



FINANCE COMMITTEE AGENDA

Thursday, June 4, 2026 at 2:00 P.M.
City Hall - Mike Mathews Conference Room
425 N. Richardson Ave.
Roswell, New Mexico 88201

Committee Chair: Kurt Gass
Vice Chair: Ed Heldenbrand
Member: Will Cavin
Member: Juliana Halvorson
Member: Darrell Johnson
Staff Liaison: Tammi Smith

CALL TO ORDER

ROLL CALL

APPROVAL OF AGENDA

NON-ACTION ITEMS

1. Golf April Report (pg. 3)
2. Roswell Visitor Center (pg. 6)
3. Public Affairs (pg. 11)
4. Museum Monthly Report (pg. 15)
5. Roswell Public Library (pg. 18)
6. Lodgers Tax (pg. 22)
7. Cannabis Excise Tax (pg. 30)
Gross Receipts Tax
8. Discussion of Town Plaza Apartments (pg. 36)

FLOOD DISASTER UPDATES

9. Flood Disaster Update (pg. 37)

ACTION ITEMS

10. Consider recommending approval of Resolution 26-XX; To authorize and approve submission of a completed application to NMFA for financial assistance. (Rogers) (pg. 41)
11. Consider recommending approval to advertise for a public hearing for Ordinance 26-XX authorizing the execution and delivery of a loan agreement with NMFA for improvement projects related to flood damage. (Rogers) (pg. 52)

12. Consider recommending approval of Resolution 26-XX: The redemption of Outstanding Joint Water and Sewer Improvement Revenue Bonds (Rogers)(pg. 69)
13. Consider recommending approval to advertise for a public hearing for Ordinance 26-XX;: An Ordinance to refund the Series 2017 Joint Water & Sewer Improvement Bonds. (Rogers) (pg. 79)
14. Consider a budget adjustment and recommending approval to enter into a purchase and sale agreement for 77.8 acres of irrigated farmland for the expansion of the wastewater department (Mendoza) (pg. 96)
15. Consider recommending the adoption of Resolution 26-XX approving a budget adjustment for the fiscal year ending June 30, 2026. (Gomez) (pg. 213)

TABLED ITEMS

16. Ordinance 26-04: Authorize to advertise for a public hearing on proposed Ordinance 26-04, An Ordinance Amending the City of Roswell's Purchasing Procedures. (Nairn-Mahan)(pg. 216)
17. Consider recommendation of approval of the MainStreet Roswell funding request of \$75,000 for Fiscal Year 2027. (Conyers) (pg. 226)

PUBLIC PARTICIPATION

ADJOURN

Notice of this meeting has been given to the public in compliance with Sections 10-15-1 through 10-15-4 NMSA 1978 and Resolution 26-12.

NOTICE OF POTENTIAL QUORUM – A quorum of the City Council may or may not attend, but there will not be debate by the City Council.

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact Human Resources at 575-624-6700 at least one week prior to the meeting or Clerk at 575-624-6700 if a summary of other type of accessible format is needed. **Printed and posted on Monday, June 01, 2026.**

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**ROSWELL NEW MEXICO
COMMITTEE AGENDA ITEM ABSTRACT**

Non-Action Items 1.

Finance Committee

Meeting Date: 06/04/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

DEPARTMENT NAME:

Golf April Report

Attachments

Golf April Report



GOLF – April, 2026

Category	Qty	Subtotal	Cost	Profit
Alcohol / Beer	1898	\$7,916.80	\$2,587.83	\$5,328.98
Alcohol / Liquor	1094	\$5,263.40	\$1,566.56	\$3,696.83
Food and Beverage / Drinks	1366	\$2,870.32	\$1,078.34	\$1,791.62
Food and Beverage / Snacks	1007	\$2,115.44	\$831.27	\$1,284.59
Golf / Green Fees	1,953	\$14,936.12	\$0.00	\$14,936.12
Golf / Memberships	18	\$8,952.39	\$0.00	\$8,952.39
Golf / Services (GHIN & Club Storage)	1	\$114.29	\$0.00	\$114.29
Golf Carts	1,746	\$28,831.58	\$0.00	\$28,936.58
Merchandise / Accessories	160	\$2,927.62	\$1,656.63	\$1,271.18
Merchandise / Apparel	4	\$185.71	\$4,780.76	\$40.71
Merchandise / Clubs	12	\$4,689.53	\$3,840.83	\$848.70
Merchandise / Footwear	0	\$0.00	\$0.00	\$0.00
Merchandise / Gloves	46	\$885.82	\$581.21	\$304.60
Merchandise / Golf Bags	3	\$933.33	\$638.07	\$295.26
Merchandise / Golf Balls	270	\$3,235.66	\$2,094.22	\$1,141.38
Merchandise / Headwear	30	\$2,061.91	\$1,625.20	\$436.66
Range Balls	633	\$3,584.56	\$0.00	\$3,584.56
Rental Club Fees	25	\$422.91	\$0.00	\$422.91
Tournament Credit Book	48	\$0.00	\$0.00	\$13,334.47
Tournament Fees	0	0.00	\$0.00	\$0.00
Total April Profit	10314	\$89,927.39	\$21,280.92	\$86,721.83
TOTAL GROSS REVENUE	\$ 112,499.52			

Submitted by: Tim VandenBout, Golf Course Manager
 Approved by: Jim Burress, Special Services Director



Pro Shop Revenues

July 1, 2025 - June 30, 2026							
Month	Qty	Subtotal	Subtotal w/o Tax	Cost	Profit	Gross Revenue	
Jul-25		\$119,486.77	\$113,512.06	\$19,981.65	\$129,166.43	\$155,122.48	
Aug-25		\$123,939.14	\$117,742.28	\$22,718.38	\$132,920.51	\$161,836.00	
Sep-25		\$89,950.85	\$85,453.20	\$13,754.29	\$86,026.81	\$104,278.31	
Oct-25		\$93,844.33	\$89,625.86	\$12,832.83	\$76,792.83	\$93,844.33	
Nov-25		\$71,703.95	\$68,120.51	\$9,801.04	\$64,769.29	\$78,153.39	
Dec-25		\$70,694.51	\$67,160.91	\$12,115.22	\$63,106.42	\$78,755.11	
Jan-26		\$72,655.78	\$69,024.06	\$6,449.59	\$67,209.33	\$77,290.50	
Feb-26		\$66,231.34	\$62,920.88	\$7,692.16	\$62,538.95	\$73,541.88	
Mar-26		\$96,411.49	\$91,590.24	\$17,111.78	\$89,761.70	\$111,694.18	
Apr-26		\$89,927.39	\$85,430.49	\$21,280.92	\$86,721.85	\$112,499.52	
May-26							
Jun-26							
Fiscal Year		\$895,097.55	\$850,820.49	\$143,857.86	\$859,134.12	\$1,047,255.70	

**ROSWELL NEW MEXICO
COMMITTEE AGENDA ITEM ABSTRACT**

Non-Action Items 2.

Finance Committee

Meeting Date: 06/04/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

DEPARTMENT NAME:

Roswell Visitor Center

Attachments

April 2026 Visitor Center Monthly Report

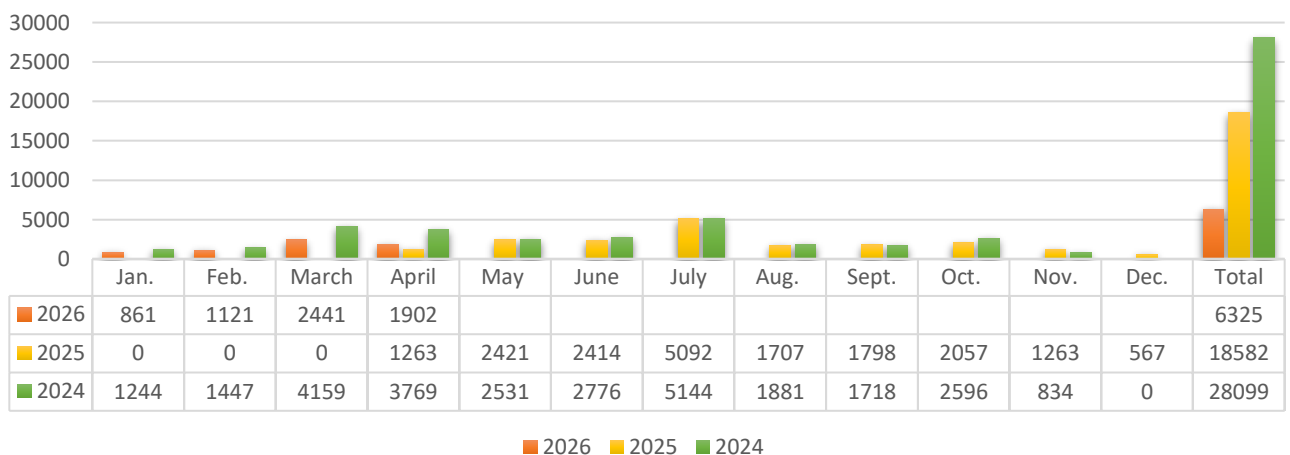
Monthly Visitor Center Report April 2026

Visitor Center:

- Welcomed **1902** guest, **765** overnight stays in Roswell or **40%** and **51** Roswell locals.
- **April** sales total **\$5435**.
- **Top 5 items sold:** Alien Glasses, Trucker Hat, Believe Tee, City of Roswell Tank, Postcards.

April 2026 Visitation Report						
	April Comparison			YTD Comparison		
	2024	2025	2026	2024	2025	2026
Roswell Residents	79	89	51	349	89	211
New Mexico Visitors (Not including Roswell Area)	136	78	110	479	78	316
US Visitors (Not including New Mexico)	3142	939	1619	8843	939	5500
International Visitors	412	157	122	951	157	298
Unknown Visitors	0	0	0	0	0	0
Total Visitors	3769	1263	1902	10622	1263	6325
Numbers reflected above are by calendar year Visitor Center Hours Tuesday - Saturday 9am - 5pm Closed Sunday & Monday						

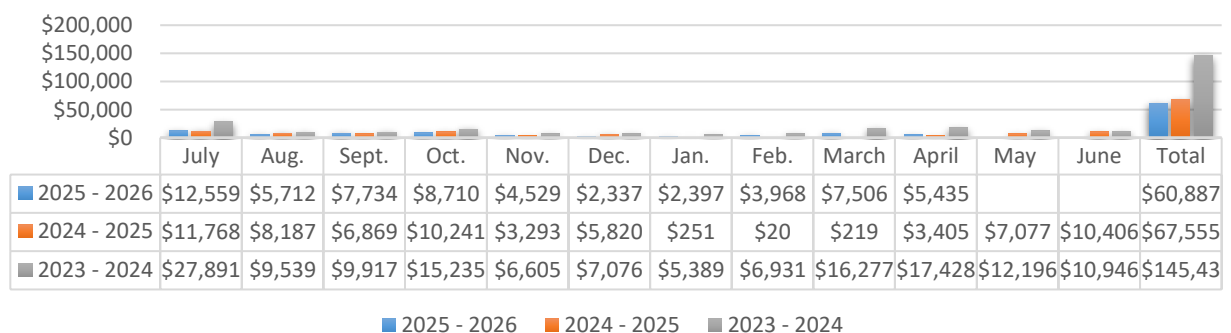
Visitor Comparison By Calendar Year 2026



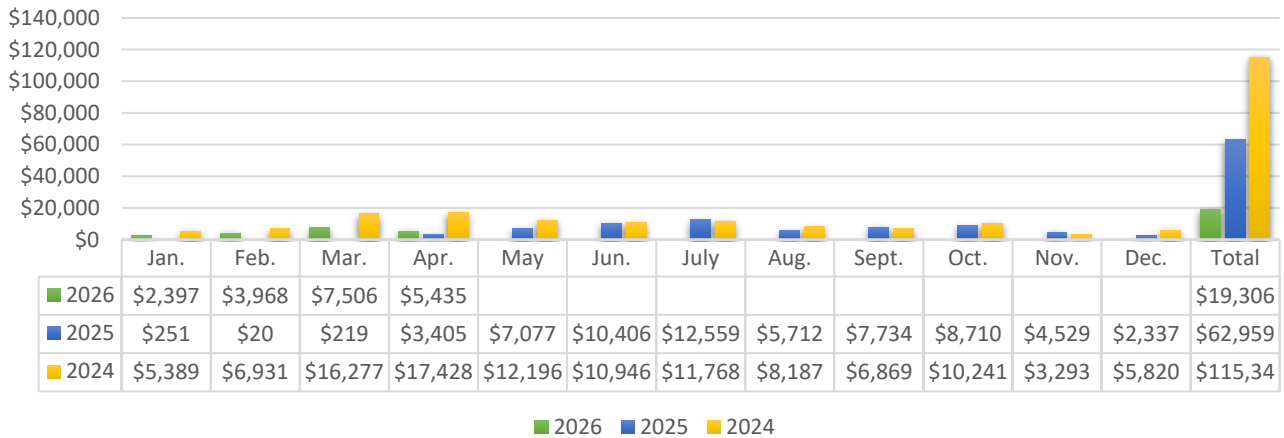
Facility Operations:

- Posted events on Community Calendar, SeeRoswell.com and Visit Widget that were submitted to the websites or events that we have looked for through using other resources.
- Promoted blood drives, small businesses, Spring River Zoo, Virtual Events, Roswell Museum and CSPs on KENW-Portales radio station every Thursday which is written by Visitor Center Staff.
- Updated inventory numbers at Visitors Center once a week and stock room once a month.
- Staff training to help with advancements and trying that is required yearly.
- April 1 – UFO Festival Committee Meeting – **Amanda**
- April 2 – Finance Committee Meeting – **Amanda**
- April 8 – Safety Meeting – **Amanda & Dorothy**
- April 9 thru April 13 – TAS Denver – **Amanda**
- April 17 – UFO Committee Meeting – **Amanda**
- 47 total events entered into Seeroswell.com, VisitWidget Mobile App, and Community Calendar for April – **VC Staff**
- **137** promotional bags sent out in April (25 - Teen Leadership Institute, 1 - University of Texas, 1 - Tcole Clerk Ellis County Sheriff's Office, 10 - Tarleton State University, 100 - Texas Mothers) - **VC Staff**
- **5** information packet requests sent out in April (Avon Lake Ohio, Waco Texas, Sarasota Florida, Emerson Georgia, Salem Ohio) – **VC Staff**
- **11** total COR newspaper articles clipped and archived – **VC Staff**
- **14** total brochures call out request from Gila Cliff Dwellings, Cloudcroft, Santa Rosa State Park, Elephant Butte, Truth or Consequences, Conchas Lake State Park, NM Public Lands Rec Guide, Carrizozo, Tucumcari Chamber, Albuquerque, Ruidoso, Santa Fe, Big Bend, Payson Arizona Visitor Center. – **VC Staff**
- Received a total of **2525** brochures that have been counted in from Amarillo Texas, Capulin Volcano, True Story of Smokey the Bear, Hop in Café, Artesia Visitor Center, Carrizozo Visitor Center, NM Public Lands, Albuquerque, Roswell Chamber, Las Cruces Hiking Trails, Walk of Flame Las Cruces, Albuquerque Trip Planner, Red River, Route 66 Postcards, Sunseeker Loop, Santa Fe, Truth or Consequences, Roswell Summer Guide. – **VC Staff**

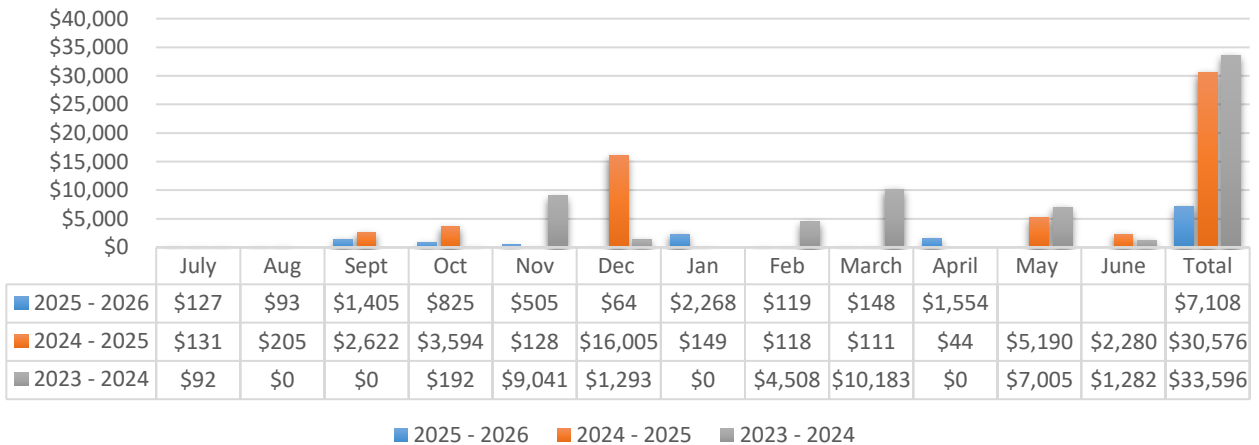
2026 Fiscal Year Revenue Comparison



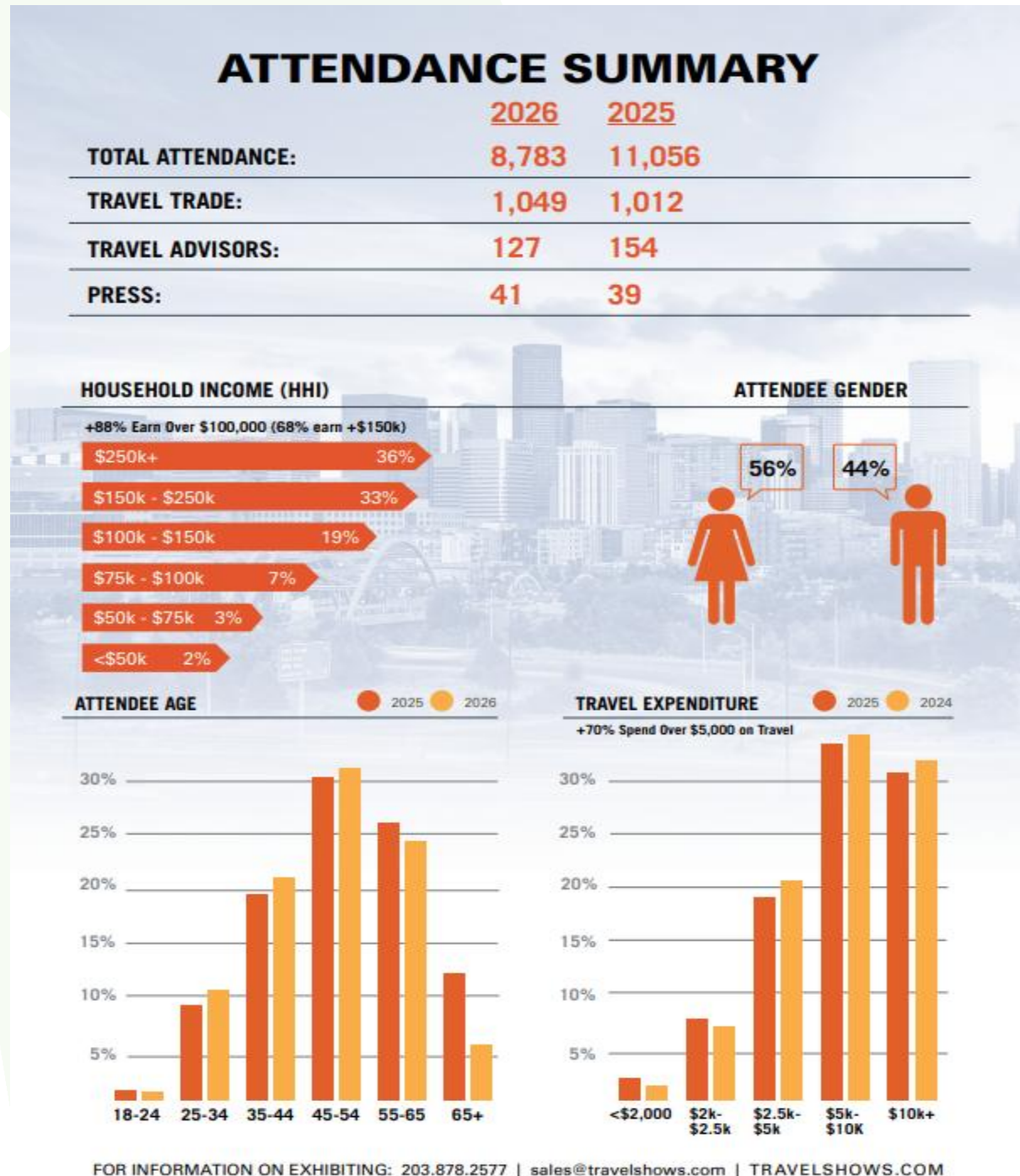
Calendar Year 2026 Revenue Comparison



2026 Fiscal Year Merchandise Expenses



Travel Adventure Show Denver, CO (COR was featured on CBS News Colorado)



**ROSWELL NEW MEXICO
COMMITTEE AGENDA ITEM ABSTRACT**

Non-Action Items 3.

Finance Committee

Meeting Date: 06/04/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

DEPARTMENT NAME:

Public Affairs

Attachments

April 2026 PA Report

Public Affairs Department Report April 2026

General Public Affairs

- Held meeting with CivicPlus on Government website redesign
- Attended meetings for America 250 Roswell
- Attended Meetings for UFO Festival with community partners
- Submitted Grants for NMTD Cooperative Marketing and TEGS for UFO Festival
- Received on invoices for the department
- Abstract, information gathering, and PPT for Finance Committee and City Council items/department reports
- Held virtual meetings with 3 Advertising for marketing initiatives for the City of Roswell tourism and UFO Festival
- Sent FixIt forms to the respective departments
- 2 SET meetings- 12 applications reviewed
- Occupancy Tax Board Meeting- Meetings are now quarterly
- Keep Roswell Beautiful Board Meeting- Cancelled
- Created and ordered marketing collateral for various departments
- Updated OOH billboards / Marquee / Rise vision
- Updating website links on roswell-nm.gov, ufofestival.com, seeroswell.com and flyroswell.com

Current Media Outputs

- Current Campaigns include: Recycling, Help Stop Illegal Dumping, SW Truck Awareness, United Airlines Service, America 250 Roswell, Taking out the Trash, Council Connection, Top Flight Tavern, April Showers Adoption Event, Roswell Runaround, City Now Hiring, Greatest American Cleanup
- News flashes on website: 1
- Government website updates: Estimated 51
- Form Updates: 44
- New Forms: 0
- Facebook: 50 (excluding tourism page)
- Instagram: 4
- TikToks: 0
- FB Lives: 0
- Rise Vision Updates: 4
- New Digital Billboards & Marquee: 1
- Videos: 0





Graphic Design-

Created an estimated **65 graphics**. April consisted of doing some final graphics for Arbor Day (such as seedling signage and directional signage) we also condensed the Visitor Center's tourist guide from a tearsheet (11x17) down to a foldable 4-panel pamphlet (8.5x14). One of the largest projects that was finished in April was the City of Roswell's 16-page Summer Guide which can be found on our website, and physical magazines are available at the Library, Recreation Center and Visitor Center. We promoted general City Now Hiring and also provided our monthly Senior Flyers for May and June. A variety of other small events went on, such as Animal Services' adoption event and the beginning of their new Case Cards to leave with residents to refer to their case numbers. Near the end of April, all things for UFO Festival and America 250 began in full swing.

227 Graphics Year-to-Date (Jan 1 – Dec 31)

3 Videos year- to-date (Jan 1 – December 31)



Completed Arbor Day 2026.
We had over 40 volunteers and gave out 1,031 seedlings that were purchased with grant funding.

**ROSWELL NEW MEXICO
COMMITTEE AGENDA ITEM ABSTRACT**

Non-Action Items 4.

Finance Committee

Meeting Date: 06/04/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

DEPARTMENT NAME:

Museum Monthly Report

Attachments

Museum Monthly Report



APRIL ATTENDANCE

	FY2026	FY2025	FY2024	FY2023
EVENTS/PROGRAMS	155	175		
OUTREACH	-	-		
VOLUNTEER VISITS	31	35		
MUSEUM BUSINESS	-	-		
APRIL TOTALS	186	210	3,861	3,995
FISCAL YEAR-TO-DATE TOTALS	10,863	10,710	34,919	30,146

Please note: Tables were updated in February 2025 to reflect the museum's current closure and categories are those that will be in use during the museum rebuild.

APRIL REVENUES

	FY2026	FY2025	FY2024	FY2023
MEMBERSHIP	200	2,560		
STORE	-	-		
APRIL TOTALS	-	2,560	21,381	15,863
FISCAL YEAR-TO-DATE TOTALS	2,645	61,032	155,246	182,313

APRIL PROGRAMMING

EVENTS/PROGRAMS/OUTREACH	OCCURRENCES for MONTH	ATTENDEES	PARTNERSHIPS/SUPPORT
Second Saturday	1	65	RMAC Foundation, Roswell Public Library
Mix & Mingle: Reimagining the Roswell Museum	1	90	RMAC Foundation, Stellar Coffee
TOTALS	1	155	

MEMBERS



120

current active memberships

167

current active members

FOR MONTH

-

new memberships

2

renewals

FISCAL YEAR to DATE

-

new memberships

26

renewals

VOLUNTEERS



FOR MONTH

73

volunteer hours

31

volunteer visits

FISCAL YEAR to DATE

1470

volunteer hours

380

volunteer visits



6,380

FACEBOOK FOLLOWERS



1,994

INSTAGRAM FOLLOWERS

646

E-NEWSLETTER SUBSCRIBERS

ACTIVITIES & HIGHLIGHTS

CURRENT STATUS & CONSERVATION

The Museum is currently closed due to the October 2024 flood with collection recovery and rebuilding estimated at 5 years. Recovery efforts and staff are centralized at a temporary location.

Previously reported work is ongoing to:

- Process the first batch of treatment proposals for paintings and works on paper provided by The Conservation Center.
- Coordinate and seek insurance approval for conservation of items that remained in Roswell.
- Appraise 250 sculptures with Freeman's Appraisals and 968 historical items with Art of Estates. A prior project to appraise 1900 items by Freeman's has concluded.
- A Scope of Work for Stabilization, Assessment, and Conservation of Goddard artifacts was approved at the May 14 Council meeting. The RFP will be posted soon.

PORTABLE GODDARD EXHIBIT

The Museum, through the RMAC Foundation, was awarded a sponsorship by the NM Spirit Semi-Quintennial project through the State of New Mexico in support of a portable exhibit about Dr. Robert H. Goddard, his time in Roswell, and the conservation of the museum's Goddard artifacts. The exhibit, which will include image and text panels on retractable banners, a children's activity booklet, brochures and video, will be available in Roswell in July 2026 and is planned to travel elsewhere in New Mexico in 2027.

MIX & MINGLE

The museum held an event titled "Mix & Mingle: Help Reimagine the Roswell Museum" at Stellar Coffee on Thursday, April 16 from 5:30-8 pm. The well-attended event offered an opportunity for residents, artists, families, educators and visitors to share their ideas for the future of the museum. Guests were invited to participate in interactive response boards, casual conversations, and idea-sharing activities designed to gather input on what the community values most and what people hope to see in a renewed Roswell Museum.

A \$2,000 New Mexico Humanities Council grant was awarded through the RMAC Foundation in April and a second grant award will be announced soon to support further conversation efforts.

STRATEGIC PLANNING WORKSHOP

A Board of Trustees Workshop was held Saturday, April 18 at City Hall and was facilitated by Santa Fe consultant Sabrina Pratt. The 5-hour workshop focused on discussing goals and objectives for the recovery. Ideas drawn from the workshop will help inform an interim strategic plan for the museum to guide recovery efforts over the next 2-3 years.

O'KEEFFE EPISODE NOW AVAILABLE

The Roswell Museum's Georgia O'Keeffe painting, *Ram's Skull with Brown Leaves*, was featured on the free virtual lecture series, Mornings with O'Keeffe, presented by the O'Keeffe Museum on April 15. The lecture is now available on the O'Keeffe Museum's website and YouTube Channel. The painting is currently on view at the O'Keeffe Museum.

RAIR OPENING

An exhibition by artist-in-residence Andy Van Dinh opened on Friday, May 1 at the Anderson Museum with an artist talk and reception. Dinh is a New York-based artist whose work explores themes of relocation, adaptation, and resettlement as a reflection on his personal experiences with the Vietnamese Diaspora. The exhibit will be on view through June 14. The Roswell Museum partners with the RAiR Foundation in the presentation of the exhibitions at the Anderson Museum during the Roswell Museum's recovery.

SECOND SATURDAYS

Held at the Roswell Public Library, June's activity is Rockets vs UFOs. Participants will build spacecraft with air dry clay in honor of the Robert Goddard centennial and the upcoming UFO Festival.

AAM ANNUAL MEETING

Museum Director Caroline Brooks will be attending the American Alliance of Museums Annual Meeting in Philadelphia May 20-23. The theme for AAM 2026 is "The Museum Odyssey," which explores

how institutions act as timekeepers, travelers, chroniclers, and seers. Coinciding with the United States' 250th anniversary, the conference focuses on building long-term operational resilience and driving creative innovation to ensure museums thrive in the modern cultural landscape. Information will aid with the museum as it continues recovery and rebuilding efforts.

NAGPRA TRAINING

Curator Aaron Wilder attended a "NAGPRA Essentials" training, in Austin, TX, May 12-13 presented by the National Preservation Institute. The seminar covered compliance processes for the Native American Graves Protection and Repatriation Act, focusing on practitioners working in repatriation, including legal requirements and documentation, to aid with federal compliance requirements for the Museum's Native American collection.

REGISTRAR VACANCY

The registrar position, which provides oversight for the care and tracking of the collection, is currently vacant and a hiring process is underway.

**ROSWELL NEW MEXICO
COMMITTEE AGENDA ITEM ABSTRACT**

Non-Action Items 5.

Finance Committee

Meeting Date: 06/04/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

DEPARTMENT NAME:

Roswell Public Library

Attachments

Roswell Public Library Monthly Report May

Roswell Public Library

April 11 – May 11, 2026

Accomplishments

Building Improvements Plans

Children's Garden: We will have a groundbreaking ceremony on Saturday, May 16. Mevacon LLC will begin work on May 18. We have the permit posted by the front door and a copy of the CIP approved plans are at the reference desk.

Skylights: The skylights have been installed.

Service Improvements

New Mexico State Library Grants-in-Aid: We submitted the required Library Grants-in-Aid reporting form to the New Mexico State Library.

Library Collection

We completed the evaluation of the nonfiction collection with the exception of the Genealogy collection based on "MUSTIE" or

- Misleading: factually inaccurate
- Ugly/Moldy/Damaged
- Superseded: new edition available
- Trivial: outdated popular culture
- Irrelevant: to the community Elsewhere Available: usually on-line

The Genealogy collection is a specialized collection that will take some time to evaluate. We began with the materials that provide information on how to conduct genealogy research. We decided to keep materials that deal with searching for information in the United States and Mexico. We also decided that much of the collection needs to be treated. The treatment begins with putting it in a closed plastic bin with lava rocks. The second step is to put in a plastic bin with kitty litter and baking soda and the third step is to put the book in the freezer. Then we clean, vacuum, and repair the book, re-catalog and re-label the item before placing it on the shelf.

Library Hours: During the summer May 31 to August 2 the library hours will be Monday-Thursday 10 a.m. to 7 p.m.
Friday and Saturday 10 a.m. to 6 p.m.
Closed Sundays

This will allow us to better staff the library during our busiest time.

Programs

Day of the Child/Day of the Book: We held a carnival themed event that included activities throughout the library. Activities included facepainting, balloon twisting, craft, scavenger hunt, treats and a free book. Staff decorated the library and came in costume. The event was attended by 395 people.

Mother's Day: The Science Museum and Gardening Club offered a flower arrangement project that complimented the cooking club program of creating edible bouquet. 65 people attended the edible bouquet program that was held in two sessions.

Spice Club: The spice of the month for May is Cardamom.

Summer Reading Program: The theme for this year's summer reading program is dinosaurs. The reading program has two parts, the events offered throughout the summer and the tracking and awarding prizes for reading.

Events: We have a full schedule of programs; preschool programs, special Thursday performers, STEM programs, cooking club, movie and popcorn, gaming Fridays, book club and craft programs.

Tracking Reading: We also have activities and prizes to encourage reading for babies to seniors. Our programs are:

Beginning Readers: read or are read to and earn 10 tokens each week they read 10 books. If they read 15 or more books, they earn 20 tokens. Tokens are then redeemed for prizes.

Seasoned Readers: read one book (100 to 300 pages) a week and earn 10 tokens. Reading a book with over 300 pages earns 20 tokens.

Teens: read a book and write a review to earn a ticket for a weekly prize.

Adults: Earn a ticket for each day they checkout materials from the Roswell Public Library

STEM at the Air Races: The library was visited by a representative from the National Championship Air Races who is coordinating STEM activities for the Air Races. Later we were visited by the New Mexico Science Technology Engineering and Math (STEM) Innovation program coordinated by University of New Mexico. Ideally, we will work with ENMU-Roswell and UNM to provide STEM activities at the Air Races.

America 250 for New Mexico and Roswell

Kindergarten Bags: Each year we put together a bag for each kindergarten student in the Roswell Independent School District (RISD) and the private schools. We typically provide library card applications, library calendar, some school supplies (provided by a community organization) and a free book. This year instead of providing each child a free book we plan to provide the kindergarten teachers with a set of books to use in his or her classroom on the topic of the constitution and American history. We will have the books reviewed by school staff before committing to the project. We will use a portion of the Andrew Carnegie grant to purchase the books.

Family Bingo: This is a summer activity to encourage families to do activities together and learn about the constitution. We are using an online program that awards badges for completing certain activities. For example, participate in a Keep Roswell Beautiful event or check-out a clean-up kit from the library and clean up your neighborhood. The badges are awarded on a bingo card. Getting 4 badges in a row earns a bingo prize and completing all 16 activities earns another prize.

Storywalk: We have purchased several early American History picture books and books recommended by the New Mexico 250 project that we will feature throughout July 2026 to July 2027 in our Storywalk. As the book pages are taken apart, laminated and placed in the outside holders the length of each picture book is carefully considered.

Exhibit: We have a poster from the Smithsonian National Museum of American History that will be the center of the display about the Constitution and the Library Bill of Rights.

Community Discussion: Our grant application to the Smithsonian was turned down, but we are reviewing the project to determine if we can implement parts without the grant.

**ROSWELL NEW MEXICO
COMMITTEE AGENDA ITEM ABSTRACT**

Lodger's Tax 6.

Finance Committee

Meeting Date: 06/04/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

DEPARTMENT NAME:

Lodgers Tax

Attachments

Lodgers Tax

YTD Budget Report

Lodgers' Tax

June 4, 2026
(Corn/Jones)

Lodgers' Tax Update March 2026 Activity Collected in April 2026

- One hotel, La Quinta, did not report. The hotel that previously failed to report is now current.
- STR data shows we were at 71.5% occupancy. Down 1.8%
- ADR percent change this month is down 2.0% from last year.
- 35 Short Term Rentals reported for the period.

CITY OF ROSWELL

5% LODGERS' TAX COLLECTION REPORT

COLLECTED IN APRIL 2026 FOR THE MONTH OF MARCH 2026 ACTIVITY

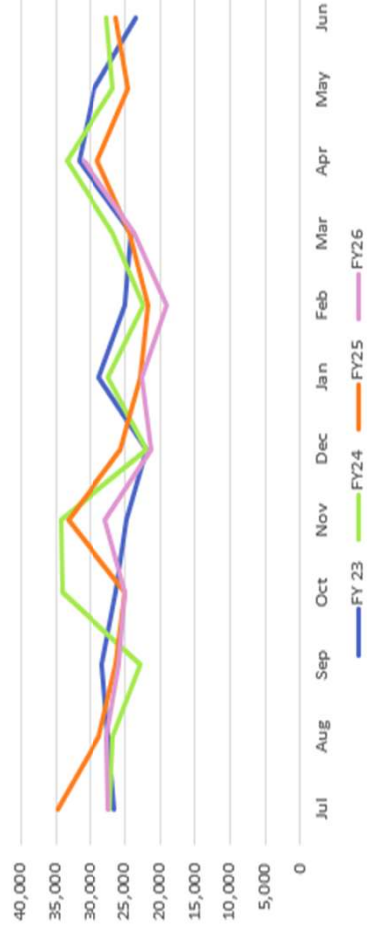
ROOM NIGHTS REPORTED BY MONTH:

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
FY 23	26,570	27,515	28,330	26,385	24,822	21,885	28,847	24,972	24,102	31,539	29,313	23,353	317,633
FY24	27,246	26,672	22,821	33,964	34,230	21,867	27,393	22,269	26,694	33,329	26,826	27,611	330,922
FY25	34,628	28,716	26,372	25,091	33,101	25,752	22,812	21,634	24,353	29,043	24,629	26,392	322,523
FY26	27,421	27,574	25,836	24,990	27,802	21,317	22,495	18,961	23,646	30,907			250,949
Available Room Nights	47,460	49,042	49,042	47,460	49,042	47,460	49,042	49,042	44,296	49,042	47,460	49,042	
Occupancy %	57.8%	56.2%	52.7%	52.7%	56.7%	44.9%	45.9%	38.7%	53.4%	63.0%	0.0%	0.0%	

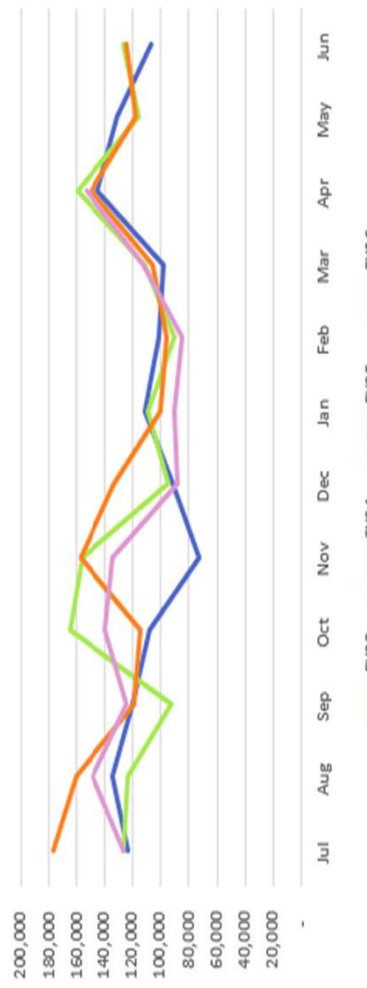
LODGERS' TAX COLLECTED BY MONTH:

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
FY23	123,675	133,648	120,051	107,406	73,116	91,015	111,293	100,743	98,450	145,415	130,573	107,096	\$ 1,342,481
FY24	126,306	123,243	92,711	164,942	156,080	94,157	108,666	89,983	110,577	159,226	115,351	126,741	\$ 1,467,982
FY25	177,303	159,992	118,806	114,100	157,353	132,870	99,619	95,871	105,116	149,261	117,774	124,547	\$ 1,552,612
FY26	126,367	148,321	123,922	139,591	134,417	88,178	89,939	85,050	112,538	153,081			\$ 1,201,404

Actual Room Nights Sold - Four Year Trend



Actual Lodgers' Tax - Four Year Trend





ROS WELL
Public Affairs

CITY OF ROSWELL
\$2.50 CONVENTION CENTER BED FEE COLLECTION REPORT
Collected in April 2026 for March 2026 Activity

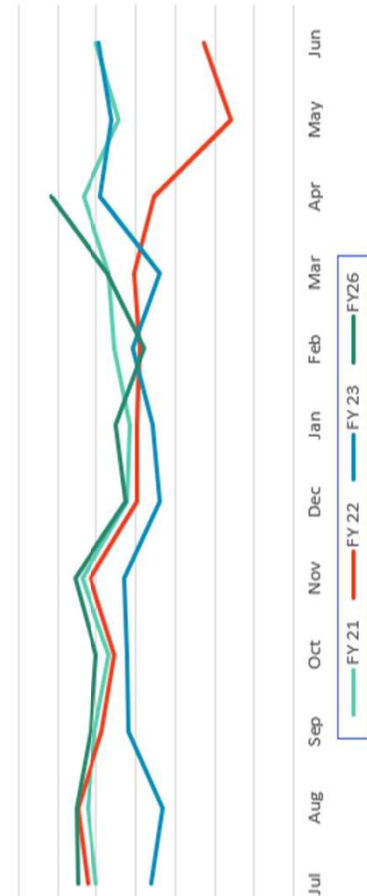
ROOM NIGHTS REPORTED BY MONTH:

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
FY23	26,570	27,515	28,330	26,385	24,822	21,885	28,847	24,972	24,102	31,539	29,313	23,353	317,633
FY24	27,246	26,672	22,821	33,964	34,230	21,867	27,393	22,269	26,694	33,329	26,826	27,611	330,922
FY25	34,628	28,716	26,372	25,091	33,101	25,752	22,812	21,634	24,353	29,043	24,629	26,392	322,523
FY26	27,421	27,574	25,836	24,990	27,802	21,317	22,495	18,961	23,646	30,907			250,949
Available Room Nights	47,460	49,042	49,042	47,460	49,042	47,460	49,042	49,042	44,296	49,042	47,460	49,042	
Occupancy %	57.8%	56.2%	52.7%	52.7%	56.7%	44.9%	45.9%	38.7%	53.4%	63.0%	0.0%	0.0%	

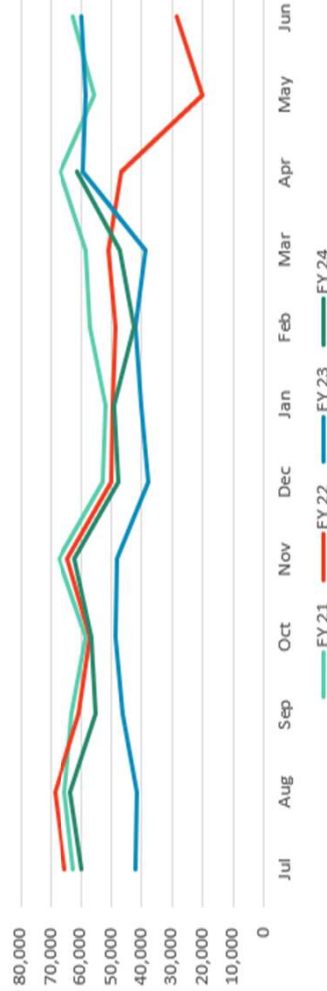
CONVENTION CENTER FEES COLLECTED BY MONTH:

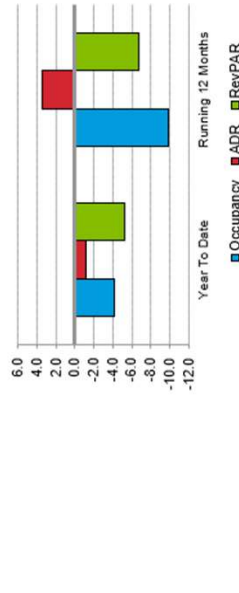
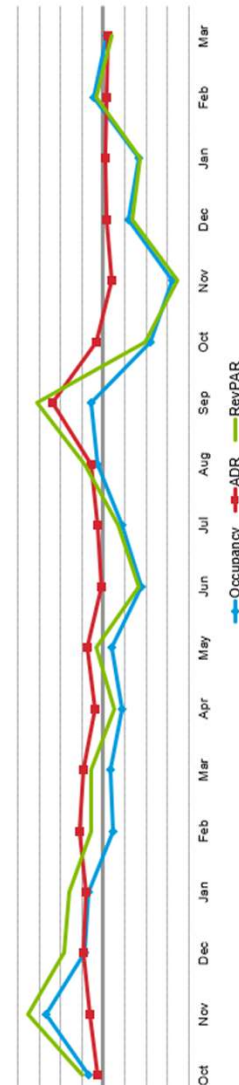
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
FY23	62,518	65,830	67,088	61,810	44,848	51,480	68,305	57,842	53,238	75,480	63,965	54,313	\$ 726,714
FY24	63,160	59,332	49,567	79,130	80,079	50,482	61,255	50,565	58,575	74,128	61,840	63,755	\$ 751,868
FY25	80,315	70,870	60,612	56,428	76,247	64,132	53,257	49,550	50,762	63,197	56,455	58,595	\$ 740,420
FY26	59,642	63,445	55,335	56,445	62,249	47,570	49,045	42,385	47,275	61,152			\$ 544,543

Actual Room Nights Sold - Four Year Trend



Actual Convention Center Bed Fee at \$2.50
Four Year Trend





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City of Roswell

City of Roswell - Lodger's Tax Fund
Year-To-Date Budget Report
As of 06/01/2026

ORG	OBI	ACCOUNT	ACCOUNT DESCRIPTION	ORIGINAL APPROP	TRANFRS/ADISMTS	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCE/REQ	AVAILABLE BUDGET	% USED
2622	414100	2622-00-0000-0000-414100	Lodger's Tax 5%	(1,501,798.00)	0.00	(1,501,798.00)	(1,187,027.63)	0.00	(314,770.37)	79.0%
2622	414100	2622-00-0000-0000-414100	Lodger's Tax 5% >31 Days	(69,197.00)	0.00	(69,197.00)	(102,009.86)	0.00	32,812.86	147.4%
2622	414110	2622-00-0000-0000-414110	Lodger's Tax Penalties	(38,526.00)	0.00	(38,526.00)	(4,220.14)	0.00	(34,305.86)	11.0%
2622	443200	2622-00-0000-0000-443200	State Grants-NM Tourism Dept	(98,598.00)	(36,085.92)	(134,683.92)	(9,033.83)	0.00	(125,650.09)	6.7%
2622	456020	2622-00-0000-0000-456020	Chgs4Svc-Conv Cntr Service	0.00	0.00	0.00	(13,396.82)	0.00	13,396.82	0.0%
2622	483200	2622-00-0000-0000-483200	Interest Inc-Investments	(51,902.00)	0.00	(51,902.00)	(31,581.48)	0.00	(20,320.52)	60.8%
2622	489120	2622-00-0000-0000-489120	Misc-Visitor Center	0.00	0.00	0.00	(860.00)	0.00	860.00	0.0%
2622	922612	2622-00-0000-0000-922612	Transfers out to Zoo	1,106,864.00	0.00	1,106,864.00	0.00	0.00	1,106,864.00	0.0%
2622	922621	2622-00-0000-0000-922621	Transfers out to Conv Center	261,052.00	0.00	261,052.00	0.00	0.00	261,052.00	0.0%
		Total Revenue		(392,105.00)	(36,085.92)	(428,190.92)	(1,348,129.76)	0.00	919,938.84	
26224081	663301	2622-40-4081-0000-663301-	Computer-Subscription/License	0.00	21,050.00	21,050.00	20,860.56	0.00	189.44	99.1%
26224081	663304	2622-40-4081-0000-663304	Computer-Software Train/Cnsult	5,000.00	(5,000.00)	0.00	0.00	0.00	0.00	0.0%
26224081	672801	2622-40-4081-0000-672801	PubRelat-Education & Promotion	40,000.00	(11,050.00)	28,950.00	12,691.93	9,230.00	7,028.07	43.8%
26224081	672802	2622-40-4081-0000-672802	PubRelat-Goodwill	365,000.00	(365,000.00)	0.00	0.00	0.00	0.00	0.0%
26224081	672805	2622-40-4081-0000-672805	PubRelat-Advertising/Notices	0.00	365,000.00	365,000.00	205,797.89	151,591.02	7,611.09	56.4%
26224081	672828	2622-40-4081-0000-672828	PubRelat-Special Events	610,000.00	0.00	610,000.00	446,144.52	23,466.00	140,389.48	73.1%
26224081	712102	2622-40-4081-0000-712102	G&A-Credit Card Fees	5,000.00	(5,000.00)	0.00	0.00	0.00	0.00	0.0%
		Lodger's Tax Expense		1,025,000.00	0.00	1,025,000.00	685,494.90	184,287.02	155,218.08	
26224253	511110	2622-42-4253-0000-511110-	Full-Time Salaries	132,956.00	0.00	132,956.00	108,002.55	0.00	24,953.45	81.2%
26224253	511120	2622-42-4253-0000-511120	Part-Time Salaries	8,355.00	0.00	8,355.00	16,453.43	0.00	(8,098.43)	196.9%
26224253	521210	2622-42-4253-0000-521210-	Full-Time Overtime	6,465.00	0.00	6,465.00	3,718.80	0.00	2,746.20	57.5%
26224253	551510	2622-42-4253-0000-551510	FICA Tax	8,761.00	0.00	8,761.00	7,537.52	0.00	1,223.48	86.0%
26224253	551520	2622-42-4253-0000-551520	Medicare Tax	2,049.00	0.00	2,049.00	1,762.75	0.00	286.25	86.0%
26224253	561530	2622-42-4253-0000-561530-	PERA Retirement	15,688.00	0.00	15,688.00	12,636.99	0.00	3,051.01	80.6%
26224253	561535	2622-42-4253-0000-561535-	NMRFCA	2,660.00	0.00	2,660.00	2,150.30	0.00	509.70	80.8%
26224253	571536	2622-42-4253-0000-571536-	Administration Fee	0.00	100.00	100.00	47.31	0.00	52.69	47.3%
26224253	571540	2622-42-4253-0000-571540-	Group Insurance	32,538.00	0.00	32,538.00	31,837.19	0.00	700.81	97.8%
26224253	571550	2622-42-4253-0000-571550-	Worker's Compensation Fee	36.00	0.00	36.00	27.80	0.00	8.20	77.2%
26224253	585901	2622-42-4253-0000-585901	Employee Training	900.00	0.00	900.00	103.60	0.00	796.40	11.5%
26224253	585902	2622-42-4253-0000-585902	Employee Travel	16,000.00	4,000.00	20,000.00	18,511.14	0.00	1,488.86	92.6%
26224253	586101	2622-42-4253-0000-586101	General Uniforms	2,000.00	0.00	2,000.00	1,757.89	0.00	242.11	87.9%
26224253	614002	2622-42-4253-0000-614002	M&R-Building	40,000.00	(8,600.00)	31,400.00	3,685.54	20,421.32	7,293.14	11.7%
26224253	614004	2622-42-4253-0000-614004-	M&R-Equipment	0.00	100.00	100.00	90.40	0.00	9.60	90.4%
26224253	623402	2622-42-4253-0000-623402	Insurance-Building	4,209.00	1.00	4,210.00	4,210.00	0.00	0.00	100.0%
26224253	623404	2622-42-4253-0000-623404	Insurance-General Liability	7,066.00	0.00	7,066.00	7,065.00	0.00	1.00	100.0%
26224253	623407	2622-42-4253-0000-623407-	Insurance-Worker's Comp	2,804.00	0.00	2,804.00	2,804.00	0.00	0.00	100.0%
26224253	635801	2622-42-4253-0000-635801	Utilities-General Telephones	50.00	0.00	50.00	10.65	0.00	39.35	21.3%
26224253	636302	2622-42-4253-0000-636302	Utilities-Electric	2,000.00	0.00	2,000.00	1,734.23	0.00	265.77	86.7%
26224253	636304	2622-42-4253-0000-636304	Utilities-Water	700.00	300.00	1,000.00	903.37	0.00	96.63	90.3%
26224253	642901	2622-42-4253-0000-642901	Non-Capital-Computers	2,200.00	0.00	2,200.00	0.00	1,937.34	262.66	0.0%
26224253	642902	2622-42-4253-0000-642902	Non-Capital-Tools	500.00	(199.99)	300.01	239.87	0.00	60.14	80.0%
26224253	642903	2622-42-4253-0000-642903	Non-Capital-Furniture/Fixtures	2,900.00	0.00	2,900.00	2,679.29	0.00	220.71	92.4%
26224253	642904	2622-42-4253-0000-642904	Non-Capital-Equipment	0.00	199.99	199.99	0.00	0.00	199.99	0.0%
26224253	652409	2622-42-4253-0000-652409	Contract-Janitorial Services	3,000.00	3,000.00	6,000.00	3,510.00	2,490.00	0.00	58.5%
26224253	652423	2622-42-4253-0000-652423	Contract-Pest Control Services	600.00	0.00	600.00	465.55	161.52	(27.07)	77.6%
26224253	654801	2622-42-4253-0000-654801-	Contract-Professional Services	3,000.00	0.00	3,000.00	0.00	3,000.00	0.00	0.0%
26224253	655003	2622-42-4253-0000-655003	Contract-Equip Rent & Lease	0.00	49.00	49.00	20.61	0.00	28.39	42.1%
26224253	663303	2622-42-4253-0000-663303	Computer-Software Maintenance	2,000.00	(450.00)	1,550.00	0.00	0.00	1,550.00	0.0%
26224253	663306	2622-42-4253-0000-663306-	Computer-Internet Hosting/Web	8,000.00	0.00	8,000.00	7,188.00	0.00	812.00	89.9%
26224253	672801	2622-42-4253-0000-672801	PubRelat-Education & Promotion	37,000.00	0.00	37,000.00	36,109.36	400.00	490.64	97.6%
26224253	674700	2622-42-4253-0000-674700	PubRelat-Printing & Publicatns	15,500.00	(2,500.00)	13,000.00	8,066.65	1,608.61	3,324.74	62.1%
26224253	712102	2622-42-4253-0000-712102	G&A-Credit Card Fees	1,500.00	0.00	1,500.00	0.00	0.00	1,500.00	0.0%
26224253	712101	2622-42-4253-0000-712101-	G&A-Dues/Memberships	850.00	0.00	850.00	835.76	5.41	8.83	98.3%
26224253	712702	2622-42-4253-0000-712702	G&A-Subscriptions	2,000.00	0.00	2,000.00	568.92	0.00	1,431.08	28.4%

ORG	OBJ	ACCOUNT	ACCOUNT DESCRIPTION	ORIGINAL APPROP	TRANFRS/ADJSMTS	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCE/REQ	AVAILABLE BUDGET	% USED
26224253	723200	2622-42-4253-0000-723200	Supplies-Fuels and Fluids	500.00	0.00	500.00	0.00	0.00	500.00	0.0%
26224253	724600	2622-42-4253-0000-724600	Supplies-Postage/Shipping	10,000.00	4,000.00	14,000.00	13,255.08	52.51	692.41	94.7%
26224253	725601	2622-42-4253-0000-725601	Supplies-General	900.00	0.00	900.00	889.43	0.00	10.57	98.8%
26224253	725602	2622-42-4253-0000-725602	Supplies-Office	1,350.00	0.00	1,350.00	1,244.65	102.89	2.46	92.2%
26224253	725608	2622-42-4253-0000-725608	Supplies-Janitorial	2,000.00	0.00	2,000.00	439.33	1,560.67	0.00	22.0%
			Lodger's Tax Visitor Center	379,037.00	0.00	379,037.00	300,562.96	31,740.27	46,733.77	
			Fund 2622 (Surplus)/Deficit	1,011,932.00	(36,085.92)	975,846.08	(362,071.90)	216,027.29	1,121,890.69	

ORIGINAL APPROP	TRANFRS/ADJSMTS	REVISED BUDGET
\$ 1,059,014.76	\$ 1,059,014.76	
\$ (1,760,021.00)	\$ (36,085.92)	\$ (1,796,106.92)
\$ 1,367,916.00	\$ 1,367,916.00	
\$ 209,508.00	\$ 100.00	\$ 209,608.00
\$ 1,194,529.00	\$ (100.00)	\$ 1,194,429.00
47,082.76	(36,085.92)	83,168.68

Beginning Cash
Revenue
Transfers (Zoo & Convention Center)
Payroll
Operating Expense
Ending Cash

**ROSWELL NEW MEXICO
COMMITTEE AGENDA ITEM ABSTRACT**

Non-Action Items 7.

Finance Committee

Meeting Date: 06/04/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

DEPARTMENT NAME:

Cannabis Excise Tax

Gross Receipts Tax

Attachments

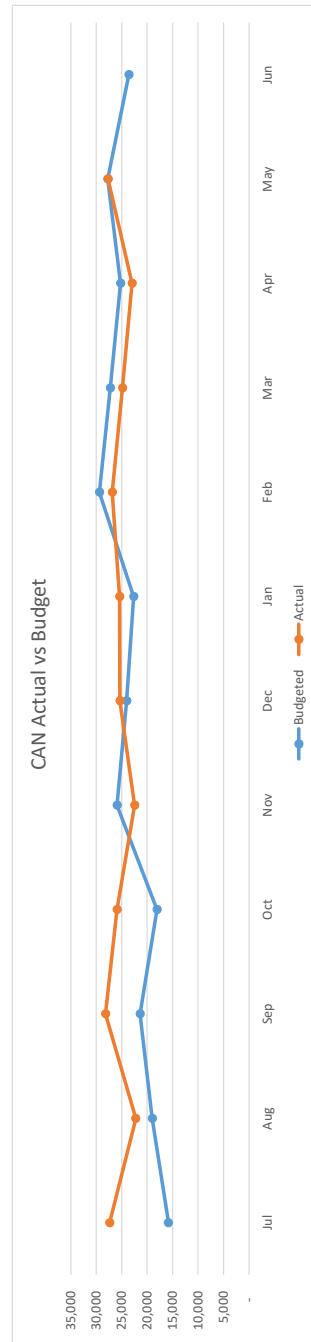
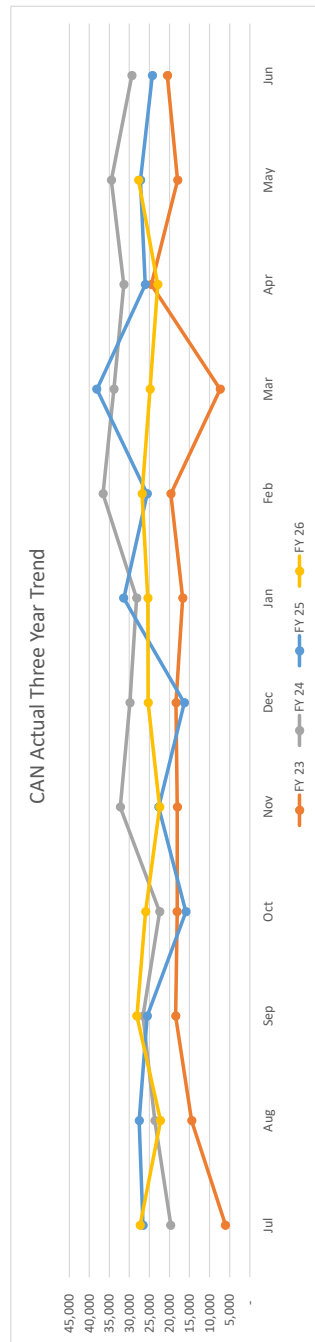
Cannabis Excise Tax

Gross Receipts Tax

GRT Allocation

YTD Budget Report

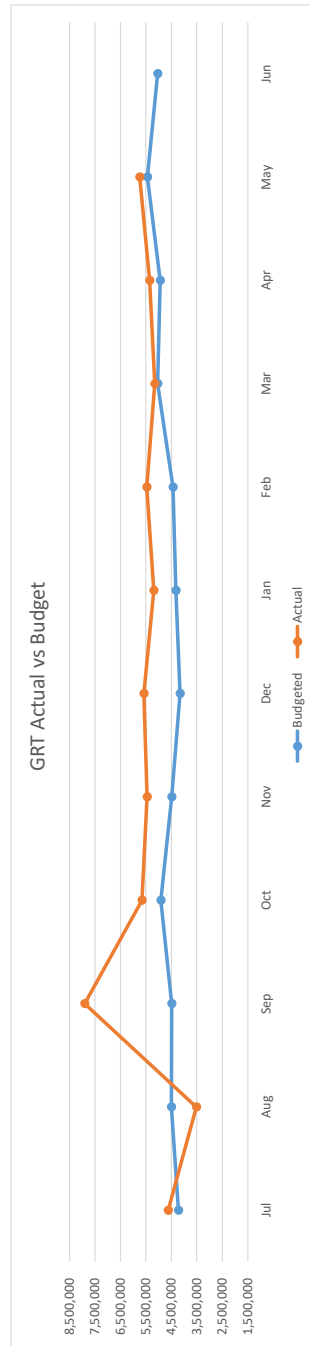
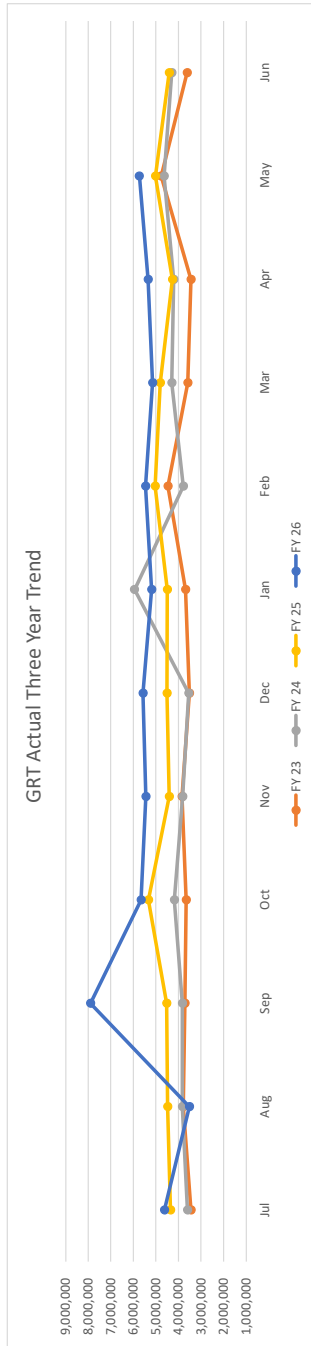
FY	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Totals	YTD Period % Change	Total
FY 23	6,091	14,494	18,482	18,108	18,096	18,422	16,719	19,631	7,352	24,557	17,949	20,569	200,469		200,469
FY 24	19,733	23,688	26,592	22,491	32,293	29,911	28,210	36,580	33,857	31,409	34,507	29,406	348,677	73.9%	348,677
FY 25	26,593	27,541	25,544	15,944	22,724	16,310	31,430	25,563	38,136	26,059	27,204	24,268	307,316	-11.9%	307,316
FY 26	27,337	22,256	28,178	25,929	22,451	25,341	25,423	26,838	24,872	22,963	27,689		279,277	-9.1%	279,277
26 over 25	2.8%	-19.2%	10.3%	62.6%	-1.2%	55.4%	-19.1%	5.0%	-34.8%	-11.9%	1.8%	-100.0%	-9.1%		



	Budgeted	Actual	Variance
Jul	15,848	27,337	11,489
Aug	19,023	22,256	3,233
Sep	21,362	28,178	6,816
Oct	18,058	25,929	7,871
Nov	25,926	22,451	(3,475)
Dec	24,006	25,341	1,335
Jan	22,658	25,423	2,765
Feb	29,370	26,838	(2,532)
Mar	27,207	24,872	(2,335)
Apr	25,218	22,963	(2,255)
May	27,707	27,689	(18)
Jun	23,617		(23,617)
Total	280,000	279,277	(723)
% FYTD			-0.3%

City of Roswell
Gross Receipts Tax
May 2026

FY	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Totals	YTD Period % Change	Total
FY 19	3,131,599	2,939,761	2,717,100	2,851,428	2,747,878	2,708,431	2,781,667	3,114,447	2,690,121	2,700,303	2,973,891	2,763,391	34,120,016		34,120,016
FY 20	2,860,221	3,248,842	5,450,435	2,804,337	3,799,352	3,162,914	2,788,688	3,186,544	2,790,481	2,464,194	2,876,027	2,809,756	38,241,792	10.8%	38,241,792
FY 21	3,022,870	3,102,729	3,004,044	2,972,865	2,954,877	2,791,196	2,669,024	3,323,947	2,848,487	2,712,994	3,440,838	3,310,495	36,154,366	-5.8%	36,154,366
FY 22	2,905,150	3,365,250	3,274,874	5,322,186	3,503,137	3,415,875	3,433,365	3,746,860	3,298,203	3,207,034	3,796,595	3,493,551	42,762,081	15.5%	42,762,081
FY 23	3,451,125	3,781,199	3,720,713	3,659,178	3,836,550	3,520,939	3,690,743	4,468,601	3,592,680	3,450,237	4,773,189	3,610,211	45,555,365	6.5%	45,555,365
FY 24	3,601,500	3,833,199	3,825,702	4,187,623	3,821,397	3,550,450	5,949,131	3,784,152	4,297,716	4,213,352	4,643,710	4,296,782	50,004,713	9.8%	50,004,713
FY 25	4,360,577	4,481,811	4,529,227	5,334,898	4,410,155	4,515,089	4,501,105	5,035,167	4,810,285	4,274,929	5,021,295	4,404,839	55,679,377	11.3%	55,679,377
FY 26	4,625,684	3,517,302	7,903,051	5,654,926	5,450,801	5,577,332	5,193,540	5,464,974	5,151,075	5,350,340	5,736,387	-	59,625,413	7.1%	59,625,413
26 over 25	6.1%	-21.5%	74.5%	6.0%	23.6%	23.5%	15.4%	8.5%	7.1%	25.2%	14.2%	-100.0%	7.1%		



	Budgeted	Actual	Variance
Jul	4,220,150	4,625,684	405,534
Aug	4,493,287	3,517,302	(975,985)
Sep	4,484,504	7,903,051	3,418,547
Oct	4,909,769	5,654,926	745,157
Nov	4,478,402	5,450,801	972,399
Dec	4,162,932	5,577,332	1,414,400
Jan	4,325,999	5,193,540	867,541
Feb	4,436,170	5,464,974	1,028,804
Mar	5,038,498	5,151,075	112,577
Apr	4,939,601	5,350,340	410,739
May	5,444,599	5,736,387	291,788
Jun	5,037,177	-	(5,037,177)
Total	55,971,088	59,625,413	3,654,325
% FYTD			6.53%



CITY OF ROSWELL
GRT ALLOCATION
FY25

Income

Fund	July Actuals	August Actuals	September Actuals	October Actuals	November Actuals	December Actuals	January Actuals	February Actuals	March Actuals	April Actual	May Actuals	June Actuals	Total Actuals
General Fund	3,469,335.19	2,638,030.89	5,327,317.59	3,800,971.34	3,663,384.86	3,749,563.85	3,490,242.44	3,672,343.90	3,461,665.45	3,595,438.49	3,862,528.61	-	40,730,822.61
Flood	-	-	800,115.38	587,069.91	566,389.53	578,017.90	539,979.56	568,617.02	535,616.65	556,521.19	597,988.04	-	5,330,315.18
Recreation	433,594.88	329,693.48	665,798.96	475,042.36	457,847.04	468,617.25	436,207.91	458,966.92	432,636.39	449,355.29	482,736.05	-	5,090,502.53
Public Safety	722,754.16	549,571.64	1,109,819.25	791,842.68	763,179.82	781,133.06	727,109.71	765,046.29	721,156.37	749,024.84	804,666.79	-	8,485,304.61
	4,625,684.23	3,517,302.01	7,903,051.18	5,654,926.29	5,450,801.25	5,577,332.06	5,193,539.62	5,464,974.13	5,151,074.86	5,350,339.81	5,747,919.49	-	59,636,944.93

Expense Actuals

Fund	July	August	September	October	November	December	January	February	March	April	May	June	Total Actuals
Flood	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Safety	115,408.23	117,612.20	118,192.69	119,253.76	118,781.26	317,694.41	464,176.82	139,655.91	257,442.45	1,348,784.36	424,840.86	-	3,541,842.95
	115,408.23	117,612.20	118,192.69	119,253.76	118,781.26	317,694.41	464,176.82	139,655.91	257,442.45	1,348,784.36	424,840.86	-	3,541,842.95

City of Roswell - Public Safety Fund
Year-To-Date Budget Report
As of 06/01/2026

ORG	OBJ	ACCOUNT	ACCOUNT DESCRIPTION	ORIGINAL APPROP	TRANSFRS/ADJSMTS	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCE/REQ	AVAILABLE BUDGET	% USED
5500	411100	5500-00-0000-0000-411100-	GRT Tax-Municipal	-5,417,634.00	0.00	-5,417,634.00	-5,230,389.24	0.00	-187,244.76	96.5%
5500	4111500	5500-00-0000-0000-411500-	GRT Tax-State Share	-3,327,741.00	0.00	-3,327,741.00	-3,254,915.39	0.00	-72,825.61	97.8%
5500			Total Revenue	-8,745,375.00	0.00	-8,745,375.00	-8,485,304.63	0.00	-260,070.37	
55004125	511110	5500-41-4125-0000-511110-	Full-Time Salaries	553,277.77	0.00	553,277.77	53,524.30	0.00	499,753.47	9.7%
55004125	521210	5500-41-4125-0000-521210-	Full-Time Overtime	264,467.70	0.00	264,467.70	0.00	0.00	264,467.70	0.0%
55004125	541561	5500-41-4125-0000-541561-	Phone Allowance	630.00	0.00	630.00	0.00	0.00	630.00	0.0%
55004125	551510	5500-41-4125-0000-551510-	FICA Tax	32,872.87	0.00	32,872.87	3,167.69	0.00	29,705.18	9.6%
55004125	551520	5500-41-4125-0000-551520-	Medicare Tax	7,687.70	0.00	7,687.70	740.81	0.00	6,946.89	9.6%
55004125	561530	5500-41-4125-0000-561530-	PERA Retirement	62,562.46	0.00	62,562.46	5,928.04	0.00	56,634.42	9.5%
55004125	561535	5500-41-4125-0000-561535-	NMRHCA	10,603.75	0.00	10,603.75	1,004.81	0.00	9,598.94	9.5%
55004125	571536	5500-41-4125-0000-571536-	Administration Fee	266.85	0.00	266.85	13.28	0.00	253.57	5.0%
55004125	571540	5500-41-4125-0000-571540-	Group Insurance	298,409.44	0.00	298,409.44	12,316.00	0.00	286,093.44	4.1%
55004125	571550	5500-41-4125-0000-571550-	Worker's Compensation Fee	125.80	0.00	125.80	17.55	0.00	108.25	14.0%
55004125	585901	5500-41-4125-0000-585901-	Employee Training	50,000.00	0.00	50,000.00	1,720.29	5,350.00	42,929.71	3.4%
55004125	585902	5500-41-4125-0000-585902-	Employee Travel	5,000.00	0.00	5,000.00	2,956.15	0.00	2,043.85	59.1%
55004125	586101	5500-41-4125-0000-586101-	General Uniforms	33,451.14	0.00	33,451.14	24,185.45	8,407.73	857.96	72.3%
55004125	614002	5500-41-4125-0000-614002-	M&R-Building	3,750.00	0.00	3,750.00	0.00	0.00	3,750.00	0.0%
55004125	614004	5500-41-4125-0000-614004-	M&R-Equipment	5,000.00	0.00	5,000.00	0.00	0.00	5,000.00	0.0%
55004125	614012	5500-41-4125-0000-614012-	M&R-Vehicle	42,621.55	0.00	42,621.55	460.15	11,251.70	30,909.70	1.1%
55004125	623401	5500-41-4125-0000-623401-	Insurance-Auto	8,000.00	0.00	8,000.00	0.00	0.00	8,000.00	0.0%
55004125	635802	5500-41-4125-0000-635802-	Utilities-Mobile Telephones	2,000.00	0.00	2,000.00	0.00	0.00	2,000.00	0.0%
55004125	636302	5500-41-4125-0000-636302-	Utilities-Electric	6,249.99	0.00	6,249.99	14,250.00	0.00	-8,000.01	228.0%
55004125	636303	5500-41-4125-0000-636303-	Utilities-Gas	2,499.99	0.00	2,499.99	802.91	0.00	1,697.08	32.1%
55004125	636304	5500-41-4125-0000-636304-	Utilities-Water	12,499.98	0.00	12,499.98	5,889.76	0.00	6,610.22	47.1%
55004125	642901	5500-41-4125-0000-642901-	Non-Capital-Computers	48,100.00	0.00	48,100.00	47,995.07	0.00	104.93	99.8%
55004125	642902	5500-41-4125-0000-642902-	Non-Capital-Tools	36,000.00	0.00	36,000.00	1,250.00	0.00	34,750.00	3.5%
55004125	642903	5500-41-4125-0000-642903-	Non-Capital-Furniture/Fixtures	24,731.94	0.00	24,731.94	5,714.66	19,017.28	0.00	23.1%
55004125	642904	5500-41-4125-0000-642904-	Non-Capital-Equipment	122,242.24	0.00	122,242.24	113,041.30	726.94	8,474.00	92.5%
55004125	652404	5500-41-4125-0000-652404-	Contract-Ambulance Services	1,248,000.00	0.00	1,248,000.00	1,144,000.00	104,000.00	0.00	91.7%
55004125	654801	5500-41-4125-0000-654801-	Contract-Professional Services	208,000.00	0.00	208,000.00	32,481.24	0.00	175,518.76	15.6%
55004125	663301	5500-41-4125-0000-663301-	Computer-Subscription/License	77,135.00	0.00	77,135.00	67,345.25	0.00	9,789.75	87.3%
55004125	672805	5500-41-4125-0000-672805-	PubRelat-Advertising/Notices	1,000.00	0.00	1,000.00	155.99	0.00	844.01	15.6%
55004125	674700	5500-41-4125-0000-674700-	PubRelat-Printing & Publicatns	1,000.00	0.00	1,000.00	109.25	0.00	890.75	10.9%
55004125	698001	5500-41-4125-0000-698001-	DebtExp-Principal	1,695,762.20	0.00	1,695,762.20	0.00	0.00	1,695,762.20	0.0%
55004125	712210	5500-41-4125-0000-712210-	G&A-GRT Admin Fees	0.00	0.00	142,500.00	157,435.34	0.00	-14,935.34	110.5%
55004125	715303	5500-41-4125-0000-715303-	G&A-License Fees	3,585.00	0.00	3,585.00	2,585.00	0.00	1,000.00	72.1%
55004125	723200	5500-41-4125-0000-723200-	Supplies-Fuels and Fluids	52,001.00	0.00	52,001.00	0.00	0.00	52,001.00	0.0%
55004125	725601	5500-41-4125-0000-725601-	Supplies-General	4,000.00	0.00	4,000.00	0.00	0.00	4,000.00	0.0%
55004125	725602	5500-41-4125-0000-725602-	Supplies-Office	3,000.00	0.00	3,000.00	561.93	0.00	2,438.07	18.7%
55004125	725605	5500-41-4125-0000-725605-	Supplies-EMS	265,267.24	0.00	265,267.24	115,021.92	51,846.02	98,399.30	43.4%
55004125	725608	5500-41-4125-0000-725608-	Supplies-Janitorial	5,558.64	0.00	5,558.64	0.00	0.00	5,558.64	0.0%
55004125	817503	5500-41-4125-0000-817503-	Capital Outlay-Building/Improv	792,154.43	0.00	792,154.43	0.00	784,390.25	0.00	0.0%
55004125	817505	5500-41-4125-0000-817505-	Capital Outlay-Equipment	902,092.21	0.00	902,092.21	786,002.16	116,090.05	0.00	87.1%
55004125	817506	5500-41-4125-0000-817506-	Capital Outlay-Vehicles	2,024,375.94	0.00	2,024,375.94	941,166.65	1,083,209.29	0.00	46.5%
55004125			Total Expense	1,390,500.00	7,667,982.83	9,058,482.83	3,541,842.95	2,184,289.26	3,332,350.62	
			Fund 500 (Surplus)/Deficit	-7,354,875.00	7,667,982.83	313,107.83	-4,943,461.68	2,184,289.26	3,072,280.25	

	ORIGINAL APPROP	TRANSFRS/ADJSTMTS	REVISED BUDGET
Beginning Cash	\$ 8,267,575.16		\$ 8,267,575.16
Revenue	\$ (8,745,375.00)		\$ (8,745,375.00)
Transfers (Zoo & Convention Centre)	\$ -		\$ -
Payroll	\$ -	\$ 1,230,904.34	\$ 1,230,904.34
Operating Expense	\$ 1,390,500.00	\$ 6,437,078.49	\$ 7,827,578.49
Ending Cash	<u>\$ 15,622,450.16</u>	<u>(7,667,982.83)</u>	<u>\$ 7,954,467.33</u>

**ROSWELL NEW MEXICO
COMMITTEE AGENDA ITEM ABSTRACT**

Non-Action Items 8.

Finance Committee

Meeting Date: 06/04/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

DEPARTMENT NAME:

Discussion of Town Plaza Apartments

**ROSWELL NEW MEXICO
COMMITTEE AGENDA ITEM ABSTRACT**

Non-Action Items 9.

Finance Committee

Meeting Date: 06/04/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

DEPARTMENT NAME:

Flood Disaster Update

Attachments

Flood Update

Project #	Title	Status	Date	Estimate or Claimed Amount	FEMA Share at 75%	City of Roswell 25%
806095	B - City of Roswell, City Hall Storage, Emergency Protective Measures	Obligated	6/9/2025	\$ 10,320.57	\$ 7,740.43	\$ 2,580.14
806112	B - City of Roswell, Convention & Civic Center, EPM	Obligated	5/5/2025	\$ 1,816,033.58	\$ 1,362,025.19	\$ 454,008.40
806126	B - Parks and Recreation Office/IT Building "The Rock" Building,EPM	Obligated	4/28/2025	\$ 219,539.72	\$ 164,654.79	\$ 54,884.93
806133	B - City of Roswell, Adult Center, Emergency Protective Measures	Obligated	6/12/2025	\$ 294,742.06	\$ 221,056.55	\$ 73,685.52
806146	B - Museum and Robert H. Goddard Planetarium, EPM	Obligated	5/5/2025	\$ 2,954,901.77	\$ 2,216,176.33	\$ 738,725.44
806150	B - City of Roswell, Police Station, Emergency Protective Measures	Obligated	5/20/2025	\$ 258,476.31	\$ 193,857.23	\$ 64,619.08
806254	G- City of Roswell, Solid Waste Landfill Cell 3 Repairs	Obligated	5/15/2026	\$ 766,428.64	\$ 574,821.48	\$ 191,607.16
806256	G - City of Roswell, Section 1206, Flood Plain Management Compliance	Obligated	6/24/2025	\$ 132,948.78	\$ 99,711.59	\$ 33,237.20
806257	E - Roswell Museum & Art Center Building Damages V.0 (A&E only)	Obligated	8/26/2025	\$ 672,030.00	\$ 504,022.50	\$ 168,007.50
806258	E - Roswell Adult Center Building	Obligated	4/23/2026	\$ 9,242,173.02	\$ 6,931,629.77	\$ 2,310,543.26
806259	E - Boy Scout Building Damages V.1 50% Rule (Repair vs. Replacement)	Obligated	1/28/2026	\$ 739,017.53	\$ 554,263.15	\$ 184,754.38
806261	E - Convention & Civic Center Damages V.1 (Repair to Pre-Disaster Condition)	Obligated	2/27/2026	\$ 4,554,823.22	\$ 3,416,117.42	\$ 1,138,705.81
806262	E - Parks & Recreation Office / IT Building Damages V.1 (50% Rule - Repair	Obligated	8/26/2025	\$ 972,673.13	\$ 729,504.85	\$ 243,168.28
806263	E - Parks & Recreation Tennis Pro Shop "The Rock" Building Damages V.0	Obligated	8/5/2025	\$ 67,281.00	\$ 50,460.75	\$ 16,820.25
810525	A- Roswell Municipal Landfill TDSR and Debris Operations	Obligated	5/15/2026	\$ 909,591.46	\$ 682,193.60	\$ 227,397.87
949428	A - Debris Removal from Streets/Roadways	Obligated	2/25/2026	\$ 530,478.50	\$ 397,858.88	\$ 132,619.63
949433	B - Roswell International Air Center (RAIC) - EPM	Obligated	6/12/2025	\$ 548,447.95	\$ 411,335.96	\$ 137,111.99
949435	B - Roswell Fire Department - Central Fire Station EPM	Obligated	6/24/2025	\$ 86,128.48	\$ 64,596.36	\$ 21,532.12
949436	B- Roswell Fire Department - Temporary / Rented Critical Equipment	Obligated	5/14/2026	\$ 34,721.01	\$ 26,040.76	\$ 8,680.25
949444	B - Roswell Parks & Recreation - IT Department Temp Location	Obligated	2/20/2026	\$ 25,155.92	\$ 18,866.94	\$ 6,288.98
949453	B- Roswell Public Library - Emergency Protective Measures	Obligated	5/14/2026	\$ 52,316.37	\$ 39,237.28	\$ 13,079.09
949457	B - Roswell Museum Building and Goddard Planetarium - Temporary Storage	Obligated	2/25/2026	\$ 91,973.60	\$ 68,980.20	\$ 22,993.40
949463	B - City of Roswell - Roswell Police Department Citywide EPM	Obligated	2/4/2026	\$ 30,225.22	\$ 22,668.92	\$ 7,556.31
949466	B - Roswell Wastewater Treatment Plant - Emergency Protective Measures	Obligated	2/9/2026	\$ 19,265.49	\$ 14,449.12	\$ 4,816.37
949467	B- Roswell Wastewater Treatment Plant Sludge Pond - Emergency Protective	Obligated	5/14/2026	\$ 22,426.93	\$ 16,820.20	\$ 5,606.73
949469	B - Roswell Visitor Center Building - Emergency Protective Measures	Obligated	1/30/2026	\$ 5,486.33	\$ 4,114.75	\$ 1,371.58
950884	C - Roswell RoadDamages-KY-LA-MI-MO-Aves.	Obligated	8/5/2025	\$ 63,789.91	\$ 47,842.43	\$ 15,947.48
950887	C - Roswell RoadDamages-4th-6th-8th-9th-Sts.	Obligated	8/5/2025	\$ 107,493.20	\$ 80,619.90	\$ 26,873.30
950893	C - Roswell RoadDamages-10th-11th-12th-Orange-PA-Park-Pecan	Obligated	8/4/2025	\$ 76,876.88	\$ 57,657.66	\$ 19,219.22
950896	E- Roswell Fire Dept Vehicle Damages	Obligated	5/13/2026	\$ 3,491,483.55	\$ 2,618,612.66	\$ 872,870.89
950901	C - Roswell RoadDamages-Riverside Dr.	Obligated	8/4/2025	\$ 43,453.70	\$ 32,590.28	\$ 10,863.43
950904	C - Roswell RoadDamages-Alameda-Bland-Edgewood-Hendricks-Summit	Obligated	8/6/2025	\$ 92,784.41	\$ 69,588.31	\$ 23,196.10
950906	E - Roswell Police Dept Vehicle Damages	Obligated	2/25/2026	\$ 298,172.00	\$ 223,629.00	\$ 74,543.00
950909	C - Roswell RoadDamages-Wyoming Ave.	Obligated	8/4/2025	\$ 64,262.77	\$ 48,197.08	\$ 16,065.69
950911	C - Roswell RoadDamages-7th-KY-MO-Bland	Obligated	8/26/2025	\$ 564,043.85	\$ 423,032.89	\$ 141,010.96
950917	C - Roswell AsstdBridgeRepairs-KY-DeBremond	Obligated	1/30/2026	\$ 68,298.04	\$ 51,223.53	\$ 17,074.51
950922	G- Roswell Asstd Parking Lot Repairs	Obligated	4/23/2026	\$ 1,888,684.00	\$ 1,416,513.00	\$ 472,171.00

950933	E - Roswell Fire Equipment Damages	Obligated	4/22/2026	\$	666,716.02	\$	500,037.02	\$	166,679.01
950936	C - Roswell Pub Wks-SpecialElectronicsDeptRepairs	Obligated	2/4/2026	\$	79,962.06	\$	59,971.55	\$	19,990.52
950941	C - Roswell Zoo Bridges Damaged	Obligated	2/25/2026	\$	713,497.00	\$	535,122.75	\$	178,374.25
950944	C - W. Bland St. Pavement repairs & Asstd Sidewalk repairs	Obligated	1/6/2026	\$	21,523.27	\$	16,142.45	\$	5,380.82
950950	E - Roswell AsstdCityVehicle&EqptDamages	Obligated	5/15/2026	\$	579,877.68	\$	434,908.26	\$	144,969.42
950953	G - Roswell Pks&Rec-RiverFencingDamages	Obligated	2/25/2026	\$	896,780.77	\$	672,585.58	\$	224,195.19
950958	G - Roswell PubWks-Railing&Fence Damages	Obligated	2/25/2026	\$	208,805.62	\$	156,604.22	\$	52,201.41
950963	E - Roswell Pks&Rec-IT Bldg IT Contents Damages-Completed Work	Obligated	5/15/2026	\$	140,341.84	\$	105,256.38	\$	35,085.46
950967	F - Roswell PubWks(WWTP)-Asstd Sewer Damages	Obligated	2/27/2026	\$	1,573,001.47	\$	1,179,751.10	\$	393,250.37
950968	F - Roswell PubWks Asstd Water Aerial Crossing Damages	Obligated	1/28/2026	\$	353,940.31	\$	265,455.23	\$	88,485.08
950971	D - Roswell WWTP Equipment Damages	Obligated	5/15/2026	\$	43,703.69	\$	32,777.77	\$	10,925.92
950979	B - Roswell Pks&Rec Dept Office-Contents&Eqpt Damages	Obligated	5/16/2026	\$	278,317.84	\$	208,738.38	\$	69,579.46
950996	E - Roswell Zoo - Animals Damages	Obligated	12/22/2025	\$	9,500.00	\$	7,125.00	\$	2,375.00
951069	E - Roswell Police Station Damages	Obligated	2/25/2026	\$	1,082,231.16	\$	811,673.37	\$	270,557.79
951094	E - Museum- (Fine Arts-Research Library Books)Stabilization & Restoration	Obligated	2/25/2026	\$	232,681.16	\$	174,510.87	\$	58,170.29
951099	E - Roswell Museum - Planetarium Fine Arts - Portable Vaults (Stand Alone)/	Obligated	5/15/2026	\$	945,652.25	\$	709,239.19	\$	236,413.06
951168	G - Roswell Intl Air Ctr (RIAC)-ROW&Infrastructure-Fencing-RR Componer	Obligated	5/14/2026	\$	154,848.49	\$	116,136.37	\$	38,712.12
951173	G - Roswell Pub Wks-Pks&Rec-Asstd Walking&Bike Trails	Obligated	2/27/2026	\$	2,029,711.00	\$	1,522,283.25	\$	507,427.75
951175	G - Roswell-Spring River Golf Course Damages	Obligated	2/27/2026	\$	550,133.00	\$	412,599.75	\$	137,533.25
951181	G - Roswell Zoo Asstd Damages	Obligated	5/15/2026	\$	961,874.00	\$	721,405.50	\$	240,468.50
951184	G - Roswell Pks&Rec-DeBremond Stadium Damages v.0	Obligated	2/27/2026	\$	2,421,986.46	\$	1,816,489.85	\$	605,496.62
951248	D- Roswell WWTP Asstd Facility Damages	Obligated	5/14/2026	\$	100,850.18	\$	75,637.64	\$	25,212.55
951251	F - Roswell North Atkinson Outfall Structure Damages	Obligated	2/20/2026	\$	53,399.16	\$	40,049.37	\$	13,349.79
963328	Z - Management Costs	Obligated	1/28/2026	\$	519,971.00	\$	389,978.25	\$	129,992.75
Flood Damage Claims Approved by FEMA				\$	46,436,254.33	\$	34,827,190.75	\$	11,609,063.58

Category A (Debris Removal) Category B (Emergency Protective Measures), Category C (Roads and Bridges), Category D (Water Control Facilities), Category E (Buildings and Equipment), Category F (Utilities), and Category G (Parks, Recreational, and Other Facilities)

**ROSWELL NEW MEXICO
AGENDA ITEM ABSTRACT**

Finance Committee

10.

Meeting Date: 06/04/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

ACTION REQUESTED:

Consider recommending approval of Resolution 26-XX; To authorize and approve submission of a completed application to NMFA for financial assistance. (Rogers)

BACKGROUND:

Initiated by Mac Rogers

Requesting approval of Resolution 26-XX authorizing and approving submission of a completed application to NMFA for financial assistance. Where the City has more than \$37 million in approved or obligated FEMA projects this funding would help address much needed repairs. The flood projects submitted with the application have been considered by Council as part of the FY 27 Budget process.

FINANCIAL CONSIDERATION

None at this time

LEGAL REVIEW:

Legally sufficient

BOARD AND COMMITTEE ACTION:

The Legal Committee considered this item at their May 28th meeting and voted 5-0 recommending approval to Finance Committee.

STAFF RECOMMENDATION:

Proceed as presented.

Attachments

NMFA Resolution 26-XX
NMFA Application
NMFA Timeline

RESOLUTION 26-XX

AUTHORIZING AND APPROVING SUBMISSION OF A COMPLETED APPLICATION FOR FINANCIAL ASSISTANCE AND PROJECT APPROVAL TO THE NEW MEXICO FINANCE AUTHORITY

WHEREAS, the City of Roswell ("Governmental Unit") is a qualified entity under the New Mexico Finance Authority Act, Sections 6-21-1 through 6-21-31, NMSA 1978 ("Act"), and the City of Roswell ("Governing Body") is authorized to borrow funds and/or issue bonds for financing of public projects for benefit of the Governmental Unit; and

WHEREAS, the New Mexico Finance Authority ("Authority") has instituted a program for financing of projects from the public project revolving fund created under the Act and has developed an application procedure whereby the Governing Body may submit an application ("Application") for financial assistance from the Authority for public projects; and

WHEREAS, the Governing Body intends to undertake acquisition, construction and improvement of Flood Damage Repairs ("Project") for the benefit of the Governmental unit and its citizens;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL AS THE GOVERNING BODY OF THE CITY OF ROSWELL, NEW MEXICO, that:

1. That all action (not consistent with the provision hereof) heretofore taken by the Governing body and the officers and employees thereof directed toward the Application and the Project, be and the same is hereby ratified, approved and confirmed.
2. That the completed Application submitted to the Governing Body, be and the same is hereby approved and confirmed.
3. That the officers and employees of the Governing Body are hereby directed and requested to submit the completed Application to the Authority for its review, and are further authorized to take such other action as may be requested by the Authority in its consideration and review of the Application and to further proceed with arrangements for financing the Project.
4. All acts and resolutions in conflict with this resolution are hereby rescinded, annulled and repealed.
5. This resolution shall take effect immediately upon its adoption.

PASSED, ADOPTED, SIGNED and APPROVED _____

CITY SEAL

Timothy Z. Jennings, Mayor

ATTEST

Amalia Martinez, City Clerk



NEW MEXICO FINANCE AUTHORITY

NMFA Use Only:

App. #:

-PP

FA assigned:

Legislative
Authorization

PUBLIC PROJECT REVOLVING FUND BUILDING APPLICATION

I. GENERAL INFORMATION

A. APPLICANT /ENTITY

Application Date:

1/9/2026

Applicant/Entity:	City of Roswell, New Mexico				
Address:	425 N Richardson Roswell, NM 88201				
County	Chaves		Census Tract:		
Federal Employer Identification Number (EIN) as issued by the IRS:					
Legislative District:	Senate:		House:		
Phone:	575-624-6700	Fax:		Email Address:	h.yntema@roswell-nm.gov
Individual Completing Application:		Carissa Stone			
Address:	6301 Uptown Blvd. NE Suite 110, Albuquerque NM 87110				
Phone:	505-872-5999	Fax:		Email Address:	carissa.stone@rbccm.com

B. CONSULTING PROFESSIONALS (Bond/Legal Counsel, Architect, Engineer, etc.), if available:

Firm:	Modrall Law Firm				
Contact:	Chris Muirhead				
Address:	500th St. NW Ste 1000, Albuquerque, NM 87102				
Phone:	505-848-1800	Fax:		Email Address:	cmuirhead@modrall.com

C. PRIMARY CONTACT PERSON:

Name:	Hessel Yntema				
Contact:	City Manager, City of Roswell				
Address:	425 N Richardson Roswell, NM 88201				
Phone:	575-624-6700	Fax:		Email Address:	h.yntema@roswell-nm.gov

II. PROJECT SUMMARY

- A. Project Description.** Complete the following information in the provided space below. Include any additional documents that may be useful in reviewing this project, i.e. architectural designs, feasibility studies, business plan, etc.

1. Description of the project.

Various city wide renovation, repair and improvement projects related to municipal floor

- 2. Proposed Project Start Date:** September 2026 **Proposed Project Completion Date:** September 2029
When do you need NMFA funds available? September 2026

- 3. How will the ongoing maintenance, operation, and replacement of this project be funded?**

City general fund

- 4. Provide a detailed drawdown schedule for project payments. The schedule may reflect monthly or quarterly payments.**

B. Total Project Cost & Sources of Funds Detail.

Construction Activities	NMFA Funds Requested	Other Public Funds*	Private Funds	Total
Planning and Design	\$	\$	\$	\$
Construction	\$25,000,000	\$	\$	\$
Equipment	\$	\$	\$	\$
Infrastructure Activities				
Facility Acquisition	\$	\$	\$	\$
Land Acquisition	\$	\$	\$	\$
Utilities (Electric, Gas, Water, etc.)	\$	\$	\$	\$
Engineering and Architectural	\$	\$	\$	\$
Contingencies	\$	\$	\$	\$
Project Administration/Legal Fees	\$	\$	\$	\$
Other Issuance Costs	\$75,000	\$	\$	\$
Total Cost:	\$25,075,000	\$	\$	\$

*Specify any other public funds, and amounts and terms of these funds, i.e. FmHA, CDBG, EPA, etc.

Source	Amount	Terms / # of Years
	\$	
	\$	
	\$	
Total:	\$	

Attach a letter verifying that each non-NMFA funding source has been approved, or is in the process of being approved for this project. Explain any exceptions.

C. Will this project require right-of-way acquisition? Yes ☐ No ☒

If yes, specify any right-of-way needs, and whether acquisition may or may not delay beginning of project.

D. Who will hold title to the land where the project is to be located?

City of Roswell

If this is land owned by the Bureau of Land Management, State Land Office, or Tribal Land, please attach lease agreements. (If there is no clear title, attach an explanation of ownership arrangements)

- E. Does this project require a Joint Powers Agreement (JPA)? Yes ☐ No ☒

If yes, provide a copy of the JPA, which should include a list of the current membership.

III. FINANCING

- A. 1. Specify the revenue to be pledged as security for the NMFA loan (a revenue source must be pledged for this type of project).

- ☒ Municipal Local Option GRT – please specify: Municipal Flood Recovery Gross Receipts Tax
☐ County Option GRT – please specify: _____
☐ Other Tax-Based Revenue: _____
☐ State-Shared GRT _____
☐ Law Enforcement Funds _____
☐ Fire Protection Funds _____
☐ Net System Revenues: _____
☐ Other Revenue: _____

2. Is there an alternative revenue source available to pledge to pay debt service in the event that the primary pledged revenue is unavailable or insufficient? Yes ☐ No ☒ If yes, specify:

3. Preferred financing term: 30 years.

- B. Is any debt being repaid from the revenue source(s) referenced in A (1)? Yes ☐ No ☒

If yes, provide bond or loan documents and payment schedule for any existing debt service being paid from the same revenues that would be used to repay a NMFA loan.

IV. READINESS TO PROCEED ITEMS

- A. **The following items must accompany this application in order for this application to be considered complete:**

- ☐ Equipment cost breakdown (if applicable)
☐ Three most recently completed fiscal year audit reports
☐ Current unaudited financials
☐ Current fiscal year budget
☐ Verification of ownership of land where project will be located
☐ Documentation that each non-NMFA project funding source has been approved, or is in the process of being approved (if applicable)

☐ Joint Powers Agreement (if applicable)

B. In addition, complete the following information in the provided space below. These items will be required prior to disbursement of NMFA proceeds:

- ☐ Provide a detailed drawdown schedule for project payments
- ☐ Final technical information for the project, stamped and approved by a registered engineer
- ☐ Cost breakdown of the project, certifiable by either an engineer or architect
- ☐ Area map, site map, and floor map (if applicable)
- ☐ Verification of ownership of land where project will be located
- ☐ Documentation that each Non-NMFA project funding source has been approved, or is in the process of being approved (if applicable)
- ☐ Documentation showing status of right-of-way acquisition (if applicable)
- ☐ Explanation of land ownership arrangements (if applicable)
- ☐ List all required permits and licenses necessary to complete this project. Detail the status of each item, a plan of action, and time frame for completing incomplete permits and licenses. Also provide a copy of all permits and licenses.
- ☐ Is there litigation pending which would have a bearing on this project or applicant?
Yes ☐ No ☐
If yes, provide a complete summary of all circumstances relating to such litigation.

- ☐ Indicate the regular meeting dates for your authorizing body: _____

V. CERTIFICATION

I certify that:

We have the authority to request and incur the debt described in this application and, upon award, will enter into a contract for the repayment of any NMFA loans and/or bonds.

We will comply with all applicable state and federal regulations and requirements.

To the best of my knowledge all information contained in this application is valid and accurate and the submission of this application has been authorized by the governing body of the undersigned jurisdiction.

Signature:

Title:

(highest elected official)

Jurisdiction:

Print Name:

Date:

Signature:

Date:

Finance Officer/Director:

Project #	City of Roswell FEMA Validated Flood Damage	FEMA Status	Version #	FEMA Gross Cost
951184	G Roswell Pks&Rec-DeBremond Stadium Damages v.0	Obligated	0	\$ 2,677,248.00
951173	G Roswell Pub Wks-Pks&Rec-Asstd Walking&Bike Trails	Obligated	0	\$ 2,029,711.00
806261	E City of Roswell, Convention & Civic Center Damages V.1 (Repair to Pre-Disaster Condition)	Obligated	1	\$ 6,554,823.22
951175	G Roswell-Spring River Golf Course Damages	Obligated	0	\$ 550,133.00
950958	G Roswell PubWks-Railing&Fence Damages	Obligated	0	\$ 208,805.62
950953	G Roswell Pks&Rec-RiverFencingDamages	Obligated	0	\$ 896,780.77
950941	C Roswell Zoo Pedestrian Bridges Damaged	Obligated	0	\$ 713,497.00
950936	C Roswell PubWks-Special Electronics Ligts and Signal Repairs	Obligated	0	\$ 79,962.06
806259	E City of Roswell, Boy Scout Building Damages V.1 50% Rule Replacement)	Obligated	1	\$ 939,017.53
806257	E City of Roswell, Roswell Museum & Art Center Building Damages V.0 (A&E only)	Obligated	0	\$ 672,030.00
806263	E City of Roswell, Parks & Recreation Tennis Pro Shop "The Rock" Building Damages V.0 (A&E only)	Obligated	0	\$ 67,281.00
806258	E City of Roswell, Adult Center 50% Rule Replacement	Obligated	1	\$ 9,742,173.02
951069	E Roswell Police Station Damages	Obligated	0	\$ 1,582,231.16
806262	E City of Roswell, Parks & Recreation Office / IT Building Damages V.1 (50% Rule Replacement)	Obligated	1	\$ 1,472,673.13
950946	D Roswell PubWks-Spring&HondoRivers-RiverBankSlopeRepairs	EHP Review	0	\$ 11,219,874.00
			Total	39,406,240.51

CITY OF ROSWELL, NEW MEXICO
Joint Utility Refunding and Flood Recovery GRT Financing Time Schedule
New Mexico Finance Authority

Date	Action	Responsibility
Friday, May 01	Submit Draft Applications to NMFA for June Board Approval	CITY, FA, NMFA
Thursday, June 04	Finance Committee meeting Finance Plan Update and Review of Bond Ordinances	CITY, FA, BC
Thursday, June 11	City Commission Meeting - First Reading of Bond Ordinances and approval of NMFA Application Resolutions	CITY, FA, BC
Friday, June 12	Submit Final Signed NMFA Applications	MA
Thursday, July 02	Finance Committee meeting Bond Ordinance	CITY, FA, BC
Thursday, July 09	City Commission Meeting - Approval of Bond Ordinance	CITY, FA, BC
Monday, July 13	Notice of Adoption published in paper of local circulation	
Thursday, June 25	NMFA Board meeting to Approve Loan	CITY, FA, BC, NMFA
Thursday, July 23	NMFA Board Authorization of Simultaneous Marketing	CITY, FA, BC, NMFA
Wednesday, August 12	Thirty day limitation of action period expires	
Thursday, August 27	Bond Pricing - NMFA Simultaneous Pricing	CITY, FA, BC, NMFA
Thursday, September 03	Closing Documents Circulated	CITY, FA, BC
Thursday, September 10	City Council Presentation of Bond Sale Results	CITY, FA, BC
Thursday, September 17	Bond Closing	SD, RBC, BC, NMFA

Working Group Key

Code	Participant	Role
CITY	City of Roswell	Issuer
FA	RBC Capital Markets	Municipal Advisor
BC	Modrall Law Firm	Bond Counsel
NMFA	New Mexico Finance Authority	Purchaser

Note 1: Finance Committee meeting first Thursday of the month

Note 2: City Council meeting second Thursday of the month

**ROSWELL NEW MEXICO
AGENDA ITEM ABSTRACT**

Finance Committee

11.

Meeting Date: 06/04/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

ACTION REQUESTED:

Consider recommending approval to advertise for a public hearing for Ordinance 26-XX authorizing the execution and delivery of a loan agreement with NMFA for improvement projects related to flood damage. (Rogers)

BACKGROUND:

Initiated by Mac Rogers

Requesting approval to advertise for a public hearing Ordinance 26-XX authorizing the execution and delivery of a loan agreement with NMFA for improvement projects related to flood damage. As part of the 2025 legislative session SB 383 allowed for the issuance of an increase in GRT to fund flood recovery Bonds. On March 28, 2025 Council passed Ordinance 25-02 increasing GRT. This agreement would allow the City to Sell bonds in September.

FINANCIAL CONSIDERATION

None at this time

LEGAL REVIEW:

The Legal Committee considered this item at their May 28th meeting and voted 5-0 recommending approval to Finance Committee.

BOARD AND COMMITTEE ACTION:

This is the first Council consideration of this item

STAFF RECOMMENDATION:

Proceed as presented.

Attachments

Flood Control Projects

STATE OF NEW MEXICO)
COUNTY OF CHAVES) ss.
CITY OF ROSWELL)

The City Council (the “Council”) of the City of Roswell (the “City”), in the State of New Mexico, met in open regular session in full conformity with law and the ordinances and rules of the City, in the Chaves County Administrative Center, Council Chambers, #1 St. Mary’s Place, Roswell, New Mexico, being the regular meeting place of the Council, at 6:00 p.m., on Thursday, July 9, 2026, at which time there were present and answering the roll call the following members:

Mayor: _____

Councilors: _____

Absent: _____

There was officially filed with the City Clerk, the Mayor and each Councilor, a copy of an ordinance in final form, which is as follows:

CITY OF ROSWELL, NEW MEXICO
ORDINANCE NO. _____

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND INTERCEPT AGREEMENT BY AND BETWEEN THE CITY OF ROSWELL, NEW MEXICO (THE “GOVERNMENTAL UNIT”) AND THE NEW MEXICO FINANCE AUTHORITY, EVIDENCING A SPECIAL, LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT NOT TO EXCEED \$25,100,000, TOGETHER WITH INTEREST THEREON, FOR THE PURPOSE OF DEFRAYING THE COST TO (I) ACQUIRE, CONSTRUCT, PURCHASE, EQUIP, FURNISH, MAKE ADDITIONS TO, RENOVATE, REHABILITATE, BEAUTIFY, OR OTHERWISE IMPROVE THE CITY’S FLOOD RECOVERY PROJECTS, (II) FUND A LOAN AGREEMENT RESERVE ACCOUNT, AND (III) PAY EXPENSES; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE PRINCIPAL AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE REVENUES OF THE 0.375% MUNICIPAL FLOOD RECOVERY GROSS RECEIPTS TAX IMPOSED PURSUANT TO GOVERNMENTAL UNIT ORDINANCE NO. _____, ADOPTED _____, 2025, AND SECTION 7-19(D)-19, NMSA 1978, AS AMENDED; APPROVING THE DELEGATION OF AUTHORITY TO MAKE CERTAIN DETERMINATIONS REGARDING THE LOAN AGREEMENT PURSUANT TO THE SUPPLEMENTAL PUBLIC SECURITIES ACT; PROVIDING FOR THE DISTRIBUTION OF MUNICIPAL FLOOD RECOVERY GROSS RECEIPTS TAX REVENUES TO BE REDIRECTED BY THE STATE TAXATION AND REVENUE DEPARTMENT TO THE NEW MEXICO FINANCE AUTHORITY OR ITS ASSIGNS FOR THE PAYMENT OF PRINCIPAL AND INTEREST DUE ON THE LOAN AGREEMENT PURSUANT TO AN INTERCEPT AGREEMENT; APPROVING THE FORM AND TERMS OF, AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT AND INTERCEPT AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT AND INTERCEPT AGREEMENT.

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

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

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

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

WHEREAS, other than as described in the Term Sheet, the Pledged Revenues have not heretofore been pledged to secure the payment of any obligation which is currently outstanding; and

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

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

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

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

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

WHEREAS, the Governing Body intends by this Ordinance to authorize the execution and delivery of the Loan Agreement in the amount and for the purposes set forth herein with the final interest rates and principal amount set forth in the Sale Certificate; and

WHEREAS, pursuant to Sections 6-14-8 through 6-14-11 NMSA 1978, as amended (the "Supplemental Public Securities Act"), the Council is authorized to adopt an ordinance delegating to one or more of its members, City officers, or City employees the authority to sign a contract for the purchase or sale of public securities or to accept a binding bid for public securities and to determine the sale for public securities to be issued so long as such sale is within the parameters established by an authorizing ordinance adopted in conformity with the Supplemental Public Securities Act; and

WHEREAS, in order to, among other things, allow the City flexibility in setting the pricing date of the Loan and optimize interest rates for the City, the Council desires to grant to the Mayor and City Manager, or any other employee of the City when designated by a certificate signed by the Mayor (collectively, the “Designated Officers”), the authority (a) to determine the terms of the Loan within the parameters set forth herein; and (b) to make any changes with respect thereto from those terms which were before the Council at the time of adoption of this Ordinance, provided such terms do not exceed the parameters set forth for such terms in this Ordinance; and

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

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF ROSWELL:

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

“Act” means the general laws of the State, including Sections 3-31-1 through 3-31-12, 6-14-8 through 6-14-12, NMSA 1978, and 7-19(D)-19, NMSA 1978, as amended, and enactments of the Governing Body relating to the Loan Agreement and the Intercept Agreement, including this Ordinance.

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

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

“Bonds” means public project revolving fund revenue bonds, if any, issued hereafter by the Finance Authority and specifically related to the Loan Agreement and the Loan Agreement Payments.

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

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

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

“Expense Fund” means the expense fund created pursuant to the Indenture to be held and administered by the Trustee to pay Expenses.

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

“Finance Authority” means the New Mexico Finance Authority.

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

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

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

“Governmental Unit” means the City of Roswell, New Mexico.

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

“Income Fund” means the “City of Roswell, New Mexico Municipal Flood Recovery Gross Receipts Tax Income Fund” created by the Governmental Unit and to be maintained by the Governmental Unit to which all Pledged Revenues are credited.

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

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

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

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

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

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

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

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

“Loan Agreement Reserve Account” means the loan agreement reserve account established in the name of the Governmental Unit funded from the proceeds of this Loan Agreement and administered by the Trustee pursuant to the Indenture.

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

“Ordinance” means this Ordinance adopted by the Governing Body on July 9, 2026 approving the Loan Agreement and the Intercept Agreement and pledging the Pledged Revenues, as amended from time to time.

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

“Pledged Revenues” means the revenues derived from the Governmental Unit’s 0.375% municipal flood recovery gross receipts tax imposed pursuant to Governmental Unit Ordinance No. _____, adopted _____, 2025, and section 7-19(D)-19, NMSA

1978, as amended, imposed on all persons engaging in business in the Governmental Unit, which tax equals, subject to the exemptions specified in Section 7-19(D)-9 NMSA 1978, three-eighths of one percent of the gross receipts of all persons engaging in business in the Governmental Unit for the month in which the tax is distributed to the Governmental Unit (provided that the Governmental Unit is not pledging and the term “Pledged Revenues” does not include the state-shared gross receipts tax or any other local option gross receipts tax income received by the City).

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

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

“Project” means the (i) acquisition, construction, purchase, equipping, furnishing, making additions to, renovating, rehabilitating, beautifying or otherwise improving the Governmental Unit’s flood recovery projects, (ii) funding of a Loan Agreement Reserve Account, and (iii) paying Expenses.

“Sale Certificate” means one or more certificates executed by the Mayor or City Manager, dated on or before the date of execution of the Loan Agreement, setting forth the final terms of the Loan Agreement.

“State” means the State of New Mexico.

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

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

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

Section 3. Authorization of the Project, the Loan Agreement, and the Intercept Agreement. The Project and the method of financing the Project through the pledge of the Pledged Revenues and the execution and delivery of the Loan Agreement and the Intercept Agreement are hereby authorized and ordered. The Project is for the benefit of the Governmental Unit and its residents.

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

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

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

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

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

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

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

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

H. The net effective interest rate on the Loan will not exceed twelve percent (12.0%) per annum, which is the maximum rate permitted by State law, with the final interest rate approved in the Sale Certificate.

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

A. Authorization. This Ordinance has been adopted by the affirmative vote of a three-quarters majority of all of the members of the Governing Body. For the purpose of protecting the public health, conserving the property, protecting the general welfare and prosperity of the residents of the Governmental Unit and completing the Project, it is hereby declared necessary that the Governmental Unit, pursuant to the Act, pledge the Pledged Revenues and execute and deliver the Loan Agreement and the Intercept Agreement evidencing a special, limited obligation of the Governmental Unit to pay the principal amount not to exceed \$25,100,000, and the pledge of the Pledged Revenues and the execution and delivery of the Loan Agreement and the Intercept Agreement are hereby authorized, subject to final approval of the

principal amount and interest rates in a subsequent Sale Certificate. The Governmental Unit shall use the proceeds of the Loan to finance the completion of the Project, fund the Loan Agreement Reserve Account, and to pay Expenses.

B. Detail. The Loan Agreement and Intercept Agreement shall be in substantially the forms of the Loan Agreement and Intercept Agreement presented at the meeting of the Governing Body at which this Ordinance was adopted. The Loan shall be in an original aggregate principal amount not to exceed \$25,100,000, shall be payable in installments of principal due on June 1 of the years designated in Exhibit "B" to the Loan Agreement and bear interest payable on June 1 and December 1 of each year, commencing on December 1, 2026, at the rates designated in Exhibit "B" to the Loan Agreement, and shall mature no later than June 1, 2046, as approved in the Sale Certificate.

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

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

legally available therefor to payments required by the Loan Agreement, in its sole and absolute discretion.

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

A. Program Account, Finance Authority Debt Service Account and Loan Agreement Reserve Account. The Governmental Unit hereby consents to creation of the (i) Finance Authority Debt Service Account to be held and maintained by the Finance Authority, (ii) Program Account to be held by the Trustee pursuant to the Indenture, and (iii) Loan Agreement Reserve Account to be held by the Trustee, each in connection with the Loan. The Governmental Unit hereby approves: (i) of the deposit of the portion of the proceeds of the Loan Agreement in the Program Account, the Loan Agreement Reserve Account, and the Finance Authority Debt Service Account, and (ii) for payment of the Expenses.

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

The money in the Program Account shall be used and paid out solely for the purpose of completing the Project in compliance with applicable law and the provisions of the Loan Agreement and the Indenture.

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

B. Completion of the Project. Upon completion of the Project, any balance remaining in the Program Account shall be transferred and deposited into the Finance Authority Debt Service Account, as provided in the Loan Agreement and the Indenture.

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

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

A. Deposit of Pledged Revenues. Pledged Revenues shall be paid to the Finance Authority for deposit in the Finance Authority Debt Service Account and remittance to the Trustee in an amount sufficient to pay principal, interest and other amounts due under the Loan Agreement.

B. Termination on Deposits to Maturity. No payment shall be made into the Finance Authority Debt Service Account if the amounts in the Finance Authority

Debt Service Account and Loan Agreement Reserve Account total a sum at least equal to the entire aggregate amount to become due as to principal and interest on, and any other amounts due under, the Loan Agreement in which case moneys in such accounts in an amount at least equal to such principal and interest requirements shall be used solely to pay such obligations as the same become due, and any moneys in excess thereof in such accounts shall be transferred to the Governmental Unit and used as provided below.

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

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

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

Pursuant to the Supplemental Public Securities Act, Section 6-14-8 et seq., NMSA 1978, the Mayor or City Manager is hereby delegated authority to execute the Sale Certificate and to determine any or all of the final terms of the Loan Agreement, subject to the parameters and conditions contained in this Ordinance. The Manager shall present the Sale Certificate to the Governing Body in a timely manner, before or after the

execution and delivery of the Loan Agreement, at a regularly scheduled public meeting of the Governing Body.

Section 12. Amendment of Ordinance. This Ordinance may be amended by ordinance of the Governing Body without receipt by the Governmental Unit of any additional consideration, but only with the prior written consent of the Finance Authority. This Ordinance will be supplemented by the terms set forth in the Sale Certificate.

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

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

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

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

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

(Form of Summary of Ordinance for Publication)

City of Roswell, New Mexico
Notice of Adoption of Ordinance

Notice is hereby given of the title and of a general summary of the subject matter contained in Ordinance No. _____ duly adopted and approved by the Governing Body of the City of Roswell, New Mexico, on July 9, 2026. A complete copy of the Ordinance is available for public inspection during the normal and regular business hours of the City Clerk, 425 N. Richardson, Roswell, New Mexico.

The title of the Ordinance is:

CITY OF ROSWELL, NEW MEXICO
ORDINANCE NO. _____

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND INTERCEPT AGREEMENT BY AND BETWEEN THE CITY OF ROSWELL, NEW MEXICO (THE “GOVERNMENTAL UNIT”) AND THE NEW MEXICO FINANCE AUTHORITY, EVIDENCING A SPECIAL, LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT NOT TO EXCEED \$25,100,000, TOGETHER WITH INTEREST THEREON, FOR THE PURPOSE OF DEFRAYING THE COST TO (I) ACQUIRE, CONSTRUCT, PURCHASE, EQUIP, FURNISH, MAKE ADDITIONS TO, RENOVATE, REHABILITATE, BEAUTIFY, OR OTHERWISE IMPROVE THE CITY’S FLOOD RECOVERY PROJECTS, (II) FUND A LOAN AGREEMENT RESERVE ACCOUNT, AND (III) PAY EXPENSES; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE PRINCIPAL AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE REVENUES OF THE 0.375% MUNICIPAL FLOOD RECOVERY GROSS RECEIPTS TAX IMPOSED PURSUANT TO GOVERNMENTAL UNIT ORDINANCE NO. _____, ADOPTED _____, 2025, AND SECTION 7-19(D)-19, NMSA 1978, AS AMENDED; APPROVING THE DELEGATION OF AUTHORITY TO MAKE CERTAIN DETERMINATIONS REGARDING THE LOAN AGREEMENT PURSUANT TO THE SUPPLEMENTAL PUBLIC SECURITIES ACT; PROVIDING FOR THE DISTRIBUTION OF MUNICIPAL FLOOD RECOVERY GROSS RECEIPTS TAX REVENUES TO BE REDIRECTED BY THE STATE TAXATION AND REVENUE DEPARTMENT TO THE NEW MEXICO FINANCE AUTHORITY OR ITS ASSIGNS FOR THE PAYMENT OF PRINCIPAL AND INTEREST DUE ON THE LOAN AGREEMENT PURSUANT TO AN INTERCEPT AGREEMENT; APPROVING THE FORM AND TERMS OF, AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT AND INTERCEPT AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT AND INTERCEPT AGREEMENT.

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

(End of Form of Summary for Publication)

PASSED, APPROVED AND ADOPTED THIS 9th DAY OF JULY, 2026.

CITY OF ROSWELL, NEW MEXICO

By _____
Mayor

[SEAL]

ATTEST:

By _____
Clerk

Councilor _____ then moved adoption of the foregoing Ordinance, duly seconded by Councilor _____.

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

Those Voting Aye: _____

Those Voting Nay: _____

Those Absent: _____

_____ () members of the Governing Body having voted in favor of said motion, the Mayor declared said motion carried and said Ordinance adopted, whereupon the Mayor and the Clerk signed the Ordinance upon the records of the minutes of the Governing Body.

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

CITY OF ROSWELL, NEW MEXICO

By _____
Mayor

[SEAL]

ATTEST:

By _____
Clerk

**ROSWELL NEW MEXICO
AGENDA ITEM ABSTRACT**

Finance Committee

12.

Meeting Date: 06/04/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

ACTION REQUESTED:

Consider recommending approval of Resolution 26-XX: The redemption of Outstanding Joint Water and Sewer Improvement Revenue Bonds (Rogers)

BACKGROUND:

Initiated by: Mac Rogers

Requesting the approval and authorization of the redemption of Outstanding Joint Water and Sewer Improvement Revenue Bonds. This action would allow the City to proceed with the redemption of Bonds issued on February 21, 2017 pursuant to Ordinance No. 16-22 adopted on January 12, 2017 in an amount not to exceed \$11,750,000.

FINANCIAL CONSIDERATION

Allows for the City pay a principal amount not to exceed \$11,750,000

LEGAL REVIEW:

The Legal Committee considered this item at their May 28th meeting and voted 5-0 recommending approval to Finance Committee.

BOARD AND COMMITTEE ACTION:

This is the first Council consideration of this item

STAFF RECOMMENDATION:

Proceed as presented.

Attachments

Resolution 26-xx
NMFA Refunding Application
NMFA Time Schedule

RESOLUTION 26-XX

AUTHORIZING AND APPROVING THE REDEMPTION OF OUTSTANDING JOINT WATER AND SEWER IMPROVEMENT REVENUE BONDS

WHEREAS, the City of Roswell ("Governmental Unit") is a qualified entity under the New Mexico Finance Authority Act, Sections 6-21-1 through 6-21-31, NMSA 1978 ("Act"), and the City of Roswell ("Governing Body") is authorized to borrow funds and/or issue bonds for financing of public projects for benefit of the Governmental Unit; and

WHEREAS, the New Mexico Finance Authority ("Authority") has instituted a program for financing of projects from the public project revolving fund created under the Act and has developed an application procedure whereby the Governing Body may submit an application ("Application") for financial assistance from the Authority for public projects; and

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

WHEREAS, The Governmental Unit now owns, operates and maintains water and sewer facilities, which the Governmental Unit hereby declares shall be continued to be operated as a joint public utility; and

WHEREAS, the Governing Body intends to redeem of the City's outstanding Joint Water and Sewer Improvement Revenue Bonds, Subordinate Series 2017, issued on February 21, 2017 pursuant to Ordinance No. 16-22 adopted on January 12, 2017;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL AS THE GOVERNING BODY OF THE CITY OF ROSWELL, NEW MEXICO, that:

1. That all action (not consistent with the provision hereof) heretofore taken by the Governing body and the officers and employees thereof directed toward the Application and the Bond redemption, be and the same is hereby ratified, approved and confirmed.
2. That the completed Agreement and Application submitted to the Governing Body, be and the same is hereby approved and confirmed.
3. That the officers and employees of the Governing Body are hereby directed and requested to submit the completed Application to the Authority for its review, and are further authorized to take such other action as may be requested by the Authority in its consideration and review of the Application and to further proceed with arrangements for financing the Project.

4. All acts and resolutions in conflict with this resolution are hereby rescinded, annulled and repealed.
5. This resolution shall take effect immediately upon its adoption.

PASSED, ADOPTED, SIGNED and APPROVED

CITY SEAL

Timothy Z. Jennings, Mayor

ATTEST

Amalia Martinez, City Clerk



NEW MEXICO FINANCE AUTHORITY

NMFA Use Only:

App. #:	-PP
FA assigned:	
Legislative Authorization	

PUBLIC PROJECT REVOLVING FUND BUILDING APPLICATION

I. GENERAL INFORMATION

A. APPLICANT /ENTITY

Application Date:	1/9/2026
-------------------	----------

Applicant/Entity:	City of Roswell, New Mexico				
Address:	425 N Richardson Roswell, NM 88201				
County	Chaves	Census Tract:			
Federal Employer Identification Number (EIN) as issued by the IRS:					
Legislative District:	Senate:		House:		
Phone:	575-624-6700	Fax:		Email Address:	h.yntema@roswell-nm.gov
Individual Completing Application:	Carissa Stone				
Address:	6301 Uptown Blvd. NE Suite 110, Albuquerque NM 87110				
Phone:	505-872-5999	Fax:		Email Address:	carissa.stone@rbccm.com

B. CONSULTING PROFESSIONALS (Bond/Legal Counsel, Architect, Engineer, etc.), if available:

Firm:	Modrall Law Firm				
Contact:	Chris Muirhead				
Address:	500th St. NW Ste 1000, Albuquerque, NM 87102				
Phone:	505-848-1800	Fax:		Email Address:	cmuirhead@modrall.com

C. PRIMARY CONTACT PERSON:

Name:	Hessel Yntema				
Contact:	City Manager, City of Roswell				
Address:	425 N Richardson Roswell, NM 88201				
Phone:	575-624-6700	Fax:		Email Address:	h.yntema@roswell-nm.gov

II. PROJECT SUMMARY

- A. Project Description.** Complete the following information in the provided space below. Include any additional documents that may be useful in reviewing this project, i.e. architectural designs, feasibility studies, business plan, etc.

1. Description of the project.

Refunding of the Series 2017 Joint Water & Sewer Improvement Bonds

2. Proposed Project Start Date: September 2026 **Proposed Project Completion Date:** September 2026
When do you need NMFA funds available? September 2026

3. How will the ongoing maintenance, operation, and replacement of this project be funded?

Not applicable as it is a refunding.

4. Provide a detailed drawdown schedule for project payments. The schedule may reflect monthly or quarterly payments.

B. Total Project Cost & Sources of Funds Detail.

Construction Activities	NMFA Funds Requested	Other Public Funds*	Private Funds	Total
Planning and Design	\$	\$	\$	\$
Construction	\$	\$	\$	\$
Equipment	\$	\$	\$	\$
Infrastructure Activities				
Facility Acquisition	\$	\$	\$	\$
Land Acquisition	\$	\$	\$	\$
Utilities (Electric, Gas, Water, etc.)	\$11,500,000	\$	\$	\$
Engineering and Architectural	\$	\$	\$	\$
Contingencies	\$	\$	\$	\$
Project Administration/Legal Fees	\$	\$	\$	\$
Other Cost of Issuance	\$100,000	\$	\$	\$
Total Cost:	\$	\$	\$	\$

*Specify any other public funds, and amounts and terms of these funds, i.e. FmHA, CDBG, EPA, etc.

Source	Amount	Terms / # of Years
	\$	
	\$	
	\$	
Total:	\$	

Attach a letter verifying that each non-NMFA funding source has been approved, or is in the process of being approved for this project. Explain any exceptions.

C. Will this project require right-of-way acquisition? Yes ☐ No ☒

If yes, specify any right-of-way needs, and whether acquisition may or may not delay beginning of project.

D. Who will hold title to the land where the project is to be located?

Not applicable

If this is land owned by the Bureau of Land Management, State Land Office, or Tribal Land, please attach lease agreements. (If there is no clear title, attach an explanation of ownership arrangements)

- E. Does this project require a Joint Powers Agreement (JPA)? Yes ☐ No ☒

If yes, provide a copy of the JPA, which should include a list of the current membership.

III. FINANCING

- A. 1. Specify the revenue to be pledged as security for the NMFA loan (a revenue source must be pledged for this type of project).

- ☐ Municipal Local Option GRT – please specify: _____
- ☐ County Option GRT – please specify: _____
- ☐ Other Tax-Based Revenue: _____
- ☐ State-Shared GRT _____
- ☐ Law Enforcement Funds _____
- ☐ Fire Protection Funds _____
- ☒ Net System Revenues: Joint Utility _____
- ☐ Other Revenue: _____

2. Is there an alternative revenue source available to pledge to pay debt service in the event that the primary pledged revenue is unavailable or insufficient? Yes ☐ No ☒ If yes, specify:

3. Preferred financing term: 11 years.

- B. Is any debt being repaid from the revenue source(s) referenced in A (1)? Yes ☐ No ☒

If yes, provide bond or loan documents and payment schedule for any existing debt service being paid from the same revenues that would be used to repay a NMFA loan.

IV. READINESS TO PROCEED ITEMS

- A. **The following items must accompany this application in order for this application to be considered complete:**

- ☐ Equipment cost breakdown (if applicable)
- ☐ Three most recently completed fiscal year audit reports
- ☐ Current unaudited financials
- ☐ Current fiscal year budget
- ☐ Verification of ownership of land where project will be located
- ☐ Documentation that each non-NMFA project funding source has been approved, or is in the process of being approved (if applicable)
- ☐ Joint Powers Agreement (if applicable)

B. In addition, complete the following information in the provided space below. These items will be required prior to disbursement of NMFA proceeds:

- ☐ Provide a detailed drawdown schedule for project payments
- ☐ Final technical information for the project, stamped and approved by a registered engineer
- ☐ Cost breakdown of the project, certifiable by either an engineer or architect
- ☐ Area map, site map, and floor map (if applicable)
- ☐ Verification of ownership of land where project will be located
- ☐ Documentation that each Non-NMFA project funding source has been approved, or is in the process of being approved (if applicable)
- ☐ Documentation showing status of right-of-way acquisition (if applicable)
- ☐ Explanation of land ownership arrangements (if applicable)
- ☐ List all required permits and licenses necessary to complete this project. Detail the status of each item, a plan of action, and time frame for completing incomplete permits and licenses. Also provide a copy of all permits and licenses.
- ☐ Is there litigation pending which would have a bearing on this project or applicant?
Yes ☐ No ☐
If yes, provide a complete summary of all circumstances relating to such litigation.

- ☐ Indicate the regular meeting dates for your authorizing body: _____

V. CERTIFICATION

I certify that:

We have the authority to request and incur the debt described in this application and, upon award, will enter into a contract for the repayment of any NMFA loans and/or bonds.

We will comply with all applicable state and federal regulations and requirements.

To the best of my knowledge all information contained in this application is valid and accurate and the submission of this application has been authorized by the governing body of the undersigned jurisdiction.

Signature:

Title:

(highest elected official)

Jurisdiction:

Print Name:

Date:

Signature:

Date:

Finance Officer/Director:

CITY OF ROSWELL, NEW MEXICO
Joint Utility Refunding and Flood Recovery GRT Financing Time Schedule
New Mexico Finance Authority

Date	Action	Responsibility
Friday, May 01	Submit Draft Applications to NMFA for June Board Approval	CITY, FA, NMFA
Thursday, June 04	Finance Committee meeting Finance Plan Update and Review of Bond Ordinances	CITY, FA, BC
Thursday, June 11	City Commission Meeting - First Reading of Bond Ordinances and approval of NMFA Application Resolutions	CITY, FA, BC
Friday, June 12	Submit Final Signed NMFA Applications	MA
Thursday, July 02	Finance Committee meeting Bond Ordinance	CITY, FA, BC
Thursday, July 09	City Commission Meeting - Approval of Bond Ordinance	CITY, FA, BC
Monday, July 13	Notice of Adoption published in paper of local circulation	
Thursday, June 25	NMFA Board meeting to Approve Loan	CITY, FA, BC, NMFA
Thursday, July 23	NMFA Board Authorization of Simultaneous Marketing	CITY, FA, BC, NMFA
Wednesday, August 12	Thirty day limitation of action period expires	
Thursday, August 27	Bond Pricing - NMFA Simultaneous Pricing	CITY, FA, BC, NMFA
Thursday, September 03	Closing Documents Circulated	CITY, FA, BC
Thursday, September 10	City Council Presentation of Bond Sale Results	CITY, FA, BC
Thursday, September 17	Bond Closing	SD, RBC, BC, NMFA

Working Group Key

Code	Participant	Role
CITY	City of Roswell	Issuer
FA	RBC Capital Markets	Municipal Advisor
BC	Modrall Law Firm	Bond Counsel
NMFA	New Mexico Finance Authority	Purchaser

Note 1: Finance Committee meeting first Thursday of the month

Note 2: City Council meeting second Thursday of the month

**ROSWELL NEW MEXICO
AGENDA ITEM ABSTRACT**

Finance Committee

13.

Meeting Date: 06/04/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

ACTION REQUESTED:

Consider recommending approval to advertise for a public hearing for Ordinance 26-XX;; An Ordinance to refund the Series 2017 Joint Water & Sewer Improvement Bonds. (Rogers)

BACKGROUND:

Initiated by: Hessel Yntema IV

This proposed ordinance would authorize the City of Roswell to refinance, pay, and discharge the outstanding Joint Water and Sewer Improvement Bond issued in 2017. It would also provide a mechanism to fund a loan agreement reserve account and provide for the payment of the principal and interest solely from the net revenues of the Joint Water and Sewer Utility System.

FINANCIAL CONSIDERATION

See Fiscal Impact below.

It is anticipated that by refinancing this bond, the City would likely save approximately \$750,000.00.

LEGAL REVIEW:

The proposed ordinance is legally sufficient.

BOARD AND COMMITTEE ACTION:

The Legal Committee considered this item at their May 28th meeting and voted 5-0 recommending approval to Finance Committee.

STAFF RECOMMENDATION:

Proceed as presented.

Attachments

Loan Approving Ordinance for Smart Meter

STATE OF NEW MEXICO)
COUNTY OF CHAVES) ss.
CITY OF ROSWELL)

The City Council (the “Council”) of the City of Roswell (the “City”), in the State of New Mexico, met in open regular session in full conformity with law and the ordinances and rules of the City, in the Chaves County Administrative Center, Council Chambers, #1 St. Mary’s Place, Roswell, New Mexico, being the regular meeting place of the Council, at 6:00 p.m., on Thursday, July 9, 2026, at which time there were present and answering the roll call the following members:

Mayor: _____

Councilors: _____

Absent:

There was officially filed with the City Clerk, the Mayor and each Councilor, a copy of an ordinance in final form, which is as follows:

CITY OF ROSWELL, NEW MEXICO
ORDINANCE NO. _____

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT BY AND BETWEEN THE CITY OF ROSWELL, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY (THE "FINANCE AUTHORITY"), EVIDENCING A SPECIAL, LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT NOT TO EXCEED \$11,750,000, TOGETHER WITH INTEREST THEREON, FOR THE PURPOSE OF (1) REFINANCING, PAYING AND DISCHARGING THE GOVERNMENTAL UNIT'S OUTSTANDING JOINT WATER AND SEWER IMPROVEMENT REVENUE BONDS, SUBORDINATE SERIES 2017 ISSUED ON FEBRUARY 21, 2017, (2) FUNDING A LOAN AGREEMENT RESERVE ACCOUNT; AND (3) PAYING EXPENSES; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE LOAN AGREEMENT SOLELY FROM THE NET REVENUES FROM THE GOVERNMENTAL UNIT'S JOINT WATER AND SEWER UTILITY SYSTEM; APPROVING THE DELEGATION OF AUTHORITY TO MAKE CERTAIN DETERMINATIONS REGARDING THE LOAN AGREEMENT PURSUANT TO THE SUPPLEMENTAL PUBLIC SECURITIES ACT; RATIFYING ACTIONS HERETOFORE TAKEN; APPROVING THE FORMS OF THE LOAN AGREEMENT AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT; REPEALING ALL ACTION INCONSISTENT WITH THIS ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT

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

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

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

WHEREAS, the Governmental Unit may use the Net Revenues to finance the Refunding Project and the Refunding Project will provide for the public health, peace and safety of the Governmental Unit and its residents; and

WHEREAS, The Governmental Unit now owns, operates and maintains water and sewer facilities, which the Governmental Unit hereby declares shall be continued to be operated as a joint public utility; and

WHEREAS, the Governmental Unit has heretofore provided for the imposition of rates and charges against users of the System; and

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

WHEREAS, except as described in the Term Sheet, the Net Revenues have not heretofore been pledged to secure the payment of any obligation which is currently outstanding; and

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

WHEREAS, the Loan Agreement shall be executed and delivered pursuant to the Act, and with an irrevocable first lien, but not necessarily an exclusive first lien, on the Net Revenues; and

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

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

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

WHEREAS, the Governmental Unit previously issued its Joint Water and Sewer Improvement Revenue Bonds, Subordinate Series 2017 on February 21, 2017 pursuant to Ordinance No. 16-22 adopted on January 12, 2017, as supplemented by Resolution No. 17-04 adopted on January 24, 2017, in the original aggregate principal amount of \$18,230,000, of which there is presently outstanding a principal amount of \$11,270,000; and

WHEREAS, the payments due on the Series 2017 Bonds are subject to redemption at the option of the Governmental Unit at 100% of the principal amount then outstanding, plus accrued interest to the date of redemption; and

WHEREAS, the Governmental Unit hereby determines that the execution and delivery of the Loan Agreement, under current market conditions, for the purpose of the Refunding Project will result in an over-all reduction of debt service payments to be made by the Governmental Unit from Net Revenues to the benefit of the Governmental Unit, and consequently will provide for the public health, safety and welfare of the Governmental Unit and its residents; and

WHEREAS, pursuant to Sections 6-14-8 through 6-14-12 NMSA 1978, as amended (the “Supplemental Public Securities Act”), the Governing Body is authorized to adopt a Ordinance

delegating to one or more of its members, officers, or employees the authority to sign a Sale Certificate setting forth the terms of the Loan so long as such terms are within the parameters established by an authorizing ordinance or Ordinance adopted in conformity with the Supplemental Public Securities Act; and

WHEREAS, in order to allow the Governmental Unit flexibility, the Governing Body desires to grant to the Mayor and the City Manager or any other employee of the Governmental Unit when designated by a certificate signed by the Mayor (collectively, the “Designated Officers”), the authority (a) to determine any or all of the following terms of the Loan: (i) the interest and principal payment dates, (ii) the principal amounts, denominations, and maturity dates, (iii) the sale prices, (iv) the interest rates, (v) the interest payment periods, and (vi) the amount of underwriting discount, if any; and (b) to make any changes with respect thereto from those terms which were before the Governing Body at the time of adoption of this Ordinance, provided such terms do not exceed the parameters set forth for such terms in this Ordinance; and

WHEREAS, the Governmental Unit will approve the specific terms of the Loan and authorize execution of the Loan Agreement in a certification of the Designated Officers pursuant to the terms of this Ordinance as set forth in the Sale Certificate; and

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

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF ROSWELL:

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

“Act” means the general laws of the State, including Sections 3-31-1 through 3-31-12 and 6-14-8 through 6-14-12, NMSA 1978, as amended, and enactments of the Governing Body relating to the Loan Agreement, including this Ordinance.

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

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

“Bonds” means public project revolving fund revenue bonds, if any, issued hereafter by the Finance Authority and specifically related to the Loan Agreement and the Loan Agreement Payments.

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

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

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

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

“Finance Authority” means the New Mexico Finance Authority.

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

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

“Governing Body” means the City Council of the Governmental Unit, and any future successor governing body of the Governmental Unit.

“Governmental Unit” means the City of Roswell, New Mexico.

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

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

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

“Joint Water and Sewer System,” “Joint System,” “System,” or “Utility” means the municipally owned public utility designated as the Governmental Unit's water system and sanitary sewer system (continued as a joint system) consisting of all properties, real, personal, mixed or

otherwise, now owned or hereafter acquired by the Governmental Unit through purchase, construction or otherwise, and used in connection with said water system and sanitary sewer system of the Governmental Unit and in any way appertaining thereto, whether situated within or without the limits of the Governmental Unit.

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

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

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

“Loan Agreement Principal Amount” means the original principal amount of the Loan Agreement as shown on the Term Sheet and approved in the Sale Certificate.

“Loan Agreement Reserve Account” means the loan agreement reserve account in the name of the Governmental Unit established under the Indenture, funded from the proceeds of the Loan Agreement, and administered by the Trustee pursuant to the Indenture.

“Loan Agreement Reserve Requirement” means, with respect to the Loan, the amount shown as the Loan Agreement Reserve Account Deposit on the Term Sheet, which amount shall not to exceed the least of (i) ten percent (10%) of the Loan Agreement Principal Amount, (ii) 125% of the average annual principal and interest requirements under the Loan Agreement, or (iii) the maximum annual principal and interest requirements under the Loan Agreement.

“Net Revenues” means the revenues of the System after deducting Operation and Maintenance Expenses of the System that are pledged to payment of the Loan Agreement Payments pursuant to the Ordinance and described on the Term Sheet.

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

“Operation and Maintenance Expenses” (or a phrase of similar import) means all reasonable and necessary current expenses of the Governmental Unit, paid or accrued, of operating, maintaining and repairing the System, and shall include, without limiting the generality of the foregoing, legal and overhead expense of the various Governmental Unit departments directly related and reasonably allocable to the administration of the System, insurance premiums, the reasonable charges of depository banks and paying agents, contractual services, professional services required by this ordinance, salaries and administrative expenses, labor, the cost of materials and supplies used for current operation, but shall not include any allowance for depreciation, liabilities incurred by the Governmental Unit as the result of its negligence in the operation of the System, extensions, enlargements or betterments, or any charges for the accumulation of reserves for capital replacements.

“Ordinance” means this Ordinance as adopted by the Governing Body on July 9, 2026, approving the Loan Agreement and pledging the Net Revenues to the payment of the Loan Agreement, as amended from time to time.

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

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

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

“Refunding Project” means refunding, paying and discharging the Governmental Unit’s outstanding Series 2017 Bonds maturing on and after June 1, 2027, on the date of execution and delivery of the Loan Agreement.

“Revenues” or “gross revenues” from the System means all income and revenues derived by the Governmental Unit from the operation of the System, or any part thereof, whether resulting from extensions, enlargements or betterments to the System, or otherwise, and includes all revenues received by the Governmental Unit or any municipal corporation succeeding to the rights of the Governmental Unit from the System and from the sale and use of water, water service and facilities, sanitary sewer service and facilities, or any combination thereof to the inhabitants of the Governmental Unit (including all territorial annexations which may be made while the Loan Agreement is outstanding), or from the sale and use of water, water service and facilities, sanitary sewer service and sewer facilities, and facilities or any combination thereof, by means of the System owned and operated by the Governmental Unit as the same may at any time exist to serve customers outside the Governmental Unit limits as well as customers within the Governmental Unit limits, and also means income derived from the investment of any money in any of the funds established herein or contained herein (but excluding such income from investments in the Rebate Fund) even though such investment income is to be credited to the particular fund from which such investment is made.

“Sale Certificate” means one or more certificates executed by the Mayor or City Manager, pursuant to and as authorized by Section 6-14-10.2, NMSA 1978, setting forth the final terms of the Loan.

“Series 2017 Bonds” means the Governmental Unit’s outstanding Joint Water and Sewer Improvement Revenue Bonds, Subordinate Series 2017, issued on February 21, 2017 pursuant to Ordinance No. 16-22 adopted on January 12, 2017, as supplemented by Resolution No. 17-04 adopted on January 24, 2017, in the original aggregate principal amount of \$18,230,000, of which there is presently outstanding a principal amount of \$11,270,000.

“State” means the State of New Mexico.

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

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

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

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

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

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

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

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

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

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

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

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

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

I. The Refunding Project will result in debt service savings for the Governmental Unit in the amount of at least 3% present value savings.

Section 5. Loan Agreement - Authorization and Detail.

A. Authorization. This Ordinance has been adopted by the affirmative vote of a majority of all of the members of the Governing Body. For the purpose of protecting the public health, conserving the property, protecting the general welfare and prosperity of the residents of the Governmental Unit and completing the Refunding Project, it is hereby declared necessary that the Governmental Unit, pursuant to the Act, execute and deliver the Loan Agreement evidencing a special, limited obligation of the Governmental Unit to pay a principal amount not to exceed \$11,750,000, plus interest, and the execution and delivery of the Loan Agreement are hereby authorized. The Governmental Unit shall use the proceeds of the Loan to (i) finance the Refunding Project, (ii) fund the Loan Agreement Reserve Account, and (iii) pay Expenses.

B. Detail. The Loan Agreement shall be in substantially the form presented at the meeting of the Governing Body at which this Ordinance was adopted. The Loan shall be in an aggregate principal amount not to exceed \$11,750,000, shall be payable in installments of principal due on June 1 of the years designated in Exhibit "B" to the Loan Agreement and bear interest payable on June 1 and December 1 of each year, commencing on December 1, 2026 at the rates designated in Exhibit "B" to the Loan Agreement, all as approved in the Sale Certificate. The Loan shall be placed in a private sale at par and shall have a maximum term of fifteen (15) years. The underwriter's discount for the Loan shall not exceed 2% of the par amount of the Loan.

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

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

indebtedness of the Governmental Unit within the meaning of any State constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Governmental Unit or a charge against its general credit or taxing power. Nothing herein shall prevent the Governmental Unit from applying other funds of the Governmental Unit legally available therefor to payments required by the Loan Agreement, in its sole and absolute discretion.

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

A. Program Account, Finance Authority Debt Service Account and Loan Agreement Reserve Account. The Governmental Unit hereby consents to creation of the (i) Finance Authority Debt Service Account to be held and maintained by the Finance Authority, (ii) Program Account to be held by the Trustee pursuant to the Indenture, and (iii) Loan Agreement Reserve Account to be held by the Trustee, each in connection with the Loan. The Governmental Unit hereby approves: (i) of the deposit of the portion of the proceeds of the Loan Agreement in the Program Account, the Loan Agreement Reserve Account, and the Finance Authority Debt Service Account, and (ii) for payment of the Expenses.

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

The money in the Program Account shall be used and paid out solely for the purpose of completing the Refunding Project in compliance with applicable law and the provisions of the Loan Agreement and the Indenture.

The Governmental Unit will complete the Refunding Project with all due diligence.

B. Completion of the Refunding Project. Upon completion of the Refunding Project, any balance remaining in the Program Account shall be transferred and deposited into the Finance Authority Debt Service Account, as provided in the Loan Agreement and the Indenture.

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

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

A. Deposit of Net Revenues. Net Revenues shall be paid directly by the Governmental Unit to the Finance Authority for deposit in the Finance Authority Debt Service Account and remittance to the Trustee in an amount sufficient to pay principal, interest, premium, if any, and other amounts due under the Loan Agreement, including sufficient Net Revenues in the Loan Agreement Reserve Account to maintain the Loan Agreement Reserve Requirement.

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

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

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

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

Pursuant to the Supplemental Public Securities Act, Section 6-14-8 et seq., NMSA 1978, the Mayor and City Manager are each hereby delegated authority to accept and to determine any or all of the final terms of the Loan Agreement and to execute the Sale Certificate, subject to the parameters and conditions contained in this Ordinance. The Mayor or the City Manager shall present the Sale Certificate and the final terms of the Loan Agreement to the Governing Body in a timely manner, before or after execution and delivery of the Loan Agreement, at a regularly scheduled public meeting of the Governing Body.

Section 12. Amendment of Ordinance. This Ordinance may be amended by ordinance of the Governing Body without receipt by the Governmental Unit of any additional consideration, but

only with the prior written consent of the Finance Authority. This Ordinance will be supplemented by the terms set forth in the Sale Certificate.

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

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

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

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

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

(Form of Summary of Ordinance for Publication)

City of Roswell, New Mexico
Notice of Adoption of Ordinance

Notice is hereby given of the title and of a general summary of the subject matter contained in Ordinance No. _____ duly adopted and approved by the Governing Body of the City of Roswell, New Mexico, on July 9, 2026. A complete copy of the Ordinance is available for public inspection during the normal and regular business hours of the City Clerk, 425 N. Richardson, Roswell, New Mexico.

CITY OF ROSWELL, NEW MEXICO
ORDINANCE NO. _____

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT BY AND BETWEEN THE CITY OF ROSWELL, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY (THE "FINANCE AUTHORITY"), EVIDENCING A SPECIAL, LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT NOT TO EXCEED \$11,750,000, TOGETHER WITH INTEREST THEREON, FOR THE PURPOSE OF (1) REFINANCING, PAYING AND DISCHARGING THE

GOVERNMENTAL UNIT'S OUTSTANDING JOINT WATER AND SEWER IMPROVEMENT REVENUE BONDS, SUBORDINATE SERIES 2017 ISSUED ON FEBRUARY 21, 2017, (2) FUNDING A LOAN AGREEMENT RESERVE ACCOUNT; AND (3) PAYING EXPENSES; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE LOAN AGREEMENT SOLELY FROM THE NET REVENUES FROM THE GOVERNMENTAL UNIT'S JOINT WATER AND SEWER UTILITY SYSTEM; APPROVING THE DELEGATION OF AUTHORITY TO MAKE CERTAIN DETERMINATIONS REGARDING THE LOAN AGREEMENT PURSUANT TO THE SUPPLEMENTAL PUBLIC SECURITIES ACT; RATIFYING ACTIONS HERETOFORE TAKEN; APPROVING THE FORMS OF THE LOAN AGREEMENT AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT; REPEALING ALL ACTION INCONSISTENT WITH THIS ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT

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

(End of Form of Summary for Publication)

PASSED, APPROVED AND ADOPTED THIS 9th DAY OF JULY, 2026.

CITY OF ROSWELL, NEW MEXICO

ATTEST:

Mayor

City Clerk

Councilor _____ then moved adoption of the foregoing Ordinance, duly seconded by Councilor _____.

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

Those Voting Aye: _____

Those Voting Nay: _____

Those Absent: _____

_____ () members of the Governing Body having voted in favor of said motion, the Mayor declared said motion carried and said Ordinance adopted, whereupon the Mayor and the Clerk signed the Ordinance upon the records of the minutes of the Governing Body.

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

CITY OF ROSWELL, NEW MEXICO

By _____
Mayor

[SEAL]

ATTEST:

By _____
Clerk

**ROSWELL NEW MEXICO
COMMITTEE AGENDA ITEM ABSTRACT**

Finance Committee

14.

Meeting Date: 06/04/2026

COMMITTEE: Legal

CONTACT: C. Josh Nairn-Mahan

CHAIR: Will Cavin

ACTION REQUESTED:

Consider a budget adjustment and recommending approval to enter into a purchase and sale agreement for 77.8 acres of irrigated farmland for the expansion of the wastewater department (Mendoza)

BACKGROUND:

Initiated by: Omarr Mendoza

The property is located adjacent to the existing wastewater department
2306 E COLLEGE BLVD

FINANCIAL CONSIDERATION:

Financial Impact (Revenue & Expense): Budget Adjustment Needed - \$110,000

Revenue: N/A

Expense 53014355-817501 (Capital Outlay - Land)

Current/Original Budget: \$740,000.00

Remianing Budget: \$740,000.00

Requested Amount: \$850,000.00

The total purchase price for the property will be \$850,000.00, property was appraised at \$1,050,000.

LEGAL REVIEW:

The city attorney has reviewed the purchase and sale agreement, this item was approved in legal comittee (4-0)

BOARD AND COMMITTEE ACTION:

Legal committee recommended approval (4-0) to refer to Finance Committee.

STAFF RECOMMENDATION:

Proceed as presented.

Attachments

purchase sale agreement
Appraisal 2 tracts Wastewater expansion
Approval Communication

PURCHASE AND SALE AGREEMENT

THIS AGREEMENT has been made this 8th day of May, 2026 by and between L & K Waggoner, LLC, a New Mexico limited liability company, (hereinafter collectively referred to as "Seller") and the City of Roswell, (hereinafter collectively referred to as "Buyer").

WITNESSETH:

WHEREAS, Seller owns seventy seven and eight tenths (77.8) acres located in Chaves County, New Mexico, more particularly described on Exhibit "A" attached hereto;

WHEREAS, Seller desires to sell, assign or convey to Buyer all of the Seller's right, title and interest in and to the fee land, including any minerals underlying the fee property, RESERVING AND EXCEPTING all water rights, wells and irrigation equipment thereon, collectively referred to as "Subject Property", and Buyer desires to purchase the same upon the terms and conditions herein set forth; and

NOW, THEREFORE, for and in consideration of the purchase price and conditions, agreements and covenants contained herein, the parties agree as follows:

1. PURCHASE PRICE FOR SUBJECT PROPERTY: Seller hereby agrees to sell, assign and convey to Buyer and Buyer hereby agrees to purchase, accept and assume title to the Subject Property for the following consideration:

(a) a cash payment of Eight Hundred and Fifty Thousand Dollars (\$850,000.00);

(b) the right and ability of Seller to continue to use and farm the Subject Property until the Buyer begins actual construction on a new wastewater facility on the Subject Property;

(c) an effluent water credit of Two Hundred Thousand Dollars (\$200,000.00) to Seller to be used by Seller at Seller's discretion, not to exceed an annual use of up to thirty thousand dollars (\$30,000.00) of the effluent water credit by Seller per year;

Buyer agrees to purchase the Subject Property in the following manner:

(a) \$10,000.00 in cash to be paid by Buyer to Seller upon execution of this Agreement, said sum to constitute an earnest money deposit to be applied upon the purchase price or retained by Seller in accordance with the further terms of this Agreement. The earnest money deposit shall be held by the Landmark Title Roswell, whose address is 2724 Wilshire Blvd., Roswell, New Mexico, as the escrow agent. Any interest that might accrue on said sum shall accrue to the benefit of the Buyer.

(b) The remaining balance of \$840,000.00 cash to be paid by Buyer to Seller at time of closing, along with the aforementioned earnest money, subject to prorations described in paragraph 7 of this Agreement.

2. "AS IS" CONVEYANCE: It is understood and agreed that Seller is not making and specifically disclaims any warranties or representations of any kind or character, express or implied, with respect to the premises, including, but not limited to, warranties or representations as to matters of title (other than Seller's warranty of title set forth in the warranty deed to be delivered at closing), physical or environmental conditions, availability of access, ingress or egress, valuation, or any other matter or thing relating to or affecting the premises, including, without limitation, the value, condition, size, location, merchantability, marketability, profitability, suitability or fitness for a particular use or purpose of the premises. Buyer has not relied upon and will not rely upon, either directly or indirectly, any representation or warranty of Seller or any agent of Seller. Buyer represents that it is a knowledgeable buyer of real estate and

that they are relying solely on their own expertise in purchasing the Subject Property. Buyer has conducted such inspections and investigations of the premises as Buyer deem necessary, including, but not limited to, the physical and environmental conditions thereof, and shall rely upon same. Buyer acknowledge and agree that upon closing, Seller shall sell and convey to Buyer and Buyer shall accept the premises "as is, where is," with all faults. Buyer further acknowledges and agrees that there are no oral agreements, warranties or representations, collateral to or affecting the premises by seller, any agent of seller or any third party. The terms and conditions of this paragraph shall expressly survive the closing, not merge with the provisions of any closing documents and shall be incorporated into the warranty deed.

3. TITLE: Within thirty (30) days from the execution of this Agreement by the parties, Seller shall cause to be delivered to Buyer a title insurance commitment showing good and marketable title to the Subject Property to be in the Seller's name. The Seller warrants that the title upon closing shall be free and clear of all liens or encumbrances.

4. TITLE DEFECT: In the event any bona fide defects of title which would render the title unmarketable are discovered in the preparation of the title insurance commitment by the title company, then Seller shall have a reasonable time, not to exceed thirty (30) days from the date of receipt of written notice from the title company specifying such defect, within which to cure the same, failing which, Buyer shall have the option:

(a) To terminate this Agreement, whereupon they shall be entitled to a return of all monies, including without limitation, their earnest money deposit with no further liability on the part of either party;

(b) If the defect is capable of being cured by an expenditure of money and the Buyer and Seller mutually agree in writing to cure the defect with the cost of said procedure being paid as agreed upon by the parties in writing;

(c) To accept title subject to the defect.

5. SURVEY: In order to properly describe the Subject Property, the Buyer shall obtain a survey to be used for the legal description of the Subject Property in the conveyance documentation between the parties. The cost of the survey shall be paid by the Buyer.

6. CLOSING: The transaction contemplated hereby shall close on or before June 30, 2026 at 10:00 o'clock a.m. which may be changed only by mutual agreement by the parties in writing. Said closing shall be held in the offices of Landmark Title Roswell, whose address is 2724 Wilshire Blvd., Roswell, New Mexico. On closing Seller shall deliver to Buyer:

(a) Fully executed Warranty Deed to the fee lands of the Subject Property and said Warranty Deed shall convey to Buyer all minerals but excepting and reserving all water rights, wells and irrigation equipment on or underlying said Subject Property, to also include a reservation to the Seller of the right to continue to use and farm the Subject Property until the Buyer begins actual construction on a new wastewater facility on the Subject Property as well as an effluent water credit of Two Hundred Thousand Dollars (\$200,000.00) to Seller to be used by Seller at Seller's discretion, not to exceed an annual use of up to thirty thousand dollars (\$30,000.00) of the effluent water credit by Seller per year;

(b) The title insurance policy as described in this Agreement;

Buyer shall simultaneously deliver to Seller:

(a) The payment described in Paragraph 1(b) above by wire transfer, cashier's check or certified funds.

(b) Fully executed and recordable Assignment and Conveyance from Buyer granting and conveying to Seller the ability to continue to use and farm the Subject Property until the Buyer begins actual construction on a new wastewater facility on the Subject Property as well as an effluent water credit of Two Hundred Thousand Dollars (\$200,000.00) to Seller to be used by Seller at Seller's discretion, not to exceed an annual use of up to thirty thousand dollars (\$30,000.00) of the effluent water credit by Seller per year, to include any other documentation necessary to complete the transfer of these rights from the Buyer to the Seller.

Closing and other costs and fees shall be payable as follows:

Seller and Buyer shall each pay one-half (50%) of the cost of the Title Commitment and Owner's Title Policy and all remaining fees and closing costs shall also be paid one half by Seller and one half by Buyer.

7. PRORATIONS: On the date of closing and as of the date of closing, the parties shall prorate Seller's share of the real property taxes. With regard to the proration of taxes, the parties shall use the last available tax statement in the event a tax bill for the current year is not available.

8. POSSESSION and RISK of LOSS: Buyer shall be entitled to possession of the Subject Property upon the closing of this transaction as described in paragraph 6 herein.

In the event of any damage to any of the improvements prior to closing on the Subject Property by fire or other casualty, this Agreement shall remain in full force and effect. Seller and Buyer may mutually agree to restore or repair such damage as soon as possible (all work to be done in a good and proper manner so that the improvements shall have been restored to its condition immediately prior to the fire or casualty) in which event Seller and Buyer shall be entitled as they mutually agree to receive the proceeds payable under the insurance policies

covering such damages. If Buyer shall elect, Seller and Buyer shall refrain from repairing any such damage and Buyer shall accept the conveyance of the Subject Property in such damaged condition, and Seller shall assign and transfer to Buyer, at the time of closing for the Subject Property, all of the policies of insurance covering such damage or casualty and the proceeds thereof, save and except any proceeds allocable to any personal property owned by Seller which is not subject to this transaction.

9. REPRESENTATIONS and WARRANTIES of SELLER: Seller makes the following representations and warranties to Buyer, each of which is material and is relied upon by Buyer, Seller represents and warrants and Buyer understands and agrees as follows:

(a) Seller is the owner of a fee simple marketable title to the Subject Property and the Subject Property is not subject to any liens or encumbrances.

(b) Seller and Buyer understand that the Subject Property is possibly within a flood boundary and Buyer assumes the risk of said Subject Property possibly being in a flood boundary and zone.

10. NOTICES: All notices required to be given pursuant hereto shall be sent by United States registered or certified mail, return receipt requested, postage prepaid, addressed to the parties at their respective addresses shown below, and to the attorneys shown via email. Each party may from time to time designate by written notice to the other a change as to the contact information shown herein below.

SELLER: L & K Waggoner, LLC
c/o Timmy Taylor, Jr., Managing Member
1882 East Second Street
Roswell, New Mexico 88201

Steven P. Fisher, Attorney for Buyer
Fisher Law Firm, LLC
400 North Pennsylvania, Suite 820
Roswell, NM 88201
575-755-0707
Email: spf@fish.legal

BUYER: City of Roswell
c/o City Manager, Hessel Yntema
P.O. Drawer 1838
Roswell, NM 88202-1838
Email: h.yntema@roswell-nm.gov

All notices and demands which shall be served upon either party hereto shall be deemed sufficiently served or given for all purposes hereunder at the time such notice or demand shall have been delivered, mailed or emailed to the party or parties at the addresses shown hereinabove.

11. OFFER OF CONTRACT EXPIRATION: This Purchase and Sale Agreement shall be null and void and deemed terminated for all purposes unless executed by the parties on or before May 22, 2026.

12. REAL ESTATE BROKERAGE: The parties hereto represent and state that there are no real estate agents or brokers involved in this transaction.

13. 1031 EXCHANGE It is agreed that the parties to this Agreement shall have the option to assign all of their right in and to this Agreement to a Qualified Intermediary pursuant to Section 1031 of the Internal Revenue Code pursuant to an Exchange Agreement by and between Buyer/Seller and a Qualified Intermediary. In the event Seller exercises this option, Buyer consents to the assignment of the rights of Seller in and to this Agreement and waives and releases all claims against the Qualified Intermediary, its agents, employees, successors and/or assigns for any breach of representation, warranty or other obligation of Seller in connection

with this Agreement. In the event Buyer exercises this option, Seller consents to the assignment of the rights of Buyer in and to this Agreement and waives and releases all claims against the Qualified Intermediary, its agents, employees, successors and/or assigns for any breach of representation, warranty or other obligation of Buyer in connection with this Agreement. This consent shall not release Seller/Buyer from any representation, warranty or other obligation under the terms of this Agreement. Seller and Buyer agree to execute any documents reasonably necessary to the completion of the exchange. The parties agree and covenant with each other that the exercise of this option will not cause any additional expense or risk of loss to the other party and each party does hereby agree to defend and indemnify the other party from and against any such expense or loss.

14. MISCELLANEOUS PROVISIONS:

(a) The parties hereto agree to expeditiously execute such other and further instruments as may be necessary or desirable to carry out the terms and provisions of this Agreement.

(b) This Agreement, as to execution, interpretation, enforceability, validity and performance, shall be governed by the laws of the State of New Mexico.

(c) This document fully and completely expresses the agreement of the parties and all previous understandings to this transaction are merged in this Agreement.

(d) The terms of this Agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs, devisees, legal representatives, personal representatives and assigns, as the case may be.

(e) Time shall be of the essence in the performance by the parties of all the terms, provisions and conditions herein contained.

(f) All covenants, agreements, representations and warranties continued herein shall survive the closing of this transaction.

(g) This Agreement may be executed in multiple counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF, the undersigned have executed this Agreement the day and year first above written.

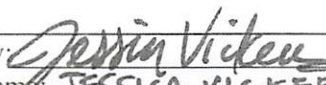
"SELLER"

L & K Waggoner, LLC

By: 
Name: Timmy Taylor, Jr.
Managing Member

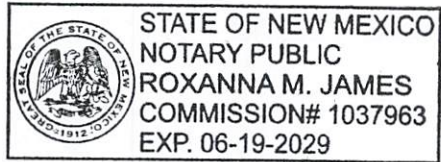
"BUYER"

City of Roswell

By: 
Name: JESSICA VICKERS
Title: Community Development Director
5/8/2026

STATE OF NEW MEXICO)
)ss
COUNTY OF CHAVES)

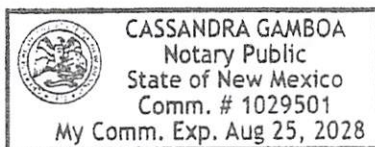
The foregoing instrument was acknowledged before me this 12th day of May, 2026, by Timmy Taylor, Jr., as Managing Member of L & K Waggoner, LLC, a New Mexico limited liability company, on behalf of the company.



Roxanna M James
Notary Public

STATE OF NEW MEXICO)
)ss
COUNTY OF CHAVES)

The foregoing instrument was acknowledged before me this 8th day of May, 2026, by Jessica Vickers, as Community Development of the City of Roswell, on behalf of the City.
Director



Cassandra Gamboa
Notary Public

Exhibit "A"



WT Appraisal, Inc.

38

An Appraisal Report
of Two Tracts of Irrigated Farmland
Being 109.6 acres and 77.8 acres, more or less, located along the
South side of East 19th Street, and the west side of North Red Bridge Road,
Approximately 1 miles East of Roswell,
Chaves County, New Mexico



Effective Date
November 24, 2025

Requested By
Mr. Todd Verciglio
Community Development Dept., Property Division
City of Roswell
400 W. Second St.
Roswell, New Mexico 88201
t.verciglio@roswell-nm/gov



Prepared By
WT Appraisal, Inc.
800-340-5039
www.wtappraisal.com
Job #25-981

December 1, 2025

Mr. Todd Verciglio
Community Development Dept., Property Division
City of Roswell
400 W. Second St.
Roswell, New Mexico 88201
t.verciglio@roswell-nm/gov

RE: *An Appraisal Report* of two tracts of irrigated farmland being 109.6 acres and 77.8 acres, more or less, located along the south side of East 19th Street, and the west side of North Red Bridge Road, approximately 1 miles East of Roswell, Chaves County, New Mexico.

Dear Mr. Verciglio:

In accordance with your request we have prepared an appraisal of the property referenced above. The purpose of the appraisal is to develop an opinion of the "As Is" market value of the fee simple interest in the property, as of the effective date of the appraisal, as defined in the accompanying report. We understand that the intended use of the report is to assist our client with determining market value of the subject property for internal decision making.

The effective date of this appraisal is November 24, 2025, and is based on data and market conditions prevailing on that date. The research and analysis contained herein was conducted during the month of November 2025.

By reason of our investigation and analysis of data contained in this report, other information in our files, and our experience in the real estate and appraisal profession, it is our opinion that the market value of the fee simple estate in the subject property referred to as Tract 1, being 109.6 acres, as of November 24, 2025, was in round numbers:

ONE MILLION FOUR HUNDRED TWENTY-FIVE THOUSAND DOLLARS
\$1,425,000

Furthermore, by reason of our investigation and analysis of data contained in this report, other information in our files, and our experience in the real estate and appraisal profession, it is our opinion that the market value of the fee simple estate in the subject property referred to as Tract 2, being 77.8 acres, as of November 24, 2025, was in round numbers:

ONE MILLION FIFTY THOUSAND DOLLARS
\$1,050,000

These value estimates are subject to the assumptions and limiting conditions as set out herein. The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated by the Appraisal Standards Board of The Appraisal Foundation and the specific appraisal standards set out in 12 CFR, Part 1608 and in conformance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), revised June 7, 1994, and subsequent federal regulations including the most recent Interagency Appraisal and Evaluation Guidelines effective 12/10/10, and amendments thereto, to the extent that the available market data will allow.

It should be noted that, to our knowledge, no environmental hazard was known to be located on the property, as of the effective date of this appraisal. Furthermore, as a result of our analysis, we have concluded that the property has no scientific, cultural or historic value.

Special Assumption: For the purpose of this analysis, we have assumed that the current agreement between the subject tracts described herein and the adjoining municipal waste water facility will continue perpetually. No details or documentation regarding the agreement were provided to the appraisers beyond the fact that the waste water from the plant can be utilized for irrigated farming upon the subject tracts. If details of the agreement are provided to the appraiser at a date after the report date of this report, the appraisers reserve the right to revise any conclusions herein.

Mr. Verciglio
Page 2

December 1, 2025

We thank you for the privilege of serving you and should you have any questions, please contact us.

Sincerely yours,



Clint W. Bumguardner, MAI, ASA
General State Certified Appraiser
New Mexico Certification No. 001579-G



Sam Walker, Appraiser
General State Certified Appraiser
State Certification No. NM-03611-G



Cage Riley, Appraiser
General State Certified Appraiser
State Certification No. NM-REA-2025-0142

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ADDENDA

Assumptions and Limiting Conditions	
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Summary of Salient Facts, Data and Conclusions

Property Appraised:	187.4 total acres, more or less, contained in two contiguous tracts referred to within this report as Tract 1, being 109.6 acres, and Tract 2, being 77.8 acres, approximately 1 mile east of Roswell, Chaves County, New Mexico.
Property Type:	Irrigated farm land.
Location:	Tract 1 is located on the south side of East 19 th Street and the west side of North Red Bridge Road; while Tract 2 is located along the west side of North Red Bridge Road, approximately 1 mile east of Roswell, Chaves County, New Mexico.
GPS Coordinates:	
Tract 1:	Latitude - 33° 24' 51.79" North Longitude - 104° 28' 34.44" West
Tract 2:	Latitude - 33° 24' 38.03" North Longitude - 104° 28' 28.25" West
Interests Appraised:	Unencumbered fee simple, surface only.
Legal Description:	Being 187.4 acres; Lots 1 thru 7, Replat of Lot 8, Lots 18, 19, 20, 21, and 22, Hamilton Farms Subdivision, out of the southeast 1/4 of Section 26, Township 10 South, Range 24 East, Chaves County, New Mexico.
Purpose of Appraisal:	Estimate the "as is" market value of the subject property.
Property Rights Appraised:	Fee simple.
Effective Date of Valuation:	November 24, 2025

Summary of Salient Facts, Data, and Conclusions (Continued)

Client Identity and Intended Users of the Appraisal:

This report is intended for use only by the client, Mr. Todd Verciglio and the City of Roswell. Use of this report by others is not intended by the appraisers. This report is intended only for use in providing data upon which the client may analyze the property for decision making purposes.

Intended Use of Appraisal:

The intended use of this appraisal is to assist the client, Mr. Todd Verciglio and the City of Roswell in internal decision making regarding the subject property. This report is not intended for any other use.

Land Data (Tract 1): Size:

109.6 total acres, more or less.

Acreage size of the property is based on data from the client. A survey was not provided. The appraisers have relied on this data. If subsequent data indicates a different acreage amount, the appraisers reserve the right to modify the conclusions reached in this appraisal.

Shape:

Rectangular

Frontage/Access:

Subject has frontage along the south side of East 19th Street and the west side of North Red Bridge Road.

Flood Zone:

According to FEMA Map #35005C1390D, dated September 25, 2009, Tract 1 of the subject is partially located within Zone X. The appraisers were not supplied a survey of subject property. It is recommended that a survey, by a professional, certified surveyor be performed to determine exact elevations and flood plain status.

Land Use:

At the time of inspection, Tract 1 is entirely irrigated farmland.

Summary of Salient Facts, Data, and Conclusions (Continued)

Improvements:	All improvements associated with the current flood irrigation including above and below ground water lines, and specifically gated pipe supply system; partial net-wire perimeter fencing.
Land Data (Tract 2):	
Size:	77.8 total acres, more or less. <i>Acreage size of the property is based on data from the client. A survey was not provided. The appraisers have relied on this data. If subsequent data indicates a different acreage amount, the appraisers reserve the right to modify the conclusions reached in this appraisal.</i>
Shape:	Rectangular
Frontage/Access:	Subject has frontage along the west side of North Red Bridge Road.
Flood Zone:	According to FEMA Map #35005C1390D, dated September 25, 2009, Tract 2 of the subject is partially located within Zone X and AE. Additionally, the southeastern corner of Tract 2 contains the Rio Hondo Draw which, during heavy rainfall and flooding can run full and overfill the draw. The appraisers were <u>not</u> supplied a survey of subject property. It is recommended that a survey, by a professional, certified surveyor be performed to determine exact elevations and flood plain status.
Land Use:	At the time of inspection, Tract 2 is entirely irrigated farmland, with the exception of a small portion situated within Rio Hondo in the far southeast corner of the tract.
Improvements:	All improvements associated with the current flood irrigation including above and below ground water lines, and specifically gated pipe supply system; partial net-wire perimeter fencing.
Utilities:	Electricity and private water.

Summary of Salient Facts, Data, and Conclusions (Continued)

Current Use:	Agricultural - irrigated cropland.
Highest and Best Use:	Agricultural - irrigated cropland.
Easements, Restrictions, and Encroachments:	Typical utility easements were assumed around the perimeter of the property. A physical inspection of the property did not reveal any adverse encroachments.
Nuisances, Hazards and Detrimental Influences:	We were not provided with an environmental study on the subject property. For purposes of this appraisal assignment, we have assumed that no hazardous conditions affect the subject site. If subsequent environmental studies indicate a hazardous condition at the subject site, it could affect the value conclusions in this report.
Natural, Recreational, Cultural Or Scientific Value:	The appraisers were not provided with a study regarding natural, recreational, cultural or scientific amenities on the subject and are not qualified as experts in determining value attributed with these amenities. If a subsequent study is completed and indicates a value for any of these specific amenities, the appraisers reserve the right to modify the value conclusions in this report.
Assessed Value (2025)	
Full Value:	\$46,987
Assessed Value:	\$15,663
Indicated Value "As Is" by Cost Approach:	N/A
Indicated Value "As Is" by Sales Comparison Approach:	\$1,425,000 (Tract 1 - 109.6 Acres)
	\$1,050,000 (Tract 2 - 77.8 Acres)

Summary of Salient Facts, Data, and Conclusions (Continued)

Indicated Value by
Income Approach:

N/A

FINAL MARKET VALUE INDICATION TRACT 1:	\$1,425,000
FINAL MARKET VALUE INDICATION TRACT 2:	\$1,050,000

Estimated Marketing/Exposure Time: 12 months

Special Assumption: For the purpose of this analysis, we have assumed that the current agreement between the subject tracts described herein and the adjoining municipal waste water facility will continue perpetually. No details or documentation regarding the agreement were provided to the appraisers beyond the fact that the waste water from the plant can be utilized for irrigated farming upon the subject tracts. If details of the agreement are provided to the appraiser at a date after the report date of this report, the appraisers reserve the right to revise any conclusions herein.

Identification of Subject Property



Subject Property

The subject property consists of two contiguous tracts of irrigated farmland referred to as Tract 1 and Tract 2 herein. Tract 1 is located on the south side of East 19th Street and the west side of North Red Bridge Road; while Tract 2 is located along the west side of North Red Bridge Road, approximately 1 mile east of Roswell, Chaves County, New Mexico.

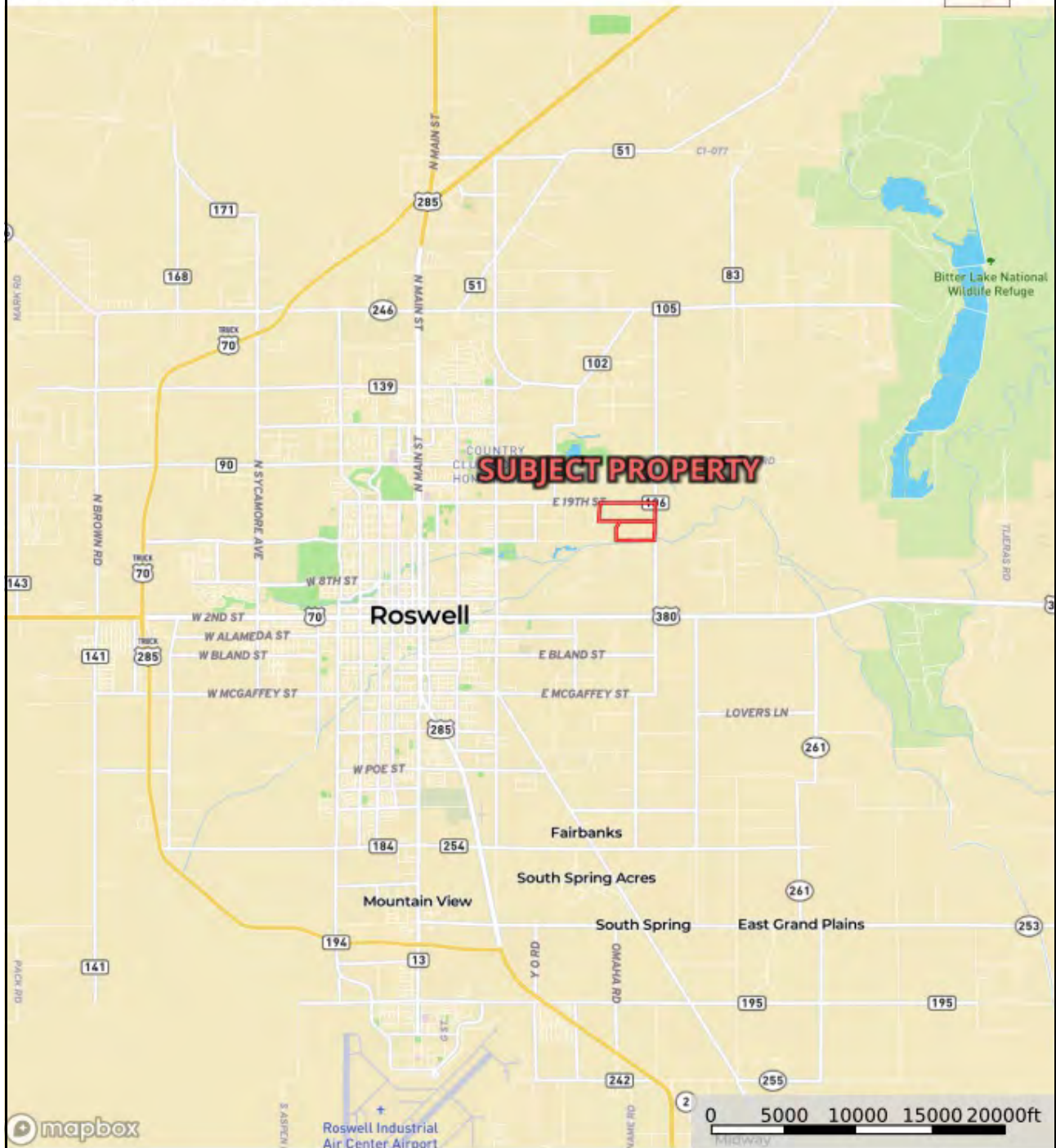
Legal Description

Being 187.4 acres; Lots 1 thru 7, Replat of Lot 8, Lots 18, 19, 20, 21, and 22, Hamilton Farms Subdivision, out of the southeast 1/4 of Section 26, Township 10 South, Range 24 East, Chaves County, New Mexico.

2025-981 | Location Map

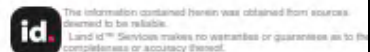
Chaves County, New Mexico, 187.4 AC +/-

WT
Appraisal



WT Appraisal, Inc.

7



8

Scope of Work

Appraisal Problem to be Solved

The problem to be solved in this appraisal assignment is to support and develop an opinion of the “As Is” market value of the subject, as of the effective date of appraisal, subject to the assumptions and limiting conditions set forth in the appraisal. The fee simple interest in the subject property is being appraised.

Intended Use and Intended Users of the Appraisal

The intended use of this appraisal is to assist the client, Mr. Todd Verciglio and the City of Roswell in internal decision making regarding the subject property. This report is not intended for any other use. This report is intended for use only by the client, Mr. Todd Verciglio and the City of Roswell. Use of this report by others is not intended by the appraisers. This report is intended only for use in providing data upon which the client may analyze the property for decision making purposes.

Effective Date of Appraisal and Date of Report

This appraisal has an effective date of November 24, 2025, and is based on data and market conditions prevailing on that date. This appraisal report was written during the month of November 2025, and was completed on December 1, 2025.

Property Rights Appraised

In this particular appraisal, the property rights appraised consist of the fee simple interest in the subject. A **fee simple interest** is defined as:

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.¹

¹The Appraisal of Real Estate, Thirteenth Edition, The Appraisal Institute, 2008, page 111.

Type and Definition of Value Used in the Appraisal

Market value is defined as being the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeable, and assuming the price is not affected by undue stimulus.²

Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- 1) Buyer and seller are typically motivated;
- 2) Both parties are well informed or well advised and each acting in what they consider their own best interests;
- 3) A reasonable time is allowed for exposure in the open market,
- 4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- 5) The price represents the normal consideration for the property unaffected by special or creative financing or sale concessions granted by anyone associated with the sale.³

Extent of Property Identification

Physical Characteristics

The total area of the subject site is approximately 187.4 acres, more or less, of agricultural land, and specifically irrigated farmland. The property consists of two contiguous tracts of land being Tract 1, 109.6 acres, and Tract 2, 77.8 acres. Both tracts are irregular in shape and level to gently sloping in topography. Overall, there is a general slope from northwest to southeast. According to FEMA Map #35005C1390D, dated September 25, 2009, portions of both Tract 1 and Tract 2 are located within Zone X and AE of the flood plain. Additionally, the southeastern corner of Tract 2 contains the Rio Hondo Draw which, during heavy rainfall and flooding can run full and overflow the draw. *However, it is recommended that a survey, by a registered surveyor be performed to determine exact elevations, flood status and the amount of acreage and or improvements that might be affected.* The subject is located in a portion of Chaves County that is mostly agriculture farm land. This area contains flood irrigation, drip irrigation and some center pivot irrigation. The improvements situated on both subject tracts include all improvements associated with the current flood irrigation including above and below ground water lines, and specifically gated pipe supply system; partial net-wire perimeter fencing, and some caliche paved roadways.

² Section 34 of Title 12, Code of Federal Regulations and subsequent Interagency publications.

³Section 34 of Title 12, Code of Federal Regulations and subsequent Interagency publications.

Legal Characteristics

We relied on information from the client, deeds and county records concerning easements, restrictions and other encumbrances. The subject legal description is as follows.

Being 187.4 acres; Lots 1 thru 7, Replat of Lot 8, Lots 18, 19, 20, 21, and 22, Hamilton Farms Subdivision, out of the southeast 1/4 of Section 26, Township 10 South, Range 24 East, Chaves County, New Mexico.

Economic Characteristics

The subject property is owner operated and not leased to our knowledge.

Extent of Property Inspection

The subject property was photographed and viewed on ground. Size and measurement information for the land site was based on information from the client as a survey was not provided. The appraisers have relied on this information in this appraisal. *If subsequent data becomes available, indicating a different acreage amount than used in this report, the appraisers reserve the right to modify the conclusions reached in this analysis.* The inspection was performed in order to gather information about the physical characteristics of the subject that are relevant to the valuation problem. The inspection was conducted on November 24, 2025.

Type and Extent of Data Researched

Comparable sales were obtained and verified by principals, brokers or appraisers in order to form an opinion of value for the subject by the sales comparison approach. All of the sales used were inspected either physically or by plats and/or photographs. All sale information was analyzed in applying the sales comparison to value. In addition, we reported the current assessed value and the current year's property tax amount as provided by the County Assessor. We reviewed factors controlling highest and best use, formed a preliminary opinion, and checked that opinion against collected data for reasonableness. We also reviewed employment, population, and other demographic data from various federal and local governmental agencies for analysis and reliance on for demographic trends. Clint Bumguardner, Sam Walker, and Cage Riley provided real property appraisal assistance within the type and extent of data researched.

Type and Extent of Analysis Applied

The value opinions presented in this report were based upon review and analysis of the market conditions affecting real property value of competitive properties and sales in the Chaves County, New Mexico area.

The appraisal problem did not warrant an intensive highest and best use study. Given the nature of the subject real estate, our conclusion of highest and best use was based on logic, observed evidence and our experience in the real estate appraisal profession.

In the sales comparison approach, a comparative analysis of relevant factors that influence value was undertaken to adjust the sales to the subject based upon the actions and preferences demonstrated by the participants in the market and based upon the appraiser's knowledge and experience in the appraisal business. Thus, the sales comparison approach to value was utilized to form an opinion of value for the subject property. Clint Bumguardner, Sam Walker, and Cage Riley provided real property appraisal assistance within the type and extent of analysis applied, including each section of the appraisal report.

History of Subject Property

According to Standard Rule 1-5, as set out in the Uniform Standards of Professional Appraisal Practice by the Appraisal Standards Board of the Appraisal Foundation, effective January 1, 2012, a three year sales history of the subject property shall be included for all non-residential real estate.

The subject property is listed under the ownership of the L & K Waggoner, LLC and has been under the same ownership for several years. The L & K Waggoner, LLC is owned and operated by Mr. Timmy Taylor. The appraisers have not been provided and have no knowledge of any other deeds, contracts or options involving subject property for the prior three year period immediately preceding the date of appraisal.

Exposure Time Analysis

In accordance with the market value definition contained herein, as requested by the client, consideration has been given to a reasonable estimated exposure period for the subject property **at the appraised value estimate herein.**

Exposure time may be defined as follows: The estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market. The reasonable exposure period is a function of price, time, and use, not an isolated opinion of time alone.

Based upon the historical activity of sales similar to the subject, and the appraiser's personal conversations with area agents/brokers, appraisers, and property owners familiar with the subject market, it is our opinion that a reasonable exposure time for agricultural properties in the value range of \$1,000,000 to \$3,000,000, in the Chaves County area of New Mexico area to be approximately 12 months.

Competency Statement

The appraiser(s) who prepared this report have valued numerous farm and ranch properties throughout the states of Texas, and New Mexico during the last ten years.

Mr. Bumguardner is an MAI (Member of the Appraisal Institute), an Accredited Senior Appraiser of the American Society of Appraisers, and a State Certified General Real Estate Appraiser in the State of New Mexico, certificate number NM-001579-G. Mr. Walker is a State Certified General Real Estate Appraiser in the State of New Mexico, certificate number NM-03611-G. Mr. Riley is a State Certified General Appraiser in the State of New Mexico, Certificate Number NM-REA2025-0142.

Report Type

This Appraisal Report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it presents a level of discussion of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value, that is consistent with the intended use of the appraisal. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated herein. The appraiser is not responsible for unauthorized use of this report.

Chaves County and Roswell Area Analysis

Analysis of a local economy often focuses on trends in population, employment and income. The conditions and potential of the local economy are relevant to most appraisal assignments. The value of real estate in a community is influenced by the demand for its use. The demand for various types of real estate, including vacant land, depends on the population of the market that the real estate serves, the effective purchasing power of this population, and their desire to own real estate. Demand may change for various types of real estate and between real estate and non-realty investment sources. "Market areas are defined by a combination of factors, such as, physical features, the demographic and socioeconomic characteristics of the residents or tenants, the condition of the improvements, and land use trends."⁴

Location and Population

The city of Roswell, county seat and main commercial hub of Chaves County, is situated in the southeastern portion of the state and is the fifth largest city in New Mexico. Roswell is situated east of the Sacramento Mountain Range. The region's climate is temperate and is characterized by moderate seasonal changes. Located along the Pecos River basin, it is surrounded by plains at an estimated elevation of 3,500 feet. The City of Roswell is the most heavily populated municipality in the County with a 2020 estimated population of 46,977. Since 2012, the population of Chaves County has grown less than 1% per year. Population data is from the U.S. Census and is shown below.

COMPARATIVE POPULATION STATISTICS				
Year	City Of Roswell	Percent Change	Chaves County	Percent Change
1980	39,676	N/A	51,103	N/A
1990	44,654	12.55%	57,849	13.20%
2000	45,293	1.43%	61,263	5.90%
2010	48,465	7.00%	65,727	7.29%
2012	48,452	-0.03%	65,800	0.11%
2013	48,630	0.37%	66,059	0.39%
2014	48,490	-0.29%	65,880	-0.27%
2015	48,482	-0.02%	65,878	0.00%
2016	48,322	-0.33%	65,697	-0.27%
2017	47,993	-0.68%	65,153	-0.83%
2018	47,635	-0.75%	64,689	-0.71%

⁴The Appraisal of Real Estate, Fourteenth Edition, Appraisal Institute, 2013 p. 166.

2019	47,551	-0.18%	64,615	-0.11%
2020	48,541	2.08%	64,711	0.15%
2021	48,081	-0.95%	64,629	-0.13%
2022	47,390	-1.44%	63,894	-1.14%
2023	46,872	-3.44%	63,561	-1.78%
2024	47,176	-1.88%	63,697	-1.44%
2025	Est. 46,229	-2.45%	Est. 62,899	-1.56%

**Estimated population*

Demographics

Chaves County has an average age of 36.1 years. Census data states that the 2023 median household income is \$52,029 as compared to New Mexico's of \$62,125. Median home values are \$146,352, also lower than the state's at \$315,386. The cost of living index is low at 71.2 on a scale of 100.

Transportation

The county is served by U. S. Highway 285 which bisects the city of Roswell in a north/south fashion. It serves to connect the region with Artesia and Carlsbad to the south and Vaughn and Interstate 40 to the north. U. S. Highway 380 intersects with U. S. Highway 285 in Roswell and provides access to the Texas border approximately 100 miles to the east. To the west, U. S. Highway 380 provides access to Carrizozo, Socorro and Interstate 25. Other thoroughfares that serve the area include various two-lane, asphalt paved, state roadways. Roswell is approximately 200 miles from Albuquerque, NM, 210 from Amarillo, TX, and 202 miles from El Paso, Texas.

The majority of land use in the City of Roswell is mixed, consisting of commercial along the major traffic corridors and those streets radiating off from them with residential (single and multi-family) throughout the city. Vacant acreage is also well represented around the periphery of the city. The primary arterials have been developed with fast food franchises, retail centers (regional, community and neighborhood), free-standing service establishments and lodging accommodations along with various service oriented facilities. Also located along these corridors are churches, schools, multi-family and specialized housing.

Education

Education in the City of Roswell is provided by a single school district. There are twelve elementary schools, three middle schools and four high schools which educate approximately 9,800 students. There are eight private schools and one charter school. Also included in the community are the New Mexico Military Institute and the Roswell campus for Eastern New Mexico University. The main campus for Eastern New Mexico University is located approximately 100 miles to the northwest in Portales.

Roswell also has benefitted from its proximity to the Federal Law Enforcement Training Center (FLETC) located in Artesia, approximately 40 miles to the south. This governmental installation whose parent organization is the Department of Homeland Security, provides law enforcement training for 80 various agencies in their three locations nationwide, of which one is in Artesia. The Artesia facility conducts training for US Border Patrol, Transportation Security Administration, Bureau of Indian Affairs and other partnering organizations. Specialized training programs such as Driver Instructor Training, Firearms Instructor Training, Federal Air Marshall Training, and Defensive Tactics Instructor Training are conducted at the facility. Also in 2004, the US Border Patrol relocated to Artesia and established its consolidated training operations there. The consolidation of U.S. Border Patrol training and the importance of trained law enforcement personnel in the post 9-11 era insure that FLETC's presence in Artesia will continue and impact area towns and cities.

Healthcare

Roswell hosts a diverse mix of health care facilities, including hospitals, clinics, rehabilitation centers, and home health agencies. Two of the main hospitals are Eastern New Mexico Center. Being a - 162-bed facility offering emergency care, cardiology, cancer treatment, imaging, and surgical services. Smaller hospital, Lovelace Regional Hospital, is a 26-bed acute care hospital with ER, labor & delivery, outpatient surgery, and imaging services. Roswell's health care landscape is robust for a city of its size, with options ranging from full-service hospitals to specialized outpatient and senior care.

Recreation

A variety of outdoor sports are available year round due to the warm, sunny climate. Skiing, boating, fishing and the Lincoln National Forest are within a two-hour drive. Also located in the City of Roswell are several parks, golf courses, swimming pools, baseball and soccer fields.

Utilities

All utilities (gas, electric, water, waste water and phone service) are available throughout Roswell. Water, waste water and solid waste disposal are supplied by the City of Roswell with electricity and gas provided by Excel and PNM Gas Company, respectively.

Roswell is probably best known for something that may or may not have happened. In 1947, a UFO allegedly crashed in the nearby desert, an event that came to be known as "the Roswell Incident." The 50th anniversary of this event in 1997 brought the town enormous media attention. Attendance at the annual UFO parade continues to increase each year and more than 160,000 people visited the International UFO Museum and Research Center in 2008, up significantly from the 3,000 that visited when the museum opened in 1992. The Museum is currently in the process of raising 15 Million dollars to construct a new museum downtown.

Over the past few years, Roswell has seen the completion of several projects in the city including the \$3 million Roswell Convention and Civic Event Center and Plaza, a 36,000 square foot facility on Main Street, as well as a detention center, expansion at New Mexico Military Institute, construction of adult and teen centers at the former airport west of town and ongoing construction of a bypass to the Waste Isolation Pilot Plant near Carlsbad. Pioneer Bank completed the construction of a new, multi-million dollar corporate office facility along North Main Street and a new Roswell Community Federal Credit Union building at 2514 N. Main has been completed. The city also has seen an increase in the number of hotels/motels and restaurants over the past three to four years including a new Comfort Suites at 3610 N. Main, a new 71 room Marriott Townplace Suites on East 19th Street and a new Holiday Inn Express in the 3600 block of North Main. According to the City of Roswell's Planning Department, a new Nissan dealership has been built in the west portion of Roswell along US Hwy 70.

Governmental

County-related services are located within the county seat of Roswell. The government of the City of Roswell consists of a Mayor and 10 City Councilors, along with the various elected city offices; the county functions with the county commissioners court. Zoning regulations, which are supervised by the Planning and Zoning Department, serve to regulate and channel the area's development and regulate land usage. The Roswell area region provides a pro-business climate which facilitates new and expanding business. Various incentives, including an Industrial Development Bond Program, have been instrumental in assisting new and expanding companies in the city.

Economic

Roswell, which serves as the hub for this area of the state, has seen its share of boom and bust including the opening and closing of an air force base and the rise and fall of the oil and gas industry in the 1980's. The city, now approaching metropolitan size, finds itself experiencing new development and interest from national companies. The agriculture industry remains an economic mainstay and the former Walker Air Force Base is now a growing industrial complex. Wind and solar energy also contribute to keeping utility costs low.

Labor Force

As of December 2024, Chaves County's unemployment rate was 4.0% and New Mexico's rate was 4.2%, and the national rate of 4.1%. Due to Covid-19 unemployment rates continued to rise amidst the global hitting it's peak in April of 2020, but began to lower by May 2020.

Agriculture

Agriculture is one of the largest contributors to the local economy, generating about \$446 million in annual revenues. Many credit the industry's success to the area's plentiful water resources, fertile soil and mild climate. Dairy cattle top the list of income, followed by beef cattle, sheep and angora goats. Alfalfa is the major crop grown in this area and is considered some of the best alfalfa in the world. Cotton, chile, corn and pecans are also abundant. The presence and quality of animal feed in the Pecos Valley are two of several characteristics dairymen like about Roswell. The climate and property prices are two more reasons many California dairymen relocated to the area over the past several years.

Roswell is home to 40 percent of the state's producing dairy herds and is the twelfth largest dairy-producing county in the U.S. This burgeoning dairy growth spurred the expansion of Leprino Food's mozzarella cheese plant, which employs over six hundred people and processes over 4,000,000 pounds of milk per day. It is the largest mozzarella plant in the world.

New Mexico's dairy industry has grown dramatically in the last decade. Since 1990, the dairy industry in New Mexico has increased in production by over 172 percent. This dairy growth was faster than any state. The next closest states were Idaho and Arizona.

The average New Mexico dairy produces over 58 million pounds of milk per year. In Chaves County, milk per cow averages 273,000 pounds. This output translates into approximately \$266.5 million of income from milk sales. Feed and labor represent the two largest expenses on area dairies, accounting for 50% to 10% of the total cost of production, respectively.

The sheep and goat industry within Chaves County has also been a major asset to the area. Climate conditions make Chaves County an ideal place for growing wool sheep. More wool is sold from Roswell than from any single community in the United States.

Aviation

The Roswell Industrial Air Center, located four miles south of the city, is the core of Southeastern New Mexico's industrial activity. Formerly Walker Air Force Base and originally developed for military aviation by the Army Corps of Engineers, it was one of the largest installations operated by the USAF Strategic Air Command. After the military pull-out in 1967, the City of Roswell converted the extensive airfield complex to civil aviation use and an industrial park. Other air center components are effectively utilized for educational, training, health, and distribution purposes.

All classes of general and commercial aviation activity can presently be accommodated at the RIAC and its environs; to include training and research operations as well as equipment maintenance and testing programs. The RIAC and adjacent industrial area has a diverse tenant mix. Home to a fireworks factory, an ornament plant, the New Mexico Army National Guard, a plastics manufacturer, the Roswell Municipal Airport, and many others.

Conveniently located vacant tracts are available throughout the complex, with direct access and full service assured for every tenant. Land and buildings at the RIAC are available on long term leases. Cost of leasing buildings and sites at the RIAC are among the most favorable anywhere in the United States.

With 2,185 acres of aeronautical area, the Roswell Industrial Air Center offers a unique capability for accommodating heavy, high performance aircraft in non-congested, non-obstructed airspace. Boeing, JAL, McDonnell Douglas, Beechcraft, Gulfstream, Cessna, LearJet, Lufthansa, and British Aerospace all have tested equipment at the facility.

In addition, it has an FAA operated control tower with radar and many published instrument approaches. Three runways, the longest of which is 13,000 feet, and 3.8 million square feet of combined aircraft ramp area with 130 tie-down positions provide accommodations for any aircraft-related enterprises. In addition, aviation operations are supported by three massive fuel tanks with a capacity of 2,678,870 gallons.

While the air center's exceptional facilities are vital, what goes on beyond its boundaries has also attracted attention. Roswell is a pro-business community with a progressive, expansion-oriented attitude.

One of the first enterprises to take advantage of the air center was Eastern New Mexico University, Roswell's fifth-largest employer. When the base closed in 1967, ENMU-R acquired 234.5 acres including 27 major brick structures. Students began using the facilities shortly thereafter. In February 1982, Chaves County voters approved a \$5 million bond issue. The next year, the college combined that money with state appropriations and began a five-year, \$14 million building program.

The 2,700 new students enrolled at the college make use of an instructional center with science and nursing labs, a 46,000 square foot Oilfield Training Center, complete with a 140-acre outdoor lab with state-of-the-art equipment, and an aviation maintenance technology program with six fixed-wing aircraft and three helicopters to provide hand-on training.

An additional benefit is access to commercial airways. As any small city can attest, offering commercial flights locally increases the potential for growth. The RAIC offers 10 daily flights to Albuquerque via Mesa Airlines, and three daily flights to Dallas/Ft. Worth International Airport through Lone Star Airlines. In addition, American Eagle offers non-stop flights to and from Dallas/Fort Worth which began in September 2007.

Also operating at the RAIC are a lollipop manufacturer, fiberglass manufacturers and Frontier/Longhorn Manufacturing Co. Inc., a fireworks company employing about 135 people.

Major Employers

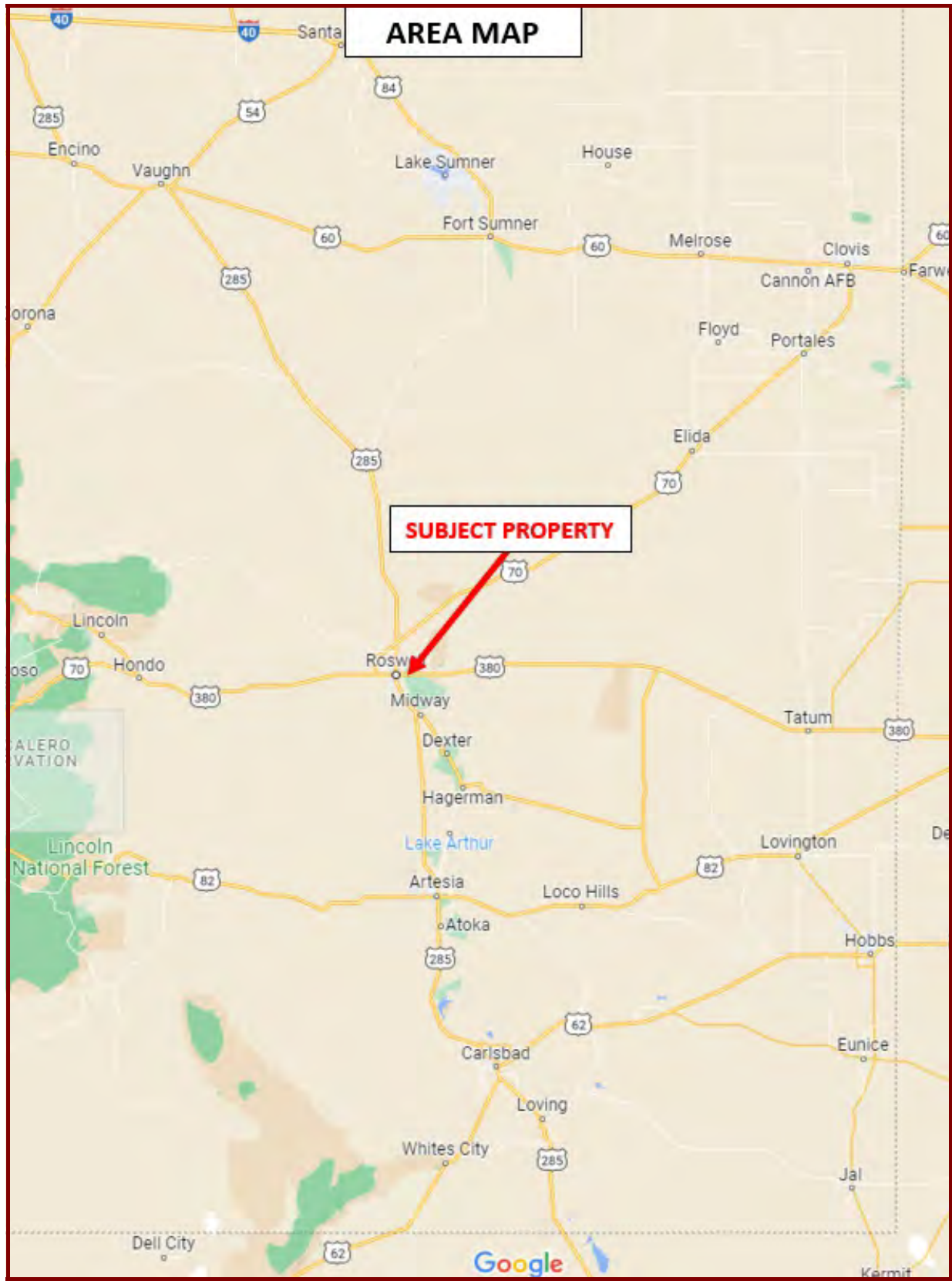
Other top employers numerically, in Roswell include the Roswell Independent School District, Leprino Foods, Eastern New Mexico Medical Center, City of Roswell, Krumland Auto Group, New Mexico Military Institute, Wal-Mart, Community Homecare and Chaves County.

Oil and Gas

The oil and gas industry continues to also be an important part of Roswell's economic base. Chaves County lies at the western end of the Permian Basin, one of the largest oil and gas producing areas in the United States. There are over 1,500 wells in the County that produce more than 1.3 million barrels of oil and 36 billion cubic feet of gas annually. Oil and gas royalties and severance taxes provide over \$500 million in funding for schools throughout New Mexico.

Conclusions

Generally speaking, the overall economic outlook for the Roswell and Chaves County area is average given the current global effects of Covid-19. While Covid-19 will have an effect on marketability, other factors affecting marketability such as utilities, property compatibility, protection from detrimental conditions, police and fire protection, general appearance and appeal are considered adequate to support future development. Roswell appears to have a diverse economic base. As a regional center for trade, and with a city population near 50,000, several major, nationwide retailers have located stores in Roswell with additional retailers showing interest in the area. Based on the preceding, the subject area is considered to provide a suitable environment for the subject property.



Site Description

A site is land that has been improved so that it is ready to be used for a specific purpose. Land, on the other hand, can be raw or improved. Raw land, is land on which no improvements have been made; land in its natural state before grading, construction, subdivision, or the installation of utilities. A site description is a comprehensive listing of factual data, including a legal description, other title and record data, and information on physical characteristics of the site.⁵

TRACT 1 - 109.6 ACRES

Location

The subject property is located on south side of East 19th Street, and the west side of North Red Bridge Road, approximately 1 mile east of Roswell, Chaves County, New Mexico.

GPS Coordinates:

Tract 1: Latitude - 33° 24' 51.79" North
 Longitude - 104° 28' 34.44" West

Size

Total acreage is approximately 109.6 acres, more or less, contained in one, contiguous tract of land. *Acreage size of the property is based on data from the client. A survey was not provided. The appraisers have relied on this data. If subsequent data indicates a different acreage amount, the appraisers reserve the right to modify the conclusions reached in this appraisal.*

Topography

The subject property is basically level to gently sloping. The irrigated portion of the subject property is basically level and gently sloping. Overall, there is a general slope from northwest to southeast. Elevation ranges from approximately 3,519 feet above sea level in the southeast corner to 3,558 feet above sea level in the northwest corner. The subject topography is considered to be typical for the immediate area.

Access

Access to the subject property is provided by East 19th Street, an asphalt paved roadway that runs along the south side of the subject, as well as North Red Bridge Road, an asphalt

⁵The Appraisal of Real Estate, Appraisal Institute, Fourteenth Edition, 2013, page 205-206

paved roadway that runs along the east side of the subject tract. Overall access for the subject is considered average.

Current Use

At the time of inspection the entire subject tract is currently used as irrigated farmland. The appraisers were not provided crop history, production history or FSA data concerning the subject property.

Zoning

The subject is not located within the boundaries of an incorporated city and therefore is not subject to municipal zoning regulations. However, the subject is within two miles of the city limits and falls within the zoning regulations of the Roswell-Chaves County Extraterritorial Zoning Ordinance. The purpose of this Ordinance is to promote public health, safety, morals, and the general welfare within the Roswell-Chaves County Extraterritorial Zone (ETZ). In accordance with recommendations of the Chaves County Comprehensive Land Use Planning and Zoning Report, the Chaves County Land Use Policies Plan, an update thereto, and the City of Roswell Comprehensive Master Plan, this Ordinance is designed to lessen congestion in the streets or public ways; provide safety from fire, flood waters, and other dangers; provide adequate light and air; prevent the overcrowding of land; facilitate adequate provision for schools, transportation, water, sewerage, parks, and other public requirements; and control and abate the unsightly use of buildings or land. In order to accomplish this purpose, this Ordinance provides for the administration, interpretation, enforcement, and amendment of this Ordinance and divides the territory within the ETZ into zoning districts. This Ordinance regulates the height, number of stories, and size of buildings and other structures; the percentage of a lot that may be occupied; the size of yards, courts, and other open spaces; the density of population; the location and use of buildings, structures, and land; and the erection, construction, reconstruction, alteration, or use of buildings, structures, and land in each zoning district.

Shape

The subject is rectangular in shape. The subject tract measures approximately 3,800 feet from east to west and approximately 1,258 feet from north to south.

Soils

The soil types present on the subject property were acquired from the USDA's, Natural Resource Conservation Service website. The primary soil types identified by the NRCS and their capability classes are listed in the following table.

Subject Soil Information		
Code	Description	Percent Coverage
RkB	Reeves loam, 1 to 3% slopes	17.1%
ReB	Reakor loam, 1 to 3% slopes	2.9%
RkA	Reeves loam, 0 to 1% slopes	0.6%
Tg	Tencee-Upton complex	1.3%
BgB	Bigetty loam, 1 to 3% slopes	0.7%
AtB	Atoka loam, 1 to 3% slopes	0.5%
ReA	Reakor loam, 0 to 1% slopes	77.1%

Subject contains several other soils to a lesser extent. Overall, the subject property appears to possess typical, average soil types for the area.

The Reeves series consists of very deep soils that are moderately deep to gypsum material. They are well drained, moderately permeable soils that formed in calcareous and gypsiferous fine textured alluvium derived from gypsum beds. These soils are on hillslopes, plateaus, and basin floors with slopes ranging from 0 to 9 percent. Grazing and irrigated cropland. Crops are mostly cotton, alfalfa, sorghum, and small grains. Vegetation is mainly burrograss, tobosa, alkali sacaton, blue grama, threeawn, fourwing saltbush, and snakeweed.

The Reakor series is very deep, well drained soils that formed in loamy alluvium derived from mixed sources. Reakor soils are on broad plains and alluvial fans and have slopes of 1 to 5 percent. Used mainly for rangeland. Large areas are irrigated and used for growing cotton, alfalfa, sorghum and small grains. Native vegetation is mainly burrograss, tobosa, blue grama, bush muhly, mat muhly, alkali sacaton, threeawns, vine mesquite and mesquite.

The Tencee series consists of shallow to petrocalcic, well drained, moderately permeable soils that formed in gravelly alluvium derived from mixed sources on terrace remnants and sides of ridges. These areas are generally idle, but may have some limited livestock grazing. Present vegetation is sparse consisting usually of a few creosotebush in places with scattered mariola, snakeweed, or tarbush. Some areas are barren of vegetation.

The Bigetty series consists of very deep, well drained soils that formed in alluvium on the flood plain of intermittent streams. Permeability is moderately slow. Grazing and irrigated cropland. Crops are mainly alfalfa, cotton and sorghum. Native vegetation is mainly giant sacaton, alkali sacaton, vine-mesquite, tobosa, blue grama, buffalograss, burrograss and widely spaced mesquite and cholla cactus.

The Atoka series consists of moderately deep, well drained soils formed in medium and moderately fine textured calcareous sediments derived mostly from limestone. Atoka soils are on nearly level to gently sloping piedmont plains and have slopes of 0 to 5 percent. These soils are used for irrigated cropland and native rangeland. The native vegetation is mainly black grama, blue grama, sideoats grama, tobosa, vine-mesquite, burrograss, fluffgrass, three-awn, broom snakeweed, tarbush, creosotebush and mesquite.

Water/Water Rights

The subject property is located in the Roswell Artesian Basin region. Deeded water rights are typically required for irrigated use to be physically possible. The appraisers were unaware of any water rights associated with the subject tract, nor any water wells utilized in the current irrigation. Thus, no water rights have been considered within our analysis. Nevertheless, the subject property is situated adjacent to the city of Roswell Wastewater Treatment facilities. There is a stabilization pond situated in the northwestern portion of the subject property utilized in conjunction with the wastewater facility. The subject farmland is under an agreement with the neighboring plant which allows the farm to utilize the non-potable water to be used for irrigated farming purposes. The appraisers were not provided any details regarding the terms of the agreement. It was apparent during the physical inspection by the current alfalfa crop planted and the flood irrigation infrastructure situated upon the subject property that the water amenities of the property under the current agreement are sufficient for irrigated farming. Additionally, the owner and operator disclosed to the appraisers during the inspection that the subject farm has received a range of 4.0 to 6.0 water acre feet over the last several years. For the purpose of this analysis, we have assumed that the current agreement will continue perpetually.

The appraisers are not experts in determining water rights. It is recommended that an attorney or expert in determining water right acreage and/or legality of use be consulted to verify subject's water rights.

Fencing

The subject's perimeter is partially fenced with net wire fencing on metal posts. Fencing observed appeared to be in average condition.

Utilities

Electric service is provided to the subject area.

Improvements

No improvements with contributory value were noted on subject property other than the flood irrigation infrastructure which is considered a component of the land.

Surrounding Uses

The area immediately surrounding subject property is irrigated land, municipal uses, and scattered rural residences.

Flood Plain

According to FEMA Map #35005C1390D, dated September 25, 2009, portions of this tract are situated within Zone X of the flood plain. *However, it is recommended that a survey, by a registered surveyor be performed to determine exact elevations, flood status, and the amount of acreage that might be affected.*

Definitions of FEMA Flood Zone Designations

Flood zones are geographic areas that the FEMA has defined according to varying levels of flood risk. These zones are depicted on a community's Flood Insurance Rate Map (FIRM) or Flood Hazard Boundary Map. Each zone reflects the severity or type of flooding in the area.

Moderate to Low Risk Areas

In communities that participate in the NFIP, flood insurance is available to all property owners and renters in these zones:

Zone	Description
B and X (shaded)	Area of moderate flood hazard, usually the area between the limits of the 100-year and 500-year floods. B Zones are also used to designate base floodplains of lesser hazards, such as areas protected by levees from 100-year flood, or shallow flooding areas with average depths of less than one foot or drainage areas less than 1 square mile.
C and X (unshaded)	Area of minimal flood hazard, usually depicted on FIRMs as above the 500-year flood level. Zone C may have ponding and local drainage problems that don't warrant a detailed study or designation as base floodplain. Zone X is the area determined to be outside the 500-year flood and protected by levee from 100-year flood.

High Risk Areas

Zone	Description
A	Areas with a 1% annual chance of flooding and a 26% chance of flooding over the life of a 30 year mortgage. Because detailed analyses are not performed for such areas; no depths or base flood elevations are shown within these zones.
AE	The base floodplain where base flood elevations are provided. Areas subject to inundation by the 1% annual chance flood event determined by detailed methods. Zones are now used on new format FIRMs instead of A1-A30 zones.

Summary

In conclusion, the size, access, location, terrain and soil types of the subject property, allow for utilization primarily as agricultural, irrigated cropland use.

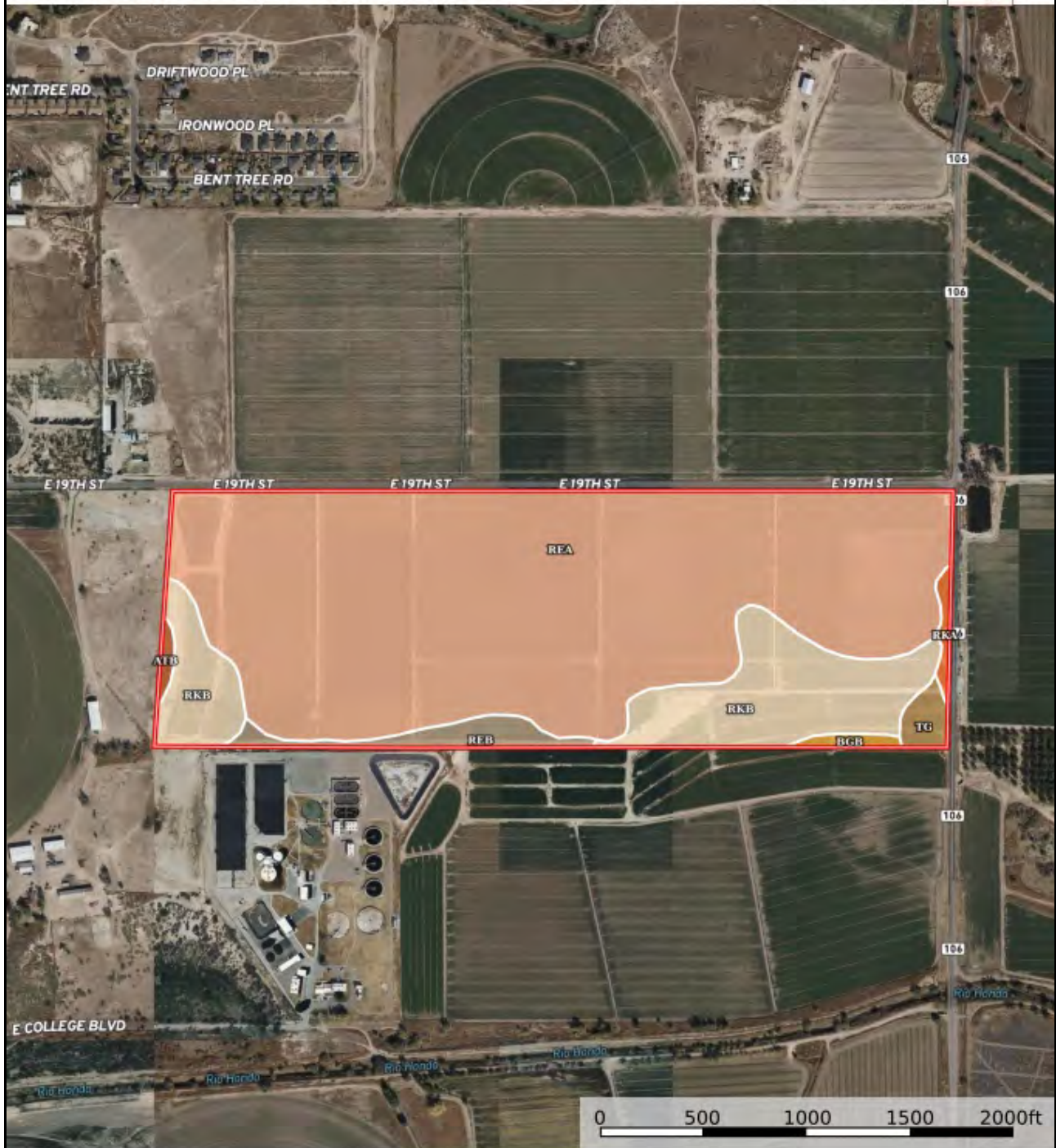


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2025-981 | Tract 1 Soil Map
Chaves County, New Mexico, 109.6 AC +/-

WT
Appraisal



Boundary

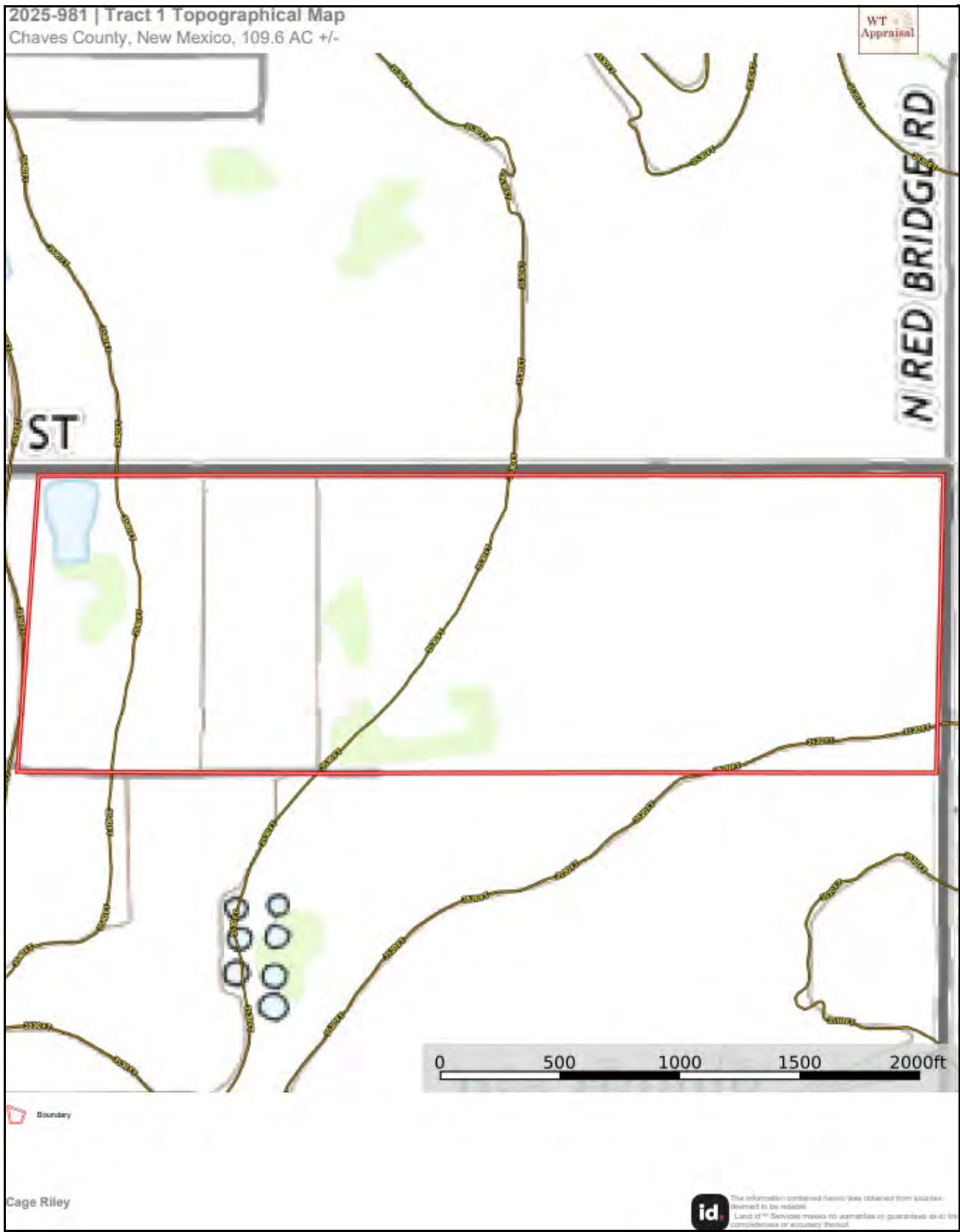
Cage Riley

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Code	Description	Acres	%	CPI	NCCPI	CAP	
ReA	Reakor loam, 0 to 1 percent slopes	84.63	76.98%	-	20	.7c	
RkB	Reeves loam, 1 to 3 percent slopes	18.70	17.01%	-	12	7e	
ReB	Reakor loam, 1 to 3 percent slopes	3.25	2.96%	-	20	7e	
Tg	Tencee-Upton complex	1.38	1.26%	-	8	7e	
RkA	Reeves loam, 0 to 1 percent slopes	0.76	0.69%	-	12	7s	
BgB	Bigetty loam, 1 to 3 percent slopes	0.71	0.65%	-	22	7e	
AlB	Atoka loam, 1 to 3 percent slopes	0.50	0.45%	-	15	7e	
Totals							
109.94 ac							
		0 CPI		18.42 NCCPI		7 Cap.	
		Average		Average		Average	



WT Appraisal, Inc.

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2025-981 | Tract 1 Flood Map
Chaves County, New Mexico, 109.6 AC +/-

WT
Appraisal



Boundary 100 Year Floodplain 500 Year Floodplain Floodway Special Unmapped/ Not Included

Cage Riley

id. The information contained herein was obtained from sources deemed to be reliable. Land id™ Services makes no warranties or guarantees as to the completeness or accuracy thereof.

TRACT 2 - 77.8 ACRES

Location

The subject property is located on west side of North Red Bridge Road, approximately 1 mile east of Roswell, Chaves County, New Mexico.

GPS Coordinates:

Tract 2: Latitude - 33° 24' 38.03" North
 Longitude - 104° 28' 28.25" West

Size

Total acreage is approximately 77.8 acres, more or less, contained in one, contiguous tract of land. *Acreage size of the property is based on data from the client. A survey was not provided. The appraisers have relied on this data. If subsequent data indicates a different acreage amount, the appraisers reserve the right to modify the conclusions reached in this appraisal.*

Topography

The subject property is basically level to gently sloping. The irrigated portion of the subject property is basically level and gently sloping. Overall, there is a general slope from northwest to southeast. Elevation ranges from approximately 3,509 feet above sea level in the southeast corner to 3,532 feet above sea level in the northwest corner. The subject topography is considered to be typical for the immediate area.

Access

Access to the subject property is provided by North Red Bridge Road, an asphalt paved roadway that runs along the east side of the subject tract. Overall access for the subject is considered average.

Current Use

At the time of inspection the entire subject tract is currently used as irrigated farmland. The appraisers were not provided crop history, production history or FSA data concerning the subject property.

Zoning

The subject is not located within the boundaries of an incorporated city and therefore is not subject to municipal zoning regulations. However, the subject is within two miles of the city

limits and falls within the zoning regulations of the Roswell-Chaves County Extraterritorial Zoning Ordinance. The purpose of this Ordinance is to promote public health, safety, morals, and the general welfare within the Roswell-Chaves County Extraterritorial Zone (ETZ). In accordance with recommendations of the Chaves County Comprehensive Land Use Planning and Zoning Report, the Chaves County Land Use Policies Plan, an update thereto, and the City of Roswell Comprehensive Master Plan, this Ordinance is designed to lessen congestion in the streets or public ways; provide safety from fire, flood waters, and other dangers; provide adequate light and air; prevent the overcrowding of land; facilitate adequate provision for schools, transportation, water, sewerage, parks, and other public requirements; and control and abate the unsightly use of buildings or land. In order to accomplish this purpose, this Ordinance provides for the administration, interpretation, enforcement, and amendment of this Ordinance and divides the territory within the ETZ into zoning districts. This Ordinance regulates the height, number of stories, and size of buildings and other structures; the percentage of a lot that may be occupied; the size of yards, courts, and other open spaces; the density of population; the location and use of buildings, structures, and land; and the erection, construction, reconstruction, alteration, or use of buildings, structures, and land in each zoning district.

Shape

The subject is rectangular in shape. The subject tract measures approximately 2,638 feet from east to west and approximately 1,370 feet from north to south.

Soils

The soil types present on the subject property were acquired from the USDA's, Natural Resource Conservation Service website. The primary soil types identified by the NRCS and their capability classes are listed in the following table.

Subject Soil Information		
Code	Description	Percent Coverage
PfA	Pecos silty clay loam, nonsaline, 0 to 1% slopes	26.58%
ReB	Reakor loam, 1 to 3% slopes	13.22%
Bd	Balmorhea loam, drained	34.88%
Tg	Tencee-Upton complex	0.58%
RkB	Reeves loam, 1 to 3% slopes	5.01%
BgB	Bigetty loam, 1 to 3% slopes	19.73%

Subject contains several other soils to a lesser extent. Overall, the subject property appears to possess typical, average soil types for the area.

The Reeves series consists of very deep soils that are moderately deep to gypsum material. They are well drained, moderately permeable soils that formed in calcareous and gypsiferous fine textured alluvium derived from gypsum beds. These soils are on hillslopes, plateaus, and basin floors with slopes ranging from 0 to 9 percent. Grazing and irrigated cropland. Crops are mostly cotton, alfalfa, sorghum, and small grains. Vegetation is mainly burrograss, tobosa, alkali sacaton, blue grama, threeawn, fourwing saltbush, and snakeweed.

The Balmorhea series consists of deep, somewhat poorly drained, moderately permeable soils. These soils are on nearly level to depressional areas that are, or were formerly, spring fed marshes. Slopes range from 0 to 2 percent. The soil formed in recent calcareous silty and loamy alluvium. Mean annual precipitation is about 12 inches Mean annual temperature is about 62 degrees F. Uses include irrigated cropland and pasture, and rangeland. Crops are cotton, barley, alfalfa, and grain sorghum. Present native vegetation consists of alkali sacaton, fourwing saltbush, mesquite trees, broom snakeweed, and salt cedar.

The Reakor series is very deep, well drained soils that formed in loamy alluvium derived from mixed sources. Reakor soils are on broad plains and alluvial fans and have slopes of 1 to 5 percent. Used mainly for rangeland. Large areas are irrigated and used for growing cotton, alfalfa, sorghum and small grains. Native vegetation is mainly burrograss, tobosa, blue grama, bush muhly, mat muhly, alkali sacaton, threeawns, vine mesquite and mesquite.

The Tencee series consists of shallow to petrocalcic, well drained, moderately permeable soils that formed in gravelly alluvium derived from mixed sources on terrace remnants and sides of ridges. These areas are generally idle, but may have some limited livestock grazing. Present vegetation is sparse consisting usually of a few creosotebush in places with scattered mariola, snakeweed, or tarbush. Some areas are barren of vegetation.

The Bigetty series consists of very deep, well drained soils that formed in alluvium on the flood plain of intermittent streams. Permeability is moderately slow. Grazing and irrigated cropland. Crops are mainly alfalfa, cotton and sorghum. Native vegetation is mainly giant sacaton, alkali sacaton, vine-mesquite, tobosa, blue grama, buffalograss, burrograss and widely spaced mesquite and cholla cactus.

The Pecos series consists of very deep, moderately well drained, slowly permeable soils that formed in clayey alluvium. These soils are on nearly level flood plains. Rangeland of low carrying capacity. Some areas were formerly used for cropland but are now largely abandoned. The principal vegetation includes alkali sacaton, fourwing saltbush, pickleweed, salt cedar, and some mesquite.

Water/Water Rights

The subject property is located in the Roswell Artesian Basin region. Deeded water rights are typically required for irrigated use to be physically possible. The appraisers were unaware of any water rights associated with the subject tract, nor any water wells utilized in the current irrigation. Thus, no water rights have been considered within our analysis. Nevertheless, the subject property is situated adjacent to the city of Roswell Wastewater Treatment facilities and associated stabilization ponds utilized in conjunction with the wastewater facility. The subject farmland is under an agreement with the neighboring plant which allows the farm to utilize the non-potable water to be used for irrigated farming purposes. The appraisers were not provided any details regarding the terms of the agreement. It was apparent during the physical inspection by the current alfalfa crop planted and the flood irrigation infrastructure situated upon the subject property that the water amenities of the property under the current agreement are sufficient for irrigated farming. For the purpose of this analysis, we have assumed that the current agreement will continue perpetually.

The appraisers are not experts in determining water rights. It is recommended that an attorney or expert in determining water right acreage and/or legality of use be consulted to verify subject's water rights.

Fencing

The subject's perimeter is partially fenced with net wire fencing on metal posts. Fencing observed appeared to be in average condition.

Utilities

Electric service is provided to the subject area.

Improvements

No improvements with contributory value were noted on subject property other than the flood irrigation infrastructure which is considered a component of the land.

Surrounding Uses

The area immediately surrounding subject property is irrigated land, municipal uses, and scattered rural residences.

Flood Plain

According to FEMA Map #35005C1390D, dated September 25, 2009, portions of this tract are situated within Zone X and Zone AE of the flood plain. Additionally, the southeastern

corner of Tract 2 contains the Rio Hondo Draw which, during heavy rainfall and flooding can run full and overflow the draw. *However, it is recommended that a survey, by a registered surveyor be performed to determine exact elevations, flood status, and the amount of acreage that might be affected.*

Definitions of FEMA Flood Zone Designations

Flood zones are geographic areas that the FEMA has defined according to varying levels of flood risk. These zones are depicted on a community's Flood Insurance Rate Map (FIRM) or Flood Hazard Boundary Map. Each zone reflects the severity or type of flooding in the area.

Moderate to Low Risk Areas

In communities that participate in the NFIP, flood insurance is available to all property owners and renters in these zones:

Zone	Description
B and X (shaded)	Area of moderate flood hazard, usually the area between the limits of the 100-year and 500-year floods. B Zones are also used to designate base floodplains of lesser hazards, such as areas protected by levees from 100-year flood, or shallow flooding areas with average depths of less than one foot or drainage areas less than 1 square mile.
C and X (unshaded)	Area of minimal flood hazard, usually depicted on FIRMs as above the 500-year flood level. Zone C may have ponding and local drainage problems that don't warrant a detailed study or designation as base floodplain. Zone X is the area determined to be outside the 500-year flood and protected by levee from 100-year flood.

High Risk Areas

Zone	Description
A	Areas with a 1% annual chance of flooding and a 26% chance of flooding over the life of a 30 year mortgage. Because detailed analyses are not performed for such areas; no depths or base flood elevations are shown within these zones.
AE	The base floodplain where base flood elevations are provided. Areas subject to inundation by the 1% annual chance flood event determined by detailed methods. Zones are now used on new format FIRMs instead of A1-A30 zones.

Summary

In conclusion, the size, access, location, terrain and soil types of the subject property, allow for utilization primarily as agricultural, irrigated cropland use.

2025-981 | Tract 2 Map

Chaves County, New Mexico, 77.8 AC +/-

WT
Appraisal



Boundary 2

Cage Riley

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2025-981 | Tract 2 Soil Map
Chaves County, New Mexico, 77.8 AC +/-

WT
Appraisal



Boundary 2

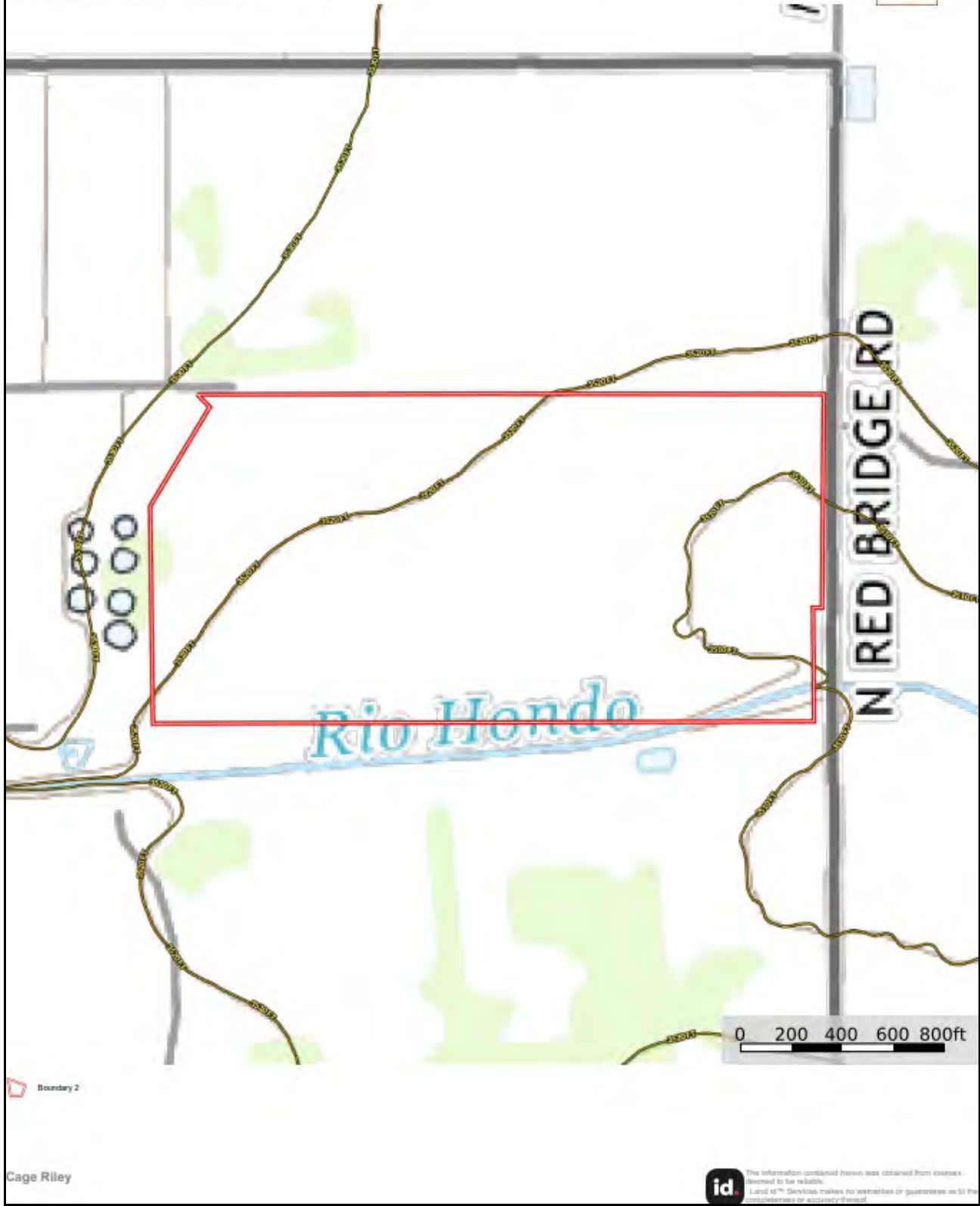
Cage Riley

id. The information contained herein was obtained from sources deemed to be reliable. Land id™ Services makes no warranties or guarantees as to the completeness or accuracy thereof.

Code	Description	Acres	%	CPI	NCCPI	CAP	?
Bd	Balmorhea loam, drained	27.09	34.88%	-	15	6s	?
PfA	Pecos silty clay loam, nonsaline, 0 to 1 percent slopes	20.64	26.58%	-	17	6s	?
BgB	Bigetty loam, 1 to 3 percent slopes	15.32	19.73%	-	22	7e	?
ReB	Reakor loam, 1 to 3 percent slopes	10.27	13.22%	-	20	7e	?
RkB	Reeves loam, 1 to 3 percent slopes	3.89	5.01%	-	12	7e	?
Tg	Tericee-Upton complex	0.45	0.58%	-	8	7e	?
Totals		77.66 ac	0 CPI Average	17.38 NCCPI Average	6.39 Cap. Average		

2025-981 | Tract 2 Topographical Map
Chaves County, New Mexico, 77.8 AC +/-

WT
Appraisal

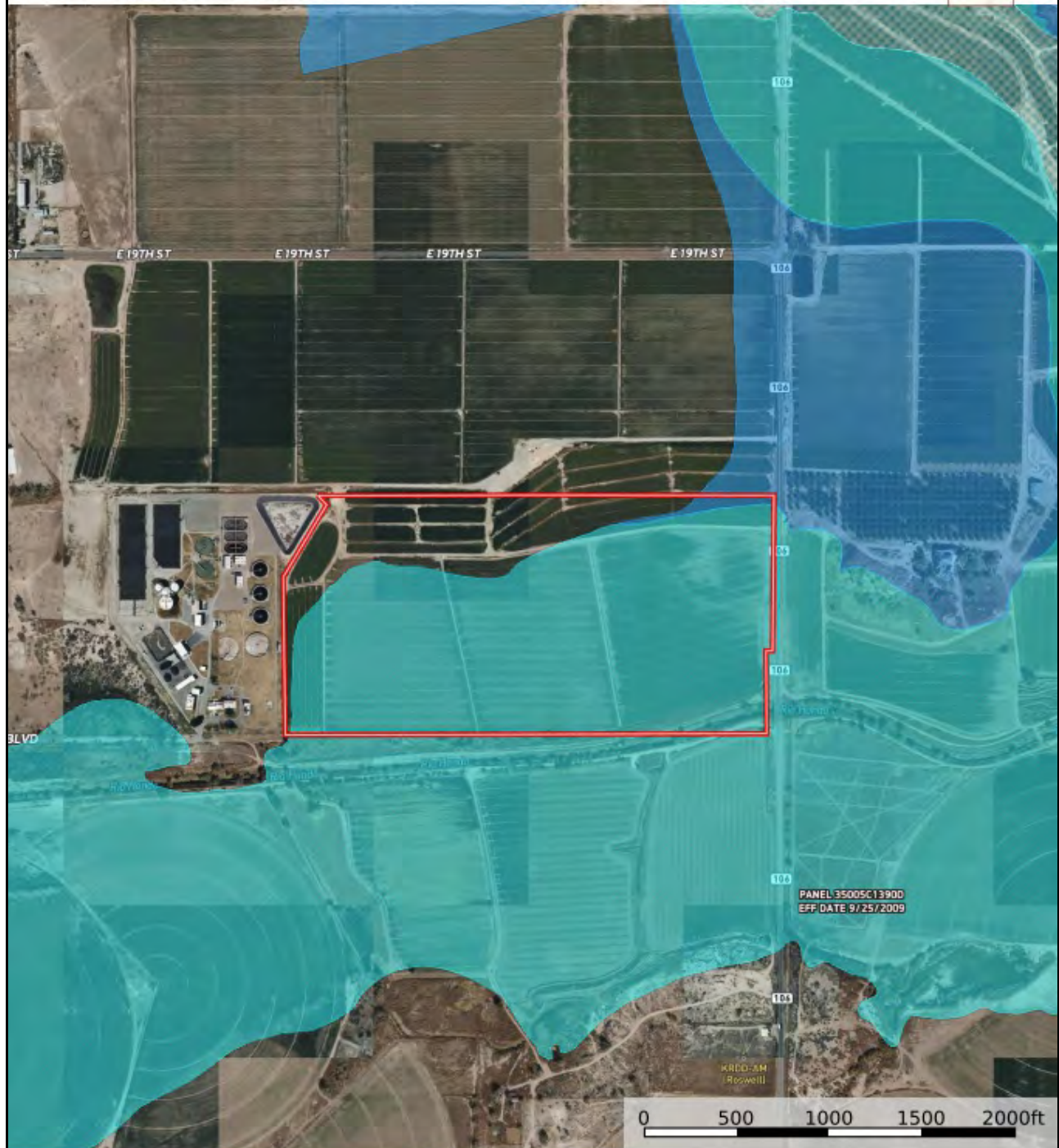


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2025-981 | Tract 2 Flood Map
Chaves County, New Mexico, 77.8 AC +/-

WT
Appraisal



Boundary 2 100 Year Floodplain 500 Year Floodplain Floodway Special Unmapped/ Not Included

Cage Riley

id. The information contained herein was obtained from sources deemed to be reliable. Land of ID Services makes no warranties or guarantees as to the completeness or accuracy thereof.

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Tax And Assessment Analysis

The property is located within the jurisdiction of Chaves County of New Mexico. The Chaves County Assessor estimates the assessed values for all properties in the county, and these values are utilized by all taxing authorities in the county as a basis for assessing taxes.

The 2019 full value and assessed value is listed in the chart below.

APPRAISAL DISTRICT ASSESSED VALUE - 2019						
Parcel No.	Market Land Value	Market Improvement Value	Total Market Value	Assessed Land Value	Assessed Improvement Value	Total Assessed Value
R013032	\$46,987	\$0	\$46,987	\$15,663	\$0	\$15,663
Total	\$46,987	\$0	\$46,987	\$15,663	\$0	\$15,663

We have utilized the assessed value of \$15,663 to estimate the annual tax burden for the subject properties by multiplying this value by the overall 2018 tax rate (mill rate) of 0.023157 OUT-Roswell (Non-Residential). Thus, the estimated tax liability was \$362.71. After analysis of the data within this report, it is our opinion that the assessed value of the subject is reasonable and similar to other property in the area. The Chaves County Assessors Office can be reached at 575-624-6603.

Highest and Best Use

Highest and best use is a basic premise of value. As with value, highest and best use is not an absolute fact; it reflects an appraiser's opinion of the best use of a property based on an analysis of prevailing market conditions. The term highest and best use, as used in this appraisal report, is defined as:

The reasonably probable and legal use of vacant land or an improved property, that is physically possible, appropriately supported, financially feasible, and that results in the highest value.⁶

Highest and best use has also been defined as that use which produces the greatest return to land over time.

Because existing improvements can limit the use of land, a determination of highest and best use for both 1) the site as if vacant and 2) the property as improved is based on the following four criteria:

- 1) *Legally permissible* - such use must be allowed under existing zoning, building codes, deed restrictions, and environmental regulations;
- 2) *Physically possible* - the size, shape, area and terrain of the property must be adequate to develop such use;
- 3) *Financially feasible* - the use must produce a positive return; and
- 4) *Maximally productive* - the use must produce a value, consistent with the rate of return indicated by the market, higher than all other uses which meet the first three criteria.⁷

The analysis of these four criteria is based on consideration of several factors. These factors include any legal restriction on its utilization, the property's physical attributes, current supply and demand conditions, potential gross income and market derived rates or return.

⁶ The Appraisal of Real Estate, Thirteenth Edition, Appraisal Institute, 2008, pg. 277-278.

⁷ Ibid.

As Vacant

Land, as vacant, is a fundamental concept of valuation theory and the basis for the cost approach. There are two primary reasons to identify the highest and best use of the land as vacant: 1) to estimate a land value and 2) to identify comparable sales of vacant land.⁸

The highest and best use of land is generally that use which, among all reasonable, alternative uses, provides the highest land value. The estimation of highest and best use, as vacant, is accomplished by applying the four criteria previously listed.

Physically Possible Use

This criterion is dictated by the physical features of the subject property. The size, shape, frontage, topography and subsoil conditions affect the uses to which it can be utilized. The total size of the subject acreage is 187.4 acres, more or less. The size and shape of the subject tract is considered to be adequate to support most of the legally permissible forms of use and development.

The subject property generally conforms with the size, shape and topography of other sites and tracts in the area. We could find no market evidence that would suggest that subject is at a physical disadvantage with other properties in the area. In our opinion, a variety of uses are physically possible for the subject tract.

Legally Permissible Use

The subject property does not lie within a municipality, therefore, it is not subject to any city zoning regulations. In addition, Chaves County does not have comprehensive zoning regulations. Thus, a wide variety of uses are legally permissible on subject property.

The property is subject to the typical county flood restrictions and rural septic system inspections which are enforced by the county environmental department. We are not aware of any private deed restrictions or environmental regulations which would limit property type or use.

⁸The Appraisal of Real Estate, Twelfth Edition, Appraisal Institute, Chicago, Illinois, 2001, p. 309.

Financially Feasible Use

Financial feasibility relates to all uses that are physically possible and legally permissible which are likely to produce some income, or return, greater than the combined income needed to satisfy operating expenses, financial expenses, and capital amortization. All uses expected to produce a positive return with a satisfactory equity yield are regarded as financially feasible.

In considering the financial feasibility of the subject's most probable uses, several factors must be considered. These factors include, but are not limited to the surrounding land uses, the physical characteristics of the site itself, the supply and demand forces which influence property values, and the cost of development.

As mentioned, the subject property is located in a farming area, northeast of Roswell. Subject property is level to slightly sloping, has soil types capable of crop production, and is located in an area with good underground irrigation water. Due to the above mentioned reasons, it is our opinion that the subject property is most likely to remain in agricultural use throughout the foreseeable future. Therefore, the most feasible use of the subject is determined to be agricultural use, specifically irrigated cropland use and for livestock production; this use also conforms to the general make-up of the immediate area.

Maximally Productive Use

It has been concluded that the most probable use to which the subject could be put is ongoing agricultural use. Because the property has access to irrigation water, the most productive use would be agricultural use as irrigated cropland. Thus, the most productive use determined for the subject, as of the date of this appraisal, is for irrigated cropland use.

The Valuation Process

An appraisal is defined as "the act or process of developing an opinion of value."⁹ The valuation process is a systematic procedure an appraiser follows to provide answers to a client's questions about real property value. The valuation process is applied to develop a well supported opinion of a defined value based on an analysis of pertinent general and specific data. The estimation of a real property's market value involves a systematic process. This process involves the interpretation of the economic, sociological, physical and political forces that have an effect upon a specific property.

The first step in the process is to define the appraisal problem, i.e., identify the real estate, the property rights being appraised and the type of value sought. Once this has been accomplished, the factors that affect the market value of the subject are collected and analyzed. These factors are addressed in the city and area section, the neighborhood section, the site and improvement sections and the highest and best use section. In this process, the basic approaches to value, when applicable, are utilized: the cost approach, the income approach, and the sales comparison approach.

- 1) In the cost approach, value is estimated as the current cost of reproducing or replacing the improvements (including an appropriate entrepreneurial incentive or profit) minus the loss in value from depreciation plus land or site value.
- 2) In the sales comparison approach, value is indicated by recent sales of comparable properties in the market and other supporting transactional information.
- 3) In the income capitalization approach, value is indicated by a property's earning power, based on the capitalization of income.

Traditionally, specific appraisal techniques are applied within the three approaches to derive indications of real property value. One or more approaches to value may be used depending on which approaches are necessary to produce credible assignment results, given the intended use.¹⁰

The final step in the valuation process is the reconciliation of the values indicated. In the final reconciliation, consideration is given to the relative significance, defensibility and applicability of each approach as it pertains to the type of property being appraised. The most weight is given to the approach that appears to produce the most reliable solution to the appraisal problem.

⁹Appraisal Institute, The Appraisal of Real Estate, Thirteenth Edition, 2008.

¹⁰The Appraisal of Real Estate, Thirteenth Edition, The Appraisal Institute, 2008, pg. 129-130.

Cost Approach

The cost approach to value is one of the three methods used in the valuation process. It is based on the understanding that market participants relate value to cost. The principle of substitution is basic to the cost approach. This principle affirms that a knowledgeable buyer would pay no more for a property than the cost to acquire a similar site and construct improvements of equivalent desirability and utility without undue delay.¹¹

The applications of the approach to a specific property involves the following steps:

- ◆ Estimate the value of the site as though vacant and available to be developed to its highest and best use.
- ◆ Estimate the reproduction cost or replacement cost new of all the improvements
- ◆ Estimate direct, and indirect costs of improvements, and entrepreneurial profit
- ◆ Add estimated direct and indirect costs, and entrepreneurial profit to cost of improvements.
- ◆ Estimate amount of depreciation from all causes {physical deterioration, functional obsolescence and economic (external) obsolescence}.
- ◆ Deduct estimated depreciation from the total cost new of the improvements to arrive at a depreciated value of the improvements.
- ◆ Add the site (land) value (Step 1) to the depreciated value of the improvements (Step 7) to arrive at a value indicated by the cost approach.
- ◆ Adjust value conclusion if any personal property or intangible assets are included in the appraisal assignment.

The reproduction cost is the cost to reproduce the improvements with the exact or similar materials as subject property - to produce a replica. The replacement cost is the cost associated with replacement of the improvements with equivalent utility using modern materials and current standards, design, and layout. The accrued depreciation is measured by estimating the physical deterioration, functional obsolescence, and the economic obsolescence. When the reproduction cost and the accrued depreciation are accurately estimated, then the indicated value by the cost approach will be comparable to the values indicated by the sales comparison and the income approaches.

Site improvements include typical livestock perimeter fencing, Artesian water well for irrigation and concrete irrigation canals. These improvements are considered components of the land. Thus, the Cost Approach was not utilized in this analysis.

¹¹The Appraisal of Real Estate, Thirteenth Edition, Appraisal Institute, 2008, pg. 142, 377-385.

The Sales Comparison Approach to Value

The Sales Comparison Approach to value is an opinion of market value developed by comparing properties similar to the subject property that have recently sold, are listed for sale, or are under contract. This approach to value is premised on the principle of *Substitution*, which holds that the value of property tends to be set by the price that would be paid to acquire a substitute property of similar utility and desirability within a reasonable amount of time.¹²

The applicability of this approach is based upon the collection of similar sales and offerings for comparison, from which market derived adjustments for relevant factors can be extracted. The sales data is compared to the subject on the basis of significant characteristics exhibited in the subject property. Considerations for such factors as time, location, size, building quality, age-condition, and amenities, as well as the terms of the transaction, are all related to the subject property. Because the adjustments are primarily market-derived, the desires and actions of typical buyers and sellers are reflected in the comparison process.

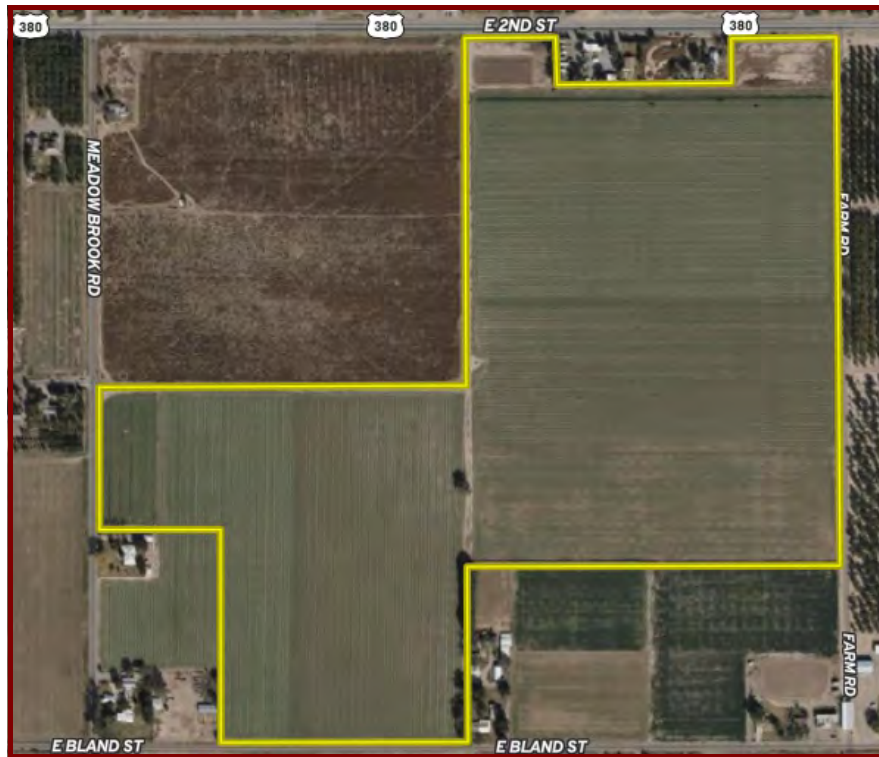
In the Sales Comparison Approach, value is estimated by comparing recent sales of similar properties to the property appraised. Preferably, all properties are located in the same area, and are of similar size, quality, and age. One premise of the Sales Comparison Approach is that the market will determine a price for the property being appraised in the same manner that it determines the prices of comparable, competitive properties.

In estimating the value of the subject property, via the Sales Comparison Approach, we utilized the Price Per Unit Method, which derives a market value by utilizing an analysis of the sales and concludes an adjusted price per unit, which is then applied to the subject property in order to derive a current estimate of value.

The analysis and comparison of the market information utilized in this approach is included in this section of the report. A summary of each sale follows.

¹²The Appraisal of Real Estate, Thirteenth Edition, The Appraisal Institute, Chicago, 2008, pg. 298-299.

COMPARABLE SALE NO. 1



PROPERTY DATA:

Location:	Just east of Roswell, along the south side of US Hwy 380 also known as E. 2 nd Street, Chaves County, New Mexico.
Legal Description:	Being 92.32 acres, out of Section 2, Township 11 South, Range 24 East, Chaves County, New Mexico.
Land Area:	92.32 Acres

TRANSACTION DATA:

Grantor:	Mays Estate
Grantee:	Allegiance Farms, LLC
Date of Sale:	August 29, 2025
Consideration:	\$1,338,640
Unit Price:	\$14,500/Ac \$14,500 per Water Right Acre
Terms:	Cash to seller
Recording:	202506110 Chaves County Deed Records

OTHER DATA:

Rangeland / Cultivated: Entirely irrigated cropland.

Improvements: None

Zoning: None

Topography: Level to sloping.

Road Access: Accessible along the south side of US Hwy 380 (also known as East 2nd Street), the east side of Meadow Brook Road, and the north side of East Bland Street.

COMMENTS:

Side roll irrigated. This property conveyed 92.32 Artesian water right acres from RA-00326 file, with a priority date of December 31, 1904.

COMPARABLE SALE NO. 2



PROPERTY DATA:

Location: Just east of Roswell, along the north side of US Hwy 380 also known as E. 2nd Street, Chaves County, New Mexico.

Legal Description: Being approximately 31.60 acres, known as Tract 2 out of the Amended Bostick Boundary Survey, in Section 35, Township 10 South, Range 24 East, Chaves County, New Mexico.

Land Area: 31.60 acres

TRANSACTION DATA:

Grantor: Bostick Trust

Grantee: Royaume Properties, Inc.

Date of Sale: September 16, 2025

Consideration: \$478,500

Unit Price: \$15,142 per Acre
\$16,500 per Water Right Acre

Terms of Sale: Cash to Seller

Recording: 202506503 Chaves County Deed Records

OTHER DATA:

Rangeland/Cultivated:	Entirely irrigated by side rolls.
Topography:	Level
Improvements:	None
Minerals:	None
Frontage:	US Hwy 380 (E. 2 nd Street)
Flood Hazard:	Yes
Utilities:	Electricity, water, and telephone

COMMENTS:

29.0 acres of Artesian water rights from RA-00126 with December 1907 and March 1908 priority dates.

COMPARABLE SALE NO. 3



PROPERTY DATA:

Location:	Southeast of Roswell, along the north side of E. McGaffey Street and the west side of S. Red Bridge Road, Chaves County, New Mexico.
Legal Description:	Being approximately 42.3 acres, known as Tract 1, out of the Maude Pirtle Revocable Trust Boundary Retracement Survey, in Section 2, Township 11 South, Range 24 East, Chaves County, New Mexico.
Land Area:	42.30 acres

TRANSACTION DATA:

Grantor:	Patrick Fox
Grantee:	Confidential
Date of Sale:	Under Contract
Consideration:	\$665,000; \$719,000 - less improvements
Unit Price:	\$15,721/Ac; \$16,998/Ac - less improvements \$15,721 per Water Right Acre - less improvements
Terms of Sale:	Cash to Seller
Recording:	Not Yet Recorded

OTHER DATA:

Rangeland/Cultivated:	Irrigated farmland
Topography:	Level
Improvements:	5,000 square foot hay barn. Estimated contributory value of \$55,000.
Minerals:	None
Frontage:	S. Red Bridge Rd. & E. McGaffey St.
Flood Hazard:	Yes
Utilities:	Electricity, irrigation well, and telephone

COMMENTS:

42.30 acres of Artesian water rights being part of the following permits: RA-00842 with priority dates of May 1921.

COMPARABLE SALE NO. 4



PROPERTY DATA:

Location: Located on the corner of Horse Center Road and S. Wyoming Avenue, approximately 2.0 miles southwest of Roswell, Chaves County, New Mexico.

Legal Description: Being 41.5 acres, more or less, out of Section 7, Township 11S, Range 24E, in Chaves County, New Mexico.

Land Area: 41.5 Acres

TRANSACTION DATA:

Grantor: Gents Cattle Co.

Grantee: Cross H Farm, LLC

Date of Sale: June 18, 2024

Consideration: \$679,000; \$775,000 - less improvements

Unit Price: \$16,361/Ac; \$18,675/Ac - less improvements
\$16,975 per Water Right Acre - less improvements

Terms: Cash to seller

Recording: #202403977 Chaves County Records

OTHER DATA:

Land Mix:	Irrigated cropland (96%)
Improvements:	40.0 Acres of Drip Irrigation with RCN of \$120,000 and 20% depreciation for a contributory value of \$96,000 at the time of transaction
Zoning:	None
Topography:	Level to sloping
Road Access:	Horse Center Road and S. Wyoming Avenue

COMMENTS:

There is 40.0 acres of senior artesian rights. There are 40.0 acres under NMOSE file RA-480D with a December 1900 priority date on Senior Artesian rights. Irrigation water is provided by one off-site well located west of the property on a neighbors parcel and is a reported 1,000 GPM well.

COMPARABLE SALE NO. 5



PROPERTY DATA:

Location: 809 Meadow Brook Road; located on the south side of East Bland Street, the east side of Meadow Brook Road, and the north side of East McGaffey Street, approximately 2 miles southeast of the city of Roswell, Chaves County, New Mexico.

Legal Description: Being 83.8 acres, out of Section 2, Township 11 South, Range 24 East, Chaves County, New Mexico.

Land Area: 83.8 Acres

TRANSACTION DATA:

Grantor: Karl Hendricks
Grantee: Pirtle Farms

Date of Sale: August 31, 2024

Consideration: \$993,600; \$1,242,000 - less improvements
Unit Price: \$11,857/Ac; \$14,821/Ac - less improvements
\$12,000 per Water Right Acre - less improvements
Terms: Cash to seller

Recording: 202405860; Chaves County Records

OTHER DATA:

Rangeland / Cultivated: Irrigated cropland.

Improvements: An 1,830 square foot residence, 900 square foot garage, shop building, and 2 four-tower Zimmatic pivots. Estimated contributory value of \$248,400.

Zoning: None.

Topography: Level to sloping.

Road Access: Accessible along the south side of East Bland Street, the east side of Meadow Brook Road, and the north side of East McGaffey Street.

COMMENTS:

This sale sold together with priority Artesian water rights of 82.8 Water Right Acres from two wells combined for 900 GPM from water right subfile on shared sourcing.

COMPARABLE SALE NO. 6



PROPERTY DATA:

Location: Located the east side of Red Bridge Road and the north side of Highway 380, approximately 2 miles east of the city of Roswell, Chaves County, New Mexico.

Legal Description: Being part of the West ½ of Section 36, Township 10 South, Range 24 East, Chaves County, New Mexico.

Land Area: 323.621 Acres

TRANSACTION DATA:

Grantor: DeGroot Dairy
Grantee: Chase Farms LLC

Date of Sale: May 18, 2022

Consideration: \$2,610,500
Unit Price: \$8,067 per acre
\$11,500 per Water Right Acre

Terms: Cash to seller

Recording: 202203624; Chaves County Records

OTHER DATA:

Rangeland/Cultivated:	Irrigated farmland.
Improvements:	None of contributory value.
Zoning:	None
Topography:	Level to sloping.
Road Access:	Red Bridge Road & Highway 380

COMMENTS:

This property conveyed 227 water right acres, with a 681 acre-foot per annum; priority dates 1914 and 1917 under RA-248 and RA-4663. The sale price was based upon a quoted \$11,500 per water right acre quoted by a reputable third party.

WT Appraisal

SUMMARY CHART OF COMPARABLE LAND SALES						
Sale #	1	2	3	4	5	6
Location	E of Roswell, Chaves Co. NM	E of Roswell, Chaves Co. NM	SE of Roswell, Chaves Co. NM	SW of Roswell, Chaves Co., NM	SE of Roswell, Chaves Co. NM	E of Roswell, Chaves Co., NM
Date	8/29/25	9/16/25	UC	6/18/24	8/31/24	5/18/22
Price*	\$1,338,640	\$478,500	\$665,000	\$679,000	\$993,600	\$2,610,500
Size (Ac)	92.3200	31.6000	42.3000	41.5000	83.8000	323.6210
\$/Acre*	\$14,500	\$15,142	\$15,721	\$16,361	\$11,857	\$8,067
Rights	F-Simple	F-Simple	F-Simple	F-Simple	F-Simple	F-Simple
Fin.	Similar	Similar	Similar	Similar	Similar	Similar
Cond.	Similar	Similar	Similar	Similar	Similar	Similar
Topo.	Level - Sloping	Level	Level	Level - Sloping	Level	Level - Sloping
Land Use	Irr Cropland	Irr Cropland	Irr Cropland & Hay Barn	Irr. Cropland	Irr Cropland & Residence	Irr Cropland
Improvements	None	None	\$1,300/Ac	\$2,313/Ac	\$2,964/Ac	None
Frontage	US Hwy 380, and Bland St	US Hwy 380	S. Red Bridge & E McGaffey	Horse Ctr Rd & Wyoming Ave	E. Bland St, Meadow Brook & E. McGaffey St.	US 380 & Red Bridge
%WR to Area	100%	100%	100%	96%	99%	70%
Water Right Acres	92.32	29.00	42.30	40.00	82.80	227.00
Price Per WR Acre*	\$14,500	\$16,500	\$15,721	\$16,975	\$12,000	\$11,500

*Sales price with improvement contribution removed.

Units of Comparison

After an investigation of the market, there are a several units of comparison that can be extracted from available sales data. However, the most common unit of comparison in the marketplace for industrial/agricultural land is the overall sales price per acre.

Elements of Comparison

Elements of comparison generally used to estimate the value of industrial/agricultural land are numerous. The elements considered are 1) property rights conveyed, 2) financing conditions, 3) conditions of sale, 4) market conditions (date of sale), 5) topography, 6) size, 7) utilities, 8) frontage and access, and 9) water rights.

Real Property Rights Conveyed

All of the comparable properties sold herein were based on fee simple transactions, thus, no adjustment for this factor was indicated.

Financing Terms

Financing terms are significant, since cash or financing often influences the consideration paid for a particular property. The transaction price of one property may differ from that of an identical property due to different financing arrangements. All of the comparable sales were cash transactions or terms equivalent to cash.

Conditions of Sale

Adjustments for conditions of sale typically reflect the motivations of the buyer and the seller. For example, a buyer may pay more than market value for a property located adjacent to one already owned for assemblage purposes. Conversely, a sale may be transacted at below market value because the seller needs cash in a hurry. A financial, business, or family relationship between the parties may also affect the price of the property. When non-market conditions of sale are detected in a transaction, the sale must be adjusted accordingly. Sale No. 1 occurred with the seller under duress to settle the estate as reported by the broker and required a positive adjustment as a result. Sale No. 4 occurred with a motivated buyer as an act of assemblage and required a negative adjustment. None of the remaining sales were impacted by non-typical conditions to our knowledge.

Market Conditions

Each of the previous sales have been given consideration for the market conditions between the date of sale and the effective date of this appraisal. The comparable sales occurred between May 2022 and September 2025. Sale No. 6 occurred in an inferior market and required a positive adjustment at 5% annually. Due to the respective dates represented by the data, no further adjustment for market conditions could be justified for the remaining sales, therefore none were made.

Physical Units of Comparison

The following adjustments refer to the physical features of a property. Exact adjustments could not be determined due to the variances in the properties; therefore, the appraiser has made adjustments based on the market data available and the appraiser's knowledge of these type properties.

Location

The location of a property is typically a primary factor in determining possible uses. The subject tracts are within a 5 mile radius and located surrounding Roswell, in Chaves County, New Mexico. All of the comparable sales were located just outside of the city limits of Roswell and were considered similar to the subject for location.

Frontage and Access

Subject Tract 1 is located on the south side of East 19th Street and the west side of North Red Bridge Road; while Tract 2 is located along the west side of North Red Bridge Road. These roadways are both paved and in average condition. All sales have frontage along county roads and were considered similar to the subject, thus requiring no adjustments.

Size

The size of the property is also considered to have a major impact on the value of rural land properties. Larger properties typically, but not always, receive lower per acre prices than do smaller properties with all other influences being similar. As noted previously, the sales range in size from 31.60 acres to 323.62 acres. The sales have been adjusted for physical differences and arrayed in the following table.

ARRAY OF SIZE (Acres)		
Sale No.	Size (Ac)	Price Per Acre
2	31.60	\$13,628
4	41.50	\$13,252
3	42.30	\$14,149
Tract 2	77.80	N/A
5	83.80	\$10,671
1	92.32	\$15,008
Tract 1	109.60	N/A
6	323.62	\$10,205

In analyzing the available market data, it appears that the relationship between size and price per acre is somewhat typical. In relation to Tract 1, Sale Nos. 1 and 5 were considered similar to the subject, while the Sale Nos. 2, 3, and 4 were considered superior requiring negative adjustments, and Sale No. 6 was considered inferior requiring a positive adjustment. a. Regarding Tract 2, Sale No. 5 was considered similar to the subject, while Sale Nos. 2, 3, and 4 were considered superior to the subject requiring negative adjustments, and Sale No. 1 and 6 were considered inferior requiring positive adjustments.

Topography, Soils and Terrain

The topography, soils and terrain of a property is a significant feature which may impact productivity. The subject tract is located in central Chaves County. All of the comparable sales utilized in this analysis are located very close in proximity to the subject tract with similar soils and terrain, thus, no adjustments were necessary for this feature.

Utilities

This adjustment reflects the relative differences in available utilities for each comparable sale property in comparison to the utilities available to the subject. The subject has access private water and electricity. All of the comparable sales were considered similar to the subject and required no adjustments for this feature.

Water Availability, Type and Water Rights

This adjustment reflects the relative differences in available water. As stated earlier, two main types of water rights are of concern in the area. Senior Artesian water rights and shallow water rights. Senior Artesian water rights are typically superior in production as well as priority date and sell for more per water right acre. The appraisers were unaware of any water rights associated with the subject tracts, nor any water wells utilized in the current irrigation. Thus, no water rights have been considered within our analysis. Nevertheless, the subject tracts are situated adjacent to the city of Roswell Wastewater Treatment facilities and associated stabilization ponds utilized in conjunction with the wastewater facility. The subject farmlands are under an agreement with the neighboring plant which allows the farm to utilize the non-potable water to be used for irrigated farming purposes. The appraisers were not provided any details regarding the terms of the agreement. It was apparent during the physical inspection by the current alfalfa crop planted and the flood irrigation infrastructure situated upon the subject property that the water amenities of the property under the current agreement are sufficient for irrigated farming. For the purpose of this analysis, we have assumed that the current agreement will continue perpetually. Though the subject tracts have access to sufficient water for irrigation, it was our opinion that all of the comparable sales were superior to the subjects since each included the conveyance of and utilized deeded water rights. Thus, these sales were considered superior to the subject tracts for this element requiring negative adjustments, respectively.

Improvements & Site Characteristics

The overall site characteristics of each sale have been compared to the subject site. These include traits such as railroad frontage/access, drainage, location in a flood hazard area, zoning, shape, site preparation, topography, and configuration. The subject property tracts were configured to allow for 99% irrigation. Sale No. 6 was configured with water rights and coverage for 70% of the acreage and was considered inferior, requiring a positive

adjustment. The remaining comparable sales were considered similar for these site characteristics and were not adjusted for this element. Regarding improvements, all of the comparable properties contain similar irrigation improvement in comparison to the subject tracts. Any of the comparable sales which contained any other structural improvements were previously adjusted within the write-up of each to reflect land only. Adjustments for the items of comparison are based on analysis of the comparable data, and therefore, are considered reasonable.

A sales comparison and adjustment chart for the subject site follows.

LAND SALES ADJUSTMENT GRID - TRACT 1 - 109.6 ACRES						
Sale No.	1	2	3	4	5	6
Price/AC	\$14,500	\$15,142	\$15,721	\$16,361	\$11,857	\$8,067
Property Rights	-0-	-0-	-0-	-0-	-0-	-0-
Financing	-0-	-0-	-0-	-0-	-0-	-0-
Condition of Sale	15%	-0-	-0-	-10%	-0-	-0-
Market Conditions	-0-	-0-	-0-	-0-	-0-	15%
Adjusted Price/AC	\$16,675	\$15,142	\$15,721	\$14,725	\$11,857	\$9,277
Location	-0-	-0-	-0-	-0-	-0-	-0-
Frontage/ Access	-0-	-0-	-0-	-0-	-0-	-0-
Size	-0-	(10)%	(10)%	(10)%	-0-	30%
Topography	-0-	-0-	-0-	-0-	-0-	-0-
Utilities	-0-	-0-	-0-	-0-	-0-	-0-
Water	(10)%	(10)%	(10)%	(10)%	(10)%	(10)%
Improvements	-0-	-0-	-0-	-0-	-0-	-0-
Site Characteristics	-0-	-0-	-0-	-0-	-0-	20%
Total Adjustments	(10)%	(20)%	(20)%	(20)%	(10)%	40%
Adjusted Price/AC	\$15,008	\$12,114	\$12,577	\$11,780	\$10,671	\$12,988
Mean Price/AC	\$12,523					

Site Valuation Summary (Tract 1)

The price per acre method was utilized to provide a value indication. Six of the most recent sales that were the most similar were utilized. These sales were compared, analyzed and adjusted to the subject site, reflecting any dissimilarities between each sale and the subject site.

The adjusted range was \$10,671 to \$15,008 per acre with a mean of \$12,523 per acre and a median of \$12,346 per acre. Based on our analysis, and given the locational attributes of the subject, a value in the middle to upper portion of the range is considered to be reasonable and appropriate. Therefore, it is our opinion that the indicated value of the subject Tract 1, consisting of 109.6 acres, more or less, as of November 24, 2025, was as follows:

$$\begin{array}{rclclcl} 109.6 \text{ AC} & & \times & \$13,000 & = & \$1,424,800 \\ & \text{Rounded To:} & & & = & \mathbf{\$1,425,000} \end{array}$$

LAND SALES ADJUSTMENT GRID - TRACT 2 - 77.8 ACRES						
Sale No.	1	2	3	4	5	6
Price/AC	\$14,500	\$15,142	\$15,721	\$16,361	\$11,857	\$8,067
Property Rights	-0-	-0-	-0-	-0-	-0-	-0-
Financing	-0-	-0-	-0-	-0-	-0-	-0-
Condition of Sale	15%	-0-	-0-	-10%	-0-	-0-
Market Conditions	-0-	-0-	-0-	-0-	-0-	15%
Adjusted Price/AC	\$16,675	\$15,142	\$15,721	\$14,725	\$11,857	\$9,277
Location	-0-	-0-	-0-	-0-	-0-	-0-
Frontage/ Access	-0-	-0-	-0-	-0-	-0-	-0-
Size	5%	(5)%	(5)%	(5)%	-0-	35%
Topography	-0-	-0-	-0-	-0-	-0-	-0-
Utilities	-0-	-0-	-0-	-0-	-0-	-0-
Water	(10)%	(10)%	(10)%	(10)%	(10)%	(10)%
Improvements	-0-	-0-	-0-	-0-	-0-	-0-
Site Characteristics	-0-	-0-	-0-	-0-	-0-	20%
Total Adjustments	(5)%	(15)%	(15)%	(15)%	(10)%	45%
Adjusted Price/AC	\$15,841	\$12,871	\$13,363	\$12,516	\$10,671	\$13,452
Mean Price/AC	\$13,119					

Site Valuation Summary (Tract 2)

The price per acre method was utilized to provide a value indication. Six of the most recent sales that were the most similar were utilized. These sales were compared, analyzed and adjusted to the subject site, reflecting any dissimilarities between each sale and the subject site.

The adjusted range was \$10,761 to \$15,841 per acre with a mean of \$13,119 per acre and a median of \$13,117 per acre. Based on our analysis, and given the locational attributes of the subject, a value in the middle portion of the range is considered to be reasonable and appropriate. Therefore, it is our opinion that the indicated value of the subject Tract 2, consisting of 77.8 acres, more or less, as of November 24, 2025, was as follows:

$$\begin{array}{rclclcl}
 77.8 \text{ AC} & & \times & \$13,500 & = & \$1,050,300 \\
 & \text{Rounded To:} & & & = & \mathbf{\$1,050,000}
 \end{array}$$

The Income Approach To Value

In the income capitalization approach, the present value of the future benefits of property ownership is measured. To develop an opinion of market value with the income capitalization approach, the appraiser must be certain that all the data and forecasts used are market-oriented and reflect the motivations of a typical investor who would be willing to purchase the property as of the effective date of the appraisal.

In the income approach, an appraiser analyzes a property's capacity to generate future benefits and capitalizes the income into an indication of present value. The steps involved in an income approach are as follows:

- ◆ Research the income and expense data for the subject property and comparables,
- ◆ Estimate the potential gross income of the property by adding the rental income and any other potential income,
- ◆ Estimate the vacancy and collection loss,
- ◆ Subtract vacancy and collection loss from total potential gross income to arrive at the effective gross income of the subject property,
- ◆ Estimate the total operating expenses for the subject by adding fixed expenses, variable expenses, and a replacement allowance (where applicable),
- ◆ Subtract the estimate of total operating expenses from the estimate of effective gross income to arrive at net operating income. (Deductions for capital items may also be necessary at various points in time through the projection period to calculate the cash flow used in discounted cash flow analysis),
- ◆ Apply one of the direct ore yield capitalization techniques to this data to generate an estimate of value via the income capitalization approach.

The income approach to value is based on the premise that a direct relationship exists between the income-producing potential of a property and its market value. Because typically, the Income Approach does not represent all of the motivations for purchasing agricultural land in the immediate area as the majority of the land in the area is typically owner utilized, and comparable leases of irrigated land and idle farmland could not be located, the Income Approach was not considered applicable.

Exposure / Marketing Time Analysis

In accordance with the market value definition contained herein, as requested by the client, consideration has been given to a reasonable estimated exposure period for the subject property **at the appraised value estimate herein.**

Exposure time may be defined as follows: The estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market. The reasonable exposure period is a function of price, time, and use, not an isolated opinion of time alone.

Based upon the historical activity of sales similar to the subject, and the appraiser's personal conversations with area agents/brokers, appraisers, and property owners familiar with the subject market, it is our opinion that a reasonable exposure time for agricultural properties in the value range of \$1,000,000 to \$3,000,000 in the Chaves County area of New Mexico, to be approximately 12 months.

Reconciliation and Final Estimate of Value

The purpose of the reconciliation of value is to evaluate the strengths and weaknesses of the individual approaches, and to develop a single value estimate for the subject. Typically, in the estimation of value for a given property, it is necessary for an appraiser to review and consider all available valuation techniques, applicable to a given property type. In the valuation of most real estate, it is necessary for the appraiser to consider all three of the traditional appraisal approaches which include the cost, comparable sales, and income approaches to value.

These three approaches normally provide individual indications of value for the property in question which are then correlated into a final opinion of value for the property by the appraisers. Whenever possible, all three approaches should be applied in making an estimate of value. One approach, however, will often be given greater consideration than the others, depending largely upon the type of property appraised and the quality of the data upon which the approach is based. The greatest consideration is normally given to the approach most typically used by buyers and sellers to determine sale prices for properties of the subject type in the local market.

In the preceding sections of this report, an indication of value based upon an abbreviated Cost Approach, the Sales Comparison Approach and the Income Approach were utilized to provide an indication of value of the subject's fee simple estate. The Income Approach was not considered applicable to subject property, due to a lack of comparable lease data but was included per the client's request. As a result, the following estimates of value were derived for subject property "as is":

SUBJECT PROPERTY VALUE	
Cost Approach	N/A
Sales Comparison Approach	
Tract 1	\$1,425,000
Tract 2	\$1,050,000
Income Approach	N/A

Cost Approach

The Cost Approach is important when estimating the market value of new or relatively new construction because cost and market value are closely related when properties are new. The Cost Approach is also used to estimate the market value of proposed construction, special-purpose properties, and other properties that are not frequently exchanged in the market. The Cost Approach was not utilized in this analysis.

Sales Comparison Approach

The Sales Comparison Approach estimates market value by comparing the sales prices of recent transactions with similar attributes of the property being appraised. The sales comparison approach was utilized to provide indications of value for the land, as vacant.

Limited data was available concerning sales of similar rural land properties in the area. Seven of the most similar sales were included for review and analysis, and the data obtained from these observations was considered to be accurate and reliable. These properties were analyzed on an overall per acre basis. When the market is dominated by purchasers who intend to occupy the property, the sales comparison approach is a strong indicator of value. Since the subject is agricultural farmland and there was adequate sale data for analysis, the Sales Comparison Approach was given the most weight.

Income Approach

The Income Approach to value is based on the premise that a direct relationship exists between the income-producing potential of a property and its market value. Because typically, the Income Approach does not represent all of the motivations for purchasing agricultural land in the immediate area as the majority of the land in the area is typically owner utilized, and comparable leases of irrigated land and idle farmland could not be located, the Income Approach was not considered applicable.

Conclusion

Because the rural agricultural land market is dominated by owner-occupants, and because we considered the information obtained within the Sales Comparison Approach to be sufficient, reasonable and reliable, the greatest weight was given to this approach. By reason of our investigation and analysis of data contained in this report, other information in our files, and our experience in the real estate and appraisal profession, it is our opinion that the market value of the fee simple estate in the subject property referred to as Tract 1, being 109.6 acres, as of November 24, 2025, was in round numbers:

ONE MILLION FOUR HUNDRED TWENTY-FIVE THOUSAND DOLLARS
\$1,425,000

Furthermore, by reason of our investigation and analysis of data contained in this report, other information in our files, and our experience in the real estate and appraisal profession, it is our opinion that the market value of the fee simple estate in the subject property referred to as Tract 2, being 77.8 acres, as of November 24, 2025, was in round numbers:

ONE MILLION FIFTY THOUSAND DOLLARS
\$1,050,000

Certification

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. The appraisers have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. The appraisers have not performed services, as appraisers or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. The appraisers performed an appraisal valuation in September 2019 on the subject property of this report.
5. The appraisers have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. The appraisers engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. The appraisers compensation for completing this assignment is not contingent upon the developing or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of the appraisal.
8. The appraisers analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
9. Cage Riley and Sam Walker made a personal inspection of the property that is the subject of this report.
10. No one provided significant real property appraisal assistance to the persons signing this certification.
11. The reported analyses, opinions, and conclusion were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, Clint W. Bumguardner, MAI, ASA, has completed the requirements of the continuing education program of the Appraisal Institute.

By reason of our investigation and analysis of data contained in this report, other information in our files, and our experience in the real estate and appraisal profession, it is our opinion that the market value of the fee simple estate in the subject property referred to as Tract 1, being 109.6 acres, as of November 24, 2025, was in round numbers:

ONE MILLION FOUR HUNDRED TWENTY-FIVE THOUSAND DOLLARS
\$1,425,000

Furthermore, by reason of our investigation and analysis of data contained in this report, other information in our files, and our experience in the real estate and appraisal profession, it is our opinion that the market value of the fee simple estate in the subject property referred to as Tract 2, being 77.8 acres, as of November 24, 2025, was in round numbers:

ONE MILLION FIFTY THOUSAND DOLLARS
\$1,050,000



Clint W. Bumguardner, MAI, ASA
State Certification No. NM-001579



Sam Walker, Appraiser
State Certification No. NM-03611-G



Cage Riley, Appraiser
State Certification No. NM-REA-2025-0142

ADDENDA

WT Appraisal, Inc.

Assumptions and Limiting Conditions

This appraisal report has been made with the following general assumptions:

1. This Appraisal Report which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(A) of the Uniform Standards of Professional Appraisal Practice. As such, it presents a level of discussion of the data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value that is consistent with the intended use. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated herein. The appraiser is not responsible for unauthorized use of this report.
2. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
3. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
4. Responsible ownership and competent property management are assumed.
5. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
6. All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
7. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
8. It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.
9. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in the appraisal report.

WT Appraisal, Inc.

10. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
11. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
12. All information, comments and conclusions pertaining to subject and other properties described represent the opinion of the appraiser formed after a personal examination of each.
13. The appraiser has no interest, present or prospective, in the subject property.
14. Sketches in this report are included to assist the reader in visualizing the property.
15. The appraiser assumes that there are no hidden or unapparent conditions of the appraised property, which would render it more or less valuable. Further, the appraiser assumes that there are no potentially harmful asbestos or other materials and/or site contaminants in, on, or near soil, subsoil, or structure of the appraised property and that there has been no disposal, discharge, leakage, or spillage of pollutants or contaminant which would render it more or less valuable, whether or not these materials or contaminants are apparent or hidden and unapparent.

No responsibility is assumed by the appraiser for these conditions. In addition, no responsibility is assumed by the appraiser for the cost of engineering and/or laboratory studies which might be required to discover such materials or contaminants. And no such engineering or laboratory studies have been ordered for the appraised property.

16. Disclosure by the appraiser of the contents of this appraisal report is subject to review in accordance with the by-laws and regulations of The Appraisal Institute and The American Society of Farm Management & Rural Appraisers.

WT Appraisal, Inc.

Assumptions and Limiting Conditions

This appraisal report has been made with the following general limiting conditions:

1. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
2. Possession of this report, or a copy thereof, does not carry with it the right of publication, unless prior arrangements have been made.
3. The appraiser, by reason of this appraisal, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
4. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval of the appraiser.
5. This appraisal was made in accordance with the Code of Professional Ethics and Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Foundation and the Appraisal Institute and The American Society of Farm Management & Rural Appraiser.
6. Acceptance of and/or use of this report constitutes acceptance of all assumptions and limiting conditions stipulated.
7. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.

WT Appraisal, Inc.

Key Definitions

Appraisal

An appraisal is an unbiased estimate of the nature, quality, value, or utility of an interest in, or aspect of, identified real estate and related personalty. Appraisal involves selective research into appropriate market areas; the assemblage of pertinent data; the application of appropriate analytical techniques; and the use of knowledge, experience, and professional judgment to develop an appropriate solution of the appraisal problem.¹³

Valuation

Valuation is the process of estimating the market value, fair value, insurable value, investment value, or other properly defined value of an identified interest or interests in a specific parcel or parcels of real estate as of a given date.¹⁴

Real Estate

Real estate is the physical land and appurtenances affixed to the land, e.g., structures. Real estate includes land and all things that are a natural part of the land, such as trees and minerals, as well as all things that are attached to it by people, such as buildings and site improvements. All permanent building attachments like plumbing, electrical wiring, HVAC equipment, cabinets, elevators, appliances and so on, are also usually considered part of real estate. Real estate differs from personal property which is not considered real estate.¹⁵

Real Property

Real property includes all interests, benefits, and rights inherent in the ownership of physical real estate. A right or interest in real property is also referred to as an estate.¹⁶

¹³*The Appraisal of Real Estate*, Ninth Edition, American Institute of Real Estate Appraisers, page 8.

¹⁴*Ibid*, page 8.

¹⁵*Ibid*, page 5.

¹⁶*Ibid*, page 5.

Market Value

Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- 1) Buyer and seller are typically motivated;
- 2) Both parties are well informed or well advised, and acting in what they consider their own best interests;
- 3) A reasonable time is allowed for exposure in the open market;
- 4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- 5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales or concessions granted by anyone associated with the sale.¹⁷

Fee Simple Interest

The property rights appraised are the fee simple estate. Fee simple estate is defined as absolute ownership unencumbered by any other interest or estate; subject only to the limitations of eminent domain, escheat, police power, and taxation.¹⁸

¹⁷Code of Federal Regulations; Title 12-Banks And Banking; Chapter 1-Comptroller Of The Currency, Department Of The Treasury; Part 34-Real Estate Lending And Appraisals-Subpart C-Appraisals Sec. 34.42 Definitions; Revised as of January 1, 2000.

¹⁸The Dictionary of Real Estate Appraisal, The Appraisal Institute (Chicago, Illinois, 1984).

Leased Fee Estate

The leased fee estate is the lessor's, or landlord's, estate. A leased fee estate is an ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others; the rights of lessor (the leased fee owner) and the leased fee are specified by contract terms contained within the lease.¹⁹

Leasehold Interest

The leasehold interest is the lessee's, or tenant's estate. A leasehold estate is the right to use and occupy real estate for a stated term and under certain conditions as conveyed by the lease.²⁰

¹⁹*The Appraisal of Real Estate*, Ninth Edition, American Institute of Real Estate Appraisers, p. 111.

²⁰*Ibid*, Pages 111 and 115.

QUALIFICATION OF APPRAISERS

WT Appraisal, Inc.

**QUALIFICATIONS
OF
CLINT W. BUMGUARDNER, MAI, ASA**

Educational

Bachelor of Science, Texas A&M University, College Station, Texas, August, 1987.

Master of Agriculture, Land Economics and Real Estate, Texas A&M University, College Station, Texas, December, 1988.

Completed Course Work and Continuing Education:

- Capitalization Theory & Tech., Part A - Appraisal Institute
- Capitalization Theory & Tech., Part B - Appraisal Institute
- Basic Valuation Procedures - Appraisal Institute
- Real Estate Appraisal Principles - Appraisal Institute
- Standards and Professional Practice - Appraisal Institute
- Case Studies in Real Estate Valuation - Appraisal Institute
- Report Writing & Valuation Analysis - Appraisal Institute
- 3rd/4th Legal Seminar on Ad Valorem Taxation - TX A&M & State Bar Assoc.
- Condemnation in the 90's - Law Offices of Windle Turley
- Nevada Real Estate Statutes - Appraisal Institute
- Appraisers Complete Review - Appraisal Institute

Professional

Member, Appraisal Institute (MAI) No. 10161

Accredited Senior Appraiser (ASA), American Society of Appraisers

Licensed Texas Real Estate Broker, No. 0393607

Texas Certified General Real Estate Appraiser, Certification No. TX-1321020-G

New Mexico Certified General Real Estate Appraiser, Certification No. 001579-G

Certified General Appraiser, Arkansas, License No. CG2050N

Certified General Appraiser, Oklahoma, License No. 12547CGA

Certified General Appraiser, Kansas, License No. G-2075

Certified General Appraiser, Georgia, License No. 332280

Certified General Appraiser, Iowa, License No. CG03070

Certified General Appraiser, Colorado, License No. 100032989

Certified General Appraiser, Nebraska, License No. CG211103R

Certified General Appraiser, Indiana, License No. CG40801054

Certified General Appraiser, Arizona, License No. 31904

Certified General Appraiser, Utah, License No. 6219920-CG00

President, Texas Plains Chapter, Appraisal Institute, 2006-07

Real Estate Committee Member, Texas A&M Foundation

WT Appraisal, Inc.

QUALIFICATIONS OF CLINT BUMGUARDNER, MAI, ASA (CONTINUED)

Experience

Principal, W.T. Appraisal, Inc., Abilene, 1992-present
Appraisal Associate, Dominion Property Advisors, 1999-
Appraiser, Wayne Austin, Associates, Abilene, 1992
Staff Appraiser, J.R. Kimball, Inc., Fort Worth, 1989-92.
Testified as expert witness in State Court proceedings
Testified as expert witness before State Property Tax Board
Testified as expert witness before various Appraisal Districts Review Boards in Texas and Oklahoma

Scope of Appraisal Assignments

- Apartment complexes
- Office and Industrial properties
- Shopping and Industrial Centers
- Farms and Ranches (5 acres to 165,000 acres)
- Residential Subdivisions
- Hotels & Motels
- Commercial Feedlots
- Nursing Homes & Long Term Care Facilities
- Special purpose properties including mini-warehouses, car dealerships, restaurants, convenience stores, water parks, churches, car washes, lumberyards, grocery stores, etc.
- Condemnation
- Appraisal Review
- Feasibility and Market Studies
- Property Inspections
- Provided real estate consulting and appraisal services throughout the Southwestern United States.
- Completed Annual Property Value Study for State Comptroller Property Tax Division

Personal

Ranching background - Eldorado, Schleicher County, Texas.
Active in local Church
Married with three children

WT Appraisal, Inc.

THIS IS TO CERTIFY THAT

Clint W. Bumguardner
Real Estate Appraiser Board

is licensed / registered by the New Mexico Regulation and Licensing Department
in accordance with provisions of laws in the State of New Mexico

License / Registration No.	License / Registration Type
1579-G	General Certified Appraiser
Issue Date	Expiration Date
06/22/1999	04/30/2027

The bearer is prohibited by law from using this identification card to give the
impression that they are in any way connected with a governmental agency

Signature of holder:

Clint W. Bumguardner
1302 Petroleum Drive, Building B,
Abilene, TX 79602



State of New Mexico

Real Estate Appraisers

HEREBY CERTIFIES THAT

Clint W. Bumguardner

HAVING GIVEN SATISFACTORY EVIDENCE OF THE COMPLETION OF
PROFESSIONAL AND OTHER REQUIREMENTS PRESCRIBED BY LAW
IS GRANTED A LICENSE TO PRACTICE IN THE STATE OF NEW MEXICO

General Certified Appraiser

License No. 1579-G

Issued 06/22/1999

Expires 04/30/2027

THIS LICENSE SHOULD BE CONSPICUOUSLY POSTED IN PLACE OF BUSINESS OR AS REQUIRED BY LAW



QUALIFICATIONS OF SAM WALKER

Educational

BBA - Marketing; Hardin Simmons University, Abilene, Texas, 2011.

Completed Course Work and Continuing Education:

Basic Procedures Course - *American School of Real Estate Express*

Basic Principles Course- *American School of Real Estate Express*

Uniform Standards of Professional Appraisal Practice - *American School of Real Estate Express*

Site Valuation and Cost Approach- *Appraisal Institute*

Market Analysis and Highest and Best Use- *Appraisal Institute*

Sales Comparison Approach- *Appraisal Institute*

Income Approach (Part 1)- *Appraisal Institute*

Income Approach (Part 2)- *Appraisal Institute*

Report Writing and Case Studies- *Appraisal Institute*

Business Practice and Ethics- *Appraisal Institute*

Real Estate Finance - *Hardin Simmons University*

Real Estate Principles I- *Champions School of Real Estate*

Real Estate Principles II- *Champions School of Real Estate*

Law of Contracts- *Champions School of Real Estate*

Law of Agency- *Champions School of Real Estate*

Commercial Real Estate #0531- *Champions School of Real Estate*

Farm and Ranch Real Estate- *Champions School of Real Estate*

Real Estate Finance Statistics and Valuation Modeling- *Appraisal Institute*

Commercial Appraisal Review (2015)- *McKissock*

Expert Witness for Commercial Appraisers- *McKissock*

Promulgated Contract- *Champions School of Real Estate*

Real Estate Brokerage- *Champions School of Real Estate*

Appraisal of Assisted Living Facilities- *McKissock*

Appraisal of Owner-Occupied Commercial Properties- *McKissock*

Appraising Small Apartments- *McKissock*

Basic Hotel Appraising- *McKissock*

Advanced Hotel Appraising- *McKissock*

The Basics of Expert Witness for Commercial Appraisers(2019)- *McKissock*

Professional

Authorized Texas Certified General Real Estate Appraiser

No. 1380450 G

Authorized New Mexico Certified General Real Estate Appraiser

No. 03611 G

Authorized Texas Real Estate Broker License (Active)

No. 613659

Experience

Appraiser, West Texas Appraisal Associates, Abilene, TX, September 2011-present.

WT Appraisal, Inc.

Scope of Appraisal Assignments

- Office properties (commercial, retail, and medical)
- Retail Shop Centers
- Apartment Complexes and townhomes
- Hotels & Motels
- Nursing Homes & Long Term Care Facilities
- Industrial properties (warehouse, office/warehouse facilities, etc.)
- Vacant Land
- Farms (Irrigated and Non-Irrigated)
- Ranches (100 acres to 50,000+ acres)
- Game Ranches (700 acres to 5,000 acres)
- Agricultural properties (dairies, feed lots, feed mills, processing facilities, poultry farms, etc.)
- Special purpose properties including mini-warehouses, storage units, car dealerships, restaurants, RV-parks, mobile home parks, grocery stores, convenience stores, etc.
- Commercial Evaluations
- Texas Department of Transportation Right of Way Projects (TX-DOT-ROW)
- Feasibility and Market Studies
- Electric Line and Underground Pipeline Right of Way Projects
- Testimony as Expert Witness (U.S. Bankruptcy Court, Special Commissioners Hearing)

Personal

Farming background- Taylor County and Jones County, Texas.
Member- Southside Baptist Church
Member - Board of Directors (Love & Care Ministries)
Member- Board of Young Associates (HSU)
Former Hardin Simmons Baseball Player 2008-2011
Married; three children

WT Appraisal, Inc.

THIS IS TO CERTIFY THAT

Samuel Paul Walker
Real Estate Appraiser Board

is licensed / registered by the New Mexico Regulation and Licensing Department
in accordance with provisions of laws in the State of New Mexico

License / Registration No.	License / Registration Type
03611-G	General Certified Appraiser
Issue Date	Expiration Date
05/18/2018	04/30/2026

The bearer is prohibited by law from using this identification card to give the
impression that they are in any way connected with a governmental agency

Signature of holder:

Samuel Paul Walker
1302 Petroleum Drive, Building B,
Abilene, TX 79602



NMRLD

NEW MEXICO
REGULATION &
LICENSING DEPARTMENT

State of New Mexico

Real Estate Appraisers

HEREBY CERTIFIES THAT

Samuel Paul Walker

HAVING GIVEN SATISFACTORY EVIDENCE OF THE COMPLETION OF
PROFESSIONAL AND OTHER REQUIREMENTS PRESCRIBED BY LAW
IS GRANTED A LICENSE TO PRACTICE IN THE STATE OF NEW MEXICO

General Certified Appraiser

License No. 03611-G

Issued 05/18/2018

Expires 04/30/2026

THIS LICENSE SHOULD BE CONSPICUOUSLY POSTED IN PLACE OF BUSINESS OR AS REQUIRED BY LAW



QUALIFICATIONS OF CAGE RILEY

Educational

B.S.- Agricultural Economics; Eastern New Mexico University, Portales, NM, 2009.

Completed Course Work and Continuing Education:

Basic Procedures Course - *McKissock*

Basic Principles Course - *McKissock*

Uniform Standards of Professional Appraisal Practice - *McKissock*

General Appraiser Site Valuation and Cost Approach - *McKissock*

General Appraiser Market Analysis and Highest and Best Use - *McKissock*

General Appraiser Sales Comparison Approach - *McKissock*

Real Estate Statistics, Modeling, and Finance - *McKissock*

General Appraiser Income Approach - *McKissock*

General Report Writing & Case Studies - *McKissock*

Commercial Appraisal Review - *McKissock*

Professional

New Mexico Certified General Appraiser

No. REA-2025-0142

American Society of Agricultural Appraisers

Appraiser No. 06260/08239/08506

Experience

Appraiser, West Texas Appraisal Associates, Abilene, TX

District Manager, ChampionX, Artesia, NM

Scope of Appraisal Assignments

- | | |
|---------------------------------------|-------------------------------|
| - Farms (Irrigated & Non-Irrigated) | - Industrial Properties |
| - Ranches (100 acres to 90,000 acres) | - Light Industrial Warehouses |
| - Vacant Land | - Service Stations |
| - Hotels & Motels | - Convenience Stores |
| - Car Washes | - Restaurants |
| - Apartment Complexes | - Office Properties |

Personal

Farming/Ranching Background - Curry/Roosevelt/De Baca County, New Mexico.

Oilfield Business Management - Permian Basin Area

Member- West Main Baptist Church, Artesia, NM

Member- American Society of Agricultural Appraisers

Married; Two Children

WT Appraisal, Inc.

Cage W. Riley
Real Estate Appraiser Board

Cage W. Riley
3200 Yeso Rd.,
Roswell, NM 88201

REA-2025-0142

General Certified Appraiser

08/12/2025

04/30/2027



Real Estate Appraiser Board

HEREBY CERTIFIES THAT

Cage W. Riley

HAVING GIVEN SATISFACTORY EVIDENCE OF THE COMPLETION OF
PROFESSIONAL AND OTHER REQUIREMENTS PRESCRIBED BY LAW
IS GRANTED A LICENSE TO PRACTICE IN THE STATE OF NEW MEXICO

General Certified Appraiser

License No. REA-2025-0142

Issued 08/12/2025

Expires 04/30/2027

THIS LICENSE SHOULD BE CONSPICUOUSLY POSTED IN PLACE OF BUSINESS OR AS REQUIRED BY LAW

LETTER OF ENGAGEMENT

WT Appraisal, Inc.

AGREEMENT FOR PROFESSIONAL APPRAISAL SERVICES

Appraisal Assignment

DATE OF AGREEMENT: October 27, 2025

PARTIES TO AGREEMENT:

Client:

Mr. Todd Verciglio
Office: 575-637-6224
Cell: 575-626-1766

Appraiser:

WT Appraisal, Inc.
1302-B Petroleum Drive
Abilene, TX 79602
325-692-5039 office
800-340-5039
325-692-1587 fax
clintbum@wtappraisal.com

Client hereby engages Appraiser to complete an Appraisal assignment as follows:

PROPERTY IDENTIFICATION

108.6 acres and 77.8 acres located in Chaves County, New Mexico

PROPERTY TYPE

Irrigated Farmland

INTEREST VALUED

Fee Simple – Surface Only

INTENDED USERS

Mr. Todd Verciglio and associated parties.

Note: No other users are intended by Appraiser. Appraiser shall consider the intended users when determining the level of detail to be provided in the Appraisal Report.

PROPOSED DELIVERY DATE

30 Days from the date agreement is signed

NUMBER OF COPIES

PDF w/ Hard copies upon request

PAYMENT TO APPRAISER

\$3,500 + NM TAX = (\$ 3,786.56)

Please provide our firm with the following information if available.

- Name of person to contact for inspection
- Property Tax ID
- Survey / Plat – Building Plans
- Deed
- Mailing address for completed Appraisals
- Any additional information that would aid in our analysis of the property.

CONFIDENTIALITY

Appraiser shall not provide a copy of the written Appraisal Report to, or disclose the results of the appraisal prepared in accordance with this Agreement with, any party other than Client, unless Client authorizes, except as stipulated in the Confidentiality Section of the ETHICS RULE of the Uniform Standards of Professional Appraisal Practice (USPAP).

TESTIMONY AT COURT OR OTHER PROCEEDINGS

Unless otherwise stated in this Agreement, Client agrees that Appraiser's assignment pursuant to this Agreement shall not include the Appraiser's participation in or preparation for, whether voluntarily or pursuant to subpoena, any oral or written discovery, sworn testimony in a judicial, arbitration or administrative proceeding, or attendance at any judicial, arbitration, or administrative proceeding relating to this assignment.

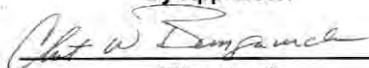
APPRAISER INDEPENDENCE

Appraiser cannot agree to provide a value opinion that is contingent on a predetermined amount. Appraiser cannot guarantee the outcome of the assignment in advance. Appraiser cannot ensure that the opinion of value developed because of this Assignment will serve to facilitate any specific objective by Client or others or advance any particular cause. Appraiser's opinion of value will be developed competently and with independence, impartiality, and objectivity.

GOVERNING LAW & JURISDICTION

The interpretation and enforcement of this Agreement shall be governed by the laws of the state in which the Appraiser's principal place of business is located, exclusive of any choice of law rules.

By Appraiser:


(Signature)

Clint W. Bumguardner

(Printed name)

10/27/2025

(Date)

By Client:


(Signature)

Todd Veroy
(Printed name)

10/27/25
(Date)



Subject Property Overview



Wastewater Pump



Subject Irrigation System



Subject Southwest of E.19th and N. Red Bridge Intersection



Rio Hondo Draw

To: Legal Committee

From: Omarr Mendoza/ Property Tech

Date: 5.12.2026

Re: **Waste water expansion project**

Pursuant to applicable requirements, the following written communication is submitted regarding the proposed contract identified above.

1. Circumstances of the Contract

The proposed transaction includes the purchase of approximately 77.8 acres adjacent to the existing Wastewater Department property as part of an expansion project. A Purchase and Sale Agreement (PSA) has been executed by both the seller, L&K Waggoner LLC, and the buyer, City of Roswell, to facilitate the sale process. The transaction is being presented for approval with an anticipated closing date on or before June 30, 2026.

The subject property was appraised at fair market value by Clint Bumguardner of WT Appraisals in the amount of \$1,050,000.00. Following negotiations, the PSA purchase price was established at \$850,000.00, excluding water rights.

As part of the agreement, the seller will retain the ability to continue farming the irrigated portion of the property until such time as the City begins construction of the new facility.

2. Benefits of the Purchase

Benefits for future expansion for the wastewater treatment plant.

3. Responsibilities Under the Contract

The city is responsible for the completion of boundary survey prior to closing as well as paying for title insurance package through Landmark Title, said cost will not be included in the purchase price.

4. Advantages of the Contract/Purchase

Purchase for this property will allow for future growth and development and is cost effective based on property being adjacent to the existing plant

5. Appraised Value of the Property

The appraised value of the property subject to this contract is:
\$1,050,000.00

Supporting appraisal documentation: property has been independently appraised by Clint Bumguardner of WT APPRAISALS

Recommendation

To: Legal Committee

From: Omarr Mendoza/ Property Tech
Date: 5.12.2026
Re: **Waste water expansion project**

Pursuant to applicable requirements, the following written communication is submitted regarding the proposed contract identified above.

1. Circumstances of the Contract

The proposed transaction includes the purchase of approximately 77.8 acres adjacent to the existing Wastewater Department property as part of an expansion project. A Purchase and Sale Agreement (PSA) has been executed by both the seller, L&K Waggoner LLC, and the buyer, City of Roswell, to facilitate the sale process. The transaction is being presented for approval with an anticipated closing date on or before June 30, 2026.

The subject property was appraised at fair market value by Clint Bumguardner of WT Appraisals in the amount of \$1,050,000.00. Following negotiations, the PSA purchase price was established at \$850,000.00, excluding water rights.

As part of the agreement, the seller will retain the ability to continue farming the irrigated portion of the property until such time as the City begins construction of the new facility.

2. Benefits of the Purchase

Describe the anticipated benefits associated with the contract, including any public, operational, financial, strategic, or community advantages.

3. Responsibilities Under the Contract

The city is responsible for the completion of boundary survey prior to closing as well as paying for title insurance package through Landmark Title, said cost will not be included in the purchase price.

4. Advantages of the Contract/Purchase

Provide an explanation of the specific advantages of entering into the contract, including efficiencies, cost savings, service improvements, or long-term value.

The overall advantages of expanding the waste water infrastructure is th

5. Appraised Value of the Property

The appraised value of the property subject to this contract is:
\$1,050,000.00

Supporting appraisal documentation: property has been independently appraised by Clint Bumguardner of WT APPRAISALS

Recommendation

Based on the information provided above, it is recommended that the governing body approve the proposed contract.

Respectfully,

Omarr Mendoza
Property Tech
Community Development

**ROSWELL NEW MEXICO
COMMITTEE AGENDA ITEM ABSTRACT**

Finance Committee

15.

Meeting Date: 06/04/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

ACTION REQUESTED:

Consider recommending the adoption of Resolution 26-XX approving a budget adjustment for the fiscal year ending June 30, 2026. (Gomez)

BACKGROUND:

Initiated by: Toni Gomez

The New Mexico Department of Finance Administration (DFA) requires governing body approval for any budget adjustment that increases or decreases revenue or expenditures in the approved budget. The finance department is requesting approval of budget adjustments, as summarized in Exhibit "A", to align the City's FY2025-2026 budget with current funding allocations. These adjustments include updates to various grants, transfers, and departmental budgets.

FINANCIAL CONSIDERATION:

Financial Impact (Revenue & Expense): Budget adjustments are reflected across multiple funds and departments as detailed in Exhibit "A". The total impact of these adjustments is summarized below:

Revenue: \$62,607.62

Expenses: \$1,177,815.31

LEGAL REVIEW:

Budget adjustments are reflected across multiple funds and departments as detailed in Exhibit "A".

BOARD AND COMMITTEE ACTION:

Consider recommending the adoption of Resolution 26-XX approving a budget adjustment for the fiscal year ending June 30, 2026.

STAFF RECOMMENDATION:

Staff recommends considering the adoption of Resolution 26-XX approving a budget adjustment for the fiscal year ending June 30, 2026.

Attachments

Exhibit A
Resolution 26-XX

City of Roswell
Budget Adjustment
June 2026

Fund	Department		Category (Revenue/Expense)	Description	Proposed Adjustment (+/-)
Library		2690	486300 Revenue	Library Donations	23,888.69
Library		2690	483200 Revenue	Interest Income on Library's Investment	982.87
Police		2690	486200 Revenue	Police Donations	6,745.00
Animal Control		2690	486206 Revenue	Animal Control Donations	200.00
Fire		2690	486250 Revenue	Fire Donations	12,512.65
Zoo		2690	486410 Revenue	Zoo Donations	17,413.21
Visitor Center		2690	486950 Revenue	Visitor Center Donations	865.20
					<u>62,607.62</u>
					<u>62,607.62</u>
Waste Water Engineering		53014355	817501 Expense	Land Purchase (2306 E College Blvd)	110,000.00
Convention Center		11014135	654801 Expense	Design Professional Services for Flood Repair	365,953.00
Golf		26214252	654801 Expense	Design Professional Services for Flood Repair	509,546.00
		26134233	654801 Expense	Design Professional Services for Flood Repair	20,012.00
Zoo		26124232	654801 Expense	Design Professional Services for Flood Repair	75,000.00
Adult Center		26154243	654801 Expense	Design Professional Services for Flood Repair	97,304.31
					<u>1,177,815.31</u>
					<u>1,177,815.31</u>

RESOLUTION 26-XX

A RESOLUTION OF THE CITY OF ROSWELL, NEW MEXICO, AMENDING THE BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2026, FOR VARIOUS GRANTS AND OTHER DEPARTMENTS.

WHEREAS, the governing body of the City of Roswell, State of New Mexico, has previously approved a budget for the fiscal year 2025-2026, ending June 30, 2026; and

WHEREAS, the City of Roswell desires to amend said budget for \$62,607.62 in revenues and \$1,177,815.31 in expenses, detailed in Exhibit A and summarized below:

- Various Funds: Revenues \$62,607.62 and Expenses \$1,177,815.31

WHEREAS, it is the majority opinion of the Governing Body that the proposed amended budget continues to meet fiscal requirements as currently determined for the fiscal year 2025-2026.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL AS THE GOVERNING BODY OF THE CITY OF ROSWELL, NEW MEXICO, hereby adopts the budget adjustment hereinabove described and respectfully requests approval for the same from the Local Government Division of the Department of Finance and Administration, State of New Mexico.

PASSED, ADOPTED, SIGNED, and APPROVED the 11th day of June 2026.

CITY SEAL

Timothy Z. Jennings, Mayor

ATTEST:

Amalia Martinez, City Clerk

**ROSWELL NEW MEXICO
COMMITTEE AGENDA ITEM ABSTRACT**

Finance Committee

16.

Meeting Date: 06/04/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

ACTION REQUESTED:

Ordinance 26-04: Authorize to advertise for a public hearing on proposed Ordinance 26-04, An Ordinance Amending the City of Roswell's Purchasing Procedures. (Nairn-Mahan)

BACKGROUND:

Initiated by: Councilor Edward Heldenbrand / Internal Auditor Judy Scharmer / City Manager

The original proposed ordinance by Councilor Heldenbrand sought to clarify what procurements and contracts need to be presented to the council, when, and how the City manager may promulgate policies and procedures. Since the initial drafting of the proposed ordinance, the City hired an Internal Auditor. As part of her services, the auditor shall "[c]ommunicate with City Leadership, including the City Manager, the Mayor, the Finance and Audit Committee, any identified deficiencies and weaknesses, and make recommendations for improvements on a regular basis." At the February Governing Body meeting, at the request of the City Manager, this proposed ordinance was referred by the Governing Body to the Legal Committee for consideration in light of the Internal Auditor's suggestions. The Internal Auditor's initial report to the Audit Committee is in draft, but due to the timing and subject matter of the proposed ordinance, the City Manager placed the suggestions before the legal committee.

FINANCIAL CONSIDERATION:

No financial impact at this time.

LEGAL REVIEW:

Both proposals are legally sufficient.

BOARD AND COMMITTEE ACTION:

This item was referred to the Legal Committee by the Governing Body. This is the first time the Auditor's suggestions will be presented to the Legal Committee. The Legal Committee approved 4-1 at its meeting on February 26, 2026. The City Council voted 6-5, with Mayor Jennings voting in favor to break the tie. At the April 9, 2026, City Council meeting, this item was referred back to the Finance Committee while the City's Internal Auditor works with Management to develop and review relevant policies and procedures.

STAFF RECOMMENDATION:

Given the Internal Auditor's recommendations and justification, the staff recommends adoption of the auditor's proposal.

Attachments

Ordinance
Procurement Current
Procurement EH
Procurement Auditor

Finance and Audit Committee Memorandum

TO: Finance and Audit Committee

FROM: Judy Scharmer, Internal Auditor

DATE: 03 February, 2026

SUBJECT: Purchasing Thresholds, Management Delegation, and Preservation of Council Oversight

Purpose

This memorandum explains the rationale for proposed revisions to Ordinance 26-01 that establish defined purchasing thresholds, delegate routine purchasing authority to City management, and enhance transparency and fiscal oversight for the City Council, particularly through the Finance and Audit Committee.

Council Authority and Governance Are Preserved

The proposed revisions do not diminish the City Council's ability to govern. The Council retains full authority to adopt the annual budget and appropriate public funds, approve all unbudgeted expenditures regardless of amount, approve high-value and policy-significant contracts, oversee City finances through committee review, reporting, and audits, and require ratification of emergency procurements. These revisions clarify the distinction between Council's governance and policy responsibilities and management's administrative execution within Council-approved limits.

Why Purchasing Thresholds Are Appropriate

Clear purchasing thresholds are a recognized best practice in municipal government. They focus Council review on transactions that present material fiscal or policy risk, reduce delays and administrative burden for routine, budgeted operations, and improve accountability by establishing predictable and transparent approval standards. The proposed thresholds—\$250,000 annual contract value or \$500,000 aggregate multi-year commitment—are intended to capture transactions that meaningfully affect the City’s financial position while allowing efficient daily operations.

Unbudgeted Expenditures Remain a Council Decision

Under the proposed ordinance, any purchase or contract that is not budgeted or appropriated must receive Council approval, regardless of dollar amount. This preserves the Council’s authority over public funds and ensures management cannot commit the City to expenditures outside the adopted budget.

Transparency and Oversight Are Strengthened

Rather than requiring pre-approval of routine transactions, the ordinance emphasizes ongoing transparency, including monthly purchasing and contract reports to the Finance Committee, disclosure of large purchases, sole-source and emergency procurements, and reporting of significant contract amendments and cumulative spending. This approach allows Council to monitor trends, ask informed questions, and intervene when necessary.

Conclusion

The proposed purchasing framework balances efficient administration with strong fiscal oversight, preserves the City Council’s governing authority, reinforces transparency and accountability, and enables professional management to operate effectively within Council-approved budgets and policies.

ORDINANCE 26-04

AN ORDINANCE AMENDING THE CITY OF ROSWELL'S PURCHASING PROCEDURES

WHEREAS, The City of Roswell is a local public body subject to the Procurement Code NMSA 1978, § 13-1-67, *and*

WHEREAS, The City has the authority enter into contracts and to procure personal property and services per NMSA 1978, § 3-18-1 *and*

WHEREAS, The Governing Body shall control the finances and property of the municipality, appropriate money for municipal purposes only, and provide for payment of debts and expenses of the municipality, NMSA 1978, § 3-37-2.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF ROSWELL, NEW MEXICO, that:

SECTION Chapter 2 of the Roswell Code is amended as follows

ARTICLE V. PURCHASING PROCEDURES

Sec. 2-141. Application of procurement code.

- (a) "Procurement code" shall mean the provisions of the New Mexico Procurement Code as set forth in NMSA 1978, § 13-1-28 through 13-1-199, and all amendments thereto following the effective date of this article.
- (b) The City of Roswell, as a non-charter municipality in the State of New Mexico, is subject to the provisions of the procurement code.
- (c) The purchasing division of the finance department shall be the central purchasing office for the city, as that term is defined in the procurement code.
- (d) The city manager is authorized to adopt and amend policies and procedures for purchases of tangible personal property, services and construction on behalf of the city that are consistent with the provisions of the procurement code. The policies and procedures shall be updated to conform to changes made to the procurement code by the state legislature. The city manager may adopt additional requirements and controls for procurements which are more restrictive than the procurement code.
- (e) The threshold amounts set forth under the definition of "small purchases" under the procurement code (NMSA 1978, § 13-1-125), as may be amended, shall apply as part of the

city's policies and procedures for the purchases of tangible personal property, services and construction on behalf of the city.

(f) All purchases of tangible personal property, services and construction on behalf of the city shall be subject to the city's policies and procedures for purchasing unless otherwise exempted by the provisions of the procurement code.

PASSED, ADOPTED, SIGNED and APPROVED _____, _____.

CITY SEAL

Timothy Z. Jennings, Mayor

ATTEST

Amalia Martinez, City Clerk

Councilor Heldenbrand Proposal
ORDINANCE 26-04

AN ORDINANCE AMENDING THE CITY OF ROSWELL'S PURCHASING PROCEDURES

WHEREAS, The City of Roswell is a local public body subject to the Procurement Code NMSA 1978, § 13-1-67, *and*

WHEREAS, The City has the authority enter into contracts and to procure personal property and services per NMSA 1978, § 3-18-1 *and*

WHEREAS, The Governing Body shall control the finances and property of the municipality, appropriate money for municipal purposes only, and provide for payment of debts and expenses of the municipality, NMSA 1978, § 3-37-2.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF ROSWELL, NEW MEXICO, that:

SECTION Chapter 2 of the Roswell Code is amended as follows

ARTICLE V. PURCHASING PROCEDURES

Sec. 2-141. Application of procurement code.

- (a) "Procurement code" shall mean the provisions of the New Mexico Procurement Code as set forth in NMSA 1978, § 13-1-28 through 13-1-199, and all amendments thereto following the effective date of this article.
- (b) The City of Roswell, as a non-charter municipality in the State of New Mexico, is subject to the provisions of the procurement code.
- (c) The purchasing division of the finance department shall be the central purchasing office for the city, as that term is defined in the procurement code.
- (d) Following a 30-day notice and comment period to the Governing Body, the city manager is authorized to adopt and amend policies and procedures for purchases of tangible personal property, services and construction on behalf of the city that are consistent with the provisions of the procurement code. The policies and procedures shall be updated to conform to changes made to the procurement code by the state legislature. The city manager may adopt additional requirements and controls for procurements which are more restrictive than the procurement code.

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.....

Sec.

(a) Before execution, any subject to the procurement code valued over \$60,00.00 per annum shall be approved by the governing body, excluding emergency procurements, which shall be ratified as circumstances require.

1. Procurements under existing coappropriated for the applic

2. Monthly, all purchases made subject to existing contracts shall be presented to the Finance Committee.

(b) Whenever a competitive sealed proposal is required under the procurement code, the award of such a proposal shall be approved by the Governing Body.

(c) The City Manager shall cause to be presented to the appropriate Governing Body committee, for prior approval, any competitive sealed proposal whose cost is not appropriated for the applicable fiscal year. Such presentation shall include the best estimate of anticipated costs for the proposal.

1. Any competitive sealed proposal whose cost is not budgeted for the fiscal year by the

Secs. 2-142-180. Reserved.

Internal Auditor Recommendation
ORDINANCE 26-04

**AN ORDINANCE AMENDING THE CITY OF ROSWELL'S PURCHASING
PROCEDURES**

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Section Chapter 2 of the Roswell Code is amended as follows:

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- (e) The threshold amounts set forth under the definition of "small purchases" under the procurement code (NMSA 1978, § 13-1-125), as may be amended, shall

apply as part of the city's policies and procedures for the purchases of tangible personal property, services, and construction on behalf of the city.

- (f) All purchases of tangible personal property, services, and construction on behalf of the city shall be subject to the city's policies and procedures for purchasing unless otherwise exempted by the provisions of the procurement code.

.....

Sec. 2-14

- a) Delegation of authority (budgeted purchases).

Within appropriations approved by the Governing Body in the annual budget, the City Manager or designee is authorized to approve and execute purchases, contracts, and amendments in accordance with the thresholds set forth in this section.

- b)

Governing Body approval is required prior to execution for: (1) any unbudgeted or unappropriated expenditure, regardless of amount; (2) any contract with an Annual Contract Value exceeding \$250,000; (3) any contract with an aggregate multi-year commitment exceeding \$500,000

- c) Competitive sealed proposal awards shall require Governing Body approval only when unbudgeted or when the Annual Contract Value exceeds \$250,000 or the aggregate multi-year commitment exceeds \$500,000. All other budgeted awards may be approved by the City Manager.
- d) The City Manager shall provide the Finance Committee with a
- e) In an emergency as defined by the Procurement Code, the City Manager may approve necessary procurements without prior Governing Body approval to protect life, safety, or property. Such actions shall be reported to the Finance Committee at the next regular meeting and presented to the Governing Body for
- f) Competitive sealed proposal awards shall require Governing Body approval only when unbudgeted or when the Annual Contract Value exceeds \$250,000 or the aggregate multi-year commitment exceeds \$500,000. All other budgeted awards may be approved by the City Manager.

Sec. 2-14

PASSED, ADOPTED, SIGNED and APPROVED _____, _____.

CITY SEAL

Timothy Z. Jennings, Mayor

ATTEST

Amalia Martinez, City Clerk

**ROSWELL NEW MEXICO
COMMITTEE AGENDA ITEM ABSTRACT**

Finance Committee

17.

Meeting Date: 06/04/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

ACTION REQUESTED:

Consider recommendation of approval of the MainStreet Roswell funding request of \$75,000 for Fiscal Year 2027. (Conyers)

BACKGROUND:

Initiated by TJ Conyers

The requested funding will support downtown revitalization efforts and initiatives aimed at enhancing economic development, historic preservation, and community engagement within the MainStreet district.

MainStreet Roswell focuses on strengthening the downtown corridor through business recruitment and retention, support for local entrepreneurs, and the promotion of existing businesses. Key initiatives include beautification and placemaking projects, organization of community events and festivals, marketing and promotion of downtown Roswell, and preservation of historic assets that contribute to the area's unique character.

Approval of this funding request will allow MainStreet Roswell to continue implementing strategic programs that drive foot traffic, support small business growth, and enhance the overall vitality and attractiveness of downtown Roswell as a destination for residents and visitors alike.

FINANCIAL CONSIDERATION:

Financial Impact (Revenue & Expense): Included in the FY27 Proposed Budget

Expense: 11014261-654831 (Public Affairs - Contract-Economic Development Services)

LEGAL REVIEW:

The agreement has no requested changes and will be renewed July 1, 2026

BOARD AND COMMITTEE ACTION:

None

STAFF RECOMMENDATION:

Approve the MainStreet Roswell funding request of \$75,000 for Fiscal Year 2027.

Attachments

FY27 MSR Funding Request
February 2026 Financial Statements
Statement of Financial Position
Statement of Activity



Revenue Source	Amount	Remarks	
City of Roswell	\$ 75,000.00	projected	14%
Chaves County	\$ 50,000.00	projected	10%
Grants	\$ 25,000.00		
UFO Festival Sponsor	\$ 102,000.00	actual	20%
Lodgers Tax - UFO Festival Advertisement	\$ 20,000.00	actual	4%
UFO Festival - income	\$ 40,000.00	projected	8%
MainStreet Events	\$ 2,000.00	projected	0%
Capital Outlay Funding	\$ 200,000.00	projected	39%
Friends of MainStreet Roswell	\$ 5,000.00	projected	1%
Total (est.)	\$ 519,000.00		

Expenses	Amount	Remarks	
Internet	\$ 1,000.00	currently \$670	0.20%
Postage	\$ 1,300.00	est.	0.26%
Office Expense (supplies)	\$ 1,250.00		0.25%
Storage	\$ 840.00	Red Planet	0.17%
Computers, software, systems	\$ 4,000.00	Adobe, Quickbooks, Eventenee	0.80%
Telephones, Telecom	\$ 1,200.00		0.24%
Payment Systems	\$ 800.00	Square Reader	0.16%
Insurance / Liability, D and O	\$ 4,304.00		0.86%
Taxes	\$ 800.00	GRT	0.16%
UFO Festival	\$ 122,000.00	includes advertising	24.44%
MainStreet Events	\$ 4,300.00		0.86%
Travel and Meetings	\$ 2,500.00		0.50%
Contract Services (Accounting, etc)	\$ 1,000.00		0.20%
Advertising (General)	\$ 4,000.00		0.80%
MSR Regranting Program	\$ 25,000.00		5.01%
Revitalization Program	\$ 200,000.00		40.06%
Bank Fees	\$ 100.00		0.02%
Salaries	\$ 100,000.00		20.03%
Payroll Taxes	\$ 5,800.00		1.16%
Employee Benefits	\$ 20,000.00	UI and Workman's Comp	4.01%
Bonuses			0.00%
Miscellaneous			0.00%
Total (est.)	\$ 499,194.00		
Net Excess	\$ 19,806.00		

Budget vs. Actuals_Budget_FY25_P&L_Report

January 1-December 31, 2025

DISTRIBUTION ACCOUNT	TOTAL			
	ACTUAL	BUDGET	MONEY REMAINING	PERCENT REMAINING
Income				
42000 Spring Fund Raiser	\$0.00	\$0.00	\$0.00	
42105 Spring Fund Raiser Donation	125.00	0.00	-125.00	
Total for 42000 Spring Fund Raiser	\$125.00	\$0.00	-\$125.00	
42101 Fundraising Events	\$0.00	\$0.00	\$0.00	
42102 Ticket Sales	815.00	0.00	-815.00	
42103 Fund raising proceeds	0.00	5,000.00	5,000.00	100.0 %
Total for 42101 Fundraising Events	\$815.00	\$5,000.00	\$4,185.00	83.7 %
43400 Direct Public Support	\$0.00	\$0.00	\$0.00	
43410 PSA with City	56,250.00	75,000.00	18,750.00	25.0 %
Total for 43400 Direct Public Support	\$56,250.00	\$75,000.00	\$18,750.00	25.0 %
45000 Investments	\$0.00	\$0.00	\$0.00	
45030 Interest-Savings, Short-term CD	55.60	100.00	44.40	44.4 %
Total for 45000 Investments	\$55.60	\$100.00	\$44.40	44.4 %
46500 UFO/Alien Fest	\$0.00	\$0.00	\$0.00	
46501 UFO Alien Fest Vendors	37,465.00	30,000.00	-7,465.00	-24.88 %
46502 UFO/Alien Fest Sponsorship	56,500.00	15,000.00	-41,500.00	-276.67 %
46503 UFO/Alien Fest Merchandise	8,176.01	0.00	-8,176.01	
46508 Lodgers Tax Reimbursement	20,000.00	20,000.00	0.00	0.0 %
46505 UFO/Alien Fest Donations	0.00	500.00	500.00	100.0 %
46512 UFO/Alienfest In Kind donation	0.00	200.00	200.00	100.0 %
56504 City of Roswell Reimb. Gen. Fun	0.00	50,000.00	50,000.00	100.0 %
Total for 46500 UFO/Alien Fest	\$122,141.01	\$115,700.00	-\$6,441.01	-5.57 %
46600 Holiday Events & Other Events	\$0.00	\$0.00	\$0.00	
46601 Holiday Lights Donations	1,000.00	15,000.00	14,000.00	93.33 %
46605 Holiday Events Sponsor	1,000.00	1,500.00	500.00	33.33 %
46604 Holiday Events Vendors	0.00	1,200.00	1,200.00	100.0 %
Total for 46600 Holiday Events & Other Events	\$2,000.00	\$17,700.00	\$15,700.00	88.7 %
47500 Farmers Market Income	\$2,891.00	\$0.00	-\$2,891.00	
47501 Farmers Market Income	-584.97	5,200.00	5,784.97	111.25 %
Total for 47500 Farmers Market Income	\$2,306.03	\$5,200.00	\$2,893.97	55.65 %
49000 Caps to Benches	350.00	0.00	-350.00	
46300 ChileCheese	\$0.00	\$0.00	\$0.00	
46301 Chile Cheese Vendor Fee	0.00	900.00	900.00	100.0 %
46302 Chile Cheese Sponsorship	0.00	2,000.00	2,000.00	100.0 %
Total for 46300 ChileCheese	\$0.00	\$2,900.00	\$2,900.00	100.0 %

Budget vs. Actuals_Budget_FY25_P&L_Report
January 1-December 31, 2025

DISTRIBUTION ACCOUNT	TOTAL			
	ACTUAL	BUDGET	MONEY REMAINING	PERCENT REMAINING
48000 Misc. Income	\$0.00	\$0.00	\$0.00	
48001 Donations	0.00	500.00	500.00	100.0 %
48002 RDR Ads	0.00	75.00	75.00	100.0 %
Total for 48000 Misc. Income	\$0.00	\$575.00	\$575.00	100.0 %
Total for Income	\$184,042.64	\$222,175.00	\$38,132.36	17.16 %
Cost of Goods Sold	0.00	0.00	0.00	
Gross Profit	\$184,042.64	\$222,175.00	\$38,132.36	17.16 %
Expenses				
10015 Petty Cash Events	0.00	0.00	0.00	
60900 Business Expenses	\$105.78	\$0.00	-\$105.78	
60920 Business License	126.00	0.00	-126.00	
Total for 60900 Business Expenses	\$231.78	\$0.00	-\$231.78	
62100 Contract Services	\$0.00	\$0.00	\$0.00	
62110 Accounting Fees	950.49	3,200.00	2,249.51	70.3 %
62120 Office Consulting	273.00	0.00	-273.00	
Total for 62100 Contract Services	\$1,223.49	\$3,200.00	\$1,976.51	61.77 %
65000 Operations	\$0.00	\$0.00	\$0.00	
65005 Advertising	500.00	0.00	-500.00	
65010 Books, Subscriptions, Reference	126.00	0.00	-126.00	
65017 Internet Expense	619.23	300.00	-319.23	-106.41 %
65020 Postage, Mailing Service	877.44	400.00	-477.44	-119.36 %
65030 Printing and Copying	75.07	0.00	-75.07	
65035 Office Expenses	413.65	2,000.00	1,586.35	79.32 %
65040 Supplies	422.29	600.00	177.71	29.62 %
65048 Storage	630.00	1,120.00	490.00	43.75 %
65049 Computers, software, systems	8,226.46	7,500.00	-726.46	-9.69 %
65050 Telephone, Telecommunications	702.87	2,000.00	1,297.13	64.86 %
65055 Web Hosting	378.98	700.00	321.02	45.86 %
65056 Donation	-500.00	0.00	500.00	
65045 Training	0.00	50.00	50.00	100.0 %
Total for 65000 Operations	\$12,471.99	\$14,670.00	\$2,198.01	14.98 %
65012 Fees for Square Reader	517.62	50.00	-467.62	-935.24 %
65060 UFO Festival/Alien Fest	\$0.00	\$0.00	\$0.00	
65061 UFO/Alien Advertising	5,410.38	2,000.00	-3,410.38	-170.52 %
65062 UFO/Alien Fest Entertainment	41,518.58	50,000.00	8,481.42	16.96 %
65064 UFO/Alien Fest Meals/Lodging	5,443.50	3,000.00	-2,443.50	-81.45 %
65065 UFO/Alien Fest Printing	1,446.56	0.00	-1,446.56	
65066 UFO/Alien Fest Supplies	1,528.52	5,000.00	3,471.48	69.43 %
65067 UFO/Alien Fest Security	18,089.34	18,000.00	-89.34	-0.5 %

Budget vs. Actuals_Budget_FY25_P&L_Report

January 1-December 31, 2025

DISTRIBUTION ACCOUNT	TOTAL			
	ACTUAL	BUDGET	MONEY REMAINING	PERCENT REMAINING
65068 UFO/Alien Fest Merchandise	6,177.70	9,000.00	2,822.30	31.36 %
65069 UFO/Alien Fest Contest Prizes	-499.98	2,400.00	2,899.98	120.83 %
Total for 65060 UFO Festival/Alien Fest	\$79,114.60	\$89,400.00	\$10,285.40	11.5 %
65080 Farmers Market	\$0.00	\$0.00	\$0.00	
65084 Farmers Market other expenses	35.00	50.00	15.00	30.0 %
65082 Farmers Market Rentals	0.00	500.00	500.00	100.0 %
65083 Farmers Market Supplies	0.00	500.00	500.00	100.0 %
Total for 65080 Farmers Market	\$35.00	\$1,050.00	\$1,015.00	96.67 %
65090 Other Events	\$0.00	\$0.00	\$0.00	
65091 Other Events Advertising	268.88	0.00	-268.88	
65094 Other Events Misc. expenses	0.00	0.00	0.00	
Total for 65090 Other Events	\$268.88	\$0.00	-\$268.88	
65100 Other Types of Expenses	\$0.00	\$0.00	\$0.00	
65120 Insurance - Liability, D and O	3,714.00	4,500.00	786.00	17.47 %
65180 Gross Receipts Tax	831.25	750.00	-81.25	-10.83 %
65160 Other Costs	0.00	100.00	100.00	100.0 %
Total for 65100 Other Types of Expenses	\$4,545.25	\$5,350.00	\$804.75	15.04 %
65101 UFO Stipends	3,600.00	0.00	-3,600.00	
65500 City Spon. Expense UFO/Alienfes	\$0.00	\$0.00	\$0.00	
65504 Meals and Lodging	940.44	500.00	-440.44	-88.09 %
Total for 65500 City Spon. Expense UFO/Alienfes	\$940.44	\$500.00	-\$440.44	-88.09 %
66000 Salary Expenses	\$0.00	\$0.00	\$0.00	
66010 Payroll Taxes	2,035.72	4,500.00	2,464.28	54.76 %
66050 Director's Salary	31,065.69	58,150.00	27,084.31	46.58 %
66015 Workmans Comp	0.00	20.00	20.00	100.0 %
66020 Unemployment Insurance	0.00	105.00	105.00	100.0 %
Total for 66000 Salary Expenses	\$33,101.41	\$62,775.00	\$29,673.59	47.27 %
66100 Holiday Events	\$0.00	\$0.00	\$0.00	
66104 Holiday Lights Advertising	215.79	300.00	84.21	28.07 %
66105 Holiday Event Vendor Dep. Reim.	10,250.10	0.00	-10,250.10	
Holiday Street Closures	1,006.00	1,500.00	494.00	32.93 %
66101 Holiday Lights Supplies	0.00	1,100.00	1,100.00	100.0 %
66102 Holiday Lights Inst. and Remova	0.00	22,000.00	22,000.00	100.0 %
66107 Holiday Entertainment Expensse	0.00	2,200.00	2,200.00	100.0 %
66108 Holiday Events Prizes	0.00	1,250.00	1,250.00	100.0 %
66109 PayPal Fees Holiday Events	0.00	75.00	75.00	100.0 %
66111 Security	0.00	600.00	600.00	100.0 %
Total for 66100 Holiday Events	\$11,471.89	\$29,025.00	\$17,553.11	60.48 %

Budget vs. Actuals_Budget_FY25_P&L_Report
January 1-December 31, 2025

DISTRIBUTION ACCOUNT	TOTAL			
	ACTUAL	BUDGET	MONEY REMAINING	PERCENT REMAINING
66125 Contests	\$0.00	\$0.00	\$0.00	
66126 Parade Contest Winners	216.71	250.00	33.29	13.32 %
Total for 66125 Contests	\$216.71	\$250.00	\$33.29	13.32 %
66200 Caps to Benches Expenses	\$0.00	\$0.00	\$0.00	
66201 Bench Purchase	-350.00	0.00	350.00	
Total for 66200 Caps to Benches Expenses	-\$350.00	\$0.00	\$350.00	
68300 Travel and Meetings	\$0.00	\$0.00	\$0.00	
68310 Conference, Convention, Meeting	116.47	100.00	-16.47	-16.47 %
68320 Travel and Meals	92.79	700.00	607.21	86.74 %
Total for 68300 Travel and Meetings	\$209.26	\$800.00	\$590.74	73.84 %
Payroll Expenses	\$0.00	\$0.00	\$0.00	
Taxes	2,825.30	1,000.00	-1,825.30	-182.53 %
Wages	9,441.68	10,000.00	558.32	5.58 %
Total for Payroll Expenses	\$12,266.98	\$11,000.00	-\$1,266.98	-11.52 %
65008 Bank Fees	0.00	1,200.00	1,200.00	100.0 %
65070 Chile Chesse Festival	\$0.00	\$0.00	\$0.00	
65072 Chile Cheese Entertainment	0.00	500.00	500.00	100.0 %
65073 Chile Cheese Rentals	0.00	350.00	350.00	100.0 %
65074 Chile Cheese Supplies	0.00	800.00	800.00	100.0 %
Total for 65070 Chile Chesse Festival	\$0.00	\$1,650.00	\$1,650.00	100.0 %
Uncategorized Expense	0.00	400.00	400.00	100.0 %
Total for Expenses	\$159,865.30	\$221,320.00	\$61,454.70	27.77 %
Net Operating Income	42,927.34	\$24,177.34	-\$23,322.34	-2727.76 %
Other Income	0.00	0.00	0.00	
Other Expenses	0.00	0.00	0.00	
Net Other Income	\$0.00	\$0.00	\$0.00	
Net Income	\$24,177.34	\$855.00	-\$23,322.34	-2727.76 %

42,927.34

Management Report

MainStreet Roswell

For the period ended February

Prepared by

Rosario (Rosy) Rubio

Prepared on

March 26, 2026

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Statement of Activity

February 2026

	Total
REVENUE	
43400 Direct Public Support	
43410 PSA with City	37,500.00
Total 43400 Direct Public Support	37,500.00
45000 Investments	
45030 Interest-Savings, Short-term CD	5.00
Total 45000 Investments	5.00
46600 Holiday Events & Other Events	250.00
48000 Misc. Income	665.48
51000 250th Birthday Celebration	
51001 Event Sponsorship	12,040.00
51003 Merchandise Sales	75.00
Total 51000 250th Birthday Celebration	12,115.00
Total Revenue	50,535.48
GROSS PROFIT	50,535.48
EXPENDITURES	
65000 Operations	
65017 Internet Expense	70.00
65035 Office Expenses	15.56
65040 Supplies	29.41
65048 Storage	70.00
65049 Computers, software, systems	14.06
65050 Telephone, Telecommunications	82.98
Total 65000 Operations	282.01
65012 Fees for Square Reader	38.71
65090 Other Events	
65091 Other Events Advertising	631.76
65093 Other Events Supplies	129.92
65094 Other Events Misc. expenses	5.00
Total 65090 Other Events	766.68
65100 Other Types of Expenses	
65120 Insurance - Liability, D and O	1,579.00
Total 65100 Other Types of Expenses	1,579.00
66000 Salary Expenses	
66050 Director's Salary	4,720.84
Total 66000 Salary Expenses	4,720.84
68300 Travel and Meetings	
68310 Conference, Convention, Meeting	360.33
68320 Travel and Meals	34.06
Total 68300 Travel and Meetings	394.39
95000 250th Birthday Celebration*	

	Total
95001 Advertising	8,512.49
95002 Merchandise	175.00
95003 Office Expenses	19.50
Total 95000 250th Birthday Celebration*	8,706.99
Payroll Expenses	
Taxes	376.72
Total Payroll Expenses	376.72
Unapplied Cash Bill Payment Expense	1,831.81
Total Expenditures	18,697.15
NET OPERATING REVENUE	31,838.33
NET REVENUE	\$31,838.33

Statement of Financial Position

As of February 28, 2026

	Total
ASSETS	
Current Assets	
Bank Accounts	
10000 MSR CHECKING 6665	33,067.48
10001 MSR Savings 4377	15,863.42
10007 Farmers Market 6783	17,359.90
10012 MainStreet Roswell Alienfest	40,151.89
10020 250th BD (8731) - 1	8,408.01
Total Bank Accounts	114,850.70
Other Current Assets	
10005 Petty Cash	100.00
10010 PayPal	354.70
QuickBooks Tax Holding Account	902.02
Total Other Current Assets	1,356.72
Total Current Assets	116,207.42
Fixed Assets	
15000 Furniture and Equipment	33,110.86
15500 Accumulated Depreciation	-33,110.86
Total Fixed Assets	0.00
TOTAL ASSETS	\$116,207.42
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 Accounts Payable	-2,619.04
Total Accounts Payable	-2,619.04
Other Current Liabilities	
24000 Payroll Liabilities	808.42
Federal Taxes (941/943/944)	2,386.32
NM Income Tax	1,322.04
NM Unemployment Tax	62.83
NM Worker's Compensation Fee	0.50
Total 24000 Payroll Liabilities	4,580.11
Total Other Current Liabilities	4,580.11
Total Current Liabilities	1,961.07
Long-Term Liabilities	
27200 Other Liabilities	321.78
Total Long-Term Liabilities	321.78
Total Liabilities	2,282.85
Equity	
30000 Opening Balance Equity	82,503.42

	Total
32000 Unrestricted Net Assets	4,300.62
Net Revenue	27,120.53
Total Equity	113,924.57
TOTAL LIABILITIES AND EQUITY	\$116,207.42

Statement of Activity YTD Comparison

February 2026

	TOTAL	
	Feb 1 - Feb 28 2026	Jan 1 - Feb 28 2026 (YTD)
Income		
10011 Bank Fee Refund	0.00	0.00
43400 Direct Public Support		
43410 PSA with City	37,500.00	37,500.00
Total for 43400 Direct Public Support	\$37,500.00	\$37,500.00
45000 Investments		
45030 Interest-Savings, Short-term CD	5.00	10.56
Total for 45000 Investments	\$5.00	\$10.56
46600 Holiday Events & Other Events	250.00	250.00
48000 Misc. Income	665.48	665.48
51000 250th Birthday Celebration		
51001 Event Sponsorship	12,040.00	17,040.00
51003 Merchandise Sales	75.00	75.00
Total for 51000 250th Birthday Celebration	\$12,115.00	\$17,115.00
250th		0.00
Total for Income	\$50,535.48	\$55,541.04
Cost of Goods Sold		
Gross Profit	\$50,535.48	\$55,541.04
Expenses		
65000 Operations		
65017 Internet Expense	70.00	140.00
65035 Office Expenses	15.56	78.97
65040 Supplies	29.41	29.41
65048 Storage	70.00	140.00
65049 Computers, software, systems	14.06	3,786.20
65050 Telephone, Telecommunications	82.98	166.09
Total for 65000 Operations	\$282.01	\$4,340.67
65012 Fees for Square Reader	38.71	49.54
65090 Other Events		
65091 Other Events Advertising	631.76	631.76
65093 Other Events Supplies	129.92	129.92
65094 Other Events Misc. expenses	5.00	5.00
Total for 65090 Other Events	\$766.68	\$766.68
65100 Other Types of Expenses		
65120 Insurance - Liability, D and O	1,579.00	1,579.00
Total for 65100 Other Types of	\$1,579.00	\$1,579.00

TOTAL		
	Feb 1 - Feb 28 2026	Jan 1 - Feb 28 2026 (YTD)
Expenses		
66000 Salary Expenses		
66050 Director's Salary	4,720.84	9,441.68
Total for 66000 Salary Expenses	\$4,720.84	\$9,441.68
68300 Travel and Meetings		
68310 Conference, Convention, Meeting	360.33	399.22
68320 Travel and Meals	34.06	96.32
Total for 68300 Travel and Meetings	\$394.39	\$495.54
95000 250th Birthday Celebration*		
95001 Advertising	8,512.49	8,512.49
95002 Merchandise	175.00	175.00
95003 Office Expenses	19.50	19.50
Total for 95000 250th Birthday Celebration*	\$8,706.99	\$8,706.99
Payroll Expenses		
Taxes	376.72	755.99
Total for Payroll Expenses	\$376.72	\$755.99
Unapplied Cash Bill Payment Expense	1,831.81	1,831.81
65060 UFO Festival/Alien Fest		
65064 UFO/Alien Fest Meals/Lodging		100.28
65069 UFO/Alien Fest Contest Prizes		75.00
Total for 65060 UFO Festival/Alien Fest		\$175.28
65500 City Spon. Expense UFO/Alienfes		
65504 Meals and Lodging		18.56
Total for 65500 City Spon. Expense UFO/Alienfes		\$18.56
66100 Holiday Events		
66101 Holiday Lights Supplies		58.77
66107 Holiday Entertainment Expense		50.00
66108 Holiday Events Prizes		150.00
Total for 66100 Holiday Events		\$258.77
Total for Expenses	\$18,697.15	\$28,420.51
Net Operating Income	\$31,838.33	\$27,120.53
Other Income		
Other Expenses		
Net Other Income		
Net Income	\$31,838.33	\$27,120.53

Statement of Financial Position
Mainstreet Roswell
As of February 28, 2026

	Total
Assets	
Current Assets	
Bank Accounts	
10000 MSR CHECKING 6665	33,067.48
10001 MSR Savings 4377	15,863.42
10007 Farmers Market 6783	17,359.90
10012 MainStreet Roswell Alienfest	40,151.89
10020 250th BD (8731) - 1	8,408.01
Total for Bank Accounts	\$114,850.70
Other Current Assets	
10005 Petty Cash	100.00
10010 PayPal	354.70
12000 Undeposited Funds	0.00
QuickBooks Tax Holding Account	902.02
Total for Other Current Assets	\$1,356.72
Total for Current Assets	\$116,207.42
Fixed Assets	
15000 Furniture and Equipment	33,110.86
15500 Accumulated Depreciation	-33,110.86
Total for Fixed Assets	\$0.00
Total for Assets	\$116,207.42
Liabilities and Equity	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 Accounts Payable	-2,619.04
Total for Accounts Payable	-\$2,619.04
Other Current Liabilities	
24000 Payroll Liabilities	808.42
Federal Taxes (941/943/944)	2,386.32
NM Income Tax	1,322.04
NM Unemployment Tax	62.83
NM Worker's Compensation Fee	0.50
Total for 24000 Payroll Liabilities	\$4,580.11
28001 PPP Loan 2nd	0.00
90000 PPP Loan Forgiveness	0.00
Direct Deposit Payable	0.00
Total for Other Current Liabilities	\$4,580.11

Total for Current Liabilities	\$1,961.07
Long-term Liabilities	
27200 Other Liabilities	321.78
28000 PPP Loan	0.00
Total for Long-term Liabilities	\$321.78
Total for Liabilities	\$2,282.85
Equity	
30000 Opening Balance Equity	82,503.42
32000 Unrestricted Net Assets	4,300.62
Net Income	27,120.53
Total for Equity	\$113,924.57
Total for Liabilities and Equity	\$116,207.42

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Statement of Activity
Mainstreet Roswell
July, 2025-February, 2026

	Total
Income	
10011 Bank Fee Refund	10.83
250th	0.00
43400 Direct Public Support	
43410 PSA with City	56,250.00
Total for 43400 Direct Public Support	\$56,250.00
45000 Investments	
45030 Interest-Savings, Short-term CD	52.88
Total for 45000 Investments	\$52.88
46300 ChileCheese	
46301 Chile Cheese Vendor Fee	1,850.00
46302 Chile Cheese Sponsorship	1,000.00
46304 Chile Cheese Donation	2,000.00
Total for 46300 ChileCheese	\$4,850.00
46500 UFO/Alien Fest	432.14
46501 UFO Alien Fest Vendors	505.00
46502 UFO/Alien Fest Sponsorship	3,500.00
46503 UFO/Alien Fest Merchandise	8,176.01
Total for 46500 UFO/Alien Fest	\$12,613.15
46600 Holiday Events & Other Events	250.00
46601 Holiday Lights Donations	23,270.00
46604 Holiday Events Vendors	585.00
46605 Holiday Events Sponsor	1,850.00
Total for 46600 Holiday Events & Other Events	\$25,955.00
47500 Farmers Market Income	4,143.00
47501 Farmers Market Income	-444.97
Total for 47500 Farmers Market Income	\$3,698.03
48000 Misc. Income	665.48
51000 250th Birthday Celebration	
51001 Event Sponsorship	17,040.00
51003 Merchandise Sales	75.00
Total for 51000 250th Birthday Celebration	\$17,115.00
Total for Income	\$121,210.37
Gross Profit	\$121,210.37
Expenses	
10015 Petty Cash Events	0.00
60900 Business Expenses	105.78
60920 Business License	126.00

Total for 60900 Business Expenses	\$231.78
65000 Operations	
65017 Internet Expense	560.00
65020 Postage, Mailing Service	349.44
65035 Office Expenses	931.13
65040 Supplies	55.78
65048 Storage	570.00
65049 Computers, software, systems	4,977.89
65050 Telephone, Telecommunications	679.18
Total for 65000 Operations	\$8,123.42
65008 Bank Fees	10.00
65012 Fees for Square Reader	423.61
65060 UFO Festival/Alien Fest	
65061 UFO/Alien Advertising	2,633.49
65062 UFO/Alien Fest Entertainment	26,453.06
65064 UFO/Alien Fest Meals/Lodging	5,543.78
65065 UFO/Alien Fest Printing	1,446.56
65066 UFO/Alien Fest Supplies	2,089.17
65067 UFO/Alien Fest Security	6,487.93
65068 UFO/Alien Fest Merchandise	206.25
65069 UFO/Alien Fest Contest Prizes	732.90
Total for 65060 UFO Festival/Alien Fest	\$45,593.14
65070 Chile Chesse Festival	
65072 Chile Cheese Entertainment	2,632.80
65076 Chile Cheese Prize Payout	15.00
65077 Chile Cheese other expenses	336.00
Total for 65070 Chile Chesse Festival	\$2,983.80
65080 Farmers Market	
65081 Farmers Market Advertisement	541.58
Total for 65080 Farmers Market	\$541.58
65090 Other Events	
65091 Other Events Advertising	1,225.45
65093 Other Events Supplies	129.92
65094 Other Events Misc. expenses	5.00
Total for 65090 Other Events	\$1,360.37
65100 Other Types of Expenses	
65120 Insurance - Liability, D and O	3,394.00
Total for 65100 Other Types of Expenses	\$3,394.00
65101 UFO Stipends	3,600.00
65500 City Spon. Expense UFO/Alienfes	
65504 Meals and Lodging	18.56
Total for 65500 City Spon. Expense UFO/Alienfes	\$18.56
66000 Salary Expenses	

66020 Unemployment Insurance	254.44
66050 Director's Salary	38,766.72
Total for 66000 Salary Expenses	\$39,021.16
66100 Holiday Events	602.45
66101 Holiday Lights Supplies	436.02
66102 Holiday Lights Inst. and Remova	9,285.73
66106 Movie Rental Holiday Events	541.36
66107 Holiday Entertainment Expense	1,050.00
66108 Holiday Events Prizes	150.00
66111 Security	493.71
Total for 66100 Holiday Events	\$12,559.27
66125 Contests	
66126 Parade Contest Winners	280.81
66127 Parade of Windows	108.00
Total for 66125 Contests	\$388.81
68300 Travel and Meetings	10.00
68310 Conference, Convention, Meeting	438.11
68320 Travel and Meals	508.32
Total for 68300 Travel and Meetings	\$956.43
95000 250th Birthday Celebration*	
95001 Advertising	8,512.49
95002 Merchandise	175.00
95003 Office Expenses	19.50
Total for 95000 250th Birthday Celebration*	\$8,706.99
Payroll Expenses	
Taxes	3,036.95
Total for Payroll Expenses	\$3,036.95
Unapplied Cash Bill Payment Expense	5,712.96
Total for Expenses	\$136,662.83
Net Operating Income	-\$15,452.46
Net Other Income	
Net Income	-\$15,452.46

Cash Basis Friday, March 27, 2026 10:50 AM GMT-06:00