

**NOTES**  
**Mayor Swisstack's Transition Team**  
***Fiscal/Financial Team Meeting***  
**Tuesday, April 8, 2008**  
**12:00 p.m. – City Hall 3<sup>rd</sup> Floor Fiscal Services**

**Karen Delle Site opened the meeting. All team members were present. Three residents attended.**

**Dick Kristoff, Director of Financial Services discussed his department and he and Judy Dolley, Deputy Director, answered questions.**

- **Most all financial transactions are taken care of electronically. Financial Services as received the GFOA Award. Financial statements are provided for auditors.**
- **GRTs are down approximately \$5.2M year over year. 90% of GRTs come from construction. The rate of retail GRTs is flat. The current budget reflects GRTs as down 2.4% YTD.**
- **With the current budget cycle won't cut staff or services. Plan to cut Capital Projects instead.**
- **Rio Rancho hasn't yet seen the effects of GRTs from Wal-Mart on Southern Blvd., will have to wait until May**
- **strong financial policies instituted by Mr. Kristoff have helped with the city's rating of AA3/AA-**
- **70% of the budget is used for personnel; no staff cuts for next budget cycle however some positions will remain open/frozen**
- **Financed capital projects will not occur from the general fund**
- **Beginning fund balance is weaker than anticipated, is down approximately \$5M**
- **There are no problems or shortfalls with the budget**
- **Water rights cost more than budgeted; utility bond to pay \$11.5M in water rights**
- **Rio Rancho is 3<sup>rd</sup> largest city yet 11<sup>th</sup> in GRTs**
- **Capital Outlay is lacking; strategy needed to work with legislators and lobbyists**
- **Approximately \$100K in outstanding capital projects**

**After Dick Kristoff and Judy Dolley left the meeting, the team discussed the top areas of improvement. These are listed in the order discussed, not the order of importance.**

1. **Stop GRT "leakage" to ABQ; need to be proactive not reactive**

2. Improve external intergovernmental relations/ communication; work all year long; interactive with Councilors, Mayor and Lobbyist {Scott Scanlan}
3. Identify lack of funds and where to make it up not including using the general fund; contingency plan needed; City Manager needs to communicate with Council {mid-year budget meetings}
4. Communication problems; create or identify a finance committee
5. \$500M in outstanding identified capital projects. What is the strategy to fund and finish these projects?
6. Commercial market is starting to soften could be flat in 12-18 months and retail can't fix the problem of lacking GRTs; diversify base of revenue

**Public Comment:**

- shock to find out information in meetings; keep citizens “in the loop”

**For the next meeting:**

- Karen will contact RBC Dain Rauscher (bond folks) to present on either the 18<sup>th</sup> or 22<sup>nd</sup>. When that date is set, Marilyn will contact Jim Payne and someone from Water & Wastewater to present.

**Meeting schedule:**

Friday, April 18<sup>th</sup> at 10:00am at City Hall {changed from 1<sup>st</sup> Community Bank}

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