



ORDINANCE NO. 2023-1

AUTHORIZING THE ISSUANCE AND SALE OF THE COUNTY OF TAOS, NEW MEXICO COUNTY EDUCATION GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS, TAXABLE SERIES 2023, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$2,150,000 FOR THE PURPOSE OF PROVIDING FUNDS FOR PUBLIC SCHOOL CAPITAL PROJECTS AND OFF-CAMPUS INSTRUCTION PROGRAM CAPITAL PROJECTS FOR TAOS MUNICIPAL SCHOOL DISTRICT, PEÑASCO INDEPENDENT SCHOOL DISTRICT, QUESTA INDEPENDENT SCHOOL DISTRICT (INCLUDING CAPITAL PROJECTS AT CHARTER SCHOOLS AND STATE-CHARTERED CHARTER SCHOOLS), AND UNM-TAOS BRANCH COMMUNITY COLLEGE, ALL WITHIN TAOS COUNTY; PROVIDING FOR THE PAYMENT OF SUCH BONDS SOLELY FROM THE COUNTY EDUCATION GROSS RECEIPTS TAX IMPOSED BY THE COUNTY AND REMITTED TO THE COUNTY BY THE STATE OF NEW MEXICO; APPROVING THE DELEGATION OF AUTHORITY TO MAKE CERTAIN DETERMINATIONS REGARDING THE SALE OF THE BONDS PURSUANT TO THE SUPPLEMENTAL PUBLIC SECURITIES ACT; PRESCRIBING THE FORM AND OTHER DETAILS CONCERNING THE BONDS AND THE FUNDS APPERTAINING THERETO; AND RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH.

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

WHEREAS, the County is a legally and regularly created, established, organized and existing County under the general laws of the State of New Mexico; and

WHEREAS, the County is authorized pursuant to Section 7-20E-20, NMSA 1978, to impose an excise tax, known as the County Education Gross Receipts Tax, at a rate of one-half of one percent on any person engaging in business in the County for the privilege of engaging in business in the County; and

WHEREAS, the County Education Gross Receipts Tax revenues are dedicated only for the payment of county education gross receipts tax bonds for public school capital projects, charter school capital projects and off-campus instruction program capital projects; and

WHEREAS, upon a finding of need, the governing body of every school district in the County that is either wholly within the exterior boundaries of the County or that has a student membership no more than ten percent of whom reside outside the exterior boundaries of the County may submit a resolution to the Board of County Commissioners

of the County requesting the County impose the County Education Gross Receipts Tax and issue county education gross receipts tax bonds; and

WHEREAS, the School Districts submitted a resolution (the “Resolution”) to the Board of County Commissioners of the County on July 1, 2012 requesting imposition of the County Education Gross Receipts Tax, requesting the County to call for an election of the question of reimposing the tax and the issuance of the county education gross receipts tax bonds; and

WHEREAS, the County adopted Resolution No. 2012-18, on July 10, 2012, calling for a special election to be held in the County on September 18, 2012 (the “Election”), and the qualified registered electors voted and approved the reimposition of the County Education Gross Receipts Tax; and

WHEREAS, the County adopted Ordinance No. 2012-4, on July 10, 2012, imposing the County Education Gross Receipts Tax pursuant to Section 7-20E-20, NMSA 1978, and the qualified registered electors voted and approved the reimposition of the County Education Gross Receipts Tax; and

WHEREAS, the County proposes to issue county education gross receipts tax bonds pursuant to Section 4-62-1(L), NMSA 1978, to finance public school capital projects, including capital projects at charter schools and state-chartered charter schools, and off-campus instruction program capital projects, which bonds shall be payable solely from County Education Gross Receipts Tax revenues, defined in this Bond Ordinance as the “Pledged Revenues”; and

WHEREAS, the School Districts, the charter schools, the state-chartered charter schools, and the Branch College agree to use the county education gross receipts tax bond proceeds solely as permitted pursuant to Section 7-20E-20, NMSA 1978, for funding public school capital projects, including capital projects at charter schools and state-chartered charter schools, and off-campus instruction program capital projects; and

WHEREAS, the Branch College is a branch community college, formerly an off-campus instruction program, established pursuant to Section 21-14A-1, et seq., NMSA 1978, and is entitled pursuant to Section 7-20E-20, NMSA 1978, to receive one-fourth of the bond proceeds related to any county education gross receipts tax bonds that the County may issue; and

WHEREAS, the Board hereby determines that the issuance of the Bonds will provide an opportunity for current funding of additional capital projects for the School Districts, the charter schools, the state-chartered charter schools, and the Branch College, all to the benefit of the County, the School Districts, the charter schools, the state-chartered charter schools, and the Branch College, and consequently will provide for the public health, safety and welfare of the County and its residents; and

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WHEREAS, the Pledged Revenues are currently not pledged to any outstanding debt; and

WHEREAS, the County anticipates an offer to purchase the Bonds from the New Mexico State Treasurer’s Office pursuant to a Bond Purchase Agreement as approved in this Bond Ordinance; and

WHEREAS, the Board has determined and hereby determines that it is in the best interests of the County and its residents that the Bonds be issued with a first lien on the Pledged Revenues; and

WHEREAS, other than the Pledged Revenues, no other tax revenues collected by the County or other funds of the County will be pledged to the Bonds; and

WHEREAS, the Board has determined that it is in the best interest of the County to proceed with the authorization of the Bonds by adoption of this Bond Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE COUNTY OF TAOS:

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

“Acquisition Fund” means the “County of Taos County Education Gross Receipts Tax Improvement Revenue Bonds, Taxable Series 2023, Project Acquisition Fund” established by Section 16 of this Bond Ordinance.

“Act” means the general laws of the State, including Sections 4-62-1 to 4-62-10, and 7-20E-20, NMSA 1978, as amended, and enactments of the Board relating to the issuance of the Bonds, including, but not limited to, this Bond Ordinance.

“Administrative Expenses” means the reasonable expenses (not to exceed \$20,000 per year) incurred by the County and the Trust Depository for administration of the Bonds and collection of the Pledged Revenues, including, but not limited to, payment of fees to the Registrar, Paying Agent and Trust Depository, and fees incurred for accounting, rebate and auditing services required for the Pledged Revenues and the Bonds.

“Administrative Expenses Fund” means the “County of Taos, New Mexico County Education Gross Receipts Tax Improvement Revenue Bonds, Taxable Series 2023, Administrative Expenses Fund” established by Section 16 of this Bond Ordinance.

“Board” means the Board of County Commissioners of Taos County, New Mexico or any future successor governing body of the County.

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“Bond Ordinance” means this County Ordinance, as supplemented or amended from time to time.

“Bond Purchase Agreement” means the bond purchase agreement to be entered into between the County and the Purchaser.

“Bond Registrar, Trust Depository and Paying Agent Agreement” means the agreement detailing certain services to be provided with respect to the Bonds to be entered into between the County and the Registrar, the Trust Depository and the Paying Agent.

“Bondholder,” “holder,” “owner” or “Owner” means the registered owner of any Bond as shown on the registration books of the County for the Bonds from time to time, maintained by the Registrar. Any reference to a majority or a particular percentage or proportion of the Bondholders shall mean the Holders at the particular time of a majority or of the specified percentage or proportion in an aggregate principal amount of all Bonds then outstanding.

“Bonds” means the “County of Taos, New Mexico County Education Gross Receipts Tax Improvement Revenue Bonds, Taxable Series 2023” authorized by this Bond Ordinance in an amount to be determined in the Sale Certificate.

“Branch College” means the UNM-Taos Branch Community College.

“Business Day” means a day on which commercial banks in the city in which the principal office of the Paying Agent and Registrar is located are open for conduct of substantially all of their business operations.

“Completion Date” means the date of completion of the acquisition, construction and/or installation of the Project as certified pursuant to Section 15 of this Bond Ordinance.

“Costs of Issuance Fund” means the “County of Taos, New Mexico County Education Gross Receipts Tax Improvement Revenue Bonds, Taxable Series 2023, Costs of Issuance Fund” created in Section 16 of this Bond Ordinance.

“County” means Taos County, New Mexico.

“Debt Service Fund” means the “County of Taos, New Mexico County Education Gross Receipts Tax Improvement Revenue Bonds, Taxable Series 2023, Debt Service Fund” created in Section 16 of this Bond Ordinance.

“Event of default” means any of the events stated in Section 22 of this Bond Ordinance.

“Expenses” means the reasonable and necessary fees, costs and expenses incurred with respect to the issuance of the Bonds, including the fees, compensation, costs and expenses paid by the Purchaser pursuant to the Bond Purchase Agreement, attorneys’ fees, the initial fees and expenses of the Paying Agent, Registrar and Trust Depository, rating agency fees, and fees, costs and expenses incurred by the County.

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

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

“Income Fund” or “County Education Gross Receipts Tax Income Fund” means the “County of Taos, New Mexico County Education Gross Receipts Tax Income Fund” continued pursuant to Section 16 of this Bond Ordinance for deposit of the Pledged Revenues.

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

“Insured Bank” means a bank or savings and loan association insured by an agency of the United States.

“Interest Payment Date” means September 27, 2023 unless otherwise designated in the Sale Certificate.

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

“Outstanding” or “outstanding” when used in reference to bonds means, on any particular date, the aggregate of all Bonds delivered under the Bond Ordinance unless:

A. the Bonds are cancelled at or prior to such date or delivered or acquired by the County at or prior to such date for cancellation;

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B. the Bonds are otherwise deemed to be paid in accordance with the Bond Ordinance; and

C. those in lieu of or in exchange or substitution for which other Bonds shall have been delivered, unless proof satisfactory to the County and Paying Agent is presented that any Bond for which a new Bond was issued or exchanged is held by a bona fide holder of in due course.

“Paying Agent” means BOKF, NA, Albuquerque, New Mexico, as agent for the County for the payment of the Bonds or any successor trust company, bank or financial institution at the time appointed Paying Agent by resolution of the Board.

“Permitted Investments” means any investment or security permitted by laws of the State and by policies of the County for investment of public money.

“Pledged County Education Gross Receipts Tax Revenues” or “Pledged Revenues” means the amounts of money derived from (1) all of the revenue attributable to the one-half of one percent County education gross receipts tax transferred to the County pursuant to Sections 7-1-6.13 and 7-20E-20, NMSA 1978, which tax is imposed on all persons engaging in business in the County pursuant to Ordinance No. 2012-4 adopted and approved by the Board on July 10, 2012 and by the qualified voters of the County on September 18, 2012, (2) the portion of the gross receipts tax distribution to the County made pursuant to Section 7-1-6.47, NMSA 1978, which represents the amount of the County Education Gross Receipts Tax Revenues that would have been remitted to the County but for the deductions (effective January 1, 2005) provided by Sections 7-9-92 and 7-9-93, NMSA 1978, and any similar distributions made to the County in lieu of County Education Gross Receipts Tax Revenues pursuant to law, (3) which amounts are collected and, after any deductions for administrative costs, any additional administrative fee and any disbursements for tax credits, refunds and the payment of interest applicable to such gross receipts tax and subject to any increase or decrease pursuant to Section 7-1-6.15, NMSA 1978, are distributed monthly (together with the balance of the County’s gross receipts tax) by the Revenue Division of the Taxation and Revenue Department of the State of New Mexico to the County pursuant to Section 7-1-6.13, NMSA 1978.

“Principal Payment Date” means September 27, 2023 unless otherwise designated in the Sale Certificate.

“Project” means, for each Recipient, (1) designing, constructing and equipping of new buildings; (2) remodeling, renovating or making additions to and equipping existing buildings; (3) improving or equipping of the grounds surrounding buildings; (4) all costs incidental to the foregoing; (5) Expenses incurred with respect to the issuance of the Bonds; and (6) the payment of Administrative Expenses.

“Purchaser” means the New Mexico State Treasurer’s Office.

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“Recipients” means, individually and collectively, the School Districts, including the charter schools and state-chartered charter schools, and the Branch College.

“Registrar” means BOKF, NA, Albuquerque, New Mexico, as agent for the County for transfer and exchange of the Bonds or any successor trust company, bank or financial institution at the time appointed Registrar by resolution of the Board.

“Sale Certificate” means one or more certificates executed by the County Manager dated on or before the date of delivery of the Bonds, setting forth the final terms of the Bonds.

“School Districts” means Taos Municipal School District, Peñasco Independent School District, and Questa Independent School District, including the charter schools and state-chartered charter schools.

“Securities Depository” means The Depository Trust Company, New York, New York, or such other securities depository as may be designated by the Chair of the Board or the County Manager of the County.

“State” means the State of New Mexico.

“Trust Depository” means BOKF, NA, Albuquerque, New Mexico, as agent for the County for deposit and investment of moneys in certain funds and accounts created by the Bond Ordinance, or any successor trust company, bank or financial institution at the time appointed Trust Depository by resolution of the Board.

Section 2. Ratification. All action heretofore taken (not inconsistent with the provisions of the Bond Ordinance) by the Board directed toward the imposition of the Pledged Revenues, the Project, the issuance of the Bonds for the Project and the sale of the Bonds to the Purchaser be, and the same hereby is, ratified, approved and confirmed.

Section 3. Authorization of Project. The Project and the method of financing the Project are hereby authorized and ordered at a total cost estimated not to exceed \$2,150,000 excluding any such cost defrayed or to be defrayed by any other source.

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

A. The Project is needed to meet the needs of the County and its residents.

B. Moneys available for the Project from all sources other than the issuance of revenue bonds are not sufficient to defray the cost of the Project.

C. The Pledged Revenues may lawfully be pledged to secure the payment and redemption of the Bonds.

D. It is economically feasible to defray, in part, the cost of the Project by the issuance of the Bonds.

E. The issuance of the Bonds pursuant to the Act, to provide funds for the financing of the Project is necessary and in the interest of the public health, safety, morals and welfare of the residents of the County.

F. The net effective interest rate on the Bonds to be established in the Sale Certificate shall be less than 12% per annum, the maximum rate permitted by State law.

Section 5. Bonds - Authorization and Detail.

A. Authorization. This Bond Ordinance has been adopted by the affirmative vote of at least two-thirds of all of the commissioners of the Board. For the purpose of protecting the public health, conserving the property, protecting the general welfare and prosperity of the citizens of the County and financing the Project, it is hereby declared necessary that the County, pursuant to the Act, issue its negotiable, fully registered, revenue bonds to be designated "County of Taos, New Mexico County Education Gross Receipts Tax Improvement Revenue Bonds, Taxable Series 2023," in an aggregate principal amount not to exceed \$2,150,000 and the issuance, sale and delivery of the Bonds is hereby authorized. The Bonds shall be sold to the Purchaser pursuant to the Bond Purchase Agreement at a price to be established and approved in the Sale Certificate.

B. Details of Bonds. There is hereby authorized and created a series of bonds designated as the County of Taos, New Mexico County Education Gross Receipts Tax Improvement Revenue Bonds, Taxable Series 2023.

The Bonds shall be issued in an aggregate principal amount not to exceed \$2,150,000 for the Project with the exact aggregate principal amount of the Bonds to be established in the Sale Certificate. The forms, terms, and provisions of the Bonds in the form set forth in Section 13 are hereby approved with only such changes therein as are not inconsistent with this Bond Ordinance and the Sale Certificate.

The Bonds shall be negotiable instruments but shall be issued only as fully registered bonds, in denominations of \$1 or any integral multiple thereof, in such numbers and denominations as may be requested by the Purchaser, but exchangeable for other fully registered Bonds of any denominations which are multiples of \$1. The Bonds shall be numbered separately and consecutively and shall be dated the date set forth in the Sale Certificate. The Bonds shall bear interest from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from their date, payable on September 27, 2023 unless otherwise designated in the Sale Certificate until their respective maturities and shall bear the rates of interest and mature in each of the designated amounts as set forth in the Sale Certificate.

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Section 6. Prior Redemption. The Bonds are not subject to optional prior redemption at the option of the County.

Section 7. Filing of Signatures. Prior to the execution of any Bond pursuant to Sections 6-9-1 to 6-9-6, NMSA 1978, as amended, the Chair of the Board and County Clerk may each file with the New Mexico Secretary of State his or her manual signature certified by him or her under oath; provided that filing shall not be necessary for any officer where any previous filing may have legal application to the Bonds.

Section 8. Execution and Authentication of Bonds.

A. Execution. The Bonds shall be signed with the engraved, imprinted, stamped or otherwise reproduced facsimile of the signature, or the manual signature, of the Chair of the Board, or authorized designee, and shall be attested with the facsimile or manual signature of the County Clerk or authorized designee. There shall be affixed to each Bond the printed, engraved, stamped or otherwise placed facsimile of, or imprint of, the County's corporate seal. The Bonds shall be authenticated by the manual signature of an authorized officer of the Registrar. The Bonds when authenticated and bearing the manual or facsimile signatures of the officers in office at the time of signing thereof shall be valid and binding special obligations of the County, notwithstanding that before delivery thereof and payment therefor, any or all of the persons whose signatures appear thereon shall have ceased to fill their respective offices. The Chair of the Board and County Clerk, at the time of the execution of the Bonds and the signature certificate, each may adopt as and for his or her own facsimile signature, the facsimile signature of his or her predecessor in office if such facsimile signature appears upon any of the Bonds or certificates pertaining to the Bonds.

B. Authentication. No Bond shall be valid or obligatory for any purpose unless the certificate of authentication has been duly executed by the Registrar. The Registrar's certificate of authentication shall be deemed to have been fully executed if manually signed and inscribed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 9. Negotiability. The Bonds shall be fully negotiable and shall have all the qualities of negotiable paper, and the Bondholders shall possess all rights enjoyed by the holders of negotiable instruments under the provisions of the Uniform Commercial Code Investment Securities. Except as set forth herein, the Bonds outstanding shall in all respects be equally and ratably secured, without preference, priority or distinction on account of the date or dates or the actual time or times of the issuance or maturity of the Bonds.

Section 10. Payment and Presentation of Bonds for Payment. Principal and interest on the Bonds shall be payable in lawful money of the United States of America, without deduction for exchange or collection charges. Principal and interest shall be

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payable in immediately available funds at maturity thereof upon presentation and surrender of such Bond at the principal office of the Paying Agent or at the designated office of any successor Paying Agent. If any Bond presented for payment remains unpaid at maturity or redemption, it shall continue to bear interest at the rate or rates designated in, and applicable to, such Bond from time to time. If any Bond is not presented for payment at maturity or redemption when funds available therefor have been deposited with the Paying Agent, it shall cease bearing interest on and from the date of maturity.

Section 11. Registration, Transfer, Exchange and Ownership of Bonds, and Successor Registrar, Paying Agent and Trust Depository.

A. Registration, Transfer and Exchange. The County shall cause books for registration, transfer, and exchange of the Bonds as provided herein to be kept at the principal office of the Registrar. Upon surrender for transfer or exchange of any fully registered Bond at the principal office of the Registrar duly endorsed by the registered owner or his attorney duly authorized in writing, or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Registrar and duly executed, the Registrar shall authenticate and deliver, not more than three (3) business days after receipt of the Bond or Bonds to be transferred, in the name of the transferee or registered owner, as appropriate, a new Bond or Bonds in authorized denominations, in fully registered form of the same aggregate principal amount, maturity and interest rate.

B. Limitations. The Registrar shall close books for change of addresses of registered owners of the Bonds on each Record Date; transfers will be permitted within the period from each Record Date to each interest payment date, but such transfers shall not include a transfer of accrued interest payable. The Registrar shall not be required to transfer or exchange any Bond (i) during the period of fifteen (15) days next preceding the mailing of notice calling any Bonds for redemption as herein provided, or (ii) after the mailing to registered owners of notice calling such Bonds or portion thereof for redemption as herein provided.

C. Owner of the Bonds. The person in whose name any Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of either the principal of or interest on any such Bond shall be made only to or upon the order of the registered owner thereof or his legal representative as stated herein, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

D. Lost Bonds. If any Bonds shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such Bond, if mutilated, and such evidence, information or indemnity relating thereto as the Registrar may reasonably require, if lost, stolen or destroyed, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same series, maturity and interest rate, bearing a

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number or numbers not contemporaneously outstanding. If any 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.

E. Additional Bonds. Executed but unauthenticated Bonds are hereby authorized to be delivered to the Registrar in such quantities as may be convenient to be held in custody by the Registrar pending delivery as herein provided.

F. Charges. For each new Bond issued in connection with a transfer or exchange, the Registrar may make a charge to the owner of the Bond requesting such exchange or transfer sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

G. Successor Registrar, Paying Agent or Trust Depository. If the Registrar, Paying Agent or Trust Depository initially appointed hereunder shall resign or is prohibited by law from continuing as Registrar, Paying Agent or Trust Depository, or if the County shall reasonably determine that said Registrar, Paying Agent or Trust Depository, has become incapable of fulfilling its duties hereunder, the County may, upon notice mailed to each registered owner of Bonds at the address last shown on the registration books, appoint a successor Registrar, Paying Agent or Trust Depository, or any combination thereof. Every such successor Registrar, Paying Agent or Trust Depository, shall be a bank or trust company located in and in good standing in the United States and having a shareholders' equity (e.g., capital stock, surplus and undivided profits), however denominated, not less than \$50,000,000. It shall not be required that the same institution serve as Registrar, Paying Agent and Trust Depository hereunder, but the County shall have the right to have the same institution serve as Registrar, Paying Agent and Trust Depository, or any combination thereof, hereunder.

Section 12. Special Limited Obligations.

A. All of the Bonds and all payments of principal and interest thereon shall be special limited obligations of the County and shall be payable and collectible solely from the Pledged Revenues, which revenues are so pledged and are payable as set forth in Sections 16 and 17 of this Bond Ordinance. The owner or owners of the Bonds may not look to any general or other fund for the payment of the principal of or interest on such obligations, except the designated special funds pledged therefor. The Bonds shall not constitute an indebtedness or a debt of the County within the meaning of any constitutional, charter or statutory provision or limitation, nor shall the Bonds be considered or held to be a general obligation of the County, and each of the Bonds shall recite that it is payable and collectible solely out of the Pledged Revenues, pledged as set forth in the Bond Ordinance, and that the holders thereof may not look to any general or other county fund for the payment of the principal of and interest on the Bonds. Nothing herein shall prevent the County from applying other funds of the County legally available therefor to the payment of the Bonds, in its sole discretion.

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B. No breach of any agreement contained in this Bond Ordinance, or any document approved in this Bond Ordinance, or any other instrument shall impose any pecuniary liability upon the County or any charge upon its general credit or against its taxing power for the payment of the Bonds, except from the Pledged Revenues. The County is not obligating itself to pay out of its general funds, or otherwise contribute any part of the cost of the Project, any part of operating any part of the Recipients' facilities or programs or any part of the costs of administering, defending, or otherwise acting or failing to act with respect to the Project or the business of the Recipients in any manner.

C. No covenant, stipulation, obligation or agreement contained in this Bond Ordinance or contained in any document approved in this Bond Ordinance and authorized for execution shall be deemed to be a covenant, stipulation, obligation or agreement of any official or employee of the County in his individual capacity, and neither the Commissioners nor any other County officials executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance of the Bonds.

D. It is expressly made a condition of this Bond Ordinance that the covenants, stipulations, obligations, representations or agreements contained herein or contained in the Bonds do not and will never give rise to a personal or pecuniary liability or be a charge against the general credit or taxing powers of the County, except from the Pledged Revenues, and in the event of a breach of such covenant, stipulation, obligation, representation or agreement, no personal or pecuniary liability or charge payable by the County directly or indirectly from the revenues of the County other than the Pledged Revenues will arise therefrom.

Section 13. Form of Bond. The form, terms and provisions of the Bonds shall be substantially in the form set forth below, with such changes therein as are not inconsistent with this Bond Ordinance or the Sale Certificate.

[Form of Bond]

UNITED STATES OF AMERICA

STATE OF NEW MEXICO

COUNTY OF TAOS

COUNTY OF TAOS, NEW MEXICO
 COUNTY EDUCATION GROSS RECEIPTS TAX
 IMPROVEMENT REVENUE BONDS
 TAXABLE SERIES 2023

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Bond No. R-1

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INTEREST RATE

MATURITY DATE

DATE OF BOND

___% per annum

September 27, 2023

September 26, 2023

The County of Taos (the "County"), in the State of New Mexico, a county duly organized and existing under the Constitution and laws of the State of New Mexico, for value received, hereby promises to pay, solely from the special funds available for the purpose as hereinafter set forth, to the New Mexico State Treasurer's Office, or registered assigns, on the Maturity Date stated above, upon presentation and surrender hereof at the principal office of BOKF, NA, Albuquerque, New Mexico, as paying agent, or any successor paying agent (the "Paying Agent"), the sum of _____ THOUSAND DOLLARS (\$ _____) and to pay from said sources interest on the unpaid principal amount at the Interest Rate stated above on September 27, 2023 (the "Interest Payment Date") thereafter to its maturity. This bond will bear interest from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from its date. Interest on this bond is payable by check mailed to the registered owner hereof (or by such other arrangement as may be mutually agreed to by the Paying Agent and the registered owner) as shown on the registration books for this issue maintained by BOKF, NA, Albuquerque, New Mexico, as registrar, or any successor registrar (the "Registrar") at the address appearing therein at the close of business on the fifteenth calendar day of the month next preceding the Interest Payment Date (the "Record Date"). Any interest which is not timely paid or duly provided for shall cease to be payable to the owner hereof as of the Record Date but shall be payable to the owner hereof at the close of business on a special record date to be fixed by the Paying Agent for the payment of interest. The special record date shall be fixed by the Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to owners of Bonds (defined below) as then shown on the Registrar's registration books not less than ten days prior to the special record date. If, upon presentation at maturity, payment of this bond is not made as herein provided, interest hereon shall continue at the Interest Rate stated above until the principal hereof is paid in full. The principal, premium, if any, and interest on this bond are payable in lawful money of the United States of America, without deduction for the services of the Paying Agent or the Registrar.

This bond is one of a duly authorized issue of fully registered bonds of the County in the aggregate principal amount of \$ _____ designated as County of Taos, New Mexico County Education Gross Receipts Tax Improvement Revenue Bonds, Taxable Series 2023 (the "Bonds") issued under and pursuant to County Ordinance No. 2023-1 as supplemented by the Sale Certificate (collectively the "Bond Ordinance").

The Bonds are not subject to optional prior redemption at the option of the County.

Books for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender for transfer or exchange of a Bond at the principal office of the Registrar, duly endorsed or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar shall authenticate and deliver, not more than three (3) business days after receipt of the Bond or Bonds to be transferred, in the name of the transferee or owner a new Bond or Bonds

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in fully registered form of the same aggregate principal amount, maturity and interest rate, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of Bonds shall be without charge to the owner or any transferee, but the Registrar may require the payment by the owner of any Bond of any tax or other similar governmental charge required to be paid with respect to such exchange or transfer. The Registrar will close books for change of addresses of registered owners of Bonds on each Record Date; transfers will be permitted within the period from each Record Date to each interest payment date, but such transfers shall not include a transfer of accrued interest payable. The Registrar shall not be required (i) to transfer or exchange any Bond during the period of fifteen days next preceding the mailing of notice calling any Bonds for redemption, or (ii) to transfer or exchange any Bond or part thereof called for redemption.

The person in whose name any Bond is registered on the registration books kept by the Registrar shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof and for all other purposes except as may otherwise be provided with respect to payment of interest in the Bond Ordinance; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar will, upon receipt of such Bond, if mutilated, and such evidence, information or indemnity relating thereto as the Registrar may reasonably require, if lost, stolen or destroyed, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same maturity and interest rate, 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.

This bond does not constitute an indebtedness of the County within the meaning of any constitutional or statutory provision or limitation, shall not be considered or held to be a general obligation of the County, and is payable and collectible solely out of the amounts of money derived from (1) all of the revenue attributable to the one-half of one percent County education gross receipts tax transferred to the County pursuant to Sections 7-1-6.13 and 7-20E-20, NMSA 1978, which tax is imposed on all persons engaging in business in the County pursuant to Ordinance No. 2012-4 adopted and approved by the Board on July 10, 2012 and by the qualified voters of the County on September 18, 2012, and (2) the portion of the gross receipts tax distribution to the County to be made pursuant to Section 7-1-6.47, NMSA 1978, which represents the amount of the County Education Gross Receipts Tax Revenues that would have been remitted to the County but for the deductions provided by Sections 7-9-92 and 7-9-93, NMSA 1978, and any similar distributions made to the County in lieu of County Education Gross Receipts Tax Revenues pursuant to law, which amounts are collected and, after any deductions for administrative costs, any additional administrative fee and any disbursements for tax credits, refunds and the payment of interest applicable to such gross receipts tax and subject to any increase or decrease pursuant to Section 7-1-6.15,

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NMSA 1978, are distributed monthly (together with the balance of the County' gross receipts tax) by the Revenue Division of the Taxation and Revenue Department of the State of New Mexico to the County pursuant to Section 7-1-6.13, NMSA 1978. The bondholders may not look to any general or other county fund other than those described above for the payment of the interest and principal of this bond. The Bonds are equally and ratably secured by the Pledged Revenues.

Reference is made to the Bond Ordinance for a full description of the pledge securing the Bonds, the nature, extent and manner of enforcement of that pledge, the rights and remedies of owners of Bonds with respect thereto and the terms and conditions upon which the Bonds are issued. The acceptance of the terms and conditions of the Bond Ordinance is an explicit and material part of the consideration of the County's issuance of this bond, and each Owner, by acceptance of this bond, agrees and assents to the provisions thereof as if fully set forth in this bond.

The Bonds are issued to provide funds to defray in part the costs (1) for Taos Municipal School District, Peñasco Independent School District, Questa Independent School District, including charter schools and state-chartered charter schools and the UNM-Taos Branch Community College of (a) designing, constructing and equipping of new buildings; (b) remodeling, renovating or making additions to and equipping existing buildings; (c) improving or equipping grounds surrounding buildings; and (d) all costs incidental to the foregoing; (2) the costs of the issuance of the Bonds and (3) the payment of Administrative Expenses.

The County covenants and agrees with the owner of this bond and with each and every person who may become the owner hereof that it will keep and perform all of the covenants of the County set forth in the Bond Ordinance.

This bond is subject to the condition, and every owner hereof by accepting the same agrees with the County and every subsequent owner hereof, that the principal of and interest on this bond shall be paid, and this bond is transferable, free from and without regard to any equities, set-offs or crossclaims between the County and the original or any other owner hereof.

It is hereby certified that all acts and conditions necessary to be done or performed by the County or to have happened precedent to and in the issuance of the Bonds to make them legal, valid and binding special obligations of the County have been performed and have happened as required by law, and that the Bonds do not exceed or violate any constitutional or statutory limitation of or pertaining to the County.

This bond shall not be valid or obligatory for any purpose until the Registrar shall have manually signed the Certificate of Authentication on this bond.

IN WITNESS WHEREOF, the County of Taos, New Mexico, has caused this bond to be signed and executed on the County's behalf with the manual or facsimile signature of the Chair of the Board, to be countersigned with the manual or facsimile

signature of the County Clerk and has caused a facsimile or manual imprint of the corporate seal of the County to be affixed hereon, all as of the Date of Bond stated above.

COUNTY OF TAOS, NEW MEXICO

[SEAL]

By: _____
Chair, Board of County Commissioners

By: _____
County Clerk

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(Form of Registrar's Certificate of Authentication)

Certificate of Authentication

This is one of the Bonds described in the Bond Ordinance, and this bond has been registered on the registration books kept by the undersigned as Registrar for the Bonds.

Date of Authentication: _____

BOKF, NA, Albuquerque, New Mexico, as
REGISTRAR

By: _____
Authorized Officer

(End of Form of Registrar's Certificate of Authentication)

(Form of Assignment)

For value received, _____ hereby sells, assigns and transfers
unto _____ the within bond and hereby irrevocably constitutes and
appoints _____ attorney, to transfer the same on the
books of the Registrar, with full power of substitution in the premises.

Signature Guaranteed:

Social Security or Tax Identification No., of Assignee

Dated: _____

NOTES: The assignor's signature to this Assignment must correspond with the name as written on the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

Signature(s) guarantee must be made by an eligible guarantor institution (banks, stockbrokers, savings and loans association and credit unions with membership in an approved signature medallion program) pursuant to Securities and Exchange Commission Rule 17Ad-15.

(End of Form of Assignment)

(End of Form of Bond)

Section 14. Period of Usefulness of Project. It is hereby determined and recited that the period of usefulness of the Project exceeds the final maturity date of the Bonds.

Section 15. Disposition of Proceeds; Completion of Project. Except as herein otherwise specifically provided, the proceeds derived from the sale of the Bonds shall be used and paid solely for the valid costs of the Project.

A. Accrued Interest. Upon the sale of the Bonds, all moneys, if any, received as accrued interest shall be deposited into the Debt Service Fund to apply to the payment of interest next due on the Bonds.

B. Costs of Issuance Fund. Upon the sale of the Bonds, an amount sufficient to pay the Expenses shall be deposited in the Costs of Issuance Fund. Moneys deposited in the Costs of Issuance Fund shall be used by the Trust Depository to pay Expenses if such Expenses have not been paid directly by the Purchaser. After all Expenses have been paid, any remaining balance in the Costs of Issuance Fund shall be transferred to the Income Fund and the Costs of Issuance Fund shall be closed by the Trust Depository.

C. Acquisition Fund. Upon the sale of the Bonds, after the deposit to the Costs of Issuance Fund, the remaining balance of the proceeds shall be deposited promptly upon the receipt thereof in the Acquisition Fund. The Trust Depository shall create a separate account for each Recipient within the Acquisition Fund. The proceeds derived from the sale of the Bonds shall be credited to (1) the Taos Municipal School District account, Questa Independent School District account and Peñasco Independent School District account in the percentages set forth in the Sale Certificate in an aggregate amount not to exceed 75%, (2) 25% to the UNM-Taos Educational Branch College account; and (3) each applicable charter school shall work with their respective school districts on the appropriate allocation from that school district.

Until the Completion Date, the money in the Acquisition Fund shall be used and paid out solely for the purposes of the Project in compliance with applicable law and upon submission to the Trust Depository of a completed requisition form by an authorized officer of the Recipient requesting payment from its account in the Acquisition Fund.

D. Project Completion. The Completion Date shall be evidenced by a certificate signed by an authorized officer of each Recipient, as and when applicable, stating that acquisition of the Project has been completed. As soon as practicable, and in any event not more than 60 days from the Completion Date, any balance remaining in any Recipient's account in the Acquisition Fund (other than any amount retained by the Trust Depository for any Project costs not then due and payable) shall be transferred from the Acquisition Fund and deposited in the Debt Service Fund and used to pay principal and interest on the Bonds as the same become due.

E. Purchaser Not Responsible. The validity of the Bonds is not dependent on nor affected by the validity or regularity of any proceedings related to the completion of the Project as defined in this Bond Ordinance. The Purchaser of the Bonds, and any subsequent owner of the Bonds, shall in no manner be responsible for the application or disposal by the County, the Recipients, the Trust Depository or by their officers of the funds derived from the sale thereof or of any other funds herein designated.

Section 16. Funds and Accounts. The County hereby creates or continues the following special and separate funds, which shall be under the control of the Trust Depository:

A. County Education Gross Receipts Tax Income Fund. The "County of Taos, New Mexico County Education Gross Receipts Tax Income Fund" to be maintained by the Trust Depository.

B. Debt Service Fund. The "County of Taos, New Mexico County Education Gross Receipts Tax Improvement Revenue Bonds, Taxable Series 2023, Debt Service Fund" to be maintained by the Trust Depository.

C. Acquisition Fund. The "County of Taos, New Mexico County Education Gross Receipts Tax Improvement Revenue Bonds, Taxable Series 2023, Project Acquisition Fund", with separate accounts for each Recipient, to be maintained by the Trust Depository.

D. Administrative Expenses Fund. The "County of Taos, New Mexico County Education Gross Receipts Tax Improvement Revenue Bonds, Taxable Series 2023, Administrative Expenses Fund" to be maintained by the Trust Depository.

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E. Costs of Issuance Fund. The “County of Taos, New Mexico County Education Gross Receipts Tax Improvement Revenue Bonds, Taxable Series 2023, Costs of Issuance Fund” to be maintained by the Trust Depository.

Section 17. Deposit of Pledged Revenues and Flow of Funds.

A. Gross Receipts Tax Income Fund. So long as any of the Bonds are outstanding, the Pledged Revenues shall be set aside and deposited monthly upon receipt by the Trust Depository into the Income Fund held by the Trust Depository, and thereafter transferred by the Trust Depository to the Debt Service Fund and Administrative Expenses Fund, as hereinafter provided.

B. Debt Service Fund. Moneys in the Income Fund shall be transferred monthly upon receipt to the Debt Service Fund.

(1) Monthly, commencing in the month immediately succeeding the delivery of the Bonds, in an amount, in equal monthly installments, which is necessary to pay the maturing installment of interest on the Bonds on September 27, 2023.

(2) Monthly, commencing in the month immediately succeeding the delivery of the Bonds, in an amount, in equal monthly installments, which is necessary to pay the first maturing principal amount of the Bonds on September 27, 2023.

C. Credit. In making the deposits required to be made into the Debt Service Fund, if there are any amounts then on deposit in the Debt Service Fund available for the purpose for which such deposit is to be made, the amount of the deposit to be made pursuant to Paragraph B above shall be reduced by the amount available in such fund and available for such purpose.

D. Transfer of Money out of Debt Service Fund. Each payment of principal and interest becoming due on the Bonds shall be transferred from the Debt Service Fund to the Paying Agent on or before five Business Days prior to the due date of such payment and used exclusively for such payments of principal and interest to the owners of the Bonds.

E. Termination Upon Deposits to Maturity. No payment shall be made into the Debt Service Fund if the total amount in such funds totals a sum at least equal to the entire aggregate amount due as to principal and interest, on the Bonds to their respective maturities or applicable redemption dates, in which case moneys in the Debt Service Fund in an amount at least equal to such principal and interest requirements shall be used solely to pay such obligations as the same become due, and any moneys in excess thereof in the Debt Service Fund may be used as provided below.

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F. Administrative Expenses Fund. After making the payments or deposits hereinabove required to be made pursuant to the preceding paragraphs of this Section, the Trust Depository may deposit any amounts remaining in the Income Fund into the Administrative Expenses Fund to be used for the payment of reasonable Administrative Expenses incurred by the County or the Trust Depository and submitted to the Trust Depository for payment in accordance with the provisions of the Bond Registrar, Trust Depository and Paying Agent Agreement.

Section 18. General Administration of Funds. The funds designated in Sections 16 and 17 shall be administered and invested as follows:

A. Places and Times of Deposits. The funds shall be separately maintained as a trust fund or funds for the purposes established and shall be deposited with the Trust Depository. Each account shall be continuously secured to the extent required by law and shall be irrevocable and not withdrawable by anyone for any purpose other than the designated purpose. No later than two Business Days prior to each Interest Payment Date, moneys sufficient to pay interest and principal then due on the Bonds shall be transferred to the Paying Agent.

B. Investment of Money. Except as otherwise provided herein, any moneys in any fund or account designated in Sections 16 and 17 may be invested in any Permitted Investment. The obligations so purchased as an investment of moneys in said fund or account shall be deemed at all times to be part of said fund or account and any profit realized from therefrom shall be credited to the fund or account, and any loss resulting from each investment shall be charged to the fund or account. The Trust Depository shall present for redemption or sale on the prevailing market any obligations so purchased as an investment of moneys in the fund or account whenever it shall be necessary to do so in order to provide moneys to meet any payment or transfer from such fund or account.

Section 19. Lien on County Education Gross Receipts Tax Revenues. The Pledged Revenues and the moneys on deposit in the Income Fund and the Debt Service Fund are hereby authorized to be pledged to, and are hereby pledged, and the County grants a security interest therein and a first lien thereon for, the payment of the principal of and interest on the Bonds, subject to the uses thereof permitted by, and the priorities set forth in, Section 17 of the Bond Ordinance.

Section 20. Equality of the Bonds. The Bonds from time to time outstanding shall not be entitled to any priority one over the other in the application of the Pledged Revenues, regardless of the time or times of their issuance or the date incurred, it being the intention of the Board that, except as set forth herein, there shall be no priority among the Bonds regardless of whether they are actually issued and delivered or incurred at different times.

Section 21. Protective Covenants. The County hereby covenants and agrees with each and every holder of the Bonds issued hereunder:

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A. Use of Bond Proceeds. The County will apply the proceeds of the Bonds to the Project and will cause the proceeds of the Bonds to be made available to be applied by the Recipients to the Project without delay.

B. Payment of the Bonds Herein Authorized. The County will promptly cause to be paid the principal of and the interest on every Bond at the place, on the date and in the manner specified herein and in the Bonds according to the true intent and meaning hereof.

C. County's Existence. The County will maintain its corporate identity and existence so long as any of the Bonds remain outstanding, unless another political subdivision by operation of law succeeds to the liabilities and rights of the County, without adversely affecting to any substantial degree the privileges and rights of any owner of the Bonds.

D. Prohibition of any Extension of Interest Payments. In order to prevent any accumulation of claims for interest after maturity, the County will not directly or indirectly extend or assent to the extension of time for the payment of any claim for interest on any of the Bonds, and the County will not directly or indirectly be a party to or approve any arrangements for any such extension. If the time for payment of any such interest shall be extended, such installment or installments of interest, after such extension or arrangement, shall not be entitled in case of default hereunder to the benefit or security hereof, except subject to the prior payment in full of the principal of all Bonds hereunder and then outstanding and of the matured interest on such Bonds, the payment of which has not been extended.

E. Records for Pledged Revenues. So long as any of the Bonds remain outstanding, the County will cause to be kept proper books of record and account, separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the Pledged Revenues.

F. Audits. The County will, within one hundred eighty (180) days following the close of each Fiscal Year, cause an audit of its books and accounts relating to the Pledged Revenues to be commenced by an Independent Accountant showing the receipts and disbursements in connection with such revenues. The County agrees to furnish forthwith a copy of each such audit to the Purchaser and the holder of any of the Bonds upon written request.

G. Other Pledged Revenues Liens. Other than as described and identified herein, there are no liens or encumbrances of any nature whatsoever on or against the Pledged Revenues.

H. Duty to Impose Gross Receipts Tax. If State law or any County ordinance or part thereof, which in any manner affect the Pledged Revenues, shall ever be held to be invalid or unenforceable, it shall be the duty of the County to immediately take

any action that it is authorized by law to take to produce sufficient Pledged Revenues to comply with the contracted obligations of the Bond Ordinance, except as is provided in Paragraph I of this Section.

I. Impairment of Contract. The County agrees that any law, ordinance or resolution of the County that in any manner affects the Pledged Revenues, or the Bonds shall not be repealed or otherwise directly or indirectly modified, in such a manner as to impair adversely the Bonds outstanding, unless such Bonds have been discharged in full or provision has been fully made therefor or unless the required consents of the holders of the then outstanding Bonds are obtained pursuant to Section 27 of the Bond Ordinance.

Section 22. Events of Default. Each of the following events is hereby declared an "event of default":

A. Nonpayment of Principal or Interest. Failure to pay the principal of any of the Bonds or failure to pay any installment of interest on the Bonds when the same becomes due and payable, either at maturity, or by proceedings for redemption, or otherwise.

B. Incapable to Perform. The County shall for any reason be rendered incapable of fulfilling its obligations hereunder.

C. Default of any Provision. Default by the County in the due and punctual performance of its covenants or conditions, agreements and provisions contained in the Bonds or in the Bond Ordinance on its part to be performed, and the continuance of such default (other than a default set forth in Paragraph A of this Section) for thirty (30) days after written notice specifying such default and requiring the same to be remedied has been given to the County by the holders of twenty-five percent (25%) in aggregate principal amount of the Bonds then outstanding.

D. Bankruptcy. The County (i) files a petition or application seeking reorganization, arrangement under Federal bankruptcy law, or other debtor relief under the laws of any jurisdiction, or (ii) is the subject of such petition or application which the County does not contest or is not dismissed or discharged within sixty (60) days.

Section 23. Remedies Upon Default. Upon the happening and continuance of any of the events of default as provided in Section 22 of the Bond Ordinance, then in every case the holder or holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then outstanding, including, but not limited to, a trustee or trustees therefor, may proceed against the County, the Board and its agents, officers and employees to protect and enforce the rights of any holder of Bonds under the Bond Ordinance by mandamus or other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for the appointment of a receiver or for the specific performance of any covenant or agreement contained herein or in an award relating to the execution of any power herein granted for the enforcement of any legal or

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equitable remedy (except for acceleration of debt service on the Bonds which shall never be a permitted remedy hereunder) as such holder or holders may deem most effectual to protect and enforce the rights provided above, or to enjoin any act or thing which may be unlawful or in violation of any right of any Bondholder, or to require the Board to act as if it were the trustee of an express trust, or any combination of such remedies. All such proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all holders of the Bonds then outstanding. The failure of any Bondholder so to proceed shall not relieve the County or any of its officers, agents or employees of any liability for failure to perform any duty. Each right or privilege of such holder (or trustee thereof) is in addition and cumulative to any other right or privilege, and the exercise of any right or privilege by or on behalf of any holder shall not be deemed a waiver of any other right or privilege.

Section 24. Duties Upon Default. Upon the happening of any of the events of default provided in Section 22 of the Bond Ordinance, the County, in addition, will do and perform all proper acts on behalf of and for the owners of the Bonds to protect and preserve the security created for the payment of the Bonds and to insure the payment of the principal of and interest on the Bonds promptly as the same become due. All proceeds derived therefrom, so long as any of the Bonds, either as to principal or interest, are outstanding and unpaid, shall be applied as set forth in Section 17 of the Bond Ordinance. In the event the County fails or refuses to proceed as provided in this Section, the holder or holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then outstanding, after demand in writing, may proceed to protect and enforce the rights of the owners of the Bonds as hereinabove provided.

Section 25. Bonds Not Presented When Due. If any Bonds shall not be duly presented for payment when due at maturity or on the redemption date thereof, and if moneys sufficient to pay such Bonds are on deposit with the Paying Agent for the benefit of the owners of such Bonds all liability of the County to such owners for the payments of such Bonds shall be completely discharged, such Bonds shall be deemed to be not outstanding and it shall be the duty of the Paying Agent to segregate and to hold such moneys in trust, without liability for interest thereon, for the benefit of the owners of such Bonds as may be provided in any agreement hereafter entered into between the Paying Agent and an officer of the County.

Section 26. Delegated Powers. The officers of the County are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Bond Ordinance and the Sale Certificate, including, without limiting the generality of the foregoing, the publication of the summary of publication set out in Section 33 of this Bond Ordinance (with such changes, additions and deletions as they may determine), the distribution of material relating to the Bonds, the printing of the Bonds, the execution and delivery of the Bond Purchase Agreement, the Bond Registrar, Trust Depository and Paying Agent Agreement, and such certificates as may be required by the Purchaser, the Bond Purchase Agreement, or bond counsel.

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Pursuant to the Supplemental Public Securities Act, Section 6-14-8 et seq., NMSA 1978, the County Manager is hereby delegated authority to execute the Sale Certificate and to determine any or all of the final terms of the Bonds, subject to the parameters and conditions contained in this Bond Ordinance. The County Manager shall present the Sale Certificate to the Board in a timely manner, before or after delivery of the Bonds, at a regularly scheduled public meeting of the Board.

Section 27. Amendment of Ordinance. The Bond Ordinance may be amended without the consent of the holder of any Bond to cure any ambiguity, or to cure, correct or supplement any defect or inconsistent provision contained herein, or to comply with any rule or regulation of the Securities and Exchange Commission relating to the Bonds. Prior to the date of the initial delivery of the Bonds to the Purchaser, the provisions of the Bond Ordinance may be amended with the written consent of the Purchaser, by ordinance of the Board with respect to any changes which are not inconsistent with the substantive provisions of the Bond Ordinance. Except as provided above, the Bond Ordinance may be amended without receipt by the County of any additional consideration, but with the written consent of the holders of three-fourths (3/4th) of the aggregate principal amount of the Bonds then outstanding (not including Bonds which may be held for the account of the County); but no ordinance adopted without the written consent of the holders of all outstanding Bonds shall have the effect of permitting:

- A. An extension of the maturity of any Bond; or
- B. A reduction of the principal amount or interest rate of any Bond; or
- C. The creation of a lien upon the Pledged Revenues ranking prior to the lien or pledge created by this Ordinance; or
- D. A reduction of the principal amount of Bonds required for consent to such amendatory ordinance; or
- E. The establishment of priorities as between Bonds issued and outstanding under the provisions of the Bond Ordinance; or
- F. The modification of or otherwise affecting the rights of the holders of less than all the outstanding Bonds.

Any amendment or supplement, except for the Sale Certificate, to the Bond Ordinance shall be made by subsequent ordinance of the Board.

Section 28. Defeasance. When all principal, interest and prior redemption premium, if any, in connection with the Bonds hereby authorized has been duly paid, the pledge and lien for the payment of the Bonds shall thereby be discharged and the Bonds shall no longer be deemed to be outstanding within the meaning of the Bond Ordinance. Payment shall be deemed made with respect to any Bond or Bonds when the Board has placed in escrow with a commercial bank exercising trust powers, an amount sufficient

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(including the known minimum yield from Federal Securities) to meet all requirements of principal, interest and prior redemption premium, if any, as the same become due to their final maturities or upon designated redemption dates. Any Federal Securities shall become due when needed in accordance with a schedule agreed upon between the Board and such bank at the time of the creation of the escrow. Federal Securities within the meaning of this Section shall include only direct obligations of, or obligations the principal of and interest of which are unconditionally guaranteed by the United States of America, cash, or U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series - "SLGS").

Section 29. Bond Ordinance Irrepealable. After any of the Bonds are issued, the Bond Ordinance shall be and remain irrepealable until the Bonds and the interest thereon shall be fully paid, canceled and discharged, as herein provided, or there has been defeasance as herein provided.

Section 30. Severability Clause. If any section, paragraph, clause or provision of the Bond Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of the Bond Ordinance.

Section 31. Repealer Clause. All bylaws, orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 32. Effective Date. Upon due adoption of this Bond Ordinance, it shall be recorded in the book of ordinances of the County kept for that purpose, authenticated by the signatures of the Chair of the Board and County Clerk, and the title and general summary of the subject matter contained in the Bond Ordinance (set out in Section 33 below) shall be published in a newspaper which maintains an office and is of general circulation in the County, or posted in accordance with law, and said Bond Ordinance shall be in full force and effect thereafter, in accordance with law.

Section 33. General Summary for Publication. Pursuant to the general laws of the State, the title and a general summary of the subject matter contained in the Bond Ordinance shall be published in substantially the following form:

(Form of Summary of Ordinance for Publication)

Taos County, New Mexico
Notice of Adoption of Ordinance

Notice is hereby given of the title and of a general summary of the subject matter contained in Ordinance No. 2023-1, duly adopted and approved by the Board of County Commissioners of Taos County, New Mexico, on August 15, 2023, relating to the authorization and issuance of the County's County Education Gross Receipts Tax

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Improvement Revenue Bonds, Taxable Series 2023 (the "Bonds"). Complete copies of the Ordinance are available for public inspection during the normal and regular business hours of the County Clerk, Taos County Courthouse, Taos, New Mexico.

AUTHORIZING THE ISSUANCE AND SALE OF THE COUNTY OF TAOS, NEW MEXICO COUNTY EDUCATION GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS, TAXABLE SERIES 2023, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$2,150,000 FOR THE PURPOSE OF PROVIDING FUNDS FOR PUBLIC SCHOOL CAPITAL PROJECTS AND OFF-CAMPUS INSTRUCTION PROGRAM CAPITAL PROJECTS FOR TAOS MUNICIPAL SCHOOL DISTRICT, PEÑASCO INDEPENDENT SCHOOL DISTRICT, QUESTA INDEPENDENT SCHOOL DISTRICT (INCLUDING CAPITAL PROJECTS AT CHARTER SCHOOLS AND STATE-CHARTERED CHARTER SCHOOLS), AND UNM-TAOS BRANCH COMMUNITY COLLEGE, ALL WITHIN TAOS COUNTY; PROVIDING FOR THE PAYMENT OF SUCH BONDS SOLELY FROM THE COUNTY EDUCATION GROSS RECEIPTS TAX IMPOSED BY THE COUNTY AND REMITTED TO THE COUNTY BY THE STATE OF NEW MEXICO; APPROVING THE DELEGATION OF AUTHORITY TO MAKE CERTAIN DETERMINATIONS REGARDING THE SALE OF THE BONDS PURSUANT TO THE SUPPLEMENTAL PUBLIC SECURITIES ACT; PRESCRIBING THE FORM AND OTHER DETAILS CONCERNING THE BONDS AND THE FUNDS APPERTAINING THERETO; AND RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH.

The title sets forth a general summary of the subject matter contained in the Ordinance. This notice constitutes compliance with Section 6-14-6 NMSA 1978.

(End of Form of Summary of Ordinance for Publication)

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PASSED AND ADOPTED this 18th day of July, 2023.

BOARD OF COUNTY COMMISSIONERS
OF TAOS COUNTY, NEW MEXICO

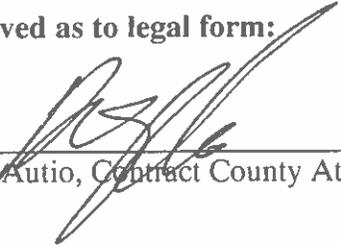


AnJanette Brush, Chairperson

Attest:

Valerie Montoya by Beatal Deputy Clerk
Valerie Montoya, Taos County Clerk

Approved as to legal form:



Randy Autio, Contract County Attorney

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VOTE RECORD:				
FR Bob Romero	<u>yes</u>	no	abstain	absent
M. Romero Jr.	<u>yes</u>	no	abstain	absent
D. Vigil	<u>yes</u>	no	abstain	absent
A. Brush	<u>yes</u>	no	abstain	absent
R. Mascareñas	<u>yes</u>	no	abstain	absent

[SIGNATURE PAGE TO BOND ORDINANCE]

