

RESOLUTION 2010/2011 001

TWSD FINANCIAL STABILIZATION PLAN

WHEREAS, the Timberon Water and Sanitation District's projected annual deficit is approximately \$190,000.00 and,

WHEREAS, the imposition of the 10 mil levy cap on the district resulted in a loss of revenue on an annual basis of approximately \$223,000 and,

WHEREAS, the debt of the district was increased by approximately \$210,000 as a result of the decisions in case # CV2005-329 and,

WHEREAS, the postponement of case # D-1215-CV-201000114 delays implementation of the rate adjustments sought by the district for at least five months reducing expected revenues by \$16,500 per month and,

WHEREAS, there is insufficient tax revenue to properly maintain the roads and operate the other facilities of the district which are funded by the General Fund and,

WHEREAS, approval by the court of resolution 09/10-005 WATER RATE ADJUSTMENT will provide sufficient income to meet revenue shortfalls in the water fund while re-funding, within three years, the reserve and standby accounts and,

WHEREAS, implementation of resolution 09/10-004 INFRASTRUCTURE MAINTENANCE CHARGE will provide sufficient income to meet all of the obligations of the general fund, and,

WHEREAS, there is approximately \$240,000 in uncollected and past due water standby charges

It is hereby resolved that The Board of Directors of the Timberon Water and Sanitation District respectfully requests that District Court Judge Matt Reynolds order the following:

- A. The water rate adjustment sought by the district which was protested in case # D-1215-CV-201000114 shall be temporarily implemented on an emergency basis until the 12th Judicial District Court rules on the protest.**
- B. The Infrastructure Maintenance Charge shall be implemented immediately on an emergency basis with the following provision. The District shall hold**

a rate adjustment hearing within 60 days regarding implementing Resolution 09/10-004 the Infrastructure Maintenance Charge.

- C. The court shall order that the uncollected and past due water standby charges are due and payable on or before the thirty-first day of December, 2010 and effective January 1, 2011 the properties associated with those unpaid rates, tolls, charges and fees shall be declared to be in foreclosure. All revenue derived from collection of those payments shall be pledged for the payment of judgments, settlements, and attorney's fees.
- D. The court shall review the imposition of the Community Service District Act mil levy cap and if it is the finding of the court that the cap does not apply to the district then the board shall adjust the mil levy rate according to the procedure described in NMSA 1978 73-21-18 Levy and collection of taxes.
- E. The Board of Directors may seek grants or loans from any source for the support of any or all purposes of the district to be repaid from revenues of the district as required by statute.

ADOPTED IN A SPECIAL SESSION BY AN ACT OF THE BOARD OF DIRECTORS ON THIS 10TH DAY OF SEPTEMBER, 2010

Attest: _____
Burt Rubinowitz Chairman of the Board

Date: _____

Attest: _____
Charlie Ross Secretary of the Board

Date: _____