

# NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS



## BOARD OF DIRECTORS SPRING QUARTERLY MEETING

April 17, 2024

Hybrid Meeting – 10 AM

Downtown Civic Center

200 W. Arrington Street, Farmington, NM 87401

[Virtual Meeting Link](#)

## AGENDA

TIME	TOPIC	PRESENTER
10:00 am	<b>I. PRELIMINARY BUSINESS</b> A. Call to Order / Pledge of Allegiance B. Introductions: <b>ESTABLISH QUORUM</b> C. Agenda & Minutes: <b>REVIEW &amp; APPROVAL</b> D. Elections of Officers Preview	<b>Martha Garcia</b> Chair
10:15am	<b>II. SPECIAL PRESENTATIONS</b> A. Legislative Remarks [Legislators Invited] B. State of New Mexico Economic Development C. State of New Mexico Housing	<b>Mark Roper</b> Cabinet Secretary  <b>Sharlynn Rosales and Jacobo Martinez</b> Mortgage Finance Authority
10:50am	<b>III. ACTION ITEM</b> A. Proposal: NM Public Education Department <b>DIRECTION</b>	<b>Nathan Williams</b> Bureau Deputy Director Community Schools Team
11:00am	<b>IV. EXECUTIVE/STAFF REPORTS</b> A. Quarterly Reports (January – March 2024) B. Legislative Review C. Financial Policies & Procedures <b>REVIEW &amp; APPROVAL</b> D. Revolving Loan Fund Program Update E. Wage & Salary Classification <b>REVIEW &amp; APPROVAL</b>	<b>Brandon Howe</b> Planning Director
11:30 am	<b>V. FINANCIAL REPORTS</b> A. FY2024, Quarterly Financial Report: <b>REVIEW &amp; APPROVAL</b> B. FY2024 Budget, Amendment #3: <b>REVIEW &amp; APPROVAL</b> C. FY2025 Budget, Preliminary: <b>REVIEW &amp; APPROVAL</b> D. Audit Report	<b>Martina Whitmore</b> Office Manager  <b>Armando Sanchez</b> CPA, SJT Group
11:45 am	<b>VI. ANNOUNCEMENTS; OTHER BUSINESS</b> A. Annual Meeting Preview B. FY2024 Board Meeting Calendar C. Announcements & General Comments	<b>Martina Whitmore</b> Office Manager
11:55 am	<b>VII. ADJOURNMENT</b>	<b>Martha Garcia</b> Chair



## NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS

### MINUTES

#### BOARD OF DIRECTORS WINTER REGULAR BUSINESS MEETING

January 10, 2024

Hybrid Meeting- 10 AM

El Morro Events Center

210 South Second Street, Gallup, NM 87301

#### I. PRELIMINARY BUSINESS

##### A. CALL TO ORDER/INTRODUCTIONS/QUORUM.

Chairwomen *Martha Garcia* [Cibola County] convened the meeting of the Board of Directors at 10:03 am. Roll call proceeded in the form of introductions around the table. In attendance were 14 Board Representatives, representing a quorum of 7 of the 9 voting entities of the Board (77.8%), along with all 3 COG staff. Mayor Louie Bonaguidi, provided a welcome to the Board to the El Morro Event Center and the City of Gallup.

##### BOARD MEMBERS IN ATTENDANCE:

CIBOLA COUNTY: Martha Garcia; Judy Horacek  
MCKINLEY COUNTY: Danielle Notah; Walt Eddy; Robert Baca; Sara Keeler; Anthony Dimas, Jr.  
SAN JUAN COUNTY: GloJean Todacheene; Mike Stark  
CITY OF AZTEC: Michael Padilla, Sr.; Jeff Blackburn  
CITY OF BLOOMFIELD: *Donna Sharpe (excused)*  
CITY OF FARMINGTON: Linda Rodgers; Warren Unsicker  
CITY OF GALLUP: Louie Bonaguidi (Treasurer) Michael Schaaf, Jon DeYoung  
CITY OF GRANTS: *Erik Garcia (excused); Beverly Michael (excused)*  
VILLAGE OF MILAN: James Mercer  
BOARD EMERITUS: *Jeff Kiely (excused)*

##### GUESTS IN ATTENDANCE:

Armando Sanchez (SJT Group),  
Kevin Dale, Los Alamos National Laboratory  
Senator Shannon Pinto, District 3

##### STAFF IN ATTENDANCE:

EXECUTIVE DIRECTOR: Evan Williams  
OFFICE MANAGER: Martina Whitmore  
STAFF: Brandon Howe

##### B. AGENDA & MINUTES ADOPTION.

Director Williams provided an overview of the day's agenda topics and the minutes from previous meeting.

**ACTION:** *Michael Schaaf* (Gallup) moved and *GloJean Todacheene* (San Juan County) seconded adoption of the agenda and minutes from October 18<sup>th</sup>, 2023. Motion carried.

## II. SPECIAL PRESENTATIONS

The COG arranged for one very special presentations under this section from:

Kevin Dale John, Deputy Director for Applied Energy Programs, Los Alamos National Laboratory who presented an overview and update of the inter-agency Four Corners Rapid Response Team lead by the White House to assist communities with energy transitions. A copy of his presentation is posted at: <https://www.nwnmcog.org/board.html>

## III. EXECUTIVE/STAFF REPORT

Director Williams and Planning Director Brandon Howe provided a summary of the past quarter's key activities and issues.

- A. **Quarterly Reports.** Mr. Howe provided this report to the Board for their review and understanding of accomplishments this quarter.
- B. **Legislative Preview & Endorsements.** Mr. Williams provided a quick overview of the upcoming Budget Session of the New Mexico Legislative and a request from the COG's Statewide Association (NewMARC) for an increase in its annual line-item.
- C. **Personnel Policies Update.** Mr. Williams provided a comprehensive update to the COG's 2009 Personnel Policies for consideration by the Board. He also mentioned that COG has almost completed the Financial Policy & Procedures and Administrative Procedures as well.

**ACTION:** *GloJean Todacheene* (San Juan County) moved and *Michael Schaaf* (Gallup) seconded approval and adoption of the 2024 Personnel Policies Manual. Motion carried.

D. **Revolving Loan Fund Program**

- 1. **RLF Plan Annual Update:** Mr. Williams asked the Board to approve the updated plan for the Revolving Loan Fund program which included no changes but he wanted to keep it current.

**ACTION:** *Danielle Notah* (McKinley County) moved and *GloJean Todacheene* (San Juan County) seconded adoption of the Revolving Loan Fund Plan. Motion carried.

- 2. **Program Direction:** Mr. Williams asked for program direction on the Revolving Loan Fund based on a letter he presented that outlined a request for an extension. COG Board supported and directed staff to continue with its due diligence on the program and the extension.

- E. **Open Meetings Act Resolution:** Mr. Williams presented the annual open meetings act resolution required by governmental agencies and that guide how the COG conducts meetings.

**ACTION:** *Michael Schaaf* (Gallup) moved and *Robert Baca* (McKinley County) seconded approval of the Open Meetings Act resolution. Motion carried.

- F. **Interstate 40 Contracts:** Mr. Williams brought to the Board's attention several major contracts due to the size of the contracts and risk to the COG. He also discussed Project Manager contract and sought guidance. COG Board directed staff to continue in accordance with good judgement and prudence, and in line with all procurement requirements and assurances.

#### IV. FINANCIAL REPORT

- A. **FY2024 Financial Reports, Quarter 2:** Mr. Armando Sanchez provided a review of the organization's financials.
- ACTION:** *Louie Bonaguidi* (Gallup) moved and *Danielle Notah* (McKinley) seconded to approve the financial reports as presented. Motion carried
- B. **FY2024 Budget Amendment #2.** Mr. Evan Williams provided a review of the organization's budget and changes to the FY2024 final budget that were needed.
- ACTION:** *GloJean Todacheene* (San Juan County) moved and *Louie Bonaguidi* (Gallup) seconded, to approve the budget amendment as presented. Motion carried
- C. **Audit Update.** Mr. Evan Williams provided a quick report that the COG's annual audit is still in review but was submitted on time.

#### V. ANNOUNCEMENTS; OTHER BUSINESS

- A. **Holiday Calendar.** Ms. Whitmore presented the holiday calendar that was administratively approved but that the COG staff wanted to get ratified by the Board.
- ACTION:** *Michael Schaaf* (Gallup) moved and *Danielle Notah* (McKinley) seconded, to ratify the holiday calendar as presented. Motion carried
- B. **FY2024 Board Meeting Calendar.** This calendar was set and distributed. Staff informed the Board that the Annual Meeting will stay on this date and be administered without the Executive Director.
- C. **Announcements.** No announcements.

#### VI. ADJOURNMENT

**ACTION:** *Michael Schaaf* (Gallup) moved and *GloJean Todacheene* (San Juan County) to adjourn. Motion carried. Chairwoman Garcia again thanked the City of Gallup and its staff for their facility and hospitality for this meeting and adjourned the meeting of the Board of Directors at 12:03PM.

Respectfully submitted,



---

Evan J. Williams  
Board Secretary and Executive Director



## NWNMCOG | NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS

106 West Aztec Avenue  
Gallup, NM 87301  
Phone: [505] 722-4327  
Fax: [505] 722-9211

US Economic Development District #1  
NM State Planning District #1  
[www.nwnmcog.org](http://www.nwnmcog.org)  
Executive Director | Evan Williams

### Memorandum

**DATE:** April 10, 2024  
**TO:** COG Board of Directors  
**FROM:** Evan Williams, Executive Director  
**RE:** Election of Officers

- A. **BACKGROUND:** Based on our Articles of Agreement (revised February 27, 2012), as needed the Northwest New Mexico Council of Governments (COG) has the ability to establish a Nominating Committee by June 30 in order to develop and recommend a slate of officers for the Board's approval, to be presented at the annual meeting in even-numbered years. The officers of the Board shall hold office for two (2) year terms, with said terms to begin immediately following the annual meeting in even-numbered years.
- B. **ACTIONS TO DATE:** Executive Director Williams actively followed up with our current officers on January 10, 2024 to find out willingness to continue their service. The current slate of Officers is now:

Martha Garcia (Cibola County)	Chair
Michael Padilla Sr. (Aztec)	1 <sup>st</sup> Vice-Chair
Danielle Notah (McKinley County)	2 <sup>nd</sup> Vice-Chair
Louie Bonaguidi (City of Gallup)	Treasurer
Vacant*	Immediate Past Chair

\*Billy Moore resigned

To date, there has not been an indication of any officer looking to vacate their position.

- C. **RECOMMENDATION:** If all officers agree to continue, staff recommends tabling elections and re-confirming these officers at the Annual Meeting, unless an individual Board member requests otherwise. In this case, we would ask Board members to submit nominations and hold elections for that/those seat(s).



## NWNMCOG | NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS

106 West Aztec Avenue  
Gallup, NM 87301  
Phone: [505] 722-4327  
Fax: [505] 722-9211

US Economic Development District #1  
NM State Planning District #1

[www.nwnmcog.org](http://www.nwnmcog.org)

Executive Director | Evan Williams

### Memorandum

**DATE:** April 10, 2024  
**TO:** COG Board of Directors  
**FROM:** Evan Williams, Executive Director  
**RE:** New Mexico Public Education Department Proposal

- A. **BACKGROUND:** The COG was contacted by Nate Williams, Breau Deputy Director, Finance and Operations of the Community Schools Team with NM Public Education Department to explore an opportunity. Currently, the Public Education Department has a contractor based in San Juan County that provides program and financial oversight of Community School programs that it wants to retain. The Public Education Department (PED) does not have the full-time employees (FTE) positions available to transition these contractors over and feels that that is necessary for retention including being eligible for public benefits like Public Employee Retirement Association (PERA). Based on an arrangement with Mid-Region Council of Governments and its Workforce Connection of Central New Mexico program, they have reached out to us to propose the following arrangements.
- B. **PROPOSAL:** High level summary of the proposal as we understand it:
- PED is looking to the COG to hire this person as a full-time employee of the COG;
  - COG would be responsible to manage and office this person;
  - COG would work collaboratively with PED on work program and performance requirements;
  - PED would pay 100% of costs for this position including salary and benefits.
  - Current contract ends on June 30, 2024 – so looking at starting this on July 1, 2024.
- C. **ACTIONS TO DATE:** Executive Director Williams has met with PED representatives in Santa Fe as well as virtually to understand the details of this opportunity. One item that I think would be important to clarify is whether this FTE of the COG would have the ability to perform COG work like attend public body meetings on behalf of the COG, act as a member liaison, and support grant management and financial support for member in the area.
- D. **ANTICIPATED WORK:** If directed to pursue, the steps to be completed would include:
- Contracting via Memorandum of Understanding and Inter-governmental Agreement;
  - Meet/Interview/Discussion with contractor;
  - Work on an office lease either provided by a member for free or possibly rent from San Juan College;
  - Develop and finalize work program with contractor;
  - On-board contractor as a full-time employee; and
  - Weekly check-in and monthly reports to COG and PED.
- E. **RECOMMENDATION:** The COG has provided some alternative ideas that are more aligned with PED and its mission but wanted to bring it to the Board for discussion and direction.



NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS  
STATE PLANNING DISTRICT #1

STAFF SUMMARY REPORT  
FY 2024/ 3<sup>RD</sup> QUARTER

FOR THE PERIOD: January 1, 2024 – March 31, 2024

*The State Grant-in-Aid (SGIA) work program is utilized by the State Planning Districts to develop a dynamic framework of integrated general services to support planning, development, and technical assistance activities as a regional service to local and state government. This report reflects functions and tasks in the approved FY2024 Work Program and Budget. The following are functions and tasks completed by the Northwest New Mexico Council of Governments during the third quarter of FY2024:*

<b>Function 1:</b>	<b>Organizational Management.</b> Provide for general administration and development of the Planning District organization, including management of the State Grant-in-Aid in conjunction with other grants and programs, building organizational capacity, sustainability, and networking with other Planning Districts and with a multi-sector variety of public and private institutions in service to the regional development mission.		
QUARTERLY ACTIVITY HIGHLIGHTS & RECAP			
(1) <b>COG Board Meeting:</b> COG held its quarterly board meeting on October 18 <sup>th</sup> in Milan at the Village of Milan Trustee Chambers. The meeting included an update on the financial standing of the COG, updates on the COG’s Revolving Loan Fund, CEDS timeline, quarter 1 highlights, and upcoming work.			
(2) <b>Financial Audit:</b> COG worked diligently to complete its annual financial audit. The COG financial statement was submitted on time to the State Auditor’s office and has been posted with an unmodified opinion and no findings.			
TASK TRACKING			
TASK		DUE DATE	STATUS
1.1 Professional Development  Provide ongoing professional development training or continuing education classes for staff, i.e., training, webinars, professional conferences.		Q1	✓ Angelina Grey participated in the following: Rural Communities Assistance Corporation - Water Leadership Institute, National Water Resources Association - Overcoming common infrastructure challenges in energy communities & Navigating private water wells webinars, Water Regionalization - Achieve & maintain compliance with SDWA webinar, and the APA – Climate Data Power webinar.  ✓ Carrie House participated in the following: CDBG Application workshop training, and NMEMNRD - Youth Conservation Corporation application webinar.  ✓ Evan Williams participated in the following: DFA – Budget Formulation and Management (BFM) System; Succession Planning Training, and International Economic Development Conference (Recertification CEcD)
		Q2	✓ Angelina Grey participated in the following: NM APA plan and policy development webinar, NMED Lead service line inventory training, National Rural Water Associations (NRWA) developing standard operating procedures webinar, NM Water Dialogue Water funding priorities webinar.  ✓ Brandon Howe participated in the following: NMDFA Capital Outlay Process and Requests webinars  ✓ Carrie House participated in the following: NMDFA Capital Outlay Process and Requests webinars

		Q3	<ul style="list-style-type: none"> <li>✓ Angelina Grey participated in the following: Clifton Strengths Training provided by Gallup-McKinley County Chamber of Commerce, and attended and co-facilitated Lead Service Line Inventory Training.</li> <li>✓ Brandon Howe participated in the following: Clifton Strengths Training provided by Gallup-McKinley County Chamber of Commerce, attended DFA CDBG supplemental funding training.</li> <li>✓ Carrie House participated in the following: Clifton Strengths Training provided by Gallup-McKinley County Chamber of Commerce, watched the DFA CDBG supplemental funding training.</li> </ul>
		Q4	
<b>1.2 Board Training &amp; Support</b>  Provide workshops and training as needed to COG boards and committees, i.e., annual workshop, handbook for board members.		Q1	✓ Board Meeting and Annual Luncheon (August 2 <sup>nd</sup> ) was held in Farmington at the San Juan College School of Energy.
		Q2	✓ Board Meeting (October 18 <sup>th</sup> ) was held in Milan at the Village of Milan Trustee Chambers.
		Q3	✓ Board Meeting (January 10 <sup>th</sup> ) was held in Gallup at the El Morro Events Center.
		Q4	
<b>1.3 Networking</b>  Facilitate & strengthen working relationships with local, tribal, state, federal, nonprofit, and private sector agencies, and partners.		Q1	<ul style="list-style-type: none"> <li>✓ <u>Water Summit</u>: COG staff co-hosted the inaugural water summit in McKinley County. The summit provided a day full of presentations on various topics regarding water planning and was well attended. The water summit was held on August 31<sup>st</sup> and was attended by water systems from McKinley, Cibola and San Juan counties.</li> <li>✓ <u>NewMARC</u>: COG attended the first quarter meeting virtually on July 10<sup>th</sup>, August 18<sup>th</sup>, and September 1<sup>st</sup>. NewMARC is the forum for all COGs to discuss federal, state, and local activity.</li> <li>✓ <u>Gallup Executive Directors Alliance</u>: COG attended the quarterly GEDA meeting on July 14<sup>th</sup>.</li> <li>✓ <u>NMDOT Transportation Commission</u>: COG virtually attended the Transportation Commission meeting on August 24<sup>th</sup>.</li> <li>✓ <u>McKinley County Multi-Agency Road Forum</u>: COG attended and contributed to the meeting to assist McKinley County with multi-jurisdictional road projects. Participants included Navajo DOT, BIA, FHWA, McKinley County and COG.</li> <li>✓ <u>Regional Economic Development Organizations Meetings</u>: COG staff participated in multiple regional EDO meetings to discuss regional economic development initiatives and projects.</li> <li>✓ <u>Northwest New Mexico Regional Utility Authority</u>: COG staff attended the meetings of the new regional utility authority which intends to provide operations and maintenance support to small water systems in McKinley County.</li> <li>✓ <u>Downtown Coordinating Committee</u>: COG staff attended the Gallup Downtown Coordinating Committee to reengage downtown redevelopment activities as part of the implementation of the downtown MRA Plan.</li> </ul>



		Q2	<ul style="list-style-type: none"> <li>✓ <u>NewMARC</u>: COG attended the second quarter meeting on November 9<sup>th</sup>. NewMARC is the forum for all COGs to discuss federal, state, and local activity.</li> <li>✓ <u>Gallup Executive Directors Alliance</u>: COG attended the quarterly GEDA meeting on November 3<sup>rd</sup>, and December 15<sup>th</sup>.</li> <li>✓ <u>Regional Economic Development Organizations Meetings</u>: COG staff participated in multiple regional EDO meetings to discuss regional economic development initiatives and projects.</li> <li>✓ <u>Downtown Coordinating Committee</u>: COG staff attended the Gallup Downtown Coordinating Committee to reengage downtown redevelopment activities to implementation the downtown MRA Plan.</li> <li>✓ <u>Transportation Infrastructure Revenue Subcommittee</u>: COG attended the subcommittee meeting held in Gallup on November 13<sup>th</sup>.</li> </ul>
		Q3	<ul style="list-style-type: none"> <li>✓ <u>NewMARC</u>: COG attended the second quarter meeting on March 27<sup>th</sup>. NewMARC is the forum for all COGs to discuss federal, state, and local activity.</li> <li>✓ <u>Gallup Executive Directors Alliance</u>: COG attended the quarterly GEDA meeting on January 12<sup>th</sup>, February 16<sup>th</sup>, and March 15<sup>th</sup>.</li> <li>✓ <u>Downtown Coordinating Committee</u>: COG staff attended the Gallup Downtown Coordinating Committee to reengage downtown redevelopment activities to implementation the downtown MRA Plan.</li> <li>✓ <u>Senate Finance Committee</u>: COG staff attended virtual SFC hearings to discuss legislative policy and funding.</li> <li>✓ <u>Governor Meeting</u>: COG staff facilitated annual meetings with the Governor. Gallup, McKinley County, and other institutions were in attendance.</li> </ul>
		Q4	

#### 1.4 SGIA Administration

Submit Annual Work Program/Certification, audit, reports, and invoices to the Local Government Division.

<b>1.4.1 AWP &amp; Certification</b> Submit annual work program packet including certification by the end of each State fiscal year in compliance with DFA requirements.	Annual	Annual work program and certification was submitted and approved
<b>1.4.2 Audit</b> Submit audit report to Local Government Division upon release by State Auditor.	Q1 - Q2	COG worked closely with SJT Group and completed the annual financial audit. The audit was submitted to the State Auditor's Office and is currently pending review.
<b>1.4.3 Reporting &amp; Invoicing</b>	Quarterly	✓ FY2022 Q4: Completed
		✓ FY2023 Q1: Completed
		✓ <b>FY2023 Q2: Completed</b>
		✓ FY2023 Q3:

Function 2:	<b>Local Government Support.</b> Provide a range of technical assistance services and guidance to local governments and to other public entities in the region, focused on identifying, cultivating, financing, and implementing investable community development projects.		
QUARTERLY ACTIVITY HIGHLIGHTS & RECAP			
<p>(1) <b>CDBG:</b> COG staff spent a considerable amount of time assisting San Juan and McKinley Counties with CDBG presentations which were made to the Community Development Council on December 13<sup>th</sup>.</p> <p>(2) <b>Infrastructure Capital Improvement Plan (ICIP):</b> COG staff assisted numerous local governments, tribal entities and special districts with amendments to the ICIP based on the need to align with priorities for the upcoming legislative session.</p> <p>(3) <b>Legislative Forums:</b> COG hosted two legislative forums, one in Cibola County on November 22<sup>nd</sup>, and one in McKinley County on December 20<sup>th</sup>. The forums provided the opportunity for local governments, tribal entities, special districts and regional institutions to present projects and policy recommendations in preparation for the upcoming legislative session.</p>			
TASK TRACKING			
TASK		DUE DATE	STATUS
2.1 General Technical Assistance			
<b>2.1.1 Policy Assistance</b> Identify and develop policy needs and issues that are viable legislative initiatives and assist in promoting and tracking these initiatives throughout the legislative process.	Ongoing	Q1	COG staff monitored and reviewed guidance for special programs funded through the legislative session and informed local governments of opportunities and limitations of funding.
		Q2	COG staff monitored and reviewed special programs funded through the legislature and began to monitor upcoming legislative policy recommendations. COG reviewed priorities identified by member governments and statewide associations such as NewMARC, NMAC, and NMML. COG hosted two legislative forums, one in Cibola County, one in McKinley County. As part of preparation, COG staff meet with each local government to identify priorities.
		Q3	<b>COG staff monitored and reviewed special programs funded through the legislature and began to monitor upcoming legislative policy recommendations. COG reviewed priorities identified by member governments and statewide associations such as NewMARC, NMAC, and NMML. COG assisted Gallup and McKinley County with Legislative activities in Santa Fe. COG monitored recommended policy and provided input to members as needed. COG supported legislative Government Results &amp; Opportunity (GRO) program efforts.</b>
		Q4	
<b>2.1.2 Funding</b> Provide guidance to local governments to help meet basic eligibility requirements for receiving government funding for community and economic development activities.	Ongoing	Q1	COG staff engaged in CDBG application activities for multiple local governments and guidance on DFA grant programs such as Capacity Building, Federal Grants Matching, Energy Transition Impacted Communities, and others. COG continued to email #GrantOps, and provide a filter, funnel, and follow-up approach to funding opportunities and other annual state programs.
		Q2	<b>COG continued to email #GrantOps, and provide a filter, funnel, and follow-up approach to funding opportunities and other annual state programs. COG staff continued to meet with each local government</b>

			in McKinley and Cibola counties to prepare for the upcoming legislative session and developed funding strategies. COG staff supported legislative requestions for 7 local governments, numerous special districts and tribal entities.
		Q3	
		Q4	
<b>2.1.3 Fiscal Agency</b> Provide fiscal agent services as mutually agreed upon with member governments in connection with Executive Order 2013-006. i.e., including capital outlay appropriations, Community Development Block Grant, and Water Trust Board funding.	Ongoing		<b>Q3: COG serves as fiscal agent for a few projects on behalf of member governments, working with local and State staff to produce agreements and smooth over bureaucratic issues. During quarter 3, COG provided fiscal agent services to Bloomfield.</b>
<b>2.1.4 Asset Management</b> Provide guidance to local governments upon request to improve capacity to manage infrastructure, such as development of asset management plans.	Ongoing		<b>Q3: No asset management activities were conducted during the second quarter.</b>
<b>2.1.5 Planning &amp; Technical Support</b> Provide related technical assistance, such as census data, land use planning, comprehensive plans, and mapping, upon request and availability of resources.	Q3		<u><b>Gallup MRA:</b></u> COG staff continued to coordinate and draft a Metropolitan Redevelopment Area Designation Report for the proposed Central 66 district. Assessments have been updated and will be incorporated into the report. COG is on track to complete by the end of quarter 4.  <u><b>ZMTP:</b></u> COG continued to update the Zuni Mountains Trails & Conservation Master Plan.  <u><b>McKinley Transportation Master Plan:</b></u> under contract with NMDOT and McKinley County, COG has initiated the start of the McKinley Transportation Master Plan. Consultants have begun data collection and analysis and have held numerous planning and stakeholder meetings.  <u><b>Grants-Milan Transportation Master Plan:</b></u> under contract with NMDOT, City of Grants and Village of Milan, COG has initiated the start of the Grants/Milan Comprehensive Safety Action Plan Consultants have begun data collection and analysis and have held numerous planning and stakeholder meetings.  <u><b>Milan 40-Year Water Plan:</b></u> OSE has issued an agreement to Milan and Milan will utilize on-call firm to complete the plan before June 2024.  <u><b>Trail of the Ancients Scenic Byway Corridor Management Plan:</b></u> COG has received agreement from NMDOT and worked to set project up and undergone procurement of consultants.  <u><b>Cibola Drainage Master Plan:</b></u> COG staff has administered the update of the Cibola Regional Drainage Master Plan. COG staff attends meetings and provides support as needed.
<b>2.2 ICIP Management</b>			
<b>2.2.1 Trainings</b>	Ongoing	Q1	COG promoted the ICIP training series and encouraged all local governments, tribal entities, and special

Collaborate with the Local Government Division to organize and host Infrastructure Capital Improvement Plans (ICIPs) training in the COG region.			districts to attend the virtual training series.
		Q2	COG attended various DFA ICIP training series webinars tailored to the upcoming legislative session. Webinars include Capital outlay process, request forms, and reauthorizations.
		Q3	<b>COG has coordinated with DFA on presentation during the ICIP training series. COG staff attended ICIP training series held in quarter 3.</b>
		Q4	
<b>2.2.2 Plan Development</b> Provide technical assistance to local governments in updating, utilization and monitoring of local ICIPs upon request.	Ongoing	Q1	COG staff provided its annual technical assistance to a variety of entities including local governments (7), small water systems (9), Solid Waste Authority (1), and Senior Centers (2), and Navajo Chapters (5).
		Q2	COG staff assisted various local governments, tribal entities and special districts with amendments to the ICIP to align with upcoming legislative priorities.
		Q3	<b>COG staff has begun initial outreach to notify governments, special districts and tribal entities of ICIP deadlines, training opportunities and to schedule work sessions to update ICIPs.</b>
		Q4	
<b>2.2.3 Funding Analysis</b> Work with local governments and the legislature to prioritize, evaluate, and recommend projects for compatible funding sources.	Ongoing	Q1	COG staff through our grant writing program has continued to help local governments identify funding options for prioritized projects. COG will focus efforts on projects included in the newly updated ICIPs.
		Q2	COG staff through our grant writing program has continued to help local governments identify funding options for prioritized projects. COG will focus efforts on projects included in the newly updated ICIPs. COG continues to hold projecteering sessions to move projects for member governments.
		Q3	<b>COG staff has supported governments with legislative funding strategies, has reviewed House Bill 2 special appropriations, and has identified preliminary targets for upcoming funding sources.</b>
		Q4	
2.3 CDBG Support			
<b>2.3.1 Inform &amp; Notify</b> Provide information to staff and officials regarding the Community Development Block Grant (CDBG) programs and training events.	Ongoing	<b>Q3: COG staff notified awarded governments about the supplemental funding opportunity and provided guidance for participation and requests.</b>	
<b>2.3.2 Application Selection &amp; Development</b> Provide technical assistance as requested to local municipalities and counties to identify, select, and develop eligible applications for projects for CDBG funding.	Ongoing	<b>Q3: COG staff has assisted the City of Gallup with new application prep and has helped with posting notices for public hearings in April.</b>	
<b>2.3.3 Presentations</b> Assist local CDBG applicants in preparation	Q2	Q2: COG assisted San Juan County and McKinley County with presentations to the CDC for submitted CDBG applications. CDC	

of presentations to the Community Development Council.		presentations were conducted on December 13 <sup>th</sup> .
<b>2.3.4 Implementation</b> Provide technical assistance as requested to implement awarded CDBG projects.	Ongoing	<b>Q3: COG staff continued to aid the City of Grants and City of Gallup on their construction grants. Grants has submitted application for supplemental funding, Gallup is in the process of closing-out current project.</b>
<b>2.3.5 Project Administration</b> Provide project administration as mutually agreed upon to member governments to implement CDBG projects, i.e., monitoring, procurement, pay requests and closeout.	Ongoing	<b>Q3: COG has entered into an agreement with McKinley County to administer a CDBG planning grant for the Allison community Preliminary Engineer Report for water delivery system construction. COG has secured consultant who is currently working on the PER. Consultant is scheduled to complete PER in Quarter 3 and COG intends to close-out the in Quarter 4.</b>

Function 3:	<b>Integrated Planning &amp; Development.</b> Incorporate common and core regional work programs, such as the Regional Transportation Planning Organization (RTPO), the Economic Development Administration (EDA) and the State Grant-In-Aid (SGIA), into a unified statewide model.	
QUARTERLY ACTIVITY HIGHLIGHTS & RECAP		
<p>(1) <b>Grant and Project Technical Assistance:</b> COG was able to assist entities in securing grant funding. In the first quarter the COG was able to help secure <b>\$10,804,000</b> in grant funding to aid in local government work.</p> <p>(2) <b>Long-Range Transportation Planning:</b> COG has officially initiated two long-range transportation plans which include the McKinley County Transportation Master Plan and the Grants/Milan Comprehensive Transportation Safety Action Plan. In addition, COG has received notice to proceed on the Trail of the Ancients Scenic Byway Corridor Management Plan. Lastly, COG is working closely with NMDOT and member governments on agreements and administration responsibility for 7 planning grants.</p>		
TASK TRACKING		
Task	Due Date	Status
<b>3.1 COG Partnership</b> Partner with other regional Planning Districts to focus resources, streamline reporting, administrative compliance, and identify best practices as well as needs.	Ongoing	Q3: COG continues to participate in weekly EDA calls with other Regional Planning Districts to develop plans, programs, and projects to aid in economic recovery during and post pandemic. COG has also participated in NewMARC to discuss regional issues with other Council of Governments including legislative Government Results & Opportunity Act programming and appropriation roll-out.
<b>3.2 Outreach &amp; Marketing</b> Provide outreach and marketing for local government inclusion into the integrated planning process, such as FUNDIT, Comprehensive Economic Development Strategy (CEDS), etc.	Ongoing	Q3: COG continued to promote and distribute the NWNM CEDS and has used the plan to inform regional and local economic development activities. COG staff also informed economic development partners of FUNDIT and has assisted multiple entities with applications to participating in the program. Lastly, COG has engaged in Regional Economic Development Organization meetings with 4 Corners, Greater Gallup, and Cibola Communities EDOs.
<b>3.3 Related Planning &amp; Development Initiatives</b> Include related planning initiatives into the integrated planning model as Planning District staff and financial resources permit, such as regional water planning, Legislative Jobs Council, energy initiatives, workforce, etc.	Ongoing	<p><b>Regional Plans:</b> COG continues to work on the update of the Zuni Mountains Trails &amp; Conservation Plan, update of the Comprehensive Economic Development Strategy Plan, and has supported the Regional Drainage Master Plan in Cibola County.</p> <p><b>State Planning &amp; Research:</b> COG, under contract with NMDOT has procured engineering/planning services and has started the McKinley County Transportation Master Planning process and the Grants/Milan Comprehensive Safety Action Planning Process. COG has also begun the update of the Trail of the Ancients Scenic Byway Corridor Management Plan.</p> <p><b>Gallup MRA:</b> COG staff begun to develop a Metropolitan Redevelopment Area Designation Report for the proposed Central 66 district COG has updated assessments for the district and is currently working to complete the report by the end of quarter 4.</p> <p><b>Milan 40-Year Water Plan:</b> COG staff has coordinated the agreement between OSE and Milan and anticipated the project to start in quarter 4.</p> <p><b>Interstate 40: Planning:</b> COG staff was able to help secure 9 planning grants to plan and design improvements to I-40 in NWNM. Grants totaled \$18.6M. COG has identified process for implementation and is currently working with McKinley County and Gallup.</p>

<b>3.3.1 Grantsmanship &amp; Project Technical Assistance (TA):</b>			
<b>CLIENT</b>	<b>GRANT/SOURCE</b>	<b>AMOUNT</b>	<b>STATUS</b>
McKinley County	<b>DFA Capacity Building:</b> To participate in the Council of Governments' grant writing program.	\$30,000	Awarded
	<b>Transportation Project Fund:</b> CR43 – Superman Canyon Road Bridge #1 construction.	\$3,188,168	Denied
	<b>NMTD Destination Forward:</b> to design a new RV park and Campground at Red Rock Park in Gallup.	\$100,000	Awarded
	<b>DFA Regional Recreation &amp; Quality of Life:</b> to improve Red Rock Park facilities in Gallup.	\$2,000,000	Awarded
	<b>DFA Economic Recovery:</b> to complete facility improvements at the Rehoboth McKinley Christian Hospital in Gallup.	\$1,000,000	Awarded
	<b>Governor Emergency Funds:</b> to design and reconstruct Anni Clanni Bridge in Breadsprings, NM.	\$3,300,000	Pending
	<b>Community Development Block Grant:</b> to complete energy efficiency improvements to the Rehoboth McKinley Christian Hospital in Gallup.	\$750,000	Awarded
	<b>Community Development Block Grant Supplemental:</b> to complete energy efficiency improvements to the Rehoboth McKinley Christian Hospital in Gallup.	\$490,360.07	Pending
	<b>Congressionally Directed Spending:</b> to construction improvements to Red Rock Park in Gallup.	\$850,000	Awarded
City of Gallup	<b>DFA Capacity Building:</b> To participate in the Council of Governments' grant writing program.	\$30,000	Awarded
	<b>Transportation Project Fund:</b> E. Nizhoni Avenue Phase 4 – (2nd Street Intersection)	\$1,909,500	Awarded
	<b>MFA Trust Fund:</b> For operations of the Lexington Hotel	\$30,000	Awarded
	<b>NMEDD Creative Industries:</b> UNM Artisan Makerspace	\$100,000	Awarded
	<b>DFA Regional Recreation &amp; Quality of Life:</b> to replace artificial turf at Joe Vargas Sports Fields.	\$2,000,000	Awarded
	<b>DFA Affordable Housing:</b> to construct affordable housing at the sunshine canyon property.	\$1,500,000	Awarded
	<b>Governor Emergency Funds:</b> to provide gap funding for Regional Senior Center – Cost overrun	\$3,000,000	Pending
	<b>Congressionally Directed Spending:</b> for the replacement of cast iron lines water and wastewater in Gallup.	\$1,000,000	Awarded
Cibola County	<b>DFA Capacity Building:</b> To participate in the Council of Governments' grant writing program.	\$30,000	Awarded
	<b>Transportation Project Fund:</b> CR5 Moquino Bridge	\$1,900,000	Awarded
	<b>Governor Emergency Funds:</b> to purchase and install emergency generator.	\$600,000	Pending
City of Grants	<b>DFA Capacity Building:</b> To participate in the Council of Governments' grant writing program.	\$30,000	Awarded
	<b>Transportation Project Fund:</b> Gunderson Avenue Construction (to support Mesa View Elementary School Reconstruction)	\$1,520,000	Denied
	<b>DFA Federal Match Grant:</b> To support the 2 <sup>nd</sup> Street Shared Loop Path Project funding by Transportation Alternatives Program (NMDOT).	\$445,707	Awarded
	<b>NMFA Local Government Planning Fund:</b> To fund the update of the comprehensive plan.	\$50,000	Awarded
	<b>NMTD Destination Forward:</b> to purchase and install grandstands for the multi-purpose arena in Grants.	\$384,000	Awarded
	<b>DFA Regional Recreation &amp; Quality of Life:</b> to construct phase 1B of the multi-purpose arena in Grants.	\$2,000,000	Awarded
	<b>Governor Emergency Funds:</b> to purchase and equip a new ladder truck for the Grants Fire Department.	\$1,000,000	Pending
	<b>House Bill 2 Special Appropriation:</b> for sewer and water treatment in Grants.	\$5,000,000	Awarded
Village of Milan	<b>DFA Capacity Building:</b> To participate in the Council of Governments' grant writing program.	\$30,000	Awarded
	<b>Transportation Project Fund:</b> Stanley Bridge Construction	\$3,000,000	Awarded

	<b>EDA:</b> Mill Road Construction in the Milan Industrial Park.	\$2,739,000	Awarded
	<b>DFA ENERGY:</b> Mill Road Construction in the Milan Industrial Park.	\$600,000	Awarded
	<b>DFA Regional Recreation &amp; Quality of Life:</b> to purchase and install playground equipment in Milan.	\$200,000	Awarded
	<b>DFA Economic Recovery:</b> to construct Mill Road within the Milan Industrial Park.	\$1,000,000	Awarded
	<b>Governor Emergency Funds:</b> To construct a new wastewater lift station	\$800,000	Pending
	<b>House Bill 2 Special Appropriation:</b> for pump stations in Milan.	\$7,000,000	Awarded
San Juan County	<b>DFA Capacity Building:</b> To participate in the Council of Governments' grant writing program.	\$30,000	Awarded
	<b>Community Development Block Grant:</b> to complete ADA improvements to public facilities in San Juan County.	\$745,318	Awarded
	<b>Community Development Block Grant Supplemental:</b> to complete ADA improvements to public facilities in San Juan County.	\$262,000	Pending
City of Aztec	<b>DFA Capacity Building:</b> To participate in the Council of Governments' grant writing program.	\$30,000	Awarded
City of Bloomfield	<b>DFA Capacity Building:</b> To participate in the Council of Governments' grant writing program.	\$30,000	Awarded
	<b>Governor Emergency Funds:</b> to complete public facility renovations in Bloomfield.	\$1,173,662	Pending
NWNMCOG	<b>EDA:</b> Supercharging Diversification, Equity, and Resiliency in Northwest New Mexico.	\$621,000	Awarded
	<b>NMTD Destination Forward:</b> To update the corridor management plan for the Trail of the Ancients Scenic Byway.	\$100,000	Awarded
	<b>DFA Federal Match:</b> to match federal match requirements for existing programs of the COG.	\$60,000	Awarded

**3.3.2 Healthy Communities:** COG staff has remained in contact with the UNM Prevention and Research Center on the VIVA Connects program in eastern Navajo Nation. COG monitors the program via the quarterly newsletters and is ready to assist as needed.

**3.3.3 Water:** The NWNMCOG received a \$350,000 contract from the New Mexico Environmental Department (NMED) to build a framework and model for water regionalization and small system support. The contract will support the Water & Environmental Planning and Development Office at the COG and specific annual work program activities including Water Commons roundtable, annual Water Summit, system support, and working with the Northwest New Mexico Utility Authority.

**3.3.4 Workforce:** The NWNMCOG has partnered with NM Workforce Solutions and Greater Gallup Economic Development Corporation (GGEDC) to develop an industry-driven workforce development program for various cohorts and job skills that currently are in high demand for local, high-paying jobs. COG has continued partnership with the industrial workforce program which is now managed by the Southwest Indian Foundation. COG staff was notified of a **\$750,000** award from the New Mexico federal delegation for continuation of the industrial workforce development program. COG has been working on pre-award and conditions in order to implement the program with SWIF.

**3.3.5 Economic & Tourism Development:** The COG team continued to administer the multi-year contract with the US Economic Development Administration. Project highlights for this quarter include:

**Long Range Planning:**

- Comprehensive Economic Development Strategy: COG Executive Director has developed a theory of change model and framework for the new CEDS update and process.

**Technical Support & Data Management:**

- Factbook: COG is working on a scope-of-work and internal proposal on developing a new Factbook based on StatsAmerica and other sources.

**Project Development & Monitoring:**



- EDA Project Management: COG provided major support for several projects this quarter including:
  - [Milan Industrial Park \(\\$2.7M\)](#) for roadway improvements into the Park.
  - [EDO Capacity Support \(\\$621,000\)](#) for local and tribal economic development organizations to add capacity, planning, and management.

**3.3.6 Transportation:** Report for July thru September for the N.W. Regional Transportation Planning Organization; Quarterly highlights as follows:

**Long Range Planning:**

- Trail of the Ancients Scenic Byway Corridor Management Plan: Staff has participated and supported the update of the Corridor Management Plan. Staff attended steering committee #1 on February 28<sup>th</sup>. Staff has assisted with review of content, supported development of surveys, and helped coordinate public outreach planning.
- State Planning & Research Funds: COG has progressed the McKinley County Transportation Master Plan and the Grants/Milan Comprehensive Transportation Safety Action Plan. Both plans are currently in progress and consultants have held numerous planning and stakeholder meetings.
- City of Gallup Transportation Master Plan: COG has completed review of the final plan and has provided comments for potential inclusion. Transportation has been approved by the Gallup City Council.

**Technical Support & Data Management:**

- Data Dashboard: RTPO in conjunction with COG Special Projects Office, worked to identify and gather qualitative and spatial data to help build a data dashboard. Staff have secured traffic count data from NMDOT. Staff will collect data from transportation planning process and will incorporate into Data Dashboard.

**Project Development & Monitoring:**

- RTIPR: COG staff completed the update of the Regional Transportation Improvement Program Recommendations list and has completed ZIPPER merge with MRCOG & SWCOG for projects in Districts 5 & 6.
- McKinley County Bridge Replacement: Completed collection of resolutions for bridges on the McKinley County bridge inventory on the Navajo Nation. Packaged and sent resolutions to USDOT and Navajo DOT for inclusion onto the Tribal Transportation Improvements Program list.
- Transportation Project Fund: COG staff has promoted the transportation project fund and has solicited applications from RTPO members. COG has collected and reviewed applications and will prepare for submission prior to May 31<sup>st</sup>.

**General RTPO Support:**

- RTPO Meetings: Coordinated and held 3 monthly RTPO meetings to conduct regular RTPO business.
- Annual Member Survey: Completed annual member survey and recommended changes to the RTPO for FFY25.

**RTPO Administration:**

- FFY 2024 1st Quarter Report: Submitted my FFY 2024 1st Quarter Report to Sullivan Moore and Neala Krueger.
- Quality Assurance Review: Prepared for annual Quality Assurance Review scheduled to take place in April 2024.

Respectfully submitted on behalf of the COG staff,



**Evan J. Williams**, Executive Director

**FOR MORE INFORMATION, TAP RESOURCES AND FOLLOW THE COG VIA:**

Website: [www.nwnmco.org](http://www.nwnmco.org)

Facebook: <https://www.facebook.com/NWNMCOG>

Twitter: <https://twitter.com/NWNMCOG>

YouTube: [NWNMCOG](https://www.youtube.com/NWNMCOG)



# SNAPSHOT OF THE SESSION

March 18, 2024

## 2024 Legislative Funding Report

### **Legislative Delegation:**

#### **House**

Rod Montoya, D-1  
Mark Duncan, D-2  
T. Ryan Lane, D-3  
Anthony Allison, D-4  
D. Wonda Johnson, D-5  
Eliseo Alcon, D-6  
Patty Lundstrom, D-9  
Derrick Lente, D-65  
Harry Garcia, D-69

#### **Senate**

William Sharer, D-1  
Steve Neville, D-2  
Shannon Pinto, D-3  
George Munoz, D-4  
Benny Shendo, D-22  
Joshua Sanchez, D-30

### **Legislative Leadership Structure:**

#### **House**

Rep. Javier Martinez, Speaker  
Rep. Gail Chasey, Majority Floor Leader  
Rep. Reena Szczepanski, Majority Whip  
Rep. Ryan Lane, Minority Floor Leader  
Rep. James Townsend, Minority Whip

#### **Senate**

Sen. Mimi Stewart, President Pro Tempore  
Sen. Peter Wirth, Majority Floor Leader  
Sen. Michael Padilla, Majority Whip  
Sen. Gregory Baca, Minority Leader  
Sen. Craig Brandt, Minority Whip

A 30-day session is typically a fast-paced high intensity session primarily focused on developing the state budget for the upcoming fiscal year. While the 2024 session included some important bills, the focus remained on developing an effective and efficient budget to support New Mexico into the 2025 Fiscal Year. House Bill 2, General Appropriations Act provided the framework for \$10.21 Billion in recurring investment into the state of the New Mexico. An increase of 6.8% from the FY24 budget.

### **HB2 General Appropriations Act included the following highlights:**

- **Housing:** Appropriated \$125 million to the New Mexico Finance Authority's opportunity enterprise revolving fund, \$50 million to the housing trust fund at NM Mortgage Finance Authority, \$19.7 million for statewide homelessness initiatives, \$10 million for transitional housing and shelter facilities, and \$3.3 million for housing for those with opioid use disorders and serious mental illness.
- **Education:** Appropriated funding for a 3% raise for all school personnel, \$86 million for literacy initiatives, \$41 million for universal free school meals, \$15 million for pay differentials to recruit and retain hard-to-staff positions, \$6 million for special education initiatives, and \$5 million for attendance improvement interventions.
- **Public Safety:** Appropriated \$25 million for firefighter recruitment and \$25 million for corrections and law enforcement recruitment.
- **Infrastructure:** Appropriated \$540 million for road improvements, \$300 million for the conservation legacy permanent fund, \$75 million for the new "match fund", \$50 million for the water projects fund, \$25 million for broadband, \$20 million to support and funding Indian water rights settlements, and \$10 million to the Climate Investment Center.

### **Legislative Assistance Provided By the NWNMCOG:**

#### **Legislative Forums**

2

#### **Capital Requests**

71

#### **GRO Requests**

12

#### **Reauthorizations**

10+

#### **Days in Santa Fe**

3

#### **Hours Dedicated**

700+

- **Special Appropriations:** Including within HB2 are special one-time appropriations dedicated to increase and expand capacity of existing state programs, fund the establishments of new programs approved during the session, and direct appropriations for specific projects with catalytic impact to community and the State of New Mexico. The following are special appropriations including in HB2 that could support existing and future efforts to improve communities in Northwest New Mexico:
  - **Financial Compliance** - \$1M to assist small local public bodies in attaining financial compliance.
  - **State Fiscal Recovery Funding** - Extended through FY27
  - **Capacity Building Program** - \$1M for capacity building grants to councils of governments and local governments.
  - **Fire Department Recruitment** - \$25M for statewide and local fire departments, including volunteer departments, for recruitment grants for firefighters and emergency medical technicians.
  - **Law Enforcement Recruitment** - \$25M for statewide and local law enforcement, correctional and detention agencies for law enforcement, probation, correctional and detention officers.
  - **Match Fund** - \$75M to provide matching assistance to local entities for matching local and federal funds.
  - **Transitional Housing** - \$10M for transitional housing and shelter facilities for victims of domestic violence, including up to \$5M for facilities in northwest New Mexico.
  - **Water Trust Board** - \$50M for the water projects fund for projects authorized by the legislature in 2024.
  - **Broadband** - \$25M to support implementation of the statewide broadband plan.
  - **NM Tourism** - \$1.9M for grants to tribal and local governments for tourism-related infrastructure projects through the destination forward grant program and \$16M For national marketing and advertising.
  - **NM Economic Development** - \$500K for LEDA site readiness studies, \$10M for economic development projects pursuant to LEDA, and \$10M for trail and outdoor infrastructure grants.
  - **Regional Hospitals** - \$46M to defray operating losses for rural regional hospitals, health clinics, providers, and federally qualified health centers, \$12M to McKinley County for shortfalls at a nonfederal hospital, and \$15M for a nonfederal hospital in McKinley County.
  - **Water Regionalization** - to support the regionalization of small water systems is extended through FY25.
  - **Transportation Improvements** - \$70M for priority transportation projects in all 6 DOT districts, \$10M for roadway beautification and litter control, \$120M for statewide road maintenance, and \$15M for rural air service enhancement.
  - **Critical Water and Wastewater Infrastructure** - \$7M for wastewater pump stations in Milan and \$5M for sewer and water treatment in Grants.
  - **Government Results & Opportunity Funding** – Approximately \$5.6M in GRO funding directed to local governments, public service programs, educational institutions, regional healthcare facilities, and law enforcement agencies.

**SB275 Capital Outlay Projects Regional Recap:** SB275 provided approximately **\$121M** in funding to local governments, special districts, and tribal entities. A successful legislative session for Northwest New Mexico!

Cibola County - \$7,146,000	McKinley County - \$86,485,000	San Juan County - \$27,845,000
<ul style="list-style-type: none"> <li>▪ Cibola County - <u>\$775K</u></li> <li>▪ City of Grant - <u>\$1.175M</u></li> <li>▪ Village of Milan - <u>\$2.0M</u></li> </ul>	<ul style="list-style-type: none"> <li>▪ McKinley County - <u>\$3.775M</u></li> <li>▪ City of Gallup - <u>\$4.685M</u></li> <li>▪ UNM Gallup - <u>\$3.9M</u></li> <li>▪ NMDOT - <u>\$62.8M</u></li> <li>▪ GMCS - <u>\$300K</u></li> <li>▪ NWNMRSWA - <u>\$100K</u></li> </ul>	<ul style="list-style-type: none"> <li>▪ San Juan County - <u>\$4.265M</u> (includes San Juan Regional Medical Center)</li> <li>▪ City of Farmington - <u>\$5.605M</u></li> <li>▪ City of Aztec - <u>\$2.5M</u></li> <li>▪ City of Bloomfield - <u>\$360K</u></li> <li>▪ San Juan College - <u>\$200K</u></li> </ul>

#### HB196 Additional Appropriations “GRO Bill” Regional Recap:

- **Cibola County** - \$520K in total Governmental Results & Opportunity appropriations
- **McKinley County** - \$840K in total Governmental Results & Opportunity appropriations
- **San Juan County** - \$2.28M in total Governmental Results & Opportunity appropriations

## Approved by Governor

HPG #	SPG#	FPG#	State Agency	Item	HAFC	SFC	Final Version	Gov. Action
SECTION IV. FY2025 APPROPRIATIONS								
30	26	30	DFA Program Support	Emergency Water Supply Fund	\$ 109,900	\$ 109,900	\$ 109,900	Approved
30	26	30	DFA Program Support	Fiscal Agent Support	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	Approved
30	26	30	DFA Program Support	State Planning Districts	\$ 693,000	\$ 693,000	\$ 693,000	Approved
30	26	30	DFA Program Support	Law Enforcement Protection Fund	\$ 22,000,000	\$ 22,000,000	\$ 22,000,000	Approved
30	26	30	DFA Program Support	Acequia and Community ditch education program	\$ 498,200	\$ 498,200	\$ 498,200	Approved
30	26	30	DFA Program Support	Land Grant Council	\$ 626,900	\$ 626,900	\$ 626,900	Approved
30	27	30	DFA Program Support	County Detention of Prisoners	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	Approved
30	27	30	DFA Program Support	Intertribal Indian Ceremonial Association	\$ 328,000	\$ 328,000	\$ 328,000	Approved
47	44	47	NMTD	The purpose of the marketing and promotion program is to produce and provide collateral and editorial products and special events for the consumer and trade industry so it may increase its awareness of New Mexico as a premier tourist destination.	\$ 21,900,300	\$ 21,900,300	\$ 21,900,300	Approved
48	44	48	NMTD	The purpose of the tourism development program is to provide constituent services for communities, regions and other entities so they may identify their needs and assistance can be provided to locate resources to fill those needs, whether internal or external to the organization.	\$ 3,141,800	\$ 3,141,800	\$ 3,141,800	Approved
49	46	49	NMEDD	The purpose of the economic development program is to assist communities in preparing for their role in the new economy, focusing on high-quality job creation and improved infrastructure, so New Mexicans can increase their wealth and improve their quality of life.	\$ 13,592,700	\$ 18,592,700	\$ 18,592,700	Approved
49	-	-	NMEDD	<del>The general fund appropriation to the economic development program of the economic development department in the other category includes five million dollars (\$5,000,000) for a climate, energy and water authority and project fund contingent on the enactment of House Bill 237 or similar legislation of the second session of the fifty sixth legislative session.</del>	<del>\$ 5,000,000</del>	<del>\$ -</del>	<del>\$ -</del>	<del>-</del>
50	47	50	NMEDD	For outdoor recreation division	\$ 3,050,100	\$ 3,050,100	\$ 3,050,100	Approved
50	47	51	NMEDD	For creative industries division	\$ 346,100	\$ 476,100	\$ 476,100	Approved
72	68	71	EMNRD	Youth Conservation Corps	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000	Approved
80	76	80	IAD	The purpose of the Indian affairs program is to coordinate intergovernmental and interagency programs concerning tribal governments and the state.	\$ 4,967,900	\$ 4,967,900	\$ 4,967,900	Approved
136	133	137	HED	Adult Education Services, including materials and access to high school equivalency tests to adults	\$ 6,828,000	\$ 6,828,000	\$ 6,828,000	Approved
136	133	137	HED	Workforce Development Programs at community colleges that primarily educate & retrain recently displaced workers	\$ 126,100	\$ 126,100	\$ 126,100	Approved
136	133	137	HED	Adult Literacy Program	\$ 750,000	\$ 750,000	\$ 750,000	Approved
136	133	137	HED	High skills program	\$ 761,100	\$ 761,000	\$ 761,000	Approved
136	133	137	HED	Tribal College Dual Credit Fund	\$ 600,000	\$ 600,000	\$ 600,000	Approved
136	134	138	HED	Opportunity Scholarship	\$ 146,000,000	\$ 162,000,000	\$ -	Partial Veto
139	136	140	HED-UNM-G	The purpose of the instruction and general program at New Mexico's community colleges is to provide credit and noncredit postsecondary education and training opportunities to New Mexicans so they have the skills to be competitive in the new economy and are able to participate in lifelong learning activities.	\$ 19,357,300	\$ 19,357,300	\$ 19,357,300	Approved
142	140	143	HED-UNM RPSP	Research Geographic information system	\$ 66,100	\$ 66,100	\$ 66,100	Approved
143	140	143	HED-UNM RPSP	Geospatial and population studies / BBER	\$ 390,100	\$ 390,100	\$ 390,100	Approved
143	140	143	HED-UNM RPSP	Manufacturing engineering program	\$ 538,000	\$ 538,000	\$ 538,000	Approved
143	140	144	HED-UNM-G	Gallup branch - nurse expansion	\$ 803,500	\$ 803,500	\$ 803,500	Approved
149	146	150	HED-NMSU-G	The purpose of the instruction and general program at New Mexico's community colleges is to provide credit and noncredit postsecondary education and training opportunities to New Mexicans so they have the skills to be competitive in the new economy and are able to participate in lifelong learning activities.	\$ 10,104,900	\$ 10,104,900	\$ 10,104,900	Approved
151	148	152	HED-NMSU RPSP	Manufacturing Sector Development Program	\$ 672,700	\$ 672,700	\$ 672,700	Approved
151	148	152	HED-NMSU RPSP	Arrowhead Center for business development	\$ 3,678,400	\$ 3,678,400	\$ 3,678,400	Approved
169	166	170	HED-SJC	The purpose of the instruction and general program at New Mexico's community colleges is to provide credit and noncredit postsecondary education and training opportunities to New Mexicans so they have the skills to be competitive in the new economy and are able to participate in lifelong learning activities.	\$ 106,668,800	\$ 106,668,800	\$ 106,668,800	Approved
170	167	171	HED-SJC RPSP	Nurse Expansion	\$ 1,116,000	\$ 1,116,000	\$ 1,116,000	Approved
170	167	171	HED-SJC	Renewable Energy Center of Excellence	\$ 750,000	\$ 750,000	\$ 750,000	Approved
174	-	-	PED	<del>to provide a two percent salary increase to all public school personnel.</del>	<del>\$ 62,769,600</del>	<del>\$ 62,769,600</del>	<del>\$ -</del>	<del>-</del>
175	-	176	PED	to provide an average <del>two</del> three percent salary increase to public school personnel in addition to the two percent salary increase to all public school personnel.	\$ 62,769,600	\$ 94,154,400	\$ 94,154,400	Approved

-	172	176	PED	for school districts and charter schools to purchase culturally and linguistically appropriate instructional materials for eligible students, including dual-credit instructional materials and educational technology.	\$	-	\$	55,000,000	\$	55,000,000	Approved
175	172	176	PED	for school districts and charter schools to meet teacher mentorship requirements	\$	49,000,000	\$	59,000,000	\$	59,000,000	Approved
178	175	179	PED	to provide an average <del>two</del> three percent salary increase to public school transportation personnel <del>In addition to the two percent salary increase for all public school transportation personnel.</del>	\$	992,400	\$	1,488,600	\$	1,488,600	Approved
<del>178</del>	<del>-</del>	<del>-</del>	<del>PED</del>	<del>to provide a two percent salary increase to all public school transportation personnel.</del>	<del>\$</del>	<del>992,400</del>	<del>\$</del>	<del>992,400</del>	<del>\$</del>	<del>-</del>	
178	180	180	PED	Indian Education Fund	\$	20,000,000	\$	20,000,000	\$	20,000,000	Approved
SECTION V. SPECIAL APPROPRIATIONS											
185	182	186	SAO	To assist small local public bodies in attaining financial compliance.	\$	1,000,000	\$	1,000,000	\$	1,000,000	Approved
185	183	187	DFA	The period of time for expending the state fiscal recovery fund award appropriations from the one billion sixty-nine million one hundred seventy-five thousand dollars (\$1,069,175,000) transferred to the appropriation contingency fund of the general fund pursuant to Section 1 of Chapter 4 of Laws 2021 and the appropriations from the capital projects fund pursuant to the federal American Rescue Plan Act of 2021, appropriated in Section 2 of Chapter 210 of Laws 2023, is extended through fiscal year 2027.		Extend Time		Extend Time		Extend Time	Approved
185	183	187	DFA	For capacity building grants to councils of governments, <del>technical assistance providers</del> and local governments.	\$	1,000,000	\$	1,000,000	\$	1,000,000	Partial Veto
-	183	188	DFA	The period of time for expending the two million dollars (\$2,000,000) appropriated from the general fund in Subsection 38 of Section 5 of Chapter 210 of Laws 2023 for capacity building grants to councils of government and local governments is extended through fiscal year 2025.		Extend Time		Extend Time		Extend Time	Approved
-	184	188	DFA	The period of time for expending the three million six hundred sixty-five thousand dollars (\$3,665,000) appropriated from the general fund in Subsection 41 of Section 5 of Chapter 210 of Laws 2023 for community fund, local agriculture and supply chain programs to improve food security in New Mexico is extended through fiscal year 2025.		Extend Time		Extend Time		Extend Time	Approved
186	184	188	DFA	For statewide and local fire departments, including volunteer departments, for recruitment grants for state and local fire departments for recruitment of firefighters and emergency medical technicians.	\$	5,000,000	\$	25,000,000	\$	25,000,000	Approved
-	184	188	DFA	For sewer and water treatment in Grants.	\$	-	\$	5,000,000	\$	5,000,000	Approved
186	184	188	DFA	For costs associated with the creation of a new infrastructure division, contingent on enactment of HB232 or similar legislation	\$	750,000	\$	750,000	\$	750,000	Approved
-	185	189	DFA	For statewide and local law enforcement, correctional and detention agencies for recruitment grants for law enforcement, probation, correctional and detention officers. Local law enforcement agencies shall submit monthly crime incident and ballistic information to the department of public safety as prescribed by the secretary of the department of public safety.	\$	-	\$	25,000,000	\$	25,000,000	Approved
186	185	189	DFA	For the law enforcement retention fund	\$	1,000,000	\$	1,000,000	\$	1,000,000	Approved
186	185	189	DFA	To provide matching assistance to local entities for matching local and federal funds contingent on passage of House Bill 177 or similar legislation of the second session of the fifty-sixth legislature creating the New Mexico match fund.	\$	50,000,000	\$	75,000,000	\$	75,000,000	Approved
187	-		DFA	For matching funds for local infrastructure projects	\$	58,000,000	\$	-		-	-
-	-		DFA	For regional recreation centers and quality of life grants statewide.	\$	-	\$	-		-	-
-	186	190	DFA	To McKinley county for shortfalls at a nonfederal hospital in McKinley county.	\$	-	\$	12,000,000	\$	12,000,000	Approved
-	186	190	DFA	For a pump station in Milan, New Mexico	\$	-	\$	7,000,000	\$	7,000,000	Approved
187	186	190	DFA	For the opportunity enterprise revolving fund of the New Mexico finance authority, with fifty million dollars (\$50,000,000) for commercial enterprise development projects and one hundred twenty five million (\$125,000,000) for housing development projects, contingent on enactment of House Bill 195 or similar legislation of the second session of the fifty-sixth legislature expanding the permissible uses of the opportunity enterprise revolving fund.	\$	175,000,000	\$	-	\$	175,000,000	Approved
187	186	190	DFA	to design, construct, furnish and equip a reality-based law enforcement training facility.	\$	4,000,000	\$	4,000,000	\$	4,000,000	Approved
188	187	191	DFA	For transitional housing and shelter facilities for victims of domestic violence, including up to five million dollars (\$5,000,000) for facilities in northwest New Mexico.	\$	10,000,000	\$	10,000,000	\$	10,000,000	Approved
188	187	191	DFA	For the water projects fund for projects authorized by the legislature in 2024	\$	100,000,000	\$	50,000,000	\$	50,000,000	Approved
189	189	193	DOIT	For cybersecurity initiatives including public education and higher education.	\$	5,500,000	\$	5,500,000	\$	5,500,000	Approved
189	189	193	DOIT	For the equipment replacement fund to replace network switches statewide.	\$	500,000	\$	500,000	\$	500,000	Approved
189	189	193	DOIT	To support implementation of the statewide broadband plan	\$	25,000,000	\$	25,000,000	\$	25,000,000	Approved

190	189	193	NMTD	For grants to tribal and local governments for tourism-related infrastructure projects through the destination forward grant program through fiscal year 2026.	\$	1,900,000	\$	1,900,000	\$	1,900,000	Approved
-	189	194	NMTD	To the marketing and promotion program of the tourism department.	\$	-	\$	2,000,000	\$	2,000,000	Approved
190	190	194	NMTD	For national marketing and advertising. The tourism department may expend up to one hundred thousand dollars (\$100,000) for outreach related to the one hundredth anniversary of Zozobra, one hundred fifty thousand dollars (\$150,00) to purchase advertisements, commercials and publicity for the Connie Mack world series and up to two million five hundred thousand dollars (\$2,500,000) to enhance and increase route 66 related tourism and to match federal grant opportunities.	\$	16,000,000	\$	16,000,000	\$	16,000,000	Approved
190	-	-	NMEDD	For a climate, energy and water authority and project fund contingent on the enactment of House Bill 237 or similar legislation of the second session of the fifty-sixth legislature.	\$	1,000,000	\$	-		-	-
191	190	194	NMEDD	For Local Economic Development Act site readiness studies.	\$	500,000	\$	500,000	\$	500,000	Approved
191	190	194	NMEDD	To the local economic development act fund for economic development projects pursuant to the Local Economic Development Act. Any unexpended balances remaining at the end of fiscal year 2025 from this appropriation shall not revert and may be expended in future fiscal years.	\$	13,000,000	\$	10,000,000	\$	10,000,000	Approved
191	190	194	NMEDD	For trail and outdoor infrastructure grants.	\$	10,000,000	\$	10,000,000	\$	10,000,000	Approved
193	192	196	CAD	For the rural libraries endowment fund	\$	2,500,000	\$	2,500,000	\$	2,500,000	Approved
193	193	197	EMNERD	To match federal funds for grant programs under the Infrastructure Investment and Jobs Act	\$	1,705,000	\$	1,705,000	\$	1,705,000	Approved
-	196	200	IAD	The period of time for expending the twenty-five million dollars (\$25,000,000) appropriated from the general fund in Subsection 113 of Section 5 of Chapter 210 of Laws of 2023 for tribal projects, including twelve million five hundred thousand dollars (\$12,500,000) for matching funds for federal infrastructure grants, two million five hundred thousand dollars (\$2,500,000) for Native American teaching statewide, and ten million dollars (\$10,000,000) to expand tribal serving healthcare and behavioral health services, including three million dollars (\$3,000,000) for transition costs to create a critical access hospital in a tribal-serving community and one million dollars (\$1,000,000) for expanding a tribal-serving behavioral health clinic in Zuni is extended through fiscal year 2025.	\$	-	\$	25,000,000	\$	25,000,000	Approved
196	197	201	ALTSD	For emergencies, disaster preparedness, urgent supplemental programmatic needs and planning to serve seniors.	\$	600,000	\$	600,000	\$	600,000	Approved
196	197	201	ALTSD	To the Kiki Saavedra senior dignity fund for expenditure in fiscal year 2025 and subsequent fiscal years to address high-priority services for senior citizens in New Mexico, including transportation, food insecurity, physical and behavioral health, case management and caregiving.	\$	5,000,000	\$	5,000,000	\$	5,000,000	Approved
197	200	204	HCAD	To defray operating losses for rural regional hospitals, health clinics, providers and federally qualified health centers that are increasing access to primary care, maternal and child health and behavioral health services through new and expanded services in medically underserved areas. The contracted entities must be enrolled as medicaid providers and propose to deliver services that are eligible for medicaid or medicare reimbursement. The health care authority department shall ensure the contracted amounts for new or expanded healthcare services do not duplicate existing services, are sufficient to cover start-up costs except for land and construction costs, require coordination of care, are reconciled and audited and meet performance standards and metrics established by the department. Any unexpended balances remaining at the end of fiscal year 2025 from this appropriation shall not revert and may be expended through fiscal year 2027.	\$	80,000,000	\$	46,000,000	\$	46,000,000	Approved
-	199	203	HCAD	For a nonfederal hospital in McKinley county.	\$	-	\$	15,000,000	\$	15,000,000	Approved
-	200	204	HCAD	For subsidies to certain eligible healthcare facilities contingent on enactment of Senate Bill 161 or similar legislation.	\$	-	\$	50,000,000	\$	50,000,000	Approved
-	200	205	WFS	The period of time for expending the fourteen million five hundred thousand dollars (\$14,500,000) appropriated from other state funds in Subsection 128 of Section 5 of Chapter 210 of Laws 2023 to assist displaced workers in affected communities pursuant to Section 62-18-16 NMSA 1978, including five million dollars (\$5,000,000) for energy transition is extended through fiscal year 2025.	-		Extend Time		Extend Time	Approved	
199	202	206	NMED	To develop and implement a surface water discharge permitting program.	\$	600,000	\$	600,000	\$	600,000	Approved
199	202	206	NMED	To develop and implement initiatives that protect the public from exposure to emerging contaminants, including per- and poly-fluorinated alkyl substances.	\$	1,000,000	\$	1,000,000	\$	1,000,000	Approved
199	202	206	NMED	The period of time for expending the one million dollars (\$1,000,000) appropriated in Subsection 149 of Section 5 of Chapter 208 of Laws 2023 for the water protection division to support the regionalization of small water systems is extended through fiscal year 2025.		Extend Time		Extend Time		Extend Time	Approved



203	205	209	DPS	For the law enforcement program to upgrade and replace body and in-car camera systems.	\$	1,000,000	\$	1,000,000	\$	1,000,000	Approved
203	206	210	DPS	To purchase and equip law enforcement vehicles.	\$	3,500,000	\$	7,000,000	\$	7,000,000	Approved
204	207	211	PED	For pilot programs including career technical education, career technical student organizations, innovation zones, work-based learning initiatives and equipment, including five million dollars (\$5,000,000) for summer internships. The other state funds appropriation is from the public education reform fund.	\$	40,000,000	\$	40,000,000	\$	40,000,000	Approved
-	208	212	PED	For Indian education initiatives including four million dollars (\$4,000,000) for the Navajo nation and one million dollars (\$1,000,000) for Zuni pueblo. Any unexpended balances from this appropriation remaining at the end of fiscal year 2025 shall not revert.	\$	-	\$	5,000,000	\$	5,000,000	Partial Veto
<del>206</del>	<del>209</del>	<del>214</del>	<del>PED</del>	<del>For the tribal education trust fund, contingent on enactment of House Bill 134 or similar legislation of the second session of the fifty-sixth legislature creating the fund.</del>	<del>\$</del>	<del>50,000,000</del>	<del>\$</del>	<del>50,000,000</del>	<del>\$</del>	<del>-----</del>	<del>Vetoed</del>
204	210	214	PED	The period of time for expending the two million dollars (\$2,000,000) appropriated from the general fund in Subsection 124 of Section 5 of Chapter 54 of Laws 2022 for planning, design and construction of tribal libraries is extended through fiscal year 2025.	\$	2,000,000	\$	2,000,000	\$	2,000,000	Approved
206	210	215	HED	For distribution to public postsecondary institutions statewide to support dual-credit programs for New Mexico high school students.	\$	1,000,000	\$	1,000,000	\$	1,000,000	Approved
207	211	215	HED	To provide scholarships to graduates of New Mexico high schools who are enrolled full-time in a master's or doctoral degree program at a graduate-degree-granting state university in New Mexico in a science, technology, engineering, or mathematics program provided that no student shall receive an award amount greater than seven thousand two hundred dollars (\$7,200) per academic year. Any unexpended funds remaining at the end of fiscal year 2025 from this appropriation shall not revert and may be expended through fiscal year 2027.	\$	10,000,000	\$	10,000,000	\$	10,000,000	Approved
SECTION VI. SUPPLEMENTAL AND DEFICIENCY APPROPRIATIONS											
211	215	219	DFA	To the federal grants management division for dashboard system improvements.	\$	100,000	\$	100,000	\$	100,000	Approved
-		<del>221</del>	<del>WFS</del>	<del>To the paid family and medical leave fund to implement the Paid Family and Medical Leave Act contingent on enactment of House Bill 6 or similar legislation.</del>	<del>\$</del>	<del>-</del>	<del>\$</del>	<del>24,000,000</del>	<del>\$</del>	<del>-----</del>	<del>Vetoed</del>
SECTION VI. INFORMATION TECHNOLOGY APPROPRIATIONS											
216	221	225	DFA	For statewide capital outlay tracking software	\$	1,000,000	\$	1,000,000	\$	1,000,000	Approved
SECTION IX. GOVERNMENT RESULTS AND OPPORTUNITY EXPENDABLE TRUST											
232	236	241	HED	For New Mexico community colleges and regional universities to pay up to the full cost of student tuition and fees for workforce training courses not eligible for other state financial aid and that result in an industry-recognized credential or endorsement. This funding may also be used to subsidize costs of students involved in apprenticeships or internships and for program development. Higher education institutions shall submit an implementation plan to the higher education department prior to receipt of funding and include identification of the types of certificates or credentials offered and the employers and industries eligible for intership and apprenticeship support. The higher education department shall distribute this funding to higher education institutions based on their proportional share of instruction and general funding no later than August 1st of each year.	\$	20,000,000	\$	20,000,000	\$	20,000,000	Partial Veto
-	246	250	DAO	to the District Attprney of the Eleventh Judicial District for San Juan county law enforcement assistance diversion program.	\$	-	\$	200,000	\$	200,000	Approved
-	246	250	AG	to the Attorney General to provide funding for mission and murdered indigenous women and relatives taskforce.	\$	-	\$	200,000	\$	200,000	Approved
-	<del>247</del>	<del>251</del>	<del>DFA</del>	<del>for public private partnership agreements contingent upon passage of HB190 or similar legislation.</del>	<del>\$</del>	<del>-----</del>	<del>\$</del>	<del>160,000</del>	<del>\$</del>	<del>-----</del>	<del>Vetoed</del>
-	257	261	NWCOG	for programmatic costs and resources for Cibola county sheriff's department	\$	-	\$	200,000	\$	200,000	Approved
-	257	261	NWCOG	for sexual assault services in Grants	\$	-	\$	200,000	\$	200,000	Approved
-	257	261	NWCOG	to support program services for parks in the village of Milan	\$	-	\$	320,000	\$	320,000	Approved
-	257	261	NWCOG	to support health care and hospital services program services, resources and equipment in McKinley county	\$	-	\$	480,000	\$	480,000	Approved
-	257	261	NWCOG	for programmatic costs and resources for McKinley county sheriff's department	\$	-	\$	200,000	\$	200,000	Approved
-	257	261	NWCOG	to support program services and resources for the bi-county fair in McKinley and Cibola counties	\$	-	\$	160,000	\$	160,000	Approved
-	257	262	NWCOG	to fund behavioral health services in San Juan county	\$	-	\$	480,000	\$	480,000	Approved
-	257	262	NWCOG	to provide programmatic resources the city of Bloomfield public library and reading and literacy	\$	-	\$	160,000	\$	160,000	Approved
-	257	262	NWCOG	for San Juan county behavioral health services	\$	-	\$	500,000	\$	500,000	Approved
-	257	262	NWCOG	for mental health teletherapy at San Juan college	\$	-	\$	200,000	\$	200,000	Approved
-	258	262	NWCOG	for behavioral health program services and resources in San Juan county	\$	-	\$	160,000	\$	160,000	Approved
-	258	262	NWCOG	to fund behavioral health services in San Juan county	\$	-	\$	480,000	\$	480,000	Approved
-	258	262	NWCOG	for San Juan county truancy court	\$	-	\$	300,000	\$	300,000	Approved

-	262	267	NMTD	for marketing campaign for litter pick up and beautification	\$	-	\$ 2,000,000	\$ 2,000,000	Approved
-	263	267	NMTD	for national marketing and existing special advertising	\$	-	\$ 160,000	\$ 160,000	Approved
-	263	267	NMEDD	to implement a program providing New Mexicans with skills-based workforce development in New Mexico's space industry	\$	-	\$ 160,000	\$ 160,000	Approved
-	263	267	NMEDD	for healthy food financing initiatives	\$	-	\$ 200,000	\$ 200,000	Approved
-	263	268	CAD	for a feasibility study for national museum of new deal art	\$	-	\$ 160,000	\$ 160,000	Approved
-	263	268	OSE	to implement the 2019 water data act within the state engineer's office	\$	-	\$ 200,000	\$ 200,000	Approved
-	263	268	OSE	for water planning and management statewide	\$	-	\$ 160,000	\$ 160,000	Approved
-	264	268	IAD	to support clinics in Shiprock to deliver dental and orthodontic services and braces	\$	-	\$ 160,000	\$ 160,000	Approved
-	266	271	CYFD	for San Juan county childrens emergency shelter and advocacy center	\$	-	\$ 200,000	\$ 200,000	Approved
-	269	273	PED	for program service and resources for the science, technology, engineering and math program at Gallup-McKinley county school district	\$	-	\$ 160,000	\$ 160,000	Approved
-	269	273	PED	for programmatic support for the growth and continued development of the Aztec municipal school district work based learning and postsecondary career readiness program	\$	-	\$ 160,000	\$ 160,000	Approved
-	270	274	HED	for tribal college teacher licensure and preparation program in the northwest region	\$	-	\$ 200,000	\$ 200,000	Approved
-	270	274	HED	for technology resources for students of San Juan college	\$	-	\$ 200,000	\$ 200,000	Approved
-	270	275	UNM-G	to support program services and resources at the university of New Mexico-Gallup	\$	-	\$ 160,000	\$ 160,000	Approved
-	273	277	NMSU-G	for career technical education programs on the New Mexico state university Grants campus	\$	-	\$ 160,000	\$ 160,000	Approved
-	273	277	NMSU-G	for workforce training programs at New Mexico state university city of grants branch	\$	-	\$ 240,000	\$ 240,000	Approved
-	273	279	NMSU	for the city of Farmington agricultural science center to support the vinivultural research			\$ 160,000	\$ 160,000	Approved
SECTION X. FUND TRANSFERS									
-	278	282		Emergency Medical Services Fund	\$	-	\$ 11,000,000	\$ 11,000,000	Approved
-	278	282		GRO expendable trust fund	\$	-	\$ 512,200,000	\$ 512,200,000	Approved
-	278	282		GRO program fund	\$	-	\$ 325,800,000	\$ 325,800,000	Approved
-	279	283	NMFA	Water Trust Fund	\$	-	\$ 50,000,000	\$ 50,000,000	Approved
239	278	283	NMFA	The general fund transfer is in fiscal year 2025 for the New Mexico finance authority to carry out the provisions of the Affordable Housing Act to acquire, build and rehabilitate affordable housing for people statewide, including those with behavioral health needs and victims of domestic violence.	\$	44,500,000	\$ 50,000,000	\$ 50,000,000	Approved
239	278	283		Conservation Legacy Permanent Fund	\$	300,000,000	\$ 300,000,000	\$ 300,000,000	Approved
SECTION XI. SPECIAL TRANSPORTATION APPROPRIATIONS									
240	279	284	DOT	for the wildlife corridors fund	\$	-	\$ 5,000,000	\$ 5,000,000	Approved
-	280	284	DOT	For roadway beautification and litter control with no less than three million dollars (\$3,000,000) for contracting with disadvantaged business enterprises as defined in Part 26 of Subtitle A of Title 49 of the code of federal regulations.	\$	-	\$ 10,000,000	\$ 10,000,000	Partial Veto
240	-	-	DOT	For major infrastructure road projects, including heavy maintenance.	\$	150,000,000	\$	\$	-
240	281	284	DOT	For acquisition of rights-of-way, planning, design, field supplies, roadway preservation, roadway rehabilitation, preventive maintenance, roadway maintenance, reconstruction or new construction and to match other state funds and federal funds for projects, with priority given to projects that leverage federal funds. Appropriations made in this section may be used in fiscal year 2025 through fiscal year 2027 for projects including ....., for New Mexico highway 285 for New Mexico highway 574 between Aztec and La Plata in transportation district five; for New Mexico state road 503 in transportation district five; for rail projects in San Juan county and McKinley county in transportation districts five and six; for a study and engineering to replace exit 63 off of interstate 40 to state road 122 in district six; to replace bridge 8085 in McKinley county in transportation district six.	\$	-	\$ 70,000,000	\$ 70,000,000	Approved
-	282	286	DOT	The period of time for expending the two hundred fifty million dollars (\$250,000,000) appropriated from the general fund in Subsection (1) of Section 9 of Chapter 271 of Laws 2019 for acquisition of rights of way, planning, design and construction and to match federal and other state funds is extended through fiscal year 2025.		Extend Time	Extend Time	Extend Time	Approved
-	282	286	DOT	For road maintenance statewide with no less than thirty six million dollars (\$36,000,000) for contracting with disadvantaged business enterprises as defined in Part 26 of Subtitle A of Title 49 of the code of federal regulations.	\$	-	\$ 120,000,000	\$ 120,000,000	Partial Veto
-	282	286	DOT	For rural air service enhancement	\$	-	\$ 15,000,000	\$ 15,000,000	Approved



# Capital Outlay Projects - Northwest NM Region

## Cibola County

Senate Bill 275

*Approved by Governor*

ID#	Title	Amount	Language	Entity	Fund	Action
1468	Community Reservoir	\$ 180,000	to plan, design, construct and improve a community reservoir, diversion structures and an access road for the acequia de San Jose de la Cienega in the San Fidel area in Cibola county	Acequia de Dan Jose de la Cienega	GF	Approved
1469	All-Terrain Vehicle Purchase	\$ 15,000	to purchase and equip an all-terrain vehicle for the acequia de San Jose de la Cienega in the San Fidel area in Cibola county	Acequia de Dan Jose de la Cienega	GF	Approved
2200	American Legion Post 116 Plan	\$ 600,000	to plan, design, construct, repair, renovate and equip Chino hall for legionnaires in the Pueblo of Acoma in Cibola county	Acoma	GF	Approved
1817	Wastewater Wetlands Construction	\$ 100,000	to plan, design, construct, renovate and equip improvements to community wastewater collection and treatment systems for the Pueblo of Acoma in Cibola county	Acoma	GF	Approved
1437	Senior Center / Public Health Complex Construction	\$ 10,000	to plan, design, construct, furnish and equip a senior public health complex for the Pueblo of Acoma in Cibola county	Acoma	GF	Approved
1435	Senior Center Window Renovation	\$ 25,000	to purchase, replace and equip windows for the Acoma senior center in the Pueblo of Acoma in Cibola county	Acoma	GF	Approved
N/A	Haak'u Learning Center Improvements	\$ 13,500	to plan, design, construct, renovate, improve and equip the Haak'u learning center in the Pueblo of Acoma in Cibola county	Acoma	GF	Approved
1905	Water System Improvements	\$ 400,000	to plan, design, construct, equip and install water system improvements for the Bluewater water and sanitation district in Cibola county	Bluewater WSD	GF	Approved
1859	Acequia Construction	\$ 200,000	to plan, design, construct and renovate acequias for the Cebolletita acequia association in Cibola county	Cebolletita Acequia Association	GF	Approved
1439	Emergency Power Generator	\$ 350,000	to plan, design, purchase and install an emergency power generator for the administrative offices and judicial court in Grants in Cibola county	Cibola County	GF	Approved
1314	Multipurpose Training Facility	\$ 425,000	to plan, design, construct, furnish and equip a public safety multipurpose training facility in Cibola county	Cibola County	GF	Approved
360	Community Center Construction	\$ 250,000	to plan, design, construct, renovate, repair, furnish and equip a community center for the Cubero land grant-merced in Cibola county	Cubero Land Grant	GF	Approved
3080	Early Childhood Center Improvements	\$ 102,500	to plan, design, construct, renovate, improve and equip an early childhood center, including sidewalks, parking and pavement repairs, in the Pueblo of Laguna in Cibola county	Laguna	GF	Approved
1442	Domestic Violence Shelter Construction	\$ 100,000	to plan, design, construct, furnish and equip a domestic violence shelter and accessory facilities in Grants in Cibola county	Grants	GF	Approved
1417	Ladder Truck Purchase	\$ 1,000,000	to purchase and equip a ladder truck for the fire department in Grants in Cibola county	Grants	GF	Approved
1434	Recreation Center Renovations	\$ 75,000	to plan, design, construct, repair, renovate, furnish and equip the Grants recreation center in Grants in Cibola county	Grants	GF	Approved
1976	Encinal Community Center Construct	\$ 300,000	to plan, design and construct a community center in the village of Encinal in the Pueblo of Laguna in Cibola county	Laguna	GF	Approved
1957	Playgrounds Construction	\$ 50,000	to plan, design and construct playgrounds in the six villages in the Pueblo of Laguna in Cibola county	Laguna	GF	Approved
1325	Heavy Equipment Purchase	\$ 200,000	to purchase and equip heavy equipment, including a street sweeper, bucket truck, water truck and water trailer, for the public works department in Milan in Cibola county	Milan	GF	Approved
1412	Wastewater System Improvements	\$ 1,500,000	to plan, design, construct, furnish and equip wastewater system improvements in Milan in Cibola county	Milan	GF	Approved
1327	Willow & Pinon Streets	\$ 300,000	to plan and design roadway and drainage improvements on Willow drive and Pinon street in Milan in Cibola county	Milan	GF	Approved
81	Community Center Construction	\$ 50,000	to plan, design, construct, furnish and equip a community center for the Ramah chapter of the Navajo Nation in Cibola county	Ramah Navajo	GF	Approved
1756	Chapter House Renovation	\$ 100,000	to plan, design, construct, renovate, equip and furnish the Ramah chapter house of the Navajo Nation in Cibola county	Ramah Navajo	GF	Approved

# Capital Outlay Projects - Northwest NM Region

## Cibola County

Senate Bill 275

*Approved by Governor*

ID#	Title	Amount	Language	Entity	Fund	Action
76	Truck Purchase	\$ 400,000	to purchase and equip a truck for the Ramah chapter of the Navajo Nation in Cibola county	Ramah Navajo	GF	Approved
74	Vehicles Purchase	\$ 100,000	to purchase and equip vehicles for the Ramah chapter of the Navajo Nation in Cibola county	Ramah Navajo	GF	Approved
1852	Acequia Improvements	\$ 300,000	plan, design and construct acequia improvements for the San Mateo acequia association in Cibola county	San Mateo Acequia Association	GF	Approved

**Total: \$ 7,146,000**

**Approved Total: \$ 7,146,000**

**Vetoed Total: \$0**

**Approved %: 100%**

# Capital Outlay Projects - Northwest NM Region

## McKinley County

Senate Bill 275

Approved by Governor

ID#	Title	Amount	Language	Entity	Fund	Action
1948	Transfer Station Construction	\$ 285,000	to plan, design, construct, improve and equip the Baahaali Chichiltah regional transfer station for the Baahaali chapter of the Navajo Nation in McKinley county	Baahaali Chapter	GF	Approved
1937	Chapter House Demolition	\$ 150,000	to plan, demolish and remove the old chapter house in the Bahastl'ah chapter of the Navajo Nation in McKinley county	Bahastl'ah Chapter	GF	Approved
1474	Bathroom Additions	\$ 200,000	to plan, design, construct and install residential bathroom additions in the Chichiltah chapter of the Navajo Nation in McKinley county	Chichiltah Chapter	GF	Approved
763	Pedestrian Trail Crossing	\$ 100,000	to plan, design, construct and improve a pedestrian trail and crossing, including fencing, in the Church Rock chapter of the Navajo Nation in McKinley county	Churchrock Chapter	GF	Approved
2248	Senior Center Outdoor Patio	\$ 110,000	to plan, design, construct, furnish and equip an outdoor patio for the Coyote Canyon senior center in the Coyote Canyon chapter of the Navajo Nation in McKinley county	Coyote Canyon Chapter	GF	Approved
1870	Trucks Purchase	\$ 80,000	to purchase and equip trucks for Coyote Canyon chapter of the Navajo Nation in McKinley county	Coyote Canyon Chapter	GF	Approved
1407	School Bus Purchase	\$ 200,000	to purchase and equip accessible school buses for the head start units in the Crownpoint chapter of the Navajo Nation in McKinley county	Crownpoint Chapter	GF	Approved
2356	Animal Shelter Construction	\$ 200,000	to plan, design, construct, furnish and equip an animal shelter in Gallup in McKinley county	Gallup	GF	Approved
1980	Child & Family Facility Construction	\$ 275,000	to plan, design, construct and renovate transitional housing and facilities for children, youth and families in Gallup in McKinley county	Gallup	GF	Approved
2357	Mentmore Trails Improvements	\$ 60,000	to plan, design, construct, improve and equip the Mentmore hiking trails in Gallup in McKinley county	Gallup	GF	Approved
2003	Public Safety Building Furnish	\$ 400,000	to plan, design, construct, purchase, furnish and equip a public safety building in Gallup in McKinley county	Gallup	GF	Approved
1517	Road Improvements	\$ 450,000	to plan, design and construct road improvements, including pavement resurfacing, drainage, curb and gutter and sidewalks, in Gallup in McKinley county	Gallup	GF	Approved
2008	Sports Complex Artificial Turf Replacement	\$ 300,000	to plan, design, construct, improve, furnish and equip a baseball field, including artificial turf and drainage infrastructure, at the sports complex in Gallup in McKinley county	Gallup	GF	Approved
1746	Wastewater Treatment Plant Improvements	\$ 3,000,000	to plan, design, construct, improve and equip the wastewater treatment plant, including construction of a reverse osmosis treatment plant, in Gallup in McKinley county	Gallup	GF	Approved
1899	Interactive Projectors and Equipment Purchase	\$ 300,000	to purchase interactive projectors and equipment for the GallupMcKinley county school district in McKinley county	GMCS	GF	Approved
1549	Water Well Construction	\$ 100,000	to plan, design, construct and equip a water well for the Gamerco water and sanitation district in McKinley county	Gamerco WSD	GF	Approved
1541	Bus Purchase	\$ 150,000	to purchase and equip buses for Hozho academy charter school in Gallup in McKinley county	Hozho Academy	GF	Approved
4003	Vehicles Purchase	\$ 85,000	to purchase and equip vehicles for the Hozho academy charter school maintenance department in Gallup in McKinley county	Hozho Academy	GF	Approved
1717	I-40 Bridge East of Gallup	\$ 62,800,000	for acquisition of rights of way, reconstruction and improvement of the bridge on interstate 40 east of Gallup from milepost 28.7 to milepost 30.7	NMDOT	STB	Approved
1853	Water System Construction	\$ 410,000	to acquire rights of way for and to plan, design, construct, equip and install a water system in the Iyanbito chapter of the Navajo Nation in McKinley county	Iyanbito Chapter	GF	Approved
1836	Administrative Building Renovation	\$ 200,000	to plan, design, construct and renovate an administrative building in the Manuelito chapter of the Navajo Nation in McKinley county	Manuelito Chapter	GF	Approved
1855	Sewage Lagoon Construction	\$ 100,000	to plan, design and construct improvements to the sewage lagoon and local government tract area, including a senior center and warehouse, in the Manuelito chapter of the Navajo Nation in McKinley county	Manuelito Chapter	GF	Approved
1878	Veterans Building Renovation	\$ 300,000	to plan, design, construct and renovate a veterans building in the Manuelito chapter of the Navajo Nation in McKinley county	Manuelito Chapter	GF	Approved
2287	Community Cemetery Construction	\$ 50,000	to plan, design and construct a community cemetery in the Mariano Lake chapter of the Navajo Nation in McKinley county	Mariano Lake Chapter	GF	Approved
1487	Fairground Improvements	\$ 125,000	to plan, design, construct and upgrade the fairgrounds, including electrical systems, in McKinley county	McKinley County	GF	Approved
1515	Emergency Bridge Replacement	\$ 3,150,000	to acquire rights of way and secure clearances for and to plan, design, repair and replace condemned and substandard bridges in McKinley county	McKinley County	GF	Approved

# Capital Outlay Projects - Northwest NM Region

## McKinley County

Senate Bill 275

Approved by Governor

ID#	Title	Amount	Language	Entity	Fund	Action
2222	Health Care Clinic Improvements	\$ 300,000	to plan, design, construct, repair and equip improvements for a health care clinic in McKinley county	McKinley County	GF	Approved
1486	Industrial Park Improvements	\$ 200,000	to plan, design, construct and equip infrastructure improvements, including utility extensions, at the county industrial park in McKinley county	McKinley County	GF	Approved
1438	Metering Station Construction	\$ 250,000	to plan, design and construct a metering station and connecting lines for the White Cliffs mutual domestic water users association service area in McKinley county	White Cliffs MDWUA	GF	Approved
770	Natural Gas Line Construction	\$ 400,000	to plan, design and construct a natural gas line, including connections, for the community of White Cliffs in McKinley county	White Cliffs MDWUA	GF	Approved
1834	Administrative Building Construction	\$ 100,000	to plan, design, construct and equip an intergovernmental administrative building in the Mexican Springs chapter of the Navajo Nation in McKinley county	Mexican Springs Chapter	GF	Approved
1844	US 491 Lighting	\$ 350,000	to plan, design, construct and equip lighting at the junction of Navajo route 30 and United States highway 491 in the Mexican Springs chapter of the Navajo Nation in McKinley county	Mexican Springs Chapter	GF	Approved
2358	N7128 and N46 Improvements	\$ 175,000	to plan, design, construct and improve Navajo route 7128 and Navajo route 46 in the Pueblo Pintado chapter of the Navajo Nation in McKinley county	Pueblo Pintado Chapter	GF	Approved
3206	Navajo Code Talkers Museum	\$ 1,500,000	to plan, design, construct, furnish and equip a Navajo code talkers museum in the Tse Bonito area of the Navajo Nation in McKinley county	Navajo Nation	GF	Approved
3050	Buildings Demolition	\$ 950,000	to plan, design, abate and demolish facilities at Navajo technical university in Crownpoint in McKinley county	Navajo Technical University	GF	Approved
1181	Heavy Equipment Purchase	\$ 100,000	to purchase, equip and replace commercial-grade heavy machinery for the northwest New Mexico solid waste authority in McKinley county	NWNMRSWA	GF	Approved
1387	Chapter House Construction	\$ 250,000	to plan, design, construct, furnish, equip and improve the chapter house in the Ojo Encino chapter of the Navajo Nation in McKinley county	Ojo Encino Chapter	GF	Approved
1539	Storage Facility Construction	\$ 150,000	to plan, design and construct a heavy equipment and storage warehouse in the Ojo Encino chapter of the Navajo Nation in McKinley county	Ojo Encino Chapter	GF	Approved
2260	Motor Grader Purchase	\$ 350,000	to purchase and equip a motor grader for the Pinedale chapter of the Navajo Nation in McKinley county	Pinedale Chapter	GF	Approved
799	Trading Post Construction	\$ 275,000	to plan, design, construct, renovate, furnish and equip a trading post for the Ramah Navajo school board in McKinley county	Ramah Navajo School Board	GF	Approved
1611	Farm Equipment Purchase	\$ 75,000	to purchase and equip farm equipment for the Red Lake chapter of the Navajo Nation in McKinley county	Red Lake Chapter	GF	Approved
1621	Road Improvements	\$ 200,000	to plan, design, construct and improve streets for the Red Lake chapter of the Navajo Nation in McKinley county	Red Lake Chapter	GF	Approved
2361	Land Use Plan	\$ 75,000	to develop a land use plan for the Red Rock chapter of the Navajo Nation in McKinley county	Red Rock Chapter	GF	Approved
1847	Uprooted Tree Road Improvements	\$ 50,000	to plan, design and construct Uprooted Tree road improvements in Tse'Lichii chapter of the Navajo Nation in McKinley county	Red Springs Chapter	GF	Approved
279	Road Improvements	\$ 200,000	to acquire easements and rights of way for and to plan, design and construct road improvements in the Rock Springs chapter of the Navajo Nation in McKinley county	Rock Springs Chapter	GF	Approved
281	Veterans Center Improvements	\$ 200,000	to plan, design, construct, improve, equip and furnish improvements to the Naazbah veterans' center in the Smith Lake chapter of the Navajo Nation in McKinley county	Smith Lake Chapter	GF	Approved
2281	Water System Improvements	\$ 100,000	to plan, design, construct and install water system improvements in the Smith Lake chapter of the Navajo Nation in McKinley county	Smith Lake Chapter	GF	Approved
2001	Compound Fencing	\$ 275,000	to plan, design and construct compound fencing in the Thoreau chapter of the Navajo Nation in McKinley county	Thoreau Chapter	GF	Approved
2045	Nakai Park Construction	\$ 50,000	to plan, design, construct, renovate, furnish and equip Nakai park in the Tohatchi chapter of the Navajo Nation in McKinley county	Tohatchi Chapter	GF	Approved
2049	Chapter House Construction	\$ 200,000	to plan, design, construct, furnish and equip a chapter house for the Tsayatoh chapter of the Navajo Nation in McKinley county	Tsayatoh Chapter	GF	Approved
1535	Multipurpose Building Construction	\$ 200,000	to plan, design, construct, renovate, furnish and equip the Tsayatoh multipurpose building in the Tsayatoh chapter of the Navajo Nation in McKinley county	Tsayatoh Chapter	GF	Approved
3060	Water and Wastewater System Improvements	\$ 175,000	to acquire land, easements and rights of way for and to plan, design and construct water and wastewater system improvements in the Tse'ii'ahi chapter of the Navajo Nation in McKinley county	Tse'ii'ahi Chapter	GF	Approved
1841	Gurley Hall Improvements	\$ 3,900,000	to plan, design, renovate, construct, furnish and equip improvements to Gurley hall at the Gallup branch campus of the university of New Mexico in McKinley	UNM-Gallup	GF	Approved

Capital Outlay Projects - Northwest NM Region  
McKinley County

Senate Bill 275

Approved by Governor

ID#	Title	Amount	Language	Entity	Fund	Action
1501	Bathroom Additions	\$ 275,000	to plan, design, construct and equip bathroom additions for tribal housing in the Whitehorse Lake chapter of the Navajo Nation in McKinley county	Whitehorse Lake Chapter	GF	Approved
2020	Fire and Emergency Services Facility	\$ 1,580,000	to plan, design, construct, furnish and equip a fire and emergency medical services facility for the Pueblo of Zuni in McKinley county	Pueblo of Zuni	GF	Approved

Total: \$ 86,485,000

Approved Total:	\$ 86,485,000
Vetoed Total:	\$0
Approved %:	100%

# Capital Outlay Projects - Northwest NM Region

## San Juan County

Senate Bill 275

Approved by Governor

ID#	Title	Amount	Language	Entity	Fund	Action
843	Bladder Tank Construction	\$ 2,500,000	to plan, design, construct, equip and replace a water supply bladder tank in Aztec in San Juan county	City of Aztec	GF	Approved
2048	Water Storage & Distribution System	\$ 296,000	to plan, design, construct, furnish, equip and install water system improvements, including supervisory control and data acquisition, automated metering and billing, operational monitoring for distribution system and regional coordination, for the Blanco mutual domestic water consumer's and mutual sewage works association in San Juan county	Blanco MDWC & MSWA	GF	Approved
2209	Aquatic Center Atrium Improvements	\$ 85,000	to plan, design, construct, purchase, equip and repair an aquatic center atrium in Bloomfield in San Juan county	City of Bloomfield	GF	Approved
905	City Hall Improvements	\$ 275,000	to plan, design, construct, renovate, equip and furnish the city hall in Bloomfield in San Juan county	City of Bloomfield	GF	Approved
681	Citizens Ditch Construction	\$ 2,949,000	to plan, design, construct and install siphons in the Angostura area of the Citizens ditch for the Bloomfield irrigation district in San Juan county	Bloomfield Irrigation District	GF	Approved
1348	CR4990 Construction	\$ 1,921,000	to acquire rights of way for and to plan, design and construct road improvements, including drainage, on county road 4990 in Bloomfield in San Juan county	San Juan County	GF	Approved
2072	HVAC Improvements	\$ 200,000	to plan, design, construct, install and improve heating, ventilation and air conditioning and electrical systems in a multipurpose facility in the Crystal chapter of the Navajo Nation in San Juan and McKinley counties	Crystal Chapter	GF	Approved
2354	Teacher Education Classrooms	\$ 150,000	to plan, design, construct, equip and furnish a teacher education classroom laboratory at the Shiprock campus of Dine college in San Juan county	Dine College	GF	Approved
665	Emergency Management Mobile Command Vehicle	\$ 2,135,000	to purchase and equip an emergency management mobile command vehicle for the police and fire departments in Farmington in San Juan county	City of Farmington	GF	Approved
675	Fire Station 5 Improvements	\$ 170,000	to plan, design, renovate and make improvements to fire station 5 in Farmington in San Juan county	City of Farmington	GF	Approved
671	Police Department Equipment Purchase	\$ 175,000	to purchase, equip and install communications equipment for the police department in Farmington in San Juan county	City of Farmington	GF	Approved
670	Police Department Vehicles Purchase	\$ 125,000	to purchase and equip vehicles for the police department in Farmington in San Juan county	City of Farmington	GF	Approved
663	Police Station Renovation	\$ 3,000,000	to plan, design, construct, renovate and equip a police station in Farmington in San Juan county	City of Farmington	GF	Approved
1939	Administrative Complex Construction	\$ 100,000	to plan, design, construct, furnish and equip an administrative complex, parking lot, fencing, signage and associated infrastructure in the Gadii'ahi/To'koi chapter of the Navajo Nation in San Juan county	Gadii'ahi Chapter	GF	Approved
1942	Long-term Care Facility Construction	\$ 200,000	to plan, design, construct, furnish and equip a long-term care facility for the Gadii Ahi/To'Koi chapter of the Navajo Nation in San Juan county	Gadii'ahi Chapter	GF	Approved
1935	Senior Center Construction	\$ 250,000	to purchase easements and rights of way and to plan, design, construct, furnish and equip a senior center and parking lot for the Gadii'ahi/To'koi chapter of the Navajo Nation in San Juan county	Gadii'ahi Chapter	GF	Approved
1637	Carson-Burnham Regional Water System Construction	\$ 50,000	to plan, design and construct the Carson-Burnham regional water system for the Huerfano chapter of the Navajo Nation in San Juan county	Huerfano Chapter	GF	Approved
2318	Sewer System Improvements	\$ 700,000	to plan, design and construct sewer system improvements, including replacing sewer lines, in Kirtland in San Juan county	Town of Kirtland	GF	Approved
2114	Water Well Construction	\$ 575,000	to plan, design, construct and equip a water well for the Lake Valley chapter of the Navajo Nation in San Juan county	Lake Valley Chapter	GF	Approved
1825	N19 fencing and Cattleguards Installation	\$ 200,000	to plan, design and construct fencing and a cattleguard on Navajo route 19 in the Newcomb chapter of the Navajo Nation in San Juan county	Newcomb Chapter	GF	Approved
2245	N5010/N342 Improvements	\$ 400,000	to plan, design and construct Navajo route 5010/N342 improvements in the Tse Alnaozti'i' chapter of the Navajo Nation in San Juan county	Sanostee Chapter	GF	Approved
1769	Chapter House Lighting	\$ 75,000	to purchase and install energy-efficient lighting and to plan, design, construct and upgrade the electrical system at the chapter house in the Naschitti chapter of the Navajo Nation in San Juan county	Naschitti Chapter	GF	Approved
1797	Scattered Power Lines Construction	\$ 250,000	to plan, design and construct scattered power lines in the Naschitti chapter of the Navajo Nation in San Juan county	Naschitti Chapter	GF	Approved

# Capital Outlay Projects - Northwest NM Region

## San Juan County

Senate Bill 275

Approved by Governor

ID#	Title	Amount	Language	Entity	Fund	Action
1509	Industrial Park Lighting	\$ 75,000	to plan, design, construct, improve and equip Shiprock industrial park, including solar street lighting, in the Shiprock chapter of the Navajo Nation in San Juan county	Shiprock Chapter	GF	Approved
425	Athletic Complex Construction	\$ 50,000	to plan, design, construct and equip an athletic complex for Navajo preparatory school in Farmington in San Juan county	Navajo Preparatory School	GF	Approved
413	Dormitory Construction	\$ 1,900,000	to plan, design, construct, renovate and furnish student housing facilities and collaborative student spaces for Navajo preparatory school in Farmington in San Juan county	Navajo Preparatory School	GF	Approved
414	Infrastructure & Facility Improvements	\$ 975,000	to plan, design, construct, renovate, purchase, furnish and equip infrastructure and building improvements campuswide at Navajo preparatory school in Farmington in San Juan county	Navajo Preparatory School	GF	Approved
415	Performing Arts Building Construction	\$ 200,000	to plan, design, construct, demolish, improve and equip the performing arts building, including infrastructure, at Navajo preparatory school in Farmington in San Juan county	Navajo Preparatory School	GF	Approved
1856	Water Storage Tank Construction	\$ 1,925,000	to plan, design and construct a potable water storage tank for the Northstar domestic water consumers and mutual sewage works cooperative in San Juan county	Northstar DWC	GF	Approved
1862	Vehicle Purchase	\$ 100,000	to purchase and equip vehicles for a healing center in Shiprock in San Juan county	Shiprock Chapter	GF	Partial Veto
1353	Rehab Building Construction	\$ 477,000	to plan, design and construct accessibility improvements to county-owned facilities in San Juan county	San Juan County	GF	Approved
742	Childbirth Center Operating Room HVAC	\$ 345,000	to replace an air handling unit for the childbirth center operating room at the San Juan regional medical center in Farmington in San Juan county	San Juan Regional Medical Center	GF	Approved
739	Chiller Purchase	\$ 372,000	to purchase and equip a chiller for the San Juan regional medical center in Farmington in San Juan county	San Juan Regional Medical Center	GF	Approved
740	Cooling Tower Purchase	\$ 310,000	to purchase, equip and replace a cooling tower for the central plant at the San Juan regional medical center in Farmington in San Juan county	San Juan Regional Medical Center	GF	Approved
741	HVAC System Replacement	\$ 840,000	to design, purchase, replace and equip heating, ventilation and air conditioning systems at the San Juan regional medical center in Farmington in San Juan county	San Juan Regional Medical Center	GF	Approved
2143	Chapter House Construction	\$ 200,000	to plan and design a chapter house for the Shiprock chapter of the Navajo Nation in Shiprock in San Juan county	Shiprock Chapter	GF	Approved
3201	Incident Command Center Construction	\$ 1,000,000	to plan, design, construct, furnish and equip the Shiprock incident command center in the Shiprock chapter of the Navajo Nation in San Juan county	Shiprock Chapter	GF	Approved
2151	Traffic Lights Replacement	\$ 100,000	to plan, design, construct, upgrade, replace and equip traffic lights for the Shiprock chapter of the Navajo Nation in Shiprock in San Juan county	Shiprock Chapter	GF	Approved
1457	Fire Engine Purchase	\$ 500,000	to purchase and equip a fire engine for a fire science training program at San Juan college in Farmington in San Juan county	San Juan College	GF	Approved
1458	School Bus Purchase	\$ 150,000	to purchase and equip a school bus for a school bus driver training program at San Juan college in Farmington in San Juan county	San Juan College	GF	Approved
2283	Multipurpose Building Construction	\$ 100,000	to plan, design, construct, furnish and equip a multipurpose building in the Tooh Haltsooi chapter of the Navajo Nation in San Juan county	Tooh Haltsooi Chapter	GF	Approved
2285	Scattered Power Lines Construction	\$ 200,000	to plan, design and construct scattered water lines in the Tooh Haltsooi chapter of the Navajo Nation in San Juan county	Tooh Haltsooi Chapter	GF	Approved
2236	Veterans Cemetery Construction	\$ 200,000	to acquire easements and rights of way for and to plan, design and construct a new fenced community and veterans' cemetery in the Tse Alnaozti'i' chapter of the Navajo Nation in San Juan county	Tse'Alnaozti'i' Chapter	GF	Approved
2230	Helicopter Pad Construction	\$ 200,000	to plan, design and construct a helicopter pad for the Tse Alnaozti'i' chapter of the Navajo Nation in San Juan county	Tse'Alnaozti'i' Chapter	GF	Approved
1824	US64 & N5031 Intersection Improvements	\$ 125,000	to plan, design and construct a school bus stop, including sidewalks, near the intersection of United States highway 64 and Navajo route 5031 for the Tse'Daa'Kaan chapter of the Navajo Nation in San Juan county	Tse'Daa'Kaan Chapter	GF	Approved
1839	Heavy Equipment Purchase	\$ 300,000	to purchase and equip vehicles, including heavy equipment trucks and trailers, for the Tse'Daa'Kaan chapter of the Navajo Nation in San Juan county	Tse'Daa'Kaan Chapter	GF	Approved
1877	Septic Tanks & Leach Line Upgrades	\$ 150,000	to plan, design, construct and upgrade septic tanks and leach line systems for the Tse'Daa'Kaan chapter of the Navajo Nation in San Juan county	Tse'Daa'Kaan Chapter	GF	Approved
1544	Veterans Memorial Park	\$ 200,000	to plan, design, construct, furnish and equip the veterans' memorial park for the Toadlena/Two Grey Hills chapter of the Navajo Nation in San Juan county	Two Grey Hills Chapter	GF	Approved

Approved by Governor

ID#	Title	Amount	Language	Entity	Fund	Action
-----	-------	--------	----------	--------	------	--------

759	Utility Vehicles Purchase	\$ 70,000	to purchase and equip utility work vehicles and equipment, including company signs, headache racks, toolboxes and emergency lighting, for the upper La Plata domestic water consumers and mutual sewage works cooperative in San Juan county	Upper La Plata DWC & MSWC	GF	Approved
-----	---------------------------	-----------	--	---------------------------	----	----------

Total: \$ 27,845,000						
----------------------	--	--	--	--	--	--

Approved Total:	\$ 27,845,000
-----------------	---------------

Vetoed Total:	\$0
---------------	-----

Approved %:	100%
-------------	------



# Capital Outlay Projects - Northwest NM Region

## Multi-County/Statewide

Senate Bill 275

Approved by Governor

ID#	Title	Amount	Language	Entity	Counties	Fund	Action
4010	Tribal Community Projects	\$ 30,000,000	The state board of finance may issue and sell severance tax bonds up to thirty million dollars (\$30,000,000) in compliance with the Severance Tax Bonding Act in fiscal year 2025 for projects within tribal communities	Indian Affairs Department	Multiple	STB	Approved
2066	Cistern System Construction	\$ 250,000	to plan, design and construct a cistern system in the White Rock chapter of the Navajo Nation in San Juan county	White Rock Chapter	McKinley & San Juan Counties	GF	Approved
3017	Acequia Fund	\$ 5,000,000	to plan, design, construct, repair and make improvements to acequias and community ditches statewide	Interstate Stream Commission	Statewide	GF	Approved
3007	Emergency Senior Center Improvements	\$ 1,000,000	to address emergency needs to include renovations and immediate code compliance, to purchase and install furnishings, to purchase and equip vehicles and meals equipment and for delivery and installation of building systems at senior centers statewide	Aging & Long-Term Services Department	Statewide	GF	Approved
3006	Technology Improvements	\$ 4,000,000	to design, purchase, install and equip technological and systems improvements to district courts statewide	Administrative Office of the Courts	Statewide	GF	Approved
3001	District Courts Improvements	\$ 10,000,000	to plan, design, construct, renovate, furnish and equip district court improvements statewide, contingent upon a county match of at least fifty percent of project costs and requiring the administrative office of the courts to prioritize projects based on critical need and county financial capacity	Administrative Office of the Courts	Statewide	GF	Approved
3005	Magistrate Courts Improvements	\$ 2,000,000	to plan, design, construct, repair, renovate, furnish and equip magistrate courts statewide	Administrative Office of the Courts	Statewide	GF	Approved
3012	Cultural Facilities Improvements	\$ 5,000,000	to plan, design, construct, repair, renovate, furnish, equip and make improvements to sites, facilities and exhibits at museums, monuments, historic sites and cultural facilities statewide	Cultural Affairs Department	Statewide	GF	Approved
3077	Comprehensive Plan	\$ 1,000,000	for a comprehensive master plan for corrections department facilities, including consideration of long-term programmatic needs and the impact of revisions to the inmate classification systems statewide	Department of Corrections	Statewide	GF	Approved
3211	City Park Improvements	\$ 7,500,000	to plan, design, construct, renovate, repair, furnish and equip improvements to city park facilities and infrastructure statewide	Department of Finance and Administration	Statewide	GF	Approved
3096	Clean Water Revolving Fund State Match	\$ 5,000,000	to provide matching funds for clean water state revolving fund projects that meet the eligibility requirements of the Federal Water Pollution Control Act statewide	New Mexico Environment Department	Statewide	GF	Approved
3010	Correctional Facilities Improvements	\$ 9,000,000	to plan, design, construct, renovate, repair, furnish, purchase and install equipment and to make other infrastructure improvements to correctional facilities statewide	Department of Corrections	Statewide	GF	Approved
3009	CYFD Facilities Improvements	\$ 5,000,000	to plan, design, construct, renovate, repair, furnish, equip and make improvements to children, youth and families department facilities statewide	Children, Youth and Families Department	Statewide	GF	Approved
3016	Emergency Infrastructure, Equipment & Vehicles Purchase	\$ 10,000,000	to plan, design, construct, renovate, repair, furnish and equip critical infrastructure, buildings and building systems owned and operated by local public bodies and to purchase, install and equip vehicles and equipment that are essential for public safety for local public bodies statewide	Department of Finance and Administration	Statewide	GF	Approved
3015	Water Trust Board Cost Overrun	\$ 18,000,000	for the New Mexico finance authority to address cost overruns for projects approved by the water trust board and authorized by the legislature through 2023 statewide	New Mexico Finance Authority	Statewide	GF	Approved
3022	DOH Facilities Improvements	\$ 5,000,000	to plan, design, construct, furnish and equip improvements to department of health facilities statewide	Department of Health	Statewide	GF	Approved
3033	EV Infrastructure	\$ 15,000,000	to plan, design, construct and equip electric vehicle infrastructure statewide	Department of Transportation	Statewide	GF	Approved
3031	DPS Facilities Improvements	\$ 3,000,000	to plan, design, construct, renovate, repair, furnish and equip department of public safety facilities, including infrastructure improvements, roads and parking lots, security and technology upgrades, statewide	Department of Public Safety	Statewide	GF	Approved
3039	Mainstreet Capital Outlay Program	\$ 10,000,000	to plan, design, construct, renovate, repair, furnish and equip improvements to downtown mainstreet and arts and cultural districts statewide	New Mexico Economic Development Department	Statewide	GF	Approved
3042	State Parks Improvements	\$ 16,000,000	to plan, design, construct, renovate, repair, furnish and equip improvements to state park facilities and infrastructure, including Conchas Lake state park, Storrie Lake state park, Elephant Butte Lake state park and Navajo Lake state park, statewide	Energy, Minerals and Natural Resources Department	Statewide	GF	Approved
3041	Watershed Restoration and Community Wildfire Protection Improvements	\$ 5,000,000	to plan, design and construct watershed restoration and community wildfire protection improvements, including forest thinning, statewide	Energy, Minerals and Natural Resources Department	Statewide	GF	Approved
3067	School Bus Cameras Purchase	\$ 547,500	to purchase cameras for newly purchased to-and-from school buses statewide	Public Education Department	Statewide	PSCO	Approved

# Capital Outlay Projects - Northwest NM Region Multi-County/Statewide

Senate Bill 275

*Approved by Governor*

ID#	Title	Amount	Language	Entity	Counties	Fund	Action
3066	School Bus Replacement	\$ 29,166,640	to purchase district-owned to-and-from school buses	Public Education Department	Statewide	PSCO	Approved
3214	Emergency Infrastructure Funding	\$ 2,902,506	to provide urgent or emergency funding for infrastructure and equipment needs statewide	Department of Finance and Administration	Statewide	GF	Approved
3034	Veterans Memorials Improvements	\$ 3,000,000	to plan, design, construct, repair, furnish, equip and make improvements to veterans' cemeteries and memorials statewide	Veterans Department	Statewide	GF	Approved
3036	WSD Facilities Improvements	\$ 3,500,000	to plan, design, construct, renovate, repair, furnish and equip improvements to workforce solutions department facilities statewide;	Workforce Solutions Department	Statewide	GF	Approved
<b>Total:</b>		<b>\$ 205,866,646</b>					

# 2024 - General Obligation Bond Projects - Northwest NM Region

House Bill  
308

Approved by Governor

Title	Amount	Language	Entity	Action
Cibola County				
Senior Center Code Compliance	\$ 10,000	for improvements to the facility to address code compliance issues and for the purchase and installation of equipment and building systems at the Acoma Pueblo senior center in the Pueblo of Acoma in Cibola county	Pueblo of Acoma	Approved
Senior Center Vehicles	\$ 246,000	to purchase and equip vehicles for the Acoma senior center in the Pueblo of Acoma in Cibola county	Pueblo of Acoma	Approved
Senior Center Renovation	\$ 1,500,000	for renovations to the To'hajiilee senior center in the To'hajiilee chapter of the Navajo Nation in Bernalillo county	To'hajiilee Chapter	Approved
Senior Center Vehicles	\$ 112,000	to purchase and equip vehicles for the To'hajiilee senior center in the To'hajiilee chapter of the Navajo Nation in Bernalillo county	To'hajiilee Chapter	Approved
Martinez Hall Upgrades	\$ 3,000,000	to plan, design, renovate, construct and equip improvements to Martinez hall at the Grants branch campus of New Mexico state university in Cibola county	NMSU-G	Approved
McKinley County				
Senior Center Renovations	\$ 223,000	for renovations to the Baca senior center in the Baca-Prewitt chapter of the Navajo Nation in McKinley county	Baca / Prewitt Chapter	Approved
Senior Center Construction	\$ 1,154,000	to plan, design, construct, equip and furnish the Breadsprings senior center in the Breadsprings chapter of the Navajo Nation in McKinley county	Baahaali Chapter	Approved
Senior Center Equipment	\$ 14,000	to purchase and install meals equipment and other equipment for the Breadsprings chapter of the Navajo Nation in McKinley county	Baahaali Chapter	Approved
Senior Center Code Compliance	\$ 29,000	for improvements to the facility to address code compliance issues and for the purchase and installation of equipment and building systems at the Chichiltah senior center in the Chichiltah chapter of the Navajo Nation in McKinley county	Chichiltah Chapter	Approved
Senior Center Construction	\$ 87,000	to plan, design, construct, equip and furnish the Chichiltah senior center in the Chichiltah chapter of the Navajo Nation in McKinley county	Chichiltah Chapter	Approved
Senior Center Construction	\$ 3,631,000	to plan, design, construct, equip and furnish the Ramah senior center in McKinley county	McKinley County	Approved
Senior Center Vehicles	\$ 95,000	to purchase and equip vehicles for the Pinedale senior center in the Pinedale chapter of the Navajo Nation in McKinley county	Pinedale Chapter	Approved
Senior Center Construction	\$ 95,000	to purchase and equip vehicles for the Pueblo Pintado senior center in the Pueblo Pintado chapter of the Navajo Nation in McKinley county	Pueblo Pintado Chapter	Approved
Senior Center Construction	\$ 95,000	to purchase and equip vehicles for the Whitehorse Lake senior center in the Whitehorse chapter of the Navajo Nation in McKinley county	Whitehorse Lake Chapter	Approved
Navajo Technical University Improvements	\$ 1,000,000	to plan, design, construct, renovate, repair and equip improvements to Navajo technical university in Crownpoint in McKinley county	Navajo Technical University	Approved
Gurley Hall Phase 3	\$ 4,000,000	to plan, design, renovate, construct, furnish and equip improvements to Gurley hall at the Gallup branch campus of the university of New Mexico in McKinley county	UNM-G	Approved
San Juan County				
Senior Center Code Compliance	\$ 600,000	for improvements to the facility to address code compliance issues and for the purchase and installation of equipment and building systems at the Beclabito senior center in the Beclabito chapter of the Navajo Nation in San Juan county	Beclabito Chapter	Approved
Bloomfield Senior Center Equipment	\$ 29,000	to purchase and install meals equipment and other equipment for the Bloomfield senior center in San Juan county	City of Bloomfield	Approved
Bloomfield Senior Center Renovation	\$ 693,000	for renovations to the Bloomfield senior center in San Juan county	City of Bloomfield	Approved
Senior Center Vehicles	\$ 80,000	to purchase and equip vehicles for the Crystal senior center in the Crystal chapter of the Navajo Nation in San Juan county	Crystal Chapter	Approved
Bonnie Dallas Senior Center Equipment	\$ 21,000	to purchase and install meals equipment and other equipment for the Bonnie Dallas senior center in Farmington in San Juan county	City of Farmington	Approved
Bonnie Dallas Senior Center Planning	\$ 20,000	to plan and design the Bonnie Dallas senior center in Farmington in San Juan county	City of Farmington	Approved
Senior Center Code Compliance	\$ 120,000	for improvements to the facility to address code compliance issues and for the purchase and installation of equipment and building systems at the Hogback senior center in the Hogback chapter of the Navajo Nation in San Juan county	Hogback Chapter	Approved
Senior Center Code Compliance	\$ 50,000	for improvements to the facility to address code compliance issues and for the purchase and installation of equipment and building systems at the Lake Valley senior center in the Lake Valley chapter of the Navajo Nation in San Juan county	Lake Valley Chapter	Approved
Senior Center Vehicles	\$ 90,000	to purchase and equip vehicles for the Lake Valley senior center in the Lake Valley chapter of the Navajo Nation in San Juan county	Lake Valley Chapter	Approved
Senior Center Code Compliance	\$ 670,000	for improvements to the facility to address code compliance issues and for the purchase and installation of equipment and building systems at the Naschitti senior center in the Naschitti chapter of the Navajo Nation in San Juan county	Naschitti Chapter	Approved
Senior Center Construction	\$ 770,000	to plan, design, construct, equip and furnish the Naschitti senior center in the Naschitti chapter of the Navajo Nation in San Juan county	Naschitti Chapter	Approved
Senior Center Equipment	\$ 65,000	to purchase and install meals equipment and other equipment for the Naschitti senior center in the Naschitti chapter of the Navajo Nation in San Juan county	Naschitti Chapter	Approved
Senior Center Vehicles	\$ 80,000	to purchase and equip vehicles for the Naschitti senior center in the Naschitti chapter of the Navajo Nation in San Juan	Naschitti Chapter	Approved

# 2024 - General Obligation Bond Projects - Northwest NM Region

House Bill  
308

*Approved by Governor*

Title	Amount	Language	Entity	Action
Senior Center Renovation	\$ 560,000	for renovations to the Newcomb senior center in the Newcomb chapter of the Navajo Nation in San Juan county	Newcomb Chapter	Approved
Blanco Senior Center Renovation	\$ 34,000	for renovations to the Blanco senior center in San Juan county	San Juan County	Approved
Blanco Senior Center Vehicles	\$ 85,000	to purchase and equip vehicles for the Blanco senior center in San Juan county	San Juan County	Approved
Lower Valley Senior Center Construction	\$ 96,000	to plan, design, construct, equip and furnish the Lower Valley senior center in Fruitland in San Juan county	San Juan County	Approved
Lower Valley Senior Center Renovation	\$ 109,000	for renovations to the Lower Valley senior center in Fruitland in San Juan county	San Juan County	Approved
Lower Valley Senior Center Vehicles	\$ 144,000	to purchase and equip vehicles for the Lower Valley senior center in Fruitland in San Juan county	San Juan County	Approved
Senior Center Code Compliance	\$ 327,000	for improvements to the facility to address code compliance issues and for the purchase and installation of equipment and building systems at the Sheep Springs senior center in the Sheep Springs chapter of the Navajo Nation in San Juan county	SheepSprings Chapter	Approved
Senior Center Renovation	\$ 350,000	for renovations to the Sheep Springs senior center in the Sheep Springs chapter of the Navajo Nation in San Juan county	SheepSprings Chapter	Approved
Senior Center Vehicles	\$ 134,000	to purchase and equip vehicles for the Sheep Springs senior center in the Sheep Springs chapter of the Navajo Nation in San Juan county	SheepSprings Chapter	Approved
Senior Center Equipment	\$ 47,000	to purchase and install meals equipment and other equipment for the Upper Fruitland senior center in the Upper Fruitland chapter of the Navajo Nation in San Juan county	Upper Fruitland Chapter	Approved
Senior Center Vehicles	\$ 65,000	to purchase and equip vehicles for the Upper Fruitland senior center in the Upper Fruitland chapter of the Navajo Nation in San Juan county	Upper Fruitland Chapter	Approved
Senior Center Construction	\$ 590,000	to plan, design, construct, equip and furnish the Upper Fruitland senior center in the Upper Fruitland chapter of the Navajo Nation in San Juan county	Upper Fruitland Chapter	Approved
Campus Improvements	\$ 1,000,000	to plan, design, construct, renovate, repair and equip improvements to the south campus of Dine college in Shiprock in San Juan county	Dine College	Approved
Biolors & BLDF System Replacement	\$ 3,250,000	to plan, design, construct, renovate and equip mechanical systems campuswide, including replacement of boilers, at San Juan college in Farmington in San Juan county	San Juan College	Approved
<b>Total:</b>		<b>\$ 25,370,000</b>		

**Senior Center Total: \$ 13,120,000**

**Higher Ed Total: \$ 12,250,000**

## SB246: Reauthorization Bill - Cibola County

*Approved by Governor*

Original Entity	New Entity	Original Project	Reauth Purpose	New Project	Language	Action
San Rafael WSD	San Rafael WSD	Water Meters	Change Purpose	Heavy Equipment	The unexpended balance of the appropriation to the department of environment in Subsection 13 of Section 22 of Chapter 53 of Laws 2022 to purchase, install and replace water meters, including related information technology, equipment and infrastructure, in the San Rafael water and sanitation district in Cibola county shall not be expended for the original purpose but is changed to purchase and equip heavy equipment and machinery for the San Rafael water and sanitation district. The time of expenditure is extended through fiscal year 2026.	Approved
Pueblo of Acoma	Pueblo of Acoma	Business Development Facility Construction	Change Purpose	Broadband Network Center Construction	The unexpended balance of the appropriation to the Indian affairs department in Subsection 6 of Section 25 of Chapter 138 of Laws 2021 to plan, design, construct, furnish and equip small business development facilities for the Pueblo of Acoma in Cibola county shall not be expended for the original purpose but is changed to plan, design, construct, furnish and equip a community broadband network operations center for the Pueblo of Acoma in Cibola county. The time of expenditure is extended through fiscal year 2026.	Approved
Ramah Chapter	Ramah Chapter	Emergency Medical Services Substation	Extend Time	Emergency Medical Services Substation	The time of expenditure for the Indian affairs department project in Subsection 10 of Section 70 of Chapter 81 of Laws 2020 to to plan, design, construct, furnish and equip an emergency medical services substation for the Ramah chapter of the Navajo Nation in Cibola county is extended through fiscal year 2026.	Approved
NWNM Council of Governments	Ramah Chapter	COG Building Improvements	Change Purpose	Community Center Construction	Up to thirty-three percent of the unexpended balance of the appropriation to the local government division in Subsection 296 of Section 30 of Chapter 53 of Laws 2022 to plan, design, construct and improve the northwest New Mexico council of governments building in Gallup in McKinley county shall not be expended for the original purpose but is appropriated to the Indian affairs department to plan, design, construct, furnish and equip a community center for the Ramah chapter of the Navajo Nation in Cibola county.	Approved
Ramah Chapter	Ramah Chapter	Solid-Waste-Transfer-Station	Extend Time	Solid-Waste-Transfer-Station	<del>The time of expenditure for the Indian affairs department project originally authorized in Subsection 6 of Section 20 of Chapter 81 of Laws 2016 and reauthorized in Laws 2020, Chapter 82, Section 32 and reauthorized in Laws 2022, Chapter 52, Section 43 to plan, design and construct a solid waste transfer station, including a trash compactor dumpster, a trash bin and an operator building, in the Ramah chapter of the Navajo Nation in Cibola county is extended through fiscal year 2026.</del>	Vetoed
Ramah Chapter	Ramah Chapter	Solid-Waste-Transfer-Station	Extend Time	Solid-Waste-Transfer-Station	<del>The time of expenditure for the Indian affairs department project originally authorized in Subsection 6 of Section 22 of Chapter 80 of Laws 2018 and reauthorized in Laws 2022, Chapter 52, Section 77 to plan, design, purchase, construct, equip and install a solid waste transferstation, including a trash compactor dumpster, a trash bin and an operator building, in the Ramah chapter of the Navajo Nation in Cibola county is extended through fiscal year 2026.</del>	Vetoed

# SB246: Reauthorization Bill - McKinley County

Approved by Governor

Original Entity	New Entity	Original Project	Reauth Purpose	New Project	Language	Action
McKinley County	Baahaali Chapter	County Bridge Construction	Change Purpose	Baahaali Roads Construction	The unexpended balance of the appropriation to the department of transportation in Subsection 65 of Section 36 of Chapter 53 of Laws 2022 to plan, design, construct, improve, repair and replace bridges in McKinley county shall not be expended for the original purpose but is changed to plan, design and construct roads in the Baahaali chapter of the Navajo Nation in McKinley county. The time of expenditure is extended through fiscal year 2026.	Approved
UNM-Gallup	Baahaali Chapter	Calvin Hall Repairs	Change Purpose	Chapter House Improvements	<del>The unexpended balance of the appropriation to the university of New Mexico Gallup in Subsection 31 of Section 40 of Chapter 199 of Laws 2023 to plan, design, construct, purchase and repair the exterior of Calvin hall, including stucco repairs, at the Gallup branch campus of the university of New Mexico in McKinley county shall not be expended for the original purpose but is appropriated to the Indian affairs department to plan, design, construct and equip improvements to the chapter house heating, ventilation and air conditioning systems in the Baahaali chapter of the Navajo Nation in McKinley county.</del>	Vetoed
Baca/Prewitt Chapter	Mexican Springs Chapter	Powerline Extension	Change Purpose	N30 and US491 Lighting	The unexpended balance of the appropriation to the Indian affairs department in Subsection 13 of Section 70 of Chapter 81 of Laws 2020 to acquire rights of way, to perform archaeological and environmental studies and to plan, design and construct a power line extension for the Baca/Prewitt chapter of the Navajo Nation in McKinley county shall not be expended for the original purpose but is appropriated to the department of transportation to plan, design, construct and equip lighting at the junction of Navajo route 30 and United States highway 491 in the Mexican Springs chapter of the Navajo Nation in McKinley county. The time of expenditure is extended through fiscal year 2026.	Approved
Baahaali Chapter	Baahaali Chapter	Sewage Lagoon Improvements	Extend Time	Sewage Lagoon Improvements	The time of expenditure for the Indian affairs department project in Subsection 12 of Section 70 of Chapter 81 of Laws 2020 to plan, design, construct and equip improvements to the sewage lagoon for the Baahaali chapter of the Navajo Nation in McKinley county is extended through fiscal year 2026.	Approved
Baahaali Chapter	Baahaali Chapter	Regional Transfer Station Improvements	Extend Time	Regional Transfer Station Improvements	The time of expenditure for the department of environment project originally authorized in Subsection 46 of Section 26 of Chapter 81 of Laws 2020 and appropriated to the Indian affairs department in Laws 2021, Chapter 139, Section 46 to plan, design, construct, improve and equip the Baahaali/Chichiltah regional solid waste collection and recycling center in Vanderwagen for the Baahaali chapter of the Navajo Nation in McKinley county is extended through fiscal year 2026.	Approved
Becenti Chapter	Becenti Chapter	Veterans Center Construction	Change Purpose	Multipurpose Building Construction	The unexpended balance of the appropriation to the Indian affairs department in Subsection 26 of Section 25 of Chapter 199 of Laws 2023 to plan, design, construct, equip and furnish a veterans center in the Becenti chapter of the Navajo Nation in McKinley county shall not be expended for the original purpose but is changed to to plan, design, construct, renovate and equip a multipurpose building in the Becenti chapter of the Navajo Nation in McKinley county.	Approved
City of Gallup	Churchrock Chapter	Animal Shelter Construction	Change Purpose	Telstar Road Improvements	The unexpended balance of the appropriation to the local government division in Subsection 282 of Section 35 of Chapter 81 of Laws 2020 to to acquire property for and to plan, design, construct, furnish and equip a regional animal shelter in Gallup in McKinley county shall not be expended for the original purpose but is appropriated to the department of transportation to plan, design and construct improvements to Challenger road and Telstar road in the Church Rock chapter of the Navajo Nation in McKinley county. The time of expenditure is extended through fiscal year 2026.	Approved
Coyote Canyon Chapter	Coyote Canyon Chapter	Chapter Cemetery Construction	Extend Time	Chapter Cemetery Construction	<del>The time of expenditure for the Indian affairs department project originally authorized in Subsection 12 of Section 22 of Chapter 80 of Laws 2018 and reauthorized in Laws 2022, Chapter 52, Section 71 to plan, design and construct a community cemetery, including water lines and power lines, in the Coyote Canyon chapter of the Navajo Nation in McKinley county is extended through fiscal year 2026.</del>	Vetoed
Crystal Chapter	Crystal Chapter	Land Use Master Plan	Extend Time	Land Use Master Plan	The time of expenditure for the Indian affairs department project in Subsection 14 of Section 26 of Chapter 53 of Laws 2022 to develop a land use master plan for the Crystal chapter of the Navajo Nation in McKinley and San Juan counties is extended through fiscal year 2026.	Approved
Ojo Encino Chapter	Ojo Encino Chapter	Eagle Spring Power Line Construction	Extend Time	Eagle Spring Power Line Construction	The time of expenditure for the Indian affairs department project in Subsection 48 of Section 70 of Chapter 81 of Laws 2020 for archaeological and environmental studies and to purchase easements and rights of way and to plan, design and construct the Eagle Spring power line for the Ojo Encino chapter of the Navajo Nation in McKinley and Sandoval counties is extended through fiscal year 2026.	Approved
Pueblo Pintado Chapter	Pueblo Pintado Chapter	Power Line Construction	Extend Time	Power Line Construction	<del>The time of expenditure for the Indian affairs department project originally authorized in Subsection 14 of Section 20 of Chapter 81 of Laws 2016 and reauthorized in Laws 2020, Chapter 82, Section 51 and again in Laws 2022, Chapter 52, Subsection 69 to plan, design and construct a powerline in the Pueblo Pintado chapter of the Navajo Nation in McKinley county is extended through fiscal year 2026.</del>	Vetoed
Manuelito Chapter	Manuelito Chapter	Power Line and House Wiring	Extend Time	Power Line and House Wiring	The time of expenditure for the Indian affairs department project in Subsection 29 of Section 70 of Chapter 81 of Laws 2020 to conduct archaeological and environmental studies and to plan, design and construct power lines and house wiring in the Manuelito chapter of the Navajo Nation in McKinley county is extended through fiscal year 2026.	Approved
Lake Valley Chapter	Lake Valley Chapter	Vehicle and Equipment Purchase	Extend Time	Vehicle and Equipment Purchase	The time of expenditure for the Indian affairs department project in Subsection 70 of Section 26 of Chapter 53 of Laws 2022 to purchase and equip road equipment for the Lake Valley chapter of the Navajo Nation in San Juan county is extended through fiscal year 2026.	Approved
Lake Valley Chapter	Lake Valley Chapter	Yellow Point Power Line Construction	Extend Time	Yellow Point Power Line Construction	The time of expenditure for the Indian affairs department project in Subsection 66 of Section 70 of Chapter 81 of Laws 2020 for archaeological and environmental studies and to purchase easements and rights of way and to plan, design and construct the Yellow Point Rock power line in the Lake Valley chapter of the Navajo Nation in San Juan county is extended through fiscal year 2026.	Approved
Nahodishgish Chapter	Nahodishgish Chapter	Chapter House Accessibility Improvements	Extend Time	Chapter House Accessibility Improvements	<del>The time of expenditure for the Indian affairs department project originally authorized in Subsection 17 of Section 22 of Chapter 80 of Laws 2018 and reauthorized in Laws 2022, Chapter 52, Section 73 to plan, design and construct accessibility improvements at the chapter house of the Nahodishgish chapter of the Navajo Nation in McKinley county is extended through fiscal year 2026.</del>	Vetoed
Tohatchi Chapter	Tohatchi Chapter	Power Line Extension	Extend Time	Power Line Extension	<del>The time of expenditure for the Indian affairs department project originally authorized in Subsection 16 of Section 20 of Chapter 80 of Laws 2016 and reauthorized in Laws 2020, Chapter 82, Section 54 and again in Laws 2022, Chapter 52, Section 70 to plan, design and construct powerline extensions in the Tohatchi chapter of the Navajo Nation in San Juan county is extended through fiscal year 2026.</del>	Vetoed
Tohatchi Chapter	Tohatchi Chapter	Red Willow Farm Utility and Road	Extend Time	Red Willow Farm Utility and Road	<del>The time of expenditure for the Indian affairs department project originally authorized in Subsection 17 of Section 20 of Chapter 81 of Laws 2016 and reauthorized in Laws 2017, Chapter 133, Section 66 to plan, design, construct and make improvements to water lines, power lines and roads for Red Willow farm in the Tohatchi chapter of the Navajo Nation in McKinley county and for which the time of expenditure was extended in Laws 2020, Chapter 82, Section 55 and Laws 2022, Chapter 52, Section 75 is extended through fiscal year 2026.</del>	Vetoed
Tohatchi Chapter	Tohatchi Chapter	Warehouse Construction	Extend Time	Warehouse Construction	<del>The time of expenditure for the Indian affairs department project originally authorized in Subsection 19 of Section 22 of Chapter 80 of Laws 2018 and reauthorized in Laws 2022, Chapter 52, Section 76 to plan, design and construct a warehouse for the Tohatchi chapter of the Navajo Nation in McKinley county is extended through fiscal year 2026.</del>	Vetoed
Twin Lakes Chapter	Twin Lakes Chapter	Water Line Extension	Extend Time	Water Line Extension	The time of expenditure for the Indian affairs department project in Subsection 44 of Section 70 of Chapter 81 of Laws 2020 to plan, design, construct, extend and repair a water line for the Bahast'lah chapter of the Navajo Nation in McKinley county is extended through fiscal year 2026.	Approved

## SB246: Reauthorization Bill - McKinley County

Approved by Governor

Original Entity	New Entity	Original Project	Reauth Purpose	New Project	Language	Action
Smith Lake Chapter	Smith Lake Chapter	Chapter Parking Lot Improvements	Change Purpose	Veterans Building Parking Lot	The unexpended balance of the appropriation to the Indian affairs department originally authorized in Subsection 18 of Section 22 of Chapter 80 of Laws 2018 and reauthorized in Laws 2022, Chapter 52, Section 78 to plan and design parking lots, including curbs and lighting, for the chapter complex in the Smith Lake chapter of the Navajo Nation in McKinley county shall not be expended for the original or reauthorized purpose but is changed to plan, design and construct parking lots, including curbs and lighting, for a veterans' building in the chapter complex in the Smith Lake chapter. The time of expenditure is extended through fiscal year 2026.	Vetoed

# S8246: Reauthorization Bill - San Juan County

Approved by Governor

Original Entity	New Entity	Original Project	Reauth Purpose	New Project	Language	Action
Bloomfield Irrigation District	Bloomfield Irrigation District	Spillgate Construction	Extend Time	Spillgate Construction	The time of expenditure for the interstate stream commission project in Subsection 44 of Section 34 of Chapter 81 of Laws 2020 to plan, design and construct a spillgate for the Citizens ditch and La Pampa acequia for the Bloomfield irrigation district in San Juan county is extended through fiscal year 2026.	Approved
Hillside Irrigation District	Hillside Irrigation District	Siphon System Replacement	Extend Time	Siphon System Replacement	The time of expenditure for the interstate stream commission project in Subsection 24 of Section 29 of Chapter 53 of Laws 2022 to replace the Jones canyon siphon system on the Hillside irrigation ditch in San Juan county is extended through fiscal year 2026.	Approved
Huerfano Chapter	Huerfano Chapter	Bathroom Additions	Extend Time	Bathroom Additions	The time of expenditure for the Indian affairs department project in Subsection 65 of Section 70 of Chapter 81 of Laws 2020 to acquire rights of way and easements, to conduct archaeological and environmental studies and to plan, design, construct and equip bathroom additions and the Carson north water line for the Huerfano chapter of the Navajo Nation in San Juan county is extended through fiscal year 2026.	Approved
Lake Valley Chapter	Lake Valley Chapter	Power Line Extension	Extend Time	Power Line Extension	<del>The time of expenditure for the Indian affairs department project originally authorized in Subsection 35 of Section 22 of Chapter 80 of Laws 2018 and reauthorized in Laws 2022, Chapter 52, Section 72 to plan, design and construct power line extensions in the Lake Valley chapter of the Navajo Nation in San Juan county is extended through fiscal year 2026.</del>	Vetoed
Bluewater WSD	Sanostee Chapter	Water and Wastewater System Improvements	Change Purpose	N5010 and N342 Improvements	The unexpended balance of the appropriation to the department of environment in Subsection 12 of Section 26 of Chapter 81 of Laws 2020 to plan, design, construct, repair, purchase and equip and make improvements to the water and wastewater systems for the Bluewater water and sanitation district in Bluewater in Cibola county shall not be expended for the original purpose but is appropriated to the department of transportation to plan, design and construct road improvements to Navajo routes 5010 and 342 in the Tse Alnaoziti chapter of the Navajo Nation in San Juan county. The time of expenditure is extended through fiscal year 2026.	Approved
Nageezi Chapter	Nageezi Chapter	Electric Power Line Extension	Extend Time	Electric Power Line Extension	<del>The time of expenditure for the Indian affairs department project originally authorized in Subsection 33 of Section 20 of Chapter 81 of Laws 2016 and reauthorized in Laws 2020, Chapter 82, Section 73 and again in Laws 2022, Chapter 52, Section 106 to construct the Kinnadiz and Pillow Crest electrical powerline extension project in the Nageezi chapter of the Navajo Nation in San Juan county is extended through fiscal year 2026.</del>	Vetoed
Navajo Dam DWCMC	Navajo Dam DWCMC	Fireproof Buildings Construction	Extend Time	Fireproof Buildings Construction	The time of expenditure for the department of environment project in Subsection 85 of Section 26 of Chapter 81 in Laws 2020 to plan, design, construct, purchase, install, replace, furnish and equip insulated fireproof steel buildings for the Navajo Dam domestic water consumers and mutual sewage works cooperative at Navajo Dam in San Juan county is extended through fiscal year 2026.	Approved
Navajo Lake State Park	Navajo Lake State Park	Vehicle Purchase	Extend Time	Vehicle Purchase	The time of expenditure for the state parks division of the energy, mineral and natural resources department project in Subsection 6 of Section 23 of Chapter 81 of Laws 2020 to purchase and equip vehicles and equipment and make improvements for Navajo Lake state park in San Juan county is extended through fiscal year 2026.	Approved
San Juan Regional Medical Center	San Juan Regional Medical Center	Women's Inpatient & Childbirth Unit Renovation	Extend Time	Women's Inpatient & Childbirth Unit Renovation	The time of expenditure for the local government division project originally authorized in Subsection 340 of Section 35 of Chapter 81 of Laws 2020 and reauthorized in Laws 2023, Chapter 203, Section 196 to plan, design, construct, renovate and equip the women's inpatient and childbirth unit, including room expansions and bathroom improvements, at the San Juan regional medical center in Farmington in San Juan county is extended through fiscal year 2026.	Approved
San Juan County	San Juan County	Sheriff's Office Helicopter Purchase	Extend Time	Sheriff's Office Helicopter Purchase	The time of expenditure for the local government division project in Subsection 337 of Section 30 of Chapter 53 of Laws 2022 to purchase and equip a helicopter for the sheriff's office in San Juan county is extended through fiscal year 2026.	Approved
Shiprock Chapter	Shiprock Chapter	Emergency Response Command Center	Extend Time	Emergency Response Command Center	The time of expenditure for the Indian affairs department project in Subsection 75 of Section 70 of Chapter 81 of Laws 2020 to plan, design, construct and equip an emergency response command center on the south side of the San Juan river in the Shiprock chapter of the Navajo Nation in San Juan county is extended through fiscal year 2026.	Approved
Shiprock Chapter	Shiprock Chapter	Wastewater System Construction	Extend Time	Wastewater System Construction	<del>The time of expenditure for the department of environment project originally authorized in Subsection 59 of Section 18 of Chapter 81 of Laws 2016 and reauthorized in Laws 2020, Chapter 82, Section 74 and appropriated to the Indian affairs department in Laws 2021, Chapter 139, Section 64 and for which the time of expenditure was extended in Laws 2022, Chapter 52, Section 100 to acquire rights of way and easements and to plan, design and construct a wastewater system and extension south of Shiprock in the Navajo Nation in San Juan county is extended through fiscal year 2026.</del>	Vetoed
Eleventh Judicial District	Eleventh Judicial District	Electronic Access Control Systems	Extend Time	Electronic Access Control Systems	The time of expenditure for the eleventh judicial district court project in Subsection 3 of Section 19 of Chapter 81 of Laws 2020 to plan, design, construct, replace and install an electronic access control system at the eleventh judicial district courthouse in Aztec in San Juan county is extended through fiscal year 2026.	Approved
City of Aztec	City of Aztec	Outdoor Recreation Manufacturing & Retail Facility	Extend Time	Outdoor Recreation Manufacturing & Retail Facility	The time of expenditure for the local government division project in Subsection 334 of Section 35 of Chapter 81 of Laws 2020 to acquire property and to plan, design, construct, furnish and equip an outdoor recreation, manufacturing and retail facility in Aztec in San Juan county is extended through fiscal year 2026.	Approved
City of Aztec	City of Aztec	Water Line Relocation	Extend Time	Water Line Relocation	The time of expenditure for the department of environment project originally authorized in Subsection 81 of Section 26 of Chapter 81 of Laws 2020 to acquire utility easements and to plan, design and construct water lines along New Mexico highway 173 in Aztec in San Juan county is extended through fiscal year 2026.	Approved
City of Aztec	City of Aztec	East Aztec Arterial Construction	Extend Time	East Aztec Arterial Construction	The time of expenditure for the department of transportation project originally authorized in Subsection 63 of Section 25 of Chapter 66 of Laws 2014 to construct the east Aztec arterial route in Aztec in San Juan county and reauthorized in Laws 2018, Chapter 68, Section 98 and reauthorized again in Laws 2020, Chapter 82, Section 70 to include planning and design for that route and for which the time of expenditure was extended in Laws 2022, Chapter 52, Section 101 is extended through fiscal year 2026.	Approved
San Juan County	San Juan County	North Star / East Culpepper Flats Waterline Improvements	Extend Time	North Star / East Culpepper Flats Waterline Improvements	The time of expenditure for the department of environment project in Subsection 80 of Section 26 of Chapter 81 of Laws 2020 to acquire rights of way and to plan, design and construct water system improvements, including a water pipeline and water line, from the North Star system at Aztec along New Mexico highway 574 to San Juan county road 1350 for phase one of the Aztec/La Plata regional pipeline project in San Juan county is extended through fiscal year 2026.	Approved
Eleventh Judicial District	Eleventh Judicial District	Farmington Court Equipment	Extend Time	Farmington Court Equipment	The unexpended balance of the appropriation to the eleventh judicial district court in Subsection 2 of Section 15 of Chapter 53 of Laws 2022 to plan, design, construct, renovate and equip improvements, including safety and security upgrades, at the eleventh judicial district court in Farmington in San Juan county shall not be expended for the original purpose but is changed to to plan, design, construct, renovate and equip the court facility in Farmington. The time of expenditure is extended through fiscal year 2026.	Approved
City of Farmington	City of Farmington	Chiller Plant Replacement	Extend Time	Chiller Plant Replacement	The time of expenditure for the department of environment project in Subsection 83 of Section 26 of Chapter 81 of Laws 2020 to plan, design, construct, purchase, install and replace a plant cooling tower, including emergency power transfer switches and building automation systems, in Farmington in San Juan county is extended through fiscal year 2026.	Approved
Naschitti Chapter	Naschitti Chapter	Power Line Construction	Extend Time	Power Line Construction	The time of expenditure for the Indian affairs department project in Subsection 67 of Section 70 of Chapter 81 of Laws 2020 to plan, design and construct power line extensions in the Naschitti chapter of the Navajo Nation in San Juan county is extended through fiscal year 2026.	Approved
Shiprock Chapter	Shiprock Chapter	Water and Wastewater Line Construction	Extend Time	Water and Wastewater Line Construction	The time of expenditure for the department of environment project originally authorized in Subsection 88 of Section 26 of Chapter 81 of Laws 2020 and appropriated to the Indian affairs department in Laws 2021, Chapter 139, Section 63 to plan, design and construct water and wastewater lines on the south side of Shiprock in the Shiprock chapter of the Navajo Nation in San Juan county is extended through fiscal year 2026.	Approved



## SB246: Reauthorization Bill - San Juan County

*Approved by Governor*

Original Entity	New Entity	Original Project	Reauth Purpose	New Project	Language	Action
Sheepsprings Chapter	Sheepsprings Chapter	Scattered Water Line Construction	Extend Time	Scattered Water Line Construction	The time of expenditure for the department of environment project originally authorized in Subsection 87 of Section 26 of Chapter 81 of Laws 2020 and appropriated to the Indian affairs department in Laws 2021, Chapter 139, Section 62 to acquire rights of way and to perform archaeological and environmental studies and to plan, design, construct and extend scattered water lines for the Sheepsprings chapter of the Navajo Nation in San Juan county is extended through fiscal year 2026.	Approved
Tse'Daa'Kaan Chapter	Tse'Daa'Kaan Chapter	Water Line Extension	Extend Time	Water Line Extension	The time of expenditure for the department of environment project originally authorized in Subsection 89 of Section 26 of Chapter 81 of Laws 2020 and appropriated to the Indian affairs department in Laws 2021, Chapter 139, Section 65 to acquire easements and rights of way for and to plan, design and construct, including archaeological and environmental studies, a water line extension for the Tse'Daa'Kaan chapter of the Navajo Nation in San Juan county is extended through fiscal year 2026.	Approved



**NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS**

# **FINANCIAL POLICY AND PROCEDURES MANUAL**

**Updated: January 1, 2024**

**Approved: April 17, 2024**

---

Northwest New Mexico Council of Governments  
106 West Aztec Avenue  
Gallup, NM 87301  
(505) 722-4327  
[www.nwnmcog.org](http://www.nwnmcog.org)



## **TABLE OF CONTENTS**

<b><u>SECTION</u></b>	<b><u>PAGE #</u></b>
<b>1. GENERAL STATEMENT .....</b>	<b>1</b>
1.1 Purpose .....	1
1.2 Accounting Practices.....	1
1.3 Access to Records .....	1
1.4 Executive Committee.....	2
1.5 Oversight.....	2
<b>2. FINANCIAL POLICIES .....</b>	<b>3</b>
2.1 Financial Statements.....	3
2.2 Financial Audit .....	3
2.3 Budget.....	4
2.4 Bank Accounts.....	5
2.5 Capitalization and Fixed Assets.....	5
2.6 Petty Cash .....	5
2.7 Fuel Cards.....	6
2.8 Credit Cards.....	6
2.9 Bank Reconciliations .....	6
2.10 Inventory of Fixed Assets.....	7
2.11 Payroll Processing .....	7
2.12 Accounts Payable .....	8
2.13 Voided Checks.....	8
2.14 Travel Expenses.....	8
2.15 Per Diem and Mileage Act .....	8
2.16 Insurance.....	8
2.17 Insurance Claims .....	8
2.18 Recordkeeping .....	8
<b>3. INTERNAL CONTROLS .....</b>	<b>10</b>
3.1 Purpose .....	10
3.2 Policy.....	10
3.3 Account and Financial Systems.....	10
3.4 Payments and Disbursements .....	11
3.5 Allowable Costs – Required Written Procures.....	12
<b>4. PROCUREMENT .....</b>	<b>14</b>
4.1 Definitions.....	14
4.2 Purpose .....	14
4.3 Certified Procurement Officer .....	14

4.4	Procurement Ethics.....	14
4.5	Procurement Policy.....	15
4.6	Conflicts of Interest.....	16
4.7	Competition .....	17
4.8	Methods of Procurement .....	18
4.9	Method of Evaluation and Selection Financial Statements.....	20
4.10	Procurement Management Procedures .....	20
<b>5.</b>	<b>GRANT MANAGEMENT.....</b>	<b>25</b>
5.1	Definitions.....	25
5.2	Allowability .....	25
5.3	Time and Effort .....	28
5.4	Cash Management.....	28
5.5	Period of Performance.....	29
5.6	Financial Management and Reporting.....	30
5.7	Subrecipient Management .....	32
<b>6.</b>	<b>DISPOSITION POLICY .....</b>	<b>35</b>
<b>7.</b>	<b>DISASTER AND RECOVERY POLICY .....</b>	<b>36</b>
<b>8.</b>	<b>RECORDS RETENTION POLICY .....</b>	<b>38</b>
<b>9.</b>	<b>FLOWCHARTS .....</b>	<b>41</b>
<b>EMPLOYEE ACKNOWLEDGEMENT FORM</b>		

1.

**GENERAL STATEMENT**

- 1.1 Purpose:** This document sets forth financial policy and specific administrative procedures for managing and accounting for the funds of the Northwest New Mexico Council of Governments ("Council"). As such, this is a companion document to the more comprehensive "Administrative Procedures Manual" as promulgated by the Executive Director.

Financial Policy provides the broad parameters and governing principles under which the Council's finances are governed and managed and is reviewed and approved by the Board of Directors.

Financial Procedures, which are promulgated by the Executive Director, provide guidelines and work rules to regulate the implementation of the Board-approved Financial Policy.

The Executive Director may designate staff, primarily the Office Manager, to oversee and coordinate the implementation of these procedures and may further delegate tasks and responsibilities to administrative and supervisory staff as appropriate.

While general policy remains relatively stable from year to year, Council management recognizes the need for flexibility in setting, implementing and modifying procedures in light of experience and changes in accounting rules as reflected in external guidelines, such as the State Audit Rule, Governmental Accounting Standards Board (GASB) publications and Generally Accepted Accounting Principles (GAAP).

Any future additions and/or changes to the Council's Financial Policy and Procedures will be provided to Council staff, contracted Certified Public Accountants (CPAs) and consulting auditor as soon as practical following appropriate approval. The Financial Policy and Procedures Manual will be amended accordingly pursuant to the approved changes and posted to the Council's server for staff access, as well as in employee orientation packets.

- 1.2 Accounting Practices:** The Council operates on a July 1 through June 30 fiscal year. The Council accounts for its funds in accordance with generally accepted accounting principles and utilizes the accrual basis of accounting which recognizes revenue when it has been earned and expenses when they have been incurred. Accounting records are also maintained in a fund accounting general ledger system that incorporates the current FASB and AICPA requirements.

- 1.3 Access to Records:** The Council allows public inspection of the following records of the organization, either by publication on CLIENT's website or through direct inquiry:

- Audited Financial Statements
- IRS Form 990
- IRS Determination of tax-exempt status
- Articles of Incorporation

Audited financial statements are distributed to the Board of Directors and to organizations that are required to receive a copy due to contractual agreement. The current year audited financial

statements are available only after the Board of Directors has formally reviewed and accepted the audit report at a duly called Board meeting.

- 1.4 **Executive Committee:** The Executive Committee of the Board of Directors, chaired by Treasurer of the Board, reviews finances in detail and makes recommendations to the full Board. The members of the Executive Committee also serve as the Audit Committee which is responsible for the oversight and review of the annual audit. The Finance Committee meets prior to each monthly Board meeting.
- 1.5 **Oversight:** The Board of Directors is responsible for the fiscal oversight of the Council. Specific responsibilities of the Board include approval of the annual budget, reviewing quarterly the income statement and balance sheet, accepting the annual audit, approving financial policies and procedures, authorizing long-term debt agreements and approving the purchase and sale of major capital items on the Board agenda. The Board designates the Executive Director as its agent for handling the day-to-day financial matters of the organization and supervises the Executive Director's handling of these matters.

## 2. FINANCIAL POLICIES

- 2.1 Financial Statements:** The goal of the Northwest New Mexico Council of Governments (Council) financial statements is to provide up-to-date, accurate and comprehensible information regarding the status and performance of the Council's financial resources in a timely and transparent manner to Council management, the governing board, member entities of the Council and funders. Financial Statements are prepared, provided, presented, and approved quarterly at the Board of Directors meeting.

In pursuit of this goal, management will exercise discipline in implementing the accounting standards represented in Generally Accepted Accounting Principles (GAAP) as updated annually by Federal Accounting Standards Advisory Board (FASAB), publications and statements issued by the Governmental Accounting Standards Board (GASB) and the State Audit Rule. Such published standards and guidelines are included by reference in these policies and procedures and will be maintained and updated for electronic access and reference by staff and Board.

The Office Manager and its contracted certified public accountant (CPA) reviews all financial statements with the Executive Director and the Management Team. It should be the goal of this team to produce needed financial statements for the annual audit.

- 2.2 Financial Audit:** The State Auditor is required by New Mexico law to conduct annual financial audits of all government agencies in New Mexico. It is ultimately the responsibility of Council management to ensure that the financial audit is performed and carried out in a timely manner at the end of every fiscal year. The Council must adhere to the allowable auditor contract term of service including extensions based on State law or rules promulgated by the State Auditor's office. 2 CFR Part 200 Subpart F ensures that an organization will maintain audit and audit resolution processes that will ensure that audits are conducted and resolved in a timely manner.

**2.2.1 Auditor Selection:** Each fiscal year, the Council has the option to (a) continue with its existing auditor, subject to approval by the State Auditor, if the auditor's eligible multi-year term of service has not expired, or (b) issue an request for proposals (RFP) for procurement of audit services by any audit firm on the list of accounting firms approved by the Office of the State Auditor (OSA). Under staff coordination by the Office Manager, Council management reviews all proposals for Audit Services received from interested firms and makes a selection in accordance with published criteria. Negotiations are completed and every year an audit contract is updated and submitted to the Office of the State Auditor by June 1 of the year.

**2.2.2 Audit Preparation:** It is the responsibility of Council management to maintain fiduciary discipline throughout the fiscal year. The COG Finance team, including its contracted CPA, is responsible for maintaining proper filing of all financial statements and applicable backup documentation for all transactions. The Office Manager coordinates with the audit contractor to outline a schedule for the audit field work and to complete the financial review.

**2.2.3 Audit Rule and Statewide Training:** Audits contracted for by the Office of the State Auditor (OSA) must be performed in accordance with generally accepted auditing standards and the Audit Rule promulgated by the State Auditor. Council management is



responsible for ensuring that financial management and executive staff engage in continuing education on audit requirements and accounting practices throughout each year. The Office Manager is also required to attend as feasible all available statewide trainings conducted by the Office of the State Auditor.

**2.2.4 Single Federal Audit:** The COG will comply with requirements of CFR Part 200.501 and will ensure all entities contracting with the COG utilizing Federal funds are required contractually will comply as well. As required by Federal legislation, non-federal entities that expend, on an annual basis, \$750,000 or more in Federal awards shall have a single audit conducted for that year. Non-federal entities that expend less than \$750,000 annually in Federal funds are exempt from Federal audit requirements but must maintain records for review or audit by appropriate officials of the Federal agency, State Administrative Entity, COG or other authorized officials.

An entity may be a recipient, a sub-recipient, or vendor. Federal funds awarded to a recipient or subrecipient are subject to audit under 2 CFR Part 200.501. It is the responsibility of the pass-through entity to establish in the contract compliance requirements which may include pre-award audits, monitoring during the contract, and post-award audits.

Compliance with the requirements of 2 CFR 200.501- Audit requirements, do not limit or constrain the grantor or pass-through entity from carrying out additional audits. Any additional audits should be performed in a way to build upon work performed by other auditors.

Unless otherwise required, audits shall be conducted annually for the period July 1 – June 30. Federal agencies and pass-through entities shall take appropriate action using sanctions if a recipient/subrecipient is unable or unwilling to have an audit conducted in accordance with 2 CFR 200.501. Sanctions may include:

- Withholding a percentage of award until the audit is completed;
- Withholding or disallowing overhead costs;
- Terminating the federally funded contract.

**2.3 Budget:** Annual Budgets are drafted each year by the Executive Director and the Office Manager in consultation with the Management Team. The draft budget is reviewed by the Treasurer and submitted to the Board for review. The annual budget is approved at a regular meeting of the Board of Directors. The approved budget will take effect on July 1 of each year. All major budget adjustments and amendments must be approved by the Board or its designated Executive Committee.

**2.3.1 Budget Management:** The contracted CPA and Executive Director will review budget expenses by Class (i.e. Fund) on a monthly basis and present to the Office Managers to keep them apprised of Budget trends and expenses incurred throughout the life of the fund(s). This type of reporting will enable management to properly track in detail in real time, in turn also enabling the implementation of any amendments that may be necessary. In the event of a budget amendment, the Executive Director will present to the Executive Committee who will recommend to full Board of Directors who will approve the implementation of the amendment. A copy of the amendment will then be included in all contract files as well as cross filed on the NWNMCOG Server.

**2.3.2 Quarterly Budget Management Reporting:** As in line with the Board of Directors regular meetings, COG may also schedule Executive Committee meetings as deemed necessary.

The Office Manager along with any contracted CPA are responsible for reporting and presenting all quarterly financial statements to Executive staff, Executive Committee, and office managers. The Office Manager is responsible for properly and accurately stating monthly, quarterly, and semi-annual financials to all office managers, clients, and Board members both internally and externally. Any and all budget amendments will be proposed and accompanied by a budget narrative that will further break down all necessary actions to pertinent parties. Once reviewed and approved at a duly called Board meeting, Office Manager will then implement as required with consultation to the Executive Director.

- 2.4 Bank Accounts:** The Treasurer in coordination with the Executive Director and Office Manager shall establish such bank accounts as may be necessary to conduct the affairs of COG at financial institutions which are acceptable to the Board of Directors.

The Board shall indicate by approval in the minutes those individuals having signatory authority over the accounts of the COG. The number of such signatories shall be minimized, consistent with the need for reasonable access to the funds and availability of personnel. All checks of the organization shall require two signatures. One of these signatures can be the signature of the Executive Director or designated staff, not to include the Office Manager.

- 2.5 Capitalization and Fixed Assets:** Fixed assets, including equipment or improvements, with a unit cost of more than \$5,000 will be capitalized. Items with unit costs below this threshold will be expensed in the year purchased. Unit costs will be the cost of an item that can be placed in service, thus cost of a unit of computer server includes racking, hardware, operating software and similar type costs.

Items that are individually below the \$5,000 unit cost, but that are purchased in bulk and therefore exceed the \$5,000 threshold, will only be capitalized if they are compatible items that comprise a whole, meaningful system or asset and that would have salvage value as a whole. Capitalized fixed assets are accounted for at their historical cost and all such assets, excluding land, are subject to depreciation over their estimated useful lives. Typical estimated useful lives of certain assets are as follows:

- Computer equipment and software: 3-5 yrs.
- Furniture and fixtures: 5-7 yrs.
- Leasehold improvements: Life of lease

- 2.6 Petty Cash:** Currently, the COG does offer a petty cash option, but here is the policy if it becomes needed and is re-instated.

COG will keep petty cash in a secure location and will maintain all petty cash expenditure supporting documentation. The petty cash fund cannot exceed \$250. Disbursements from petty cash may only be made for approved expenditures. A receipt must be provided for the disbursement.

Reimbursement of petty cash accounts is to be supported by receipts and a consolidated report form signed by the custodian of the account. Loans will not be made from petty cash funds. No personal checks will be cashed from this fund. The petty cash fund will at all times contain receipts and cash totaling the amount of the fund.

The fund shall be reconciled regularly as needed, but no less frequently than quarterly. The Office Manager will submit supporting documentation to the contracted CPA for accounting purposes.

**2.7 Fuel Cards:** The COG provides a fuel card for each COG vehicle to be used for gasoline, fuel purchases, and necessary vehicle items needed to operate safely and properly only. The cards will be issued by the Executive Director and Office Manager for each vehicle and kept within that vehicle. Each card and thus each vehicle will have its own assigned number and code for billing purposes. Upon use of the card, the COG employee must turn in receipts for gas or fueling expense and properly coded for Class (i.e. Fund #) for billing purposes and submitted as part of the travel reimbursement process.

- Allowable Purchases includes gasoline, oil, fluids, wipers, and fuel purchases.
- Unallowable Purchases includes cash advances, alcohol, personal items, snacks, and entertainment expenses.

**2.8 Credit Card:** COG credit card(s) are available for use by COG personnel. Credit cards will be issued by the Office Manager, who maintains physical custody of the credit cards. When not in use, the credit cards are kept in a secure area. Credit cards are provided for travel, supplies, and office expenses and are issued based on travel and/or office expense approval by Executive Director or the Office Manager in the case of the Executive Director. Upon returning from a trip or purchase, the credit card must be returned to the Office Manager. An itemized receipt along with the travel or expense form detailing expenses must be turned into the Office Manager for reconciling with credit card statement.

- Allowable Purchases include:
  - Travel Costs include all allowable costs consistent with COG Administrative Procedures based on current State Mileage and Per Diem Act including but not limited to lodging, meals, airfare, transportation/transit costs, parking, etc.
  - Supplies/Office Expenses include routine purchases like website hosting service, software purchases, such as ClickTime, Quickbooks, Microsoft, etc, and other supplies and office expenses consistent with COG's Direct Cost Plan. A list of these should be kept for quick referral and kept with the Office Manager.
- Unallowable Purchases: includes cash advances, alcohol, personal items, snacks, and entertainment expenses.

Once approved, the Office Manager will reconcile the monthly credit card statements and review all charges during the month for proper supporting documentation and compliance with the above procedures and to book expenses in line with the COG's Direct Cost Plan. The Office Manager will then process the monthly credit card invoice for payment.

Employees who continually do not comply with the above procedures will be denied use of COG credit card(s).

**2.9 Bank Reconciliations:** Bank statements from the fiscal agent bank or financial institutions should remain "unopened" and forwarded to the Office Manager and sent over to the contracted CPA, who shall do a summary review for any questionable transactions and then conduct reconciliation by comparing the bank statements with the activity in the general ledger. The contracted CPA completes the reconciliation, reports all discrepancies by memo and attaches the memo to the reconciliation form. The contracted CPA shall check the reconciliations for outstanding checks, deposits and discrepancies and sign the reconciliation form. The contracted CPA files the bank reconciliations by month as appropriate and files cancelled checks by number. Accounting staff that process bank reconciliations will not have cash receipt responsibilities and will not have check signing authorization. Typical Steps:

- Record the date and account number on the bank statement at the top of the worksheet.
- Record the bank statement balance on the worksheet.
- List and total all outstanding deposits.
- List all outstanding check numbers and total the corresponding amounts.
- Record the GL cash account balance, adjust for any unrecorded bank activity such as interest earned and service charges. This is the adjusted bank balance.
- Compare the adjusted bank balance to the adjusted cash balance – they must equal.
- If the accounts do not balance, a full explanation must be documented on the reconciliation form.
- The employee responsible for preparing and reviewing the reconciliation must both sign and date the reconciliation.

**2.10 Inventory of Fixed Assets:** COG maintains an inventory listing for all equipment with a useful lifespan of over one year and with a cost greater than \$5,000. COG will also adhere to Federal, State, or Local regulations as it pertains to individual grants. For each equipment and computing device purchased with federal funds, the following information is maintained (2 C.F.R. § 200.313):

- Description of property
- Serial number or other identification number
- Source of funding for the property
- Who holds title
- Acquisition date and cost of the property
- Percentage of federal participation in the project costs for the federal award under which the property was acquired
- Location, use and condition of the property
- Any ultimate disposition data including the date of disposal and sale price of the property

A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years. A reconciliation is maintained by the Controller to show each item is properly inventoried every two years. An inventory sheet will include:

- a count of each item
- description by item including source, title, location, acquisition date, serial numbers and condition.

Loss, damage or destruction of equipment will be reported immediately to the Executive Director.

**2.11 Payroll Processing:** Payroll is prepared on a bi-weekly basis by the Office Manager based on weekly timesheets which are turned in by all employees, signed by the appropriate supervisor. The payroll is entered into the accounting system by the Officer Manager and confirmed by the contracted CPA for accuracy. Office Manager works with payroll firm to enter in all applicable taxes and reviews except for PERA, which is completed by COG staff typically the Office Manager. All payroll payments are made by direct deposit. Any change in employment status, rate of pay, or new hires must be signed off by the Executive Director as per the Personnel

Policies and Administrative Procedures prior to processing of the changes by the Office Manager.

- 2.12 Accounts Payable:** The Office Manager enters invoices into the accounting system and the contracted CPA reviews and provides the Executive Director with a list of vendors/invoices to pay. Executive Director codes each of these items and sends them back to Office Manager. Disbursements by COG are to be made only by check and/or approved electronic transfers. The Office Manager generates checks and includes the invoices and related supporting documentation to the Executive Director, Treasurer, or another Board approved member to review and sign the checks. All checks are signed by two Board approved signatories. All payments will be initiated from invoices and not statements. Check stubs will be filed with paid invoices. In cases for which no invoice or receipt can be obtained reasonably, a Purchase Order or Check Request shall be prepared showing substantially the same information listed above. The accounting software has controls to prevent duplicate payment of invoices. Blank checks will be kept in a secured area until needed and voided checks will be maintained in a secure location.
- 2.13 Voided Checks:** COG maintains voided checks in a secure location for every check that has been voided, regardless of the reason. If voided checks are physically available, they will be marked "VOID" and filed in CLIENT's voided check file. If the voided check contains the signature of a bank signer, the signature line will be cut out.
- 2.14 Travel Expenses:** COG will reimburse employees for reasonable business travel expenses incurred while on assignments away from the normal work location. All travel must be approved in advance by the department's supervisor. When approved, the actual costs of travel, meals, lodging, and other expenses directly related to accomplishing business travel objectives may be placed on a company credit card accounts or will be reimbursed by COG. See the COG Administrative Procedures Manual for more information related to business travel expenses.
- 2.15 Per Diem and Mileage Act:** The purpose of the Per Diem and Mileage Act [10-8-1 NMSA 1978] is to establish rates for reimbursement for travel for public officers and employees coming under the Per Diem and Mileage Act. The act is designed to be referred to where applicable in statutes setting compensation of public officers and employees. The COG will comply with provisions of the State Statute and State Administrative Code for per diem and mileage. State law permits public officers or employees reimbursements in the performance of their duties. Due to the fact that New Mexico mileage rates are calculated, they should be reviewed and updated in all forms and reimbursement calculations at the end of each calendar year at a minimum.
- 2.16 Insurance:** It is the policy of the COG to have an independent insurance consultant periodically review the organization's insurance policies to ensure coverage and limitations adequately meet the needs of the organization, its volunteers, and its employees.
- 2.17 Insurance Claims:** COG will process insurance claims in a timely manner. In the event of a medical emergency, appropriate treatment will be sought for the injured party immediately and the Human Resources personnel will be notified. An incident report and/or insurance claim report will then be completed and filed as appropriate.
- 2.18 Recordkeeping:** All copies of all funding documents, budgets, grants, contracts and associated attachments will remain on file in the administrative office of COG. COG utilizes a financial software system to keep records of accounts receivable, accounts payable, cash receipts, restricted grants, and all other records required by donors, auditors, and regulatory authorities.

The software is capable of producing reports as needed for the Board, management, auditors, and other interested parties.

It is the policy of COG to maintain a chart of accounts. All employees involved with accounting coding responsibilities or budgetary responsibilities will have access to the chart of accounts, and the chart of accounts will be updated on a routine basis.

### 3. **INTERNAL CONTROLS**

**3.1** **Purpose:** Adequate internal control is a key defense against fraud, waste and program abuse. All contractors have a responsibility to reduce the risk of fraud, waste and program abuse by implementing effective internal controls that adequately safeguards assets. This chapter compiles the applicable federal, state and agency requirements and guidance governing internal control. In the event of conflict between these standards and federal statute or regulation, the federal statute or regulation will apply. The development and imposition of internal controls includes: administrative controls, accounting controls, program controls, budget controls, and management controls. Implementing a system of internal controls will not provide absolute assurance that waste, fraud, or abuse will be eliminated, but it will provide a reasonable assurance that attempts to control the processes are in place.

**3.2** **Policy:** When developing and approving policies, processes, and procedures, the COG will consider the components of internal control as defined by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) which issued the 2013 Internal Control-Integrated Framework (Framework) and 2 CFR 200.303 Internal Controls. The five components of internal control are the control environment, risk assessment, control activities, information and communication, and monitoring activities. When considering the concept of internal controls and separation of duties, the organization will also consider the cost benefit of implementing specific processes and controls. The cost of implementing the control should not exceed the cost of the potential loss.

Procedures attempt to prevent errors and improprieties as well as ensure timely detection of errors or impropriety.

Procedures will be re-evaluated periodically and updated as necessary as the result of staff changes or changes in systems, programs, and/or procedures.

Some of the processes directly related to the concept of internal controls for which a specific policy are as follows:

- Approval of payments/disbursements
- Custody of check stock
- Bank reconciliations

**3.3** **Account Systems/Financial Management Systems:** All systems utilized by the COG will comply with 2 CFR 200.302 Financial Management criteria ensures that Federal Funds are expended in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.

**3.3.1** Financial Management Systems utilized by the COG will provide the following:

- Clear identification of Federal Funds Received and expended (by awarding agency and year).
- ii. Accurate, current, and complete disclosure of the financial results of each
- Federal award or program in accordance with the reporting requirements set

- forth in §§ 200.327 Financial reporting and 200.328 Monitoring and reporting
- program performance.
- iii. Records that identify adequately the source and application of funds for
- federally-funded activities.
- Effective control over, and accountability for, all funds, property, and other assets.
- Comparison of expenditures with budget amounts for each Federal award.
- Written procedures to implement the requirements of § 200.305 Payment.
- Written procedures for determining the allowability of costs in accordance with Subpart E - Cost Principles of this part and terms and conditions of the Federal award.

**3.3.2** Allowable costs must be determined by 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Rewards.

**3.4** **Payments/Disbursements:** Disbursing public funds is a function of a government operation. Internal controls must be in place to ensure payments are for approved, legitimate goods and services that have been obtained through appropriate procurement standards.

**3.4.1** References: For Federal funds and contracts, please refer to 2 CFR 200.302(b)(6) and 2 CFR 200.305.

**3.4.2** Policy: All payments/disbursements must be approved, in writing, by a supervisor other than the staff member entering the pending invoice/payment into the accounting system. Payments will only be processed for goods received and/or services rendered. As a general rule, every payment must be supported by an original or certified copy of the invoice. Supportive service payments must be supported by an approved time and attendance report or other approved invoice.

**3.4.3** Procedures: The following procedures are specifically intended for managing Federal funds and contracts with Department of Labor.

- **Supportive Service Payments:** All supportive service payments must be processed through the submittal of a Time and Attendance Report that will identify the type of payment, amount and/or rate(s) of payment, the approval of a supervisor/career advisor, as well as the participant's signature. Time and Attendance Reports will be forwarded to the COG Executive Director for review and approval. Once approved by the Administrative Entity the Invoice will be forwarded on to the COG Office Manager. Each Time and Attendance Report will be, again, audited and approved by the COG Executive Director to ensure compliance with the stipulations in the approved Federal agreement, Supportive Services Request and Approval. After approval the Office Manager will enter the payments into the accounting system, accounts payable module. After all payments have been entered and verified, the report "Unposted Accounts Payable Transactions" will be printed. The Unposted Transaction report and the Time and Attendance reports will be batched and forwarded to the COG Executive Director for review and approval. After approval, the payment batch will be returned to the Office Manager in order to produce the checks for payment.
- **Service Provider Reimbursements:** In accordance with the approved contract, the sub-recipient and contractor will submit an invoice to request reimbursement of valid expenditures. The drawdown package including invoice and report and any required supporting documentation will be submitted directly to the COG Executive



Director and COG Office Manager. The COG Executive Director will review the invoice and verify that the expenditures are in accordance with the approved contract. After the invoice has been reviewed by the COG Executive Director, the Office Manager will enter the invoice into the accounts payable module. The "Unposted Transactions" report will be batched with the original invoice and forwarded to the COG Executive Director for review and approval and posting. After approval, the unposted payment batch will be returned to the Office Manager to produce the actual check.

- **Supportive Service Payments:** All supportive service payments must be processed through the submittal of a Time and Attendance Report that will identify the type of payment, amount and/or rate(s) of payment, the approval of a supervisor/career advisor, as well as the participant's signature. Time and Attendance Reports will be forwarded to the COG Executive Director for review and approval. Once approved by the Administrative Entity the Invoice will be forwarded on to the COG Office Manager. Each Time and Attendance Report will be, again, audited and approved by the COG Executive Director to ensure compliance with the stipulations in the approved Federal agreement, Supportive Services Request and Approval. After approval the Office Manager will enter the payments into the accounting system, accounts payable module. After all payments have been entered and verified, the report "Unposted Accounts Payable Transactions" will be printed. The Unposted Transaction report and the Time and Attendance reports will be batched and forwarded to the COG Executive Director for review and approval. After approval, the payment batch will be returned to the Office Manager in order to produce the checks for payment.
- **Employee Relocation Costs:** Typically, COG does not allow these type of costs per its own Personnel Policies Manual and only cost allowed under 2 CFR 200.464 are allowed and will processed as part of services provider payments except will be broken down for financial and reporting purposes.
- **Travel Costs:** Travel cost allowed under 2 CFR 200.475 are allowed and will processed as part of services provider payments except will be broken down for financial and reporting purposes.

### 3.5 **Allowable Costs – Required Written Procures:**

#### 3.5.1 **Authority:**

- 2 CFR Part 200.302(b)(7) *"Written procedures for determining the allowability of costs in accordance with Subpart E-Cost Principles of this part and the terms and conditions of the Federal award."*
- 2 CFR 200.403 To be allowable under Federal awards, except where other authorized by statute, costs must be:
  - Necessary and reasonable and allocable
  - Conform to cost principles or Federal award as to types or amount of costs items
  - Consistent with policies and procedures that apply uniformly to Federal or non-Federally funded activities.

- Consistent treatment as direct or indirect costs
- In accordance with GAAP
- Not included as a costs to meet cost sharing or matching requirements of any other federally-financed program
- Adequately documented

**3.5.2 Subpart E – Cost Principles:** The application of these cost principles is based on the fundamental premises that the subrecipient has in place sound management practices; will follow the terms and conditions of the Specific Federal award and will determine, based on tis own unique combination of staff, facilities, and experience how to assure proper and efficient administration of Federal funds.

2 CFR 200.420 address 55 “items of cost: that received clarification regarding allowability, in general, for using federal funds. It is not an exhaustive or minutely detailed list but provides guidance on “Basic Considerations” to apply to all costs, listed or not listed.

**3.5.3 Written Procedures for Determining Allowable Costs:** Written Procedures such as required per 2 CFR Part 200.302(b)(7) are *not* a reiteration of the Federal requirements or the policies or goals. Rather, procedures are the step-by-step process that is used to obtain the goal or the steps that are necessary to be in compliance with the Federal requirement. Written procedures on Allowable Costs must address how the subrecipient is ensuring the costs on the Federal grant, and ultimately claimed, are allowed under the individual Federal Program and in accordance with cost principles established in the Uniform Grant Guidance.

## 4. PROCUREMENT

### 4.1 Definitions:

- *Contract* means a legal instrument by which COG purchases property or services needed to carry out the project or program under a Federal award. The term as used in this part does not include a legal instrument, even if COG considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward. 2 C.F.R §200.22.
- *Contractor* means an entity that receives a contract as defined above. 2 C.F.R §200.23.
- *Micro-purchase* means a purchase of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro-purchase threshold. Micro-purchase procedures comprise a subset of COG's small purchase procedures. COG uses such procedures in order to expedite the completion of its lowest-dollar small purchase transactions and minimize the associated administrative burden and cost. The micro-purchase threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions). It is \$10,000 except as otherwise discussed in Subpart 2.1 of that regulation, but this threshold is periodically adjusted for inflation (2 C.F.R §200.67).
- *Simplified acquisition threshold* means the dollar amount below which COG may purchase property or services using small purchase methods. Non-Federal entities adopt small purchase procedures in order to expedite the purchase of items costing less than the simplified acquisition threshold. The simplified acquisition threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions) and in accordance with 41 U.S.C. 1908. As of the publication of this part, the simplified acquisition threshold is \$250,000, but this threshold is periodically adjusted for inflation (2 C.F.R §200.88).
- *Time-and-expenses type contract* means a contract whose cost to COG is the sum of:
  - The actual cost of allowable or pre-approved types of expenses; and
  - Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

**4.2 Purpose:** To provide guidance for the COG's Administrative Entity and Financial Agent, and its staff regarding procurement of goods and services. The COG will procure goods and services through the following methods in alignment with NMAC 1.4.1 State Administrative Code except where Federal regulations and rules supersede and must be adhered to by agreement with regards to 2 C.F.R §200 or 2 CFR 200. 318.

**4.3 Certified Procurement Officer:** COG must maintain at least one Certified Procurement Officer (CPO), typically and currently the Office Manager, who should lead and guide all procurement activities and events within the organization.

**4.4 Procurement Ethics:** It is the policy of COG to comply with the provisions applicable Federal law and regulations, including applicable procurement provisions of the NMAC 1.4.1 State Administrative Procurement Code. COG's policy is to conduct procurement in a professional manner and without conflict of interest or appearance of inappropriate business relationships.

### **General Principles:**

1. To ensure that all solicitations include a clear and accurate description of the technical requirements for the material, product or service to be procured;

2. To avoid overly restrictive specifications;
3. To observe strict truthfulness in all transactions;
4. To keep competition open and fair;
5. To identify all requirements which offerors must fulfill and all other factors to be used in evaluating bids or proposals;
6. To require or request samples only when necessary for testing or examining a product for which there is a bid; Free samples should never be obtained and retained for the personal use of COG employees or Board members;
7. Under no circumstances should an COG employee or Board member solicit or accept any gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub-agreements: All gifts shall be returned to the donors; In some instances, this may be impossible and these gifts shall be transferred to the Executive Director for proper disposal; Awards and memorial plaques with nominal intrinsic value for distinguished services rendered are acceptable.
8. Under no circumstances is it permissible to allow a potential, present or past bidder/offeror to pay for the meals of COG employees or Board members who are involved directly or indirectly with the procurement process (Having lunch during the bidding process with bidders/offerors can result in the unfavorable perception of wrongdoing).

**4.5 Procurement Policy:**

- 4.5.1** COG must use its own documented procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part.
- 4.5.2** COG must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts.
- 4.5.3** No employee of COG shall accept gifts or money for entering into a service contract with an outside vendor. No procurement or contract award may go to a relative of the COG/COG's official initiating procurement.
- 4.5.4** COG's procedures must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.
- 4.5.5** To foster greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services across the Federal Government, COG is encouraged to enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services.
- 4.5.6** COG is encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.
- 4.5.7** COG is encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

- 4.5.8** COG must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. COG is subject to the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR part 180. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities. 2 C.F.R §200.213.
- 4.5.9** COG must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to, the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.
- 4.5.10** COG may use a time-and-expenses type contract only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Since this formula generates an open-ended contract price, a time-and-expenses contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, COG awarding such a contract must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.
- 4.5.11** COG alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve COG of any contractual responsibilities under its contracts. The Federal awarding agency will not substitute its judgment for that of COG unless the matter is primarily a Federal concern. Violations of law will be referred to the local, state, or Federal authority having proper jurisdiction (2 C.F.R §200.318).

**4.6 Conflicts of Interest.**

- 4.6.1 General Policy.** The COG should remove any real or perceived conflicts of interest from its procurement process including requiring proposal review committee members to disclose any conflicts of interest by submitting a form with the removal from committee if there are direct conflicts that will influence decision making.
- 4.6.2 Conflicts of Interest:** In accordance with 2 C.F.R. § 200.112, COG maintains the following requirement covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts.
- No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

- The officers, employees, and agents of COG may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts, unless the gift is an unsolicited item of nominal value. Disciplinary actions will be applied for violations of the above by officers, employees or agents of COG (2 C.F.R. § 200.318).

#### **4.7 Competition.**

**4.7.1** The COG complies with 1.4.1 NMAC State Procurement Code Regulations and when specified 2 CFR 200.319 Competition in which all procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

- Placing unreasonable requirements on firms in order for them to qualify to do business;
- Requiring unnecessary experience and excessive bonding;
- Noncompetitive pricing practices between firms or between affiliated companies;
- Noncompetitive contracts to consultants that are on retainer contracts;
- Organizational conflicts of interest;
- Specifying only a “brand name” product instead of allowing “an equal” product to be offered and
- describing the performance or other relevant requirements of the procurement; and
- Any arbitrary action in the procurement process.

**4.7.2** All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

- Placing unreasonable requirements on firms in order for them to qualify to do business;
- Requiring unnecessary experience and excessive bonding;
- Noncompetitive pricing practices between firms or between affiliated companies;
- Noncompetitive contracts to consultants that are on retainer contracts;
- Organizational conflicts of interest;
- Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
- Any arbitrary action in the procurement process.

**4.7.3** COG must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state and local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly

mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

**4.7.4** COG must have written procedures for procurement transactions. These procedures must ensure that all solicitations:

- Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and
- Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

**4.7.5** COG must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, COG must not preclude potential bidders from qualifying during the solicitation period (2 C.F.R §200.319).

**4.8** **Methods of Procurement.** COG must use one of the following methods or procurement.

**4.8.1** Procurement by micro-purchases (\$5,000 or less): Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold \$10,000 (see 2 C.F.R. §200.67 micro-purchase definition above). To the extent practicable, COG must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if COG considers the price to be reasonable.

**4.8.2** Procurement by small purchase procedures (above \$5,000 up to \$60,000): Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources. Such quotes or attempts to solicit quotes will be documented in the procurement file. This method may only be used for the purchase of tangible personal property, construction, and nonprofessional services.

**4.8.3** Procurement by sealed bids (formal advertising, typically starting at \$60,000 or as required by agreement). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The

sealed bid method is the preferred method for procuring construction, if the conditions of this section apply. In order for sealed bidding to be feasible, the following conditions should be present:

- A complete, adequate, and realistic specification or purchase description is available;
- Two or more responsible bidders are willing and able to compete effectively for the business; and
- The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

**4.8.4** If sealed bids are used, the date set for opening the bids:

- the invitation for bids must be publicly advertised;
- the invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
- All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;
- A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
- Any or all bids may be rejected if there is a sound documented reason.

**4.8.5** Procurement by competitive proposals (formal advertising, typically starting at \$60,000 or as required by agreement). The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

- Requests for proposals or qualifications must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;
- Proposals must be solicited from an adequate number of qualified sources;
- COG must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;
- Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
- COG may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method,



where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

**4.8.6** Procurement by noncompetitive proposals (sole source). Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

- The item is available only from a single source;
- The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from COG; or
- After solicitation of a number of sources, competition is determined inadequate (2 C.F.R §200.320).

Procurement by sole source procedures (\$60,000 or less): For professional services not exceeding \$60,000 in total cost and covered specifically in NMAC 1.4.1 State Administrative Procurement Code, may be sole sourced where this a documented need to do so that should be outlined in a memorandum. All sole sourcing provisions should be followed in accordance with State law and code.

**4.9** **Method for evaluation and selection:** The COG complies with 1.4.1 NMAC State Procurement Code Regulations and when specified 2 CFR 200.320 for method of evaluation and selection. All Contractors or Subrecipients must not be barred from receiving Federal Funds at a minimum. Proper request-for-proposals (RFP) 2 CFR 200.320 documentation for selection is maintained by COG, processes include risk assessments, provider prior service history, Contractors' Internal Control policies, conflicts of interest provisions, past performance objectives, any recent Federal funds awarded, current single- and third-party audit reports for risk a proper assessment. No non-Federal criteria shall be counted in the evaluation or scoring of a proposal (e.g. local preference, etc.)

**4.10** **Procurement Management Procedures.**

**4.10.1** **Procurement Management Responsibilities.**

- The Office Manager and their office is responsible as COG's primary agent and central control for the commitment of procurement dollars and working in conjunction with other departments for the disposal of surplus and obsolete materials.
- The Office Manager and their office, with the assistance of and in cooperation with all line and staff personnel, is responsible for implementing this policy within COG. The Office Manager responsibilities include issuing and receiving requests for quotation, requests for proposals and invitations to bid, and developing and maintaining appropriate procurement guidelines and procedures.

- The Office Manager is responsible for development, operating and enhancing inventory management and for initiating review and with the assistance of other user departments the disposal of obsolete and surplus materials.
- Office Manager and Program Manager(s) are jointly responsible for the selection of successful bidders and for determining the pricing provisions of the acquisition document which best achieve the users' needs.

#### **4.10.2 Program Manager(s) Responsibilities:**

- Program Managers are responsible for initiating the procurement process through the Office Manager and their office, administering contracts to ensure that term, conditions, and deadlines are met, obtaining approvals for the commitment of funds, and for processing invoices and material receipts in a timely manner.
- Program Manager is responsible due to the nature of the procurement for the scope-of-work and related sections.
- Program Manager are responsible for complying with corporate purchasing policies and for utilizing best buying practices and all appropriate practices as outlined herein.
- Program Manager and Office Manager are jointly responsible for the selection of successful bidders and for determining the pricing provisions of the acquisition document which best achieve the users' needs.

#### **4.10.3 Check Request Process:**

- A check request is prepared prior to the purchase by the requestor identifying the suggested vendor, material and/or services needed, suggested delivery date and account number. Any required quotations, pricing or material descriptions will be scanned and attached to the check request. A supply order form has also been created and distributed to streamline and document supplies needed. If sole source, a justification will be attached to the check request as required by this policy.
- The Executive Director or Office Manager will review the check request to insure funds being used are appropriate and available. The Executive Director or Office Manager will verify available budget, grant codes (i.e. Funds) and whether items are allowable and can be purchased through that fund.
- Once the Executive Director or designee reviews and approves the check request, the check request is automatically sent to the Purchasing Department where the procurement process for the acquisition of materials or services will begin.
- Before starting the procurement process the Office Manager shall:
  - Review all proposed procurements to avoid unnecessary or duplicative purchases of equipment, supplies, and services.
  - Consider whether it will save money and/or time to consolidate procurements or to break out to allow for more competition; if so, COG shall document the reason for the decision.

- Where appropriate, perform an analysis of lease versus purchase alternatives, and other appropriate analysis to determine the most economical approach and document decision.
- Consider shared services and entering into interlocal cooperative agreements with other governmental agencies, to foster greater economy and efficiency.
- Perform a cost or price estimate on the procurement.
- Explore state or local intergovernmental agreements (such as competitive bidding group purchasing programs, state term contracts, GSA contracts, or formal intergovernmental agreements) that can be utilized to procure equipment, supplies, and services.
- Use Federal and surplus property. To reduce project costs, it is encouraged to use Federal excess and surplus property as a replacement for purchasing new equipment.

**4.10.4 Procurement Process:** Purchases made below the micro-purchase threshold and are not purchased through an established purchasing contract shall utilize the following procedure:

- COG shall distribute orders equitably among qualified suppliers.
- COG shall authorize those having check request approval to determine that the price for the purchase is reasonable.
- The administrative cost of verifying the reasonableness of the price of purchases may more than offset potential savings from detecting instances of overpricing. Therefore, action to verify price reasonableness need only be taken if:
  - The check request approver or purchasing department suspects or has information to indicate that the price may not be reasonable (i.e. comparison to the previous price paid or market price);
  - Purchasing a supply or service for which no comparable pricing information is readily available.
- Purchases made in the small purchase category require quotes.
  - Three written quotes shall be requested, attempted, and if possible obtained for purchases between \$10,000 and \$60,000.
- COG maintains the privilege of being allowed to piggy-back on other governmental purchasing agreements and contracts or regional buying purchasing alliances (e.g. CES) which it is a member. The Office Manager maintains all documentation related to contract used in file that documents bid and or award amount and with which agency.
- Purchases in excess of \$60,000 will require the following (unless COG receives specific directive from the grantor to use a certain vendor or type of vendor in their grant award):
  - Advertisement in the local newspaper, website, posting, and/or any other form allowed and in compliance with NMAC 1.4.1 State Administrative Code.
    - Request for proposal (RFP)

- Request for Quote (RFQ)
- Request for Information (RFI)
- Request for Qualifications (RFQ)
- Description of goods or services requesting
- Where potential vendor may request the information to place bid.
- If Davis Bacon Wages apply
- Dates of opening and closing.
- Bid opening, evaluation and award will be conducted with requestor at a mutually agreed upon time and place. Committee of no less than three. The committee uses a matrix sheet to evaluate all bids received.
- Executive Director, Office Manager or designee will approve all check requests.

**4.10.5 Sole Source Justification:** The justification will include sufficient facts and rationale to justify non-competitive procurement including a description of the supplies or services ordered and a determination that the supplies or services can only be provided by one source. The requestor has to document why sole source (such as a memorandum from the vendor certifying they are the only vendor that can do this). The Purchasing Director will review the sole source documentation and verify whether it meets the criteria of a sole source. Acceptable reasons for sole source procurement are:

- Services or product not otherwise available from any other source
- Utilities
- Emergency purchase or repair (see guidelines for Emergency Purchases)
- Grantor specifies use of vendor required
- Competition is determined inadequate (only after solicitation from various sources)

**4.10.6 Emergency Purchases:** In the event of an unforeseen and dangerous situation requiring immediate action to preserve the peace, health, or safety of people or property within the jurisdiction of COG or to prevent significant economic loss, the Executive Director and Office Manager may purchase goods or services (including construction) without following the competitive process.

- All emergency purchases required after normal working hours will be made at the discretion of the affected department director or designee.
- Every attempt will be made to obtain the goods or services for an emergency from existing COG in-house supplies, services or procured contracts before they are purchased on the open market.
- The Office Manager will require that each emergency situation be documented by the Program Managers or other COG staff. Such documentation shall include all the relevant details of the incident or issue which resulted in the emergency purchase.
- Purchase of new construction shall not be made on an emergency basis.

**4.10.7 Suspension and Debarment:** The Office Manager ensures the vendor is not suspended or debarred before engaging in the procurement process by going to <https://www.sam.gov/portal/SAM/> and entering the vendor name. A print screen showing the check was completed is kept on file.

**4.10.8 Execution of Contracts and Leases:**

- General contracts are signed by the Executive Director. If the financial implication of signing a contract is not included in COG's budget, the Board's approval is required before authority to sign the contract is granted.
- All contracts will be completed on a Professional Service Agreement Form (also known as the short contract) and leases involving expenses to, or revenue for COG, when supported by a properly approved check request and/or completion of the procurement process (expense only) will normally be executed, depending upon and approved signature at the authority level of the Executive Director or their designee.
- Leases involving expense to COG are to be valued by the sum of the payments over the minimum agreed term in determining the value for amortization purposes. All Real Estate leases must be signed by the Executive Director or their designee.

**4.10.9 Execution of Check Requests/Payment:**

- A check request is completed by the requesting employee and submitted to the Purchasing Department and entered into the system.
- Upon receipt of the materials/services the requestor will submit electronically to the Finance Department packing slip and/or invoice received from the vendor indicating receipt of goods/services. Once received the Finance Department will begin payment processing.
- If there are any discrepancies with the material and/or services received, the requestor will contact the Purchasing Department to have the vendor rectify the order. Verification of quantities and inspection of all material is to be completed within two (2) working days after receipt of material.
- The Purchasing and Finance Departments will be responsible for records retention in accordance with company policies.

## 5. **GRANT MANAGEMENT**

### 5.1 **Definitions:**

- *Disallowed costs* mean those charges to a Federal award that the Federal awarding agency or pass-through entity determines to be unallowable, in accordance with the applicable Federal statutes, regulations, or the terms and conditions of the Federal award (2 C.F.R §200.31).
- *Internal controls* (2 C.F.R §200.61) means a process, implemented by COG, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:
  - Effectiveness and efficiency of operations;
  - Reliability of reporting for internal and external use; and
  - Compliance with applicable laws and regulations.
- *Internal controls over compliance requirements for Federal awards* (2 C.F.R §200.62) means a process implemented by COG designed to provide reasonable assurance regarding the achievement of the following objectives for Federal awards:
  - Transactions are properly recorded and accounted for, in order to:
    - Permit the preparation of reliable financial statements and Federal reports;
    - Maintain accountability over assets; and
    - Demonstrate compliance with Federal statutes, regulations, and the terms and conditions of the Federal Award;
  - Transactions are executed in compliance with:
    - Federal statutes, regulations, and the terms and conditions of the Federal award that could have a direct and material effect on a Federal program; and
    - Other Federal statutes and regulations that are identified in the Compliance Supplement; and
    - Funds, property, and other assets are safeguarded against loss from unauthorized use or disposition.
- *Obligations* means orders placed for property or services, contracts and subawards made, and similar transactions during a given period that require payment by COG during the same or a future period (2 C.F.R §200.71).

### 5.2 **Allowability.**

#### 5.2.1 **Standards and Policy:**

- Determining Allowability of Costs. Expenditures must be aligned with approved budgeted items and the grant award. When determining how COG will spend its grant funds, Executive Director or designee will review the proposed cost to determine whether it is an allowable use of federal grant funds before obligating and spending those funds on the proposed good or service. All costs are reviewed for allowability prior to spending.
- Be Necessary and Reasonable for the performance of the federal award. The Executive Director must consider these elements per 2 C.F.R. § 200.404 when

determining the reasonableness of a cost. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision to incur the cost was made. For example, reasonable means that sound business practices were followed, and purchases were comparable to market prices. When determining reasonableness of a cost, consideration must be given to:

- Whether the cost is a type generally recognized as ordinary and necessary for the proper and efficient performance of the federal award.
- The restraints or requirements imposed by factors, such as: sound business practices; arm's-length bargaining; federal, state and other laws and regulations; and terms and conditions of the federal award.
- Market prices for comparable goods or services for the geographic area.
- Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to COG, its employees, the public at large, and the federal government.
- Whether COG significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the federal award's cost.

While 2 C.F.R. § 200.404 does not provide specific descriptions of what satisfies the "necessary" element beyond its inclusion in the reasonableness analysis above, necessary is determined based on the needs of the program. Specifically, the expenditure must be necessary to achieve an important program objective. A key aspect in determining whether a cost is necessary is whether COG can demonstrate that the cost addresses an existing need and can prove it. For example, COG may deem a language skills software program necessary for a limited English proficiency program.

- *Allocable to the federal award.* A cost is allocable to the federal award if the goods or services involved are chargeable or assignable to the federal award in accordance with the relative benefit received. This means that the federal grant program derived a benefit in proportion to the funds charged to the program (2 C.F.R. § 200.405). The standard is met if the cost is incurred specifically for the federal award, benefits the federal award, necessary to the overall operation of COG and is assignable in part to the federal award. For example, if 50% of a teacher's salary is paid with grant funds, then that teacher must spend at least 50% of his or her time on the grant program.
- *Costs section.* COG personnel responsible for spending federal grant funds and for determining allowability must be familiar with the Part 200 selected items of cost section. COG must follow these rules when charging these specific expenditures to a federal grant. When applicable, the COO must check costs against the selected items of cost requirements to ensure the cost is allowable. In addition, program-specific rules may deem a cost as unallowable and COG staff must follow those rules as well. COG staff will use parts 2 C.F.R. § 200.421 through 2 C.F.R. § 200.475 for guidance.
- *Direct and Indirect Costs.* Direct costs are those costs that can be identified specifically with a particular final cost objective, such as a federal award, or other

internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy (2 C.F.R. § 200.413(a)). Direct costs should be consistent and guided by the COG's Direct Cost Plan. Indirect costs are those that have been incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved (2 C.F.R. § 200.56). Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect costs (2 C.F.R. § 200.413(a)). While the COG does not have an approved Indirect Cost Plan approved by cognizant Federal agency, it does from time to time use the allowable de minimis indirect rate of 10%.

Identification with the federal award rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect costs of Federal awards. Typical costs charged directly to a Federal award are the compensation of employees who work on that award, their related fringe benefit costs, the costs of materials and other items of expense incurred for the Federal award (2 C.F.R. § 200.413(b)). The salaries of administrative and clerical staff should normally be treated as indirect costs. Direct charging of these costs may be appropriate only if all of the following conditions are met:

- Administrative or clerical services are integral to a project or activity;
- Individuals involved can be specifically identified with the project or activity;
- Such costs are explicitly included in the budget or have the prior written approval of the federal awarding agency; and
- The costs are not also recovered as indirect costs. 2 C.F.R. §200.413(c).

#### **5.2.2 Procedures:**

- *Nonpayroll expenditures:* See procurement policies and procedures for purchase requisitions and procurement policies.
- *Payroll expenditures:* See financial policies and procedures for payroll processing policies.
- *Applying the Indirect Cost Rate:* Once COG has an approved indirect cost rate as applicable to certain grants, the percentage is multiplied against the actual direct costs (excluding items such as equipment, contracts in excess of \$25,000, subgrants and other unallowable items as specified in the grantee's indirect cost rate section) incurred under a particular grant to produce the dollar amount of indirect costs allowable to that award (34 C.F.R § 75.564; 34 C.F.R. § 76.569). Reimbursement of indirect costs is subject to the availability of funds and statutory or administrative restrictions (34 C.F.R. § 75.564). The Executive Director posts the indirect rates to the grant and will invoice the indirect rate amounts. All amounts billed are reviewed and approved by the Office Manager and contracted CPA. Where a federal program has a specific cap on the percentage of administrative costs that may be charged to a grant, that cap must include all direct administrative charges as well as any recovered indirect charges.



### 5.3 Time and Effort.

#### 5.3.1 Standards and Policy:

- All employees who are paid in full or in part with federal funds must keep specific documents to demonstrate the amount of time they spent on grant activities (2 C.F.R. § 200.430(i)(1)). In addition, employees who are paid from state and local funds, but whose salaries are used for cost sharing or matching must also keep time and effort documentation (2 C.F.R. § 200.430(i)(4)). Charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. In accordance with 2 C.F.R. § 200.430(i)(1), these records must:
  - Be supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
  - Be incorporated into official records;
  - Reasonably reflect total activity for which the employee is compensated, not exceeding 100% of compensated activities;
  - Encompass both federally assisted and all other activities compensated by COG on an integrated basis;
  - Comply with the established accounting policies and practices of COG; and
  - Support the distribution of the employee's salary or wages among specific activities or costs objectives.
- Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to federal awards but may be used for interim accounting purposes provided that the system for establishing the estimates produces reasonable approximations of the activity actually performed. 2 C.F.R. § 200.430(i)(1)(viii).
- A cost objective is a program, function, activity, award, organizational subdivision, contract, or work unit of which cost data are described and from which provision is made to accumulate and measure the cost of processes, products, jobs, capital projects, etc. (2 C.F.R. § 200.28).

#### 5.3.2 Procedures:

- In order to meet the time and effort requirements, all employees are required to complete a timesheet. Timesheets include the cost objective which documents the federal award or other cost code that the employee worked for. All timesheets must be approved by a supervisor. Once timesheets are approved by the Supervisor, Office Manager reviews for accuracy. The Office Manager reviews to verify all costs are properly being charged to the correct grant. For individuals who split time between fund codes, time will be tracked at least twice a year to determine actual time spent working that should be charged to each grant.

### 5.4 Cash Management:

#### 5.4.1 Standards and Policy:

- COG will comply with applicable methods and procedures for payment that minimize the time elapsing between the transfer of funds and disbursement by

COG, in accordance with the Cash Management Improvement Act at 31 C.F.R. Part 205. Generally, COG receives payment from the federal grantors on a reimbursement basis (2 C.F.R. § 200.305). However, if COG receives an advance in federal grant funds, COG will remit interest earned on the advanced payment quarterly to the federal agency (as applicable).

#### 5.4.2 **Procedures:**

- *Reimbursements:* Most reimbursements are based on actual cash disbursements. Drawdowns are completed as needed (at least quarterly). A request to draw funds is completed by the Executive Director or designee by logging into the Quickbooks and COG Finance Server file to enter the grant and the total draw. The Office Manager and contracted CPA will then review the draw from PMS against the request. The Office Manager and contracted CPA will then log into the bank and verifies that the funds requested have been received. The Office Manager and contracted CPA will attach a copy of the draw down request and expense report with the bank deposit.

Subrecipient's of grants awarded by the COG are paid on allowable expenditures incurred by the subrecipient and submitted for reimbursement on an approved form. The reimbursement method ensures that expenditures have been both obligated and liquidated by the time the funds are transferred from the City to the subrecipient. The reimbursement method is the most common method used and reduces risk associated with advancing funds which relies solely on the subrecipient's written procedures and financial management systems for fund control and accountability.

- *Advances:* To the extent that COG receives advance payments of federal grant funds, COG must minimize the time elapsing between the transfer of funds and disbursement by COG, and financial management systems that meet the standards for fund control and accountability as established in this part. Advance payments to COG must be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of COG in carrying out the purpose of the approved program or project. The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by COG for direct program or project costs and the proportionate share of any allowable indirect costs. COG must make timely payment to contractors in accordance with the contract provisions.
- *Written Procedures:* Written Procedures such as required per 2 CFR Part 200.302(b)(6) are **not** a reiteration of the Federal requirements or the policies or goals. Rather, procedures are the step-by-step process that is used to obtain the goal or the steps that are necessary to be in compliance with the Federal requirement. Written procedures should answer questions such as: Who determines that the cash management procedures are being followed; how is it determined the procedures are followed; when the steps are performed; what is being verified. A subrecipient's Cash Management written procedures must address both advance payments and cost reimbursement. The written procedures should include steps involved in the obligating, liquidating, and claiming of Federal funds.

#### 5.5 **Period Of Performance.**

##### 5.5.1 **Standards and Policy:**

- Federal awards may specify a time period during which the non-Federal entity may use the Federal funds. Where a funding period is specified, a non-Federal entity may charge to the award only costs resulting from obligations incurred during the funding period and any pre-award costs authorized by the Federal awarding agency. Also, if authorized by the Federal program, unobligated balances may be carried over and charged for obligations of a subsequent funding period (2 C.F.R. § 215.28))

**5.5.2 Procedures:**

- The period of performance for funds authorized under direct grants is identified in the grant award letter. The Executive Director will send out emails to the Program Managers and let them know the grant periods are ending and to get all of their expenses submitted. The Office Manager will verify that all expenditures are properly included in that correct time period per the grant award.

**5.6 Financial Management and Reporting.**

**5.6.1 Standards and Policy:**

- COG's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.
- The financial management system of COG must provide for the following:
  - Identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received. Federal program and Federal award identification must include, as applicable, the CFDA title and number, Federal award identification number and year, name of the Federal agency, and name of the passthrough entity, if any.
  - Accurate, current, and complete disclosure of the financial results of each Federal award or program. Per 2 C.F.R §200.327, the information must be collected with the frequency required by the terms and conditions of the Federal award, but no less than annually nor more frequently than quarterly exception for where more frequent reporting is considered necessary. If a Federal awarding agency requires reporting on an accrual basis from a recipient that maintains its records on other than an accrual basis, the recipient must not be required to establish an accrual accounting system. This recipient may develop accrual data for its reports on the basis of an analysis of the documentation on hand.
  - Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.
  - Effective control over, and accountability for, all funds, property, and other assets. COG must adequately safeguard all assets and assure that they are used solely for authorized purposes.

- Comparison of expenditures with budget amounts for each Federal award.
- Written procedures to implement the requirements of 2 C.F.R §200.305 Payment (see cash management policy above).
- Written procedures for determining the allowability of costs and the terms and conditions of the Federal award (see allowability policy).
- Closeout. The Federal awarding agency or pass-through entity will close-out the Federal award when it determines that all applicable administrative actions and all required work of the Federal award have been completed by COG. This section specifies the actions COG and Federal awarding agency or pass-through entity must take to complete this process at the end of the period of performance.
  - COG must submit, no later than 90 calendar days after the end date of the period of performance, all financial, performance, and other reports as required by the terms and conditions of the Federal award. The Federal awarding agency or pass-through entity may approve extensions when requested by COG.
  - Unless the Federal awarding agency or pass-through entity authorizes an extension, COG must liquidate all obligations incurred under the Federal award not later than 90 calendar days after the end date of the period of performance as specified in the terms and conditions of the Federal award.
  - The Federal awarding agency or pass-through entity must make prompt payments to COG for allowable reimbursable costs under the Federal award being closed out.
  - COG must promptly refund any balances of unobligated cash that the Federal awarding agency or pass-through entity paid in advance or paid and that are not authorized to be retained by COG for use in other projects.
  - Consistent with the terms and conditions of the Federal award, the Federal awarding agency or pass-through entity must make a settlement for any upward or downward adjustments to the Federal share of costs after closeout reports are received.
  - COG must account for any real and personal property acquired with Federal funds or received from the Federal Government in accordance with §200.310 Insurance coverage through §200.316 Property trust relationship and §200.329 Reporting on real property.
- The Federal awarding agency, Inspectors General, the Comptroller General of the United States, and the pass-through entity, or any of their authorized representatives, must have the right of access to any documents, papers, or other records of COG which are pertinent to the Federal award, in order to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to COG's personnel for the purpose of interview and discussion related to such documents. The rights of access in this section are not limited to the required retention period but last as long as the records are retained. Federal awarding agencies and pass-through entities must not impose any other access requirements upon COG (2 C.F.R § 200.336).

**5.6.2 Procedures:**

- *Reporting.* SF-425 Financial Statement and other financial and progress report forms are required for certain grants to report cash, expenses and a final report. The Executive Director or Office Manager completes the cash portion which is a reconciliation of cash receipts, cash disbursements and cash on hand. The Executive Director or Office Manager then completes the expenditure portion which reconciles total federal funds authorized, federal share expenditures, federal share of unliquidated obligations, total federal share and unobligated balance. Reports are then reviewed and certified by the Executive Director or CPA.
- *Maintenance of Records.* All records and supporting documents must be completed and made available for audit purposes after the end of COG's fiscal year. COG must also have records available for review and audit purposes after the grant's fiscal year ends. Audits shall be completed in accordance with Generally Accepted Auditing Standards, *Governmental Auditing Standards* and provisions of 2 C.F.R § 200, as applicable. COG will also conduct audits within the prescribed required of federal, state, and local standards.
- *Record Retention Procedures:* See the financial policies and procedures for recordkeeping policy.

**5.7 Subrecipient/Contractor and Pass-Through Entity Determination:** Federal agreements with other entities may be classified as either a Subrecipient of a Contractor (determination is made using the criteria set forth in 2 CFR 200.330). If the agreement meets the requirements of a subrecipient, the COG is a Pass-Through Entity. The information below is provided to assist with Subrecipient and Contractor determinations and the requirements of a Pass-Through Entity. 2 CFR 200.331 provides requirements for pass-through entities. All Pass-through entities must:

**5.7.1** Ensure that every subaward is clearly identified to the Subrecipient as a subaward and includes the following information at the time of the subaward, and if any of these data elements change, include the changes in subsequent subaward modification. When some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and subaward. Required information includes:

- Federal Award Identification
  - Subrecipient name (which must match the name associated with its unique entity identifier);
  - Subrecipient's unique entity identifier;
  - Federal Award Identification Number (FAIN);
  - Federal Award Date (see 2 CFR 200.39 Federal award date);
  - Subaward Period of Performance Start and End Date;
  - Amount of Federal Funds Obligated by this action;
  - Total Amount of Federal Funds Obligated to the subrecipient;
  - Total Amount of the Federal Award;
  - Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA);

- Name of Federal awarding agency, pass-through entity, and contact information for awarding official;
  - Catalog of Federal Domestic Assistance (CFDA) Number and Name; the passthrough entity must identify the dollar amount made available under each Federal award and the CFDA number at time of disbursement;
  - Identification of whether the award is Research and Development;
  - Indirect cost rate for the Federal award (including if the de minimis rate is charged per 2 CFR 200.414 Indirect (F&A) costs).The financial management system of COG must provide for the following:
    - All requirements imposed by the pass-through entity on the Subrecipient so that the Federal award is used in accordance with Federal statutes, regulations and the terms and conditions of the Federal award.
    - Any additional requirements that the pass-through entity imposes on the subrecipient in order for the pass-through entity to meet its own responsibility to the Federal awarding agency including identification of any required financial and performance reports;
    - A requirement that the subrecipient permit the pass-through entity and auditors to have access to the Subrecipient's records and financial statements as necessary for the passthrough entity to meet the requirements of this part; and
    - Appropriate terms and conditions concerning closeout of the subaward.
- 5.7.2** Evaluate each Subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this policy, which may include consideration of such factors as:
- The subrecipient's prior experience with the same or similar subawards;
  - The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with Subpart F-Audit Requirements, and the extent to which the same or similar subaward has been audited as a major program;
  - Whether the subrecipient has new personnel or new or substantially changed systems;
  - The extent and results of Federal awarding agency monitoring.
- 5.7.3** Consider imposing specific subaward conditions upon a subrecipient if appropriate as described in 2 CFR Part 200.207 - Specific conditions.
- 5.7.4** Monitor the activities of the Subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:
- Reviewing financial and performance reports required by the passthrough entity
  - Following-up and ensuring that the Subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and other means

- Issuing a management decision for audit findings pertaining to the Federal award provided to the subrecipient from the pass-through entity as required by 2 CFR Part 200.521 - Management decision.

6.

**DISPOSITION POLICY**

COG property and/or equipment shall not be sold or exchanged for less than its fair value. COG property and/or equipment that has been purchased in part or in whole by a federal agency that is planned for disposition shall be disposed of in accordance with the applicable federal regulations and provisions in the contract. When a federally purchased item is planned for disposition, referral must be made to the COG inventory to ascertain the amount covered by the federal agency, and the appropriate federal regulation that applies. In addition, if the federal regulations require, prior approval must be obtained, instructions for disposition and/or use by other federal programs must be received, and any percentage interest must be refunded to that federal agency.

Please reference the following for guidance, ranges, and management requirements:

2 CFR 200.311 Real Property

2 CFR 200.313 Equipment

2 CFR 200.314 Supplies

For those items that have been purchased solely with COG local funds or state appropriation funds, the following disposition policy will apply:

1. If the estimated sales value of the personal property and/or equipment offered for sale is less than \$100, the Executive Director may negotiate a sale in the open market after such informal inquiry as she considers necessary to ensure a fair return to the COG. The sale shall be documented by an appropriate bill of sale.
2. For sales from \$100 to \$1,000, the Executive Director shall solicit informal bids orally, by telephone, or in writing from a minimum of three prospective purchasers and a tabulation of all such bids received shall be prepared and retained as part of the permanent record. The sale shall be documented by an appropriate bill of sale.
3. Sales of \$1,000 or more and the award of such sale shall be made only at a public sale/auction or after advertising for formal bids. Such advertising shall be at least 15 days prior to award of the sales contract and shall be by advertisement in newspapers or circular letters to all prospective purchasers. In addition, notices shall be posted in at least two public places. Bids shall be opened publicly at the time and place specified in the advertisement. A tabulation of all bids received shall be prepared and filed with the contract as part of the permanent record. The award shall be made to the highest bidder as to price and shall be documented by an appropriate bill of sale.
4. The sale of personal property and/or equipment to a public body for public use may be negotiated at its fair value subject to prior approval by the Board of Directors. The transfer shall be documented by an appropriate bill of sale.

COG property shall not be destroyed, abandoned, or donated without written documentation by the Executive Director. The Executive Director shall make every effort to dispose of excess personal property and/or equipment as outlined above. However, if the property has no scrap or salvage value and a purchaser cannot be found, a statement shall be prepared documenting the efforts made to sell the property, in support of the destruction, abandonment or donation of the property.



## 7.

### **DISASTER AND RECOVERY POLICY**

**7.1 Background:** The Disaster Recovery Plan is a guiding document containing the necessary instruction, guidelines, organization, responsibilities and information required for the SWNMCOG to be prepared for an emergency that would affect computer and network services.

**7.2 Scope:** The content of the document covers disaster procedures, responsibilities, and identification of essential software applications and hardware, general procedures for potential interruptions policies for reducing risk, contingency planning parameters, disaster response, and testing and maintenance of the disaster recovery plan.

**7.3 Purpose:** The purpose of the Disaster Recovery Plan is to provide guidelines and procedures of an orderly and timely recovery from an interruption of data processing and/or network services.

Procedures to recover from a disaster are predicated on the most serious occurrence possible.

This policy is based on the realization that the SWNMCOG is critically dependent on its computer systems, and the network services, and the understanding that disaster planning is necessary because of the storage of information within a system, and the electronic processes that are the basis for business activities.

The formalization of a Disaster Recovery Plan will provide the foundation upon which the necessary procedures for protection of information and the continued operation of critical agency applications will be developed.

**7.4 Objectives:** The primary objectives of the Disaster Recovery Plan are to make sufficient agreed-upon preparations, and to design and implement a sufficient set of agreed-upon procedures for responding to a disaster of any size in the departmental area of responsibility.

The purpose of these procedures is to minimize the effect of a disaster upon the operations of the agency. The emphasis is on safeguarding the vital assets of the agency and ensuring the continued availability of critical IT services.

Other objectives of the plan are as follows:

- Risk reduction and prevention to help avert any interruption in computing system application, network systems and services;
- Reduce confusion during any chaotic period by having a clearly defined course of action that will reestablish services as soon as possible;
- Identify critical functions with consideration of priority scheduling;
- Identify alternate sites of operation that provide the same or compatible equipment. Conclude formal backup arrangements with such sites as identified. Specify steps necessary to relocate to the alternate site;
- Identify key personnel for each application, database or service so that they can be summoned without delay when needed; and
- Identify users of services to be notified of delays and to be involved in the recovery process. Establish the personnel responsible for all phases of Disaster Recovery.

**7.5 Types of Disaster to Consider:**

- Natural disasters: Floods, Storms, Tornados, Fires, Earthquakes, Electrical Outages, Loss of a Disk Drive or Computer System, etc.

- Man-made disasters: Fire, Transportation Accidents, Chemical Accidents, Sabotage or Willful Destruction, Bomb Threats, Plumbing problems, Electrical Outages, Loss of Environmental Controls, etc.
- Political disasters: Riots, Public Demonstrations, Civil Disturbances, etc.
- Electronic Warfare: Hackers, Cyber Terrorism, Computer Virus, Intrusion Detection, Denial of Service, etc.
- The most likely threats to occur should receive the most attention. These more common disasters may be localized in the computer, communications or data input areas.

**7.6** **Executive Director:** The Executive Director for the agency or its designee has the responsibility to provide the communication and coordination link to the staff. This position also serves as the focal point for ensuring the information security and privacy concern and issues within the plan are consistent with the EPCOG, state and federal obligations, policy and procedures.

**7.7** **Procedures:**

**7.7.1** File and Storage Management/Recovery:

- Storage of Program files:
  - Short-Term Program Files (daily/weekly) – save local copy, Microsoft OneDrive, and/or any below
  - Mid-Term Program Files ( $\leq 1$ -2 year) – save to Microsoft Sharepoint Folders
  - Long-Term Program ( $\geq 2$  Years - ARCHIVE) – each year move files not in use or in need of longer mid-term storage onto COG server. Please only save final or approved versions of files.
- Storage of Organization files:
  - Short-Term Program Files (daily/weekly) – save local copy, Microsoft OneDrive, and/or any below
  - Mid-Term Program Files ( $\leq 1$ -2 year) – save final and organization use copies to COG Microsoft Sharepoint Folders for team use.
  - Long-Term Program ( $\geq 2$  Years - ARCHIVE) – each year move files not in use or in need of longer mid-term storage onto COG server. Please only save final or approved versions of files.
- Storage of Financial or Personnel files: All files should be kept on COG server in a secure folder.
- Schedule the server to automatically backup nightly and backup Quickbooks file at least once a week.
- Staff or IT professional will check the server every two weeks to ensure that back up is functioning properly.
- Desktops have image backups performed to embedded extra 1 TB drives every other day. These images are also copied off to External Hard Drive attached to the Server located in Secure office away from COG Business Office.
- Backup Schema is Total Backup followed by incremental per machine.

8.

**RECORDS RETENTION POLICY**

**8.1** **Guidance:** This section is guided and linked by Section 11 in the Personnel Policies Manual and subsequent schedules.

**8.2** **Purpose:** COG retains records as required by law and destroys them when appropriate. All files, both hard copy and electronic, will be labeled with topic, year (if applicable), and destruction date. Electronic copies will be saved in appropriate folders on the network storage device. Hard copies should be stored in file cabinets or archived in the storage area. Any archived hard copy files will be stored in water and animal proof containers.

The destruction of records must be approved by the Office Manager and logged into the Organization's Destroyed Records Log. Review and purging of files may take place on an ongoing basis, but must occur at least once per year, and must follow the minimum retention requirements outlined below.

The destruction of any documents containing social security numbers or any other "consumer data" as defined under federal laws and regulations will be done via shredding using an approved shredding service provider.

The following provides a quick reference for the COG:

Record	Retention
Articles of Incorporation	Permanent
Audit reports	Permanent
Bylaws and amendments	Permanent
Correspondence – Legal and important matters	Permanent
Financial statements – Year-end	Permanent
General ledgers/year-end trial balance	Permanent
Minute books of directors	Permanent
Property contracts, deeds, mortgages, and bills of sales	Permanent/ 10 years after disposal of property
Retirement and pension records	Permanent
Application and Determination Letter for Recognition as a Tax-Exempt Status	Permanent
Information returns, tax returns and worksheets, examination reports and other documents relating to tax filings	Permanent
Trademark registrations and copyrights	Permanent
Accident reports/claims (settled Cases)	7 Years
Accounts payable ledgers and schedules	7 Years
Accounts receivable ledgers and schedules	7 Years
Contracts, mortgages, notes, and leases – expired	7 Years

Record	Retention
Garnishments	7 Years
Insurance claims	7 years
Inventories of products, materials, and supplies	7 Years
Invoices (to customers, from contractors)	7 Years
Notes receivable ledgers and schedules	7 Years
Payroll records and summaries	7 Years
Personnel records (terminated)	7 Years
Property records (incl. depreciation schedules)	7 years
Purchase records	7 Years
Sales records	7 Years
Subsidiary ledgers	7 Years
Timesheets/cards	7 Years
Withholding tax statements	7 Years
Bank statement & reconciliations	3 Years
Chart of accounts	3 years
Collective bargaining agreements	3 Years
Employment applications	3 Years
Insurance policies (expired)	3 Years
Internal audit reports	3 Years
Internal reports	3 Years
Payroll records	3 Years
Petty cash vouchers	3 Years
Correspondence – General	2 Years
Grant reports or grant related records	3 Years

In accordance with Standards for Financial Management Systems, COG will maintain records that identify adequately the source and application of funds for federally-funded activities. These records will contain information pertaining to federal awards, authorizations, obligations, unobligated balances, assets, expenditures, revenue, and interest, and be fully supported by source documentation.

**8.3 Exceptions for Investigations:** In connection with any ongoing or anticipated investigation into allegations of violations of federal laws or regulations, provisions of government awards, or violations of the COG's Personnel Policies Manual or COG Rules, the following exceptions are made to the preceding scheduled retention and/or destruction of records:

- All records related to the subject of the investigation or allegation will be exempt from any scheduled record destruction.
- The term “records” will also apply to any electronically stored record (e.g., documents stored on computers, email messages, etc.), which will also be protected from destruction.

**8.4 Protection of Records – Federal Matters:** SNFP prohibits the known destruction, alteration, mutilation, or concealment of any record, document, or tangible object with the intent to obstruct or influence the investigation or proper administration of any matter within the jurisdiction of any department or agency of the United States government, or in relation to or contemplation of any such matter or case.

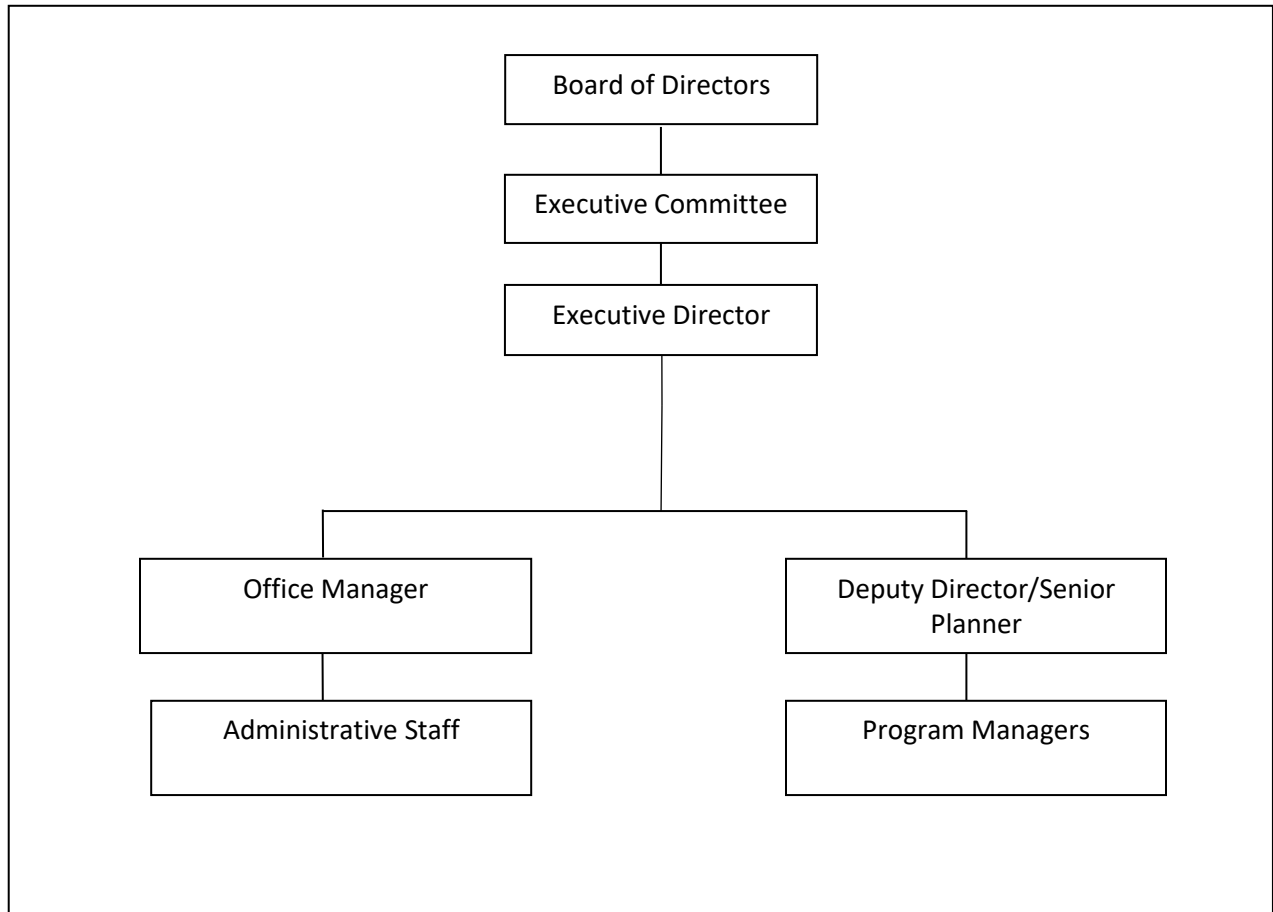
Violations of this policy will be considered violations of the Organization’s Code of Ethics and subject to the investigative, reporting, and disclosure procedures described earlier in the POLICY ON SUSPECTED MISCONDUCT section of this manual.

9.

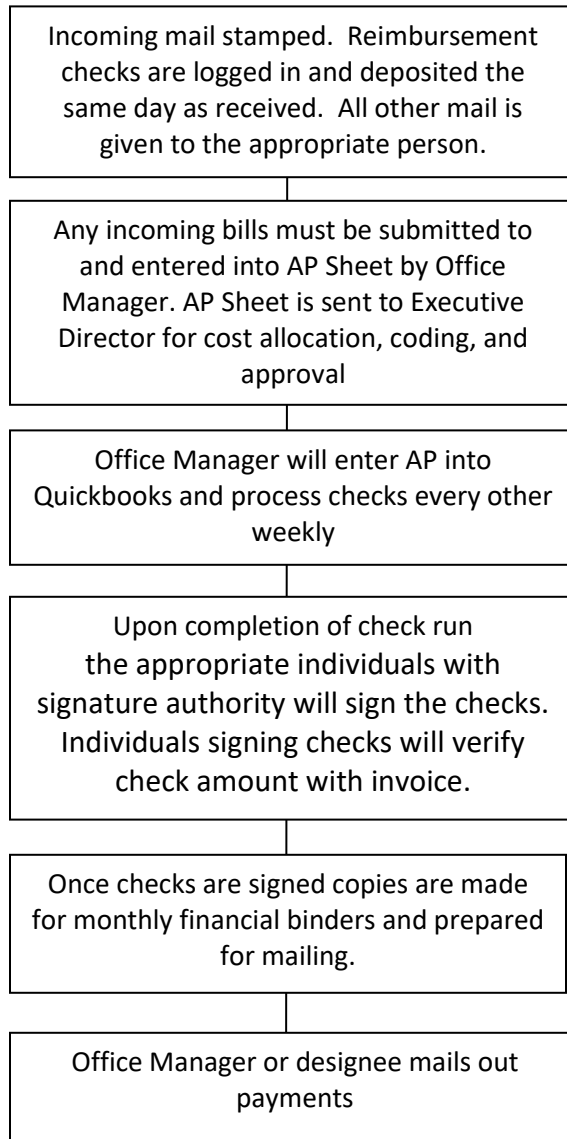
**FLOWCHARTS**

*[To be completed with Finance Team]*

Organizational Chart



### Account Payable Chart



NORTHWEST NEW MEXICO COUNCIL OF GOVERNMENTS

**FINANCIAL POLICY AND PROCEDURES MANUAL**

**EMPLOYEE ACKNOWLEDGEMENT FORM**

I acknowledge this statement of the Financial Policies and Procedures of the Northwest New Mexico Council of Government (COG) as constituting authoritative guidelines governing important aspects of my employment. I understand that I should consult the Executive Director, and/or the Executive Director's designee, regarding any questions I may have, including those which appear not to be answered within the Policies. I understand that any violation of this policy may result in disciplinary actions being taken against me. I also agree to remain apprised of future revisions to this policy and to abide by the terms of all such revisions.

I understand that the information, policies, and benefits described herein are subject to change, I acknowledge that revisions to the Policies may occur, and I am assured that such changes will be communicated through official notices. I understand that revised information may supersede, modify, or eliminate existing policies, and that the COG Executive Director has the authority to adopt any revisions to the Policies in this statement. I moreover understand and acknowledge that, within the purview of these authoritative Policies, the Executive Director is empowered to implement such administrative procedures and standards as may be necessary to support and enforce them and may provide such procedures in written form as addenda to the Policies herein. I understand that such procedures and standards are documented separately and as such are to be made available to me for reference.

I furthermore acknowledge that these Policies are neither a contract of employment nor a legal document. I have received the Policies, and I understand that it is my responsibility to read and comply with the Policies contained herein and any revisions subsequently made to them.

*[NOTE: One copy of the signed Employee Acknowledgement Form shall be retained by the Employee, and one shall be placed on file by the Employer.]*

**ACKNOWLEDGEMENT**

**Employee's Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Employee's Printed Name:** \_\_\_\_\_

**ATTEST:** \_\_\_\_\_  
**Office Manager/Executive Director**

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





U.S. DEPARTMENT OF COMMERCE  
Economic Development Administration  
Austin Regional Office  
903 San Jacinto, Suite 206  
Austin, TX 78701

EDA Award No. 08-79-05500

March 27, 2024

Mr. Evan Williams  
Executive Director  
Northwest New Mexico Council of Governments  
106 West Aztec Avenue  
Gallup, NM 87301

Dear Mr. Williams:

I am pleased to inform you that the Department of Commerce's Economic Development Administration (EDA) has approved the Amendment to Financial Assistance Award for a no-cost time extension that will allow the Northwest New Mexico Council of Governments to complete the disbursement and initial round of lending RLF grant funds. This award represents the funding for an additional two-year award period.

Enclosed is a signed copy of the Financial Assistance Award. Your agreement to the terms and conditions of the award should be indicated by the signature of your principal official on the signed copy of the Financial Assistance Award. Save an executed copy for your records and return another copy to LaDonna Barbee, Project Officer, Economic Development Administration, at [lbarbee@eda.gov](mailto:lbarbee@eda.gov). If not signed and returned within 30 days of receipt, EDA may declare the Award null and void.

Please do not make any commitments in reliance on this award until you have carefully reviewed and accepted the terms and conditions. Any commitments entered into prior to obtaining the approval of EDA in accordance with its regulations and requirements will be at your own risk.

EDA's mission is to lead the federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy. EDA implements this mission by making strategic investments in the nation's most economically distressed communities that encourage private sector collaboration and creation of higher-skill, higher wage jobs. EDA investments are results driven, embracing the principles of technological innovation, entrepreneurship and regional development.

I share your expectations regarding the impact of this investment and look forward to working with you to meet the economic development needs of your community.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Ayala", is written over a horizontal line.

Jorge D. Ayala  
Regional Director

## **Wage and Salary Classification Plan**

**Updated and Effective: July 1, 2024**

***DRAFT 1: 9-6-17***

***Updated: 2019, 2021-23***

***Updated: April 17, 2024***

Pursuant to the Council's Administrative Procedures Manual, the Executive Director is called upon "to refer to the COG's Wage and Salary Classification Plan and also consider the potential impact of the employee's compensation on the annual budget." This Wage and Salary Classification Plan is updated and adopted in alignment with this procedure.

The Wage and Salary Classification Plan is hereby updated by the Executive Director, subject to ratification by the Board of Directors or its Executive Committee acting on the Board's behalf.

The Plan accommodates four job classes:

- Executive Director;
- Senior Professional;
- Professional Planning & Program Services;
- Administrative Services.

Temporary Employees and Interns are not included on this scale, and compensation for such employees shall be on a case-by-case basis, depending on the nature, requirements and duration of the work, as well as other factors unique to each case.

The Wage and Salary Classification Plan identifies whether the position in question is Exempt or Non-Exempt pursuant to the provisions of the Fair Labor Standards Act, as well as whether it is considered Salaried or Hourly. In summary:

- Exempt employees are not eligible for overtime pay, whereas Non-exempt employees must be approved and documented for overtime, and must be compensated for the extra time worked, by policy.
- Salaried employees are paid pro rata according to an annualized salary rate, while Hourly employees are compensated at an hourly rate for hours worked.

The Plan provides a Base/Entry-level Rate for each position, for reference with new hires at entry level, as well as the rate of pay for current or most recent employees for the past year, as a basis for calculating compensation in the out-years of the Plan. For current employees, future wage and salary computations are included for two out-years, in anticipation of a review and modification of the Plan at least every three (3) years, based on annual cost-of-living increments of 3.5% per year. The Plan assumes the application of year-over-year increments effective July 1 of each year, subject to available resources within the COG budget and action by the Board of Directors or Executive Committee acting on its behalf. Additional consideration may be made by supervisor on any performance increments and in terms of promotions based on the "Planner Career Progression" chart and performance evaluations.

**Northwest New Mexico Council of Governments**

**Wage and Salary Classification Plan**

JOB CLASS & POSITION	COMPENSATION SCALE						
	Exempt or Non-Exempt	Salaried or Hourly	Base/Entry Level	Most Recent Salary/ On Staff	Future Annual Wages & Salaries (+ 3.5%/yr, Subject to Budget Action)		
					7/1/2023	7/1/2024	7/1/2025
<b>Executive Director</b>	Exempt	Salaried	Per Board of Directors	\$87,094.19	\$85,000.00	\$87,975.00	\$91,054.13
<b>Senior Professional</b>							
Deputy Director/MPO Officer	Exempt	Salaried	\$70,000.00	\$70,000.00	\$70,000.00	\$72,450.00	\$74,985.75
Senior Planner/Planning Director	Exempt	Salaried	\$65,000.00	\$65,290.53	\$65,290.53	\$67,575.70	\$69,940.85
<b>Professional Planning &amp; Program Services</b>							
Planner	Exempt	Salaried	\$57,000.00	\$59,352.32	\$59,352.32	\$61,429.65	\$63,579.69
Associate Planner-III	Exempt	Salaried	\$51,000.00	\$51,480.63	\$52,767.65	\$54,614.51	\$56,526.02
Associate Planner-II	Exempt	Salaried	\$48,000.00	\$50,103.67	\$50,103.67	\$51,857.29	\$53,672.30
Associate Planner-I	Exempt	Salaried	\$43,000.00	\$44,545.06	\$44,545.06	\$46,104.13	\$47,717.78
Planning Assistant	Non-Exempt	Hourly	\$38,000.00	\$38,637.20	\$39,603.13	\$40,989.24	\$42,423.86
<b>Administrative Services</b>							
<b><u>Administrative Services Staff-IV</u></b>							
Chief Finance Officer/HRO— Degreed/Certified	Exempt	Salaried	\$57,000.00	\$0.00	\$58,835.00	\$60,894.23	\$63,025.52
<b><u>Administrative Services Staff-III</u></b>							
Finance Manager/Human Resources Assistant	Exempt	Salaried	\$52,000.00	\$0.00	\$55,783.72	\$57,736.15	\$59,756.91
Officer Manager	Exempt	Salaried	\$47,500.00	\$49,594.95	\$49,594.95	\$51,330.77	\$53,127.35
<b><u>Administrative Services Staff-II</u></b>							
Administrative Assistant-II/Bookkeeping Assistant	Exempt	Salaried	\$44,000.00	\$0.00	\$48,199.76	\$49,886.75	\$51,632.78
Administrative Assistant-II/Bookkeeping Assistant	Non-Exempt	Hourly	\$38,000.00	\$38,790.00	\$42,852.37	\$44,352.20	\$45,904.53
<b><u>Administrative Services Staff-I</u></b>							
Administrative Assistant I	Non-Exempt	Hourly	\$35,000.00	\$0.00	\$38,098.23	\$39,431.67	\$40,811.78
Clerical Aide-II	Non-Exempt	Hourly	\$32,000.00	\$0.00	\$33,871.53	\$35,057.04	\$36,284.03
Clerical Aide-I	Non-Exempt	Hourly	\$30,000.00	\$0.00	\$30,113.75	\$31,167.73	\$32,258.60

## Balance Sheet

As of March 31, 2024

04/11/24

Accrual Basis

	Mar 31, 24
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
10100 · Pinnacle Bank - Operating (Operating - Checking)	
10100.1 · Operating Reserve	120,542.60
10100 · Pinnacle Bank - Operating (Operating - Checking) - Other	623,849.22
Total 10100 · Pinnacle Bank - Operating (Operating - Checking)	744,391.82
10102 · Pinnacle Bank - R.L.F	90,131.76
10104 · Pinnacle Bank - F.S.L.F.	62,316.42
Total Checking/Savings	896,840.00
Accounts Receivable	
10300 · Accounts Receivable (Unpaid or unapplied customer invoices and credits)	762,157.30
10602 · Loans Receivable - L.F.	173,438.02
10604 · Loan Allowance	-173,438.02
Total Accounts Receivable	762,157.30
Other Current Assets	
10500 · Prepaid Expenses	6,875.90
Total Other Current Assets	6,875.90
Total Current Assets	1,665,873.20
Other Assets	
10400 · Due From	147,760.82
20400 · Due To	-147,760.82
Total Other Assets	0.00
<b>TOTAL ASSETS</b>	<b>1,665,873.20</b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
20100 · Accounts Payable (Unpaid or unapplied vendor bills or credits)	-810.00
Total Accounts Payable	-810.00
Other Current Liabilities	
20200 · Deferred Revenue	485,636.84
20300 · Accrued Wages	8,518.75
203000 · Accrued Payroll Liabilities (Unpaid payroll liabilities. Amounts withheld or accrued, but not yet paid)	
203001 · PERA Liability	
203001A · PERA Liability - Employer	38.16
203001 · PERA Liability - Other	-2,494.37
Total 203001 · PERA Liability	-2,456.21
203002 · EE Insurance Liability	9,630.46
203003 · NM Workers Compensation	81.50
203004 · NM Unemployment Liability	266.54
203005 · Federal Unemployment Liability	786.48
203006 · Employee Fund Liability	1,334.72
203000 · Accrued Payroll Liabilities (Unpaid payroll liabilities. Amounts withheld or accrued, but not yet paid) - ...	-837.81
Total 203000 · Accrued Payroll Liabilities (Unpaid payroll liabilities. Amounts withheld or accrued, but not yet paid)	8,805.68
20301 · Accrued Wages and Salaries	-811.82
20302 · Accrued Payroll Taxes	1,118.31
20304 · Accrued Employee FB	-1,657.17
20305 · Accrued Interest	80.50
20500 · Employee Fund	470.00
Total Other Current Liabilities	502,161.09
Total Current Liabilities	501,351.09
Total Liabilities	501,351.09
Equity	
30000 · Opening Balance Equity (Opening balances during setup post to this account. The balance of this account sho...	61,301.76
30002 · Opening Balance Equity - L.F.	259,298.00
32000 · Retained Earnings (Undistributed earnings of the corporation)	550,729.59
Net Income	293,192.76
Total Equity	1,164,522.11
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>1,665,873.20</b>

**Northwest New Mexico Council of Governments**  
**Profit & Loss**  
**January through March 2024**

	Jan - Mar 24
Ordinary Income/Expense	
Income	
100 · General	
40400 · Local Revenue	
40401 · Member Dues	10,000.00
Total 40400 · Local Revenue	10,000.00
40501 · Interest Income	1,294.06
48000 · Matching Revenue	82,772.97
Total 100 · General	94,067.03
500 · Federal grants and contracts	
40100 · Federal Grant Revenue	25,467.05
Total 500 · Federal grants and contracts	25,467.05
600 · State grants and Contracts	
40200 · State Grant Revenue	336,459.67
Total 600 · State grants and Contracts	336,459.67
800 · Local Grants & Contracts	
40402 · Special Project Revenue	180,296.62
Total 800 · Local Grants & Contracts	180,296.62
900 · Asset Maintenance Fund	
40502 · Rent Income	13,500.00
40503 · Vehicle Mileage Reimbursements	164.74
Total 900 · Asset Maintenance Fund	13,664.74
Total Income	649,955.11
Gross Profit	649,955.11
Expense	
a. Personnel	
50000 · Payroll Expenses	1,221.39
50001 · Wages & Salaries	98,616.01
Total a. Personnel	99,837.40
b. Fringe Benefits	
50002 · Employee FB	10,415.37
50004 · Payroll Taxes	8,746.97
50100 · Insurance	6,887.19
Total b. Fringe Benefits	26,049.53
c. Travel	
60108 · Registration	7,829.22
60200 · Travel & Per Diem	966.23
60201 · Mileage Costs	255.32
Total c. Travel	9,050.77
e. Supplies	
60100 · Office Supplies	2,929.58
60500 · Computer Software & Equipment	291.64
Total e. Supplies	3,221.22
f. Contractual	
60405 · Professional Services-Restrict	344,809.28
60406 · Professional Services-General	67,369.28
60504 · Audit	10,762.50
Total f. Contractual	422,941.06

**Northwest New Mexico Council of Governments**  
**Profit & Loss**  
January through March 2024

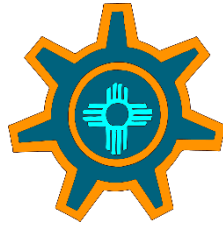
	Jan - Mar 24
<b>h. Other</b>	
<b>Facility Expenses</b>	
60404 · Rent Expense	6,750.00
60601 · Facility Insurance	3,629.85
60700 · Facility Maintenance	32,069.82
60701 · Utility	2,392.96
<b>Total Facility Expenses</b>	44,842.63
<b>Vehicle Expenses</b>	
60602 · Vehicle Insurance	-166.00
60703 · Vehicle Maintenance	347.52
60704 · Fuels Expense	336.94
<b>Total Vehicle Expenses</b>	518.46
60101 · Duplicating & Copying	1,837.56
60102 · Postage and Delivery	293.17
60103 · Telephone & Telecom	3,517.11
60104 · Subscription & Dues	5,676.70
60105 · Meeting	1,927.95
60603 · Other Insurance	480.00
<b>Total h. Other</b>	59,093.58
58000 · Grant Match Expense	82,772.97
60113 · Payroll Processing Fees	25.80
<b>Total Expense</b>	702,992.33
<b>Net Ordinary Income</b>	-53,037.22
<b>Net Income</b>	<b>-53,037.22</b>

Northwest New Mexico Council of Governments  
**Statement of Cash Flows**  
July 2023 through March 2024

	Jul '23 - Mar 24
<b>OPERATING ACTIVITIES</b>	
Net Income	293,192.76
Adjustments to reconcile Net Income to net cash provided by operations:	
10300 · Accounts Receivable	-556,164.16
20100 · Accounts Payable	-13,425.50
20200 · Deferred Revenue	211,632.36
20300 · Accrued Wages	-614.48
203000 · Accrued Payroll Liabilities:203001 · PERA Liability	-5,290.28
203000 · Accrued Payroll Liabilities:203002 · EE Insurance Liability	4,698.39
203000 · Accrued Payroll Liabilities:203003 · NM Workers Compensation	26.00
203000 · Accrued Payroll Liabilities:203005 · Federal Unemployment Liability	61.90
20301 · Accrued Wages and Salaries	1,827.36
Net cash provided by Operating Activities	-64,055.65
Net cash increase for period	-64,055.65
Cash at beginning of period	960,895.65
Cash at end of period	<b>896,840.00</b>

NWNMCOG FY2024 Budget											
Board Review Draft Approved 4/19/23; Final: 8/2/23; Amendment #1: 10/18/23; Amendment #2: 1/10/24; Amendment #3: 4/17/24											
Fund Class:	TOTAL ANNUAL BUDGET	General Fund	FEDERAL GRANTS & CONTRACTS		STATE GRANTS & CONTRACTS				LOCAL GRANTS & SPECIAL PROJECTS		
Fund/Program:		100	501	519	601	602	640	641	861	864	
		General & Member Svcs	EDA: PPG	EDA: ACC #3	New Mexico LGD-SGIA	New Mexico DOT- RTPO	DFA: Housing Project (GHA)	NMED: WSR Planning	Grantwriting Program	NMDOT: I40	
Budget Line Item:											
REVENUES											
100 GENERAL FUND	\$ 305,064	\$ 154,564	\$ 22,500	\$ 21,500	\$ 99,000	\$ 22,500	\$ -	\$ -	\$ -	\$ -	
MEMBERSHIP DUES	\$ 330,064	\$ 320,064									
110 Cibola County	\$ 50,000	\$ 50,000									
120 McKinley County	\$ 80,000	\$ 80,000									
130 San Juan County	\$ 20,000	\$ 20,000									
210 Aztec	\$ 6,000	\$ 6,000									
220 Bloomfield	\$ 12,000	\$ 12,000									
230 Farmington	\$ 20,000	\$ 10,000									
240 Gallup	\$ 70,000	\$ 70,000									
250 Grants	\$ 50,000	\$ 50,000									
260 Milan	\$ 14,184	\$ 14,184									
310 NWNM RSW Authority	\$ 7,880	\$ 7,880									
MATCHING FUND TRANSFERS	\$ -	\$ (165,500)	\$ 22,500	\$ 21,500	\$ 99,000	\$ 22,500			\$ -		
500 FEDERAL GRANTS & CONTRACTS	\$ 1,360,536	\$ -	\$ 90,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
600 STATE GRANTS & CONTRACTS	\$ 4,485,000	\$ -			\$ 99,000	\$ 90,000	\$ 3,000,000	\$ 50,000	\$ -	\$ 500,000	
700 PRIVATE GRANTS & CONTRACTS	\$ 347,800	\$ -			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
800 LOCAL GRANTS & CONTRACTS	\$ 616,125	\$ -					\$ -	\$ -	\$ 240,000		
Local Grants & Contracts	\$ 616,125								\$ 240,000		
900 OTHER REVENUES/Asset Mgt	\$ 130,205	\$ -	\$ (7,800)	\$ -	\$ (25,500)	\$ (8,700)	\$ -	\$ -	\$ -	\$ -	
Rent Revenue	\$ -		\$ (4,500)		\$ (18,000)	\$ (4,500)					
Fleet Mileage Revenue	\$ -		\$ (3,300)		\$ (7,500)	\$ (4,200)					
INTERFUND TRANSFERS	\$ 227,851		\$ (21,500)	\$ (20,500)			\$ -			\$ -	
TOTAL NET REVENUES	\$ 7,244,730	\$ 154,564	\$ 104,700	\$ 171,500	\$ 172,500	\$ 103,800	\$ 3,000,000	\$ 50,000	\$ 240,000	\$ 500,000	
Percentage of Total Revenues	100.00%	2.13%	1.45%	2.37%	2.38%	1.43%	41.41%	0.69%	3.31%	6.90%	
EXPENSES											
FUND CLASS:	TOTAL ANNUAL BUDGET	GENERAL FUND	FEDERAL GRANTS & CONTRACTS		STATE GRANTS & CONTRACTS				LOCAL GRANTS & SPECIAL		
FUND/PROGRAM:		100	501	519	601	602	640	641	861	864	
		General Admin	EDA: PPG	EDA: ACC #3	NM LGD-SGIA	NM DOT-RTPO	DFA: Housing Project (GHA)	NMED: WSR Planning	Grantwriting Program	NMDOT: I40	
BUDGET LINE ITEM											
a. PERSONNEL (Wages/Salaries)	50001	\$ 497,830	\$ 96,129	\$ 49,911	\$ 10,000	\$ 89,143	\$ 56,081	\$ -	\$ 39,868	\$ -	\$ 45,000
b. FRINGE BENEFITS		\$ 125,585	\$ 24,758	\$ 12,528	\$ 2,510	\$ 22,375	\$ 14,713	\$ -	\$ 10,007	\$ -	\$ 11,295
Employee Fringe Benefits (10.17%)	50002	\$ 50,779	\$ 9,805	\$ 5,091	\$ 1,020	\$ 9,093	\$ 5,720	\$ -	\$ 4,067	\$ -	\$ 4,590
Payroll Taxes (8.62%)	50004	\$ 43,311	\$ 8,363	\$ 4,342	\$ 870	\$ 7,755	\$ 4,879	\$ -	\$ 3,469	\$ -	\$ 3,915
Insurance (5.4%)	50100	\$ 30,865	\$ 5,960	\$ 3,094	\$ 620	\$ 5,527	\$ 4,114	\$ -	\$ 2,472	\$ -	\$ 2,790
Life and Disability Insurance	50101	\$ 600	\$ 600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Worker's Compensation	50102	\$ 30	\$ 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
c. TRAVEL		\$ 35,177	\$ 9,454	\$ 5,773	\$ 1,500	\$ 7,916	\$ 5,023	\$ -	\$ -	\$ -	\$ -
Registration (Training)	60108	\$ 5,927	\$ 515	\$ 1,273	\$ -	\$ 1,916	\$ 1,023	\$ -	\$ -	\$ -	\$ -
Travel & Per Diem	60200	\$ 20,243	\$ 6,932	\$ 3,000	\$ 1,000	\$ 5,000	\$ 3,000	\$ -	\$ -	\$ -	\$ -
Mileage Costs	60201	\$ 9,007	\$ 2,007	\$ 1,500	\$ 500	\$ 1,000	\$ 1,000	\$ -	\$ -	\$ -	\$ -
d. EQUIPMENT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment Purchase	69000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
e. SUPPLIES		\$ 16,475	\$ -	\$ 6,042	\$ 800	\$ 3,080	\$ 4,591	\$ -	\$ -	\$ -	\$ -
Office Supplies	60100	\$ 9,007	\$ -	\$ 2,574	\$ 800	\$ 1,080	\$ 2,591	\$ -	\$ -	\$ -	\$ -
Office Furniture & Equipment Lease	60109	\$ 468	\$ -	\$ 468	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Computer Software & Equipment	60500	\$ 7,000	\$ -	\$ 3,000	\$ -	\$ 2,000	\$ 2,000	\$ -	\$ -	\$ -	\$ -
f. CONTRACTUAL		\$ 5,198,042	\$ -	\$ 12,122	\$ 150,000	\$ 27,551	\$ 15,429	\$ 3,000,000	\$ -	\$ 240,000	\$ 443,000
Professional Services/Restricted	60405	\$ 5,141,940	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ 3,000,000	\$ -	\$ 240,000	\$ 443,000
Professional Services/General	60406	\$ 41,000	\$ -	\$ 8,800	\$ -	\$ 20,000	\$ 11,200	\$ -	\$ -	\$ -	\$ -
Audit(s)	60504	\$ 15,102	\$ -	\$ 3,322	\$ -	\$ 7,551	\$ 4,229	\$ -	\$ -	\$ -	\$ -
g. CONSTRUCTION		\$ 84,391	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property Improvements	69001	\$ 84,391	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
h. OTHER		\$ 119,284	\$ 11,200	\$ 16,652	\$ 4,690	\$ 47,875	\$ 16,661	\$ -	\$ -	\$ -	\$ -
Duplicating/Copying	60101	\$ 5,000	\$ -	\$ 1,100	\$ 1,000	\$ 2,500	\$ 1,400	\$ -	\$ -	\$ -	\$ -
Postage & Delivery	60102	\$ 1,500	\$ -	\$ 330	\$ 50	\$ 750	\$ 420	\$ -	\$ -	\$ -	\$ -
Telephone & Telecom	60103	\$ 14,000	\$ 1,500	\$ 3,080	\$ 1,000	\$ 7,000	\$ 2,420	\$ -	\$ -	\$ -	\$ -
Subscriptions & Dues	60104	\$ 13,949	\$ 3,200	\$ 2,156	\$ 500	\$ 5,944	\$ 2,149	\$ -	\$ -	\$ -	\$ -
Meeting Costs	60105	\$ 3,500	\$ 3,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Printing	60106	\$ 3,442	\$ -	\$ -	\$ -	\$ 2,484	\$ -	\$ -	\$ -	\$ -	\$ -
Advertising	60107	\$ 2,000	\$ -	\$ 1,000	\$ -	\$ 1,000	\$ 62	\$ -	\$ -	\$ -	\$ -
Special Events	60111	\$ 4,500	\$ 3,000	\$ -	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Service Charges	60112	\$ 500	\$ -	\$ 110	\$ -	\$ 250	\$ 140	\$ -	\$ -	\$ -	\$ -
Other Insurance (WMC & Director's)	60603	\$ 4,395	\$ -	\$ 967	\$ -	\$ 2,198	\$ 1,231	\$ -	\$ -	\$ -	\$ -
Miscellaneous Expense	60801	\$ 498	\$ -	\$ 110	\$ 640	\$ 249	\$ 139	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES		\$ 7,037,468	\$ 141,541	\$ 103,028	\$ 169,500	\$ 197,940	\$ 112,497	\$ 3,000,000	\$ 49,875	\$ 240,000	\$ 499,295
NET, REVENUES less EXPENSES		\$ 105,735	\$ 13,023	\$ 9,472	\$ 2,000	\$ 60	\$ 3	\$ -	\$ 125	\$ -	\$ 705





FY2024 Budget  
Top line Fund/Class Overview

TYPE	FUND/CLASS #	TITLE/DESCRIPTION	REVENUES	EXPENSES	DIFFERENCE
Member Funds	100	General & Member Services: Member dues collected	\$320,000	\$306,000	\$14,000
Federal Grants & Contracts	501	EDA Planning Program Grant: Regional Economic Planning & Development	\$90,000	\$80,000	\$10,000
	515	EDA Assistance to Coal Communities #2: Special Planning & EDO Capacity	\$80,000	\$80,000	\$0
	516	EDA Revolving Loan Fund (CARES)	\$940,000	\$937,500	\$2,500
	517	CDBG Planning Grant: McKinley County – Allison Water Preliminary Engineering Report	\$50,000	\$50,000	\$0
	518	DOL TEGL: Congressional Directed Spending pass- through to Southwest Indian Foundation to operate the Industrial Workforce Program	\$50,000	\$50,000	\$0
	519	EDA Assistance to Coal Communities #3: Special Planning & EDO Capacity	\$172,000	\$170,000	\$2,000
	520	EDA: Milan Grant Admin COG is administrating the EDA grant	\$536	\$536	\$0

State Grants & Contracts	601	LGD: State Grant In Aid Community Planning & Development Support	\$99,000	\$99,000	\$0
	602	NMDOT: Regional Transportation Planning & Development	\$90,000	\$90,000	\$0
	630	LGD: Capital Outlay #3 COG Building Improvements	\$48,000	\$48,000	\$0
	631	NMDOT: McKinley County Transportation Master Plan	\$150,000	\$150,000	\$0
	632	LGD: Grantwriting Services	\$200,000	\$200,000	\$0
	633	LGD: Capital Outlay #4 COG Building Improvements	\$30,000	\$30,000	\$0
	634	NMDOT: Grants-Milan Transportation Master Plan	\$80,000	\$80,000	\$0
	635	NMDOT: Trail of the Ancients Byway Corridor Management Plan	\$100,000	\$100,000	\$0
	636	NMDOT: I40			
	637	LGD: Federal Matching Fund Program EDA PPG	\$21,500	\$21,500	\$0
	638	LGD: Federal Matching Fund Program EDA ACC #3	\$60,000	\$60,000	\$0
	639	NMTD: Trail of the Ancients Byway Corridor Management Plan	\$50,000	\$50,000	\$0
	640	LGD: Housing Project Fiscal Agent for Gallup Housing Authority	\$3,000,000	\$3,000,000	\$0
	641	NMED: Water Regionalization Project Water Commons Office	\$50,000	\$50,000	\$0

Private Grants & Contracts	718	Tri-State Community Assistance Fund Match for Prewitt Industrial Park Design	\$40,000	\$40,000	\$0
	719	TOTA: Trail of the Ancients Map Sales	\$1,000	\$1,000	\$0
	720	RCAP: Rural Innovation Project			
	721	Gallup BID RLF Management	\$6,800	\$6,800	\$0
	722	Prewitt Industrial Park Design	\$340,000	\$340,000	\$0
Local Grants & Contracts	840	Bloomfield: EO Alternative Fiscal Agent	\$2,000	\$2,000	\$0
	843-1	McKinley ZMTP: Zuni Mountains Trail Project McGaffey	\$125	\$125	\$0
	843-4	McKinley ZMTP: Zuni Mountains Trail Project McKenzie Ridge	\$20,000	\$20,000	\$0
	856	Aztec: Outdoor Recreation Project	\$1,000	\$1,000	\$0
	857	McKinley Tourism Project Phase II	\$50,000	\$50,000	\$0
	858	McKinley Transportation Master Plan Local Match	\$2,000	\$2,000	\$0
	859	Grants Transportation Master Plan Local Match	\$2,000	\$2,000	\$0
	860	Milan Transportation Master Plan Local Match	\$2,000	\$2,000	\$0
	861	Grantwriting Local Contracts/Contracted Grantwriters	\$240,000	\$240,000	\$0
	862	McKinley County CDBG Administration	\$5,000	\$5,000	\$0
	863	Cibola Drainage Master Plan	\$300,000	\$300,000	\$0
	864	NMDOT: I40 Planning Projects	\$500,000	\$500,000	\$0
Reserve		Goal was to send \$100,000 to reserve to have 2 months of operating funds.	\$95,000	\$0	\$95,000

NWNMCOG FY2025 Budget																			
Board Review Draft Approved: 4/17/2024																			
Fund Class:	TOTAL ANNUAL BUDGET	General Fund	FEDERAL GRANTS & CONTRACTS			STATE GRANTS & CONTRACTS													
Fund/Program:		100	501	519	520	601	602	630	631	632	633	634	635	637	638	639	641	642	
		General & Member Svcs	EDA: PPG	EDA: ACC #3	EDA: Milan Grant Admin	New Mexico LGD-SGIA	New Mexico DOT- RTPO	LGD: Capital Outlay #3	NMDOT: McTMP	New Mexico LGD-HB2JR	LGD: Capital Outlay #4	NMDOT: GMTMP	NMDOT: TOTA	DFA: FMP PPG	DFA: FMP ACC #3	NMTD: TOTA CMP	NMED: WSR Planning	DFA: GRO	
Budget Line Item:																			
REVENUES																			
100	GENERAL FUND	\$ 375,327	\$ 234,827	\$ 22,500	\$ 21,500	\$ -	\$ 99,000	\$ 22,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -
	MEMBERSHIP DUES	\$ 400,327	\$ 400,327																
	110 Cibola County	\$ 51,250	\$ 51,250																
	120 McKinley County	\$ 82,000	\$ 82,000																
	130 San Juan County	\$ 40,000	\$ 40,000																
	210 Aztec	\$ 12,000	\$ 12,000																
	220 Bloomfield	\$ 24,000	\$ 24,000																
	230 Farmington	\$ 40,000	\$ 40,000																
	240 Gallup	\$ 71,750	\$ 71,750																
	250 Grants	\$ 51,250	\$ 51,250																
	260 Milan	\$ 20,000	\$ 20,000																
	310 NWNM RSW Authority	\$ 8,077	\$ 8,077																
	MATCHING FUND TRANSFERS	\$ -	\$ (165,500)	\$ 22,500	\$ 21,500		\$ 99,000	\$ 22,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
500	FEDERAL GRANTS & CONTRACTS	\$ 1,545,000	\$ -	\$ 90,000	\$ 250,000	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
600	STATE GRANTS & CONTRACTS	\$ 12,514,500	\$ -			\$ -	\$ 99,000	\$ 90,000	\$ 100,000	\$ 50,000	\$ 200,000	\$ 45,000	\$ 40,000	\$ 50,000	\$ 21,500	\$ 60,000	\$ 50,000	\$ 300,000	\$ 3,885,000
700	PRIVATE GRANTS & CONTRACTS	\$ 11,000	\$ -			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
800	LOCAL GRANTS & CONTRACTS	\$ 364,000	\$ -			\$ -												\$ -	\$ -
	Local Grants & Contracts	\$ 364,000																	
900	OTHER REVENUES/Asset Mgt	\$ 2,000	\$ -	\$ (7,800)	\$ -	\$ -	\$ (25,500)	\$ (8,700)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Rent Revenue	\$ -		\$ (4,500)			\$ (18,000)	\$ (4,500)											
	Fleet Mileage Revenue	\$ -		\$ (3,300)			\$ (7,500)	\$ (4,200)											
	INTERFUND TRANSFERS	\$ 673,500		\$ (21,500)	\$ (20,500)	\$ (15,000)							\$ 50,000	\$ 21,500	\$ 60,000	\$ 50,000	\$ 87,000	\$ 450,000	
	TOTAL NET REVENUES	\$ 14,811,827	\$ 234,827	\$ 104,700	\$ 271,500	\$ 15,000	\$ 172,500	\$ 103,800	\$ 100,000	\$ 50,000	\$ 200,000	\$ 45,000	\$ 40,000	\$ 50,000	\$ -	\$ -	\$ -	\$ 213,000	\$ 3,435,000
	Percentage of Total Revenues	100.00%	1.59%	0.71%	1.83%	0.10%	1.16%	0.70%	0.68%	0.34%	1.35%	0.30%	0.27%	0.34%	0.00%	0.00%	0.00%	1.44%	23.19%
EXPENSES																			
FUND CLASS:	TOTAL ANNUAL BUDGET	GENERAL FUND	FEDERAL GRANTS & CONTRACTS			STATE GRANTS & CONTRACTS													
FUND/PROGRAM:		100	501	519	520	601	602	630	631	632	633	634	635	637	638	639	641	642	
		General Admin	EDA: PPG	EDA: ACC #3	EDA: Milan Grant Admin	NM LGD-SGIA	NM DOT-RTPO	LGD: Capital Outlay #3	NMDOT: McTMP	New Mexico LGD-HB2JR	LGD: Capital Outlay #4	NMDOT: GMTMP	NMDOT: TOTA	DFA: FMP PPG	DFA: FMP ACC#3	NMTD: TOTA CMP	NMED: WSR Planning	DFA:GRO	
a.	PERSONNEL (Wages/Salaries) 50001	\$ 530,253	\$ 113,459	\$ 56,842	\$ 15,000	\$ 10,000	\$ 88,952	\$ 56,033	\$ -	\$ -	\$ 135,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,142	\$ 71,825	
b.	FRINGE BENEFITS	\$ 133,724	\$ 29,108	\$ 14,267	\$ 3,765	\$ 4,000	\$ 22,327	\$ 14,701	\$ -	\$ -	\$ 33,885	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,586	\$ 18,028	
	Employee Fringe Benefits (10.17%) 50002	\$ 54,086	\$ 11,573	\$ 5,798	\$ 1,530	\$ 1,020	\$ 9,073	\$ 5,715	\$ -	\$ -	\$ 13,770	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,114	\$ 7,326	
	Payroll Taxes (8.62%) 50004	\$ 46,132	\$ 9,871	\$ 4,945	\$ 1,305	\$ 1,740	\$ 7,739	\$ 4,875	\$ -	\$ -	\$ 11,745	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,362	\$ 6,249	
	Insurance (5.4%) 50100	\$ 32,876	\$ 7,034	\$ 3,524	\$ 930	\$ 1,240	\$ 5,515	\$ 4,111	\$ -	\$ -	\$ 8,370	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,109	\$ 4,453	
	Life and Disability Insurance 50101	\$ 600	\$ 600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Worker's Compensation 50102	\$ 30	\$ 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
c.	TRAVEL	\$ 42,323	\$ 17,500	\$ 5,773	\$ 1,500	\$ -	\$ 7,916	\$ 5,023	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Registration (Training) 60108	\$ 7,712	\$ 2,500	\$ 1,273	\$ -	\$ -	\$ 1,916	\$ 1,023	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Travel & Per Diem 60200	\$ 23,111	\$ 10,000	\$ 3,000	\$ 1,000	\$ -	\$ 5,000	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Mileage Costs 60201	\$ 11,500	\$ 5,000	\$ 1,500	\$ 500	\$ -	\$ 1,000	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
d.	EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Equipment Purchase 69000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
e.	SUPPLIES	\$ 29,553	\$ 15,000	\$ 6,042	\$ 800	\$ -	\$ 3,080	\$ 4,591	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Office Supplies 60100	\$ 12,085	\$ 5,000	\$ 2,574	\$ 800	\$ -	\$ 1,080	\$ 2,591	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Office Furniture & Equipment Lease 60109	\$ 5,468	\$ 5,000	\$ 468	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Computer Software & Equipment 60500	\$ 12,000	\$ 5,000	\$ 3,000	\$ -	\$ -	\$ 2,000	\$ 2,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
f.	CONTRACTUAL	\$ 12,063,362	\$ 24,780	\$ 12,122	\$ 245,000	\$ -	\$ 27,551	\$ 15,429	\$ -	\$ 50,000	\$ 30,000	\$ -	\$ 40,000	\$ 50,000	\$ -	\$ -	\$ 150,000	\$ 3,340,000	
	Professional Services/Restricted 60405	\$ 11,992,500	\$ 10,000	\$ -	\$ 245,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 30,000	\$ -	\$ 40,000	\$ 50,000	\$ -	\$ -	\$ 150,000	\$ 3,340,000	
	Professional Services/General 60406	\$ 51,000	\$ 10,000	\$ 8,800	\$ -	\$ -	\$ 20,000	\$ 11,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Audit(s) 60504	\$ 19,862	\$ 4,760	\$ 3,322	\$ -	\$ -	\$ 7,551	\$ 4,229	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
g.	CONSTRUCTION	\$ 151,391	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ 45,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Property Improvements 69001	\$ 151,391	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ 45,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
h.	OTHER	\$ 130,084	\$ 30,000	\$ 16,652	\$ 4,690	\$ -	\$ 47,875	\$ 15,661	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Duplicating/Copying 60101	\$ 5,000	\$ 1,000	\$ 1,100	\$ 1,000	\$ -	\$ 2,500	\$ 1,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Postage &amp																		



# **Northwest New Mexico Council of Governments**

Financial Statements  
and  
Independent Auditor's Report

June 30, 2023

# **Northwest New Mexico Council of Governments**

## **Table of Contents**

	<b>Page</b>
<b>Official Roster</b>	<b>1</b>
<b>Independent Auditors' Report</b>	<b>2-4</b>
<b>Management's Discussion and Analysis</b>	<b>5-14</b>
<b>Basic Financial Statements</b>	
Council-Wide Financial Statements	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements	
Balance Sheet – Governmental Fund	17
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position	18
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Fund	19
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities	20
Statement of Net Position – Proprietary Fund	21
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Fund	22
Statement of Cash Flows – Proprietary Fund	23
Statement of Revenues, Expenditures and Changes in Fund Balance, Budget and Actual – General Fund	24

# Northwest New Mexico Council of Governments

## Table of Contents – continued

	Page
Notes to the Financial Statements	25-46
<b>Required Supplementary Information</b>	
Schedule of the Council’s Proportionate Share of the Net Pension Liability of PERA Fund Division: Municipal General	47
Schedule of the Council’s Contributions to PERA Fund Division: Municipal General	48
Notes to the Required Supplementary Information	49
<b>Compliance Section</b>	
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	50-51
Schedule of Findings and Responses	52
Summary Schedule of Prior Audit Findings	53
Exit Conference	54

**Northwest New Mexico  
Council of Governments  
Official Roster  
June 30, 2023**

<b>DIRECTORS</b>	<b>POSITION</b>	<b>MEMBER GOVERNMENT/TITLE</b>
Billy Moore	Chair	McKinley County - County Commissioner
Martha Garcia	1st Vice-Chair	Cibola County - County Commissioner
Michael Padilla, Sr.	2nd Vice-Chair	City of Aztec - City Councilor
Louie Bonaguidi	Board Treasurer	City of Gallup - Citizen Appointee
Linda Rodgers	Member	City of Farmington - City Councilor
Jim Cox	Member	San Juan County - Deputy County Manager
Jason Thomas	Member	City of Bloomfield - Public Works Director
Fran Palochak	Member	City of Gallup - City Councilor
Michael Shaaf	Member	City of Gallup - City Councilor
Maryann Ustick	Member	City of Gallup - City Manager
Anthony Dimas	Member	McKinley County - County Manager
Robert Baca	Member	McKinley County - County Commissioner
Genevieve Jackson	Member	McKinley County - County Commissioner
Erik Garcia	Member	City of Grants - City Councilor
Modey Hicks	Member	City of Grants - Mayor
Judy Horacek	Member	Cibola County - Projects Coordinator
Ellen Baca	Member	Village of Milan - Trustee
<b>Administrative Officer</b>		
Evan Williams, Executive Director & Board Secretary <i>ex officio</i>		





## Independent Auditors' Report

Board of Directors  
Evan Williams, Executive Director  
Northwest New Mexico Council of Governments  
And  
Honorable Brian S. Colón, Esq., New Mexico State Auditor  
Office of the State Auditor

### Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the budgetary comparison for the general fund of the Northwest New Mexico Council of Governments (the "Council"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the budgetary comparison for the general fund of the Council, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

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

### Responsibilities of Management for the Financial Statements

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

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

### OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston  
NEW MEXICO | Albuquerque



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

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

### ***Key Audit Matters***

We have determined that there are no key audit matters to communicate in our report.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the Public Employee Retirement Association schedules on pages 5-14 and 47-48 be presented to supplement the basic financial statements.

Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2023, on our consideration of the Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.

*Pattillo, Brown & Hill, LLP*

Albuquerque, New Mexico  
November 21, 2023

**Northwest New Mexico  
Council of Governments  
Management's Discussion and Analysis  
For the Year Ended June 30, 2023**

This section of the financial report presents a discussion and analysis of the Northwest New Mexico Council of Governments (the "Council") financial performance during the fiscal year ended June 30, 2023. Please read it in conjunction with the Council's financial statements, which follow this section.

The Management's Discussion and Analysis and the accompanying financial statements cover all activities of the Council.

### **Financial Highlights**

- ◆ During fiscal year 2023, the Council's total net position decreased by \$140,764 to \$768,904. This decrease was primarily in business-type activities which began the year with net position of \$259,308 and ended the year with a net position of \$152,448. This decrease in business-type activities net position was the result of the Council, working in conjunction with the U.S. Department of Commerce Economic Development Administration (EDA) closing the Revolving Loan Fund (RLF) program and remitting \$106,887 which represented the Federal share of the RLF capital base. This amount is reported as an expense in the accompanying statement of activity and as federal grant reimbursement in the statement of revenues, expenditures, and changes in net position—proprietary fund. Governmental activities decreased \$33,904, ending the year with a net position of \$616,456.
- ◆ Expenses of the Council's governmental activities were \$1,252,160 in fiscal year 2023, a decrease of \$336,031 from fiscal year 2022 expenses, all of which was for regional community development activities. The decrease is primarily attributable to decreased federal grant spending related to Economic Adjustment Assistance grants from the U.S. Department of Commerce.

### **Overview of Financial Statements**

This annual report consists of four parts:

1. Management's discussion and analysis (this section).
2. The basic financial statements.
3. Required supplementary information.
4. Compliance Section.

The basic financial statements include two kinds of statements that present different views of the Council. The first two statements, the statement of net position and the statement of activities, are Council-wide financial statements that provide both long-term and short-term information about the Council's overall financial status.

**Northwest New Mexico  
Council of Governments  
Management's Discussion and Analysis  
For the Year Ended June 30, 2023**

The remaining statements are fund financial statements that focus on individual parts of the Council, reporting operations in more detail than the Council-wide statements. The fund financial statements include the following:

- Governmental fund financial statements report how the Council's regional community development activities were financed in the short-term as well as what remains for future spending.
- Proprietary fund financial statements report short and long-term financial information on the Council's Enterprise Loan Fund enterprise.

The financial statements also include notes that explain some of the information in the financial statements and provide more detail. The statements are followed by a section of required supplementary information that provides schedules for the Council's participation in the Public Employees Retirement Association (PERA).

### **Council-wide Statements**

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

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

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

In the statement of net position and the statement of activities, we divide the Council into two kinds of activities:

- *Governmental Activities* – The Council's regional community development activities are reported here. These activities are financed primarily through federal, state and local grants, and membership dues.
- *Business-Type Activities* – The Council's Enterprise Loan Fund operation is reported here.

**Northwest New Mexico  
Council of Governments  
Management's Discussion and Analysis  
For the Year Ended June 30, 2023**

**Fund Financial Statements**

The fund financial statements provide detailed information about the most significant funds, not the Council as a whole. Separate funds are established by the Council to help control and manage revenues and expenditures for particular purposes or to show that it is meeting legal responsibilities for using certain grants and other money. The two fund types, governmental and proprietary, use different accounting approaches:

- *Governmental Funds* – Most of the Council's services are reported in governmental funds. Governmental funds focus on how cash and other financial assets flow in and out, and the balances left at year-end are available for spending. Consequently, the governmental funds provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Council's programs. Because this information does not encompass the additional long-term focus of the Council-wide statements, we provide additional information at the bottom of the governmental funds balance sheet, or on a subsequent page, that explains the relationship (or differences) between the amounts reported in the Council-wide statements (statement of net position and the statement of activities) and the governmental funds statements.
- *Proprietary Funds* – When the Council charges customers for the services it provides, these services are generally reported in proprietary funds, which are reported the same way that all activities are reported in the statement of net position and the statement of activities. In fact, the proprietary funds present the same information as the business-type activities reported in the Council-wide statements but provide more detail and additional information, such as a statement of cash flows.

**Northwest New Mexico  
Council of Governments**  
Management's Discussion and Analysis  
For the Year Ended June 30, 2023

**Financial Analysis of the Council as a Whole**

*Net position.* As of June 30, 2023, the Council's total net position decreased by \$33,904. Table 1 summarizes the Council's net position of its governmental and business-type activities.

**Table 1  
The Council's Net Position  
As of June 30,**

	Governmental Activities		#	Business-Type Activities		Totals	
	<u>2023</u>	<u>2022</u>		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current and other assets	\$ 1,045,370	\$ 774,578		\$ 152,448	\$ 259,308	\$ 1,197,818	\$ 1,033,886
Capital assets	<u>544,670</u>	<u>569,462</u>		<u>-</u>	<u>-</u>	<u>544,670</u>	<u>569,462</u>
<b>Total assets</b>	<u><b>1,590,040</b></u>	<u>1,344,040</u>		<u><b>152,448</b></u>	<u>259,308</u>	<u><b>1,742,488</b></u>	<u>1,603,348</u>
Deferred outflows - pension related	<u>140,011</u>	<u>98,006</u>		<u>-</u>	<u>-</u>	<u>140,011</u>	<u>98,006</u>
Current and other liabilities	423,627	199,614		-	-	423,627	199,614
Long-term liabilities	<u>674,090</u>	<u>424,053</u>		<u>-</u>	<u>-</u>	<u>674,090</u>	<u>424,053</u>
<b>Total liabilities</b>	<u><b>1,097,717</b></u>	<u>623,667</u>		<u>-</u>	<u>-</u>	<u><b>1,097,717</b></u>	<u>623,667</u>
Deferred inflows - pension related	<u>15,878</u>	<u>168,019</u>		<u>-</u>	<u>-</u>	<u>15,878</u>	<u>168,019</u>
Net position							
Net investment in capital assets	544,670	569,462		-	-	544,670	569,462
Restricted	-	-		152,448	259,308	152,448	259,308
Unrestricted (deficit)	<u>71,786</u>	<u>80,898</u>		<u>-</u>	<u>-</u>	<u>71,786</u>	<u>80,898</u>
<b>Total net position</b>	<u><b>\$ 616,456</b></u>	<u>\$ 650,360</u>		<u><b>\$ 152,448</b></u>	<u>\$ 259,308</u>	<u><b>\$ 768,904</b></u>	<u>\$ 909,668</u>

**Northwest New Mexico  
Council of Governments  
Management's Discussion and Analysis  
For the Year Ended June 30, 2023**

*Change in Net Position.* Total revenues were \$1,218,283 and \$1,689,600 for 2023 and 2022 compared with expenses of \$1,359,047 and \$1,588,191, respectively. The decrease in revenues is primarily attributable to decreased U.S. Department of Commerce Economic Adjustment Assistance (EAA) grant awards, including additional EAA awards made available in prior years under the CARES Act. Total expenses decreased compared to 2022, again largely due to decreased EAA grant award expenditures. EAA revenue/expense decreased \$722,907 compared to 2022. Table 2 summarizes the Council's change in net position for its governmental and business-type activities:

**Table 2  
Changes in the Council's Net Position  
For the Years Ended June 30,**

	Governmental Activities		Business-Type Activities		Totals	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Revenues</b>						
Program revenues						
Operating grants and contributions	\$ 565,790	\$ 1,064,938	\$ -	\$ -	\$ 565,790	\$ 1,064,938
Capital grants and contributions	138,928	138,928	-	-	138,928	138,928
Charges for services	188,953	207,070	-	-	188,953	207,070
General revenues						
Membership dues	247,276	210,345	-	-	247,276	210,345
Donation of capital assets	-	-	-	-	-	-
Gain on sale of capital assets	-	-	-	-	-	-
Miscellaneous income	77,309	68,309	27	10	77,336	68,319
Contributed capital asset	-	-	-	-	-	-
Total revenues	<u>1,218,256</u>	<u>1,689,590</u>	<u>27</u>	<u>10</u>	<u>1,218,283</u>	<u>1,689,600</u>
<b>Expenses</b>						
Regional community development	1,252,160	1,588,191	-	-	1,252,160	1,588,191
Enterprise loan fund	-	-	106,887	-	106,887	-
Total expenses	<u>1,252,160</u>	<u>1,588,191</u>	<u>106,887</u>	<u>-</u>	<u>1,359,047</u>	<u>1,588,191</u>
Change in net position	(33,904)	101,399	(106,860)	10	(140,764)	101,409
Net position, beginning of year	<u>650,360</u>	<u>548,961</u>	<u>259,308</u>	<u>259,298</u>	<u>909,668</u>	<u>808,259</u>
Net position, end of year	<u>\$ 616,456</u>	<u>\$ 650,360</u>	<u>\$ 152,448</u>	<u>\$ 259,308</u>	<u>\$ 768,904</u>	<u>\$ 909,668</u>



**Northwest New Mexico  
Council of Governments  
Management's Discussion and Analysis  
For the Year Ended June 30, 2023**

***Governmental activities***

Spending for governmental activities was \$1,252,160 and \$1,588,191 for 2023 and 2022, respectively, which was offset by approximately \$1,218,256 and \$1,689,590 in revenues primarily from grants and contracts and membership dues. The decrease in revenues and expenses is primarily attributable to a decrease in EAA grant funding.

***Business-type activities***

Activity in the Council's Revolving Loan Fund was limited to \$27 and \$10 of interest income for the years ended June 30, 2023 and 2022, and federal grant reimbursement expense of \$106,887 during 2023 related to the closing of a Council EDA revolving loan fund program.

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

The general fund is the chief operating fund of the Council. During the year ended June 30, 2023, the general fund's fund balance increased \$47,309 to \$629,188. During the year ended June 30, 2022, the general fund's fund balance increased \$55,006 to \$581,881.

All of the Council's proprietary fund net position is restricted for economic development activities. Net position of the proprietary fund decreased by \$106,860 to \$152,448 at June 30, 2023.

**General Fund Budgetary Highlights**

General fund actual revenues were under budget by \$1,608,451 while general fund expenditures were under budgeted expenditures by \$1,616,774.

**Capital Assets**

Governmental activities had net capital assets of \$544,670 and \$569,462 as of June 30, 2023 and 2022, respectively. There were no capital asset additions during 2023. Capital asset additions during 2022 consisted primarily of software. Depreciation expense totaled \$24,792 and \$27,161 for the years ended June 30, 2023 and 2022, respectively.

Additional details for capital assets can be found in the notes to the financial statements.

**Northwest New Mexico  
Council of Governments  
Management's Discussion and Analysis  
For the Year Ended June 30, 2023**

**Economic Factors and Next Year's Activities**

The Council's budget continues to reflect the overall economy of local communities, the region, State and nation, as well as public funds available from each level. Federal funding in the short-term seems to be on the rise, and local economies are recovering from COVID-19 downturns mainly through Federal injections of funding for states, municipalities, counties and tribes. The Council continues to add new services and provide value in this new environment while continuing their robust relevance and presence in the work of supporting local and regional economies and quality of life.

Public funding for the Council has been somewhat stable, and members sometimes tap other resources to subcontract with the Council for specialized services. The Council has expanded its internal capabilities to attract special projects including Comprehensive Planning, Transportation Planning, and Outdoor Recreation Projects.

Operational budget continues to be relatively stable. Other factors are outlined below:

- ◆ Membership: Membership dues have stabilized and are estimated to be slowly increasing in the coming couple of years mainly due to the value COG provides and the need for grant writing and administration services. Local governmental members have experienced increasing Federal revenue, stabilized in local gross receipt tax revenue after COVID-19, but are still very conservative in their investments due to volatility in the region's traditional industries. The COG Board of Directors approved a proposal to raise dues linked to inflation and one-time increases over several years to re-staff a San Juan County. The majority of members have been able to support these increased dues.
- ◆ US Economic Development Administration (EDA):
  - Planning and Technical Assistance Grant: Planning and technical assistance funding for the annual "Partnership Planning Program" grant to "Economic Development Districts" from EDA (U.S. Department of Commerce), administered under a renewed three-year grant agreement for Calendar Years 2022 through 2024, continuing at \$210,000 three-year agreement and with a required match of \$52,500 for each of the Federal fiscal years. The Council matches the federal funds at the rate of 25% of grant funds (which computes to 20% of "total project cost") for this economic development function. Annual renewal is assumed within the agreement, but may be subject to certain factors, including (a) Congressional reauthorization of and appropriations to the EDA and (b) EDA compliance and peer reviews. The Council completed a formal Peer Review in Summer 2021.

**Northwest New Mexico  
Council of Governments  
Management's Discussion and Analysis  
For the Year Ended June 30, 2023**

- ◆ US Economic Development Administration (EDA):
  - The Council continues to maintain and manage two multi-year grants awarded by EDA under the inter-agency “Assistance to Coal Communities” (ACC) initiative, tapping resources reflecting the government's commitment to coal-impacted regions.
    - Assistance to Coal Communities Grant #1: In September 2019, the Council was awarded a \$988,400 grant to develop master plans and design documents for the Prewitt and Milan Industrial Parks, respectively, and develop and implement a pilot workforce program. This funding was matched by \$540,000 in State investment. The majority of this grant was provided to contractors.
    - Assistance to Coal Communities Grant #2: In September 2020, the Council was awarded a \$988,400 grant to develop final design documents for the Milan Industrial Parks and complete a market feasibility study for Fort Wingate. This funding required no match. The majority of this grant was provided to a contractor but did allow the Council to continue its part-time Regional Economic Development Manager position.
- ◆ State Grant-in-Aid: Annual appropriations from the State Legislature, administered by the Local Government Division and identified as grant-in-aid funding for regional planning councils were subjected to a series of budget cuts administered “across the board” in State government, reducing annual SGIA budgets by over 10% from January 2016-2019, now stabilized at \$99,000.
- ◆ State Grant Writing Program: Due to the influx of Federal investments from legislation like Bipartisan Infrastructure Law and Inflation Reduction Act, the State has a competitive grant funded by the Legislature to support grant writing programs and contracting professional support for applications. The COG received its first set of funding in fiscal year 2023 including a \$75,000 grant and two \$50,000 grants and these look to continue for a couple of more years potentially.
- ◆ New Mexico Department of Transportation Regional Transportation Planning (NMDOT):
  - The Council’s annual contract from the NMDOT for management of the Northwest Regional Transportation Planning Organization (RTPO) is administered under two-year agreements. Annual funding for this agreement continued at \$85,000 for Federal Fiscal Year 2022 (October 2021 – September 2022 funding cycle), with the requirement of a 25% match (or 20% of total project).

**Northwest New Mexico  
Council of Governments  
Management's Discussion and Analysis  
For the Year Ended June 30, 2023**

Future funding is subject to numerous federal and state budget processes, and managerial demands and requirements have increased in the past two years, resulting in numerous adjustments in the documentation of services and expenses for the program.

The Council received and is implementing a special planning fund grant from NMDOT for the Prewitt-Milan Transportation Master Plan (TMP) at \$120,000 with a \$30,000 match required coming from a private donation. This plan will guide transportation network development to support economic projects in the bi-county region.

- ◆ Private Contracts: On January 8, 2021, the Council was presented a private donation of \$250,000 for economic development related to the closure of the Tri-State Prewitt Escalante Generating Station. The Executive Committee has asked for a plan to utilize funding for required grant matches and other needed purposes.
- ◆ Local Grants and Contracts: Additional subcontracts have been entered into with local governments for special projects related to local and regional infrastructure, with new opportunities shaping up for fiscal year 2024.

Initiatives to grow the budget in fiscal year 2024 will continue to be pursued, e.g.:

- The Council has received guidance from the Board and its Executive Committee on strategies and direction on adding services, increasing memberships, or both.
- The Council has requested that the State of New Mexico Legislature look to double the annual State Grant-in-Aid contract from \$99,000 to \$200,000.
- The Council will continue applying and tapping the State Grant Writing Program to augment internal staffing costs and external technical support.
- The Council will apply to New Mexico Department of Transportation for special planning and project management initiatives and U.S. Economic Development Administration for another round of Assistance to Coal Communities program funding support.
- Contracts with local governments for legislative appropriations and planning grants under the Community Development Block Grant program administered by the State Department of Finance and Administration (DFA) under annual funding from the U.S. Department of Housing and Urban Development.
- Specialized and supplemental technical assistance to local governments and other public entities in the field of planning, organizational development and funding.

**Northwest New Mexico  
Council of Governments  
Management's Discussion and Analysis  
For the Year Ended June 30, 2023**

- Continued research into funding opportunities for the Council.

Continued management of short-term grants and contracts, which can serve as an implementation avenue for various initiatives while at the same time diversifying funding into the Council and building short and long-term reserves.

**Request for Information**

This financial report is designed to provide a general overview of the Council's finances and demonstrate its accountability for funds received. If you have questions about this report or need additional financial information, contact the Council at the following address:

Northwest New Mexico Council of Governments  
106 West Aztec Ave  
Gallup, NM 87301  
(505) 722-4327

## **Council-Wide Financial Statements**

**Northwest New Mexico  
Council of Governments**  
Statement of Net Position  
June 30, 2023

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Current assets			
Cash and cash equivalents	\$ 808,447	\$ -	\$ 808,447
Cash restricted for loan programs	-	152,448	152,448
Grants receivable, net	236,923	-	236,923
Total current assets	<u>1,045,370</u>	<u>152,448</u>	<u>1,197,818</u>
Noncurrent assets			
Nondepreciable	73,244	-	73,244
Depreciable, net of accumulated depreciation	471,426	-	471,426
Total noncurrent assets	<u>544,670</u>	<u>-</u>	<u>544,670</u>
Total assets	<u>1,590,040</u>	<u>152,448</u>	<u>1,742,488</u>
<b>Deferred Outflows - Pension Related</b>	<u>140,011</u>	<u>-</u>	<u>140,011</u>
<b>Liabilities</b>			
Current liabilities			
Accounts payable	120,032	-	120,032
Accrued payroll liabilities	22,146	-	22,146
Unearned grant revenue	274,004	-	274,004
Compensated absences, current portion	7,445	-	7,445
Total current liabilities	<u>423,627</u>	<u>-</u>	<u>423,627</u>
Noncurrent liabilities			
Net pension liability	652,902	-	652,902
Compensated absences, net of current portion	21,188	-	21,188
Total noncurrent liabilities	<u>674,090</u>	<u>-</u>	<u>674,090</u>
Total liabilities	<u>1,097,717</u>	<u>-</u>	<u>1,097,717</u>
<b>Deferred Inflows - Pension Related</b>	<u>15,878</u>	<u>-</u>	<u>15,878</u>
<b>Net Position</b>			
Net investment in capital assets	544,670	-	544,670
Restricted for loan programs	-	152,448	152,448
Unrestricted	71,786	-	71,786
Total net position	<u>\$ 616,456</u>	<u>\$ 152,448</u>	<u>\$ 768,904</u>

The accompanying notes are an integral part of these financial statements.

**Northwest New Mexico  
Council of Governments  
Statement of Activities  
For the Year Ended June 30, 2023**

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions/Programs:							
Governmental activities							
Regional community development	\$ 1,252,160	\$ 188,953	\$ 565,790	\$ 138,928	\$ (358,489)		\$ (358,489)
Total governmental activities	<u>1,252,160</u>	<u>188,953</u>	<u>565,790</u>	<u>138,928</u>	<u>(358,489)</u>		<u>(358,489)</u>
Business-type activities							
Enterprise loan fund	<u>106,887</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(106,887)</u>	<u>(106,887)</u>
Total business-type activities	<u>106,887</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(106,887)</u>	<u>(106,887)</u>
Total	<u>\$ 1,359,047</u>	<u>\$ 188,953</u>	<u>\$ 565,790</u>	<u>\$ 138,928</u>	<u>(358,489)</u>	<u>(106,887)</u>	<u>(465,376)</u>
General revenues:							
Membership dues					247,276	-	247,276
Miscellaneous income					<u>77,309</u>	<u>27</u>	<u>77,336</u>
Total general revenues					<u>324,585</u>	<u>27</u>	<u>324,612</u>
Changes in net position					(33,904)	(106,860)	(140,764)
Net position, beginning of year					<u>650,360</u>	<u>259,308</u>	<u>909,668</u>
Net position, end of year					<u>\$ 616,456</u>	<u>\$ 152,448</u>	<u>\$ 768,904</u>

The accompanying notes are an integral part of these financial statements.



## **Fund Financial Statements**

**Northwest New Mexico  
Council of Governments**

**Balance Sheet  
Governmental Fund  
June 30, 2023**

	General Fund
<hr/>	
<b>Assets</b>	
Cash and cash equivalents	\$ 808,447
Grants receivable	<u>236,923</u>
Total assets	<u><u>\$ 1,045,370</u></u>
<b>Liabilities and Fund Balance</b>	
Liabilities	
Accounts payable	\$ 120,032
Accrued payroll and related liabilities	22,146
Unearned grant revenue	<u>274,004</u>
Total liabilities	<u>416,182</u>
Fund Balance	
Unassigned	<u>629,188</u>
Total fund balance	<u>629,188</u>
Total liabilities and fund balance	<u><u>\$ 1,045,370</u></u>

The accompanying notes are an integral part of these financial statements.

**Northwest New Mexico  
Council of Governments**  
**Reconciliation of the Governmental Fund Balance Sheet  
to the Statement of Net Position  
June 30, 2023**

<b>Fund Balance - Governmental Fund</b>	\$ 629,188
---	------------

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in government activities are not financial resources and, therefore, are not reported in the funds	544,670
--	---------

Some liabilities, listed below, are not due and payable in the current period and, therefore, are not reported in the funds

Compensated absences	(28,633)
----------------------	----------

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds	140,011
--	---------

Defined benefit pension plan deferred inflows are not financial resources and, therefore, are not reported in the funds	(15,878)
---	----------

The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds	<u>(652,902)</u>
---	------------------

<b>Net Position - Governmental Activities</b>	<u><u>\$ 616,456</u></u>
---	--------------------------

The accompanying notes are an integral part of these financial statements.

**Northwest New Mexico  
Council of Governments**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Governmental Fund**  
**For the Year Ended June 30, 2023**

	General Fund
<b>Revenues</b>	
Membership dues	\$ 247,276
State and local grants and contributions	337,253
Federal grants and contracts	367,465
Project management and fiscal agent fees	188,953
Miscellaneous income	77,309
Total revenue	<u>1,218,256</u>
<b>Expenditures</b>	
Current	
Regional community development	<u>1,170,947</u>
Total expenditures	<u>1,170,947</u>
Net change in fund balance	<u>47,309</u>
Fund balance, beginning of year	<u>581,879</u>
<b>Fund balance, end of year</b>	<u><u>\$ 629,188</u></u>

The accompanying notes are an integral part of these financial statements.

**Northwest New Mexico  
Council of Governments**  
**Reconciliation of the Statement of Revenues, Expenditures and  
Changes in Fund Balance to the Statement of Activities  
For the Year Ended June 30, 2023**

<b>Net change in fund balance - governmental fund</b>	<b>\$ 47,309</b>
---	------------------

Amounts reported for governmental activities in the statement of activities  
are different because:

Capital outlays are reported in governmental funds as expenditures.  
However, in the statement of activities, the cost of those assets are  
allocated over their estimated useful lives and reported as depreciation  
expense.

Depreciation expense	(24,792)
----------------------	----------

Expenses reported in the statement of activities that do not require the  
use of current financial resources are not reported as expenditures in  
governmental funds:

Current year increase in compensated absences	(2,037)
---	---------

Changes in deferred outflows of resources-pension related, deferred inflows of resources-pension related, and the net pension liability	<u>(54,384)</u>
--	-----------------

<b>Change in net position - governmental activities</b>	<b><u>\$ (33,904)</u></b>
---	---------------------------

The accompanying notes are an integral part of these financial statements.

**Northwest New Mexico  
Council of Governments**  
Statement of Net Position  
Proprietary Fund  
June 30, 2023

	Enterprise Loan Fund
<b>Assets</b>	
Cash and cash equivalents	\$ 152,448
Total assets	<u>152,448</u>
<b>Net Position</b>	
Restricted for loan programs	<u>152,448</u>
Total net position	<u><u>\$ 152,448</u></u>

The accompanying notes are an integral part of these financial statements.

**Northwest New Mexico  
Council of Governments**  
**Statement of Revenues, Expenses and Changes in Fund Net Position -  
Proprietary Fund**  
**For the Year Ended June 30, 2023**

	Enterprise Loan Fund
	<u>                    </u>
<b>Operating Revenues</b>	
Interest income	\$ 27
Total operating revenues	<u>27</u>
 <b>Operating Expenses</b>	
Federal grant reimbursement	<u>106,887</u>
Total operating expenses	<u>106,887</u>
 Change in net position	<u>(106,860)</u>
Net position, beginning of year	<u>259,308</u>
<b>Net position, end of year</b>	<u><u>\$ 152,448</u></u>

The accompanying notes are an integral part of these financial statements.

**Northwest New Mexico  
Council of Governments**  
Statement of Cash Flows  
Proprietary Fund  
For the Year Ended June 30, 2023

	Enterprise Loan Fund
	<hr/>
<b>Cash flows from operating activities</b>	
Cash returned to granting agency	\$ (106,887)
Interest income received	<u>27</u>
Net cash provided by operating activities	<u>(106,860)</u>
 Net decrease in cash and cash equivalents	 (106,860)
Cash and cash equivalents, beginning of year	<u>259,308</u>
<b>Cash and cash equivalents, end of year</b>	<b><u>\$ 152,448</u></b>
 <b>Reconciliation of operating income to net cash used by operating activities</b>	
Operating income	\$ (106,860)
Adjustments to reconcile operating income to net cash used by operating activities	<u>-</u>
Total adjustments	<u>-</u>
Net cash provided by operating activities	<b><u>\$ (106,860)</u></b>

The accompanying notes are an integral part of these financial statements.



**Northwest New Mexico  
Council of Governments**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual – General Fund**  
**For the Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Grants and contracts	\$ 2,413,476	\$ 2,537,431	\$ 704,718	\$ (1,832,713)
Membership dues	247,276	247,276	247,276	-
Project management and fiscal agent fees	-	-	188,953	188,953
Miscellaneous income	42,000	42,000	77,309	35,309
Total revenues	<u>2,702,752</u>	<u>2,826,707</u>	<u>1,218,256</u>	<u>(1,608,451)</u>
<b>Expenditures</b>				
Current				
Regional community development	2,417,284	2,513,220	1,170,947	1,342,273
Capital outlay	234,500	274,501	-	274,501
Total expenditures	<u>2,651,784</u>	<u>2,787,721</u>	<u>1,170,947</u>	<u>1,616,774</u>
Net change in fund balance	50,968	38,986	47,309	(8,323)
Fund balance, beginning of year	581,879	581,879	581,879	
Fund balance, end of year	<u>\$ 632,847</u>	<u>\$ 620,865</u>	<u>\$ 629,188</u>	

The accompanying notes are an integral part of these financial statements.

**Northwest New Mexico  
Council of Governments**  
**Notes to the Financial Statements**  
**June 30, 2023**

**1) Summary of Significant Accounting Policies**

Reporting Entity

The Northwest New Mexico Council of Governments (the “Council”) was established in 1968 pursuant to New Mexico State Law and Executive Order to serve as State Planning District I, initially serving local governments in McKinley County and subsequently adding local governments in Cibola and San Juan Counties. For the fiscal year ended June 30, 2021, the Council was composed of ten units of local government, including:

- Cibola, McKinley and San Juan Counties,
- The incorporated communities of Gallup, Grants, Farmington, Milan, Aztec and Bloomfield, and
- Northwest New Mexico Regional Solid Waste Authority.

Funding comes from each member government, as well as many public and private funding sources.

The basic activities are as follows:

- Obtain grants, contracts and other sources of funds for local governments and various agencies and entities;
- Disseminate information regarding federal programs and the establishment of new programs;
- Provide technical assistance to members in the developing, financing and implementing of local programs and projects;
- Serve as a liaison and facilitator of communications between and among local members and other public and private agencies;
- Sponsor workshops, seminars and forums on local and regional issues, as well as on public and private programs available for members;
- Develop regional plans and initiatives for addressing local and regional needs, such as in the areas of water, community development, housing transportation, energy and economic development; and
- Serve as a Federally designated economic development district.

The Council is the primary government and is not a component unit of any other entity. It is the financial reporting entity, and it did not have any component units during the fiscal year ended June 30, 2023.

**Northwest New Mexico  
Council of Governments**  
**Notes to the Financial Statements**  
**June 30, 2023**

**1) Summary of Significant Accounting Policies – continued**

Accounting Standards

The financial statements of the Council conform with generally accepted accounting principles (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. GASB statements and interpretations constitute GAAP for governments and their enterprises.

**Basis of Presentation – Fund Accounting**

The accounting system is organized and operated on a fund basis. A “fund” is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

**Basis of Accounting**

Council-wide Financial Statements

The Council-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in preparation of proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the Council-wide statements and the governmental fund statements. The Council-wide focus is more on the sustainability of the Council as an entity and the change in aggregate financial position resulting from the activities of the period. Neither fiduciary funds nor component units that are fiduciary in nature are included in the Council-wide financial statements.

Net Position

Components of net position include the following:

- Net investment in capital assets — represents the cost of capital assets netted with accumulated depreciation and the outstanding balance of any debt, excluding unspent proceeds, that is directly attributable to the acquisition, construction or improvement of these capital assets
- Restricted net position — when constraints placed on the use of net position is either externally imposed by law through constitutional provisions or enabling legislation. Legal enforceability means that a government can be compelled by an external party – such as citizens, public interest groups, or the judiciary – to use resources created by enabling legislation only for the purposes specified by the legislation.

**Northwest New Mexico**  
**Council of Governments**  
**Notes to the Financial Statements**  
**June 30, 2023**

1) Summary of Significant Accounting Policies – continued

- Unrestricted net position — represents all other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Fund Financial Statements

The fund financial statements provide information about the Council’s funds. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, with each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The Council’s sole governmental fund is its general fund.

The Council’s only enterprise fund is as follows:

- *Enterprise Loan Fund* – makes loans to new and growing businesses through “gap” or “bridge” financing. It is the intent of this fund to fill the gap in financing, by partnering with a bank or other lending agency.

The Council-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when liabilities are incurred, regardless of when the related cash flow takes place.

Proprietary fund *operating* revenues result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. *Operating* expenses of proprietary funds include the cost of services and administrative expenses. All revenues and expenses not meeting these definitions are reported as *nonoperating* revenues and expenses.

The governmental fund statements are presented on the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis, revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. This presentation is deemed appropriate to (a) demonstrate legal compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the Council’s actual experience conforms to the budget plan.

Unearned Grant Revenue

Unearned grant revenue balances represent an excess of cash received (advances) over expenditures. These balances are caused by differences in the timing of cash advances and expenditures and will reverse in the remaining grant period.

**Northwest New Mexico**  
**Council of Governments**  
**Notes to the Financial Statements**  
**June 30, 2023**

1) Summary of Significant Accounting Policies – continued

Revenue Recognition

In applying the “susceptible to accrual concept” under the modified accrual basis, revenue is recognized when it is deemed both measurable and available (i.e., collectible within the current year or within 60 days of year-end, and available to pay obligations of the current period). Reimbursements from state and federally funded projects are accrued as revenue at the time the expenditures are made. If funds are received in advance, the revenue is deferred until expenditures are made.

Program Revenues

Program revenues are made up of fees received from members of the Council and grants and contracts that have been used to meet the operational or capital requirements of a particular program.

Expenditure Recognition

The measurement focus of governmental fund accounting is based on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, principal and interest on general long-term debt, as well as other long-term liabilities (e.g. accrued leave) are recognized when paid. Expenditures charged to federal programs are recorded utilizing the cost principles prescribed by the various funding sources.

Fund Balance Classifications

In February 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). This statement enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied. GASB 54 also clarifies governmental fund type definitions.

GASB 54 fund balance classifications include:

- *Nonspendable* — amounts cannot be spent because they are either (1) not in spendable form or (2) are legally or contractually required to be maintained intact;
- *Restricted* — amounts constrained to specific purposes that are externally imposed or imposed by law through constitutional provisions or enabling legislation;
- *Committed* — amounts can only be used for specific purposes pursuant to constraints imposed by formal action of the highest level of decision-making authority (Board of Directors);
- *Assigned* — constrained by the Council’s intent to be used for a specific purpose(s);
- *Unassigned* — the residual classification for remaining amounts after all other classifications have been considered.

**Northwest New Mexico  
Council of Governments**  
**Notes to the Financial Statements**  
**June 30, 2023**

1) Summary of Significant Accounting Policies – continued

Capital Assets and Depreciation

The Council capitalizes expenditures over \$5,000 according to 12-6-10 NMSA 1978. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair market value on the date they are donated, and when construction is financed, interest during construction is capitalized.

Although depreciation is not funded, it must be considered in order to properly reflect the results of operations and the replacement of the equipment and furniture. Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows:

<u>Assets</u>	<u>Years</u>
Building	30
Leasehold improvements	Life of the lease
Furniture and fixtures	5-10
Software	3-5
Vehicles	5

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Budgets

An annual operating budget is prepared by Council staff for the general and proprietary fund after the New Mexico Department of Finance and Administration (DFA) notifies the Council's Board of Directors of the amount of state grants-in-aid available to be allocated. The Council must obtain non-federal matching funds or services, or both, from local governments and private sources at least equal to the amount of the state grant-in-aid. The governing board of the Council certifies that the budget adopted is consistent with the expenditure of state and local funds under the Planning District Act.

**Northwest New Mexico  
Council of Governments  
Notes to the Financial Statements  
June 30, 2023**

1) Summary of Significant Accounting Policies – continued

The adopted budget is then presented to and certified by DFA with respect to the budget and work program under the State Grant in Aid funding. The Council's Board of Directors exercises budgetary control at the fund level for capital outlay and all other operations. Subsequent budget adjustments must be approved by the governing board of the Council but are not subject to approval by the Department of Finance and Administration. The president or treasurer of the Council's Board of Directors certifies from time to time that the matching funds from local or private sources are on deposit in the Council's own account before quarterly payment of state grant-in-aid is made.

Any state funds unexpended on June 30th each year revert to the state's General Fund and, if any state funds have been used for any purpose not within the purposes of the Planning District Act, the amount shall be reimbursed to the state. The Council has received no funds from the state's General Fund.

The Council records and maintains the general fund budget on the modified accrual basis, and therefore, a reconciliation of the budget financial statements to the fund financial statements is not necessary.

Spending Policy

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the Council's policy to use restricted resources first. When expenditures/expenses are incurred for purposes for which unrestricted (committed, assigned, and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the Council's policy to spend committed resources first.

Indirect Cost

The Council does not have a negotiated Indirect Cost Rate with federal grantors. Expenditures not directly attributable to specific programs are allocated monthly among all funds based upon the budgeted expenditures for each fund as a percentage of total budgeted expenditures.

Interfund Receivable and Payables – Due To/Due From

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds, and those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables," and these amounts are presented at the net amounts for each fund. Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position.

**Northwest New Mexico  
Council of Governments**  
**Notes to the Financial Statements**  
**June 30, 2023**

1) Summary of Significant Accounting Policies – continued

Use of Estimates

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

Deferred Outflows/Inflows of Resources

In addition to assets, the Council will sometimes report deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then. Also, in addition to liabilities, the Council will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. At June 30, 2023, the Council reported deferred outflows of resources of \$140,011 and deferred inflows of resources of \$15,878, both related to the Council's participation in PERA.

Cash and Cash Equivalents

Cash and cash equivalents consist of short-term highly liquid investments, which are readily convertible to cash within ninety (90) days of purchase.

2) **Key Programs of the Council**

The General Fund is the general operating fund of the Council and is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is always considered a major fund.

The key programs of the Council are organized by "funds" (also referred to administratively as "programs" or "projects", or alternatively as "departments" by the Council's accounting system), each of which is considered a separate accounting entity for internal record-keeping purposes. The operations of each fund (program) are accounted for with a unique set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues and expenditures.

Special revenue funds are used to account for the proceeds from specific revenue sources that are legally restricted to expenditures for specified purposes. The Board of Directors authorizes the establishment of special revenue funds. The Council did not have any special revenue funds during fiscal year 2023.



**Northwest New Mexico  
Council of Governments  
Notes to the Financial Statements  
June 30, 2023**

2) Key Programs of the Council – continued

The following are the grant and contract programs included in the General Fund during fiscal year 2023:

**Federal Grants and Contracts**

*EDA/Planning and Technical Assistance* — A multi-year grant from the Economic Development Administration (EDA) of the U.S. Department of Commerce to establish and maintain a Comprehensive Economic Development Strategy (CEDS) process, including: economic demographics work; coordinating economic development planning with other economic development entities; notifying the EDA Austin Regional Office of any plant closures or significant downsizing disaster designations, base realignments or closures, or any other sudden and severe economic dislocation within the district; providing staff support to develop and monitor projects that will increase economic opportunities within the district; and providing technical assistance as appropriate to member agencies.

*EDA/Assistance to Coal Communities #1* — A multi-year grant from the Economic Development Administration (EDA) of the U.S. Department of Commerce to establish and support the Greater Gallup Industrial Workforce Program and Industrial Parks planning and design in Prewitt and Milan as well as economic development organization support.

*EDA/Assistance to Coal Communities #2* — A multi-year grant from the Economic Development Administration (EDA) of the U.S. Department of Commerce to support economic development organizations, Fort Wingate Market Feasibility Study, and final design of Milan Industrial Park.

**State Grants and Contracts**

*NMLGD/State Grant-in-Aid* — The Council utilizes State-appropriated Grant-in-Aid funds, administered by the Local Government Division of the New Mexico Department of Finance and Administration, in combination with other funds, to support planning and technical assistance activities in program management, project development and technical assistance in Grantsmanship, Community Development Block Grants (CDBG) for local members, local Infrastructure Capital Improvement Plans (ICIP), legislative relations, infrastructure capital outlay, rural community development, water planning, and general regional planning.

*NMLGD/Capital Outlay* — The Council has legislative capital outlay appropriations, administered by the Local Government Division of the New Mexico Department of Finance and Administration, to support building improvements.

**Northwest New Mexico  
Council of Governments  
Notes to the Financial Statements  
June 30, 2023**

2) Key Programs of the Council – continued

*NMLGD/Grant writing Program*— The Council managed several legislative general fund appropriations, administered by the Local Government Division of the New Mexico Department of Finance and Administration, to support a grant writing program and funded support for COG staff involved in grant writing activities.

*NMDOT/Regional Transportation Planning Organization (RTPO)* — A multi-year grant from the New Mexico Department of Transportation (NMDOT), renewed annually and funded in part by Federal appropriations to New Mexico by the Federal Highway Administration, to provide staffing services in support of regional transportation planning under the auspices of the Northwest Regional Transportation Planning Organization (NWRTPO), including coordination and staffing of the NWRTPO Committee comprised of representation from the region's local and tribal governments, networking with transportation partners within the region and the state, preparation of general and special regional plans in collaboration with the State (such as in freight and long-range planning), and annual submission to NMDOT of regional recommendations for project inclusion in the State Transportation Improvement Program (STIP).

*NMDOT/Prewitt-Milan Transportation Master Plan* — A multi-year grant from the New Mexico Department of Transportation (NMDOT) through its Special Planning & Research funds that supported a master transportation plan for this sub-area of the region.

**Local and Private Grants and Contracts**

*McKinley: Tourism Project* – The Council operated a grant from McKinley County to develop several deliverables to advance the brand and marketing of the County including the outdoor recreation economy and tourism.

*Aztec: Tourism Project* – The Council operated a grant from City of Aztec to oversee the planning and development of an Outdoor Recreation facility in the City.

*McK/Milan: ACC Match* – The Council operated a combined program under three contracts received by McKinley County and the Village of Milan, respectively, that provides match for our EDA ACC grant program as follows:

- *McK: PIP* – The Council operated a grant from McKinley County to produce a plan and design the Prewitt Industrial Park including a spec-building.
- *Milan: MIP* – The Council operated a grant from the Village of Milan to produce a plan and design the Milan Industrial Park including a spec-building.
- *McK: Workforce* – The Council operated a grant from McKinley County to produce a pilot workforce program.

**Northwest New Mexico  
Council of Governments  
Notes to the Financial Statements  
June 30, 2023**

2) **Key Programs of the Council – continued**

*McK: ZMTP QA-QC & Design*– The Council operated a combined program under three contracts received by McKinley County to conduct fieldwork, prepare maps and trail designs, and assist with oversight and quality control on field construction work on trails under the Zuni Mountains Trails Project.

*McK: Energy Service Performance Contract (ESPC)* – The Council continues a multi-year contract with McKinley County for assistance with its guaranteed energy program.

*TOTA: Byway Marketing* – The Council received some funding from the Trail of the Ancients byway association (TOTA) based on the sale of byway maps that offset the costs of maintaining a website that the Council has acquired.

*Tri-State: Community Assistance* – The Council received community assistance funding from the Tri-State Generation & Transmission that it continues to make investments and provide project matches from.

*Member: Grantwriting Funding* – The Council received sub-agreements for funding from the Village of Milan, City of Grants, McKinley County, Cibola County, and City of Gallup to pay for outside grantwriters and technical firms to support grant applications.

**Enterprise Loan Fund**

The Council administers the Enterprise Loan Fund (the “ELF”), funded in part by the US Economic Development Administration under its Revolving Loan Fund program, which makes loans to new and growing businesses through “gap” or “bridge” financing including a new capitalization through an EDA-CARES grant.

3) **Cash Balances**

In accordance with Section 6-10-17, NMSA 1978, the Council is required to obtain pledged collateral from each bank that is a depository of public funds, in an aggregate amount equal to one-half of the amount of public money in each account. Securities, which are obligations of the United States, State of New Mexico, its agencies, institutions, counties, municipalities or other subdivisions are accepted as security at market value. No security is required for the deposit of public money that is insured by the Federal Deposit Insurance Corporation (FDIC), or the National Credit Union Administration. Deposits (cash or cash equivalents) are carried at cost, which approximates market value. For the period beginning January 1, 2013, the standard maximum deposit insurance amount is \$250,000 per depositor at each separately chartered insured depository institution. For more information, visit [www.fdic.gov](http://www.fdic.gov).

*Custodial Credit Risk* is the risk that in the event of a bank failure, the Council’s deposits may not be returned to it. The Council’s deposit policy is to collateralize one-half of the uninsured public money amount in each account.

**Northwest New Mexico  
Council of Governments**  
Notes to the Financial Statements  
June 30, 2023

3) Cash Balances – continued

A summary of the Council's deposits, as well as pledged collateral in place over deposits, is as follows:

<b>Pinnacle Bank</b>	<b>Type</b>	<b>Balance Per Bank 6/30/2023</b>	<b>Balance Per Books 6/30/2023</b>
General fund	Checking - non-interest bearing	\$ 889,943	\$ 808,447
Enterprise loan fund - revolving loan fund	Checking - non-interest bearing	90,132	90,132
Enterprise loan fund - forest service loan fund	Checking - non-interest bearing	62,316	62,316
Total cash in banks		<u>\$ 1,042,391</u>	<u>\$ 960,895</u>

As reported in the financial statements:

Cash	\$ 808,447
Cash restricted for loan programs	152,448
	<u>\$ 960,895</u>

<b>Pledged Collateral at Banks</b>	<b>Pinnacle Bank</b>
Deposits	\$ 1,042,391
Less FDIC coverage	<u>(250,000)</u>
Total uninsured public funds	<u>792,391</u>
50% collateral requirement	396,196

<b>Collateral Pledged</b>	
Gallup McKinley: CUSIP 364010SA7	
maturing 8/1/2025; security interest rate of 3.00%	135,077
FNMA 12 84 HK: CUSIP 3136A7P97	
maturing 3/25/2042; security interest rate of 2.00%	209,777
GNMA 13 71 NA: CUSIP 38378TAY6	
maturing 8/20/2041; security interest rate of 2.50%	118,705
FNMA 11 113 JG: CUSIP 3136A2PHO	
maturing 3/28/2041; security interest rate of 2.50%	124,037
FNMA 13 19 DC: CUSIP 3136ACPG0	
maturing 9/25/2041; security interest rate of 2.00%	<u>167,147</u>
Over (under) collateralized	<u>\$ 754,743</u>

**Northwest New Mexico  
Council of Governments**  
Notes to the Financial Statements  
June 30, 2023

**4) Grants Receivable**

Grant receivable balances at June 30, 2023, are composed of the following:

New Mexico Department of Finance and Administration	\$ 116,100
U.S. Department of Commerce	95,628
New Mexico Department of Transportation	25,183
Other	<u>12</u>
Total	<u><u>\$ 236,923</u></u>

**5) Loans Receivable**

Loans receivable in the Enterprise Loan Fund as of June 30, 2023, consist of five loans made through the Revolving Loan Fund loan program for business and job creation in the tri-county region of Cibola County, San Juan County, and McKinley County.

Loans receivable	\$ 173,438
Less allowance	<u>(173,438)</u>
Loans receivable, net	<u><u>\$ -</u></u>

**Northwest New Mexico  
Council of Governments**  
Notes to the Financial Statements  
June 30, 2023

**6) Capital Assets**

A summary of changes in capital assets for governmental activities during the year ended June 30, 2023, are as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<i>Governmental activities</i>				
Capital assets not being depreciated				
Land	\$ 73,244	\$ -	\$ -	\$ 73,244
Total capital assets not being depreciated	73,244	-	-	73,244
Capital assets being depreciated				
Buildings	235,756	-	-	235,756
Building improvements	277,610	-	-	277,610
Furniture, fixtures and equipment	54,247	-	-	54,247
Software	86,496	-	-	86,496
Vehicles	29,282	-	-	29,282
Total capital assets being depreciated, at cost	683,391	-	-	683,391
Less accumulated depreciation for				
Buildings	45,844	7,859	-	53,703
Building improvements	31,873	13,605	-	45,478
Furniture, fixtures and equipment	40,632	1,654	-	42,286
Software	43,229	733	-	43,962
Vehicles	25,595	941	-	26,536
Total accumulated depreciation	187,173	24,792	-	211,965
Total capital assets being depreciated, net	496,218	(24,792)	-	471,426
Capital assets, net	\$ 569,462	\$ (24,792)	\$ -	\$ 544,670

Depreciation expense of \$24,792 was allocated to the regional community development function in the Council-wide statement of activities, which is the Council's only governmental activity function.

**Northwest New Mexico  
Council of Governments**  
Notes to the Financial Statements  
June 30, 2023

6) Capital Assets – continued

Business-type activities capital assets is made up of a software program with an acquisition cost of \$4,178 that became fully depreciated in a prior fiscal year. There was no business-type capital asset activity during the year ended June 30, 2023.

7) **Accounts Payable and Accrued Payroll Liabilities**

A summary of accounts payable and accrued payroll liabilities at June 30, 2023, is as follows:

	Vendors	Salaries and Benefits	Total
<i>Governmental activities</i>			
General fund	\$ 120,032	\$ 22,146	\$ 142,178
Total government activities	<u>\$ 120,032</u>	<u>\$ 22,146</u>	<u>\$ 142,178</u>

8) **Long-Term Debt**

Compensated Absences

Employees are paid for annual leave and absences due to sickness by a prescribed formula based on length of service. Annual leave benefits anticipated to be liquidated with expendable available resources are accrued and reported as liabilities in the Council-wide financial statements. These liabilities are allocated to the general fund and the enterprise loan fund based on indirect cost formulas. No more than 240 hours of annual leave may be carried over from a previous fiscal year. Upon termination for whatever reason, the employee shall be paid for any unused annual leave at the employee's then-current rate of pay. Sick leave benefits are not accrued but rather expensed in the applicable fund(s) as they are paid.

Regular employees may carry over a maximum of 480 hours of sick leave from a previous fiscal year. Upon retirement or termination, all unused accrued sick leave shall be forfeited, except that, employees participating and vested in the PERA retirement program and with not less than five years of employment with the Council, shall be entitled to compensation for unused sick leave hours up to but not exceeding 480 hours, at a rate equal to thirty-three percent of their hourly rate of pay.

**Northwest New Mexico  
Council of Governments**  
Notes to the Financial Statements  
June 30, 2023

8) Long-Term Debt – continued

A summary of changes in long-term debt for the year ended June 30, 2023 is as follows:

	Beginning			Ending	Amount
	Balance	Increases	Decreases	Balance	Due Within
					One Year
Governmental activities					
Compensated absences	\$ 26,596	\$ 24,810	\$ (22,773)	\$ 28,633	\$ 7,445
Total long-term debt	<u>\$ 26,596</u>	<u>\$ 24,810</u>	<u>\$ (22,773)</u>	<u>\$ 28,633</u>	<u>\$ 7,445</u>

9) **Unearned Revenue**

Amounts recorded as unearned revenue represents an excess of grant funds received over expenditures. Unearned revenue at June 30, 2023, represents unexpended grant funds for the Prewitt and Milan Industrial Parks projects and the grant writing program and total \$274,004 at June 30, 2023. Management anticipates fully expending these funds on the projects during fiscal year 2024.

10) **Restricted Net Position – Enterprise Loan Fund**

The Enterprise Loan Fund's restricted net position of \$152,448 at June 30, 2023 is restricted for economic development activity (i.e. loan programs) as a result of agreements with the granting organizations.

11) **Membership Dues**

Membership dues consist of annual assessments to member organizations. Membership dues are established by the Council based on a schedule of dues and service levels aligned with apportionment of Board seats and negotiated annually with the respective members.



**Northwest New Mexico  
Council of Governments**  
**Notes to the Financial Statements**  
**June 30, 2023**

**12) Public Employees Retirement Association (PERA) Pension Plan**

***General Information about the Pension Plan***

***Plan description.*** *Public Employees Retirement Fund* is a cost-sharing, multiple employer defined benefit pension plan. This fund has six divisions of members, including State General, State Police/Adult Correction Officers, Municipal General, Municipal Police/Detention Officers, Municipal Fire, and State Legislative Divisions, and offers 24 different types of coverage within the PERA plan. All assets accumulated may be used to pay benefits, including refunds of member contributions, to any of the plan members or beneficiaries, as defined by the terms of this plan. Certain coverage plans are only applicable to a specific division. Eligibility for membership in the Public Employees Retirement Fund is set forth in the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978).

Except as provided for in the Volunteer Firefighters Retirement Act (10-11A-1 to 10-11A-7, NMSA 1978), the Judicial Retirement Act (10-12B-1 to 10-12B-19, NMSA 1978), the Magistrate Retirement Act (10-12C-1 to 10-12C-18, NMSA 1978), and the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978), each employee and elected official of every affiliated public employer is required to be a member in the Public Employees Retirement Fund, unless specifically excluded.

***Benefits Provided.*** Benefits are generally available at age 65 with five or more years of service or after 25 years of service regardless of age for TIER I members. Provisions also exist for retirement between ages 60 and 65, with varying amounts of service required. Certain police and fire members may retire at any age with 20 or more years of service for TIER I members. Generally, the amount of retirement pension is based on final average salary, which is defined under TIER I as the average of salary for the 36 consecutive months of credited service producing the largest average; credited service; and the pension factor of the applicable coverage plan. Monthly benefits vary depending upon the plan under which the member qualifies, ranging from 2% to 3.5% of the member's final average salary per year of service. The maximum benefit that can be paid to a retiree may not exceed a range of 60% to 90% of the final average salary, depending on the division. Benefits for duty and non-duty death and disability and for post-retirement survivors' annuities are also available.

**Northwest New Mexico  
Council of Governments  
Notes to the Financial Statements  
June 30, 2023**

12) Public Employees Retirement Association (PERA) Pension Plan – continued

*TIER II.* The retirement age and service credit requirements for normal retirement for PERA state and municipal general members increased effective July 1, 2013 with the passage of Senate Bill 27 in the 2013 Legislative Session. Under the new requirements (TIER II), general members are eligible to retire at any age if the member has at least eight years of service credit and the sum of the member's age and service credit equals at least 85 or at age 65 with 5 or more years of service credit. General members hired on or before June 30, 2013 (TIER I) remain eligible to retire at any age with 25 or more years of service credit. Under TIER II, police and firefighters in Plans 3, 4 and 5 are eligible to retire at any age with 25 or more years of service credit. State police and adult correctional officers, peace officers and municipal juvenile detention officers will remain in 25-year retirement plans, however, service credit will no longer be enhanced by 20%. All public safety members in TIER II may retire at age 60 with 6 or more years of service credit. Generally, under TIER II, pension factors were reduced by 0.5%, employee contributions increased 1.5% and effective July 1, 2014 employer contributions were raised 0.05%. The computation of final average salary increased as the average of salary for 60 consecutive months.

*Contributions.* See PERA's publicly available comprehensive annual financial report obtained at <http://www.nmpera.org/financialoverview>, for the employer and employee contribution rates in effect for fiscal year 2021.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* At June 30, 2023, the Council reported a liability of \$652,902 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2022, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2022. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2022. The Council's proportion of the net pension liability was based on a projection of the Council's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2022, the Council's proportion was 0.0368%, which was an increase of 0.0009% from its proportion measured as of June 30, 2021.

**Northwest New Mexico**  
**Council of Governments**  
**Notes to the Financial Statements**  
**June 30, 2023**

12) PERA Pension Plan – continued

For the year ended June 30, 2023, the Council recognized pension expense of \$54,385. At June 30, 2023, the Council reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,617	\$ 15,878
Changes of assumptions	-	-
Net difference between projected and actual investment earnings on pension plan investments	64,615	-
Changes in proportion and differences between the Council's contributions and proportionate share of contributions	36,037	-
The Council's contributions subsequent to the measurement date	<u>36,742</u>	<u>-</u>
Total	<u>\$ 140,011</u>	<u>\$ 15,878</u>

\$36,742 reported as deferred outflows of resources related to pensions resulting from the Council's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2022	\$	34,373
2023		21,928
2024		(19,928)
2025		<u>51,018</u>
Total	<u>\$</u>	<u>87,391</u>

**Northwest New Mexico  
Council of Governments**  
Notes to the Financial Statements  
June 30, 2023

12) PERA Pension Plan – continued

**Actuarial assumptions.** The total pension liability in the June 30, 2022 actuarial valuation was determined using the following significant actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation date	June 30, 2021
Actuarial cost method	Entry age normal
Amortization method	Level Percentage of Pay for all divisions except for the Legislative division which is Level Dollar
Amortization period	25 Years
Actuarial assumptions:	
- Investment rate of return	7.25% annual rate
- Projected salary increases	3.25% to 13.50% annual rate
- Includes inflation at	2.50%
- Mortality assumption	The mortality assumptions are based on the RPH-2014 Blue Collar mortality table with female ages set forward one year. Future improvement in mortality rates is assumed using 60% of the MP-2017 projection scale generational. For non-public safety groups, 25% of in-service deaths are assumed to be duty related and 35% are assumed to be duty-related for public safety groups.
- Experience study dates	July 1, 2008 to June 30, 2017 (demographic) and July 1, 2013 through June 20, 2017 (economic)

The total pension liability, net pension liability, and certain sensitivity information are based on an actuarial valuation performed as of June 30, 2021. The total pension liability was rolled-forward from the valuation date to the plan year ended June 30, 2022. These assumptions were adopted by the Board and used in the June 30, 2021 actuarial valuation.

**Northwest New Mexico  
Council of Governments**  
Notes to the Financial Statements  
June 30, 2023

12) PERA Pension Plan – continued

The long-term expected rate of return on pension plan investments was determined using statistical analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

All Funds - Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global equity	35.50%	6.35%
Risk reduction and mitigation	19.50%	1.90%
Credit oriented fixed income	15.00%	4.45%
Real assets to include real estate equity	20.00%	5.10%
Multi-risk allocation	<u>10.00%</u>	6.65%
Total	<u>100.0%</u>	

**Discount rate.** A single discount rate of 7.25% was used to measure the total pension liability as of June 30, 2022. This single discount rate was based on a long-term expected rate of return on pension plan investments of 7.25%, compounded annually, net of expense. Based on the stated assumptions and the projection of cash flows, the plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The projections of cash flows used to determine this single discount rate assumed that plan member and employer contributions will be made at the current statutory levels.

**Sensitivity of the Council's proportionate share of the net pension liability to changes in the discount rate.** The following presents the Council's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the Council's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate, as shown on the following page:

**Northwest New Mexico  
Council of Governments**  
Notes to the Financial Statements  
June 30, 2023

12) PERA Pension Plan – continued

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
<b>PERA Fund Division: Municipal General</b>			
The Council's proportionate share of the net pension liability	\$ 987,981	\$ 652,902	374,540

***Pension plan fiduciary net position.*** Detailed information about the pension plan's fiduciary net position is available in the separately issued PERA financial report.

***Payables to the pension plan.*** At June 30, 2022, the Council did not have any payables to PERA for fiscal year 2023 contributions.

13) **Post-Employment Benefits**

The Council has chosen not to participate in the retiree health care service that it is eligible for under the Retiree Health Care Act (Chapter 10, Article 7C NMSA 1978).

14) **Risk Management**

The Council is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions and natural disasters for which the Council carries commercial insurance. Settled claims have not exceeded this commercial coverage in the past year. Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. As of June 30, 2023, the Council did not have any probable risks of loss.

**Northwest New Mexico  
Council of Governments**  
**Notes to the Financial Statements**  
**June 30, 2023**

**15) Related Party Transactions**

The by-laws of the Council require the composition of the Board of Directors to represent member governments. As a result, many members of the Board of Directors are employed by, or serve in an elected capacity for, member governments. Due to the nature of the Council, Board members have a significant interest in the Council's transactions related to the furnishing of services to their respective governments. Total membership dues paid by the member governments to the Council for the fiscal year ended June 30, 2023, was \$247,276.

**16) Recently Issued Accounting Pronouncements**

GASB has issued several statements which have not yet been implemented by the Council. The Council believes that none of these statements will have a significant impact on the Council.

In June 2017, GASB issued Statement No. 87, Leases, to be implemented for fiscal years beginning after June 15, 2021. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement requires recognitions of certain lease assets and liabilities for leases that previously were classified as operating leases. The implementation of this Statement had no effect on the Council's financial statements.

In May 2020, the GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements, effective for periods beginning after June 15, 2022. GASB No. 96 defines a SBITA (subscription-based information technology arrangements); establishes that a SBITA results in a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability; provides that capitalization criteria for outlays other than subscription payment including implementation costs of a SBITA; and requires note disclosures regarding a SBITA. The implementation of this Statement had no effect on the Council's financial statements.

**17) Tax Abatements**

None of the Council's revenue sources are impacted by tax abatements. Therefore, there is nothing to disclose under GASBS No. 77 – *Tax Abatement Disclosures*.

## **Required Supplementary Information**



**Northwest New Mexico  
Council of Governments**  
**Schedules of Required Supplementary Information**  
**June 30, 2023**

**Schedule of the Council's Proportionate Share of the  
Net Pension Liability of PERA Fund Division: Municipal General  
Public Employees Retirement Association (PERA) Plan  
Last 10 Fiscal Years\* (in thousands)**

	June 30,								
Fiscal year	2023	2022	2021	2020	2019	2018	2017	2016	2015
Measurement date	2022	2021	2020	2019	2018	2017	2016	2015	2014
The Council's proportion of the net pension liability (asset)	0.0368%	0.0359%	0.0328%	0.0318%	0.0287%	0.0438%	0.0339%	0.0304%	0.0369%
The Council's proportionate share of the net pension liability (asset)	653	404	663	550	\$ 458	\$ 602	\$ 542	\$ 310	\$ 288
The Council's covered-employee payroll	370	358	338	310	\$ 290	\$ 295	\$ 373	\$ 290	\$ 243
The Council's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	176.49%	112.85%	196.15%	177.42%	157.93%	204.07%	145.31%	106.90%	118.52%
Plan fiduciary net position as a percentage of the total pension liability	69.35%	77.25%	66.36%	70.52%	71.13%	73.74%	69.18%	81.29%	81.29%

**Northwest New Mexico  
Council of Governments**  
Schedules of Required Supplementary Information  
June 30, 2023

**Schedule of the Council's Contributions to  
Public Employees Retirement Association (PERA) Plan  
PERA Fund Division: Municipal General  
Last 10 Fiscal Years (in thousands) \***

	June 30,								
Fiscal year	2023	2022	2021	2020	2019	2018	2017	2016	2015
Measurement date	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutory required contribution	\$ 38	\$ 38	\$ 34	\$ 32	\$ 28	\$ 28	\$ 36	\$ 31	\$ 27
Contributions in relation to the statutorily required contributions	<u>38</u>	<u>38</u>	<u>34</u>	<u>32</u>	<u>28</u>	<u>28</u>	<u>36</u>	<u>31</u>	<u>27</u>
Annual contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

*\*Governmental Accounting Standards Board Statement 68* requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the Council is not available prior to fiscal year 2015, the year the statement's requirements became effective.

**Northwest New Mexico  
Council of Governments**  
**Notes to the Required Supplementary Information**  
**June 30, 2023**

***Changes of benefit terms.*** The PERA, COLA and retirement eligibility benefits changes in recent years are described in Note 1 of PERA's CAFR (<https://www.saonm.org>).

***Assumptions.*** The Public Employ Retirement Association of New Mexico Annual Actuarial Valuations as of June 2022 report is available at <http://www.nmpera.org/>.

## **Compliance Section**

Independent Auditor's Report on Internal Control Over  
Financial Reporting and on Compliance  
And Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards*

Board of Directors  
Evan Williams, Executive Director  
Northwest New Mexico Council of Governments  
and  
Honorable Brian S. Colón, Esq., New Mexico State Auditor  
Office of the State Auditor

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the budgetary comparison of the general fund of the Northwest New Mexico Council of Governments (the "Council") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements and have issued our report thereon dated November 21, 2023.

**Report on Internal Control Over Financial Reporting**

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

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

**OFFICE LOCATIONS**

TEXAS | Waco | Temple | Hillsboro | Houston  
NEW MEXICO | Albuquerque

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

### **Report on Compliance and Other Matters**

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

### **Purpose of This Report**

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

*Pattillo, Brown & Hill, LLP*

Albuquerque, New Mexico  
November 21, 2023

**Northwest New Mexico  
Council of Governments  
Schedule of Findings and Responses  
For the Year Ended June 30, 2023**

**Section I — Summary of Auditor's Results**

***Financial Statements***

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified?	None reported
Noncompliance material to financial statements noted?	No

**Section II — Financial Statement Findings**

None.

**Northwest New Mexico  
Council of Governments  
Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2023**

***Financial Statement Findings***

None.

***Federal Award Findings***

None.



**Northwest New Mexico  
Council of Governments  
Exit Conference  
June 30, 2023**

The financial statements presented in this report were prepared by the staff of the Northwest New Mexico Council of Governments with the assistance of its contract accountants from SJT Group, LLC.

The content of this report was discussed at an exit conference held on November 21, 2023 with the following in attendance:

**Northwest New Mexico Council of Governments**

Evan Williams, Executive Director

Louie Bonaguidi, Treasurer

Evan Williams, Director

Martina Whitmore, Administrative Assistant

**Pattillo, Brown & Hill, L.L.P.**

Chris Garner, CPA, Partner

**SJT Group, LLC**

Armando Sanchez, CPA, CFE, Managing Principal



## Northwest New Mexico Council of Governments

### Board Meeting Calendar | Fiscal Year 2024

#### QUARTERLY BOARD MEETINGS

DATE	TIME	LOCATION
August 2, 2023	Board Meeting: 10AM – 12PM Luncheon: 12 – 2PM	San Juan Area (TBD)
October 18, 2023	10AM – 1PM	Milan Village Hall Milan, NM
January 10, 2024	10AM – 1PM	McKinley Area – Gallup El Morro Event Center 210 S. Second Street, Gallup
April 17, 2024	10AM – 1PM	Farmington Downtown Conference Center
August 7, 2024	Board Meeting: 10AM – 12PM Luncheon: 12 – 2PM	Cibola Area (TBD) <b>Milan, NM</b>

#### NOTES:

- (1) The Board of Directors of the Northwest New Mexico Council of Governments generally meets on the third Wednesday one month after the quarter ends (July, October, January, and April) at 10AM.
- (2) Executive Committee meets an hour prior to the Board Meeting.
- (3) Meeting Business is typically scheduled for two hours with lunch after.
- (4) COG will continue to offer a hybrid meeting with the ability to participate in-person or virtual.

ANNUAL LUNCHEONS:  
2024 (52<sup>nd</sup>): Cibola Area;  
2025 (53<sup>rd</sup>): McKinley Area  
2026 (54<sup>th</sup>): San Juan Area

#### OTHER ANNUAL EVENTS, TRAININGS, & CONFERENCES



DATE	EVENT	LOCATION
March 10-13, 2024	<a href="#">NADO Washington Conference</a>	Arlington, VA
May 15-17, 2024	<a href="#">SWREDA Annual Conference</a>	Oklahoma City, OK
July 30 – August 1, 2024	<a href="#">National Regional Transportation Conference</a>	Greenville, SC
October 22-25, 2024	<a href="#">NADO Annual Training Conference</a>	New Orleans, LA

#### NOTES:

- (1) The COG does encourage and welcome Board members to travel and participate to these conferences to understand what regional development organizations (RDO's) are doing throughout the country.
- (2) Typically, travel is worked out through and reimbursed via your local governments and COG handles registration.

**NM Legislative Session 2024: January 16 – February 15**