Agreement or of any other funds herein designated.

Section 9. Deposit of Pledged Revenues, Distributions of the Pledged Revenues and Flow of Funds.

A. Deposit of Pledged Revenues. Pursuant to the Intercept Agreement, Pledged Revenues shall be paid directly by the Distributing State Agency to the Finance Authority for deposit in the Finance Authority Debt Service Account and remittance to the Trustee in an amount sufficient to pay the principal and interest due under the Loan Agreement.

B. Termination on Deposits to Maturity. No payment shall be made into the Finance Authority Debt Service Account if the amounts in the Finance Authority Debt Service Account totals a sum at least equal to the entire aggregate amount to become due as to principal, interest on, and any other amounts due under, the Loan Agreement in which case moneys in such account in an amount at least equal to such principal and interest requirements shall be used solely to pay such obligations as the same become due, and any moneys in excess thereof in such accounts shall be transferred to the Governmental Unit and used as provided below.

C. Use of Surplus Revenues. After making all the payments hereinabove required to be made by this Section and any payments required by outstanding Parity Obligations, any moneys remaining in the Finance Authority Debt Service Account shall be transferred to the Governmental Unit on a timely basis and shall be applied to any other lawful purpose, including, but not limited to, the payment of any Parity Obligations or bonds or obligations subordinate and junior to the Loan Agreement, or other purposes authorized by the Governmental Unit, the Constitution and laws of the State, as the Governmental Unit may from time to time determine.

Section 10. Lien on Pledged Revenues. Pursuant to the Loan Agreement, the Pledged Revenues are hereby authorized to be pledged to, and are hereby pledged to, and the Governmental Unit grants a security interest therein for, the payment of the principal, interest and any other amounts due under the Loan Agreement, subject to the uses hereof permitted by and the priorities set forth in this Resolution. The Loan Agreement constitutes an irrevocable and first lien, but not necessarily an exclusive first lien, on the Pledged Revenues as set forth herein and therein and the Governmental Unit shall not create a lien on the Pledged Revenues superior to that of the Loan Agreement.

Section 11. Authorized Officers. Authorized Officers are hereby individually authorized and directed to execute and deliver any and all papers, instruments, opinions, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, the Loan Agreement, the Intercept Agreement and all other transactions contemplated hereby and thereby. Authorized Officers are hereby individually authorized to do all acts and things required of them by this Resolution, the Loan Agreement and the Intercept Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Resolution, the Loan Agreement and Intercept Agreement, including but not limited to, the execution and delivery of closing documents in connection with the execution and delivery of the Loan Agreement and the publication of the summary of this Resolution set out in Section 17 of this Resolution (with such changes, additions and deletions as may be necessary).

Section 12. Amendment of Resolution. Prior to the date of the initial delivery of the Loan Agreement to the Finance Authority, the provisions of this Resolution may be supplemented or amended by resolution of the Governing Body with respect to any changes which are not inconsistent with the substantive provisions of this Resolution. This Resolution may be amended without receipt by the Governmental Unit of any additional consideration, but only with the prior written consent of the Finance Authority.

Section 13. Resolution Irrepealable. After the Loan Agreement and Intercept Agreement have been executed and delivered, this Resolution shall be and remain irrepealable until all obligations due under the Loan Agreement shall be fully paid, canceled and discharged, as herein provided.

Section 14. Severability Clause. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 15. Repealer Clause. All bylaws, orders, resolutions, and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 16. Effective Date. Upon due adoption of this Resolution, it shall be recorded in the book of the Governmental Unit kept for that purpose, authenticated by the signatures of the Chairman and County Clerk of the Governmental Unit, and the title and general summary of the subject matter contained in this Resolution (set out in Section 17 below) shall be published in a newspaper which maintains an office and is of general circulation in the Governmental Unit, or posted in accordance with law, and said Resolution shall be in full force and effect thereafter, in accordance with law.

Section 17. General Summary for Publication. Pursuant to the general laws of the State, the title and a general summary of the subject matter contained in this Resolution shall be published in substantially the following form:

(Form of Summary of Resolution for Publication)

Quay County, New Mexico  
Notice of Adoption of Resolution

Notice is hereby given of the title and of a general summary of the subject matter contained in Resolution 2018-2019 No. 28, duly adopted and approved by the Governing Body of Quay County, New Mexico, on April 22, 2019. A complete copy of the Resolution is available for public inspection during the normal and regular business hours of the County Clerk, 301 S. 3<sup>rd</sup> Street, Tucumcari, New Mexico 88401.

The title of the Resolution is:

QUAY COUNTY, NEW MEXICO  
RESOLUTION 2018-2019 No. 28

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND INTERCEPT AGREEMENT BY AND BETWEEN QUAY COUNTY, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY (THE "FINANCE AUTHORITY"), EVIDENCING A SPECIAL, LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT OF \$150,000 TOGETHER WITH INTEREST THEREON, FOR THE PURPOSE OF PURCHASING NEW FIREFIGHTING APPARATUS AND RELATED EQUIPMENT FOR THE BARD-ENDEE VOLUNTEER FIRE DEPARTMENT WITHIN THE GOVERNMENTAL UNIT, PAYING A LOAN PROCESSING FEE; AND PROVIDING FOR THE PLEDGE

AND PAYMENT OF THE PRINCIPAL AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE DISTRIBUTION OF STATE FIRE PROTECTION FUND REVENUES DISTRIBUTED BY THE STATE TREASURER TO THE GOVERNMENTAL UNIT PURSUANT TO SECTION 59A-53-7, NMSA 1978; PROVIDING FOR THE DISTRIBUTION OF STATE FIRE PROTECTION FUND REVENUES TO BE REDIRECTED BY THE STATE TREASURER TO THE FINANCE AUTHORITY OR ITS ASSIGNS FOR THE PAYMENT OF PRINCIPAL AND INTEREST DUE ON THE LOAN AGREEMENT PURSUANT TO AN INTERCEPT AGREEMENT; APPROVING THE FORM AND TERMS OF, AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT AND INTERCEPT AGREEMENT; SETTING THE MAXIMUM INTEREST RATE OF THE LOAN; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT AND INTERCEPT AGREEMENT.

A general summary of the subject matter of the Resolution is contained in its title. This notice constitutes compliance with Section 6-14-6, NMSA 1978.

(End of Form of Summary for Publication)

PASSED, APPROVED AND ADOPTED THIS APRIL 22, 2019.

QUAY COUNTY, NEW MEXICO

By Franklin McCasland  
Franklin McCasland, Chairman of the Board of  
County Commissioners

[SEAL]

ATTEST:

By Ellen White  
Ellen White, County Clerk

Commissioner Cherry then moved adoption of the foregoing Resolution, duly seconded by Commissioner Dowell.

The motion to adopt said Resolution, upon being put to a vote, was passed and adopted on the following recorded vote:

Those Voting Aye: Franklin McCasland  
Mike Cherry  
Sue Dowell

Those Voting Nay: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Those Absent: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Three (3) members of the Governing Body having voted in favor of said motion, the Chairman declared said motion carried and said Resolution adopted, whereupon the Chairman and the County Clerk signed the Resolution upon the records of the minutes of the Governing Body.

After consideration of matters not relating to the Resolution, the meeting on the motion duly made, seconded and unanimously carried, was adjourned.

QUAY COUNTY, NEW MEXICO

By Franklin McCasland  
Franklin McCasland, Chairman of the Board of  
County Commissioners



[SEAL]

ATTEST

By Ellen White  
Ellen White, County Clerk

**EXHIBIT "A"**

Meeting Agenda  
of the April 22, 2019  
County Commission Meeting

(See attached)

STATE OF NEW MEXICO  
QUAY COUNTY

I, Ellen White, the duly qualified and acting County Clerk of Quay County, New Mexico (the "Governmental Unit"), do hereby certify:

1. The foregoing pages are a true, perfect, and complete copy of the record of the proceedings of the County Commission of Quay County, New Mexico (the "Governing Body"), constituting the governing body of the Governmental Unit had and taken at a duly called regular meeting held at 301 S. 3<sup>rd</sup> Street, Tucumcari, New Mexico 88401, on April 22, 2019, at the hour of 9:00 a.m., insofar as the same relate to the execution and delivery of the proposed Loan Agreement and Intercept Agreement, a copy of each of which is set forth in the official records of the proceedings of the Governing Body kept in my office. None of the action taken has been rescinded, repealed, or modified.

2. Said proceedings were duly had and taken as therein shown, the meeting therein was duly held, and the persons therein named were present at said meeting, as therein shown.

3. Notice of said meeting was given in compliance with the permitted methods of giving notice of regular meetings of the Governing Body as required by the Governmental Unit's open meetings standards presently in effect.

IN WITNESS WHEREOF, I have hereunto set my hand this 22<sup>nd</sup> day of April, 2019.

QUAY COUNTY, NEW MEXICO

By Ellen White  
Ellen White, County Clerk



5044474.docx

\$150,000

LOAN AGREEMENT

dated

May 31, 2019

by and between

NEW MEXICO FINANCE AUTHORITY

and the

QUAY COUNTY, NEW MEXICO

Certain interests of the New Mexico Finance Authority under this Loan Agreement may be assigned to BOKF, NA as trustee under the Indenture, as defined in Article I of this Loan Agreement.

## LOAN AGREEMENT

THIS LOAN AGREEMENT dated May 31, 2019, is entered into by and between the NEW MEXICO FINANCE AUTHORITY (the "Finance Authority"), and QUAY COUNTY, NEW MEXICO (the "Governmental Unit"), a political subdivision duly organized and existing under the laws of the State of New Mexico (the "State").

### WITNESSETH:

WHEREAS, the Finance Authority is a public body politic and corporate constituting a governmental instrumentality, separate and apart from the State, duly organized and created under and pursuant to the laws of the State, particularly Section 6-21-1 et seq., NMSA 1978, as amended (the "Finance Authority Act"); and

WHEREAS, one of the purposes of the Finance Authority Act is to implement a program to permit qualified entities, such as the Governmental Unit, to enter into agreements with the Finance Authority to facilitate financing of public projects; and

WHEREAS, the Governmental Unit is a political subdivision duly organized and existing under and pursuant to the laws of the State and is a qualified entity under the Finance Authority Act; and

WHEREAS, the Governing Body of the Governmental Unit, has determined that it is in the best interests of the Governmental Unit and its residents that the Governmental Unit enter into this Loan Agreement with the Finance Authority and accept a loan from the Finance Authority to finance the costs of purchasing new firefighting apparatus and related equipment for the District as more fully described on the Term Sheet attached hereto as Exhibit "A"; and

WHEREAS, the Act authorizes the Governmental Unit to use the Pledged Revenues to finance the Project and to enter into this Loan Agreement; and

WHEREAS, the Finance Authority has determined that the Project is important to the overall capital needs of the residents of the State and that the Project will directly enhance the health and safety of the residents of the Governmental Unit; and

WHEREAS, the Governmental Unit is a disadvantaged qualified entity within the meaning of Section 8(B)(4)(b) of the Finance Authority's Amended and Restated Rules and Regulations Governing the Public Project Revolving Fund Program.

WHEREAS, the Governmental Unit has entered into the Intercept Agreement by and between the Finance Authority and the Governmental Unit whereby the Pledged Revenues due to the Governmental Unit from the Distributing State Agency are intercepted by the Finance Authority, or the Trustee, as its assignee, to make payments due under this Loan Agreement; and

WHEREAS, the Finance Authority may assign and transfer this Loan Agreement to the Trustee pursuant to the Indenture; and

WHEREAS, except as described on the Term Sheet, the Pledged Revenues have not been pledged or hypothecated in any manner or for any purpose at the time of the execution and delivery of this Loan Agreement, and the Governmental Unit desires to pledge the Pledged Revenues toward the payment of this Loan Agreement; and

WHEREAS, the obligation of the Governmental Unit hereunder shall constitute a special, limited obligation of the Governmental Unit, limited to the Pledged Revenues, and shall not constitute a general obligation or other indebtedness of the Governmental Unit or a charge against the general credit or ad valorem taxing power of the Governmental Unit or the State; and

WHEREAS, the execution, performance and delivery of this Loan Agreement and the Intercept Agreement have been authorized, approved and directed by all necessary and appropriate action of the Governing Body pursuant to the Resolution; and

WHEREAS, the execution and performance of this Loan Agreement and the Intercept Agreement have been authorized, approved and directed by all necessary and appropriate action of the Finance Authority; and

NOW, THEREFORE, for and in consideration of the premises and the mutual promises and covenants herein contained, the parties hereto agree:

#### ARTICLE I DEFINITIONS

Capitalized terms defined in the foregoing recitals shall have the same meaning when used in this Loan Agreement, unless the context clearly requires otherwise. Capitalized terms not defined in the recitals and defined in this Article I shall have the same meaning when used in this Loan Agreement, including the foregoing recitals, unless the context clearly requires otherwise.

“Act” means the general laws of the State, including Sections 4-62-1 through 4-62-10 and Sections 59A-53-1 through 59A-53-19, NMSA 1978, as amended, and enactments of the Governing Body relating to this Loan Agreement and Intercept Agreement, including the Resolution.

“Additional Payment Obligations” mean payments in addition to Loan Agreement Payments required by this Loan Agreement, including, without limitation, payments required pursuant to the provisions of Article IX and Article X hereof.

“Aggregate Annual Debt Service Requirement” means the total principal, interest, and premium payments, if any, due and payable pursuant to this Loan Agreement and on all Parity Obligations secured by a pledge of the Pledged Revenues for any one Fiscal Year.

“Authorized Officers” means, in the case of the Governmental Unit, Chairman, Vice Chairman, Finance Director and County Clerk and, in the case of the Finance Authority, the Chairman, Vice-Chairman and Secretary of the Board of Directors and the Chief Executive Officer or any other officer or employee of the Finance Authority designated in writing by an Authorized Officer.

“Blended Interest Rate” means the rate of interest on this Loan Agreement as shown on the Term Sheet.

“Bond Counsel” means nationally recognized bond counsel experienced in matters of municipal law satisfactory to the Trustee and listed in the list of municipal bond attorneys, as published semi-annually by The Bond Buyer’s Municipal Marketplace, or any successor publication, acting as Loan Counsel to the Finance Authority.

“Bonds” means public project revolving fund revenue bonds, if any, issued hereafter by the Finance Authority to fund or reimburse the Loan Agreement.

“Closing Date” means the date of execution, delivery and funding of this Loan Agreement as shown on the Term Sheet.

“Code” means the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder.

“District” means the Bard-Endee Volunteer Fire Department within the Governmental Unit.

“Distributing State Agency” means the department or agency of the State, as described on the Term Sheet, authorized to distribute the Pledged Revenues to or on behalf of the Governmental Unit.

“Event of Default” means one or more events of default as defined in Section 10.1 of this Loan Agreement.

“Expenses” means the costs of issuance of this Loan Agreement and the Bonds, if any, and periodic and regular fees and expenses incurred by the Finance Authority in administering this Loan Agreement, including legal fees.

“Finance Authority Debt Service Account” means the debt service account established in the name of the Governmental Unit within the Debt Service Fund, as defined in the Indenture, held and administered by the Finance Authority to pay principal and interest, if any, on this Loan Agreement as the same become due.

“Fiscal Year” means the period beginning on July 1 in each calendar year and ending on the last day of June of the next succeeding calendar year, or any other twelve-month period which any appropriate authority may hereafter establish for the Governmental Unit as its fiscal year.

“Governing Body” means the duly organized County Commission of the Governmental Unit and any successor governing body of the Governmental Unit.

“Indenture” means the General Indenture of Trust and Pledge dated as of June 1, 1995, as amended and supplemented, by and between the Finance Authority and the Trustee, or the Subordinated General Indenture of Trust and Pledge dated as of March 1, 2005, as supplemented, by and between the Finance Authority and the Trustee, as determined by the Finance Authority pursuant to a Pledge Notification or Supplemental Indenture (as defined in the Indenture).

“Independent Accountant” means: (i) an accountant employed by the State and under the supervision of the State Auditor; or (ii) any certified public accountant or firm of such accountants duly licensed to practice and practicing as such under the laws of the State, appointed and paid by the Governmental Unit who (a) is, in fact, independent and not under the domination of the Governmental Unit; (b) does not have any substantial interest, direct or indirect, with the Governmental Unit; and (c) is not connected with the Governmental Unit as an officer or employee of the Governmental Unit, but who may be regularly retained to make annual or similar audits of the books or records of the Governmental Unit.

“Intercept Agreement” means the Intercept Agreement, dated May 31, 2019, between the Governmental Unit and the Finance Authority providing for the direct payment by the Distributing State Agency to the Finance Authority of the Pledged Revenues in amounts sufficient to pay Loan Agreement Payments, and any amendments or supplements to the Intercept Agreement.

“Interest Component” means the portion of each Loan Agreement Payment paid as interest on this Loan Agreement as shown on Exhibit “B” hereto.

“Loan” means the funds in the Loan Agreement Principal Amount to be loaned to the Governmental Unit by the Finance Authority pursuant to this Loan Agreement.

“Loan Agreement” means this loan agreement and any amendments or supplements hereto, including the exhibits attached to this loan agreement.

“Loan Agreement Balance” means, as of any date of calculation, the Loan Agreement Principal Amount less the aggregate principal amount paid or prepaid pursuant to the provisions of this Loan Agreement.

“Loan Agreement Payment” means, collectively, the Principal Component and the Interest Component, if any, to be paid by the Governmental Unit as payment of this Loan Agreement as shown on Exhibit “B” hereto.

“Loan Agreement Payment Date” means each date a payment is due on this Loan Agreement as shown on Exhibit “B” hereto.

“Loan Agreement Principal Amount” means the original principal amount of this Loan Agreement as shown on the Term Sheet.

“Loan Agreement Term” means the term of this Loan Agreement as provided under Article III of this Loan Agreement.

“NMSA” means the New Mexico Statutes Annotated, 1978 compilation, as amended and supplemented.

“Parity Obligations” means this Loan Agreement, and any other obligations, now outstanding or hereafter issued or incurred, payable from or secured by a lien or pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues on a parity with this Loan Agreement, including any such obligations shown on the Term Sheet.

“Permitted Investments” means securities which are at the time legal investments of the Governmental Unit for the money to be invested, as applicable, including but not limited to the following, if permitted by law: (i) securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States, the federal home loan mortgage association, the federal national mortgage association, the federal farm credit bank, federal home loan banks or the student loan marketing association or that are backed by the full faith and credit of the United States government; (ii) negotiable securities of the State; (iii) money market funds which invest solely in obligations described in clause (i) above which are rated in the highest rating category by Moody’s Investors Service, Inc., or Standard & Poor’s Rating Group; and (iv) the State Treasurer’s short-term investment fund created pursuant to Section 6-10-10.1, NMSA 1978, and operated, maintained and invested by the office of the State Treasurer.

“Pledged Revenues” means revenues distributed to the Governmental Unit for the District pledged to payment of the Loan Agreement Payments pursuant to the Resolution and described on the Term Sheet.

“Principal Component” means the portion of each Loan Agreement Payment paid as principal on this Loan Agreement as shown on Exhibit “B” hereto.

“Processing Fee” means the processing fee to be paid on the Closing Date by the Governmental Unit to the Finance Authority for the costs of originating and servicing the Loan, as shown on the Term Sheet attached to this Loan Agreement as Exhibit “A”.

“Program Account” means the account in the name of the Governmental Unit established pursuant to the Indenture and held by the Trustee for the deposit of the net proceeds of the Loan Agreement for disbursement to the Governmental Unit for payment of the costs of the Project.

“Project” means the project(s) described on the Term Sheet.

“Resolution” means the Governmental Unit Resolution 2018-2019 No. 28 adopted by the Governing Body on April 22, 2019, approving this Loan Agreement and the Intercept Agreement and pledging the Pledged Revenues to the payment of the Loan Agreement Payments as shown on the Term Sheet.

“Term Sheet” means Exhibit “A” attached hereto.

“Trustee” means BOKF, NA, Albuquerque, New Mexico, or any successor trust company, national or state banking association or financial institution at the time appointed Trustee by Finance Authority.

“Unassigned Rights” means the rights of the Finance Authority to receive payment of the Processing Fee, administrative expenses, reports and indemnity against claims pursuant to the provisions of this Loan Agreement which are withheld in the granting clauses of the Indenture from the pledge, assignment and transfer of this Loan Agreement to the Trustee.

ARTICLE II  
REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1 Representations, Covenants and Warranties of the Governmental Unit. The Governmental Unit represents, covenants and warrants:

(a) Binding Nature of Covenants. All covenants, stipulations, obligations and agreements of the Governmental Unit contained in this Loan Agreement shall be deemed to be the covenants, stipulations, obligations and agreements of the Governmental Unit to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Governmental Unit and its successors and upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Loan Agreement, all rights, powers and privileges conferred and duties and liabilities imposed upon the Governmental Unit by the provisions of this Loan Agreement and the Resolution shall be exercised or performed by the Governmental Unit or by such members, officers, or officials of the Governmental Unit as may be required by law to exercise such powers and to perform such duties.

(b) Personal Liability. No covenant, stipulation, obligation or agreement contained in this Loan Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any officer, agent or employee of the Governmental Unit or member of the Governing Body in his or her individual capacity, and neither the members of the Governing Body nor any officer, agent or employee of the Governmental Unit executing this Loan Agreement shall be liable personally on this Loan Agreement or be subject to any personal liability or accountability by reason of the execution and delivery thereof.

(c) Authorization of Loan Agreement and Intercept Agreement. The Governmental Unit is a political subdivision of the State and is duly organized and existing under the statutes and laws of the State. Pursuant to the Act, as amended and supplemented from time to time, the Governmental Unit is authorized to enter into the transactions contemplated by this Loan Agreement and the Intercept Agreement and to carry out its obligations hereunder and thereunder. The Governmental Unit has duly authorized and approved the execution and delivery of this Loan Agreement, the Intercept Agreement, and the other documents related to the transaction.

(d) Use of Loan Agreement Proceeds. The Governmental Unit shall proceed without delay in applying the proceeds of this Loan Agreement to the acquisition of the Project.

(e) Payment of Loan Agreement. The Governmental Unit shall promptly pay Loan Agreement Payments, as specified in Exhibit "B" hereto, according to the true intent and meaning of this Loan Agreement. Loan Agreement Payments are payable solely from (i) the Pledged Revenues, (ii) special reserve funds of the Finance Authority (as determined by the Finance Authority, and subject to repayment from the Pledged Revenues), or (iii) the proceeds of refunding bonds or other refunding obligations which the Governmental Unit may hereafter issue in its sole discretion and which are payable from the Pledged Revenues; and nothing in this Loan Agreement shall be construed as obligating the Governmental Unit to pay Loan Agreement Payments from any general or other fund of the Governmental Unit other than such special funds.

Nothing contained in this Loan Agreement, however, shall be construed as prohibiting the Governmental Unit in its sole and absolute discretion, from making such payments from any moneys which may be lawfully used, and which are legally available, for that purpose.

(f) Acquisition and Completion of Project. The Project will consist of purchasing new firefighting apparatus and related equipment for the District. The Project will be acquired and completed so as to comply with all applicable ordinances, resolutions and regulations, if any, and any and all applicable laws relating to the acquisition and completion of the Project and to the use of the Pledged Revenues. The Project complies with Sections 59A-53-1 through 59A-53-19, NMSA 1978, as amended.

(g) Necessity of Project. The acquisition of the Project under the terms and conditions provided for in this Loan Agreement is necessary, convenient and in furtherance of the governmental purposes of the Governmental Unit and is in the best interests of the Governmental Unit and its residents.

(h) Legal, Valid and Binding Special Obligation. The Governmental Unit has taken all required action necessary to authorize the execution and delivery of this Loan Agreement and the Intercept Agreement, and this Loan Agreement and the Intercept Agreement constitute legal, valid and binding special obligations of the Governmental Unit enforceable in accordance with their terms.

(i) Loan Agreement Term. The weighted average maturity of 6.939 years of the Loan Agreement does not exceed 120% of the reasonably expected life of the Project which is six (6) years.

(j) Use of Project. During the Loan Agreement Term, the Project will at all times be used for the purpose of benefiting the Governmental Unit as a whole.

(k) No Private Activity. The Governmental Unit is a "governmental unit" within the meaning of Sections 103 and 141(b)(6) of the Code. In addition, no amounts disbursed from the Program Account and used to finance the Project shall be used in the trade or business of a person who is not a "governmental unit" within the meaning of Sections 103 and 141(b)(6) of the Code.

(l) No Excess Loan Agreement Proceeds. The amount loaned to the Governmental Unit under this Loan Agreement as set forth on the Term Sheet does not exceed the sum of: (i) the cost of the Project; and (ii) an amount necessary to pay the Processing Fee and the costs related to issuance of the Bonds, if any.

(m) No Breach or Default Caused by Loan Agreement or Intercept Agreement. Neither the execution and delivery of this Loan Agreement and the Intercept Agreement, nor the fulfillment of or compliance with the terms and conditions in this Loan Agreement and the Intercept Agreement, nor the consummation of the transactions contemplated herein and therein, conflicts with or results in a breach of terms, conditions or provisions of any restriction or any agreement or instrument to which the Governmental Unit is a party or by which the Governmental Unit is bound or any laws, ordinances, governmental rules or regulations or court or other

governmental orders to which the Governmental Unit or its properties are subject, or constitutes a default under any of the foregoing.

(n) Irrevocable Enactments. While this Loan Agreement remains outstanding and unpaid, any ordinance, resolution or other enactment of the Governing Body applying the Pledged Revenues for the payment of this Loan Agreement, including the Resolution shall be irrevocable until this Loan Agreement has been paid in full as to both principal and interest, and shall not be subject to amendment or modification in any manner which would in any way jeopardize the timely payment of Loan Agreement Payments.

(o) Outstanding Debt. Except for the Parity Obligations, if any, described on the Term Sheet, there are currently no outstanding bonds, notes or other obligations of the Governmental Unit which are payable from and secured by a parity lien on the Pledged Revenues. No additional indebtedness, bonds or notes of the Governmental Unit payable on a priority ahead of the indebtedness herein authorized out of the Pledged Revenues shall be created or incurred while this Loan Agreement remains outstanding.

(p) No Litigation. To the knowledge of the Governmental Unit, no litigation or proceeding is pending or threatened against the Governmental Unit or any other person affecting the right of the governmental Unit to execute or deliver this Loan Agreement or the Intercept Agreement or to comply with its obligations under this Loan Agreement or the Intercept Agreement. Neither, the execution and delivery of this Loan Agreement or the Intercept Agreement by the Governmental Unit, nor compliance by the Governmental Unit with the obligations under such agreements, requires the approval of any regulatory body, or any other entity, which approval has not been obtained or which is not reasonably expected to be obtained.

(q) No Event of Default. No event has occurred and no condition exists which, upon the execution and delivery of this Loan Agreement and the Intercept Agreement, would constitute an Event of Default on the part of the Governmental Unit under this Loan Agreement or the Intercept Agreement.

(r) Pledged Revenues Not Budgeted. The portion of the Pledged Revenues necessary to pay the Loan Agreement Payments, as and when due, is not needed or budgeted to pay current or anticipated operational or other expenses of the Governmental Unit.

(s) Expected Coverage Ratio. The Pledged Revenues (giving credit for any increase in the Pledged Revenues which has received final approval of the Governing Body and become effective) from the Fiscal Year immediately preceding the Closing Date were equal to or exceeded and, on an ongoing basis during each year of the Loan Agreement Term, are reasonably expected to equal or exceed, one hundred twenty-five percent (125%) of the maximum Aggregate Annual Debt Service Requirement.

(t) No Extension of Interest Payments. The Governmental Unit will not extend or be a party to the extension of the time for paying any interest on this Loan Agreement.

(u) Governmental Unit's Existence. The Governmental Unit will maintain its corporate identity and existence so long as this Loan Agreement is unpaid, unless another political subdivision by operation of law succeeds to the liabilities and rights of the Governmental Unit

without adversely affecting to any substantial degree the privileges and rights of the Finance Authority.

(v) Continuing Disclosure. The Governmental Unit covenants that it shall provide continuing disclosure to the Finance Authority, as the Finance Authority may require, that shall include, but not be limited to, annual audits, operational data required to update information in any disclosure documents used to assign or securitize the Loan Agreement Payments by issuance of Bonds by the Finance Authority pursuant to the Indenture, and notification of any event deemed material by the Finance Authority.

(w) Tax Covenants. The Governmental Unit covenants that it shall restrict the use of the proceeds of this Loan Agreement in such manner and to such extent, if any, as may be necessary so that this Loan Agreement will not constitute an arbitrage bond under Section 148 of the Code and that it shall pay any applicable rebate to the Internal Revenue Service. Authorized Officers of the Governmental Unit are hereby authorized and directed to execute an Arbitrage and Tax Certificate as may be required by the Finance Authority and such additional certificates as shall be necessary to establish that this Loan Agreement is not an "arbitrage bond" within the meaning of Section 148 of the Code and the Treasury Regulations promulgated or proposed with respect thereto, including Treasury Regulation Sections 1.148-1 through 1.148-11, 1.149 and 1.150 as the same currently exist, or may from time to time hereafter be amended, supplemented or revised. The Governmental Unit covenants to comply with the provisions of any such Arbitrage and Tax Certificate and the provisions thereof will be incorporated herein by reference to the same extent as if set forth herein. The Governmental Unit covenants that no use will be made of the proceeds of this Loan Agreement, or any funds or accounts of the Governmental Unit which may be deemed to be Gross Proceeds (as defined in Treasury Regulation Section 1.148-1(b)) of this Loan Agreement, which use, if it had been reasonably expected on the Closing Date, would have caused this Loan Agreement to be classified as an "arbitrage bond" within the meaning of Section 148 of the Code. Pursuant to this covenant, the Governmental Unit obligates itself to comply throughout the Loan Agreement Term with the requirements of Sections 103 and 141 through 150 of the Code and the regulations proposed or promulgated with respect thereto. The Governmental Unit further represents and covenants that no bonds or other evidence of indebtedness of the Governmental Unit payable from substantially the same source as this Loan Agreement have been or will be issued, sold or delivered within fifteen (15) days prior to or subsequent to the Closing Date. The Governmental Unit hereby further represents and covenants to comply with Section 7.6 hereof, which designates this Loan Agreement as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code.

(x) Use of Fire Protection Fund Revenues. The Governmental Unit will take no action with respect to the Project that would constitute a violation of the terms of Sections 59A-53-7 through 59A-53-10, NMSA 1978, as the same may be amended or recompiled from time to time.

Section 2.2 Representations, Covenants and Warranties of the Finance Authority. The Finance Authority represents, covenants and warrants for the benefit of the Governmental Unit as follows:

(a) Authorization of Loan Agreement and Intercept Agreement. The Finance Authority is a public body politic and corporate constituting a governmental instrumentality, separate and apart from the State, duly organized, existing and in good standing under the laws of the State, has all necessary power and authority to enter into and perform and observe the covenants and agreements on its part contained in this Loan Agreement and the Intercept Agreement and, by proper action, has duly authorized the execution and delivery of this Loan Agreement and the Intercept Agreement based upon the Finance Authority's findings that:

(i) The Governmental Unit is a disadvantaged qualified entity in that its median household income is \$29,113, which is less than eighty percent (80%) of the State median household income of \$44,963.

(ii) The Project is important to the overall capital needs of the State and directly enhances the health and safety of the residents of the Governmental Unit.

(b) Assignment of Rights. The Finance Authority may not pledge or assign the Pledged Revenues, the Loan Agreement Payments or any of its other rights under this Loan Agreement and the Intercept Agreement except to the Trustee pursuant to the Indenture.

(c) No Breach or Default Caused by Loan Agreement or Intercept Agreement. Neither the execution and delivery of this Loan Agreement or the Intercept Agreement, nor the fulfillment of or compliance with the terms and conditions of this Loan Agreement or the Intercept Agreement, nor the consummation of the transactions contemplated in this Loan Agreement or the Intercept Agreement, conflicts with or results in a breach of the terms, conditions and provisions of any restriction or any agreement or instrument to which the Finance Authority is a party or by which the Finance Authority is bound or constitutes a default under any of the foregoing and will not conflict with or constitute a violation of any constitutional or statutory provision or order, rule, regulation, decree or resolution of any court, government or governmental authority having jurisdiction over the Finance Authority or its property and which conflict or violation will have a material adverse effect on the Finance Authority or the financing of the Project.

(d) No Litigation. To the knowledge of the Finance Authority, there is no litigation or proceeding pending or threatened against the Finance Authority or any other person affecting the right of the Finance Authority to execute or deliver this Loan Agreement or the Intercept Agreement or to comply with its obligations under this Loan Agreement or the Intercept Agreement. Neither, the execution and delivery of this Loan Agreement or the Intercept Agreement by the Finance Authority, nor compliance by the Finance Authority with its obligations under this Loan Agreement and the Intercept Agreement requires the approval of any regulatory body, or any other entity, which approval has not been obtained.

(e) Legal, Valid and Binding Obligations. This Loan Agreement and the Intercept Agreement constitute the legal, valid and binding obligations of the Finance Authority enforceable in accordance with their terms.

(f) Tax-Exempt Reimbursement of Amount Loaned. The Finance Authority intends to reimburse the public project revolving fund (as defined in the Finance Authority Act)

for the amount of the Loan from the proceeds of tax-exempt bonds which the Finance Authority expects to issue within eighteen (18) months of the Closing Date.

### ARTICLE III LOAN AGREEMENT TERM

The Loan Agreement Term shall commence on the Closing Date and shall not terminate until this Loan Agreement has been paid in full or provision for the payment of this Loan Agreement has been made pursuant to Article VIII hereof.

### ARTICLE IV LOAN; APPLICATION OF MONEYS

On the Closing Date, the Finance Authority shall transfer the Loan Agreement Principal Amount as follows:

(a) To the Trustee, the amount shown on the Term Sheet as the Program Account Deposit shall be deposited in the Governmental Unit's Program Account to be disbursed by the Trustee pursuant to the Indenture and disbursed pursuant to Section 6.2 hereof at the direction of the Governmental Unit as needed by the Governmental Unit for the Project; and

(b) To the Finance Authority, the amount shown on the Term Sheet as the Finance Authority Debt Service Account deposit shall be deposited into the Finance Authority Debt Service Account to be maintained by the Finance Authority or its assignee and utilized as provided in Section 5.2 hereof; and

(c) To the Finance Authority, payment in the amount shown on the Term Sheet as the Processing Fee.

### ARTICLE V LOAN TO THE GOVERNMENTAL UNIT; PAYMENTS BY THE GOVERNMENTAL UNIT

Section 5.1 Loan to the Governmental Unit; Payment Obligations Limited to Pledged Revenues; Pledge of Pledged Revenues. The Finance Authority hereby lends to the Governmental Unit and the Governmental Unit hereby borrows from the Finance Authority an amount equal to the Loan Agreement Principal Amount. The Governmental Unit promises to pay, but solely from the sources pledged herein or special reserve funds of the Finance Authority (as determined by the Finance Authority, and subject to repayment from the Pledged Revenues), the Loan Agreement Payments as herein provided. The Governmental Unit does hereby convey, assign and pledge unto the Finance Authority and unto its successors in trust forever all right, title and interest of the Governmental Unit in and to: (i) the Pledged Revenues to the extent required to pay the Loan Agreement Payments on parity with the Parity Obligations; (ii) the Finance Authority Debt Service Account, such account being held by the Finance Authority; (iii) the Program Account, such accounts being held by the Trustee; and (iv) all other rights hereinafter granted, for the securing of the Governmental Unit's obligations under this Loan Agreement, including payment of the Loan

Agreement Payments and Additional Payment Obligations; provided, however, that if the Governmental Unit, its successors or assigns, shall well and truly pay, or cause to be paid, all Loan Agreement Payments at the time and in the manner contemplated by this Loan Agreement, according to the true intent and meaning hereof, or shall provide, as permitted by Article VIII of this Loan Agreement for the payment hereof and shall pay all other amounts due or to become due under this Loan Agreement in accordance with its terms and provisions, then, upon such final payment or provision for payment by the Governmental Unit, this Loan Agreement and the rights created thereby shall terminate; otherwise, this Loan Agreement shall remain in full force and effect. The Loan Agreement Payments shall, in the aggregate, be sufficient to pay the Principal Component and Interest Component when due, the payment schedule of which is attached hereto as Exhibit "B."

The pledge of the Pledged Revenues and the lien thereon shall be effective upon the Closing Date. The Governmental Unit and the Finance Authority acknowledge and agree that the Loan Agreement Payments of the Governmental Unit hereunder are limited to the Pledged Revenues, and that this Loan Agreement shall constitute a special, limited obligation of the Governmental Unit. No provision of this Loan Agreement shall be construed or interpreted as creating a general obligation or other indebtedness of the Governmental Unit within the meaning of any constitutional or statutory debt limitation. No provision of this Loan Agreement shall be construed to pledge or to create a lien on any class or source of Governmental Unit moneys other than the Pledged Revenues, nor shall any provision of this Loan Agreement restrict the future issuance of any bonds or obligations payable from any class or source of Governmental Unit moneys other than the Pledged Revenues. In addition, to the extent not required for the payment of obligations of the Governmental Unit hereunder, the Pledged Revenues may be utilized by the Governmental Unit for any other purposes permitted by law.

Section 5.2 Payment Obligations of Governmental Unit. As provided in the Intercept Agreement, the Distributing State Agency shall cause to be transferred from the Pledged Revenues or special reserve funds of the Finance Authority (as determined by the Finance Authority, and subject to repayment from the Pledged Revenues) the amounts provided in subsections (a)(i) and (ii) of this Section 5.2 for deposit into the Finance Authority Debt Service Account. The Finance Authority Debt Service Account shall be established and held by the Finance Authority on behalf of the Governmental Unit. All Pledged Revenues received by the Finance Authority pursuant to the Intercept Agreement shall be accounted for and maintained on an ongoing basis by the Finance Authority in the Finance Authority Debt Service Account or used for repayment of Loan Agreement Payments paid by the special reserve funds of the Finance Authority, and all Loan Agreement Payments shall be remitted to the Trustee. The amounts on deposit in the Finance Authority Debt Service Account shall be expended and used by the Finance Authority or the Trustee, as the case may be, only in the manner and order of priority specified below.

(a) As a first charge and lien, but not an exclusive first charge and lien, on the Pledged Revenues (on a parity with the lien on the Pledged Revenues created by any outstanding Parity Obligations), the Governmental Unit shall remit to the Finance Authority and the Finance Authority shall transfer and deposit into the Finance Authority Debt Service Account the following from the Pledged Revenues received pursuant to the Intercept Agreement from the Governmental Unit, which the Finance Authority shall transfer to the Trustee in accordance with the Indenture:

(i) Interest Components. Amounts necessary to pay the Interest Components coming due on this Loan Agreement on May 1 and November 1 of each Fiscal Year beginning with the Fiscal Year ending June 30, 2021, as described in Exhibit "B;"

(ii) Principal Payments. Amounts necessary to pay the Principal Components coming due on this Loan Agreement on May 1 of each Fiscal Year beginning with the Fiscal Year ending June 30, 2021, as described in Exhibit "B."

(b) Each Loan Agreement Payment shall be transferred by the Finance Authority from the Finance Authority Debt Service Account to the Trustee.

(c) Subject to the foregoing deposits, the Finance Authority or the Trustee shall annually use the balance of the Pledged Revenues received, if any, at the request of the Governmental Unit: (i) to credit against upcoming Loan Agreement Payments; or (ii) to distribute to the Governmental Unit's account in the Fire Protection Fund maintained by the State Treasurer for any purpose permitted by law.

Section 5.3 Manner of Payment. All payments of the Governmental Unit hereunder shall be paid in lawful money of the United States of America to the Finance Authority at the address designated in Section 11.1 herein, for remittance to the Trustee. The obligation of the Governmental Unit to make payments hereunder, from and to the extent of the available Pledged Revenues, shall be absolute and unconditional in all events, except as expressly provided hereunder, and payment hereunder shall not be abated through accident or unforeseen circumstances. Notwithstanding any dispute between the Governmental Unit, the Finance Authority, the Trustee, any vendor or any other person, the Governmental Unit shall make all deposits hereunder, from and to the extent of the available Pledged Revenues, when due and shall not withhold any deposit hereunder pending final resolution of such dispute, nor shall the Governmental Unit assert any right of set-off or counterclaim against its obligation to make such deposits required hereunder.

Section 5.4 Disposition of Payments by the Trustee. The Trustee shall deposit all moneys received from the Finance Authority under this Loan Agreement in accordance with the Indenture.

Section 5.5 Additional Parity Obligations. No provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional Parity Obligations payable from the Pledged Revenues, nor to prevent the issuance of bonds or other obligations refunding all or a part of this Loan Agreement; provided, however, that before any such additional Parity Obligations are actually issued (excluding refunding bonds or refunding obligations which refund Parity Obligations but including parity refunding bonds and obligations which refund subordinate obligations as provided in Section 5.6 hereof), it must be determined that:

(a) The Governmental Unit is then current in all of the accumulations required to be made into the Finance Authority Debt Service Account as provided herein.

(b) No default shall exist in connection with any of the covenants or requirements of the Resolution or this Loan Agreement.

(c) The Pledged Revenues received by or credited to the Governmental Unit for the Fiscal Year or for any twelve (12) consecutive months out of the twenty-four (24) months preceding the date of the issuance of such additional Parity Obligations (the "Historic Test Period") shall have been sufficient to pay an amount representing two hundred percent (200%) of the combined maximum Aggregate Annual Debt Service Requirement coming due in any subsequent Fiscal Year on the then outstanding Parity Obligations and the Parity Obligations proposed to be issued (excluding the accumulation of any reserves therefor).

(d) A written certification or opinion by the Governmental Unit's Treasurer or chief financial officer or by an Independent Accountant that the Pledged Revenues for the Historic Test Period are sufficient to pay said amounts, shall be conclusively presumed to be accurate in determining the right of the Governmental Unit to authorize, issue, sell and deliver the Parity Obligations proposed to be issued.

(e) No provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional bonds or other obligations payable from the Pledged Revenues constituting a lien upon such Pledged Revenues subordinate and junior to the lien of this Loan Agreement nor to prevent the issuance of bonds or other obligations refunding all or part of this Loan Agreement as permitted by Section 5.6 hereof.

(f) The Governmental Unit shall not issue bonds or other obligations payable from the Pledged Revenues having a lien thereon prior and superior to this Loan Agreement.

Section 5.6 Refunding Obligations. The provisions of Section 5.5 hereof are subject to the following exceptions:

(a) If at any time after the Closing Date, while this Loan Agreement, or any part thereof, is outstanding, the Governmental Unit shall find it desirable to refund any outstanding bonds or other outstanding obligations payable from the Pledged Revenues, this Loan Agreement, such bonds or other obligations, or any part thereof, may be refunded (but the holders of this Loan Agreement or bonds to be refunded may not be compelled to surrender this Loan Agreement or their bonds, unless this Loan Agreement, the bonds or other obligations, at the time of their required surrender for payment, shall then mature, or shall then be callable for prior redemption at the Governmental Unit's option), regardless of whether the priority of the lien for the payment of the refunding obligations on the Pledged Revenues is changed, except as provided in subparagraph (e) of Section 5.5 hereof and in subparagraphs (b) and (c) of this Section.

(b) No refunding bonds or other refunding obligations payable from the Pledged Revenues shall be issued on a parity with this Loan Agreement unless:

(i) The outstanding obligations so refunded are Parity Obligations and the refunding bonds or other refunding obligations do not increase any aggregate annual principal and interest obligations evidenced by such refunded obligations; or

(ii) The refunding bonds or other refunding obligations are issued in compliance with Section 5.5 hereof.

(c) The refunding bonds or other obligations so issued shall enjoy complete equality of lien on the Pledged Revenues with the portion of this Loan Agreement or any bonds or other obligations of the same issue which is not refunded, if any; and the holder or holders of such refunding bonds or such other refunding obligations shall be subrogated to all of the rights and privileges enjoyed by the holder or holders of this Loan Agreement or the bonds or other obligations of the same issue refunded thereby. If only a part of this Loan Agreement or the outstanding bonds and any other outstanding obligations of any issue or issues payable from the Pledged Revenues is refunded, then such obligations may not be refunded without the consent of the holder or holders of the unrefunded portion of such obligations, unless:

(i) The refunding bonds or other refunding obligations do not increase any aggregate annual principal and interest obligations evidenced by such refunded obligations and by the outstanding obligations not refunded on and prior to the last maturity date of such unrefunded obligations; or

(ii) The refunding bonds or other refunding obligations are issued in compliance with Section 5.5 hereof; or

(iii) The lien on the Pledged Revenues for the payment of the refunding obligations is subordinate to each such lien for the payment of any obligations not refunded.

(d) Any refunding bonds or other refunding obligations payable from the Pledged Revenues shall be issued with such details as the Governmental Unit may provide by ordinance or resolution, but without any impairment of any contractual obligations imposed upon the Governmental Unit by any proceedings authorizing the issuance of any unrefunded portion of such outstanding obligations of any one or more issues (including, but not necessarily limited to, this Loan Agreement).

Section 5.7 Investment of Governmental Unit Funds. Money on deposit in the Finance Authority Debt Service Account established by the Finance Authority may be invested by the Finance Authority in Permitted Investments at the discretion of the Finance Authority. Money on deposit in the Program Account held by the Trustee and created hereunder may be invested by the Trustee in Permitted Investments at the written direction of the Finance Authority or at the discretion of the Trustee. Any earnings on any of said accounts shall be held and administered in each respective account and utilized in the same manner as the other moneys on deposit therein.

Section 5.8 Governmental Unit May Budget for Payments. The Governmental Unit may, in its sole discretion, but without obligation and subject to the Constitution of the State, governing laws, and its budgetary requirements, make available properly budgeted and legally available funds to defray any insufficiency of the Pledged Revenues to pay Loan Agreement Payments; provided, however, the Governmental Unit has not covenanted and cannot covenant to make such funds available and has not pledged any of such funds for such purpose.

## ARTICLE VI THE PROJECT

Section 6.1 Agreement To Acquire and Complete the Project. The Governmental Unit hereby agrees that to effectuate the purposes of this Loan Agreement and to effectuate the

acquisition of the Project, it shall make, execute, acknowledge and transmit any contracts, orders, receipts, writings and instructions with any other persons, firms or corporations and, in general, do all things which may be requisite or proper to complete the Project. The Governmental Unit agrees to acquire the Project through the application of moneys to be disbursed from the Program Account pursuant to Section 6.2 of this Loan Agreement.

Section 6.2 Disbursements From the Program Account. So long as no Event of Default shall occur, the Trustee shall disburse moneys from the Program Account in accordance with Section 6.2 of the Indenture upon receipt by the Trustee of a requisition substantially in the form of Exhibit "C" attached hereto signed by an Authorized Officer of the Governmental Unit.

No disbursement shall be made from the Program Account without the approval of Bond Counsel: (i) to reimburse the Governmental Unit's own funds for expenditures made prior to the Closing Date; (ii) to refund or advance refund any tax-exempt obligations issued by or on behalf of the Governmental Unit; (iii) to be used, directly or indirectly, to finance a project used or to be used in the trade or business of a person who is not a "governmental unit," within the meaning of Section 141(b)(6) of the Code; or (iv) to expend funds after the date that is three (3) years after the execution and delivery of this Loan Agreement.

Section 6.3 Completion of Acquisition of the Project. Upon completion of the acquisition of the Project, an Authorized Officer of the Governmental Unit shall deliver a certificate to the Finance Authority and the Trustee substantially in the form of Exhibit "D" attached hereto stating that, to the best of his or her knowledge, the Project has been completed and accepted by the Governmental Unit, and all costs have been paid. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being.

Section 6.4 Application of Loan Agreement Proceeds Subsequent to Completion of the Project. Upon completion of the Project as signified by delivery of the completion certificate contemplated in Section 6.3 hereof, or in the event that the Finance Authority and the Trustee shall not have received a certificate of completion as required by Section 6.3 hereof by the date three (3) years from the Closing Date (or such later date as is approved in writing by Bond Counsel), the Trustee shall transfer the amounts remaining in the Program Account (except amounts necessary for payment of amounts not then due and payable) to the Finance Authority Debt Service Account and such amounts shall be used for the payment of Loan Agreement Payments.

## ARTICLE VII COMPLIANCE WITH LAWS AND RULES; OTHER COVENANTS

Section 7.1 Further Assurances and Corrective Instruments. The Finance Authority and the Governmental Unit agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project or of the Pledged Revenues, or for otherwise carrying out the intention hereof.

Section 7.2 Finance Authority and Governmental Unit Representatives. Whenever under the provisions hereof the approval of the Finance Authority or the Governmental Unit is required, or the Governmental Unit or the Finance Authority is required to take some action at the request of the other, such approval or such request shall be given for the Finance Authority or for the Governmental Unit by an Authorized Officer of the Finance Authority or the Governmental Unit, as the case may be, and any party hereto shall be authorized to act on any such approval or request.

Section 7.3 Requirements of Law. During the Loan Agreement Term, the Governmental Unit and the Finance Authority shall observe and comply promptly with all current and future orders of all courts having jurisdiction over the parties hereto, the Project or the Pledged Revenues.

Section 7.4 First Lien; Equality of Liens. The Loan Agreement Payments constitute an irrevocable first lien (but not necessarily an exclusive first lien) upon the Pledged Revenues. The Governmental Unit covenants that the Loan Agreement Payments and any Parity Obligations herein authorized to be issued and from time to time outstanding shall be equitably and ratably secured by a first lien on the Pledged Revenues and shall not be entitled to any priority one over the other in the application of the Pledged Revenues regardless of the time or times of the issuance of such obligations, it being the intention of the Governmental Unit that there shall be no priority between the Loan Agreement Payments and any such Parity Obligations regardless of the fact that they may be actually issued and delivered at different times.

Section 7.5 Expeditious Completion. The Governmental Unit shall complete the Project with all practical dispatch.

Section 7.6 Bank Designation of Loan Agreement. For purposes of and in accordance with Section 265 of the Code, the Governmental Unit hereby designates this Loan Agreement as an issue qualifying for the exception for certain qualified tax-exempt obligations to the rule denying banks and other financial institutions 100% of the deduction for interest expenses which is allocable to tax-exempt interest. The Governmental Unit reasonably anticipates that the total amount of tax exempt obligations (other than obligations described in Section 265(b)(3)(C)(ii) of the Code) which will be issued by the Governmental Unit and by any aggregated issuer during the current calendar year will not exceed \$10,000,000. For purposes of this Section 7.6, "aggregated issuer" means any entity which: (i) issues obligations on behalf of the Governmental Unit; (ii) derives its issuing authority from the Governmental Unit; or (iii) is controlled directly or indirectly by the Governmental Unit within the meaning of Treasury Regulation Section 1.150-1(e). The Governmental Unit hereby represents that: (a) it has not created and does not intend to create and does not expect to benefit from any entity formed or availed of to avoid the purposes of Section 265(b)(3)(C) or (D) of the Code; and (b) the total amount of obligations so designated by the Governmental Unit, and all aggregated issuers for the current calendar year does not exceed \$10,000,000.

Section 7.7 Arbitrage Rebate Exemption. The Governmental Unit hereby certifies and warrants, for the purpose of qualifying for the exception contained in Section 148(f)(4)(D) of the Code, to the requirement to rebate arbitrage earnings from investments of the proceeds of the Loan Agreement (the "Rebate Exemption"), that: (i) this Loan Agreement is issued by the Governmental

Unit which has general taxing powers; (ii) neither this Loan Agreement nor any portion thereof is a private activity bond as defined in Section 141 of the Code ("Private Activity Bond"); (iii) all of the net proceeds of this Loan Agreement are to be used for local government activities of the Governmental Unit (or of a governmental unit, the jurisdiction of which is entirely within the jurisdiction of the Governmental Unit); and (iv) neither the Governmental Unit nor any aggregated issuer has issued or is reasonably expected to issue any Tax-Exempt Bonds other than (A) Private Activity Bonds (as those terms are used in Section 148(f)(4)(D) of the Code) and (B) issued to refund (other than to advance refund (as used in the Code)) any bond to the extent the amount of the refunding bond does not exceed the outstanding amount of the refunded bond, during the current calendar year, which would in the aggregate amount exceed \$5,000,000. For purposes of this paragraph, "aggregated issuer" means any entity which: (a) issues obligations on behalf of the Governmental Unit; (b) derives its issuing authority from the Governmental Unit; or (c) is controlled directly or indirectly by the Governmental Unit within the meaning of Treasury Regulation Section 1.150-1(e). The Governmental Unit hereby represents that it has not created, does not intend to create and does not expect to benefit from any entity formed or availed of to avoid the purposes of Section 148(f)(4)(D) of the Code.

Accordingly, with respect to the Loan Agreement, the Governmental Unit will qualify for the rebate exemption granted under Section 148(f)(4)(D) of the Code and the Governmental Unit shall be treated as meeting the requirements of paragraphs (2) and (3) of Section 148(f) of the Code relating to the required rebate of arbitrage earnings to the United States.

The Governmental Unit hereby further represents and covenants that if it is determined that rebatable arbitrage, as that term is defined under Section 148 of the Code and related regulations, is required to be paid to the United States, that it will pay such rebatable arbitrage.

#### ARTICLE VIII PREPAYMENT OF LOAN AGREEMENT PAYMENTS

Section 8.1 Prepayment. There is no option to prepay this Loan Agreement in whole or in part.

Section 8.2 Defeasance. Should the Governmental Unit pay or make provision for payment of the Loan such that all amounts due pursuant to this Loan Agreement shall be deemed to have been paid and defeased, then the Loan Agreement Payments hereunder shall also be deemed to have been paid, the Governmental Unit's payment obligations hereunder shall be terminated, this Loan Agreement and all obligations contained herein shall be discharged and the pledge hereof released. Such payment shall be deemed made when the Governmental Unit has deposited with an escrow agent, in trust, (i) moneys sufficient to make such payment, and/or (ii) noncallable Governmental Obligations maturing as to principal and interest in such amount and at such times as will ensure the availability of sufficient moneys to make such payment and when all necessary and proper expenses of the Finance Authority have been paid or provided for. In the event the Governmental Unit makes provisions for defeasance of this Loan Agreement, the Governmental Unit shall cause to be delivered (1) a report of an independent nationally recognized certified public accountant verifying the sufficiency of the escrow established to pay this Loan Agreement in full when due or upon an irrevocably designated prepayment date, and (2) an opinion of Bond Counsel to the effect that this Loan Agreement is no longer outstanding, each of which

shall be addressed and delivered to the Finance Authority. Governmental Obligations within the meaning of this Section 8.2, unless otherwise approved by the Finance Authority, shall include only (1) cash, (2) U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series – “SLGs”), and (3) obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

#### ARTICLE IX INDEMNIFICATION

From and to the extent of the Pledged Revenues, and to the extent permitted by law, the Governmental Unit shall and hereby agrees to indemnify and save the Finance Authority and the Trustee harmless against and from all claims, by or on behalf of any person, firm, corporation or other legal entity arising from the acquisition or operation of the Project during the Loan Agreement Term, from: (i) any act of negligence or other misconduct of the Governmental Unit or breach of any covenant or warranty by the Governmental Unit hereunder; and (ii) the incurrence of any cost or expense in connection with the acquisition or operation of the Project in excess of the Loan Agreement proceeds and interest on the investment thereof. The Governmental Unit shall indemnify and save the Finance Authority and the Trustee harmless, from and to the extent of the available Pledged Revenues, from any such claim arising as aforesaid from (i) or (ii) above, or in connection with any action or proceeding brought thereon and, upon notice from the Finance Authority or the Trustee, shall defend the Finance Authority or the Trustee, as applicable, in any such action or proceeding.

#### ARTICLE X EVENTS OF DEFAULT AND REMEDIES

Section 10.1 Events of Default Defined. Any one of the following shall be an Event of Default under this Loan Agreement:

(a) Failure by the Governmental Unit to pay any amount required to be paid under this Loan Agreement on the date on which it is due and payable;

(b) Failure by the Governmental Unit to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Loan Agreement, other than as referred to in paragraph (a), for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to the Governmental Unit by the Finance Authority or the Trustee unless the Finance Authority and the Trustee shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice can be wholly cured within a period of time not materially detrimental to the rights of the Finance Authority or the Trustee but cannot be cured within the applicable thirty (30) day period, the Finance Authority and the Trustee will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the Governmental Unit within the applicable period and diligently pursued until the failure is corrected; and provided, further, that if by reason of force majeure the Governmental Unit is unable to carry out the agreements on its part herein contained, the Governmental Unit shall not be deemed in default under this paragraph (b) during the continuance of such inability (but force majeure shall not excuse any other Event of Default);

(c) Any warranty, representation or other statement by or on behalf of the Governmental Unit contained in this Loan Agreement or in any instrument furnished in compliance with or in reference to this Loan Agreement is false or misleading in any material respect;

(d) A petition is filed against the Governmental Unit under any bankruptcy, moratorium, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and is not dismissed within thirty (30) days after such filing, but the Finance Authority and the Trustee shall have the right to intervene in the proceedings prior to the expiration of such thirty (30) days to protect their interests;

(e) The Governmental Unit files a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, moratorium, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under any such law; or

(f) The Governmental Unit admits insolvency or bankruptcy or its inability to pay its debts as they become due or is generally not paying its debts as such debts become due, or becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or a custodian (including, without limitation, a receiver, liquidator or trustee) of the Governmental Unit for any of its property is appointed by court order or takes possession thereof and such order remains in effect or such possession continues for more than thirty (30) days, but the Finance Authority and the Trustee shall have the right to intervene in the proceedings prior to the expiration of such thirty (30) days to protect their interests.

Section 10.2 Remedies on Default. Whenever any Event of Default has occurred and is continuing and subject to Section 10.3 hereof, the Finance Authority or the Trustee may take any or all of the following actions as may appear necessary or desirable to collect the payments then due and to become due or to enforce performance of any agreement of the Governmental Unit in this Loan Agreement or the Intercept Agreement:

(a) By mandamus or other action or proceeding or suit at law or in equity to enforce the rights of the Finance Authority and the Trustee under this Loan Agreement and the Intercept Agreement against the Governmental Unit, and compel the Governmental Unit to perform or carry out its duties under the law and the agreements and covenants required to be performed by it contained herein; or

(b) By suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Finance Authority or the Trustee; or

(c) Intervene in judicial proceedings that affect this Loan Agreement or the Pledged Revenues; or

(d) Cause the Governmental Unit to account as if it were the trustee of an express trust for all of the Pledged Revenues; or

(e) Take whatever other action at law or in equity may appear necessary or desirable to collect amounts then due and thereafter to become due under this Loan Agreement or to enforce any other of its rights thereunder; or

(f) Apply any amounts in the Program Account toward satisfaction of any of the obligations of the Governmental Unit under this Loan Agreement.

Section 10.3 Limitations on Remedies. A judgment requiring a payment of money entered against the Governmental Unit may reach only the available Pledged Revenues.

Section 10.4 No Remedy Exclusive. Subject to Section 10.3 hereof, no remedy herein conferred upon or reserved to the Finance Authority or the Trustee is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder as now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Finance Authority or the Trustee to exercise any remedy reserved in this Article X, it shall not be necessary to give any notice, other than such notice as may be required in this Article X.

Section 10.5 Waivers of Events of Default. The Finance Authority or the Trustee may in its discretion waive by written waiver any Event of Default hereunder and the consequences of such an Event of Default provided, however, that there shall not be waived: (i) any Event of Default in the payment of the principal of this Loan Agreement at the date when due as specified herein; or (ii) any default in the payment when due of the interest on this Loan Agreement, unless prior to such waiver or rescission, all arrears of interest, with interest at the rate borne by this Loan Agreement on all arrears of payments of principal and all expenses of the Finance Authority or the Trustee, in connection with such Event of Default shall have been paid or provided for, and in case of any such waiver or rescission, or in case any proceeding taken by the Finance Authority or the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case, the Finance Authority and the Trustee shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 10.6 No Additional Waiver Implied by One Waiver. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 10.7 Agreement to Pay Attorneys' Fees and Expenses. In the event that the Governmental Unit shall default under any of the provisions hereof and the Finance Authority or the Trustee shall employ attorneys or incur other expenses for the collection of payments hereunder, or the enforcement of performance or observance of any obligation or agreement on the part of the Governmental Unit herein contained, the Governmental Unit agrees that it shall on demand therefor pay to the Finance Authority or the Trustee, as applicable, the fees of such attorneys and such other expenses so incurred, to the extent that such attorneys' fees and expenses

may be determined to be reasonable by a court of competent jurisdiction; provided, however, that the obligation of the Governmental Unit under this Section shall be limited to expenditures from and to the extent of the available Pledged Revenues.

## ARTICLE XI MISCELLANEOUS

Section 11.1 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered as follows: if to the Governmental Unit, 301 S. 3<sup>rd</sup> Street, Tucumcari, New Mexico 88401, Attention: County Manager; if to the Finance Authority, New Mexico Finance Authority, 207 Shelby Street, Santa Fe, New Mexico 87501, Attention: Chief Executive Officer; and if to the Trustee, BOKF, NA, 100 Sun Avenue N.E., Suite 500, Albuquerque, New Mexico 87109, Attention: Trust Division. The Governmental Unit, the Finance Authority, and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 11.2 Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon the Finance Authority, the Governmental Unit and their respective successors and assigns, if any.

Section 11.3 Amendments. The Governmental Unit agrees that this Loan Agreement will not be amended without the prior written consent of the Finance Authority, and, if the Loan has been pledged under the Indenture (as defined herein), without the prior written consent of the Trustee (as defined herein), the Finance Authority and the Governmental Unit, pursuant to the Indenture.

Section 11.4 No Liability of Individual Officers, Directors or Trustees. No recourse under or upon any obligation, covenant or agreement contained in this Loan Agreement shall be had against any member, employee, director or officer, as such, past, present or future, of the Finance Authority, either directly or through the Finance Authority, or against any officer, employee, director, trustee or member of the Governing Body, past, present or future, as an individual so long as such individual was acting in good faith. Any and all personal liability of every nature, whether at common law or in equity, or by statute, constitution or otherwise, of any such officer, employee, director, trustee or member of the Governing Body or of the Finance Authority is hereby expressly waived and released by the Governmental Unit and by the Finance Authority as a condition of and in consideration for the execution of this Loan Agreement.

Section 11.5 Severability. In the event that any provision of this Loan Agreement, other than the requirement of the Governmental Unit to pay hereunder, shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.6 Execution in Counterparts. This Loan Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.7 Assignment by the Finance Authority. Pursuant to the Indenture, this Loan Agreement and the Intercept Agreement may be assigned and transferred by the Finance Authority to the Trustee, which assignment and transfer is hereby acknowledged and approved by the Governmental Unit.

Section 11.8 Compliance with Governing Law. It is hereby declared by the Governing Body that it is the intention of the Governmental Unit by the execution of this Loan Agreement to comply in all respects with the provisions of the New Mexico Constitution and statutes as the same govern the pledge of the Pledged Revenues to payment of all amounts payable under this Loan Agreement.

Section 11.9 Applicable Law. This Loan Agreement shall be governed by and construed in accordance with the laws of the State.

Section 11.10 Captions. The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Loan Agreement.

[Signature pages follow]

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Finance Authority, on behalf of itself, and as approved by the Board of Directors of the Finance Authority on March 28, 2019, has executed this Loan Agreement in its corporate name by its duly authorized officer; and the Governmental Unit has caused this Loan Agreement to be executed in its corporate name and the seal of the Governmental Unit affixed and attested by its duly authorized officers. All of the above are effective as of the date first above written.

NEW MEXICO FINANCE AUTHORITY

By \_\_\_\_\_  
John Gasparich, Interim Chief Executive Officer

PREPARED FOR EXECUTION BY OFFICERS OF  
THE NEW MEXICO FINANCE AUTHORITY:  
Sutin, Thayer & Browne A Professional Corporation  
As Loan Counsel

By \_\_\_\_\_  
Suzanne Wood Bruckner

APPROVED FOR EXECUTION BY OFFICERS OF THE  
NEW MEXICO FINANCE AUTHORITY:

By \_\_\_\_\_  
Daniel C. Opperman, General Counsel

QUAY COUNTY, NEW MEXICO

By Franklin McCasland  
Franklin McCasland, Chairman of the Board of  
County Commissioners



By Ellen White  
Ellen White, County Clerk

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**EXHIBIT "A"**

**TERM SHEET**

New Mexico Finance Authority Loan No. PPRF-4928

Governmental Unit:	Quay County, New Mexico
Project Description:	Purchasing a new firefighting apparatus and related equipment for Bard-Endee Volunteer Fire Department
Loan Agreement Principal Amount:	\$150,000
Disadvantaged Funding Amount:	\$150,000
Pledged Revenues:	The distribution of State Fire Protection Funds to the Governmental Unit made periodically by the State Treasurer pursuant to Section 59A-53-7, NMSA 1978.
Coverage Ratio:	125%
Distributing State Agency:	State Treasurer
Currently Outstanding Parity Obligations:	NMFA Loan No. 2403-PP maturing in 2020; NMFA Loan No. 3110-PP, maturing 2025
Additional Parity Bonds Test:	200%
Authorizing Legislation:	Resolution 2018-2019 No. 28 adopted on April 22, 2019
Closing Date:	May 31, 2019
Blended Interest Rate:	0.099999%
Program Account Deposit:	\$148,875
Finance Authority Debt Service Account Deposit:	\$0.00
Processing Fee:	\$1,125.00

A-1

First Interest Payment Date: November 1, 2020

First Principal Payment Date: May 1, 2021

Final Payment Date: May 1, 2030

PROGRAM ACCOUNT DEPOSITS MUST BE USED WITHIN THREE YEARS UNLESS A  
LATER DATE IS APPROVED IN WRITING TO THE TRUSTEE AND THE FINANCE  
AUTHORITY BY BOND COUNSEL TO THE FINANCE AUTHORITY

**EXHIBIT "B"**

**DEBT SERVICE SCHEDULE FOR LOAN REPAYMENT**

**[SEE ATTACHED]**

B-1

Loan Agreement  
Quay County/Bard-Endee VFD, Loan No. PPRF-4928

## DETAILED BOND DEBT SERVICE

Quay County  
2019 Fire Equipment, PPRF-4928

Disadvantaged Component (DIS)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2020			212.92	212.92	
05/01/2021	11,774	0.100%	75.00	11,849.00	12,061.92
11/01/2021			69.11	69.11	
05/01/2022	11,924	0.100%	69.11	11,993.11	12,062.22
11/01/2022			63.15	63.15	
05/01/2023	11,935	0.100%	63.15	11,998.15	12,061.30
11/01/2023			57.18	57.18	
05/01/2024	11,947	0.100%	57.18	12,004.18	12,061.36
11/01/2024			51.21	51.21	
05/01/2025	11,960	0.100%	51.21	12,011.21	12,062.42
11/01/2025			45.23	45.23	
05/01/2026	18,056	0.100%	45.23	18,101.23	18,146.46
11/01/2026			36.20	36.20	
05/01/2027	18,074	0.100%	36.20	18,110.20	18,146.40
11/01/2027			27.17	27.17	
05/01/2028	18,092	0.100%	27.17	18,119.17	18,146.34
11/01/2028			18.12	18.12	
05/01/2029	18,110	0.100%	18.12	18,128.12	18,146.24
11/01/2029			9.06	9.06	
05/01/2030	18,128	0.100%	9.06	18,137.06	18,146.12
	150,000		1,040.78	151,040.78	151,040.78

Note: Quay County has an MHI of \$28,159 which constitutes 61.65% of the State MHI.

**EXHIBIT "C"**

**FORM OF REQUISITION**

**RE:** \$150,000 Loan Agreement by and between Quay County, New Mexico, and the New Mexico Finance Authority (the "Loan Agreement").

**TO:** BOKF, NA  
c/o New Mexico Finance Authority  
207 Shelby Street  
Santa Fe, New Mexico 87501  
Attn: Accounting

You are hereby authorized to disburse from the Program Account – Quay County, New Mexico (2019 Bard-Endee VFD Fire Equipment Loan), with regard to the above-referenced Loan Agreement the following:

**LOAN NO.** PPRF-4928

**CLOSING DATE:** May 31, 2019

**REQUISITION NUMBER:** \_\_\_\_\_

**NAME AND ADDRESS OF PAYEE:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**AMOUNT OF PAYMENT:** \$ \_\_\_\_\_

**PURPOSE OF PAYMENT:** \_\_\_\_\_

Each obligation, item of cost or expense mentioned herein is for costs of the Project, is due and payable, has not been the subject of any previous requisition and is a proper charge against the Program Account – Quay County, New Mexico (2019 Bard-Endee VFD Fire Equipment Loan).

All representations contained in the Loan Agreement and the related closing documents remain true and correct and Quay County, New Mexico, is not in breach of any of the covenants contained therein.

If this is the final requisition, payment of costs of the Project is complete or, if not complete, Quay County, New Mexico shall and understands its obligation to complete the acquisition of the Project from other legally available funds.

Capitalized terms used herein, are used as defined or used in the Loan Agreement.

**DATED:** \_\_\_\_\_

By \_\_\_\_\_  
Authorized Officer

Title \_\_\_\_\_  
(Print Name and Title)

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**EXHIBIT "D"**

**CERTIFICATE OF COMPLETION**

**RE:** \$150,000 Loan Agreement by and between Quay County, New Mexico, and the New Mexico Finance Authority (the "Loan Agreement").

**TO:** New Mexico Finance Authority  
207 Shelby Street  
Santa Fe, New Mexico 87501  
Attn: Accounting

Susan Ellis  
Assistant Vice President, Corporate Trust  
BOKF, NA  
100 Sun Avenue NE, Suite 500  
Albuquerque, New Mexico 87109

**LOAN NO.:** PPRF-4928

**CLOSING DATE:** May 31, 2019

In accordance with Section 6.3 of the Loan Agreement, the undersigned states, to the best of his or her knowledge, that the acquisition of the Project has been completed and accepted by the Governmental Unit, and all costs have been paid as of the date of this Certificate. Notwithstanding the foregoing, this certification is given without prejudice to any rights against third parties which exist at the date of this Certificate or which may subsequently come into being.

Capitalized terms used herein, are used as defined or used in the Loan Agreement.

**DATED:** \_\_\_\_\_

By \_\_\_\_\_  
Authorized Officer of Governmental Unit

Title \_\_\_\_\_  
Print Name and Title

D-1

## INTERCEPT AGREEMENT

This INTERCEPT AGREEMENT is made and entered into May 31, 2019, by and between the NEW MEXICO FINANCE AUTHORITY (the "Finance Authority"), a public body politic and corporate constituting a governmental instrumentality separate and apart from the State of New Mexico (the "State") under the laws of the State and QUAY COUNTY, NEW MEXICO, a political subdivision duly organized and existing under the laws of the State (the "Governmental Unit").

### WITNESSETH:

WHEREAS, Sections 6-21-1 through 6-21-31, NMSA 1978, as amended, authorized the creation of the Finance Authority within the State to assist in financing the cost of public projects of participating qualified entities, including the Governmental Unit, such as the acquisition of a new firefighting apparatus and related equipment for use by the Bard-Endee Volunteer Fire Department within the Governmental Unit; and

WHEREAS, pursuant to Sections 6-21-1 through 6-21-31, NMSA 1978, as amended, and Sections 4-62-1 through 4-62-10, NMSA 1978, as amended (collectively, the "Act"), the Finance Authority and the Governmental Unit are authorized to enter into agreements to facilitate the financing of the Project as described in the Loan Agreement by and between the Finance Authority and the Governmental Unit of even date herewith (the "Loan Agreement"); and

WHEREAS, the Governmental Unit desires to acquire the Project and such acquisition is permitted under the Act; and

WHEREAS, the Finance Authority has established its Loan Program (the "Program") funded by its public project revolving fund (as defined in the Act) for the financing of infrastructure and equipment projects upon the execution of the Loan Agreement and the assignment of loan agreements to a trustee (the "Trustee"); and

WHEREAS, the Governmental Unit desires to borrow \$150,000 from the Program for the purpose of financing the acquisition of the Project, which Loan is to be governed by this Intercept Agreement and by the Loan Agreement; and

WHEREAS, the Act confers upon the Finance Authority the authority to loan funds to the Governmental Unit to finance the Project, and Section 59A-53-7, NMSA 1978, as amended, authorizes the Governmental Unit to direct that its distribution of State Fire Protection funds (the "Pledged Revenues") from the State Treasurer (the "Distributing State Agency") be paid to the Finance Authority or its assignee, to secure payments under the Loan Agreement;

NOW THEREFORE, the parties hereto agree:

Unless otherwise defined in this Intercept Agreement and except where the context by clear implication otherwise requires, capitalized terms used in this Intercept Agreement shall have for all purposes of this Intercept Agreement the meanings assigned thereto in the Loan Agreement and the Indenture, as defined in the Loan Agreement.

Section 1. Authorization to the Finance Authority. The Governmental Unit hereby recognizes that the Finance Authority has made a Loan to the Governmental Unit in the amount of \$150,000 to finance the acquisition of the Project. Pursuant to the Loan Agreement and this Intercept Agreement, the Loan and all Loan Agreement Payments on the Loan made by or on behalf of the Governmental Unit shall be collected by the Finance Authority and remitted to the Trustee. All payments due on the Loan from the Pledged Revenues shall be paid by the Distributing State Agency to the Finance Authority or its designee, on behalf of the Governmental Unit, from scheduled distributions of the Pledged Revenues in accordance with the Intercept Schedule attached hereto as Exhibit "A" (the "Intercept Schedule"), or shall be made from special reserve funds of the Finance Authority (as determined by the Finance Authority, and subject to repayment from the Pledged Revenues).]

This Intercept Agreement shall be deemed a written certification, authorization and request by the Governmental Unit to the Distributing State Agency to pay to the Finance Authority, on behalf of the Governmental Unit, sums shown on the Intercept Schedule from periodic distributions of the Pledged Revenues pursuant to Section 59A-53-7, NMSA 1978, as amended, or from special reserve funds of the Finance Authority (as determined by the Finance Authority, and subject to repayment from the Pledged Revenues) to insure compliance with the Loan Agreement and repayment of the Loan. Upon written notice to the Distributing State Agency from the Finance Authority, the amount of the Pledged Revenues to be paid to the Finance Authority shall be increased from the amounts shown on Exhibit "A" to defray any delinquencies in the Finance Authority Debt Service Account or Loan Agreement Reserve Account, if any, established for the Governmental Unit. Any accumulation of the Pledged Revenues in an amount in excess of the next Loan Agreement Payment and the Loan Agreement Reserve Requirement, if any, shall be redirected by the Finance Authority to the benefit of the Governmental Unit on a timely basis as provided in Section 5.2 of the Loan Agreement.

To the extent applicable and to the extent that the Pledged Revenues are insufficient to meet the debt service requirements due on the Loan and other Parity Obligations (as defined in the Loan Agreement) now or hereafter issued or incurred, the amounts intercepted under this Intercept Agreement shall be applied to allow partial payment on a pro-rata basis of the debt service due and owing on the Loan Agreement and other Parity Obligations.

Section 2. Term; Amendments. This Intercept Agreement will remain in full force and effect from its effective date as herein provided until such time as the Loan made pursuant to the Loan Agreement and this Intercept Agreement have been paid in full. Nothing herein shall be deemed in any way to limit or restrict the Governmental Unit from

issuing its own obligations, providing its own program or participating in any other program for the financing of public projects which the Governmental Unit may choose to finance. This Intercept Agreement may be amended only by written instrument signed by the parties hereto.

Section 3. Authorization. The execution and performance of the terms of this Intercept Agreement have been authorized and approved by Resolution 2018-2019 No. 28, passed and adopted on April 22, 2019, by the Governing Body of the Governmental Unit, which Resolution is in full force and effect on the date hereof.

Section 4. Severability of Invalid Provisions. If any one or more of the provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such provision shall be null and void and shall be deemed separable from the remaining provisions and shall in no way affect the validity of any of the other provisions hereof.

Section 5. Counterparts. This Intercept Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 6. Further Authorization. The Governmental Unit agrees that the Finance Authority shall do all things necessary or convenient to the implementation of the Program to facilitate the Loan to the Governmental Unit.

Section 7. Effective Date. This Intercept Agreement shall take effect on the Closing Date of the Loan.

Section 8. Initial Intercept Date. As indicated on the Intercept Schedule, the periodic distribution of the Pledged Revenues that is to be intercepted by the Distributing State Agency under the terms of this Intercept Agreement consist of Pledged Revenues due to the Governmental Unit distributed in the Fiscal Year ending June 30, 2021.

Section 9. Final Intercept Date. Once the Loan has been fully paid off and satisfied, Finance Authority shall provide written notice to the Distributing State Agency to discontinue the interception of the Governmental Unit's Pledged Revenues.

[Remainder of page left intentionally blank]

[Signature page follows]

IN WITNESS WHEREOF, the parties to this Intercept Agreement have caused their names to be affixed hereto by the proper officers thereof as of the date first above written.

NEW MEXICO FINANCE AUTHORITY

By \_\_\_\_\_  
John Gasparich, Interim Chief Executive Officer

QUAY COUNTY, NEW MEXICO

By Franklin McCasland  
Franklin McCasland, Chairman of the Board  
of County Commissioners



Attest:

By Ellen White  
Ellen White, County Clerk

Acknowledged:

By \_\_\_\_\_  
State Treasurer, \_\_\_\_\_

By \_\_\_\_\_  
State Fire Marshal, \_\_\_\_\_

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

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

EXHIBIT "A"

INTERCEPT SCHEDULE  
QUAY COUNTY, NEW MEXICO  
BARD-ENDEE VOLUNTEER FIRE DEPARTMENT

Fiscal Year Ending June 30	Pledged Revenues	Annual Amount
2021	The distribution of State Fire Protection Fund Revenues to Quay County, New Mexico for the Bard-Endee Volunteer Fire Department pursuant to Section 59A-53-7, NMSA, 1978, which distributions are made by periodically by the State Treasurer	\$12,061.92
2022		\$12,062.22
2023		\$12,061.30
2024		\$12,061.36
2025		\$12,062.42
2026		\$18,146.46
2027		\$18,146.40
2028		\$18,146.34
2029		\$18,146.24
2030		\$18,146.12

\$150,000  
QUAY COUNTY, NEW MEXICO  
BARD-ENDEE VOLUNTEER FIRE DEPARTMENT  
NEW MEXICO FINANCE AUTHORITY LOAN

STATE OF NEW MEXICO            )  
  ) ss. GENERAL AND NO LITIGATION  
QUAY COUNTY                    ) CERTIFICATE

IT IS HEREBY CERTIFIED by the undersigned, the duly elected and chosen, Chairman, Finance Director, County Clerk and Attorney for Quay County, New Mexico (the "Governmental Unit"), State of New Mexico (the "State") (provided, that the Attorney for the Governmental Unit is certifying only as to Paragraphs 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 13, 14, 16, 17, 18, 20, 21, 22, 24 and 25 hereof):

Capitalized terms used in this Certificate have the same meaning as defined in Governmental Unit Resolution No. 2018-2019 No. 28 adopted on April 22, 2019 (the "Resolution") unless otherwise defined in this Certificate or the context requires otherwise.

1. The Governmental Unit is a political subdivision of the State and is duly organized and validly existing under and pursuant to the laws of the State, its full name being "Quay County."
2. The Governmental Unit was established in the year 1903, Section 4-20-1, NMSA 1978, as amended.
3. From at least January 28, 2019 (except as otherwise noted), to and including the date of this Certificate, the following were and now are the duly chosen, qualified and acting officers of the Governmental Unit:

Chairman of the Board:	Franklin McCasland
Commissioners:	Mike Cherry (Vice Chairman) Sue Dowell
County Clerk:	Ellen White
Finance Director:	Cheryl Simpson
County Manager:	Richard Primrose
Attorney:	Timothy Rose

4. The population of the Governmental Unit's jurisdictional and service area is not less than seventy-five percent (75%) English speaking and is less than twenty-five percent (25%) Spanish speaking.

5. There is no reason within our knowledge, after due inquiry with respect thereto, why the Governmental Unit may not enter into the Loan Agreement and the Intercept Agreement with the New Mexico Finance Authority (the "Finance Authority"), as authorized by the Resolution.

6. The Governmental Unit has duly authorized the execution, delivery and performance of its obligations under the Loan Agreement and the Intercept Agreement. The Loan Agreement and the Intercept Agreement have been duly authorized, executed and delivered by the Governmental Unit.

7. The Resolution has been duly signed and adopted in accordance with all applicable laws and has not been repealed, rescinded, revoked, modified, amended or supplemented in any manner except as set forth in the Resolution. The Resolution constitutes valid and sufficient legal authority for the Governmental Unit to carry out and enforce the provisions of the Loan Agreement and Intercept Agreement. No referendum petition has been filed with respect to the Resolution under the provisions of the laws, bylaws or regulations or charter of the Governmental Unit and the laws of the Governmental Unit or the State.

8. No event will result from the execution and delivery of the Loan Agreement or the Intercept Agreement that constitutes a default or an event of default under either the Loan Agreement, the Intercept Agreement or the Resolution, and no event of default and no default under the Loan Agreement, the Intercept Agreement or the Resolution has occurred and is continuing on the date of this Certificate.

9. The Governmental Unit has duly authorized and approved the consummation by it of all transactions and has complied with all requirements and satisfied all conditions, which are required by the Loan Agreement and the Intercept Agreement to have been authorized, approved, performed or consummated by the Governmental Unit at or prior to the date of this Certificate. The Governmental Unit has full legal right, power and authority to carry out and consummate the transactions contemplated by the Resolution, the Loan Agreement and the Intercept Agreement.

10. A. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the enforceability of the Loan Agreement or the Intercept Agreement or to any of the actions required to be taken by the Resolution, the Loan Agreement or the Intercept Agreement on or prior to the date of this Certificate have been obtained and are in full force and effect; and

B. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the financing of the Project have been obtained and are in full force and effect.

11. None of the following does or will conflict with, or constitute a breach by the Governmental Unit of, or default by the Governmental Unit under any law, court decree or order, governmental regulation, rule or order, resolution, agreement, indenture, mortgage or other instrument to which the Governmental Unit is subject or by which it is bound:

A. The Governmental Unit's adoption of the Resolution; or

B. Any action contemplated by or pursuant to the Resolution, the Loan Agreement, or the Intercept Agreement.

12. No material adverse change has occurred, nor has any development occurred involving a prospective material and adverse change in, or affecting the affairs, business, financial condition, results of operations, prospects, or properties of the Governmental Unit or the Pledged Revenues since the date of the Resolution.

13. To the best of our knowledge and belief, after due inquiry with respect thereto, none of the events of default referred to in Article X of the Loan Agreement has occurred.

14. Subsequent to the adoption of the Resolution, the Governmental Unit has not pledged or otherwise encumbered the Pledged Revenues. On the date of this Certificate there are no other outstanding obligations with a lien or encumbrance against the Pledged Revenues senior to or on a parity with the lien of the Loan Agreement except as set forth in the Term Sheet attached as Exhibit "A" to the Loan Agreement.

15. The Loan Agreement prohibits the Governmental Unit from issuing any bonds or other obligations with a lien on Pledged Revenues senior to the lien thereon of the Loan Agreement on the Pledged Revenues. The Loan Agreement permits the Governmental Unit to issue additional bonds or other obligations with a lien on the Pledged Revenues on a parity with or subordinate to the lien of the Loan Agreement on the Pledged Revenues upon satisfaction of the conditions set forth in the Loan Agreement.

16. There is no threatened action, suit, proceeding, inquiry or investigation against the Governmental Unit, at law or in equity, by or before any court, public board or body, nor to the Governmental Unit's knowledge is there any basis therefor, affecting the existence of the Governmental Unit or the titles of its officials to their respective offices, or seeking to prohibit, restrain or enjoin the pledge of revenues or assets of the Governmental Unit pledged or to be pledged to pay the principal, premium, if any, and interest on the Loan Agreement, or in any way materially adversely affecting or questioning: (a) the territorial jurisdiction of the Governmental Unit; (b) the use of the proceeds of the Loan Agreement for the Project and to pay certain costs of the Finance Authority associated with the administration of its public projects revolving fund loan program; (c) the validity or enforceability of the Loan Agreement, the Intercept Agreement or any proceedings of the Governmental Unit taken with respect to the Loan Agreement, the Intercept Agreement or the Resolution; (d) the execution and delivery of the Loan Agreement or the Intercept Agreement; or (e) the power of the Governmental Unit to carry out the transactions contemplated by the Loan Agreement, the Intercept Agreement or the Resolution.

17. The Governmental Unit has complied with all the covenants and satisfied all the conditions on its part to be performed or satisfied at or prior to the date hereof, and the representations and warranties of the Governmental Unit contained in the Loan Agreement and in the Resolution are true and correct as of the date hereof.

18. The Governmental Unit is not in default, and has not been in default within the ten (10) years immediately preceding the date of this Certificate, in the payment of principal of, premium, if any, or interest on any bonds, notes or other obligations which it has issued, assumed

or guaranteed as to payment of principal, premium, if any, or interest except that no representation is made with respect to industrial revenue bonds or conduit bonds payable solely from installment sale or lease payments, loan repayments or other amounts received by the Governmental Unit from private entities.

19. To the best of our knowledge and belief, neither the Chairman, Finance Director, County Clerk, any member of the Governing Body, nor any other officer, employee or other agent of the Governmental Unit is interested (except in the performance of his or her official rights, privileges, powers and duties), directly or indirectly, in the profits of any contract, or job for work, or services to be performed and appertaining to the Project.

20. Regular meetings of the Governing Body have been held in the 301 S. 3<sup>rd</sup> Street, Tucumcari, New Mexico 88041, the principal meeting place of the Governing Body.

21. The Governing Body has no rules of procedure which would invalidate or make ineffective the Resolution or other action taken by the Governing Body in connection with the Loan Agreement. Open Meetings Act Resolution No. 14, as adopted and approved by the Governing Body on December 10, 2018, establishes notice standards as required by Sections 10-15-1 through 10-15-4, NMSA 1978. Open Meetings Act Resolution No. 14 has not been amended or repealed. All action of the Governing Body with respect to the Loan Agreement, the Intercept Agreement and the Resolution was taken at meetings held in compliance with Open Meetings Act Resolution No. 14.

22. The *Quay County Sun* is a legal newspaper which maintains an office and is of general circulation in the Governmental Unit's jurisdictional and service area.

23. The Pledged Revenues from the Fiscal Year immediately preceding the Closing Date were equal to or exceeded, and, on an ongoing basis during each year of the Loan Agreement Term, are reasonably expected to equal or exceed one hundred twenty-five percent (125%) of the maximum Aggregate Annual Debt Service Requirement.

24. The Pledged Revenues may lawfully be pledged to secure the payment of amounts due under the Loan Agreement.

25. The Chairman, Finance Director and County Clerk, on the date of the signing of the Loan Agreement and the Intercept Agreement and on the date of this Certificate, are the duly chosen, qualified and acting officers of the Governmental Unit authorized to execute such agreements.

26. The Governmental Unit understands that Sutin, Thayer & Browne A Professional Corporation represents the Finance Authority in this Loan and the Governmental Unit has had the opportunity to consult other counsel in connection with the Loan.

27. This Certificate is for the benefit of the Finance Authority.

28. This Certificate may be executed in counterparts.

[Signature page follows]

WITNESS our hands and the seal of the Governmental Unit this 31<sup>st</sup> day of May, 2019.

QUAY COUNTY, NEW MEXICO

By Franklin McCasland  
Franklin McCasland, Chairman of the Board of  
County Commissioners

By Ellen White  
Ellen White, County Clerk

By Cheryl Simpson  
Cheryl Simpson, Finance Director

[SEAL]

APPROVED

Paragraphs 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 13, 14, 16, 17, 18, 20, 21, 22, 24 and 25 are approved  
and confirmed.

\_\_\_\_\_  
Timothy Rose, Attorney for  
Quay County, New Mexico

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\$150,000  
QUAY COUNTY, NEW MEXICO  
BARD-ENDEE VOLUNTEER FIRE DEPARTMENT  
NEW MEXICO FINANCE AUTHORITY LOAN

STATE OF NEW MEXICO            )  
QUAY COUNTY                    ) ss. DELIVERY, DEPOSIT AND  
  ) CROSS-RECEIPT CERTIFICATE

IT IS HEREBY CERTIFIED by the undersigned, the duly chosen, qualified and acting Chairman, Finance Director and County Clerk of Quay County, New Mexico (the "Governmental Unit"):

1. On the date of this Certificate, the Governmental Unit executed and delivered, or caused to be executed and delivered, a Loan Agreement between the Governmental Unit and the New Mexico Finance Authority (the "Finance Authority"), in the aggregate principal amount of \$150,000, to the Finance Authority (the "Loan Agreement"), as authorized by Governmental Unit Resolution 2018-2019 No. 28 (the "Resolution") adopted on April 22, 2019, relating to the execution and delivery of the Loan Agreement and the Intercept Agreement. The undersigned have received \$150,000 as proceeds from the Loan Agreement, being the full purchase price therefore.

2. The proceeds of the Loan Agreement will be placed in the funds and accounts created for the deposit of such moneys under the General Indenture of Trust and Pledge dated as of June 1, 1995, as amended and supplemented, or the Subordinated General Indenture of Trust and Pledge dated as of March 1, 2005, as supplemented, each by and between the Finance Authority and the BOKF, NA, as Trustee and its successors and assigns, as determined by the Finance Authority pursuant to a Pledge Notification or Supplemental Indenture, as follows:

Governmental Unit's Account in the Program Fund:	\$148,875.00
Processing Fee paid to the Finance Authority:	\$ <u>1,125.00</u>
Total:	\$150,000.00

3. The proceeds of the Loan Agreement will be available to the Governmental Unit upon submittal of a Requisition Form to the Finance Authority in the form attached to the Loan Agreement as Exhibit "C" and will be used as set forth in the Resolution and the Loan Agreement.

WITNESS our hands this May 31, 2019.

QUAY COUNTY, NEW MEXICO

By Franklin McCasland  
Franklin McCasland, Chairman of the Board of  
County Commissioners

By Ellen White  
Ellen White, County Clerk

By Cheryl Simpson  
Cheryl Simpson, Finance Director

[SEAL]



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It is hereby certified by the undersigned, a duly qualified and acting official of the New Mexico Finance Authority, that, the undersigned has, on the date of this Certificate, received from Quay County, New Mexico the Loan Agreement and the Intercept Agreement.

NEW MEXICO FINANCE AUTHORITY

By \_\_\_\_\_  
John Gasparich, Interim Chief Executive Officer

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\$150,000  
QUAY COUNTY, NEW MEXICO  
BARD-ENDEE VOLUNTEER FIRE DEPARTMENT  
NEW MEXICO FINANCE AUTHORITY LOAN

STATE OF NEW MEXICO            )  
QUAY COUNTY                    ) ss. PLEDGED REVENUE CERTIFICATE  
  )

WHEREAS, Quay County, New Mexico (the "Governmental Unit") pursuant to Resolution No. 2009-2010 #33 adopted on December 14, 2009 (the "2009 Resolution"), executed and delivered a Loan Agreement, Loan No. 2403-PP (the "2009 Loan Agreement") between the Governmental Unit and the New Mexico Finance Authority (the "Finance Authority"), in the aggregate principal amount of \$152,250. The Loan Agreement is payable from a lien on the periodic distribution of State Fire Protection Funds distributed to the Governmental Unit by the New Mexico State Treasurer (the "Pledged Revenues").

WHEREAS, the Governmental Unit pursuant to Resolution No. 32 adopted on April 28, 2014 (the "2014 Resolution"), executed and delivered a Loan Agreement, Loan No. 3110-PP (the "2014 Loan Agreement") between the Governmental Unit and the Finance Authority, in the aggregate principal amount of \$60,454. The Loan Agreement is payable from the Pledged Revenues.

WHEREAS, the Governmental Unit, pursuant to Resolution 2018-2019 No. 28 (the "2019 Resolution"), intends to execute and deliver on the date hereof its New Mexico Finance Authority Loan Agreement, Loan No. PPRF-4928, in the aggregate principal amount of \$150,000 for the purpose of financing the purchase of a new firefighting apparatus and related equipment for use by the Bard-Endee Volunteer Fire Department within the Governmental Unit (the "2019 Loan Agreement") payable from the Pledged Revenues, as set forth in the Loan Agreement;

WHEREAS, Section 5.5, the "Additional Parity Obligations" of the 2009 Loan Agreement and the 2014 Loan Agreement provides as follows:

"Section 5.5 Additional Parity Obligations. No provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional Parity Obligations payable from the Pledged Revenues, nor to prevent the issuance of bonds or other obligations refunding all or a part of this Loan Agreement; provided, however, that before any such additional Parity Obligations are actually issued (excluding refunding bonds or refunding obligations which refund Parity Obligations but including parity refunding bonds and obligations which refund subordinate obligations as provided in Section 5.6 hereof), it must be determined that:

(a) The Governmental Unit is then current in all of the accumulations required to be made into the NMFA Debt Service Account as provided herein.

(b) No default shall exist in connection with any of the covenants or requirements of the Resolution or this Loan Agreement.

(c) The Pledged Revenues received by or credited to the Governmental Unit for the Fiscal Year or for any twelve (12) consecutive months out of the twenty-four (24) months preceding the date of the issuance of such additional Parity Obligations (the "Historic Test Period") shall have been sufficient to pay an amount representing two hundred percent (200%) of the combined maximum Aggregate Annual Debt Service Requirements coming due in any subsequent Fiscal Year on the then outstanding Parity Obligations and the Parity Obligations proposed to be issued (excluding the accumulation of any reserves therefor).

(d) A written certification or opinion by the Governmental Unit's chief financial officer or by an Independent Accountant that the Pledged Revenues for the Historic Test Period are sufficient to pay said amounts, shall be conclusively presumed to be accurate in determining the right of the Governmental Unit to authorize, issue, sell and deliver the Parity Obligations proposed to be issued.

(e) No provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional bonds or other obligations payable from the Pledged Revenues constituting a lien upon such Pledged Revenues subordinate and junior to the lien of this Loan Agreement nor to prevent the issuance of bonds or other obligations refunding all or part of this Loan Agreement as permitted by Section 5.6 hereof.

(f) The Governmental Unit shall not issue bonds or other obligations payable from the Pledged Revenues having a lien thereon prior and superior to this Loan Agreement."

WHEREAS, the principal and interest on the outstanding 2009 Loan Agreement coming due in each Fiscal Year to its last principal payment date is as follows:

**2009 Loan Agreement Debt Service Requirements**

Fiscal Year Ending	Total Payment
2019	\$15,831
2020	16,087

WHEREAS, the principal and interest on the outstanding 2014 Loan Agreement coming due in each Fiscal Year to its last principal payment date is as follows:

**2014 Loan Agreement Debt Service Requirements**

Fiscal Year Ending	Total Payment
2021	6,084
2022	6,084
2023	6,084
2024	6,084
2025	6,084

WHEREAS, the principal and interest on the 2019 Loan Agreement coming due in each Fiscal Year to its last principal date is as follows:

**2019 Loan Agreement Debt Service Requirements**

Fiscal Year Ending	Principal	Interest	Total Payment
2021	\$11,744.00	\$287.92	\$12,061.92
2022	11,924.00	138.22	12,062.22
2023	11,935.00	126.30	12,061.30
2024	11,947.00	114.36	12,061.36
2025	11,960.00	102.42	12,062.42
2026	18,056.00	90.46	18,146.46
2027	18,074.00	72.40	18,146.40
2028	18,092.00	54.34	18,146.34
2029	18,110.00	36.24	18,146.24
2030	18,128.00	18.12	18,146.12

NOW THEREFORE, the undersigned do hereby certify as follows:

1. We are familiar with the provisions of the 2009 Resolution authorizing the execution and delivery of the 2009 Loan Agreement, the 2014 Resolution authorizing the execution and delivery of the 2014 Loan Agreement and the 2019 Resolution authorizing the execution and delivery of the 2019 Loan Agreement and with the provisions of the 2009 Loan Agreement, the 2014 Loan Agreement and the 2019 Loan Agreement.

2. We are familiar with the books, accounts and funds of the Governmental Unit pertaining to the Pledged Revenues.

3. Except as stated in the preambles to this Certificate, the Pledged Revenues have not been pledged or hypothecated to the payment of any outstanding parity lien obligations and no other outstanding obligations are payable from the Pledged Revenues.

4. The Governmental Unit is not, and has not been in default as to making any payments on the 2009 Loan Agreement or the 2014 Loan Agreement, nor under any of the covenants or requirements of the 2009 Loan Agreement or the 2014 Loan Agreement.

5. The 2019 Loan Agreement is payable from the Pledged Revenues and will constitute a lien upon the Pledged Revenues on a parity with the lien of the outstanding 2009 Loan Agreement and the 2014 Loan Agreement.

6. The fiscal year immediately preceding the date of the 2019 Loan Agreement is the period commencing on July 1, 2017 and ending in June 30, 2018.

7. The Pledged Revenues for the fiscal year ended 2018 are fairly stated at \$123,338.

8. The combined maximum Aggregate Annual Debt Service Requirements on the 2009 Loan Agreement, the 2014 Loan Agreement and the 2019 Loan Agreement for the parity bond test set out in the preambles of this Certificate occurs in Fiscal Year 2026 and is \$18,146.46. Two hundred percent (200%) of such amount is \$36,292.92.

9. The Pledged Revenues of \$123,338 (i.e., paragraph 7 above) for the fiscal year immediately preceding the date of the execution and delivery of the 2019 Loan Agreement were sufficient to pay an amount representing 200% of the combined maximum Aggregate Annual Debt Service Requirements of \$18,146.46 on the 2009 Loan Agreement, the 2014 Loan Agreement and the 2019 Loan Agreement.

10. This certificate is for the benefit of each holder from time to time of the 2019 Loan Agreement and for the benefit of bond counsel in rendering opinions to the effect that the 2019 Loan Agreement is secured by a lien pledge on the Pledged Revenues on a parity with the 2009 Loan Agreement and the 2014 Loan Agreement.

[Signature pages follow]

WITNESS our hands this 31<sup>st</sup> day of May, 2019.

QUAY COUNTY, NEW MEXICO

By *Franklin McCasland*  
Franklin McCasland, Chairman of the Board of  
County Commissioners

[SEAL]



By *Ellen White*  
Ellen White, County Clerk

By *Cheryl Simpson*  
Cheryl Simpson, Finance Director

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\$150,000  
QUAY COUNTY, NEW MEXICO  
BARD-ENDEE VOLUNTEER FIRE DEPARTMENT  
NEW MEXICO FINANCE AUTHORITY LOAN

STATE OF NEW MEXICO            )  
QUAY COUNTY                    ) ss. ARBITRAGE AND TAX  
  ) CERTIFICATE

On behalf of Quay County, New Mexico (the "Governmental Unit"), and in connection with the Loan Agreement dated May 31, 2019 (the "Loan Agreement"), relating to financing the cost of purchasing a new firefighting apparatus and related equipment for use by the Bard-Endee Volunteer Fire Department within the Governmental Unit and paying the Processing Fee (the "Project") as described in the Loan Agreement, and evidencing the Governmental Unit's obligation in the aggregate principal amount of \$150,000, the Governmental Unit hereby certifies as follows:

Capitalized terms used in this Certificate have the same meanings as defined in Resolution 2018-2019 No. 28 adopted on April 22, 2019, unless otherwise defined in this Certificate or the context requires otherwise.

1. The Project. The Governmental Unit is entering into the Loan Agreement simultaneously with delivery of this Certificate. The Loan Agreement evidences the loan (the "Loan") made by the New Mexico Finance Authority (the "Finance Authority") to provide funds to pay the costs of acquiring the Project described in Exhibit "A" attached to the Loan Agreement and to pay certain costs incurred in connection with the execution and delivery of the Loan Agreement.

2. Security for the Loan Agreement. Debt service on the Loan Agreement will be secured by the pledged revenues described in Exhibit "A" attached to the Loan Agreement (the "Pledged Revenues") sufficient to pay debt service due in connection with the Loan, which Pledged Revenues have been pledged to the Finance Authority pursuant to the Loan Agreement.

3. Finance Authority Public Project Revolving Fund Program. The Governmental Unit acknowledges that the Finance Authority may assign and transfer the Loan Agreement to the BOKF, NA, as successor trustee (the "Trustee") pursuant to the Indenture, as defined in the Loan Agreement, and all Supplemental Indentures thereto, between the Finance Authority and the Trustee (collectively, the "Indenture"). Pursuant to the Indenture, the Loan Agreement may be pledged as an Additional Pledged Loan to the Trustee as additional security for the payment of amounts due on the Finance Authority's Public Project Revolving Fund Revenue Bonds outstanding at the time of such pledge.

4. Sources and Uses of Loan Funds. The Governmental Unit has received Loan proceeds from the public project revolving fund, as defined in the New Mexico Finance Authority Act, Sections 6-21-1, *et seq.*, NMSA 1978, as amended and supplemented, in the amount of

\$150,000 from the Finance Authority (the "Proceeds"). The Proceeds do not exceed the amount reasonably necessary for the purposes for which the Loan Agreement was entered into.

5. Expenditure Expectations. The Governmental Unit expects to incur a substantial binding obligation within six (6) months of the date hereof with regard to the Project, which obligation involves the expenditure of no less than five percent (5%) of the Proceeds. The Governmental Unit reasonably expects that the \$148,875 of Proceeds deposited into the Governmental Unit's Program Account in the Program Fund together with other legally available funds and anticipated earnings from the investment of such Proceeds until they are spent, are expected to be expended within three (3) years of the date hereof.

The estimated total costs of the Project will not be less than \$148,875 plus investment earnings thereon during the acquisition period.

Proceeds in the amount of \$1,125.00 will be deducted from the Proceeds and paid directly to the Finance Authority as the Processing Fee for the costs of originating and servicing the Loan.

Proceeds in the amount of \$0.00 will be deposited into the Finance Authority Debt Service Account to be maintained by the Finance Authority or its assignee and utilized as provided in Section 5.2 of the Loan Agreement.

6. Investment of Proceeds. Except for the investment of the Proceeds (i) in the Program Account established under the Indenture with respect to the Loan Agreement pending the payment of the costs of the Project, and (ii) in the Finance Authority Debt Service Account established and administered by the Finance Authority pending the payment of debt service on the Loan Agreement, there will be no investment of the Proceeds.

7. Bona Fide Debt Service Fund. Debt service payments on the Loan Agreement will be paid from the Pledged Revenues of the Governmental Unit deposited to the Finance Authority Debt Service Account created with respect to the Loan Agreement. Because the Pledged Revenues of the Governmental Unit for any year will exceed debt service on the Loan Agreement, it is assumed that current debt service paid by the Governmental Unit for deposit in the Finance Authority Debt Service Account will be derived entirely from the current Pledged Revenues. The Finance Authority Debt Service Account will be depleted at least once a year except for an amount not to exceed the greater of the earnings on the Finance Authority Debt Service Account for the immediately preceding bond year or one-twelfth (1/12<sup>th</sup>) of debt service on the Loan for the immediately preceding bond year. The Governmental Unit has not created or established, nor does it expect to create or establish, any debt service fund, redemption fund, replacement fund, sinking fund or other similar fund which is reasonably expected to be used to pay principal or interest on the Loan Agreement or pledged therefor, except for the Finance Authority Debt Service Account.

8. No Disposition of Project. The undersigned reasonably expect that no part of the Project acquired with the Proceeds will be sold or otherwise disposed of, in whole or in part, during the term of the Loan Agreement.

9. General Tax Covenant. The Governmental Unit has covenanted in the Loan Agreement that no use will be made of the Proceeds, or any funds or accounts of the Governmental

Unit which may be deemed to be Gross Proceeds (as defined in Treasury Regulation Section 1.148(b)) of the Loan Agreement, which use, if it had been reasonably expected on the date hereof, would have caused the Loan Agreement to be classified as an "arbitrage bond" within the meaning of Section 148 of the Code. The Governmental Unit has further obligated itself in the Loan Agreement to comply throughout the term of the Loan Agreement with the requirements of Sections 103 and 141 through 150 of the Code and regulations proposed or promulgated with respect thereto. Pursuant to the Loan Agreement, the Governmental Unit shall be liable for any rebatable arbitrage payable pursuant to Section 103 and 141 through 150 of the Code and regulations proposed or promulgated with respect thereto.

10. Private Business Use Limitations. None of the Proceeds will be used by a private business or any entity other than a governmental unit or secured by payments from or property of a private business or any entity other than a governmental unit except pursuant to a management contract which conforms with Revenue Procedure 2017-13 of the United States Treasury. For purposes of the preceding sentence a governmental unit does not include the United States Government or any agency or instrumentality thereof.

11. No Common Plan of Financing. There are no other obligations which are being issued or sold at substantially the same time as the Loan Agreement pursuant to a common plan of financing with the Loan Agreement and that will be paid out of the Pledged Revenues or will have substantially the same claim to be paid out of the Pledged Revenues as the Loan Agreement.

12. No Federal Guarantees. The Loan is not federally guaranteed within the meaning of Section 149(b) of the Code.

13. Information Filing. Loan Counsel for the Finance Authority, on behalf of the Governmental Unit, will timely file the Form 8038-G with respect to the Loan Agreement attached hereto as Exhibit "A" with the Internal Revenue Service. The Finance Authority has verified certain information necessary to complete the Form 8038-G as shown on the Finance Authority Certificate attached hereto as Exhibit "B".

14. Hedge Bonds. The Loan is not a hedge bond as defined in Section 149 of the Code.

15. No Reimbursement. None of the Proceeds will be used to reimburse the Governmental Unit for costs paid for the Project more than sixty (60) days prior to the date hereof.

16. No Refunding. Proceeds of the Loan are not being used to refund any other obligation of the Governmental Unit.

17. Economic Life of Project. The weighted average maturity of 6.939 years of the Loan Agreement does not exceed 120% of the reasonably expected economic life of the Project, which is six (6) years.

18. Qualified Tax-Exempt Obligations. The Loan Agreement is a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code. The Governmental Unit represents that the reasonably anticipated amount of qualified tax-exempt obligations which will be issued by the Governmental Unit during the current calendar year does not exceed \$10,000,000 and the Governmental Unit will not designate more than \$10,000,000 of "qualified tax-exempt

obligations" for purposes of Section 265(b)(3) of the Code. For purposes of this Section, "aggregated issuer" means any entity which: (i) issues obligations on behalf of the Governmental Unit; (ii) derives its issuing authority from the Governmental Unit; or (iii) is controlled directly or indirectly by the Governmental Unit within the meaning of Treasury Regulation Section 1.150-1(e).

19. Rebate Exception. The Governmental Unit is a governmental unit with general taxing powers, no part of the Loan Agreement is a private activity bond, ninety-five percent (95%) or more of the proceeds are to be used for local governmental activities of the Governmental Unit and, the aggregate face amount of all tax-exempt obligations issued by the Governmental Unit during the current calendar year is not reasonably expected to exceed \$5,000,000. There are no subordinate entities of the Governmental Unit which are authorized to issue tax-exempt obligations. If the Governmental Unit fails to satisfy all of the provisions of this paragraph 19 for any reason, as provided in the Loan Agreement and consistent with the covenants of the Governmental Unit contained therein, any rebate owed to the United States Treasury will be paid in the amounts and at the times provided in Section 148 of the Code.

20. Record Retention. The Governmental Unit will manage and retain records related to the Loan as follows:

A. Records will be retained for the life of the Loan, including any refunding loans related thereto, plus three (3) years. Records may be in the form of documents or electronic copies of documents, appropriately indexed to the Loan and compliance functions;

B. Basic records relating to the Loan transaction, including transcript documents executed in connection with the issuance of the Loan (i.e., the authorizing documents, Form 8038-G, the tax certificate, and any elections made with respect to the Loan, if applicable), any amendments, and copies of rebate calculations and records of payments, including Forms 8038-T;

C. Records pertaining to the use of Loan-financed facilities by public and private sources including copies of management agreements and research agreements;

D. Records pertaining to expenditures of Loan proceeds including requisitions, appraisal and property purchase contracts, account statements, invoices, payment vouchers, and the final allocation of proceeds to expenditures;

E. Records pertaining to all sources of payment or security for the Loan; and

F. Records pertaining to investments including guaranteed investment contract documents under the Treasury Regulations, records of purchase and sale of other investments, and records of investment activity sufficient to permit calculation of arbitrage rebate or demonstration that no rebate is due.

[Signature page follows]

This certificate is being executed and delivered to establish the reasonable expectations of the Governmental Unit for purposes of Sections 103 and 141 through 148 of the Code, and the undersigned officers of the Governmental Unit are the officers of the Governmental Unit charged with the responsibility of entering into the Loan Agreement. The foregoing is based upon the reasonable expectations of the undersigned on the date hereof, and to the best of our knowledge, information and belief, the above expectations are reasonable.

Dated: May 31, 2019.

QUAY COUNTY, NEW MEXICO

By Franklin McCasland  
Franklin McCasland, Chairman of the Board of  
County Commissioners

By Ellen White  
Ellen White, County Clerk

By Cheryl Simpson  
Cheryl Simpson, Finance Director

[SEAL]

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**EXHIBIT "B"**

**NEW MEXICO FINANCE AUTHORITY TAX REPRESENTATIONS CERTIFICATE**

The undersigned hereby certifies as follows with respect to the \$150,000 Loan Agreement dated May 31, 2019 (the "Loan") from the New Mexico Finance Authority (the "Finance Authority") to Quay County, New Mexico (the "Governmental Unit");

1. The Finance Authority is making the Loan for its own account (and not on behalf of another) in the principal amount of \$150,000, without accrued interest. The Finance Authority is not acting as an Underwriter with respect to the Loan. The Finance Authority has no present intention to sell, reoffer, or otherwise dispose of the Loan (or any portion of the Loan or any interest in the Loan). The Finance Authority has not contracted with any person pursuant to a written agreement to have such person participate in the initial sale of the Loan and the Finance Authority has not agreed with the Governmental Unit pursuant to a written agreement to sell the Loan to persons other than the Finance Authority, therefore the "issue price" of the Loan is \$150,000.

2. The Arbitrage Yield on the Loan, calculated in accordance with the applicable U.S. Treasury Regulations from interest to be paid on the Loan, is 0.099989%.

3. The Weighted Average Maturity of the Loan, calculated in accordance with the applicable U.S. Treasury Regulations, is 6.939 years.

4. The undersigned understands that the statements made herein will be relied upon by the Governmental Unit in its effort to complete the Information Return for Tax-Exempt Governmental Obligations (Form 8038-G), required to be filed for the Loan pursuant to the Internal Revenue Code of 1986, as amended, and with regard to establishing facts and circumstances relied on by the Governmental Unit and bond counsel in connection with the execution and delivery of the Loan and the exclusion of interest on the Loan from gross income for federal income tax purposes. Such reliance is hereby authorized and approved.

Dated this May 31, 2019.

NEW MEXICO FINANCE AUTHORITY

By \_\_\_\_\_  
John Gasparich, Interim Chief Executive Officer

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Form **8038-G**

**Information Return for Tax-Exempt Governmental Bonds**

(Rev. September 2018)

Under Internal Revenue Code section 149(e)  
See separate instructions.

OMB No. 1545-0720

Department of the Treasury  
Internal Revenue Service

Caution: If the issue price is under \$100,000, use Form 8038-GC.  
Go to www.irs.gov/F8038G for instructions and the latest information.

<b>Part I Reporting Authority</b>		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name <b>Quay County, New Mexico</b>		2 Issuer's employer identification number (EIN) <b>85-6000238</b>	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a	
4 Number and street (or P.O. box if mail is not delivered to street address) <b>300 S. Third Street</b>	Room/suite	5 Report number (For IRS Use Only) <b>3</b>	
6 City, town, or post office, state, and ZIP code <b>Tucumcari, New Mexico 88401</b>		7 Date of issue <b>05/31/2019</b>	
8 Name of issue <b>2019 NM Finance Authority Fire Equipment Loan (Bard-Endee VFD)</b>		9 CUSIP number	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) <b>Richard Primrose, County Manager</b>		10b Telephone number of officer or other employee shown on 10a <b>575-461-2112</b>	

**Part II Type of Issue (enter the issue price). See the instructions and attach schedule.**

11 Education	11		
12 Health and hospital	12		
13 Transportation	13		
14 Public safety	14	150,000	00
15 Environment (including sewage bonds)	15		
16 Housing	16		
17 Utilities	17		
18 Other. Describe	18		
19a If bonds are TANs or RANs, check only box 19a <input type="checkbox"/>			
b If bonds are BANs, check only box 19b <input type="checkbox"/>			
20 If bonds are in the form of a lease or installment sale, check box <input type="checkbox"/>			

**Part III Description of Bonds. Complete for the entire issue for which this form is being filed.**

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	05/01/2030	\$ 150,000	\$ 150,000	6.939 years	0.099989 %

**Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)**

22 Proceeds used for accrued interest	22		
23 Issue price of entire issue (enter amount from line 21, column (b))	23	150,000	00
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	1,125	00
25 Proceeds used for credit enhancement	25		
26 Proceeds allocated to reasonably required reserve or replacement fund	26		
27 Proceeds used to refund prior tax-exempt bonds. Complete Part V	27		
28 Proceeds used to refund prior taxable bonds. Complete Part V	28		
29 Total (add lines 24 through 28)	29	1,125	00
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	148,875	00

**Part V Description of Refunded Bonds. Complete this part only for refunding bonds.**

31 Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded	_____	years
32 Enter the remaining weighted average maturity of the taxable bonds to be refunded	_____	years
33 Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY)	_____	
34 Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)	_____	

For Paperwork Reduction Act Notice, see separate instructions.

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**Part VI Miscellaneous**

- 35** Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) . . . . . 35
- 36a** Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions . . . . . 36a
- b** Enter the final maturity date of the GIC ▶ (MM/DD/YYYY) \_\_\_\_\_
- c** Enter the name of the GIC provider ▶ \_\_\_\_\_
- 37** Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units . . . . . 37
- 38a** If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶  and enter the following information:
  - b** Enter the date of the master pool bond ▶ (MM/DD/YYYY) \_\_\_\_\_
  - c** Enter the EIN of the issuer of the master pool bond ▶ \_\_\_\_\_
  - d** Enter the name of the issuer of the master pool bond ▶ \_\_\_\_\_
- 39** If the issuer has designated the issue under section 265(b)(3)(B)(i)(iii) (small issuer exception), check box . . . . . ▶
- 40** If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box . . . . . ▶
- 41a** If the issuer has identified a hedge, check here ▶  and enter the following information:
  - b** Name of hedge provider ▶ \_\_\_\_\_
  - c** Type of hedge ▶ \_\_\_\_\_
  - d** Term of hedge ▶ \_\_\_\_\_
- 42** If the issuer has superintegrated the hedge, check box . . . . . ▶
- 43** If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box . . . . . ▶
- 44** If the issuer has established written procedures to monitor the requirements of section 148, check box . . . . . ▶
- 45a** If some portion of the proceeds was used to reimburse expenditures, check here ▶  and enter the amount of reimbursement . . . . . ▶ \_\_\_\_\_
- b** Enter the date the official intent was adopted ▶ (MM/DD/YYYY) \_\_\_\_\_

**Signature and Consent** Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

*Franklin McCasland* 4/22/19 Franklin McCasland, Chair of Cty. Commis.  
Signature of issuer's authorized representative Date Type or print name and title

<b>Paid Preparer Use Only</b>	<small>Print/Type preparer's name</small> Suzanne Wood Bruckner	<small>Preparer's signature</small>	<small>Date</small>	<small>Check <input type="checkbox"/> if self-employed</small>	<small>PTIN</small> PO1629036
	<small>Firm's name</small> ▶ Sutin Thayer & Browne A Professional Corporation			<small>Firm's EIN</small> ▶ 85-0225124	
	<small>Firm's address</small> ▶ 6100 Uptown Blvd. NE, Albuquerque, NM 87110			<small>Phone no.</small> 505-883-2500	