

CITY OF ALBUQUERQUE, NEW MEXICO



POST BOND ISSUANCE COMPLIANCE POLICY

As of January 1, 2014

Prepared by:

**Department of Finance & Administrative Services
Treasury Division**

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Dated January 1, 2014

Overview

This policy lists the post-issuance tax compliance controls and procedures related to financial obligations (“Post Bond Issuance Compliance Policy”) maintained by the City of Albuquerque (the “City”). Post Bond Issuance Compliance Policy are intended to ensure that the City complies, and is able to demonstrate such compliance with applicable legal provisions including certain recordkeeping and reporting requirements in order (a) to maintain the tax status of the bonds for federal income tax purposes under the Internal Revenue Code and the Treasury Regulations, (b) to ensure that the bonds continue to comply with the securities laws contained in Rule 15c2-12 of the Securities Exchange Commission. References herein to “Tax-exempt bonds” include the issuance of tax exempt and tax-advantaged bonds, loans and other similar debt instruments that may be issued by the City.

This policy is designed to formalize compliance procedures so that the City utilizes the proceeds of all issues of bonds in accordance with applicable federal tax requirements, and complies with all other applicable federal requirements with respect to bond issues.

A list of currently outstanding bond issues, inclusive of taxable and tax advantaged issues when applicable is attached hereto as Exhibit A. Such exhibit will be updated from time to time as new bond issues arise or existing bond issues cease to be outstanding. Certain additional transactional covenants and recurring reporting and similar obligations of the City relevant to the City’s current bonds and leases are set forth in Exhibit B hereto, which may be amended from time to time to address future leases or bond issues.

Section I: Issuance of Bonds _

Financing with tax-exempt bonds is determined by the City Council with consultation from the administration and with assistance from retained consultants:

- City Treasurer
- Financial Advisor (RBC Capital Markets and First Southwest Securities as of 7/1/13)

- Bond Counsel (Brownstein Hyatt Farber Schreck as of 7/1/13)
- Disclosure Counsel (Modrall Sperling as of 7/1/13)

Bond Counsel & Disclosure Counsel

The City will retain bond counsel ("Bond Counsel") to deliver a legal opinion upon issuance of bonds and Disclosure Counsel to ensure full, timely and accurate disclosures are made by the City.

The City will consult with Bond Counsel, other legal counsel and advisors throughout the bond financing process as well as during the post-issuance term of the bonds.

External Counsel Advisors

The City maintains a relationship with a firm or firms to serve as financial advisor ("Financial Advisor") in connection with the issuance of tax exempt bond financing to advise with respect to outstanding tax-exempt bonds and for future capital projects.

Tax Certificate

The federal tax requirements relating to each issue of bonds will be set forth in a related Tax Certificate, which will be included in the closing transcript for each issue. The certifications, representations, expectations and covenants set forth in the Tax Certificate relate primarily to the restriction on use of the bond-financed facilities by persons or entities other than the City, changes in use of bond-financed assets, restrictions applicable to the investment of bond proceeds and other moneys relating to the bonds, arbitrage rebate requirements, and economic life of the bond-financed assets. Bond Counsel will rely in part on the Tax Certificate in rendering its opinion that interest on the bonds is excluded from gross income for federal income tax purposes.

IRS Form 8038-G

Bond Counsel, with assistance from the City and other professionals associated with each bond issuance, shall prepare an IRS Form 8038-G. The City Treasurer or designee will review and sign at closing, and will confirm that the IRS Form 8038-G with respect to all bond issues is timely filed by Bond Counsel, including any required schedules and attachments. The Form 8038-G filed with the IRS, together with an acknowledgement copy or IRS Notice CP152, will be included as part of the closing transcript for each bond issue

Bond Financing Transcript

The transcript associated with each bond financing, will include copies of the executed Opinion of Bond Counsel, Tax Certificate, and IRS Form 8038-G. The City Treasurer will keep a copy of the transcript in accordance with the provisions of Section V-"Records Retention", of these Post Bond Issuance Compliance Policy.

Section II: Application of Bond Proceeds

The City Treasurer will monitor and report to the Finance Director the use of bond proceeds. Bond proceeds will be used for the purpose set forth in the respective Tax Certificate.

Assignment of Responsibility and Establishment of Calendar

On the date of issuance of any bond, the City Treasurer will identify and document in the Bond Resolution for the bond issue:

- The funds and/or accounts into which bond proceeds are deposited.
- The types of expenditures expected to be made with the bond proceeds deposited into those funds and/or accounts and any expenditures prohibited from being made from such funds or accounts.
- The dates by which all bond proceeds must be spent or become subject to arbitrage yield limitations ("Expenditure Deadlines") and all interim dates by which funds and/or accounts must be checked to ensure compliance with the applicable Expenditure Deadlines.

Timely Expenditure of Bond Proceeds

At the time of issuance of any bond issue, the City must reasonably expect to spend at least 85% of all proceeds expected to be used to finance improvements, which proceeds would exclude proceeds in a reasonably required reserve fund, ("Net Sale Proceeds") within three (3) years of issuance. In addition, the City must have incurred or expect to incur within six months after issuance expenditures or a binding obligation of not less than 5% of such amount of proceeds, and must expect to complete the project and allocate the proceeds to costs with due diligence. Satisfaction of these requirements allows project-related bond proceeds to be invested at an unrestricted yield for three (3) years. The City Treasurer will work with the Department of Municipal Development to clarify an anticipated Bond Series construction and funding timeline. The City's finance and municipal development staff will monitor the appropriate capital project accounts, at least once annually, and ensure that bond proceeds are spent in the time period required under federal tax law. If the City Treasurer discovers that an IRS expenditure rule is not likely to be met, said person will consult with Bond Counsel to determine the appropriate course of action with respect to such unspent bond proceeds. Special action may need to be taken with such unspent bond proceeds, including yield restriction, or redemption of bonds.

Final Allocation

Expenditures will be summarized in a final allocation of bond proceeds ("Final Allocation Report?") in a manner consistent with allocations made to determine compliance with arbitrage yield restriction and rebate requirements. The Final Allocation will memorialize the assets or portion thereof financed with bond proceeds and the assets or portion thereof financed with other funds.

The Final Allocation must occur not later than 18 months after the later of the date the expenditure is paid or the date the Project financed with bond proceeds to which the expenditure relates is completed and actually operating at substantially the level for which it was designed. This allocation must be made in any event not later than 60 days after the end of the fifth year after issuance of the bonds or 60 days after none of the bonds are outstanding, if earlier.

The City Treasurer will be responsible for ensuring that such Final Allocation is made for the bonds.

Modification of Bond Terms

The City Treasurer is responsible for identifying any events resulting in (a) changes or modifications of any of the contractual terms of bonds (including, without limitation, modifications of the bond interest rates, maturity dates or payment schedule), (b) changes to any credit enhancement of or liquidity facility for bonds, (c) changes in the nature of the security for the bonds, (d) purchase of bonds by the City or any entities related to the City or (e) any deferral or forbearance of default of payment of principal and interest due on bonds. Such actions may result in a deemed reissuance of the bonds for federal income tax purposes and could require protective actions to maintain the tax status of the bonds. Bond Counsel should be consulted prior to taking any of these actions.

Use of Bond Proceeds

Bond proceeds generally should be used for long-term capital projects. Bond proceeds (including earnings on original sale proceeds), other than proceeds deposited in a reasonably required reserve fund or used to pay costs of issuance, should be spent on Capital Expenditures. For this purpose, Capital Expenditures generally mean costs to acquire, construct, or improve property (land, buildings and equipment), or to adapt the property to a new or different use. The property must have a useful life longer than one (1) year. Capital Expenditures include design and planning costs related to the Project, and include architectural, engineering, surveying, soil testing, environmental, and other similar costs incurred in the process of acquiring, constructing, improving or adapting the property. Capital Expenditures do not include operating expenses of the projects or incidental or routine repair or maintenance of the Project, even if the repair

or maintenance will have a useful life longer than one (1) year. Invoices for expenditures to the City Treasurer for bond proceeds to fund the project will include details on Project costs incurred. Note: Proceeds received from State issued bonds adhere to different definitions. See the New Mexico Administrative Code for those definitions.

Segregation of Bond Proceeds

Bond proceeds shall be maintained in separate accounts or subaccounts to ensure accurate calculations and accounting as required by the Internal Revenue Code. The City shall establish separate accounts or subaccounts as provided in the related Bond Ordinance, or cause the City Treasurer to establish the accounts or subaccounts as they are described in the Bond Ordinance.

Section III: Use of Bond Financed Assets

The City reviews, and will continue to review, any third-party uses of its bond-financed facilities (“Projects”) for private business use. In addition, the City will continue to consult regularly with Bond Counsel and Financial Advisor regarding applicable federal tax limitations imposed on the City’s outstanding tax-exempt obligations and whether arrangements with third parties give rise to private business use of the Projects. The City Treasurer will maintain records identifying the assets or portion of assets that are financed with proceeds of a bond issue, the uses and the users (including terms of use and type of use). Such records may be kept in any combination of paper or electronic form. In the event the use of bond proceeds or the Project is different from the covenants and representations in the Tax Certificate, the City Treasurer shall be notified at that time and Bond Counsel will be promptly notified and consulted to ensure that there is no adverse effect on the tax-exempt status of the bond issue.

Ownership and Use of Project

For the life of the tax-exempt bond issue, the Project must be owned and operated by the City (or another state or local governmental entity). At all times while the bond issue is outstanding, no more than 10% (or \$15,000,000, if less) of the bond proceeds or the Project may be used, directly or indirectly, in a trade or business carried on by a person other than a state or local governmental unit (“Private Use”). Generally, Private Use consists of any contract or other arrangement, including leases, management contracts, operating agreements, guarantee contracts, take or pay contracts, output contracts or research contracts, which provides for use by a person who is not a state or local government on a basis different than the general public. Use may include: (i) owning, leasing, providing services, operating, or managing the Project; (ii) acquiring the output (or throughput) of the Project; or (iii) acquiring or using technology developed at the Project. The Project may be used by any person or entity, including any person or entity carrying on any trade or business, if such use constitutes “General Public Use”. General Public Use is any arrangement providing for use that is available to the general public at either no charge or on the basis of rates that are generally applicable and uniformly applied. City staff will monitor all leases and subleases, and other forms of disposition of property that has been financed with tax-exempt long-term obligations. Prior to entering into any lease or sublease or otherwise disposing of a bond-financed property, City staff will consult with Bond Counsel to determine the impact, if any, such lease or sublease would have on the tax status of outstanding tax-exempt obligations.

The City will use long-term obligations to finance those projects that are intended to be owned and operated by the City for the entire term of the long-term financing. Prior to selling or otherwise disposing of any tax-

exempt debt financed project for which debt remains outstanding, the City will consult with Bond Counsel to determine the impact, if any, such sale or disposition would have on the tax status of outstanding tax-exempt debt.

Management or Operating Agreements

Any management, operation or service contracts whereby a non-exempt entity is using bond-financed assets must relate to portions of the Project that fit within the above-mentioned 10% allowable Private Use or the contracts must meet the IRS safe harbor for management contracts. Any replacements of or changes to such contracts should be reviewed by Bond Counsel. The City shall contact Bond Counsel if there may be a lease, sale, disposition or other change in use of bond-financed assets. The Department of Municipal Development maintains records on contracts related with City real estate. In general, management or service contracts related to Projects must provide for reasonable compensation for services rendered with no compensation based on a share of net profits from operations.

Useful Life Limitation

The weighted average maturity of the bond issue cannot exceed 120% of the weighted average economic life of the bond-financed assets. In other words, the weighted average economic life of the Project must be at least 80% of the weighted average maturity of the bond issue. The term of a long-term obligation should not exceed the useful life of a project financed by those obligations; or in the case of multiple projects, the term of the long-term obligation will not exceed the average useful life. The useful life of an object is confirmed at the time of issuance. Also, each asset of the City has a useful life that is recorded in the City enterprise resource program.

Section IV: Investment Restrictions & Arbitrage Liability

Investment Restrictions

Investment restrictions relating to bond proceeds and other moneys relating to the bonds are set forth in the Tax Certificate. The City Treasurer will monitor the investment of bond proceeds to ensure compliance with yield restriction rules. The City Treasurer is responsible for directing the investment of proceeds of bonds or other funds related to the City's bonds and will provide periodic updates on the investments of bond proceeds to the Director of the Department of Finance & Administrative Services.

Arbitrage Yield Calculations and Rebate

Investment earnings on bond proceeds will be tracked and monitored to comply with applicable yield restrictions and/or rebate requirements. The City Controller is responsible for calculating (or causing the calculation of)

rebate liability for each bond issue, and for making any required rebate payments. Any funds of the City set aside or otherwise pledged or earmarked to pay debt service on bonds should be analyzed to assure compliance with the tax law rules on arbitrage, invested sinking funds and pledged funds (including gifts or donations linked to the bond-financed assets).

Arbitrage Rebate Consultant

The City will retain an arbitrage rebate consultant, to perform rebate calculations as required in the Tax Certificate of each bond financing. The City Controller is responsible for providing the arbitrage rebate consultant with requested documents and information on a prompt basis, reviewing applicable rebate reports and other calculations and generally interacting with the arbitrage rebate consultant to ensure the timely preparation of rebate reports and payment of any rebate liability.

Arbitrage Rebate Payments

The reports and calculations provided by the arbitrage rebate consultant will confirm compliance with rebate requirements, which include the City to make rebate payments, if any rebate liability exists, no later than the fifth (5th) anniversary date and each fifth (5th) anniversary date thereafter through the final maturity or redemption date of a bond issue. A final rebate payment must be made within sixty (60) days of the final maturity or redemption date of a bond issue. The City Controller will confer and consult with the arbitrage rebate consultant to determine whether any rebate spending exception may be met. Rebate spending exceptions are available for periods of 6 months, 18 months and 2 years. The City will review the Tax Certificate and/or consult with the arbitrage rebate consultant or Bond Counsel for more details regarding the rebate spending exceptions. Copies of all arbitrage rebate reports, related return filings with the IRS (i.e., IRS Form 8038-T), copies of cancelled checks with respect to any rebate payments, and information statements must be retained as described below. The City's Controller will follow the procedures set forth in the Tax Certificate entered into with respect to any bond issue that relate to compliance with the rebate requirements.

Section V: Record Retention

The City Treasurer will maintain, or cause to be maintained, copies of all relevant documents and records sufficient to support that the tax requirements relating to a bond issue have been satisfied will be maintained

by the City for the later of: (i) the term of a bond issue, or (ii) the term of any subsequent issue that refunds the original bond issue, plus three (3) years, including the following documents and records:

- Bond closing transcript
- All records of investments, arbitrage reports, returns filed with the IRS and underlying documents
- Construction contracts, purchase orders, invoices and payment records
- Documents relating to costs reimbursed with bond proceeds
- All contracts and arrangements involving private use of the bond-financed property
- All reports relating to the allocation of bond proceeds and private use of bond-financed property
- Itemization of property financed with bond proceeds

Section VI: Annual Review of Post Issuance Compliance Controls

The City will conduct periodic reviews of compliance with these Post Bond Issuance Compliance Policy to determine whether any violations have occurred so that such violations can be remedied through the “remedial action” regulations (Treas. Reg. Section 1.141-12) or the Voluntary Closing Agreement Program (VCAP) described in IRS Notice 2008-31 (or successor guidance). If any changes to the terms or provisions of a bond issue are contemplated, the City will consult Bond Counsel. The City recognizes and acknowledges that such modifications could result in a “reissuance” for federal tax purposes (i.e., a deemed refunding) of the bond issue and thereby jeopardize the tax-exempt status of interest on the bonds after the modifications. At least once bi-annually, the City Treasurer will conduct an evaluation of the effectiveness of the design and operation of the City’s Post Bond Issuance Compliance Policy with the assistance of the Debt Committee and consultants of the City as appropriate, to the extent determined by any of them to be necessary or appropriate.

Tax Return Filings

The City Treasurer will assure compliance with IRS tax return filing requirements.

The City Treasurer will coordinate the engagement of an accounting firm and the delivery of requested information in order to assure the preparation and filing of annual tax returns on a timely basis.

Annual Review

The City Treasurer will coordinate an annual review process to investigate, monitor, assure and document compliance with the tax and continuing disclosure requirements described in these guidelines.

Continuing Disclosure Compliance Requirements

In each year that the City has bonds or taxable obligations outstanding subject to SEC Rule 15c2-12, it must provide updated information or its designee, must file or cause to be filed its annual report (the "Annual Report") with the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access system for municipal securities disclosure ("EMMA"). Aforementioned updated information must be provided by the City or designee by the date specified in each bond's official statement. Refer to Exhibit B for the required disclosure dates for City's existing bonds.

In preparing its Annual Report, the City should review each of its outstanding continuing disclosure undertakings (if any) (collectively, the "Undertakings") to determine the quantitative financial information and operating data which, together with the audited financial statements, will constitute the content of the Annual Report. Certain quarterly reports may also need to be filed with the MSRB through EMMA.

The City, through its City Treasurer will also continuously monitor other events relevant to the bonds and provide proper notice to the MSRB through EMMA as may be required by the Undertakings. A list of relevant events is included on Exhibit C hereto, which may be amended from time to time to reflect updates in the law.

The City will coordinate any submissions with the MSRB through EMMA with Bond Counsel or other legal counsel.

EXHIBIT A

TO POST ISSUANCE COMPLIANCE POLICY LIST OF CURRENTLY OUTSTANDING BONDS

GENERAL OBLIGATION BONDS

- \$43,045,000 (original principal amount; dated September 11, 2007) City of Albuquerque, New Mexico, General Obligation General Purpose Bonds, **Series 2007B** (Final Maturity: July 1, 2016)
- \$5,080,000 (original principal amount; dated September 11, 2007) City of Albuquerque, New Mexico, General Obligation Storm Sewer Bonds, **Series 2007C** (Final Maturity: July 1, 2016)
- \$39,000,000 (original principal amount; dated June 26, 2008) City of Albuquerque, New Mexico, General Obligation General Purpose Bonds, **Series 2008A** (Final Maturity: July 1, 2017)
- \$4,000,000 (original principal amount; dated June 26, 2008) City of Albuquerque, New Mexico, General Obligation Storm Sewer Bonds, **Series 2008B** (Final Maturity: July 1, 2017)
- \$54,970,000 (original principal amount; dated June 24, 2009) City of Albuquerque, New Mexico, General Obligation General Purpose Bonds, **Series 2009A** (Final Maturity: July 1, 2018)
- \$135,000,000 (original principal amount; dated February 24, 2011) City of Albuquerque, New Mexico, General Obligation General Purpose Bonds, **Series 2011A** (Final Maturity: July 1, 2023)
- \$61,760,000 (original principal amount; dated May 22, 2012) City of Albuquerque, New Mexico, General Obligation General Purpose Bonds, **Series 2012A** (Final Maturity: July 1, 2024)
- \$8,035,000 (original principal amount; dated May 22, 2012) City of Albuquerque, New Mexico, General Obligation Storm Sewer Bonds, **Series 2012B** (Final Maturity: July 1, 2025)
- \$70,040,000 (original principal amount; dated May 8, 2013) City of Albuquerque, New Mexico, General Obligation General Purpose Bonds, **Series 2013A** (Final Maturity: July 1, 2026)

- \$4,980,000 (original principal amount; dated May 8, 2013) City of Albuquerque, New Mexico, General Obligation Storm Sewer Bonds, **Series 2013B** (Final Maturity: July 1, 2026)
- \$11,675,000 (original principal amount; dated July 1, 2013) City of Albuquerque, New Mexico, General Obligation Refunding Bonds, **Series 2013C** (Final Maturity: July 1, 2014)

GROSS RECEIPTS TAX (GRT) (ONLY) REVENUE BONDS

- \$16,655,000 (original principal amount; dated June 4, 2008) City of Albuquerque, New Mexico, Taxable GRT Refunding Bonds, **Series 2008A** (Final Maturity: July 1, 2014)
- \$11,275,000 (original principal amount; dated December 16, 2008) City of Albuquerque, New Mexico, GRT Refunding Bonds, **Series 2008B** (Final Maturity: July 1, 2030)
- \$28,305,000 (original principal amount; dated December 11, 2009) City of Albuquerque, New Mexico, GRT Refunding Bonds, **Series 2009B** (Final Maturity: July 1, 2022)
- \$11,650,000 (original principal amount; dated September 1, 2011) City of Albuquerque, New Mexico, New Mexico Finance Authority (NMFA) GRT Refunding Bonds, **Series 2011B** (Final Maturity: July 1, 2026)
- \$42,030,000 (original principal amount; dated April 9, 2013) City of Albuquerque, New Mexico, Taxable GRT Improvement Revenue Bonds, **Series 2013** (Final Maturity: July 1, 2035)

GRT & LODGERS TAX REVENUE BONDS

- \$31,965,000 (original principal amount; dated October 6, 2004) City of Albuquerque, New Mexico, GRT/Lodgers Tax Refunding Bonds, **Series 2004A** (Final Maturity: July 1, 2037)
- \$28,915,000 (original principal amount; dated October 6, 2004) City of Albuquerque, New Mexico, Taxable GRT/Lodgers Tax Refunding Bonds, **Series 2004B** (Final Maturity: July 1, 2036)
- \$10,535,000 (original principal amount; dated July 22, 2009) City of Albuquerque, New Mexico, Taxable GRT/Lodgers Tax Refunding Bonds, **Series 2009A** (Final Maturity: July 1, 2025)

- \$22,660,000 (original principal amount; dated September 1, 2011) City of Albuquerque, New Mexico, Taxable GRT/Lodgers Tax Refunding Bonds, **Series 2011A** (Final Maturity: July 1, 2028)

AIRPORT REVENUE BONDS (SENIOR LIEN)

- \$30,000,000 (original principal amount; dated March 23, 2004) City of Albuquerque, New Mexico, Airport Improvement Revenue Bonds, **Series 2004B** (Final Maturity: July 1, 2024)
- \$13,640,000 (original principal amount; dated March 11, 2008) City of Albuquerque, New Mexico, Airport Refunding Revenue Bonds, **Series 2008A** (Final Maturity: July 1, 2018)
- \$16,120,000 (original principal amount; dated May 14, 2008) City of Albuquerque, New Mexico, Taxable Airport Refunding Revenue Bonds, **Series 2008B** (Final Maturity: July 1, 2015)
- \$5,170,000 (original principal amount; dated May 14, 2008) City of Albuquerque, New Mexico, Airport Refunding Revenue Bonds, **Series 2008C** (Final Maturity: July 1, 2020)
- \$26,080,000 (original principal amount; dated December 11, 2009) City of Albuquerque, New Mexico, NMFA Refunding Revenue Bonds, **Series 2009A** (Final Maturity: July 1, 2019)
- \$15,375,000 (original principal amount; dated May 19, 2011) City of Albuquerque, New Mexico, NMFA Refunding Revenue Bonds (AMT), **Series 2011A** (Final Maturity: July 1, 2016)

AIRPORT REVENUE BONDS (SUBORDINATE LIEN)

- \$20,610,000 (original principal amount; dated March 23, 2004) City of Albuquerque, New Mexico, Taxable Airport Refunding Revenue Bonds, **Series 2004A** (Final Maturity: July 1, 2018)
- \$26,680,000 (original principal amount; dated November 19, 2008) City of Albuquerque, New Mexico, Airport Refunding Revenue Bonds, **Series 2008E** (Final Maturity: July 1, 2014)

REFUSE REMOVAL & DISPOSAL BONDS

- \$5,800,000 (original principal amount) City of Albuquerque, New Mexico, NMFA Refuse Removal and Disposal Loan, **Series 2004** (Final Maturity: July 1, 2014)
- \$2,600,000 (original principal amount) City of Albuquerque, New Mexico, NMFA Refuse Removal and Disposal Loan, **Series 2008** (Final Maturity: July 1, 2015)

**EXHIBIT B
TO POST ISSUANCE COMPLIANCE POLICY**

THE FOLLOWING SUMMARIES ARE NOT COMPLETE DESCRIPTIONS OF THE COVENANTS DESCRIBED IN THE BOND DOCUMENTS, AND REFERENCE MUST BE MADE TO THE APPLICABLE DOCUMENT SECTIONS FOR A FULL DESCRIPTION OF SUCH COVENANTS. The City should seek advice of Bond Counsel or other legal counsel to assist in reviewing tax, insurance, disclosure and business covenants summarized below.

ISSUE	ADDITIONAL BOND TEST	CDU DATE	RATE COVENAN T	RESERVE REQUIREME NT
GENERAL OBLIGATIONS				
SERIES 2007B	O/S GO Debt Within 4% A.V. Capacity Limit	Mar. 31	Sufficient To Pay Debt Svc	N/A
SERIES 2007C	O/S GO Debt Within 4% A.V. Capacity Limit	Mar. 31	Sufficient To Pay Debt Svc	N/A
SERIES 2008A	O/S GO Debt Within 4% A.V. Capacity Limit	Mar. 31	Sufficient To Pay Debt Svc	N/A
SERIES 2008B	O/S GO Debt Within 4% A.V. Capacity Limit	Mar. 31	Sufficient To Pay Debt Svc	N/A
SERIES 2009A	O/S GO Debt Within 4% A.V. Capacity Limit	Mar. 31	Sufficient To Pay Debt Svc	N/A
SERIES 2011A	O/S GO Debt Within 4% A.V. Capacity Limit	Mar. 31	Sufficient To Pay Debt Svc	N/A
SERIES 2012A	O/S GO Debt Within 4% A.V. Capacity Limit	Mar. 31	Sufficient To Pay Debt Svc	N/A
SERIES 2012B	O/S GO Debt Within 4% A.V. Capacity Limit	Mar. 31	Sufficient To Pay Debt Svc	N/A
SERIES 2013A	O/S GO Debt Within 4% A.V. Capacity Limit	Mar. 31	Sufficient To Pay Debt Svc	N/A
SERIES 2013B	O/S GO Debt Within 4% A.V. Capacity Limit	Mar. 31	Sufficient To Pay Debt Svc	N/A
SERIES 2013C	O/S GO Debt Within 4% A.V. Capacity Limit	N/A	Sufficient To Pay Debt Svc	N/A

GROSS RECEIPTS TAX (GRT) ONLY REVENUE BONDS

SERIES 2008A	2.25X MADS	Mar. 31	N/A	N/A
SERIES 2008B	2.25X MADS	Mar. 31	N/A	N/A
SERIES 2009B	2.25X MADS	N/A	N/A	N/A
SERIES 2013	2.25X MADS	N/A	N/A	N/A

GRT/LODGERS TAX REVENUE BONDS

SERIES 2004A	2.25X MADS (GRT) / N/A - (LODGERS)	Mar. 31	N/A	N/A
SERIES 2004B	2.25X MADS (GRT) / N/A - (LODGERS)	Mar. 31	N/A	N/A

ISSUE	ADDITIONAL BOND TEST	CDU DATE	RATE COVENAN T	RESERVE REQUIREME NT
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GRT/LODGERS TAX REVENUE BONDS (CONTINUED)

SERIES 2009A	2.25X MADS (GRT) / N/A - (LODGERS)	Mar. 31	N/A	N/A
SERIES 2011A	2.25X MADS (GRT) / N/A - (LODGERS)	N/A	N/A	N/A

AIRPORT REVENUE BONDS (SENIOR LIEN)

SERIES 2004B	1.20X SEN ADS 1.10X COMB ADS	Mar. 31	1.20X SEN ADS 1.10X COMB ADS	LESSOR OF: (i) 125% avg annual ds (ii) 10% of proceeds (iii) MADS
SERIES 2008A	1.20X SEN ADS 1.10X COMB ADS	Mar. 31	1.20X SEN ADS 1.10X COMB ADS	LESSOR OF: (i) 125% avg annual ds (ii) 10% of proceeds (iii) MADS
SERIES 2008B	1.20X SEN ADS 1.10X COMB ADS	Mar. 31	1.20X SEN ADS 1.10X COMB ADS	LESSOR OF: (i) 125% avg annual ds (ii) 10% of proceeds (iii) MADS
SERIES 2008C	1.20X SEN ADS 1.10X COMB ADS	Mar. 31	1.20X SEN ADS	LESSOR OF: (i) 125% avg annual ds (ii)

			1.10X COMB ADS	10% of proceeds (iii) MADS
SERIES 2009A	1.20X SEN ADS 1.10X COMB ADS	N/A	1.20X SEN ADS	N/A
SERIES 2011A	1.20X SEN ADS 1.10X COMB ADS	N/A	1.10X COMB ADS 1.20X SEN ADS 1.10X COMB ADS	N/A

AIRPORT REVENUE BONDS (SUBORDINATE LIEN)

SERIES 2004A	1.10X COMB MADS	Mar. 31	1.20X SEN ADS 1.10X COMB ADS	LESSOR OF: (i) 125% avg annual ds (ii) 10% of proceeds (iii) MADS
SERIES 2008E	1.10X COMB MADS	Mar. 31	1.20X SEN ADS 1.10X COMB ADS	LESSOR OF: (i) 125% avg annual ds (ii) 10% of proceeds (iii) MADS

ISSUE	ADDITIONAL BOND TEST	CDU DATE	RATE COVENAN T	RESERVE REQUIREME NT
REFUSE REMOVAL & DISPOSAL BONDS				
SERIES 2004	1.50X MADS	N/A	Sufficient To Pay 1.50X Debt Svc Req	Springing 1.50X Debt Svc Req
SERIES 2008	1.50X MADS	N/A	Sufficient To Pay 1.50X Debt Svc Req	N/A

EXHIBIT C
TO POST ISSUANCE COMPLIANCE POLICY
SEC RULE 15c2-12 DISCLOSURE REQUIREMENTS

For its Undertakings with respect to bonds or other obligations issued before December 1, 2010, the City must monitor the following events and provide notice of such events to the MSRB through EMMA as required by the applicable Undertaking:

1. Principal and interest payment delinquencies
2. Non-payment related defaults
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions or events affecting the tax-exempt status of the security
7. Modifications to the rights of security holders
8. Bond calls
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities
11. Rating changes.

For its Undertakings with respect to bonds or other obligations issued on or after December 1, 2010, the City must monitor the following events and provide notice of such events to the MSRB through EMMA as required by the applicable Undertaking, but not later than 10 business days after occurrence:

1. Principal and interest payment delinquencies
2. Non-payment related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
7. Modifications to rights of bondholders, if material
8. Bond calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the City
13. The consummation of a merger, consolidation or acquisition involving the City or the sale of all or substantially all of the assets of the City, 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

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.