

SUSANA MARTINEZ
GOVERNOR

WAYNE SOWELL
DIRECTOR



THOMAS E. Clifford, Ph.D.
CABINET SECRETARY

JESSICA LUCERO
ASSISTANT DIRECTOR

STATE OF NEW MEXICO
DEPARTMENT OF FINANCE AND ADMINISTRATION
LOCAL GOVERNMENT DIVISION
Bataan Memorial Building ♦ Suite 201 ♦ Santa Fe, NM 87501
PHONE (505) 827-8051 ♦ FAX (505) 827-4948

September 3, 2014

Mr. Keith Riesberg, Chairman
Stonegate Tax Increment Development District

Dear Chairman Riesberg,

The final budget of your local government entity for Fiscal Year 2015, as approved by your governing body, has been examined. We find it has been developed in accordance with applicable statutes and budgeting guidelines. Sufficient resources appear to be available to cover budgeted expenditures.

In accordance with Section 6-6-2 (E) NMSA 1978, the Local Government Division provides conditional certification of the final FY2015 budget. *The Budget Certification Rule*, 2.2.3 NMAC, requires the FY 2013 "Agreed-Upon Procedures" audit or applicable Tier Certification to have been submitted to the Office of the State Auditor.


Budgets approved by the Division are required to be made a part of the minutes of your governing body according to Section 6-6-5 NMSA 1978. In addition, Section 6-6-6 NMSA 1978 provides that the approved budget is binding on local officials and governing authorities. Any official or governing authority approving claims or paying warrants in excess of the approved budget or available funds will be liable for such claims and warrants allowed. It is highly recommended that cash balances not be utilized in the budget to cover what would otherwise be a deficit in the fund. Unanticipated expenses can occur, but current revenues should cover current expenses.

Furthermore, state statute requires all revenue sources be expended only for public purposes, and when applicable, in accordance with the Procurement Code, Chapter 13, Article 1, NMSA 1978. Use of public revenue is also governed by Article 9, Section 14 of the Constitution of the State of New Mexico, commonly referred to as the Anti-Donation Clause.

Finally, please be advised that approval by the Division is required by Section 6-6-2 (G) (H) NMSA 1978, of all transfers between funds and all budget increases.

If you have any questions, please call me at (505) 827-8059.

Sincerely,


Tom Dixon
Budget and Finance Analyst

cc: Ben Caragan MF Whipple & Associates
Christina Boyer, Special District Analyst, City of Rio Rancho
Dan Olsen, City of Rio Rancho

June 2, 2014

Local Government Division
Department of Finance and Administration
Bataan Memorial Building, Suites 201-203
Santa Fe, New Mexico 87501

To whom it may concern:

The Stonegate Public Improvement District (the "District") is obligated by Section 6-6-2(A) NMSA 1978 to file with the Local Government Division of the New Mexico Department of Finance and Administration, on or before July 31 of each year, a final budget for the District for the next fiscal year. Pursuant to Section 6-6-2(E) NMSA 1978, the Local Government Division of the New Mexico Department of Finance and Administration must certify a final budget for the District prior to the first Monday in September of each year.

The District was formed by the City of Rio Rancho, New Mexico on July 24, 2013. To date no levy has been imposed on property within the District. And the district has not issued public improvement district bonds. The maximum special levy is set forth in the Rate and Method of Apportionment dated as of December 18, 2012.

The District expects to incur the following administrative expenses during fiscal year 2014-2015, which will be paid directly by the developer within the District:

Administrative Fees	\$2,000
Levy Setup	\$2,000
TOTAL	\$4,000

Please feel free to contact Peter Franklin or Daniel Alsup, the District's general counsel, with any questions, comments or concerns you may have regarding this matter. Their number is (505) 848-1800.

Sincerely,



Treasurer, Stonegate Public Improvement District