

NOTES  
Mayor Swisstack's Transition Team  
Fiscal/Financial Team Meeting  
Friday, April 18, 2008  
10:00 a.m. – City Hall 3<sup>rd</sup> Floor Fiscal Services

Karen Delle Site opened the meeting. Five of the six team members were present. Three residents attended. Karen welcomed the new City Councilor for District 6, Kathy Colley.

Kevin Powers and Eric Harrigan from RBC Capital Markets presented, "City of Rio Rancho, New Mexico Outstanding Debt & Debt Capacity Discussion". They provided a twenty-three page handout detailing the city's debt and bonding capacity. They also attached an Appendix containing the city's rating from the three major rating companies.

Discussion by Kevin Powers and Eric Harrigan:

- they meet regularly with Dick Kristof and Judy Dolley; they do not meet with the governing body unless requested to do so
- they provide monthly GRT reports
- Rio Rancho is underutilizing their GO bond capacity – it currently stands at less than 15%
- the defeat of the bond for the sports complex in northern Rio Rancho is a chance to reallocate the unused capacity – educating the public is essential when trying to pass a bond measure
- city has a GO bonding cycle; short bond length is best
- a successful bond measure with no property tax increase could net the city approximately \$69,000,000
- keep in mind that property taxes are deductible from income taxes
- most cities over-rely on GRT income which is not usually stable

Best GRT generating businesses:

1. large box retail
2. small businesses {law firms, services, etc.}
3. restaurants; hotels {hospitality industry}

For the next meeting:

- Karen will email Team to have top three areas of improvements along with recommendations for those improvements
- Jim Payne will attend the next meeting

Meeting schedule:

Tuesday, April 22<sup>nd</sup> at 1:00pm at City Hall