OFFICIAL STATEMENT DATED JUNE 25, 2020

\$12,500,000 ALBUQUERQUE METROPOLITAN ARROYO FLOOD CONTROL AUTHORITY, NEW MEXICO General Obligation Bonds, Series 2020

NEW ISSUE Moody's Rating: Aaa Book-Entry Only Standard & Poor's Rating: AAA

DATED DATE: July 16, 2020

Due Date: August 1 as shown on next page

PURPOSE

The Bonds are being offered for the purpose of extending, bettering, altering, reconstructing, repairing and otherwise improving the Albuquerque Metropolitan Arroyo Flood Control Authority's ("Authority") flood control system.

THE BONDS

The Bonds are issuable as fully registered bonds and when initially issued will be registered in the name of Cede & Co. as nominee of the Depository Trust Company, New York, New York ("DTC"). Purchases of the Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through a DTC Participant. Beneficial owners of the Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Bonds. Interest on the Bonds is payable on each February 1 and August 1, commencing August 1, 2020. As long as DTC or its nominee is the registered owner of the Bonds, reference in this Official Statement to registered owner will mean Cede & Co., and payments of principal of and interest on the Bonds will be made directly to DTC by the Paying Agent. Disbursements of such payments to DTC Participants is the responsibility of DTC. See "The Bonds - Book-Entry Only System." The Finance and Administration Manager (or successor in function) of the Authority is the Registrar and Paying Agent for the Bonds.

OPTIONAL REDEMPTION

Bonds maturing on and after August 1, 2028 are subject to optional redemption on August 1, 2027, or anytime thereafter at par plus accrued interest to the redemption date.

SECURITY

The Bonds are general obligations of the Albuquerque Metropolitan Arroyo Flood Control Authority, New Mexico, payable from general (ad valorem) property taxes which are required to be levied against all taxable property within the Authority's without limitation as to rate or amount.

BOND AND TAX OPINION

In the opinion of Modrall, Sperling, Roehl, Harris & Sisk, P.A., Bond Counsel, under existing laws, regulations, rulings and judicial decisions, and assuming compliance with certain covenants described in "TAX MATTERS" herein, interest on the Bonds (including original issue discount treated as interest) (a) is excludable from the gross income of the recipients thereof for federal income tax purposes, under Section 103 of the Internal Revenue Code of 1986, as amended (b) is not an item of tax preference under Section 57 of the Internal Revenue Code of 1986, as amended, for purposes of the federal alternative minimum tax imposed on individuals. Bond Counsel is also of the opinion based on existing laws of the State of New Mexico as enacted and construed that interest on the Bonds is exempt from all taxation by the State of New Mexico or any political subdivision thereof. For a more complete description of such opinion of Bond Counsel and a description of certain provisions of the Internal Revenue Code of 1986, as amended, which may affect the federal tax treatment of interest on the Bonds for certain owners of such bonds, see "TAX MATTERS" herein.

DELIVERY

When, as and if issued, through DTC's facilities, on or about July 16, 2020.

	\$12,500,000 - General Obligation Bonds, Series 2020												
Year (8/1)	F	Principal	Interest Rate	Yield	Cusip# 013572	Year (8/1)	Principal	Interest Rate	Yield	Cusip # 013572			
2020	\$	700,000	4.000%	0.250%	MC3	2025	\$1,200,000	3.000%	0.680%	MH2			
2021		100,000	4.000%	0.300%	MD1	2026	2,000,000	3.000%	0.840%	MJ8			
2022		250,000	2.000%	0.370%	ME9	2027	2,000,000	2.000%	0.980%	MK5			
2023		1,000,000	3.000%	0.400%	MF6	2028	2,000,000	2.000%	1.05% ^C	ML3			
2024		1,000,000	3.000%	0.560%	MG4	2029	2,250,000	2.000%	1.15% ^C	MM1			

⁽C) Denotes maturities priced to the optional redemption date of August 1, 2027

ALBUQUERQUE METROPOLITAN ARROYO FLOOD CONTROL AUTHORITY, NEW MEXICO

2600 Prospect, NE Albuquerque, New Mexico 87107 (505) 884-2215

BOARD OF DIRECTORS

Bruce M. Thomson, Ph.D., P.E, Chair Ronald D. Brown, Vice-Chair Deborah L. Stover, Secretary-Treasurer Tim Eichenberg, Assistant Secretary-Treasurer Cynthia D. Borrego, Director

ADMINISTRATION

Jerry M. Lovato, P.E., Executive Engineer Herman Chavez, CPA, Finance and Administration Manager

MUNICIPAL ADVISOR

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PAYING AGENT/REGISTRAR

Albuquerque Metropolitan Arroyo Flood Control Authority 2600 Prospect, NE Albuquerque, New Mexico 87107 (505) 884-2215

PURCHASER

Morgan Stanley 1585 Broadway, 2nd Floor New York, NY 10036 (212) 761-1541

A Few Words About Official Statements

Official statements for municipal securities issues – like this one – contain the only "official" information about a particular issue of municipal securities. This Official Statement is not an offer to sell or solicitation of an offer to buy Bonds in any jurisdiction where it is unlawful to make such offer, solicitation or sale and no unlawful offer, solicitation or sale of the Bonds may occur through this Official Statement or otherwise. This Official Statement is not a contract and provides no investment advice. Investors should consult their advisors and legal counsel with their questions about this Official Statement, the Bonds or anything else related to this issue.

For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission ("Rule 15c2-12"), this document constitutes an Official Statement of the Authority with respect to the Series 2020 Bonds that has been deemed "final" by the Authority as of its date, except for the omission of no more than the information permitted by Rule 15c2-12.

The information set forth or included in this Official Statement has been provided by the Authority and from other sources believed by the Authority to be reliable. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale hereunder shall create any implication that there has been no change in the financial condition or operations of the Authority described herein since the date hereof. This Official Statement contains, in part, estimates and matters of opinion that are not intended as statements of fact, and no representation or warranty is made as to the correctness of such estimates and opinions or that they will be realized.

Bond Counsel, Modrall, Sperling, Roehl, Harris & Sisk, P.A., Albuquerque, New Mexico, was not requested and did not take part in the preparation of the Official Statement nor has such firm undertaken to independently verify any of the information contained herein. Such firm has no responsibility for the accuracy or completeness of any information furnished in connection with any offer or sale of the Bonds in the Official Statement or otherwise. The legal fees to be paid to bond counsel for services rendered in connection with the issuance of the Bonds are contingent, in part, upon the sale and delivery of such Bonds and all legal fees will be paid from bond proceeds.

Morgan Stanley & Co. LLC., an underwriter of the Bonds, has entered into a distribution agreement with its affiliate, Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley & Co. LLC may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Bonds.

Any part of this Official Statement may change at any time, without prior notice. Also, important information about the Authority and other relevant matters may change after the date of this Official Statement.

All document summaries are just that - they are not complete or definitive, and they may omit relevant information. Such documents are qualified in their entirety to the complete documents. Any investor who wishes to review the full text of documents may request them at no cost from the Authority or the Municipal Advisor.

TABLE OF CONTENTS

THE ISSUER	
PLAN OF FINANCE	
SECURITY	
LIMITED ROLE OF AUDITORS	
COVID-19	
Infection Disease Outbreak – COVID-19	
Potential Impact of COVID-19	
PURPOSE	
THE BONDS	
Authorization	
Bond Registrar and Paying Agent	
Payment of Principal and Interest; Record Date	
Prior Redemption	
Exchange or Transfer of Bonds	
LIMITED BOOK-ENTRY RESPONSIBILITIES	
SECURITY AND REMEDIES	
Legal Matters	
Limitations on Remedies Available to Owners of Bonds	
DEBT AND OTHER FINANCIAL OBLIGATIONS	
Statement of Estimated Direct and Overlapping Debt	!
Outstanding Debt	
Debt Service Requirements	!
Debt Ratios	
TAX BASE	
Analysis of Assessed Valuation	
History of Assessed Valuation	
Tax Rates	
Major Taxpayers	(
Yield Control Limitation	
Developments Limiting Residential Property Tax Increases	(
Tax Collections	11
Tax Collections on Local and Centrally Assessed Property in Bernalillo County	1 ⁻
THE AUTHORITY	1 ⁻
Powers	1
Board of Directors and Administration	1
FINANCES OF THE AUTHORITY	1
General Fund Revenues, Expenditures and Changes in Fund Balances	1
General Fund Balance Sheet	1

Statement of Net Assets	15
Statement of Activities	16
TAX MATTERS	16
General	16
Internal Revenue Service Audit Program	17
Original Issue Premium	17
LITIGATION	
RATINGS	17
THE MUNICIPAL ADVISOR	17
LEGAL MATTERS	18
CONTINUING DISCLOSURE UNDERTAKING	18
Event Notices	18
Limitations and Amendments	18
Compliance with Prior Undertakings	19
ADDITIONAL MATTERS	19
A LAST WORD	19

APPENDICES:

- A. Economic & Demographic Information
 B. Excerpt on June 30, 2019 Audited Financial Statement
 C. Book entry System
 D. Form of Bond Counsel Opinion
 E. Form of Continuing Disclosure Undertaking

\$12,500,000 ALBUQUERQUE METROPOLITAN ARROYO FLOOD CONTROL AUTHORITY, NEW MEXICO General Obligation Bonds, Series 2020

THE ISSUER

The Authority was organized under the Arroyo Flood Control Act, Sections 72-16-1 through 72-16-103, NMSA 1978. The Authority operates under a Board of Directors as a quasi-municipal corporation. The purpose of the Authority is to acquire and maintain a flood control system within its boundaries, in order to promote the health, safety, prosperity, security and general welfare of its inhabitants. Generally stated, the area of the Authority constitutes the portion of Bernalillo County bounded:

- on the east by the Cibola National Forestry boundary;
- on the south by the Isleta Indian Pueblo Grant boundary:
- on the west the divide between the Rio Grande and the Rio Puerco watersheds; and
- on the north by the Sandoval County line and the Sandia Pueblo Grant boundary.

PLAN OF FINANCE

The Bonds are being offered for the purpose of providing approximately \$12,500,000 for construction of the Hubbell Dam Expansion, the Ladera Dam 5 Diversion, Black Mesa Storm Drain Phase V, and D5 Dam, and continuation of the Authority's master-planning efforts or any combination of these purposes within the Authority and paying the costs of issuance of the Bonds.

SECURITY

The Bonds are general obligations of the Authority and paid from ad valorem taxes that are levied against all taxable property within the Authority. Neither the State nor the County has any responsibility to pay the debt service on the Bonds.

LIMITED ROLE OF AUDITORS

Except for the audited financial statements of the Authority for the year ended June 30, 2019, contained in Appendix B, this Official Statement presents unaudited financial and statistical information from Authority records and other sources.

COVID-19

Infection Disease Outbreak - COVID-19

A respiratory disease named "coronavirus disease 2019" ("COVID-19") has recently spread to most parts of the world, including New Mexico and throughout the U.S. On March 11, 2020, COVID-19 was declared a pandemic by the World Health Organization. Following the World Health Organization's declaration of the outbreak of COVID-19 as a pandemic, state and local governments, including the State of New Mexico, have announced orders, recommendations and other measures intended to limit the size of public gatherings and regulate public spaces intended to minimize interpersonal contact and slow the spread of COVID-19. On March 11, 2020, New Mexico Governor Michelle Lujan Grisham issued Executive Order 2020-004, declaring a state of public health emergency and directing State agencies to use all resources necessary to prepare for and respond to the outbreak. On March 13, 2020, President Donald Trump declared a national emergency to unlock federal funds to help states and local governments fight the pandemic. Governor Lujan Grisham and New Mexico Department of Health Secretary Kathyleen Kunkel have issued additional orders that, among other things, order the closure of all public schools, businesses and non-profit entities except for those deemed essential, advise the public to stay home except for necessary outings, and direct that hotels, motels, RV parks, and other places of lodging shall not operate at more than 25% of maximum occupancy and prohibit mass gatherings. Beginning June 1st. New Mexico entered the next phase of reopening that allows the previously mentioned places, restaurants and gyms to operate at a 50% capacity and the opening of hair salons, indoor malls, tattoo parlors and massage services to open at a 25% capacity. There can be no assurance that additional restrictions applicable to lodging occupancy, travel, mass gatherings, or other matters won't be imposed. Please visit Governor Lujan Grisham's website, www.governor.state.nm.us, for any additional

executive orders issued by Governor Lujan Grisham related to COVID-19.

The New Mexico Department of Health provides information relating to COVID-19 and related developments in the State of New Mexico on its website, https://cv.nmhealth.org/. The information presented on the NMDOH website is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Bonds. References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Supplement.

Potential Impact of COVID-19

The current spread of COVID-19 is altering the behavior of businesses and people in a manner that may have negative effects on economic activity, and therefore adversely affect the financial condition of the Authority, either directly or indirectly. The Authority cannot predict (i) the duration or extent of the COVID-19 outbreak/pandemic; (ii) the duration or expansion of public health orders, regulations or legislation, mandated or voluntary business closings, travel restrictions or warnings; (iii) the extent or duration of the negative effects that any COVID-19 or other outbreak/pandemic-related orders, regulations, legislation, restrictions or warnings will have on the local or global economy; (iv) the duration of lodging occupancy and travel restrictions or (v) the extent of the adverse financial impact that such circumstances or economic effects will have on ad valorem property tax collections or the Authority's financial condition. In addition, financial markets in the United States and globally have experienced significant volatility or declines in connection with the COVID-19 which may have a material impact on the market price and marketability of the Bonds and Notes.

Measures taken to prevent or reduce the spread of COVID-19 could limit the growth of or reduce economic activity in the State and the Authority, which in turn could limit the growth of or reduce the Authority's ad valorem collections or negatively affect property values within the Authority. The Bonds are secured by an unlimited ad valorem tax, and the Notes are secured by Rent Payments made pursuant to the Lease, which are general obligations of the Authority, payable from general (ad valorem) property taxes which are required to be levied against all taxable property in the Authority without limitation as to rate or amount. Any reduction in the property values within the Authority may require an increase in the ad valorem tax rate required to pay such obligations. The duration, extent and impact of COVID-19 on the New Mexico economy and the Authority's revenues, expenses, cash flow and property tax valuations is uncertain and cannot be quantified at this time. The Authority continues to monitor the spread of COVID-19 and is working with local, state, and national authorities to address the potential impact of the COVID-19 pandemic upon the Authority. While the potential impact of the COVID-19 pandemic on the Authority cannot be quantified at this time, the continued outbreak of COVID-19 could have an adverse effect on the Authority's operations and financial condition. Notwithstanding the foregoing, the Authority does not believe that the impacts of the spread of COVID-19 will have a material adverse effect on its ability to pay debt service on the Bonds or the Notes.

The financial data contained herein are the latest available, but are as of dates and periods prior to the economic impact of COVID-19.

PURPOSE

The Albuquerque Metropolitan Arroyo Flood Control Authority will issue Bonds for the purpose of extending, bettering, altering, reconstructing, repairing and otherwise improving the Authority's flood control system. The Bonds represent the first increment of bonds authorized at an election held by the Authority on November 6, 2018.

THE BONDS

The Bonds are general obligation bonds to be issued by the Authority in the total principal amount of \$12,500,000 and are dated the date of delivery. The Bonds are issued as fully registered bonds in denominations of \$5,000 or integral multiples thereof, bearing interest from their date to maturity at the rates specified on the inside cover page of this Official Statement payable semiannually on February 1 and August 1 each year, commencing on August 1, 2020, and maturing serially, as set forth on the inside cover page of this Official Statement.

Authorization

The Bonds are being issued pursuant to the Board's powers under Section 72-16-1 through Section 72-16-103, NMSA 1978, as amended and supplemented, the Constitution and other laws of the State, and a resolution of the Board adopted May 28, 2020 (the "Bond Resolution").

Bond Registrar and Paying Agent

The Authority will serve as the Registrar (the "Registrar") and Paying Agent (the "Paying Agent") for the Bonds.

The Bonds will be issued in book-entry only form through the facilities of the Depository Trust Company, New York, New York.

Payment of Principal and Interest; Record Date

The principal of the Bonds is payable to the registered owners of the Bonds at the principal office of the Paying Agent. Interest on the Bonds payable by check or draft of the Paying Agent mailed on or before each interest payment date to the registered owners of the Bonds as of the close of business on the fifteenth day of the month preceding the interest payment date (the "Regular Record Date") at the addresses appearing in the registration books maintained by the Registrar; but any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner thereof at the close of business on the Regular Record Date and shall be payable to the person who is the registered owner thereof at the close of business on the date to be fixed by the Registrar whenever moneys become available for the payment of defaulted interest (the "Special Record Date").

Prior Redemption

Bonds maturing on and after August 1, 2028 are subject to optional redemption on August 1, 2027, or anytime thereafter at par plus accrued interest to the redemption date.

Exchange or Transfer of Bonds

Books for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender for transfer of any Bond at the Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount and of the same maturity, bearing a number or numbers not contemporaneously outstanding. Bonds may be exchanged at the Registrar for an equal aggregate principal amount of Bonds of the same interest rate and maturity in other authorized denominations. The Registrar shall authenticate and deliver a Bond or Bonds that the registered owner making the exchange is entitled to receive, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of Bonds as herein provided shall be without charge to the owner or any transferee, but the Registrar may require the payment by the owner of any Bond requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such evidence, information or indemnity relating thereto as it may reasonably require, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same maturity, bearing a number or numbers not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated Bond shall have matured, the Registrar may direct the Paying Agent to pay such Bond in lieu of replacement.

LIMITED BOOK-ENTRY RESPONSIBILITIES

While a book-entry-only system is used for the Bonds, the Paying Agent/Registrar will send redemption and other notices only to DTC. Any failure of DTC to advise any DTC Participant or of any DTC Participant to notify any Beneficial Owner (as defined in Appendix C), of any notice and its content or effect will not affect the validity or sufficiency of the proceedings relating to the Bond redemption or any other action based on the notice.

The Authority and the Financial Advisor have no responsibility or liability for any aspects of the records relating to or payments made on account of beneficial ownership, or for maintaining, supervising or reviewing any records relating to beneficial ownership of interests in the Bonds.

The Authority and the Financial Advisor cannot and do not give any assurances that DTC will distribute payments to DTC Participants or that DTC Participants or others will distribute payments with respect to the Bonds received by DTC or its nominees as the holder or any redemption notices or other notices to the beneficial holders, or that they will do so on a timely basis, or that DTC will serve and act in the manner described in this Official Statement. See "Book-Entry-Only System" in Appendix C.

If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such evidence, information or indemnity relating thereto as it may reasonably require, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same maturity, bearing a number or numbers not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated Bond shall have matured, the Registrar may direct the Paying Agent to pay such Bond in lieu of replacement.

SECURITY AND REMEDIES

The Bonds are general obligations of the Authority payable from ad valorem taxes that may be levied against all taxable property within the boundaries of the Authority without limitation of rate or amount. The Board of County Commissioners of Bernalillo County is obligated to levy and collect upon all taxable property within the Authority a tax levy sufficient, together with other legally available revenues, to meet the debt service on the Bonds. Such annual levy for debt service creates a statutory tax lien that can be enforced personally against the owner of the property and enforced by sale of the property. Neither the State nor the County has any responsibility to pay the debt service on the Bonds.

Legal Matters

Various State laws and constitutional provisions apply to the assessment and collection of ad valorem property taxes. There is no assurance that there will not be any change, interpretation of, or addition to the applicable laws, provisions, and regulations that would have a material effect, directly or indirectly, on the affairs of the Authority.

Limitations on Remedies Available to Owners of Bonds

There is no provision for acceleration of maturity of the principal of the Bonds in the event of a default in the payment of principal of or interest on the Bonds. Consequently, remedies available to the owners of the Bonds may have to be enforced from year to year.

The enforceability of the rights and remedies of the owners of the Bonds, and the obligations incurred by the Authority in issuing the Bonds, are subject to the following: the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditor's rights generally, now or hereafter in effect; usual equity principles that may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the federal Constitution; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose. Bankruptcy proceedings, or the exercise of powers by the federal or State government, if initiated, could subject the owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

DEBT AND OTHER FINANCIAL OBLIGATIONS

Section 72-16-1 et seq., NMSA 1978, as amended, limits the powers of the Authority to incur general obligation debt extending beyond the fiscal year (e.g., by issuing additional bonds). The Authority must submit any proposition to create such a debt to a vote of the qualified electors of the Authority, and a majority of those voting must vote in favor of creating the debt. The total outstanding general obligation debt of the Authority may not exceed \$80,000,000.

The assessed valuation of taxable property within the Authority is \$15,931,512,861 for the 2019 tax year. (See "TAX BASE - Analysis of Assessed Valuation" herein.)

\$ 15,931,512,861
56,316,197,403 ⁽¹⁾
\$ 59,465,000
(10,727,886) (2)
\$ <u>48,737,114</u>
0.31%
0.09%
\$71.81
678,700
·

- (1) Actual valuation is computed by adding exemptions to the assessed valuation and multiplying the result by three.
- (2) The cash balance as of 6/1/2020 was \$7,115,481.47. The amount properly attributable to principal reduction is 84%.

Statement of Estimated Direct and Overlapping Debt

The following is a calculation which is useful to investors in assessing the debt load and per capita debt of the Authority payable from property taxes. In addition to the outstanding debt of the Authority, the calculation takes into account debt attributable to other taxing entities that are the responsibility of taxpayers within the boundaries of the Authority.

Municipal Entity	2019 Assessed Valuation	G/O Debt Outstanding	Percent Applicable	Amount
State of New Mexico	\$66,906,427,722	\$421,700,000	23.81%	\$100,413,655
Bernalillo County	17,172,340,660	88,690,000	92.77%	82,281,496
City of Albuquerque	14,121,194,592	389,221,000	100.00%	389,221,000
Central NM Community College	19,889,521,255	98,985,000	80.10%	79,287,017
Village of Los Ranchos	282,690,846	2,255,000	100.00%	2,255,000
Albuquerque Public Schools	17,476,514,827	570,770,000	91.16%	520,311,383
AMAFCA	15,931,512,861	59,465,000	100.00%	59,465,000
Total Direct & Overlapping Debt				\$1,233,234,550

Ratio of Estimated Direct & Overlapping Debt to 2019 Assessed Valuation:	7.74%
Ratio of Estimated Direct & Overlapping Debt to 2019 Estimated Actual Valuation:	2.19%
Per Capita Direct & Overlapping Debt:	\$1,817.05

Outstanding Debt

The Authority has issued debt in the past for various flood control improvements. A list of outstanding issues including the Bonds, follows:

GENERAL OBLIGATION BONDS											
Original Issue Final Principal											
Series	Amount	Maturity	0	utstanding							
2014	\$ 12,500,000	08/01/2021	\$	5,800,000							
2015	12,500,000	08/01/2022		7,000,000							
2016	12,500,000	08/01/2025		8,550,000							
2017	12,500,000	08/01/2026		6,200,000							
2018	12,500,000	08/01/2027		8,960,000							
2019	12,500,000	08/01/2028		10,455,000							
2020	12,500,000	08/01/2029		12,500,000							
Total	\$ 87,500,000		\$	59,465,000							

Debt Service Requirements

Current Requirements						Series 2020			Total Requirements				Principal					
Year		Principal		Interest		Total		Principal		Interest	Total		Principal	Interest		Total	Retired	Cummulative
2020	\$	8,765,000	\$	1,718,300	\$	10,483,300	\$	700,000	\$	13,250	\$ 713,250	\$	9,465,000	\$ 1,731,550	\$	11,196,550	9,465,000	15.92%
2021		8,360,000		1,412,050		9,772,050		100,000		290,000	390,000		8,460,000	1,702,050		10,162,050	8,460,000	30.14%
2022		6,775,000		1,115,050		7,890,050		250,000		286,000	536,000		7,025,000	1,401,050		8,426,050	7,025,000	41.96%
2023		4,920,000		847,800		5,767,800		1,000,000		281,000	1,281,000		5,920,000	1,128,800		7,048,800	5,920,000	51.91%
2024		5,145,000		630,800		5,775,800		1,000,000		251,000	1,251,000		6,145,000	881,800		7,026,800	6,145,000	62.25%
2025		5,360,000		438,750		5,798,750		1,200,000		221,000	1,421,000		6,560,000	659,750		7,219,750	6,560,000	73.28%
2026		3,655,000		237,100		3,892,100		2,000,000		185,000	2,185,000		5,655,000	422,100		6,077,100	5,655,000	82.79%
2027		2,685,000		92,700		2,777,700		2,000,000		125,000	2,125,000		4,685,000	217,700		4,902,700	4,685,000	90.67%
2028		1,300,000		26,000		1,326,000		2,000,000		85,000	2,085,000		3,300,000	111,000		3,411,000	3,300,000	96.22%
2029								2,250,000		45,000	2,295,000		2,250,000	45,000		2,295,000	2,250,000	100.00%
Total	\$	46,965,000	\$	6,518,550	\$	53,483,550	\$	12,500,000	\$	1,782,250	\$ 14,282,250	\$	59,465,000	\$ 8,300,800	\$	67,765,800	\$ 59,465,000	

Debt Ratios

Selected Debt Ratios

2019 Assessed Valuation	\$15,931,512,861
2019 Estimated Actual Valuation	\$56,316,197,403 ⁽¹⁾
District Net Debt as a Percentage of	
Assessed Valuation	0.31%
Estimated Actual Valuation	0.09%
Direct and Overlapping Debt as a % of	
Assessed Valuation	7.74%
Estimated Actual Valuation	2.19%
Estimated Population	678,700
District General Obligation Debt	
Current Outstanding Debt (including the Bonds)	\$ 59,465,000
District Net General Obligation Debt	\$48,737,114
Estimated Direct & Overlapping G/O Debt	\$1,233,234,550
District Net Debt Per Capita	\$71.81
Direct & Overlapping Debt Per Capita	\$1,817.05

⁽¹⁾ Actual valuation is computed by adding exemptions to the assessed valuation and multiplying the result by three.

TAX BASE

Analysis of Assessed Valuation

Assessed valuation of property within the Authority is calculated as follows: of the total estimated actual valuation of all taxable property in the Authority, 33-1/3% is legally subject to ad valorem taxes. The actual value of personal property within the Authority is determined by the County Assessor. The actual value of certain corporate property within the Authority is determined by the State of New Mexico, Taxation and Revenue Department, Property Tax Division. After deduction of certain personal exemptions, the 2019 Assessed Valuation is \$15,931,512,861. Below is a history of Assessed Valuation.

	2019	2018	2017	2016	2015
Assessments					
Value of Land	\$5,264,949,919	\$5,178,576,419	\$5,067,045,191	\$5,036,527,346	\$5,885,730,766
Improvements	12,521,826,751	12,046,517,727	11,596,238,280	11,198,367,681	11,425,556,170
Personal Property	491,780,769	476,803,792	453,923,440	437,523,297	423,500,136
Mobile Homes	35,549,941	40,227,008	40,235,980	39,900,905	46,846,269
Livestock	823,682	792,044	873,523	1,296,833	643,266
Assessors Total Taxable Value	\$18,314,931,062	\$17,742,916,990	\$17,158,316,414	\$16,713,616,062	\$17,782,276,607
Less Exemptions					
Head of Family	\$188,713,481	\$189,666,168	\$190,403,775	\$191,112,077	\$196,285,547
Veterans	306,621,766	295,472,658	287,302,579	276,295,754	109,788,393
Other	2,345,217,693	2,307,740,543	2,241,946,701	2,253,722,937	3,736,505,082
Total Exemptions	\$2,840,552,940	\$2,792,879,369	\$2,719,653,055	\$2,721,130,768	\$4,042,579,022
Assessors Net Taxable Value	\$15,478,387,122	\$14,950,037,621	\$14,438,663,359	\$13,992,485,294	\$13,739,697,585
Centrally Assessed	453,134,739	487,992,412	484,785,455	465,509,090	468,981,742
Total Assessed Valuation	\$15,931,521,861	\$15,438,030,033	\$14,923,448,814	\$14,457,994,384	\$14,208,679,327
	2019	2018	2017	2016	2015
Residential	\$12,225,431,975	\$11,726,593,706	\$11,234,417,245	\$10,794,783,246	\$10,514,280,082
Non-Residential	3,706,080,886	3,711,436,327	3,689,031,569	3,663,211,138	3,694,399,245
Total	\$15,931,512,861	\$15,438,030,033	\$14,923,448,814	\$14,457,994,384	\$14,208,679,327

Source: Bernalillo County Assessor's Office.

History of Assessed Valuation

The following is a history of Assessed Valuation for the Authority compared with the City of Albuquerque and Bernalillo County.

Tax Year	AMAFCA	City of Albuquerque	Bernalillo County
2019	\$15,931,512,861	\$14,121,194,592	\$17,172,340,660
2018	15,438,030,033	13,666,023,452	16,601,184,746
2017	14,923,448,814	13,251,142,082	16,116,114,678
2016	14,457,994,384	12,809,839,299	15,592,904,243
2015	14,208,679,327	12,414,140,796	15,119,077,244

Source: Bernalillo County Assessor's Office.

Tax Rates

Within 20 Mill Limit for General Purposes										
	2019	2018	2017	2016	2015					
State of New Mexico	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000					
Bernalillo County	7.105	7.022	6.996	7.090	7.245					
City of Albuquerque	6.313	6.253	6.241	6.339	6.493					
AMAFCA	0.174	0.172	0.171	0.173	0.177					
Albuquerque PSD #12	0.269	0.267	0.266	0.270	0.275					
Total	\$13.861	\$13.714	\$13.674	\$13.872	\$14.190					

Over 20 Mill Limit - Interest, Principal, Judgment, etc.								
	2019	2018	2017	2016	2015			
State of New Mexico	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360			
Bernalillo County	1.469	1.468	1.467	1.471	1.476			
City of Albuquerque	4.976	4.976	4.976	4.976	4.976			
AMAFCA	0.675	0.675	0.675	0.675	0.675			
Albuquerque PSD #12	10.319	10.206	10.186	10.217	10.256			
CNM (Operating)	2.823	2.799	2.789	2.776	2.831			
CNM (Debt Service)	1.000	1.000	1.000	1.000	0.550			
Total	\$22.622	\$22.484	\$22.453	\$22.475	\$22.124			

	Total	Levy			
	2019	2018	2017	2016	2015
State of New Mexico	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360
Bernalillo County	8.574	8.490	8.463	8.561	8.721
City of Albuquerque	11.289	11.229	11.217	11.315	11.469
AMAFCA	0.849	0.847	0.846	0.848	0.852
Albuquerque PSD #12	10.588	10.473	10.452	10.487	10.531
UNM Hospital	6.400	6.400	6.400	6.198	6.334
CNM	3.823	3.799	3.789	3.776	3.381
Total Residential	\$42.883	\$42.598	\$42.527	\$42.545	\$42.648

Source: New Mexico Department of Finance & Administration.

Major Taxpayers

The 10 largest taxpayers in Bernalillo County have a combined assessed valuation of \$426,380,705, which represents 2.68% of the 2019 Assessed Valuation. This table is useful in assessing the concentration risk of the tax base.

Name	Business	2019 A.V.	% of AV
PNM Electric	Electric Utility	\$237,558,935	1.49%
NM Gas Company	Gas Utility	48,694,087	0.31%
Comcast of New Mexico	Cable Provider	35,538,463	0.22%
Qwest	Telephone	19,308,556	0.12%
Verizon Wireless	Cellular	17,821,227	0.11%
Southwest Airlines	Airline	16,491,077	0.10%
BNSF Railway	Railway	15,699,044	0.10%
AT&T Mobility	Cellular	13,655,408	0.09%
GCC Rio Grande	Mineral	11,009,148	0.07%
Unite Private Networks	Telephone	10,604,760	0.07%
		\$426,380,705	2.68%

Source: Bernalillo County Assessor's Office.

Yield Control Limitation

State law limits property tax increases from the prior property tax year. Specifically, no taxing entity may set a rate or impose a tax (excluding oil and gas production ad valorem and oil and gas production equipment ad valorem taxes) or assessment that will produce revenues that exceed the prior year's tax revenues from residential and non-residential property multiplied by a "growth control factor." The growth control factor is the percentage equal to the sum of (a) "percent change I" plus (b) the prior property tax year's total taxable property value plus "net new value", as defined by Statute, divided by such prior property tax year's total taxable property value, but if that percentage is less than 100 percent, then the growth control fact is (a) "percent change I" plus (b) 100%. "Percent change I" is based upon the annual implicit price deflator index for state and local government purchases of goods and services (as published in the United States Department of Commerce monthly publication entitled "Survey of Current Business," or any successor publication) and is a percent (not to exceed five percent) that is derived by dividing the increase in the prior calendar year (unless there was a decrease, in which case zero is used) by the index for such calendar year next preceding the prior calendar year. The growth control factor applies to authorized operating levies and to authorized capital improvements levies, but does not apply to levies for paying principal and interest on public general obligation debt.

Developments Limiting Residential Property Tax Increases

In an effort to limit large annual increases in residential property taxes in some areas of the State (particularly the Santa Fe and Taos areas which experienced large increases in residential property values prior to 1997), an amendment to the uniformity clause (Article VIII, Section 1) of the New Mexico Constitution was proposed during the 1997 Legislative Session. The amendment was submitted to voters of the State at the general election held on November 3, 1998 and was approved by a wide margin.

The amendment directs the Legislature to provide for valuation of residential property in a manner that limits annual increases in valuation. The limitation may be applied to classes of residential property taxpayers based on occupancy, age or income. Further, the limitations may be authorized statewide or at the option of a local jurisdiction and may include conditions for applying the limitations.

Bills implementing the constitutional amendment were enacted in 2001 (amended in 2003 and 2008) and are codified as Sections 7-36-21.2 NMSA 1978 and 7-36-21.3 NMSA 1978.

Section 7-36-21.2 NMSA 1978 establishes a statewide limitation on residential property valuation increases beginning in tax year 2001. Annual valuation increases are limited to 3% over the prior year's valuation or 6.1% over the valuation from two years prior. Subject to certain exceptions, these limitations do not apply:

- 1. To property that is being valued for the first time;
- 2. To physical improvements made to the property in the preceding year;

- 3. When the property is transferred to a person other than a spouse, or a child who occupies the property as his principal residence and who qualifies for the head of household exemption on the property under the Property Tax Code;
- 4. When a change occurs in the zoning or use of the property; and
- 5. To property that is subject to the valuation limitations under Section 7-36-21.3 NMSA 1978.

The Statutory Valuation Cap on Residential Increases has been challenged in a number of venues. The New Mexico Court of Appeals ruled that the Statutory Valuation Cap on Residential Increases is constitutional in March 2012, and the New Mexico Supreme Court affirmed that ruling in June of 2014. The Legislature considered various bills dealing with the Statutory Valuation Cap on Residential Increases in recent legislative sessions, but no bills have been enacted into law. To the extent that court or legislative action is taken or a further Constitutional amendment is passed amending the valuation provisions, it could have a material impact on the valuation of residential property.

Section 7-36-21.3 NMSA 1978 fixes valuations for property taxation purposes for single-family dwellings occupied by low-income owners who are sixty-five years of age or older or who are disabled. The statute fixes the valuation of the property to the valuation in the year that the owner turned 65 or became disabled and upon filing of a claim for entitlement with the county assessor. The Section 7-36-21.3 limitation does not apply:

- 1. To property that is being valued for the first time;
- 2. To a change in valuation resulting from physical improvements made to the property in the preceding year; and
- 3. To a change in valuation resulting from a change in the zoning or permitted use of the property in the preceding year.

Tax Collections

General (ad valorem) taxes for all units of government are collected by the County Treasurer and distributed monthly to the various political subdivisions to which they are due. Property taxes are payable to the County Treasurer in two installments due on November 10 of the year in which the tax bill was prepared and mailed, and on April 10 of the following year. Pursuant to Section 7-38-46, NMSA 1978, property taxes are delinquent 30 days after the date on which they are due.

Interest on Delinquent Taxes

Pursuant to Section 7-38-49, NMSA 1978, if property taxes are not paid for any reason within 30 days after the date they are due, interest on the unpaid taxes shall accrue from the 30th day after they are due until the date they are paid. Interest accrues at the rate of 1% per month or any fraction of a month.

Penalty for Delinquent Taxes

Pursuant to Section 7-38-50, NMSA 1978, if property taxes become delinquent, a penalty of one percent (1%) of the delinquent tax for each month, or any portion of a month, they remain unpaid shall be imposed, but the total penalty shall not exceed five percent (5%) of the delinquent taxes. The minimum penalty imposed is \$5.00. A county can suspend application of the minimum penalty requirement for any tax year.

If property taxes become delinquent because of an intent to defraud by the property owner, fifty percent (50%) of the property tax due or fifty dollars (\$50.00), whichever is greater, shall be added as a penalty

Remedies Available for Non-Payment of Taxes

Pursuant to Section 7-38-47, NMSA 1978, property taxes are the personal obligation of the person owning the property on the date on which the property was subject to valuation for property taxation purposes. A personal judgment may be rendered against the taxpayer for payment of taxes that are delinquent, together with any penalty and interest on the delinquent taxes.

Taxes on real property are a lien against the real property. Pursuant to Section 7-38-65, NMSA 1978, delinquent taxes on real property may be collected by selling the real property on which taxes are delinquent.

Pursuant to Section 7-38-53, NMSA 1978, delinquent property taxes on personal property may be collected by asserting a claim against the owner(s) of the personal property for which taxes are delinquent.

Protest

Pursuant to Section 7-38-39 NMSA 1978, after receiving his or her property tax bill and after making payment prior to the delinquency date of all property taxes due in accordance with the bill, a property owner may protest the value or classification

determined for his or her property for property taxation purposes, the allocation of value of his or her property to a particular governmental unit, the application to his or her property of an administrative fee adopted pursuant to Section 7-38-36.1 NMSA 1978 or a denial of a claim for an exemption by filing a claim for refund in the Authority court. Pursuant to Section 7-38-41 NMSA 1978, the portion of any property taxes paid to the County Treasurer that is not admitted to be due and is the subject of a claim for refund will be deposited in a "property tax suspense fund." Moneys in the property tax suspense fund may not be used for the payment of debt service on the Bonds.

Tax Collections on Local and Centrally Assessed Property in Bernalillo County

	Current/Delinquent Property Tax Collections for Bernalillo County											
Tax Year	Fiscal Year	Net Taxes Charged to Treasurer	Current Tax Collections ⁽¹⁾	Current Collections as a percent of Net Levied	Current/ Delinquent Tax Collections ⁽²⁾	Current/Delinquent Collections as a % of Net Levied						
2019	19/20	\$735,613,009	\$482,375,625	65.57%	\$482,375,625	65.57%						
2018	18/19	711,281,421	689,522,592	96.94%	701,101,549	98.57%						
2017	17/18	685,398,947	667,754,934	97.43%	680,323,461	99.26%						
2016	16/17	663,107,919	642,661,947	96.92%	661,120,368	99.70%						
2015	15/16	641,680,120	621,125,054	96.80%	639,849,193	99.71%						

⁽¹⁾ As of June 30 of each year except for tax year 2019 (data as of 5/1/2020)

Source: Bernalillo County Treasurer's Office.

THE AUTHORITY

The Authority is a political subdivision of the State created and organized for the purpose of operating and maintaining a flood control system in the Albuquerque Metropolitan Area, New Mexico

Powers

The Authority was created by Laws 1963, Chapter 311 of the State of New Mexico, compiled as Section 72-16-1 through 72-16-103, NMSA 1978, as amended and supplemented (the "Act"). The Authority is authorized, empowered and directed, subject to the provisions of Section 7 (72-16-7 NMSA 1978) of the Albuquerque Metropolitan Arroyo Flood Control Act, to acquire, equip, maintain and operate a flood control system for the benefit of the Authority and the inhabitants thereof. The flood control system consists of such facilities as the Board may determine. Members of the Board serve without compensation for six-year terms of office in non-partisan elections held every two years at the time of the regular local election under the direction of the Bernalillo County Clerk.

Board of Directors and Administration

The Board may exercise the following powers:

- A. Fix the time and place at which its regular meetings will be held within the Authority and provide for the calling and holding of special meetings;
- B. Adopt and amend or otherwise modify bylaws and rules for procedure;
- C. Select one director as chair of the Board and president of the Authority, and another director as vice chair of the Board and vice president of the Authority, and choose a secretary and a treasurer of the Board and Authority, each of which two positions may be filled by a person who is, or is not, a director, and both of which positions may, or may not, be filled by one person;
- D. Prescribe by resolution a system of business administration and create all necessary offices and establish and reestablish the powers, duties and compensation of all officers and employees;
- E. Require and fix the amount of all official bonds necessary or desirable and convenient in the opinion of the board for the protection of the funds and property of the authority, subject to the provisions of the Act;
- F. Prescribe a method of auditing and allowing or rejecting claims and demands;
- G. Provide a method for the letting of contracts on a fair and competitive basis for the construction of works, any facility or any project or any interest therein or the performance or furnishing of labor, materials or supplies as required in the Act;

⁽²⁾ As of 5/1/2020.

- H. Designate an official newspaper published in the authority in the English language and direct additional publication in any newspaper where it deems that the public necessity may so require; and
- Make and pass resolutions and orders on behalf of the Authority not repugnant to the provisions of the Act necessary or proper for the government and management of the affairs of the Authority, for the execution of the powers vested in the Authority and for carrying into effect the provisions of that act.

The current Board officers and members are as follows:

Bruce M. Thomson, Ph.D, P.E., Chair; District 5; term expires December 31, 2023.

Ronald D. Brown, Vice Chair; District 4; term expires December 31, 2025.

Deborah L. Stover, Secretary-Treasurer, District 1; term expires December 31, 2021.

Tim Eichenberg, Assistant Secretary-Treasurer; District 3; term expires December 31, 2025.

Cynthia D. Borrego, Director; District 2; term expires December 31, 2021.

The operations and programs of the Authority are administered by the executive engineer.

Jerry M. Lovato, P.E., Executive Engineer. In July 2010, the Board of Directors appointed Mr. Lovato as the Executive Engineer. Prior to his appointment, Mr. Lovato served as the Drainage Engineer from February 2006 through June 2010. In addition, he also served as AMAFCA's Field Engineer from February 2000 through January 2006. Before his employment with AMAFCA, Mr. Lovato was a Civil Engineer for the U.S. Army Corps of Engineers. Mr. Lovato is a registered professional engineer. He earned a Bachelor of Science degree and a Master of Science degree in Civil Engineering from the University of New Mexico.

Herman Chavez, CPA, Finance and Administration Manager. In February 2015, Herman was hired as the Finance and Administration Manager. He has 17 years of total experience in public accounting serving as an audit manager for both regional and local accounting firms, including six years as the audit manager responsible for the AMAFCA audit. Herman is a Certified Public Accountant and earned his Bachelor of Accountancy from the University of San Diego.

FINANCES OF THE AUTHORITY

General Fund Revenues, Expenditures and Changes in Fund Balances

The following is a history of General Fund Revenues, Expenditures and Changes in Fund Balances based on a modified accrual accounting method.

ST	ATEN	MENT OF REVE	NUES	8 & EXPENDITU	IRES	- GENERAL FU	ND		
Fiscal Year Ending June 30		2015		2016		2017		2018	2019
Revenues:									
Taxes		\$3,630,311		\$3,657,771		\$3,689,902		\$3,738,823	\$3,875,717
Investment Income		9,948		18,882		39,943		95,740	177,796
Revenue from Property Sales		-		2,967		330		-	-
Other		32,071		114,656		24,300		27,603	 27,865
Total Revenues	\$	3,672,330	\$	3,794,276	\$	3,754,475	\$	3,862,166	\$ 4,081,378
Expenditures:									
Administration									
General Government		\$1,468,858		\$1,544,459		\$1,554,037		\$1,529,457	\$1,598,030
Flood Control		1,114,205		1,064,564		1,059,377		1,143,984	1,178,697
Planning/Research/R&D		854,293		945,377		995,714		877,167	936,458
Capital Outlay		292,642		516,054		260,581		34,430	-
Debt Service		-		-		-		-	-
Reappraisal Fee		36,237		-		-		-	-
Total Expenditures	\$	3,766,235	\$	4,070,454	\$	3,869,709	\$	3,585,038	\$ 3,713,185
Excess (deficiency) of revenue over									
(under) expenditures	\$	(93,905)	\$	(276,178)	\$	(115,234)	\$	277,128	\$ 368,193
Fund Balance									
Operating Transfer in/out		(\$100,000)		\$160,000		(\$2,712)		(\$208,000)	(\$231,000)
Loss on Invesments		(1,595)		-		-		-	-
Net Change in Fund Balance		(195,500)		(116,178)		(117,946)		69,128	 137,193
Fund Balance Beginning		9,019,674		8,824,174		8,707,996		8,590,050	 8,659,178
Fund Balance at Year End	\$	8,824,174	\$	8,707,996	\$	8,590,050	\$	8,659,178	\$ 8,796,371

Source: The figures above have been extracted from the Authority's audited financial statements. Such figures are excerpts only and do not purport to be complete. A portion of the Authority's FY2019 audited financial statements is provided in Appendix B.

General Fund Balance Sheet

The following is a history of the General Fund Balance Sheet of the Authority based on a modified accrual accounting method:

		BALANCE SH	HEET	- GENERAL FL	JND					
Fiscal Year Ending June 30		2015		2016		2017		2018		2019
ASSETS:										
Cash on Hand & on Deposit		\$171,983		\$209,509		\$243,519		\$91,159		\$120,700
Investments		8,757,482		8,766,283		8,528,606		8,744,087		8,833,087
Current Property Taxes & Other Receivables Total Assets	<u>\$</u>	302,145 9,231,610	<u>\$</u>	258,911 9,234,703	<u>\$</u>	249,433 9,021,558	<u>\$</u>	252,196 9,087,442	<u>\$</u>	239,312 9,193,099
LIABILITIES AND EQUITY:										
Accounts Payable & Accrued Liabilities		\$204,547		\$362,308		\$272,457		\$263,099		\$183,948
Deferred Revenues		203,089		164,399		159,051		165,165		43,919
Due to other funds		-		-		-		-		14,912
Other Liabilities		-		-		-		-		1,215
Deferred Inflows	_	-		-	_	-	_	-		152,734
Total Liabilities and Deferred Inflows	<u>\$</u>	407,636	\$	<u>526,707</u>	\$	431,508	<u>\$</u>	428,264	\$	396,728
EQUITY: Reserved:										
Petty Cash		200		-		-		-		-
Committed: Subsequent Year's Expenditures		\$0		\$1,083,289		\$1,085,893		\$1,103,658		\$1,173,964
Contingencies		-		5,043,208		5,042,407		5,102,477		5,214,041
Reserved for Projects		3,900,000		2,468,364		2,332,980		2,316,874		2,267,303
Unreserved, undesignated		4,923,974		113,135		128,770		136,169		141,063
Total Equity	<u>\$</u>	8,824,174	\$	8,707,996	\$	8,590,050	\$	8,659,178	\$	8,796,371
Total Liabilities and Equity	\$	9,231,810	\$	9,234,703	\$	9,021,558	\$	9,087,442	\$	9,193,099

Source: The figures above have been extracted from the Authority's audited financial statements. Such figures are excerpts only and do not purport to be complete. A portion of the Authority's FY2019 audited financial statements is provided in Appendix B.

Statement of Net Assets

The presentation of the GASB-34 financial statements is presented below. For a more detailed explanation of the Authority's basic financial statements, statement reconciliation, and Management's Discussion and Analysis, see Appendix B.

		GOVERNMENTAI	- 70			
Fiscal Year Ending June 30	2015	2016		2017	2018	2019
Assets						
Current Assets						
Cash and cash equivalents	\$ 198,706	\$ 505,250	\$	371,881	\$ 129,052	\$ 2,024,14
Investments	39,950,193	46,050,693		54,410,693	53,500,753	55,127,75
Receivables, net of allowance	1,011,050	 840,115		812,952	 825,745	1,724,13
Total Current Assets	\$ 41.159.949	\$ 47.396.058	\$	55.595.52 <u>6</u>	\$ 54.455.550	\$ 58.876.02
Non current assets						
Capital Assets, Net of Accumulated Depreciations	155,853,279	154,510,278		174,593,308	179,286,741	180,433,22
Capital Assets Maintained Under Modified Approach	64,079,179	69,112,714		60,872,655	58,620,557	66,622,67
Other Assets	264,556			-	-	-
Deferred Outflows of Resources		136,173		1,011,300	1,464,997	1,310,14
Total Noncurrent assets & Deferred Outflows	220,197,014	223,759,165		236,477,263	239,372,295	248,366,04
Total Assets & Deferred Outflows	\$ 261,356,963	\$ 271,155,223	\$	292,072,789	\$ 293,827,845	\$ 307,242,07
Liabilities						
Current Liabilities						
. ,	\$ 596,021	\$ 593,357	\$	1,319,376	\$ 977,526	\$ 1,102,99
Accrued expenses	101,841	113,623		129,318	41,658	43,91
Accrued compensated absences	46,893	53,065		61,847	57,262	57,44
Bonds Payable - Current Portion	8,675,000	9,300,000		12,657,112	10,507,377	10,735,19
Bond Premium - Current Portion	-	424,582		-	-	-
Accrued Interest Payable	390,007	456,247		565,470	585,040	695,56
Other Liabilities	-	 -		25,200	 26,253	26,21
Total Current Liabilities	\$ 9.809.762	\$ 10.940.874	\$	14.758.323	\$ 12.195.116	\$ 12.661.33
Noncurrent Liabilities						
Compensated Absences Payable	\$ 101,775	\$ 97,006	\$	98,196	\$ 80,062	\$ 86,03
Bonds Payable, Net of Current Portion	38,550,000	41,750,000		44,599,330	47,475,511	49,965,883
Bond Premium	1,406,648	1,785,133		-	-	-
Net Pension Liability	1,213,099	 1,583,015		2,645,732	 4,050,184	4,523,243
Total Noncurrent liabilities	\$ 41,271,522	\$ 45,215,154	\$	47,343,258	\$ 51,605,757	\$ 54,575,16
<u>Total Liabilities</u>	\$ 51,081,284	\$ 56,156,028	\$	62,101,581	\$ 63,800,873	\$ 67,236,50
Deferred Inflow of Resources						
Deferred inflow of resources related to premiums	\$ 	\$ 55,550	\$	26,261	\$ 509,830	\$ 501,13
Net Assets						
	\$ 174,423,162	\$ 176,226,208	\$	195,818,843	\$ 212,351,685	\$ 214,988,19
Restricted for:						
Debt service	12,051,322	12,961,595		13,779,513	11,480,764	11,370,40
Capital projects	18,450,917	24,213,767		2,113,026	2,071,286	5,376,05
Unrestricted, undesignated	 4,513,789	 1,542,075		15,233,565	 3,613,407	 7,769,78

Source: The figures above have been extracted from the District's audited financial statements. Such figures are excerpts only and do not purport to be complete. A portion of the Authority's FY2019 audited financial statements is provided in Appendix B.

Statement of Activities

The presentation of the GASB-34 financial statements is presented below. For a more detailed explanation of the Authority's basic financial statements, statement reconciliation, and Management's Discussion and Analysis, see Appendix B.

STA	TEME	NT OF ACTIVITI	ES - ∙	GOVERNMENTA	L AC	CTIVITIES				
Fiscal Year Ending June 30		2015		2016		2017		2018		2019
Functions/Programs:										
Flood Control	\$	(4,043,625)	\$	(4,142,305)	\$	(4,480,695)	\$	(4,070,051)	\$	(5,384,809)
General Government		(1,539,855)		(1,576,782)		(1,616,442)		(1,560,467)		(1,672,709)
Planning, Engineering, Research & Development		(854,293)		(945,377)		(995,714)		(4,196,701)		(412,476)
Capital Outlay-Intergovernmental		(3,147,424)		(1,169,052)		5,997,074		-		-
Interest on Long-Term Debts		(649,688)		(717,601)		(840,647)		(910,834)		(1,123,802)
Total Governmental Activities	\$	(10,234,885)	\$	(8,551,117)	\$	(1,936,424)	\$	(10,738,053)	\$	(8,593,796)
General Revenues:										
Property Taxes		13,086,450		13,256,530		13,691,862		14,066,842		14,549,609
Investment		34,209		76,431		190,102		451,289		868,874
Capital Outlay Contributions		-		-		-		800,449		1,045,512
Other		54,784		846,958		55,762		27,603		27,865
Total governmental activities	<u>\$</u>	<u>13,175,443</u>	\$	<u>14,179,919</u>	\$	13,937,726	<u>\$</u>	<u> 15,346,183</u>	<u>\$</u>	16,491,860
Changes in Net Position:	\$	2,940,558	\$	5,628,802	\$	12,001,302	\$	4,608,130	\$	7,898,064
Net Position - Beginning of Year		184,982,187		209,439,190		214,943,645		226,944,947		229,517,142
Restatement of Prior Years for Bond Issuance				(121,347)				(2,035,935)		2,089,330
Net Assets, ending	\$	187,922,745	\$	214,946,645	\$	226,944,947	\$	229,517,142	\$	239,504,536

Source: The figures above have been extracted from the Authority's audited financial statements. Such figures are excerpts only and do not purport to be complete. A portion of the Authority's FY2019 audited financial statements is provided in Appendix B.

TAX MATTERS

General

In the opinion of Modrall, Sperling, Roehl, Harris & Sisk, P.A., Bond Counsel, to be delivered at the time of original issuance of the Bonds, under existing laws, regulations rulings and judicial decisions, and assuming compliance with covenants described herein, interest on Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. Bond Counsel is also of the opinion, based on existing laws of the State of New Mexico as enacted and construed, that interest on the Bonds is excludable from net income for present State of New Mexico income tax purposes.

The Internal Revenue Code of 1986, as amended (the "Code"), imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal tax purposes of interest on obligations such as the Bonds. The Authority has made various representations and warranties with respect to, and has covenanted in the Bond Resolution and other documents, instruments and certificates to comply with the applicable provisions of the Code to assure that interest on the Bonds will not become includible in gross income. Failure to comply with these covenants or the inaccuracy of these representations and warranties may result in interest on the Bonds being included in gross income from the date of issue of the Bonds. The opinion of Bond Counsel assumes compliance with the covenants and the accuracy of such representations and warranties.

Although Bond Counsel has rendered an opinion that interest on the Bonds is excludable from gross income for federal income tax purposes, the accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of the recipient. The extent of these other tax consequences will depend upon the recipient's particular tax status or other items of income or deduction. Bond Counsel expresses no opinion regarding any such consequences. Before purchasing any of the Bonds, potential purchasers should consult their tax advisors as to the tax consequences of purchasing or owning the Bonds.

The opinions expressed by Bond Counsel are based upon existing law as of the date of issuance and delivery of the Bonds, and Bond Counsel expresses no opinion as of any date subsequent thereto or with respect to any pending legislation.

From time to time, there are legislative proposals in Congress that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted, it would apply to Bonds issued prior to enactment. Each purchaser of the Bonds should consult his or her own tax advisor regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

Internal Revenue Service Audit Program

The Internal Revenue Service (the "Service") has an ongoing program auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. No assurances can be given as to whether the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service will treat the Authority as the taxpayer and the Bond owners may have no right to participate in such procedure. None of the Municipal Advisor, the initial purchasers of the Bonds, nor Bond Counsel is obligated to defend the tax-exempt status of the Bonds. The Authority has covenanted in the Bond Resolution not to take any action that would cause the interest on the Bonds to become includable in gross income except to the extent described above for the owners thereof for federal income tax purposes. None of the Authority, the Municipal Advisor, the initial purchasers of the Bonds, nor Bond Counsel is responsible to pay or reimburse the costs of any Bond owner with respect to any audit or litigation relating to the Bonds.

Original Issue Premium

The Bonds may be offered at a premium ("original issue premium") over their principal amount. For federal income tax purposes, original issue premium is amortizable periodically over the term of a bond through reductions in the holders' tax basis in the bond for determining taxable gain or loss from sale or from redemption prior to maturity. Amortizable premium is accounted for as reducing the tax-exempt interest on the bond rather than creating a deductible expense or loss. Holders of Bonds offered at an original issue premium should consult their tax advisors for an explanation of the amortization rules.

LITIGATION

There is no litigation pending about the validity of the Bonds or the use of Bond proceeds, the corporate existence of the Authority or the titles of its officers or contesting or affecting the Authority's ability to receive taxes that could be used for Bond payments.

At the time of the original delivery of the Bonds, the Authority will deliver a no-litigation certificate to the effect that no litigation or administrative action or proceedings are pending or, to the knowledge of the appropriate officials, threatened, restraining or enjoining, or seeking to restrain or enjoin, the issuance and delivery of the Bonds, the effectiveness of the Bond Resolution, the levying or collection of taxes to pay the principal of and interest on the Bonds except as described below or contesting or questioning the proceedings and authority under which the Bonds have been authorized and are to be issued, sold, executed or delivered, or the validity of the Bonds.

RATINGS

Moody's Investors Service has assigned its municipal bond rating of "Aaa". The rating reflects only the view of such rating agency, and an explanation of the significance of such rating may be obtained only from Moody's Investors Services, Inc., 7 World Trade Center, New York, New York 10007, Telephone (212) 553-0300, website www.moodys.com. There is no assurance that such rating will be continued for any given period of time or that it will not be revised downward or withdrawn entirely by Moody's Investors Services, Inc. if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies ("S&P") has assigned the Bonds a rating of "AAA". Such rating reflects only the views of such organization and are not a recommendation to buy, sell or hold the Bonds. Any desired explanation of the significance of such rating should be obtained from the rating agency furnishing the same, at the following address: Standard & Poor's Ratings Services, 55 Water Street, New York, New York 10041, Telephone: (212) 438-2076.

THE MUNICIPAL ADVISOR

RBC Capital Markets, LLC is employed as Municipal Advisor to AMAFCA in connection with the issuance of the Bonds. The Municipal Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification of or to assume responsibility for the accuracy, completeness, or fairness of the information in this Official Statement.

LEGAL MATTERS

The opinion of Modrall, Sperling, Roehl, Harris & Sisk, P.A., Albuquerque, New Mexico, Bond Counsel, approving the legality of the Bonds and relating to the tax-exempt status of the Bonds will be furnished to the successful bidder at no cost to the successful bidder. A draft of the opinion of Bond Counsel is attached hereto as Appendix C.

CONTINUING DISCLOSURE UNDERTAKING

For the benefit of bondholders and to enable a broker, dealer or municipal securities dealer to comply with requirements of Rule 15c2-12 (the "Rule") of the Securities and Exchange Commission, the Authority has undertaken to provide to the Municipal Securities Rulemaking Board (the "MSRB") MSRB's Electronic Municipal Market Access ("EMMA") its audited financial statements and certain financial and operating information. The Authority will provide financial information and operating data with respect to the Authority of the general type included in this Official Statement under the headings "DEBT AND OTHER FINANCIAL OBLIGATIONS," "TAX BASE," and "FINANCES OF THE AUTHORITY." The Authority will update and provide this information by March 31 of each year, beginning in 2021.

Any or all of such information may be incorporated by reference from other documents, as permitted by the Rule. The annual information will include audited financial statements, if the Authority commissions an audit and it is completed by the required time. If audited financial statements are not available by the required time, the Authority will provide unaudited financial statements and audited financials when and if it becomes available. Any such financial statements will be prepared in accordance with generally accepted accounting principles and state law requirements, as in effect from time to time. (See Note 1 of the Authority's audited financial statements included as Appendix B for a description of the accounting principles currently followed in the preparation of the Authority's audited annual financial statements.)

If the Authority changes its fiscal year, it may change the date by which it must provide its annual financial information to a date no later than nine months after the end of its new fiscal year. In addition, the Authority shall provide to EMMA timely notice of any failure to provide required annual financial information on or before the filing date.

Event Notices

The Authority, or its designated agent, will provide, to EMMA, notice of any of the following events with respect to the Bonds in a timely manner not in excess of ten (10) business days after the occurrence of the event:

- i. principal and interest payment delinquencies;
- ii. non-payment related defaults;
- iii. unscheduled draws on debt service reserves reflecting financial difficulties;
- iv. unscheduled draws on credit enhancements reflecting financial difficulties;
- v. substitution of credit or liquidity providers, or their failure to perform
- vi. adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- vii. modifications to rights of holders of the Bonds;
- viii. bond calls or tender offers;
- ix. defeasances;
- x. release, substitution or sale of property securing repayment of the Bonds;
- xi. rating changes;
- xii. bankruptcy, insolvency, receivership or a similar event with respect to the Authority or an obligated person;
- xiii. the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- xiv. appointment of a successor or additional trustee, or a change of name of a trustee, if material;
- xv. incurrence of a Financial Obligation of the obligated person, if material, or an agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
- xvi. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of an obligated person, any of which reflect financial difficulties.

Limitations and Amendments

The Authority may amend its undertaking from time to time without consent of the Bondholders, if the Authority delivers to EMMA an opinion of nationally recognized bond counsel to the effect that such amendment, and giving effect thereto, will not adversely

affect compliance of the undertaking and the Authority with the Rule (except that no opinion of counsel shall be required with respect to a change in the date by which the annual financial and operating information must be reported resulting from a change in the Authority's fiscal year). The undertaking will terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. In addition, the undertaking, or any provision thereof, will be null and void in the event the Authority delivers to EMMA an opinion of nationally recognized bond counsel to the effect that those portions of the Rule that require the undertaking, or any such provision, are invalid, have been repealed retroactively or otherwise do not apply to the Bonds.

Any failure of the Authority to provide the annual financial information or any material event notice does not constitute an Event of Default with respect to the Bonds, and an action seeking to compel performance of the undertaking shall be the sole remedy in the event the Authority fails to comply with the undertaking.

Compliance with Prior Undertakings

The Authority's undertakings with respect to its outstanding General Obligation Bonds, Series 2014, 2015 and 2016 required the Authority to provide certain annual financial information and operating data under the sections "Debt and Other Financial Obligations – Debt Service Requirements" and "Finances of the Authority" (Statement of Revenues, Expenditures, and Changes in Fund Balances, General Fund Balance Sheet, Statement of Net Assets, Statement of Activities) by December 31 of each year. The "Finances of the Authority" information and the "Debt Service Requirements" were available in the Authority's audited financial statements which were timely filed in accordance with the undertakings and both were reflected in the Official Statements for each series of the Authority's bonds, but the Authority did not specifically incorporate the tables by reference in its annual information filings for Fiscal Years ending June 30, 2012 through June 30, 2016. The information was filed as separate tables in a supplemental filing on April 4, 2017. Except for the above mentioned, the Authority has made continuing disclosure filings in accordance with SEC Rule 15c2-12 and is in material compliance with its continuing disclosure agreements.

ADDITIONAL MATTERS

All summaries of the statutes, resolutions, opinions, contracts, agreements, financial and statistical data and other related reports described in this Official Statement are subject to the actual provisions of such documents. The summaries do not purport to be complete statements of such provisions and reference is made to such documents, copies of which are either publicly available or available for inspection during normal business hours at the offices of the Authority located at 2600 Prospect NE, Albuquerque, New Mexico 87107 or at the offices of the offices of RBC Capital Markets, LLC, 6301 Uptown Boulevard NE, Suite 110, Albuquerque, New Mexico 87110.

A LAST WORD

Anything in this Official Statement involving matters of opinion or estimates – whether labeled as such or not – are just that. They are not representations of fact. They might not prove true. Neither this Official Statement nor any other written or oral information is to be construed as a contract with the registered owners of the Bonds.

The Authority has duly authorized the execution and delivery of this Official Statement.

By:_	/s/ Bruce M. Thomson
	Chair, Board of Directors
By:_	/s/ Deborah L. Stover
	Secretary-Treasurer, Board of Directors

ECONOMIC AND DEMOGRAPHIC INFORMATION RELATING TO THE AUTHORITY

THE ECONOMY

AMAFCA is located in the City of Albuquerque. Albuquerque is the largest city in the State, covering 189.21 square miles and accounting for roughly one-quarter of the State's population. Located at the center of the State in Bernalillo County (the "County") at the intersection of two major interstate highways and served by both rail and air, Albuquerque is the major trade, commercial and financial center of the State. (1)

The economy of the City is composed of diverse sectors including both a strong manufacturing and health services sector with strong growth in the Leisure and Hospitality sector. Albuquerque is home to major manufactures like Flagship Food Group, Vitality Works and Amfabsteel, Inc. and more. In 2014, Ernst & Young named Albuquerque 1st in the West for Lowest Effective Tax Rate for Manufacturing. The City is also viewed as a low risk location for manufacturing due to ideal weather and climate conditions. The manufacturing sector is 4.3% of all non-agricultural employment in the Albuquerque MSA for the Fiscal Year of 2019. (2) With the City of Albuquerque being centrally located in the state, the City acts as a major regional medical center. Presbyterian Healthcare Services is one of the largest employers in the area. This is one of the fastest growing categories in the Albuquerque MSA economy, largely due to its considerable size. From Fiscal Year 2010 to Fiscal Year 2019, the average annual growth was 2.3%. The sector now makes up 16% of non-agricultural employment. Much of this growth initially was due to a change in Medicare policy that allows payment for home healthcare.

The leisure and hospitality sector includes eating and drinking establishments and well as hotels and other tourist-related facilities. Employment for the sector showed average annual growth of 2% from Fiscal Year 2010 to Fiscal Year 2019 with Arts, Entertainment and Recreation growing at a more robust 3.5% and Accommodations and Food Services at 1.8%. Continued modest growth is expected in both subsectors, assisted by activity at a new Netflix production hub as well as operations by other film production companies. The sector currently comprises 11.7% of total non-agricultural employment. Gross Receipts tax revenues for this sector has increased in every fiscal year since 2014 making it one of the largest contributors to the growth in gross receipts tax.

Population

The following chart sets forth historical and projected population data for the City of Albuquerque, Albuquerque Metropolitan Statistical Area ("MSA) and the State of New Mexico. MSA includes Bernalillo, Sandoval, Torrance and Valencia Counties.

Census Year	City of Albuquerque	Albuquerque MSA	State of New Mexico
1970	224,501	373,812	1,017,055
1980	332,920	515,776	1,303,143
1990	384,736	589,131	1,515,069
2000	448,607	729,648	1,826,280
2010	546,191	887,077	2,065,826
2018	560,218	915,927	2,081,363
2019 ⁽¹⁾	564,621	919,935	2,087,058
2025 ⁽²⁾	571,014	934,230	2,110,892
Projected Growth 2019-2025 ⁽²⁾	1.13%	1.55%	1.14%

Source: United States Census Bureau

1) Estimates. Source: May 2020.

2) Projected. Source: Spotlight, May 2020

- (1) City of Albuquerque Planning Department.
- (2) City of Albuquerque. https://www.abq.org/manufacturing-in-albuquerque.aspx

Per Capita Personal Income and Median Household Income

The following table reflects the percentage of households by Effective Buying Income ("EBI") and a five-year comparison of the estimated median household income as reported by Spotlight. EBI is personal income less personal tax and non-tax payments. Personal income includes wages and salaries, other labor income, proprietors' income, rental income, dividends, personal interest income and transfer payments. Deductions are made for federal, state and local taxes, non-tax payments such as fines and penalties, and personal contributions for social security insurance.

Effective Buying Income Group	Albuquerque MSA	New Mexico	United States
Under \$25,000	22.72%	26.42%	20.37%
\$25,000 - \$34,999	10.24%	10.23%	9.21%
\$35,000 - \$49,999	13.52%	13.64%	12.87%
\$50,000 - \$74,999	17.72%	17.13%	17.09%
\$75,000 and over	35.80%	32.58%	40.46%
2015 Est. Median Household Income	\$48,234	\$45,633	\$53,706
2016 Est. Median Household Income	\$48,792	\$45,445	\$55,551
2017 Est. Median Household Income	\$50,160	\$47,043	\$57,462
2018 Est. Median Household Income	\$52,172	\$48,044	\$60,133
2019 Est. Median Household Income	\$54,350	\$49,654	\$62,279

Source: Spotlight, December 2019.

Age Distribution

The following table sets forth a comparative age distribution profile for the City of Albuquerque, Albuquerque MSA, and the State of New Mexico.

	Percent of Population								
Age Group	Albuquerque MSA	New Mexico	United States						
0 - 17	22.10%	23.90%	22.80%						
18 - 24	9.00%	9.80%	9.80%						
25 - 34	13.70%	13.30%	13.40%						
35 - 44	13.00%	11.87%	12.60%						
45 - 54	12.00%	11.90%	13.10%						
55 and Older	30.20%	29.23%	28.30%						

Source: Spotlight, December 2019

Employment

The following table, derived from information supplied by the U.S. Bureau of Labor Statistics, presents information on employment within Albuquerque MSA and the State of New Mexico for the periods indicated below. The annual unemployment figures indicate average rates for the entire year and do not reflect monthly or seasonal trends.

Year ⁽¹⁾	Albuquerque MSA		State of New Mexico		│ │ │ United States
Teal	Labor Force	 % Unemployed	Labor Force	% Unemployed	 %Unemployed
2020 ⁽²⁾	440,980	5.30%	966,489	5.90%	4.50%
2019	442,230	4.10%	954,596	4.90%	3.70%
2018	436,121	4.50%	957,396	4.60%	3.50%
2017	425,588	5.70%	929,567	6.20%	4.40%
2016	422,320	6.20%	927,355	6.70%	4.90%
2015	413,906	6.20%	919,889	6.60%	5.30%
2014	414,571	6.60%	918,206	6.50%	6.20%
2013	415,874	6.80%	922,960	6.90%	7.40%
2012	418,195	7.10%	928,050	7.10%	8.10%
2011	421,377	7.50%	929,862	7.60%	8.90%

^{1) -} Numbers are annual averages.

Source: U.S. Bureau of Labor Statistics, May 2020

Major Employers

Following is a list of major employers in the Albuquerque MSA.

Employer	Business	# of Employees
Albuquerque Public Schools	Education	14,000
Sandia National Labs	Research Development	12,769
Kirtland AFB (Civilian)	Defense	10,500
Presbyterian	Healthcare	7,310
University of New Mexico	Education	6,899
City of Albuquerque	Government	6,109
UNM Hospital	Healthcare	5,995
State of New Mexico	Government	4,950
Lovelace Health Systems	Healthcare	3,565
NM Veterans Affairs Healthcare System	Healthcare	2,700
Bernalillo County	Government	2,589
Central NM Community College	Education	2,332
Rio Rancho Public Schools	Education	2,300
Sandia Resort & Casino	Resort & Casino	1,800
T-Mobile	Telecommunications	1,750

Source: Albuquerque Economic Development, Data as of December 2019

^{2) -} Data for the month of March 2020. Numbers are Preliminary

Covered Wage and Salary Employment by NAICS Code Classification

The following is a five year history of non-agricultural wage and salary employment (excluding military and proprietor employment) for the Albuquerque MSA as reported by the New Mexico of Workforce Solutions.

	2015	2016	2017	2018	2019 ⁽¹⁾
Grand Total	318,380	324,217	325,828	329,143	334,852
Total Private	254,962	259,690	261,604	265,046	270,125
Accommodation and Food Services	32,655	33,103	33,333	34,058	34,665
Administrative and Waste Services	19,926	19,639	19,778	20,144	21,190
Agriculture, Forestry, Fishing & Hunting	184	212	247	230	236
Arts, Entertainment, and Recreation	3,956	4,159	4,339	4,406	5,272
Construction	17,349	18,305	19,624	19,959	20,674
Educational Services	4,850	4,859	4,771	4,780	4,749
Finance and Insurance	10,768	11,056	11,300	11,590	11,889
Health Care and Social Assistance	46,915	48,876	48,540	48,957	50,190
Information	7,194	7,376	7,091	6,679	5,571
Management of Companies and Enterprises	3,323	3,456	3,512	3,596	3,726
Manufacturing	12,405	12,568	12,356	12,590	12,795
Mining	95	115	113	110	125
Other Services, Ex. Public Admin	8,546	8,756	8,863	9,012	9,083
Professional and Technical Services	27,530	28,129	29,108	29,889	31,608
Real Estate and Rental and Leasing	4,608	4,682	4,708	4,882	5,025
Retail Trade	36,204	35,991	35,383	35,358	34,280
Transportation and Warehousing	6,801	6,819	6,838	7,098	7,229
Utilities	786	849	937	949	925
Wholesale Trade	10,867	10,740	10,763	10,759	10,893
Total Government	63,418	64,527	64,224	64,097	64,727

⁽¹⁾ Data as of Third Quarter of 2019.

Note: Figures shown here are annual averages of quarterly data.

Source: New Mexico Department of Workforce Solutions, Quarterly Census of Employment and Wages program.

EXCERPT OF JUNE 30, 2019 AUDITED FINANCIAL STATEMENT



Albuquerque Metropolitan Arroyo Flood Control Authority State of New Mexico

JUNE 30, 2019 COMPREHENSIVE ANNUAL FINANCIAL REPORT

State of New Mexico

Albuquerque Metropolitan Arroyo Flood Control Authority

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended: June 30, 2019

Prepared by:

Finance & Administration Department AMAFCA 2600 Prospect Ave NE Albuquerque, NM 87107



INTRODUCTORY SECTION

TABLE OF CONTENTS

June 30, 2019

Introductory Section	V
Table of Contents	vi
Letter of Transmittal	ix
Certificate of Achievement of Excellence in Financial Reporting	XV
Official Roster	xvi
Organizational Chart	xvii
Financial Section	1
Independent Auditors' Report	3
Management's Discussion & Analysis (Unaudited)	7
Financial Statements	16
Government-Wide Statement of Net Position	16
Government-Wide Statement of Activities	
Balance Sheet – Governmental Funds	
Reconciliation of the Balance Sheet to the Statement of Net Position – Governmental Activities Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the	
Statement of Activities – Governmental Activities	
Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – Gene	
Fund	
Statement of Fiduciary Net Position - Fiduciary Funds Statement of Changes in Fiduciary Net Position – Fiduciary Funds	∠6
Notes to Financial Statements	
Notes to Financial Statements	20
Required Supplemental Information	71
Schedule of Proportionate Share of the Net Pension Liability	
Schedule of PERA Contributions	
Schedule of Proportionate Share of the OPEB – Healthcare Liability	
Schedule of OPEB - Healthcare Contributions	
Schedule of OFEB - Healthcare Continuations	70
Supplementary Information	77
Budgetary Comparison Schedules - Budget and Actual	79
Debt Service Fund	79
Capital Projects Fund	
Acquisitions & Savings Fund	
Agency & Areawide Fund	
Combining Statement of Fiduciary Net Position – Fiduciary Funds	84
Statistical Section	87
Net Position by Component	89
Changes in Net Position	90
Fund Balances of Governmental Funds	92
Changes in Fund Balances of Governmental Funds	94

TABLE OF CONTENTS

June 30, 2019

Assessed Value and Estimate of Actual Value of Property	96
Property Tax Rates: Direct and Overlapping (per \$1,000 of Assessed Valuation)	99
Principal Property Taxpayers	
Property Tax Levies and Collections	
Legal Debt Margin Information	104
Ratios of General Bonded Debt Outstanding	107
Direct and Overlapping Governmental Activities Debt as of June 30, 2019	108
Demographic and Economic Statistics	110
Principal Employers	112
Full-Time Equivalent AMAFCA Employees by Function	115
Operating Indicators by Function	11 <i>6</i>
State Compliance	119
Schedule of Investments, Deposits, and Pledged Collateral	121
Joint Power Agreements	122
Report on Internal Control over Finaancial Reporting and on Compliance and Other M an Audit of Finanacial Statements Performed in Accordance with <i>Government Auditing</i>	
Schedule of Findings and Responses	125
Evit Conference	126



 $Low\ flows\ in\ the\ Alameda\ Drain$

Bruce M. Thomson, P.E., Chair Cynthia D. Borrego, Vice Chair Ronald D. Brown, Secretary-Treasurer Deborah L. Stover, Assistant Secretary-Treasurer Tim Eichenberg, Director

> Jerry M. Lovato, P.E. Executive Engineer





Authority
2600 Prospect N.E., Albuquerque, NM 87107
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Website: www.amafca.org

November 27, 2019

To the AMAFCA Board of Directors, Property Owners and Citizens served by the Albuquerque Metropolitan Arroyo Flood Control Authority (Authority or AMAFCA):

We are pleased to submit the AMAFCA Comprehensive Annual Financial Report for the fiscal year that ended June 30, 2019.

New Mexico State Statute 12-6-3, NMSA 1978 mandates that the financial affairs of the Authority's records be thoroughly examined and audited each year by independent public accountants. The New Mexico State Auditor's Rule 2.2.2.9A states that local public bodies must submit audit reports for fiscal years ending June 30 to the State Auditor's Office by December 15 of that year.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Carr, Riggs, & Ingram, LLC, have issued an unmodified ("clean") opinion on the Authority's financial statements for the year ended June 30, 2019. Carr, Riggs, & Ingram, LLC have opined that AMAFCA has fairly presented its financial position, in all material respects, in accordance with accounting principles generally accepted in the United States of America. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. Management's discussion and analysis is a supplement to this letter of transmittal and should be read in conjunction with it.

Profile of AMAFCA

The Authority was formed in 1963 by an Act of the New Mexico State Legislature to establish a public use and to promote the health, safety, prosperity, security and general welfare of the inhabitants of the Authority and the State of New Mexico. The enabling legislation allowed for the acquisition, improvement, maintenance and operation of flood control systems to protect residents in the urban area that meet or exceed Federal Emergency Management Agency (FEMA) standards and to address storm water quality by constructing and maintaining water quality structures that protect aquatic habitat in the Rio Grande as required by Environmental Protection Agency (EPA) and the US Fish and Wildlife.

LETTER OF TRANSMITTAL

June 30, 2019

The Authority is located within Bernalillo County spanning 371 square miles, serving a population of approximately 675,000 and protects nearly \$15.4 billion of net taxable property value. AMAFCA is divided into five (5) geographic districts and is empowered to levy a property tax on real property located within its boundaries for operations and voter-approved debt.

The Authority is governed by five (5) elected Directors from five (5) districts within its jurisdiction. Directors serve six (6) year terms and appoint an Executive Engineer as the Authority's Chief Administrative Officer. By May 31 preceding the beginning of the fiscal year on July 1, the Directors are required to approve an annual budget for the fiscal year. The budget is submitted to the New Mexico Department of Finance and Administration (DFA), Local Government Division, for review and approval. The annual budget serves as the foundation for the Authority's financial planning and control. The budget is prepared by fund and class or appropriation level (e.g., salaries and benefits, services and supplies) for each fund present on the financial statements. The Authority may transfer resources between appropriation levels within the same fund at its discretion. Increase of resources or establishment of a new appropriation level requires approval by the AMAFCA Board of Directors and submittal to DFA for approval.

The budget is utilized by DFA to set the operational and debt service mil levy rates, taking into account budgetary needs as well as conforming to the New Mexico Property Tax Yield Control Act.

The Authority provides a full range of services including the design and construction of flood control facilities; regulatory services which fulfill legal requirements associated with federal and state programs that relate to AMAFCA activities; watershed protection services; planning services that relate to land development and provide for the public's health and safety by contributing to orderly development and growth within the Authority's boundaries; the operation and maintenance of the Authority's fleet and facilities, land interests, encroachment issues; information technology services which provide technical support to AMAFCA staff and provide information to the public; and administrative services which provide clerical, financial and personnel support to AMAFCA staff.

Local Economy

The Authority oversees a large portion of Bernalillo County (County), which includes the City of Albuquerque (City), the Village of Los Ranchos and portions of unincorporated county communities. County residents represent 32.6% of New Mexico's population, making it New Mexico's most populous county (United States Census Bureau).

The Albuquerque urban area is still in recovery mode, from the 2008 recession, but the area continues to see slow and steady growth in both property valuation and new development. The County and City continue to issue Industrial Revenue Bonds to spur private development, which in turn leads to valuation increases throughout the region. We are also seeing growth in multi-family housing and health care facilities.

Today the economic driver in the urban area is the Governmental Sector; therefore, it is reasonable to anticipate a slow steady growth rate. The Governmental Sector is not as volatile, as other sectors in the economy; therefore, we expect that property tax billings, will continue to have small steady growth.

LETTER OF TRANSMITTAL

June 30, 2019

We continue to experience a 1-3% growth rate and anticipate the growth rate to remain unchanged for the foreseeable future. Property tax collections also remained steady (97% first year, over 99% total)

Long-term financial planning and major initiatives

As a matter of policy, AMAFCA's General Fund is required to maintain an operating cash reserve equal to three twelfths (3/12ths) its subsequent year (fiscal year ending 6/30/2020) operating budget (\$1,173,964 at 6/30/19). AMAFCA is also required to maintain one and a half percent (1.5%) of its total infrastructure as an infrastructure emergency reserve (\$3,569,442 at 6/30/2019). As of June 30, 2019, the General Fund's cash and investments totaled approximately \$8,954,000. As of June 30, 2019, AMAFCA had approximately \$2.4M available that was in excess of its minimum reserve requirements, which is approximately 54% of our FY19 General Fund budget. The vast majority of these funds are shown as restricted in the General Fund Balance Sheet since the original source of these funds are property taxes that only be spent on flood control activities. Over 99% of AMAFCA's budget is considered Flood Control Activities.

The Authority, with its financial advisors, has also developed a long-term debt plan to finance new construction and improvements to existing facilities. The plan, contingent upon voter approval, pays debt over an 8-10 year life to maintain low interest rates. Based on this plan, the Authority is finalizing its 2019 Project Schedule, which highlights various flood control projects, including multi-agency projects, for the short and near term.

Relevant financial policies

The Authority has adopted a comprehensive set of financial policies and an internal control structure. The most recent being Resolution 2017-08 – Creation of the Acquisitions and Savings Fund. This fund was created to be used as the fund for acquiring capital assets and paying for known expenditures that do not occur on an annual basis, such as elections and aerial digital photography. It is also used to accumulate savings to pay for such expenditures. The creation of this fund also closed out the previous Building & Yard Improvements Fund.

For the year ended June 30, 2019, it was determined that the Agency & Area Wide Fund should be included in the report as a Capital Projects fund as opposed to a Fiduciary Fund. This was determined by utilizing the implementation guide for GASB 84.

Another significant policy is Resolution 2016-05 – Cash Reserves, which was passed by the Board of Directors in April 2016. The Authority has a total of \$5,843,406 of contingency reserves, of which \$544,599 remains available for any contingency but requires Board of Directors action to spend. This policy set up the following reserves and minimum amounts:

Operating Cash Reserves (3/12ths of operating budget)	\$ 1,173,964
Infrastructure Emergency Reserve (1.5% of total infrastructure)	3,569,442
Board of Directors Contingency	500,000
Executive Engineer Contingency	400,000
Insurance & Other Operating Reserve	200,000

LETTER OF TRANSMITTAL

June 30, 2019

AMAFCA has historically maintained a conservative approach to budgeting its revenues and expenditures. Over the past 10 years, on average, AMAFCA collects over 104% of its budgeted property taxes and spends less than 95% of its expenditures (approximately 88% for the fiscal year ended June 30, 2019).

Major initiatives

AMAFCA has utilized various forms of instrumentation to collect and monitor, water quantity and quality, data throughout the urban area. This monitoring is an addition to the water quality compliance sampling done by AMAFCA and others to comply with EPA's NPDS - MS4 Watershed Based Permit. The data collected, when coupled with AMAFCA's continued public education, outreach, involvement and participation, as resulted in better water quality. In particular, E.coli is no longer listed as an impairment, for 2 of the 3 assessment units along the Rio Grande, designated by the State of New Mexico Environment Department's 303(d) list, for water quality impairments.

Awards and Acknowledgements

Fiscal years ended June 30, 2016, 2017, and 2018, the Authority prepared a CAFR and the Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its CAFR in all years. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that this CAFR will once again meet the Certificate of Achievement Program's requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the Authority has been rated "AAA" by the nation's top two rating agencies, Standard & Poor's and Moody's, for the last 15 years. Maintaining the ratings is due to a conservative approach to financial affairs as well as demonstrating stable leadership.

In the past, AMAFCA, has been recognized locally, for its leadership in stormwater quality, its innovative designs to enhance habitat, and the combination of public use and flood control to create projects that are an asset to the community. Engineering News-Record (ENR) has evaluated projects in Arizona, Nevada and New Mexico and determined that, the AMAFCA - West I-40 Phase IV Project, with its iconic Stormwater Volcano, be awarded a Technical Merit Award in the Water/Environment category. The award highlights AMAFCA's innovation and team work and was presented at a ceremony in Phoenix, Arizona in November 2018.

AMAFCA's Storm Water Quality program was also recognized at the 2019 Stormwater Congress held at the 2019 WEFTEC Conference in Chicago as part of the National Municipal Stormwater and Green Infrastructure Awards Program. AMAFCA's Storm Water Quality Program was categorized as "Silver Level in Innovation" and "Gold Level in Project Management." These levels were selected for

LETTER OF TRANSMITTAL

June 30, 2019

AMAFCA's program based on rigorous review and provides a comparative benchmarking level for our community among other 2019 nominees.

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire AMAFCA staff. We wish to thank all AMAFCA employees for their assistance in providing data necessary to prepare this report. Credit is also due to current and past Directors for maintaining the highest standards of professionalism at AMAFCA.

Respectfully submitted,

Jerry M. Lovato, P.E. Executive Engineer

Herman Chavez, CPA

Finance & Administration Manager





Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Albuquerque Metropolitan Arroyo Flood Control Authority New Mexico

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO

OFFICIAL ROSTER

June 30, 2019

Board Members

Ronald D. Brown Chair
Bruce M. Thomson Vice-Chair

Deborah L. Stover Secretary-Treasurer

Tim Eichenberg Assistant Secretary-Treasurer

Cynthia D. Borrego Director

Administrative Staff

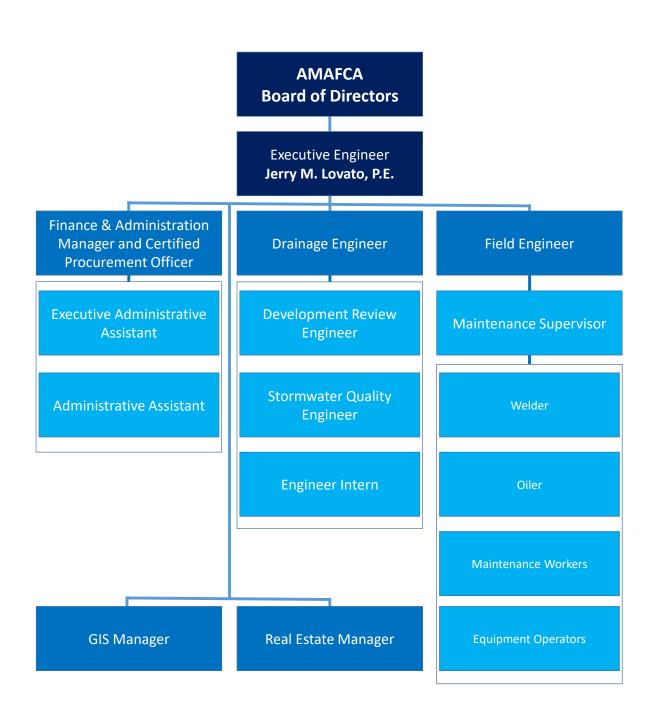
Jerry M. Lovato, P.E. Executive Engineer

Herman Chavez, CPA Finance & Administration Manager



ORGANIZATIONAL CHART

June 30, 2019





FINANCIAL SECTION



Storm flow running down the Calabacillas Arroyo over Grade Control Structure 7a



INDEPENDENT AUDITORS' REPORT

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Brian S. Colón, Esq.

New Mexico State Auditor

Board of Directors and Management

Albuquerque Metropolitan Arroyo Flood Control Authority

Albuquerque, New Mexico

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparison for the general fund of Albuquerque Metropolitan Arroyo Flood Control Authority (the "Authority") as of and for the year ended June 30, 2019, and the related notes to the financial statements which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Authority, as of June 30, 2019, and the respective changes in financial position thereof and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note M to the financial statements, the prior year financial statements have been restated in the amount of \$875,871 in the governmental fund financial statements and \$2,089,330 in the governmental activities related to the Authority's prior year adoption of GASB Statement No. 84, *Fiduciary Activities* and the change in classification of a capital projects fund from a custodial fund. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* on pages 7 through 15 and the GASB required pension and OBEB schedules, and the notes to the required supplementary information on page 73 through 76 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the Authority's basic financial statements. The introductory section, the combining fiduciary fund financial statements, the statistical section, the budgetary comparison schedules of the debt service, capital projects, acquisitions & savings, and agency & area wide funds, the schedule of investments, deposits, and pledged collateral and joint power agreements required by section 2.2.2 NMAC, and exit conference are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The combining fiduciary fund financial statements, schedule of investments, deposits, and pledged collateral and joint power agreements, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining fiduciary fund financial statements, schedule of investments, deposits, and pledged collateral and joint power agreements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section, budgetary comparison schedules of the debt service, capital projects, acquisition & savings, and the agency & area wide funds, the statistical section, and exit conference have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2019, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Can, Rigge & Ingram, L.L.C.

Carr, Riggs & Ingram, LLC Albuquerque, New Mexico November 27, 2019





Before and after views of the Black Mesa Facility Crossover

MANAGEMENT'S DISCUSSION & ANALYSIS (UNAUDITED)

June 30, 2019

The Albuquerque Metropolitan Arroyo Flood Control Authority (the Authority or AMAFCA) discussion and analysis is designed to (a) provide an overview of the Authority, its mission and function, (b) provide a description of significant capital assets, (c) provide a brief discussion of the basic financial statements, including the relationships of the statements to each other, and the significant differences in the information they provide, (d) provide an analysis of the Authority's financial position, and (e) identify any material deviations from the financial plan (approved budget).

Authority's Mission

The Authority was created by the Arroyo Flood Control Act of 1963. The Act provides for the organization, the governing body and officers, and flood control facilities; specifies provisions relating to powers, duties, privileges, liabilities, loans, securities, taxes, revenues and finances; and prescribes relationships with other government bodies and agencies.

The Authority was created as a political subdivision of the State of New Mexico in 1963 under Section NMSA 72-16-1 to 72-16-103 under the Arroyo Flood Control Act. The Authority is a local public body authorized to "acquire, equip, maintain and operate a flood control system for the benefit of the authority and inhabitants thereof..."

Authority's Function

Operation and Maintenance: The Authority operates and maintains major facilities of the flood control system in the greater Albuquerque area. Operation and maintenance is administered by the Authority's Field Engineer and Maintenance Superintendent, who oversee an eleven-man crew and various contractors. The Field Engineer ensures AMAFCA facilities are flood-ready.

Drainage Master Planning and Design Management: The Authority has implemented a program to master-plan drainage facilities through a deliberate prioritization system. This planning activity is managed by the Drainage Engineer, with input from the Field, Development Review, and Stormwater Quality Engineers on staff. Design and construction of flood control projects are accomplished by five staff engineers on a project-management basis. The Authority generally contracts planning, design and construction managements with private consultants. Property and Right-of-Way acquisition needs are managed by the Real Estate Manager. Planning, design, property acquisition and construction are funded by general obligation bond proceeds.

Regulatory Function: The Authority has a regulatory responsibility to review drainage reports and project designs for all subdivision and development applications within its jurisdiction to ensure that said development plans are in concert with Drainage Master Planning for the watershed. Review and approval is conducted by the Development Review Engineer with oversight by the Drainage Engineer and Executive Engineer.

MANAGEMENT'S DISCUSSION & ANALYSIS (UNAUDITED)

June 30, 2019

Financial Highlights

The financial position for the Authority has remained steady to slightly improved due to the contributions of infrastructure by outside entities on an entity wide level. The cash and investment position continues to remain strong as our reserves are fully funded, and the Authority has a strong cash position in each fund. The Authority's has set aside approximately \$5.2M for reserves, which is approximately \$545K more than minimum requirements. The following are some of the highlights that lead to this position:

- The financial position of the Authority is strong. As of June 30, 2019, the Authority's cash and
 investments available for flood control was about \$3.6M, which is approximately 80% of its
 fiscal year 2020 budget.
- The Authority added approximately \$12.7M to its June 30, 2018 Construction in Progress, and closed out approximately \$5.9M in projects, resulting in about \$3.6M of additions to infrastructure and \$2.3M of projects that do not meet the requirements for capitalization. The Authority has approximately \$12.7M of on-going flood control projects as of June 30, 2019. The Authority has approximately \$10.4M of commitments to complete the existing Construction in Progress.
- The Authority is one of the highest rated government agencies in the state of New Mexico; for the 16th straight year, the Authority received a Standard & Poor's Rating Services of AAA and a AAA rating from Moody's Investors.
- Using GASB 84 Implementation Guidance, the Authority determined that the Agency & Area
 Wide Fund met the requirements of a Capital Projects fund as opposed to a Fiduciary Fund.
 This led to a prior period adjustment in the Fund Financial Statements of about \$875K to
 establish beginning balances and a prior period adjustment of about \$2.1M in the Entity Wide
 Statements to establish the beginning balances, including construction in progress.
- Total cash and investments increased by approximately \$3.5M from the previous year. This increase is due to the completion and timing of progress payments made to contractors on various projects and the annual bond sale.
- Other current assets increased due to the timing of collection of joint project funding. The City
 of Albuquerque paid its portion of the Lower Bear Funding Agreement in August 2019.
- Current liabilities increased by about \$465k. This is primarily related to the increase in the current portion of long-term debt.
- The Authority experienced an increase of its net pension liability of approximately \$555k, to a total net pension liability of approximately \$2.9M. The deferred outflows and inflows of resources related to the pension liability remained steady.
- The Authority experienced a decrease in its net OPEB Healthcare liability of approximately \$78k, to a total net OPEB Healthcare liability of approximately \$1.5M. The deferred outflows and inflows of resources related to the pension liability remained steady.

MANAGEMENT'S DISCUSSION & ANALYSIS (UNAUDITED)

June 30, 2019

Overview of Financial Statements

The Authority's financial statements are presented in three parts: government-wide financial statements, the fund financial statements and notes to the financial statements.

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business. The statement of net position presents information on all the Authority's assets, deferred outflows of resources, liabilities and deferred inflow of resources with the differences between the two reported as net position. Over time, increases in net position may serve as a useful indicator of whether or not the financial position of the Authority is improving or deteriorating. The statement of activities presents information showing how the Authority's net position has changed during the fiscal year. In this statement, all changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some times that will only result in cash flows in future fiscal periods, such as revenues pertaining to uncollected taxes and expenses pertaining to earned but unused vacation.

The fund financial statements are designed to report information about groupings of related accounts that are used to maintain control over resources that have been segregate for specific activities or objectives. The Authority, like other state and local governments, used fund accounting to ensure and demonstrate compliance with finance-related requirements. The funds of the Authority are classified as either governmental funds or fiduciary funds, as described in the following sections.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Most of the Authority's services are reported in governmental funds. Governmental fund statements focus on sources, uses and balances of cash and other financial assets that can readily be converted to cash and that are available for spending. Such information may be useful in determining what financial resources are available in the near future to finance the Authority's mission. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it us useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Authority's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The Authority maintains individual governmental funds organized according to their type (debt service or capital projects). Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for all of the Authority's funds (all of which are considered major funds).

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the Authority. The Authority's fiduciary funds are reported as custodial funds. Since the resources of these funds are not available to support the Authority, they are not reflected in the government-wide financial statements.

MANAGEMENT'S DISCUSSION & ANALYSIS (UNAUDITED)

June 30, 2019

The Authority as a whole:

Net Position: Table A-1 summarizes the Authority's net position for the fiscal year ended June 30, 2019 and 2018. Net position is presented on a consolidated basis in one column, and is reflected on a full accrual, economic resources basis, which incorporates long-term assets and receivables, as well as long-term debt and obligations. The Authority did not have any business-type activities during the year ended June 30, 2019.

Table A-1
The Authority's Net Position

	5 TOUT OSITION	
	Government	Government
	Activities	Activities
	June 30, 2019	June 30, 2018
Current assets	\$ 58,876,028	\$ 54,455,550
Capital assets, net of depreciation	247,055,898	237,907,298
	305,931,926	292,362,848
Deferred outflow of resources	1,310,148	1,464,997
Total assets & deferred outflow of		
resources	\$ 307,242,074	\$ 293,827,845
Current liabilities	\$ 12,661,337	\$ 12,195,116
Non-current liabilities	54,575,165	51,605,757
Total liabilities	67,236,502	63,800,873
Deferred inflow of resources	501,136	509,830
Net Position		
Net investment in capital assets	214,988,196	212,351,685
Restricted for:		
Debt service	11,370,400	11,480,764
Capital projects	5,376,052	2,071,286
Unrestricted	7,769,788	3,613,407
Total net position	239,504,436	229,517,142
Total liabilities, deferred inflows		
of resources, and net position	\$ 307,242,074	\$ 293,827,845

MANAGEMENT'S DISCUSSION & ANALYSIS (UNAUDITED)

June 30, 2019

The Authority is authorized to levy ad valorem taxes on property within its boundaries. The Authority has two levies:

The *Operating Mill Levy* is used for the Authority's operation, maintenance and regulation of the local flood control system. For the Calendar Year 2019 Property Taxes, the Authority's operating mill levy was 0.172 for residential property and 0.477 mills for non-residential property.

The *Debt Service Mill Levy* is used to account for the accumulation of resources for, and the payment of, general long-term debt. For the Calendar Year 2019 Property Taxes, the Authority's Debt Service mill levy was 0.675 mills. Debt has historically been structured to maintain a level mill levy of 0.675. The Authority's Debt Service mill levy has remained the same since 1999.

The total ad valorem tax revenues of the Authority for the fiscal year ended June 30, 2019 were \$14,549,609 as compared to \$14,066,842 for the fiscal year ended June 30, 2018. The budget used conservative property values and collection rates in estimating revenues. The first year and total collections on property taxes remain strong, with first year collections being about 97% and eventually collecting about 99.7%.

Changes in Net Position: The Authority's changes in net position on the Statement of Activities for fiscal year 2019 was \$7,897,964, of which approximately \$1.1M is related to contributions of infrastructure from outside entities. The remainder is a result of timing variances of property tax collections and the spending of bond proceeds. In an ideal situation, those amounts be similar to each other.

The General Fund shows a \$140k increase in fund balance for the year ended June 30, 2019. The Authority anticipated a loss (budgeted a \$575K loss) but was able to control costs and revenues exceeded expectations. The Authority continues to budget at a deficit to utilize cash on deposit and to fund these deficits.

The Debt Service fund shows no change in fund balance. This is due to a consistent bond program. The Authority is able to predict revenues and structure bond sales accordingly.

The Capital Projects Fund shows a \$2.3M increase to fund balance, bringing the balance to \$34.7M. This is due to our bond sale and the collection of joint project funding. Bond proceeds are recognized when received, and the projects related to the bond sale last multiple years. As of August 31, 2019, the Authority has \$17.2M of construction, land purchase, and joint funding commitments, leaving about \$15M available for future projects.

The Acquisitions & Savings Fund showed a \$86k increase to fund balance. In fiscal year 2019, the Acquisitions & Savings Fund received transfers from the General Fund totaling \$231k and either acquired assets or services of approximately \$156k. The Authority has a detailed plan in place to use these funds on future known expenditures.

MANAGEMENT'S DISCUSSION & ANALYSIS (UNAUDITED)

June 30, 2019

The Agency & Area Wide showed an \$872k increase to fund balance. This is related to the timing of construction activity on the Agency and Area Wide Project. The total fund balance of \$1.7M is expected to be spent in FY20.

Table A-2 Changes in the Authority's Net Position

	Government Activities Year Ended June 30, 2019	Government Activities Year Ended June 30, 2018,
Program Revenues		
Revenue from jointly funded projects	\$ 2,850,557	\$ 106,915
General revenues		
Property taxes	14,549,609	14,066,842
Capital asset contributions	1,045,512	800,449
Investment	868,874	451,289
Other	27,865	27,603
Total revenues	19,342,417	15,453,098
Expenses		
Flood control	5,384,809	4,070,051
Planning, engineering, R&D	3,263,133	4,303,616
General government	1,672,709	1,560,467
Interest on long-term debt	1,123,802	910,834
Total expenses	11,444,453	10,844,968
Change in net position	7,897,964	4,608,130
Beginning net position, as restated	231,606,472	224,909,012
Ending net position	\$ 239,504,436	\$ 229,517,142

MANAGEMENT'S DISCUSSION & ANALYSIS (UNAUDITED)

June 30, 2019

Budgetary Performance

General Operating Fund Budget

The General Fund property tax revenues exceeded budgeted amounts by approximately \$80,000. This variance is related to the collection of delinquent property taxes, which is not considered as part of the budget of property tax revenues. Delinquent property taxes collected for the year ended June 30, 2019 was approximately \$110k.

The Authority continued its history trend of being under budget for expenditures. For the year ended June 30, 2019, the Authority was approximately 12% under budget. It should be noted that the Facilities Operations & Maintenance was about 18% under budget due to fuel costs and contract services being under budget. We purposely maintain budgets in these areas to anticipate unknown situations, such as gas prices increasing and the need to rent equipment due to maintenance requirements. Non-salary related Administrative costs were under budget by 18%. This is related to our restructuring of our insurance coverages by raising our deductibles (our fulling funding reserve allowed us to do this) and having a strong safety record that lowered our Workers Compensation Insurance.

The general fund did have minor budget adjustment (totaling \$35k). The adjustments were required to cover new service contracts as well as increased costs for payroll/benefits processing.

Capital Assets - Debt Administration

Capital Assets

AMAFCA currently maintains facilities with an accumulative cost in excess of \$290,000,000. The facilities include 71 dams & ponds, 131 water quality improvement structures, and over 88 miles of channels, arroyos, and pipes. Current estimates indicate that replacing said facilities would be in excess of \$485,000,000.

Major projects completed/closed out or accepted for maintenance during fiscal year 2018 were:

Agency & Area Wife VIII (AAW) (\$1.6M)

The AAW VIII Project constructed overlay 3,000 linear feet of concrete overlay of the North Diversion Channel. The overlay utilized nearly 2,500 cubic yards of concrete, varies from 6"-9" and creates a cross slope to keep the majority of the water in a newly constructed curb in the channel. This section of the North Diversion Channel is over 50 years old and the overlay will provide an improved bottom section for years to come.

The Agency and Area Wide Flood Control Rehabilitation project provides for the continued rehabilitation and emergency work in AMAFCA, City of Albuquerque, New Mexico Department of Transportation and other jurisdictions' drainage facilities throughout the area. Over the last eleven years, approximately \$12.5 million in improvements and repairs have been made to flood control infrastructure in the greater Albuquerque urban area.

MANAGEMENT'S DISCUSSION & ANALYSIS (UNAUDITED)

June 30, 2019

Mirehaven @ Stormcloud (\$1.1M)

Improvements to the Mirehaven Arroyo were the result of a Turnkey Agreement between AMAFCA and private development. The channel improvements convey a developed 100-year flow rate of 1500 cfs and connected the box culverts at Tierra Pintada to the previously improved channel downstream. These improvements completed the Mirehaven Arroyo system. The channel improvements consisted of 1100 linear feet of shotcrete channel and 4 associated drop structures. This facility provides channelized conveyance of the flood flows and resulted in a reduction of the associated FEMA flood hazard area thus removed homes from potential flooding.

Calabacillas 1a1 Grade Control Structure (\$1.6M)

In 2016, the Calabacillas Arroyo below Swinburne Dam was reevaluated for stability and erodibility. One of the recommendations of the study was the construction of a grade control structure near the outlet of Swinburne dam to protect the structure. Several options were evaluated and a structure adjacent to the dam performed better hydraulically and was less expensive. The structure allows water to move from a higher elevation to a lower elevation and dissipate energy in a controlled manner and prevents further downward or outward erosion that could threaten the houses that are built nearby. Incorporated into the structure is a low flow bypass that allows small flows to move through the structure and emerge in the raised concrete AMAFCA logo, simulating rainfall. During high flows, water passes over the AMAFCA logo, providing energy dissipation. The arroyo below the structure was regraded to match the final erosion slope, and the adjacent downstream structure was modified to prevent flanking. The project also stabilized a rundown channel from Unser Blvd and improved maintenance access to the area.

Please see Note D - Changes in Capital Assets (page 41) for more information on Capital Assets.

Debt Administration

The Authority is one of the highest rated government agencies in the state of New Mexico; for the 16th straight year, the Authority received a Standard & Poor's Rating Services of AAA and a AAA rating from Moody's Investors. The S&P rating included a 2-year positive outlook.

The Authority's legal debt limit is \$80,000,000. Total bonded debt is made up of seven series of general obligation bonds (Series 2012, 2014, 2015, 2016, 2017, 2018 and 2019) which are scheduled to be retired gradually over the next ten years. The total proceeds of these seven series of bonds are \$85,000,000. At June 30, 2019, the Authority's outstanding principal debt was \$57,095,000 resulting in a legal debt margin of 71% of the \$80,000,000 total general obligation bonding capacity. Total outstanding principal and interest at June 30, 2019 was \$64,448,356 versus \$61,576,578 at June 30, 2018. The increase is due to the sale of the \$12,500,000 bond issue. The Authority paid \$10,030,000 in principal and \$1,494,573 in interest for the period ending June 30, 2019.

In June 2019, the Authority sold the second \$12.5M of the \$25M authorized in 2016. The effective interest rate on that sale was 2.40%.

In November 2018, authorization was granted by the voters for the Authority to issue up to \$25M of additional debt.

MANAGEMENT'S DISCUSSION & ANALYSIS (UNAUDITED)

June 30, 2019

On August 1, 2019, the Authority paid \$10,130,000 of principal and \$834,676 of interest. After the payment was made, the remaining balance of principal is \$45,665,000 and interest of \$6,518,650.

Please see Note E – General Obligation Bonds Payable & Premiums (page 45) for information on Debt Administration.

Economic Factors and Next Year's Budgets and Rates

Residential ad valorem property tax rates decreased from the prior year. The total ad valorem property rate for property tax year 2019 as passed by the Board of Directors is 0.852 (.177 for operations and .675 for debt) for residential, which is the same as property tax year 2018. This rate was adjusted by NM Department of Finance and Administration (NMDFA) to 0.849 for residential through the Yield Control Act. The total non-residential ad valorem property tax rate in fiscal year 2019 was also not adjusted by the Board of Directors and remains at 1.152. The debt service ad valorem property tax rate of 0.675 has remained constant since 1999 and has not seen a rate increase since 1991.

The Authority's fiscal year 2020 adopted budget for the general fund includes estimated property tax revenues of about \$3,877,000, which is an increase from the fiscal year 2019 actual property tax revenues of about \$3,798,000. The Authority does not anticipate conditions that would cause decreases in revenues, but takes a conservative approach as it relates to collections, a 97% collection rate.

The Authority total budgeted expenditures for fiscal year 2020 increased approximately \$240,000 (5%) from fiscal year 2019. Locally, we are noticing price increases in health insurance (12%) and in fuel, materials and general construction costs (2-5%). To plan for those increased costs, the Authority continues to identify areas to can with stand budget cuts so specific areas with increased costs can afford steady or increased budgets. This approach as allowed the Authority to maintain a relatively steady budget overall.

In anticipation of NMDFA requiring the Authority to utilize is Local Government Budget Management System (LGBMS) FY21, the Authority began budgeting utilizing the requirements of LGBMS in FY19 and continued the practice in FY20. This had no effect how the FY20 budget was developed but required a "crosswalk" to LGBMS categories.

Contacting the Authority's Financial Management

This financial report is designed to provide a more understandable and useful overview of the Authority and its finances and to demonstrate the Authority's prudent use of all funding it receives. If you have any questions about this report or need additional financial information, contact:

The Albuquerque Metropolitan Arroyo Flood Control Authority 2600 Prospect, NE Albuquerque, NM 87107 (505) 884-2215 www.amafca.org

FINANCIAL STATEMENTS

Government-Wide Statement of Net Position

June 30, 2019

ASSETS

	Governmental Activities
CURRENT ASSETS	
Cash and cash equivalents	\$ 2,024,141
Investments	55,127,753
Property tax receivables, net of allowance	797,014
Joint project funding receivables	927,120
Total current assets	58,876,028
CAPITAL ASSETS	
Capital assets not being depreciated	66,622,674
Capital assets being depreciated, net	180,433,224
Total capital assets	247,055,898
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources - pension	1,140,003
Contributions subsequent to measurement - pension	140,413
Contributions subsequent to measurement - OPEB	29,732
Total deferred outflows of resources	1,310,148
Total assets and deferred outflows of resources	\$ 307,242,074

^{*}The accompanying notes are an integral part of these financial statements.

FINANCIAL STATEMENTS

Government-Wide Statement of Net Position

June 30, 2019

LIABILITIES AND NET POSITION

LIABILITIES AND NET POSITION	
	Governmental
	Activities
LIABILITIES	
Current liabilities	
Accounts payable	\$ 1,102,996
Accrued payroll and taxes	43,919
Other liabilities	26,215
Compensated absences payable, current portion	57,447
Bonds payable, current portion	10,735,197
Accrued interest payable	695,563
Total current liabilities	12,661,337
Noncurrent liabilities	
Compensated absences payable - expected to	
be paid after one year	86,039
Bonds payable, net of current portion	49,965,883
Net pension liability	2,869,867
Net OPEB Healthcare liability	1,536,222
Net OPEB life insurance liability	117,154
Total noncurrent liabilities	54,575,165
Total liabilities	67,236,502
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources - pension	91,848
Deferred inflows of resources - OPEB	409,288
Total deferred inflows of resources	501,136
NET POSITION	
Net investment in capital assets	214,988,196
Restricted	
Debt service	11,370,400
Capital projects	5,376,052
Unrestricted	7,769,788
Total net position	239,504,436
Total liabilities, deferred inflows, and net position	\$ 307,242,074



18

FINANCIAL STATEMENTS

Government-Wide Statement of Activities For Fiscal Year Ended June 30, 2019

		Expenses	Program Revenues Capital Contributions and Revenue from Jointly Funded Projects			Net (Expense) Revenue and Changes in Net Position
Governmental activities:						
Flood control	\$	(5,384,809)	\$	-	\$	(5,384,809)
Planning, engineering, research						
and development		(3,263,133)		2,850,557		(412,576)
General government		(1,672,709)		-		(1,672,709)
Long-term debt, interest and fees		(1,123,802)	-			(1,123,802)
Total governmental activities	\$	(11,444,453)	\$	2,850,557		(8,593,896)
General revenues:						
Property taxes						14,549,609
Capital asset contributions						1,045,512
Investment						868,874
Other						27,865
Total general revenues					_	16,491,860
Changes in net position						7,897,964
Net position, beginning of year as previously	y repo	orted				229,517,142
Restatement of prior years for GASB 84 co	orrect	ion				2,089,330
Net position, beginning of year as restated						231,606,472
Net position, end of year					\$	239,504,436

FINANCIAL STATEMENTS

Balance Sheet - Governmental Funds

June 30, 2019

ASSETS

		General Fund	Debt Service (Ca	Capital Projects Fund		Acquisitions as & Savings Fund		Agency Area Wide Fund	Total Governmental Funds		
ASSETS													
Petty cash	\$	200	\$	-	\$	-	\$	-	\$	-	\$	200	
Cash in bank		120,500		156		2,089		297		1,900,899		2,023,941	
Investments		8,833,087		11,251,680		34,568,465		474,521		-		55,127,753	
Property taxes (net) receivables		239,312		557,702		-		-		-		797,014	
Joint project funding receivables		-		-		887,120		-		40,000		927,120	
Due from Other Funds				-						14,912		14,912	
Total assets	\$	9,193,099	\$	11,809,538	\$	35,457,674	\$	474,818	\$	1,955,811	\$	58,890,940	
	LI	ABILITIES, 1	DEFI	ERRED INFL	ows	AND FUND I	BALA	NCES					
LIABILITIES													
Accounts payable	\$	183,948	\$	-	\$	711,622	\$	-	\$	207,426	\$	1,102,996	
Accrued payroll and taxes		43,919		-		-		-		-		43,919	
Other liabilities		1,215		_		25,000		-		-		26,215	
Due to Other Fund		14,912										14,912	
Total liabilities		243,994		-		736,622		-		207,426		1,188,042	
Deferred Inflows		152,734		328,613								481,347	
Total liabilities and deferred inflows		396,728		328,613		736,622		-		207,426		1,669,389	
FUND BALANCES													
Restricted													
Flood control construction													
and maintenance		2,267,303		-		-		-		-		2,267,303	
Debt service		-		11,480,925		-		-		-		11,480,925	
Capital projects		-		-		34,721,052		-		1,748,385		36,469,437	
Committed													
Subsequent year's expenditures		1,173,964		-		-		-		-		1,173,964	
Contingencies		5,214,041										5,214,041	
Building and improvements		-		-		-		474,818		-		474,818	
Unassigned													
General		141,063		-								141,063	
Total fund balances		8,796,371		11,480,925		34,721,052		474,818		1,748,385		57,221,551	
Total liabilities and fund balances	\$	9,193,099	\$	11,809,538	\$	35,457,674	\$	474,818	\$	1,955,811	\$	58,890,940	

FINANCIAL STATEMENTS

Reconciliation of the Balance Sheet to the Statement of Net Position – Governmental Activities

June 30, 2019

Total fund balance - governmental funds	\$ 57,221,551
Amounts reported for governmental activities in the statement of net position are different because:	
Delinquent property taxes receivable net of allowance for doubtful accounts are not considered available financial	
resources and therefore are reported as deferred inflows in fund financial statements.	481,347
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund balance sheet. These assets consist of:	
Total capital assets Less accumulated depreciation	314,333,688 (67,277,790)
The net pension liability and related items are not reported in the funds, the following are adjustments related to the net pension liability:	
Deferred outflows - contributions subsequent to measurement Deferred outflows - related to net pension liability	140,413
investment earnings	1,140,003
Net pension liability	(2,869,867)
Deferred Inflows - related to net pension liability	(91,848)
The net OPEB liabilities and related items are not reported in the funds,	
the following are adjustments related to the net OPEB liabilities:	
Deferred outflows - contributions subsequent to measurement	29,732
Net OPEB liability - heathcare	(1,536,222)
Deferred Inflows - related to net OPEB liability - healthcare	(409,288)
Net OPEB liability - life insurance	(117,154)
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Compensated absences payable	(143,486)
Accrued interest payable	(695,563)
General obligation bonds are not due and payable in the current period and, therefore, are not reported in the funds. Bond premium costs are amortized for governmental activities, but are a current other financing source in fund financial statements fund financial statements.	
General obligation bonds	(57,095,000)
Total bond premium	(5,946,522)
Less accumulated amortization	 2,340,442
Net position of governmental activities (Statement of Net Position)	\$ 239,504,436

FINANCIAL STATEMENTS

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
For Fiscal Year Ended June 30, 2019

		neral und	 Debt Service Fund	Cap	oital Projects Fund		Acquisitons & Savings Fund		& Savings & Area		Agency Area Wide Fund	rea Wide Go	
REVENUES			10 =00 440								44.550.004		
Property taxes		875,717	\$ 10,702,669	\$	-	\$	-	\$	-	\$	14,578,386		
Investments		177,796	92,698		584,527		10,817		3,036		868,874		
Revenue from jointly funded projects		-	-		2,792,667		-		57,890		2,850,557		
Other		27,865	 	_							27,865		
Total revenues	4,	081,378	10,795,367		3,377,194		10,817		60,926		18,325,682		
EXPENDITURES													
Current													
General government	1,	598,030	-		-		9,968		-		1,607,998		
Flood control	1,	178,697	-		-		-		-		1,178,697		
Planning, engineering, research													
and development		936,458	-		-		-		-		936,458		
Capital outlay		-	-		11,277,547		145,792		1,438,412		12,861,751		
Debt service													
Bond principal retirement		-	10,030,000		-		-		-		10,030,000		
Interest and fixed charges		-	1,494,573		-		-		-		1,494,573		
Bond issuance costs			 		93,355						93,355		
Total expenditures	3,	713,185	 11,524,573		11,370,902	_	155,760		1,438,412		28,202,832		
Excess (deficiency) of revenues													
over expenditures	:	368,193	(729,206)		(7,993,708)		(144,943)		(1,377,486)		(9,877,150)		
OTHER FINANCING SOURCES AND USES													
Transfers in		-	-		-		231,000		2,250,000		2,481,000		
Transfers out	(231,000)	-		(2,250,000)		-		-		(2,481,000)		
Face amount from bond sales		-	-		12,500,000		-		-		12,500,000		
Bond premium issuance			 729,367		93,474	_					822,841		
Total other financing sources and uses	(231,000)	729,367		10,343,474	_	231,000		2,250,000		13,322,841		
Net change in fund balances		137,193	161		2,349,766		86,057		872,514		3,445,691		
Fund balances, beginning of year as previously reported	8,	659,178	11,480,764		32,371,286		388,761		-		52,899,989		
Restatement of prior years for GASB 84 correction		-	-		-		-		875,871		875,871		
Fund balances, beginning of year as restated	8,	659,178	11,480,764		32,371,286		388,761		875,871		53,775,860		
Fund balances, end of year	\$ 8,	796,371	\$ 11,480,925	\$	34,721,052	\$	474,818	\$	1,748,385	\$	57,221,551		

FINANCIAL STATEMENTS

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities – Governmental Activities

For Fiscal Year Ended June 30, 2019

Net change in fund balances - governmental funds	\$ 3,445,691
Amounts reported for governmental activities in the statement of activities are different because:	
In the governmental funds, proceeds from long-term debt are reported as revenues	(12,500,000)
In the governmental funds, payments from long-term debt are reported as expenditures	10,030,000
Bond premium is not amortized for fund financial statement purposes, but is for governmental activities - current year amortization	574,649
Bond premiums are included as other revenues for fund financial statement purposes, but are capitalized for governmental activities	(822,841)
In the statement of activities, certain operating expenses - compensated absences payable and accrued interest payable are measured by the amounts incurred during the year. In the governmental funds, however expenditures are measured by the amount of financial resources used (essentially the amounts actually paid). The (increase) decrease in the liabilities for the year was:	
Compensated absences payable Accrued interest payable	(6,162) (110,523)
In the governmental funds, pension expense is the actual contributions made to PERA, in the entity wide statements, amounts are shown as a net pension liability, deferred outflows (net of subsequent contributions), and deferred revenues. The net adjustment for the year was:	(660,647)
In the governmental funds, OPEB expense is the actual contributions made to NMRHCA and for life insurance, in the entity wide statements, amounts are shown as a net OPEB liability, deferred outflows, and deferred inflows. The net adjustment for the year was:	41,433
Delinquent property taxes receivable, net of allowance for doubtful accounts, are not available financial resources and therefore are reported as deferred inflows in the fund financial statements. The decrease in the net receivable for the year was:	(28,777)
The governmental funds report capital outlays as expenditures. However, in the statement of net position, the cost of capital assets is allocated over their estimated useful lives and reported as depreciation expense. In the current year, these amounts were:	<i>, , ,</i>
Excess of capital outlay expenditures which were capitalized over noncapitalized Depreciation	10,535,076 (3,645,447)
In the statement of activities, turnkey contributed projects are recorded as revenues. These revenues are not recorded in the governmental fund statements.	1,045,512
Changes in net position of governmental activities (statement of activities)	\$ 7,897,964



FINANCIAL STATEMENTS

Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – General Fund

June 30, 2019

	Budget Original	Budget Final	Actual Amount Budgetary Basis	Variance Positive (Negative)
Revenues			<u></u>	
Property taxes Revenue - other	\$ 3,798,468 81,000	3,798,468 81,000	3,875,717 205,661	77,249 124,661
Total revenues	3,879,468	3,879,468	4,081,378	201,910
Expenditures				
Salary and related payroll costs	2,376,000	2,376,000	2,222,582	153,418
Facilities operations and maintenance	665,386	685,386	563,720	121,666
Stormwater quality	328,654	328,654	320,280	8,374
Planning, Engineering, and R&D	136,217	136,217	101,856	34,361
General & Administrative	306,452	306,452	216,126	90,326
Professional Services	97,063	112,063	68,855	43,208
Information Technology	104,348	123,348	87,625	35,723
Governmental Affairs	 154,512	154,512	132,141	22,371
Total expenditures	 4,168,632	4,222,632	3,713,185	509,447
Excess (deficiency) of revenues over expenditures before other financing sources and uses	(289,164)	(343,164)	368,193	711,357
Other financing sources and uses Transfers from other funds				
Transfers to other funds	 (231,000)	(231,000)	(231,000)	<u> </u>
Total other financing and uses	 (231,000)	(231,000)	(231,000)	<u>-</u>
Net change in fund balance	 (520,164)	(574,164)	137,193	711,357
Fund Balance, beginning of year	 8,659,178	8,659,178	8,659,178	<u>-</u>
Fund Balance, end of year	\$ 8,139,014	8,085,014	8,796,371	711,357

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

FINANCIAL STATEMENTS

Statement of Fiduciary Net Position - Fiduciary Funds

June 30, 2019

	C	Total ustodial Funds
ASSETS		
Cash in bank	\$	205,823
Accounts Receivable	<u> </u>	45,000
Total accepts		250 922
Total assets		250,823
LIABILITIES		
Accounts payable		46,064
Total liabilities		46,064
NET POSITION		
Restricted		
Other Organizations		204,759
Total net position		204,759

^{*}The accompanying notes are an integral part of these financial statements.

FINANCIAL STATEMENTS

Statement of Changes in Fiduciary Net Position – Fiduciary Funds

June 30, 2019

ADDITIONS	 Total Custodial Funds
Contributions	
Participation	\$ 239,643
Investments	2
Other	 30,913
Total additions	270,558
DEDUCTIONS	
Profressional services	120,006
Educational outreach	131,542
Lab costs	3,859
Other	6,150
	 - ,
Total deductions	 261,557
Net increase(deficiency) in	
fiduciary net position	9,001
Net Position, beginning of year	1,071,629
Restatement, note M	 (875,871)
Net Position, beginning of year, as restated	 195,758
Net position, end of year	\$ 204,759

^{*}The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Function and Definition of Entity

The Albuquerque Metropolitan Arroyo Flood Control Authority (the Authority or AMAFCA) was created by the Arroyo Flood Control Act of 1963 (the Act) and is governed by such laws created thereunder designated as 72-16-1 to 72-16-103. The Act provides for organization of the governing body and offices; provides for flood control facilities; specifies provisions relating to powers, duties, privileges, liabilities, loans, securities, taxes, revenues, and finances; and prescribes interactions with other government bodies and agencies.

The Authority is governed by a "Board of Directors" (Board) which consists of five qualified electors elected for six-year staggered terms. The Board elects one member as chair, one as vice-chair, one as secretary-treasurer, and one as assistant secretary-treasurer. The Board appoints an Executive Engineer as administrator of all Authority affairs, who serves at the pleasure of the Board.

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the Authority's financial statements would be misleading or incomplete if not included.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either is able to impose its will on that organization or there is potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization.

Some organizations are included as component units because of their fiscal dependency on the primary government. An organization is fiscally dependent on the primary government if unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the primary government. Governmental Accounting Standards Board (GASB) Statement No. 61, effective for fiscal year 2013 further requires a financial benefit or burden relationship be present

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

in addition to fiscal dependency between the primary government and the organization to be included as a component unit. In addition, GASB 80 requires that a component unit should be included in the reporting entity financial statements using the blending method if the component unit is organized as a not-for-profit corporation in which the primary government is the sole corporate member.

There were no component units of the Albuquerque Metropolitan Arroyo Flood Control Authority during the year June 30, 2019.

The financial statements for the Authority have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The GASB is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

2. Basic Financial Statements

The basic financial statements include both government-wide (based on the Authority as a whole) and fund financial statements. The reporting model focus is on either the Authority as a whole or on major individual funds (within the fund financial statements). Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as governmental funds. In the government-wide Statement of Net Position, the governmental activities are reflected on a full accrual economic resources basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. During the year ended June 30, 2019, the Authority adopted GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements.* The Authority only has General Obligation Debt and therefore, the implementation has no effect.

The government-wide Statement of Activities reflects both the gross and net cost per functional category, which is otherwise being supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues. The program revenues must be directly associated with the function. Only revenues from jointly funded projects are considered program revenues. The Authority includes three functions: flood control, general government, and planning, engineering, design, research and development.

The net cost (by function) is normally covered by general revenues (taxes, inter-governmental revenues, investment, etc.). Historically, the previous model did not summarize or present net cost by function or activity. The Authority does not currently employ indirect cost allocation systems. The Authority's policy for when an expense is incurred for purposes for which both restricted and unrestricted net position are available is to utilize the restricted net position first. No such expenses occurred during the year ended June 30, 2019.

The government-wide focus is more on the sustainability of the Authority as an entity and the change in aggregate financial position resulting from the activities of the current fiscal period.

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

The only program revenue is funds received from outside sources related to specific projects. It is described in the financial statements as revenue from jointly funded projects and is considered program specific grants and contributions.

The fund financial statements are similar to the financial statements presented in the previous accounting model. Emphasis here is on the major funds in either the government or business-type categories. Non-major (by category) or fund type are summarized into a single column. The General Fund, the Debt Service Fund, the Capital Projects Fund, and the Acquisitions & Savings Fund have been classified as major funds. There were no non-major funds.

The Governmental Fund statements are presented on a current financial resource and modified accrual basis of accounting. This presentation is deemed appropriate to (a) demonstrate legal compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the Authority's actual experience conforms to the budget or fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented on the page following each statement, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column on the governmental-wide presentation.

Internal activity among the various funds is eliminated in the government-wide financial statements.

The Authority's Fiduciary Funds (Custodial Funds) are presented in the fund financial statements. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide financial statements.

3. Basis of Presentation

The financial transactions of the Authority are maintained on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, expenditures or expenses and other financing sources or uses. Government resources are allocated to, and accounted for, in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are summarized by type in the accompanying financial statements. The various funds are reported by generic classification within the financial statements.

Governmental accounting principles specify minimum criteria for the determination of major funds based on a percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or governmental and enterprise combined. Due to the fund structure of the Authority, all funds have been classified as major funds.

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

GOVERNMENTAL FUND TYPES

The focus of Governmental Fund measurement (in the financial statements) is based upon determination of financial position and changes in the financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the Governmental Funds of the Authority.

General Fund. The General Fund is the general operating fund of the Authority. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund also includes funds designated for contingencies.

Debt Service Fund. The Debt Service Fund is used to account for the accumulation of resources for and the payment of general long-term principal, interest, and related costs on bond holdings.

Capital Projects Fund. The Capital Projects Fund is used to account for financial resources from bond issuances to be used for the acquisition of major capital facilities and related costs.

Acquisitions & Savings Fund. The Acquisition & Savings Fund, a capital projects fund considered to be a major fund by the Authority, is used to account for financial resources to be used for costs associated with general capital outlay as well as savings for significant non-capital expenditures that do not occur on an annual basis.

Agency & Area Wide Fund. The Agency & Area Wide Fund is used to account for the pooling of funds by various entities when a single construction contract is bid/awarded to complete multiple small projects and the work performed is for the benefit and paid for by each entity.

Fiduciary Funds. The Authority had Custodial funds during the year ended June 30, 2019. The *Custodial funds* are used to account for assets that the Authority holds for others – including:

Ditch and Water Safety Task Force Fund – This fund is used to promote water and ditch safety among children and is financed by contributions from several agencies.

Middle Rio Grande MS4 CMC Fund – This is used to account for the pooling of funds by various entities to meet compliance requirements related to the MS4 Permit and the sampling of storm water.

Storm Water Quality Coordinator Fund – This is used to promote better water quality in the Albuquerque area and is financed by contributions from several agencies.

NON-CURRENT GOVERNMENTAL ASSETS/LIABILITIES

GASB Statement No. 34 eliminated the presentation of account groups, but provides for these records to be maintained and incorporates the information into the governmental activities column in the government-wide Statement of Net Position.

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

4. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditure/expenses are recognized in the accounts and reported in the financial statement. It relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements measure and report all assets, liabilities, revenues, expenses, gains and losses using the economic resources measurement focus and the accrual basis of accounting, and the Fiduciary Fund financial statements are presented on an accrual basis of accounting. The Governmental Funds in the fund financial statements are presented on a modified accrual basis.

Modified Accrual. All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, and the Authority uses traditional 60 days after year-end as the period in which they have to be received. Property taxes are recognized when levied, net of estimated refunds and uncollectible amounts. Expenditures are generally recognized under modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt is recognized when due. In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to GASB Statement No. 33, the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenues when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met, under most circumstances, should be reported as advances by the provider and deferred revenue by the recipient.

Budgetary Accounting

Budgets for all funds are adopted on the modified accrual basis of accounting, which conforms to accounting principles generally accepted in the United States of America. The legal level of budgetary control is at the fund level. At year-end, budgeted appropriations lapse. The Board approves the original budget at a public meeting for which legal notices are published. The public is invited to comment at the meeting. Within each fund, the Executive Engineer can make transfers between line items. Transfers between funds and any increase in the original budget, in addition to approval by the Authority's Board, must be presented to the Local Government Division of the New Mexico Department of Finance and Administration for their approval. The original budget, approved by the Authority's Board and the Local Government Division. Actual expenditures for each budget may not legally exceed the appropriations in total, including budgeted beginning cash balances. The Authority's budget for the fiscal year ended June 30, 2019 was properly approved by the Authority's Board and by the Local Government Division. It was subsequently amended.

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

6. Investments

The Authority has invested funds in the New Mexico State Treasurer's Local Government Investment Pool (Pool). The investments are valued at amortized costs based on quoted market prices as of the valuation date.

7. Compensated Absences

Employees of the Authority accrue both sick leave and vacation leave as a function of service. In the event of termination, employees receive payments for accumulated vacation. In the event of retirement, employees receive payment for accumulated vacation and sick leave or take the accumulated vacation and sick leave prior to retirement. Employees may also, at their option (each November), convert sick leave to vacation leave or receive cash according to predetermined ratios. The following ratios are to be utilized:

- 1. Sick leave accumulation over 500 hours may be converted at the following ratios:
 - Three hours of sick leave to one hour of vacation leave, or
 - Three hours of sick leave to one hour of cash payment.
- 2. Sick leave accumulation over 850 hours may be converted at the following ratios:
 - Two hours of sick leave to one hour of vacation leave, or
 - Two hours of sick leave to one hour of cash payment.
- 3. Sick leave accumulation over 1,200 hours must be converted at the following ratios:
 - Three hours of sick leave for two hours of vacation leave, or
 - Three hours of sick leave to two hours of cash payments.

Compensated absences payables of \$143,486 have been recorded in the government-wide financial statements. Of the \$143,486, \$57,447 is considered the current portion while \$86,039 is considered the long-term portion, which is expected to be paid after one year. The compensated absence payable has been valued using the pay levels in effect at June 30, 2019 and does not include estimated payroll tax and fringe benefit costs. The amount also does not include any sick leave that is eligible to be converted to vacation leave, cash or for payment upon retirement. The General Fund is the only fund which has been and which will be used to liquidate compensated absences liabilities.

	Jun	e 30, 2018	A	Additions	D	eletions	June	2019	e Within ne Year
Compensated absences payable	\$	137,324	\$	134,478	\$	128,316	\$	143,486	\$ 57,447

8. Capital Assets

Property, plant, and equipment purchased or acquired, including software, are carried at historical cost or estimated historical cost. Contributed assets are recorded at the acquisition value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The Authority's capitalization policy, i.e., the dollar value above which asset

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

acquisitions are added to the capital accounts, is \$5,000 per 12-6-10 NMSA 1978. However, all capital outlay purchases may not necessarily be capitalized.

The Authority does not capitalize interest in regard to any of its capital assets. It is in normal activity that AMAFCA obtain ownership of facilities constructed by others and to give ownership to other Governmental Agencies. When AMAFCA obtains ownership, it is recorded as a capital contribution. When AMFCA gives up ownership, it is included as part of Noncapitalized project costs.

Depreciation on all depreciable assets is provided on the straight-line basis over the estimated useful lives with no salvage value. The Authority utilizes Internal Revenue Service guidelines and other guidelines to estimate the useful lives on fixed assets as follows:

Office furniture, fixtures, & equipment 5 years

Maintenance tools and automotive equipment 7 years

Stormwater quality equipment 5 years

Telemetry Equipment 5 to 40 years

Office and maintenance buildings 40 years

Infrastructure 70 years

9. Revenues and Expenditures

Substantially all governmental fund revenues are accrued, except the only property taxes accrued in the fund financial statements are those actually received within sixty days of year-end. Expenditures are recognized when related fund liability is incurred.

10. Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as investment in capital assets (net of related debt), restricted and unrestricted.

Net Investment in Capital Assets – is intended to reflect the portion of net position which are associated with non-liquid capital assets less outstanding capital asset related debt. The net related debt is the general obligation bonds issued to finance the Authority construction projects. The Authority's debt related to Capital Outlay is \$60,701,080. The Authority includes unpsent bond proceeds in the amount of \$29,345,000 and \$711,622 of accounts payable for construction in the calculation of net investment in capital assets.

Restricted – are liquid assets (generated from revenues and bond proceeds) which have third-party (statutory, bond covenant or granting agency) limitations on their use. There are no net position amounts restricted by enabling legislation.

Unrestricted – represent the residual assets of the Authority, which are not restricted.

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

11. Fund Balance

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Authority is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable Fund Balance Includes amounts that cannot be spent because they are
 either not in spendable form, or, for legal or contractual reasons, must be kept intact. This
 classification includes inventories, prepaids, deposits with vendors, assets held for sale,
 and long-term receivables.
- Restricted Fund Balance Restricted funds are either externally imposed (such as debt covenants, grantor, contributors or other governments) or are imposed by law (constitutionally or enabling legislation).
- *Committed Fund Balance* The Authority's Committed Funds require formal action of the Board of Directors by resolution that identifies the specific circumstances under which their resources may be expended.
- Assigned Fund Balance Amounts that are constrained by the Authority's expressed
 intent to use resources for specific purposes but do not meet the criteria to be classified as
 restricted or committed. Intent can be stipulated by the governing body or by an official to
 whom that authority has been given. With the exception of the General Fund, this is the
 residual fund balance classification for all governmental funds with positive balances.
- *Unassigned Fund Balance* This is the residual classification of the General Fund. Only the General Fund can report a positive "unassigned fund balance". Other governmental funds might report a negative balance in this classification.

Fund Balance for Subsequent Years Expenditures. In April 2016, the AMAFCA Board of Directors adopted Resolution 2016-05 – Cash Reserves that requires a minimum fund balance in the general fund of 25% of the General Fund's subsequent year's budget, less any capital outlay to be funded via transfer from the Acquisitions & Savings fund (\$4,695,856) to ensure the Authority maintains an adequate cash flow position.

The Authority would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

12. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates. Significant estimates in the Authority's financial statements include the allowance for uncollectible accounts, expected useful lives of capital assets, current portion of accrued compensated absences, and actuarial estimates included in the calculation of the net pension liability and net OPEB liability.

13. Deferred Inflows

Receivables which do not meet the "available" criteria for revenue recognition under the modified accrual basis of accounting are recorded as deferred inflows. Deferred inflows at June 30, 2019 is attributable to the following:

Delinquent property taxes

\$ 481,347

14. Pensions

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

15. OPEB - Healthcare

For purposes of measuring the net OPEB Healthcare liability, deferred outflows of resources and deferred inflows of resources related to this OPEB, and OPEB expense, information about the fiduciary net position of the New Mexico Retiree Health Care Authority (NMRHCA) and additions to and deductions from NMRHCA's fiduciary net position have been determined on the same basis as they are reported by NMRCHA's. For this purpose, NMRCHA recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

16. OPEB – Life Insurance

For purposes of measuring the net liability related to OPEB for life insurance, the Authority utilized an alternative measurement method based on a valuation date of June 30, 2017. The Authority participates in the same plan as the City of Albuquerque and demographics of the Authority is similar to the City of Albuquerque, therefore, the Authority utilized the valuation report prepared for the City. Using the valuation report, the Authority calculated a per participant liability of \$3,550 and applied it to the Authority's 33 total members (22 active and 11 retired) to calculate the liability as of June 30, 2019 of \$117,154.

The plan is administered through The Hartford, Group Benefits Division. The Authority covers the full cost of retiree life insurance coverage. The current premium rate is \$0.35 per \$1,000 of life insurance for retired employees, regardless of age. The total expense for the authority for the year

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

ended June 30, 2019 was \$(4,797). The Authority contributed \$1,152 to the plan for the year ended June 30, 2019. The face amount of life insurance coverage is based on each employee's annual compensation in the year preceding retirement. Coverage amounts, for those retiring after 2008 are equal to:

<u>Final Basic Annual Pay</u> <u>Coverage</u>

\$25,000 but less than \$50,000 ½ basic annual pay

Over \$50,000 \$25,000

Those retiring prior to 2008 are on a detailed coverage scale utilizing 12 final basic annual pay categories with coverage ranging from \$3,00 - \$25,000.

17. Noncash Capital Contributions

The Authority's purpose is to provide a flood control system for the benefit of property within the boundaries of the Authority. Pursuant to Authority policies and practices, certain infrastructure assets including land, easements, dams, ponds, and drainage channels are contributed to the Authority. These contributions may come from other governmental entities or from private parties whose development activities are subject to the oversight of the Authority. These assets are then the continuing responsibility of the Authority. The Authority records the fair market value of these assets at the date of contribution as program revenues and as capital outlay expenditures.

18. Asset Retirement Obligations

For the year ended June 30, 2018, the Authority early implemented GASB 83. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. The Authority has no such assets or liabilities.

19. Subsequent Events

Subsequent events have been evaluated through November 27, 2019, the date at which the financials were available for issuance, to determine whether such events should be recorded or disclosed in the financial statements for the year ended June 30, 2019. Management believes no material subsequent events have arisen that would require adjustment or disclosure.

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE B – CASH AND INVESTMENTS

The Albuquerque Metropolitan Arroyo Flood Control Authority invests its funds in accordance with resolutions adopted by its Board of Directors. Pursuant to Section 72-16-22, NMSA 1978, the Authority may deposit any of its funds in any banking institution and may invest its funds in its own securities or federal securities by direct purchase. The Board of Directors has the authority to determine the amount of collateral to be provided on its deposits in accordance with applicable state statutes.

Effective March 22, 1990, the Board adopted a new resolution, which differentiates banks wherein deposits may be maintained into two classes as determined by the State Investment Office. The two classes consist of "Class A" and "Class B" banks, which require 50%, respectively, of uninsured bank deposits to be collateralized. Collateral pledged by a bank on deposits is required to be held at another bank and cannot be released without the Authority's permission. The Authority currently requires 50% collateral after considering FDIC insurance on its deposits with Wells Fargo. At June 30, 2019 100% of the cash balance was insured by either FDIC insurance or pledged collateral.

The following schedule shows the reconciliation between the amounts reflected by the Authority's financial institutions and the amounts reflected in the financial statements under the caption "Cash" in the government-wide financial statements.

Balances as reflected by financial institutions at June 30, 2019:

Wells Fargo, Albuquerque, NM - all are demand deposit accounts except	
for Ditch and Water Safety accounts	
Cash balances per depository at June 30, 2019:	
Checking and unassigned accounts	\$ 303,590
Construction / Capital Projects	93,945
Debt Service Account	156
Acquistions & Savings Account	150,885
Area Wide Maintenance	105
Area Wide Maintenance Savings	1,900,794
Ditch & Water Safety Task Force	66,258
Mid Rio Grande MS4 CMC	21,221
Storm Quality Education	 124,349
Total deposits	2,661,303
Less outstanding checks and adjustments, all accounts	(431,539)
Less agency funds - cash and savings accounts	 (205,823)
Net carrying value at June 30, 2019	\$ 2,023,941
Shown as:	
General Fund	\$ 120,500
Debt Service Fund	156
Capital Projects Fund	2,089
Acquisitions & Savings Fund	297
Agency & Area Wide Fund	 1,900,899
Total cash per government-wide financial statements	\$ 2,023,941

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority's policy regarding custodial credit risk is to comply with its Resolution described earlier and with Section 6-10-17, NMSA (1978). As of June 30, 2019, \$2,161,303 of the Authority's deposits of \$2,661,303 with Wells Fargo were subject to custodial credit risk. All of this uninsured amount was collateralized. See Schedule of Pledged Collateral on page 121.

The State Treasurer Local Government Investment Pool is not SEC registered. Section 6-10-10.1, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment fund in securities that are issued by the United States Government or by its departments or agencies and are either direct obligations of the United States or are backed by the full faith and credit of the United States Government or are agencies sponsored by the United States Government. The Local Government Investment Pool investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments.

The Pool does not have unit shares. Per Section 6-10-10.1F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amount deposited in the fund and the length of time the amounts in the Pool were invested. Participation in the Local Government Investment Pool is voluntary. The Authority has no control over the State Treasurer's investment pools and provides the following disclosure provided by the State Treasurer's office concerning the Authority's investment in the *New MexiGROW LGIP*:

June 30, 2019

New MexiGROW LGIP	AAAm rated	\$55,127,753	35 day WAM (R) and
			112 day WAM (F)

Following are the investment amounts by fund that are included in the State Treasurer Local Government Investment Pool as of June 30, 2019:

General Fund	\$ 8,833,087
Debt Service Fund	11,251,680
Capital Projects Fund	34,568,465
Acquisitions & Savings Fund	 474,521
Total governmental funds	\$ 55,127,753

The State Treasurer's Office (STO) issues standalone audited financial statements available to the public containing full disclosures of investments. That report is available on the website of the STO at www.nmsto.gov.

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE C - PROPERTY TAXES AND PROPERTY TAX RECEIVABLES

Property taxes are payable to the County Treasurer in two equal installments, due on November 10 of the year in which the tax bill was prepared and on April 10 of the following year. Pursuant to Section 7-38-38, NMSA 1978, property taxes are delinquent if not paid within thirty days after the date on which they are due. Property taxes are the personal obligation of the person owning the property on the date on which the property was subject to valuation for property taxation purposes. A personal judgment may be rendered against the taxpayer for payment of taxes that are delinquent, together with any penalty and interest on the delinquent taxes. Taxes on real property are a lien against the real property on which the taxes are delinquent.

Article VIII, Section 2 of New Mexico Constitution limits the total ad valorem taxes for operational purpose levied by all overlapping governmental units within Bernalillo County to \$20.00 per \$1,000 assessed value. This limitation does not apply to special levies, such as levies for bond issues, authorized at an election by a majority of the qualified voters within Bernalillo County.

The Authority has, as of June 30, 2019, a mill levy of 0.675 mills per thousand of assessed value, which related to debt service of general obligation bonds in the Debt Service Fund. The Authority also has for the General Fund imposed operating levies of 0.172 mills per \$1,000 of assessed value on all residential property and 0.477 mills per \$1,000 of assessed value of nonresidential property within the Authority's boundaries. Section 7-37-7.1, NMSA 1978 limits the allowable increase in property taxes for operating purposes from the preceding year, but it does not limit any debt service levy. Specifically, no property tax rate or assessment for operating purposes shall be set which exceeds the prior year's tax revenue plus a percent, not in excess of five percent, determined by a specific general business indicator plus any net new increase in assessed value.

Property taxes receivable arise from tax levies which were levied and which are to be collected by the Bernalillo County Treasurer. The following are the receivables outstanding at June 30, 2019:

Current property taxes	\$ 315,667
Delinquent property taxes, net of allowance	
of \$93,495 for doubtful accounts	 481,347
	_
Total receivables	\$ 797,014

Of the property taxes noted above, \$86,578 in the General Fund and \$229,089 in the Debt Service Fund are considered available financial resources and considered fully collectible. Delinquent property taxes of \$481,347 have been recorded in the government-wide financial statements, which includes receivables for all uncollected levied taxes. Delinquent property taxes do not represent measurable available resources so they are considered deferred inflows in the fund financial statements. Delinquent property taxes are secured by liens operating as a matter of law and are considered collectible except as provided for above. It is reasonably possible that certain property taxes may be collected over periods greater than 1 year.

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE D - CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets follows:

	June 30, 2018 as restated	Additions	Transfers	Sales or Other Dispositions	June 30, 2019
Capital assets not being depreciated					
Infrastructure:					
Land acquisition	\$ 53,885,875	\$ -	\$ -	\$ -	\$ 53,885,875
Building & yard - construction in progress	42,679	-	-	-	42,679
Construction in progress	5,905,462	12,715,960	(3,600,626)	(2,326,676)	12,694,120
Total capital assets not being					
depreciated	59,834,016	12,715,960	(3,600,626)	(2,326,676)	66,622,674
Capital assets being depreciated					
Operations:					
Furniture and fixtures	140,979	-	-	-	140,979
Maintenance tools and automotive					
equipment	2,134,088	145,792	-	-	2,279,880
Stormwater quality equipment	27,656	-	-	-	27,656
Telemetry Equipment	850,979	-	-	-	850,979
Office and maintenance buildings	1,802,605	-	20,004	-	1,822,609
Infrastructure:					
Utility relocations	2,036,609	-	-	-	2,036,609
Dams, channels and other					
improvements	235,926,168	1,045,512	3,580,622		240,552,302
Total capital assets being depreciated	242,919,084	1,191,304	3,600,626		247,711,014
Total capital assets	302,753,100	13,907,264	-	(2,326,676)	314,333,688
Less accumulated depreciation					
Furniture and fixtures	(98,113)	(12,781)	-	-	(110,894)
Maintenance tools and automotive equipment	(1,562,014)	(153,907)	-	-	(1,715,921)
Stormwater quality equipment	(8,297)	(5,531)	-	-	(13,828)
Telemetry Equipment	(69,542)	(104,372)	-	-	(173,914)
Office and maintenance buildings	(668,350)	(45,768)	-	-	(714,118)
Infrastructure	(61,226,027)	(3,323,088)			(64,549,115)
Total accumulated depreciation	(63,632,343)	(3,645,447)			(67,277,790)
Capital assets, net of accumulated					
depreciation	\$ 239,120,757	\$ 10,261,817	\$ -	\$ (2,326,676)	\$ 247,055,898

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

Depreciation was allocated based on estimates of usage by each function.

Depreciation was charged as follows to these functions:

General government	\$ 58,549
Flood control	 3,586,898
Total depreciation	\$ 3,645,447

Construction in progress as of June 30, 2019, consisted of the following:

Agency Area-wide Engineering 121,849 251,378 (146,528) (55,426) 171,273 Construction 1,091,610 1,187,034 (1,475,277) (265,212) 538,155 Black Mesa Phase 1a Land	Project	June 30, 2018, as restated	Additions	Transfers to Capital Assets	Deletions	June 30, 2019
Engineering Construction 121,849 1,091,610 251,378 1,187,034 (146,528) (55,426) 171,273 538,155 Black Mesa Phase Ia Land - - - - - 1.024,026 431,110 - - 1.455,136 Construction - 3,660,339 - - 1,455,136 Construction - 3,660,339 - - 1,455,136 Construction - - - - 3,660,339 SW Valley Flood Reduction Phase II Land 3,650 - - (3,650) - Engineering 167,889 13,553 - (181,442) - Construction - <th></th> <th></th> <th></th> <th></th> <th></th> <th></th>						
Construction 1,091,610 1,187,034 (1,475,277) (265,212) 538,155 Black Mesa Phase Ia						
Black Mesa Phase 1a Land - - - - -						
Land	Construction	1,091,610	1,187,034	(1,475,277)	(265,212)	538,155
Engineering Construction 1,024,026 a 3,660,339 431,110 a 3,660,339 - 1,455,136 a 3,660,339 SW Valley Flood Reduction Phase II Land 3,650 a - 3,660,339 - 3,660,339 - 3,660,339 SW Valley Flood Reduction Phase II Land 3,650 a - 3,660,339 - 3,650 a - 3,660,339 - 3,650 a - 3,660,339 Land 3,650 a - 3,660,339 - 3,650 a - 3,660,339 - 3,650 a - 3,660,339 - 3,660,339 SW Valley Flood Reduction Phase II Engineering 167,889 a 13,553 a - 3,660,339 - 3,650 a - 3,660,339 - 3,660,339 Boca Negra EAP Engineering 294,853 a - 3,600 a - 3,660,339 - 3,660,339 - 3,660,339 - 3,660,339 Calabacillas West Branch DMP Engineering 353,846 a 38,048 38,048 (391,894) a - 3,660,339 - 3,660,339	Black Mesa Phase 1a					
Construction - 3,660,339 - - 3,660,339 SW Valley Flood Reduction Phase II 167,889 13,553 - (181,442) - Engineering 167,889 13,553 - (181,442) - Construction - - - - - - Boca Negra EAP Engineering 294,853 - - - 294,853 Calabacillas West Branch DMP Engineering 353,846 38,048 (391,894) - Amole-Hubbell Dam System Analysis Engineering 137,792 9,480 - - 147,272 Valle De Oro Drainage Design Engineering 407,687 - - - 407,687 Construction - - - - - - - Pino Dam EAP Phase II Engineering 22,093 8,329 - - 30,422 Boca Negra DMP Update Engineering 27,024 58,263 - - - 285,287	Land	-	-	-	-	-
SW Valley Flood Reduction Phase II 3,650 - - (3,650) - Engineering 167,889 13,553 - (181,442) - Construction - - - - - Boca Negra EAP - - - - 294,853 Calabacillas West Branch DMP - - - 294,853 Calabacillas West Branch DMP - - - 294,853 Chabbacillas West Branch DMP - - - - 294,853 Calabacillas West Branch DMP - - - - 294,853 Calabacillas West Branch DMP - - - - 294,853 Engineering 353,846 38,048 (391,894) - - 147,272 Valle De Oro Drainage Design - - - - - 147,272 Valle De Oro Drainage Design - - - - - - - - - - - - - - - - - - <td< td=""><td>Engineering</td><td>1,024,026</td><td>431,110</td><td>-</td><td>-</td><td>1,455,136</td></td<>	Engineering	1,024,026	431,110	-	-	1,455,136
Land 3,650 - - (3,650) - Engineering 167,889 13,553 - (181,442) - Construction - - - - - - Boca Negra EAP Engineering 294,853 - - - - 294,853 Calabacillas West Branch DMP Engineering 353,846 38,048 (391,894) - - 294,853 Amole-Hubbell Dam System Analysis Engineering 137,792 9,480 - - 147,272 Valle De Oro Drainage Design 407,687 - - - 407,687 Construction - - - - - - - Pino Dam EAP Phase II Engineering 22,093 8,329 - - - 30,422 Boca Negra DMP Update Engineering 227,024 58,263 - - - - - Louisiana Gibson Drainage 21,41,712 335,391 - - - 750,103	Construction	-	3,660,339	-	-	3,660,339
Engineering Construction	SW Valley Flood Reduction Phase II					
Construction - 294,853 - - 294,853 - - 294,853 - - 294,853 - - 294,853 - - - 294,853 - - - 294,853 - - - 294,853 -	Land	3,650	-	-	(3,650)	-
Boca Negra EAP Engineering 294,853 - - - 294,853 Calabacillas West Branch DMP Engineering 353,846 38,048 (391,894) - Amole-Hubbell Dam System Analysis Engineering 137,792 9,480 - - 147,272 Valle De Oro Drainage Design Engineering 407,687 - - - 407,687 Construction - - - - - - - - Pino Dam EAP Phase II Engineering 22,093 8,329 - - 30,422 Boca Negra DMP Update Engineering 227,024 58,263 - - 285,287 Construction - <	Engineering	167,889	13,553	-	(181,442)	-
Engineering 294,853 - - - 294,853 Calabacillas West Branch DMP Engineering 353,846 38,048 (391,894) - Amole-Hubbell Dam System Analysis Engineering 137,792 9,480 - - 147,272 Valle De Oro Drainage Design Engineering 407,687 - - - 407,687 Construction - - - - - - - - Pino Dam EAP Phase II Engineering 22,093 8,329 - - 30,422 Boca Negra DMP Update Engineering 227,024 58,263 - - 285,287 Construction - - - - - - - Louisiana Gibson Drainage Engineering 414,712 335,391 - - - 750,103	Construction	-	-	-	-	-
Engineering 294,853 - - - 294,853 Calabacillas West Branch DMP Engineering 353,846 38,048 (391,894) - Amole-Hubbell Dam System Analysis Engineering 137,792 9,480 - - 147,272 Valle De Oro Drainage Design Engineering 407,687 - - - 407,687 Construction - - - - - - - - Pino Dam EAP Phase II Engineering 22,093 8,329 - - 30,422 Boca Negra DMP Update Engineering 227,024 58,263 - - 285,287 Construction - - - - - - - Louisiana Gibson Drainage Engineering 414,712 335,391 - - - 750,103	Boca Negra EAP					
Engineering 353,846 38,048 (391,894) - Amole-Hubbell Dam System Analysis 137,792 9,480 - - 147,272 Valle De Oro Drainage Design 407,687 - - - 407,687 Construction - - - - - - - Pino Dam EAP Phase II 22,093 8,329 - - - 30,422 Boca Negra DMP Update 227,024 58,263 - - 285,287 Construction - - - - - - Louisiana Gibson Drainage 414,712 335,391 - - - 750,103	_	294,853	-	-	-	294,853
Amole-Hubbell Dam System Analysis Engineering 137,792 9,480 147,272 Valle De Oro Drainage Design Engineering 407,687 407,687 Construction 407,687 Pino Dam EAP Phase II Engineering 22,093 8,329 30,422 Boca Negra DMP Update Engineering 227,024 58,263 285,287 Construction Louisiana Gibson Drainage Engineering 414,712 335,391 750,103	Calabacillas West Branch DMP					
Engineering 137,792 9,480 - - 147,272 Valle De Oro Drainage Design 407,687 - - - 407,687 Engineering 407,687 - - - - 407,687 Construction - 30,422 Boca Negra DMP Update 227,024 58,263 - - - 285,287 Construction - - - - - - - Louisiana Gibson Drainage 414,712 335,391 - - - 750,103	Engineering	353,846	38,048		(391,894)	-
Engineering 137,792 9,480 - - 147,272 Valle De Oro Drainage Design 407,687 - - - 407,687 Engineering 407,687 - - - - 407,687 Construction - 30,422 Boca Negra DMP Update 227,024 58,263 - - - 285,287 Construction - - - - - - - Louisiana Gibson Drainage 414,712 335,391 - - - 750,103	Amole-Hubbell Dam System Analysis					
Engineering 407,687 - - - 407,687 Construction - - - - - - - Pino Dam EAP Phase II Engineering 22,093 8,329 - - - 30,422 Boca Negra DMP Update Engineering 227,024 58,263 - - - 285,287 Construction - - - - - - - Louisiana Gibson Drainage - - 335,391 - - 750,103		137,792	9,480	-	-	147,272
Construction - 30,422 - - 30,422 - - - 30,422 - - - 30,422 - - - - 30,422 - - - - 30,422 - - - - - 30,422 -	Valle De Oro Drainage Design					
Pino Dam EAP Phase II 22,093 8,329 - - 30,422 Boca Negra DMP Update 227,024 58,263 - - - 285,287 Construction - - - - - - - Louisiana Gibson Drainage 414,712 335,391 - - - 750,103	Engineering	407,687	-	-	-	407,687
Engineering 22,093 8,329 - - 30,422 Boca Negra DMP Update - - - - - 285,287 Construction -	Construction	-	-	-	-	-
Boca Negra DMP Update Engineering 227,024 58,263 - - 285,287 Construction - - - - - - - Louisiana Gibson Drainage Engineering 414,712 335,391 - - - 750,103	Pino Dam EAP Phase II					
Engineering 227,024 58,263 - - 285,287 Construction - - - - - - Louisiana Gibson Drainage Engineering 414,712 335,391 - - 750,103	Engineering	22,093	8,329	-	-	30,422
Engineering 227,024 58,263 - - 285,287 Construction - - - - - - Louisiana Gibson Drainage Engineering 414,712 335,391 - - 750,103	Boca Negra DMP Update					
Louisiana Gibson Drainage Engineering 414,712 335,391 - 750,103	Engineering	227,024	58,263	-	-	285,287
Engineering 414,712 335,391 - 750,103		-	-	-	-	-
Engineering 414,712 335,391 - 750,103	Louisiana Gibson Drainage					
Construction 191,990 2,691,040 2,883,030		414,712	335,391	-	-	750,103
	Construction	191,990	2,691,040	-	-	2,883,030

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

	June 30, 2018,		Transfers to		
Project	as restated	Additions	Capital Assets	Deletions	June 30, 2019
Hamilton Dam					
Engineering	22,520	-	-	-	22,520
Construction	-	-	-	-	=
Bear Arroyo WQ Improvements					
Engineering	272,773	125,769	_	_	398,542
Construction	-	561,636	-	-	561,636
Calabacillas 1A1 Grade Control Structure					
Engineering	239,815	91,761	(331,576)	_	
Construction	695,989	549,694	(1,245,683)	-	- -
South Pino Assessment					
Engineering	37,075				37,075
Construction	-	-	-	-	-
I Water Water O Pr					
Las Ventanas Water Quality	70.970	14 006			05.765
Engineering Construction	70,879	14,886	-	-	85,765
Construction	-	-	-	-	- · ·
Tijeras Sediment Structure Ph II					
Engineering	63,267	103,887	-	-	167,154
Construction	-	749,159	-	-	749,159
Miscellaneous AMAFCA Construction Pro	ject 2018				
Engineering	31,645	57,065	(88,710)	-	
Construction	-	292,848	(292,848)	-	= .
Chamisa Pond Expansion					
Engineering	11,056	-	-	(11,056)	=
Construction	-	-	-	-	-
Dallas Regional Storm Drain					
Engineering	1,422	12,885	-	-	14,307
Construction	-	-	-	-	= .
Juan Tabo Hills Bank Protection					
Engineering	-	34,405	-	-	34,405
Construction	-	-	-	-	-
Cost Sharing					
City	-	-	-	-	-
County	-	1,250,000	-	(1,250,000)	-
Other	-	50,000	-	(50,000)	= .
Misc Project					
Non-capitalized expenditures		138,000	(20,004)	(117,996)	
Total construction in progress	\$ 5,905,462	\$ 12,715,960	\$ (3,600,626)	\$ (2,326,676)	\$ 12,694,120

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

The detail of construction in progress restatement, project additions and project deletions are as follows:

RESTATEMENT	
June 30, 2018, as previously stated	\$ 4,692,003
Restatement to the Agency & Area Wide	
Project Due to GASB 84, See Note M	1,213,459
June 30, 2018, as restated	\$
ADDITIONS	
Additions from the Capital Projects fund	\$ 11,277,548
Additions from the Agency & Area Wide fund	1,438,412
2019 construction in progress additions	\$ 12,715,960
7 0	
DELETIONS	
Transfers to Infrastructure	\$ 3,580,622
Transfers to Office & Maintenance Buildings	20,004
Add cooperative project contributions	1,045,512
1 1 3	<u> </u>
2019 capital asset additions	\$ 4,646,138
Land	\$ _
Stormwater quality equipment	-
Office & Maintenance Buildings	20,004
Utility relocations	- -
Dams, channels and other improvements	4,626,134
,	.,020,101

Deletions to construction in progress consists of studies & research that do not become part of an infrastructure project and infrastructure built that is owned by another entity.

All of the financing required for the construction and engineering services projects listed will be provided by funds obtained through the prior issuance of general obligation bonds and the use of the Capital Project Fund revenues.

The Authority has commitments for construction, professional services, and joint funding agreements of approximately \$18,530,000 as of June 30, 2019. These commitments can be cancelled at any time with notification.

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE E - GENERAL OBLIGATION BONDS PAYABLE & PREMIUMS

The change in general obligation bonds payable is as follows:

	Jı	ne 30, 2018	Additions	Deletions	Jı	ine 30, 2019	Oue Within One Year
General obligation bonds		_	 _				
payable	\$	54,625,000	\$ 12,500,000	\$ (10,030,000)	\$	57,095,000	\$ 10,130,000
Bond premium		5,305,665	822,841	(181,984)		5,946,522	-
Bond premium amortization		(1,947,777)	 (574,649)	181,984		(2,340,442)	605,197
Total	\$	57,982,888	\$ 12,748,192	\$ (10,030,000)	\$	60,701,080	\$ 10,735,197

All bonds are general-purpose obligation bonds, which are to be retired with future property tax levies for this purpose. Those property tax levies are accumulated in the Debt Service Fund, which is the fund used to make principal and interest payments. The general obligation bonds allow for the extension, betterment, alteration, reconstruction, repair and other improvements of the flood control system within AMAFCA's jurisdiction. This includes planning and research on existing or new facilities, facilities owned by other entities but within AMAFCA's system, and re-mapping of flood plains, which may or may not become capital assets of AMAFCA.

The legal debt limit for the Authority is \$80,000,000 while the total general obligation debt on June 30, 2018 was \$57,095,000. The resulting legal debt margin is \$22,905,000.

The following is the detail for each issue outstanding at June 30, 2019:

Series 2012

Original amount: \$10,000,000 Interest rate - 1.0% to 2.125%

	 I	}			
Year ended June 30,	Principal Interest				Total
2019	\$ 1,500,000	\$	15,000	\$	1,515,000
	\$ 1,500,000	\$	15,000	\$	1,515,000

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

<u>Series 2014</u>

Original amount: \$12,500,000 Interest rate - 2.0% to 3.0%

	Annual Requirements								
Year ended June 30,	Principal			Interest	Total				
2020	\$	2,000,000	\$	189,000	\$	2,189,000			
2021		2,700,000		133,500		2,833,500			
2022		3,100,000	-	46,500		3,146,500			
	\$	7,800,000	\$	369,000	\$	8,169,000			

<u>Series 2015</u>

Original amount: \$12,500,000 Interest rate - 2.0% to 3.0%

	 Annual Requirements							
Year ended June 30,	Principal Interest				Total			
2020 2021 2022	\$ 2,100,000 2,600,000 2,100,000	\$	241,500 171,000 100,500	\$	2,341,500 2,771,000 2,200,500			
2023	 2,300,000		34,500		2,334,500			
	\$ 9,100,000	\$	547,500	\$	9,647,500			

<u>Series 2016</u>

Original amount: \$12,500,000 Interest rate - 2.0% to 4.0%

	 A	S			
Year ended June 30,	 Principal Interest				Total
2020	\$ 800,000	\$	275,000	\$	1,075,000
2021 2022	900,000 1,500,000		249,500 206,000		1,149,500 1,706,000
2023 2024	1,250,000 1,400,000		151,000 98,000		1,401,000 1,498,000
2025 2026	1,750,000 1,750,000		52,500 17,500		1,802,500 1,767,500
	\$ 9,350,000	\$	1,049,500	\$	10,399,500

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

<u>Series 2017</u>

Original amount: \$12,500,000 Interest rate - 4.0% to 5.0%

		1	ts			
Year ended June 30,]	Principal		Interest	Total	
2020 2021	\$	790,000 825,000	\$	329,750 289,375	\$	1,119,750 1,114,375
2022		470,000		257,000		727,000
2023 2024		890,000 930,000		223,000 177,500		1,113,000 1,107,500
2025 2026		980,000 1,025,000		129,750 79,625		1,109,750 1,104,625
2027		1,080,000		27,000		1,107,000
	\$	6,990,000	\$	1,513,000	\$	8,503,000

<u>Series 2018</u>

Original amount: \$12,500,000

Interest rate - 5.0%

	 Annual Requirements						
Year ended June 30,	 Principal	Interest		Interest			Total
2020	\$ 895,000	\$	419,175	\$	1,314,175		
2021	940,000		373,300		1,313,300		
2022	990,000		325,050		1,315,050		
2023	1,035,000		274,425		1,309,425		
2024	1,090,000		221,300		1,311,300		
2025	1,145,000		165,425		1,310,425		
2026	1,200,000		106,850		1,306,850		
2027	1,260,000		57,980		1,317,980		
2028	 1,300,000		19,500		1,319,500		
	\$ 9,855,000	\$	1,963,005	\$	11,818,005		

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

Series 2019

Original amount: \$12,500,000

Interest rate - 5.0%

	Annual Requirements						
Year ended June 30,	Principal			Interest		Total	
2020	\$	2,045,000	\$	224,401	\$	2,269,401	
2021		800,000		348,500		1,148,500	
2022		200,000		328,500		528,500	
2023		1,300,000		298,500		1,598,500	
2024		1,500,000		242,500		1,742,500	
2025		1,270,000		187,100		1,457,100	
2026		1,385,000		134,000		1,519,000	
2027		1,315,000		80,000		1,395,000	
2028		1,385,000		39,850		1,424,850	
2029		1,300,000		13,000		1,313,000	
	ф	12 500 000	Ф	1.006.051	Ф	14006051	
	\$	12,500,000	\$	1,896,351	\$	14,396,351	

Total All Series

	Annual Requirements							
Year ended June 30,	Principal	Principal Interest To						
2020	10,130,000	1,693,826	11,823,826					
2021	8,765,000	1,565,175	10,330,175					
2022	8,360,000	1,263,550	9,623,550					
2023	6,775,000	981,425	7,756,425					
2024	4,920,000	739,300	5,659,300					
2025	5,145,000	534,775	5,679,775					
2026	5,360,000	337,975	5,697,975					
2027	3,655,000	164,980	3,819,980					
2028	2,685,000	59,350	2,744,350					
2029	1,300,000	13,000	1,313,000					
	\$ 57,095,000	\$ 7,353,356	\$ 64,448,356					

Bond premiums of \$5,946,522 (\$822,841 in current year) have been capitalized in the government-wide financial statements and are being amortized using straight-line against interest expense over the life of the related bonds payable, which results in materially correct accumulated amortization and amortization expense.

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE F - PUBLIC EMPLOYEES' RETIREMENT PLAN

Plan description. The Public Employees Retirement Fund (PERA Fund) is a cost-sharing, multiple employer defined benefit pension plan. This fund has six divisions of members, including State General, State Police/Adult Correction Officer, Municipal General, Municipal Police/Detention Officers, Municipal fire, and State Legislative Divisions, and offers 24 different types of coverage within the PERA plan. All assets accumulated may be used to pay benefits, including refunds of member contributions, to any of the plan members or beneficiaries, as defined by the terms of this plan. Certain coverage plans are only applicable to a specific division. Eligibility for membership in the PERA Fund is set forth in the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). Except as provided for in the Volunteer Firefighters Retirement Act (10-11A-1 to 10-11A-7, NMSA 1978), the Judicial Retirement Act (10-12B-1 to 10-12B-19, NMSA 1978), the Magistrate Retirement Act (10-12C-1 to 10-12C-1 8, NMSA I 978), and the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978), each employee and elected official of every affiliated public employer is required to be a member in the PERA Fund, unless specifically excluded.

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

TIER II

The retirement age and service credit requirements for normal retirement for PERA state and municipal general members hired increased effective July 1, 2013 with the passage of Senate Bill 27 in the 2013 Legislative Session. Under the new requirements (Tier II), general members are eligible to retire at any age if the member has at least eight years of service credit and the sum of the member's age and service credit equals at least 85 or at age 67 with 8 or more years of service credit. General members hired on or before June 30, 2013 (Tier I) remain eligible to retire at any age with 25 or more years of service credit. Under Tier II, police and firefighters in Plans 3, 4 and 5 are eligible to retire at any age with 25 or more years of service credit. State police and adult correctional officers, peace officers and municipal juvenile detention officers will remain in 25-year retirement plans, however, service credit will no longer be enhanced by 20%. All public safety members in Tier II may retire at age 60 with 6 or more years of service credit. Generally, under Tier II pension factors were reduced by .5%, employee Contribution increased 1.5 percent and effective July 1, 2014 employer contributions were raised .05 percent. The computation of final average salary increased as the average of salary for 60 consecutive months.

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

Contributions. The Authority participates in the Municipal Plan 3. The plan requires an employee contribution percentage of 14.65% and employer contribution percentage of 9.55%. The Pension Factor per year of Service is 3.0% for Tier I members and 2.5% for Tier II members. The Pension Maximum as a Percentage of the Final Average Salary is 90%.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2019, the Authority reported a liability of \$2,869,867 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2018 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2018. There were no significant events or changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2018. The employer's name's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2018, the Authority's proportion was 0.1684%, which was an increase of 0.0028% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the Authority recognized a pension expense of \$801,060. At June 30, 2019, employer's name reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of			eferred flows of
	<u> </u>	Resources	Re	esources
the Authority's contributions subsequent to the measurement date	\$	140,413	\$	-
Differences between expected and actual experience		82,945		75,347
Changes in assumptions		260,194		16,501
Net difference between projected and actual earnings on pension plan investments	S	212,844		-
Changes in proportion and differences between the Authority contributions and proportionate share of contributions		584,020		_
Total	\$	1,280,416	\$	91,848

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

\$140,413 reported as deferred outflows of resources related to pensions resulting from employer's name's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended	
June 30:	
2020	\$ 772,214
2021	201,367
2022	63,540
2023	11,034
2024	-
Thereafter	-

Actuarial assumptions. The total pension liability in the June 30, 2017 actuarial valuation was determined using the following significant actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation data	June 20, 2017	
Actuarial valuation date Actuarial cost method	June 30, 2017	
	Entry age normal	
Amortization method	Level percentage of pay	
Amortization period	Solved for based on statutory rates	
Asset valuation method	4 year smoothed Market Value	
Actuarial assumptions:		
Investment rate of return	7.25% annual rate, net of investment	
 Projected benefit payment 	100 years	
Payroll growth	3.00% annual rate for the first 9 years, then 3.25% for all other years	
 Projected salary increases 	3.25% to 13.50% annual rate	
Includes inflation at	2.25% annual rate for the first 9 years, then 2.75% for all other years	
Mortality Assumption	The mortality assumptions are based on the RPH-2014 Blue Collar mortality table with female ages set forward one year. Future improvement in mortality rates is assumed using 60% of the MP-2017 projection scale generationally. For non-public safety groups, 25% of in-service deaths are assumed to be duty related and 35% are assumed to be duty-related for public safety groups.	
Experience Study Dates	July 1, 2008 to June 30, 2017 (demographic) and July 1, 2010 through June 30, 2018 (economic)	

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

The total pension liability, net pension liability, and certain sensitivity information are based on an actuarial valuation performed as of June 30, 2017. The total pension liability was rolled-forward from the valuation date to the plan year ended June 30, 2018. These assumptions were adopted by the Board for use in the June 30, 2017 actuarial valuation.

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

		Long Term
	Target	Expected Real
ALL FUNDS - Asset Class	Allocation %	Rate of Return %
Global Equity	43.50	7.48
Risk Reduction & Mitigation	21.50	2.37
Credit Oriented Fixed Income	15.00	5.47
Real Assets	20.00	6.48
Total	100%	

Discount rate: A single discount rate of 7.25% was used to measure the total pension liability as of June 30, 2017. This single discount rate was based on a long-term expected rate of return on pension plan investments of 7.25%, compounded annually, net of expense. Based on the stated assumptions and the projection of cash flows, the plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

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

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

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

	1%	Current	1%
	Decrease	Discount Rate	Increase
	(6.25%)	(7.25%)	(8.25%)
the Authority's proportionate share of the			
net pension liability	\$ 4,422,272	\$ 2,869,867	\$ 1,586,555

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued FY 18 PERA financial report. The report is available at http://www.nmpera.org/financial-overview/comprehensive-annual-financial-report.

Payables to the pension plan. The Authority has \$0 in payables due to NM PERA.

NOTE G – POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN

Plan Description. Employees of the Authority are provided with OPEB through the Retiree Health Care Fund (the fund)- a cost-sharing multiple-employer defined benefit OPEB plan administered by the New Mexico Retiree Health Care Authority (NMRHCA). NMRHCA was formed February 13, 1990, under the New Mexico Retiree Health Care Act (the Act) of New Mexico Statutes Annotated as amended (NMSA 1978), to administer the Fund under Section 10-7C-1-19 NMSA 1978. The Fund was created to provide comprehensive group health insurance coverage for individuals (and their spouses, dependents and surviving spouses) who have retired or will retire from public service in New Mexico.

NMRHCA is an independent agency of the State of New Mexico. The funds administered by NMRHCA are considered part of the State of New Mexico financial reporting entity and are OPEB trust funds of the State of New Mexico. NMRHCA's financial information is included with the financial presentation of the State of New Mexico.

Benefits Provided. The Fund is a multiple employer cost sharing defined benefit healthcare plan that provides eligible retirees (including terminated employees who have accumulated benefits but are not yet receiving them), their spouses, dependents and surviving spouses and dependents with health insurance and prescription drug benefits consisting of a plan, or optional plans of benefits, that can be contributions to the Fund and by co-payments of eligible retirees.

Employees covered by benefit terms. At June 30, 2018, the Fund's measurement date, the following employees were covered by the benefit terms:

Current retirees and surviving spouses	51.205
9 1	- ,
Inactive and eligible for deferred benefit	11,471
Current active members	<u>93,349</u>
Total	<u>156,025</u>

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

Active Membership	
State general	19,593
State police and corrections	1,886
Municipal general	17,004
Municipal police	3,820
Municipal FTRE	2,290
Educational Retirement Board	48,756
Total	93,349

Contributions. Employer and employee contributions to the Fund total 3% for non-enhanced retirement plans and 3.75% of enhanced retirement plans of each participating employee's salary as required by Section 10-7C-15 NMSA 1978. The contributions are established by statute and are not based on an actuarial calculation. All employer and employee contributions are non-refundable under any circumstance, including termination of the employer's participation in the Fund. Contributions to the Fund from the Authority were \$29,732 for the year ended June 30, 2019.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflow of Resources Related to OPEB. At June 30, 2019 the Authority reported a liability of \$1,536,222 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined y an actuarial valuation as of June 30, 2017. The Authority's proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2018. At June 30, 2018, the Authority's proportion was .0346 percent.

For the year ended June 30, 2019, the Authority recognized OPEB expense of \$6,904. At June 30, 2019, the Authority reported outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
the Authority's contributions subsequent to the measurement date	\$	29,732	\$	-
Differences between expected and actual experience		-		88,608
Changes in assumptions		-		22,597
Net difference between projected and actual earnings on pension plan investments		-		18,677
Changes in proportion and differences between the Authority contributions and proportionate share of contributions				279,406
Total	\$	29,732	\$	409,288

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

Deferred outflows of resources totally \$29,732 represent Authority contributions to the Fund made subsequent to the measurement date and will be recognized as a reduction of net OPEB liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year ended	
June 30:	
2020	\$ 103,048
2021	103,048
2022	103,048
2023	80,669
2024	19,475

Actuarial Assumption. The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions:

Actuarial valuation date	June 30, 2017
Actuarial cost method	Entry age normal, level percent of pay
Asset valuation method	Market value of assets
Actuarial assumptions:	
 Inflation 	2.25 % for PERA members
Projected payroll increases	3.25% to 12.50% based on years of service, including inflation
Investment rate of return	7.25%, net of OPEB plan investment expense and margin for adverse deviation including inflation
Health care cost trend rate	8% graded down to 4.5% over 14 years for Non- Medicare medical plan costs and 7.5% graded down to 4.5% over 12 for Medicare medical plan costs
Morality	PERA members: RP-2000 Combined Healthy Mortality

Rate of Return. The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which the expected future real rates of return (net of investment fees and inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumptions.

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

The best estimates for the long-term expected rate of return is summarized as follows:

	Long Term
Asset Class	Rate of Return
U.S. core fixed income	2.10
U.S. equity - large cap	7.10
Non U.S emerging markets	10.20
Non U.S developed equities	7.80
Private equity	11.80
Credit and structured finance	5.30
Real estate	4.90
Absolute return	4.10
U.S. equity - small/mid cap	7.10

Discount Rate. The discount rate used to measure the Fund's total OPEB liability is 4.08% as of June 30, 2018. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates proportional to the actuary determined contribution rates. For this purpose, employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members through the fiscal year ending June 30, 2028. Thus, the 7.25% discount rate was used to calculate the net OPEB liability through 2029. Beyond 2029, the index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. Thus, 4.08% is the blended discount rate.

Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates. The following presents the net OPEB liability of the Authority, as well as the Authority's net OPEB liability would be if it were calculated using a discount rate that is 1-pecentage-point lower (3.08% or 1-percentage-point higher (5.08%) than the current discount rate:

1%	Current	1%
Decrease	Discount Rate	Increase
(3.08%)	(4.08%)	(5.08%)
\$ 1,859,190	\$ 1,536,222	\$ 1,281,148

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

The following present the net OPEB liability of the Authority, as well as what the Authority's net OPEB liability would be if there were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage point higher than the current healthcare cost trend rates:

1%	Current	1%
Decrease	Trend Rate	Increase
\$ 1,305,789	\$ 1,536,222	\$ 1,715,960

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in NMRHCA's audited financial statements for the year ended June 30, 2018.

Payable Changes in the Net OPEB Liability. At June 30, 2019, the Authority did not have any reported payables for outstanding contributions due to NMRHCA.

NOTE H - INTERFUND BALANCES

The following are the interfund balances as of June 30, 2019. The balance is due to the utilization of the Agency & Area Wide Project to complete an operational task.

Due From	<u>Due To</u>	Amount
General Fund	Agency & Area Wide	\$ 14,912

NOTE I – TRANSFERS

The following transfer occurred during the year. This transfer was used to provide an annual amount for building and yard projects and maintenance that may be necessary.

<u>Fund</u>	<u>To</u>	<u>Amount</u>
Major Fund:		
General Fund	Acquisitions & Savings	\$ 231,000
Capital Projects	Agency & Areawide	\$2,250,000

NOTE J – FUND BALANCES – DESIGNATED FOR CONTINGENCIES

In April 2016, the Board of Directors passed Resolution 2016-05 – *Cash Reserves*. In addition to creating a reserve for subsequent year's expenditures, it also created the following contingency reserves:

Infrastructure Emergency Reserve – Can only be used by Board Action for emergency purposes. The reserve must be at least 1.5% of the total cost of the most recently audit AMAFCA infrastructure, which is \$3,569,442 as of June 30, 2019. This reserve was fully funded as of June 30, 2019.

Board of Directors Contingency Reserve – Will be used at Board discretion for flood control purposes. Board Action is require to use or make an adjustment to the balance. The balance as of June 30, 2019 was \$500,000.

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

Executive Engineer Contingency Reserve – Can be utilized by the Executive Engineer without Board approval, generally for "stop-gap" or emergency purposes. The balance as of June 30, 2019 was \$400,000.

Insurance & Other Operating Reserve – Can be utilized by the Executive Engineer for funding unplanned and unbudgeted expenses that are unusual in nature or infrequent in occurrence. The balance as of June 30, 2019 was \$200,000.

The Authority has an additional \$544,599 that has been designated for contingencies by the Board of Directors and has not been placed into the categories above. This funding is considered to be excess of minimum funding requirements.

NOTE K – RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; error omissions; and natural disasters, for which the Authority carries insurance policies for the Fiscal Year ending June 30, 2019 as follows:

Worker's Compensation

a.	Name of insurance agent	New Mexico Self-Insurers' Fund
b.	Policy Number	4020W
c.	Amount of coverage	Unlimited
d.	Expiration date	6/30/19
e.	Premium paid	\$31,193

Property

a.	Name of insurance agent	New Mexico Self-Insurers' Fund
b.	Policy Number	4020P
c.	Amount of coverage	Scheduled Values
d.	Expiration date	6/30/19
e.	Premium paid	\$5,651

General Liability

a.	Name of insurance agent	New Mexico Self-Insurers' Fund
b.	Policy Number	4020L
c.	Amount of coverage	\$400,000/\$750,000 per person/occurrence
		\$300,000 medical, \$100,000 property
d.	Expiration date	6/30/19
e.	Premium paid	\$10,023

Auto Liability

a.	Name of insurance agent	New Mexico Self-Insurers' Fund
b.	Policy Number	4020L
c.	Amount of coverage	\$400,000/\$750,000 per person/occurrence
		\$300,000 medical, \$100,000 property
d.	Expiration date	6/30/19
e.	Premium paid	\$30.210

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

\$250

Director's Liability Coverage - separate bond

a. Name of insurance agent CNA Surety, P.O. Box 5176 Sioux Falls, SD 57117-5176
 b. Policy Number Bond NO. 0601 68998232
 c. Amount of coverage \$10,000 for each director
 d. Expiration date 6/30/19

e. Premium paid **Civil Rights**

a. Name of insurance agent New Mexico Self-Insurers' Fund

b. Policy Number 4020L

c. Amount of coverage Tort limits (\$1,000,000)

d. Expiration date 6/30/19e. Premium paid \$6,143

The Authority has not filed any claims for which the settlement amount exceeded the insurance coverage during the past three years. However, should a claim be filed against the Authority which exceeds the insurance coverage, the Authority would be responsible for a loss in excess of the coverage amounts. As claims are filed, the New Mexico Self-Insurers' Fund assesses and estimates the potential loss. The address of the New Mexico Self-Insurers' Fund is 1231 Paseo de Peralta, Santa Fe, New Mexico 87501.

At June 30, 2019, no unpaid claims have been filed which exceed the policy limits. To the best of management's knowledge and belief, all known and unknown claims will be covered by insurance. No major lawsuits have been filed against the Albuquerque Metropolitan Arroyo Flood Control Authority. Coverages for all policies reported here also remain in effect for the year ending June 30, 2020.

NOTE L – SIGNIFICANT ESTIMATES

The Authority records property tax revenues based on the amounts collected by the Bernalillo County Treasurer in June that are remitted to the Authority in July and August and deferred revenues on property taxes based on information provided by the Bernalillo County Treasurer's Office. An estimated receivable of \$890,509 at June 30, 2019 was recorded by the Authority. An estimated allowance for doubtful accounts of \$93,495 was also provided in conjunction with this receivable, resulting in a net amount recorded of \$797,014.

Depreciation on capital assets is a second significant estimate. Depreciation expense totaled \$3,645,447 for the year ended June 30, 2019.

The Net Pension Liability and related deferred inflows and outflows are based on an actuarial study, see Note F for details.

The Net OPEB liability and related deferred inflows are based on an actuarial study, see Note G for details.

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

The current portion of Compensated Absences is estimated based on anticipated usage of accrued hours. The Authority estimates that employees will utilize the hours they have accrued up to 40 hours in the subsequent year.

NOTE M - RESTATEMENT

GASB 84

The Authority implemented GASB 84 – Fiduciary Activities for the year ended June 30, 2018. At that time the Authority included the Agency & Area Wide Fund as a Fiduciary Fund. However, subsequent to implementation, the GASB issued an implementation guide. This guidance shows that the Agency & Area Wide Fund should have been classified as Capital Projects Fund, not as a Fiduciary Fund. The Authority made the following restatements related to the Agency & Area Wide Fund:

Adjustment to Entity Wide Statement

Inclusion of beginning balance (net adjustment)	\$ 875,871
Inclusion of beginning construction in progress	1,213,459
Total	2.089.330

Adjustment to Fund Balance Sheets

Inclusion of beginning balances (net adjustment) \$ 875,871

Adjustment to Fiduciary Fund Statement

Removal of ending balance (net adjustment) \$ 875,871

NOTE N - SUBSEQUENT EVENTS

Participation in City of Albuquerque Self-Funded Health Insurance

Employees of the Authority participate in the same Healthcare Insurance plan as the City of Albuquerque. On July 1, 2019, the City changed its Healthcare Insurance to a self-funded plan. The Authority as not anticipating any impact from the change. The Authority continues to pay premiums and assumes no additional risk as with previous years. Should the City end the self-funded plan, AMAFCA is not due a refund of unspent premiums.

Acquisition of Property

In September 2019 AMAFCA acquired a 26-space mobile home park for the location of a future flood control facility. There are currently five vacancies with the remaining spaces rented at \$345.00 per month plus utilities. Once the tenants are relocated in accordance with the Authority's relocation procedure, the site will then be cleared of personal property and utilities and prepared for the construction of the flood control project.

Contract Defaults

In FY19, AMAFCA awarded the Agency and Area-Wide Flood Control Rehabilitation VIIIb and the Lower Bear Tributary Arroyo Regional Flood Control and Water Quality Improvements Projects to construction contractor GandyDancer LLC. The projects were bid separately but GandyDancer was the low bidder on each project. Both projects began in early 2019 and, by mid-year 2019, the projects were behind schedule. AMAFCA requested updates and improvement plans on both projects but never

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

received appropriate or feasible information/schedules from GandyDancer. Ultimately, AMAFCA took the step of declaring GandayDancer in default of contract on both projects in August of 2019. The Agency and Area-Wide Flood Control Rehabilitation VIIIb Project is ~20% complete and the Lower Bear Tributary Arroyo Regional Flood Control and Water Quality Improvements Project is ~44% complete.

The performance bonds to ensure the completion of both projects were written by the same bonding company. AMAFCA has been working with the bonding company to complete the projects to the standards set forth in the plans and specifications for the jobs. The bonding company will be receiving proposals from contraction contractors to finish each of the jobs in late October of 2019. After the proposals are received, the bonding company and AMAFCA will finalize the agreements to finish both projects. The bonding company will cover bid prices from the selected new contractor(s) that are above the original bid prices from GandyDancer and pay for the correction of any substandard work that was installed.

NOTE O - NEW ACCOUNTING STANDARDS IMPLEMENTATION

The Authority has evaluated pronouncements through GASB 91 and do not believe any have a significant impact to the Authority's financial statements.

NOTES TO FINANCIAL STATEMENTS

June 30, 2019

NOTE P – TAX ABATEMENTS

The following are Industrial Revenue Bonds affecting the Authority:

Other Entities Disclosure - AMAFCA - Fiscal Year Ended June 30, 2019					
Agency number for Agency making the disclosure (Abating Agency)	5001	5001	5001	5001	5001
Abating Agency Name	Bernalillo County	Bernalillo County	Bernalillo County	Bernalillo County	Bernalillo County
Abating Agency Type	County	County	County	County	County
Tax Abatement Agreement Name	Admiral Beverage Corporation Project	Arroyo Vista Apartments Project	CCC&S Family Project (dated 11/1/2016)	CFV Solar Test Laboratory, Inc. Project	Cottonwood Apartment Project
Name of agency affected by abatement	Albuquerque Metro Arroyo	Albuquerque Metro Arroyo	Albuquerque Metro Arroyo	Albuquerque Metro Arroyo	Albuq. Metro Arroyo Flood
agreement (Affected Agency)	Flood Control Authority	Flood Control Authority	Flood Control Authority	Flood Control Authority	Control Authority
Agency number of Affected Agency	4003	4003	4003	4003	4003
Agency type of Affected Agency	Special District	Special District	Special District	Special District	Special District
Recipient(s) of tax abatement	Admiral Beverage Corporation	Arroyo Vista Apartments, LLC	CCC&S Family LLC	CFV Solar Test Laboratory, Inc.	GSL Properties
Tax abatement program (name and brief description)	Taxable Industrial Revenue Bonds (Series 2012)	PRB - Multifamily Housing Revenue Bonds, in one or more tax-exempt or taxable series (Arroyo Vista Project)	IRB - Taxable Industrial Revenue Bonds, Series 2016	Taxable Industrial Revenue Bonds (Series 2010)	Multi-Family Refunding Revenue Bonds (Series 2006A) and Taxable Multi-Family Housing Revenue Bonds
Specific Tax(es) Being Abated	Real & Personnal Property tax	Real Property Tax	Real Property Tax	Personal Property Tax	Real Property Tax
Authority under which abated tax would have been paid to Affected Agency	NMSA §7-37-6	NMSA §3-45 Municipal Housing Law	NMSA §7-37-6	NMSA §7-37-6	NMSA 7-37-6
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	Real Property tax : \$5,312.15 Personal Property tax : \$123.22	Real Property tax : \$388.31 Personal Property tax : \$	Real Property tax : \$756.58 Personal Property tax : \$	Real Property tax : \$ Personal Property tax : \$246.37	Real Property tax : \$3,634.59 Personal Property tax : \$
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	none	none	none	none	none
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	N/A	N/A	N/A	N/A	N/A

NOTES TO FINANCIAL STATEMENTS

5001	5001	5001	5001	5001	5001
Bernalillo County	Bernalillo County	Bernalillo County	Bernalillo County	Bernalillo County	Bernalillo County
County	County	County	County	County	County
Desert Willow Apartments Project	Friedman Recycling Project	General Mills Operations Project (dated 11/1/2016)	Glenrio Project	Harrington Project 2015	Hotel Chaco Project
Albuquerque Metro Arroyo Flood Control Authority	Albuquerque Metro Arroyo Flood Control Authority	Albuq. Metro Arroyo Flood Control Authority	Albuquerque Metro Arroyo Flood Control Authority	Albuq. Metro Arroyo Flood Control Authority	Albuquerque Metro Arroyo Flood Control Authority
4003	4003	4003	4003	4003	4003
Special District	Special District	Special District	Special District	Special District	Special District
Desert Willow Limited Partnership	Friedman Recycling of Albuquerque, LLC	General Mills Operations LLC	Glenrio LLLP	Harrington Properties	Hotel Chaco, LLC
Multifamily Housing Refunding Revenue Bonds Series 2008), replacing Series 1998.	Taxable Industrial Revenue Bonds (Series 2012A and 2012B and 2012C)	Taxable Industrial Revenue Bonds (Series 2016)	New Mexico Multifamily Housing Revenue Bonds (Series 2013)	Taxable Industrial Revenue Bonds	Taxable Industrial Revenue Bonds (Series 2015A)
Real Property Tax	Real Property Tax	Personal Property Tax	Real Property Tax	Real & Personnal Property tax	Real & Personnal Property tax
NMSA §7-37-6	NMSA §7-37-6	NMSA 7-37-6	NMSA §7-37-6	NMSA 7-37-6	NMSA §7-37-6
Real Property tax : \$2,583.35 Personal Property tax : \$	Real Property tax : \$729.22 Personal Property tax : \$	Real Property tax : \$ Personal Property tax : \$1,208.20	Real Property tax : \$4,505.65 Personal Property tax : \$	Real Property tax : \$344.15 Personal Property tax : \$106.98	Real Property tax : \$5,206.21 Personal Property tax : \$106.03
none	none	none	none	none	none
N/A	N/A	N/A	N/A	N/A	N/A

NOTES TO FINANCIAL STATEMENTS

Other Entities Disclosure - AMAFCA - Fiscal Year Ended June 30, 2019					
Agency number for Agency making the disclosure (Abating Agency)	5001	5001	5001	5001	5001
Abating Agency Name	Bernalillo County				
Abating Agency Type	County	County	County	County	County
Tax Abatement Agreement Name	One Central Entertainment Hub Project	Rio Bravo Brewing Project dated 2/1/2016)	Rio Vista Apartments Project (dated 11/1/2016)	Rodgers/JSR Holdings Project	SBS Technologies, Inc. Corporate Headquarters Project
Name of agency affected by abatement agreement (Affected Agency)	Albuq. Metro Arroyo Flood Control Authority	Albuq. Metro Arroyo Flood Control Authority	Albuq. Metro Arroyo Flood Control Authority	Albuquerque Metro Arroyo Flood Control Authority	Albuquerque Metro Arroyo Flood Control Authority
Agency number of Affected Agency	4003	4003	4003	4003	4003
Agency type of Affected Agency	Special District				
Recipient(s) of tax abatement	One Central Associates	DRB Properties and Rio Bravo Brewing Co	Rio Housing Associates	JSR Holdings, LLC	Brunacini Development LTD. CO.
Tax abatement program (name and brief description)	IRB - Taxable Industrial Revenue Bonds, Series 2016B	IRB - Taxable Industrial Revenue Bonds (Series 2016)	IRB - Taxable Industrial Revenue Bonds (Series 2016)	Taxable Industrial Revenue Bonds (Series 2014)	Taxable Industrial Revenue Bonds (Series 2004)
Specific Tax(es) Being Abated	Real Property Tax				
Authority under which abated tax would have been paid to Affected Agency	NMSA §7-37-6				
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	Real Property tax : \$174.97 Personal Property tax : \$	Real Property tax : \$336.47 Personal Property tax : \$	Real Property tax : \$688.58 Personal Property tax : \$	Real Property tax : \$370.68 Personal Property tax : \$	Real Property tax : \$1598.32 Personal Property tax : \$
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	none	none	none	none	none
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	N/A	N/A	N/A	N/A	N/A

NOTES TO FINANCIAL STATEMENTS

5001	5001	5001	5001	5001	5001
Bernalillo County	Bernalillo County	Bernalillo County	Bernalillo County	Bernalillo County	Bernalillo County
County	County	County	County	County	County
Sennheiser New Mexico LLC Project	Silver Moon Lodge Project	GAHP Project IRB (Sterling Downtown)	Tempur Production USA, Inc. Project	The Tortilla Building, LLC Project	The Village at Avalon Project (dated 12/1/2015)
Albuquerque Metro Arroyo Flood Control Authority	Albuquerque Metro Arroyo Flood Control Authority	Albuquerque Metro Arroyo Flood Control Authority	Albuquerque Metro Arroyo Flood Control Authority	Albuquerque Metro Arroyo Flood Control Authority	Albuq. Metro Arroyo Flood Control Authority
4003	4003	4003	4003	4003	4003
Special District	Special District	Special District	Special District	Special District	Special District
Sennheiser New Mexico LLC	Silver Moon Lodge LLLP	The Greater Albuquerque Housing Partnership (GAHP),	Tempur Production USA, Inc.	The Tortilla Building, LLC (lesee) and Flagship Food Group North America LLC (sublesee)	Village at Avalon Apartments
Taxable Industrial Revenue Bonds (Series 2004)	New Mexico Multifamily Housing Revenue Bonds (Series 2013A and 2013B)	PRB - Multifamily Housing Revenue Note (The Sterling Downtown Project), Series 2016	Taxable Industrial Revenue Bonds (Series 2005A and 2005B)	Industrial Development Project	Series 2015 Multifamily Housing Revenue Bonds.
Real & Personnal Property tax	Real Property Tax	Real Property Tax	Real & Personnal Property tax	Real Property Tax	Real Property Tax
NMSA §7-37-6	NMSA §7-37-6	NMSA §3-45 Municipal Housing Law	NMSA §7-37-6	NMSA §7-37-6	NMSA §7-37-6
Real Property tax : \$ Personal Property tax : \$	Real Property tax : \$2,272.81 Personal Property tax : \$	Real Property tax : \$121.14 Personal Property tax : \$	Real Property tax : \$15,523.49 Personal Property tax : \$11,430.85	Real Property tax : \$2,076.47 Personal Property tax : \$	Real Property tax : \$5,878.52 Personal Property tax : \$
none	none	none	none	none	none
N/A	N/A	N/A	N/A	N/A	N/A

NOTES TO FINANCIAL STATEMENTS

Other Entities Disclosure - AMAFCA - Fiscal Year Ended June 30, 2019				
Agency number for Agency making the disclosure (Abating Agency)	5001	5001	5001	5001
Abating Agency Name	Bernalillo County	Bernalillo County	Bernalillo County	Bernalillo County
Abating Agency Type	County	County	County	County
Tax Abatement Agreement Name	United Poly Systems Project dated 2014)	US Foodservice, Inc. Project	Valencia Retirement Apartments Project (1/1/2000)	Verizon Wireless (VAW) LLC Facilities Project
Name of agency affected by abatement	Albuq. Metro Arroyo Flood Control Authority	Albuquerque Metro Arroyo Flood Control Authority	Albuq. Metro Arroyo Flood Control Authority	Albuquerque Metro Arroyo Flood Control Authority
agreement (Affected Agency) Agency number of Affected Agency	4003	4003	4003	4003
Agency type of Affected Agency	Special District	Special District	Special District	Special District
Recipient(s) of tax abatement	Gold Mesa Investments	US Foodservice, Inc.	Valencia Limited Partnership	Verizon Wireless (VAW) LLC, Coors/Central Realty LLC
Tax abatement program (name and brief description)	Taxable Industrial Revenue Bonds	Taxable Industrial Revenue Bonds (Series 2011)	Multi-Family Refunding Revenue Bonds (Senior Series 2001A) and MFRR Bonds (Ir Subord Series 2001C)	Taxable Industrial Revenue Bonds (Series 2006A)
Specific Tax(es) Being Abated	Personal Property Tax	Real Property Tax	Real Property Tax	Real Property Tax
Authority under which abated tax would have been paid to Affected Agency	NMSA §7-37-6	NMSA §7-37-6	NMSA §7-37-6	NMSA §7-37-6
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	Real Property tax : \$ Personal Property tax : \$422.24	Real Property tax : \$4,618.56 Personal Property tax : \$	Real Property tax : \$2,954.72 Personal Property tax : \$	Real Property tax : \$7,510.56 Personal Property tax : \$
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	none	none	none	none
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	N/A	N/A	N/A	N/A

NOTES TO FINANCIAL STATEMENTS

5001	5001	5001	452	452
Bernalillo County	Bernalillo County	Bernalillo County	New Mexico Hospital Equipment Loan Council	New Mexico Hospital Equipment Loan Council
County	County	County	State Agency	State Agency
Vitality Works, Inc. Project	Wagner Equipment Project (dated 12/1/2015)	West Publishing Corporation Project	Lease Agreement (New Mexico Hospital Equipment Loan Council/Lovelace Health System, Inc. dated 10/1/2011; 'Lovelace Heart Hospital')	Lease Agreement (New Mexico Hospital Equipment Loan Council/Lovelace Health System, Inc. dated 12/1/2007; 'Lovelace Women's Hospital Project')
Albuquerque Metro Arroyo	Albuq. Metro Arroyo Flood	Albuquerque Metro Arroyo Flood	Albuquerque Metro Arroyo Flood	Albuquerque Metro Arroyo Flood
Flood Control Authority	Control Authority	Control Authority	Control Authority	Control Authority
4003	4003	4003	4003	4003
Special District	Special District	Special District	Special District	Special District
Vitality Works, Inc.	Wagner Equipment Co	West Publishing Corporation, Southwest Tiburon LLC	Lovelace Health System, Inc.	Lovelace Health System, Inc.
Taxable Industrial Revenue Bonds (Series 2011)	Taxable Industrial Revenue Bonds (Series 2015)	Taxable Industrial Revenue Bonds (Series 2004A)	New Mexico Hospital Equipment Loan Act (New Mexico Statue 58-23-29)	New Mexico Hospital Equipment Loan Act (New Mexico Statue 58- 23-29)
Real Property Tax	Real Property Tax	Real Property Tax	Property Tax	Property Tax
NMSA §7-37-6	NMSA §7-37-6	NMSA §7-37-6	NMSA 7-38	NMSA 7-38
Real Property tax : \$2,658.44 Personal Property tax : \$	Real Property tax : \$770.65 Personal Property tax : \$	Real Property tax : \$2,036.42 Personal Property tax : \$	Est. Property Tax = \$6929	This cannot be Estimated
none	none	none	none	none
N/A	N/A	N/A	N/A	N/A

NOTES TO FINANCIAL STATEMENTS

Other Entities Disclosure - AMAFCA - Fiscal Year Ended June 30, 2019			
Agency number for Agency making the disclosure (Abating Agency)	6004	6004	6004
Abating Agency Name	City Of Albuquerque	City Of Albuquerque	City Of Albuquerque
Abating Agency Type	Municipal Government	Municipal Government	Municipal Government
Tax Abatement Agreement Name	General Mills IRB	General Tech IRB	Hotel Adaluz IRB
Name of agency affected by abatement agreement (Affected Agency)	AMAFCA Operating and Debt	AMAFCA Operating and Debt	AMAFCA Operating and Debt
Agency number of Affected Agency	4003	4003	4003
Agency type of Affected Agency	Flood Control District	Flood Control District	Flood Control District
Recipient(s) of tax abatement	General Mills	General Tech	Hotel Adaluz
Tax abatement program (name and brief description)	State of New Mexico Statutes Article 32 Industrial Revenue Bonds City of Albuquerque Code of Ordinances § 3-2-15 INDUSTRIAL REVENUE BOND PROJECTS	State of New Mexico Statutes Article 32 Industrial Revenue Bonds City of Albuquerque Code of Ordinances § 3-2-15 INDUSTRIAL REVENUE BOND PROJECTS	State of New Mexico Statutes Article 32 Industrial Revenue Bonds City of Albuquerque Code of Ordinances § 3-2-15 INDUSTRIAL REVENUE BOND PROJECTS
Specific Tax(es) Being Abated	Property Tax	Property Tax	Property Tax
	The recipient can also apply for abatement of compensating tax on purchase of equpments and investment tax credits from the state of new mexico. There was no abatement for non-property taxes in the current year	The recipient can also apply for abatement of compensating tax on purchase of equpments and investment tax credits from the state of new mexico. There was no abatement for non-property taxes in the current year	The recipient can also apply for abatement of compensating tax on purchase of equpments and investment tax credits from the state of new mexico. There was no abatement for non-property taxes in the current year
Authority under which abated tax would have been paid to Affected Agency	Article VIII state statutes property tax	Article VIII state statutes property tax	Article VIII state statutes property tax
	AMAFCA	AMAFCA	AMAFCA
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a			
result of the tax abatement agreement	\$8,595.00	\$1,845.00	\$849.00
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	none	none	none
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	N/A	N/A	N/A

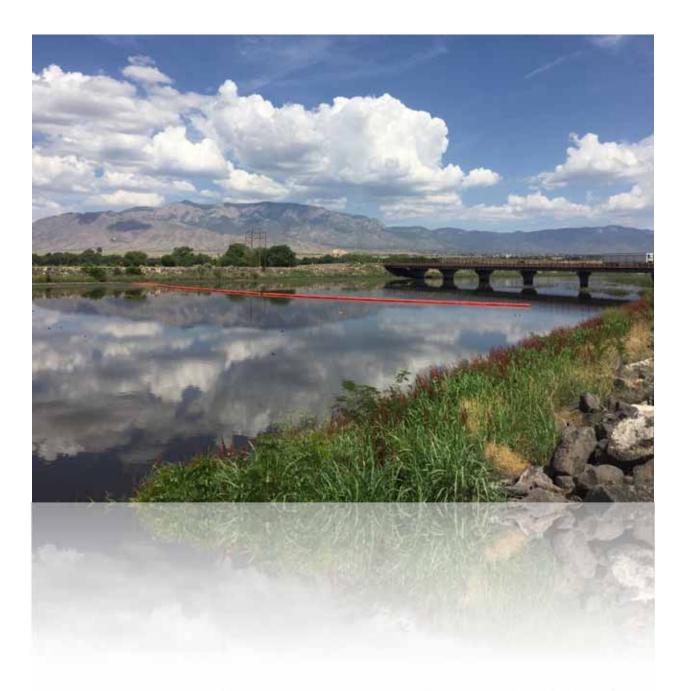
NOTES TO FINANCIAL STATEMENTS

6004	6004	6004
City Of Albuquerque	City Of Albuquerque	City Of Albuquerque
Municipal Government	Municipal Government	Municipal Government
Hotel Parq IRB	Ktech (currently owned by Raytheon) IRB	CVI Laser
AMAFCA Operating and Debt	AMAFCA Operating and Debt	AMAFCA Operating and Debt
4003	4003	4003
Flood Control District	Flood Control District	Flood Control District
Hotel Parq	Ktech (currently owned by Raytheon)	CVI Laser
State of New Mexico Statutes Article 32 Industrial Revenue Bonds City of Albuquerque Code of Ordinances § 3- 2-15 INDUSTRIAL REVENUE BOND PROJECTS	State of New Mexico Statutes Article 32 Industrial Revenue Bonds City of Albuquerque Code of Ordinances § 3-2- 15 INDUSTRIAL REVENUE BOND PROJECTS	State of New Mexico Statutes Article 32 Industrial Revenue Bonds City of Albuquerque Code of Ordinances § 3- 2-15 INDUSTRIAL REVENUE BOND PROJECTS
Property Tax	Property Tax	Property Tax
The recipient can also apply for abatement of compensating tax on purchase of equpments and investment tax credits from the state of new mexico. There was no abatement for non-property taxes in the current year	The recipient can also apply for abatement of compensating tax on purchase of equpments and investment tax credits from the state of new mexico. There was no abatement for non-property taxes in the current year	The recipient can also apply for abatement of compensating tax on purchase of equpments and investment tax credits from the state of new mexico. There was no abatement for non-property taxes in the current year
Article VIII state statutes property tax	Article VIII state statutes property tax	Article VIII state statutes property tax
AMAFCA	AMAFCA	AMAFCA
\$1,211.00	\$3,794.00	\$1,417.00
none	none	none
N/A	N/A	N/A



Pond 187a (Laguna de Cuervo) near Rio Grande High School helps provide flood protection in the South Valley

REQUIRED SUPPLEMENTAL INFORMATION



Floating booms at the North Diversion Channel Outfall help capture floating debris to improve water quality

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Last 10 Fiscal Years*							
	2019 Measurement Date (As of and for the Year Ended June 30, 2018)	2018 Measurement Date (As of and for the Year Ended June 30, 2017)	2017 Measurement Date (As of and for the Year Ended June 30, 2016)	2016 Measurement Date (As of and for the Year Ended June 30, 2015)	2015 Measurement Date (As of and for the Year Ended June 30, 2014)		
AMAFCA's porportion of the net pension liability	0.18%	0.17%	0.17%	0.15%	0.15%		
AMAFCA's proportionate share of the net pension liability	2,869,867	2,313,958	2,645,731	1,583,015	1,213,094		
AMAFCA's covered payroll	1,467,118	1,482,897	1,421,285	1,360,284	1,275,604		
AMAFCA's proportionate share of the net pension liability as a percentage of its covered payroll	195.6%	156.0%	186.2%	116.4%	95.1%		
Plan fiduciary net position as a percentage of total pension liability	71%	69%	69%	77%	81%		

^{*} The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, AMAFCA will present information for those years for which information is available.

SCHEDULE OF PERA CONTRIBUTIONS

June 30, 2019

Last 10 Fiscal Years*						
	As of and for the Year Ended 2019	As of and for the Year Ended 2018	As of and for the Year Ended 2017	As of and for the Year Ended 2016	As of and for the Year Ended 2015	
Contractually required contribution	140,413	139,486	140,816	136,173	143,209	
Contributions in relation to the contractually required contribution	140,413	139,486	140,816	136,173	143,209	
Contribution deficiency (excess)	-	-	-	-	-	
AMAFCA's covered payroll	1,468,764	1,467,118	1,482,897	1,421,285	1,360,284	
Contributions as a percentage of covered payroll	9.6%	9.5%	9.5%	9.6%	10.5%	

^{*} The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, AMAFCA will present information for those years for which information is available.

Notes to Required Supplementary Information

Changes of benefit terms. The PERA Fund COLA and retirement eligibility changes in recent years are described in Note 1 of the PERA FY18 audit available at: http://www.nmpera.org/financial-overview/comprehensive-annual-financial-report.

Changes of assumptions. The Public Employees Retirement Association (PERA) of New Mexico Actuarial Valuation as of June 30, 2018 report is available at: http://www.nmpera.org/financial-overview/comprehensive-annual-financial-report.

SCHEDULE OF PROPORTIONATE SHARE OF THE OPEB - HEALTHCARE LIABILITY

Last 10 Fiscal Years*		
	2019 Measurement Date (As of and for the Year Ended June 30, 2018)	(As of and for
AMAFCA's proportion of the net OPEB liability	0.03%	0.04%
AMAFCA's proportionate share of the net OPEB liability	1,536,222	1,614,275
AMAFCA's covered employee payroll	1,467,118	1,482,897
AMAFCA's proportionate share of the net OPEB liability as a percentage of its covered employee payroll	104.7%	108.9%
Plan fiduciary net position as a percentage of total OPEB liability	11.3%	11.3%

^{*} The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, AMAFCA will present information for those years for which information is available.

SCHEDULE OF OPEB - HEALTHCARE CONTRIBUTIONS

June 30, 2019

Last 10 Fiscal Years*		
	As of and for the Year Ended 2019	As of and for the Year Ended 2018
Contractually required contribution	29,732	29,264
Contributions in relation to the contractually required contribution	29,732	29,264
Contribution deficiency (excess)	-	-
AMAFCA's covered employee payroll	1,468,764	1,467,118
Contributions as a percentage of covered employee payroll	2.0%	2.0%

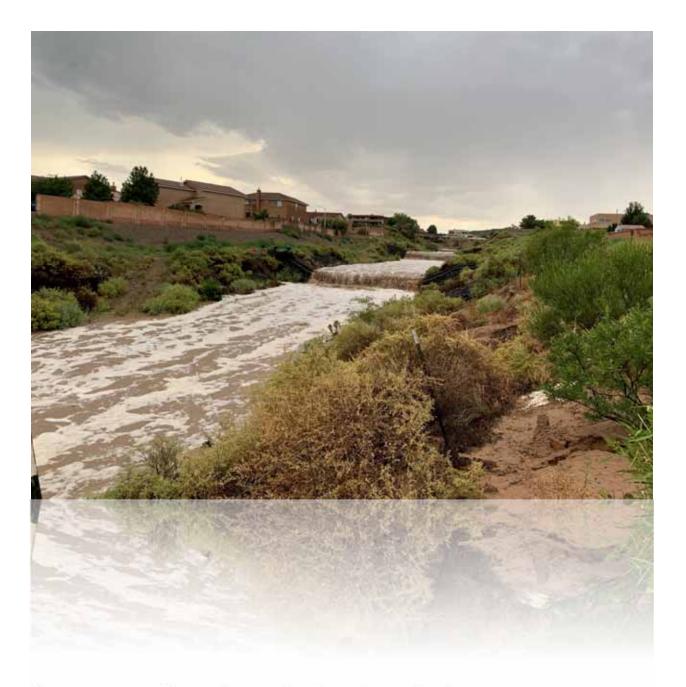
^{*} The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, AMAFCA will present information for those years for which information is available.

Notes to Required Supplementary Information

Changes of benefit terms. The NMRHCA Fund COLA and retirement eligibility changes in recent years are described in Note 1 of the NMRHCA FY18 audit available at: http://nmrhca.org/financial-documents.aspx.

Changes of assumptions. The NMRHCA Actuarial Valuation as of June 30, 2018 report is available at: http://nmrhca.org/gasb-reporting.aspx.

SUPPLEMENTARY INFORMATION



Storm water flows down the San Antonio Arroyo

BUDGETARY COMPARISON SCHEDULES - BUDGET AND ACTUAL

Debt Service Fund

For the Fiscal Year ended June 30, 2019								
		Budget Original	Budget Final	Actual Amount Budgetary Basis	Variance Positive (Negative)			
Revenues Property taxes	\$	10,349,016	10,349,016	10,702,669	353,653			
Investment and other		20,000	20,000	92,698	72,698			
Total revenues		10,369,016	10,369,016	10,795,367	426,351			
Expenditures Debt service:								
Interest and fixed charges		1,526,500	1,526,500	1,494,573	31,927			
Bond principal		9,830,000	10,030,000	10,030,000				
Total expenditures		11,356,500	11,556,500	11,524,573	31,927			
Excess (deficiency) of revenues over expenditures before other financing sources and uses		(987,484)	(1,187,484)	(729,206)	458,278			
Other financing sources and uses Bond Premiums		1,100,000	1,100,000	729,367	(370,633)			
Total other financing and uses		1,100,000	1,100,000	729,367	(370,633)			
Net change in fund balance		112,516	(87,484)	161	87,645			
Fund Balance, beginning of year		11,480,764	11,480,764	11,480,764				
Fund Balance, end of year	\$	11,593,280	11,393,280	11,480,925	87,645			

BUDGETARY COMPARISON SCHEDULES - BUDGET AND ACTUAL

Capital Projects Fund

For the Fiscal	Year ended	June 30, 2019
----------------	------------	---------------

		Budget Original	Budget Final	Actual Amount Budgetary Basis	Variance Positive (Negative)
Revenues					, ,
Investment	\$	100,000	100,000	584,527	484,527
Revenue from jointly funded projects		800,000	800,000	2,792,667	1,992,667
Other revenues		-			
Total revenues		900,000	900,000	3,377,194	2,477,194
Expenditures					
Contract - Professional Services**		6,150,000	6,150,000	1,519,118	4,630,882
Land Acquisition**		2,850,000	2,850,000	4,794	2,845,206
Infrastructure**		47,602,000	47,602,000	9,846,990	37,755,010
Total expenditures		56,602,000	56,602,000	11,370,902	45,231,098
Deficiency of revenues over					
expenditures before other financing uses		(55,702,000)	(55,702,000)	(7,993,708)	47,708,292
imancing uses		(33,702,000)	(33,702,000)	(7,995,708)	47,708,292
Other financing sources and uses					
Transfers to other funds		-	-	(2,250,000)	2,250,000.00
Proceeds from bond sale		25,000,000	25,000,000	12,593,474	(12,406,526)
Total other financing sources					
and uses		25,000,000	25,000,000	10,343,474	(10,156,526)
		_			
Net change in fund balance		(30,702,000)	(30,702,000)	2,349,766	37,551,766
Fund Balance, beginning of year	_	32,371,286	32,371,286	32,371,286	
Fund Balance, end of year ** This line item includes the	\$	1,669,286	1,669,286	34,721,052	37,551,766

^{**} This line item includes the total budgeted costs for all the Authority's capital projects. These projects are generally completed over multiple fiscal years. In addition, projects included in the current year budget may not incur costs until subsequent fiscal years.

BUDGETARY COMPARISON SCHEDULES - BUDGET AND ACTUAL

Acquisitions & Savings Fund

For the Fiscal Year ended June 30, 2019

	Budget Original	Budget Final	Actual Amount Budgetary Basis	Variance Positive (Negative)
Revenues				
Interest income	\$ 3,500	3,500	10,817	7,317
Total revenues	3,500	3,500	10,817	7,317
Expenditures				
Stormwater Quality	16,000	16,000	-	16,000
Planning, Engineering, and R&D	15,000	15,000	4,172	10,828
Information Technology	23,000	23,000	-	23,000
Governmental Affairs	20,000	20,000	1,000	19,000
Capital Outlay - Equipment & Machinery	385,000	385,000	145,792	239,208
Capital Outlay - Buildings & Structures	125,000	125,000	4,796	120,204
Total expenditures	584,000	584,000	155,760	428,240
Excess of revenues over expenditures before other financing sources and uses	(580,500)	(580,500)	(144,943)	435,557
Other financing sources and uses				
Transfers from other funds	231,000	231,000	231,000	_
Transfers to other funds	-			_
Total other financing sources and uses	231,000	231,000	231,000	
Net change in fund balance	(349,500)	(349,500)	86,057	435,557
Fund Balance, beginning of year	388,761	388,761	388,761	
Fund Balance, end of year	\$ 39,261	39,261	474,818	435,557

BUDGETARY COMPARISON SCHEDULES - BUDGET AND ACTUAL

Agency & Areawide Fund

For the Fiscal Year ended June 30, 2019

	Budget Original	Budget Final	Actual Amount Budgetary Basis	Variance Positive (Negative)
Revenues				
Investment	\$ -	-	3,036	3,036
Revenue from jointly funded projects	3,045,000	3,045,000	57,890	(2,987,110)
Other revenues		-	-	
Total revenues	3,045,000	3,045,000	60,926	(2,984,074)
Expenditures				
Contract - Professional Services	375,000	375,000	251,379	123,621
Land Acquisition	-	-	-	-
Infrastructure	2,855,000	2,855,000	1,187,033	1,667,967
Total expenditures	3,230,000	3,230,000	1,438,412	1,791,588
Deficiency of revenues over				
expenditures before other				
financing uses	(185,000)	(185,000)	(1,377,486)	(1,192,486)
Other financing sources and uses				
Transfers from other funds	-	_	2,250,000	(2,250,000.00)
Proceeds from bond sale			<u> </u>	
Total other financing sources				
and uses	-	-	2,250,000	(2,250,000)
Net change in fund balance	(185,000)	(185,000)	872,514	(3,442,486)
Fund balances, beginning of year as previously reported	_	_	_	_
Restatement of prior years for GASB 84 correction	875,871	875,871	875,871	
Fund balances, beginning of year as restated	875,871	875,871	875,871	_



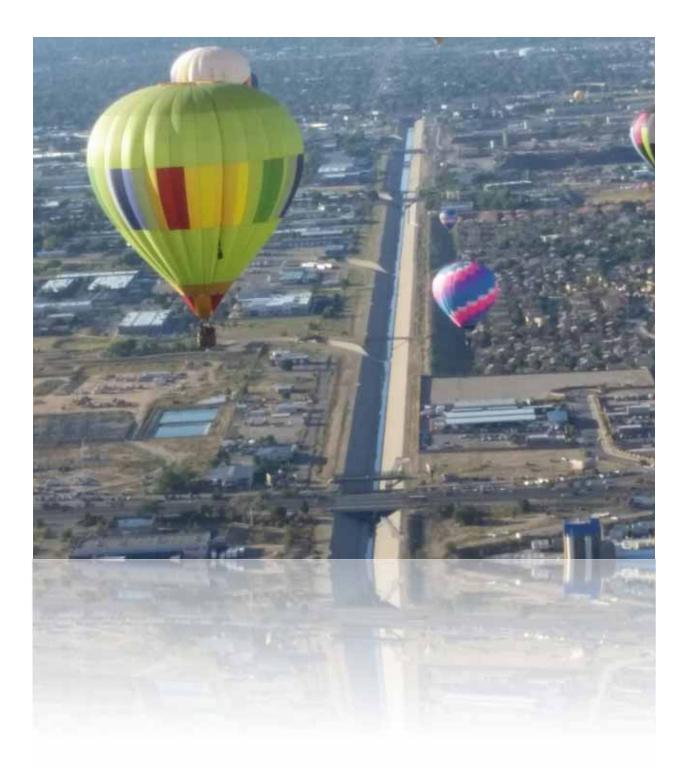
COMBINING STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS

			Ditc	h & Water			Sto	ormwater		Total
	Age	ency &	Sa	ıfety Task	Mid I	Rio Grande	(Quality	C	Custodial
	Area	a Wide		Force	MS	S4 CMC	Co	ordinator	Funds	
ASSETS										
Cash in bank	\$	-	\$	66,258	\$	15,216	\$	124,349	\$	205,823
Accounts Receivable				45,000						45,000
Total assets		-		111,258		15,216		124,349		250,823
LIABILITIES										
Accounts payable		-		8,949		-		37,115		46,064
Total liabilities		-		8,949		-		37,115		46,064
NET POSITION										
Restricted										
Other Organizations		-		102,309		15,216		87,234		204,759
C				·		· · · · · · · · · · · · · · · · · · ·				·
Total net position	\$	-	\$	102,309	\$	15,216	\$	87,234	\$	204,759

COMBINING STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS

For the Fiscal Year ended June 30, 2019

	gency & rea Wide	th & Water Ifety Task Force	Rio Grande IS4 CMC	ormwater Quality oordinator		Total Custodial Funds
ADDITIONS						
Contributions						
Participation	\$ -	\$ 90,000	\$ -	\$ 149,643	\$	239,643
Investments	-	2	-	-		2
Other	 	 3,174	 	 27,739		30,913
Total additions	-	93,176	-	177,382		270,558
DEDUCTIONS						
Profressional services	-	56,661	15,408	47,937	F	120,006
Educational outreach	-	-	-	131,542	F	131,542
Lab costs	-	-	3,859	-	F	3,859
Other	 	 750	 	 5,400	_	6,150
Total deductions	 	 57,411	 19,267	 184,879		261,557
Net increase(deficiency) in						
fiduciary net position	-	35,765	(19,267)	(7,497)		9,001
Net Position, beginning of year	875,871	66,544	34,483	94,731		1,071,629
Restatement, note M	(875,871)	-	_	-		(875,871)
Net Position, beginning of year, as restated	 	 66,544	 34,483	 94,731		195,758
Net position, end of year	\$ 	\$ 102,309	\$ 15,216	\$ 87,234	\$	204,759



North Diversion Channel from a hot air balloon

STATISTICAL SECTION

June 30, 2019

This part of the Comprehensive Financial Annual Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Authority's overall financial health.

CONTENTS

Financial Trends 89 – 95

These schedules present information to help the reader understand how the Authority's financial performance and well-being have changed over time.

Revenue Capacity 96 – 103

These schedules present information to help the reader assess the Authority's most significant revenue source, the property tax

Debt Capacity 104 – 109

These schedules present information to help the reader assess the affordability of the Authority's current level of outstanding debt and the Authority's ability to issue additional debt in the future

Demographic and Economic Information

110 - 113

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place.

Operating Information

115 - 117

These schedules contain service and infrastructure data to help the reader understand how the information in the Authority's financial report relates to the services the Authority provides and the activities it performs.

NET POSITION BY COMPONENT

Last Ten Fiscal Years June 30, 2019

L BASIS OF ACCOUNT	IING)	
2019	2018	2017
\$ 214,988,196	\$ 212,351,685	\$ 195,818,843
16,746,452	13,552,050	15,892,539
7,769,788	3,613,407	15,233,565
n \$ 239,504,436	\$ 229,517,142	\$ 226,944,947
2016	2015	2014
\$ 176,226,208	\$ 174,423,162	\$ 177,326,784
37,175,362	30,502,239	26,366,396
1,542,075	4,513,789	2,805,452
n \$ 214,943,645	\$ 209,439,190	\$ 206,498,632
2013	2012	2011
\$ 150,275,632	\$ 144,580,212	\$ 137,992,865
21,466,796	18,901,784	15,925,629
8,681,344	8,417,573	8,535,442
n \$ 180,423,772	\$ 171,899,569	\$ 162,453,936
2010		
\$ 129,335,815		
17,843,384		
8,393,767		
n \$ 155,572,966		
	2019 \$ 214,988,196 16,746,452 7,769,788 \$ 239,504,436 2016 \$ 176,226,208 37,175,362 1,542,075 \$ 214,943,645 2013 \$ 150,275,632 21,466,796 8,681,344 \$ 180,423,772 2010 \$ 129,335,815 17,843,384 8,393,767	2019 2018 \$ 214,988,196 \$ 212,351,685 16,746,452

CHANGES IN NET POSITION

Last Ten Years

June 30, 2019

(ACCRUAL BASIS OF ACCOUNTING)

Expenses	2019	2018	2017	2016
Governmental activities:				
Flood Control	\$ 5,384,809	\$ 4,070,051	\$ 4,480,695	\$ 4,142,305
Planning, Engineering, and R&D	3,263,133	4,303,616	4,451,092	3,006,586
General Government	1,672,709	1,560,467	1,616,442	1,576,782
Interest on long-term debt	1,123,802	910,834	840,647	717,601
Total government activities expenses	11,444,453	10,844,968	11,388,876	9,443,274
Program Revenues				
Government activities:				
Capital Grants and contributions				
Jointly Fund Projects and Contributions	2,850,557	106,915	592,813	30,200
Net (expenses)/revenue				
Governmental activities	(8,593,896)	(10,738,053)	(10,796,063)	(9,413,074)
General Revenue				
Governmental activities:				
Property taxes	14,549,609	14,066,842	13,691,862	13,256,530
Capital asset contributions	1,045,512	800,449	8,859,639	861,957
Investment/interest income	868,874	451,289	190,102	76,431
Other	27,865	27,603	55,762	843,958
Total governmental activities	16,491,860	15,346,183	22,797,365	15,038,876
Change in Net Position				
Governmental activities	7,897,964	4,608,130	12,001,302	5,625,802
Prior period adjustment	2,089,330	(2,035,935)	-	121,347
Total primary government	\$ 9,987,294	\$ 2,572,195	\$ 12,001,302	\$ 5,747,149

CHANGES IN NET POSITION

Last Ten Years June 30, 2019

2015	2014	2013	2012	2011	2010
\$ 4,043,625	\$ 3,922,228	\$ 3,771,101	\$ 3,927,829	\$ 3,813,293	\$ 3,554,648
5,481,072	3,590,305	2,921,174	6,836,356	3,070,468	8,090,278
1,539,855	1,448,259	1,218,857	898,335	1,274,906	1,326,432
649,688	815,980	813,079	775,004	854,393	969,396
11,714,240	9,776,772	8,724,211	12,437,524	9,013,060	13,940,754
429,500	185,204	260,272	852,329	901,418	1,774,595
(11,284,740)	(9,591,568)	(8,463,939)	(11,585,195)	(8,111,642)	(12,166,159)
13,086,450	13,020,812	13,085,894	12,712,512	12,570,792	12,797,745
1,049,855	1,276,659	3,851,907	8,287,878	2,631,925	6,170,872
34,209	24,384	36,683	2,496	50,103	34,419
54,784	40,978	13,658	27,952	(260,210)	23,896
14,225,298	14,362,833	16,988,142	21,030,838	14,992,610	19,026,932
2,940,558	4,771,265	8,524,203	9,445,643	6,880,968	6,860,773
21,516,445	212,848	-	-	-	260,980
\$24,457,003	\$ 4,984,113	\$ 8,524,203	\$ 9,445,643	\$ 6,880,968	\$ 7,121,753

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Years June 30, 2019

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

		2019	2018	2017	2016
Gene	eral Fund				
00	Post GASB 54				
	Nonspendable	\$ -	\$ -	\$ -	\$ -
	Restricted	2,267,303	2,316,874	2,332,980	2,468,364
	Committed	6,388,005	6,206,135	6,128,300	6,126,497
	Assigned	-	-	-	-
	Unassigned	141,063	136,169	128,770	113,135
	Pre GASB 54				
	Reserved	-	-	-	-
	Unreserved - designated	-	-	-	-
	Unreserved - undesignated	-	-	-	-
Tota	general fund	\$ 8,796,371	\$ 8,659,178	\$ 8,590,050	\$ 8,707,996
All o	ther governmental funds				
	Post GASB 54				
	Nonspendable	\$ -	\$ -	\$ -	\$ -
	Restricted	47,950,362	43,852,050	41,733,548	37,175,362
	Committed	474,818	388,761	308,521	304,597
	Assigned	-	-	-	-
	Unassigned	-	-	-	-
	Pre GASB 54				
	Reserved	-	-	-	-
	Unreserved - designated	-	-	-	-
Total	Unreserved - undesignated	- #40,405,400	- -	- #42.042.000	- - - -
iota	l all other governmental funds	\$48,425,180	\$44,240,811	\$42,042,069	\$37,479,959
	I Fund Balance	\$57,221,551	\$52,899,989	\$50,632,119	\$46,187,955

*The Authority implemented GASB 54 in FY11 and at that point began separately tracking funds that were not from property taxes.

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Years June 30, 2019

2015	2014	2013	2012	2011	2010
\$ -	\$ -	\$ -	\$ -	\$ 77,948	\$ 200
4,880,067	5,050,383	5,168,739	4,843,926	4,622,213	
3,900,000	3,900,000	3,900,000	3,900,000	3,900,000	3,900,000
-	-	-	-	-	-
44,107	69,291	28,651	43,629	17,239	-
-	-	-	-	-	200
-	-	-	-	-	3,900,000
-	-	-	-	-	4,486,838
\$ 8,824,174	\$ 9,019,674	\$ 9,097,390	\$ 8,787,555	\$ 8,617,400	\$12,287,238
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30,502,239	26,730,103	21,337,478	18,843,173	15,917,070	-
463,316	362,848	108,733	58,611	8,559	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	17,843,384
-	-	-	-	-	-
-	-	-	-	-	-
\$30,965,555	\$27,092,951	\$21,446,211	\$18,901,784	\$15,925,629	\$17,843,384
\$39,789,729	\$36,112,625	\$30,543,601	\$27,689,339	\$24,543,029	\$30,130,622

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Years

June 30, 2019

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

		2019	2018	2017	2016
Re	venues				
_		.	D 4 4 0 40 004	A 40 700 470	# 40 407 705
	operty taxes	\$ 14,578,386	\$14,046,231	\$13,703,472	\$ 13,427,765
	estment/interest income	868,874	451,289	190,102	76,431
	ntly funded projects	2,850,557	106,915	592,813	30,200
Oth	-	27,865	27,603	55,762	773,458
Tot	al revenues	18,325,682	14,632,038	14,542,149	14,307,854
Ex	penditures				
Ge	neral government	1,607,998	1,529,457	1,554,037	1,544,459
	od control	1,178,697	1,143,984	1,059,377	1,064,564
	inning, engineering, and R&D	936,458	907,167	995,714	945,377
	pital outlay	12,861,751	8,618,742	9,754,160	7,970,856
	bt service:	12,001,731	0,010,742	9,7 34,100	7,970,030
De	Principal	10,030,000	12,125,000	9,300,000	9 675 000
	Interest	1,494,573	1,328,014		8,675,000 923,055
		93,355		1,085,169 93,245	104,120
	Bond issuance costs	93,333	95,362	93,245	104,120
	Reappraisal fees	-	-	-	-
101	al expenditures	28,202,832	25,747,726	23,841,702	21,227,431
Ex	cess (deficiency) of				
revenues over expenditures		(9,877,150)	(11,115,688)	(9,299,553)	(6,919,577)
Otl	ner financing sources (uses)				
	3				
Tra	insfers in	2,481,000	208,000	458,521	400,000
Tra	nsfers out	(2,481,000)	(208,000)	(458,521)	(400,000
n -		40.500.000	40.500.000	40 500 000	40.500.000
Bonds issued		12,500,000	12,500,000	12,500,000	12,500,000
	emium on bonds issued	822,841	883,558	1,243,717	817,803
Perminate loss on investments		-	- 10 000 550	- 10 710 717	-
lot	al other financing sources (uses)	13,322,841	13,383,558	13,743,717	13,317,803
Ne	t change in fund balances	\$ 3,445,691	\$ 2,267,870	\$ 4,444,164	\$ 6,398,226
De	bt service as a percentage of				
non-capital expenditures		75%	79%	74%	72%
De	bt service as a percentage of				

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Years June 30, 2019

2015	2014	2013	2012	2011	2010
\$ 13,224,992	\$ 12,976,637	\$ 12,998,307	\$ 12,705,720	\$ 12,580,848	\$ 12,767,918
34,209	24,384	36,694	2,496	50,103	34,419
100,000	185,204	260,272	852,329	901,418	1,774,595
32,071	42,758	39,694	27,952	17,239	23,896
13,391,272	13,228,983	13,334,967	13,588,497	13,549,608	14,600,828
1,468,858	1,340,434	1,236,167	666,738	1,056,770	1,132,573
1,114,205	1,246,737	1,199,220	1,400,072	1,314,552	1,214,256
854,293	693,349	684,870	944,721	883,423	927,230
10,085,097	7,432,365	8,892,813	8,668,139	12,675,587	7,378,424
8,400,000	8,975,000	7,775,000	8,100,000	8,350,000	8,275,000
822,994	851,047	888,673	861,750	951,510	1,043,306
108,574	95,610	82,746	65,157	61,276	57,697
132,092	129,884	128,190	126,888	125,866	127,643
22,986,113	20,764,426	20,887,679	20,833,465	25,418,984	20,156,129
(9,594,841)	(7,535,443)	(7,552,712)	(7,244,968)	(11,869,376)	(5,555,301
100,000	254,000	50,000	206,828	41,553	676,093
(100,000)	(254,000)	(50,000)	(206,828)	(41,553)	(676,093
12,500,000	12,500,000	10,000,000	10,000,000	10,000,000	10,000,000
775,885	604,468	406,974	391,278	181,984	185,77
(3,940)	-	-	-	-	
13,271,945	13,104,468	10,406,974	10,391,278	10,181,984	10,185,77
\$ 3,677,104	\$ 5,569,025	\$ 2,854,262	\$ 3,146,310	\$ (1,687,392)	\$ 4,630,470
71%	74%	72%	74%	73%	739
40%	47%	41%	43%	37%	46%

ASSESSED VALUE AND ESTIMATE OF ACTUAL VALUE OF PROPERTY

Fiscal Year	Real	Property	Personal	Property
Ended	Residential	Commercial	Centrally	
June 30,	Property	Property	Assessed	Livestock
2019	\$12,225,431,975	\$3,257,477,90	\$ 453,134,739	\$ 823,682
2018	11,726,593,706	3,222,651,87	1 487,992,412	792,044
2017	11,234,417,245	3,203,372,59	1 484,785,455	873,523
2016	10,794,783,246	3,196,405,21	465,509,090	1,296,833
2015	10,514,280,082	3,224,774,23	7 468,981,742	643,266
2014	10,217,174,645	3,251,769,47	9 435,982,241	727,080
2013	10,028,968,646	3,301,912,32	466,978,148	716,381
2012	9,937,828,235	3,463,173,87	459,888,606	844,508
2011	9,855,763,681	3,497,501,04	450,556,530	940,401
2010	10,065,248,593	3,782,694,14	384,357,602	1,045,409
The levies are red	quested by the Board of Di	ectors and set by the De	partment of Finance and Adn	ninistration,
State of Ne	w Mexico.			
The Bernalillo Co	unty Treasurer levies and o	ollects the taxes and dist	ibutes to all taxing jurisdictio	ns.

ASSESSED VALUE AND ESTIMATE OF ACTUAL VALUE OF PROPERTY

	Total	Estimated	Assessed
Total Taxable	Direct	Actual	Value as a
Assessed	Tax	Taxable	Percentage of
Value	Rate	Value	Actual Value
\$ 15,936,868,302	0.000	\$18,772,065,801	84.90%
15,438,030,033	0.921	18,230,909,402	84.68%
14,923,448,814	0.921	17,643,101,869	84.59%
14,457,994,384	0.926	17,179,125,152	84.16%
14,208,679,327	0.928	16,835,835,162	84.40%
13,905,653,445	0.929	16,517,673,706	84.19%
13,798,575,503	0.930	16,333,455,627	84.48%
13,861,735,225	0.926	16,386,042,070	84.59%
13,804,761,655	0.926	16,251,390,322	84.95%
14,233,345,747	0.970	16,545,240,152	86.03%



Strong runoff in 2019 greatly increased flows in the Rio Grande

PROPERTY TAX RATES: DIRECT AND OVERLAPPING (PER \$1,000 OF ASSESSED VALUATION)

		2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Δlbi	uquerque Flood Control										
אואנ	Operating	0.250	0.247	0.246	0.251	0.253	0.254	0.255	0.251	0.251	0.252
+	Debt service	0.230	0.675	0.675	0.675	0.233	0.675	0.233	0.675	0.675	0.232
+	Total direct rate	0.925	0.922	0.073	0.926	0.928	0.929	0.930	0.926	0.926	0.927
_											
Rio	Grande Conservancy			4.07.4	4.070	4 400	4 004	4.000	4 004	1011	4 000
+	District	5.365	5.140	4.874	4.672	4.433	4.221	4.230	4.231	4.244	4.238
Villa	ge of Los Ranchos										
	de Albuquerque										
	Debt service	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Bori	nalillo County (3)										
Dell	Operating	7.875	7.900	7.971	8.139	8.137	8.189	8.138	7.864	7.769	7.505
+	Debt service	1.265	1.265	1.265	1.265	1.265	1.246	0.897	0.897	0.555	0.880
+	Open space	0.196	0.195	0.200	0.200	1.200	1.240	0.037	0.100	0.100	0.100
+	Judgment	0.009	0.009	0.010	0.200	0.012	0.013	0.013	0.013	0.014	0.100
		0.000	0.000	0.010	0.011	0.012	0.010	0.010	0.010	0.011	0.010
City	of Albuquerque										
_	Operating	6.322	6.325	6.389	6.515	6.494	6.544	6.544	6.544	6.433	6.203
+	Debt Service	4.976	4.976	4.976	4.976	4.976	4.976	4.976	4.976	4.976	4.976
Albı	iquerque Public Schools	,									
	Operating	0.323	0.322	0.320	0.330	0.325	0.327	0.325	0.319	0.315	0.304
	Debt Service	4.118	4.101	4.061	4.089	3.787	3.883	3.416	4.020	4.317	4.316
	Capital Improvement	1.951	1.937	1.953	1.977	1.987	2.000	2.000	2.000	2.000	2.000
	Building	3.951	3.925	3.948	3.947	3.950	3.978	3.981	3.983	3.988	3.985
	School District Ed. Tech I	Debt 0.367	0.384	0.378	0.347	0.644	0.430				
Cen	tral NM Community Colle	ne (fka TVI)									
	Operating	2.845	2.825	2.830	2.860	2.871	2.882	2.848	2.770	2.717	2.632
	Debt Service	1.000	1.000	1.000	0.550	0.550	0.550	0.550	0.550	0.550	0.550
Hos	pitals	6.400	6.405	6.247	6.360	6.357	6.400	6.400	6.400	6.400	6.400
Villa	ge of Tijeras										
	Operating	1.322	1.350	1.327	1.305	1.316	1.316	1.315	1.310	1.316	1.271
Dio	Rancho										
KIO		7.650	7.650	7.650	7.187	6.411	5.725	5.159	4.438	3.447	3.084
+	Operating Debt Service	2.768	2.051	2.016	1.848	1.881	1.789	1.617	1.645	2.060	2.067
	Debt Service	2.700	2.031	2.010	1.040	1.001	1.709	1.017	1.045	2.000	2.007
Stat	e of New Mexico	1.360	1.360	1.360	1.360	1.360	1.360	1.360	1.362	1.530	1.150
Note	- When there are separate resid	ential and non-resi	dential rates	the direct rate	e is a combin	ed					
Ť	porportion of the rates and not										
(1) C	ounty is no longer required to att	ach special district	's schedules t	to the abstrac	t-info is not						
	available for property tax vallue	es.									
(2) Th	ne Open Space mill levy was exp	oired for fiscal year	s 2013, 2014	, and 2015.							
. ,	I portions of the City of Rio Rand										
2011	ce: County Assessor's Office, C	ounty Treasurer's	Office and Sta	ate Departme	nt of						





Before and after views of the Black Mesa Facility's Dominican Crossing

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Ten Years Ago

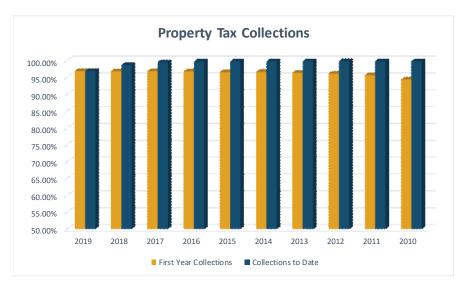
June 30, 2019

		2019			2010	
			Percentage of			Percentage of
	Taxable		Total Taxable	Taxable		Total Taxable
	Assessed		Assessed	Assessed		Assessed
<u>Taxpayer</u>	Value	Rank	Value	Value	Rank	Value
Public Service Company of						
New Mexico - Electric Services	237,792,217	1	1.432%	92,642,984	1	0.625%
New Mexico Gas Company (formerly						
PNM - Gas Services) (1)	44,725,955	2	0.269%	41,032,422	3	0.277%
Comcast of NM Inc.	35,469,693	3	0.214%	-	-	-
Qwest Corp (fka)						
U.S. West Communication Inc.	32,733,555	4	0.197%	88,539,118	2	0.597%
Verizon Wireless	23,798,083	5	0.143%	21,206,069	5	0.143%
Northland Altezza LLC	20,275,859	6	0.122%	-		
VTR Lovelace Mc &Rehab LLC	19,628,346	7	0.118%	-		
Southwest Airlines	18,507,625	8	0.111%	24,936,592	4	0.168%
Presbyterian Healthcare	17,401,445	9	0.105%	-	-	
AT&T Mobility	16,121,371	10	0.097%	-	-	-
GCC Rio Grande Inc.	-	-	-	19,579,783	6	0.132%
Simon Property Group, Ltd						
(Cottonwood Mall)	-	-	0.000%	15,960,737	7	0.108%
Hunt Updotwn Development				15,025,331	8	0.101%
Pacifica Mesa Studios LLC	-	-	-	14,850,273	9	0.100%
Coronado Center LLC	-	-	-	14,662,580	10	0.099%
Total	\$466,454,149		2.810%	\$348,435,889		2.351%
Source: County Treasurer's Office						



PROPERTY TAX LEVIES AND COLLECTIONS

				Collected	within the			
Fiscal Year	Operational Tax	Debt Service Tax	Total Tax	Fiscal Year	of the Levy		Total Collecti	ons to Date
Ended June 30,	Levy for Fiscal Year	Operational Levy for Fiscal Year	Debt Service Levy for Fiscal Year	Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
2019	\$ 3,914,611	\$ 10,817,683	\$ 14,732,294	\$ 14,275,124	96.90%	\$ -	\$ 14,275,124	96.90%
2018	3,786,004	10,434,961	14,220,965	13,768,721	96.82%	268,026	14,036,747	98.70%
2017	3,719,996	10,099,783	13,819,779	13,384,425	96.85%	367,078	13,751,503	99.51%
2016	3,668,745	9,774,080	13,442,825	13,012,483	96.80%	390,566	13,403,049	99.70%
2015	3,629,814	9,601,007	13,230,821	12,777,699	96.58%	423,891	13,201,590	99.78%
2014	3,583,263	9,381,191	12,964,454	12,525,108	96.61%	414,534	12,939,642	99.81%
2013	3,548,623	9,295,686	12,844,309	12,380,769	96.39%	440,023	12,820,792	99.82%
2012	3,469,730	9,200,038	12,669,768	12,176,642	96.11%	471,877	12,648,519	99.83%
2011	3,456,560	9,166,116	12,622,676	12,072,834	95.64%	520,213	12,593,047	99.77%
2010	3,586,958	9,446,644	13,033,602	12,306,293	94.42%	698,176	13,004,469	99.78%
The levies are re	quested by the County C	ommission and set by the	Department of Finance	and Administration, S	tate of New Mexico			
The County Trea	surer levies and collects	the taxes and distributes to	all taxing jurisdictions					
Source: County	Treasurer's Office							



LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

June 30, 2019

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Debt Limit	\$ 80,000,000	\$ 80,000,000	\$ 80,000,000	\$ 80,000,000
Total net debt applicable				
to limit (1)	57,095,000	54,625,000	54,250,000	51,050,000
Legal debt margin	\$ 22,905,000	\$ 25,375,000	\$ 25,750,000	\$ 28,950,000
Total net debt applicable				
to the limit as a percentage				
of debt limit	71.37%	68.28%	67.81%	63.81%

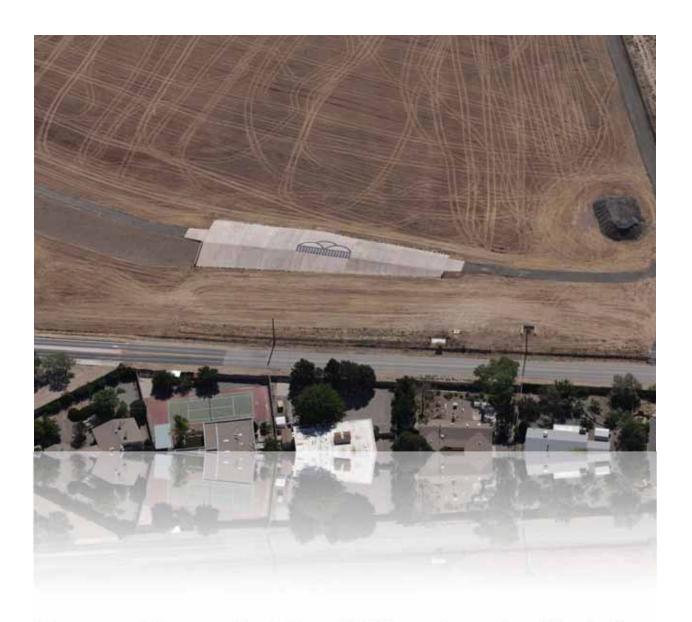
Note: The calculation excludes premium as the legal margin requirements does not include any premium or discounts.

This accounts for the difference between the Financial Statements and this schedule.



LEGAL DEBT MARGIN INFORMATION

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	2010
\$ 80,000,000	\$ 80,000,000	\$ 80,000,000	\$ 80,000,000	\$ 80,000,000	\$ 80,000,000
47,225,000	43,125,000	39,600,000	37,375,000	35,475,000	33,825,000
\$ 32,775,000	\$ 36,875,000	\$ 40,400,000	\$ 42,625,000	\$ 44,525,000	\$ 46,175,000
59.03%	53.91%	49.50%	46.72%	44.34%	42.28%



The new spillway at Louisiana & Gibson has a familiar look

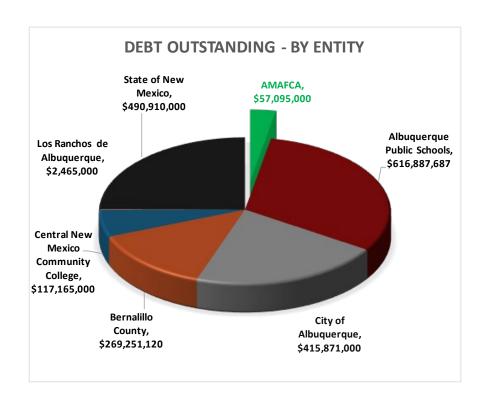
RATIOS OF GENERAL BONDED DEBT OUTSTANDING

					Percentage of		
					Estimated		Personal
	General	Less: Amounts		Percentage of	Actual Taxable		Income
Fiscal	Obligation	Available in Debt		Personal	Value (3) of	Per	(amounts expressed
Year	Bonds (1)	Service Fund	Total	Income (2)	Property	Capita (4)	in thousands)(2)
2019	\$ 60,701,080	\$ 11,251,836	\$ 49,449,244	0.22%	0.32%	89.67	27,724,780
2018	57,982,888	11,252,174	46,730,714	0.21%	0.32%	85.68	
2017	57,256,442	13,546,456	43,709,986	0.21%	0.32%	84.60	27,724,780
2016	53,259,715	12,717,115	40,542,600	0.19%	0.31%	78.83	27,724,780
2015	48,992,726	11,813,184	37,179,542	0.18%	0.29%	72.68	26,831,876
2014	44,425,021	10,861,392	33,563,629	0.17%	0.27%	65.92	25,675,666
2013	40,901,451	10,779,942	30,121,509	0.17%	0.25%	60.69	24,223,839
2012	38,455,348	9,798,482	28,656,866	0.16%	0.23%	57.20	24,689,486
2011	36,250,816	9,242,051	27,008,765	0.15%	0.22%	54.16	24,600,106
2010	34,515,950	9,298,602	25,217,348	0.15%	0.21%	51.98	23,366,125
Note: Details r	egarding the Authority's outs	tanding debt can be found in	the notes to the financial	statements.			
Sources:							
1) Presented n	et of original issuance disco	unts and premiums					
2) US Census I	Bureau for Bernalillo County,	2018 and 2017 amounts are	unavailable so 2016 we	re used			
and can be for	ound in the Schedule of Dem	nographic and Economic Sta	tistics				
3) See the Sch	edule of Assessed Value an	d Estimated Actual Value of	Taxable Property for prop	perty value data.			
4) Population d	lata can be found in the Sche	edule of Demographic and E	conomic Statistics				
5) The Authority	y only has general obligation	bonds, no business type act	ivities, and no componen	t units.			

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT AS OF JUNE 30, 2019

						Applicable to	AM	AFCA
				Debt			Sha	re of
				Outstanding		AMAFCA		ebt
AMAFCA				\$57,095,000	(1)	100.00%	\$ 5	7,095,000
Albuquera	ue Public S	schools		616,887,687		100.55%	620	0,288,727
•	ouquerque			415,871,000		100.00%	41:	5,871,000
Bernalillo				269,251,120		102.21%		5,190,534
Central Ne	ew Mexico	Community	College	117,165,000		89.50%	104	4,867,085
Los Rancl	hos de Albu	querque		2,465,000		100.00%		2,465,000
State of N	lew Mexico			490,910,000		28.00%	13	7,442,290
	Subtotal C	overlapping	Debt				1,556	6,124,635
	Total Dire	ct and Ove	rlapping D	ebt			\$ 1,613	3,219,635
Ratios:								
AMAFCA	direct debt	to						
	assessed	valuation						0.36%
Total dire	ct and overl	apping deb	t to					
	assessed	valuation						10.12%
AMAFCA	direct debt	to						
	actual valu	uation						0.11%
Total dire	ct and overl	apping del	ot to					
	actual valu	uation						3.13%
AMAFCA	debt per ca	apita					\$	84.12
Direct and	d overlappin	g debt per	capita				\$	2,376.92
Source: Deb	ot outstanding o	data provided	by each gov	ernmental unit.				
(1) Presente	ed net of origin	al issuance di	scounts and	premiums				
Method: Pe	rcentage of over	erlap is calcula	ated using m	ost current assessed	prop	erty valuation		
and	comparing the	e respective e	ntity to the A	uthority.				

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT AS OF JUNE 30, 2019

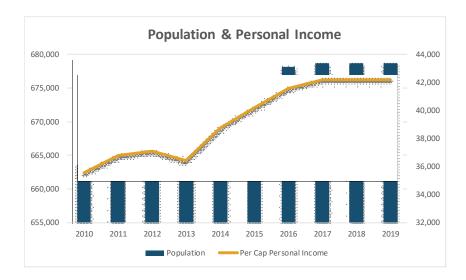


DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

				Personal		Per			
				Income		Capita			
	Fiscal		(a	mounts express	ed	Personal	Un	Unemploymer	
	<u>Year</u> Po	pulation (1) in thousands) (2) <u>Income (2)</u>		Rate (2)			
	2019	678,701		NA		NA		NA	
	2018	678,701		NA		NA		5.1%	
	2017	678,686		28,631,048		42,186		5.0%	
	2016	678,165		28,197,423		41,579		5.8%	
	2015	676,678		27,209,899		40,211		6.5%	
	2014	676,229		26,199,140		38,743		6.6%	
	2013	676,497		24,646,815		36,433		7.0%	
	2012	673,697		24,982,032		37,082		7.2%	
	2011	670,278		24,660,868		36,792		7.5%	
	2010	663,948		23,597,376		35,541		7.7%	
Educat	tion (3)		Percent		Schoo	ol Enrollment (4	1\		
Luucai	Persons age 25 and Over	458,214	100.0%		SCHOOL	Elementary S			34,517
	Less than 9th grade	22,452	4.9%			Mid-High Sch			34,464
	9th-12th grade, no diplomas	30,700	6.7%			High Schools	UUIS		35,621
	High School Graduates	106,306	23.2%				arochial schools		13,030
	Some college, no degree	109,009	23.8%				ational Institute		24,480
	Bachelor degree	84,311	18.4%			University of N			24,393
	Graduate or professional degree	69,190	15.1%			Office long of t	iow inicatoo		21,000
	Percentage completed high sch	ool	88.1%						
	Percentage completed 4 year co	ollege	32.8%						
Sources:									
	ensus Bureau for Bernalillo County								
` /	ederal Reserve Bank of St. Louis								
. ,	nal Center for Education Statistics								
. ,	Mexico Higher Education Department								
NA	Information not available for thes								
		,							

DEMOGRAPHIC AND ECONOMIC STATISTICS



PRINCIPAL EMPLOYERS

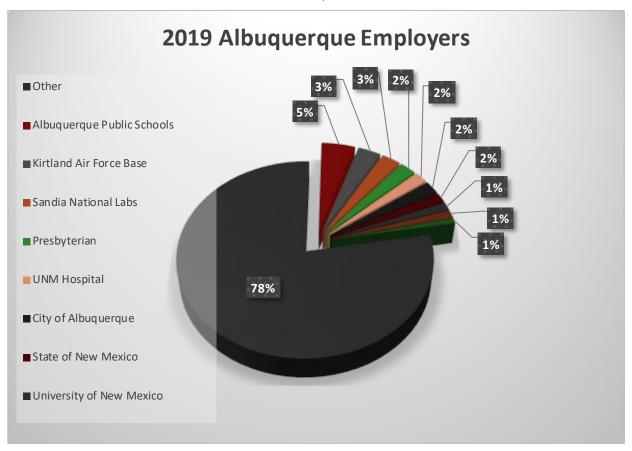
For the Current Year and Ten Years Ago June 30, 2019

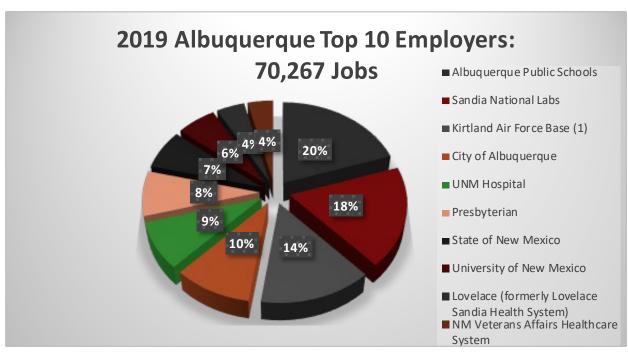
		2019			2010	
			Percentage			Percentage
			of Total County			of Total County
Employer	<u>Employees</u>	<u>Rank</u>	Employment	<u>Employees</u>	<u>Rank</u>	Employment
Albuquerque Public Schools	14,000	1	4.39%	14,000	3	4.21%
Sandia National Labs	12,769	2	4.00%	7,940	4	2.39%
Kirtland Air Force Base (1)	10,009	3	3.14%	16,200	1	4.87%
City of Albuquerque	6,940	4	2.17%	5,940	8	1.79%
UNM Hospital	5,995	5	1.88%	5,950	7	1.79%
Presbyterian	5,702	6	1.79%	7,369	5	2.22%
State of New Mexico	4,950	7	1.55%	5,910	9	1.78%
University of New Mexico	4,210	8	1.32%	4,300	2	1.29%
Lovelace (formerly Lovelace Sandia Health System)	2,992	9	0.94%	7,000	6	2.11%
NM Veterans Affairs Healthcare System	2,700	10	0.85%	-	-	-
Kirtland Air Force Base (Military) (2)	-	-	-	4,188	10	1.26%
Total	70,267		22.02%	78,797		23.70%
County Quarterly Census of Employment	319,115			332,518		
Sources:						
New Mexico Department of Workforce Solutions, Albu	uquerque Econom	nic Develo	pment			

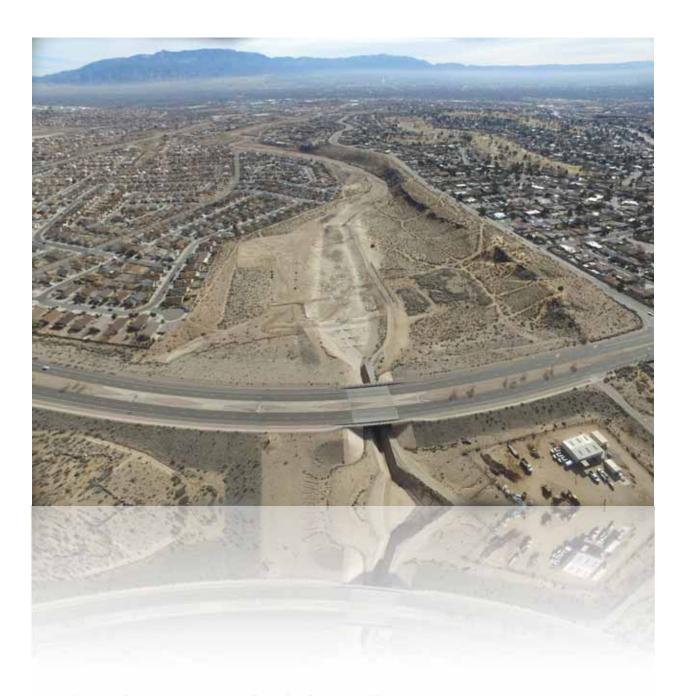
Notes: (1) Kirtland's employment number includes active duty military, guard reserve, civil service and contract employees. Sandia National Laboratories employees are located at Kirtland Air Force Base, but employment number is shown separately. For 2010, Militery is segregated from Civilian.

PRINCIPAL EMPLOYERS

For the Current Year and Ten Years Ago
June 30, 2019







Looking downstream the Calabacillas Arroyo past Grade Control Structure 1a1

114

FULL-TIME EQUIVALENT AMAFCA EMPLOYEES BY FUNCTION

		<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	2012	<u>2011</u>	<u>2010</u>
Functi	on										
Gener	al & Administrative	5	5	5	5	6	5	5	5	5	5
Planni	ing & Engineering	6	5	6	5	5	5	5	5	5	5
Mainte	ence	12	12	12	12	12	12	12	12	12	12
		23	22	23	22	23	22	22	22	22	22
Note 1	In December 2018,	AMAFC	A create	d the Er	ngineer I	position	and hire	d an En	gineer in	January	2019.
Note 2	In April of 2015, an A	AMAFCA	A had a (G&A em	ployee er	nter into e	early retire	ement. T	herefore,		
	as of June 30, 2015,	AMAF	CA was r	equired t	to carry a	n extra C	3&A empl	oyee.			
Note 3	Starting in August o	f 2012, A	MAFCA	began ı	utilizing a	n intern/g	graduate s	student			
	that is an employee	of the U	niversity	of New	Mexico.	The time	approxim	nates a			
	1/2 FTE that is not i	ncluded	in the so	chedule a	above.						

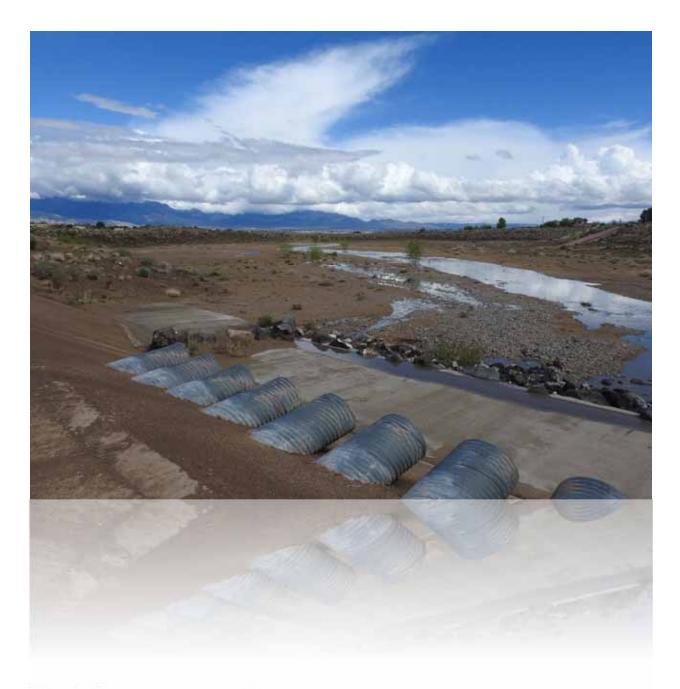
OPERATING INDICATORS BY FUNCTION

Last Ten Fiscal Years

	2019	2018	2017	2016
Finance				
General Operating Checks	753	729	771	773
Checks for Bond related Expenditures	200	186	182	198
Purchasing				
Number of RFPs and Bids Issued (1)	12 (2)	5 (2)	17	9
Number of On-Call Engineering Task Orders (1)	34 (2)	44	64	47
Flood Control & Infrastructure				
Number of Citizen reported deficiencies (1) (3)	0 (2)	0	5	1
Number of Dams & Ponds	76	71	69	69
Miles of Unlined Arroyos	38.7	39.2	40.2	40.2
Miles of Lined Arroyos	37.8	37.7	36.8	36.7
Miles of Pipe	12.2	11.4	11.4	11.3
Acres/sqr ft of maintained real property	2,378	2,375	2,236	2,236
Vehicle Miles Driven	145,739	126,082	131,178	154,347
Equipment Hours Incurred	3,174	4,878	3,120	2,529
Water Quality				
Number of Water Quality Structures	131	131	131	127
Cubic Yards of Sediment Removal (1)(4)	15,859	105,778	50,728	14,444
Cublic Yards of Trash/Debris Removal (1)(4)	1,282	1,612	1,705	822
Planning & Engineering				
LOMRs Completed (1)	-	-	3	1
Development Reviews				
CPC	31	35	71	44
EPC	32	34	59	55
DRB	64	45	60	47
PWDN	60	45	61	48
Grading Plan Approvals (1)	-	-	-	-
Annual Rainfall (1)				
Annual - @ Albuquerque Sunport	6.48 (2)	8.72	7.67	6.68
Monsoon Season (July - September)	2.83	4.00	4.54	3.04
North Diverson Channel Peak Discharge (cfs)	3,130	7,190	4,620	5,660
Rio Grande River Peak Flow Rate (cfs)	5,720	2,800	5,660	3,950
(**)		,,,,,,	-,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
(1) Calendar Year				
(2) Through issuance of the CAFR				
(3) Calls received by the City of Albuquerque "311	Line" notina f	looding or pond	ding caused by	runoff
The issue may not be at or pertaining to an A				
(4) Prior to 2010, AMAFCA utilized other methods		-	ebris removal.	
Reporting these amounts would cause data to				
(5) The Authority began tracking development revi	•		rior data	

OPERATING INDICATORS BY FUNCTION

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
067	040	004	700	054	007
867	812	821	782	851	867
226	218	200	153	208	231
26	17	20	11	13	13
66	61	47	57	10	37
31	21	20	8	7	21
69	67	66	65	63	59
40.1	40.1	31.8	31.6	30.2	30.2
36.7	36.7	36.7	36.7	36.5	35.8
11.2	11.0	10.4	10.2	10.0	9.9
2,236	2,204	2,204	2,185	2,173	2,158
141,143	148,836	168,048	158,029	118,817	138,787
3,360	2,368	2,993	3,275	2,553	3,261
126	118	112	112	104	98
34,976	30,000	55,700	27,700	16,600	82,945
2,399	3,025	15,000	1,498	280	814
	_		_		
1	2	7	3	4	1
37	-	-	-	-	-
43	-	-	-	-	-
41	-	-	-	-	-
56	-	-	-	-	-
-	56	79	68	55	76
				_	
11	9	9	5	5	9
5	6	7	3	2	6
4,000	4,530	8,340	4,510	2,000	5,370
3,070	3,770	4,350	2,510	1,490	5,410



 $Black\ Dam\ water\ quality\ structure$

STATE COMPLIANCE



Winter storm clouds gather around the Sandia Mountains

SCHEDULE OF INVESTMENTS, DEPOSITS, AND PLEDGED COLLATERAL

Last Ten Fiscal Years

New Mexico State Treasurer, Santa Fe, NM - Investments:		
Local Government Investment Pool	\$	55,127,753
Wells Fargo Bank, Albuquerque, NM - Demand Deposit Accounts:		
Depository balances as of June 30, 2019		
Checking		
General account	\$	274,421
Construction/Capital Projects		93,945
Debt Service account		156
AMAFCA Unassigned account		29,169
Acquistions & Savings		150,885
Storm Quality Education		124,349
Area Wide Maintenance		105
MRG Stormwater MS4 CMC		21,221
Ditch & Water Safety Task Force Fund		57,288
		751,539
Savings		751,559
Area Wide Maintenance Savings		1,900,794
Ditch & Water Safety Task Force Swim Pass		8,970
Bron & Water Sarety Tusk Force Swiff Fusis		0,570
Total depository balances		2,661,303
1 7		, ,
Less FDIC insurance coverage		(500,000)
Uninsured balance	\$	2,161,303
Collateralization required (50%)	\$	1,080,652
Conater anzation required (50 %)	φ	1,000,032
Freddy Mac, Interest Only Securities at market value		
par \$13,654,324; interest rate 4.00%; maturity date 12/1/48		
CUSIP #3132VLPD3	\$	13,147,531
Fanny Mae, Interest Only Securities at market value	Ψ	13,117,331
par \$3,913,320; interest rate 3.0%; maturity date 7/1/42		
CUSIP #31417CLM5		1,979,044
0000		-,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Total collateral	\$	15,126,575
Collateralization in deficit of requirement	\$	-

JOINT POWER AGREEMENTS

June 30, 2019

The Authority has no Joint Powers Agreements.



Carr, Riggs & Ingram, LLC 2424 Louisiana Boulevard NE Suite 300 Albuquerque, NM 87110

(505) 883-2727 (505) 884-6719 (fax) CRIcpa.com

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

INDEPENDENT AUDITORS' REPORT

Brian S. Colón, Esq.
New Mexico State Auditor
Board of Directors and Management
Albuquerque Metropolitan Arroyo Flood Control Authority
Albuquerque, New Mexico

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparison of the general fund of the Albuquerque Metropolitan Arroyo Flood Control Authority (the "Authority") as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated November 27, 2019.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Carr, Riggs & Ingram, LLC

Can Rigge & Ingram, L.L.C.

Albuquerque, New Mexico November 27, 2019

SCHEDULE OF FINDINGS AND RESPONSES

June 30, 2019

Section I - Summary of Auditors' Results

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HII	nanc	nal	$-St\alpha$	tements:

1. Type of auditors' report issued

Unmodified

- 2. Internal control over financial reporting:
 - a. Material weaknesses identified?

None noted

- b. Significant deficiencies identified not considered to be material weaknesses? None noted
- c. Noncompliance material to the financial statements noted?

None noted

Section II - Current Status of Prior Year Finding

None

Section III - Financial Statement Findings in accordance with GAGAS

None

Section IV - Section 12-6-5 NMSA 1978 Findings

None

EXIT CONFERENCE

June 30, 2019

An exit conference was held on November 25, 2019, during a closed session of a special meeting and attended by the following:

AMAFCA Board Members

Ronald D. Brown Chair

Deborah L. Stover Secretary/Treasurer

AMAFCA Administrative Staff

Jerry M. Lovato, P.E. Executive Engineer

Herman Chavez, CPA Finance & Administrative Manager

Carr, Riggs & Ingram, LLC Staff

Alan D. Bowers, Jr, CPA, CITP Partner

Benjamin Martinez, CPA Senior Manager

BOOK ENTRY SYSTEM

Book-Entry-Only System

Initially, DTC will be the securities depository for the Bonds and Notes. The Paying Agent/Registrar will register all Bonds and notes in the name of Cede & Co. (DTC's partnership nominee) and provide DTC with one Bond and one Note, respectively for each maturity.

DTC provided the following information. None of the Financial Advisor nor the District or the Underwriter can vouch for its accuracy or completeness. For further information, please contact DTC.

DTC is a limited purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New Mexico and New York Uniform Commercial Codes, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC was created to hold securities of its participants (the "DTC Participants") and to facilitate the clearance and settlement of securities transactions among DTC Participants in such securities through electronic book-entry changes in accounts of the DTC Participants, thereby eliminating the need for physical movement of security certificates. DTC Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations, some of whom (and/or their representatives) own DTC. Access to the DTC system is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly (the "Indirect Participants").

Purchases of the Bonds and Notes under the book-entry system may be made only through brokers and dealers who are, or act through, DTC Participants. Each DTC Participant will receive a credit balance in the records of DTC in the amount of such DTC Participant's ownership interest in the Bonds and Notes. The ownership interest of each actual purchaser of a Bond (the "Beneficial Owner") will be recorded through the records of the DTC Participant or the Indirect Participant. Beneficial Owners are to receive a written confirmation of their purchase providing certain details of the Bonds and Notes acquired. Transfers of ownership interests in the Bonds and Notes will be accomplished only by book entries made by DTC and, in turn, by DTC Participants or Indirect Participants who act on behalf of the Beneficial Owners. Beneficial Owners of the Bonds and Notes will not receive nor have the right to receive physical delivery of the Bonds and Notes, and will not be or be considered to be registered owners under the Bond Resolution and the Note Resolution except as specifically provided in the Bond Resolution and the Note Resolution in the event the book-entry system is discontinued.

SO LONG AS CEDE & CO., AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE BONDS AND NOTES, REFERENCES IN THIS OFFICIAL STATEMENT TO THE REGISTERED OWNERS OF THE BONDS AND NOTES WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS.

The District and the Paying Agent/Registrar may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds and Notes registered in its name for the purpose of payment of the principal of or interest or premium, if any, on the Bonds and Notes, selecting Bonds and Notes and portions thereof to be redeemed, giving any notice permitted or required to be given to registered owners under the Bond Resolution, register the transfer of Bonds and Notes, obtaining any consent or other action to be taken by registered owners and for all other purposes whatsoever, and will not be affected by any notice to the contrary. The District and the Paying Agent/Registrar will not have any responsibility or obligation to any DTC Participant, any person claiming a beneficial ownership interest in the Bonds and Notes under or through DTC or any DTC Participant, Indirect Participant or other person not shown on the records of the Paying Agent/Registrar as being a registered owner with respect to: the accuracy of any records maintained by DTC, any DTC Participant or Indirect Participant regarding ownership interests in the Bonds and Notes; the payment by DTC, any DTC Participant or Indirect Participant of any amount in respect of the principal of or interest or premium, if any, on the Bonds and Notes; the delivery to any DTC Participant, Indirect Participant or any Beneficial Owner of any notice that is permitted or required to be given to registered owners under the Bond Resolution and the Note Resolution; or any consent given or other action taken by DTC as a registered owner.

Neither DTC nor its nominee, Cede & Co., provides consents with respect to any security. Under its usual procedures, DTC mails an omnibus proxy to the issuer of the securities for which it is acting as securities depository as soon as possible after the establishment of a "record date" by the issuer for purposes of soliciting consents from the holders of such securities. The omnibus proxy assigns Cede & Co.'s voting rights to those DTC Participants having such securities credited to their accounts on such record date.

Principal of and interest on the Bonds and Notes will be paid to DTC or its nominee, Cede & Co., as registered owner of the Bonds and Notes. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners of the Bonds and Notes is the responsibility of the DTC Participants or the Indirect Participants. Upon receipt of any such payments, DTC's current practice is to immediately credit the accounts of the DTC Participants in accordance with their respective holdings shown on the records of DTC. Payments by DTC Participants and Indirect Participants to Beneficial Owners of the Bonds and Notes will be governed by standing instructions and customary practices, as is now the case with municipal securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such DTC Participant or Indirect Participant and not of DTC, the Paying Agent/Registrar or the District, subject to any statutory and regulatory requirements then in effect.

As long as the DTC book-entry system is used for the Bonds and Notes, the Registrar will give any notice required to be given to registered owners of Bonds and Notes only to DTC or its nominee. Any failure of DTC to advise any DTC Participant, of any DTC Participant to notify any Indirect Participant, or of any DTC Participant or Indirect Participant to notify any Beneficial Owner, of any such notice and its content or effect will not affect the validity of any action premised on such notice. Conveyance of notices and other communications by DTC to DTC Participants, by DTC Participants to Indirect Participants and by DTC Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory and regulatory requirements as may be in effect from time to time. Beneficial Owners may desire to make arrangements with a DTC Participant or Indirect Participant so that all communications to DTC that affect such Beneficial Owners will be forwarded in writing by such DTC Participant or Indirect Participant.

NEITHER THE DISTRICT NOR THE PAYING AGENT/REGISTRAR WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH DTC PARTICIPANTS, OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES, WITH RESPECT TO THE PAYMENTS TO OR THE PROVIDING OF NOTICE FOR THE DTC PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS OF THE BONDS AND NOTES.

For every transfer and exchange of a beneficial ownership interest in the Bonds and Notes, a Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

DTC may determine to discontinue providing its service with respect to the Bonds and Notes at any time by giving reasonable notice to the District or the Paying Agent/Registrar at any time. In addition, if the District determines that (i) DTC is unable to discharge its responsibilities with respect to the Bonds and Notes or (ii) continuation of the system of book-entry only transfers through DTC is not in the best interests of the Beneficial Owners of the Bonds and Notes or of the District, the District may thereupon terminate the services of DTC with respect to the Bonds and Notes. If for any such reason the system of book-entry transfers through DTC is discontinued, the District may within 90 days thereafter appoint a substitute securities depository that, in its opinion, is willing and able to undertake the functions of DTC upon reasonable and customary terms. If a successor is not approved, Bond certificates will be delivered as described in the Bond Resolution and Note certificates will be delivered as described in the Note Resolution, each in fully registered form in denominations of \$5,000 or any integral multiple thereof in the names of the Beneficial Owners, Indirect Participants or DTC Participants.

In the event the book-entry system is discontinued, the persons to whom Bond and Note certificates are registered will be treated as registered owners for all purposes of the Bond Resolution and Note Resolution, including the giving to the District or the Paying Agent/Registrar of any notice, consent, request or demand pursuant to the Bond Resolution and the Note Resolution for any purpose whatsoever. In such event, the Bonds and Notes will be transferred to such registered owners, interest on the Bonds and Notes will be payable by check of the Paying Agent/Registrar, as paying agent, mailed to such registered owners, and the principal and redemption price of all Bonds and Notes will be payable at the principal corporate trust office of the Paying Agent/Registrar.

The foregoing material concerning DTC and DTC's book-entry system is based on information furnished by DTC. No representation is made by the District or the Underwriter as to the accuracy or completeness of such information.

Limited Book-Entry Responsibilities

While a book-entry-only system is used for the Bonds and Notes, the Paying Agent/Registrar will send redemption (relating only to the Bonds) and other notices only to DTC. Any failure of DTC to advise any DTC Participant, or of any DTC Participant to notify any Beneficial Owner, of any notice and its content or effect will not affect the validity of sufficiency of the proceedings relating to the Bond redemption or any other action based on the notice.

None of the District, the Financial Advisor or the Underwriter have any responsibility or liability for any aspects of the records relating to or payments made on account of beneficial ownership, or for maintaining, supervising or reviewing any records relating to beneficial ownership of interests in the Bonds and Notes.

None of the District, the Financial Advisor or the Underwriter can give any assurances that DTC will distribute payments to DTC Participants or that DTC Participants or others will distribute payments with respect to the Bonds and Notes received by DTC or its nominees as the holder or any redemption notices (relating only to the Bonds) or other notices to the beneficial holders, or that they will do so on a timely basis, or that DTC will serve and act in the manner described in this Official Statement.

FORM OF BOND COUNSEL OPINION

[Form of Bond Counsel Opinion]

______, 2020

Albuquerque Metropolitan Arroyo Flood Control Authority Albuquerque, New Mexico

Re:

\$12,500,000 Albuquerque Metropolitan Arroyo Flood Control Authority General Obligation Bonds, Series 2020

Ladies and Gentlemen:

We have acted as bond counsel to the Albuquerque Metropolitan Arroyo Flood Control Authority (the "Authority") in connection with the issuance of its \$12,500,000 General Obligation Bonds, Series 2020 (the "Bonds"). We have examined the proceedings and the law under authority of which the Bonds are issued.

Based on our examination, we are of the opinion that, under the law existing on the date of this opinion, subject to the provisions of federal bankruptcy law and other laws affecting creditors' rights:

- 1. The Bonds constitute valid and binding general obligations of the Authority and the principal of and interest on the Bonds, unless paid from other sources, are to be paid from the proceeds of the levy of ad valorem taxes on all property within the Authority subject to ad valorem taxes levied by the Authority, which taxes are unlimited as to rate or amount.
- 2. Under existing laws, regulations, rulings and judicial decisions, interest on the Bonds is excludable from gross income for federal income tax purposes. We are also of the opinion that interest on the Bonds is not a specific preference item for purposes of calculating the alternative minimum tax imposed on individuals under provisions contained in the Internal Revenue Code of 1986, as amended (the "Code"). Although we are of the opinion that interest on the Bonds is excludable from gross income for federal income tax purposes, the accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of the recipient. The extent of these other tax consequences will depend upon the recipient's particular tax status or other items of income or deduction. We express no opinion regarding any such consequences.
- 3. The Bonds and income from the Bonds are exempt from taxation by the State of New Mexico or any political subdivision thereof.

Other than as described in this opinion, we have not addressed nor are we opining on the tax consequences to any person of the investment in, or the receipt of interest on, the Bonds.

The opinions expressed herein represent our legal judgment based upon existing legislation as of the date of issuance and delivery of the Bonds that we deem relevant to render such opinions and are not a guarantee of a result, and we express no opinion as of any date subsequent thereto or with respect to any pending legislation. Our engagement with respect to the Bonds has concluded with their execution and delivery. We disclaim any obligation to update this opinion.

We are passing upon only those matters set forth in this opinion and are not passing upon the accuracy or completeness of any statement made in connection with any sale of the Bonds.

Respectfully Submitted,

FORM OF CONTINUING DISCLOSURE UNDERTAKING

CONTINUING DISCLOSURE UNDERTAKING

Section 1. Recitals. This Continuing Disclosure Undertaking (the "Undertaking") is executed and delivered by the Albuquerque Metropolitan Arroyo Flood Control Authority ("Authority"), in connection with the issuance of the \$12,500,000 Albuquerque Metropolitan Arroyo Flood Control Authority, New Mexico, General Obligation Bonds, Series 2020 (the "Bonds"). The Bonds are being issued pursuant to a Resolution of the Authority adopted on May 28, 2020, as supplemented by a final terms certificate executed on the date of sale of the Bonds (collectively, the "Resolution"). Pursuant to the Resolution, to allow the underwriters of the Bonds to comply with the Rule (defined below), the Authority is required to make certain continuing disclosure undertakings for the benefit of owners (including beneficial owners) of the Bonds (the "Owners"). This Undertaking is intended to satisfy the requirements of the Rule.

Section 2. Definitions.

- (a) "Annual Financial Information" means the financial information (which will be based on financial statements prepared in accordance with generally accepted accounting principles, as in effect from time to time ("GAAP"), for governmental units as prescribed by the Governmental Accounting Standards Board ("GASB")) or operating data with respect to the Authority, delivered at least annually pursuant to Sections 3(a) and 3(b) of this Undertaking, consisting of information of the type included in the sections of the Official Statement entitled "DEBT AND OTHER FINANCIAL OBLIGATIONS," "TAX BASE," and "FINANCES OF THE AUTHORITY." Annual Financial Information may, but is not required to, include Audited Financial Statements.
- (b) "Audited Financial Statements" means the Authority's annual financial statements prepared in accordance with GAAP for governmental units as prescribed from time to time by GASB, which financial statements have been audited by such auditor as may then be required or permitted by the laws of the State.
- (c) "EMMA" means the MSRB's Electronic Municipal Market Access system located on the MSRB website at emma.msrb.org.
- (d) "Event Information" means the information delivered pursuant to section 3(d) of this Undertaking.
- (e) "Financial Obligation" shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB in compliance with Rule 15c2-12.
- (f) "MSRB" means the Municipal Securities Rulemaking Board. The current address of the MSRB is 1300 I Street NW, Suite 1000, Washington, DC 20005, phone (202) 838-1500.
- (g) "Official Statement" means the Official Statement delivered in connection with the original issue and sale of the Bonds.
 - (h) "Report Date" means March 31 of each year, beginning in 2021.

- (i) "Rule" means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934, as amended (17 C.F.R. Part 240, § 240.15c2-12), as the same may be amended from time to time.
 - (j) "SEC" means the Securities and Exchange Commission.
 - (k) "State" means the State of New Mexico.

Section 3. Provision of Annual Financial Information and Reporting of Event Information.

- (a) The Authority, or its designated agent, will provide the Annual Financial Information for the preceding fiscal year to EMMA on or before each Report Date while the Bonds are outstanding.
- (b) If Audited Financial Statements are not provided as a part of the Annual Financial Information, the Authority, or its designated agent, will provide unaudited financial statements as part of the Annual Financial Information. In such cases, Audited Financial Statements will be provided to EMMA when and if available.
- (c) The Authority, or its designated agent, may provide Annual Financial Information by specific reference to other documents, including information reports and official statements relating to other debt issues of the Authority, which have been submitted to EMMA or filed with the SEC; provided, however, that if the document so referenced is a "final official statement" within the meaning of the Rule, such final official statement must also be available from the MSRB.
- (d) The Authority, or its designated agent, will provide, to EMMA, notice of any of the following events with respect to the Bonds in a timely manner not in excess of ten (10) business days after the occurrence of the event:
 - (i) principal and interest payment delinquencies;
 - (ii) non-payment related defaults;
 - (iii) unscheduled draws on debt service reserves reflecting financial difficulties:
 - (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
 - (v) substitution of credit or liquidity providers, or their failure to perform;
 - (vi) adverse tax opinions or events affecting the tax-exempt status of the Bonds;
 - (vii) modifications to rights of holders of the Bonds;
 - (viii) bond calls or tender offers;
 - (ix) defeasances;

- (x) release, substitution or sale of property securing repayment of the Bonds:
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or a similar event with respect to the Authority or an obligated person;
- (xiii) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) appointment of a successor or additional trustee, or a change of name of a trustee, if material;
- (xv) incurrence of a Financial Obligation of the obligated person, if material, or an agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
- (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of an obligated person, any of which reflect financial difficulties.
- Section 4. <u>Method of Transmission</u>. Unless otherwise required by law and subject to technical and economic feasibility, the Authority will employ such methods of electronic or physical information transmission as are requested or recommended from time to time by EMMA, the MSRB and the SEC.
- Section 5. <u>Enforcement</u>. The obligations of the Authority under this Undertaking are for the benefit of the Owners. Each Owner is authorized to take action to seek specific performance by court order to compel the Authority to comply with its obligations under this Undertaking, which action will be the exclusive remedy available to it or any other Owner. The Authority's breach of its obligations under this Undertaking will not constitute an event of default under the Resolution, and none of the rights and remedies provided by such Resolution will be available to the Owners with respect to such a breach.
- Section 6. <u>Term.</u> The Authority's obligations under this Undertaking will be in effect from and after the issuance and delivery of the Bonds and will extend to the earliest of (i) the date all principal and interest on the Bonds has been paid or legally defeased pursuant to the terms of the Resolution; (ii) the date on which the Authority is no longer an "obligated person" with respect to the Bonds within the meaning of the Rule; or (iii) the date on which those portions of the Rule which require this Undertaking are determined to be invalid or unenforceable by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Bonds.
- Section 7. <u>Amendments</u>. The Authority may amend this Undertaking from time to time, without the consent of any Owner, upon the Authority's receipt of an opinion of independent counsel experienced in federal securities laws to the effect that such amendment:

- (a) is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law, a change in the identity, nature or status of the Authority;
- (b) this Undertaking, as amended, would have complied with the Rule at the time of the initial issue and sale of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any changes in circumstances; and
 - (c) the amendment does not materially impair the interests of the Owners.

Any Annual Financial Information containing amended operating data or financial information will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided. If an amendment changes the accounting principles to be followed in preparing financial statements, the Annual Financial Information and Audited Financial Statements for the year in which the change is made will present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

- Section 8. <u>Beneficiaries</u>. This Undertaking binds and inures to the sole benefit of the Authority and the Owners and creates no rights in any other person or entity.
- Section 9. <u>Special Funds.</u> This Undertaking shall be subject to availability of necessary funds from annual revenues of the Authority and shall not be deemed to create a general obligation indebtedness of the Authority.

Section 10.	Governing Law.	This Undertaking is governed by and is to be construed in
accordance with the law	of the State.	

2020

Date:, 2020	
	ALBUQUERQUE METROPOLITAN ARROYO FLOOD CONTROL AUTHORITY
	By:Chair, Board of Directors
	By: