

**PRELIMINARY OFFICIAL STATEMENT DATED MARCH 17, 2026**

**NEW ISSUE**  
**Book-Entry Only**

**RATING: Moody's – "Aa1"**

*In the opinion of Modrall, Sperling, Roehl, Harris & Sisk, P.A., Bond Counsel, under existing laws, regulations, rulings and judicial decisions, and assuming compliance with certain covenants described in "TAX EXEMPTION" herein, interest on the Bonds (including original issue discount treated as interest) (a) is excludable from the gross income of the recipients thereof for federal income tax purposes, under Section 103 of the Internal Revenue Code of 1986, as amended, and (b) is not a specific item of tax preference for purposes of the federal alternative minimum tax under the Code; however, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Bond Counsel is also of the opinion based on existing laws of the State of New Mexico as enacted and construed that interest on the Bonds is exempt from all taxation by the State of New Mexico or any political subdivision thereof. For a more complete description of such opinion of Bond Counsel and a description of certain provisions of the Internal Revenue Code of 1986, as amended, which may affect the federal tax treatment of interest on the Bonds for certain owners of such Bonds, see "TAX EXEMPTION" herein.*

**\$55,120,000\***

**CITY OF RIO RANCHO, NEW MEXICO**  
**Water and Wastewater System Improvement and Refunding Revenue Bonds,**  
**Series 2026**

**Dated: Date of Delivery**

**Due: May 15, as shown on inside cover**

The City of Rio Rancho, New Mexico Water and Wastewater System Improvement and Refunding Revenue Bonds, Series 2026 (the "Series 2026 Bonds" or the "Bonds") are being issued as fully registered bonds to be sold in denominations of \$5,000 or any integral multiple thereof. The Depository Trust Company, New York, New York ("DTC") will act as securities depository for the Series 2026 Bonds through its nominee, Cede & Co. One fully registered bond equal to the principal amount of each maturity of the Series 2026 Bonds will be registered in the name of Cede & Co. Individual purchases of Series 2026 Bonds will be made in book-entry form only and beneficial owners of the Series 2026 Bonds will not receive physical delivery of bond certificates, except as described herein. Upon receipt of payments of principal and interest, DTC will remit such payments to its participants for subsequent disbursement to the beneficial owners of the Series 2026 Bonds.

The Series 2026 Bonds are being issued pursuant to the general laws of the State of New Mexico, including Sections 3-31-1 to 3-31-12 New Mexico Statutes Annotated 1978, as amended (the "Act"), and enactments of the Governing Body of the City (the "Governing Body") relating to the issuance of the Series 2016 Bonds, including the Master Ordinance and the Bond Ordinance (both as defined herein). Principal of and interest on the Series 2026 Bonds will be payable to DTC, or its nominee, as owner of the Series 2026 Bonds, by BOKF, NA, Albuquerque, New Mexico, as Paying Agent and Registrar. Interest on the Series 2026 Bonds is payable on May 15 and November 15 of each year in which the Series 2026 Bonds are outstanding, commencing May 15, 2026.

**See Inside Cover Page for Maturities, Principal Amounts, Interest Rates, Prices, Yields and CUSIP Numbers**

The Series 2026 Bonds are subject to redemption prior to maturity at the option the City as provided herein.

The Series 2026 Bonds are being issued for the purpose of financing (i) costs of improving the Water and Wastewater Utility System owned and operated by the City, (ii) the refinancing, defeasing, paying and redeeming certain maturities of the Refunded Obligations (defined herein), and (iii) costs pertaining to issuance of the Series 2026 Bonds.

The Series 2026 Bonds, together with the interest accruing thereon, will be payable and collectible solely out of Net Revenues. Net Revenues consist of all income and revenue directly or indirectly derived from the operation and use of the System, less Operation and Maintenance Expenses, all as herein defined. Upon issuance, the owners of the Series 2026 Bonds may not look to any general or other funds of the City for the payment of the principal of or interest and premium, if any, on such obligations, except for the Net Revenues. The Series 2026 Bonds do not constitute an indebtedness of the City within the meaning of any charter or statutory provision or limitation, nor will they be considered or held to be general obligations of the City. Neither the full faith and credit of the City nor the general taxing power or general resources of the City, the State of New Mexico or any political subdivision or public agency thereof is pledged to the payment of the Series 2026 Bonds.

*In connection with the issuance of the Series 2026 Bonds, the City will commit to provide certain annual information and notice of certain events as described herein under the caption "CONTINUING DISCLOSURE UNDERTAKING."*

Certain legal matters will be passed on by Modrall, Sperling, Roehl, Harris & Sisk, P.A., Albuquerque, New Mexico, as Bond Counsel. Certain legal matters will also be passed on for the City by the office of the City Attorney. Modrall, Sperling, Roehl, Harris & Sisk, P.A., has also acted as special counsel to the City in connection with the preparation of this Official Statement. Certain legal matters will be passed on by McCall, Parkhurst & Horton, L.L.P., Dallas, Texas, as counsel to the Underwriter. RBC Capital Markets, LLC serves as Municipal Advisor to the City. It is expected that the Series 2026 Bonds will be delivered through the facilities of DTC in New York, New York on or about April 21, 2026.

Dated: \_\_\_\_\_, 2026

**STIFEL**

\*Preliminary; subject to change.

## MATURITY SCHEDULE

\$55,120,000\*

### CITY OF RIO RANCHO, NEW MEXICO

#### Water and Wastewater System Improvement and Refunding Revenue Bonds, Series 2026

<u>Maturity Date (May 15)</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP No.**</u>
2026	\$ 560,000				
2027	7,210,000				
2028	6,325,000				
2029	5,250,000				
2030	5,470,000				
2031	5,700,000				
2032	5,950,000				
2033	3,295,000				
2024	3,415,000				
2035	2,825,000				
2036	835,000				
2037	835,000				
2038	835,000				
2039	835,000				
2040	835,000				
2041	835,000				
2042	835,000				
2043	835,000				
2044	835,000				
2045	835,000				
2046	770,000				

\* Preliminary, subject to change.

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**CITY OF RIO RANCHO, NEW MEXICO**

**Mayor**

Greggory D. Hull

**Governing Body**

Mayor	Greggory D. Hull
District 1 Councilor	Deb Dapson
District 2 Councilor	Jeremy Lenentine
District 3 Councilor	Bob Tyler
District 4 Councilor	Paul Wymer
District 5 Councilor	Karissa Culbreath
District 6 Councilor	Nicole List

**ADMINISTRATION**

City Manager	Mathew Geisel
City Clerk	Noel Davis
Director of Financial Services	Stephanie Yara
City Attorney	Joshua Rubin
Utilities Director	Steve Gallegos

**MUNICIPAL ADVISOR**

RBC Capital Markets, LLC  
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(505) 872-5999

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(505) 848-1800

**PAYING AGENT/REGISTRAR AND REFUNDING ESCROW AGENT**

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100 Sun Ave. NE, Suite 500  
Albuquerque, New Mexico 87109

**VERIFICATION AGENT**

Causey, Demgen and Moore, P.C.

**UNDERWRITER**

Stifel, Nicolaus & Company, Incorporated  
Two Park Square, 6565 Americas Parkway, NE Suite 200  
Albuquerque, New Mexico 87110

For purposes of compliance with Rule 15c2-12 (“Rule 15c2-12”) of the United States Securities and Exchange Commission (the “SEC”), this document constitutes an Official Statement of the City with respect to the Bonds that has been “deemed final” by the City as of its date, except for the omission of no more than the information permitted by Rule 15c2-12.

No dealer, broker, salesperson or other person has been authorized by the City of Rio Rancho, New Mexico (the “City”) to give any information or to make any statements or representations, other than those contained in this Official Statement, and, if given or made, such other information, statements or representations must not be relied upon as having been authorized. This Official Statement, which includes the cover page and appendices thereto, does not constitute an offer to sell or solicitation of an offer to buy any of the Bonds in any jurisdiction in which such offer or solicitation is not authorized, or in which any person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. This Official Statement contains, in part, estimates and matters of opinion that are not intended as statements of fact, and no representation or warranty is made as to the correctness of such estimates and opinions or that they will be realized.

The information contained in this Official Statement has been obtained from the City and other sources which are deemed to be reliable. The Municipal Advisor and the Underwriter have reviewed the information in this Official Statement in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor and the Underwriter do not guarantee the accuracy or completeness of such information. The information in this Official Statement is subject to change without notice, and neither the delivery of this Official Statement nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City or others since the date hereof.

This Official Statement contains statements relating to future results that are “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995, as amended. When used in this Official Statement, the words “estimate,” “intend,” “expect” and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty and risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward-looking statements and actual results; those differences could be material.

The Bonds have not been registered under the Securities Act of 1933, as amended, in reliance upon exemptions contained in such Act, nor have the Bonds been registered or qualified in any state. Neither the SEC nor any other federal, state, municipal or other governmental entity, nor any agency or department thereof, has passed upon the merits of the Bonds or the accuracy or completeness of this Official Statement. Any representation to the contrary may be a criminal offense.

**IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.**

The Series 2026 Bonds will be distributed in the initial offering by Stifel, Nicolaus & Company, Incorporated. See “UNDERWRITING.”

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## OFFICIAL STATEMENT

\$55,120,000\*

### CITY OF RIO RANCHO, NEW MEXICO

### Water and Wastewater System Improvement and Refunding Revenue Bonds, Series 2026

## INTRODUCTION

### Generally

This Official Statement, which includes the cover page and appendices hereto, provides certain information in connection with the offer and sale by the City of Rio Rancho, New Mexico (the “City”) of its Water and Wastewater System Improvement and Refunding Revenue Bonds, Series 2026 (the “Series 2026 Bonds” or the “Bonds”) in the original principal amount of \$55,120,000.\* Capitalized terms used herein and not defined have the meanings specified in City Ordinance No. 1, Enactment No. 26-04 adopted by the City on March 12, 2026 (the “Bond Parameters Ordinance”), Ordinance No. 59, Enactment No. 94-059 adopted by the Council on December 14, 1994, as supplemented and amended by Ordinance No. 13, Enactment No. 95-013 adopted by the Council on May 17, 1995, Substitute Ordinance No. 25, Enactment No. 98-028 adopted by the Council on November 18, 1998, and by Ordinance No. 16, Enactment No. 17-18 adopted on August 9, 2017 (collectively, the “Master Ordinance” and, together with the Bond Parameters Ordinance, the “Bond Ordinance”). See “THE SERIES 2026 BONDS” and “SECURITY AND SOURCES OF PAYMENT.”

*This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of Series 2026 Bonds to potential investors is made only by means of the entire Official Statement.*

### The City of Rio Rancho

The City is a political subdivision of the State of New Mexico (the “State”), organized and existing under the Constitution, and general laws of the State. The City was incorporated in 1981, operates under a Council-Manager form of government with the Mayor elected at large, and is located in central New Mexico, adjacent to the City of Albuquerque, which is New Mexico’s largest city. The City has a land area of approximately 105 square miles. Rio Rancho is the third largest city in New Mexico and over the last 3 decades has been one of the fastest growing cities in the nation, with a current population of 112,358. The City’s Fiscal Year ends June 30 and is referred to in this Official Statement as the “Fiscal Year.”

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\*Preliminary; subject to change.

## **Purposes of the Series 2026 Bonds**

The Series 2026 Bonds are being issued for the purpose of financing (i) costs of improving the Water and Wastewater Utility System owned and operated by the City, (ii) the refinancing, defeasing, paying and redeeming certain maturities of (A) the City of Rio Rancho New Mexico Water and Wastewater Utility System Refunding Revenue Bonds, Series 2015 (the “Series 2015 Bonds”), (B) New Mexico Finance Authority Loan No.s 3518-PP(A) and 3518-PP(B) (together, the “Senior 2016 NMFA Loan”), and (C) New Mexico Finance Authority Loan No. 3541-PP (the “Subordinate 2016 NMFA Loan and, together with the Series 2015 Bonds, the Senior 2016 NMFA Loan and the Subordinate 2016 NMFA Loan, the “Refunded Obligations”); and (iii) costs pertaining to issuance of the Series 2026 Bonds. See “Plan of Financing” herein.

## **Authority for Issuance**

The Series 2026 Bonds are being issued under the authority of and pursuant to the Constitution and laws of the State of New Mexico, including Sections 3-31-1 to 3-31-12 NMSA 1978, as amended, the powers of the City as a home rule city under authority given by the Constitution of the State and the City Charter and all enactments of the Governing Body relating to the issuance of the Series 2026 Bonds, including the Bond Ordinance.

## **Sources of Payment for the Series 2026 Bonds**

### *Special Limited Obligations*

The Series 2026 Bonds will be special, limited obligations of the City, payable solely from Net Revenues (defined below), proceeds of the Series 2026 Bonds, amounts on deposit in certain funds and accounts established and held under the Bond Ordinance, including the Series 2026 Reserve Account, and the earnings thereon. See “SECURITY AND SOURCES OF PAYMENT.”

All of the Series 2026 Bonds, together with the interest accruing thereon, shall be payable and collectible solely out of the Net Revenues, which are irrevocably so pledged by the Bond Ordinance. **The registered owner or owners of the Series 2026 Bonds may not look to any general or other fund for the payment of the principal of or interest on such obligations, except the designated special funds pledged therefor.** The Series 2026 Bonds shall not constitute an indebtedness or a debt within the meaning of any constitutional or statutory provision or limitation; nor shall they be considered or held to be general obligations of the City; and each of the Series 2026 Bonds shall recite that it is payable and collectible solely from the Net Revenues, the income from which is so pledged, and that the registered owner thereof may not look to any general or other fund for the payment of principal and interest on the Series 2026 Bonds.

### *Net Revenues*

The Series 2026 Bonds are special, limited obligations of the City and are payable as to principal, interest and premium, if any, exclusively from the Net Revenues. The Series 2026 Bonds constitute a first lien (but not an exclusive first lien) on the Net Revenues, with priority over the lien of any subordinate bonds to be issued separately under the Master Ordinance. Net Revenues are defined in the Master Ordinance to mean the Gross Revenues of the System after deducting Operation and Maintenance Expenses. Gross Revenues include all income and revenues directly or indirectly derived by the City from the operation and use of the System. Operation and Maintenance Expenses include all reasonable and necessary current expenses of the System, paid or accrued, related to operating, maintaining and repairing the System.

Pursuant to the Master Ordinance, the City has covenanted to fix rates and collection charges in connection with the use of the System and to increase such rates and other charges from time to time if and when necessary to produce (a) Gross Revenues of the System sufficient to maintain the funds and accounts established in the Master Ordinance and to pay annual Operation and Maintenance Expenses, and (b) in each Fiscal Year, Net Revenues at least equal to the greater of (i) the Debt Service Requirements on all Outstanding System Bonds payable in whole or in part from Net Revenues in such Fiscal Year and the deposits required by the Master Ordinance to be made into the various funds of the Master Ordinance in such year or (ii) 115% of the Debt Service Requirements on all Outstanding System Bonds payable in whole or in part from Net Revenues in such Fiscal Year. See “Security and Sources of Payment” herein.

#### *Series 2026 Reserve Account*

No deposit to the Series 2026 Reserve Account will be made at the time of issuance of the Series 2026 Bonds, and no deposit shall be required so long as the Pledged Revenues in each Fiscal Year equal or exceed 200% of the maximum annual principal and interest coming due in any subsequent Fiscal Year on all outstanding Parity Obligations. See “SECURITY AND SOURCES OF PAYMENT– Reserve Account” herein.

### **Terms of the Series 2026 Bonds**

#### *Payments*

The Series 2026 Bonds will be dated their date of initial delivery. Interest on the Series 2026 Bonds is payable on May 15 and November 15 of each year in which the Series 2026 Bonds are outstanding, commencing May 15, 2026. The Series 2026 Bonds will be issued in the aggregate principal amounts and will mature on the dates and in the amounts shown on the inside of the cover page of this Official Statement. Payments on the Series 2026 Bonds will be made by BOKF, NA, Albuquerque, New Mexico, the initial Paying Agent and Registrar for the Series 2026 Bonds.

#### *Denominations*

The Series 2026 Bonds are issuable in denominations of \$5,000 or integral multiples thereof.

#### *Book-Entry System*

Individual purchases will be made in book-entry only form and purchasers of the Series 2026 Bonds will not receive physical delivery of bond certificates except as more fully described herein. Payments of principal of and interest on the Series 2026 Bonds will be made directly to The Depository Trust Company (“DTC”) or its nominee, Cede & Co., by the Paying Agent, so long as DTC or Cede & Co. is the sole registered owner. Upon receipt of such payments, DTC is to remit such payments to DTC participants for subsequent disbursement to the beneficial owners of the Series 2026 Bonds, all as more fully described in Appendix D - “Book-Entry Only System.”

In reading this Official Statement, it should be understood that while the Series 2026 Bonds are in book-entry only form, references in other sections of this Official Statement to owners of the Series 2026 Bonds should be read to include the person for whom the Participant (as hereinafter defined) and indirect participants acquire an interest in the Series 2026 Bonds, but (i) all rights of ownership must be exercised through DTC and the book-entry only system as described more fully herein, and (ii) notices that are to be given to owners by the City or the Paying Agent will be given only to DTC.

#### *Optional Redemption*

The Bonds will be subject to optional redemption prior to maturity as provided herein.

For a more complete description of the Series 2026 Bonds and the Bond Ordinance, see “THE SERIES 2026 BONDS” and “SECURITY AND SOURCES OF PAYMENT.”

### **Tax Considerations**

In the opinion of Modrall, Sperling, Roehl, Harris & Sisk, P.A. (“Bond Counsel”), (a) the interest on the Bonds will be excludable from gross income for federal income tax purposes under existing law, and (b) is not a specific preference item for purposes of the federal alternative minimum tax on individuals, subject to the matters described under the caption “TAX EXEMPTION” herein. Bond Counsel is also of the opinion, based on existing laws of the State of New Mexico as enacted and construed, that the Bonds and income from the Bonds are exempt from all taxation by the State of New Mexico or any political subdivision thereof.

The form of the bond counsel opinion is attached as Appendix B hereto. For a discussion of such opinion and certain other tax consequences incident to the ownership of the Bonds, see “TAX EXEMPTION” herein.

### **Outstanding Parity Obligations Payable from Pledged Revenues**

Currently, the only other outstanding parity senior lien obligations consist of the Series 2015 Bonds and the Senior 2016 NMFA Loan, certain maturities of which will be refunded and redeemed pursuant to the Refunding Project. See “The Refunding Project” herein.

Pursuant to the Bond Legislation, the City is not permitted to incur other obligations payable from Net Revenues which are senior to the Series 2026 Bonds. However, the City will be permitted to incur parity obligations in accordance with certain tests and upon satisfaction of certain tests as described in “SECURITY AND SOURCES OF PAYMENT — Parity Bonds,” and to incur obligations payable from Net Revenues which are junior and subordinate to the Series 2026 Bonds.

### **Outstanding Subordinate Obligations Payable from Pledged Revenues**

Currently, the only outstanding subordinate lien obligations consist of the Subordinate 2016 NMFA Loan and a 2016 New Mexico Finance Authority/Water Trust Board Loan Agreement with an outstanding principal amount of \$180,480 (the “Subordinate 2016 WTB Loan”). Certain maturities of the Subordinate 2016 NMFA Loan will be refunded and redeemed pursuant to the Refunding Project. See “The Refunding Project” and “City of Rio Rancho Outstanding Subordinate Water and Wastewater System Obligations As of June 30, 2025” herein. The Subordinate 2016 WTB Loan is not included in the Refunding Project.

### **Commitment to Provide Continuing Information**

The City will agree for the benefit of the owners of the Series 2026 Bonds that, so long as the Bonds remain outstanding, the City will provide annually its audited financial statements and certain other financial information and operating data with the Municipal Securities Rulemaking Board using its Electronic Municipal Market Access System (“EMMA”) in conformity with Rule 15c2-12, and will file notice of certain specific events with the Municipal Securities Rulemaking Board, as described in “CONTINUING DISCLOSURE UNDERTAKING” and Appendix C herein.

## **Professionals Involved in the Offering**

At the time of the issuance and sale of the Series 2026 Bonds, Modrall, Sperling, Roehl, Harris & Sisk, P.A., as Bond Counsel, will deliver the bond counsel opinion attached as Appendix B hereto. Certain legal matters relating to the Series 2026 Bonds will be passed upon for the City by the office of the City Attorney. Modrall, Sperling, Roehl, Harris & Sisk, P.A., has also acted as special counsel to the City in connection with the preparation of this Official Statement. Certain legal matters will be passed upon for the Underwriter by its counsel, McCall, Parkhurst & Horton, L.L.P. See “LEGAL MATTERS.”

RBC Capital Markets, LLC (“RBC”) is employed as Municipal Advisor to the City in connection with the issuance of the Series 2026 Bonds. The Municipal Advisor’s fee for services rendered with respect to the sale of the Series 2026 Bonds is contingent upon the issuance and delivery of the Series 2026 Bonds. The Municipal Advisor may also receive a fee for conducting a competitive bid process regarding the investment of certain proceeds of the Series 2026 Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification of, or assume responsibility for, the accuracy, completeness, or fairness of the information in this Official Statement.

## **Offering and Delivery of the Series 2026 Bonds**

The Series 2026 Bonds will be distributed in the initial offering by Stifel, Nicolaus & Company, Incorporated. See “UNDERWRITING.” The Series 2026 Bonds are offered when, as and if issued, subject to approval as to their legality by Bond Counsel and the satisfaction of certain other conditions. It is anticipated that a single certificate for each maturity of the Series 2026 Bonds will be delivered through the facilities of DTC in New York, New York on or about April 21, 2026.

## **Other Information**

This Official Statement speaks only as of its date, and the information contained herein is subject to change.

The quotations from, and summaries and explanations of, the statutes, regulations and documents contained herein do not purport to be complete and reference is made to said laws, regulations and documents for full and complete statements of their provisions. Copies, in reasonable quantity, of such laws, regulations and documents may be obtained during the offering period, upon request to the City and upon payment to the City of a charge for copying, mailing and handling, at 3200 Civic Center Circle, NE, Rio Rancho, New Mexico 87144-4503, Attention: Financial Services Director.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or owners of any of the Series 2026 Bonds.

The purchase of the Series 2026 Bonds involves special risks and the Series 2026 Bonds may not be appropriate investments for all types of investors. Each prospective investor is encouraged to read this Official Statement in its entirety and to give particular attention to the factors described under “CERTAIN INVESTMENT CONSIDERATIONS,” which, among other factors discussed herein, could affect the payment of debt service on the Series 2026 Bonds and could affect the market price or marketability of the Series 2026 Bonds to an extent that cannot be determined at this time.

## **CERTAIN INVESTMENT CONSIDERATIONS**

The City expects that the Net Revenues will at all times be sufficient to make all required payments of principal and interest on the Series 2026 Bonds. A number of factors, however, could adversely affect the City's ability to make timely payments on the Series 2026 Bonds from the Net Revenues.

There follows a discussion of some, but not necessarily all, of the possible risk factors which should be carefully evaluated by prospective purchasers of the Series 2026 Bonds prior to purchasing any Series 2026 Bonds. The Series 2026 Bonds may not be suitable investments for all persons, and prospective purchasers should evaluate the risks and merits of an investment in the Series 2026 Bonds, and should confer with their own legal and financial advisors before deciding to purchase the Series 2026 Bonds.

### **Net Revenues are Subject to Fluctuation**

The ability of the City to pay debt service requirements on the Series 2026 Bonds depends primarily upon the receipt of Net Revenues. No assurance can be made that the Net Revenues of the System, estimated or otherwise, will be realized by the City in amounts sufficient to pay debt service requirements for the Series 2026 Bonds and other Outstanding System Bonds. Among other matters, which may include, without limitation, drought, general national and local economic conditions and changes in law and government regulations (including initiatives on water conservation, moratoriums and growth) could adversely affect the amount of Net Revenues realized by the City. In addition, the realization of future Net Revenues is subject to, among other things, the capabilities of the management of the City, the availability of water rights to meet System needs, the ability of the City to provide services to its customers and the ability of the City to establish, maintain and collect rates and charges sufficient to pay for Operation and Maintenance Expenses and Debt Service Requirements on all Outstanding System Bonds.

The City has implemented long term plans to provide a framework for meeting the future demands on the System. Increases in expenses may require a significant increase in rates and charges to facilitate the completion of such maintenance and improvements. Such rate increases could increase the likelihood of nonpayment by customers of the System or decrease demand for such services, both of which would adversely affect the collection of Net Revenues. Although the City has covenanted to maintain rates and charges at the level necessary to pay debt service requirements for the Series 2026 Bonds and other System Bonds, there can be no assurance that such amounts will be collected in the amount and at the time necessary to pay the debt service requirements for the Series 2026 Bonds and other System Bonds.

### **Limitations on Remedies Available to Owners of Bonds**

There is no provision for acceleration of maturity of the principal of the Bonds in the event of a default in the payment of principal of or interest on the Bonds. Consequently, remedies available to the owners of the Bonds may have to be enforced from year to year.

The enforceability of the rights and remedies of the owners of the Bonds, and the obligations incurred by the City in issuing the Bonds, are subject to the following: the Federal Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditor's rights generally, now or hereafter in effect; usual equity principles, which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the federal Constitution; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose. Bankruptcy proceedings, or the exercise of powers by the federal or State government, if initiated, could subject the

owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

### **Cybersecurity Risks**

The City operates a large and complex information technology infrastructure to support internal and external operations. As is the case with any such environment, the threat of cybersecurity incidents is a constant one. These incidents may arise from multiple sources, including unintentional events or actions, intentional insider threat, and deliberate malicious attacks or actions from outside entities. The effect of these threats may include unauthorized access to City systems, data or resources, inappropriate exposure or use of City information, disruption of City services, and damage to City systems.

The City has adopted a City-wide policies and procedures for appropriate use, access and maintenance of its information and information technology (“IT”) resources (the “Policy”), which are applicable to employees, contractors, consultants, interns, volunteers and other workers, including all personnel affiliated with third parties. The Policy addresses City internet and e-mail resources, and applies to all equipment that is owned or leased by the City regardless of project or program funding sources. The Policy requires that the IT Department of the City evaluate and approve all software, hardware, removable devices, and related maintenance and support contracts (on- or off-network) for all program or project funding sources, and all user accounts. The City carries insurance against losses relating to cybersecurity incidents with coverage at a level it believes to be comparable to coverage carried by other local governments of similar size.

### **Climate Change and Natural Disasters**

The State could experience, and is susceptible to additional, weather events and natural disasters that could be deemed extreme including, without limitation, periods of heat, droughts, floods, mud slides, tornadoes and other wind conditions and wildfires, which could result in negative economic impacts on the State and the City. Such effects may be exacerbated by a longer term shift in the climate over several decades, commonly referred to as climate change. Numerous scientific studies on climate change show that, among other effects on the global ecosystem, extreme temperatures may become more common, and extreme weather events may become more frequent as a result of increasing global temperatures attributable to atmospheric pollution. As a result, the City could lose tax revenues and many residents, businesses, and governmental operations could be displaced. Additionally, climate change concerns have led, and may continue to lead, to new laws and regulations at the federal and state levels (including but not limited to air, water, hazardous substances and waste regulations) that could have a material adverse effect on the operations and/or financial condition of the City. The City cannot predict the occurrence or extent of any future extreme weather events or natural disasters or the economic impacts that the occurrence of any such events may have on the State or the City.

### **Public Health Emergencies**

Regional, national or global public health emergencies could have materially adverse regional, national or global economic and social impacts causing, among other things, the promulgation of local or state orders limiting certain activities, extreme fluctuations in financial markets and contraction in available liquidity, prohibitions of gatherings and public meetings in such places as entertainment venues, extensive job losses and declines in business activity across important sectors of the economy, impacts on supply chain and availability of resources, declines in business and consumer confidence that negatively impact economic conditions or cause an economic recession. The City cannot predict the extent to which its operations or financial condition may decline nor the amount of increased costs, if any, that may be incurred

by the City associated with operating during any public health emergencies, including, but not limited to, the amount of (1) costs to clean, sanitize and maintain its facilities, (2) costs to hire substitute employees, (3) costs to acquire supporting goods and services, or (4) costs to operate remotely and support the employees of the City. Accordingly, the City cannot predict the effect any public health emergencies will have on the finances or operations of the City or whether any such effects will have a material adverse effect on its ability to pay debt service on the Bonds.

### **Additional Bonds**

The City may issue additional System Bonds without Bondholder consent, upon meeting coverage or other financial tests specified in the Bond Ordinance. See “SECURITY AND SOURCES OF PAYMENT -- Parity Bonds.” The issuance of such additional obligations may have an adverse effect on the ability of the City to pay debt service on the Series 2026 Bonds. If Net Revenues are insufficient to pay debt service on the Series 2026 Bonds and the Outstanding System Bonds in any year, debt service will be paid on a proportionate basis.

### **Secondary Market**

No guarantee can be made that a secondary market for the Series 2026 Bonds will be established and maintained. Owners of Series 2026 Bonds should be prepared to hold their Series 2026 Bonds to maturity.

### **Bond Rating**

There is no assurance that the rating assigned to the Series 2026 Bonds will not be lowered or withdrawn at any time, the effect of which could adversely affect the market price or the marketability of the Series 2026 Bonds. See the information herein under the caption “RATING.”

### **Forward-Looking Statements**

This Official Statement contains statements relating to future results that are “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words “estimate,” “forecast,” “intend,” “expect,” “project,” “budget,” “plan,” and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty. Accordingly, such statements are subject to risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward looking statements and actual results. Those differences could be material and could impact the availability of Net Revenues to pay debt service on the Series 2026 Bonds.

## PLAN OF FINANCING

### Sources and Uses of Bond Proceeds

#### *Series 2026 Bonds*

The sources and uses of Series 2026 Bond proceeds are set forth below.

#### SOURCES OF BOND PROCEEDS:

Principal amount of the Series 2026 Bonds	\$
Net Premium	
<b>TOTAL SOURCES OF BOND PROCEEDS</b>	<b>\$</b>

#### USES OF BOND PROCEEDS:

Deposit to Acquisition Account	\$
Deposit to Refunding Escrow Account	
Underwriter's Discount	
Costs of Issuance*	
<b>TOTAL USES OF SERIES 2026A BOND PROCEEDS</b>	<b>\$</b>

\*Includes municipal advisor fees, legal fees, fees of the paying agent/registrar, escrow agent and verification agent, and other miscellaneous costs and expenses related to the issuance of the Series 2026 Bonds.

### The Improvement Project

The Improvement Project consists of financing (i) improvements to the Water and Wastewater Utility System owned and operated by the City, and (ii) expenses pertaining to issuance of the Series 2026 Bonds allocable to the Bonds financing the Improvement Project.

### The Refunding Project

The Refunding Project consists of financing the costs of (i) refinancing, defeasing, paying and redeeming certain maturities of (A) the City of Rio Rancho New Mexico Water and Wastewater Utility System Refunding Revenue Bonds, Series 2015, (B) New Mexico Finance Authority Loan No.s 3518-PP(A) and 3518-PP(B), and (C) New Mexico Finance Authority Loan No. 3541-PP, and (ii) expenses pertaining to issuance of the Series 2026 Bonds allocable to the Bonds financing the Refunding Project. A portion of the proceeds of the Bonds allocated to the Refunding Project will be deposited, administered and invested pending the application of those proceeds to the redemption of the Refunded Obligations by BOKF, NA, Albuquerque, New Mexico, as Escrow Agent, pursuant to the terms of an escrow agreement between the City and BOKF, NA (the "Escrow Agreement"). Under the Escrow Agreement, the escrow fund established thereunder (the "Escrow Fund") is irrevocably pledged to the payment of the principal with respect to the Refunded Obligations plus interest accrued with respect thereto due on the redemption date thereof.

Causey, Demgen & Moore, P.C., Certified Public Accountants, Denver, Colorado (the "Verification Agent"), will verify at the time of delivery of the Series 2026 Bonds to the Underwriter, the mathematical accuracy of the schedules and demonstrate that the federal securities will mature and bear

interest in such amounts which, together with uninvested funds, if any, in the Refunding Escrow Account, will be sufficient to pay when due, the principal with respect to the Refunded Obligations plus interest accrued with respect thereto due on the redemption date thereof. Such maturing principal of and interest on the federal securities held in the Escrow Fund will not be available to pay the Series 2026 Bonds.

By the deposit of the federal securities and cash, if necessary, with the Escrow Agent pursuant to the Escrow Agreement, the City will have effected the defeasance of the Refunded Obligations in accordance with the requirements of the resolutions authorizing issuance thereof and applicable law, and such Refunded Obligations will no longer be outstanding. The City has covenanted in the Escrow Agreement to make timely deposits to the Escrow Fund of any additional amounts required to pay the principal of and interest on the Refunded Obligations if, for any reason, the cash balance on deposit or scheduled to be on deposit in the Escrow Fund is insufficient to make such payments.

### **Annual Debt Service Requirements**

The following schedule shows, for each Fiscal Year of the City, the annual debt service requirements to be payable for the Series 2026 Bonds.

#### **Annual Debt Service Requirements\***

Maturity Date	Principal	Interest	Total Debt Service
(May 15 2026	\$ 560,000	\$ 107,333	\$ 667,333
2027	7,210,000	2,804,400	10,014,400
2028	6,325,000	2,367,500	8,692,500
2029	5,250,000	2,051,250	7,301,250
2030	5,470,000	1,788,750	7,258,750
2031	5,700,000	1,515,250	7,215,250
2032	5,950,000	1,230,250	7,180,250
2033	3,295,000	932,750	4,227,750
2034	3,415,000	768,000	4,183,000
2035	2,825,000	597,250	3,422,250
2036	835,000	456,000	1,291,000
2037	835,000	414,250	1,249,250
2038	835,000	372,500	1,207,500
2039	835,000	330,750	1,165,750
2040	835,000	289,000	1,124,000
2041	835,000	247,250	1,082,250
2042	835,000	205,500	1,040,500
2043	835,000	163,750	998,750
2044	835,000	122,000	957,000
2045	835,000	80,250	915,250
2046	<u>770,000</u>	<u>38,500</u>	<u>808,500</u>
	<u>\$55,120,000</u>	<u>\$16,882,483</u>	<u>\$ 72,002,483</u>

\*Preliminary; subject to change.

## THE SERIES 2026 BONDS

### Generally

The Series 2026 Bonds will bear interest at the rates and mature on the dates set forth on the inside cover page of this Official Statement. Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The Series 2026 Bonds will be dated their date of initial delivery, and will bear interest from that date payable semi-annually on May 15 and November 15 of each year, commencing May 15, 2026 (each an “Interest Payment Date”). The Series 2026 Bonds will bear interest from the most recent date to which interest has been paid or provided, or if no interest has been paid or provided for, from their date until maturity.

The Series 2026 Bonds will be issued in denominations of \$5,000 or integral multiples thereof, will be issued in fully registered form and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee of DTC. DTC will act as securities depository for the Series 2026 Bonds. Individual purchases may be made in book-entry form only. Purchasers will not receive certificates representing their interest in the Series 2026 Bonds purchased. So long as Cede & Co., as nominee of DTC, is the registered owner of the Series 2026 Bonds, references herein to the Bondholders, owners or registered owners shall mean Cede & Co. and shall not mean the beneficial owners of the Series 2026 Bonds.

So long as Cede & Co. is the registered owner of the Series 2026 Bonds, principal of and interest on the Series 2026 Bonds are payable by wire transfer by the Paying Agent to Cede & Co., as nominee for DTC, which is required, in turn, to remit such amounts to the DTC Participants. See Appendix D - “Book-Entry Only System.”

### Book-Entry Only System

Individual purchases of the Series 2026 Bonds will be made in book-entry only form and purchasers of the Series 2026 Bonds will not receive physical delivery of bond certificates, except as more fully described herein. Payments of principal of and interest and redemption premium, if any, on the Series 2026 Bonds will be made directly to The Depository Trust Company, New York, New York (“DTC”) or its nominee, Cede & Co., by the BOKF, NA, Albuquerque, New Mexico, as Paying Agent and Registrar (the “Fiscal Agent”), so long as DTC or Cede & Co. is the sole registered owner. Upon receipt of such payments, DTC is to remit such payments to the DTC participants (the “Participants”) for subsequent disbursement to the beneficial owners of the Series 2026 Bonds. In reading this Official Statement, it should be understood that while the Series 2026 Bonds are in book-entry only form, references in other sections of this Official Statement to owners of Series 2026 Bonds (“Owners”) should be read to include the person for whom the Participants and indirect participants acquire an interest in the Series 2026 Bonds, but (i) all rights of ownership must be exercised through DTC and the book-entry only system and (ii) notices that are to be given to Owners by the City or the Fiscal Agent will be given only to DTC. See Appendix D – “Book-Entry Only System.”

### Redemption Prior to Maturity

#### *Optional Redemption*

The Bonds maturing on and after May 15, 2037 are subject to redemption prior to maturity at the option of the City, in whole or in part, at any time on or after May 15, 2036 at the redemption price of 100% of the principal amount of the Bonds, plus accrued interest, if any, to the date fixed for redemption.

### *Partial Redemption*

If less than all of the Outstanding Bonds are to be redeemed, the Maturity Dates of the Bonds to be redeemed shall be selected by the City. If less than all Bonds of a given Maturity Date are redeemed, the Bonds of that Maturity Date to be redeemed shall be selected by lot in such manner as determined by the Paying Agent. However, the portion of any Bonds to be redeemed and the portion of any Bond not redeemed shall both be in Authorized Denominations. If, as indicated in a certificate of an Authorized Officer delivered to the Paying Agent, the City has offered to purchase all Bonds then Outstanding and less than all of the Bonds have been tendered to the City for purchase, the Paying Agent, at the direction of an Authorized Officer, shall select for redemption all, or any part designated by the City, of the Bonds which have not been tendered.

In selecting Bonds for redemption, the Paying Agent shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of any Bond by the minimum Authorized Denomination. If it is determined that one or more, but not all, of the units of principal amount represented by any Bond is to be called for redemption, then, upon notice of intention to redeem such unit or units, the Owner of such Bond (except with respect to Bonds registered to a Depository or its nominee, in which case a notation as to the amount redeemed may be made on such Bonds) shall promptly surrender such Bond to the Paying Agent for (i) payment to such Owner of the redemption price of the unit or units of principal amount called for redemption, and (ii) delivery to such Owner of a new Bond of the same Maturity Date and series in the aggregate principal amount of the unredeemed balance, without charge therefor.

If the Owner of any such Bond fails to present that Bond to the Paying Agent for payment, that Bond nevertheless shall become due and payable on the date fixed for redemption to the extent of the unit or units of principal amount called for redemption and interest shall cease to accrue on that principal amount.

### *Notice*

Notice of redemption of Bonds shall be given by the Paying Agent by sending a copy of such notice by registered or certified first class, postage prepaid mail not less than 30 days prior to the redemption date to all Depositories, to the Municipal Securities Rulemaking Board's EMMA System and to the Owner of each Bond, or portion thereof, to be redeemed at the address shown as of the close of business on the fifth day prior to the mailing of notice on the Bond Register. The City shall give the Paying Agent notice of the redemption date and the Maturity Date and the principal amounts of each maturity of Bonds to be called for redemption pursuant to the Bond Ordinance at least fifteen Business Days prior to the date that the Paying Agent is required to give Owners notice of redemption. Bonds to be called for mandatory sinking fund redemption shall be called for redemption by the Paying Agent without the necessity of any notice to the Paying Agent from the City. Neither the City's failure to give such notice, the Paying Agent's failure to give such notice to any Depository (other than as the Owner of Bonds being redeemed), or the registered Owner of any Bonds to be redeemed, or any defect therein, nor the failure of the Depository to notify a Participant or any Participant or Indirect Participant to notify a Beneficial Owner of any such redemption, shall affect the validity of the proceedings for the redemption of any Bonds for which proper notice was given.

The official notice of redemption to Owners shall state:

- (1) the CUSIP numbers of the Bonds to be redeemed,
- (2) the redemption date,
- (3) the redemption price,
- (4) the Bonds to be redeemed,
- (5) if less than all Outstanding Bonds are to be redeemed, the bond numbers and Maturity Dates of the Bonds to be redeemed and, in the case of a partial redemption of a Bond, the principal amount to be redeemed,
- (6) that, subject to the provisions for optional redemption under the Bond Ordinance, if applicable, on the redemption date, the redemption price will become due and payable on each Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after that date,
- (7) the place where such Bonds are to be surrendered for payment of the redemption price, the name of a contact person (if the book-entry system is in effect), and the phone number at the office of the Paying Agent, and
- (8) if the redemption is an optional redemption pursuant to the Bond Ordinance, that the redemption is conditional, if applicable, stating the conditions set forth in the Bond Ordinance for optional redemption.

The Paying Agent shall comply with any other terms regarding redemption and notice of redemption, as are required by any agreement with a Depository.

Except as provided in the Bond Ordinance, notice having been given in the manner provided above, the Bonds or part thereof called for redemption shall become due and payable on the redemption date designated and the Bonds, or part thereof to be redeemed, for which the redemption price is on deposit with the Paying Agent, shall not be deemed to be Outstanding and shall cease to bear or accrue interest from and after such redemption date. Subject to the Bond Ordinance, upon presentation of a Bond to be redeemed at the office of the Paying Agent on or after the redemption date, or, so long as the book-entry system is used for determining beneficial ownership of the Bond being redeemed, upon satisfaction of the terms of any other arrangement between the Paying Agent and the Depository, the Paying Agent will pay such Bonds or portion thereof called for redemption.

## **SECURITY AND SOURCES OF PAYMENT**

### **Special, Limited Obligations**

The Series 2026 Bonds shall not constitute indebtedness or a debt of the City within the meaning of any constitutional, charter or statutory provision or limitation, nor shall they be considered or held to be general obligations of the City. Neither the credit nor the taxing power of the City is pledged for the payment of the principal of or the interest and premium, if any, on the Series 2026 Bonds and no owner has the right to compel the exercise of the taxing power of the City or the forfeiture of any of its property in connection with any default under the Bond Ordinance.

The Series 2026 Bonds are special, limited obligations of the City and are payable as to principal, interest and premium, if any, exclusively from the Net Revenues. The Series 2026 Bonds constitute a first lien (but not an exclusive first lien) on the Net Revenues, with priority over the lien of any subordinate bonds to be issued separately under the Master Ordinance. The Net Revenues consist of Gross Revenues less Operation and Maintenance Expenses, each as described below.

## **Net Revenues**

The Net Revenues will be received and held by the City for the benefit of the Owners of the Series 2026 Bonds, and will be disbursed, allocated and applied solely for the uses and purposes described in the Bond Ordinance. Amounts on deposit in each of the funds and accounts established pursuant to the Master Ordinance will be invested in Permitted Investments. Investment income on amounts in any fund or account will be credited to such fund or account, and any loss will be charged to such fund or account.

## **Gross Revenues**

Gross Revenues consist of all income and revenues directly or indirectly derived by the City from the System, or any part of the System, and include, without limitation, all revenues received by the City, or any municipal corporation or agency succeeding to the rights of the City, from the availability or operation and use of the System and from the sale and use of water, water and wastewater services or facilities, or any other service, commodity or facility or any combination thereof furnished to the City and public and private customers of the System, including but not limited to connection or impact fees. Gross Revenues also include:

- (a) all income derived from the investment of any money in the Acquisition Fund, Water and Wastewater Fund, Debt Service Fund and Rate Stabilization Fund and from surplus Net Revenues, all as defined in the Master Ordinance;
- (b) money released from the Rebate Fund to the City;
- (c) money released from the Rate Stabilization Fund to the extent that the amount released is used to pay Operation and Maintenance Expenses or Debt Service Requirements on System Bonds in the year released; and
- (d) property insurance proceeds which are not necessary to restore or replace the property lost or damaged and the proceeds of the sale or other disposition of any part of the System.

Gross Revenues do not include:

- (a) any money received as (i) a water quality testing fee, (ii) grants or gifts from the United States of America, the State or other sources or (iii) the proceeds of any charge or tax intended as a replacement therefor or other capital contributions from any source which are restricted as to use, including, without limitation revenues derived from the Water Rights Acquisition Surcharge imposed and collected by the City;
- (b) taxes and/or fees collected by the City and remitted to other governmental agencies;
- (c) condemnation proceeds or the proceeds of any insurance policy, except any insurance proceeds derived in respect of loss of use or business interruption;
- (d) the proceeds of System Bonds or any other bonds or refunding bonds; and
- (e) Water Rights Acquisition Fee Revenue.

Operation and Maintenance Expenses consist of all reasonable and necessary current expenses of the System, in any particular Fiscal Year or period to which such term is applicable, paid or accrued, related

to operating, maintaining and repairing the System, including, without limiting the generality of the foregoing:

- (a) legal and overhead expenses of the various City departments directly related and reasonably allocable to the administration of the System;
- (b) insurance premiums for the System, including, without limitation, premiums for property insurance, public liability insurance and workmen's compensation insurance, whether or not self-funded;
- (c) premiums, expenses and other costs (other than required reimbursements of insurance proceeds and other amounts advanced to pay Debt Service Requirements on System Bonds) for Credit Facilities;
- (d) expenses other than Expenses paid from the proceeds of System Bonds;
- (e) the costs of audits of the books and accounts of the System;
- (f) amounts required to be deposited in the Rebate Fund;
- (g) salaries, administrative expenses, labor costs, surety bonds and the cost of materials and supplies used for or in connection with the current operation of the System; and
- (h) any fees required to be paid under any operation, maintenance and/or management agreement with respect to the System.

Operation and Maintenance Expenses do not include any allowance for depreciation, payments in lieu of taxes, liabilities incurred by the City as a result of its negligence or other misconduct in the operation of the System, any charges for the accumulation of reserves for capital replacements or any Operation and Maintenance Expenses payable from moneys other than Gross Revenues.

### **Application of Gross Revenues**

As long as any System Bonds are outstanding, all Gross Revenues shall be deposited in the Water and Wastewater Fund and transferred from that Fund to the following funds and accounts or for payment of the following amounts in the order listed:

- (a) *Operation and Maintenance Expenses.* A sufficient amount of Gross Revenues shall be set aside each month to be used to pay the current Operation and Maintenance Expenses as they become due.
- (b) *Debt Service Accounts for Parity Bonds.* Net Revenues shall be transferred to the Debt Service Accounts established for each series of Outstanding Parity Bonds payable in whole or in part from Net Revenues to pay Debt Service Requirements on Parity Bonds as they become due.
- (c) *Reserve Account.* Net Revenues shall be transferred to each Reserve Account for each series of Parity Bonds payable in whole or in part from Net Revenues with a Reserve Requirement to the extent that deposits are required to be made as a result of any draws on a Reserve Account Insurance Policy or deficiency in the Reserve Requirement for an applicable series of Parity Bonds.

(d) *Subordinated Bonds.* Net Revenues shall be used to pay Debt Service Requirements on Subordinated Bonds payable in whole or in part from Net Revenues and to fund any Reserve Requirement for applicable Subordinated Bonds.

(e) *Replacement Fund.* At the option of the City, Net Revenues may be transferred to the Replacement Fund to be used for the purposes stated in the Master Ordinance.

(f) *Rate Stabilization Fund.* At the option of the City, Net Revenues may be transferred to the Rate Stabilization Fund to be used for the purposes stated in the Master Ordinance.

(g) *Surplus Net Revenues.* Net Revenues shall be retained in the Water and Wastewater Fund or used for any other lawful System purpose, including, but not limited to, redeeming or purchasing System Bonds or paying costs and expenses of the City relating to the administration of System Bonds, but shall not be transferred to the general fund of the City except for Operation and Maintenance Expenses owed by the System to the City and taxes, payments in lieu of taxes, assessments and other municipal or governmental charges of the City lawfully levied or assessed upon the System.

(h) *Accumulation of Revenues.* Gross Revenues need not be retained for any use or in any fund or account created under the Master Ordinance in excess of the Gross Revenues required for any current use or deposit. For the purposes of this subparagraph, the term current shall mean the month during which the Net Revenues are being distributed and the immediately following month.

### **Rate Covenant**

Unless otherwise provided in a Resolution of Sale applicable to a series of System Bonds, the City has covenanted that it will at all times fix rates and collect charges for each class of service rendered by the System, and will, from time to time, amend or adjust such rates so that Gross Revenues of the System shall always be sufficient to provide for the payment of the Debt Service Requirements on all Outstanding System Bonds payable in whole or in part from Net Revenues as and when the same become due and payable, to maintain the funds and accounts established in the Master Ordinance or applicable Resolutions of Sale, to provide for the payment of expenses of administration, Operation and Maintenance Expenses of the System which may be necessary to preserve the same in good repair and working order, including the necessary reserves therefor and all other payments necessary to meet ongoing legal obligations to be paid at that time; and

Unless otherwise provided in a Resolution of Sale applicable to a series of System Bonds, the City further covenants that it will at all times fix, charge and collect such rates and charges as shall be required in order that in each Fiscal Year the Net Revenues shall at least equal the *greater* of (a) the Debt Service Requirements on all Outstanding System Bonds payable in whole or in part from Net Revenues in such Fiscal Year and the deposits required by the Master Ordinance to be made into the various funds of the Master Ordinance in such year, or (b) 115% of the Debt Service Requirements on all Outstanding System Bonds payable in whole or in part from Net Revenues in such Fiscal Year. For purposes of determining compliance with this paragraph, Net Revenues shall include funds withdrawn from the Rate Stabilization Fund, but only if the Net Revenues for such Fiscal Year (without considering withdrawals from the Rate Stabilization Fund) were at least equal to 100% of the Debt Service Requirements on all Outstanding System Bonds payable in whole or in part from Net Revenues in such Fiscal Year.

Failure by the City to comply with the Rate Covenant in any Fiscal Year will not constitute an event of default under the Master Ordinance so long as the City, within 180 days, adopts the schedule of rates and charges recommended or approved by a Consulting Engineer which would bring the City into compliance with the Rate Covenant. The City is also required under the Master Ordinance in each Fiscal Year to

complete a review of its financial condition for the purpose of estimating whether the Net Revenues for such Fiscal Year and for the next succeeding Fiscal Year will be sufficient to comply with the Rate Covenant set forth above. If the City determines that the Net Revenues may not be so sufficient, it will forthwith cause the Consulting Engineer to make a study for the purpose of recommending a schedule of fees, rates and charges for the System which, in the opinion of the Consulting Engineer, will cause sufficient Gross Revenues to be collected in such Fiscal Year to comply with the Rate Covenant and will cause additional Gross Revenues to be collected in such Fiscal Year sufficient to eliminate the amount of any deficiency at the earliest practicable time within such Fiscal Year. The City will as promptly as practicable adopt and place in effect the schedule of fees, rates and charges recommended or approved by the Consulting Engineer pursuant to the Master Ordinance. As an alternative to establishing fees, rates and charges necessary to meet the Rate Covenant, the City may establish a reduction in Operation and Maintenance Expenses for the System.

### **Reserve Account**

Pursuant to the Master Ordinance, separate Reserve Accounts to be maintained and controlled by the City or its designee shall be established as part of the Debt Service Fund for each series of System Bonds for which there is a Reserve Requirement\*. Each Reserve Account may be funded with the proceeds of the applicable series of System Bonds, a Reserve Account Insurance Policy (which is not anticipated in connection with the Series 2026 Bonds), Net Revenues or any combination thereof. A Reserve Account Insurance Policy may be substituted for an equivalent amount of cash in a Reserve Account. A sum equal to the amount in a Reserve Account and the proceeds of a Reserve Account Insurance Policy used to pay Debt Service Requirements on a series of System Bonds plus interest, if any, owed on amounts advanced pursuant to a Reserve Account Insurance Policy will be deposited in the Reserve Account for that series of System Bonds from the first Net Revenues received by the City which are not required by the Master Ordinance to be used for another purpose. If the amount of Net Revenues available for deposit in the Debt Service Fund is not sufficient to pay the entire amount required to be deposited in the Debt Service Accounts and/or Reserve Accounts, the Net Revenues available shall be deposited in the Debt Service Accounts and Reserve Accounts pro rata based upon the amount required to be deposited in each Account to the total Net Revenues available for deposit, in accordance with priorities established in the Master Ordinance.

The Bond Ordinance requires that a Reserve Account be created for the Series 2026 Bonds (the "Series 2026 Reserve Account"), but no deposit shall be required thereto so long as the Pledged Revenues in each Fiscal Year equal or exceed 200% of the maximum annual principal and interest coming due in any subsequent Fiscal Year on all outstanding Parity Obligations. If the Pledged Revenues in any Fiscal Year are insufficient to meet the test set forth in the preceding sentence, the City shall acquire a Reserve Fund Insurance Policy in an amount equal to the Minimum Reserve or shall begin making substantially equal monthly deposits in the Reserve Fund from the first legally available Pledged Revenues so that after 24 months an amount equal to the Minimum Reserve will be held in the Series 2026 Reserve Account and funded in an amount equal to the Series 2026 Reserve Requirement.

Amounts on deposit in the Series 2026 Reserve Account shall only be used to make payments of principal and interest on the Series 2026 Bonds. No payments need be made into the Series 2026 Reserve Account as long as the sum of the money in the Series 2026 Reserve Account is equal to or greater than the

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\* "Reserve Requirement" means an amount not to exceed an amount equal to the lesser of ten percent (10%) of the principal amount for a series of System Bonds, the maximum annual Debt Service Requirement on that series of System Bonds or 125% of average annual Debt Service Requirements on that series of System Bonds, calculated on the date of initial issuance of the series and recalculated on the date of any optional redemption or purchase by the City for cancellation of System Bonds of that series from the date of original issuance of that series as if the System Bonds redeemed or purchased were never issued.

Series 2026 Reserve Requirement or the City has purchased a Reserve Account Insurance Policy sufficient to satisfy the Series 2026 Reserve Requirement. Money in the Series 2026 Reserve Account will be accumulated and maintained as a continuing reserve to be used, except as provided in the Master Ordinance, only to prevent deficiencies in the payment of the principal of or interest on the Series 2026 Bonds.

If the amount on deposit in the Debt Service Account for the Series 2026 Bonds (the “Series 2026 Debt Service Account”) on a payment date and available Net Revenues are not sufficient to pay the amount becoming due on the Series 2026 Bonds on that date, an amount equal to the deficiency will be transferred from the Series 2026 Reserve Account to the Series 2026 Debt Service Account.

Any amount on deposit in the Series 2026 Reserve Account in excess of the Series 2026 Reserve Requirement may be withdrawn at any time from the Series 2026 Reserve Account and deposited in the Replacement Fund. However, any excess which represents original proceeds of the Series 2026 Bonds or interest thereon will first be used to pay Debt Service Requirements on the Series 2026 Bonds or costs of issuance for the Series 2026 Bonds.

### **Rate Stabilization Fund**

Under certain circumstances, the City may use amounts on deposit in the Rate Stabilization Fund to satisfy its Rate Covenant obligation or to meet the prerequisites for the issuance of additional Parity Bonds. See “Parity Bonds” and “Rate Covenant” herein. Presently, there are no amounts on deposit in the Rate Stabilization Fund and the City does not have current plans to deposit excess System revenues into the Rate Stabilization Fund.

### **Parity Bonds**

Parity Bonds payable in whole or in part from Net Revenues may be issued for System purposes, including without limitation (a) financing the costs of Projects; or (b) providing additional funds for deposit into a Reserve Account for the particular series of Parity Bonds, the Expense Account or the Replacement Account, and paying the costs incident to the issuance of such Parity Bonds or any combination of the foregoing.

***Parity Bonds Test.*** Parity Bonds may be issued for System purposes including, but not limited to, (a) financing the costs of Projects; or (b) providing funds for deposit into a Reserve Account, the Expense Account or the Replacement Account and paying the costs incident to the issuance of such Parity Bonds or any combination of the foregoing.

The tests described below shall be performed without adjustment for interest accrued (other than amounts representing capitalized interest) in the Acquisition Fund. Except as permitted by the Master Ordinance, prior to the issuance of additional Parity Bonds, the City shall be current in making all deposits required by the Master Ordinance and either of the following tests shall be satisfied:

(a) a certificate prepared by an Authorized Officer of the City showing that the Net Revenues for the Historical Test Period (i.e. any 12 consecutive months out of the 18 months next preceding the delivery of the proposed Parity Bonds) were at least equal to 115% of the maximum combined annual Debt Service Requirements for all Parity Bonds which will be Outstanding immediately after the issuance of the proposed Parity Bonds; or

(b) a certificate prepared by a Consulting Engineer showing that:

(i) for each Fiscal Year during the period from the date of delivery of such certificate until the latest Estimated Completion Date, the Consulting Engineer estimates that the City will be in compliance with the Rate Covenant; and

(ii) the estimated Net Revenues for each of the two Fiscal Years immediately following the latest Estimated Completion Date for the specified project to be financed with proceeds of such Parity Bonds will be at least equal to 120% of the maximum combined annual Debt Service Requirements for all Parity Bonds which will be Outstanding immediately after the issuance of the proposed Parity Bonds.

For purposes of subsection (b) above, in estimating Net Revenues, the Consulting Engineer may take into account (i) reasonable Gross Revenues from specified System projects expected to become available, (ii) any increase in fees, rates, charges, rentals or other sources of Gross Revenues which has been approved by the City and will be in effect during the period for which the estimates are provided, and (iii) any other increases in Gross Revenues which the Consulting Engineer believes to be a reasonable assumption for such period.

For purposes of subsection (b) above, in estimating Net Revenues, the Consulting Engineer may take into account funds reasonably expected to be available for withdrawal from the Rate Stabilization Fund, but only if the estimated Net Revenues for each of such Fiscal Years (without considering withdrawals from the Rate Stabilization Fund), as certified to the Consulting Engineer by an Authorized Officer of the City, will be at least equal to 100% of the maximum combined annual Debt Service Requirements for all Parity Bonds which will be Outstanding immediately after the issuance of the proposed Parity Bonds.

With respect to Operation and Maintenance Expenses, the Consulting Engineer shall use such assumptions as the Consulting Engineer believes to be reasonable, taking into account, (a) historical Operation and Maintenance Expenses, (b) Operation and Maintenance Expenses associated with the specified System projects, and (c) such other factors, including inflation and changing operations or policies of the City, as the Consulting Engineer believes to be appropriate. The Consulting Engineer shall include in the certificate or in a separate accompanying report a description of the assumptions used and the calculations made in determining the estimated Net Revenues and shall also set forth the calculations of the maximum combined annual Debt Service Requirements, which calculations may be based upon information provided by another Consulting Engineer.

For purposes of preparing the certificate or certificates described above, the Consulting Engineer or Consulting Engineers may rely upon financial statements prepared by the City which have not been subject to audit by an independent certified public accountant if audited financial statements for the Fiscal Year or period are not available; provided, however, that an Authorized Officer of the City shall certify as to their accuracy and that such financial statements were prepared substantially in accordance with generally accepted accounting principles, subject to year-end adjustments.

***Superior Obligations.*** As long as Parity Bonds are Outstanding, the City will not issue additional System Bonds having a lien on the Net Revenues prior and superior to the lien of Parity Bonds on Net Revenues.

***Subordinate Obligations.*** Nothing contained in the Master Ordinance prevents the City from issuing bonds or other obligations with no lien on Net Revenues or a lien on Net Revenues subordinate to the lien of the Parity Bonds on Net Revenues.

***Refunding Bonds.*** The Master Ordinance provides for the issuance of refunding bonds subject to certain conditions. If at any time the City shall find it desirable to refund any System Bonds payable from Net Revenues, the System Bonds may be refunded, regardless of whether the priority of the lien for the payment of the refunding System Bonds payable in whole or in part from Net Revenues is changed, except that no obligation may be created having a lien on Net Revenues superior to the lien of Parity Bonds on Net Revenues.

***Limitation upon Issuance of Refunding Parity Bonds.*** No refunding bonds or other refunding obligations shall be issued as Parity Bonds unless (i) there is delivered a certificate of the Authorized Officer of the City showing that the combined Debt Service Requirements on all Outstanding Parity Bonds payable in whole or in part from Net Revenues after the issuance of refunding Parity Bonds will not exceed by more than 10% the combined Debt Service Requirements on all Outstanding Parity Bonds payable in whole or in part from Net Revenues authorized prior to the issuance of such refunding Parity Bonds, and the City is in current compliance with the Rate Covenant, or (ii) the refunding Parity Bonds are issued in compliance with the Parity Bonds test. See “SECURITY AND OTHER SOURCES OF PAYMENT FOR THE BONDS-Parity Bonds.”

## **OUTSTANDING WATER AND WASTEWATER SYSTEM OBLIGATIONS**

### **System Obligations**

Upon the refunding of the Refunded Series 2015 Bonds and the Refunded Senior 2016 NMFA Loan (as defined in the Bond Ordinance), certain maturities of the Series 2015 Bonds and certain maturities of the Senior 2016 NMFA Loan will remain outstanding constituting a lien on Net Revenues on parity with the Series 2026 Bonds. Upon the refunding of certain maturities of the Subordinate 2016 NMFA Loan, the remaining Subordinate 2016 NMFA Loan maturities and the Subordinate WTB Loan will be the only outstanding obligations payable from Net Revenues with a lien on parity with the lien of the Series 2026 Bonds.

### **Total Combined Debt Service**

The Series 2026 Bonds constitute System Obligations. The table on the following page sets forth the amounts required in each such fiscal year to pay scheduled annual debt service on the Series 2026 Bonds, outstanding Parity Bonds, and outstanding subordinate obligations, as well as the debt service coverage ratio, based on Fiscal Year 2025 Net Revenues of \$38,976,216.

## ANNUAL DEBT SERVICE SUMMARY

### City of Rio Rancho Debt Service/Coverage<sup>(1)(2)</sup>

Period Ending May 15	Series 2026 Bonds	Outstanding Parity Debt Service	Combined Parity Debt Service*	Parity Debt Service Coverage	Subordinate Debt Service	Combined Total Debt Service*	Total Debt Service Coverage
2026	\$ 669,715	\$3,941,225	\$ 4,608,558	8.46x	\$ 840,680	\$ 5,449,238	7.15x
2027	10,148,944	1,183,850	11,198,250	3.48x	233,055	11,431,305	3.41x
2028	8,802,500	1,783,650	10,476,150	3.72x	993,055	11,469,205	3.40x
2029	7,526,000	238,350	7,539,600	5.17x	217,855	7,757,455	5.02x
2030	7,477,400	238,350	7,497,100	5.20x	217,855	7,714,955	5.05x
2031	7,428,000	238,350	7,453,600	5.23x	217,855	7,671,455	5.08x
2032	7,382,000	238,350	7,418,600	5.25x	217,855	7,636,455	5.10x
2033	4,423,750	238,350	4,466,100	8.73x	217,855	4,683,955	8.32x
2034	4,373,250	238,350	4,421,350	8.82x	217,855	4,639,205	8.40x
2035	3,606,750	238,350	3,660,600	10.65x	217,855	3,878,455	10.05x
2036	1,469,750	1,468,350	2,759,350	14.13x	1,217,550	3,976,900	9.80x
2037	1,422,250	1,466,450	2,715,700	14.35x	1,216,950	3,932,650	9.91x
2038	1,374,750	1,468,500	2,676,000	14.57x	1,215,450	3,891,450	10.02x
2039	1,327,250	1,464,350	2,630,100	14.82x	1,213,050	3,843,150	10.14x
2040	1,279,750	1,464,150	2,588,150	15.06x	1,214,750	3,802,900	10.25x
2041	1,232,250	1,467,750	2,550,000	15.28x	1,215,400	3,765,400	10.35x
2042	1,184,750		1,040,500	37.46x		1,040,500	37.46x
2043	1,137,250		998,750	39.02x		998,750	39.02x
2044	1,089,750		957,000	40.73x		957,000	40.73x
2045	1,042,250		915,250	42.59x		915,250	42.59x
2046	<u>939,750</u>		<u>808,500</u>	48.21x		<u>808,500</u>	<u>48.21x</u>
<b>Total</b>	<b><u>\$75,388,159</u></b>	<b><u>\$17,376,725</u></b>	<b><u>\$89,379,208</u></b>		<b><u>\$10,884,925</u></b>	<b><u>\$100,265,133</u></b>	

(1) Amounts are rounded to the nearest dollar.

(2) Based on Net Revenues for Fiscal Year ended on June 30, 2025, which were \$38,976,216. There is no assurance that Net Revenues received in the future will equal the Net Revenues used in coverage computations.

## CERTAIN INFORMATION CONCERNING THE WATER SYSTEM

### Customer Characteristics

The Water System was initially constructed in the early 1960s to accommodate subdivision development by AMREP Southwest, Inc. (“AMREP”), Rio Rancho’s primary real estate developer, which purchased 92,000 acres for development. Initially, the Water System was owned by AUC, a wholly owned subsidiary of AMREP. In 1990, the Water System was sold to RRUC, a wholly owned subsidiary of United Water. In 1995, the City acquired the Water System from United Water through a condemnation action. Today, the Water System supplies potable water to approximately 40,875 residential, commercial, and industrial users. All the water services are metered. The following table presents a breakout of the types of customers connected to the Water System and their volume of water usage for the five-year period beginning in Calendar Years 2021 through 2025.

### HISTORICAL OPERATING STATISTICS - WATER ENTERPRISE

	Calendar Year 2021	Calendar Year 2022	Calendar Year 2023	Calendar Year 2024	Calendar Year 2025
<b>CUSTOMER CONNECTIONS:</b>					
Residential	35,871	36,728	37,505	38,517	39,030
Commercial	1,592	1,634	1,698	1,769	1,794
Industrial	11	11	11	11	11
City <sup>(1)</sup>	36	38	40	40	40
Total	37,510	38,411	39,254	40,337	40,875
<b>METER WATER SALES:</b>					
(thousands of gallons):					
Residential	2,334,527	2,289,416	2,392,223	2,434,451	2,413,782
Commercial	1,037,967	1,122,162	1,044,953	1,083,543	10,560,058
Industrial	66,738	63,488	45,157	48,298	37,831
City	12,090	14,347	15,541	17,496	16,051
Total	3,451,322	3,489,413	3,497,874	3,583,788	3,523,722

(1) The number of connections reported for the City does not include City irrigation accounts, which are instead included in commercial connections.

Source: City of Rio Rancho.

### Source of Supply

The water supply is derived entirely from groundwater pumping from the Middle Rio Grande Basin aquifer. The City currently has 14 active wells, varying in age from new to just over 40 years old. Well 9 has been re-drilled and is anticipated to be in operation by 2027 or 2028 depending the availability of the electrical equipment required. An additional 13 well sites are permitted but undrilled. Many of these wells are very deep, with about one half exceeding 1,000 feet. Production capacities vary from less than 100 gallons per minute (“gpm”) to 1,800 gpm. If all well facilities are in operation, the total well field capacity is about 21,500 gpm. Each well site contains chlorination facilities to provide disinfection. These well sites have adequate security and are located on land totaling approximately 26 acres.

## **Pumping Facilities**

The Water System consists of a variety of pumping facilities that are used to distribute water to customers. The wells are equipped with either line shaft turbine pumps or submersible pumps ranging in pumping capacity from 500 gpm to 3,000 gpm. Booster stations are located near several of the well sites. These booster pumps include both horizontal centrifugal and vertical turbine pumps with capacities ranging from 500 to 3,000 gpm. The largest booster station can deliver 8,400 gpm with multiple pumps running concurrently. Booster pump-associated motor horsepower ranges from 20 to 200. Station piping electrical controls and associated well and pump housing are included with each well pumping facility.

## **Storage Tanks**

Eighteen storage tanks providing a total storage capacity of 44 million gallons are located at various sites throughout the City. In 2026 a new 3 million gallon water tank (Tank 9) will be placed in service, increasing System storage capacity to 47 million gallons. All storage tanks have cathodic protection.

## **Transmission and Distribution Mains**

Water is delivered to customers through a large number of transmission and distribution lines. Approximately one half of the transmission lines and a large majority of the distribution lines are polyvinyl chloride (“PVC”) pipe. Ductile iron and concrete cylinder pipe also provide a portion of the total transmission and distribution systems. The oldest lines in the City were installed in 1962 but most were installed between 1970 and the present. The total length of transmission and distribution lines is approximately 618 miles as of October 2025.

The City ranges in elevation from just over 5,000 feet to over 6,200 feet above sea level. The distribution system is divided into nine pressure zones, with each pressure zone being designed to provide water pressure between 30 and 125 pounds per square inch by water tanks or pressure reducing valves. The pressure zones help to ensure that sufficient pressure is provided at higher elevations without causing excessive pressures at lower elevations. As required by applicable plumbing code requirements, homes with pressure in excess of 80 psi are required to have individual pressure reducing valves located on the customer side of the meter. Water flows between pressure zones through pressure reducing valves.

## **Current System Production and Adequacy**

Fourteen wells diverted 11,843.9 acre-feet of groundwater production in calendar year 2024, 11,710.9 acre-feet in calendar year 2023, and approximately 11,752.5 acre-feet in calendar year 2022. The summer average water demand for calendar year 2024 was approximately 14.1 million gallons per day (“mgd”) and the winter average water demand was approximately 7.4 mgd. The peak day demand for calendar year 2024 occurred in August, when production requirements reached 20.6 mgd. The peak demand for calendar year 2023 occurred in July, when production requirements reached 20.6 mgd. The summer average water demand on production facilities for calendar year 2023 was approximately 14.9 mgd and the winter average water demand was approximately 7.0 mgd. The Water System’s total effective storage capacity (total storage capacity less operational and fire flow reserves) is estimated at approximately 44 million gallons. Industry practice is to have effective storage capacity equivalent to the maximum day demand. Based on this standard, the Water System presently has sufficient storage capacity.

Water System pressures fall within the range required for adequate fire protection within the System’s service area. The Insurance Services Office (“ISO”) evaluates Water System adequacy for fire protection on behalf of fire insurance companies throughout the country. In 2020, the ISO evaluated the Water System in order to rate the public protection class for fire risk within the City. The City’s ISO score

was 2 out of 10 with 1 being the highest rating and 10 being the lowest. The previous rating was 2 out of 10. Rio Rancho's 2020 ISO score places it in the Class 2 "very high" fire protection category.

The ISO plans to complete an evaluation of the Water System every three to five years. The next ISO evaluation is expected to be completed in 2027.

### **Quality of Groundwater Supplies**

Based on water quality data submitted to the New Mexico Environment Department ("NMED"), the quality of the drinking water supplies meets applicable state and federal standards. As allowed by the NMED, several of the samples reported to the NMED represent a composite or blend of more than one water supply source.

The NMED's review of the contaminants of concern, including trace organic and inorganic compounds and radiological constituents, indicated no test result in excess of drinking water standards. Prior to the City's acquisition of the Water System in 1995, the United States Environmental Protection Agency ("EPA") had noted infrequent violations of microbiological standards. Those violations occurred in 1991 and 1992 and are believed to be the result of sampling error, low chlorine dosages at the wells, or disinfection problems at the hose bibs where the samples were collected. The most recent sanitary survey of the Water System was conducted October 24 through October 26, 2017 by the NMED. In the sanitary survey, NMED noted that (4) four significant deficiencies were identified and corrected by October 26, 2017. No further action is required on behalf of the Rio Rancho Water & Wastewater Service water system.

Municipal water providers are required under the Safe Drinking Water Act ("SDWA") to annually report through a Consumer Confidence Report ("CCR") any contaminants found in drinking water supplies. The 2024 CCR indicates there were no violations of the SDWA out of the 150 contaminants tested; none of the tested contaminate levels were above the Safe Drinking Water Act Regulations. The NMED inspects the City's water production portion of the System every three years, and any issues identified by the inspection are corrected immediately.

The City is located in a geologic area in which arsenic is naturally present in the aquifer in organic and inorganic forms, and is closely associated with past or present volcanic activity. The City is 100% reliant on groundwater from its aquifers. The arsenic levels in the City's municipal wells range from 5 ppb to 57 ppb. All potable water is treated to less than 10 ppb. The City has met and has continuously complied with the federal drinking water standards since 2009.

The City utilizes two different arsenic treatment processes, absorption and coagulation and filtration utilizing iron media. Absorption is a removal process which uses granular iron media to absorb arsenic from the untreated water. The media containing the arsenic is disposed of when it becomes saturated, approximately every 6 months. Coagulation filtration utilizes the injection of liquid ferric chloride into untreated water, which attracts the arsenic, is then filtered out and is disposed of continuously. The waste for each of these processes is considered non-hazardous and is taken to the Waste Management landfill for disposal. Arsenic absorption is used for wells with arsenic levels below 20 ppb. Coagulation filtration is used for wells with arsenic levels over 20 ppb.

In October 2024, the U.S. Environmental Protection Agency ("EPA") issued its final rules requiring that drinking water systems identify and replace lead service lines within 10 years. The City conducted extensive review of the City's water service infrastructure and found that it contained no lead service lines. The City created an interactive map on the City's website as required by the EPA. The website provides the Utilities' customers the ability to view the water service lines. The map shows that the City's water

distribution service lines contain no lead. The City's Utilities is in compliance with the EPA's Lead and Copper Rule.

## **Water Rights**

The City currently has the right to divert groundwater from the Rio Grande Underground Basin up to 26,439.77 acre-feet per annum. This right is subject to conditions contained in two primary permits, each for the right to divert 12,000 acre-feet per annum (collectively denoted RG-6745 through RG-6745-S-34), as well as the terms and conditions of Office of the State Engineer ("OSE") Permit No. 02997 into RG-6745 et al.(20.16 acre-feet), and Permit No. RG-26259 (Well 9) (2,419 acre-feet).

In 1979, the City was granted the right to divert 12,000 acre-feet per annum from 22 wells (RG-6745 through RG-6745-S-22). As a condition of this permit, the City is required to offset surface water impacts but only at the time the depletive effects from the City's groundwater pumping actually affect the surface water of the Rio Grande. Surface water effects can be offset through discharge of effluent to the Rio Grande, the acquisition and transfer of water rights in the middle Rio Grande, or a combination thereof. Prior to 2003, the City had acquired 1,829.27440 acre-feet of consumptive use rights for offset under this permit. These previously acquired rights and continued discharge of effluent currently satisfy any applicable offset requirements and will for many years.

In 1997, the City was granted the right to divert an additional 20.16 acre-feet based on the transfer of surface water rights. This additional 20.16 acre-feet has no offset requirement or other relevant conditions. The City has one pre-basin well pursuant to Declaration No. RG-26259, now Permit no. 26259, from which it is authorized to divert up to 2,419.51 acre-feet per annum but only from City Well 9. As this is a pre-basin well, there is no requirement to offset any stream impacts.

In 2003, the City was granted the right to divert 12,000 acre-feet per annum from 12 additional wells (RG-6745 through RG-6745-S-34). The right to divert the 12,000 acre-feet per annum is conditioned on the requirement to acquire offsetting water rights over a 55 year accounting period, commencing in the year the City commenced pumping in excess of 12,000 acre-feet, which occurred in 2008. The permit requires the acquisition of 728 acre-feet every five years over the 55 year accounting period, or 8,000 acre-feet. The 2003 permit contains a penalty for failing to adhere to the acquisition rate of 728 acre-feet every five years. The penalty would require the City curtail its pumping by "3% on an annual basis" until it is in compliance with the acquisition schedule. At the end of the 55 year accounting period, the acquired water rights of the City in combination with discharge of effluent must offset the effects of the City's groundwater pumping under the 2003 permit.

The City has satisfied its permit obligations for its accounting periods through 2037, and has recently acquired or has under contract 5,377.45820 acre-feet which meets approximately 52% of its total obligations and approximately 66% of its obligations for the 2038-2042 accounting period. The City is diligently pursuing acquisition of water rights for purposes of complying with permit conditions requiring acquisition of offsetting water rights.

In June 2010, the City established a Water Rights Acquisition Fee to create a dedicated revenue stream to fund the purchase of the water rights.<sup>(1)</sup> The initial monthly fee of \$3 was increased to \$5 in September 2011, and again in January 2013 to \$6. Changes were also made to the method of calculating the fee to ensure that costs are equitably distributed among the City's customers. In March 2025, the Governing Body approved an adjustment to the water rights acquisition fee (3 percent annually) for FY 2026-2030. Customers are charged the greater of a \$6.18 minimum fee or a volume fee of \$0.52 per thousand gallons on each monthly bill.

<sup>(1)</sup> The Water Rights Acquisition Fee is excluded from the definition of Gross Revenues in the Master Ordinance.

## **Water Conservation Program**

The City has had a proactive water conservation program since 1998. The program includes a water conservation ordinance, outreach and education of Rio Rancho adults and children, and a water use auditing process.

The Water Conservation Ordinance addresses water waste, fugitive water, and water by request (restaurants, hotels and motels). To reduce water waste the ordinance requires compliance with irrigation time-of-day restrictions from April 1 to October 31 annually. Fugitive water is reduced by restricting washing of impervious surfaces (driveways, etc.) and restricting irrigation water from draining onto streets. The ordinance prohibits food establishments from automatically serving water to customers and requires hotels and motels to give the option to change linens or not for a guest's stay. The City employs Water Conservation Specialists whose duties include patrolling the City for violations of the ordinance, counseling and citing violations.

Outreach and education of Rio Rancho children about conservation have been a focal point of the Water Conservation Program. The City is a chief sponsor and participator of the Rio Rancho Children's Water Festival, which includes hands-on activities specifically designed for fourth grade children. Water conservation instruction and activities are also conducted in the schools both in-class and in the after-school programs.

Rio Rancho adults receive water conservation outreach and education in various forms. The Water Conservation staff members write and produce three newsletters yearly that are mailed to all residences and businesses in the City. The City conservation staff also makes presentations to civic groups.

Water use audits are offered free of charge to residential, irrigation and commercial water users. The audits show the customer its current water use and suggest methods for reducing the usage amount through leak detection and repair, upgrade and maintenance of equipment, and replacement of showerheads and aerators. Audits are often requested by customers who experience an increase in water usage, usually due to a leak.

Water conservation reduces the City costs for infrastructure, drilling new wells, water treatment, chemicals, electricity and purchasing water rights. Conservation also reduces the costs for wastewater treatment, wastewater plants, electricity and chemicals by reducing the amount of water flowing to the treatment plants.

## **Most Significant Consumer of Water Served by the Water System**

The City's largest water customer is the itself. The City consumes water for irrigation of public parks and playing fields. In fiscal year 2025, the City consumed approximately 163,835,000 gallons from the system for irrigation purposes. The City also consumed 16,429,000 gallons for the operation of City facilities, for a total of 180,084,000 gallons.

Intel Corporation, the City's largest industrial customer, used approximately 47,905,000 gallons in fiscal year 2025. Intel operates a semiconductor manufacturing business located adjacent to the City's corporate limits and produces computer chips. Intel has developed its own water wells and production facilities in addition to using City water. Intel's wastewater is discharged to the Albuquerque Bernalillo County Water Utility Authority. As a result, Intel's operations do not impact the City's Wastewater System.

## **Top Ten Water Users in the City of Rio Rancho**

The following are the top ten water users in the City of Rio Rancho for Fiscal Year 2025:

<u>Customer Name</u>	<u>Consumption in Thousands</u>	<u>Revenue</u>	<u>% of Revenue</u>
City of Rio Rancho- irrigation and ops	180,084	\$1,026,096	3.59%
RR Schools Irrigation	98,352	\$677,645	2.37%
Northern Meadows Association Irrigation	56,958	\$392,441	1.37%
Intel	47,905	\$284,077	0.99%
Presbyterian	30,445	\$190,586	0.67%
RR Schools	19,694	\$123,284	0.43%
Loma Colorado Commun Assoc Irrigation	17,839	\$122,911	0.43%
Entrada Point EP Country Club Dr LLC	14,632	\$91,596	0.32%

*Source: City of Rio Rancho.*

### **Water Rate Adjustments**

The City of Rio Rancho is a home rule municipality. As such, it is authorized by State law to establish its own rate structure without approval from any State agency. In January 2016 recycled water rates were amended from 60% of the potable Commercial Irrigation rate to 20% of the potable Commercial Irrigation rate. The recycled water rate was amended again in August 2018 to \$0.65 per thousand gallons.

In March 2025, the Governing Body approved an annual (FY 2026-2030) 3 percent adjustment to water and wastewater rates, effective July 1, 2025. Also approved was an adjustment to the water rights acquisition fee (3 percent annually) and bulk fill water station fee (5 percent annually).

Under the terms of the Master Ordinance, the City must at all times fix rates and collect charges sufficient to provide for the Debt Service Requirements on all Outstanding System Bonds. See “SECURITY AND OTHER SOURCES OF PAYMENT-Rate Covenant.” The City’s current water rate structure is presented in the table below:

## WATER RATE STRUCTURE

### Monthly Service Charge

Meter Size (inch)	2026 Rate	2027 Rate	2028 Rate	2029 Rate	2030 Rate
5/8	\$ 13.17	\$ 13.57	\$ 13.98	\$ 14.40	\$ 14.83
3/4	13.38	13.78	14.19	14.62	15.06
1	15.05	15.50	15.96	16.44	16.94
1 1/4	17.50	18.02	18.57	19.12	19.70
1 1/2	20.80	21.42	22.06	22.72	23.41
2	23.07	23.76	24.48	25.21	25.97
3	99.73	102.73	105.81	108.98	112.25
4	133.60	137.61	141.74	145.99	150.37
6	208.87	215.14	221.59	228.41	235.09
8	223.92	230.64	237.56	244.69	252.03
10	383.86	395.38	407.24	419.45	432.04

### Volume Charge per 1,000 gallons

Customer Class	2026 Rate	2027 Rate	2028 Rate	2029 Rate	2030 Rate
<b>Single-Family Residential<sup>(1)</sup></b>					
First 6,000 gallons	\$ 6.08	\$ 6.26	\$ 6.45	\$ 6.64	\$ 6.84
7,000 to 10,000 gallons	6.58	6.78	6.98	7.19	7.41
Over 10,000 gallons	7.10	7.31	7.53	7.75	7.99
<b>Multi-Family Residential<sup>(1)</sup></b>					
2 to 4 housing units	6.19	6.38	6.57	6.76	6.97
More than 4 housing units	6.45	6.64	6.84	7.05	7.26
Commercial	6.45	6.64	6.84	7.05	7.26
Industrial	6.11	6.29	6.48	6.67	6.87
City	5.82	5.99	6.17	6.36	6.55
<b>Irrigation</b>					
Commercial	7.10	7.31	7.53	7.75	7.99
City	6.76	6.96	7.17	7.38	7.60
Reclaimed Water	0.65	0.65	0.65	0.65	0.65
Bulk Water	10.50	11.03	11.58	12.16	12.76

<sup>(1)</sup>In order to promote water conservation the City instituted a multi-tiered residential rate structure.

**Comparison of Water Rates**

The following table presents a comparison of residential water rates for the City of Albuquerque, City of Las Cruces, City of Santa Fe (Sangre de Cristo), and City of Rio Rancho. This chart assumes water consumption at 10,000 gallons per month.

<b>Water Rates Comparisons</b>		
<u>Service Size</u>	<u>Fixed</u>	<u>Commodity Charge</u>
City of Albuquerque (Albuquerque Bernalillo County Water Utility Authority)		
5/8"	\$24.29	\$3.08
3/4"	\$24.29	\$3.08
City of Las Cruces		
5/8"	\$13.60	\$2.85
3/4"	\$13.60	\$2.85
City of Santa Fe (Sangre de Cristo Water Division)		
5/8"	\$18.42	\$6.06
3/4"	\$18.42	\$6.06
City of Rio Rancho		
5/8"	\$13.17	\$6.58
3/4"	\$13.17	\$6.59

*Source: City of Rio Rancho.*

**Water/Sewer Billing and Collections**

The City imposes all rates and charges through a water and sewer rate ordinance. Charges are billed to the customer. In cases of leased property, the tenant will have payment responsibility, and service will be discontinued if payment is not made. In cases of owner-occupied property, if the property owner does not pay the utility bill, property liens may be filed and foreclosed as provided by state law.

The City performs all meter reading services in connection with the System. Meters are read and billed once per month. Customers are billed within the same approximate time frame each month, within approximately two days after their meters are read. The payment is delinquent if not made within 24 days following the billing date on a utility statement. The City may cause the water supply to be turned off and discontinue service to the property if any charge remains unpaid on the customer’s utility statement. A late payment penalty of 10% is imposed on delinquent amounts.

**CERTAIN INFORMATION CONCERNING THE WASTEWATER SYSTEM**

The Wastewater System was constructed over the same approximate time period as the Water System in order to provide wastewater service to residential, commercial, and industrial customers in Rio Rancho. However, since many of the homes initially constructed were supplied with septic tanks, the majority of Wastewater System facilities were not installed until after 1979. Currently, the City estimates that there are more than 5,000 residential customers who have individual septic tanks and are not served by the Wastewater System. Wastewater service connections totaled approximately 34,156 as of the end of calendar year 2024. The following table presents a breakout of the types of Wastewater System customers connected to the system and the total amount of wastewater treated (expressed in gallons) over the five-year period from 2020 through 2024.

## HISTORICAL OPERATING STATISTICS - WASTEWATER SYSTEM

	Calendar Year 2021	Calendar Year 2022	Calendar Year 2023	Calendar Year 2024	Calendar Year 2025
<b>CUSTOMER CONNECTIONS:</b>					
Residential	31,903	32,665	34,308	34,156	35,159
Commercial	825	831	846	863	870
Industrial	0	0	0	0	0
Public Authority	31	32	32	32	32
Total	32,759	33,528	35,186	35,051	36,061
<b>TOTAL WASTEWATER</b>					
TREATED (1000s of Gallons):	2,003,722	1,982,341	1,822,617	1,956,431	2,011,654

*Source: City of Rio Rancho.*

The Wastewater System includes approximately 400.41 miles of collector lines, interceptor lines, and force mains ranging in diameter from 2 to 30 inches, 27 active lift stations, and three treatment plants.

Effluent is primarily discharged to the Rio Grande under two EPA discharge permits, and sludge produced from wastewater treatment is disposed of at the Sandoval County landfill. In 2024, the Wastewater System treated approximately 1,956,431 gallons of wastewater. The Wastewater System encompasses about 50 acres for treatment plant and lift station sites. As with the Water System, a supervisory control and data acquisition (“SCADA”) system was installed to constantly monitor facility operations to detect power outages, relay intruder alarms, and provide for production records.

### Collection System

The wastewater collection system is constructed with PVC or vitrified clay pipe. Most of the collection system is designed to carry wastewater flows by gravity except for areas where the topography requires the pumping by wastewater lift stations and associated lines known as force mains. There are approximately 127,881 feet of force mains in the Wastewater System. Most of the collection mains are no less than 60 years old. The industry estimates PVC wastewater mains will last at approximately 100 years.

In addition to collection mains, almost all wastewater customers have individual service connections to the collection system. Almost all of these are 4 inches in diameter, and they average 45 feet in length. The collection system includes 8,342 manholes.

### Lift Stations

The Wastewater System has 27 active lift stations. All but two are duplex stations, i.e. they contain two pumps. The remaining two lift stations have been designed with three pumps. Capacities of the lift stations vary from about 36 gpm up to 3,600 gpm per station. Most lift stations are relatively new with many constructed over the last decade.

### Treatment Plants

Three separate wastewater treatment plants (each a “WWTP”) provide secondary biological treatment of the City’s sewage, two of which (WWTP No. 5 and No. 6) are membrane biological reactors. All of the City’s wastewater treatment facilities are operating within their capacity limitations and in accordance with federal and state requirements.

WWTP No. 1 has been decommissioned and is no longer in service. WWTP No. 2 was constructed in 1985 and designed to treat 0.5 mgd by the extended aeration activated sludge treatment process. The facility contains an effluent return pumping facility designed to pump treated effluent for landscape

irrigation from this location. In 1988, the facility was expanded by adding a separate activated sludge treatment process of 1.5 mgd. In 1999, an additional 3.5 mgd nitrification/denitrification facility was constructed along-side the current treatment facility. At that time the vitalization system and the floor in the belt press building was also renovated. A new Suez Aquaray UV Disinfection System and Belt Press improvements were constructed within the last five years. In 2025, the City began construction of a new Headworks.

WWTP No. 3 is not currently in operation, and the City does not plan to place this treatment plant back into service. WWTP No. 4 has been demolished and is no longer in service.

WWTP No. 5 is located in the Mariposa subdivision and has an ultimate design footprint capacity of 2.0 mgd. The first phase of WWTP No. 5 was completed in 2005 and has a treatment capacity of 0.25 mgd. In 2026 the capacity will be expanded by an additional 0.25 mgd by adding Zenon membranes, blowers and associated equipment, bringing its total capacity to 0.5 mgd. This wastewater treatment plant will be expanded as needed. The treatment method is membrane bio-reactor (“MBR”) which will produce an effluent that may be used for all purposes except drinking water. MBR treatment is in compliance with the City’s goal for an aggressive water reuse program to preserve its water resources.

WWTP No. 6 is located in the Cabezon subdivision and can potentially be expanded significantly beyond its current capacity of 1.8 mgd. The first phase of WWTP No. 6 was completed in 2005. The treatment method is MBR. The City expanded the capacity of WWTP No. 6is nearing completion of the construction to expand capacity of WWTP No. 6 to 1.2 mgd in 2013. Construction of the recycled water tank, booster station and recycled water transmission lines have been completed. The effluent usage will allow the City to better manage its ground water resources and extends the City’s pumping permit. In 2020, WWTP No. 6 was expanded from a 1.2 mgd to a 1.8 mgd. The plant expansion replaced WWTP NO. 1, which had treated approximately 0.5 mgd, WWTP No. 1 was constructed circa 1970, and was due for replacement due to its age and anticipated future water quality requirements for recycled water and discharge.

Historical flows at the WWTPs are operating at approximately 72% of design capacity.

### **Sludge Disposal and Effluent Discharge**

Digested sludge produced from WWTP No. 5 is delivered to a 0.5 million gallon central sludge processing facility at WWTP No. 2. In 2023, a new sludge belt filter press was installed to de-water sludge and process dried sludge to be delivered for disposal at the landfill. In 2020, a new sludge belt filter was installed at WWTP No. 6 to process sludge for delivery and disposal at the landfill. The City is currently permitted to sell treated effluent from WWTP No. 2 and No. 6 to the City of Rio Rancho, Cabezon Public Improvement Districts, and Roadrunner Redi-mix, a concrete manufacturer.

### **Recycled Water Program**

One of the City’s approaches to serve its growing population is to expand the recycled water program to maximize the beneficial use of all available water sources. Recycled wastewater is a reliable, drought-proof water source that can be tailored to meet the needs of specific end uses ranging from irrigation to indirect potable reuse. When the demand for recycled water is low, the purified water source can be stored in surface reservoirs or subsurface aquifers. Aquifer recharge offers the advantage of nearly infinite storage capacity, preservation of the quality of the purified water, and elimination of water losses associated with evaporation from open surface reservoirs.

The City’s recycled water program has two main objectives: (1) inject recycled water into the groundwater to recharge the aquifer and store water for future use, and (2) replace potable water use for irrigation of parks, medians and other uses. The City’s aquifer recharge site consists of one injection well surrounded by an extensive groundwater monitoring network on approximately 2.5 acres of fenced land near Loma Colorado. The direct injection facility was brought on line in July 2017.

Permits from the Office of the State Engineer and the New Mexico Environment Department are required for aquifer recharge, which were obtained by the City in 2015. The City has completed the piping network needed to transport recycled water to be used for irrigation of parks medians, and manufacturing. A recycled water reservoir and booster station located near WWTP No. 6 was completed at an approximate cost of \$6,000,000. Project expenditures for the Aquifer Storage Demonstration, Advance Water Treatment Facility and the Recycled Storage Tank projects total approximately \$16.5 million.

Recycled water is further treated by an on-site advanced water treatment (“AWT”) process prior to direct injection to ensure that the groundwater supply is not impaired by chemicals or pathogens. This process includes Advanced Oxidation (AOP) and Biologically Activated Carbon (“BAC”) and disinfection prior to injection. Construction and testing of the facility were completed in July 2017.

**Effluent Quality**

The City is currently in compliance with the standards set forth in the NPDES permit issued in November, 2010.

**Wastewater Rate Adjustments**

As a home rule municipality, the City is authorized by State law to establish its own rate structure for the Wastewater System without approval from any State agency. In March 2025, effective July 1, the Governing Body approved an annual (FY 2026-2030) 3 percent adjustment to water and wastewater rates. Also approved was an adjustment to the water rights acquisition fee (3 percent annually) and bulk fill water station fee (5 percent annually).

The City’s current wastewater rate structure is presented below:

**WASTEWATER RATE STRUCTURE**

<u>Meter Size (inch)</u>	<u>Monthly Service Charge (\$ per bill)</u>				
	<u>2026 Rate</u>	<u>2027 Rate</u>	<u>2028 Rate</u>	<u>2029 Rate</u>	<u>2030 Rate</u>
All Sizes	\$15.26	\$15.72	\$16.19	\$16.68	\$17.18

<u>Customer Class</u>	<u>Volume Charge (\$per 1,000 gallons)</u>				
	<u>2026 Rate</u>	<u>2027 Rate</u>	<u>2028 Rate</u>	<u>2029 Rate</u>	<u>2030 Rate</u>
Residential, Multifamily,	\$10.71	\$11.03	\$11.36	\$11.71	\$12.06
Commercial	10.18	10.48	10.80	11.12	11.45
City					

## Comparison of Wastewater Rates

The following table presents a comparison of residential wastewater rates for the Cities of Albuquerque, Las Cruces, Santa Fe, and Rio Rancho. This chart assumes wastewater production at 10,000 gallons per month.

### Wastewater Rates Comparisons

<u>Service Size</u>	<u>Fixed</u>	<u>Commodity Charge</u>
<b>City of Albuquerque</b>		
(Albuquerque Bernalillo County Water Utility Authority)		
5/8"	\$17.11	\$2.73
3/4"	\$17.11	\$2.73
<b>City of Las Cruces</b>		
5/8"	\$ 7.13	\$3.27
3/4"	\$ 7.13	\$3.27
<b>City of Santa Fe</b>		
(Sangre de Cristo Water Division)		
5/8"	\$7.53	\$4.64
3/4"	\$7.53	\$4.64
<b>City of Rio Rancho</b>		
5/8"	\$15.26	\$10.71
3/4"	\$15.26	\$10.71

Source: City of Rio Rancho.

## Comparison of Wastewater Rates

The following table presents a comparison of residential wastewater rates for the Cities of Albuquerque, Las Cruces, Santa Fe, and Rio Rancho. This chart assumes wastewater production at 10,000 gallons per month.

<b>Wastewater Rates Comparisons</b>		
Service Size	Fixed	Commodity Charge
<b>City of Albuquerque</b> (Albuquerque Bernalillo County Water Utility Authority)		
5/8"	\$17.11	\$2.73
3/4"	\$17.11	\$2.73
<b>City of Las Cruces</b>		
5/8"	\$7.13	\$3.27
3/4"	\$7.13	\$3.27
<b>City of Santa Fe</b> (Sangre de Cristo Water Division)		
5/8"	\$7.53	\$4.64
3/4"	\$7.53	\$4.64
<b>City of Rio Rancho</b>		
5/8"	\$15.26	\$10.71
3/4"	\$15.26	\$10.71

*Source: City of Rio Rancho.*

## Supervisory Control and Data Acquisition (SCADA) Systems for Water Production and Wastewater Treatment

The Water Production and Wastewater Handling and Treatment Facilities are managed and monitored by means of a SCADA System. The SCADA system enables authorized operators of each system to remotely monitor and to make operational changes to the water production and wastewater handling processes from a central location. The SCADA system also monitors each process and sends alarm notices to operators if any operating parameters exceed prescribed limits.

Data from each of the processes is transmitted to a central operations location. The data is used to optimize all processes by, for example, monitoring operational parameters. The data is used to: (1) prepare production and quality control reports for historical reference to plan system needs, (2) create reports for regulatory agencies of the State of New Mexico and U.S. Environmental Protection Agency ("EPA") and (3) assist in creating trend analysis to determine operating chemical and equipment needs.

The Utilities Department is involved in an ongoing upgrade and expansion of the SCADA system as the Water and Wastewater System expands to help provide operational data for more efficient operations. The purpose of the upgrades is to improve the quality and dependability of the Water and Wastewater System, including the Arsenic Treatment Facilities.

## System Financial Information

<b>System Financial Information <sup>(1)</sup></b>					
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Operating Revenue:					
Water Operations Revenues	\$25,888,519	\$28,023,261	\$26,227,859	\$28,655,197	\$30,567,023
Other Water Revenues	1,150,471	1,204,273	1,218,276	1,308,843	1,477,079
Wastewater Operations Revenues	22,650,944	23,660,807	24,053,109	24,601,307	25,790,116
Other Wastewater Revenues	34,709	26,718	29,400	25,467	26,356
<b>Total Operating Revenues</b>	<b>\$49,724,643</b>	<b>\$52,915,059</b>	<b>\$51,528,644</b>	<b>\$54,590,814</b>	<b>\$57,860,573</b>
Operating Expenses:					
General and Administrative	3,879,743	3,525,704	4,186,372	3,941,128	5,859,315
Production Costs	20,706,727	18,817,136	22,343,206	21,034,306	30,761,404
Depreciation	8,649,196	8,901,687	9,034,337	8,929,056	9,654,345
Amortization of Right-of-Use Asset	-	60,651	24,917	19,387	4,081
Claims and Premiums	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>\$33,235,666</b>	<b>\$31,305,178</b>	<b>\$35,588,832</b>	<b>\$33,923,877</b>	<b>\$46,279,145</b>
<b>Operating Income (Loss)</b>	<b>\$16,488,977</b>	<b>\$21,609,881</b>	<b>\$15,939,812</b>	<b>\$20,666,937</b>	<b>\$11,581,428</b>
Non-operating Revenue (Expenses):					
Impact Fees	3,068,472	2,020,666	1,313,671	3,242,828	4,170,210
Other Revenue	(2,130,071)	617,049	483,007	435,564	407,114
Interest Expense <sup>(2)</sup>	(3,483,641)	(3,019,013)	(2,772,973)	(2,485,937)	(2,214,807))
Amortization of Excess Consideration	(178,895)	(178,895)	(178,895)	(178,895)	(178,895)
Investment Income	(196,967)	(1,014,446)	1,245,987	4,733,170	5,586,893
Other Expense	-	-	-	-	-
<b>Income (Loss) Before Capital Contributions and Transfers</b>	<b>\$13,567,875</b>	<b>\$20,035,242</b>	<b>\$16,030,609</b>	<b>\$26,413,667</b>	<b>\$19,351,943</b>
Add Back:					
Depreciation and Amortization	8,828,091	9,080,582	9,213,232	9,107,951	9,833,240
Interest Expense	3,483,641	3,019,013	2,772,973	2,485,937	2,214,807
Payment-In-Lieu-Of Taxes	930,009	947,460	976,116	1,041,662	1,062,907
Allowance for Doubtful Accounts	49,055	(2,314,428)	(219,293)	(73,001)	114,215
Adjustments-Federal Grant Expenditures	114,929	-	-	-	-
<b>Net Revenue Available for Debt Service</b>	<b>\$26,973,600</b>	<b>\$30,767,869</b>	<b>\$28,773,637</b>	<b>\$38,976,216</b>	<b>\$32,577,113</b>
Senior Lien Debt Service	11,205,200	11,201,550	7,075,800	7,060,550	6,799,050
<b>Coverage Ratio (Senior Lien)</b>	<b>241%</b>	<b>275%</b>	<b>407%</b>	<b>552%</b>	<b>479%</b>
Senior and Subordinate Debt Service	12,927,105	12,919,705	8,792,955	8,294,205	8,035,705
<b>Coverage Ratio (Senior and Subordinate Lien)</b>	<b>209%</b>	<b>238%</b>	<b>327%</b>	<b>470%</b>	<b>405%</b>

<sup>(1)</sup> System financial information is derived from the City's financial statements; however this table is not an audited financial statement. The table has been restated beginning with FY 2018 to more closely follow the format of the City of Rio Rancho Annual Financial Report, and to improve readability and reconciliation of figures.

<sup>(2)</sup> Interest expense excludes amounts associated with Water Rights Acquisition loans.

Source: City of Rio Rancho.

## System Financial Information

The historical financial results of the System, Utility Fund Assets, Liabilities and Fund Balance, and Revenues and Expenditures are summarized in the following tables for fiscal years 2021 through 2025.

ASSETS	Fiscal Year Ending June 30				
	2021	2022	2023	2024	2025
<b>Current assets</b>					
Cash and investments	\$43,095,311	\$44,790,619	\$45,568,009	\$29,624,023	\$26,831,826
Accounts receivable	6,338,895	9,228,377	7,050,982	7,406,573	7,969,207
<b>Total current assets</b>	<b>\$49,434,206</b>	<b>\$54,018,996</b>	<b>\$52,618,991</b>	<b>\$37,030,596</b>	<b>\$35,043,077</b>
<b>Non-current assets</b>					
Cash and investments	22,962,251	28,082,471	42,314,566	63,026,760	78,039,345
Inventory and prepaids	98,684	83,825	83,825	3,902,044	1,714,567
<b>Total Non-current assets</b>	<b>\$23,060,935</b>	<b>\$28,166,296</b>	<b>\$42,398,391</b>	<b>\$66,928,804</b>	<b>\$79,753,912</b>
<b>Capital assets</b>					
Net capital assets	327,670,837	325,866,020	331,713,032	331,470,661	353,980,389
Construction work in progress	4,543,770	8,359,626	5,482,981	22,168,685	31,864,188
<b>Total capital assets</b>	<b>\$332,214,607</b>	<b>\$334,225,646</b>	<b>\$337,196,013</b>	<b>\$353,639,346</b>	<b>\$385,844,577</b>
<b>Deferred charges</b>					
Excess Consideration for Acquisition	2,497,062	2,318,167	2,139,273	1,960,378	1,781,483
Deferred pension Plan items	885,083	355,325	521,088	772,208	977,921
Deferred OPEB Items	300,654	250,868	204,274	148,694	224,473
Deferred bond items	2,124,671	2,017,701	1,895,872	1,683,058	1,507,985
<b>Total deferred charges</b>	<b>\$5,807,470</b>	<b>\$4,942,061</b>	<b>\$4,760,507</b>	<b>\$4,564,338</b>	<b>\$4,491,862</b>
<b>Total assets and deferred outflows</b>	<b>\$410,517,218</b>	<b>\$421,352,999</b>	<b>\$436,973,902</b>	<b>\$462,163,084</b>	<b>\$505,133,428</b>

<sup>(1)</sup> Information appearing in the table is derived from the City's audited financial statements, but this table is not audited.

Source: City of Rio Rancho.

## Utility Fund-Liabilities and Fund Balance<sup>(1)</sup>

LIABILITIES	Fiscal Year Ending June 30				
	2021	2022	2023	2024	2025
<b>Current liabilities</b>					
Accounts payable	\$3,645,619	\$1,290,755	\$2,252,630	3,264,839	3,203,623
Accrued liabilities	486,346	530,780	497,047	460,645	432,325
Deposits	1,130,364	1,209,230	1,101,674	1,221,137	1,327,997
Compensated absences payable	117,312	99,219	102,983	113,036	141,495
Lease liability short-term <sup>(4)</sup>	-	18,719	37,331	14,499	16,478
Current portion of notes and bonds payable	10,882,782	7,372,355	7,185,705	7,234,392	6,483,210
<b>Total current liabilities</b>	<b>\$16,262,423</b>	<b>\$10,521,058</b>	<b>\$11,177,370</b>	<b>\$12,308,548</b>	<b>\$11,605,128</b>
<b>Non-current liabilities</b>					
Compensated absences payable	48,421	48,870	47,523	31,674	5,505
Lease liability long-term <sup>(4)</sup>	-	44,537	71,554	37,299	49,676
Revenue bonds payable	92,787,940	85,998,880	79,022,320	72,275,582	66,288,986
Notes payable	11,511,219	10,407,786	9,222,081	8,032,689	8,530,304
Net pension liability <sup>(2)</sup>	3,153,845	2,160,920	2,986,400	3,457,292	4,057,657
Net OPEB liability <sup>(3)</sup>	1,216,172	932,577	642,404	443,457	513,816
<b>Total non-current liabilities</b>	<b>\$108,717,597</b>	<b>\$99,593,570</b>	<b>\$91,992,282</b>	<b>\$84,277,993</b>	<b>\$79,445,944</b>
<b>Total liabilities and deferred inflows</b>	<b>\$125,549,771</b>	<b>\$111,290,356</b>	<b>\$103,850,574</b>	<b>\$97,240,016</b>	<b>\$91,532,061</b>
<b>Fund equity</b>					
Invested in capital assets, net	217,032,666	232,403,432	243,571,843	267,727,943	305,983,908
Restricted for revenue bonds debt service	8,632,890	4,818,256	2,604,740	1,807,990	629
Unrestricted	59,301,891	72,840,955	86,946,745	95,387,135	107,616,830
<b>Total net assets</b>	<b>\$284,967,447</b>	<b>\$310,062,643</b>	<b>\$336,123,328</b>	<b>\$364,923,068</b>	<b>\$413,601,367</b>

<sup>(1)</sup> Information appearing in the table is derived from the City's audited financial statements, but this table is not audited.

<sup>(2)</sup> In FY2015, the City implemented GASB Statement No. 68 to reflect the City's proportionate share of its Net Pension Liability of the New Mexico Public Employees Retirement Association.

<sup>(3)</sup> In FY2018, the City implemented GASB Statement No. 75 to reflect the City's retroactive recognition of its proportionate share of Other Post-Employment Benefits liability of the New Mexico Retiree Health Care Authority.

<sup>(4)</sup> In FY2022, the City implemented GASB Statement No. 87 to reflect the City's right-to-use lease assets and the related lease liability.

Source: City of Rio Rancho.

## MANAGEMENT OF THE WATER AND WASTEWATER SYSTEM OPERATIONS

The City has retained a professional management firm to operate and maintain the System on behalf of the City. The management firm is responsible for the day-to-day operation and maintenance of the System.

In 2002 the City issued a Request for Proposals (“RFP”) to firms experienced in providing contract operation and maintenance services for water and wastewater utilities. Based on the results of interviews with certain firms, together with the formal proposals received from each, the City selected Operations Management International, Inc. (“OMI”) to operate and maintain the System. The operation and maintenance contract was for a term of four years starting July 1, 2002, and included the right to extend the term up to an additional four-year term after the initial term had expired. The City negotiated an extension which was approved in 2006 for an additional four years. In 2010, the City again issued a RFP for contract operations and maintenance of the water and wastewater system because the original 2002 solicitation had expired. The City received one proposal, which was from OMI. The City negotiated new terms and entered into a four year operations and maintenance agreement. The new agreement added two significant deliverables, financial purchasing function and an Asset Management Program. Both deliverables have been completed and are ongoing functions of the Systems operations and maintenance.

In July, 2014 the City issued a RFP for a consultant to conduct a study consisting of an in-depth examination of the City’s current management and operations contract. Based on the proposals submitted, The Eisenhardt Group, Inc. was selected as the successful candidate. Eisenhardt interviewed key City and OMI staff and reviewed relevant contract documents and background information. The Eisenhardt Group also conducted a comprehensive review of the existing contract. The review concluded that OMI has done a good job managing the City’s assets but recommended that the City renegotiate certain features of the contract with OMI. The amended contract became effective July 1, 2015 for a period of five years. In November 2018, the contract was amended to include renewals after the initial term for a one (1) year term extension with a maximum of a ten (10) year term. In September 2024, the Governing Body approved a contract amendment extending the term to June 30, 2031 for a total of 10 years. OMI’s previous services contract was the result of a request for proposal process in 2021, which has an initial 5-year term and a mutual option to extend for an additional 5 years. The contract amendment and additional funding will allow Jacobs to hire a total of seven new staff members, and acquire necessary vehicles and equipment, in order to increase annual water service line replacements and line spotting services and improve response times for water service line repairs.

OMI was founded in 1980 as a subsidiary of CH2M Hill Companies, LTD (“CH2M Hill”), which provides consulting, design, design-build, operations, and program management services for government, civil, industrial and energy clients in the areas of water transportation, environmental, energy, facilities and resources. In January 2017 Jacobs Engineering Group acquired the CH2M Hill companies. Jacobs is headquartered in Dallas, Texas and has over 77,000 employees in over 400 locations around the world. The company provides a full spectrum of services including scientific, technical, professional and construction management, program management, management for business industrial commercial government and infrastructure sectors. The City’s contract with OMI remains unchanged.

The Utilities Department oversees OMI’s contract performance in the area of water production, distribution, new construction of water mains, repair of existing water mains, wastewater collection, wastewater treatment and maintenance of the System. The Director of Utilities oversees the permit conditions issued by the EPA and State of New Mexico for system requirements and reporting for safe drinking water and clean water. The City’s Utilities Accounting and Utility Services Divisions handle the budget preparation, accounting and billing for the System with overall budget and financial oversight by the City’s Financial Services Department.

## Utilities Director

The Utilities Director is responsible for planning, implementation and management of the City’s water utilities system, pursuant to the policies, rules and regulations promulgated by the Governing Body. The Utilities Director is responsible for compliance with all federal, state and local regulations regarding water health, safety and environmental issues for the City. The Utilities Director is also responsible for the management of the contract firm OMI, which operates the utilities’ water, wastewater and recycled water operations.

The current Utilities Director, Steve Gallegos, was appointed to the position in May 2025. At the time of his appointment, Mr. Gallegos had approximately 24 years of applicable experience with the City of Rio Rancho. His tenure with the City includes serving as Acting Director, Deputy Director, Utilities Engineer and Project Manager for the Utilities Department. Mr. Gallegos holds a bachelor’s degree in civil engineering.

## Capital Project Expenditures

The City approves an Infrastructure Capital Improvement Plan (“ICIP”) on an annual basis, which includes Water and Wastewater System projects and other capital projects. The ICIP forecasts the City’s capital needs for the next five years. Project priorities are adjusted annually to address specific needs and changing conditions.

**Water System.** Within the next five fiscal years, the City expects to make additional improvements to the Water System. The following table presents the higher priority improvements expected to be made to the Water System and associated cost estimates.

Project Title	Fiscal Years 2026-2030
Install/Replace Water Lines	\$41,432,998
Water Rights Acquisition	17,342,002
Redrill Well 4	14,586,144
Re-drill Well 9 & Equip for Arsenic Removal	14,214,675
Re-drill Well 13	9,877,681
Booster Station and Transmission Line Well 17	6,971,408

The City expects to finance a portion of these Water System improvements with revenues from the System, developers’ contributions, federal grants, state loans and through an issuance of Parity Bonds. The ICIP also includes several projects for which funding sources have not yet been identified. The ICIP identifies additional Water System improvement projects at an estimated cost of approximately \$51,802,232.

**Wastewater System.** Over the next five fiscal years, the City expects to make additional improvements to the Wastewater System. The following table presents the higher priority improvements expected to be made to the Wastewater System and associated cost estimates.

The City expects to finance a portion of these Wastewater System improvements with revenues from the System, state grants, and issuance of Parity Bonds and state loans. The ICIP also includes several projects for which funding sources have not yet been identified. The ICIP identifies the following additional Wastewater System improvement projects

Project Title	Fiscal Years 2026 – 2030
Wastewater Treatment Plant (WWTP) 2 Headworks	\$31,501,579
Wastewater Treatment Plant (WWTP) 2 Biological Nutrient Removal or Membrane Bioreactor (MBR) Expansion	25,625,000
Lift Station 22 Improvements and Force Mains	15,178,901
Install/Replace Sanitary Sewer Lines and Force Mains	12,437,715
Wastewater Treatment Plant (WWTP) 5 Membrane Bioreactor (MBR) Expansion or Lift Station	7,000,000

## THE CITY

The City of Rio Rancho is currently the third largest city in New Mexico and has experienced rapid growth historically. Rio Rancho is located in central New Mexico at 5,679 feet above sea level, and is adjacent to the City of Albuquerque, New Mexico’s largest city. In the early 1960s, the AMREP Corporation purchased 55,000 acres of land on the outskirts of Albuquerque, originally called Rio Rancho Estates. AMREP marketed the area to residents in the Midwest and eastern states. When home building began in 1962, many of the first residents were middle-income retirees. In 1966, the 100th family moved to Rio Rancho and by 1977 the population had grown to 5,000. In 1971, AMREP purchased and platted an additional 35,000 acres. Rio Rancho Estates at that time included 92,000 acres and was larger, geographically, than the City of Albuquerque.

By the late 1970’s the area had grown to a community of about 11,000. In September of 1981 the City of Rio Rancho was formally incorporated as a New Mexico municipality. Rapid employment, population and housing growth characterized Rio Rancho in the 1980’s and continued through the 1990’s. Population and housing stock tripled between 1980 and 1990. The City’s population grew by approximately 45 percent between the 2000 census and the 2010 census, 18.9% between the 2010 census and 2020 census, and has overtaken Santa Fe as the third largest City in the State behind Albuquerque and the City of Las Cruces, New Mexico. The City has a land area of approximately 105 square miles and a population of approximately 113,230.

### **Government**

The City was incorporated in 1981 and operates under a home rule charter, adopted by voter approval in March, 1992, with a Council-Manager form of government. Nonpartisan elections are held for members of the Governing Body of the City (the “Governing Body”) for the election of councilors from six single member districts and for a Mayor to be nominated and elected at large by the residents and qualified voters of the City. Under the City Charter, as amended, the Mayor is a voting member of the Governing Body in the event of a tie vote or if a councilor is absent.

Members of the Governing Body are elected for staggered four-year terms. The members and the date of expiration of their current terms are as follows:

Name	Office	Current Term Expires
Greggory D. Hull	Mayor	March 31, 2026*
Deb Dapson	Councilor, District 1	March, 2028
Jeremy Lenentine	Councilor, District 2	March 31, 2026**
Bob Tyler	Councilor, District 3	March 31, 2026*
Paul Wymer	Councilor, District 4	March, 2028
Karissa D. Culbreath	Councilor, District 5	March 31, 2026**
Nicole List	Councilor, District 6	March, 2028

\* The winner of a run-off election to be held on April 14, 2026 between the two candidates receiving the highest number of votes in the regular municipal election held on March 3, 2026 will take office on May 1, 2026, and the current Mayor will serve until that date.

\*\*Elected to serve a new 4-year term beginning on April 1, 2026.

### **Administrative Officers**

Greggory D. Hull, Mayor. The Mayor is a member of the Governing Body of the City and the Chief Executive Officer of the City. The Mayor presides at meetings of the Governing Body and is a member of the Governing Body entitled to vote in the absence of a councilor or to break a tie. As Chief Executive Officer of the City, the Mayor exercises all administrative and executive powers, except to the extent that those powers are vested with the City Manager; represents the City in intergovernmental relationships; presents an annual State of the City report to the Governing Body; and performs other duties and exercise such other powers as specified in the City Charter, City ordinances and resolutions, or by the Governing Body. Mr. Hull was first elected as Mayor of Rio Rancho in April 2014 via a runoff election for a four-year term, and was re-elected in March 2022 for another four-year term.

Matt Geisel, City Manager. The City Manager is the Chief Administrative Officer of the City, in charge of the day-to-day administrative affairs of the City, and responsible to the Mayor and Governing Body, as appropriate, for the administration of all City affairs placed in the administrator's charge by or under the City Charter. The Governing Body appointed Mr. Geisel the City Manager on April 22, 2021. Mr. Geisel served as the Secretary of the Economic Development Department of the State of New Mexico from October, 2016 to December, 2018. In September 2019, Mr. Geisel returned to the City in the role of Economic Development and Business Relations Manager and Acting Development Services Director. Mr. Geisel previously worked for the City from January 2009 to September 2016 in various roles, including Economic Development and Business Relations Manager. Mr. Geisel has a Bachelor of Arts in Economics and Spanish from the University of California, Davis and a Master of Business Administration, from the University of California, Los Angeles.

Stephanie Yara, Director of Financial Services. The Chief Financial Officer of the City is the Director of Financial Services, who also serves as the City Treasurer. The Director of Financial Services is appointed by the City Manager and is confirmed by the Governing Body. The Director of Financial Services is responsible for the City's cash and investments, accounting, budgeting, contracts, and procurement. Ms. Yara was appointed by the Governing Body in May 2025, with approximately 23 years of applicable experience. Her background includes serving in Finance Director roles for the City of Albuquerque, New Mexico Mortgage Finance Authority, and the Pueblo of Sandia. In addition, Ms. Yara holds an MBA in Accounting from the University of New Mexico, and is a Certified Public Accountant.

Joshua Rubin, City Attorney. The City Attorney serves as chief legal advisor to the Council, City Manager, and all department heads, offices and agencies. The City Attorney represents the City in all legal proceedings and performs any other duties prescribed by law. The City Attorney is appointed by the City Manager and confirmed by the Governing Body. Mr. Rubin has served as City Attorney since March 13, 2023; however, Mr. Rubin has been employed by the City since August of 2018. Prior to serving as the

City Attorney, Mr. Rubin served as Deputy City Attorney and Assistant City Attorney. Before joining the City, Mr. Rubin served as an Assistant District Attorney in Bernalillo County (March of 2016 through August of 2018) as a felony prosecutor and worked for Fidelity Investments LLC (August of 2015 through March of 2016) in Fidelity's retirement benefits contracting group. Mr. Rubin holds a Bachelor of Business Administration, majoring in finance with a minor in economics, from the University of New Mexico and a Juris Doctorate from the University of New Mexico School of Law.

## **Other Employees**

As of January 1, 2025, the City had 793.86 authorized full-time positions. The City's police force consists of 153 uniformed officers. The City operates three libraries, an aquatic center, two senior citizens centers, six fire stations, a municipal water and sewer utility, and a solid waste collection and disposal system, contracted by the City. The City also operates outdoor swimming pools, sports fields and playgrounds with paid staff members during an active summer recreational program. The City has three employee unions, including Police/Dispatch, Fire, and the American Federation of State, County and Municipal Employees ("AFSCME"). The City considers its relations with its employees to be good.

## **Economy**

The City's economy and surrounding area have been based primarily on the Intel manufacturing plant, government and related activities, retail trade, tourism, arts and entertainment, and recreation. In 2011 and 2012, Presbyterian Rust Medical Center ("Rust") and University of New Mexico Sandoval Regional Medical Center ("UNMSRMC") hospitals opened in the City.

Rust and UNMSRMC have attracted additional medical offices in the surrounding areas along the Unser corridor in the Petroglyphs Medical Plaza and Unser Pavilion sites. As part of this associated medical growth, the City has seen Acute Care and Assisted, Independent and Memory Care facilities invest in Rio Rancho. The Village, an approximately 64-acre mixed use development adjacent to Rust along the Unser Gateway, is positioning its development to attract medical and wellness providers, as well as retail uses including Albertson's Market Street and a variety of restaurants.

The City has attracted industry to provide employment for its residential growth. Intel Corporation, New Mexico's most prominent manufacturer, has upgraded or overhauled its Rio Rancho site seven times since the 1980s. Over the past few years, Intel has repositioned its Rio Rancho facility from traditional wafer chip manufacturing to new technologies. Intel has completed an investment of \$3.5 billion in its Rio Rancho operations for the manufacture of advanced semiconductor technologies. Modernization of the plant accommodates Intel's advanced packaging technology and silicone photonics. The project has created 1,000 construction jobs. The expansion is expected to create at least 700 high-tech jobs, increasing its total employee count to over 2,500.

New Mexico start-up Nature's Toolbox relocated its operation to Rio Rancho in 2022. The company's mission is to advance the healthcare industry by commercializing its cell-free technology to expedite the development and manufacturing of vaccines and pharmaceuticals using mRNA and protein technology to accelerate preclinical drug discovery efforts. Nature's Toolbox anticipates creating over 70 high paying jobs in its Rio Rancho facility.

A number of long-standing, small to mid-sized manufacturers have located in Rio Rancho, including as Aero Parts, Aer Sale, DHF Technical, Insight Lighting, LectroSonics, and Stainless Motors in Sandoval County. Those manufacturers serve as a solid base of advanced and skilled manufacturing jobs in Rio Rancho.

The office and customer contact center industry has played a key role in Rio Rancho for more than two decades. HP, Inc. has operated a sales and premium support center since 2009, currently employing approximately 750 workers with a \$60 million payroll.

“In fill” development on major corridors is bringing new quick service restaurants users to the community including Raising Canes, Dutch Bros., and others. Empty “big box” space is being redeveloped for use by companies new to the City including Sprouts grocery store and Defined Fitness gym.

Rio Rancho continues to be an attractive place to live for both growing families and retirees. Over the past decade, Rio Rancho’s share of single-family residential starts has grown to 39.9 percent of the four-county metropolitan area. The City has issued more than 4,000 single family residential permits in the last five years as well as 859 units of multi-family housing within the last three years. The housing market has seen a significant increase in the median home value over the past three years.

In calendar year 2025, Rio Rancho had 784 new single-family home starts, and there are a total of 1,347 vacant developed and soon to be developed lots that are part of approved preliminary plats throughout the City and 5,699 vacant undeveloped lots that are in approved master-planned communities. The 173-acre Los Diamantes Masterplan Community (“Los Diamantes”) is the cornerstone of this anticipated residential growth, with 457 single family residential lots and approximately 63 acres designated for commercial/industrial use. Los Diamantes is in close proximity to Joe Harris Elementary School, which opened in August 2021, as well as the site for Rio Rancho’s third high school (construction date to be determined).

## **Retirement Plan**

The City participates in a pension plan organized on a statewide basis and operated by the State of New Mexico. The Public Employees’ Retirement Association of New Mexico (the “Plan”), established by Chapter 167, Laws of 1947, New Mexico Statutes Annotated, 1978 Compilation, as amended, requires contributions, computed as a percentage of salary, from both employee and employer for all full-time employees. The majority of State and municipal employees in New Mexico participate in the Plan. The Plan requires contributions by the City and by employees at rates established by statute.

In addition to retirement benefits, the Plan provides disability benefits, surviving spouse and children’s benefits, deferred benefits option and cost of living adjustments for all eligible participants. Employer contributions to the pension plan amounted to \$7,177,396 for the fiscal year ended June 30, 2025. The City’s liability under the Plan is limited to the periodic employer contributions, that it is required to make for its participating employees. Future deficits of the Plan are expected to be financed by the State. For additional information regarding the Plan, please refer to Note 10 to the City’s audited financial statements.

On June 25, 2012, the Governmental Accounting Standards Board approved Statement No. 68 which requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. Statement No. 68 requires cost-sharing employers, such as the City, to record a liability and expense equal to their proportionate share of the collective net pension liability and expense for the cost-sharing plan. Statement No. 68 was effective for fiscal years beginning after June 15, 2014.

The City offers other post-employment benefits through the Retiree Health Care Fund, a cost-sharing multiple employer defined benefit plan administered by the New Mexico Retiree Healthcare Authority. This plan is used to provide post-employment health insurance benefits for eligible employees and their dependents. The contribution requirements are established by and may be amended by the statute. The City’s contribution to the fund for Fiscal Year 2025 was \$976,592. For additional information regarding the post-employment benefit plan, please refer to Note 11 to the City’s audited financial statements.

## **City Insurance Coverage**

The City participates in the New Mexico Self-Insurers' Fund Risk Pool (the "Pool"), together with other New Mexico municipalities. The Pool is a public entity risk pool currently operating as a common risk management and insurance program for its members. The City paid an annual premium of \$2,217,018 for general insurance coverage during Fiscal Year 2025. The City maintains commercial insurance for all other risks of loss, including accident insurance and cybersecurity. The City believes that it maintains coverage for its assets and operations at a level which is customary and adequate, in its opinion, for similar entities insuring similar operations and assets. There can be no assurance, however, that the City will continue to maintain the present level of coverage or that the insurance maintained will be sufficient.

## **Financial Statement**

The following General Fund Statement of Revenues, Expenditures and Changes in Fund Balances and Balance Sheet have been included herein for informational purposes only. Figures were taken from the audit reports prepared by the City. Audited figures are excerpts of the audit reports and do not purport to be complete. Reference is made to the complete audit reports which are available upon request.

The City has not requested the consent of Hinkle + Landers, P.C., which performed the audit of the City's financial statements, to the inclusion of the audit report and excerpts thereof in this Official Statement, and the Auditor has not conducted a post-audit review of those financial statements.

**CITY OF RIO RANCHO, NEW MEXICO**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND**  
**BALANCES-GENERAL FUND<sup>(1)</sup>**

Year Ending June 30	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<b>Revenues</b>					
Property Taxes	\$17,401,465	\$18,653,039	\$20,603,894	\$22,388,656	\$23,966,724
Municipal Taxes	26,227,197	34,659,421	38,057,447	43,081,101	45,413,526
Franchise Taxes	4,935,662	5,187,677	5,358,634	5,326,085	5,818,593
License and Permits	330,157	393,214	329,274	523,445	603,926
Intergovernmental - Federal	13,164,926	239,780	267,147	251,637	221,928
Intergovernmental - State	17,216,025	22,303,294	27,409,750	31,109,651	32,378,104
Intergovernmental - Local	168,207	49,772	162,145	300,000	315,000
Charges for Services	6,439,369	7,168,792	7,263,071	8,512,583	9,597,907
Fines and Forfeitures	746,391	667,756	578,102	665,017	579,369
Investment Income (Expense)	186,111	(919,976)	186,867	2,429,180	3,374,886
Miscellaneous	2,601,970	3,437,640	3,165,623	3,967,147	2,462,357
<b>Total Revenues</b>	<u>\$89,417,480</u>	<u>\$91,840,409</u>	<u>\$103,381,954</u>	<u>\$118,554,502</u>	<u>\$124,732,320</u>
<b>Expenditures</b>					
General Government	\$10,935,830	\$11,436,849	\$13,479,586	\$14,436,562	\$15,512,525
Public Safety	29,646,668	32,178,790	34,311,229	39,599,393	46,537,576
Public Works	7,119,139	8,599,253	9,430,888	10,891,349	10,950,018
Parks, Recreation and Culture	7,890,035	8,502,380	10,133,510	11,644,539	13,687,523
Community and Economic Development	2,749,911	3,178,043	3,433,727	3,967,099	4,562,507
Capital Outlay	1,036,219	3,044,477	4,373,474	4,051,886	6,880,335
<b>Total Expenditures</b>	<u>\$59,377,802</u>	<u>\$66,939,792</u>	<u>\$75,162,414</u>	<u>\$84,590,828</u>	<u>\$98,130,484</u>
<b>Revenues Over (Under) Expenditures</b>	\$30,039,678	\$24,900,617	\$28,219,540	33,963,674	26,601,836
<b>Other Financing Sources (Uses)</b>					
Sale of Capital Assets	69,335	8,850	128,929	142,434	212,596
Lease Proceeds	--	--	--	397,895	-
Transfers In	163,875	628,955	50,077	51,511	3,294,918
Transfers Out	<u>(3,419,056)</u>	<u>(23,683,967)</u>	<u>(21,125,431)</u>	<u>(24,709,301)</u>	<u>(25,925,932)</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(3,185,846)</u>	<u>(23,046,162)</u>	<u>(20,946,425)</u>	<u>(24,117,461)</u>	<u>(22,418,418)</u>
<b>Net Change in Fund Balances</b>	\$26,853,832	\$1,854,455	\$7,273,115	\$9,846,213	\$4,183,418
<b>Fund Balance, Beginning of Year</b>	\$29,062,875	\$55,916,707	\$57,771,162	\$65,044,277	\$74,890,490
<b>Fund Balance, End of Year</b>	<u>\$55,916,707</u>	<u>\$57,771,162</u>	<u>\$65,044,277</u>	<u>\$74,890,490</u>	<u>\$79,073,908</u>

<sup>(1)</sup> Information appearing in the table is derived from the City's audited financial statements, but this table is not audited.

Source: Audited Financial Statements of the City of Rio Rancho.

**CITY OF RIO RANCHO, NEW MEXICO**  
**BALANCE SHEET – GENERAL FUND<sup>(1)</sup>**

<i>Year Ending June 30</i>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<b>Assets</b>					
Cash & Cash Equivalents	\$36,502,216	\$26,357,733	\$23,612,651	\$26,011,487	\$20,355,262
Receivables:					
Accounts, Net	1,639,264	1,860,150	1,620,479	2,160,879	1,880,674
Interest	7,576	9,817	112,084	173,159	166,436
Property Taxes	1,017,924	954,857	955,540	1,011,549	990,166
Gross Receipt Taxes	4,558,317	6,001,285	6,540,125	7,533,099	13,736,397
Due from Federal Government		32,253	48,073	53,129	47,012
Due from State Government	2,992,691	4,462,256	4,830,771	5,480,532	-
Due from Local Governments	89,083	38,855	--	--	--
Lease Receivable	-	2,531,884	2,427,226	2,313,746	2,118,143
Investments	16,084,121	19,407,938	30,826,558	34,949,904	41,731,266
Due from Other Funds	<u>2,878,254</u>	<u>2,002,334</u>	<u>2,644,790</u>	<u>2,342,816</u>	<u>6,795,435</u>
<b>Total Assets</b>	<u>\$65,769,446</u>	<u>\$63,659,362</u>	<u>\$73,618,297</u>	<u>\$82,029,300</u>	<u>\$87,820,791</u>
<b>Liabilities</b>					
Accounts Payable	\$1,095,600	\$962,819	\$1,614,328	\$1,495,842	\$1,879,341
Accrued Liabilities	2,105,636	2,079,417	4,301,430	3,082,895	3,702,799
Unearned Revenues	<u>5,765,727</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>Total Liabilities</b>	<u>\$8,966,963</u>	<u>\$3,042,236</u>	<u>\$5,915,758</u>	<u>\$4,578,737</u>	<u>\$5,582,140</u>
<b>Deferred Inflows of Resources</b>					
Unavailable Revenue - Property Taxes	\$885,776	\$874,139	\$852,940	\$921,254	\$851,329
Deferred Lease Items	<u>-</u>	<u>1,971,825</u>	<u>1,805,322</u>	<u>1,638,819</u>	<u>2,313,414</u>
<b>Total Deferred Inflows of Resources</b>	<u>\$885,776</u>	<u>\$2,845,964</u>	<u>\$2,658,262</u>	<u>\$2,560,073</u>	<u>\$3,164,743</u>
<b>Fund Balances (Deficits)</b>					
Restricted	\$0	\$0	\$0	\$0	\$8,713,618
Committed	-	-	-	7,049,236	-
Unassigned	<u>55,916,707</u>	<u>57,771,162</u>	<u>65,044,277</u>	<u>67,841,254</u>	<u>70,360,290</u>
<b>Total Fund Balances</b>	<u>\$55,916,707</u>	<u>\$57,771,162</u>	<u>\$65,044,277</u>	<u>\$74,890,490</u>	<u>\$79,073,908</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$65,769,446</u>	<u>\$63,659,362</u>	<u>\$73,618,297</u>	<u>\$82,029,300</u>	<u>\$87,820,791</u>

<sup>(1)</sup> Information appearing in the table is derived from the City's audited financial statements, but this table is not audited.

Source: Audited Financial Statements of the City of Rio Rancho.

## ECONOMIC AND DEMOGRAPHIC STATISTICS

This section contains general information concerning the economic and demographic conditions in and surrounding the City. The information presented was obtained from the sources indicated, and the City makes no representation as to the accuracy or completeness of the data presented. All data in this subsection is presented on a calendar year basis.

This section contains general information concerning the economic and demographic conditions in and surrounding the City. The information presented was obtained from the sources indicated, and the City makes no representation as to the accuracy or completeness of the data presented. All data in this subsection is presented on a calendar year basis.

### Population

The Albuquerque Metropolitan Statistical Area (“MSA”) includes Bernalillo, Sandoval, Torrance and Valencia Counties. The Census added Torrance County to the MSA in the 2000 Census.

<b><u>Population</u></b>			
<b>Census Year</b>	<b>City of Rio Rancho</b>	<b>Albuquerque MSA</b>	<b>State of New Mexico</b>
1980	9,985	523,105	1,303,302
1990	32,551	599,416	1,515,069
2000	51,765	729,649	1,819,046
2010	87,521	887,077	2,059,179
2020	104,046	916,528	2,117,522
2024 <sup>(1)</sup>	112,524	929,919	2,130,256

<sup>(1)</sup> Annual Estimates of the Resident Population for Incorporated Places of 20,000 or More, Ranked by July 1, 2024 Population: April 1, 2020 to July 1, 2024 (SUB-IP-EST2024-ANNRNC)

*Source: U.S. Census Bureau, Population Division;  
Table prepared by City of Rio Rancho Financial Services Department.*

## Age Distribution

The following table sets forth the age distribution profile for the Albuquerque Metropolitan Statistical Area, the State and the United States.

Age Group	Albuquerque MSA	New Mexico	United States
0-19	23.6%	24.8%	24.8%
20-24	6.1%	6.6%	6.5%
25-34	13.9%	13.2%	13.7%
35-44	13.4%	12.7%	13.1%
45-54	11.8%	11.2%	12.3%
55 and Older	31.2%	31.6%	29.7%

*Source: U.S. Census Bureau, 2023 American Community Survey, ACS 5-Year Estimates Data Profiles.*

## Income

The following table sets forth median household income levels in dollars for the Albuquerque MSA, the State and the United States.

### Median Household Income

Calendar Year	Albuquerque MSA	New Mexico	United States
2019	\$54,072	\$49,754	\$62,843
2020	55,370	51,243	64,994
2021	58,335	54,020	69,021
2022	63,971	58,722	75,149
2023	67,995	62,125	78,538

*Source: U.S. Census Bureau, 2019, 2020, 2021, 2022, 2023 American Community Survey, ACS 5-Year Estimates.*

## Employment

The following table provides a ten-year history of average employment in the Albuquerque MSA, the State and the United States.

### EMPLOYMENT/UNEMPLOYMENT RATES

Year	Albuquerque MSA Labor Force	Albuquerque MSA % Unemployed	State Labor Force	State % Unemployed	U.S. % Unemployed
2015	423,352	6.2%	940,843	6.6%	5.3%
2016	434,732	6.1%	945,403	6.8%	4.9%
2017	437,014	5.6%	945,825	6.1%	4.4%
2018	437,459	4.6%	945,834	4.9%	3.9%
2019	442,240	4.6%	957,056	5.0%	3.7%
2020	432,484	7.6%	930,398	7.9%	8.1%
2021	441,922	6.5%	941,901	7.1%	5.4%
2022	448,002	3.7%	948,738	4.1%	3.7%
2023	457,168	3.4%	968,516	3.7%	3.6%
2024	463,937	3.9%	983,100	4.2%	4.0%

Source: Federal Reserve Economic Data, Federal Reserve Bank of St. Louis.

## Major Employers

Some of the largest employers in the City are set forth below. No independent investigation into their affairs has been made and consequently there can be no representation as to the stability or financial condition of the companies listed hereafter, or the likelihood that such companies will maintain their status as major employers in the area.

### MAJOR EMPLOYERS By Number of Employees – 2025

ORGANIZATION	EMPLOYEES	DESCRIPTION
Intel Corporation	2,900	Semiconductor Manufacturer
Rio Rancho Public Schools	2,377	Public School District
Presbyterian Healthcare Svcs.- Rust Medical Ctr.	1,200	Hospital/Medical Services
HP, Inc.	680	Computer & Computer Parts Mfr.
Sandoval Regional Medical Center- UNMH	670	Medical Services
City of Rio Rancho	668	Municipal Government
Sandoval County	580	County Government
Santa Ana Pueblo	509	Tribal Government
Bank of America	330	Banking and Financial Services
Sandia Pueblo	300	Tribal Government

Source: Sandoval Economic Alliance and City of Rio Rancho Audited Financial Statements Fiscal Year 2025

## Effective Buying Income

The following table reflects the Percent of Households by Effective Buying Income Groups (“EBI”) for the Albuquerque Metropolitan Statistical Area (“MSA”), the State and the United States. EBI is defined as money income less personal tax and non-tax payments described below. Money income is the aggregate of wages and salaries, net farm and nonfarm self-employment income, interest, dividends, net rental and royalty income, Social Security and railroad retirement income, other retirement and disability income, public assistance income, unemployment compensation, Veterans Administration payments, alimony and child support, military family allotments, net winnings from gambling, and other periodic income. Deducted from this total money income are personal income taxes, personal contributions to social insurance (Social Security and federal retirement payroll deductions), and taxes on owner-occupied non-business real estate. Receipts from the following sources are not included as money income: money received from the sale of property; the value of “in kind” income such as food stamps, public housing subsidies, and employer contributions for persons; withdrawal of bank deposits; money borrowed; tax refunds; exchange of money between relatives living in the same household; gifts and lump-sum inheritances, insurance payments, and other types of lump-sum receipts.

### Percent of Households by Effective Buying Income Groups

<b>Effective Buying Income Group</b>	<b>Albuquerque MSA</b>	<b>New Mexico</b>	<b>United States</b>
Under \$25,000	18.1%	21.0%	16.4%
\$25,000 - \$34,999	8.1%	8.9%	7.7%
\$35,000 - \$49,999	11.5%	12.2%	11.4%
\$50,000 - \$74,999	17.3%	17.1%	16.2%
\$75,000 & Over	45.0%	40.9%	48.4%
2020 Est. Median Household Income	\$54,440	\$49,385	\$65,228
2021 Est. Median Household Income	54,431	49,658	67,086
2022 Est. Median Household Income	62,500	55,028	72,191
2023 Est. Median Household Income	64,973	57,526	73,336
2024 Est. Median Household Income	67,131	60,813	75,781

*Source: Spotlight, April 2024.*

## Gross Receipts

The following tables show the total reported gross receipts, total reported retail gross receipts, and taxable gross receipts generated in the City for the past five years. For the purposes of these tables, gross receipts means the total amount of money received from selling goods and services in the State of New Mexico, from leasing property employed in the State and from performing services in the State. Gross receipts include, among other things, food sales and services such as legal and medical services.

## Historical Total Gross Receipts Reported for City

Fiscal Year	City of Rio Rancho	
	Retail Trade	Total
2025	\$1,145,836,892	\$4,720,413,592
2024	1,067,353,760	4,729,853,299
2023	1,029,721,224	4,220,964,305
2022	961,054,087	3,670,047,082
2021	704,811,426	2,977,536,683
2020	630,568,255	2,771,110,074

*Source: New Mexico Taxation and Revenue  
Department RP-80 Reports.*

## Historical Taxable Gross Receipts Reported for City

Fiscal Year	Taxable Gross Receipts
2025	\$2,469,820,904
2024	2,334,297,962
2023	2,135,139,948
2022	2,004,966,833
2021	1,722,172,351
2020	1,557,863,534

*Source: New Mexico Taxation and Revenue  
Department RP-80 Reports.*

## FORWARD LOOKING STATEMENTS

**This Official Statement contains statements relating to future results that are “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words “estimate,” “forecast,” “intend,” “expect,” “project,” “budget,” “plan” and similar expressions identify forward-looking statements.**

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVES KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE CITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR.

## UNDERWRITING

Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) has agreed to purchase the Series 2026 Bonds from the City pursuant to a Bond Purchase Agreement dated \_\_\_\_, 2026 (the “Bond Purchase Agreement”), for \$\_\_\_\_\_ (being the par amount of the Series 2026 Bonds plus/less an original issue premium/discount of \$\_\_\_\_\_ and less an Underwriter’s discount of \$\_\_\_\_\_). The Bond Purchase

Agreement provides that the Underwriter will purchase all of the Series 2026 Bonds if any bonds are purchased. The obligation to make such purchase is subject to certain terms and conditions set forth in the Bond Purchase Agreement, including the approval of certain legal matters by counsel and certain other conditions. The price at which the Series 2026 Bonds are offered to the public (and the yield resulting therefrom) may vary from the initial public offering prices appearing on the inside cover page of this Official Statement. In addition, the Underwriter may allow commissions or discounts from such initial offering prices to dealers and others.

The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The Underwriter and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Underwriter and its affiliates may have, from time to time, performed, and may in the future perform, various investment banking services for the City, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriter and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the City.

## **VERIFICATION OF CERTAIN MATHEMATICAL CALCULATIONS**

The mathematical accuracy of the computations of the adequacy of the principal amounts and the interest thereon of the federal securities and other funds to be deposited in the Escrow Fund pursuant to the Escrow Agreement, to provide for the payment, of the principal of and interest on the Refunded Obligations will be verified by Causey Demgen & Moore, P.C., Denver, Colorado, certified public accountants (the "Verification Agent"). Such verification will be based, in part, upon information supplied by the Municipal Advisor.

## **LITIGATION AND INSURANCE LITIGATION AND INSURANCE**

### **Litigation**

There is no action, suit, proceeding, inquiry, investigation or controversy of any nature pending, or to the City's knowledge threatened, involving the City (i) in any way questioning (A) the authority of any officer of the City to exercise the duties and responsibilities of his or her office or (B) the existence, powers or authority of the City material to the Series 2026 Bonds or the security for the Series 2026 Bonds; (ii) seeking to restrain or enjoin the issuance, sale, execution or delivery of, or the performance by the City of its obligations under, the Series 2026 Bonds; (iii) in any way contesting or affecting (A) the issuance, sale, execution or delivery of the Series 2026 Bonds or (B) the validity or enforceability of the Series 2026 Bonds, any of the documents relating to the Series 2026 Bonds or any action contemplated by or pursuant to any of the foregoing; (iv) which, except as and to the extent disclosed below may result, either individually or in the aggregate, in final judgments against the City materially adversely affecting its financial condition; or (v) asserting that the Preliminary Official Statement or the Official Statement contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. On the Closing Date, the City will deliver a no-litigation certificate as to the foregoing.

## **New Mexico Tort Claims Act Limitations**

The New Mexico Tort Claims Act limits liability to (i) \$100,000 for damage to or destruction of property arising out of a single occurrence, (ii) \$300,000 for all past and future medical and medically-related expenses arising out of a single occurrence, (iii) \$400,000 to any person for any number of claims arising out of a single occurrence for all damages other than property damage and medical and medically-related expenses, as permitted under the New Mexico Tort Claims Act, and (iv) \$750,000 for all claims other than medical or medically-related expenses arising out of a single occurrence.

## **TAX EXEMPTION**

### **General**

In the opinion of Modrall, Sperling, Roehl, Harris & Sisk, P.A., Bond Counsel, to be delivered at the time of original issuance of the Bonds, under existing laws, regulations rulings and judicial decisions, and assuming compliance with covenants described herein, interest on Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference under Section 57 of the Code (as defined below) for purposes of the federal alternative minimum tax imposed on individuals. Bond Counsel is also of the opinion, based on existing laws of the State of New Mexico as enacted and construed, that interest on the Bonds is exempt from all taxation by the State of New Mexico or any political subdivision thereof.

The Internal Revenue Code of 1986, as amended (the “Code”), imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal tax purposes of interest on obligations such as the Bonds. The City has made various representations and warranties with respect to, and has covenanted in the Bond Ordinance and other documents, instruments and certificates to comply with the applicable provisions of the Code to assure that interest on the Bonds will not become includable in gross income. Failure to comply with these covenants or the inaccuracy of these representations and warranties may result in interest on the Bonds being included in gross income from the date of issue of the Bonds. The opinion of Bond Counsel assumes compliance with the covenants and the accuracy of such representations and warranties.

Although Bond Counsel has rendered an opinion that interest on the Bonds is excludable from gross income for federal income tax purposes, the accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of the recipient. The extent of these other tax consequences will depend upon the recipient’s particular tax status or other items of income or deduction. Bond Counsel expresses no opinion regarding any such consequences. Before purchasing any of the Bonds, potential purchasers should consult their tax advisors as to the tax consequences of purchasing or owning the Bonds.

The opinions expressed by Bond Counsel are based upon existing law as of the date of issuance and delivery of the Bonds, and Bond Counsel expresses no opinion as of any date subsequent thereto or with respect to any pending legislation.

From time to time, there are legislative proposals in Congress that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted, it would apply to Bonds issued prior to enactment. Each purchaser of the Bonds should consult his or her own tax advisor regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

### **Internal Revenue Service Audit Program**

The Internal Revenue Service (the “Service”) has an ongoing program auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. No assurances can

be given as to whether the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service will treat the City as the taxpayer and the Bond owners may have no right to participate in such procedure. None of the Municipal Advisor, the Underwriter, or Bond Counsel is obligated to defend the tax-exempt status of the Bonds. The City has covenanted in the Bond Ordinance not to take any action that would cause the interest on the Bonds to become includable in gross income except to the extent described above for the owners thereof for federal income tax purposes. None of the City, the Municipal Advisor, the Underwriters or Bond Counsel is responsible to pay or reimburse the costs of any Bond owner with respect to any audit or litigation relating to the Bonds.

### **Original Issue Discount**

The Bonds may be offered at a discount (“original issue discount”) equal generally to the difference between public offering price and principal amount. For federal income tax purposes, original issue discount on a bond accrues periodically over the term of the bond as interest. The amount of original issue discount deemed received by the holder is excludable from gross income of the holder for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. The accrual of original issue discount increases the holder’s tax basis in the bond for determining taxable gain or loss from sale or from redemption prior to maturity. Holders of Bonds offered at an original issue discount should consult their tax advisors for an explanation of the accrual rules.

### **Original Issue Premium**

The Bonds may be offered at a premium (“original issue premium”) over their principal amount. For federal income tax purposes, original issue premium is amortizable periodically over the term of a bond through reductions in the holders’ tax basis in the bond for determining taxable gain or loss from sale or from redemption prior to maturity. Amortizable premium is accounted for as reducing the tax-exempt interest on the bond rather than creating a deductible expense or loss. Holders of Bonds offered at an original issue premium should consult their tax advisors for an explanation of the amortization rules.

## **CONTINUING DISCLOSURE UNDERTAKING**

In connection with the issuance of the Bonds, the City will execute a Continuing Disclosure Undertaking, in the form attached hereto as Appendix C, under which it will agree for the benefit of the owners of the Bonds to provide audited annual financial statements of the City when available after the end of each Fiscal Year, and to provide certain annual financial information and operating data (“Annual Disclosure”) relating to the City and timely notice of certain events.

The City has previously entered into continuing disclosure undertakings with respect to certain other obligations of the City in accordance with Rule 15c2-12. On October 24, 2025, S&P Global Ratings upgraded its long-term rating on the City’s Water and Wastewater System Refunding Revenue Bonds. The rating report and failure notice were subsequently posted to MSRB’s EMMA system on March 5, 2026, and March 9, 2026, respectively. The City has put administrative procedures in place to ensure that such information is included in its annual disclosure obligations in the future and remedial filings have been completed. The City believes that it has not otherwise been in default under those continuing disclosure agreements in any material respect in connection with the filing of audited annual financial statements, annual financial information and notice of significant events in the past five years.

## **LEGAL MATTERS**

Modrall, Sperling, Roehl, Harris & Sisk, P.A., Albuquerque, New Mexico, as Bond Counsel, will render an opinion with respect to the validity of the Bonds and will render the opinions described above under “TAX MATTERS.” The proposed form of such opinion is attached hereto as Appendix C. Modrall, Sperling, Roehl, Harris & Sisk, P.A., has also acted as Special Counsel to the City in connection with the preparation of the Official Statement. Certain legal matters relating to the Bonds will be passed upon for the City by the office of the City Attorney. Certain legal matters will be passed upon for the Underwriter

by its counsel, McCall, Parkhurst & Horton, L.L.P. The fees of Bond Counsel and Special Counsel are contingent upon the issuance and delivery of the Bonds. Bond Counsel, Special Counsel and Underwriter's Counsel have not participated in any independent verification of the information concerning the financial condition of the City contained in this Official Statement.

### **INDEPENDENT ACCOUNTANTS**

Hinkle + Landers, P.C. (the "Auditor") audited the financial statements of the City as of and for the year ended June 30, 2025 and delivered their report to the New Mexico State Auditor and the City. The complete Annual Comprehensive Financial Report of the City of Rio Rancho – Audited General Purpose Financial Statements – as of and for the Fiscal Year ended June 30, 2025, as well as for previous fiscal years, are public documents and are available from the New Mexico State Auditor. The 2025 Annual Comprehensive Financial Report is included in Appendix A to this Official Statement. The Auditor has not been engaged to review this Official Statement or any information contained herein.

### **RATING**

The Bonds have been rated "Aa1" by Moody's Investor Services, Inc. A rating reflects only the view of a rating agency, and the City makes no representation as to the appropriateness of any rating. An explanation of the significance of the ratings may only be obtained from the respective rating agencies. The City has furnished to the rating agency certain information and materials relating to the Bonds and the City, some of which may not have been included in this Official Statement. Generally, rating agencies base their ratings on such information and materials and on investigation, studies and assumptions by the rating agencies. Ratings are not a recommendation to buy, sell or hold the Bonds, and there can be no assurance that a rating when assigned will continue for any given period of time or that it will not be revised or withdrawn entirely by a rating agency if, in its judgment, circumstances so warrant. Any downward change in or withdrawal of a rating may have an adverse effect on the marketability and/or market price of the Bonds.

### **ADDITIONAL INFORMATION**

All quotations from, and summaries and explanations of, the statutes, regulations and documents contained herein do not purport to be complete and reference is made to said laws, regulations and documents for full and complete statements of their provisions. Copies, in reasonable quantity, of such laws, regulations and documents may be obtained during the offering period upon request directly to the City at 3200 Civic Center Circle NE, Rio Rancho, New Mexico 87144-4503, Attention: Financial Services Director.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or owners of any of the Bonds.

**APPROVAL BY THE CITY**

This Official Statement has been duly authorized and approved by the City and has been executed and delivered by the Mayor on behalf of the City.

CITY OF RIO RANCHO, NEW MEXICO

By: \_\_\_\_\_  
Greggory D. Hull, Mayor

## **APPENDIX A**

### **Annual Comprehensive Financial Report of the City of Rio Rancho - Audited General Purpose Financial Statements - as of and for the Fiscal Year Ended June 30, 2025**

The City has not requested the consent of Hinkle + Landers, P.C., which performed the audit of the City's financial statements, to the inclusion of the audit report and excerpts thereof in this Official Statement, and the Auditor has not conducted a post-audit review of those financial statements.

# CITY OF RIO RANCHO NEW MEXICO

## Annual Comprehensive Financial Report For the Year Ended June 30, 2025



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**INTRODUCTORY SECTION  
(UNAUDITED)**

**CITY OF RIO RANCHO, NEW MEXICO  
OFFICIAL ROSTER  
JUNE 30, 2025**

**MAYOR AND CITY COUNCIL**

Greggory D. Hull.....	Mayor
Deb Dapson.....	Councilor – District 1
Jeremy Lenentine.....	Councilor – District 2
Bob Tyler.....	Councilor – District 3
Paul Wymer.....	Councilor – District 4
Karissa Culbreath.....	Councilor – District 5
Nicole List.....	Councilor – District 6

**CITY ADMINISTRATION**

Matthew B. Geisel.....	City Manager
------------------------	--------------

**ACKNOWLEDGMENTS**

This report was prepared by the Department of Financial Services:

- Stephanie Yara, Director of Financial Services
- Melissa Spangler, Deputy Director of Financial Services
- Susan Adams
- Kay Bennett
- Angie Gallegos
- Carole Jaramillo
- Donald Martinez

We express our appreciation to all of the departmental staff throughout the City whose extra time and effort made this report possible.

Department of Financial Services

December 16, 2025

To the Honorable Mayor, Members of the City Council,  
and Citizens of Rio Rancho:

In accordance with New Mexico statutes, we are pleased to present the Annual Comprehensive Financial Report of the City of Rio Rancho (the City) for the fiscal year ended June 30, 2025. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City's management.

We believe the enclosed information accurately presents the City's financial position and results of operations, in all material respects, in accordance with generally accepted accounting principles. We also believe we have included all disclosures necessary to enable the reader to gain an understanding of the City's financial activities. These assertions are made based on the City's system of internal control over assets and liabilities recorded in the accounting system. These controls have been designed to provide reasonable, but not absolute, assurance of safeguarding assets against loss from unauthorized use or disposition, and to ensure the reliability of financial records for preparing financial statements. The concept of reasonable assurance recognizes that the cost of a control should not exceed the expected benefits, and that the evaluation of costs and benefits requires estimates and judgments by management.

**The Report.** The Annual Comprehensive Financial Report includes all funds of the City, and includes all departments, agencies, and other organizational units under the control of the Governing Body. The report is presented in four sections: Introductory, Financial, Statistical, and Single Audit. The Introductory Section contains a list of principal officials, this transmittal letter, and the City's organization chart. The Financial Section contains the independent auditor's report, Management's Discussion and Analysis (MD&A), the Basic Financial Statements, Required Supplementary Information, and Supplementary Information. The Statistical Section provides a history of selected financial, economic, and demographic information. The Single Audit Section includes the City's schedule of expenditures of federal awards along with the auditor's reports on internal controls and compliance with applicable laws and regulations.

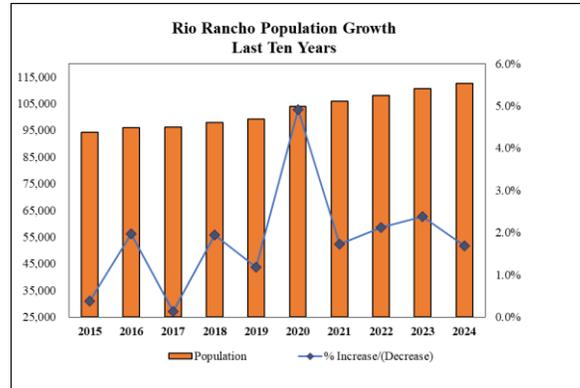
**Independent Auditors.** Hinkle + Landers, PC, a certified public accounting firm, has audited the City's financial statements. The firm conducted the audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. The firm has issued an unmodified ("clean") opinion on the City's financial statements, as explained in the independent auditor's report at the front of the Financial Section beginning on page 10.

Federal and state regulations also require the City to undergo an annual "single audit" in conformance with the Federal Single Audit Act of 1984, as amended, and the U.S. Office of Management and Budget 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to the Single Audit, including the schedule of expenditures of federal awards, audit findings and recommendations, summary of prior audit findings, and the auditor's report, is included in the Single Audit Section that starts on page 255.

**Management's Discussion and Analysis (MD&A).** The discussion and analysis beginning on page 14 provides an overview and analysis of the City's recent financial performance. This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it.

## PROFILE OF THE CITY

**Geography and Demographics.** The City of Rio Rancho is located in Sandoval County in central New Mexico, northwest and adjacent to Albuquerque, New Mexico’s largest city. The metropolitan area is served by east-west Interstate I-40 and north-south Interstate I-25. The Rail Runner provides commuter rail service between the nearby communities of Bernalillo, Albuquerque, Los Lunas, and Santa Fe. There are two general aviation facilities, including the Albuquerque International Sunport, that provide service to the metropolitan area.

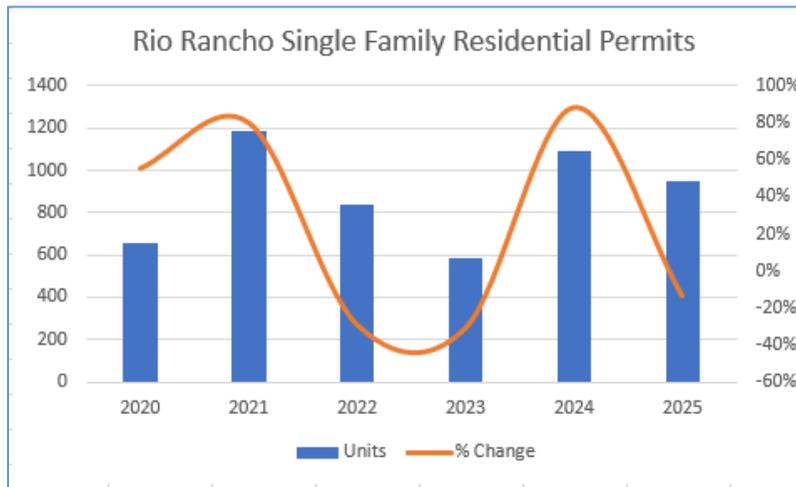


Rio Rancho is the third largest city in New Mexico. Between 2010 and 2020, the City’s population increased from 87,521 to 104,046 (18.8 percent) with population estimates currently at 112,524 (July 1, 2024). The total number of households in Rio Rancho is 39,192 having a median income of \$85,755, which is 38 percent higher than the state median income (2023 estimates).

**Government Structure.** The City was incorporated in 1981 and adopted a municipal charter as a “home rule” city in 1991. The City has a Council/Manager form of government in which the Mayor is a member of the Governing Body. The City Manager is the Chief Administrative Officer, appointed by the Mayor subject to approval of the Governing Body.

The City provides to its citizens those services that have proven to be necessary and meaningful and has done so with fewer City employees per capita than similarly sized New Mexico cities. Major services provided include police and fire protection, emergency ambulance service, roads, water and wastewater services, parks and recreational activities, libraries, senior services, and general administrative services.

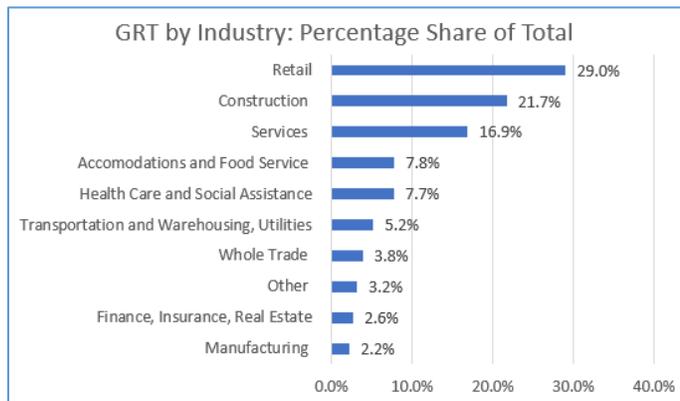
## ECONOMIC CONDITION AND OUTLOOK



**Local Economy.** Between 2012 and 2019, single-family housing permits issued in Rio Rancho averaged about 481 per year, and tax revenues stabilized as housing construction resumed at a modest pace after the 2008 “housing bubble” burst. Since 2020, the number of single-family residential permits issued has grown to an average of 905 per calendar year, with construction GRT increasing to highs not seen since the mid-2000s. The City’s elected officials and management continue to seek

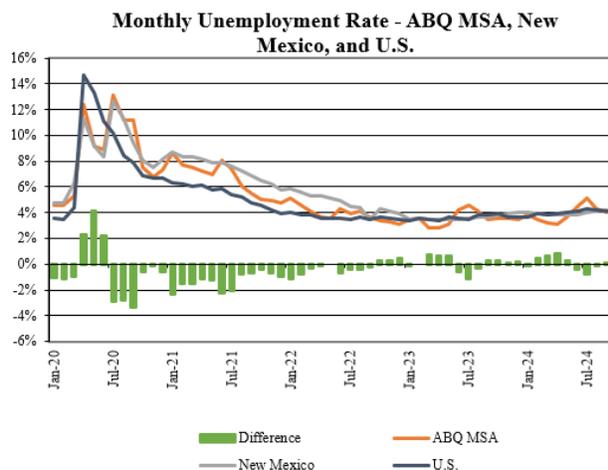
opportunities to diversify the City’s economic base. Having a diverse mix of construction, retail, and service industries will help buffer the City’s budget against future downturns in any one sector. While interest rates and inflationary pressure have slowed housing construction, 2025 permit sales are still well above 2019 levels.

The City’s current financial condition reflects a local economy that is improving. In July 2021, due to a change in State law, the City began receiving gross receipts tax on actual internet sales. This has proven to be a significant benefit for the City which has historically experienced retail “leakage” to businesses in a neighboring City. The retail sector continued to grow from fiscal year 2024 to fiscal year 2025, as did most other sectors. Overall, gross receipts tax revenue was historically high in fiscal year 2025, increasing 5.3 percent year-over-year from the prior year.



Compared to the previous year, growth was seen during fiscal year 2025 in manufacturing at 28.1 percent; “other” industries at 18.5 percent; information and cultural industries at 8.2 percent; professional, education and other services at 5.5 percent, accommodation and food services at 5.1 percent; and health care and social assistance at 4.6 percent. Negative growth was seen in finance, insurance and real estate at -6.1 percent, and utilities and transportation at -10.3 percent. Increased business activity in Retail resulted in growth of 3.6 percent. The key sector of construction showed solid growth at 24.5 percent compared to the same period in the previous year.

In the forecast for fiscal year 2026, the sectors with a positive performance are wholesale, with 61.2 percent growth; construction, 51.0 percent; “other” categories, 39.0 percent; health care and social assistance, 11.2 percent; retail 6.9 percent; utilities and transportation, 3.0 percent; and accommodation and food services, 2.1 percent. The sectors that are projected to decrease are services, -3.6 percent; finance, insurance and real estate, 32.0 percent; and manufacturing, -43.6 percent.



**Employment.** Prior to the beginning of the pandemic in March 2020, the unemployment rate in the Albuquerque metro area had steadily declined over the previous several years, averaging 4.8 percent since July 2017. At the onset of the pandemic, unemployment numbers increased significantly nation-wide, spiking to 12.4 percent in the Albuquerque MSA in April 2020, while the State and national rates were 11.3 and 14.7 percent respectively. Unemployment rates have declined since these highs in 2020, dropping to 4.2 percent and 4.1 percent in September 2024 statewide and nationally respectively. The metro area unemployment rate was 4.0 in September 2024, which is lower than the statewide and national rate.

The City uses the University of New Mexico’s “FOR-UNM” which informs its forecast for the MSA using the Current Employment Statistics (CES) series produced by New Mexico Department of Workforce Solutions. In its baseline forecast, FOR-UNM predicts average employment for calendar year 2025 to be 407,356 jobs, 1.0 percent more than in 2024 after an addition of 4,122 jobs. 2026 employment is projected to reach 408,506 jobs, an increase of 1,150 jobs or 0.3 percent year over year. Nearly all the 2025 growth is expected to stem from the private sector, which is predicted to grow by 3,774 jobs (1.2 percent) over the course of the year. The public sector is only expected to add 348 jobs (0.4 percent) in 2025. The low 2026 growth rate is dampened by a decrease of 528 jobs (-0.7 percent) in the public sector; private sector employment is predicted to grow by 1,678 jobs (0.5 percent) in 2026. FOR-UNM anticipates gains in 13 of the 19 private sector industries in both 2025 and 2026, though the specific industries expected to decline

differ. Healthcare & social assistance is predicted to see the largest increase in employment both years, with an addition of 2,014 jobs (3.3 percent) forecasted for 2025 and another 1,685 jobs (2.7 percent) for 2026.

**Local Economic Growth Highlights.** The City’s economy and surrounding area have been based primarily on the Intel manufacturing plant, government and related activities, retail trade, tourism, arts and entertainment, and recreation. Over the past decade, Rio Rancho has experienced steady growth in healthcare. In 2011 and 2012, Presbyterian Rust Medical Center (“Rust”) and University of New Mexico Sandoval Regional Medical Center (“UNMSRMC”) hospitals opened in the City.

Rust and UNMSRMC have attracted additional medical offices in the surrounding areas along the Unser corridor in the Petroglyphs Medical Plaza and Unser Pavilion sites. As part of this associated medical growth, the City has seen Acute Care and Assisted, Independent and Memory Care facilities invest in Rio Rancho. The Village, an approximately 64-acre mixed use development adjacent to Presbyterian Rust Medical Center along the Unser Gateway, is positioning its development to attract medical and wellness providers, as well as retail uses.

The City has attracted industry to provide employment for its residential growth. Intel Corporation, New Mexico’s most prominent manufacturer, has upgraded or overhauled its Rio Rancho site seven times since the 1980s. Over the past few years, Intel has repositioned its Rio Rancho facility from traditional wafer chip manufacturing to new technologies. In Spring, 2021, Intel announced that it will invest \$3.5 billion to equip its Rio Rancho operations for the manufacture of advanced semiconductor technologies. Modernization of the plant, the construction of which is almost complete, is to accommodate Intel’s advanced packaging technology and silicone photonics. The project has created 1,000 construction jobs. The expansion is expected to create at least 700 additional high-tech jobs.

The office and customer contact center industry has played a key role in Rio Rancho for more than two decades. HP, Inc. has operated a sales and premium support center since 2009, currently employing approximately 750 workers with a \$60 million payroll. Bank of America, which has operated a customer care facility in Rio Rancho since 1999.

Rio Rancho continues to be an attractive place to live for both growing families and retirees. The City has issued more than 4,500 single family residential permits in the last five years. Rio Rancho held 39.9 percent of the housing starts market share in the Albuquerque MSA (plus Santa Fe) in fiscal year 2024. The housing market has seen a significant increase in the median home value over the past three years.

The City has entered into a number of tax abatement arrangements with various companies to spur economic growth and encourage investment in the City. The City has issued Industrial Revenue Bonds (IRB) for various companies including manufacturing, customer contact centers, biotechnology and most recently solar energy and energy storage facilities. There are currently 10 IRBs outstanding, each of which provides abatement of real and personal property as well as exemption from gross receipts tax on equipment purchases. Arrangements for payment in lieu of taxes (PILOT) vary. Each of the companies benefitting from an IRB have brought new jobs to the City, strategically contributing to its growth.

In addition, the City has formed three (3) tax increment development districts (TIDDs). Formed as a financing mechanism for developers to fund infrastructure, these districts receive what would be the City’s share of gross receipts taxes for expenditures within their boundaries. The revenue is then used to fund the construction of infrastructure necessary for developing commercial areas where none currently exists. Once complete, the District conveys the infrastructure to the City. While the City forgoes its tax revenue from business activities within the Districts’ boundaries, it benefits from the infrastructure and improvements made and financed by the district. Businesses locating within the district, not only create new jobs but also benefit residents and visitors. Additional information on the City’s tax abatement arrangements can be found beginning on page 91.

**Long-term Financial Planning and Policies.** On September 28, 2023, the Governing Body formally adopted a Strategic Plan for fiscal years 2023 – 2028. In that plan, five key service areas were identified as the most reflective and essential to the citizens based on survey data and stakeholder input. Goals, grouped under the five key service areas, were set to support the organization in achieving its mission and vision. In addition, core values were established. Topping the list of core values is stewardship – to be fiscally responsible, conserve and sustain for future generations. The Strategic Plan informs the City’s budget priorities and decisions.

The City's economy had been challenging to forecast after the COVID-19 pandemic five years ago, as there was no comparable historical data to use as a guide. As a result, the City emphasized a conservative approach in development of its operating budgets. This, coupled with bolstering City reserves, ensured that critical public services were maintained throughout this time of uncertainty.

Gross Receipts Tax (GRT) revenue was expected to decline significantly due to pandemic-related business impacts. While some sectors declined, GRT has far exceeded conservative and pessimistic estimates for the past five years. More local shopping coupled with new revenue from the State via Internet GRT has improved the City's financial outlook far beyond its pessimistic estimates. In addition, significant construction activity from new single-family home building and multiple commercial projects has contributed to historically high GRT revenues. Meanwhile, the labor market has become increasingly tight over the past several years. Competition to hire and retain employees citywide has become increasingly difficult despite measures taken to be competitive with other public sector employers.

The General Fund ended fiscal year 2025 with an unassigned fund balance of \$70.4 million, which equals 71.7 percent of the fund’s annual expenditures under the modified-accrual basis of accounting (excluding transfers out). On a budgetary basis, the General Fund’s reserves ended the year at 71.7 percent of actual expenditures (excluding transfers out), which exceeds the State of New Mexico requirement of 1/12<sup>th</sup>, or 8.3 percent, of expenditures as well as the City’s policy target of 25 percent. This accumulation of reserves reflects the City’s conservative strategy for managing its funds during periods of uncertainty.

The fiscal year 2026 General Fund budget compared to actual fiscal year 2025 results includes a \$6.5 million, or 6.7 percent increase in expenditures, which includes a 4.0 percent cost of living increases for all employee groups. A 15.0 percent increase to health insurance and 9 new full-time equivalent positions is also included in the fiscal year 2026 budget. For all other governmental funds, fiscal year 2026 budgeted operating expenditures compared to actual expenditures in fiscal year 2025 are increasing 2.9 million or 5.1 percent. This is the result of the additional grant and GO Bond funding for fiscal year 2026. As one-time revenue becomes available in fiscal year 2026, the budget will be adjusted to include additional one-time expenditures.

The City develops a five-year financial plan for the General Fund each year which contemplates known changes in sources of revenue, significant changes in expenses (e.g. personnel costs associated with the planned opening of a new fire station), and anticipated debt service for capital needs. In each year of the five-year plan, the General Fund is structurally balanced with recurring revenue sufficient to fund recurring expenses. In addition, the five-year plan includes general fund reserves of 25 percent of operating expenses or higher in each fiscal year, meeting the City’s policy requirements. The City’s five-year infrastructure and capital improvement plan (ICIP) includes funding for critical transportation, utility, and equipment projects. The ICIP is a rolling five-year plan that identifies the City’s most important capital needs and the anticipated funding sources to pay for the various projects. Finally, the budget includes sufficient resources to meet annual debt service requirements, and the City complies with all of its debt covenants and obligations.

## CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the City of Rio Rancho for its annual comprehensive financial report for the fiscal year ended June 30, 2024. This was the 20th consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

## CONCLUSION

We believe this report provides useful information in evaluating the financial condition of the City. The preparation of this report is a team effort by the Department of Financial Services and other departments. We extend our appreciation for their ongoing commitment to excellence in financial reporting and for their continuing efforts to provide professional and outstanding service to the citizens of Rio Rancho.

Respectfully submitted,



Matthew B. Geisel  
City Manager



Stephanie M. Yara  
Director of Financial Services



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Rio Rancho  
New Mexico**

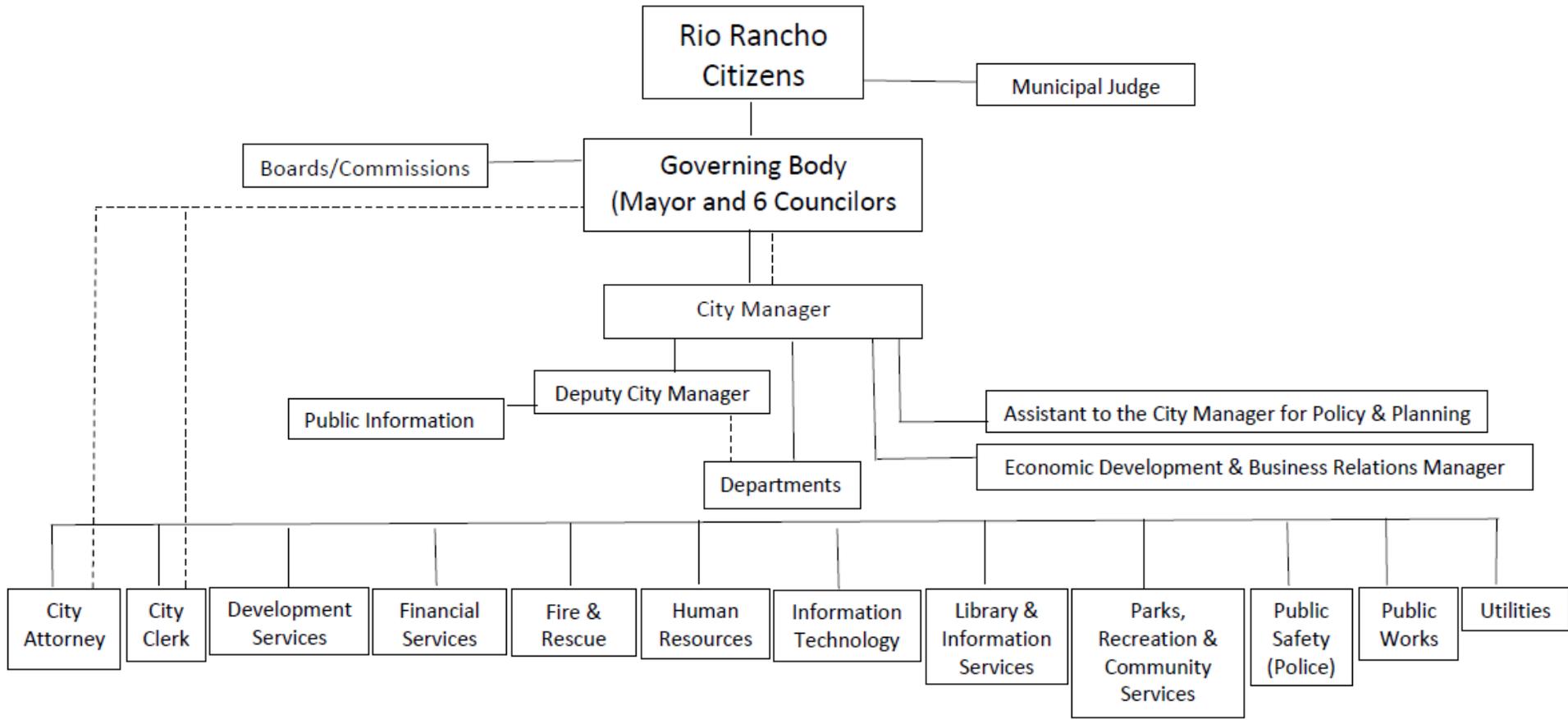
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2024

*Christopher P. Morill*

Executive Director/CEO

**CITY OF RIO RANCHO, NEW MEXICO  
ORGANIZATIONAL STRUCTURE  
JUNE 30, 2025**



*Dotted line indicates Charter duties and/or duties as assigned by City Manager on as needed basis*

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS**

Honorable Mayor and Members of the City Council  
City of Rio Rancho, New Mexico and  
Joseph M. Maestas, PE, CFE, State Auditor  
State of New Mexico, Office of the State Auditor

**Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue fund of the City of Rio Rancho (the City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2025, and the respective changes in financial position, and where applicable, cash flows thereof and the respective budgetary comparisons for the general fund and major special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Emphasis of Matters****Adoption of New Accounting Guidance**

As discussed in Note 1 to the financial statements, the City adopted the provisions of Governmental Accounting Standards Board (GASB) 101, *Compensated Absences*, which is effective for fiscal years beginning after December 15, 2023.

As discussed in Note 15, the adoption of GASB 101 resulted in a restatement of beginning net position. Our opinions are not modified with respect to this matter.

#### Error Corrections

As discussed in Note 15, the City has restated the 2024 financial statements and related beginning balances, as applicable, to correct an error in the recognition of revenue and capital assets. As part of our audit of the financial statements for the year ended June 30, 2025, we also audited the adjustments described in Note 15 that were applied to restate the 2024 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or perform any procedures on the 2024 financial statements other than with respect to those adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2024 financial statements as a whole. Our opinions are not modified with respect to these matters.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as listed in the table of contents, schedules of the City's proportionate share of the net pension and OPEB liabilities and the City's contributions, as listed under "Required Supplementary Information" in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary and Other Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules, and Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and other schedules

required by 2.2.2 NMAC, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such information, including the schedule of expenditures of federal awards, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

Management is responsible for the other information included in the Annual Comprehensive Financial Report (ACFR). The other information comprises the introductory and statistical sections, but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Hinkle + Landers, PC  
Albuquerque, New Mexico  
December 16, 2025



## **FINANCIAL SECTION**

**CITY OF RIO RANCHO, NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2025**

The following is a discussion and analysis of the City of Rio Rancho's financial performance and activities for the year ended June 30, 2025. Please read it in conjunction with the transmittal letter in the Introductory Section of this report and with the financial statements that follow.

**HIGHLIGHTS**

**Government-Wide Level**

- Combined net position ended the year at \$873 million, which is an increase of \$125.4 million, or 16.8 percent from the prior year. Assets increased \$169.7 million, or 16.4 percent, and deferred outflows of resources increased \$7.7 million, or 23.1 percent. Liabilities increased \$56.2 million, or 18.7 percent, while deferred inflows of resources decreased by \$3.9 million, or 21.2 percent. Positively affecting the net position are increases in capital assets, investments and deferred outflows of resources, primarily those associated with deferred pension plan items. In addition, decreases in deferred inflows of resources contributed to the overall increase in combined net position, offsetting the increase in long-term debt.

**Capital Assets and Long-term Liabilities**

- The City added \$58.8 million in new capital and leased assets (net of deletions, depreciation and amortization) including equipment and vehicles, building renovations and security upgrades, parks and recreational facility improvements, and major road, drainage and water/wastewater improvements. Major projects completed during the year include: College Boulevard Phase 1, Campus Park Phase 2, Northern Boulevard from NM 528 to Rockaway Boulevard infrastructure, Well 13 re-drill, building improvements to Fire Station 1, Sports Complex North concession building, Loma Colorado Library, Police Headquarters and parking lot, Aquatic Center, Rainbow Pool, Star Heights Recreation Center, and City Hall. Several fire apparatus units and police vehicle replacements were also acquired during the year. Major projects currently in progress include Residential Hybrid Mill and Inlay Phase 2 and 3; Broadmoor Boulevard Mill and Inlay; Lema Road; 19th Avenue NE; Safelite Boulevard; park improvements at Vista Sandia and Star Heights parks; Broadmoor Center Senior Center Phase 2; and Wastewater Treatment Plant 2 Headworks. Right-of-use assets and subscription-based IT arrangements added during the year amounted to \$1.3 million, net of accumulated amortization.
- As of June 30, 2025, the City's share of the New Mexico Public Employees Retirement Association (PERA) net pension liability was \$126.6 million, which represents 1.77 percent, 3.80 percent, 4.52 percent of PERA's total net pension liability for Muni General, Police, and Fire, respectively.
- As of June 30, 2025, the City's combined New Mexico Retiree Health Care Authority (RHC) net OPEB liability was \$12.8 million. The City's proportionate share for fiscal year 2025 was 0.72 percent for combined governmental and business-type activities. The City's proportionate share of OPEB liability was based on actual contributions to the Fund for the year ended June 30, 2025.

**CITY OF RIO RANCHO, NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2025**

**Fund Level**

- The General Fund ended the year with an unassigned fund balance of \$70.3 million, which equals 56.7 percent of the fund's fiscal year 2025 actual expenditures (including transfers out), and is well above the policy target level of 25 percent established in fiscal year 2021.
- On a budgetary basis, General Fund revenues were \$8.4 million, or 7.3 percent above the final budget and General Fund expenditures were \$27.7 million, or 21.9 percent below the final budget.
- The Utility Fund net position increased \$38.2 million (10.5%) over the prior year and ended the year at \$413.6 million. This included the recognition of \$10.5 million of developer contributed assets related to the prior year that required a restatement of Net Position.
- Four new governmental funds were added in 2025. The 2025 State Shared Gross Receipts Tax (SSGRT) Revenue Bond Construction fund was determined to be a major capital fund. The 2025 SSGRT Debt Service fund and Fire Fighter Recruitment special revenue fund were determined be non-major. The 2024 GO Bond Debt Service fund is included in the combined General Obligation Bond Fund, which was determined to be non-major.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is an introduction to the City's Basic Financial Statements. The Basic Financial Statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the Basic Financial Statements, this report contains other required information including required supplementary information related to pension and OPEB, combining statements, budget schedules, reports on federal grants, and a statistical section.

**Government-Wide Statements – Reporting the City as a Whole**

The Statement of Net Position and the Statement of Activities comprise the government-wide financial statements. These statements provide a broad overview with a long-term focus of the City's finances as a whole and are prepared using the full-accrual basis of accounting, similar to private-sector companies. This means all revenues and expenses are recognized regardless of when cash is received or spent, and all assets and liabilities, including capital assets and long-term debt, are reported at the entity level. The government-wide statements report the City's net position and how it has changed from the prior year. Over time, increases and decreases in net position measure whether the City's overall financial condition is getting better or worse. In evaluating the government's overall condition, however, additional non-financial factors should be considered, such as the City's economic outlook, changes in its demographics, and the condition of its capital assets and infrastructure.

The government-wide statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or most of their costs through user fees and charges (*business-type activities*). Rio Rancho's governmental activities include general government, public safety, public works, parks and recreation, library services, community development, and economic development programs. The City

**CITY OF RIO RANCHO, NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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has two business-type activities that include a water/wastewater utility and a multi-purpose events center.

**Fund Financial Statements – Reporting the City's Most Significant Funds**

The fund financial statements provide detailed information about individual major funds, not the City as a whole. A fund is a group of related accounts that the City uses to keep track of specific resources that are segregated for a specific purpose. Some funds are required by law to exist, while others are established internally to maintain control over a particular activity. The City's funds are divided into three types:

*Governmental Funds* – Most of the City's basic services are accounted for in governmental funds and are essentially the same functions reported as governmental activities in the government-wide statements. Governmental funds use the modified-accrual basis of accounting, which measures the flow of current financial resources that can be converted to cash and the balances left at year-end that are available for future spending. This short-term view of the City's financial position helps determine whether the City has sufficient resources to cover expenditures in the near future.

Under New Mexico Administrative Code Section 2.2.2, governments in New Mexico must include the budgetary comparison statement for the General Fund and major special revenue funds as a component of the fund financial statements within the Basic Financial Statements.

*Proprietary Funds* – Rio Rancho uses two different types of proprietary funds. *Enterprise funds* are used to report the same activities presented as *business-type activities* in the government-wide financial statements. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains two internal service funds to account for its self-funded employee health and dental insurance activities. Because these services predominantly benefit governmental rather than business-type activities, they are included with *governmental activities* in the government-wide statements.

*Custodial Funds* – Custodial funds account for resources held for the benefit of parties outside the government. Custodial funds use full-accrual accounting, but they are not included in the government-wide statements because the assets in these funds are not available to finance the City's own programs.

**Reconciliation Between Government-wide and Fund Statements**

The financial statements include schedules that reconcile the amounts reported for governmental activities on the government-wide statements with amounts reported on the governmental fund statements. Following are some of the major differences between the two statements:

- Capital assets, long-term debt, lease-related activities, software-based IT arrangements, pension and OPEB liabilities, as well as deferred inflow/outflow for pension and OPEB items are included on the government-wide statements but are not included on the governmental fund statements.

**CITY OF RIO RANCHO, NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2025**

- Capital and lease spending produce assets on the government-wide statements but are considered an expenditure on the governmental fund statements.
- Delinquent property tax revenues that are owed to the City but not yet collected are reported as revenue on the government-wide statements but are deferred inflows on the governmental fund statements.

### **Notes to the Financial Statements**

The notes provide additional information that is essential to a complete understanding of the financial statements, and they apply to both the government-wide and fund financial statements.

### **Required Supplementary Information**

This section includes required information related to the City's pension plans and other post-employment benefits (OPEB).

### **Supplementary Information**

This section includes combining statements for the City's nonmajor governmental funds, budgetary comparison schedules for all funds other than the General Fund and Grant Fund, and statutorily required schedules related to the City's cash and investment balances, state appropriations, vendors, and interlocal agreements between the City and other governmental entities.

### **Statistical Information**

This section provides up to ten years of financial, economic, and demographic information about the City.

### **Single Audit Section**

This section reports on the City's expenditures of federal awards and is required by federal and state statutes.

## **FINANCIAL ANALYSIS OF THE CITY AS A WHOLE**

### **Net Position**

The largest component of the City's net position is composed of *capital assets* (land, buildings, equipment, roads, and other infrastructure), net of all outstanding debt that was issued to buy or build those assets. As capital assets, these resources are not available for future spending, nor can they be readily liquidated to pay off the related liabilities. Resources needed to repay capital-related debt must be provided from other sources. The largest portion of the net position is *Net investment in Capital Assets* totaling \$635.5 million, or 72.8 percent of total net position.

*Restricted net position* totals \$164.7 million, or 18.9 percent of total net position and is subject to external restrictions on how the resources may be used. The remaining balance of net position, \$72.8 million, or 8.3 percent of total net position, is *unrestricted* and may be used at the City's discretion to

**CITY OF RIO RANCHO, NEW MEXICO  
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FOR THE YEAR ENDED JUNE 30, 2025**

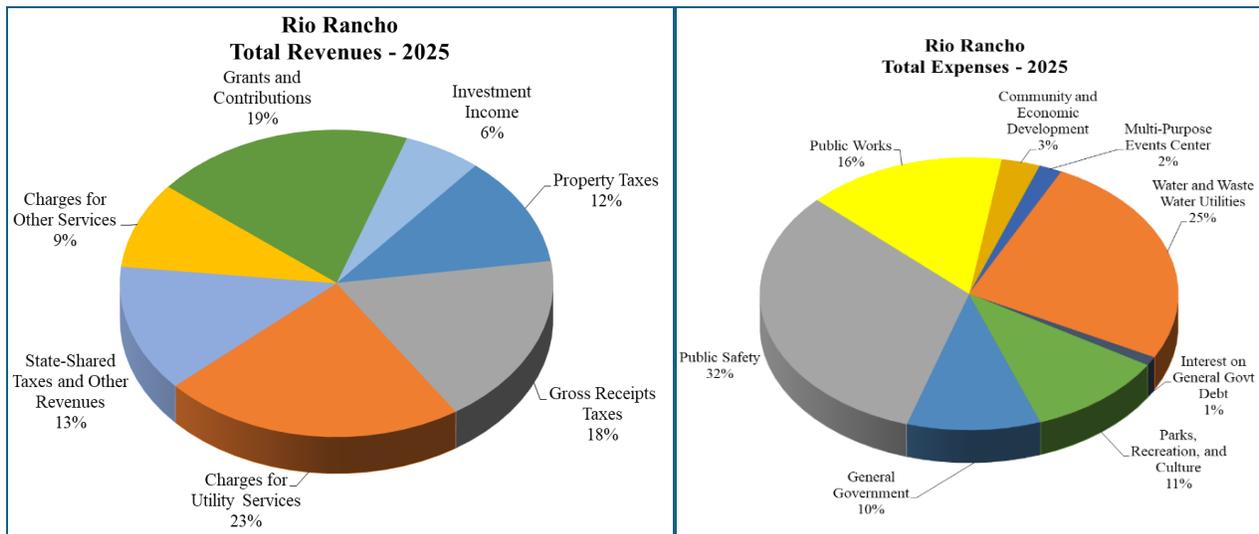
meet its ongoing obligations to citizens and creditors. Unrestricted net position increased by \$1.0 million, or 1.5%. Governmental activities saw a decrease in unrestricted net position of \$11.2 million while business-type activities saw an increase in unrestricted net position of \$12.2 million. The negative unrestricted net position in governmental activities is due to the recording of pension and OPEB liabilities. The following table compares the current year's net position to the prior year. The increase in net position is primarily due to significant increases in the City's investments and capital assets, including developer contributions.

**Net Position as of June 30**

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and Other Assets	\$ 271,299,787	\$ 202,886,937	\$ 118,130,855	\$ 108,384,171	\$ 389,430,642	\$ 311,271,108
Capital Assets	398,938,206	339,142,726	414,048,933	382,296,554	812,987,139	721,439,280
Total Assets	670,237,993	542,029,663	532,179,788	490,680,725	1,202,417,781	1,032,710,388
Total Deferred Outflows of Resources	34,544,628	26,200,551	6,461,435	6,815,279	41,006,063	33,015,830
Current and Other Liabilities	22,344,966	22,429,127	5,099,752	4,977,475	27,444,718	27,406,602
Long-Term Liabilities	229,825,792	166,433,447	98,633,621	105,892,342	328,459,413	272,325,789
Total Liabilities	252,170,758	188,862,574	103,733,373	110,869,817	355,904,131	299,732,391
Total Deferred Inflows of Resources	14,022,306	17,741,996	480,989	653,475	14,503,295	18,395,471
Net Position:						
Net Investment in Capital Assets	311,854,305	296,761,735	323,611,343	284,383,670	635,465,648	581,145,405
Restricted	161,627,690	88,599,300	3,112,725	6,086,575	164,740,415	94,685,875
Unrestricted	(34,892,438)	(23,735,391)	107,702,793	95,502,467	72,810,355	71,767,076
Total Net Position	\$ 438,589,557	\$ 361,625,644	\$ 434,426,861	\$ 385,972,712	\$ 873,016,418	\$ 747,598,356

**Changes in Net Position**

The City's combined net position increased \$125.4 million, or 16.8 percent from the prior year. Net position of governmental activities increased \$77.0 million, or 21.3 percent; while net position of business-type activities increased \$48.5 million, or 12.6 percent. The following charts and schedules summarize the City's revenues and expenses relative to each other and to the prior year.



**CITY OF RIO RANCHO, NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2025**

**Governmental Activities**

In total, revenues for all governmental activities increased \$34.7 million, or 20.7 percent from the prior year. The overall increase is the net result of increases and decreases in the various sources of funding. There was a significant increase in capital grants of \$31.1 million. Total property tax revenue increased \$2.5 million, or 8.1 percent, primarily due to an increase residential and commercial construction activity in the City. Gross receipts taxes increased \$2.6 million, or 5.3 percent, due to increased business activity, particularly in the retail, construction, healthcare and social services, and accommodation and food services sectors. Other general revenues increased \$3.6 million, or 8.9 percent.

**Changes in Net Position  
Years Ended June 30**

	Governmental Activities		Business-Type Activities		Total		Change
	2025	2024	2025	2024	2025	2024	2024-2025
<b>REVENUES</b>							
General Revenues:							
Taxes	\$ 92,004,339	\$ 86,346,192	\$ -	\$ -	\$ 92,004,339	\$ 86,346,192	6.6 %
Other General Revenues	44,155,904	40,545,564	5,814,089	4,915,118	49,969,993	45,460,682	9.9 %
Program Revenues:							
Charges for Services	25,365,713	24,488,919	66,795,216	63,029,902	92,160,929	87,518,821	5.3 %
Operating Grants	4,468,919	10,994,184	-	1,145,396	4,468,919	12,139,580	(63.2)%
Capital Grants	36,332,036	5,220,187	15,919,939	-	52,251,975	5,220,187	901.0 %
Total Revenues	<u>202,326,911</u>	<u>167,595,046</u>	<u>88,529,244</u>	<u>69,090,416</u>	<u>290,856,155</u>	<u>236,685,462</u>	<u>22.9 %</u>
<b>EXPENSES</b>							
General Government	20,311,690	17,511,015	-	-	20,311,690	17,511,015	16.0 %
Public Safety	62,990,551	53,071,714	-	-	62,990,551	53,071,714	18.7 %
Public Works	29,245,126	24,595,960	-	-	29,245,126	24,595,960	18.9 %
Parks, Recreation, and Culture	20,717,548	16,374,515	-	-	20,717,548	16,374,515	26.5 %
Community and Econ. Develop.	5,911,400	5,023,954	-	-	5,911,400	5,023,954	17.7 %
Interest on General Govt. Debt	2,121,781	1,227,210	-	-	2,121,781	1,227,210	72.9 %
Water and Waste Water Utilities	-	-	49,254,949	37,219,042	49,254,949	37,219,042	32.3 %
Multi-Purpose Events Center	-	-	3,484,587	2,878,758	3,484,587	2,878,758	21.0 %
Total Expenses	<u>141,298,096</u>	<u>117,804,368</u>	<u>52,739,536</u>	<u>40,097,800</u>	<u>194,037,632</u>	<u>157,902,168</u>	<u>22.9 %</u>
Excess (Deficiency)	61,028,815	49,790,678	35,789,708	28,992,616	96,818,523	78,783,294	
Transfers of Capital Assets	(103,856)	(1,452,500)	103,856	1,452,500	-	-	
Transfers	<u>(1,635,749)</u>	<u>(4,963,052)</u>	<u>1,635,749</u>	<u>4,963,052</u>	<u>-</u>	<u>-</u>	
<b>CHANGE IN NET POSITION</b>	<b>59,289,210</b>	<b>43,375,126</b>	<b>37,529,313</b>	<b>35,408,168</b>	<b>96,818,523</b>	<b>78,783,294</b>	
Net Position - Beginning	361,625,644	318,250,518	385,972,712	350,564,544	747,598,356	668,815,062	
Restatement	17,674,703	-	10,924,836	-	28,599,539	-	
Net Position - Beginning, Restated	<u>379,300,347</u>	<u>318,250,518</u>	<u>396,897,548</u>	<u>350,564,544</u>	<u>776,197,895</u>	<u>668,815,062</u>	
<b>NET POSITION - ENDING</b>	<b>\$ 438,589,557</b>	<b>\$ 361,625,644</b>	<b>\$ 434,426,861</b>	<b>\$ 385,972,712</b>	<b>\$ 873,016,418</b>	<b>\$ 747,598,356</b>	<b>16.8 %</b>

Total governmental activities expenses increased \$23.5 million, or 19.9 percent compared to the prior year. All categories of expense activity increased, with the most significant increases seen in Interest on General Governmental Debt at \$894 thousand, or a 72.9 percent increase from the prior year; Parks, Recreation and Culture at \$4.3 million, or 26.5 percent increase; and Public Works at \$4.6 million, or 18.9 percent increase. The increase across all categories of expense is due to cost-of-living increases, increased employee benefit costs, and overall cost escalations for program supplies and professional services. Further, additional resources continue to be devoted to facility repairs and

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MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2025**

maintenance projects which had previously been deferred, public safety facilities and equipment, road maintenance, park maintenance, as well as technology upgrades.

The following table shows to what extent the City's governmental activities relied on self-generated revenues to cover program costs. For fiscal year 2025, these activities covered \$66.2 million, or 46.8 percent of their total expenses through grants and charges for services. Taxes and other general revenues covered the remaining \$75.1 million, or 53.2 percent of expenses.

**Net Cost of Governmental Activities  
Years Ended June 30**

ACTIVITIES	Program Expenses 2025	Less Program Revenues 2025	Net Program Costs		Program Revenues as a Percentage of Program Expenses	
			2025	2024	2025	2024
General Government	\$ 20,311,690	\$ (11,538,959)	\$ 8,772,731	\$ 6,752,707	56.8 %	42.8 %
Public Safety	62,990,551	(13,977,122)	49,013,429	35,089,565	22.2	33.7
Public Works	29,245,126	(26,067,767)	3,177,359	20,572,019	89.1	36.7
Parks, Recreation, and Culture	20,717,548	(10,383,834)	10,333,714	12,489,466	50.1	38.0
Community and Economic Development	5,911,400	(4,198,986)	1,712,414	970,111	71.0	80.7
Interest on Long-Term Debt	2,121,781	-	2,121,781	1,227,210	-	-
Total Governmental Activities	<u>\$ 141,298,096</u>	<u>\$ (66,166,668)</u>	<u>\$ 75,131,428</u>	<u>\$ 77,101,078</u>	46.8 %	37.3 %

**Business-type Activities**

Overall, net position for business-type activities increased \$48.5 million, or 12.6 percent, and ended the year at \$434.4 million. Following is a summary of activities within the Utility and Multi-Purpose Events Center functions.

**Water and Waste Water Utility.** As a result of the most recent study to evaluate the existing rates and plan for future needs, a new rate structure was adopted in March of 2025. The plan includes a three percent increase to water, wastewater, and water rights acquisition fees between fiscal years 2026-2030, and a five percent increase to bulk water rates through the same period. Utility operating revenues increased \$3.4 million, or 5.8 percent in 2025 as a net result of increases in charges for services and new accounts being added.

Total Utility production cost expenses increased \$9.7 million, or 46.2 percent. This is primarily due to an overall increase in the program supplies, deferred system maintenance activities, and the Advanced Metering Infrastructure (AMI) pilot project which continued during fiscal year 2025. The project is bringing smart technologies to meters for more accurate readings and ease of operation. Utilities net position increased \$48.7 million, or 13.3 percent, and ended the year at \$413.6 million.

**Multi-Purpose Events Center (MPEC).** Operating revenues for the MPEC decreased by \$381 thousand, or 28.4 percent, due to a decrease in events held at the Events Center during 2025. Operating expenses increased \$617 thousand, or 26.0 percent compared to the prior year. This

**CITY OF RIO RANCHO, NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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increase is related to an increase in the operating subsidy needed to support the events center. Net position of the MPEC Fund increased \$224 thousand to end the year at \$20.8 million.

**CAPITAL ASSETS, LONG-TERM OBLIGATIONS, PENSIONS, AND OTHER POST-EMPLOYMENT BENEFITS**

**Capital Assets**

The City's total net capital assets ended the year at \$813.0 million, an increase of 12.3% over the prior year. The City added \$91.5 million in new capital and leased assets (net of deletions, depreciation and amortization) including equipment and vehicles, building renovations and major road, drainage and water/wastewater improvements. Major projects completed during the year include: College Boulevard Phase 1, Campus Park Phase 2, Northern Boulevard from NM 528 to Rockaway Boulevard infrastructure, Well 13 re-drill, building improvements to Fire Station 1, Sports Complex North concession building, Loma Colorado Library, Police headquarters and parking lot, Aquatic Center, Rainbow Pool, Star Heights Recreation Center, and City Hall. Several fire apparatus units and police vehicle replacements were also acquired. Right-of-use assets and subscription-based IT arrangements in 2025 totaled \$3.0 million less \$2.3 million in accumulated amortization. Increases in the Construction-in-Progress category resulted from significant effort on new and ongoing projects net of completion of projects which shifted the asset to a depreciating asset category. Also, during 2025, the City recognized \$51 million in developer contributed infrastructure.

As mentioned above, the City has a variety of active construction projects as of June 30, including parks and recreation improvements, facilities improvements, transportation improvements and water and wastewater improvements. However, no outstanding construction commitments are reported beyond accounts payable for work completed as of June 30. The City construction contracts contain a "non-appropriations" clause which allows for termination of the contract if sufficient appropriations are not made by the governing body. Additionally, the City reserves the right to terminate construction contracts for cause or convenience.

Note 7 of the financial statements provides more information about the City's capital assets.

**Long-term Debt**

**Governmental Activities.** During 2025, the City issued \$16 million in General Obligation Bonds, and \$30.5 million of Gross Receipts Tax Revenue Bonds to fund capital construction projects. The Series 2013 GRT Refunding bonds matured and were paid off, as well as a direct loan borrowing from the New Mexico Finance Authority (NMFA).

**Business Type Activities.** During 2025, the City borrowed \$1.7 million in direct notes to finance water and wastewater improvements. The Series 2013 Utility Revenue Refunding bonds matured and were paid off.

**CITY OF RIO RANCHO, NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2025**

**Pensions**

The accounting standards related to pensions require the City to report its proportionate share of the New Mexico Public Employees Retirement Association (PERA) net pension liability. For fiscal year 2025, the City's net pension liability was \$122.5 million for governmental activities and \$4.1 million for business-type activities. The City's net pension liability was calculated based on information provided by PERA state statutes governing benefit levels and contribution rates, as well as several assumptions adopted by the PERA Board of Directors, in conformance with GASB standards. The City does not control or influence any of the factors that determine the City's net pension liability except to the extent the City hires employees who are covered by one of PERA's pension plans.

**Other Post-employment Benefits**

The accounting standards related to other post-employment benefits (OPEB) require the City to report its proportionate share of the New Mexico Retiree Health Care Authority (RHC) net OPEB liability. For fiscal year 2025, the City's net OPEB liability was \$12.3 million for governmental activities and \$514 thousand for business-type activities. The City's net OPEB liability was calculated based on information provided by RHC in conformance with GASB standards. The City does not control or influence any of the factors that determine the City's net OPEB liability except to the extent the City hires employees who are covered by RHC.

The following table presents changes in the City's long-term obligations relative to the prior year. Note 8 provides more details on the City's long-term debt and other long-term obligations.

**LONG-TERM LIABILITIES  
JUNE 30**

	Governmental Activities		Business-Type Activities		Total		Total % Change 2024-2025
	2025	2024	2025	2024	2025	2024	
General Obligation Bonds, Net	\$ 40,538,442	\$ 28,440,712	\$ -	\$ -	\$ 40,538,442	\$ 28,440,712	42.5 %
GRT Revenue Bonds, Net	38,573,122	9,772,554	12,546,494	14,252,422	51,119,616	24,024,976	112.8 %
Utility Revenue Bonds, Net	-	-	71,573,846	78,320,583	71,573,846	78,320,583	(8.6)%
Notes from Direct Borrowings	5,485,736	6,717,799	9,728,654	9,222,080	15,214,390	15,939,879	(4.6)%
Compensated Absences	7,775,524	6,428,658	147,000	144,710	7,922,524	6,573,368	20.5 %
Lease Liability	261,842	247,134	66,154	51,798	327,996	298,932	9.7 %
Subscription Liability	2,340,384	1,076,274	-	-	2,340,384	1,076,274	100.0 %
Net Pension Liability	122,519,171	103,107,355	4,057,657	3,457,292	126,576,828	106,564,647	18.8 %
Net OPEB Liability	12,331,571	10,642,961	513,816	443,457	12,845,387	11,086,418	15.9 %
Total	<u>\$ 229,825,792</u>	<u>\$ 166,433,447</u>	<u>\$ 98,633,621</u>	<u>\$ 105,892,342</u>	<u>\$ 328,459,413</u>	<u>\$ 272,325,789</u>	<u>20.6 %</u>

**FINANCIAL ANALYSIS OF THE CITY'S GOVERNMENTAL FUNDS**

**Fund Balances**

As of June 30, 2025, the City's governmental funds reported combined fund balances of \$236.6 million, an increase of \$65.3 million, or 38.1 percent from the prior year. Of the total fund balances, \$161.6 million, or 68.3 percent, is restricted for various purposes, such as debt service and future capital projects, and is therefore unavailable for discretionary spending. Committed fund balance totals \$8.4 million, or 3.5 percent, and is committed by policy for various purposes. \$29 thousand, or less than 0.01 percent, is assigned and segregated per the requirements of the State of New Mexico Department of Finance and Administration. The remaining \$66.6 million, or 28.1 percent, is unassigned and available for new spending.

**CITY OF RIO RANCHO, NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2025**

The following table presents the City's 2025 ending governmental fund balances.

**Governmental Fund Balances  
June 30, 2025**

	General Fund	Grants Fund	State Shared GRT Revenue Bond Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
Restricted	\$ 10,575,248	\$ 1,347,616	\$ 32,204,774	\$ 47,087,636	\$ 14,656,408	\$ 55,756,008	\$ 161,627,690
Committed	-	-	-	8,364,191	-	-	8,364,191
Assigned	-	-	-	28,595	-	-	28,595
Unassigned	68,498,660	-	-	(1,208,906)	-	(693,354)	66,596,400
<b>Total</b>	<b>\$ 79,073,908</b>	<b>\$ 1,347,616</b>	<b>\$ 32,204,774</b>	<b>\$ 54,271,516</b>	<b>\$ 14,656,408</b>	<b>\$ 55,062,654</b>	<b>\$ 236,616,876</b>

**General Fund**

During 2025, the fund balance in the General Fund increased \$4.2 million, or 5.6 percent from the prior year. Revenues exceeded expenses by \$24.2 million and there were \$25.9 million in transfers out to other funds. These transfers included \$13.8 million for one-time projects including funding to improve roads and parks and recreational facilities throughout the City. In addition, transfers of pledged gross receipts tax (GRT) revenue from the General Fund to the appropriate Debt Service Funds totaled \$2.7 million. Other transfers were to special revenue funds for strategic planning initiatives (\$3.8 million), and operations of the Regional Emergency Communications Center (\$2.5 million). Transfers to proprietary funds included the Events Center for operations and various facility improvement projects (\$1.4 million), and the Health Self-Insurance Fund (1.4 million).

**Revenues.** Municipal gross receipts taxes increased \$2.3 million, or 5.4 percent from the prior year for the General fund. This is due to increased business activity particularly in the retail, construction, healthcare and social services, and accommodation and food services sectors. Property tax revenue increased \$1.6 million, or 7.0 percent, in the general fund due to a combination of new properties and property improvements the value of which was added to the tax rolls, and a 1.71 percent inflationary factor applied under New Mexico's "yield control" formula, the maximum allowable under state statute. Intergovernmental – State revenues increased by \$1.3 million, or 4.0 percent in the General Fund due to increases in state shared gross receipts taxes which results from increased business activity as noted above. In total, actual General Fund revenues increased \$6.2 million, or 5.2% over the prior year.

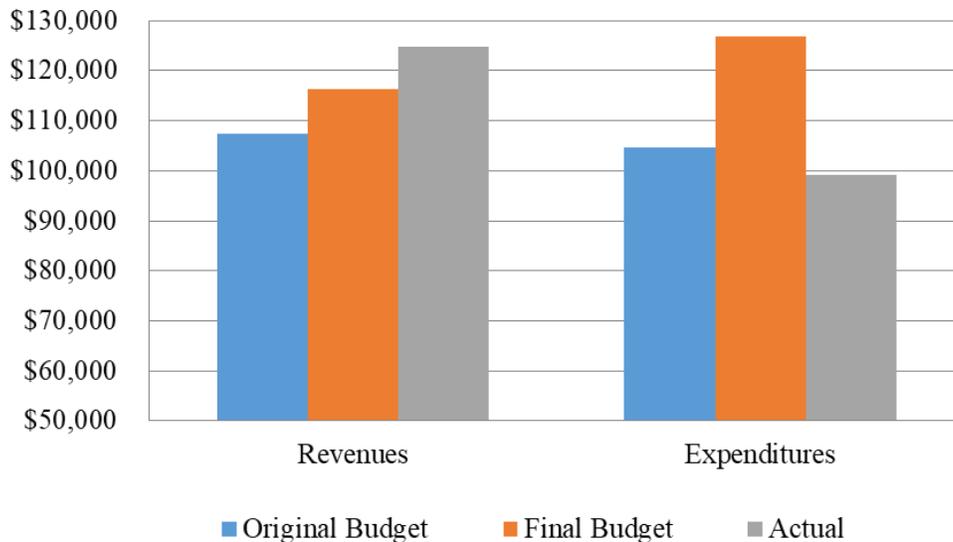
**Expenditures and Transfers.** Total General Fund expenditures increased \$15.9 million, or 18.9 percent, and transfers made to other funds increased by \$1.2 million, or 4.9 percent. The increase in expenditures is due to cost-of-living increases, increased employee benefit costs, and overall cost escalations for program supplies and professional services. Further, additional resources continue to be devoted to facility repairs and maintenance projects which had previously been deferred, as well as technology upgrades to increase citizen engagement and transparency.

**Budgetary Highlights.** On a budgetary basis, the final 2025 General Fund budget estimated a \$28.7 million decrease in fund balance; however, actual fund balance increased \$5.6 million. This change was the result of favorable variances in both revenues of \$8.4 million, and in expenditures of \$27.7

**CITY OF RIO RANCHO, NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2025**

million. Following are other amendments to the General Fund budget and comparisons of actual results to the budget for the fiscal year:

**City of Rio Rancho  
2025 General Fund Budget v. Actual  
(in thousands)**



The General Fund revenue budget was increased during the year from \$107.4 million to \$116.3 million. This \$8.9 million increase was primarily the result of higher than projected gross receipts tax revenue early in the fiscal year, also seen in the Intergovernmental – State category which reflects the State’s share of gross receipts taxes paid to the City.

Gross receipts taxes, budgeted using a “pessimistic” economic scenario, performed much better than the forecast, particularly with respect to retail, construction, healthcare and social services, and accommodation and food services sectors business activities. Also contributing to the positive variance was an increase in property taxes, charges for services and investment income.

- Actual property tax revenues were \$114 thousand, or 0.1 percent less than the final amended budget.
- Charges for services such as recreation fees, alarms, ambulance, certain development related services and recreational services were \$1.2 million, or 14.3 percent more than the final amended budget. This is a primarily due to increased development related charges for services due to construction activity in the City, as well as increased ambulance services for which the City receives a fee.
- Investment income was \$1.3 million higher than the final budget due to an increase in funds available for investment, a more focused investment strategy, favorable market conditions and continued re-investment of interest and dividend income.

**CITY OF RIO RANCHO, NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2025**

On a budgetary basis, total General Fund revenues were \$17.4 million, or 16.2 percent higher than the original budget, and \$8.4 million, or 7.3 percent above the final budget. Total expenditures were \$5.4 million below, or 5.2 percent, and \$27.7 million, or 21.9 percent below the original and final budgets, respectively. The budgetary comparison statement on page 35 presents budget-to-actual results for all major revenue sources, and expenditures in each function of the General Fund. The statement also reconciles the City's budgetary-basis revenues and expenditures to amounts reported in the financial statements on a modified-accrual basis.

**Grants Fund**

For fiscal year 2025, the Grants Fund is reported as a major governmental fund. The fund is used to account for various State and Federal grants received by the City. During the year, the most significant revenues in the fund were received from the Department of Transportation Highway Planning and Construction grants of \$2.4 million; and from the Environmental Protection Agency Drinking Water Revolving Loan Fund in the amount of \$1.7 million.

The City continued to spend residual funding from the American Rescue Plan Act (ARPA) grant made from the Federal Coronavirus Local Fiscal Recovery Fund, in support to the City for COVID-related recovery activities and certain infrastructure. This grant was received in two installments of \$6.44 million each. During fiscal year 2025, these funds supported \$764 thousand in grant expenditures for utilities infrastructure. The remaining ARPA funds are recorded as unearned revenue.

Other grants totaling \$1.4 million supported public safety activities and the purchase of related equipment including police operations to mitigate DWI and to encourage use of seatbelts, drug enforcement activities, and funding for homeland security related training, equipment and supplies; and Housing and Urban Development (HUD) Community Development Block Grants which provided energy efficient housing retrofits.

**State Shared GRT Revenue Bond Fund**

Also reported as a major fund for fiscal year is the new State Shared GRT Revenue Bond Fund. The fund is used to account for the proceeds of the 2025 SSGRT revenue bond issued during the year in the amount of \$32.2 million earmarked for road construction projects and related land acquisition. The City has a strategic focus on improving roads. In addition to receiving federal and state grants for various road projects, the City has dedicated significant general fund resources to road infrastructure. The bond proceeds are held as investments that will be liquidated to fund the related capital activity.

**CITY OF RIO RANCHO, NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2025**

**Nonmajor Governmental Funds**

The City's nonmajor governmental fund balances increased \$28.1 million, or 36.3 percent from the prior year to \$124.0 million. The increase can be attributed to various factors. Most significant among them is the issuance of \$16 million of General Obligation Bonds, the movement of the Infrastructure Fund from a major fund to a non-major fund, an increase in investment income in the Permanent Fund, an increase in State Intergovernmental revenues, and a restatement of \$18.0 million to account for developer contributed assets.

There were also significant uses of fund balance for capital projects in the General Obligation Bond Fund which offset the overall increase in nonmajor governmental fund balances. Nonmajor ending fund balances are attributed to various fund types as follows: Special Revenue funds totaling \$54.3 million, Debt Service funds totaling \$14.7 million, and Capital Projects funds totaling \$55.0 million. Other fund level changes are highlighted below.

**Special Revenue Funds.** In total, Special Revenue expenses increased \$9.6 million, or 77.1 percent from the prior year. This is a result of increases and decreases in various categories of expenses. Special Revenue fund expenses related to general government increased \$729 thousand, or 73.8 percent; community and economic development increased by \$383 thousand, or 53.7 percent; and public works expenditures increased by \$238 thousand, or 46.6 percent. The most significant change was in public safety expenditures, which increased by \$1.9 million, or 29.2 percent, due to an increase in expenses for recruitment and retention of law enforcement officers as well as additional fire protection expenditures. Parks, recreation, and culture expenditures decreased by \$315 thousand, or 35.0 percent, due to decreases in available grant funding used for library materials and minor equipment. Capital Outlay increased by \$6.5 million, due to increased capital activity in the Higher Education Gross Receipts Tax Fund.

**Debt Service Funds.** Debt service expenditures decreased \$1.3 million, or 12.8 percent, mostly due to the issuance of the 2024 General Obligation Bonds and 2025 SSGRT revenue bond early in the fiscal year which resulted in additional debt service transfers at year-end. Property tax revenue increased \$967 thousand, or 11.0 percent from the prior year. Total nonmajor Debt Service Fund balances ended the year at \$14.7 million, all of which is restricted for future debt service payments.

**Capital Projects Funds.** Total capital projects funds expenditures increased \$12.3 million, or 100 percent from the prior year. Changes included the movement of the Infrastructure Fund from major to non-major, increases in the 2024 GO Bond expenditures of \$3.0 million, and increases in the Special Appropriations grants received from the State of New Mexico which funded an additional \$2.0 million as compared to the prior year. Fund balances for nonmajor Capital Project Funds ended the year at \$55.1 million, most of which are restricted for future projects.

**CITY OF RIO RANCHO, NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2025**

**FINANCIAL ANALYSIS OF THE CITY'S PROPRIETARY FUNDS**

Results of operations for the City's two enterprise funds were explained above under the heading "Business-type Activities." Internal service fund activities for 2025 were as follows.

**Health Self-Insurance Fund**

Expenses for claims and administration decreased by \$881 thousand, or 9.7 from the prior year. Claims expense was lower due to a reduction in claims activity and claim amounts. Revenues increased \$1.1 million, or 14.0 percent. In order to grow the balance of the fund and protect it from the escalating costs of healthcare, the General Fund transferred \$1.4 million to the Health Self-Insurance fund for the program to remain viable, ensuring that employees continued to have access to the benefit. Due to the transfer into the fund, net position of the health insurance fund increased by \$2.5 million and ended the year at \$3.3 million.

**Dental Self-Insurance Fund**

Revenue from charges to departments and employees for dental insurance increased \$11 thousand, or 2.4 percent from the prior year. Expenses for claims and administration increased by \$70 thousand, or 17.9 percent. Net position increased \$76 thousand, or 7.9 percent, and ended the year at \$1.0 million.

**CURRENTLY KNOWN FACTS, DECISIONS, AND OTHER MATTERS**

The following issues may impact Rio Rancho's future financial position:

The City of Rio Rancho has been experiencing a period of development and growth making it the third most populous city in the state. With this growth comes opportunities as well as challenges. Through its continuous mid- and long-range planning, the City has positioned itself to meet its growth challenges and continue to provide necessary services to its residents.

In spring of 2024 the City revised its structure of charging impact fees on new development. The City anticipates that the new fee structure, which took effect on July 1, 2024, will provide additional resources to build infrastructure and facilities to provide services to the new developments as the City continues to grow. Also, as a result of the most recent study to evaluate the existing water utility rates and plan for future needs, a new rate structure was adopted in March of 2025. The plan includes a three percent increase to water, wastewater, and water rights acquisition fees between fiscal years 2026-2030, and a five percent increase to bulk water rates through the same period.

Other fees including, the fee structure for other development-related activities (permitting, inspections, etc.), recreational facilities and activities, and other City services will be reviewed over the next two years and revised to ensure a higher percentage of cost recovery.

In June 2025, revenue bonds issued for construction of City Hall matured, thus freeing pledged gross receipts tax revenue of approximately \$1.6 million annually. As this debt drops off, the City has the opportunity to issue additional bonds for other facility needs as identified in the five-year capital plan. In addition, the City will continue to utilize excess revenue for making one-time investments in road maintenance and improvements, and improvements to public safety, quality of life and other City

**CITY OF RIO RANCHO, NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2025**

facilities. Finally, business activity, particularly in the retail sector, continues to increase allowing for modest increases in the recurring budget and to make investments in the City's greatest resource: its staff. Despite these investments, the City will continue to maintain its policy minimum of 25 percent reserves and continue to take a cautious approach to its long-range financial planning.

Finally, the City is in the final stages of contract negotiations for the implementation of a new enterprise resource planning (ERP) system which includes all financial modules. Transitioning to a new ERP system will ultimately lead to more efficient and streamlined financial processes with better reporting capabilities. The transition is expected to take approximately 18 months post contract award. While the transition will not impact the financial position of the City, it will positively impact the recording and reporting of financial transactions.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide citizens, taxpayers, and creditors with a general overview of Rio Rancho's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any of the information in this report, or any other matters related to the City's budget and finances, should be addressed to the Rio Rancho Department of Financial Services, 3200 Civic Center Circle NE, Rio Rancho, New Mexico 87144.

**CITY OF RIO RANCHO, NEW MEXICO**  
**STATEMENT OF NET POSITION**  
**AS OF JUNE 30, 2025**

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 80,330,844	\$ 26,831,826	\$ 107,162,670
Receivables:			
Accounts, Net	7,356,947	8,161,913	15,518,860
Interest	682,929	247,053	929,982
Property Taxes	1,370,495	-	1,370,495
Gross Receipt Taxes	14,691,330	-	14,691,330
Due from Other Governments	4,090,905	-	4,090,905
Lease Receivable, Current	131,318	-	131,318
Deposits	239,775	-	239,775
Total Current Assets	<u>108,894,543</u>	<u>35,240,792</u>	<u>144,135,335</u>
Noncurrent Assets:			
Lease Receivable, Noncurrent	1,986,825	-	1,986,825
Prepaid Bond Insurance	-	81,079	81,079
Restricted Cash	284,692	1,147,569	1,432,261
Investments	160,133,727	78,038,716	238,172,443
Restricted Investments	-	1,965,156	1,965,156
Prepays and Inventories	-	1,657,543	1,657,543
Capital Assets:			
Land	67,669,470	77,200,260	144,869,730
Construction in Progress	57,946,197	31,864,188	89,810,385
Infrastructure	456,278,128	262,650,596	718,928,724
Buildings and Improvements	66,468,621	129,812,932	196,281,553
Land Improvements	32,847,664	16,934,052	49,781,716
Machinery and Equipment	52,674,759	60,784,387	113,459,146
Less: Accumulated Depreciation	(337,925,571)	(165,263,904)	(503,189,475)
Right-of-Use Asset	543,518	128,644	672,162
Subscription Based IT Arrangements	4,630,039	-	4,630,039
Less: Accumulated Amortization	(2,194,619)	(62,222)	(2,256,841)
Total Capital Assets	<u>398,938,206</u>	<u>414,048,933</u>	<u>812,987,139</u>
Total Noncurrent Assets	<u>561,343,450</u>	<u>496,938,996</u>	<u>1,058,282,446</u>
Total Assets	<u>670,237,993</u>	<u>532,179,788</u>	<u>1,202,417,781</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Amount on Bond Refundings	115,625	3,477,558	3,593,183
Deferred OPEB Items	5,387,333	224,473	5,611,806
Deferred Pension Plan Items	29,041,670	977,921	30,019,591
Excess Consideration Provided for Acquisition	-	1,781,483	1,781,483
Total Deferred Outflows of Resources	<u>34,544,628</u>	<u>6,461,435</u>	<u>41,006,063</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 704,782,621</u>	<u>\$ 538,641,223</u>	<u>\$ 1,243,423,844</u>

See accompanying Notes to Financial Statements.

**CITY OF RIO RANCHO, NEW MEXICO**  
**STATEMENT OF NET POSITION**  
**AS OF JUNE 30, 2025**

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	\$ 5,576,210	\$ 3,322,724	\$ 8,898,934
Accrued Liabilities	6,879,813	449,031	7,328,844
Unearned Revenue	9,888,943	-	9,888,943
Deposits	-	1,327,997	1,327,997
Long-Term Liabilities:			
Due Within One Year	19,899,699	8,362,111	28,261,810
Total Current Liabilities	<u>42,244,665</u>	<u>13,461,863</u>	<u>55,706,528</u>
Noncurrent Liabilities:			
Long-Term Liabilities:			
Due in More Than One Year	75,075,351	85,700,037	160,775,388
Net OPEB Liability	12,331,571	513,816	12,845,387
Net Pension Liability	122,519,171	4,057,657	126,576,828
Total Noncurrent Liabilities	<u>209,926,093</u>	<u>90,271,510</u>	<u>300,197,603</u>
Total Liabilities	<u>252,170,758</u>	<u>103,733,373</u>	<u>355,904,131</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred OPEB Items	10,685,971	445,249	11,131,220
Deferred Pension Plan Items	1,022,921	35,740	1,058,661
Deferred Lease Items	2,313,414	-	2,313,414
Total Deferred Inflows of Resources	<u>14,022,306</u>	<u>480,989</u>	<u>14,503,295</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	311,854,305	323,611,343	635,465,648
Restricted for:			
NMDFA Mandated Cash Reserve	10,575,248	-	10,575,248
Debt Service	14,656,408	3,112,725	17,769,133
Capital Improvements	16,594,516	-	16,594,516
Roads and Public Improvements	75,054,376	-	75,054,376
Community Programs	40,828,922	-	40,828,922
Parks and Recreation	221,581	-	221,581
Public Safety Programs	3,696,639	-	3,696,639
Unrestricted	<u>(34,892,438)</u>	<u>107,702,793</u>	<u>72,810,355</u>
Total Net Position	<u>438,589,557</u>	<u>434,426,861</u>	<u>873,016,418</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 704,782,621</u>	<u>\$ 538,641,223</u>	<u>\$ 1,243,423,844</u>

See accompanying Notes to Financial Statements.

**CITY OF RIO RANCHO, NEW MEXICO  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2025**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services and Fines	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>PRIMARY GOVERNMENT</b>							
Governmental Activities:							
General Government	\$ 20,311,690	\$ 11,028,239	\$ 16,358	\$ 494,362	\$ (8,772,731)	\$ -	\$ (8,772,731)
Public Safety	62,990,551	6,950,653	4,430,109	2,596,360	(49,013,429)	-	(49,013,429)
Public Works	29,245,126	338,939	-	25,728,828	(3,177,359)	-	(3,177,359)
Parks, Recreation, and Culture	20,717,548	2,848,896	22,452	7,512,486	(10,333,714)	-	(10,333,714)
Community and Economic Development	5,911,400	4,198,986	-	-	(1,712,414)	-	(1,712,414)
Interest on Long-Term Debt	2,121,781	-	-	-	(2,121,781)	-	(2,121,781)
Total Governmental Activities	141,298,096	25,365,713	4,468,919	36,332,036	(75,131,428)	-	(75,131,428)
Business-Type Activities:							
Water and Waste Water Utilities	49,254,949	65,834,309	-	15,919,939	-	32,499,299	32,499,299
Multi-Purpose Events Center	3,484,587	960,907	-	-	-	(2,523,680)	(2,523,680)
Total Business-Type Activities	52,739,536	66,795,216	-	15,919,939	-	29,975,619	29,975,619
Total Primary Government	\$ 194,037,632	\$ 92,160,929	\$ 4,468,919	\$ 52,251,975	(75,131,428)	29,975,619	(45,155,809)
<b>GENERAL REVENUES AND TRANSFERS</b>							
Taxes:							
Property Taxes, General Purpose					24,051,086	-	24,051,086
Property Taxes, Debt Service					9,697,066	-	9,697,066
Gross Receipts Taxes					52,398,919	-	52,398,919
Franchise Taxes					5,857,268	-	5,857,268
Total Taxes					92,004,339	-	92,004,339
Unrestricted Grants, Aid, and State-Shared Revenue					33,005,674	-	33,005,674
Investment Income (Loss)					11,150,230	5,814,089	16,964,319
Transfers of Capital Assets					(103,856)	103,856	-
Transfers					(1,635,749)	1,635,749	-
Total General Revenues and Transfers					134,420,638	7,553,694	141,974,332
<b>CHANGE IN NET POSITION</b>					59,289,210	37,529,313	96,818,523
Net Position - Beginning, As Originally Reported					361,625,644	385,972,712	747,598,356
Restatement (See Note 15)					17,674,703	10,924,836	28,599,539
Net Position - Beginning, as Restated					379,300,347	396,897,548	776,197,895
<b>NET POSITION - ENDING</b>					\$ 438,589,557	\$ 434,426,861	\$ 873,016,418

See accompanying Notes to Financial Statements.

**CITY OF RIO RANCHO, NEW MEXICO**  
**BALANCE SHEET – GOVERNMENTAL FUNDS**  
**AS OF JUNE 30, 2025**

	General Fund	Grants Fund	State Shared GRT Revenue Bond Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 20,355,262	\$ 3,305,168	\$ -	\$ 52,980,022	\$ 76,640,452
Receivables:					
Accounts, Net	1,880,674	-	-	5,476,273	7,356,947
Interest	166,436	31,692	229,267	251,588	678,983
Property Taxes	990,166	-	-	380,329	1,370,495
Gross Receipt Taxes	13,736,397	-	-	954,933	14,691,330
Due from Federal Government	47,012	23,944	-	1,623,861	1,694,817
Due from State Government	-	36,918	-	2,359,170	2,396,088
Lease Receivable	2,118,143	-	-	-	2,118,143
Deposits	-	-	-	239,775	239,775
Due from Other Funds	6,795,435	-	-	-	6,795,435
Investments	41,731,266	7,978,013	32,209,600	76,666,393	158,585,272
Restricted Cash	-	-	-	284,692	284,692
Total Assets	<u>\$ 87,820,791</u>	<u>\$ 11,375,735</u>	<u>\$ 32,438,867</u>	<u>\$ 141,217,036</u>	<u>\$ 272,852,429</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ 1,879,341	\$ 118,185	\$ -	\$ 2,703,516	\$ 4,701,042
Accrued Liabilities	3,702,799	20,991	-	2,947,909	6,671,699
Due to Other Funds	-	-	234,093	6,561,342	6,795,435
Unearned Revenue	-	9,888,943	-	-	9,888,943
Total Liabilities	<u>5,582,140</u>	<u>10,028,119</u>	<u>234,093</u>	<u>12,212,767</u>	<u>28,057,119</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue:					
Property Taxes	851,329	-	-	325,836	1,177,165
Intergovernmental	-	-	-	245,820	245,820
Fines and Forfeitures	-	-	-	4,442,035	4,442,035
Deferred Lease Items	2,313,414	-	-	-	2,313,414
Total Deferred Inflows of Resources	<u>3,164,743</u>	<u>-</u>	<u>-</u>	<u>5,013,691</u>	<u>8,178,434</u>
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	-
Restricted	10,575,248	1,347,616	32,204,774	117,500,052	161,627,690
Committed	-	-	-	8,364,191	8,364,191
Assigned	-	-	-	28,595	28,595
Unassigned	68,498,660	-	-	(1,902,260)	66,596,400
Total Fund Balances	<u>79,073,908</u>	<u>1,347,616</u>	<u>32,204,774</u>	<u>123,990,578</u>	<u>236,616,876</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 87,820,791</u>	<u>\$ 11,375,735</u>	<u>\$ 32,438,867</u>	<u>\$ 141,217,036</u>	<u>\$ 272,852,429</u>

See accompanying Notes to Financial Statements.

**CITY OF RIO RANCHO, NEW MEXICO  
RECONCILIATION OF BALANCE SHEET –  
GOVERNMENTAL FUNDS TO STATEMENT OF NET POSITION  
AS OF JUNE 30, 2025**

**Total Fund Balances – Governmental Funds** \$ 236,616,876

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds, but they are reported in the statement of net position. Capital assets consist of the following:

Land	\$ 67,669,470	
Infrastructure	456,278,128	
Other Capital Assets	209,937,241	
Intangible Right-of-Use Asset	543,518	
Subscription Based IT Arrangements	4,630,039	
Accumulated Amortization	(2,194,619)	
Accumulated Depreciation	<u>(337,925,571)</u>	398,938,206

Some of the City's revenues will be collected after year-end, but are not available soon enough to pay for the current year's expenditures and, therefore, are reported as unavailable revenue in governmental funds.

Property Taxes, Intergovernmental, and Fines and Forfeitures		5,865,020
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A liability for accrued interest on long-term debt is not reported in governmental funds because interest payments are not due at June 30, but the liability is reported for governmental activities on the statement of net position.

(208,114)

The City uses internal service funds to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.

4,367,625

Some liabilities and deferred outflows/inflows of resources are not reported in governmental funds, but they are reported in the statement of net position. These amounts consist of the following:

Bonds and Notes Payable	(78,760,736)	
Unamortized Premiums and Discounts on Bonds	(5,836,564)	
Deferred Amount on Bond Refundings	115,625	
Lease Liability	(261,842)	
Subscription Liability	(2,340,384)	
Deferred OPEB Items, Net	(5,298,638)	
Net OPEB Liability	(12,331,571)	
Net Pension Liability	(122,519,171)	
Deferred Pension Plan Items, Net	28,018,749	
Compensated Absences	<u>(7,775,524)</u>	<u>(206,990,056)</u>

**Net Position of Governmental Activities** \$ 438,589,557

**CITY OF RIO RANCHO, NEW MEXICO  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2025**

	General Fund	Grants Fund	State Shared GRT Revenue Bond Fund	Nonmajor Governmental Funds	Change to or Within the Financial Reporting Entity	Total Governmental Funds
<b>REVENUES</b>						
Property Taxes	\$ 23,966,724	\$ -	\$ -	\$ 9,697,066		\$ 33,663,790
Municipal Taxes	45,413,526	-	-	6,985,393		52,398,919
Franchise Taxes	5,818,593	-	-	38,675		5,857,268
Licenses and Permits	603,926	-	-	-		603,926
Intergovernmental - Federal	221,928	1,180,251	-	3,271,561		4,673,740
Intergovernmental - State	32,378,104	459,634	-	9,994,007		42,831,745
Intergovernmental - Local	315,000	-	-	374,595		689,595
Impact Fees	-	-	-	4,621,681		4,621,681
Investment Income (Loss)	3,374,886	623,849	194,868	6,780,386		10,973,989
Charges for Services	9,597,907	-	-	1,705,166		11,303,073
Fines and Forfeitures	579,369	-	-	629,014		1,208,383
Miscellaneous	2,462,357	-	-	2,737,540		5,199,897
Total Revenues	<u>124,732,320</u>	<u>2,263,734</u>	<u>194,868</u>	<u>46,835,084</u>		<u>174,026,006</u>
<b>EXPENDITURES</b>						
Current:						
General Government	15,512,525	336,325	-	1,838,173		17,687,023
Public Safety	46,537,576	744,385	-	8,432,921		55,714,882
Public Works	10,950,018	-	-	1,040,462		11,990,480
Parks, Recreation, and Culture	13,687,523	-	-	931,287		14,618,810
Community and Economic Development	4,562,507	-	-	1,098,271		5,660,778
Capital Outlay	9,292,263	625,546	-	30,980,956		40,898,765
Debt Service:						
Principal	-	-	-	8,697,063		8,697,063
Interest and Other Charges	-	-	-	1,956,676		1,956,676
Bond Issuance Costs	-	-	331,112	148,774		479,886
Total Expenditures	<u>100,542,412</u>	<u>1,706,256</u>	<u>331,112</u>	<u>55,124,583</u>		<u>157,704,363</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	24,189,908	557,478	(136,244)	(8,289,499)		16,321,643
<b>OTHER FINANCING SOURCES (USES)</b>						
Issuance of General Obligation Bonds	-	-	-	16,000,000		16,000,000
Issuance of GRT Revenue Bonds	-	-	32,342,017	-		32,342,017
Premium on Debt Issued	-	-	-	807,150		807,150
Sale of Capital Assets	212,596	-	-	-		212,596
Lease Proceeds	103,377	-	-	-		103,377
SBITA Proceeds	2,308,551	-	-	-		2,308,551
Transfers In	3,294,918	-	-	24,318,457		27,613,375
Transfers Out	(25,925,932)	-	(999)	(4,700,218)		(30,627,149)
Total Other Financing Sources (Uses)	<u>(20,006,490)</u>	<u>-</u>	<u>32,341,018</u>	<u>36,425,389</u>		<u>48,759,917</u>
<b>NET CHANGE IN FUND BALANCES</b>	4,183,418	557,478	32,204,774	28,135,890		65,081,560
Fund Balances - Beginning of Year	74,890,490	790,138	-	77,595,595	18,009,093	171,285,316
Adjustments - Changes within Reporting Entity	-	-	-	18,009,093	(18,009,093)	-
Restatement (See Note 15)	-	-	-	250,000	-	250,000
Fund Balance - Beginning as Restated and Adjusted	<u>74,890,490</u>	<u>790,138</u>	<u>-</u>	<u>95,854,688</u>	<u>-</u>	<u>171,535,316</u>
<b>FUND BALANCES - ENDING OF YEAR</b>	<u>\$ 79,073,908</u>	<u>\$ 1,347,616</u>	<u>\$ 32,204,774</u>	<u>\$ 123,990,578</u>	<u>\$ -</u>	<u>\$ 236,616,876</u>

See accompanying Notes to Financial Statements.

**CITY OF RIO RANCHO, NEW MEXICO  
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS  
TO STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2025**

**Net Change in Fund Balances – Total Governmental Funds** \$ 65,081,560

Amounts reported for governmental activities in the statement of activities are different because:

Capital purchases are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current year, these amounts were as follows:

Capital Purchases	\$ 38,486,837	
Assets Received from Developers	23,171,043	
Right-of-Use Assets and Subscription Based IT Arrangements	2,411,928	
Capital Contribution to Utilities Fund	(103,856)	
Amortization Expense	(1,078,482)	
Depreciation Expense	<u>(20,734,178)</u>	42,153,292

Expenses related to the net OPEB liability not reported in the funds. 3,536,305

Expenses related to the net Pension liability not reported in the funds. (11,772,375)

Repayment is reported as an expenditure and issuance as an other financing source in governmental funds, but the repayment reduces and an issuance increases long-term liabilities in the statement of net position. In the current year, these amounts were as follows:

Issuance of General Obligation Bonds	(16,807,150)	
Issuance of Gross Receipts Tax Bonds	(32,342,017)	
Bond and Note Principal Payments	8,697,063	
Lease and Subscription Based IT Agreement Payments	1,133,110	
New Lease and Subscription Based IT Agreements Issuance	<u>(2,411,928)</u>	(41,730,922)

Management uses internal service funds to charge the costs of certain activities to individual funds. The net revenue (expense) and transfers to (from) the internal service funds is reported with governmental activities. 2,581,625

Certain revenues will not be collected for some time after the end of the year and, therefore, they do not provide current financial resources in governmental funds.

Property Taxes	84,362	
Intergovernmental	16,507	
Fines and Forfeitures	<u>291,299</u>	392,168

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of the following:

Amortization of Bond Premiums, Discounts, and Deferred Amounts	(911,863)	
Change in Accrued Interest on Long-Term Debt	125,547	
Change in Compensated Absences	(138,414)	
Loss on Disposal of Assets	<u>(27,713)</u>	<u>(952,443)</u>

**Change in Net Position of Governmental Activities** \$ 59,289,210

**CITY OF RIO RANCHO, NEW MEXICO**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –**  
**BUDGET AND ACTUAL – GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 23,352,423	\$ 24,032,423	\$ 23,918,183	\$ (114,240)
Municipal and State-Shared Taxes	38,589,352	42,039,352	44,970,792	2,931,440
Franchise Taxes	5,404,769	5,574,568	6,021,443	446,875
Licenses and Permits	469,300	519,300	603,926	84,626
Intergovernmental - Federal	201,486	294,514	228,045	(66,469)
Intergovernmental - State	26,938,046	29,538,046	32,088,955	2,550,909
Intergovernmental - Local	315,000	340,000	315,000	(25,000)
Charges for Services	6,954,819	8,137,721	9,306,243	1,168,522
Fines and Forfeitures	576,400	553,104	579,369	26,265
Investment Income	1,370,000	2,103,543	3,381,609	1,278,066
Miscellaneous	3,192,347	3,158,364	3,332,555	174,191
Total Revenues	<u>107,363,942</u>	<u>116,290,935</u>	<u>124,746,120</u>	<u>8,455,185</u>
<b>EXPENDITURES</b>				
Current:				
General Government	19,882,068	23,383,872	18,479,640	4,904,232
Public Safety	44,094,638	45,711,183	45,038,054	673,129
Public Works	13,929,505	17,857,877	10,854,133	7,003,744
Parks, Recreation, and Culture	14,023,584	14,657,305	13,166,954	1,490,351
Community and Economic Development	4,257,639	4,739,455	4,098,548	640,907
Capital Outlay	8,375,984	20,553,281	7,527,446	13,025,835
Total Expenditures	<u>104,563,418</u>	<u>126,902,973</u>	<u>99,164,775</u>	<u>27,738,198</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	2,800,524	(10,612,038)	25,581,345	36,193,383
<b>OTHER FINANCING SOURCES (USES)</b>				
Lease Proceeds	-	-	103,377	103,377
SBITA Proceeds	-	-	2,308,551	2,308,551
Sale of Capital Assets	13,000	162,857	212,596	49,739
Transfers In	11,573,444	17,932,863	17,932,863	-
Transfers Out	(34,275,732)	(40,563,877)	(40,563,877)	-
Total Other Financing Sources (Uses)	<u>(22,689,288)</u>	<u>(22,468,157)</u>	<u>(20,006,490)</u>	<u>2,461,667</u>
<b>NET CHANGE IN FUND BALANCES</b>	(19,888,764)	(33,080,195)	5,574,855	38,655,050
Fund Balances - Beginning, Budgetary Basis	<u>49,101,444</u>	<u>62,854,058</u>	<u>63,795,702</u>	<u>941,644</u>
<b>FUND BALANCES - ENDING, BUDGETARY BASIS</b>	<u>\$ 29,212,680</u>	<u>\$ 29,773,863</u>	<u>\$ 69,370,557</u>	<u>\$ 39,596,694</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

<b>Total Actual Revenues - Budgetary Basis</b>	\$ 124,746,120
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current Year Deferred Inflows	(2,313,414)
Prior Year Deferred Inflows	1,638,819
Current Year Unavailable Revenue	(851,329)
Prior Year Unavailable Revenue	921,254
Current Year Accrued Revenue	21,019,340
Prior Year Accrued Revenue	(20,428,470)
Total Actual Revenues - GAAP Basis	<u>\$ 124,732,320</u>

**EXPENDITURES**

<b>Total Actual Expenditures - Budgetary Basis</b>	\$ 99,164,775
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current Year Accrued Expenditures	5,028,221
Prior Year Accrued Expenditures	(4,076,754)
Allowances for doubtful accounts are considered expenditures for financial reporting not for budgetary reporting	426,170
Total Actual Expenditures - GAAP Basis	<u>\$ 100,542,412</u>

See accompanying Notes to Financial Statements.

**CITY OF RIO RANCHO, NEW MEXICO**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –**  
**BUDGET AND ACTUAL – GRANTS FUND**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Intergovernmental - Federal	\$ 16,050	\$ 1,032,809	\$ 448,624	\$ (584,185)
Intergovernmental - State	438,042	1,242,988	481,552	(761,436)
Investment Income	-	264,495	643,258	378,763
Total Revenues	<u>454,092</u>	<u>2,540,292</u>	<u>1,573,434</u>	<u>(966,858)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	575,000	556,532	18,468
Public Safety	454,092	1,624,489	538,099	1,086,390
Capital Outlay	572,946	11,649,099	562,281	11,086,818
Total Expenditures	<u>1,027,038</u>	<u>13,848,588</u>	<u>1,656,912</u>	<u>12,191,676</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(572,946)	(11,308,296)	(83,478)	11,224,818
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(572,946)	(11,308,296)	(83,478)	11,224,818
Fund Balances - Beginning of Year, Budgetary Basis	<u>572,946</u>	<u>11,366,660</u>	<u>11,366,660</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ 58,364</u>	<u>\$ 11,283,182</u>	<u>\$ 11,224,818</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 1,573,434
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Unavailable Revenue	
Prior Year Unavailable Revenue	71,220
Current Year Unearned Revenue	(9,888,943)
Prior Year Unearned Revenue	10,652,508
Current Year Accrued Revenue	92,554
Prior Year Accrued Revenue	(237,039)
Total Actual Revenues - GAAP Basis	<u>\$ 2,263,734</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 1,656,912
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	139,176
Prior Year Accrued Expenditures	(89,832)
Total Actual Expenditures - GAAP Basis	<u>\$ 1,706,256</u>

See accompanying Notes to Financial Statements.

**CITY OF RIO RANCHO, NEW MEXICO**  
**STATEMENT OF NET POSITION – PROPRIETARY FUNDS**  
**AS OF JUNE 30, 2025**

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Utilities Fund	Multi-Purpose Events Center Fund	Total	
<b>ASSETS</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 26,831,826	\$ -	\$ 26,831,826	\$ 3,690,392
Receivables:				
Accounts, Net	7,969,207	192,706	8,161,913	-
Interest	242,044	5,009	247,053	3,946
Total Current Assets	35,043,077	197,715	35,240,792	3,694,338
Noncurrent Assets:				
Restricted Cash	629	1,146,940	1,147,569	-
Investments	78,038,716	-	78,038,716	1,548,455
Restricted Investments	-	1,965,156	1,965,156	-
Inventory	1,657,543	-	1,657,543	-
Prepaid Bond Insurance	57,024	24,055	81,079	-
Capital Assets:				
Land	76,867,760	332,500	77,200,260	-
Construction in Progress	31,864,188	-	31,864,188	-
Infrastructure	262,650,596	-	262,650,596	-
Buildings and Improvements	88,833,638	40,979,294	129,812,932	-
Land Improvements	16,374,844	559,208	16,934,052	-
Machinery and Equipment	59,052,633	1,731,754	60,784,387	-
Less: Accumulated Depreciation	(149,865,504)	(15,398,400)	(165,263,904)	-
Right-of-Use Asset	128,644	-	128,644	-
Less: Accumulated Amortization	(62,222)	-	(62,222)	-
Total Noncurrent Assets	465,598,489	31,340,507	496,938,996	1,548,455
Total Assets	500,641,566	31,538,222	532,179,788	5,242,793
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Amount on Bond Refundings	1,507,985	1,969,573	3,477,558	-
Deferred OPEB Items	224,473	-	224,473	-
Deferred Pension Plan Items	977,921	-	977,921	-
Excess Consideration Provided for Acquisition	1,781,483	-	1,781,483	-
Total Deferred Outflows of Resources	4,491,862	1,969,573	6,461,435	-
Total Assets and Deferred Outflows of Resources	\$ 505,133,428	\$ 33,507,795	\$ 538,641,223	\$ 5,242,793

See accompanying Notes to Financial Statements.

**CITY OF RIO RANCHO, NEW MEXICO**  
**STATEMENT OF NET POSITION – PROPRIETARY FUNDS**  
**AS OF JUNE 30, 2025**

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Utilities Fund	Multi-Purpose Events Center Fund	Total	
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	\$ 3,203,623	\$ 119,101	\$ 3,322,724	\$ -
Accrued Liabilities	432,325	16,706	449,031	-
Claims Payable	-	-	-	875,168
Deposits	1,327,997	-	1,327,997	-
Compensated Absences	141,495	-	141,495	-
Current Portion of Long-Term Debt	6,483,210	1,720,928	8,204,138	-
Lease Liability - Short-Term	16,478	-	16,478	-
Total Current Liabilities	11,605,128	1,856,735	13,461,863	875,168
Noncurrent Liabilities:				
Notes Payable	8,530,304	-	8,530,304	-
Bonds Payable, Net	66,288,986	10,825,566	77,114,552	-
Net OPEB Liability	513,816	-	513,816	-
Net Pension Liability	4,057,657	-	4,057,657	-
Compensated Absences	5,505	-	5,505	-
Lease Liability - Long-Term	49,676	-	49,676	-
Total Noncurrent Liabilities	79,445,944	10,825,566	90,271,510	-
Total Liabilities	91,051,072	12,682,301	103,733,373	875,168
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred OPEB Items	445,249	-	445,249	-
Deferred Pension Plan Items	35,740	-	35,740	-
Total Deferred Inflows of Resources	480,989	-	480,989	-
<b>NET POSITION</b>				
Net Investment in Capital Assets	305,983,908	17,627,435	323,611,343	-
Restricted for Debt Service	629	3,112,096	3,112,725	-
Unrestricted	107,616,830	85,963	107,702,793	4,367,625
Total Net Position	413,601,367	20,825,494	434,426,861	4,367,625
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 505,133,428	\$ 33,507,795	\$ 538,641,223	\$ 5,242,793

See accompanying Notes to Financial Statements.

**CITY OF RIO RANCHO, NEW MEXICO**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES**  
**IN NET POSITION – PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Utilities Fund	Multi-Purpose Events Center Fund	Total	
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 61,360,841	\$ 960,907	\$ 62,321,748	\$ 9,718,641
Interest Income	-	-	-	176,241
Total Revenues	<u>61,360,841</u>	<u>960,907</u>	<u>62,321,748</u>	<u>9,894,882</u>
<b>OPERATING EXPENSES</b>				
General and Administrative	5,859,315	2,060,836	7,920,151	634,606
Production Costs	30,761,404	-	30,761,404	-
Depreciation	9,654,345	922,600	10,576,945	-
Amortization of Right-of-Use Asset	4,081	-	4,081	-
Claims and Premiums	-	-	-	8,056,676
Total Expenses	<u>46,279,145</u>	<u>2,983,436</u>	<u>49,262,581</u>	<u>8,691,282</u>
<b>OPERATING INCOME (LOSS)</b>	15,081,696	(2,022,529)	13,059,167	1,203,600
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Impact Fees	4,170,210	-	4,170,210	-
Other Revenues	407,114	-	407,114	-
Interest Expense	(2,809,859)	(217,275)	(3,027,134)	-
Amortization of Deferred Bond Items	-	(283,876)	(283,876)	-
Amortization of Excess Consideration	(178,895)	-	(178,895)	-
Investment Income (Loss)	5,586,893	227,196	5,814,089	-
Gain (Loss) on Disposition of Capital Assets	12,950	-	12,950	-
Total Nonoperating Revenues (Expenses)	<u>7,188,413</u>	<u>(273,955)</u>	<u>6,914,458</u>	<u>-</u>
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTION AND TRANSFERS</b>	22,270,109	(2,296,484)	19,973,625	1,203,600
Capital Grants and Contributions	15,919,939	-	15,919,939	-
Transfers In	-	1,635,749	1,635,749	1,378,025
<b>CHANGE IN NET POSITION</b>	38,190,048	(660,735)	37,529,313	2,581,625
Net Position - Beginning	364,923,068	21,049,644	385,972,712	1,786,000
Restatement (See Note 15)	10,488,251	436,585	10,924,836	-
Net Position - Beginning, As Restated	<u>375,411,319</u>	<u>21,486,229</u>	<u>396,897,548</u>	<u>1,786,000</u>
<b>NET POSITION - ENDING</b>	<u>\$ 413,601,367</u>	<u>\$ 20,825,494</u>	<u>\$ 434,426,861</u>	<u>\$ 4,367,625</u>

See accompanying Notes to Financial Statements.

**CITY OF RIO RANCHO, NEW MEXICO**  
**STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Utilities Fund	Multi-Purpose Events Center Fund	Total	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from Customers and Users	\$ 60,417,172	\$ 881,887	\$ 61,299,059	\$ 9,718,641
Payments to Suppliers and Contractors	(32,270,290)	(1,868,706)	(34,138,996)	(8,654,632)
Payments to Employees	(1,913,953)	-	(1,913,953)	-
Interest Income	-	-	-	172,295
Net Cash Provided (Used) by Operating Activities	26,232,929	(986,819)	25,246,110	1,236,304
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers (to) from Other Funds	-	1,635,749	1,635,749	1,378,025
Net Cash Provided (Used) by Noncapital Financing Activities	-	1,635,749	1,635,749	1,378,025
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Development Impact Fees	4,170,210	-	4,170,210	-
Acquisition of Capital Assets	(15,295,175)	(120,340)	(15,415,515)	-
Proceeds from Long-Term Debt	1,679,174	-	1,679,174	-
Principal Paid on Long-Term Debt	(8,476,078)	(1,705,928)	(10,182,006)	-
Interest and Other Charges Paid on Long-Term Debt	(2,236,615)	(216,347)	(2,452,962)	-
Proceeds from Disposal of Capital Assets	12,950	-	12,950	-
Other	407,109	-	407,109	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(19,738,425)	(2,042,615)	(21,781,040)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of Investments	(17,565,282)	(1,091,327)	(18,656,609)	(1,548,455)
Proceeds from Sale of Investments	745,336	-	745,336	-
Net Investment Income	5,725,884	227,196	5,953,080	-
Net Cash Provided (Used) by Investing Activities	(11,094,062)	(864,131)	(11,958,193)	(1,548,455)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(4,599,558)	(2,257,816)	(6,857,374)	1,065,874
Cash and Cash Equivalents - Beginning of Year	31,432,013	3,404,756	34,836,769	2,624,518
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 26,832,455</u>	<u>\$ 1,146,940</u>	<u>\$ 27,979,395</u>	<u>\$ 3,690,392</u>

See accompanying Notes to Financial Statements.

**CITY OF RIO RANCHO, NEW MEXICO**  
**STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Utilities Fund	Multi-Purpose Events Center Fund	Total	
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ 15,081,696	\$ (2,022,529)	\$ 13,059,167	\$ 1,203,600
Adjustments to Reconcile Operating Income (Loss):				
Depreciation/Amortization Expense	9,615,515	1,009,777	10,625,292	-
(Increase) Decrease in:				
Accounts Receivable	(792,989)	(79,020)	(872,009)	(3,946)
Inventory	2,181,506	-	2,181,506	-
Increase (Decrease) in:				
Accounts Payable	(61,216)	106,155	44,939	-
Accrued Liabilities	(45,112)	(1,202)	(46,314)	36,650
Deposits	106,860	-	106,860	-
Compensated Absences	(49,120)	-	(49,120)	-
Net OPEB and Pension Liability, Net	195,789	-	195,789	-
	<u>\$ 26,232,929</u>	<u>\$ (986,819)</u>	<u>\$ 25,246,110</u>	<u>\$ 1,236,304</u>
<b>Net Cash Provided (Used) by Operating Activities</b>				
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>				
Assets Acquired Under Lease	\$ 17,512	\$ -	\$ 17,512	\$ -
Lease Liability Recognized	(32,618)	-	(32,618)	-
Capital Contributions from Developers	15,919,939	-	15,919,939	-
Total Noncash Investing, Capital and Financing Activities	<u>\$ 15,904,833</u>	<u>\$ -</u>	<u>\$ 15,904,833</u>	<u>\$ -</u>

*See accompanying Notes to Financial Statements.*

**CITY OF RIO RANCHO, NEW MEXICO  
STATEMENT OF FIDUCIARY NET POSITION – CUSTODIAL FUNDS  
AS OF JUNE 30, 2025**

	Custodial Funds
<b>ASSETS</b>	
Cash	\$ 8,000
Total Assets	\$ 8,000
<b>LIABILITIES</b>	
Deposits Held for Others	\$ 8,000
Total Liabilities	8,000
<b>NET POSITION</b>	
Net Position	-
Total Net Position	\$ -

*See accompanying Notes to Financial Statements.*

**CITY OF RIO RANCHO, NEW MEXICO  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – CUSTODIAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2025**

	Custodial Funds
<b>ADDITIONS</b>	
Municipal Court Bond Deposits	\$ 3,248
Total Additions	3,248
<b>DEDUCTIONS</b>	
Municipal Court Bond Payments	3,248
Total Deductions	3,248
<b>NET INCREASE (DECREASE) IN NET POSITION</b>	-
Net Position - Beginning of Year	-
<b>NET POSITION - END OF YEAR</b>	\$ -

*See accompanying Notes to Financial Statements.*

**CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

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NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

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**CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the City of Rio Rancho (the City) conform in all material respects to generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). Preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. The following is a summary of the City's significant accounting policies.

**A. Reporting Entity**

The City of Rio Rancho was incorporated in 1981, and voters approved a home rule amendment to the charter in 1991. The City operates under a council-manager form of government with six council members who, along with an elected mayor, constitute the City's Governing Body. The Governing Body has budgetary authority over all City departments and is accountable for all fiscal matters. The City's major operations include police and fire protection, library, parks and recreation, community and social services, and general administrative services. In addition, the City owns and operates two enterprise funds, which include a utilities fund for water and wastewater operations and a multi-purpose event center.

The Annual Comprehensive Financial Report (ACFR) of Rio Rancho includes the financial statements for all departments and agencies of the City based on the criteria set forth in GASB Statement 14, as amended. The City is a primary government that has a separately elected Governing Body, is legally separate, and is fiscally independent of other state and local governments. Furthermore, no component units are combined with the City for financial statement presentation purposes, and the City is not included in the financial statements of any other governmental reporting entity. Consequently, the City's financial statements include only the financial activity of those organizational entities for which the elected Governing Body is financially accountable.

**GASB Statement No. 101 (GASB 101), Compensated Absences**

In June 2022, GASB issued Statement No. 101, which establishes a unified model for recognizing and measuring liabilities for compensated absences. A liability is recognized for leave attributable to past services that accumulates and is more likely than not to be used or paid/settled; certain salary related payments directly and incrementally associated with such payments (for example, employer payroll taxes) are included in measurement. The liability is measured using pay rates in effect at the financial statement date. Changes adopted at transition are reported as a change in accounting principle. GASB 101 is effective for fiscal years beginning after December 15, 2023.

The City implemented GASB 101 for the year ended June 30, 2025. The adoption was reported as a change in accounting principle and resulted in a restatement of beginning net position. See Note 15 for a reconciliation of previously reported and restated amounts.

**CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

GASB Statement No. 102 (GASB 102), Certain Risk Disclosures

In October 2023, GASB issued *GASB 102, Certain Risk Disclosures*, which requires disclosure of vulnerabilities due to certain concentrations or constraints when all disclosure criteria are met as of the date the financial statements are issued: (a) the concentration or constraint is known to the government before issuance; (b) it makes the reporting unit vulnerable to the risk of a substantial impact; and (c) an event or events associated with it have occurred, have begun to occur, or are more likely than not to begin within 12 months of the issuance date. Required disclosures describe the concentration/constraint, the event(s) that have occurred or begun, and mitigation actions taken prior to issuance. Governments must also assess these criteria for any reporting unit that reports a liability for revenue debt. GASB 102 is effective for fiscal years beginning after June 15, 2024. Management determined that no disclosures were required under GASB 102 as of the issuance date.

**B. Government-Wide and Fund Financial Statements**

The City's basic financial statements consist of both government-wide statements and fund statements. The government-wide statements focus on the City as a whole, while the fund statements focus on individual funds.

Government-Wide Financial Statements

The government-wide statements present information on all nonfiduciary activities of the primary government. The fiduciary fund activity is excluded from the government-wide financial statements. Primary government activities are distinguished between governmental and business-type activities. Governmental activities generally are financed through taxes, grants, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of net position presents the City's nonfiduciary assets, liabilities, and deferred outflows/inflows, with the difference reported as net position. Net position is restricted when constraints are either externally imposed or are imposed by constitutional provisions or enabling legislation.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. The City does not allocate general government (indirect) expenses to other functions. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function; 2) court fines; and 3) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other revenues not meeting the definition of program revenues are reported as general revenues.

**CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

Fund Financial Statements

A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is used to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Separate statements are provided for governmental, proprietary, and fiduciary funds. For governmental and proprietary funds, the emphasis is on major funds, with each displayed in a separate column.

The City reports the following major governmental funds:

- **General Fund.** This fund is the principal operating fund of the City. It is used to account for all financial resources not accounted for in another fund.
- **Grants Fund.** To account for various grants from federal and state agencies and other sources which are restricted by the granting agency to expenditures for specified purposes, including fiscal, public safety activities and equipment, drug enforcement activities, and homeland security.
- **State Shared GRT Revenue Bond Fund.** To account for proceeds received for various road improvement projects and City buildings and public facility improvement projects.

The City's nonmajor governmental funds account for specific revenue sources that are restricted, committed, or assigned for specific purposes. Fund types reported as nonmajor funds are special revenue, debt service, and capital project funds.

The City reports the following proprietary funds:

- **Utilities Enterprise Fund.** This fund accounts for the operations of the City's water and wastewater systems that are operated for residents and businesses of the City. This fund is reported as a major enterprise fund.
- **Multi-Purpose Events Center (MPEC) Enterprise Fund.** This fund accounts for the operations of the City's Santa Ana Star Center. This fund is reported as a major enterprise fund.
- **Internal Service Funds.** These funds account for the financing of health and dental services provided to City employees on a cost-recovery basis. Internal service funds are combined with governmental activities on the government-wide statements.

The City reports the following fiduciary fund:

- **Custodial Funds.** These funds account for assets held by the City as a custodian for other governments or organizations and are solely comprised of the Municipal Court Fund. These funds account for monies temporarily held by the City as an agent.

**CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**C. Measurement Focus and Basis of Accounting**

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the related liability is incurred, regardless of the timing of the cash flows. Property taxes are recognized as revenues in the year for which they are levied. Other revenues are recognized in the year in which the related sales or other activity has occurred. Grants and similar items are recognized as revenue when all eligibility requirements have been met.

The proprietary statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues generally result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating items, such as interest expense and investment earnings, are generally reported as nonoperating revenues and expenses and result from nonexchange transactions or ancillary activities. For the City's internal service funds, investment earnings are reported as operating revenues because they are integral to the funds' cost-recovery structure.

The governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Expenditures are generally recorded when the related liability is incurred, except for debt service expenditures as explained below.

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Equity**

Following are the City's significant policies regarding recognition and reporting of certain assets, liabilities, deferred outflows/inflows, and equity.

Cash and Investments

Cash and cash equivalents consist primarily of demand deposits with financial institutions and short-term investments with original maturities of three months or less from the purchase date. Investments may include pooled and non-pooled investments with original maturities greater than three months. All cash and investments are stated at fair value. Restricted cash and investments include amounts held by the City or the City's trustees that are reserved for future debt service requirements or future project costs.

Receivables

Taxes receivable include accrued amounts for municipal taxes and delinquent property taxes. Receivables from other governments are reasonably assured. Accordingly, no allowance for uncollectible accounts has been established for taxes and intergovernmental revenues. Accounts receivable from Utility customers in excess of 187 days comprise an allowance for uncollectible accounts in the Utilities Enterprise Fund, while accounts receivable from Ambulance customers in

**CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

excess of 121 days comprise the allowance for Ambulance accounts receivable in the General Governmental Fund.

Lease Receivable

The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the City may receive variable lease payments dependent on the lessee's revenue. Such payments are recorded as inflows of resources in the period in which they are received.

The deferred inflows of resources are recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflows of resources are then amortized on a straight-line basis over the term of the lease.

Property Taxes

Property taxes are recognized net of estimated refunds and uncollectible amounts. Property taxes attach as a lien on property as of January 1. Taxes are levied each year on July 1 on the taxable valuation of property located within the City as of the preceding January 1. The taxable valuation for the various classes of property are determined by the Sandoval County Assessor and the State of New Mexico Department of Finance and Administration (DFA), Local Government Division at one-third of assessed valuation. The rate of taxes for operating purposes for all taxing jurisdictions is limited by the State Constitution to 20 mills (\$20 per \$1,000 assessed valuation), of which the City's portion, by state regulation, is limited to 5.151 mills.

Property taxes are payable in two equal installments due on November 10 of the current year and April 10 of the following year and become delinquent after 30 days. The City records a receivable and deferred inflow for delinquent taxes in governmental funds, but no allowance for doubtful accounts is made as uncollected property taxes are deemed to be substantially collectible through foreclosure.

Inventories and Prepaid Items

In governmental funds, inventories are recorded as expenditures or expenses when purchased, and amounts paid to vendors for goods and services applicable to future accounting periods are recorded as prepaid items. Utility fund inventories consist of materials and supplies necessary for providing operating services.

**CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

Capital Assets

The City defines a capital asset as an asset with an initial cost of \$5,000 or more and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at acquisition value on the date of donation.

Buildings, equipment, infrastructure, and other depreciable assets are depreciated using the straight-line method over the following estimated useful lives:

Public Domain Infrastructure	15 - 65 Years
System Infrastructure	30 Years
Buildings	50 Years
Building and Other Improvements	20 Years
Vehicles	8 Years
Furniture and Other Equipment	5 Years

The account Excess Consideration Provided for Acquisition represents the excess of the cost of an acquisition over fair value of the City's share of the net identifiable assets of the controlled entity/associate at the date of the acquisition of the Utility and is reported as a deferred outflow of resources in the accompanying government-wide and proprietary fund financial statements. This balance is amortized as a component of nonoperating expense over the periods in which the related benefits are expected to be realized.

General government infrastructure assets acquired prior to July 1, 2002, consist of the road network assets that were acquired or that received substantial improvements subsequent to July 1, 1981. These infrastructure assets are reported at estimated historical cost using deflated replacement cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Capital assets purchased in governmental funds are recorded as expenditures in the governmental fund statements. Interest expense for capital asset construction related to governmental activities is not capitalized, while interest expense incurred during construction of capital assets related to business-type activities is capitalized.

Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Please see additional information on lease assets, intangible right-to-use assets, and related accumulated amortization in Notes 6 and 7.

**CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

Right-to-Use Leased and Subscription Assets

The City recognizes lease and subscription assets and the related liabilities for arrangements with a term greater than 12 months in accordance with GASB 87 and GASB 96. For administrative efficiency, the City applies a capitalization threshold and generally does not recognize lease or subscription assets and liabilities for arrangements with an initial present value of less than \$25,000, provided the arrangement is immaterial individually and in the aggregate. Payments for arrangements below the threshold are recognized as outflows of resources (expense/expenditure) over the period benefited.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has recognized deferred outflows of resources related to its pension and OPEB plans (including contributions subsequent to the measurement date and other qualifying items), for deferred amounts on bond refundings, and for excess consideration provided for acquisition (see Note 7).

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has reported the following in this category:

- In the governmental funds balance sheet, it has reported unavailable revenue. The unavailable revenue is from two sources: property taxes and federal grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- The City has recognized deferred inflows of resources related to its pension and OPEB plans, based on actuarial valuations, and for leases (primarily associated with lease receivables as a lessor—see Note 6).

For additional pension and OPEB information, refer to Notes 10 and 11, respectively.

**CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

Compensated Absences

The City's employee vacation and sick leave policies generally provide for granting vacation and sick leave with pay. Vacation benefits vest immediately at the employee's current rate of pay. Sick leave benefits may be converted to vacation leave at specified rates upon retirement after 10 or more years of service; however, the sick leave benefits do not vest. The current and long-term liabilities for accumulated leave are reported on the government-wide financial statements. The basis for recording these compensated absences is based on historical utilization and the City's pay out policy, applied to current accumulated balances and pay rates, including applicable employer payroll related costs to be incurred when leave is used.

Long-Term Obligations

In the government-wide statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as the difference between the reacquisition price and the net carrying amount of old debt in refunding transactions, are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of unamortized premiums and discounts.

In the governmental fund statements, bond premiums, discounts, and issuance costs are recognized in the current period. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures. The face amount of debt issued is reported as other financing sources.

Net Position and Fund Balances

The difference between assets/deferred outflows and liabilities/deferred inflows is net position on the government-wide, proprietary fund, and fiduciary fund statements, and fund balance on the governmental fund statements. Note 9 provides more information on the City's policies and classifications related to net position and fund balances.

**E. Revenues and Expenditures/Expenses**

Revenue Availability

Under the modified accrual basis of accounting, revenues are recognized in governmental funds when they are both "measurable and available." Revenues are considered to be available when they are collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The City considers property tax revenues to be "available" if they are collected within 30 days after year-end. All other revenues, including gross receipts taxes, are considered to be available if they are collected within 60 days after year-end, with the exception of state and federal grants, which are considered to be available if they are collected within 90 days after year-end. Proceeds of long-term debt and acquisitions under leases are reported as other financing sources.

**CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

Expenditure/Expense Recognition

In governmental funds, expenditures are generally recorded when the related liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Capital asset acquisition and construction are reported as expenditures in the period they are acquired or built. In proprietary funds and government-wide statements, expenses are recorded when the related liability is incurred.

When an expenditure or expense is incurred for purposes for which both restricted and unrestricted resources are available, the City's policy is to use restricted resources first, then unrestricted resources in order of committed then assigned as needed.

**F. Pensions and Other Postemployment Benefits**

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the New Mexico Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA, which is the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the New Mexico Retiree Health Care Authority (NMRHCA) and additions to and deductions from NMRHCA's fiduciary net position have been determined on the same basis as they are reported by NMRHCA. For this purpose, NMRHCA recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**G. Interfund Activity and Balances**

Government-Wide Statements

In general, eliminations have been made to minimize the double-counting of internal activity, including internal service fund activity. However, interfund services provided and used between different functional categories have not been eliminated when to do so would distort the direct costs and program revenues of the applicable functions. Interfund receivables and payables have been eliminated from the Statement of Net Position, except for the residual amounts due between governmental and business-type activities, if any, which are shown as "internal balances."

**CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

Governmental Fund Statements

Interfund transactions for goods and services provided and used are reported as revenues and expenditures in the funds involved. Cash transfers between funds of the City are reported as other financing sources and uses in the governmental fund statements.

**H. Budgets**

Budgets for the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, and Proprietary Funds are subject to approval by the New Mexico Department of Finance and Administration (DFA), Local Government Division.

During the month of May, public hearings are conducted to obtain taxpayer comments on the budget. Prior to June 1, the City submits to DFA a proposed operating budget for the fiscal year commencing July 1. The budget is prepared by fund and function and includes proposed expenditures, including carryover encumbrances and accounts payable, and the means of financing them. Prior to July 1, DFA grants interim approval for the City to operate on the proposed budget subject to adjustments and/or revisions prior to final subsequent approval before the first Monday in September. Such approval is contingent upon the City Council adopting the proposed budget in accordance with applicable state statutes, and sufficient funds being available for anticipated fiscal year expenditures. Prior to July 31, the City Council adopts by resolution a formal budget and such budget is presented to DFA for final approval. Section 6-6-6, NMSA, 1978 prohibits municipalities from making expenditures in excess of the approved budget. Statute defines the legal level of budgetary control as a fund's total budgeted expenditures.

The adopted budget of the City is prepared on a cash basis, and reconciliations of cash budget-basis amounts to GAAP-based amounts are provided on the face of the budgetary statements and schedules.

**NOTE 2: DEPOSITS AND INVESTMENTS**

The City's deposits and investments are described in the following sections, as of June 30, 2025. Additionally, the City had \$4,720 of petty cash on hand as of June 30, 2025. As of June 30, 2025, the City's deposits and investments were either fully FDIC insured or backed by the federal government, therefore no pledged collateral has been presented. The following are discussions of the City's exposure to various risks related to its cash management activities.

**A. Custodial Credit Risk**

Deposits

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the City's deposits may not be recovered. New Mexico law requires all deposits with financial institutions to be collateralized in an amount not less than 50% of the uninsured balance. Further, the City's Investment Policy requires all deposits with financial institutions be collateralized in an amount not less than 102% of the uninsured

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balance in each account. No security is required for the deposit of public money that is insured by the Federal Deposit Insurance Corporation (FDIC).

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- *Level 1* – Inputs are quoted prices in active markets for identical assets
- *Level 2* – Inputs are significant other observable inputs
- *Level 3* – Inputs are significant unobservable inputs

Investments

Custodial credit risk for investments is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. The City's Investment Policy requires all collateral to be held in the City's name by an independent party approved by the City. The custodian is required to provide original safekeeping receipts.

Funds from the City's operating account are maintained in a government money market investment sweep arrangement through the City's fiscal agent bank. Funds not needed to clear the day's transactions in the operating account are "swept" out of the operating account daily to a government money market investment account. The government money market investment account funds are not considered deposits and are not eligible for FDIC insurance. As of June 30, 2025, \$62,515,980 is held in the money market investment sweep account, which is included in Cash and Cash Equivalents, based on Weighted Average Maturity. The difference between the bank statement balance and the reconciled balance represents outstanding checks, deposits in transit, and other reconciling items.

All investments in which the fair value hierarchy is applicable are measured at fair value on a recurring basis. Following are the City's investment balances as of June 30, 2025:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Days)</u>	<u>Category</u>
US Bank - Governmental Issues	\$225,374,559	773	Level 1
State Investment Council - Perm Fund	14,763,038	N/A	Level 1
US Treasuries held by NMFA	357,949	305	Level 1
BoK - Money Market	282,878	1	Level 1
PFM - US Bank Money Market	45,936,933	163	Level 1
Wells Fargo Mutual Fund Sweep	62,020,453	1	Level 1
Total	<u>\$ 348,735,810</u>		

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**B. Credit Risk**

Credit risk is the risk that the counterparty to an investment transaction will not fulfill its obligations. The City's adopted Investment Policy manages credit risk by requiring investment in only the following security types, consistent with state law:

- U.S. Treasury obligations
- Federal Agency securities
- Repurchase agreements with financial institutions
- Demand deposits of New Mexico banks
- Savings and loan association deposits
- Investment grade obligations of state and local governments
- Money market mutual funds

The City's Investment Policy and state law restrict certificates of deposit to only fully collateralized or insured CDs that are issued by eligible depositories in New Mexico. Such CDs are further collateralized to 102% with pledged U.S. obligations held by an independent custodian. Securities of state and municipal entities within the United States must have a taxable valuation of real property for the preceding year of at least \$1 million and must not have defaulted on bond obligations within the preceding five years.

Money market mutual funds must be registered with the SEC, comply with diversification, quality, and maturity requirements of SEC Rule 2a-7, assess no fees pursuant to SEC Rule 12b-1, be invested only in United States Government and Agency Obligations, and repurchase agreements secured by such obligations, and be rated AAAM or equivalent by a nationally recognized rating agency.

**C. Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's Investment Policy manages interest rate risk by setting a maximum maturity of five years on any single investment and a maximum effective duration of three years for the overall portfolio, with the exception of bond or trust funds which should be matched to the planned expenditures of the funds.

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**NOTE 3: INTERFUND BALANCES**

Interfund balances primarily represent short-term cash advances from the General Fund to other funds pending the receipt of restricted or reimbursable revenues. Interfund balances as of June 30, 2025 consisted of the following amounts:

	<u>Due From Other Funds - General Fund</u>
Due to Other Funds Reported in:	
2025 SSGRT Revenue Bond Fund	\$ 234,093
 Nonmajor Special Revenue Funds:	
Rio Metro Fund	8,775
Library Fund	68,534
Special Assessment District Fund District VI	132,493
Special Assessment District Fund District VII	304,189
Higher Education GRT Fund	2,663,454
Cannabis Fund	255,939
HUD CDBG Grant Fund	2,769
Crime Victim Assistance Fund	20,936
 Nonmajor Capital Project Funds:	
State Appropriations Fund	2,672,386
2016 GO Bond Construction Fund	26,440
2020 GO Bond Construction Fund	405,427
Total	\$ 6,795,435

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**NOTE 4: INTERFUND TRANSFERS**

Transfers between funds occur primarily to finance programs accounted for in one fund with resources collected in other funds in accordance with budgetary authorizations. Interfund transfers among governmental, enterprise and internal service funds, for the year ended June 30, 2025 are as follows:

	Transfers Out Reported in:			
	General Fund	State Shared GRT Revenue Bond Fund	Nonmajor Governmental Funds	Total Transfers In
<b>Transfers In Reported in:</b>				
General Fund	\$ -	\$ -	\$ 3,294,918	\$ 3,294,918
Nonmajor Special Revenue Funds:				
Regional Emergency				
Communication Center	2,512,041	-	-	2,512,041
Rio Vision Cable	73,513	-	-	73,513
Strategic Planning Initiative	3,800,000	-	-	3,800,000
Local Government Corrections	84,875	-	-	84,875
Environmental Gross Receipts Tax	-	-	348,150	348,150
Nonmajor Capital Funds:				
Infrastructure	13,789,329	-	230,000	14,019,329
Recreation Development	188,013	-	-	188,013
Nonmajor Debt Service Funds:				
GRT Debt Service Fund	1,500,322	999	-	1,501,321
GO Bond Debt Service	-	-	637,150	637,150
NMFA Debt Service Fund	1,154,065	-	-	1,154,065
Total Transfers Out - Governmental Funds	<u>23,102,158</u>	<u>999</u>	<u>4,510,218</u>	<u>27,613,375</u>
Enterprise Funds:				
MPEC Fund	1,445,749	-	190,000	1,635,749
Internal Service Funds:				
Health Self Insurance Fund	1,378,025	-	-	1,378,025
Total Enterprise Funds and Governmental Activities	<u>2,823,774</u>	<u>-</u>	<u>190,000</u>	<u>3,013,774</u>
Total	<u>\$ 25,925,932</u>	<u>\$ 999</u>	<u>\$ 4,700,218</u>	<u>\$ 30,627,149</u>

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**NOTE 5: ACCOUNTS RECEIVABLE**

Accounts receivable are aggregated into a single line, net of allowance for uncollectible accounts, on the face of the financial statements. Following is the detail of receivables by fund as of June 30, 2025:

	Governmental Activities / Funds		
	General	Nonmajor Governmental	Total
	Fund	Funds	
Accounts Receivable	4,174,787	\$ 5,476,273	\$ 9,651,060
Allowance for Uncollectible Accounts	(2,294,113)	-	(2,294,113)
Net Accounts Receivable	\$ 1,880,674	\$ 5,476,273	\$ 7,356,947
	Business-Type Activities / Enterprise Funds		
	Utility	MPEC	Total
	Fund	Fund	
Accounts Receivable	\$ 8,826,656	\$ 192,706	\$ 9,019,362
Allowance for Uncollectible Accounts	(857,449)	-	(857,449)
Net Accounts Receivable	\$ 7,969,207	\$ 192,706	\$ 8,161,913

**NOTE 6: LEASE COMMITMENTS**

**Lease Receivables – Lessor**

During the current fiscal year, the City, acting as lessor, leased buildings and land, including land containing cellular towers under long-term, non-cancelable lease agreements, to third parties. The leases expire at various dates through 2040 and provide renewal options ranging from five months to 20 years. As of June 30, 2025, the lease receivable was \$2,118,143. As of the financial statement date, the City has deferred inflows of resources associated with the leases in the amount of \$2,313,414 that will be recognized as lease revenue over the lease terms. There were no other lease related inflows under these agreements, as amounts due are fixed and consist solely of principal and interest payments. None of the property leased is subject to debt or used to secure financing.

During the year ended June 30, 2025, the City recognized lease revenue of \$102,829 and interest revenue of \$63,674, related to these leases.

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The future minimum receipts on those leases as of June 30, 2025, are as follows:

<u>Governmental Funds - Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
6/30/2026	\$ 131,318	\$ 59,832	\$ 191,150
6/30/2027	138,940	55,740	194,680
6/30/2028	147,692	51,403	199,095
6/30/2029	158,628	46,767	205,395
6/30/2030	170,084	41,773	211,857
6/30/2031 - 6/30/2035	773,498	136,556	910,054
6/30/2036 - 6/30/2040	576,666	30,590	607,256
6/30/2041 - 6/30/2045	21,317	-	21,317
Total	<u>\$ 2,118,143</u>	<u>\$ 422,661</u>	<u>\$ 2,540,804</u>

**Lease Assets – Lessee**

The City of Rio Rancho has recorded intangible right-to-use lease assets as a result of implementing GASB 87. The lease assets are initially measured at an amount equal to the initial measurement of the related lease liability (plus any lease payments made prior to the lease term and ancillary charges necessary to place the lease into service, less lease incentives). Lease assets are amortized on a straight-line basis over the shorter of the useful life of the underlying asset or the lease term. See Note 7 Capital Assets for lease asset activity for the City for the year ended June 30, 2025.

**Subscription Based Information Technology Arrangements (SBITA)**

The City of Rio Rancho has recorded intangible right-to-use subscriptions as a result of implementing GASB 96. The subscriptions are initially measured at an amount equal to the initial measurement of the related SBITA liability (plus any payments made prior to the term and ancillary charges necessary to place the SBITA into service, less SBITA incentives). Subscriptions are amortized on a straight-line basis over the shorter of the useful life of the underlying asset or the arrangement term. See Note 7 Capital Assets for SBITA activity for the City for the year ended June 30, 2025.

SBITAS with a maximum possible term of 12 months or less are accounted for as short-term subscriptions, with payments recognized as outflows of resources as incurred and no SBITA asset or liability recognized.

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**Under Long-Term Obligations**

Leases

The City has entered into agreements to lease equipment and a building. The lease agreements have been recorded at the present value of the future lease payments as of the date of their inception or, for leases existing prior to the implementation year at the remaining terms of the agreement, using the facts and circumstances available at July 1, 2024.

The future minimum payments (principal and interest) on those leases as of June 30, 2025, are as follows:

<u>Governmental Funds - Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
6/30/2026	\$ 71,152	\$ 11,814	\$ 82,966
6/30/2027	71,034	8,027	79,061
6/30/2028	70,200	4,131	74,331
6/30/2029	44,069	992	45,061
6/30/2030	5,387	110	5,497
Total	<u>\$ 261,842</u>	<u>\$ 25,074</u>	<u>\$ 286,916</u>

<u>Enterprise Funds - Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
6/30/2026	\$ 16,478	\$ 3,061	19,539
6/30/2027	17,302	2,237	19,539
6/30/2028	18,433	1,356	19,789
6/30/2029	11,625	516	12,141
6/30/2030	2,316	20	2,336
Total	<u>\$ 66,154</u>	<u>\$ 7,190</u>	<u>\$ 73,344</u>

Subscriptions

The City has entered into subscription-based information technology agreements. The subscriptions have been recorded at the present value of the future payments as of the date of their inception or, for subscriptions existing prior to the implementation year at the remaining terms of the agreement, using the facts and circumstances available at July 1, 2024.

The future minimum payments (principal and interest) on those subscriptions as of June 30, 2025, are as follows:

<u>Governmental Funds - Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
6/30/2026	\$ 840,721	\$ 154,202	\$ 994,923
6/30/2027	841,158	87,886	929,044
6/30/2028	519,727	25,621	545,348
6/30/2029	136,829	5,205	142,034
6/30/2030	1,949	107	2,056
Total	<u>\$ 2,340,384</u>	<u>\$ 273,021</u>	<u>\$ 2,613,405</u>

**CITY OF RIO RANCHO, NEW MEXICO  
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**NOTE 7: CAPITAL ASSETS**

**A. Depreciation and Amortization – Governmental Activities**

Depreciation expense was charged to the functions of governmental activities as follows:

General Government	\$	477,318
Public Safety		3,302,781
Public Works		13,905,190
Parks, Recreation, and Culture		2,965,502
Community and Economic Development		83,387
Total	<u>\$</u>	<u>20,734,178</u>

Amortization expense was charged to the functions of governmental activities as follows:

General Government	\$	24,828
Public Safety		171,793
Public Works		723,274
Parks, Recreation, and Culture		154,250
Community and Economic Development		4,337
Total	<u>\$</u>	<u>1,078,482</u>

**B. Construction Commitments**

The City has active construction projects as of June 30, 2025, including parks and recreation improvements, transportation improvements, and water and wastewater improvements. Management evaluated construction contracts and determined there were no material remaining contractual commitments as of June 30, 2025, beyond recorded payables for work performed. The City has a non-appropriation clause included in all construction contracts, which states that if sufficient appropriations are not made by the governing body, the contracts are subject to termination. Additionally, the City has reserved the right to terminate all construction agreements at its convenience and without cause.

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**C. Changes in Capital Assets**

Capital asset activity for the year ended June 30, 2025 was as follows:

Capital Assets - Governmental Activities							
	Beginning Balance	Restatement	Beginning Balance (as restated)	Additions	Deletions	Transfers	Ending Balance
Capital Assets Not Being Depreciated:							
Land and Related Assets	\$ 67,326,751	\$ -	\$ 67,326,751	\$ 342,719	\$ -	\$ -	\$ 67,669,470
Construction in Progress	37,826,044	-	37,826,044	32,140,901	(11,910,951)	(109,797)	57,946,197
Total	<u>105,152,795</u>	<u>-</u>	<u>105,152,795</u>	<u>32,483,620</u>	<u>(11,910,951)</u>	<u>(109,797)</u>	<u>125,615,667</u>
Capital Assets Being Depreciated:							
Infrastructure	401,419,877	20,554,279	421,974,156	34,303,972	-	-	456,278,128
Buildings and Improvements	65,778,635	-	65,778,635	689,986	-	-	66,468,621
Land Improvements	32,153,864	-	32,153,864	693,800	-	-	32,847,664
Equipment	49,258,202	-	49,258,202	5,038,425	(1,646,247)	24,379	52,674,759
Total	<u>548,610,578</u>	<u>20,554,279</u>	<u>569,164,857</u>	<u>40,726,183</u>	<u>(1,646,247)</u>	<u>24,379</u>	<u>608,269,172</u>
Less: Accumulated Depreciation for:							
Infrastructure	(250,363,184)	(2,525,350)	(252,888,534)	(13,024,217)	-	-	(265,912,751)
Buildings and Improvements	(20,671,903)	-	(20,671,903)	(1,542,644)	-	-	(22,214,547)
Land Improvements	(15,300,624)	-	(15,300,624)	(1,478,946)	-	-	(16,779,570)
Equipment	(29,930,428)	-	(29,930,428)	(4,688,371)	1,618,534	(18,438)	(33,018,703)
Total	<u>(316,266,139)</u>	<u>(2,525,350)</u>	<u>(318,791,489)</u>	<u>(20,734,178)</u>	<u>1,618,534</u>	<u>(18,438)</u>	<u>(337,925,571)</u>
Capital Assets Being Depreciated, Net	232,344,439	18,028,929	250,373,368	19,992,005	(27,713)	5,941	270,343,601
Right-to-Use-Assets:							
Leases	440,141	-	440,141	103,377	-	-	543,518
Subscription Based Information Technology Arrangements	2,321,488	-	2,321,488	2,308,551	-	-	4,630,039
Total	<u>2,761,629</u>	<u>-</u>	<u>2,761,629</u>	<u>2,411,928</u>	<u>-</u>	<u>-</u>	<u>5,173,557</u>
Less: Accumulated Amortization for:							
Leases	(197,038)	-	(197,038)	(93,784)	-	-	(290,822)
Subscription Based Information Technology Arrangements	(919,099)	-	(919,099)	(984,698)	-	-	(1,903,797)
Total	<u>(1,116,137)</u>	<u>-</u>	<u>(1,116,137)</u>	<u>(1,078,482)</u>	<u>-</u>	<u>-</u>	<u>(2,194,619)</u>
Right-to-Use Assets Being Amortized, Net	1,645,492	-	1,645,492	1,333,446	-	-	2,978,938
Total Capital Assets, Net	<u>\$ 339,142,726</u>	<u>\$ 18,028,929</u>	<u>\$ 357,171,655</u>	<u>\$ 53,809,071</u>	<u>\$ (11,938,664)</u>	<u>\$ (103,856)</u>	<u>\$ 398,938,206</u>

**CITY OF RIO RANCHO, NEW MEXICO  
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During the year ended June 30, 2025, capital assets with a net carrying value of \$103,856 were transferred from governmental activities to business-type activities (Utilities Fund).

Capital Assets - Business-Type Activities							
	Beginning Balance	Restatement	Beginning Balance (as restated)	Additions	Deletions	Transfers	Ending Balance
<b>Capital Assets Not Being Depreciated:</b>							
Land and Related Assets	\$ 75,958,418	\$ -	\$ 75,958,418	\$ 1,241,842	\$ -	\$ -	\$ 77,200,260
Construction in Progress	22,168,685	-	22,168,685	12,760,959	(3,065,456)	-	31,864,188
Total	98,127,103	-	98,127,103	14,002,801	(3,065,456)	-	109,064,448
<b>Capital Assets Being Depreciated:</b>							
Infrastructure	233,131,223	10,964,674	244,095,897	18,444,902	-	109,797	262,650,596
Buildings and Improvements	129,802,467	-	129,802,467	10,465	-	-	129,812,932
Land Improvements	16,808,083	125,969	16,934,052	-	-	-	16,934,052
Equipment	59,083,348	397,796	59,481,144	1,406,434	(78,812)	(24,379)	60,784,387
Total	438,825,121	11,488,439	450,313,560	19,861,801	(78,812)	85,418	470,181,967
<b>Less: Accumulated Depreciation for:</b>							
Infrastructure	(57,386,847)	(425,023)	(57,811,870)	(4,108,252)	-	-	(61,920,122)
Buildings and Improvements	(38,728,986)	-	(38,728,986)	(2,686,308)	-	-	(41,415,294)
Land Improvements	(8,928,141)	(11,077)	(8,939,218)	(717,721)	-	-	(9,656,939)
Equipment	(49,664,687)	(76,085)	(49,740,772)	(2,628,027)	78,812	18,438	(52,271,549)
Total	(154,708,661)	(512,185)	(155,220,846)	(10,140,308)	78,812	18,438	(165,263,904)
<b>Capital Assets Being Depreciated, Net</b>	<b>284,116,460</b>	<b>10,976,254</b>	<b>295,092,714</b>	<b>9,721,493</b>	<b>-</b>	<b>103,856</b>	<b>304,918,063</b>
<b>Right-to-Use-Assets:</b>							
Leases	111,132	-	111,132	17,512	-	-	128,644
Less: Accumulated Amortization	(58,141)	-	(58,141)	(4,081)	-	-	(62,222)
<b>Right-to-Use Assets Being Amortized, Net</b>	<b>52,991</b>	<b>-</b>	<b>52,991</b>	<b>13,431</b>	<b>-</b>	<b>-</b>	<b>66,422</b>
<b>Total</b>	<b>\$ 382,296,554</b>	<b>\$ 10,976,254</b>	<b>\$ 393,272,808</b>	<b>\$ 23,737,725</b>	<b>\$ (3,065,456)</b>	<b>\$ 103,856</b>	<b>\$ 414,048,933</b>

**CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**NOTE 8: LONG-TERM LIABILITIES**

**A. Changes in Long-Term Liabilities**

Changes in long-term liabilities for the year ended June 30, were as follows:

	Governmental Activities						
	Beginning Balance	Restatement	Beginning Balance (as restated)	Additions	Deletions	Ending Balance	Due Within One Year
General Obligation Bonds	\$ 25,730,000	\$ -	\$ 25,730,000	\$ 16,000,000	\$ (4,320,000)	\$ 37,410,000	\$ 9,370,000
Gross Receipts Tax							
Revenue Bonds	8,470,000	-	8,470,000	30,540,000	(3,145,000)	35,865,000	2,545,000
Unamortized Premiums	4,013,266	-	4,013,266	2,609,167	(785,869)	5,836,564	908,887
Notes from Direct Borrowings	6,717,799	-	6,717,799	-	(1,232,063)	5,485,736	1,144,862
Compensated Absences	6,428,658	604,226	7,032,884	742,640 *	-	7,775,524	5,019,077
Lease Liability	247,134	-	247,134	103,377	(88,669)	261,842	71,152
Subscription Liability	1,076,274	-	1,076,274	2,308,551	(1,044,441)	2,340,384	840,721
Total	<u>\$ 52,683,131</u>	<u>\$ 604,226</u>	<u>\$ 53,287,357</u>	<u>\$ 52,303,735</u>	<u>\$ (10,616,042)</u>	<u>\$ 94,975,050</u>	<u>\$ 19,899,699</u>
	Business-Type Activities						
	Beginning Balance	Restatement	Beginning Balance (as restated)	Additions	Deletions	Ending Balance	Due Within One Year
Utility Revenue Bonds	\$ 71,465,000	\$ -	\$ 71,465,000	\$ -	\$ (6,045,000)	\$ 65,420,000	\$ 4,780,000
MPEC Revenue Bonds	14,245,000	-	14,245,000	-	(1,705,000)	12,540,000	1,720,000
Unamortized Premiums	6,863,005	-	6,863,005	-	(702,665)	6,160,340	505,788
Notes from Direct Borrowings	9,222,080	-	9,222,080	1,695,966	(1,189,392)	9,728,654	1,198,350
Compensated Absences	144,710	51,410	196,120	-	(49,120) *	147,000	141,495
Lease Liability	51,798	-	51,798	32,618	(18,262)	66,154	16,478
Total	<u>\$ 101,991,593</u>	<u>\$ 51,410</u>	<u>\$ 102,043,003</u>	<u>\$ 1,728,584</u>	<u>\$ (9,709,439)</u>	<u>\$ 94,062,148</u>	<u>\$ 8,362,111</u>

\*The change in the compensated absences liability is presented as a net change.

**CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**B. Debt Service Requirements to Maturity - Summary**

Changes in long-term liabilities for the year ended June 30, were as follows:

Fiscal Year	Governmental Activities						Total
	General Obligation Bonds		Gross Receipts Tax Revenue Bonds		Notes from Direct Borrowings		
	Principal	Interest	Principal	Interest	Principal	Interest	
2026	\$ 9,370,000	\$ 1,476,075	\$ 2,545,000	\$ 1,869,600	\$ 1,144,862	\$ 122,656	\$ 16,528,193
2027	7,125,000	1,083,675	2,745,000	1,666,000	1,062,090	101,297	13,783,062
2028	3,175,000	843,775	2,880,000	1,528,750	1,004,373	79,607	9,511,505
2029	3,175,000	702,625	1,070,000	1,384,750	365,748	56,712	6,754,835
2030	3,175,000	566,425	1,125,000	1,331,250	373,229	49,035	6,619,939
2031 - 2035	10,290,000	1,198,050	6,525,000	5,754,500	1,535,434	102,547	25,405,531
2036 - 2040	1,100,000	55,000	8,340,000	3,950,250	-	-	13,445,250
2041 - 2045	-	-	10,635,000	1,647,250	-	-	12,282,250
Total	<u>\$ 37,410,000</u>	<u>\$ 5,925,625</u>	<u>\$ 35,865,000</u>	<u>\$ 19,132,350</u>	<u>\$ 5,485,736</u>	<u>\$ 511,854</u>	<u>\$ 104,330,565</u>

Fiscal Year	Business-Type Activities						Total
	Utility Revenue Bonds		Multi-Purpose Events Center Revenue Bonds		Notes from Direct Borrowings		
	Principal	Interest	Principal	Interest	Principal	Interest	
2026	\$ 4,780,000	\$ 2,465,200	\$ 1,720,000	\$ 203,814	\$ 1,198,350	\$ 115,660	\$ 10,483,024
2027	4,980,000	2,270,350	1,735,000	185,410	1,942,052	106,262	11,219,074
2028	5,190,000	2,067,250	1,755,000	162,508	1,959,396	94,727	11,228,881
2029	5,355,000	1,903,450	1,780,000	136,534	1,445,701	81,218	10,701,903
2030	5,560,000	1,682,550	1,820,000	106,452	1,246,208	66,116	10,481,326
2031 - 2035	21,845,000	5,127,200	3,730,000	112,140	1,936,947	141,651	32,892,938
2036 - 2040	15,105,000	1,832,350	-	-	-	-	16,937,350
2041 - 2045	2,605,000	42,750	-	-	-	-	2,647,750
Total	<u>\$ 65,420,000</u>	<u>\$ 17,391,100</u>	<u>\$ 12,540,000</u>	<u>\$ 906,858</u>	<u>\$ 9,728,654</u>	<u>\$ 605,634</u>	<u>\$ 106,592,246</u>

**CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**C. General Obligation Bonds**

During 2025, the City issued one new GO Bond. GO Bonds payable at June 30, consisted of the following:

General Obligation Bonds Payable					
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2025
Series 2016 Imprv/Refund Bonds	5/25/2016	8/1/2028	2.50% to 4.00%	\$ 11,310,000	\$ 745,000
Series 2018 Public Safety Bonds	8/28/2018	8/1/2030	2.00% to 5.00%	14,100,000	5,240,000
Series 2020 Roads/Public Safety Bonds	4/22/2020	8/1/2040	2.50% to 3.00%	14,600,000	7,870,000
Series 2022 Improvement Bonds	5/31/2022	8/1/2034	4.00% to 5.00%	15,250,000	7,555,000
Series 2024 Improvement Bonds	7/23/2024	8/1/2023	5.00%	16,000,000	16,000,000
Total General Obligation Bonds Outstanding					37,410,000
Add: Unamortized Premium					3,128,442
Total General Obligation Bonds Payable					<u>\$ 40,538,442</u>

Debt Service Requirements to Maturity - General Obligation Bonds						
Fiscal Year	Series 2016 Improvement and Refunding			Series 2018 Public Safety Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 745,000	\$ 7,450	\$ 752,450	\$ 880,000	\$ 152,800	\$ 1,032,800
2027	-	-	-	880,000	117,600	997,600
2028	-	-	-	880,000	91,200	971,200
2029	-	-	-	880,000	64,800	944,800
2030	-	-	-	880,000	38,400	918,400
2031 - 2035	-	-	-	840,000	12,600	852,600
Total	<u>\$ 745,000</u>	<u>\$ 7,450</u>	<u>\$ 752,450</u>	<u>\$ 5,240,000</u>	<u>\$ 477,400</u>	<u>\$ 5,717,400</u>

Fiscal Year	Series 2020 Roads and Public Safety Bonds			Series 2022 Roads and Public Safety Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 990,000	\$ 329,650	\$ 1,319,650	\$ 755,000	\$ 336,175	\$ 1,091,175
2027	990,000	280,150	1,270,150	755,000	298,425	1,053,425
2028	990,000	230,650	1,220,650	755,000	260,675	1,015,675
2029	990,000	181,150	1,171,150	755,000	222,925	977,925
2030	990,000	136,600	1,126,600	755,000	185,175	940,175
2031 - 2035	2,920,000	173,200	3,093,200	3,780,000	393,500	4,173,500
Total	<u>\$ 7,870,000</u>	<u>\$ 1,331,400</u>	<u>\$ 9,201,400</u>	<u>\$ 7,555,000</u>	<u>\$ 1,696,875</u>	<u>\$ 9,251,875</u>

Fiscal Year	Series 2024 Improvement Bonds			Total General Obligation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 6,000,000	\$ 650,000	\$ 6,650,000	\$ 9,370,000	\$ 1,476,075	\$ 10,846,075
2027	4,500,000	387,500	4,887,500	7,125,000	1,083,675	8,208,675
2028	550,000	261,250	811,250	3,175,000	843,775	4,018,775
2029	550,000	233,750	783,750	3,175,000	702,625	3,877,625
2030	550,000	206,250	756,250	3,175,000	566,425	3,741,425
2031 - 2035	2,750,000	618,750	3,368,750	10,290,000	1,198,050	11,488,050
2036 - 2040	1,100,000	55,000	1,155,000	1,100,000	55,000	1,155,000
Total	<u>\$ 16,000,000</u>	<u>\$ 2,412,500</u>	<u>\$ 18,412,500</u>	<u>\$ 37,410,000</u>	<u>\$ 5,925,625</u>	<u>\$ 43,335,625</u>

**CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**D. Gross Receipts Tax Revenue Bonds – Governmental Activities**

During 2025, the City issued one new GRT Revenue Bonds. GRT Revenue Bonds payable at June 30, consisted of the following:

Gross Receipts Tax Revenues Bonds Payable - Governmental Activities					
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2025
Series 2020 Health Sciences Building	6/29/2020	6/1/2028	5.00%	\$ 11,720,000	\$ 5,325,000
Series 2025 Gross Receipts Tax Revenue	5/13/2025	6/1/2045	5.00%	30,540,000	30,540,000
Total Gross Receipts Tax Revenue Bonds Outstanding - Governmental Activities					35,865,000
Add: Unamortized Premium					2,708,122
Total Gross Receipts Tax Revenue Bonds Payable - Governmental Activities					\$ 38,573,122

Debt Service Requirements to Maturity - Gross Receipts Tax Revenue Bonds - Governmental Activities						
Fiscal Year	2020 Health Sciences Building			Series 2025 Gross Receipts		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 1,690,000	\$ 266,250	\$ 1,956,250	\$ 855,000	\$ 1,603,350	\$ 2,458,350
2027	1,775,000	181,750	1,956,750	970,000	1,484,250	2,454,250
2028	1,860,000	93,000	1,953,000	1,020,000	1,435,750	2,455,750
2029	-	-	-	1,070,000	1,384,750	2,454,750
2030	-	-	-	1,125,000	1,331,250	2,456,250
2031 - 2035	-	-	-	6,525,000	5,754,500	12,279,500
2036 - 2040	-	-	-	8,340,000	3,950,250	12,290,250
2041 - 2045	-	-	-	10,635,000	1,647,250	12,282,250
Total	\$ 5,325,000	\$ 541,000	\$ 5,866,000	\$ 30,540,000	\$ 18,591,350	\$ 49,131,350

**E. Notes from Direct Borrowings – Governmental Activities**

During 2025, the City did not issue any new loans with NMFA. Notes from direct borrowings for governmental activities at June 30, consisted of the following:

Notes from Direct Borrowings - Governmental Activities					
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2025
2013 NMFA Fire Admin Building	5/17/2013	5/1/2033	0.32%-3.50%	\$ 795,925	\$ 365,762
2018 NMFA HP Loan Refunding	10/6/2018	6/1/2028	1.81%	3,515,000	1,090,000
2018 NMFA High School Loan Refunding	10/6/2018	6/1/2028	1.78%	3,370,000	965,000
2019 NMFA Heavy Equipment and Vehicles	1/11/2019	8/1/2025	2.43%	609,056	98,974
2019 NMFA Los Diamontes Development	6/28/2019	5/1/2034	2.24%	3,440,000	2,966,000
Total Notes Outstanding - Governmental Activities					5,485,736
Total Notes Payable - Governmental Activities					\$ 5,485,736

**CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

Debt Service Requirements to Maturity - Notes from Direct Borrowings - Governmental Activities						
Fiscal Year	2013 Fire Admin Building			2018 NMFA HP Loan Refunding		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 40,888	\$ 12,152	\$ 53,040	\$ 355,000	\$ 23,652	\$ 378,652
2027	42,090	10,949	53,039	365,000	16,730	381,730
2028	43,373	9,666	53,039	370,000	9,028	379,028
2029	44,748	8,291	53,039	-	-	-
2030	46,229	6,810	53,039	-	-	-
2031 - 2035	148,434	10,684	159,118	-	-	-
Total	<u>\$ 365,762</u>	<u>\$ 58,552</u>	<u>\$ 424,314</u>	<u>\$ 1,090,000</u>	<u>\$ 49,410</u>	<u>\$ 1,139,410</u>

Fiscal Year	2018 NMFA High School Loan Refunding			2019 NMFA Heavy Equipment & Vehicles		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 345,000	\$ 20,717	\$ 365,717	\$ 98,974	\$ 1,292	\$ 100,266
2027	345,000	13,990	358,990	-	-	-
2028	275,000	6,710	281,710	-	-	-
Total	<u>\$ 965,000</u>	<u>\$ 41,417</u>	<u>\$ 1,006,417</u>	<u>\$ 98,974</u>	<u>\$ 1,292</u>	<u>\$ 100,266</u>

Fiscal Year	2019 NMFA Los Diamontes			Total Notes from Direct Borrowings		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 305,000	\$ 64,844	\$ 369,844	\$ 1,144,862	\$ 122,657	\$ 1,267,519
2027	310,000	59,629	369,629	1,062,090	101,298	1,163,388
2028	316,000	54,204	370,204	1,004,373	79,608	1,083,981
2029	321,000	48,421	369,421	365,748	56,712	422,460
2030	327,000	42,226	369,226	373,229	49,036	422,265
2031 - 2035	1,387,000	91,864	1,478,864	1,535,434	102,548	1,637,982
Total	<u>\$ 2,966,000</u>	<u>\$ 361,188</u>	<u>\$ 3,327,188</u>	<u>\$ 5,485,736</u>	<u>\$ 511,859</u>	<u>\$ 5,997,595</u>

**F. Utility Revenue Bonds**

During 2025, the City did not issue any new Utility Revenue Bonds. Utility Revenue Bonds Payable at June 30, consisted of the following:

	Utility Revenue Bonds Payable				
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2025
Series 2015 Refunding Bonds	9/22/2015	5/15/2032	2.00%-5.00%	\$ 27,365,000	\$ 18,280,000
Series 2017 Senior Lien Bonds	7/13/2016	5/15/2014	3.59%	22,900,000	17,955,000
Series 2017 Senior Lien Refunding Bonds	7/13/2016	5/15/2034	3.59%	9,080,000	5,780,000
2017 Subordinate Lien Refunding Bonds	7/13/2016	5/15/2041	3.56%	21,825,000	14,885,000
2019 NMFA Water Rights Acquisition	6/27/2019	5/1/2039	2.8674%	10,425,000	8,520,000
Total Utility Bonds Outstanding					65,420,000
Add: Unamortized Premium					6,153,846
Total Utility Bonds Payable					<u>\$ 71,573,846</u>

**CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

Debt Service Requirements to Maturity - Utility Revenue Bonds

Fiscal Year	Series 2015 Refunding			Series 2016 Senior Lien		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 2,315,000	\$ 731,200	\$ 3,046,200	\$ 845,000	\$ 620,450	\$ 1,465,450
2027	2,405,000	638,600	3,043,600	880,000	586,650	1,466,650
2028	2,505,000	542,400	3,047,400	915,000	551,450	1,466,450
2029	2,605,000	442,200	3,047,200	935,000	533,150	1,468,150
2030	2,705,000	338,000	3,043,000	970,000	495,750	1,465,750
2031 - 2035	5,745,000	347,000	6,092,000	5,465,000	1,864,550	7,329,550
2036 - 2040	-	-	-	6,520,000	811,800	7,331,800
2041 - 2045	-	-	-	1,425,000	42,750	1,467,750
Total	<u>\$ 18,280,000</u>	<u>\$ 3,039,400</u>	<u>\$ 21,319,400</u>	<u>\$ 17,955,000</u>	<u>\$ 5,506,550</u>	<u>\$ 23,461,550</u>

Fiscal Year	Series 2016 Senior Lien Refunding			Series 2016 Subordinate Lien Refunding		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 555,000	\$ 219,200	\$ 774,200	\$ 700,000	\$ 514,350	\$ 1,214,350
2027	575,000	197,000	772,000	730,000	486,350	1,216,350
2028	600,000	174,000	774,000	760,000	457,150	1,217,150
2029	610,000	162,000	772,000	775,000	444,350	1,219,350
2030	635,000	137,600	772,600	805,000	410,950	1,215,950
2031 - 2035	2,805,000	286,200	3,091,200	4,530,000	1,545,750	6,075,750
2036 - 2040	-	-	-	5,405,000	696,750	6,101,750
Total	<u>\$ 5,780,000</u>	<u>\$ 1,176,000</u>	<u>\$ 6,956,000</u>	<u>\$ 14,885,000</u>	<u>\$ 4,555,650</u>	<u>\$ 19,440,650</u>

Fiscal Year	2019 Water Rights Acquisition			Total Utility Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2026	365,000	380,000	\$ 745,000	\$ 4,780,000	\$ 2,465,200	\$ 7,245,200
2027	390,000	361,750	751,750	4,980,000	2,270,350	7,250,350
2028	410,000	342,250	752,250	5,190,000	2,067,250	7,257,250
2029	430,000	321,750	751,750	5,355,000	1,903,450	7,258,450
2030	445,000	300,250	745,250	5,560,000	1,682,550	7,242,550
2031 - 2035	3,300,000	1,083,700	4,383,700	21,845,000	5,127,200	26,972,200
2036 - 2040	3,180,000	323,800	3,503,800	15,105,000	1,832,350	16,937,350
2041 - 2045	-	-	-	2,605,000	42,750	2,647,750
Total	<u>\$ 8,520,000</u>	<u>\$ 3,113,500</u>	<u>\$ 11,633,500</u>	<u>\$ 65,420,000</u>	<u>\$ 17,391,100</u>	<u>\$ 82,811,100</u>

**G. Multi-Purpose Events Center Revenue Bonds**

During 2025, the City did not issue any new MPEC Revenue Bonds. MPEC Revenue Bonds Payable at June 30, consisted of the following:

	Multi-Purpose Events Center Revenue Bonds Payable - Business-Type Activities				
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2025
Series 2021 Taxable Subordinate Lien GRT Revenue Refunding Bonds	3/4/2021	6/1/2032	0.39%-3.00%	\$ 21,000,000	\$ 12,540,000
Add: Unamortized Premium					6,494
Total MPEC Revenue Bonds Payable					<u>\$ 12,546,494</u>

**CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

Debt Service Requirements to Maturity - MPEC Bonds - Business-Type Activities

Fiscal Year	Series 2013 Taxable					
	Subordinate Lien GRT Refunding			Total MPEC Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 1,720,000	\$ 203,814	\$ 1,923,478	\$ 1,720,000	\$ 203,814	\$ 1,923,814
2027	1,735,000	185,410	1,923,814	1,735,000	185,410	1,920,410
2028	1,755,000	162,508	1,920,410	1,755,000	162,508	1,917,508
2029	1,780,000	136,534	9,602,634	1,780,000	136,534	1,916,534
2030	1,820,000	106,452	1,926,452	1,820,000	106,452	1,926,452
2031 - 2035	3,730,000	112,140	3,842,140	3,730,000	112,140	3,842,140
Total	\$ 12,540,000	\$ 906,858	\$ 21,138,928	\$ 12,540,000	\$ 906,858	\$ 13,446,858

**H. Notes from Direct Borrowings – Business-Type Activities**

During 2025, the City issued one new Note from Direct Borrowings for business-type activities. Notes from Direct Borrowings for business-type activities at June 30, consisted of the following:

	Notes from Direct Borrowings - Business-Type Activities				
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2025
2015 NMFA Water Rights Acquisition	4/17/2015	5/1/2035	2.78%	\$ 4,292,192	\$ 2,367,404
2016 NMFA Water Conservation/ Treatment	1/15/2016	6/1/2035	0.25%	384,000	200,284
2022 NMFA Water Rights Acquisition	9/24/2021	5/1/2031	.09% to 1.03%	9,400,000	5,465,000
2024 NMFA Drinking Water	6/14/2024	5/1/2046	0.26%	15,150,000	1,695,966
Total Notes Payable - Business-Type Activities					\$ 9,728,654

Debt Service Requirements to Maturity - Notes from Direct Borrowings - Business-Type Activities

Fiscal Year	2015 Water Rights			2016 Water Conservation/Treatment		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 208,546	\$ 73,101	\$ 281,647	\$ 19,804	\$ 501	\$ 20,305
2027	213,238	68,409	281,647	19,854	451	20,305
2028	218,612	63,035	281,647	19,903	402	20,305
2029	224,623	57,024	281,647	19,953	352	20,305
2030	231,205	50,442	281,647	20,003	302	20,305
2031 - 2035	1,271,180	135,074	1,406,254	100,767	757	101,524
Total	\$ 2,367,404	\$ 447,085	\$ 2,814,489	\$ 200,284	\$ 2,765	\$ 203,049

Fiscal Year	2022 Water Rights			2024 Drinking Water		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 970,000	\$ 42,058	\$ 1,012,058	\$ -	\$ -	\$ -
2027	970,000	37,402	1,007,402	738,960	-	738,960
2028	980,000	31,290	1,011,290	740,881	-	740,881
2029	985,000	23,842	1,008,842	216,125	-	216,125
2030	995,000	15,372	1,010,372	-	-	-
2031 - 2035	565,000	5,820	570,820	-	-	-
Total	\$ 5,465,000	\$ 155,784	\$ 5,620,784	\$ 1,695,966	\$ -	\$ 1,695,966

Total Notes Payable

Fiscal Year	Principal	Interest	Total
2026	\$ 1,198,350	\$ 115,660	\$ 1,314,010
2027	1,942,052	106,262	2,048,314
2028	1,959,396	94,727	2,054,123
2029	1,445,701	81,218	1,526,919
2030	1,246,208	66,116	1,312,324
2031 - 2035	1,936,947	141,651	2,078,598
Total	\$ 9,728,654	\$ 605,634	\$ 10,334,288

**CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**I. Pledged Revenue**

**Governmental Activities**

**State Shared Gross Receipt Tax**

The City has pledged future gross receipt tax revenues to repay an outstanding GRT refunding revenue bond of \$30.5 million and outstanding NMFA loans of \$965,000 as of June 30, 2025. Proceeds from the original bond issuance, including the subsequent refunding and the loans provided financing for facility construction, infrastructure, and a fire truck and are payable through 2045.

Total annual principal and interest payments for all the bonds and loans are expected to require less than 12% of gross revenues. The current total state shared gross revenues were \$33 million and the total principal and interest paid on the bonds and loans was approximately \$1.9 million, or 6% of gross receipts tax revenues.

**Fire Protection Revenue**

The City has pledged future fire protection revenues to repay an outstanding NMFA loan of approximately \$366,000 as of June 30, 2025. Proceeds from the loans provided financing for a fire administration building and are payable through 2033.

Total annual principal and interest payments for the loan is expected to require less than 10% of gross revenues. The current total fire protection revenues were \$981,000 and the total principal and interest paid on the loan was approximately \$53,000, or 5% of gross revenues.

**Environmental Gross Receipt Tax**

The City has pledged future environmental gross receipt taxes to repay outstanding NMFA loans of \$2.7 million as of June 30, 2025. The New Mexico Legislature passed House Bill 479 which became effective July 1, 2019. This law effectively removed restrictions for most municipal option gross receipts taxes. The City amended its dedication ordinance effective January 1, 2021, removing the restrictions on the 1/16th of 1% increment which was formerly the Environmental Services GRT, however, the pledge of that revenue remains to repay outstanding NMFA loans. Proceeds from the loans provided financing for infrastructure improvements and are payable through 2034.

Total annual principal and interest payments for the loans are expected to require less than 3% of municipal option gross receipts tax revenues. The current total municipal option gross receipts tax revenues were approximately \$52.3 million, and the total principal and interest paid on the loans were approximately \$348,000, or 1% of gross revenues.

**CITY OF RIO RANCHO, NEW MEXICO  
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**Municipal Gross Receipt Tax**

The City has pledged future municipal gross receipt taxes to repay an outstanding NMFA loans from direct borrowings of \$1.1 million as of June 30, 2025. Proceeds from the loan provided financing for infrastructure improvements and is payable through 2028.

Total annual principal and interest payments for the loan is expected to require less than 5% of gross revenues. The current total municipal gross receipt tax revenues were \$52.3 million, and the total principal and interest paid on the loan was approximately \$367,000, or 1% of gross revenues.

**Gasoline Tax**

The City has pledged future gasoline tax receipts to repay an outstanding NMFA loan of approximately \$99,000 with NMFA as of June 30, 2025. Proceeds from the loan provided financing for heavy street equipment and is payable through 2025.

Total annual principal and interest payments for the loan is expected to require less than 20% of gross revenues. The current total gasoline tax revenues were approximately \$574,000 and the total principal and interest expected to be paid annually is approximately \$100,000 or 17% of gross revenues.

**Higher Education Gross Receipts Tax**

The City has pledged future higher education gross receipts taxes to repay an outstanding bond of \$5.3 million as of June 30, 2025. Proceeds from the bond provided financing for the construction of Building 2 of the Rio Rancho University of New Mexico Health Sciences campus. The building known as the Center for Orthopedic Excellence consists of approximately 48,000 square feet of space for post-secondary health sciences related education (including labs), clinical rehabilitation services and other learning opportunities as well as campus core infrastructure. Final maturity of the bonds will be in 2028 when the pledged gross receipts tax sunsets.

The annual principal and interest payments for the bonds is expected to require less than 50% of the gross receipts revenue. Gross receipts tax revenue in the fund was \$5.6 million in fiscal year 2025 and total principal and interest payments were \$1,957,000 or 35% of gross revenues.

**Business-Type Activities**

**State Shared Gross Receipt Tax**

The City has pledged future gross receipt tax revenues to repay outstanding event center refunding bonds of \$12.5 million as of June 30, 2025. Proceeds from the original bond issuance, including the subsequent refunding, provided financing for the construction of the Santa Ana Star Center and are payable through 2032.

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Total annual principal and interest payments for all the bonds and loans are expected to require less than 15% of gross revenues. The current total state shared gross receipt tax revenues were \$33 million and the total principal and interest paid on the bonds and loans was approximately \$1.9 million, or 6% of gross revenues.

**Utilities Net Revenue**

The City has pledged future Utility net revenues to repay outstanding revenue bonds, refunding revenue bonds, and loans of \$67.3 million as of June 30, 2025. Proceeds from the original bond issuances, including those subsequently refunded, and the loan provided financing for construction of and improvements to the City's water systems and infrastructure and are payable through 2046.

Total annual principal and interest payments for all the bonds and loans (senior and subordinate obligations) are expected to require less than 30% of Joint Utility net revenues through final maturity of all debt obligations. The current total utility net revenues were \$61 million, and the total principal and interest paid on the bonds and loans was approximately \$8.8 million, or 14% of net revenues.

**Water Rights Acquisition Fees**

The City has pledged future water rights acquisition fees to repay outstanding NMFA loans from direct borrowings of \$7.8 million as of June 30, 2025. Proceeds from the loans provided financing for water rights acquisition purchases and are payable through 2035.

Total annual principal and interest payments for all the bonds and loans from direct borrowings are expected to require less than 50% of gross revenues. The current total water rights acquisition fees were \$3.5 million, and the total principal and interest paid on the loans was \$1.3 million, or 37% of gross revenues.

**J. Special Assessment Bonds**

Special Assessment Bonds are used to construct improvements within special assessment districts created by the City after property owners within these districts agree to be assessed for the costs of debt service on the bonds.

Payments made by the assessed property owners within the districts are pledged to pay the debt service on the bonds. In the event of default by a property owner, the lien created by the assessment is sold at public auction and the proceeds are used to offset the defaulted assessment.

As trustee for improvement districts, the City is solely responsible for collection of assessments levied against the owners of property within the improvement districts and for disbursement of these amounts for retirement of the respective bonds issued to finance the improvements. The City is not obligated in any manner to pay the debt service on Special Assessment Bonds with any general or other funds of the City. Special assessment bonds outstanding at June 30, 2025, were \$2.8 million.

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**K. Statutory Debt Limitation**

The Constitution of the State of New Mexico limits the amount of general-purpose government obligation bonds that may be issued by a municipality to 4% of the taxable valuation of property located within the City. At June 30, 2025, based on the most recent valuation, the City’s debt limitation and additional bonding capacity are as follows:

Calculation of Legal Debt Margin	
Assessed Value	\$ 3,793,300,109
Debt Limit (4% of Assessed Value)	151,732,004
Debt Applicable to Limit:	
General Obligation Bonds Payable	\$ 40,538,442
Less: Amount Restricted for Repayment of General Obligation Bonds	(14,219,733)
Net Debt Applicable to Limit	26,318,709
Additional Bonding Capacity	\$ 125,413,295

**L. Conduit Debt Obligations**

To further economic development in the City, the City has acted as a conduit for tax-exempt capital financing for various private-sector entities to support acquisition, construction and equipping of industrial and commercial facilities. The facilities and equipment financed are pledged as collateral, and the bonds are payable solely from payments received from the private-sector entities on the underlying mortgage or promissory notes. In addition, no commitments beyond the collateral, the payments from the private-sector entities, and maintenance of the tax-exempt status of the conduit debt obligation were extended by the City for any of these bonds. The current remaining principal of these obligations could not be determined; however, the aggregate original issues amount totaled \$1.19 billion.

**NOTE 9: NET POSITION AND FUND BALANCES**

**A. Net Position**

Net position is the difference between assets/deferred outflows and liabilities/deferred inflows on the government-wide, proprietary fund, and fiduciary fund statements.

At June 30, 2025, the City reported a deficit unrestricted net position of \$34,892,438 for governmental activities on the statement of net position.

The various purposes of restricted net position are noted on the face of the statements. Net position restricted by enabling legislation represents resources which a party external to the City (such as citizens, public interest groups, or the courts) can compel the City to use only for the purpose specified by the legislation. The statement of net position reports \$161,627,690 of net position of governmental activities that is restricted by enabling legislation.

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**B. Governmental Fund Balances – Restricted, Committed, and Assigned**

The City’s spendable fund balances are classified into three categories: 1) Restricted Purposes, which include balances that are legally restricted for specific purposes due to constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; 2) Committed Purposes, which include balances that can only be used for specific purposes pursuant to constraints imposed by formal resolution of the Governing Body in a public meeting; and 3) Assigned Purposes, which include balances that are constrained by the government’s intent to be used for specific purposes, but are neither restricted nor committed. Per City policy, assigned fund balance amounts are determined by the Financial Services Department at year-end in consultation with other departments that directly manage those specific resources.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the City’s policy is to first apply restricted balances, then committed balances, then assigned balances.

The table below summarizes the purposes of the City’s restricted, committed, and assigned fund balances.

	Governmental Funds						Total
	General Fund	Grants Fund	State Shared GRT Revenue Bond Fund	Special Revenue	Debt Service	Capital Projects	
Fund Balances Restricted for:							
NMDFA Mandated Cash Reserve	\$ 10,575,248	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,575,248
Roads and Public Improvements	-	-	32,204,774	3,688,110	-	55,756,008	91,648,892
Community Programs	-	-	-	40,828,922	-	-	40,828,922
Parks and Recreation Programs	-	-	-	221,581	-	-	221,581
Public Safety Programs	-	1,347,616	-	2,349,023	-	-	3,696,639
Debt Service	-	-	-	-	14,656,408	-	14,656,408
Total	<u>\$ 10,575,248</u>	<u>\$ 1,347,616</u>	<u>\$ 32,204,774</u>	<u>\$ 47,087,636</u>	<u>\$ 14,656,408</u>	<u>\$ 55,756,008</u>	<u>\$ 161,627,690</u>
Fund Balances Committed for:							
Community Programs	\$ -	\$ -	\$ -	\$ 7,964,802	\$ -	\$ -	\$ 7,964,802
Parks and Recreation Programs	-	-	-	399,389	-	-	399,389
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,364,191</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,364,191</u>
Fund Balances Assigned for:							
General Government Programs	\$ -	\$ -	\$ -	\$ 28,595	\$ -	\$ -	\$ 28,595
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,595</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,595</u>

Unassigned fund balance is the residual classification for the General Fund. This amount represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned for those purposes, the resulting negative residual balance is reported as unassigned.

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**C. Deficit Fund Balances**

The following funds reported deficit fund balances as of June 30, 2025:

Nonmajor Special Revenue Funds:	
Rio Metro Fund	\$ 1,331
Library Fund	13,338
Local Government Corrections	138,616
Special Assessment District VII Bond Fund	727,246
Special Assessment District VIII Bond Fund	317,016
HUD CDBG Grant Fund	11,359
Nonmajor Capital Projects Funds:	
State Appropriations Capital Fund	693,354
Total	\$ 1,902,260

The deficits arose because of the timing of receipts and expenditures in these funds under reimbursement-based grant agreements and the modified accrual basis of accounting. The City expects to eliminate the deficits through receipts of grant revenues in the next fiscal year.

**NOTE 10: PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION**

**A. Plan Description**

The Public Employees Retirement Association (PERA) Fund is a cost-sharing, multiple-employer defined benefit pension plan. The Fund has six divisions of members, including State General, State Police/Adult Correction Officer, Municipal General, Municipal Police/Detention Officers, Municipal Fire, and State Legislative Divisions, and offers 24 different types of coverage within the PERA plans. All assets accumulated may be used to pay benefits, including refunds of member contributions, to any of the plan members or beneficiaries, as defined by the terms of the plan. Certain coverage plans are only applicable to a specific division.

The City of Rio Rancho participates in three PERA plans: Municipal General Plan 2, Municipal Police Plan 5, and Municipal Fire Plan 5.

Eligibility for membership in the PERA Fund is set forth in the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). Except as provided for in the Volunteer Firefighters Retirement Act (10-11A-1 to 10-11A-7, NMSA 1978), the Judicial Retirement Act (10-12B-1 to 10-12B-19, NMSA 1978), the Magistrate Retirement Act (10-12C-1 to 10-12C-18, NMSA 1978), and the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978), and the provisions of Sections 29-4-1 through 29-4-11, NMSA 1978 governing the State Police Pension Fund, each employee and elected official of every affiliated public employer is required to be a member in the PERA Fund. PERA issues a publicly available annual comprehensive financial report that can be obtained at [nmpera.org/financial-overview/](http://nmpera.org/financial-overview/).

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**B. Benefits Provided**

See PERA's Annual Comprehensive Financial Report that can be obtained on PERA's Web Site for additional benefits information.

	Summary of Eligibility, Benefits, and Contribution Rates					
	Municipal General Plan 2		Municipal Police Plan 5		Municipal Fire Plan 5	
	Tier I	Tier II	Tier I	Tier II	Tier I	Tier II
Highest Average Salary	3 Years	5 Years	3 Years	5 Years	3 Years	5 Years
Years of Service and Age of Eligibility	25 Years Any Age 20 Years Age 60 Various Ages 61-64 5 Years Age 65	5 Years Age 65 Rule of 85	20 Years Any Age Various Ages 61-64 5 Years Age 65	25 Years Age 60 5 Years	20 Years Various Ages 61-64 5 Years Age 65	25 Years Age 60 5 Years
Vesting Period	5 Years	5 Years	5 Years	5 Years	5 Years	5 Years
Benefit Percent per Year of Service	2.5%	2.0%	3.5%	3.0%	3.5%	3.0%
Maximum Benefit as Percent of Final Average Salary	100%	100%	100%	100%	100%	100%
Annual Cost of Living Adjustment	2.0% with Graduated Eligibility Period	2.0% with 7-Year Eligibility Period	2.0% with Graduated Eligibility Period	2.0% with 7-Year Eligibility Period	2.0% with Graduated Eligibility Period	2.0% with 7-Year Eligibility Period
Required Contribution Rates:						
Employer	10.80%	10.80%	20.15%	20.15%	22.90%	22.90%
Employee < \$20,000	9.15%	9.15%	16.30%	16.30%	16.20%	16.20%
Employee > \$20,000	11.65%	11.65%	18.80%	18.80%	20.20%	20.20%

**C. Contributions**

The contribution requirements of PERA Fund members are established in state statute under Chapter 10, Article 11, NMSA 1978. The contribution requirements may be amended by acts of the legislature.

The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. See PERA's Annual Comprehensive Financial Report that can be obtained on PERA's Web Site for Contribution Description.

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**D. Pension Liabilities, Pension Expense, Deferred Outflows, and Deferred Inflows of Resources Related to Pensions**

The total pension liability, net pension liability, and certain sensitivity information are based on an actuarial valuation performed as of June 30, 2023. The total pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2024. These assumptions were adopted by the Board for use in the June 30, 2023 actuarial valuation.

The assets of the PERA Fund are held in one trust, but there are six distinct membership groups (municipal general members, municipal police members, municipal fire members, state general members, state police members, and legislative members) for whom separate contribution rates are determined each year pursuant to Chapter 10, Article 11 NMSA 1978. Therefore, the calculations of the net pension liability, pension expense, and deferred inflows and outflows of resources were performed separately for each of the membership groups.

The City's proportion of the net pension liability for each membership group that the employer participates in is based on the employer contributing entity's percentage of that membership group's total employer contributions for the fiscal year ended June 30, 2024. The Schedule of Employer Allocations reflects fiscal year 2024 employer contributions received during the period July 1, 2023 to June 30, 2024. Only pay period end dates that fell within the period July 1, 2023 to June 30, 2024, are included in the total contributions for that employer. Regular and adjustment contributions that applied to fiscal year 2024 are included in the total contribution amounts. In the event that an employer is behind in reporting to PERA its required contributions, an estimate (receivable) has been used to project the unremitted employer contributions. This allows for fair and consistent measurement of the contributions with the total population. This methodology was used in order to maintain consistent measurement each year in determining the percentages to be allocated among all the participating employers.

The City's proportionate share of each PERA plan's net pension liability, and each plan's annual pension expense, as of and for the year ended June 30, 2025, are shown in the table below.

PERA Plan	Current Year Pension Expense and Net Pension Liability				
	FY25 Employer Contributions	Pension Expense	Proportionate Share of Net Pension Liability	Percent of Net Pension Liability	Prior Year Percent of Net Pension Liability
Municipal General Plan 2	\$ 2,549,402	\$ 6,313,355	\$ 42,262,604	1.7711%	1.6656%
Municipal Police Plan 5	2,296,753	7,065,462	40,150,871	3.8023%	3.5630%
Municipal Fire Plan 5	2,331,241	6,156,398	44,163,353	4.5242%	4.1002%
Total	<u>\$ 7,177,396</u>	<u>\$ 19,535,215</u>	<u>\$ 126,576,828</u>		

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As of June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for each of the City's three PERA Fund divisions:

	Municipal General Plan 2		Municipal Police Plan 5		Municipal Fire Plan 5	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 4,013,666	\$ 157,607	\$ 4,295,274	\$ -	\$ 3,751,287	\$ -
Changes of Assumptions	1,358,876			73,942	26,981	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,756,162	-	1,531,027	-	835,784	-
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	1,329,809	245,276	1,571,922	-	2,371,704	581,836
City Contributions Subsequent to the Measurement Date	2,549,105		2,296,753		2,331,241	
Total	<u>\$ 11,007,618</u>	<u>\$ 402,883</u>	<u>\$ 9,694,976</u>	<u>\$ 73,942</u>	<u>\$ 9,316,997</u>	<u>\$ 581,836</u>

Following is additional information about the City's deferred outflows of resources and deferred inflows of resources related to pensions:

	Municipal General Plan 2	Municipal Police Plan 5	Municipal Fire Plan 5
Amount reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of June 30, 2024, that will be recognized as a reduction of the net pension liability in the measurement period ending June 30, 2025	\$ 2,549,105	\$ 2,296,753	\$ 2,331,241

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Measurement Period Ending June 30,			
2026	\$ 2,144,576	\$ 2,342,652	\$ 2,288,449
2027	5,124,867	4,385,711	3,447,321
2028	974,124	756,788	767,650
2029	(187,937)	(160,870)	(99,500)

**E. Actuarial Assumptions**

As described above, the PERA Fund member group pension liabilities and net pension liabilities are based on actuarial valuations performed as of June 30, 2023, for each of the membership groups. The

**CITY OF RIO RANCHO, NEW MEXICO  
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actuarial assumptions used in the valuation were based on the results of an actuarial experience study for the five-year period ending June 30, 2023.

Using the information from the June 30, 2023, valuation, each PERA Fund member group pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2024, using generally accepted actuarial principles. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2023. The following actuarial methods and assumptions were adopted by the Board for use in the June 30, 2023, actuarial valuation:

Actuarial Valuation Date	June 30, 2023
Actuarial Cost Method	Entry-Age Normal
Amortization Method	Level Percentage of Payroll, Open
Amortization Period	25 years
Actuarial Assumptions:	
Investment Rate of Return	7.25%, Net of Investment Expense
Projected Salary Increases	3.25% to 13.50% Annual Rate
Includes Inflation at Mortality Rates	2.50% Annual Rate
	Pre-retirement mortality: PUB-2010 General Employees Mortality table, projected with the ultimate rates from the MP-2020 mortality improvement scale using a base year of 2010. For non-public safety group, 25% of in-service deaths are assumed to be duty related and 35% are assumed to be duty-related for public safety groups.
	Post-retirement mortality (non-disabled): PUB-2010 General Mortality table, Below Median Income, projected with the ultimate rates from the MP-2020 mortality improvement scale using a base year of 2010.
Experience Study Dates	July 1, 2018 to June 30, 2023

The long-term expected rate of return on pension plan investments was determined using a statistical analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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The target asset allocation and most recent best estimates of arithmetic real rates of return for each major asset class are summarized below:

	Target Allocation	Long-Term Expected Real Rate of Return
All Funds - Asset Class:		
Global Equity	46.00 %	3.90 %
Core Fixed Income	13.00	2.20
Credit	17.00	2.30
Absolute Return	6.00	2.60
Real Assets	18.00	5.90
Total	100.00 %	

**F. Discount Rate**

A single discount rate of 7.25% was used to measure the total pension liability as of June 30, 2024. This rate was based on a long-term expected rate of return on pension plan investments of 7.25%, compounded annually, net of expenses. Based on the stated assumptions and the projection of cash flows, the plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The projections of cash flows used to determine this single discount rate assumed that plan member and employer contributions will be made at the current statutory levels.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	Assumed Discount Rate		
	1% Decrease 6.25%	Current Rate 7.25%	1% Increase 8.25%
Proportionate Share of Net Pension Liability:			
Municipal General Plan 2	\$ 60,789,134	\$ 42,262,604	\$ 26,947,217
Municipal Police Plan 5	57,855,080	40,150,871	25,744,415
Municipal Fire Plan 5	57,343,134	44,163,353	33,409,649
Total	\$ 175,987,348	\$ 126,576,828	\$ 86,101,281

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**G. Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in PERA'S audited annual comprehensive financial report and can be obtained at the following web address: nmpera.org.

**H. Payables to the Pension Plan**

The City reported \$532,665 as payable to PERA at June 30, 2025. The liability is included in the City's accrued payroll adjustment for wages and benefits earned but not yet paid at year-end.

**NOTE 11: POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTHCARE PLAN**

**A. Plan Description**

Employees of the City are provided with OPEB through the Retiree Health Care Fund (the Fund) – a cost-sharing, multiple-employer defined benefit OPEB plan administered by the New Mexico Retiree Health Care Authority (NMRHCA). NMRHCA was formed February 13, 1990, under the New Mexico Retiree Health Care Act (the Act) of New Mexico Statutes Annotated, as amended (NMSA 1978), to administer the Fund under Section 10-7C-1-19 NMSA 1978. The Fund was created to provide comprehensive group health insurance coverage for individuals (and their spouses, dependents, and surviving spouses) who have retired or will retire from public service in New Mexico.

NMRHCA is an independent agency of the state of New Mexico. The funds administered by NMRHCA are considered part of the state of New Mexico financial reporting entity and are OPEB trust funds of the state of New Mexico. NMRHCA's financial information is included with the financial presentation of the state of New Mexico. Audited financial statements for NMRHCA can be obtained at <https://www.nmrhca.org/financial-audits/>.

**B. Benefits Provided**

The Fund is a multiple-employer, cost-sharing defined benefit healthcare plan that provides eligible retirees (including terminated employees who have accumulated benefits but are not yet receiving them), their spouses, dependents, and surviving spouses and dependents with health insurance and prescription drug benefits consisting of a plan, or optional plans of benefits, that can be contributions to the Fund and by co-payments or out-of-pocket payments of eligible retirees.

**C. Contributions**

Employer and employee contributions to the Fund total 3% for nonenhanced retirement plans and 3.75% of enhanced retirement plans of each participating employee's salary as required by Section 10-7C-15 NMSA 1978. The contributions are established by statute and are not based on an actuarial calculation. All employer and employee contributions are nonrefundable under any circumstances, including termination of the employer's participation in the Fund. Contributions to the Fund from the City were \$976,592 for the year ended June 30, 2025.

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**D. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

As of June 30, 2025, the City reported a liability of \$12,845,387 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023. The City's proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2024. As of June 30, 2024, the City's proportion was 0.71971%.

For the year ended June 30, 2025, the City recognized OPEB income of \$2,671,222. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 137,665	\$ 1,341,757
Change of Assumptions	2,403,694	8,145,734
Differences Between Actual and Projected Earnings on OPEB Plan Investments	114,825	-
Change in Proportion	1,979,030	1,643,729
City's Contributions Subsequent to the Measurement Date	976,592	-
Total	\$ 5,611,806	\$ 11,131,220

Deferred outflows of resources totaling \$976,592 represent the City's contributions to the Fund made subsequent to the measurement date and will be recognized as a reduction of net OPEB liability in the year ending June 30, 2025. Contributions made after the measurement date of the net OPEB liability but before the end of the City's reporting period will be recognized as a reduction of the net OPEB liability in the subsequent fiscal period rather than in the current fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Subsequent Recognition of Deferred Amounts	
Fiscal Year Ending June 30,	Amount
2026	\$ (2,011,150)
2027	(2,892,718)
2028	(1,803,901)
2029	(334,089)
2030	545,852

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**E. Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions:

Actuarial Valuation Date	June 30, 2023
Actuarial Cost Method	Entry-Age Normal, Level Percent of Pay, Calculated on Individual Employee Basis
Asset Valuation Method	Market Value of Assets
Actuarial Assumptions:	
Inflation	2.30% for ERB, 2.50% for PERA
Projected Payroll Increases	3.00% to 13.00% based on Years of Service, Including Inflation
Investment Rate of Return	7.00%, Net of OPEB Plan Investment Expense and Margin for Adverse Deviation, Including Inflation
Discount Rate	7.00%
Healthcare Cost Trend Rate	8% Graded Down to 4.5% Over 14 Years for Non-Medicare Medical Plan Costs and 7.5% Graded Down to 4.5% Over 12 Years for Medicare Medical Plan Costs Actual premium increase for the first year, then 8.25% graded down the 4.50% over 15 years
Mortality:	
ERB Members	2020 GRS Southwest Region Teacher Mortality Table, set back one year.
PERA Members	Teacher Mortality Table (females) Headcount-Weighted RP-2014 Blue Collar Annuitant Mortality

**F. Rate of Return**

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which the expected future real rates of return (net of investment fees and inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumptions.

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The best estimates for the long-term expected rate of return is summarized as follows:

Asset Class	Target Allocation	Long-Term Rate of Return
U.S. Core Fixed Income	20.0 %	1.6 %
U.S. Equity - Large Cap	14.0	6.9
Non U.S. - Emerging Markets	10.0	8.7
Non U.S. - Developed Equities	14.0	7.2
Private Equity	10.0	9.9
Private Debt	15.0	3.7
Real Estate	10.0	3.6
Real Return	5.0	3.2
U.S. Equity - Small/Mid Cap	2.0	6.9

**G. Discount Rate**

The discount rate used to measure the total OPEB liability is 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates proportional to the actuary determined contribution rates. For this purpose, employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries are included. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. The 7.00% assumed investment return on plan assets, which includes the assumed inflation rate of 2.50%, was used to calculate the net OPEB liability.

**H. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates**

The following presents the net OPEB liability, calculated using the discount rate of 7.00% as of June 30, 2024, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percent lower or 1-percent higher than the current rate:

	1% Decrease 6.00%	Current Rate 7.00%	1% Increase 8.00%
Net OPEB Liability	<u>\$ 16,198,878</u>	<u>\$ 12,845,387</u>	<u>\$ 10,096,388</u>

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Current Rate	1% Increase
Net OPEB Liability	<u>\$ 9,926,775</u>	<u>\$ 12,845,387</u>	<u>\$ 20,340,744</u>

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**I. OPEB Plan Fiduciary Net Position**

Detailed information about the OPEB plan’s fiduciary net position is available in NMRHCA’s audited financial statements for the year ended June 30, 2024.

**J. Payable Changes in the Net OPEB Liability**

As of June 30, 2025, the City reported a payable of \$41,718 for outstanding contributions due to NMRHCA for the year ended June 30, 2025.

**NOTE 12: RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In 1985, the City joined the New Mexico Self-Insurers’ Fund Risk Pool (the Pool), together with other cities and towns in the state. The Pool is a public-entity risk pool currently operating as a common risk management and insurance program for member cities and towns. The City paid an annual premium of \$2,217,018 into the Pool for general insurance coverage during the fiscal year. The agreement provides that the Pool will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of the annual aggregate for general liability, property, and workers’ compensation claims. The City carries commercial insurance for all other risks of loss including accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Health and dental coverage are provided through a self-insurance program administered by outside carriers (Blue Cross Blue Shield and Presbyterian for medical, Express Scripts for prescriptions, and Delta Dental for dental). The City reports its self-insurance programs in the internal service funds. Amounts are charged to the General Fund and Utility Fund to provide sufficient resources to cover claims incurred and to pay the insurance service agent’s administrative fee.

The following schedule represents the changes in claims liability for the past two fiscal years for the City’s Health and Dental Self-Insurance Programs:

	2025	2024
Beginning Liability	\$ 838,518	\$ 993,394
Claims Incurred and Changes in Estimates	8,093,326	7,485,518
Claims Paid	(8,056,676)	(7,640,394)
Ending Liability	\$ 875,168	\$ 838,518

**CITY OF RIO RANCHO, NEW MEXICO  
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**NOTE 13: LITIGATION AND CONTINGENCIES**

The City records liabilities resulting from claims and legal actions when they become fixed or determinable in amount. The City is currently the defendant in several pending lawsuits. Management is not aware of any potential uninsured claims arising from such litigation that would impose a significant liability on the City.

The City has received several federal and state grants for specific purposes that are subject to audit by the grantor agencies. Such audits could lead to requests for reimbursements for expenditures disallowed under the terms of the grants. Based upon prior experience, the City believes such disallowances, if any, will be immaterial.

**NOTE 14: OPIOID SETTLEMENTS**

Nationwide settlements have been reached to resolve all opioid litigation brought by states and local political subdivisions against pharmaceutical distributors. These settlements will provide substantial funds to states and local governments for abatement of the opioid epidemic across the country and will impose transformative changes in the way the settling defendants conduct their business. Of the funds going directly to participating states and subdivisions, at least 85% must be used for abatement of the opioid epidemic, with the overwhelming bulk of the proceeds restricted to funding future abatement efforts by state and local governments. The City has received a total of \$3,185,672 in opioid settlement funds as of June 30, 2025. As the State continues to finalize additional settlement agreements, participating local governments will receive their proportionate share. A receivable has been recognized in the financial statements for the expected additional settlement payments to be received through approximately 2038. These amounts are dependent on the finalization of distribution agreements and the various additional settlement provisions that are dependent on specific actions by the settling parties. Related receivables and resources are reported in the appropriate governmental funds and are restricted for eligible opioid abatement activities.

**NOTE 15: CHANGES TO OR WITHIN THE FINANCIAL REPORTING ENTITY AND ERROR CORRECTIONS**

The City has adjusted its beginning equity balances for the following reasons:

- Changes in the presentation of major and nonmajor governmental funds due to a reassessment of major fund status in accordance with the quantitative thresholds established by GASB 34.
- Implementation of GASB 101 Compensated Absences as follows:

<u>Fund</u>	<u>Change in Accounting Principle</u>	<u>Description</u>
Government-Wide - Governmental Activities	(604,226)	To restate compensated absences due to the implementation of GASB 101.
Utilities Fund	(51,410)	To restate compensated absences due to the implementation of GASB 101.

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- Errors were identified and corrected from the prior period related to the following:

Fund	Error Correction	Description
Local Economic Development Act Fund	\$ 250,000	To recognize revenue related to held LEDA agreement funds.
Utilities Fund	10,539,661	To recognize additional developer capital assets determined to be the City's.
Multi-Purpose Events Center Fund	436,585	To recognize additional developer capital assets determined to be the City's.
Government-Wide - Governmental Activities	18,028,929	To recognize additional developer capital assets determined to be the City's.

See the following for all adjustments to beginning net position and fund balances:

	As Previously Reported June 30, 2024	Change in Accounting Principle	Error Correction	Change to or within the Financial Reporting Entity	As Adjusted June 30, 2024
<b>Government-Wide</b>					
Governmental Activities	\$ 361,625,644	\$ (604,226)	\$ 18,278,929	\$ -	\$ 379,300,347
Business-Type Activities	385,972,712	(51,410)	10,976,246	-	396,897,548
<b>Total Primary Government</b>	<b>\$ 747,598,356</b>	<b>\$ (655,636)</b>	<b>\$ 29,255,175</b>	<b>\$ -</b>	<b>\$ 776,197,895</b>
<b>Governmental Funds</b>					
Major Funds					
General Fund	\$ 74,890,490	\$ -	\$ -	\$ -	\$ 74,890,490
Grants Fund	790,138	-	-	-	790,138
State Shared GRT Revenue Bond Fund	-	-	-	-	-
Infrastructure Fund	18,009,093	-	-	(18,009,093)	-
Nonmajor Funds	77,595,595	-	250,000	18,009,093	95,854,688
<b>Total Governmental Funds</b>	<b>\$ 171,285,316</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ -</b>	<b>\$ 171,535,316</b>
<b>Proprietary Funds</b>					
Major Funds					
Utilities Fund	\$ 364,923,068	\$ (51,410)	\$ 10,539,661	\$ -	\$ 375,411,319
Multi-Purpose Events Center Fund	21,049,644	-	436,585	-	21,486,229
Internal Service Funds	1,786,000	-	-	-	1,786,000
<b>Total Proprietary Funds</b>	<b>\$ 387,758,712</b>	<b>\$ (51,410)</b>	<b>\$ 10,976,246</b>	<b>\$ -</b>	<b>\$ 398,683,548</b>
<b>Fiduciary Funds</b>					
Custodial Funds	\$ -	\$ -	\$ -	\$ -	\$ -

**NOTE 16: TAX ABATEMENTS**

The City has entered into agreements under the Municipal Industrial Revenue Bond Act (NMSA 3-32-1 through 3-32-16) and approved tax abatements through Tax Increment Development Districts (TIDDs) pursuant to the New Mexico Tax Increment Development Act (NMSA 5-15-1 et seq.). These agreements are intended to promote economic development by encouraging manufacturing, industrial, and commercial enterprises to locate or expand in the City and by supporting related infrastructure development. As part of these arrangements, the City has abated certain taxes. In accordance with GASB Statement No. 77, Tax Abatement Disclosures, the City provides the following information on its tax abatement agreements and related abatements, including those entered into by other governments that affect the City or other governments within Sandoval County. Consistent with the New Mexico Office of the State Auditor Audit Rule (NMAC 2.2.2.10(BB)(1)), tax abatement disclosures are presented individually and not aggregated.

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<b>Agency Number</b>	6147
<b>Agency Name</b>	City of Rio Rancho
<b>Agency Type</b>	Local Public Body (Home Rule Municipality)
<b>Tax Abatement Agreement Name</b>	Stonegate Tax Increment Development District (TIDD)
<b>Recipient(s) of tax abatement</b>	Stonegate TIDD
<b>Parent company(is) of recipient(s) of tax abatement</b>	N/A
<b>Tax abatement program (name and brief description)</b>	Tax Increment Development District - The City has dedicated the tax increment revenues to the repayment of the TIDD bonds, being a dedication of 75% of the general purposes municipal GRT, municipal infrastructure GRT, and state shared grt generated within the District and distributed to the City.
<b>Specific Tax(es) Being Abated</b>	General purposes municipal GRT, municipal infrastructure GRT, and state shared grt generated within the District and distributed to the City.
<b>Legal authority under which tax abatement agreement was entered into</b>	Tax Increment Development Act, Sections 5-15-1, et seq. NMSA 1978 as amended.
<b>Criteria that make a recipient eligible to receive a tax abatement</b>	A developer must submit a petition and an application to form a TIDD pursuant to the Act and the City's TIDD Ordinance. The Developer will construct infrastructure within the TIDD. The TIDD will issue bonds, the proceeds of which will reimburse the Developer for costs associated with the construction of the infrastructure. Once completed, the developer will convey the TIDD Infrastructure, real and personal property which the City deems reasonably necessary to or on behalf of the District to the City.
<b>How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)</b>	The City has dedicated the tax increment revenues to the repayment of the TIDD bonds, being a dedication of 75% of the general purposes municipal GRT, municipal infrastructure GRT, and state shared grt generated within the District and distributed to the City.
<b>How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.</b>	The City has dedicated the tax increment revenues to the repayment of the TIDD bonds, being a dedication of 75% of the general purposes municipal GRT, municipal infrastructure GRT, and state shared grt generated within the District and distributed to the City. TIDD revenue is distributed by TRD.
<b>Are there provisions for recapturing abated taxes? (Yes or No)</b>	No
<b>If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.</b>	N/A
<b>List each specific commitment made by the recipient of the abatement.</b>	The Developer will construct infrastructure within the TIDD. The TIDD will issue bonds, the proceeds of which will reimburse the Developer for costs associated with the construction of the infrastructure. Once completed, the Developer will convey the TIDD Infrastructure, real and personal property which the City deems reasonably necessary to or on behalf of the District to the City.
<b>Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.</b>	\$119,372.01
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment</b>	N/A
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year</b>	N/A
<b>List each specific commitment made by your agency or any other government, other than the tax abatement.</b>	N/A
<b>Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.</b>	No
<b>If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.</b>	N/A
<b>In the report disclosure is this abatement aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

**CITY OF RIO RANCHO, NEW MEXICO**  
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<b>Agency Number</b>	6147
<b>Agency Name</b>	City of Rio Rancho
<b>Agency Type</b>	Local Public Body (Home Rule Municipality)
<b>Tax Abatement Agreement Name</b>	The Village at Rio Rancho Tax Increment Development District (TIDD)
<b>Recipient(s) of tax abatement</b>	The Village at Rio Rancho TIDD
<b>Parent company(ies) of recipient(s) of tax abatement</b>	N/A
<b>Tax abatement program (name and brief description)</b>	Tax Increment Development District - The City has dedicated the tax increment revenues to the repayment of the TIDD bonds, being a dedication of 70% of the general purposes municipal GRT, municipal infrastructure GRT, and state shared grt generated within the District and distributed to the City.
<b>Specific Tax(es) Being Abated</b>	General purposes municipal GRT, municipal infrastructure GRT, and state shared grt generated within the District and distributed to the City.
<b>Legal authority under which tax abatement agreement was entered into</b>	Tax Increment Development Act, Sections 5-15-1, et seq. NMSA 1978 as amended.
<b>Criteria that make a recipient eligible to receive a tax abatement</b>	A developer must submit a petition and an application to form a TIDD pursuant to the Act and the City's TIDD Ordinance. The Developer will construct infrastructure within the TIDD. The TIDD will issue bonds, the proceeds of which will reimburse the Developer for costs associated with the construction of the infrastructure. Once completed, the developer will convey the TIDD Infrastructure, real and personal property which the City deems reasonably necessary to or on behalf of the District to the City.
<b>How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)</b>	The City has dedicated the tax increment revenues to the repayment of the TIDD bonds, being a dedication of 70% of the general purposes municipal GRT, municipal infrastructure GRT, and state shared grt generated within the District and distributed to the City.
<b>How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.</b>	The City has dedicated the tax increment revenues to the repayment of the TIDD bonds, being a dedication of 70% of the general purposes municipal GRT, municipal infrastructure GRT, and state shared grt generated within the District and distributed to the City. TIDD revenue is distributed by TRD.
<b>Are there provisions for recapturing abated taxes? (Yes or No)</b>	No
<b>If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.</b>	N/A
<b>List each specific commitment made by the recipient of the abatement.</b>	The Developer will construct infrastructure within the TIDD. The TIDD will issue bonds, the proceeds of which will reimburse the Developer for costs associated with the construction of the infrastructure. Once completed, the Developer will convey the TIDD Infrastructure, real and personal property which the City deems reasonably necessary to or on behalf of the District to the City.
<b>Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.</b>	\$153,615.47
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment</b>	N/A
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year</b>	N/A
<b>List each specific commitment made by your agency or any other government, other than the tax abatement.</b>	N/A
<b>Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.</b>	No
<b>If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.</b>	N/A
<b>In the report disclosure is this abatement aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

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<b>Agency Number</b>	6147
<b>Agency Name</b>	City of Rio Rancho
<b>Agency Type</b>	Local Public Body (Home Rule Municipality)
<b>Tax Abatement Agreement Name</b>	Los Diamantes Tax Increment Development District
<b>Recipient(s) of tax abatement</b>	Los Diamantes Tax Increment Development District
<b>Parent company(is) of recipient(s) of tax abatement</b>	N/A
<b>Tax abatement program (name and brief description)</b>	Tax Increment Development District - The City has dedicated the tax increment revenues to the repayment of the TIDD bonds, being a dedication of 75% of the general purposes municipal GRT, municipal infrastructure GRT, and state shared grt generated within the District and distributed to the City.
<b>Specific Tax(es) Being Abated</b>	General purposes municipal GRT, municipal infrastructure GRT, and state shared grt generated within the District and distributed to the City.
<b>Legal authority under which tax abatement agreement was entered into</b>	Tax Increment Development Act, Sections 5-15-1, <i>et seq.</i> NMSA 1978 as amended.
<b>Criteria that make a recipient eligible to receive a tax abatement</b>	A developer must submit a petition and an application to form a TIDD pursuant to the Act and the City's TIDD Ordinance. The Developer will construct infrastructure within the TIDD. The TIDD will issue bonds, the proceeds of which will reimburse the Developer for costs associated with the construction of the infrastructure. Once completed, the developer will convey the TIDD Infrastructure, which the City deems reasonably necessary to or on behalf of the District to the City.
<b>How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)</b>	The City has dedicated the tax increment revenues to the repayment of the TIDD bonds, being a dedication of 75% of the general purposes municipal GRT, municipal infrastructure GRT, and state shared grt generated within the District and distributed to the City.
<b>How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.</b>	The City has dedicated the tax increment revenues to the repayment of the TIDD bonds, being a dedication of 75% of the general purposes municipal GRT, municipal infrastructure GRT, and state shared grt generated within the District and distributed to the City. TIDD revenue is distributed by TRD.
<b>Are there provisions for recapturing abated taxes? (Yes or No)</b>	No
<b>If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.</b>	N/A
<b>List each specific commitment made by the recipient of the abatement.</b>	The Developer will construct infrastructure within the TIDD. The TIDD will issue bonds, the proceeds of which will reimburse the Developer for costs associated with the construction of the infrastructure. Once completed, the Developer will convey the TIDD Infrastructure which the City deems reasonably necessary to or on behalf of the District to the City.
<b>Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.</b>	\$485,879.74
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment</b>	N/A
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year</b>	N/A
<b>List each specific commitment made by your agency or any other government, other than the tax abatement.</b>	N/A
<b>Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.</b>	No
<b>If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.</b>	N/A
<b>In the report disclosure is this abatement aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

**CITY OF RIO RANCHO, NEW MEXICO**  
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<b>Agency Number</b>	6147
<b>Agency Name</b>	City of Rio Rancho
<b>Agency Type</b>	Local Public Body (Home Rule Municipality)
<b>Tax Abatement Agreement Name</b>	Titan City Center, LLC Project - Industrial Revenue Bonds Series 2009
<b>Recipient(s) of tax abatement</b>	Titan City Center, LLC
<b>Parent company(ies) of recipient(s) of tax abatement</b>	N/A
<b>Tax abatement program (name and brief description)</b>	HP IRB -Issuance of an Industrial Revenue Bond in the maximum principal amount of \$63,500,000 to provide funds to finance the acquisition, construction and equipping of an industrial revenue project. The City will lease the property to the Titan City Center, LLC which will be sub-leased to Hewlett-Packard Company.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Legal authority under which tax abatement agreement was entered into</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated
<b>Criteria that make a recipient eligible to receive a tax abatement</b>	Recipient meets the criteria established under Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated and Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. The recipient will sub-lease the property to Hewlett-Packard Company.
<b>How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)</b>	City of Rio Rancho owns the property and leases it to Titan. No property tax is assessed because it is a City owned property.
<b>How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.</b>	The property for which the IRB was issued is exempt from taxes because it is owned by the City. The property's value is assessed by the County assessor. The property tax mill rate is set by various taxing authorities and the Department of Finance and Administration. Property taxes would be calculated by multiplying the mill rate by the taxable value as determined by the County Assessor. Payment in lieu of taxes must be paid to the Rio Rancho school district.
<b>Are there provisions for recapturing abated taxes? (Yes or No)</b>	Yes
<b>If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.</b>	If the company ceases operation of the Facility within five years of the issuance of the Bonds, the Company will pay an amount equal to that percentage of the amount of taxes it would have been required to pay if the bonds had not been issued. Amount is calculated using mill levies and actual property tax valuations for each tax year. The five-year clawback period expired in 2014.
<b>List each specific commitment made by the recipient of the abatement.</b>	The Company intends to operate the facility pursuant to the Industrial Revenue Bond Act, bond indenture and lease agreement which includes: payment in lieu of taxes to the Rio Rancho School District, complete the project outlined in the lease agreement, make rent payments sufficient to pay the principal and interest of the bonds directly to the purchasers of the bonds, file returns for reporting and paying gross receipts or compensating tax that may be due, taking necessary action to have the property assessed for property tax purposes at the lease termination no later than May 1, 2029, obtain necessary permits and approvals for operating, maintain and pay other taxes and utility charges on the property.
<b>Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.</b>	\$187,069.98
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment</b>	City of Rio Rancho Ordinance 16 Enactment 09-19 and lease agreement between City of Rio Rancho and Titan City Center, LLC. Payment in Lieu of Taxes must be paid to the Rio Rancho School district.
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year</b>	Rio Rancho School District, \$189,250.95
<b>List each specific commitment made by your agency or any other government, other than the tax abatement.</b>	N/A
<b>Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.</b>	Yes. State of New Mexico, Sandoval County, Rio Rancho School District, Central NM Community College, UNM Sandoval Regional Hospital, Southern Sandoval County Arroyo Flood Control Authority
<b>If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.</b>	N/A
<b>In the report disclosure is this abatement aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

**CITY OF RIO RANCHO, NEW MEXICO**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

<b>Agency Number</b>	6147
<b>Agency Name</b>	City of Rio Rancho
<b>Agency Type</b>	Local Public Body (Home Rule Municipality)
<b>Tax Abatement Agreement Name</b>	Call, LLC Project - Industrial Revenue Bonds Series 1998A
<b>Recipient(s) of tax abatement</b>	Call, LLC
<b>Parent company(ies) of recipient(s) of tax abatement</b>	N/A
<b>Tax abatement program (name and brief description)</b>	Safelite Solutions Improvement Project -Industrial Revenue Bonds - Authorize \$5,000,000 in Industrial Revenue Bonds in addition to \$11,000,000 in bonds that were issued in 1998 (Series A) for a total of \$16,000,000. Extend the Series A final maturity from 2023 to 2028. The bonds were issued for the purpose of making facility improvements and upgrades, as well as expanding parking capacity for the facility. The City will lease the facility to Call, LLC who will be sub-lease to Safelite Solutions LLC.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Legal authority under which tax abatement agreement was entered into</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated
<b>Criteria that make a recipient eligible to receive a tax abatement</b>	Recipient meets the criteria established under Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated and Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Make improvements to the facility and expand the parking capacity. Sub-lease the facility to Safelite Solutions LLC.
<b>How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)</b>	City of Rio Rancho owns the property and leases it to Call, LLC. No property tax is assessed because it is a City owned property.
<b>How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.</b>	The property for which the IRB was issued is exempt from taxes because it is owned by the City. The property's value is assessed by the County assessor. The property tax mill rate is set by various taxing authorities and the Department of Finance and Administration. Property taxes would be calculated by multiplying the mill rate by the taxable value as determined by the County Assessor. Payment in lieu of taxes must be paid to the Rio Rancho school district.
<b>Are there provisions for recapturing abated taxes? (Yes or No)</b>	No
<b>If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.</b>	N/A
<b>List each specific commitment made by the recipient of the abatement.</b>	The Company intends to operate the facility pursuant to the Industrial Revenue Bond Act, bond indenture and lease agreement which includes: payment in lieu of taxes to the Rio Rancho School District, complete the project outlined in the lease agreement, make rent payments sufficient to pay the principal and interest of the bonds directly to the purchasers of the bonds, file returns for reporting and paying gross receipts or compensating tax that may be due, taking necessary action to have the property assessed for property tax purposes at the lease termination no later than July 1, 2028, obtain necessary permits and approvals for operating, maintain and pay other taxes and utility charges on the property.
<b>Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.</b>	\$62,788.76
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment</b>	City of Rio Rancho Ordinance 0-15 Enactment 98-017 and Ordinance 35, Enactment 16-28 and lease agreement between City of Rio Rancho and Call, LLC and lease and purchase agreement between City of Rio Rancho and Safelite Solutions, LLC. Payment in Lieu of Taxes must be paid to the Rio Rancho School district.
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year</b>	Rio Rancho School District, \$0 paid by Safelite paid on behalf of Call as part of their lease agreement. Lease terminated December, 2023
<b>List each specific commitment made by your agency or any other government, other than the tax abatement.</b>	N/A
<b>Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.</b>	Yes. State of New Mexico, Sandoval County, Rio Rancho School District, Central NM Community College, UNM Sandoval Regional Hospital, Southern Sandoval County Arroyo Flood Control Authority
<b>If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.</b>	N/A
<b>In the report disclosure is this abatement aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

**CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
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<b>Agency Number</b>	6147
<b>Agency Name</b>	City of Rio Rancho
<b>Agency Type</b>	Local Public Body (Home Rule Municipality)
<b>Tax Abatement Agreement Name</b>	Safelite Solutions, LLC -
<b>Recipient(s) of tax abatement</b>	Safelite Solutions, LLC Equipment Project
<b>Parent company(ies) of recipient(s) of tax abatement</b>	N/A
<b>Tax abatement program (name and brief description)</b>	Safelite Solutions, LLC Equipment Project - Industrial Revenue Bonds - Issued \$10,000,000 to equip a customer communications center located in the City of Rio Rancho, NM.
<b>Specific Tax(es) Being Abated</b>	Property Tax on Business Personal Property Taxes Gross Receipts and Compensating Taxes
<b>Legal authority under which tax abatement agreement was entered into</b>	Section 7-9-54, NMSA 1978 Annotated, Deduction; gross receipts tax; governmental gross receipts tax; sales to governmental agencies. NMAC Section 3.2.212.22 - Tangible personal property in projects financed by industrial revenue or similar bonds.
<b>Criteria that make a recipient eligible to receive a tax abatement</b>	Recipient meets the criteria established under Sections 3-32-1 through 3-32-16. Recipient must create and maintain 600 jobs by December 31, 2019.
<b>How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)</b>	The property for which the IRB was issued is exempt from taxes because it is owned by the City. Business personal property will be reported by Safelite by completing a property declaration form. The property will be exempt from property tax because it is owned by the City. Non-taxable transaction certificates (NTTCs) were provided to the recipient to exempt them from paying gross receipts taxes and compensating taxes on purchases of business personal property.
<b>How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.</b>	The property for which the IRB was issued is exempt from taxes because it is owned by the City. Business personal property will be reported by Safelite by completing a property declaration form. The property tax mill rate is set by various taxing authorities and the Department of Finance and Administration. Property taxes would be calculated by multiplying the mill rate by the taxable value as determined by the County Assessor. Payment in lieu of taxes must be paid to the Rio Rancho school district. For gross receipts and compensating tax, the purchase price of the tangible good is multiplied by the tax rate.
<b>Are there provisions for recapturing abated taxes? (Yes or No)</b>	Yes
<b>If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.</b>	The lease agreement attached to the IRB holds clawback provisions for recapture of property taxes. The company will create, hire and maintain 600 full-time jobs. If the company fails to maintain the 600 jobs for more than 180 days, a clawback will be due and calculated as a percentage of the hiring shortfall multiplied by the total amount of property tax due. There is no clawback provision for the recapture of Gross Receipts and Compensating Taxes.
<b>List each specific commitment made by the recipient of the abatement.</b>	The Company intends to operate the facility pursuant to the Industrial Revenue Bond Act, bond indenture and lease agreement which includes: payment in lieu of taxes to the Rio Rancho School District, complete the project outlined in the lease agreement, make rent payments sufficient to pay the principal and interest of the bonds directly to the purchasers of the bonds, file returns for reporting and paying gross receipts or compensating tax that may be due, and create hire and maintain 600 full-time jobs.
<b>Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.</b>	Property Tax \$0 Gross Receipts Tax \$0 Compensating Tax \$0
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment</b>	City of Rio Rancho Ordinance 0-15 Enactment 98-017 and Ordinance 35, Enactment 16-28 and lease agreement between City of Rio Rancho and Call, LLC and lease and purchase agreement between City of Rio Rancho and Safelite Solutions, LLC. Payment in Lieu of Taxes must be paid to the Rio Rancho School district.
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments <u>receivable by your agency</u> in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments <u>receivable by a different agency</u> in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year</b>	Rio Rancho Public Schools, \$0 Paid for Safelite and Call, LLC as part of lease agreement. Lease terminated December, 2023
<b>List each specific commitment made by your agency or any other government, other than the tax abatement.</b>	N/A
<b>Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.</b>	Yes. State of New Mexico, Sandoval County, Rio Rancho School District, Central NM Community College, UNM Sandoval Regional Hospital, Southern Sandoval County Arroyo Flood Control Authority
<b>If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.</b>	N/A

**CITY OF RIO RANCHO, NEW MEXICO**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

<b>Agency Number</b>	6147
<b>Agency Name</b>	City of Rio Rancho
<b>Agency Type</b>	Local Public Body (Home Rule Municipality)
<b>Tax Abatement Agreement Name</b>	Nature's Toolbox, Inc
<b>Recipient(s) of tax abatement</b>	Nature's Toolbox, Inc
<b>Parent company(ies) of recipient(s) of tax abatement</b>	N/A
<b>Tax abatement program (name and brief description)</b>	Nature's Toolbox - Industrial Revenue Bond issued with a principal amount of \$20,000,000 to be used to finance certain capital costs, including acquiring, constructing, renovating, installing and equipping a biologic research development and production facility to be locate at 7701 Innovation Way, NE, Rio Rancho, NM.
<b>Specific Tax(es) Being Abated</b>	Property Taxes on Business Personal Property. Compensating Tax on tangible goods purchased.
<b>Legal authority under which tax abatement agreement was entered into</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Eligible deductions from gross receipts or governmental gross receipts and exempt from compensating tax under Section 7-9-14 and 7-9-54. NMSA 1978
<b>Criteria that make a recipient eligible to receive a tax abatement</b>	Recipient meets the criteria established under Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated and Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated.
<b>How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)</b>	The issues IRB the proceeds of which are used to finance certain capital costs, including acquiring, constructing, renovating, installing and equipping a biologic research development and production facility to be locate at 7701 Innovation Way, NE, Rio Rancho, NM. Personal property purchased is owned by the City and exempt from property tax. Further, Nature's Toolbox, acting as an agent for the City consistent with Taxation and Revenue Regulation 3.2.212.22 NMAC Renumbered, will acquire the acquire the project property and the City will deliver to Nature's Toolbox Type 9 Nontaxable Transaction Certificates (NTTCs) which will provide the NTTCs to any person selling tangible personal property to the City on behalf of Nature's Toolbox for the project as applicable under the New Mexico Gross Receipts Tax and Compensating Act.
<b>How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.</b>	The property for which the IRB was issued is exempt from taxes because it is owned by the City. Business personal property will be reported by Nature's Toolbox by completing a property declaration form. The property tax mill rate is set by various taxing authorities and the Department of Finance and Administration. Property taxes would be calculated by multiplying the mill rate by the taxable value as determined by the County Assessor. Payment in lieu of taxes must be paid to the Rio Rancho school district. For compensating tax, the purchase price of the tangible good is multiplied by the tax rate.
<b>Are there provisions for recapturing abated taxes? (Yes or No)</b>	yes
<b>If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.</b>	The IRB requires clawback provisions to be established in the lease agreement that requires the Nature's Toolbox to repay 100% of the abated ad valorem property tax if the project ceases to operate within five years after the date of issuance of the bonds. The clawback period will expire in 2026.
<b>List each specific commitment made by the recipient of the abatement.</b>	The Company intends to operate the facility pursuant to the Industrial Revenue Bond Act, bond indenture and lease agreement which includes: payment in lieu of taxes to the Rio Rancho School District, operate the project continuously during the term of the lease, make rent payments sufficient to pay the principal and interest of the bonds directly to the purchases of the bonds, file returns for reporting and paying gross receipts or compensating tax that may be due, taking necessary action to have the property assessed for property tax purposes the sooner date of the end of the project or the 30th anniversary of the issuance of the bonds, obtain necessary permits and approvals for operating the business, maintain and pay other taxes and utility charges on the property.
<b>Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.</b>	Property Tax- not abated Gross Receipts Tax \$390,630.69
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment</b>	City of Rio Rancho Ordinance 1 Enactment 21-05 and lease and purchase agreement between City of Rio Rancho and Nature's Toolbox, Inc.. Payment in Lieu of Taxes must be paid to the Rio Rancho School district beginning with the tax year that begins January 1, 2022.
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year</b>	Rio Rancho Public Schools paid \$16,433.13 by Nature's Toolbox, Inc. per lease agreement with Innovation Partners LLC
<b>List each specific commitment made by your agency or any other government, other than the tax abatement.</b>	None
<b>Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.</b>	Yes. State of New Mexico, Sandoval County, Central New Mexico Community College, UNM - Sandoval Regional Medical Center, Southern Sandoval Arroyo Flood Control District
<b>If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.</b>	N/A
<b>In the report disclosure is this abatement aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

**CITY OF RIO RANCHO, NEW MEXICO**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

<b>Agency Number</b>	6147
<b>Agency Name</b>	City of Rio Rancho
<b>Agency Type</b>	Local Public Body (Home Rule Municipality)
<b>Tax Abatement Agreement Name</b>	Innovation Partners, LLC/Stolar Research Project IRB
<b>Recipient(s) of tax abatement</b>	Innovation Partners, LLC
<b>Parent company(ies) of recipient(s) of tax abatement</b>	N/A
<b>Tax abatement program (name and brief description)</b>	Innovation Partners, LLC/Stolar Research Project - IRB Amended and Restated - Initially issued for \$3,000,000 and executed lease agreement in 2014. \$2,250,000 has been redeemed. A amended and restated bond indenture and lease agreement was executed in FY21 for \$376,276. Project property will be sub-leased to Nature's Toolbox.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Legal authority under which tax abatement agreement was entered into</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated
<b>Criteria that make a recipient eligible to receive a tax abatement</b>	Recipient meets the criteria established under Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated and Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated.
<b>How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)</b>	City of Rio Rancho owns the property and leases it to Innovation Partners. Under the lease agreement the property remains exempt from property taxes until the end of the lease on November 1, 2043.
<b>How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.</b>	The property for which the IRB was issued is exempt from taxes because it is owned by the City. The property's value is assessed by the County assessor. The property tax mill rate is set by various taxing authorities and the Department of Finance and Administration. Property taxes would be calculated by multiplying the mill rate by the taxable value as determined by the County Assessor. Payment in lieu of taxes must be paid to the Rio Rancho school district.
<b>Are there provisions for recapturing abated taxes? (Yes or No)</b>	No
<b>If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.</b>	N/A
<b>List each specific commitment made by the recipient of the abatement.</b>	The Company intends to operate the facility pursuant to the Industrial Revenue Bond Act, bond indenture and lease agreement which includes: payment in lieu of taxes to the Rio Rancho School District, payment of PILOT past due from prior lease agreement, make rent payments sufficient to pay the principal and interest of the bonds directly to the purchases of the bonds, file returns for reporting and paying gross receipts or compensating tax that may be due, taking necessary action to have the property assessed for property tax purposes at the lease termination on November 1, 2043, obtain necessary permits and approvals for operating, maintain and pay other taxes and utility charges on the property.
<b>Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.</b>	\$16,243.77
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment</b>	City of Rio Rancho Ordinance 10 Enactment 21-13 and lease and purchase agreement between City of Rio Rancho and Innovation Partners, LLC.. Payment in Lieu of Taxes must be paid to the Rio Rancho School district.
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year</b>	Rio Rancho Public Schools paid \$16,433.13 by Nature's Toolbox, Inc. per lease agreement
<b>List each specific commitment made by your agency or any other government, other than the tax abatement.</b>	None
<b>Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.</b>	Yes. State of New Mexico, Sandoval County, Rio Rancho School District, Central NM Community College, UNM Sandoval Regional Hospital, Southern Sandoval County Arroyo Flood Control Authority
<b>If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.</b>	N/A
<b>In the report disclosure is this abatement aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

**CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
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<b>Agency Number</b>	6147
<b>Agency Name</b>	City of Rio Rancho
<b>Agency Type</b>	Local Public Body (Home Rule Municipality)
<b>Tax Abatement Agreement Name</b>	Aero Parts Manufacturing and Repair Project
<b>Recipient(s) of tax abatement</b>	Aero Parts Manufacturing and Repair Inc.
<b>Parent company(ies) of recipient(s) of tax abatement</b>	N/A
<b>Tax abatement program (name and brief description)</b>	Aero Parts Manufacturing and Repair Inc. Project IRB - Issuance of two series of IRBs, Series A in the maximum principal amount of \$2,500,000 and Series B in the amount of \$1,000,000 to acquire land and buildings, improvements and equipment as a facility for the manufacture, production and repair of aircraft power plant, sheet metal components and parts and research and development in connection therewith.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Legal authority under which tax abatement agreement was entered into</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated
<b>Criteria that make a recipient eligible to receive a tax abatement</b>	Recipient meets the criteria established under Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated and Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated.
<b>How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)</b>	City of Rio Rancho owns the property and leases it to Aero Parts Manufacturing and Repair Inc.. No property tax is assessed because it is a City owned property.
<b>How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.</b>	The property for which the IRB was issued is exempt from taxes because it is owned by the City. The property's value is assessed by the County assessor. The property tax mill rate is set by various taxing authorities and the Department of Finance and Administration. Property taxes would be calculated by multiplying the mill rate by the taxable value as determined by the County Assessor. Payment in lieu of taxes must be paid to the Rio Rancho school district.
<b>Are there provisions for recapturing abated taxes? (Yes or No)</b>	No
<b>If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.</b>	N/A
<b>List each specific commitment made by the recipient of the abatement.</b>	The project is to be located at all times within the corporate limits of the City of Rio Rancho or within 15 miles thereof.
<b>Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.</b>	\$27,859.64
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment</b>	City of Rio Rancho Ordinance 27, Enactment 95-025 established the amount of payment in lieu of taxes to be paid to the Rio Rancho Public Schools.
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year</b>	Rio Rancho Public Schools- \$20,105.47 due
<b>List each specific commitment made by your agency or any other government, other than the tax abatement.</b>	None
<b>Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.</b>	Yes. State of New Mexico, Sandoval County, Rio Rancho School District, Central NM Community College, UNM Sandoval Regional Hospital, Southern Sandoval County Arroyo Flood Control Authority
<b>If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.</b>	N/A
<b>In the report disclosure is this abatement aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

**CITY OF RIO RANCHO, NEW MEXICO**  
**NOTES TO FINANCIAL STATEMENTS**  
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Agency Number	6147
Agency Name	City of Rio Rancho
Agency Type	Local Public Body (Home Rule Municipality)
Tax Abatement Agreement Name	Atrisco Energy Storage LLC Project
Recipient(s) of tax abatement	Atrisco Energy Storage LLC
Parent company(ies) of recipient(s) of tax abatement	Clenera, LLC
Tax abatement program (name and brief description)	Atrisco Energy Storage LLC will issue up to \$420,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
Specific Tax(es) Being Abated	Property Taxes, Gross Receipts and Compensating Tax
Legal authority under which tax abatement agreement was entered into	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Eligible deductions from gross receipts or governmental gross receipts and exempt from compensating tax under Section 7-9-14 and 7-9-54. NMSA 1978
Criteria that make a recipient eligible to receive a tax abatement	Recipient meets the criteria established under Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated and Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated.
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	The City issues an IRB the proceeds of which are used to acquire solar energy power generation equipment and facilities within the corporate boundaries of the City of Rio Rancho. The project property will be conveyed to the City. Atrisco Energy Storage LLC, acting as an agent for the City consistent with Taxation and Revenue Regulation 3.2.212.22 NMAC Renumbered, will acquire the project property and the City will cooperate with Atrisco Energy Storage LLC to obtain Nontaxable Transaction Certificates (NTTCs) which will provided to vendors of the company, as agent for the City, in order to permit the vendors and contractors to claim deductions available under the New Mexico Gross Receipts Tax and Compensating Act.
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	<b>Upon issuance of the bonds, the property for which the IRB was issued will be transferred to the City and will thus be exempt from property tax.</b> Business personal property will be reported by Atrisco Energy Storage LLC by completing a property declaration form. The property tax mill rate is set by various taxing authorities and the Department of Finance and Administration. Property taxes would be calculated by multiplying the mill rate by the taxable value as determined by the County Assessor. Payment in lieu of taxes must be paid to the Rio Rancho school district and the Albuquerque Public Schools. For compensating tax, the purchase price of the tangible good is multiplied by the tax rate. Bonds have not yet been issued.
Are there provisions for recapturing abated taxes? (Yes or No)	yes
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	If the Company ceases operations of the project or fails to operate on or before the five year anniversary of the agreement, the Company will repay 100% of the ad valorem taxes on the project property.
List each specific commitment made by the recipient of the abatement.	The Company intends to operate the facility pursuant to the Industrial Revenue Bond Act, bond indenture and lease agreement which includes: payment in lieu of taxes, complete the project outlined in the lease agreement, make rent payments sufficient to pay the principal and interest of the bonds directly to the purchases of the bonds, file returns for reporting and paying gross receipts or compensating tax that may be due.
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	Property Tax - \$15.26 GRT \$1,675,733.30
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	An annual fixed Payment in Lieu of Tax will be paid to the City and to the Rio Rancho and Albuquerque School Districts per Section 4.13 of the Storage Lease. For the purpose of Section 3-32-6.A(2)(b) NMSA 1978, the total PILOT shall be deemed to be the amount received by the City beginning on the first anniversary of the agreement date.
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$35,569.71
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year	Rio Rancho Public Schools - \$5,245.47 Albuquerque Public Schools - \$9,423.79
List each specific commitment made by your agency or any other government, other than the tax abatement.	N/A
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Yes. State of NM, Bernalillo County, Albuquerque Public Schools, Rio Rancho Public Schools, CNM, UNM-H, AMAFCA
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	N/A
In the report disclosure is this abatement aggregated?	N/A
Threshold amount for aggregation	N/A

**CITY OF RIO RANCHO, NEW MEXICO**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

Agency Number	6147
Agency Name	City of Rio Rancho
Agency Type	Local Public Body (Home Rule Municipality)
Tax Abatement Agreement Name	Atrisco Solar LLC Project
Recipient(s) of tax abatement	Atrisco Solar LLC
Parent company(ies) of recipient(s) of tax abatement	Clenera, LLC
Tax abatement program (name and brief description)	Atrisco Solar LLC will issue up to \$430,000,000 million in Industrial Revenue Bonds to acquire solar energy power generation equipment and facilities within the corporate boundaries of the City of Rio Rancho, NM.
Specific Tax(es) Being Abated	Property Taxes, Gross Receipts and Compensating Tax
Legal authority under which tax abatement agreement was entered into	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Eligible deductions from gross receipts or governmental gross receipts and exempt from compensating tax under Section 7-9-14 and 7-9-54. NMSA 1978
Criteria that make a recipient eligible to receive a tax abatement	Recipient meets the criteria established under Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated and Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated.
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	The City issues an IRB the proceeds of which are used to acquire solar energy power generation equipment and facilities within the corporate boundaries of the City of Rio Rancho. Project property will be conveyed to the City. Atrisco Solar LLC, acting as an agent for the City consistent with Taxation and Revenue Regulation 3.2.212.22 NMAC Renumbered, will acquire the project property and the City will cooperate with Atrisco Solar LLC to obtain Nontaxable Transaction Certificates (NTTCs) which will provided to vendors of the company, as agent for the City, in order to permit the vendors and contractors to claim deductions available under the New Mexico Gross Receipts Tax and Compensating Act.
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	<b>Upon issuance of the bonds, the property for which the IRB was issued will be transferred to the City and will thus be exempt from property tax.</b> Business personal property will be reported by Atrisco Solar Energy LLC by completing a property declaration form. The property tax mill rate is set by various taxing authorities and the Department of Finance and Administration. Property taxes would be calculated by multiplying the mill rate by the taxable value as determined by the County Assessor. Payment in lieu of taxes must be paid to the Rio Rancho school district and the Albuquerque Public Schools. For compensating tax, the purchase price of the tangible good is multiplied by the tax rate. Bonds have not yet been issued.
Are there provisions for recapturing abated taxes? (Yes or No)	Yes
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	If the Company ceases operations of the project or fails to operate on or before the five year anniversary of the agreement, the Company will repay 100% of the ad valorem taxes on the project property.
List each specific commitment made by the recipient of the abatement.	The Company intends to operate the facility pursuant to the Industrial Revenue Bond Act, bond indenture and lease agreement which includes: payment in lieu of taxes, complete the project outlined in the lease agreement, make rent payments sufficient to pay the principal and interest of the bonds directly to the purchases of the bonds, file returns for reporting and paying gross receipts or compensating tax that may be due.
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	Property Tax - \$15.62 GRT \$89,672.98
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	An annual fixed Payment in Lieu of Tax will be paid to the City and to the Rio Rancho and Albuquerque School Districts per Section 4.13 of the Storage Lease. For the purpose of Section 3-32-6.A(2)(b) NMSA 1978, the total PILOT shall be deemed to be the amount received by the City beginning on the first anniversary of the agreement date.
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$34,742.50
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year	Rio Rancho Public Schools - \$5,370.36 Albuquerque Public Schools - \$9,648.17
List each specific commitment made by your agency or any other government, other than the tax abatement.	N/A
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Yes. State of NM, Bernalillo County, Albuquerque Public Schools, Rio Rancho Public Schools, CNM, UNM-H, AMAFCA
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	N/A
In the report disclosure is this abatement aggregated?	N/A
Threshold amount for aggregation	N/A

**CITY OF RIO RANCHO, NEW MEXICO**  
**NOTES TO FINANCIAL STATEMENTS**  
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<b>Agency Number</b>	6147
<b>Agency Name</b>	City of Rio Rancho
<b>Agency Type</b>	Local Public Body (Home Rule Municipality)
<b>Tax Abatement Agreement Name</b>	Quail Ranch Energy Storage LLC Project
<b>Recipient(s) of tax abatement</b>	Quail Ranch Energy Storage LLC
<b>Parent company(ies) of recipient(s) of tax abatement</b>	Clenera, LLC
<b>Tax abatement program (name and brief description)</b>	Quail Ranch Energy Storage LLC will issue up to \$140,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Legal authority under which tax abatement agreement was entered into</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Eligible deductions from gross receipts or governmental gross receipts and exempt from compensating tax under Section 7-9-14 and 7-9-54. NMSA 1978
<b>Criteria that make a recipient eligible to receive a tax abatement</b>	Recipient meets the criteria established under Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated and Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated.
<b>How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)</b>	The City issues an IRB the proceeds of which are used to acquire solar energy power generation equipment and facilities within the corporate boundaries of the City of Rio Rancho. The project property will be conveyed to the City. Quail Ranch Energy Storage LLC, acting as an agent for the City consistent with Taxation and Revenue Regulation 3.2.212.22 NMAC Renumbered, will acquire the project property and the City will cooperate with Quail Ranch Energy Storage LLC to obtain Nontaxable Transaction Certificates (NTTCs) which will provided to vendors of the company, as agent for the City, in order to permit the vendors and contractors to claim deductions available under the New Mexico Gross Receipts Tax and Compensating Act.
<b>How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.</b>	Upon issuance of the bonds, the property for which the IRB was issued will be transferred to the City and will thus be exempt from property tax. Business personal property will be reported by Quail Ranch Energy Storage LLC by completing a property declaration form. The property tax mill rate is set by various taxing authorities and the Department of Finance and Administration. Property taxes would be calculated by multiplying the mill rate by the taxable value as determined by the County Assessor. Payment in lieu of taxes must be paid to the Rio Rancho school district and the Albuquerque Public Schools. For compensating tax, the purchase price of the tangible good is multiplied by the tax rate.
<b>Are there provisions for recapturing abated taxes? (Yes or No)</b>	Yes
<b>If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.</b>	If the Company ceases operations of the project or fails to operate on or before the five year anniversary of the agreement, the Company will repay 100% of the ad valorem taxes on the project property.
<b>List each specific commitment made by the recipient of the abatement.</b>	The Company intends to operate the facility pursuant to the Industrial Revenue Bond Act, bond indenture and lease agreement which includes: payment in lieu of taxes, complete the project outlined in the lease agreement, make rent payments sufficient to pay the principal and interest of the bonds directly to the purchases of the bonds, file returns for reporting and paying gross receipts or compensating tax that may be due.
<b>Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.</b>	Property Taxes - \$5.09 Gross Receipts Taxes - \$812,089.32
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment</b>	An annual fixed Payment in Lieu of Tax will be paid to the City and to the Rio Rancho and Albuquerque School Districts per Section 4.13 of the Storage Lease. For the purpose of Section 3-32-6.A(2)(b) NMSA 1978, the total PILOT shall be deemed to be the amount received by the City beginning on the first anniversary of the agreement date.
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	PILOT Payments begin in FY2025 per agreement
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year</b>	PILOT Payments begin in FY2025 per agreement. Rio Rancho Public Schools - \$0 Albuquerque Public Schools - \$0
<b>List each specific commitment made by your agency or any other government, other than the tax abatement.</b>	N/A
<b>Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.</b>	Yes. State of NM, Bernalillo County, Albuquerque Public Schools, Rio Rancho Public Schools, CNM, UNM-H, AMAFCA
<b>If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.</b>	N/A
<b>In the report disclosure is this abatement aggregated?</b>	N/A
<b>Threshold amount for aggregation</b>	N/A

**CITY OF RIO RANCHO, NEW MEXICO**  
**NOTES TO FINANCIAL STATEMENTS**  
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<b>Agency Number</b>	6147
<b>Agency Name</b>	City of Rio Rancho
<b>Agency Type</b>	Local Public Body (Home Rule Municipality)
<b>Tax Abatement Agreement Name</b>	Quail Ranch Solar LLC Project
<b>Recipient(s) of tax abatement</b>	Quail Ranch Solar LLC
<b>Parent company(ies) of recipient(s) of tax abatement</b>	Clenera, LLC
<b>Tax abatement program (name and brief description)</b>	Quail Ranch Solar LLC will issue up to \$110,000,000 million in Industrial Revenue Bonds to acquire solar energy power generation equipment and facilities within the corporate boundaries of the City of Rio Rancho, NM.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Legal authority under which tax abatement agreement was entered into</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Eligible deductions from gross receipts or governmental gross receipts and exempt from compensating tax under Section 7-9-14 and 7-9-54. NMSA 1978
<b>Criteria that make a recipient eligible to receive a tax abatement</b>	Recipient meets the criteria established under Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated and Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated.
<b>How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)</b>	The City issues an IRB the proceeds of which are used to acquire solar energy power generation equipment and facilities within the corporate boundaries of the City of Rio Rancho. Project property will be conveyed to the City. Quail Ranch Solar LLC, acting as an agent for the City consistent with Taxation and Revenue Regulation 3.2.212.22 NMAC Renumbered, will acquire the project property and the City will cooperate with Quail Ranch Solar LLC to obtain Nontaxable Transaction Certificates (NTTCs) which will be provided to vendors of the company, as agent for the City, in order to permit the vendors and contractors to claim deductions available under the New Mexico Gross Receipts Tax and Compensating Act.
<b>How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.</b>	Upon issuance of the bonds, the property for which the IRB was issued will be transferred to the City and will thus be exempt from property tax. Business personal property will be reported by Quail Ranch Solar Energy LLC by completing a property declaration form. The property tax mill rate is set by various taxing authorities and the Department of Finance and Administration. Property taxes would be calculated by multiplying the mill rate by the taxable value as determined by the County Assessor. Payment in lieu of taxes must be paid to the Rio Rancho school district and the Albuquerque Public Schools. For compensating tax, the purchase price of the tangible good is multiplied by the tax rate. Bonds have not yet been issued.
<b>Are there provisions for recapturing abated taxes? (Yes or No)</b>	Yes
<b>If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.</b>	If the Company ceases operations of the project or fails to operate on or before the five year anniversary of the agreement, the Company will repay 100% of the ad valorem taxes on the project property.
<b>List each specific commitment made by the recipient of the abatement.</b>	The Company intends to operate the facility pursuant to the Industrial Revenue Bond Act, bond indenture and lease agreement which includes: payment in lieu of taxes, complete the project outlined in the lease agreement, make rent payments sufficient to pay the principal and interest of the bonds directly to the purchasers of the bonds, file returns for reporting and paying gross receipts or compensating tax that may be due.
<b>Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.</b>	Property Tax - \$4.00 GRT \$358,445.71
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment</b>	An annual fixed Payment in Lieu of Tax will be paid to the City and to the Rio Rancho and Albuquerque School Districts per Section 4.13 of the Storage Lease. For the purpose of Section 3-32-6.A(2)(b) NMSA 1978, the total PILOT shall be deemed to be the amount received by the City beginning on the first anniversary of the agreement date.
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	PILOT Payments begin in FY2025 per agreement
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year</b>	PILOT Payments begin in FY2025 per agreement. Rio Rancho Public Schools - \$0 Albuquerque Public Schools - \$0
<b>List each specific commitment made by your agency or any other government, other than the tax abatement.</b>	N/A
<b>Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.</b>	Yes. State of NM, Bernalillo County, Albuquerque Public Schools, Rio Rancho Public Schools, CNM, UNM-H, AMAFCA
<b>If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.</b>	N/A
<b>In the report disclosure is this abatement aggregated?</b>	N/A
<b>Threshold amount for aggregation</b>	N/A

CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	State of New Mexico
<b>Agency number of Affected Agency</b>	333 - New Mexico Taxation & Revenue Department
<b>Agency type of Affected Agency</b>	State
<b>Recipient(s) of tax abatement</b>	Titan City Center, LLC
<b>Tax abatement program (name and brief description)</b>	Industrial Revenue Bonds -Issuance of an Industrial Revenue Bond in the maximum principal amount of \$63,500,000 to provide funds to finance the acquisition, construction and equipping of an industrial revenue project. The City will lease the property to the Titan City Center, LLC which will be sub-leased to Hewlett-Packard Company.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$25,792.29
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Local Public Body (Home Rule Municipality)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	State of New Mexico
<b>Agency number of Affected Agency</b>	333 - New Mexico Taxation & Revenue Department
<b>Agency type of Affected Agency</b>	State
<b>Recipient(s) of tax abatement</b>	Call, LLC
<b>Tax abatement program (name and brief description)</b>	Industrial Revenue Bonds - Authorize \$5,000,000 in Industrial Revenue Bonds in addition to \$11,000,000 in bonds that were issued in 1998 (Series A) for a total of \$16,000,000. Extend the Series A final maturity from 2023 to 2028. The bonds were issued for the purpose of making facility improvements and upgrades, as well as expanding parking capacity for the facility. The City will lease the facility to Call, LLC who will be sub-lease to Safelite Solutions LLC.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$8,657.01
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	State of New Mexico
<b>Agency number of Affected Agency</b>	333 - New Mexico Taxation & Revenue Department
<b>Agency type of Affected Agency</b>	State
<b>Recipient(s) of tax abatement</b>	Safelite Solutions, LLC
<b>Tax abatement program (name and brief description)</b>	Authorize issuance of Industrial Revenue Bonds totaling \$10,000,000 for the purpose of acquisition and installation of equipment, furniture and furnishings for.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts Taxes and Compensating Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	New Mexico Property Tax Code NMSA Chapter 7 Articles 35-38, and Gross Receipts and Compensating Tax Act NMSA Chapter 7 Article 9
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax - 436.38 Gross Receipts Tax - \$0 Compensating Tax - \$0
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	State of New Mexico
<b>Agency number of Affected Agency</b>	333 - New Mexico Taxation & Revenue Department
<b>Agency type of Affected Agency</b>	State
<b>Recipient(s) of tax abatement</b>	Nature's Toolbox, Inc
<b>Tax abatement program (name and brief description)</b>	Nature's Toolbox - Industrial Revenue Bond issued with a principal amount of \$20,000,000 to be used to finance certain capital costs, including acquiring, constructing, renovating, installing and equipping a biologic research development and production facility to be locate at 7701 Innovation Way, NE, Rio Rancho, NM.
<b>Specific Tax(es) Being Abated</b>	Property Taxes on Business Personal Property. Compensating Tax on tangible goods purchased.
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$0 Property Tax \$256,043.65 Gross Receipts Tax
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	State of New Mexico
<b>Agency number of Affected Agency</b>	333 - New Mexico Taxation & Revenue Department
<b>Agency type of Affected Agency</b>	State
<b>Recipient(s) of tax abatement</b>	Innovation Partners, LLC
<b>Tax abatement program (name and brief description)</b>	Innovation Partners, LLC/Stolar Research Project - IRB Amended and Restated - Initially issued for \$3,000,000 and executed lease agreement in 2014. \$2,250,000 has been redeemed. A amended and restated bond indenture and lease agreement was executed in FY21 for \$376,276. Project property will be sub-leased to Nature's Toolbox.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$2,239.61
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	State of New Mexico
<b>Agency number of Affected Agency</b>	333 - New Mexico Taxation & Revenue Department
<b>Agency type of Affected Agency</b>	State
<b>Recipient(s) of tax abatement</b>	AeroParts Manufacturing and Repair, Inc.
<b>Tax abatement program (name and brief description)</b>	Aero Parts Manufacturing and Repair Inc. Project IRB - Issuance of two series of IRBs, Series A in the maximum principal amount of \$2,500,000 and Series B in the amount of \$1,000,000 to acquire land and buildings, improvements and equipment as a facility for the manufacture, production and repair of aircraft power plant, sheet metal components and parts and research and development in connection therewith.
<b>Specific Tax(es) Being Abated</b>	Property Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$3,841.15
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

CITY OF RIO RANCHO, NEW MEXICO  
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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	State of New Mexico
<b>Agency number of Affected Agency</b>	333 - New Mexico Taxation & Revenue Department
<b>Agency type of Affected Agency</b>	State
<b>Recipient(s) of tax abatement</b>	Atrisco Energy Storage Project
<b>Tax abatement program (name and brief description)</b>	Atrisco Energy Storage LLC will issue up to \$420,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax - \$2.10 GRT - \$4,507,144.74
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	State of New Mexico
<b>Agency number of Affected Agency</b>	333 - New Mexico Taxation & Revenue Department
<b>Agency type of Affected Agency</b>	State
<b>Recipient(s) of tax abatement</b>	Atrisco Energy Storage Project
<b>Tax abatement program (name and brief description)</b>	Atrisco Solar LLC will issue up to \$430,000,000 million in Industrial Revenue Bonds to acquire solar energy power generation equipment and facilities within the corporate boundaries of the City of Rio Rancho, NM.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax - \$2.15 GRT - \$241,189.41
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

CITY OF RIO RANCHO, NEW MEXICO  
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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	State of New Mexico
<b>Agency number of Affected Agency</b>	333 - New Mexico Taxation & Revenue Department
<b>Agency type of Affected Agency</b>	State
<b>Recipient(s) of tax abatement</b>	Quail Ranch Energy Storage LLC
<b>Tax abatement program (name and brief description)</b>	Quail Ranch Energy Storage LLC will issue up to \$140,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$0.70 GRT \$2,184,240.24
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	State of New Mexico
<b>Agency number of Affected Agency</b>	333 - New Mexico Taxation & Revenue Department
<b>Agency type of Affected Agency</b>	State
<b>Recipient(s) of tax abatement</b>	Quail Ranch Solar Energy LLC
<b>Tax abatement program (name and brief description)</b>	Quail Ranch Solar Energy LLC will issue up to \$110,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$0.55 GRT \$964,095.36
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project - Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Sandoval County
<b>Agency number of Affected Agency</b>	5025
<b>Agency type of Affected Agency</b>	County
<b>Recipient(s) of tax abatement</b>	Titan City Center, LLC
<b>Tax abatement program (name and brief description)</b>	HP IRB -Issuance of an Industrial Revenue Bond in the maximum principal amount of \$63,500,000 to provide funds to finance the acquisition, construction and equipping of an industrial revenue project. The City will lease the property to the Titan City Center, LLC which will be sub-leased to Hewlett-Packard Company.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$158,148.48
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project - Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Sandoval County
<b>Agency number of Affected Agency</b>	5025
<b>Agency type of Affected Agency</b>	County
<b>Recipient(s) of tax abatement</b>	Call, LLC
<b>Tax abatement program (name and brief description)</b>	Authorize an additional \$5,000,000 in Industrial Revenue Bonds in addition to \$11,000,000 in bonds that were issued in 1998 (Series A) for a total of \$16,000,000. Extend the Series A final maturity from 2023 to 2028. The bonds were issued for the purpose of making facility improvements and upgrades, as well as expanding parking capacity for the facility. The City will lease the facility to Call, LLC who will be sub-lease to Safelite Solutions LLC.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$53,081.45
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	
<b>Threshold amount for aggregation</b>	

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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Sandoval County
<b>Agency number of Affected Agency</b>	5025
<b>Agency type of Affected Agency</b>	County
<b>Recipient(s) of tax abatement</b>	Safelite Solutions, LLC
<b>Tax abatement program (name and brief description)</b>	Authorize issuance of Industrial Revenue Bonds totaling \$10,000,000 for the purpose of acquisition and installation of equipment, furniture and furnishings for.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts Taxes and Compensating Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	New Mexico Property Tax Code NMSA Chapter 7 Articles 35-38, and Gross Receipts and Compensating Tax Act NMSA Chapter 7 Article 9
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax -\$2,675.73 Gross Receipts Tax - \$0 Compensating Tax - \$0
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Sandoval County
<b>Agency number of Affected Agency</b>	5025
<b>Agency type of Affected Agency</b>	County
<b>Recipient(s) of tax abatement</b>	Nature's Toolbox, Inc
<b>Tax abatement program (name and brief description)</b>	Nature's Toolbox - Industrial Revenue Bond issued with a principal amount of \$20,000,000 to be used to finance certain capital costs, including acquiring, constructing, renovating, installing and equipping a biologic research development and production facility to be locate at 7701 Innovation Way, NE, Rio Rancho, NM.
<b>Specific Tax(es) Being Abated</b>	Property Taxes on Business Personal Property. Compensating Tax on tangible goods purchased.
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$0 Property Tax \$26,260.89 Gross Receipts Tax
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Sandoval County
<b>Agency number of Affected Agency</b>	5025
<b>Agency type of Affected Agency</b>	County
<b>Recipient(s) of tax abatement</b>	Innovation Partners, LLC
<b>Tax abatement program (name and brief description)</b>	Innovation Partners, LLC/Stolar Research Project - IRB Amended and Restated - Initially issued for \$3,000,000 and executed lease agreement in 2014. \$2,250,000 has been redeemed. A amended and restated bond indenture and lease agreement was executed in FY21 for \$376,276. Project property will be sub-leased to Nature's Toolbox.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$13,732.44
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Sandoval County
<b>Agency number of Affected Agency</b>	5025
<b>Agency type of Affected Agency</b>	County
<b>Recipient(s) of tax abatement</b>	AeroParts Manufacturing and Repair, Inc.
<b>Tax abatement program (name and brief description)</b>	Aero Parts Manufacturing and Repair Inc. Project IRB - Issuance of two series of IRBs, Series A in the maximum principal amount of \$2,500,000 and Series B in the amount of \$1,000,000 to acquire land and buildings, improvements and equipment as a facility for the manufacture, production and repair of aircraft power plant, sheet metal components and parts and research and development in connection therewith.
<b>Specific Tax(es) Being Abated</b>	Property Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$23,552.46
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Bernalillo County
<b>Agency number of Affected Agency</b>	5001
<b>Agency type of Affected Agency</b>	County
<b>Recipient(s) of tax abatement</b>	Atrisco Energy Storage Project
<b>Tax abatement program (name and brief description)</b>	Atrisco Energy Storage LLC will issue up to \$420,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$18.89 GRT \$1,097,894.23
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Bernalillo County
<b>Agency number of Affected Agency</b>	5001
<b>Agency type of Affected Agency</b>	County
<b>Recipient(s) of tax abatement</b>	Atrisco Solar Project
<b>Tax abatement program (name and brief description)</b>	Atrisco Solar LLC will issue up to \$430,000,000 million in Industrial Revenue Bonds to acquire solar energy power generation equipment and facilities within the corporate boundaries of the City of Rio Rancho, NM.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax - \$19.34 GRT - \$58,751.27
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Bernalillo County
<b>Agency number of Affected Agency</b>	5001
<b>Agency type of Affected Agency</b>	County
<b>Recipient(s) of tax abatement</b>	Quail Ranch Energy Storage
<b>Tax abatement program (name and brief description)</b>	Quail Ranch Energy Storage LLC will issue up to \$140,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$6.30 GRT \$532,058.52
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Bernalillo County
<b>Agency number of Affected Agency</b>	5001
<b>Agency type of Affected Agency</b>	County
<b>Recipient(s) of tax abatement</b>	Quail Ranch Solar Energy
<b>Tax abatement program (name and brief description)</b>	Quail Ranch Solar Energy LLC will issue up to \$110,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$4.95 GRT \$234,843.74
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project - Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Rio Rancho Public Schools
<b>Agency number of Affected Agency</b>	7090
<b>Agency type of Affected Agency</b>	School District
<b>Recipient(s) of tax abatement</b>	Titan City Center, LLC
<b>Tax abatement program (name and brief description)</b>	HP IRB -Issuance of an Industrial Revenue Bond in the maximum principal amount of \$63,500,000 to provide funds to finance the acquisition, construction and equipping of an industrial revenue project. The City will lease the property to the Titan City Center, LLC which will be sub-leased to Hewlett-Packard Company.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$189,250.95
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	\$193,068.11
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	no
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project - Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Rio Rancho Public Schools
<b>Agency number of Affected Agency</b>	7090
<b>Agency type of Affected Agency</b>	School District
<b>Recipient(s) of tax abatement</b>	Call, LLC
<b>Tax abatement program (name and brief description)</b>	Authorize an additional \$5,000,000 in Industrial Revenue Bonds in addition to \$11,000,000 in bonds that were issued in 1998 (Series A) for a total of \$16,000,000. Extend the Series A final maturity from 2023 to 2028. The bonds were issued for the purpose of making facility improvements and upgrades, as well as expanding parking capacity for the facility. The City will lease the facility to Call, LLC who will be sub-lease to Safelite Solutions LLC.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$63,520.79
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	\$0.00
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

CITY OF RIO RANCHO, NEW MEXICO  
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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Rio Rancho Public Schools
<b>Agency number of Affected Agency</b>	7090
<b>Agency type of Affected Agency</b>	School District
<b>Recipient(s) of tax abatement</b>	Nature's Toolbox, Inc
<b>Tax abatement program (name and brief description)</b>	Nature's Toolbox - Industrial Revenue Bond issued with a principal amount of \$20,000,000 to be used to finance certain capital costs, including acquiring, constructing, renovating, installing and equipping a biologic research development and production facility to be locate at 7701 Innovation Way, NE, Rio Rancho, NM.
<b>Specific Tax(es) Being Abated</b>	Property Taxes on Business Personal Property.
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$0
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	\$16,433.13
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Rio Rancho Public Schools
<b>Agency number of Affected Agency</b>	7090
<b>Agency type of Affected Agency</b>	School District
<b>Recipient(s) of tax abatement</b>	Innovation Partners, LLC
<b>Tax abatement program (name and brief description)</b>	Innovation Partners, LLC/Stolar Research Project - IRB Amended and Restated - Initially issued for \$3,000,000 and executed lease agreement in 2014. \$2,250,000 has been redeemed. A amended and restated bond indenture and lease agreement was executed in FY21 for \$376,276. Project property will be sub-leased to Nature's Toolbox.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$16,433.15
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	\$0.00
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Rio Rancho Public Schools
<b>Agency number of Affected Agency</b>	7090
<b>Agency type of Affected Agency</b>	School District
<b>Recipient(s) of tax abatement</b>	AeroParts Manufacturing and Repair, Inc.
<b>Tax abatement program (name and brief description)</b>	Aero Parts Manufacturing and Repair Inc. Project IRB - Issuance of two series of IRBs, Series A in the maximum principal amount of \$2,500,000 and Series B in the amount of \$1,000,000 to acquire land and buildings, improvements and equipment as a facility for the manufacture, production and repair of aircraft power plant, sheet metal components and parts and research and development in connection therewith.
<b>Specific Tax(es) Being Abated</b>	Property Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$28,184.44
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	\$0.00
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Rio Rancho Public Schools
<b>Agency number of Affected Agency</b>	7090
<b>Agency type of Affected Agency</b>	School District
<b>Recipient(s) of tax abatement</b>	Atrisco Energy Storage Project
<b>Tax abatement program (name and brief description)</b>	Atrisco Energy Storage LLC will issue up to \$420,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$0
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	\$5,245.47
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Rio Rancho Public Schools
<b>Agency number of Affected Agency</b>	7090
<b>Agency type of Affected Agency</b>	School District
<b>Recipient(s) of tax abatement</b>	Atrisco Solar Project
<b>Tax abatement program (name and brief description)</b>	Atrisco Solar LLC will issue up to \$430,000,000 million in Industrial Revenue Bonds to acquire solar energy power generation equipment and facilities within the corporate boundaries of the City of Rio Rancho, NM.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$0.00
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	\$5,370.36 due
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Rio Rancho Public Schools
<b>Agency number of Affected Agency</b>	7090
<b>Agency type of Affected Agency</b>	School District
<b>Recipient(s) of tax abatement</b>	Quail Ranch Energy Storage
<b>Tax abatement program (name and brief description)</b>	Quail Ranch Energy Storage LLC will issue up to \$140,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$0.00
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	PILOT Payments begin in FY2026
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Rio Rancho Public Schools
<b>Agency number of Affected Agency</b>	7090
<b>Agency type of Affected Agency</b>	School District
<b>Recipient(s) of tax abatement</b>	Quail Rancho Solar Energy
<b>Tax abatement program (name and brief description)</b>	Quail Ranch Solar Energy LLC will issue up to \$110,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$0.00
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	PILOT Payments begin in FY2026
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Albuquerque Public Schools
<b>Agency number of Affected Agency</b>	7002
<b>Agency type of Affected Agency</b>	School District
<b>Recipient(s) of tax abatement</b>	Atrisco Energy Storage Project
<b>Tax abatement program (name and brief description)</b>	Atrisco Energy Storage LLC will issue up to \$420,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$17.52
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	\$9,423.79 due
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Albuquerque Public Schools
<b>Agency number of Affected Agency</b>	7002
<b>Agency type of Affected Agency</b>	School District
<b>Recipient(s) of tax abatement</b>	Atrisco Solar Project
<b>Tax abatement program (name and brief description)</b>	Atrisco Solar LLC will issue up to \$430,000,000 million in Industrial Revenue Bonds to acquire solar energy power generation equipment and facilities within the corporate boundaries of the City of Rio Rancho, NM.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$17.93
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	\$9,648.17 due
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Albuquerque Public Schools
<b>Agency number of Affected Agency</b>	7002
<b>Agency type of Affected Agency</b>	School District
<b>Recipient(s) of tax abatement</b>	Quail Ranch Energy Storage
<b>Tax abatement program (name and brief description)</b>	Quail Ranch Energy Storage LLC will issue up to \$140,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$5.84
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	PILOT Payments begin in FY2026
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Albuquerque Public Schools
<b>Agency number of Affected Agency</b>	7002
<b>Agency type of Affected Agency</b>	School District
<b>Recipient(s) of tax abatement</b>	Quail Rancho Solar Energy
<b>Tax abatement program (name and brief description)</b>	Quail Ranch Solar Energy LLC will issue up to \$110,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$4.59
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	PILOT Payments begin in FY2026
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project - Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	UNM Sandoval Regional Medical Center
<b>Agency number of Affected Agency</b>	969-O
<b>Agency type of Affected Agency</b>	Contracting Hospital
<b>Recipient(s) of tax abatement</b>	Titan City Center, LLC
<b>Tax abatement program (name and brief description)</b>	HP IRB -Issuance of an Industrial Revenue Bond in the maximum principal amount of \$63,500,000 to provide funds to finance the acquisition, construction and equipping of an industrial revenue project. The City will lease the property to the Titan City Center, LLC which will be sub-leased to Hewlett-Packard Company.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$25,261.27
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project - Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	UNM Sandoval Regional Medical Center
<b>Agency number of Affected Agency</b>	969-O
<b>Agency type of Affected Agency</b>	Contracting Hospital
<b>Recipient(s) of tax abatement</b>	Call, LLC
<b>Tax abatement program (name and brief description)</b>	Authorize an additional \$5,000,000 in Industrial Revenue Bonds in addition to \$11,000,000 in bonds that were issued in 1998 (Series A) for a total of \$16,000,000. Extend the Series A final maturity from 2023 to 2028. The bonds were issued for the purpose of making facility improvements and upgrades, as well as expanding parking capacity for the facility. The City will lease the facility to Call, LLC who will be sub-lease to Safelite Solutions LLC.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$8,478.77
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	UNM Sandoval Regional Medical Center
<b>Agency number of Affected Agency</b>	969-O
<b>Agency type of Affected Agency</b>	Contracting Hospital
<b>Recipient(s) of tax abatement</b>	Safelite Solutions, LLC
<b>Tax abatement program (name and brief description)</b>	Authorize issuance of Industrial Revenue Bonds totaling \$10,000,000 for the purpose of acquisition and installation of equipment, furniture and furnishings for.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	New Mexico Property Tax Code NMSA Chapter 7 Articles 35-38.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax -\$427.40
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A

CITY OF RIO RANCHO, NEW MEXICO  
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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	UNM Sandoval Regional Medical Center
<b>Agency number of Affected Agency</b>	969-O
<b>Agency type of Affected Agency</b>	Contracting Hospital
<b>Recipient(s) of tax abatement</b>	Nature's Toolbox, Inc
<b>Tax abatement program (name and brief description)</b>	Nature's Toolbox - Industrial Revenue Bond issued with a principal amount of \$20,000,000 to be used to finance certain capital costs, including acquiring, constructing, renovating, installing and equipping a biologic research development and production facility to be locate at 7701 Innovation Way, NE, Rio Rancho, NM.
<b>Specific Tax(es) Being Abated</b>	Property Taxes on Business Personal Property.
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$210.26
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	\$ -
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	UNM Sandoval Regional Medical Center
<b>Agency number of Affected Agency</b>	969-O
<b>Agency type of Affected Agency</b>	Contracting Hospital
<b>Recipient(s) of tax abatement</b>	Innovation Partners, LLC
<b>Tax abatement program (name and brief description)</b>	Innovation Partners, LLC/Stolar Research Project - IRB Amended and Restated - Initially issued for \$3,000,000 and executed lease agreement in 2014. \$2,250,000 has been redeemed. A amended and restated bond indenture and lease agreement was executed in FY21 for \$376,276. Project property will be sub-leased to Nature's Toolbox.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$2,193.50
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	UNM Sandoval Regional Medical Center
<b>Agency number of Affected Agency</b>	969-O
<b>Agency type of Affected Agency</b>	Contracting Hospital
<b>Recipient(s) of tax abatement</b>	AeroParts Manufacturing and Repair, Inc.
<b>Tax abatement program (name and brief description)</b>	Aero Parts Manufacturing and Repair Inc. Project IRB - Issuance of two series of IRBs, Series A in the maximum principal amount of \$2,500,000 and Series B in the amount of \$1,000,000 to acquire land and buildings, improvements and equipment as a facility for the manufacture, production and repair of aircraft power plant, sheet metal components and parts and research and development in connection therewith.
<b>Specific Tax(es) Being Abated</b>	Property Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$3,762.07
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	University of New Mexico Hospital
<b>Agency number of Affected Agency</b>	969-K
<b>Agency type of Affected Agency</b>	Contracting Hospital
<b>Recipient(s) of tax abatement</b>	Atrisco Energy Storage Project
<b>Tax abatement program (name and brief description)</b>	Atrisco Energy Storage LLC will issue up to \$420,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$9.90
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	University of New Mexico Hospital
<b>Agency number of Affected Agency</b>	969-K
<b>Agency type of Affected Agency</b>	Contracting Hospital
<b>Recipient(s) of tax abatement</b>	Atrisco Solar Project
<b>Tax abatement program (name and brief description)</b>	Atrisco Solar LLC will issue up to \$430,000,000 million in Industrial Revenue Bonds to acquire solar energy power generation equipment and facilities within the corporate boundaries of the City of Rio Rancho, NM.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$10.13
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	University of New Mexico Hospital
<b>Agency number of Affected Agency</b>	969-K
<b>Agency type of Affected Agency</b>	Contracting Hospital
<b>Recipient(s) of tax abatement</b>	Quail Ranch Energy Storage
<b>Tax abatement program (name and brief description)</b>	Quail Ranch Energy Storage LLC will issue up to \$140,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$3.30
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	University of New Mexico Hospital
<b>Agency number of Affected Agency</b>	969-K
<b>Agency type of Affected Agency</b>	Contracting Hospital
<b>Recipient(s) of tax abatement</b>	Quail Ranch Solar Energy
<b>Tax abatement program (name and brief description)</b>	Quail Ranch Solar Energy LLC will issue up to \$110,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$2.59
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project - Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Central New Mexico Community College
<b>Agency number of Affected Agency</b>	966
<b>Agency type of Affected Agency</b>	Community College
<b>Recipient(s) of tax abatement</b>	Titan City Center, LLC
<b>Tax abatement program (name and brief description)</b>	HP IRB -Issuance of an Industrial Revenue Bond in the maximum principal amount of \$63,500,000 to provide funds to finance the acquisition, construction and equipping of an industrial revenue project. The City will lease the property to the Titan City Center, LLC which will be sub-leased to Hewlett-Packard Company.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$72,787.37
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project - Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Central New Mexico Community College
<b>Agency number of Affected Agency</b>	966
<b>Agency type of Affected Agency</b>	Community College
<b>Recipient(s) of tax abatement</b>	Call, LLC
<b>Tax abatement program (name and brief description)</b>	Authorize an additional \$5,000,000 in Industrial Revenue Bonds in addition to \$11,000,000 in bonds that were issued in 1998 (Series A) for a total of \$16,000,000. Extend the Series A final maturity from 2023 to 2028. The bonds were issued for the purpose of making facility improvements and upgrades, as well as expanding parking capacity for the facility. The City will lease the facility to Call, LLC who will be sub-lease to Safelite Solutions LLC.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$24,430.58
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Central New Mexico Community College
<b>Agency number of Affected Agency</b>	966
<b>Agency type of Affected Agency</b>	Community College
<b>Recipient(s) of tax abatement</b>	Safelite Solutions, LLC
<b>Tax abatement program (name and brief description)</b>	Authorize issuance of Industrial Revenue Bonds totaling \$10,000,000 for the purpose of acquisition and installation of equipment, furniture and furnishings for.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	New Mexico Property Tax Code NMSA Chapter 7 Articles 35-38.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax - \$0 (Abatement ended 2019)
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A

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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Central New Mexico Community College
<b>Agency number of Affected Agency</b>	966
<b>Agency type of Affected Agency</b>	Community College
<b>Recipient(s) of tax abatement</b>	Nature's Toolbox, Inc
<b>Tax abatement program (name and brief description)</b>	Nature's Toolbox - Industrial Revenue Bond issued with a principal amount of \$20,000,000 to be used to finance certain capital costs, including acquiring, constructing, renovating, installing and equipping a biologic research development and production facility to be locate at 7701 Innovation Way, NE, Rio Rancho, NM.
<b>Specific Tax(es) Being Abated</b>	Property Taxes on Business Personal Property.
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$0
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	\$0
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Central New Mexico Community College
<b>Agency number of Affected Agency</b>	966
<b>Agency type of Affected Agency</b>	Community College
<b>Recipient(s) of tax abatement</b>	Innovation Partners, LLC
<b>Tax abatement program (name and brief description)</b>	Innovation Partners, LLC/Stolar Research Project - IRB Amended and Restated - Initially issued for \$3,000,000 and executed lease agreement in 2014. \$2,250,000 has been redeemed. A amended and restated bond indenture and lease agreement was executed in FY21 for \$376,276. Project property will be sub-leased to Nature's Toolbox.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$6,320.31
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

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NOTES TO FINANCIAL STATEMENTS  
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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Central New Mexico Community College
<b>Agency number of Affected Agency</b>	966
<b>Agency type of Affected Agency</b>	Community College
<b>Recipient(s) of tax abatement</b>	AeroParts Manufacturing and Repair, Inc.
<b>Tax abatement program (name and brief description)</b>	Aero Parts Manufacturing and Repair Inc. Project IRB - Issuance of two series of IRBs, Series A in the maximum principal amount of \$2,500,000 and Series B in the amount of \$1,000,000 to acquire land and buildings, improvements and equipment as a facility for the manufacture, production and repair of aircraft power plant, sheet metal components and parts and research and development in connection therewith.
<b>Specific Tax(es) Being Abated</b>	Property Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$10,839.95
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Central New Mexico Community College
<b>Agency number of Affected Agency</b>	966
<b>Agency type of Affected Agency</b>	Community College
<b>Recipient(s) of tax abatement</b>	Atrisco Energy Storage Project
<b>Tax abatement program (name and brief description)</b>	Atrisco Energy Storage LLC will issue up to \$420,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$5.94
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

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<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Central New Mexico Community College
<b>Agency number of Affected Agency</b>	966
<b>Agency type of Affected Agency</b>	Community College
<b>Recipient(s) of tax abatement</b>	Atrisco Solar Project
<b>Tax abatement program (name and brief description)</b>	Atrisco Solar LLC will issue up to \$430,000,000 million in Industrial Revenue Bonds to acquire solar energy power generation equipment and facilities within the corporate boundaries of the City of Rio Rancho, NM.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$6.08
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Central New Mexico Community College
<b>Agency number of Affected Agency</b>	966
<b>Agency type of Affected Agency</b>	Community College
<b>Recipient(s) of tax abatement</b>	Quail Ranch Energy Storage
<b>Tax abatement program (name and brief description)</b>	Quail Ranch Energy Storage LLC will issue up to \$140,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$1.98
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Central New Mexico Community College
<b>Agency number of Affected Agency</b>	966
<b>Agency type of Affected Agency</b>	Community College
<b>Recipient(s) of tax abatement</b>	Quail Ranch Solar Energy
<b>Tax abatement program (name and brief description)</b>	Quail Ranch Solar Energy LLC will issue up to \$110,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$1.55
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project - Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Southern Sandoval County Arroyo Flood Control Authority
<b>Agency number of Affected Agency</b>	4096
<b>Agency type of Affected Agency</b>	Special District
<b>Recipient(s) of tax abatement</b>	Titan City Center, LLC
<b>Tax abatement program (name and brief description)</b>	HP IRB -Issuance of an Industrial Revenue Bond in the maximum principal amount of \$63,500,000 to provide funds to finance the acquisition, construction and equipping of an industrial revenue project. The City will lease the property to the Titan City Center, LLC which will be sub-leased to Hewlett-Packard Company.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$33,814.45
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project - Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Southern Sandoval County Arroyo Flood Control Authority
<b>Agency number of Affected Agency</b>	4096
<b>Agency type of Affected Agency</b>	Special District
<b>Recipient(s) of tax abatement</b>	Call, LLC
<b>Tax abatement program (name and brief description)</b>	Authorize an additional \$5,000,000 in Industrial Revenue Bonds in addition to \$11,000,000 in bonds that were issued in 1998 (Series A) for a total of \$16,000,000. Extend the Series A final maturity from 2023 to 2028. The bonds were issued for the purpose of making facility improvements and upgrades, as well as expanding parking capacity for the facility. The City will lease the facility to Call, LLC who will be sub-lease to Safelite Solutions LLC.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$11,349.59
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Southern Sandoval County Arroyo Flood Control Authority
<b>Agency number of Affected Agency</b>	4096
<b>Agency type of Affected Agency</b>	Special District
<b>Recipient(s) of tax abatement</b>	Nature's Toolbox, Inc
<b>Tax abatement program (name and brief description)</b>	Nature's Toolbox - Industrial Revenue Bond issued with a principal amount of \$20,000,000 to be used to finance certain capital costs, including acquiring, constructing, renovating, installing and equipping a biologic research development and production facility to be locate at 7701 Innovation Way, NE, Rio Rancho, NM.
<b>Specific Tax(es) Being Abated</b>	Property Taxes on Business Personal Property.
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$0
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	\$ -
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Southern Sandoval County Arroyo Flood Control Authority
<b>Agency number of Affected Agency</b>	4096
<b>Agency type of Affected Agency</b>	Special District
<b>Recipient(s) of tax abatement</b>	Innovation Partners, LLC
<b>Tax abatement program (name and brief description)</b>	Innovation Partners, LLC/Stolar Research Project - IRB Amended and Restated - Initially issued for \$3,000,000 and executed lease agreement in 2014. \$2,250,000 has been redeemed. A amended and restated bond indenture and lease agreement was executed in FY21 for \$376,276. Project property will be sub-leased to Nature's Toolbox.
<b>Specific Tax(es) Being Abated</b>	Property Taxes
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$2,936.20
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Southern Sandoval County Arroyo Flood Control Authority
<b>Agency number of Affected Agency</b>	4096
<b>Agency type of Affected Agency</b>	Special District
<b>Recipient(s) of tax abatement</b>	AeroParts Manufacturing and Repair, Inc.
<b>Tax abatement program (name and brief description)</b>	Aero Parts Manufacturing and Repair Inc. Project IRB - Issuance of two series of IRBs, Series A in the maximum principal amount of \$2,500,000 and Series B in the amount of \$1,000,000 to acquire land and buildings, improvements and equipment as a facility for the manufacture, production and repair of aircraft power plant, sheet metal components and parts and research and development in connection therewith.
<b>Specific Tax(es) Being Abated</b>	Property Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Property Tax Code NMSA Chapter 7 Articles 35-38
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	\$5,035.86
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Albuquerque Metro Arroyo Flood Control Authority
<b>Agency number of Affected Agency</b>	4003
<b>Agency type of Affected Agency</b>	Arroyo Flood Control Authority
<b>Recipient(s) of tax abatement</b>	Atrisco Energy Storage Project
<b>Tax abatement program (name and brief description)</b>	Atrisco Energy Storage LLC will issue up to \$420,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$1.78
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Albuquerque Metro Arroyo Flood Control Authority
<b>Agency number of Affected Agency</b>	4003
<b>Agency type of Affected Agency</b>	Arroyo Flood Control Authority
<b>Recipient(s) of tax abatement</b>	Atrisco Solar Project
<b>Tax abatement program (name and brief description)</b>	Atrisco Solar LLC will issue up to \$430,000,000 million in Industrial Revenue Bonds to acquire solar energy power generation equipment and facilities within the corporate boundaries of the City of Rio Rancho, NM.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$1.82
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

CITY OF RIO RANCHO, NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Albuquerque Metro Arroyo Flood Control Authority
<b>Agency number of Affected Agency</b>	4003
<b>Agency type of Affected Agency</b>	Arroyo Flood Control Authority
<b>Recipient(s) of tax abatement</b>	Quail Rancho Energy Storage
<b>Tax abatement program (name and brief description)</b>	Quail Ranch Energy Storage LLC will issue up to \$140,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$0.59
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A

<b>Agency number for Agency making the disclosure (Abating Agency)</b>	6147
<b>Abating Agency Name</b>	City of Rio Rancho
<b>Abating Agency Type</b>	Municipality (Home Rule)
<b>Tax Abatement Agreement Name</b>	Industrial Revenue Bond Project-Lease Agreement
<b>Name of agency affected by abatement agreement (Affected Agency)</b>	Albuquerque Metro Arroyo Flood Control Authority
<b>Agency number of Affected Agency</b>	4003
<b>Agency type of Affected Agency</b>	Arroyo Flood Control Authority
<b>Recipient(s) of tax abatement</b>	Quail Rancho Solar Energy
<b>Tax abatement program (name and brief description)</b>	Quail Ranch Solar Energy LLC will issue up to \$110,000,000 million in Industrial Revenue Bonds to acquire solar energy storage equipment and facilities located within the corporate boundaries of the City of Rio Rancho, NM, to be used for the storage of electrical energy.
<b>Specific Tax(es) Being Abated</b>	Property Taxes, Gross Receipts and Compensating Tax
<b>Authority under which abated tax would have been paid to Affected Agency</b>	Sections 3-32-1 through 3-32-16, NMSA 1978 Annotated, Exempt from Property Tax under Section 7-36-3(A) NMSA 1978 Annotated. Gross Receipts and Compensating Tax Act Section 7-9-1 through 7-9-119 NMSA 1978 Annotated.
<b>Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement</b>	Property Tax \$0.47
<b>For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year</b>	N/A
<b>If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission</b>	N/A
<b>Is the abatement amount aggregated?</b>	No
<b>Threshold amount for aggregation</b>	N/A



**REQUIRED SUPPLEMENTARY  
INFORMATION  
(UNAUDITED)**

**CITY OF RIO RANCHO, NEW MEXICO  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF PERA'S NET PENSION LIABILITY –  
ALL CITY PERA PLANS  
LAST 10 FISCAL YEARS**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	Measurement Date as of									
	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024
<b>City's Proportion of the Net Pension Liability</b>										
Municipal General Plan 2	1.87%	1.85%	1.85%	1.97%	1.74%	1.71%	1.71%	1.70%	1.67%	1.77%
Municipal Police Plan 5	3.26%	3.25%	3.24%	3.21%	3.06%	3.31%	3.42%	3.53%	3.56%	3.80%
Municipal Fire Plan 5	4.37%	4.27%	4.30%	4.29%	4.16%	4.42%	4.34%	4.27%	4.10%	4.52%
<b>City's Proportionate Share of the Net Pension Liability</b>										
Municipal General Plan 2	\$ 19,098,897	\$ 29,628,670	\$ 39,739,046	\$ 31,358,071	\$ 30,160,946	\$ 34,604,353	\$ 19,271,767	\$ 30,093,446	\$ 35,269,602	\$ 42,262,604
Municipal Police Plan 5	15,686,967	24,001,602	28,721,471	21,934,036	22,599,578	28,411,408	17,712,021	28,377,894	34,360,809	40,150,871
Municipal Fire Plan 5	22,540,946	28,501,252	32,999,407	27,435,649	28,577,371	33,433,990	26,368,449	32,396,899	36,934,236	44,163,353
	<u>\$ 57,326,810</u>	<u>\$ 82,131,524</u>	<u>\$ 101,459,924</u>	<u>\$ 80,727,756</u>	<u>\$ 81,337,895</u>	<u>\$ 96,449,751</u>	<u>\$ 63,352,237</u>	<u>\$ 90,868,239</u>	<u>\$ 106,564,647</u>	<u>\$ 126,576,828</u>
<b>City's Covered Payroll</b>										
Municipal General Plan 2	\$ 15,446,492	\$ 15,895,592	\$ 16,205,131	\$ 16,591,518	\$ 15,896,136	\$ 16,560,754	\$ 16,126,143	\$ 16,507,296	\$ 18,368,745	\$ 20,584,380
Municipal Police Plan 5	6,378,370	6,487,069	6,681,372	6,791,788	6,805,307	7,912,497	8,241,917	8,601,614	9,211,044	10,447,365
Municipal Fire Plan 5	4,979,095	4,968,305	5,214,951	5,446,827	5,533,242	6,240,624	6,209,904	6,682,151	7,124,986	8,590,454
	<u>\$ 26,803,957</u>	<u>\$ 27,350,966</u>	<u>\$ 28,101,454</u>	<u>\$ 28,830,133</u>	<u>\$ 28,234,685</u>	<u>\$ 30,713,875</u>	<u>\$ 30,577,964</u>	<u>\$ 31,791,061</u>	<u>\$ 34,704,775</u>	<u>\$ 39,622,199</u>
<b>City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll</b>										
Municipal General Plan 2	123.65%	186.40%	245.23%	189.00%	189.74%	208.95%	119.51%	182.30%	192.01%	205.31%
Municipal Police Plan 5	245.94%	369.99%	429.87%	322.95%	332.09%	359.07%	214.90%	329.91%	373.04%	384.32%
Municipal Fire Plan 5	452.71%	573.66%	632.78%	503.70%	516.47%	535.75%	424.62%	484.83%	518.38%	514.10%
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>										
Municipal General Plan 2	76.99%	69.18%	73.74%	71.13%	70.52%	70.30%	77.25%	69.35%	67.26%	66.00%
Municipal Police Plan 5	76.99%	69.18%	73.74%	71.13%	70.52%	70.30%	77.25%	69.35%	67.26%	66.00%
Municipal Fire Plan 5	76.99%	69.18%	73.74%	71.13%	70.52%	70.30%	77.25%	69.35%	67.26%	66.00%

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE CITY'S PENSION CONTRIBUTIONS –  
ALL CITY PERA PLANS  
LAST 10 FISCAL YEARS**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Contractually Required Contribution</b>										
Municipal General Plan 2	\$ 1,518,029	\$ 1,547,590	\$ 1,584,490	\$ 1,518,081	\$ 1,581,552	\$ 1,580,362	\$ 1,617,715	\$ 1,800,137	\$ 2,223,113	\$ 2,549,105
Municipal Police Plan 5	1,226,056	1,262,779	1,283,648	1,286,203	1,495,462	1,582,448	1,647,209	1,763,915	2,105,144	2,296,753
Municipal Fire Plan 5	1,075,638	1,129,037	1,179,238	1,197,947	1,351,095	1,359,969	1,463,391	1,560,372	1,967,214	2,331,241
	<u>3,819,723</u>	<u>3,939,406</u>	<u>4,047,376</u>	<u>4,002,231</u>	<u>4,428,109</u>	<u>4,522,779</u>	<u>4,728,315</u>	<u>5,124,424</u>	<u>6,295,471</u>	<u>7,177,099</u>
<b>Contributions in Relation to the Contractually Required Contribution</b>										
Municipal General Plan 2	\$ (1,518,029)	\$ (1,547,590)	\$ (1,584,490)	\$ (1,518,081)	\$ (1,581,552)	\$ (1,580,362)	\$ (1,617,715)	\$ (1,800,137)	\$ (2,223,113)	\$ (2,549,105)
Municipal Police Plan 5	(1,226,056)	(1,262,779)	(1,283,648)	(1,286,203)	(1,495,462)	(1,582,448)	(1,647,209)	(1,763,915)	(2,105,144)	(2,296,753)
Municipal Fire Plan 5	(1,075,638)	(1,129,037)	(1,179,238)	(1,197,947)	(1,351,095)	(1,359,969)	(1,463,391)	(1,560,372)	(1,967,214)	(2,331,241)
	<u>(3,819,723)</u>	<u>(3,939,406)</u>	<u>(4,047,376)</u>	<u>(4,002,231)</u>	<u>(4,428,109)</u>	<u>(4,522,779)</u>	<u>(4,728,315)</u>	<u>(5,124,424)</u>	<u>(6,295,471)</u>	<u>(7,177,099)</u>
<b>Contribution Deficiency (Excess)</b>										
Municipal General Plan 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal Police Plan 5	-	-	-	-	-	-	-	-	-	-
Municipal Fire Plan 5	-	-	-	-	-	-	-	-	-	-
	<u>\$ -</u>									
<b>City's Covered Payroll</b>										
Municipal General Plan 2	\$ 15,895,592	\$ 16,205,131	\$ 16,591,518	\$ 15,896,136	\$ 16,560,754	\$ 16,126,143	\$ 16,507,296	\$ 18,368,745	\$ 20,584,380	\$ 22,599,934
Municipal Police Plan 5	6,487,069	6,681,372	6,791,788	6,805,307	7,912,497	8,241,917	8,601,614	9,211,044	10,447,365	11,131,535
Municipal Fire Plan 5	4,968,305	5,214,951	5,446,827	5,533,242	6,240,624	6,209,904	6,682,151	7,124,986	8,590,454	9,969,344
	<u>\$ 27,350,966</u>	<u>\$ 28,101,454</u>	<u>\$ 28,830,133</u>	<u>\$ 28,234,685</u>	<u>\$ 30,713,875</u>	<u>\$ 30,577,964</u>	<u>\$ 31,791,061</u>	<u>\$ 34,704,775</u>	<u>\$ 39,622,199</u>	<u>\$ 43,700,813</u>
<b>Contributions as a Percentage of Covered Payroll</b>										
Municipal General Plan 2	9.55%	9.55%	9.55%	9.55%	9.55%	9.80%	9.80%	9.80%	10.80%	11.28%
Municipal Police Plan 5	18.90%	18.90%	18.90%	18.90%	18.90%	19.20%	19.15%	19.15%	20.15%	20.63%
Municipal Fire Plan 5	21.65%	21.65%	21.65%	21.65%	21.65%	21.90%	21.90%	21.90%	22.90%	23.38%

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
For The Year Ended June 30, 2025**

Changes of Benefit Terms: The PERA and COLA and retirement eligibility benefits changes in recent years are described in Note 1 of PERA's ACFR [nmpera.org/financial-overview/](http://nmpera.org/financial-overview/).

Changes of Assumptions: The Public Employees Retirement Association of New Mexico Annual Actuarial Valuations as of June 30, 2024 report is available at [nmpera.org/financial-overview/retirement-fund-valuation-reports/](http://nmpera.org/financial-overview/retirement-fund-valuation-reports/).

**CITY OF RIO RANCHO, NEW MEXICO  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF NET OPEB LIABILITY  
NM RETIREE HEALTH CARE AUTHORITY (NMRHCA) PLAN  
LAST 10 FISCAL YEARS\***

	Measurement Date							
	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024
City's Proportion of the Net OPEB Liability	0.75381%	0.71711%	0.70777%	0.72410%	0.70857%	0.69476%	0.65102%	0.71971%
City's Proportionate Share of the Net OPEB Liability	\$ 34,160,128	\$ 31,182,487	\$ 22,948,655	\$ 30,404,293	\$ 23,314,432	\$ 16,060,106	\$ 11,086,418	\$ 12,845,387
City's Covered Payroll	\$ 32,500,896	\$ 31,400,996	\$ 30,768,442	\$ 31,122,662	\$ 30,768,442	\$ 34,518,753	\$ 39,333,032	\$ 40,369,527
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	105.11%	99.30%	74.59%	97.69%	75.77%	46.53%	28.19%	31.82%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	11.34%	13.14%	18.92%	16.50%	25.39%	33.33%	44.16%	46.99%

\*Until a full 10-year trend is compiled, the City will present information for those years for which information is available.

**CITY OF RIO RANCHO, NEW MEXICO  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF NET OPEB LIABILITY  
NM RETIREE HEALTH CARE AUTHORITY (NMRHCA) PLAN  
LAST 10 FISCAL YEARS\***

	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 636,785	\$ 621,404	\$ 671,628	\$ 683,654	\$ 704,944	\$ 773,547	\$ 881,687	\$ 976,592
Contributions in Relation to the Contractually Required Contribution	636,785	621,404	671,628	683,654	704,944	773,547	881,687	976,592
Contribution Deficiency (Excess)	<u>\$ -</u>							
City's Covered Payroll	\$ 31,400,996	\$ 30,768,442	\$ 31,122,662	\$ 30,577,115	\$ 31,470,367	\$ 34,518,753	\$ 39,333,032	\$ 40,369,527
Contributions as a Percentage of Covered Payroll	2.03%	2.02%	2.16%	2.24%	2.24%	2.24%	2.24%	2.24%

\*Until a full 10-year trend is compiled, the City will present information for those years for which information is available.

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
For The Year Ended June 30, 2025**

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In the total OPEB liability measured as of June 30, 2024, changes in assumptions include adjustments resulting from an increase in the discount rate from 6.22% to 7.00%.



## **SUPPLEMENTARY INFORMATION**

**CITY OF RIO RANCHO, NEW MEXICO  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS – BY FUND TYPE  
AS OF JUNE 30, 2025**

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 16,256,597	\$ 14,601,915	\$ 22,121,510	\$ 52,980,022
Receivables:				
Accounts, Net	5,476,273	-	-	5,476,273
Interest	138,020	-	113,568	251,588
Gross Receipts Tax	954,933	-	-	954,933
Property Taxes	-	380,329	-	380,329
Due From Federal Government	29,620	-	1,594,241	1,623,861
Due From State Government	136,825	-	2,222,345	2,359,170
Deposits	-	-	239,775	239,775
Restricted Cash	1,886	-	282,806	284,692
Investments	43,175,649	-	33,490,744	76,666,393
Total Assets	<u>\$ 66,169,803</u>	<u>\$ 14,982,244</u>	<u>\$ 60,064,989</u>	<u>\$ 141,217,036</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 1,046,302	\$ -	\$ 1,657,214	\$ 2,703,516
Accrued Liabilities	2,947,909	-	-	2,947,909
Due to Other Funds	3,457,089	-	3,104,253	6,561,342
Total Liabilities	<u>7,451,300</u>	<u>-</u>	<u>4,761,467</u>	<u>12,212,767</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue:				
Property Taxes	-	325,836	-	325,836
Unavailable Revenue-Intergovernmental	4,952	-	240,868	245,820
Fines and Forfeitures	4,442,035	-	-	4,442,035
Total Deferred Inflows of Resources	<u>4,446,987</u>	<u>325,836</u>	<u>240,868</u>	<u>5,013,691</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	47,087,636	14,656,408	55,756,008	117,500,052
Committed	8,364,191	-	-	8,364,191
Assigned	28,595	-	-	28,595
Unassigned	(1,208,906)	-	(693,354)	(1,902,260)
Total Fund Balances	<u>54,271,516</u>	<u>14,656,408</u>	<u>55,062,654</u>	<u>123,990,578</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balances	 <u>\$ 66,169,803</u>	 <u>\$ 14,982,244</u>	 <u>\$ 60,064,989</u>	 <u>\$ 141,217,036</u>

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS – BY FUND TYPE**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
<b>REVENUES</b>				
Property Taxes	\$ -	\$ 9,697,066	\$ -	\$ 9,697,066
Municipal Taxes	6,985,393	-	-	6,985,393
Franchise Taxes	38,675	-	-	38,675
Intergovernmental - Federal	884,601	-	2,386,960	3,271,561
Intergovernmental - State	3,206,098	-	6,787,909	9,994,007
Intergovernmental - Local	274,595	-	100,000	374,595
Impact Fees	-	-	4,621,681	4,621,681
Investment Income (Loss)	3,944,222	414,278	2,421,886	6,780,386
Charges for Services	1,612,370	-	92,796	1,705,166
Fines and Forfeitures	629,014	-	-	629,014
Miscellaneous	2,737,540	-	-	2,737,540
Total Revenues	<u>20,312,508</u>	<u>10,111,344</u>	<u>16,411,232</u>	<u>46,835,084</u>
<b>EXPENDITURES</b>				
Current:				
General Government	1,717,704	-	120,469	1,838,173
Public Safety	8,409,769	-	23,152	8,432,921
Public Works	750,723	-	289,739	1,040,462
Parks, Recreation, and Culture	586,474	-	344,813	931,287
Community and Economic Development	1,098,271	-	-	1,098,271
Capital Outlay	7,364,815	-	23,616,141	30,980,956
Debt Service:				
Principal	1,746,309	6,950,754	-	8,697,063
Interest and Other Charges	363,826	1,592,850	-	1,956,676
Bond Issuance Costs	-	-	148,774	148,774
Total Expenditures	<u>22,037,891</u>	<u>8,543,604</u>	<u>24,543,088</u>	<u>55,124,583</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(1,725,383)	1,567,740	(8,131,856)	(8,289,499)
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of General Obligation Bonds	-	-	16,000,000	16,000,000
Premium on Debt Issued	-	-	807,150	807,150
Transfers In	6,818,579	3,292,536	14,207,342	24,318,457
Transfers Out	(3,714,918)	(348,150)	(637,150)	(4,700,218)
Total Other Financing Sources (Uses)	<u>3,103,661</u>	<u>2,944,386</u>	<u>30,377,342</u>	<u>36,425,389</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,378,278	4,512,126	22,245,486	28,135,890
Fund Balances - Beginning of Year	52,643,238	10,144,282	14,808,075	77,595,595
Adjustments - Changes within Reporting Entity	-	-	18,009,093	18,009,093
Restatement (See Note 15)	250,000	-	-	250,000
Fund Balance - Beginning as Restated and Adjusted	<u>52,893,238</u>	<u>10,144,282</u>	<u>32,817,168</u>	<u>95,854,688</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 54,271,516</u>	<u>\$ 14,656,408</u>	<u>\$ 55,062,654</u>	<u>\$ 123,990,578</u>

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO**  
**NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS**  
**SPECIAL REVENUE FUNDS**  
**JUNE 30, 2025**

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

*Animal Shelter Fund* – To account for animal fees as well as funds donated to the City of Rio Rancho. Expenditures from this fund will be used for the purposes specified by the fee ordinance and the donor. (Provided for by City Budget Resolution.)

*Recreation Activities Fund* – To account for revenues received for recreation fees and vending machines placed in City facilities. Expenditures may be used for programs and activities, such as, classes and softball programs and various community projects. (Provided for by City Budget Resolution.)

*Keep Rio Rancho Beautiful Fund* – To account for New Mexico Clean & Beautiful Litter Control & Beautification grant funds. Expenditures may be used for equipment, landscaping, program promotion, recycling, education, and anti-graffiti programs. (Pursuant to NMSA, Section 67-16-1 to 67-16-14.)

*Workers Compensation Fund* – To account for revenues from other funds for the purpose of self-funding workers compensation insurance administered by the New Mexico Self Insurance Fund. (Provided for by City Budget Resolution.)

*Rio Metro Fund* – To account for Para-transit fees collected on behalf of Rio Metro and the reimbursement of bus maintenance costs associated with Rio Metro.

*Senior Services Fund* – To account for funds donated to the City of Rio Rancho. Expenditures from this fund will be used for the purpose specified by the donor. (Provided for by City Budget Resolution.)

*Library Fund* – To account for grants, gifts, donations, devises, or bequests made to the City, pursuant to NMSA 3-18-4, for the purpose of establishing, increasing, or improving the library.

*Local Economic Development Act Fund* – To account for funds received from claw-back payments and homebuilder contributions. Expenditures from this fund may be used for future economic development projects. In the recruitment of economic based employers and site selection process, these companies often look to State and Local Governments for financial assistance to off-set the cost of expansion/relocation. This financial support, or economic incentive, is extended through a Project Participation Agreement that is approved by the Governing Body and contains corresponding claw-back provisions.

*Local Government Abatement Opioid Fund* – To account for revenue received from the settlement of multiple class action lawsuits brought by governmental entities against multiple companies that made

**CITY OF RIO RANCHO, NEW MEXICO**  
**NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS**  
**SPECIAL REVENUE FUNDS**  
**JUNE 30, 2025**

and sold opioid drugs in New Mexico. Expenditures from this fund must be made to combat the misuse of opioids and mitigate the harm caused by opioid addiction within the jurisdiction.

*Convention & Visitors Bureau Fund* – To account for revenues collected from occupancy taxes (3%) levied within City boundaries pursuant to NMSA 3-38-15. Expenditures from this fund may be used for acquiring, constructing, improving, establishing, and operating convention, exposition, or entertainment facilities; acquiring or obtaining an interest in such facilities; or advertising, publicizing, and promoting such facilities.

*Rio Vision Cable Fund* – To account for cable franchise fees (2%) received to operate and promote a public access television channel. (Provided for by City Budget Resolution.)

*Local Government Corrections Fund* – To account for revenues collected from the assessment for correction fees and court costs, pursuant to NMSA 35-14-11. Expenditures from this fund may be used for municipal jailer or juvenile detention officer training; for planning, construction, operating, and maintaining a municipal jail for juveniles in a detention facility; or for complying with match or contribution requirements for the receipt of federal funds relating to jailing or juvenile detention facilities.

*Law Enforcement Fund* – To account for state revenues received pursuant to the Law Enforcement Protection Fund Act, NMSA 29-13-1 through 29-13-9. Expenditures from this fund may be used for the repair and purchase of law enforcement apparatus and equipment, expenditures associated with advanced law enforcement planning and training, and complying with match or contribution requirements for receipt of federal funds, and salaries for law enforcement personnel under certain conditions.

*Public Safety Enforcement Aid Fund* – To account for revenue generated from asset forfeitures obtained through narcotics investigations. These revenues can be utilized for officer overtime, police equipment, undercover vehicles, purchase of evidence, training, and other narcotic investigation related expenses. (Pursuant to the Attorney General's Guidelines on Seized and Forfeited Property, July 1990.)

*Traffic Education and Enforcement Aid Fund* – To account for revenues received from the New Mexico Traffic Bureau for DWI checkpoint enforcement and safety belt enforcement. (Pursuant to NMSA 66-7-501 to 511)

*Permanent Fund* – To account for funds held by the City to generate investment income used for capital improvements.

**CITY OF RIO RANCHO, NEW MEXICO**  
**NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS**  
**SPECIAL REVENUE FUNDS**  
**JUNE 30, 2025**

*Special Assessment District Fund* – To account for Special Assessment District administrative fees which may be used for collection or other expenditures related to the administration of Special Assessment Districts.

*Special Assessment District VI Bond Fund* – To account for funds held by the City as a paying agent of the special assessment district six projects debt service.

*Special Assessment District VII Bond Fund* – To account for funds held by the City as a paying agent of the special assessment district seven projects debt service.

*Special Assessment District VIII Bond Fund* – To account for funds held by the City as a paying agent of the special assessment district eight projects debt service.

*LEDA Reimbursement Fund* – To account for revenues from the state of New Mexico that are offered to local companies as an economic development incentive. This fund is a pass-through fund and all revenues are paid to local companies per a local economic development agreement.

*Donations Fund* – To account for donations made for various quality of life purposes. Expenditures from this fund may be used for the Memorial Tree Program, Tree Steward training or the purposes specified by the donor.

*Fire Protection Fund* – To account for state revenues received pursuant to the Fire Protection Fund Law, NMSA 59A-53-1-19. Expenditures from this fund may be used for the purchase, construction, operating, and maintenance of fire stations, except for the station's water supply system; fire apparatus and equipment; the payment of insurance premiums on the above; and for insurance premiums for injuries or death of firefighters.

*Emergency Medical Services (EMS) Fund* – To account for State revenues received to the Emergency Medical Services Fund Act, 24-10A-1-10. Expenditures from this fund may be used for the establishment of emergency medical services; to acquire emergency medical services vehicles, equipment and supplies; and for training and licensing of local emergency management services personnel.

*DWI Program Fund* – To account for State revenues received pursuant to NMSA 7-1-6.1. Expenditures from this fund may be used for only alcohol treatment and rehabilitation services for street inebriates.

*Firefighter Recruitment Fund* – To account for grant revenue received from the State of New Mexico. Expenditures from this fund must be used for expenses associated with the recruitment of firefighters.

**CITY OF RIO RANCHO, NEW MEXICO**  
**NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS**  
**SPECIAL REVENUE FUNDS**  
**JUNE 30, 2025**

*Environmental Gross Receipts Tax Fund* – To account for municipal gross receipts tax revenues received to be used for the acquisition, construction, operation, and maintenance of solid waste facilities, water facilities, sewer systems, and related facilities. (Pursuant to NMSA, 1978 section 7-19d-17.)

*Strategic Planning Initiative Fund* – To account for one-time gross receipts tax and development-related revenues derived from large construction projects within the City to be set-aside to fund future strategic initiatives and longer-term plans and goals of the City. (Provided for by City Resolution 78, Enactment No. 23-079)

*Law Enforcement Recruitment and Retention Fund* – To account for grant revenue received from the State of New Mexico. Expenditures from this fund must be used for expenses associated with the recruitment of law enforcement officers and to provide payments to law enforcement officers that achieve certain longevity benchmarks as established by the grant.

*Municipal Road Fund* – To account for revenues received from the levy of a tax per gallon of gasoline purchased within city boundaries, pursuant to the county and municipal gasoline tax act, NMSA 7-1-6.9. Expenditures from this fund may be used for the construction of a street, ally, curb, gutter, or sidewalk project.

*Regional Emergency Communication Center Fund* – To account for revenue from the joint powers agreement to establish the Sandoval County Regional Emergency Communications Center. Expenditures from this fund may be used for the operation of the communication center.

*HUD – CDBG Fund* – To account for CDBG grant funds received to prepare an action plan to address issues of low to moderate-income residents. (Title I, Housing & Comm. Dev. Act, PL 92-383.)

*Crime Victims Assistance Fund* – To account for federal funds used towards the advocacy for victims of all crimes. (Pursuant to the Victims of Crime Act of 1984.)

*Cannabis Fund* – To account for taxes from the sales of Cannabis related products. (New Mexico HB2, The Cannabis Regulation Act of 2021.)

*Higher Ed Gross Receipts Tax Fund* – To account for municipal gross receipts tax revenues received to be used for the acquisition, construction, renovation, or improvement of facilities of a four-year post-secondary public education institution located in the municipality and acquisition of or improvements to land for those facilities or payment of municipal higher education facilities gross receipts tax revenue bonds issued. (Pursuant to Chapter 3, Article 31 NMSA 1978).

**CITY OF RIO RANCHO, NEW MEXICO**  
**COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS**  
**AS OF JUNE 30, 2025**

	Animal Shelter Fund	Recreation Activities Fund	Keep Rio Rancho Beautiful Fund	Workers Compensation Fund	Rio Metro Fund	Senior Services Fund
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 15,813	\$ 400,162	\$ 412	\$ 253,454	\$ -	\$ 25,670
Receivables:						
Accounts, Net	-	-	-	-	7,444	-
Interest	-	677	-	10,988	-	-
Gross Receipts Tax	-	-	-	-	-	-
Due from State Government	-	-	-	-	-	-
Investments	-	-	-	4,165,114	-	-
Total Assets	<u>\$ 15,813</u>	<u>\$ 400,839</u>	<u>\$ 412</u>	<u>\$ 4,429,556</u>	<u>\$ 7,444</u>	<u>\$ 25,670</u>
<b>LIABILITIES</b>						
Accounts Payable	\$ -	\$ 1,450	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-	-	-	-
Due To Other Funds	-	-	-	-	8,775	-
Total Liabilities	<u>-</u>	<u>1,450</u>	<u>-</u>	<u>-</u>	<u>8,775</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Fines and Forfeitures	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	412	-	-	25,670
Committed	15,813	399,389	-	4,429,556	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	(1,331)	-
Total Fund Balances	<u>15,813</u>	<u>399,389</u>	<u>412</u>	<u>4,429,556</u>	<u>(1,331)</u>	<u>25,670</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 15,813</u>	<u>\$ 400,839</u>	<u>\$ 412</u>	<u>\$ 4,429,556</u>	<u>\$ 7,444</u>	<u>\$ 25,670</u>

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO**  
**COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS**  
**AS OF JUNE 30, 2025**

	Library Fund	Local Economic Development Act Fund	Local Government Abatement Opioid Fund	Convention and Visitors Bureau Fund	Rio Vision Cable Fund	Local Government Corrections Fund
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ -	\$ 1,667,318	\$ 196,341	\$ 231,925	\$ 34,195	\$ 108,196
Receivables:						
Accounts, Net	-	-	4,555,592	-	6,787	-
Interest	-	-	8,081	332	-	-
Gross Receipts Tax	-	5,931	-	-	-	-
Due from State Government	69,851	-	-	-	-	-
Investments	-	1,485,189	3,170,523	-	-	-
Total Assets	<u>\$ 69,851</u>	<u>\$ 3,158,438</u>	<u>\$ 7,930,537</u>	<u>\$ 232,257</u>	<u>\$ 40,982</u>	<u>\$ 108,196</u>
<b>LIABILITIES</b>						
Accounts Payable	\$ 14,655	\$ -	\$ -	\$ 83	\$ 10,051	\$ 246,812
Accrued Liabilities	-	50,000	-	10,593	-	-
Due To Other Funds	68,534	-	-	-	-	-
Total Liabilities	<u>83,189</u>	<u>50,000</u>	<u>-</u>	<u>10,676</u>	<u>10,051</u>	<u>246,812</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Fines and Forfeitures	-	-	4,442,035	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>4,442,035</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	-	-	-
Restricted	-	3,108,438	-	221,581	-	-
Committed	-	-	3,488,502	-	30,931	-
Assigned	-	-	-	-	-	-
Unassigned	(13,338)	-	-	-	-	(138,616)
Total Fund Balances	<u>(13,338)</u>	<u>3,108,438</u>	<u>3,488,502</u>	<u>221,581</u>	<u>30,931</u>	<u>(138,616)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 69,851</u>	<u>\$ 3,158,438</u>	<u>\$ 7,930,537</u>	<u>\$ 232,257</u>	<u>\$ 40,982</u>	<u>\$ 108,196</u>

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO  
 COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
 AS OF JUNE 30, 2025**

	Law Enforcement Fund	Public Safety Enforcement Aid Fund	Traffic Education and Enforcement Aid Fund	Permanent Fund	Special Assessment District Fund	Special Assessment District VI Bond Fund
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 123,340	\$ 618,994	\$ 108,278	\$ -	\$ 30,617	\$ 555,026
Receivables:						
Accounts, Net	-	19,224	-	-	1,748	372,547
Interest	-	1,348	-	48,273	-	7,623
Gross Receipts Tax	-	-	-	-	-	-
Due from State Government	-	-	-	-	-	-
Investments	-	225,397	-	14,763,038	-	2,130,225
Total Assets	<u>\$ 123,340</u>	<u>\$ 864,963</u>	<u>\$ 108,278</u>	<u>\$ 14,811,311</u>	<u>\$ 32,365</u>	<u>\$ 3,065,421</u>
<b>LIABILITIES</b>						
Accounts Payable	\$ -	\$ 166,402	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-	-	1,765	-
Due To Other Funds	-	-	-	-	-	132,493
Total Liabilities	<u>-</u>	<u>166,402</u>	<u>-</u>	<u>-</u>	<u>1,765</u>	<u>132,493</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Fines and Forfeitures	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	-	-	-
Restricted	123,340	698,561	108,278	14,811,311	30,600	2,932,928
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total Fund Balances	<u>123,340</u>	<u>698,561</u>	<u>108,278</u>	<u>14,811,311</u>	<u>30,600</u>	<u>2,932,928</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 123,340</u>	<u>\$ 864,963</u>	<u>\$ 108,278</u>	<u>\$ 14,811,311</u>	<u>\$ 32,365</u>	<u>\$ 3,065,421</u>

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO**  
**COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS**  
**AS OF JUNE 30, 2025**

	Special Assessment District VII Bond Fund	Special Assessment District VIII Bond Fund	LEDA Reimbursement Fund	Donations Fund	Fire Protection Fund	Emergency Medical Services Fund
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 1,570,532	\$ 131,593	\$ 98,950	\$ 24,378	\$ 543,566	\$ 8,930
Receivables:						
Accounts, Net	246,180	183,677	6,787	-	-	-
Interest	6,208	-	-	-	-	-
Gross Receipts Tax	-	-	-	-	-	-
Due from Federal Government	-	-	-	-	-	-
Due from State Government	-	-	-	-	-	-
Restricted Cash	276	-	-	-	1,610	-
Investments	-	-	2,662,781	-	-	-
Total Assets	<u>\$ 1,823,196</u>	<u>\$ 315,270</u>	<u>\$ 2,768,518</u>	<u>\$ 24,378</u>	<u>\$ 545,176</u>	<u>\$ 8,930</u>
<b>LIABILITIES</b>						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 26,148	\$ -
Accrued Liabilities	2,246,253	632,286	-	-	-	-
Due To Other Funds	304,189	-	-	-	-	-
Total Liabilities	<u>2,550,442</u>	<u>632,286</u>	<u>-</u>	<u>-</u>	<u>26,148</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable Revenue-Intergovernmental	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	2,768,518	24,378	519,028	8,930
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	(727,246)	(317,016)	-	-	-	-
Total Fund Balances	<u>(727,246)</u>	<u>(317,016)</u>	<u>2,768,518</u>	<u>24,378</u>	<u>519,028</u>	<u>8,930</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,823,196</u>	<u>\$ 315,270</u>	<u>\$ 2,768,518</u>	<u>\$ 24,378</u>	<u>\$ 545,176</u>	<u>\$ 8,930</u>

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO**  
**COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS**  
**AS OF JUNE 30, 2025**

	DWI Program Fund	Fire Fighter Recruitment Fund	Environmental Gross Receipts Tax Fund	Strategic Planning Initiative Fund	Law Enforcement Recruitment and Retention Fund	Municipal Road Fund
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 264,758	\$ 3,594	\$ 687,724	\$ 2,849,993	\$ 11,721	\$ 568,272
Receivables:						
Accounts, Net	-	-	-	-	-	-
Interest	1,046	-	401	6,278	-	511
Gross Receipts Tax	-	-	20,541	-	-	-
Due from Federal Government	-	-	-	-	-	-
Due from State Government	-	-	-	-	-	44,472
Restricted Cash	-	-	-	-	-	-
Investments	-	-	156,819	2,463,184	-	141,927
Total Assets	<u>\$ 265,804</u>	<u>\$ 3,594</u>	<u>\$ 865,485</u>	<u>\$ 5,319,455</u>	<u>\$ 11,721</u>	<u>\$ 755,182</u>
<b>LIABILITIES</b>						
Accounts Payable	\$ -	\$ -	\$ 1,092	\$ -	\$ 8,789	\$ -
Accrued Liabilities	-	-	-	-	2,896	-
Due To Other Funds	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>1,092</u>	<u>-</u>	<u>11,685</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable Revenue-Intergovernmental	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	-	-	-
Restricted	265,804	3,594	864,393	5,319,455	36	755,182
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total Fund Balances	<u>265,804</u>	<u>3,594</u>	<u>864,393</u>	<u>5,319,455</u>	<u>36</u>	<u>755,182</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 265,804</u>	<u>\$ 3,594</u>	<u>\$ 865,485</u>	<u>\$ 5,319,455</u>	<u>\$ 11,721</u>	<u>\$ 755,182</u>

*See Independent Auditor's Report.*

**CITY OF RIO RANCHO, NEW MEXICO**  
**COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS**  
**AS OF JUNE 30, 2025**

	Regional Emergency Comm Center Fund	HUD CDBG Grant Fund	Crime Victim Assistance Fund	Cannabis Fund	Higher Ed Gross Receipts Tax Fund	Total Nonmajor Special Revenue Funds
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 1,037,098	\$ -	\$ -	\$ -	\$ 4,085,747	\$ 16,256,597
Receivables:						
Accounts, Net	76,287	-	-	-		5,476,273
Interest	-	-	-	666	45,588	138,020
Gross Receipts Tax	-	-	-	-	928,461	954,933
Due from Federal Government	-	8,684	20,936	-	-	29,620
Due from State Government	-	-	-	22,502	-	136,825
Restricted Cash	-	-	-	-	-	1,886
Investments	-	-	-	261,366	11,550,086	43,175,649
Total Assets	<u>\$ 1,113,385</u>	<u>\$ 8,684</u>	<u>\$ 20,936</u>	<u>\$ 284,534</u>	<u>\$ 16,609,882</u>	<u>\$ 66,169,803</u>
<b>LIABILITIES</b>						
Accounts Payable	\$ 488,779	\$ 11,360	\$ -	\$ -	\$ 70,681	\$ 1,046,302
Accrued Liabilities	3,154	962	-	-	-	2,947,909
Due To Other Funds	-	2,769	20,936	255,939	2,663,454	3,457,089
Total Liabilities	<u>491,933</u>	<u>15,091</u>	<u>20,936</u>	<u>255,939</u>	<u>2,734,135</u>	<u>7,451,300</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable Revenue-Intergovernmental	-	4,952	-	-	-	4,952
Fines and Forfeitures	-	-	-	-	-	4,442,035
Total Deferred Inflows of Resources	<u>-</u>	<u>4,952</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,446,987</u>
<b>FUND BALANCES</b>						
Nonspendable	-	-	-	-	-	-
Restricted	621,452	-	-	-	13,875,747	47,087,636
Committed	-	-	-	-	-	8,364,191
Assigned	-	-	-	28,595	-	28,595
Unassigned	-	(11,359)	-	-	-	(1,208,906)
Total Fund Balances	<u>621,452</u>	<u>(11,359)</u>	<u>-</u>	<u>28,595</u>	<u>13,875,747</u>	<u>54,271,516</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,113,385</u>	<u>\$ 8,684</u>	<u>\$ 20,936</u>	<u>\$ 284,534</u>	<u>\$ 16,609,882</u>	<u>\$ 66,169,803</u>

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Animal Shelter Fund	Recreation Activities Fund	Keep Rio Rancho Beautiful Fund	Workers Compensation Fund	Rio Metro Fund	Senior Services Fund
<b>REVENUES</b>						
Municipal Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Franchise Taxes	-	-	-	-	-	-
Intergovernmental - State	-	-	22,933	-	-	-
Intergovernmental - Local	-	-	-	-	-	-
Investment Income (Loss)	895	22,120	-	236,754	-	1,531
Charges for Services	33,664	194,567	-	-	-	1,218
Fines and Forfeitures	400	-	-	-	-	-
Miscellaneous	4,356	-	165	117,776	88,065	1,165
Total Revenues	<u>39,315</u>	<u>216,687</u>	<u>23,098</u>	<u>354,530</u>	<u>88,065</u>	<u>3,914</u>
<b>EXPENDITURES</b>						
Current:						
General Government	-	-	-	204,012	94,121	-
Public Safety	52,955	-	-	-	-	-
Public Works	-	-	-	-	-	-
Parks, Recreation, and Culture	-	87,133	-	-	-	13,016
Community and Economic Development	-	-	22,933	-	-	-
Capital Outlay	-	153,364	-	-	-	-
Total Expenditures	<u>52,955</u>	<u>240,497</u>	<u>22,933</u>	<u>204,012</u>	<u>94,121</u>	<u>13,016</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(13,640)	(23,810)	165	150,518	(6,056)	(9,102)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(13,640)	(23,810)	165	150,518	(6,056)	(9,102)
Fund Balances - Beginning of Year	29,453	423,199	247	4,279,038	4,725	34,772
Restatement (See Note 15)	-	-	-	-	-	-
Fund Balances - Beginning, as Restated	<u>29,453</u>	<u>423,199</u>	<u>247</u>	<u>4,279,038</u>	<u>4,725</u>	<u>34,772</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 15,813</u>	<u>\$ 399,389</u>	<u>\$ 412</u>	<u>\$ 4,429,556</u>	<u>\$ (1,331)</u>	<u>\$ 25,670</u>

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2025**

	Library Fund	Local Economic Development Act Fund	Local Government Abatement Opioid Fund	Convention and Visitors Bureau Fund	Rio Vision Cable Fund	Local Government Corrections Fund
<b>REVENUES</b>						
Municipal Taxes	\$ -	\$ 397,137	\$ -	\$ 544,085	\$ -	\$ -
Franchise Taxes	-	-	-	-	38,675	-
Intergovernmental - State	201,973	-	-	-	-	-
Intergovernmental - Local	274,595	-	-	-	-	-
Investment Income (Loss)	-	134,357	175,414	10,518	2,583	2,280
Charges for Services	-	-	-	-	-	364,215
Fines and Forfeitures	-	-	184,513	-	-	-
Miscellaneous	-	383,979	-	5,160	-	-
Total Revenues	<u>476,568</u>	<u>915,473</u>	<u>359,927</u>	<u>559,763</u>	<u>41,258</u>	<u>366,495</u>
<b>EXPENDITURES</b>						
Current:						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	609,219
Public Works	-	-	-	-	-	-
Parks, Recreation, and Culture	482,837	-	-	-	-	-
Community and Economic Development	-	-	-	376,078	99,260	-
Capital Outlay	7,069	-	-	-	-	-
Total Expenditures	<u>489,906</u>	<u>-</u>	<u>-</u>	<u>376,078</u>	<u>99,260</u>	<u>609,219</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(13,338)	915,473	359,927	183,685	(58,002)	(242,724)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	-	-	-	-	73,513	84,875
Transfers Out	-	-	-	(242,000)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(242,000)</u>	<u>73,513</u>	<u>84,875</u>
<b>NET CHANGE IN FUND BALANCES</b>	(13,338)	915,473	359,927	(58,315)	15,511	(157,849)
Fund Balances - Beginning of Year	-	1,942,965	3,128,575	279,896	15,420	19,233
Restatement (See Note 15)	-	250,000	-	-	-	-
Fund Balances - Beginning, as Restated	<u>-</u>	<u>2,192,965</u>	<u>3,128,575</u>	<u>279,896</u>	<u>15,420</u>	<u>19,233</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ (13,338)</u>	<u>\$ 3,108,438</u>	<u>\$ 3,488,502</u>	<u>\$ 221,581</u>	<u>\$ 30,931</u>	<u>\$ (138,616)</u>

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2025**

	Law Enforcement Fund	Public Safety Enforcement Aid Fund	Traffic Education and Enforcement Aid Fund	Permanent Fund	Special Assessment District Fund	Special Assessment District VI Bond Fund
<b>REVENUES</b>						
Municipal Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Franchise Taxes	-	-	-	-	-	-
Intergovernmental - State	312,500	-	-	-	-	-
Intergovernmental - Local	-	-	-	-	-	-
Investment Income (Loss)	8,614	44,021	3,443	1,596,879	2,211	158,703
Charges for Services	-	-	-	1,000,000	-	-
Fines and Forfeitures	-	372,331	71,770	-	-	-
Miscellaneous	-	739	-	-	32,640	13,547
Total Revenues	<u>321,114</u>	<u>417,091</u>	<u>75,213</u>	<u>2,596,879</u>	<u>34,851</u>	<u>172,250</u>
<b>EXPENDITURES</b>						
Current:						
General Government	-	-	-	20,511	40,576	-
Public Safety	315,171	158,659	21,012	-	-	-
Public Works	-	-	-	-	-	-
Parks, Recreation, and Culture	-	-	-	-	-	-
Community and Economic Development	-	-	-	-	-	-
Capital Outlay	-	294,311	-	-	-	-
Total Expenditures	<u>315,171</u>	<u>452,970</u>	<u>21,012</u>	<u>20,511</u>	<u>40,576</u>	<u>-</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	5,943	(35,879)	54,201	2,576,368	(5,725)	172,250
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	(230,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(230,000)</u>
<b>NET CHANGE IN FUND BALANCES</b>	5,943	(35,879)	54,201	2,576,368	(5,725)	(57,750)
Fund Balances - Beginning of Year	117,397	734,440	54,077	12,234,943	36,325	2,990,678
Restatement (See Note 15)	-	-	-	-	-	-
Fund Balances - Beginning, as Restated	<u>117,397</u>	<u>734,440</u>	<u>54,077</u>	<u>12,234,943</u>	<u>36,325</u>	<u>2,990,678</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 123,340</u>	<u>\$ 698,561</u>	<u>\$ 108,278</u>	<u>\$ 14,811,311</u>	<u>\$ 30,600</u>	<u>\$ 2,932,928</u>

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Special Assessment District VII Bond Fund	Special Assessment District VIII Bond Fund	LEDA Reimbursement Fund	Donations Fund	Fire Protection Fund	Emergency Medical Services Fund
<b>REVENUES</b>						
Municipal Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Franchise Taxes	-	-	-	-	-	-
Intergovernmental - Federal	-	-	-	-	-	-
Intergovernmental - State	-	-	-	-	981,148	98,992
Intergovernmental - Local	-	-	-	-	-	-
Investment Income (Loss)	95,730	14,064	182,830	1,030	30,191	1,575
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	18,146	9,986	-	6,510	-	-
Total Revenues	<u>113,876</u>	<u>24,050</u>	<u>182,830</u>	<u>7,540</u>	<u>1,011,339</u>	<u>100,567</u>
<b>EXPENDITURES</b>						
Current:						
General Government	841,122	341,066	-	-	-	-
Public Safety	-	-	-	-	505,735	69,046
Public Works	-	-	-	-	-	-
Parks, Recreation, and Culture	-	-	-	3,488	-	-
Community and Economic Development	-	-	600,000	-	-	-
Capital Outlay	-	-	-	-	255,148	26,987
Debt Service:						
Principal	-	-	-	-	39,758	-
Interest and Other Charges	-	-	-	-	13,281	-
Total Expenditures	<u>841,122</u>	<u>341,066</u>	<u>600,000</u>	<u>3,488</u>	<u>813,922</u>	<u>96,033</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(727,246)	(317,016)	(417,170)	4,052	197,417	4,534
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(727,246)	(317,016)	(417,170)	4,052	197,417	4,534
Fund Balances - Beginning of Year	-	-	3,185,688	20,326	321,611	4,396
Restatement (See Note 15)	-	-	-	-	-	-
Fund Balances - Beginning, as Restated	<u>-</u>	<u>-</u>	<u>3,185,688</u>	<u>20,326</u>	<u>321,611</u>	<u>4,396</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ (727,246)</u>	<u>\$ (317,016)</u>	<u>\$ 2,768,518</u>	<u>\$ 24,378</u>	<u>\$ 519,028</u>	<u>\$ 8,930</u>

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2025**

	DWI Program Fund	Fire Fighter Recruitment Fund	Environmental Gross Receipts Tax Fund	Strategic Planning Initiative Fund	Law Enforcement Recruitment and Retention Fund	Municipal Road Fund
<b>REVENUES</b>						
Municipal Taxes	\$ -	\$ -	\$ 97,887	\$ 70,312	\$ -	\$ -
Franchise Taxes	-	-	-	-	-	-
Intergovernmental - Federal	-	-	-	-	-	-
Intergovernmental - State	-	225,000	-	-	789,359	574,193
Intergovernmental - Local	-	-	-	-	-	-
Investment Income (Loss)	14,155	3,594	21,798	175,622	3,012	26,146
Charges for Services	-	-	-	-	-	18,706
Fines and Forfeitures	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Revenues	<u>14,155</u>	<u>228,594</u>	<u>119,685</u>	<u>245,934</u>	<u>792,371</u>	<u>619,045</u>
<b>EXPENDITURES</b>						
Current:						
General Government	-	-	-	-	-	-
Public Safety	-	225,000	-	-	839,198	-
Public Works	-	-	25,797	-	-	227,012
Parks, Recreation, and Culture	-	-	-	-	-	-
Community and Economic Development	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	76,824
Debt Service:						
Principal	-	-	-	-	-	96,551
Interest and Other Charges	-	-	-	-	-	3,795
Total Expenditures	<u>-</u>	<u>225,000</u>	<u>25,797</u>	<u>-</u>	<u>839,198</u>	<u>404,182</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	14,155	3,594	93,888	245,934	(46,827)	214,863
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	-	-	348,150	3,800,000	-	-
Transfers Out	-	-	-	(1,000,000)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>348,150</u>	<u>2,800,000</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	14,155	3,594	442,038	3,045,934	(46,827)	214,863
Fund Balances - Beginning of Year	251,649	-	422,355	2,273,521	46,863	540,319
Restatement (See Note 15)	-	-	-	-	-	-
Fund Balances - Beginning, as Restated	<u>251,649</u>	<u>-</u>	<u>422,355</u>	<u>2,273,521</u>	<u>46,863</u>	<u>540,319</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 265,804</u>	<u>\$ 3,594</u>	<u>\$ 864,393</u>	<u>\$ 5,319,455</u>	<u>\$ 36</u>	<u>\$ 755,182</u>

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Regional Emergency Comm Center Fund	HUD CDBG Grant Fund	Crime Victim Assistance Fund	Cannabis Fund	Higher Ed Gross Receipts Tax Fund	Total Nonmajor Special Revenue Funds
<b>REVENUES</b>						
Municipal Taxes	\$ -	\$ -	\$ -	\$ 294,982	\$ 5,580,990	\$ 6,985,393
Franchise Taxes	-	-	-	-	-	38,675
Intergovernmental - Federal	-	798,736	85,865	-	-	884,601
Intergovernmental - State	-	-	-	-	-	3,206,098
Intergovernmental - Local	-	-	-	-	-	274,595
Investment Income (Loss)	94,574	-	-	23,345	856,233	3,944,222
Charges for Services	-	-	-	-	-	1,612,370
Fines and Forfeitures	-	-	-	-	-	629,014
Miscellaneous	2,055,306	-	-	-	-	2,737,540
Total Revenues	<u>2,149,880</u>	<u>798,736</u>	<u>85,865</u>	<u>318,327</u>	<u>6,437,223</u>	<u>20,312,508</u>
<b>EXPENDITURES</b>						
Current:						
General Government	-	-	-	8,641	167,655	1,717,704
Public Safety	5,527,909	-	85,865	-	-	8,409,769
Public Works	-	497,914	-	-	-	750,723
Parks, Recreation, and Culture	-	-	-	-	-	586,474
Community and Economic Development	-	-	-	-	-	1,098,271
Capital Outlay	-	312,181	-	-	6,238,931	7,364,815
Debt Service:						
Principal	-	-	-	-	1,610,000	1,746,309
Interest and Other Charges	-	-	-	-	346,750	363,826
Total Expenditures	<u>5,527,909</u>	<u>810,095</u>	<u>85,865</u>	<u>8,641</u>	<u>8,363,336</u>	<u>22,037,891</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(3,378,029)	(11,359)	-	309,686	(1,926,113)	(1,725,383)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	2,512,041	-	-	-	-	6,818,579
Transfers Out	(1,184,198)	-	-	(1,058,720)	-	(3,714,918)
Total Other Financing Sources (Uses)	<u>1,327,843</u>	<u>-</u>	<u>-</u>	<u>(1,058,720)</u>	<u>-</u>	<u>3,103,661</u>
<b>NET CHANGE IN FUND BALANCES</b>	(2,050,186)	(11,359)	-	(749,034)	(1,926,113)	1,378,278
Fund Balances - Beginning of Year	2,671,638	-	-	777,629	15,801,860	52,643,238
Restatement (See Note 15)	-	-	-	-	-	250,000
Fund Balances - Beginning, as Restated	<u>2,671,638</u>	<u>-</u>	<u>-</u>	<u>777,629</u>	<u>15,801,860</u>	<u>52,893,238</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 621,452</u>	<u>\$ (11,359)</u>	<u>\$ -</u>	<u>\$ 28,595</u>	<u>\$ 13,875,747</u>	<u>54,271,516</u>

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO  
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS  
DEBT SERVICE FUNDS  
JUNE 30, 2025**

*General Obligation Bond Fund* – to account for the debt service of general obligation debt.

*Gross Receipts Tax Revenue Bond Fund* – to account for the debt service of the New Mexico gross receipts tax revenue bonds.

*NMFA Debt Service Fund* – To account for debt service of loans with the NMFA.

**CITY OF RIO RANCHO, NEW MEXICO  
COMBINING BALANCE SHEET – NONMAJOR DEBT SERVICE FUNDS  
AS OF JUNE 30, 2025**

	General Obligation Bond Fund	GRT Revenue Bond Fund	NMFA Debt Service Fund	Total Nonmajor Debt Service Funds
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 14,165,240	\$ 24,764	\$ 411,911	\$ 14,601,915
Receivables:				
Accounts, Net				-
Property Taxes	380,329	-	-	380,329
Total Assets	\$ 14,545,569	\$ 24,764	\$ 411,911	\$ 14,982,244
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Total Liabilities	-	-	-	-
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue-Property				
Taxes	\$ 325,836	\$ -	\$ -	\$ 325,836
Total Deferred Inflows of Resources	325,836	-	-	325,836
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	14,219,733	24,764	411,911	14,656,408
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	14,219,733	24,764	411,911	14,656,408
 Total Liabilities, Deferred Inflows of Resources, and Fund Balances	 \$ 14,545,569	 \$ 24,764	 \$ 411,911	 \$ 14,982,244

*See Independent Auditor's Report.*

**CITY OF RIO RANCHO, NEW MEXICO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES – NONMAJOR DEBT SERVICE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	General Obligation Bond Fund	GRT Revenue Bond Fund	NMFA Debt Service Fund	Total Nonmajor Debt Service Funds
<b>REVENUES</b>				
Property Taxes	\$ 9,697,066	\$ -	\$ -	\$ 9,697,066
Investment Income	335,020	33,765	45,493	414,278
Total Revenues	<u>10,032,086</u>	<u>33,765</u>	<u>45,493</u>	<u>10,111,344</u>
<b>EXPENDITURES</b>				
Debt Service:				
Principal	4,320,000	1,535,000	1,095,754	6,950,754
Interest and Other Charges	1,417,479	38,375	136,996	1,592,850
Total Expenditures	<u>5,737,479</u>	<u>1,573,375</u>	<u>1,232,750</u>	<u>8,543,604</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	4,294,607	(1,539,610)	(1,187,257)	1,567,740
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	637,150	1,501,321	1,154,065	3,292,536
Transfers Out	-	-	(348,150)	(348,150)
Total Other Financing Sources (Uses)	<u>637,150</u>	<u>1,501,321</u>	<u>805,915</u>	<u>2,944,386</u>
<b>NET CHANGE IN FUND BALANCES</b>	4,931,757	(38,289)	(381,342)	4,512,126
Fund Balances - Beginning of Year	<u>9,287,976</u>	<u>63,053</u>	<u>793,253</u>	<u>10,144,282</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 14,219,733</u>	<u>\$ 24,764</u>	<u>\$ 411,911</u>	<u>\$ 14,656,408</u>

*See Independent Auditor's Report.*

**CITY OF RIO RANCHO, NEW MEXICO  
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS  
CAPITAL PROJECT FUNDS  
JUNE 30, 2025**

*Infrastructure Fund* – To account for capital (primarily infrastructure) acquisition, construction and repair from General Fund transfers and intergovernmental grants.

*Recreation Development Fund* – To account for revenues received for the construction of park facilities. This fund is also used to account for transfers from the General Fund, grants, and donations for the development and construction of park facilities. (Provided for by City Budget Resolution.)

*State Appropriation Capital Projects Fund* – To account for state appropriation capital expenditures approved by the state of New Mexico.

*2016 GO Bond Construction Fund* – To account for proceeds received for construction various road projects.

*2018 GO Bond Project Fund* – To account for proceeds received for various road improvement projects and public safety equipment and improvements projects.

*2020 GO Bond Project Fund* – To account for proceeds received for various road improvement projects and public safety equipment and improvements projects.

*2022 GO Bond Project Fund* – To account for proceeds received for various road improvement projects and public safety equipment and improvements projects.

*2024 GO Bond Project Fund* – To account for proceeds received for various road improvement projects and public safety equipment and improvements projects.

*Road Impact Fees Fund* – To account for impact fees under Sections 5-8-1 through 5-8-42 NMSA 1978 (The Development Fees Act) for the purpose of providing new or enlarged roads, equipment and capital improvements which substantially benefit those developments which pay the impact fees.

*Trails Impact Fees Fund* – To account for impact fees under Sections 5-8-1 through 5-8-42 NMSA 1978 (The Development Fees Act) for the purpose of providing new or enlarged bikeways, capital improvements, trails, and equipment which substantially benefit those developments which pay the impact fees.

*Parks Impact Fees Fund* – To account for impact fees under Sections 5-8-1 through 5-8-42 NMSA 1978 (The Development Fees Act) for the purpose of providing new or enlarged parks, equipment, and capital improvements, which substantially benefit those developments which pay the impact fees.

**CITY OF RIO RANCHO, NEW MEXICO  
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS  
CAPITAL PROJECT FUNDS  
JUNE 30, 2025**

*Public Safety Impact Fees Fund* – To account for impact fees under Sections 5-8-1 through 5-8-42 NMSA 1978 (The Development Fees Act) for the purpose of providing public safety, capital improvements, and equipment.

*Drainage Impact Fees Fund* – To account for impact fees under Sections 5-8-1 through 5-8-42 NMSA 1978 (The Development Fees Act) for the purpose of providing a conveyance system adequate to accommodate the design storm from the farthest upstream property or City boundary to the receiving waters of the Rio Grande river.

**CITY OF RIO RANCHO, NEW MEXICO  
COMBINING BALANCE SHEET –  
NONMAJOR CAPITAL PROJECT FUNDS  
AS OF JUNE 30, 2025**

	Infrastructure Fund	Recreation Development Fund	State Appropriation Capital Projects Fund	2016 GO Bond Construction Fund	2018 GO Bond Construction Fund
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 13,961,331	\$ 63,954	\$ -	\$ 27,817	\$ 2,754
Receivables:					
Interest	51,774	-	-	110	-
Due from Federal Government	1,594,241	-	-	-	-
Due from State Government	-	-	2,222,345	-	-
Deposits	239,775	-	-	-	-
Restricted Cash	-	-	-	-	67,164
Investments	10,461,628	-	-	-	-
Total Assets	<u>\$ 26,308,749</u>	<u>\$ 63,954</u>	<u>\$ 2,222,345</u>	<u>\$ 27,927</u>	<u>\$ 69,918</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ 1,292,454	\$ -	\$ 243,313	\$ -	\$ 2,592
Accrued Liabilities	-	-	-	-	-
Due to Other Funds	-	-	2,672,386	26,440	-
Total Liabilities	<u>1,292,454</u>	<u>-</u>	<u>2,915,699</u>	<u>26,440</u>	<u>2,592</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue					
Intergovernmental	240,868	-	-	-	-
Total Deferred Inflows of Resources	<u>240,868</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	-
Restricted	24,775,427	63,954	-	1,487	67,326
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	(693,354)	-	-
Total Fund Balances	<u>24,775,427</u>	<u>63,954</u>	<u>(693,354)</u>	<u>1,487</u>	<u>67,326</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 26,308,749</u>	<u>\$ 63,954</u>	<u>\$ 2,222,345</u>	<u>\$ 27,927</u>	<u>\$ 69,918</u>

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO  
 COMBINING BALANCE SHEET –  
 NONMAJOR CAPITAL PROJECT FUNDS  
 AS OF JUNE 30, 2025**

	2020 GO Bond Construction Fund	2022 GO Bond Construction Fund	2024 GO Bond Construction Fund	Road Impact Fees Fund	Trails Impact Fees Fund
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 3,467	\$ 877,027	\$ -	\$ 2,502,246	\$ 160,674
Receivables:					
Interest	-	5,801	27,734	11,384	400
Due from Federal Government	-	-	-	-	-
Due from State Government	-	-	-	-	-
Deposits	-	-	-	-	-
Restricted Cash	215,642	-	-	-	-
Investments	-	2,275,803	13,549,765	2,171,637	-
Total Assets	<u>\$ 219,109</u>	<u>\$ 3,158,631</u>	<u>\$ 13,577,499</u>	<u>\$ 4,685,267</u>	<u>\$ 161,074</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ 945	\$ 2,229	\$ 20,935	\$ 31,432	\$ -
Accrued Liabilities	-	-	-	-	-
Due to Other Funds	-	-	405,427	-	-
Total Liabilities	<u>945</u>	<u>2,229</u>	<u>426,362</u>	<u>31,432</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue					
Intergovernmental	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	-
Restricted	218,164	3,156,402	13,151,137	4,653,835	161,074
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	<u>218,164</u>	<u>3,156,402</u>	<u>13,151,137</u>	<u>4,653,835</u>	<u>161,074</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 219,109</u>	<u>\$ 3,158,631</u>	<u>\$ 13,577,499</u>	<u>\$ 4,685,267</u>	<u>\$ 161,074</u>

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO  
COMBINING BALANCE SHEET –  
NONMAJOR CAPITAL PROJECT FUNDS  
AS OF JUNE 30, 2025**

	Parks Impact Fees Fund	Public Safety Impact Fees Fund	Drainage Impact Fees Fund	Total Nonmajor Capital Project Funds
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 1,939,226	\$ 1,257,999	\$ 1,325,015	\$ 22,121,510
Receivables:				
Interest	5,773	2,467	8,125	113,568
Due from Federal Government	-	-	-	1,594,241
Due from State Government	-	-	-	2,222,345
Deposits	-	-	-	239,775
Restricted Cash	-	-	-	282,806
Investments	2,217,041	516,152	2,298,718	33,490,744
Total Assets	<u>\$ 4,162,040</u>	<u>\$ 1,776,618</u>	<u>\$ 3,631,858</u>	<u>\$ 60,064,989</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ 63,314	\$ 1,657,214
Accrued Liabilities	-	-	-	0
Due to Other Funds	-	-	-	3,104,253
Total Liabilities	-	-	63,314	4,761,467
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue				
Intergovernmental	-	-	-	240,868
Total Deferred Inflows of Resources	-	-	-	240,868
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted	4,162,040	1,776,618	3,568,544	55,756,008
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	(693,354)
Total Fund Balances	<u>4,162,040</u>	<u>1,776,618</u>	<u>3,568,544</u>	<u>55,062,654</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balances	 <u>\$ 4,162,040</u>	 <u>\$ 1,776,618</u>	 <u>\$ 3,631,858</u>	 <u>\$ 60,064,989</u>

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES –  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2025**

	Infrastructure Fund	Recreation Development Fund	State Appropriation Capital Projects Fund	2016 GO Bond Construction	2018 GO Bond Construction
<b>REVENUES</b>					
Intergovernmental -					
Federal	\$ 2,386,960	\$ -	\$ -	\$ -	\$ -
Intergovernmental - State	3,183,450	-	3,604,459	-	-
Intergovernmental - Local	100,000	-	-	-	-
Impact Fees	-	-	-	-	-
Investment Income (Loss)	1,026,530	5,580	-	1,487	5,908
Charges for Services	92,796	-	-	-	-
Total Revenues	<u>6,789,736</u>	<u>5,580</u>	<u>3,604,459</u>	<u>1,487</u>	<u>5,908</u>
<b>EXPENDITURES</b>					
Current:					
General Government	-	-	120,469	-	-
Public Safety	-	-	-	-	-
Public Works	143,454	30,787	-	-	-
Parks, Recreation, and Culture	-	-	-	-	-
Capital Outlay	13,899,277	166,542	4,552,873	2,304	79,301
Debt Service:					
Bond Issuance Costs	-	-	-	-	-
Total Expenditures	<u>14,042,731</u>	<u>197,329</u>	<u>4,673,342</u>	<u>2,304</u>	<u>79,301</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(7,252,995)	(191,749)	(1,068,883)	(817)	(73,393)
<b>OTHER FINANCING SOURCES (USES)</b>					
Issuance of General Obligation Bonds	-	-	-	-	-
Premium on Bonds Issued	-	-	-	-	-
Transfers In	14,019,329	188,013	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>14,019,329</u>	<u>188,013</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	6,766,334	(3,736)	(1,068,883)	(817)	(73,393)
Fund Balances - Beginning of Year	-	67,690	375,529	2,304	140,719
Adjustments - Changes within Reporting Entity	18,009,093	-	-	-	-
Fund Balance - Beginning as Adjusted	<u>18,009,093</u>	<u>67,690</u>	<u>375,529</u>	<u>2,304</u>	<u>140,719</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 24,775,427</u>	<u>\$ 63,954</u>	<u>\$ (693,354)</u>	<u>\$ 1,487</u>	<u>\$ 67,326</u>

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES –  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2025**

	2020 GO Bond Construction	2022 GO Bond Construction	2024 GO Bond Construction	Road Impact Fees Fund	Trails Impact Fees Fund
<b>REVENUES</b>					
Intergovernmental -					
Federal	\$ -	\$ -		\$ -	\$ -
Intergovernmental - State	-	-	-	-	-
Intergovernmental - Local	-	-	-	-	-
Impact Fees	-	-	-	1,936,743	46,167
Investment Income (Loss)	28,352	175,596	533,409	196,831	10,726
Charges for Services	-	-	-	-	-
Total Revenues	<u>28,352</u>	<u>175,596</u>	<u>533,409</u>	<u>2,133,574</u>	<u>56,893</u>
<b>EXPENDITURES</b>					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	58,102	1,385
Parks, Recreation, and Culture	-	38,469	306,344	-	-
Capital Outlay	260,413	695,705	3,093,404	113,281	101,890
Debt Service:					
Bond Issuance Costs	-	-	148,774	-	-
Total Expenditures	<u>260,413</u>	<u>734,174</u>	<u>3,548,522</u>	<u>171,383</u>	<u>103,275</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(232,061)	(558,578)	(3,015,113)	1,962,191	(46,382)
<b>OTHER FINANCING SOURCES (USES)</b>					
Issuance of General Obligation Bonds	-	-	16,000,000	-	-
Premium on Bonds Issued	-	-	807,150	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	(637,150)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>16,170,000</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(232,061)	(558,578)	13,154,887	1,962,191	(46,382)
Fund Balances - Beginning of Year	450,225	3,714,980	(3,750)	2,691,644	207,456
Adjustments - Changes within Reporting Entity	-	-	-	-	-
Fund Balance - Beginning as Adjusted	<u>450,225</u>	<u>3,714,980</u>	<u>(3,750)</u>	<u>2,691,644</u>	<u>207,456</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 218,164</u>	<u>\$ 3,156,402</u>	<u>\$ 13,151,137</u>	<u>\$ 4,653,835</u>	<u>\$ 161,074</u>

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES –  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2025**

	Park Impact Fees Fund	Public Safety Impact Fees Fund	Drainage Impact Fees Fund	Total Nonmajor Capital Project Funds
<b>REVENUES</b>				
Intergovernmental -				
Federal	\$ -	\$ -	\$ -	\$ 2,386,960
Intergovernmental - State	-	-	-	6,787,909
Intergovernmental - Local	-	-	-	100,000
Impact Fees	1,455,492	771,736	411,543	4,621,681
Investment Income (Loss)	168,548	84,135	184,784	2,421,886
Charges for Services	-	-	-	92,796
Total Revenues	<u>1,624,040</u>	<u>855,871</u>	<u>596,327</u>	<u>16,411,232</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	120,469
Public Safety	-	23,152	-	23,152
Public Works	43,665	-	12,346	289,739
Parks, Recreation, and Culture	-	-	-	344,813
Capital Outlay	57,729	382,099	211,323	23,616,141
Debt Service:				
Bond Issuance Costs	-	-	-	148,774
Total Expenditures	<u>101,394</u>	<u>405,251</u>	<u>223,669</u>	<u>24,543,088</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	1,522,646	450,620	372,658	(8,131,856)
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of General Obligation Bonds	-	-	-	16,000,000
Premium on Bonds Issued	-	-	-	807,150
Transfers In	-	-	-	14,207,342
Transfers Out	-	-	-	(637,150)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,377,342</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,522,646	450,620	372,658	22,245,486
Fund Balances - Beginning of Year	2,639,394	1,325,998	3,195,886	14,808,075
Adjustments - Changes within Reporting Entity	-	-	-	18,009,093
Fund Balance - Beginning as Adjusted	<u>2,639,394</u>	<u>1,325,998</u>	<u>3,195,886</u>	<u>32,817,168</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 4,162,040</u>	<u>\$ 1,776,618</u>	<u>\$ 3,568,544</u>	<u>\$ 55,062,654</u>

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO  
INTERNAL SERVICE FUND DESCRIPTIONS  
JUNE 30, 2025**

*Health Self-Insurance Fund* – To account for revenues collected from employee/employer contributions for the purpose of self-funding health insurance administered by Presbyterian and Blue Cross Blue Shield.

*Dental Self-Insurance Fund* – To account for revenues collected from employee/employer contributions for the purpose of self-funding dental insurance administered by Delta Dental.

**CITY OF RIO RANCHO, NEW MEXICO  
 COMBINING STATEMENT OF NET POSITION –  
 INTERNAL SERVICE FUNDS  
 AS OF JUNE 30, 2025**

	<u>Health Self-Insurance Fund</u>	<u>Dental Self-Insurance Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 3,157,325	\$ 533,067	\$ 3,690,392
Receivables:			
Interest Receivable	<u>2,631</u>	<u>1,315</u>	<u>3,946</u>
Total Current Assets	<u>3,159,956</u>	<u>534,382</u>	<u>3,694,338</u>
Noncurrent Assets:			
Investments	<u>1,032,303</u>	<u>516,152</u>	<u>1,548,455</u>
Total Noncurrent Assets	<u>1,032,303</u>	<u>516,152</u>	<u>1,548,455</u>
Total Assets	<u><u>\$ 4,192,259</u></u>	<u><u>\$ 1,050,534</u></u>	<u><u>\$ 5,242,793</u></u>
<b>LIABILITIES</b>			
Current Liabilities:			
Claims Payable	<u>853,291</u>	<u>21,877</u>	<u>875,168</u>
Total Current Liabilities	<u>853,291</u>	<u>21,877</u>	<u>875,168</u>
Total Liabilities	<u>853,291</u>	<u>21,877</u>	<u>875,168</u>
<b>NET POSITION</b>			
Unrestricted	<u>3,338,968</u>	<u>1,028,657</u>	<u>4,367,625</u>
Total Net Position	<u>3,338,968</u>	<u>1,028,657</u>	<u>4,367,625</u>
Total Liabilities and Net Position	<u><u>\$ 4,192,259</u></u>	<u><u>\$ 1,050,534</u></u>	<u><u>\$ 5,242,793</u></u>

*See Independent Auditor's Report.*

**CITY OF RIO RANCHO, NEW MEXICO  
 COMBINING STATEMENT OF REVENUES, EXPENSES,  
 AND CHANGES IN NET POSITION –  
 INTERNAL SERVICE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2025**

	Health Self-Insurance Fund	Dental Self-Insurance Fund	Total
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 9,237,454	\$ 481,187	\$ 9,718,641
Interest Income	123,889	52,352	176,241
Total Revenues	<u>9,361,343</u>	<u>533,539</u>	<u>9,894,882</u>
<b>OPERATING EXPENSES</b>			
General and Administrative	602,506	32,100	634,606
Claims and Premiums	<u>7,630,937</u>	<u>425,739</u>	<u>8,056,676</u>
Total Expenses	<u>8,233,443</u>	<u>457,839</u>	<u>8,691,282</u>
<b>OPERATING INCOME (LOSS)</b>	1,127,900	75,700	1,203,600
Transfers In	1,378,025	-	1,378,025
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGE IN NET POSITION</b>	2,505,925	75,700	2,581,625
Net Position - Beginning of Year	<u>833,043</u>	<u>952,957</u>	<u>1,786,000</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 3,338,968</u></u>	<u><u>\$ 1,028,657</u></u>	<u><u>\$ 4,367,625</u></u>

*See Independent Auditor's Report.*

**CITY OF RIO RANCHO, NEW MEXICO  
COMBINING STATEMENT OF CASH FLOWS –  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2025**

	<u>Health Self-Insurance Fund</u>	<u>Dental Self-Insurance Fund</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers and Users	\$ 9,237,454	\$ 481,187	\$ 9,718,641
Payments to Suppliers and Contractors	(8,199,112)	(455,520)	(8,654,632)
Interest Income	121,258	51,037	172,295
Net Cash Provided (Used) by Operating Activities	<u>1,159,600</u>	<u>76,704</u>	<u>1,236,304</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
Transfers (to) from Other Funds	<u>1,378,025</u>	<u>-</u>	<u>1,378,025</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>1,378,025</u>	<u>-</u>	<u>1,378,025</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of Investments	<u>(1,032,303)</u>	<u>(516,152)</u>	<u>(1,548,455)</u>
Net Cash Provided by Investing Activities	<u>(1,032,303)</u>	<u>(516,152)</u>	<u>(1,548,455)</u>
<b>NET CASH PROVIDED (USED) ALL ACTIVITIES</b>	<u>1,505,322</u>	<u>(439,448)</u>	<u>1,065,874</u>
Cash and Cash Equivalents - Beginning of Year	<u>1,652,003</u>	<u>972,515</u>	<u>2,624,518</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 3,157,325</u></u>	<u><u>\$ 533,067</u></u>	<u><u>\$ 3,690,392</u></u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ 1,127,900	\$ 75,700	\$ 1,203,600
Adjustments to Reconcile Operating Income (Loss):			
(Increase) Decrease in Accounts Receivable	(2,631)	(1,315)	(3,946)
Increase (Decrease) in Claims Payable	34,331	2,319	36,650
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 1,159,600</u></u>	<u><u>\$ 76,704</u></u>	<u><u>\$ 1,236,304</u></u>

*See Independent Auditor's Report.*

**CITY OF RIO RANCHO, NEW MEXICO  
CUSTODIAL FUND DESCRIPTIONS  
JUNE 30, 2025**

*Municipal Court Fund* – To account for collections and payments of court fines, criminal bonds, and other fees from and on behalf of the public.

**CITY OF RIO RANCHO, NEW MEXICO  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION –  
 CUSTODIAL FUNDS  
 AS OF JUNE 30, 2025**

	Municipal Court Fund	Total Custodial Funds
<b>ASSETS</b>		
Cash	\$ 8,000	\$ 8,000
Total Assets	\$ 8,000	\$ 8,000
 <b>LIABILITIES</b>		
Deposits Held for Others	\$ 8,000	\$ 8,000
Total Liabilities	8,000	8,000
 <b>NET POSITION</b>		
Net Position	-	-
Total Net Position	\$ -	\$ -

*See Independent Auditor's Report.*

**CITY OF RIO RANCHO, NEW MEXICO  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION –  
 CUSTODIAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2025**

	<u>Municipal Court Fund</u>	<u>Total Custodial Funds</u>
<b>ADDITIONS</b>		
Municipal Court Bond Deposits	\$ 3,248	\$ 3,248
Total Additions	<u>3,248</u>	<u>3,248</u>
<b>DEDUCTIONS</b>		
Municipal Court Bond Payments	<u>3,248</u>	<u>3,248</u>
Total Deductions	<u>3,248</u>	<u>3,248</u>
<b>NET INCREASE (DECREASE) IN NET POSITION</b>	-	-
Net Position - Beginning of Year	<u>-</u>	<u>-</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

*See Independent Auditor's Report.*

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
ANIMAL SHELTER FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Charges for Services	\$ 35,000	\$ 35,000	\$ 33,664	\$ (1,336)
Fines and Forfeitures	500	500	400	(100)
Investment Income	-	-	895	895
Miscellaneous	2,300	2,300	4,356	2,056
Total Revenues	<u>37,800</u>	<u>37,800</u>	<u>39,315</u>	<u>1,515</u>
<b>EXPENDITURES</b>				
Current:				
Public Safety	59,482	66,174	54,502	11,672
Total Expenditures	<u>59,482</u>	<u>66,174</u>	<u>54,502</u>	<u>11,672</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(21,682)	(28,374)	(15,187)	13,187
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(21,682)	(28,374)	(15,187)	13,187
Fund Balances - Beginning of Year, Budgetary Basis	<u>24,308</u>	<u>31,000</u>	<u>31,000</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 2,626</u>	<u>\$ 2,626</u>	<u>\$ 15,813</u>	<u>\$ 13,187</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 39,315
(No Differences)	-
Total Actual Revenues - GAAP Basis	<u>\$ 39,315</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 54,502
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Prior Year Accrued Expenditures	(1,547)
Total Actual Expenditures - GAAP Basis	<u>\$ 52,955</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
RECREATION ACTIVITIES FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Charges for Services	\$ 203,227	\$ 240,384	\$ 194,568	\$ (45,816)
Intergovernmental - Federal	-	-	-	-
Investment Income (Loss)	-	-	21,441	21,441
Total Revenues	<u>203,227</u>	<u>240,384</u>	<u>216,009</u>	<u>(24,375)</u>
<b>EXPENDITURES</b>				
Current:				
Parks, Recreation, and Culture	358,098	550,706	94,576	456,130
Capital Outlay	9,000	20,706	153,363	(132,657)
Total Expenditures	<u>367,098</u>	<u>571,412</u>	<u>247,939</u>	<u>323,473</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(163,871)	(331,028)	(31,930)	299,098
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(163,871)	(331,028)	(31,930)	299,098
Fund Balances - Beginning of Year, Budgetary Basis	<u>302,720</u>	<u>432,091</u>	<u>432,091</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 138,849</u>	<u>\$ 101,063</u>	<u>\$ 400,161</u>	<u>\$ 299,098</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 216,009
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	678
Prior Year Accrued Revenue	
Total Actual Revenues - GAAP Basis	<u>\$ 216,687</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 247,939
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	1,450
Prior Year Accrued Expenditures	(8,892)
Total Actual Expenditures - GAAP Basis	<u>\$ 240,497</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
KEEP RIO RANCHO BEAUTIFUL FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Intergovernmental - State	\$ -	\$ 37,152	\$ 31,118	\$ (6,034)
Miscellaneous	-	-	165	165
Total Revenues	-	37,152	31,283	(5,869)
<b>EXPENDITURES</b>				
Current:				
Community and Economic Development	248	29,213	22,933	6,280
Total Expenditures	248	29,213	22,933	6,280
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(248)	7,939	8,350	411
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	(248)	7,939	8,350	411
Fund Balances - Beginning of Year, Budgetary Basis	248	(7,938)	(7,938)	-
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 412</u>	<u>\$ 411</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 31,283
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Prior Year Accrued Revenue	(8,185)
Total Actual Revenues - GAAP Basis	<u>\$ 23,098</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 22,933
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u>\$ 22,933</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
WORKERS' COMPENSATION FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Investment Income (Loss)	\$ 50,000	\$ 50,000	\$ 243,996	\$ 193,996
Miscellaneous	241,183	241,183	117,776	(123,407)
Total Revenues	<u>291,183</u>	<u>291,183</u>	<u>361,772</u>	<u>70,589</u>
<b>EXPENDITURES</b>				
Current:				
General Government	900,000	900,000	204,012	695,988
Total Expenditures	<u>900,000</u>	<u>900,000</u>	<u>204,012</u>	<u>695,988</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(608,817)	(608,817)	157,760	766,577
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(608,817)	(608,817)	157,760	766,577
Fund Balances - Beginning of Year, Budgetary Basis	4,260,808	4,260,808	4,260,808	-
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 3,651,991</u>	<u>\$ 3,651,991</u>	<u>\$ 4,418,568</u>	<u>\$ 766,577</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 361,772
Certain Year-End Adjustments Related to the Fair Market Value of the City's Investments are Considered Revenue for Financial Reporting but not for Budgetary Reporting	
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	10,988
Prior Year Accrued Revenue	(18,230)
Total Actual Revenues - GAAP Basis	<u>\$ 354,530</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 204,012
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u>\$ 204,012</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
RIO METRO FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Miscellaneous	\$ 112,890	\$ 128,940	\$ 88,995	\$ (39,945)
Total Revenues	112,890	128,940	88,995	(39,945)
<b>EXPENDITURES</b>				
Current:				
General Government	96,000	112,050	94,121	17,929
Total Expenditures	96,000	112,050	94,121	17,929
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	16,890	16,890	(5,126)	(22,016)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	16,890	16,890	(5,126)	(22,016)
Fund Balances - Beginning of Year, Budgetary Basis	(12,164)	(12,164)	(12,164)	-
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 4,726</u>	<u>\$ 4,726</u>	<u>\$ (17,290)</u>	<u>\$ (22,016)</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 88,995
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	7,444
Prior Year Accrued Revenue	(8,374)
Total Actual Revenues - GAAP Basis	<u>\$ 88,065</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 94,121
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u>\$ 94,121</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
SENIOR SERVICES FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Charges for Services	\$ 13,100	\$ 13,100	\$ 1,218	\$ (11,882)
Investment Income	-	-	1,531	1,531
Miscellaneous	-	-	1,165	1,165
Total Revenues	<u>13,100</u>	<u>13,100</u>	<u>3,914</u>	<u>(9,186)</u>
<b>EXPENDITURES</b>				
Current:				
Parks, Recreation, and Culture	19,360	30,024	13,016	17,008
Total Expenditures	<u>19,360</u>	<u>30,024</u>	<u>13,016</u>	<u>17,008</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(6,260)	(16,924)	(9,102)	7,822
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(6,260)	(16,924)	(9,102)	7,822
Fund Balances - Beginning of Year, Budgetary Basis	<u>34,108</u>	<u>34,772</u>	<u>34,772</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 27,848</u>	<u>\$ 17,848</u>	<u>\$ 25,670</u>	<u>\$ 7,822</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 3,914
(No Differences)	-
Total Actual Revenues - GAAP Basis	<u>\$ 3,914</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 13,016
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u>\$ 13,016</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
LIBRARY FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Intergovernmental - State	\$ -	\$ 347,299	\$ 132,122	\$ (215,177)
Intergovernmental - Local	-	609,646	383,540	(226,106)
Total Revenues	-	956,945	515,662	(441,283)
<b>EXPENDITURES</b>				
Current:				
Parks, Recreation, and Culture	-	809,398	476,341	333,057
Capital Outlay	-	49,143	9,453	39,690
Total Expenditures	-	858,541	485,794	372,747
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	-	98,404	29,868	(68,536)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	-	98,404	29,868	(68,536)
Fund Balances - Beginning of Year, Budgetary Basis	-	(98,403)	(98,403)	-
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ (68,535)</u>	<u>\$ (68,536)</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 515,662
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Unearned Revenue	69,851
Prior Year Unearned Revenue	(108,945)
Total Actual Revenues - GAAP Basis	<u>\$ 476,568</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 485,794
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	14,655
Prior Year Accrued Expenditures	(10,543)
Total Actual Expenditures - GAAP Basis	<u>\$ 489,906</u>

*See Independent Auditor's Report.*

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
LOCAL ECONOMIC DEVELOPMENT FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Municipal and State Shared Taxes	\$ 413,779	\$ 413,779	\$ 483,097	\$ 69,318
Investment Income (Loss)	90,000	90,000	135,830	45,830
Miscellaneous	-	-	383,979	383,979
Total Revenues	<u>503,779</u>	<u>503,779</u>	<u>1,002,906</u>	<u>499,127</u>
<b>EXPENDITURES</b>				
Community and Economic Development	-	350,000	-	350,000
Total Expenditures	<u>-</u>	<u>350,000</u>	<u>-</u>	<u>350,000</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	503,779	153,779	1,002,906	849,127
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	503,779	153,779	1,002,906	849,127
Fund Balances - Beginning of Year, Budgetary Basis	<u>1,499,602</u>	<u>1,849,602</u>	<u>1,849,602</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u><u>\$ 2,003,381</u></u>	<u><u>\$ 2,003,381</u></u>	<u><u>\$ 2,852,508</u></u>	<u><u>\$ 849,127</u></u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 1,002,906
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	5,931
Prior Year Accrued Revenue	(93,364)
Total Actual Revenues - GAAP Basis	<u><u>\$ 915,473</u></u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ -
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u><u>\$ -</u></u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
LOCAL GOVERNMENT ABATEMENT OPIOID FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Miscellaneous	\$ -	\$ -	\$ 189,338	\$ 189,338
Investment Income (Loss)	30,000	30,000	186,513	156,513
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>375,851</u>	<u>345,851</u>
<b>EXPENDITURES</b>				
Community and Economic Development	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	30,000	30,000	375,851	345,851
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	30,000	30,000	375,851	345,851
Fund Balances - Beginning of Year, Budgetary Basis	<u>2,991,012</u>	<u>2,991,012</u>	<u>2,991,012</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u><u>\$ 3,021,012</u></u>	<u><u>\$ 3,021,012</u></u>	<u><u>\$ 3,366,863</u></u>	<u><u>\$ 345,851</u></u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 375,851
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Unavailable Revenue	113,558
Prior Year Unavailable Revenue	(118,382)
Current Year Accrued Revenue	8,081
Prior Year Accrued Revenue	(19,181)
Total Actual Revenues - GAAP Basis	<u><u>\$ 359,927</u></u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ -
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u><u>\$ -</u></u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
CONVENTION AND VISITORS BUREAU FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Municipal and State-Shared Taxes	\$ 475,000	\$ 475,000	\$ 541,171	\$ 66,171
Investment Income (Loss)	500	500	10,185	9,685
Miscellaneous	-	-	5,160	5,160
Charges for Services	16,565	16,565	2,914	(13,651)
Total Revenues	<u>492,065</u>	<u>492,065</u>	<u>559,430</u>	<u>67,365</u>
<b>EXPENDITURES</b>				
Current:				
Community and Economic Development	419,189	497,185	397,396	99,789
Total Expenditures	<u>419,189</u>	<u>497,185</u>	<u>397,396</u>	<u>99,789</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	72,876	(5,120)	162,034	167,154
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	(242,000)	(242,000)	(242,000)	-
Total Other Financing Sources (Uses)	<u>(242,000)</u>	<u>(242,000)</u>	<u>(242,000)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(169,124)	(247,120)	(79,966)	167,154
Fund Balances - Beginning of Year, Budgetary Basis	<u>288,806</u>	<u>311,890</u>	<u>311,890</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u><u>\$ 119,682</u></u>	<u><u>\$ 64,770</u></u>	<u><u>\$ 231,924</u></u>	<u><u>\$ 167,154</u></u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 559,430
Current Year Accrued Revenue	<u>\$ 333</u>
Total Actual Revenues - GAAP Basis	<u><u>\$ 559,763</u></u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 397,396
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	10,676
Prior Year Accrued Expenditures	<u>(31,994)</u>
Total Actual Expenditures - GAAP Basis	<u><u>\$ 376,078</u></u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
RIO VISION CABLE FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Franchise Fees	\$ 35,000	\$ 35,000	\$ 50,074	\$ 15,074
Interest Income	-	-	2,584	2,584
Total Revenues	<u>35,000</u>	<u>35,000</u>	<u>52,658</u>	<u>17,658</u>
<b>EXPENDITURES</b>				
Current:				
Community and Economic Development	105,500	113,939	97,402	16,537
Total Expenditures	<u>105,500</u>	<u>113,939</u>	<u>97,402</u>	<u>16,537</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(70,500)	(78,939)	(44,744)	34,195
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	73,513	73,513	73,513	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>73,513</u>	<u>73,513</u>	<u>73,513</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	3,013	(5,426)	28,769	34,195
Fund Balances - Beginning of Year, Budgetary Basis	<u>(3,013)</u>	<u>5,426</u>	<u>5,426</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,195</u>	<u>\$ 34,195</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 52,658
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	6,787
Prior Year Accrued Revenue	(18,187)
Total Actual Revenues - GAAP Basis	<u>\$ 41,258</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 97,402
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	10,051
Prior Year Accrued Expenditures	(8,193)
Total Actual Expenditures - GAAP Basis	<u>\$ 99,260</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
LOCAL GOVERNMENT CORRECTIONS FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Charges for Services	\$ 324,545	\$ 360,000	\$ 364,215	\$ 4,215
Investment Income	2,000	2,000	2,280	280
Total Revenues	<u>326,545</u>	<u>362,000</u>	<u>366,495</u>	<u>4,495</u>
<b>EXPENDITURES</b>				
Current:				
Public Safety	362,017	555,548	451,847	103,701
Total Expenditures	<u>362,017</u>	<u>555,548</u>	<u>451,847</u>	<u>103,701</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(35,472)	(193,548)	(85,352)	108,196
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	4,875	84,875	84,875	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>4,875</u>	<u>84,875</u>	<u>84,875</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(30,597)	(108,673)	(477)	108,196
Fund Balances - Beginning of Year, Budgetary Basis	<u>30,597</u>	<u>108,673</u>	<u>108,673</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 108,196</u>	<u>\$ 108,196</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 366,495
(No Differences)	-
Total Actual Revenues - GAAP Basis	<u>\$ 366,495</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 451,847
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	246,812
Prior Year Accrued Expenditures	(89,440)
Total Actual Expenditures - GAAP Basis	<u>\$ 609,219</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
LAW ENFORCEMENT FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Intergovernmental - State	\$ 312,500	\$ 312,500	\$ 312,500	\$ -
Investment Income (Loss)	-	-	8,614	8,614
Total Revenues	<u>312,500</u>	<u>312,500</u>	<u>321,114</u>	<u>8,614</u>
<b>EXPENDITURES</b>				
Current:				
Public Safety	429,897	429,897	315,171	114,726
Total Expenditures	<u>429,897</u>	<u>429,897</u>	<u>315,171</u>	<u>114,726</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(117,397)	(117,397)	5,943	123,340
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(117,397)	(117,397)	5,943	123,340
Fund Balances - Beginning of Year, Budgetary Basis	<u>117,397</u>	<u>117,397</u>	<u>117,397</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 123,340</u></u>	<u><u>\$ 123,340</u></u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis (No Differences)	\$ 321,114
Total Actual Revenues - GAAP Basis	<u><u>\$ 321,114</u></u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis (No Differences)	\$ 315,171
Total Actual Expenditures - GAAP Basis	<u><u>\$ 315,171</u></u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
PUBLIC SAFETY ENFORCEMENT AID FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Fines and Forfeitures	\$ 250,000	\$ 250,000	\$ 383,517	\$ 133,517
Miscellaneous	-	339	739	400
Investment Income (Loss)	25,000	25,000	42,673	17,673
Total Revenues	<u>275,000</u>	<u>275,339</u>	<u>426,929</u>	<u>151,590</u>
<b>EXPENDITURES</b>				
Current:				
Public Safety	58,760	83,908	52,856	31,052
Capital Outlay	305,071	649,153	312,762	336,391
Total Expenditures	<u>363,831</u>	<u>733,061</u>	<u>365,618</u>	<u>367,443</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(88,831)	(457,722)	61,311	519,033
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(88,831)	(457,722)	61,311	519,033
Fund Balances - Beginning of Year, Budgetary Basis	<u>338,831</u>	<u>707,722</u>	<u>707,722</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 769,033</u>	<u>\$ 519,033</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 426,929
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	20,572
Prior Year Accrued Revenue	(30,410)
Total Actual Revenues - GAAP Basis	<u>\$ 417,091</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 365,618
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	91,044
Prior Year Accrued Expenditures	(3,692)
Total Actual Expenditures - GAAP Basis	<u>\$ 452,970</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
TRAFFIC EDUCATION AND ENFORCEMENT AID FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Fines and Forfeitures	\$ 60,000	\$ 61,000	\$ 72,770	\$ 11,770
Investment Income	2,000	2,000	3,443	1,443
Total Revenues	<u>62,000</u>	<u>63,000</u>	<u>76,213</u>	<u>13,213</u>
<b>EXPENDITURES</b>				
Current:				
Public Safety	45,790	45,790	21,012	24,778
Capital Outlay	-	-	-	-
Total Expenditures	<u>45,790</u>	<u>45,790</u>	<u>21,012</u>	<u>24,778</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	16,210	17,210	55,201	37,991
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	16,210	17,210	55,201	37,991
Fund Balances - Beginning of Year, Budgetary Basis	<u>54,077</u>	<u>53,077</u>	<u>53,077</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 70,287</u>	<u>\$ 70,287</u>	<u>\$ 108,278</u>	<u>\$ 37,991</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 76,213
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	
Prior Year Accrued Revenue	\$ (1,000)
Total Actual Revenues - GAAP Basis	<u>\$ 75,213</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 21,012
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u>\$ 21,012</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
PERMANENT FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Charges for Services	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000
Investment Income (loss)	1,000,000	1,000,000	1,077,148	77,148
Total Revenues	<u>1,000,000</u>	<u>1,000,000</u>	<u>2,077,148</u>	<u>1,077,148</u>
<b>EXPENDITURES</b>				
Current:				
General Government	16,000	16,000	15,144	856
Total Expenditures	<u>16,000</u>	<u>16,000</u>	<u>15,144</u>	<u>856</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	984,000	984,000	2,062,004	1,078,004
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	984,000	984,000	2,062,004	1,078,004
Fund Balances - Beginning of Year, Budgetary Basis	<u>12,124,024</u>	<u>12,234,943</u>	<u>12,234,943</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 13,108,024</u>	<u>\$ 13,218,943</u>	<u>\$ 14,296,947</u>	<u>\$ 1,078,004</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 2,077,148
Certain Year-End Adjustments Related to the Fair Market Value of the City's Investments are Considered Revenue for Financial Reporting but not for Budgetary Reporting	471,458
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	48,273
Total Actual Revenues - GAAP Basis	<u>\$ 2,596,879</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 15,144
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	5,367
Total Actual Expenditures - GAAP Basis	<u>\$ 20,511</u>

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
SPECIAL ASSESSMENT DISTRICT OPERATING FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Miscellaneous	\$ 32,640	\$ 32,640	\$ 32,640	\$ -
Investment Income	1,000	1,000	2,211	1,211
Total Revenues	<u>33,640</u>	<u>33,640</u>	<u>34,851</u>	<u>1,211</u>
<b>EXPENDITURES</b>				
Current:				
General Government	69,003	69,278	40,260	29,018
Total Expenditures	<u>69,003</u>	<u>69,278</u>	<u>40,260</u>	<u>29,018</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(35,363)	(35,638)	(5,409)	30,229
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(35,363)	(35,638)	(5,409)	30,229
Fund Balances - Beginning of Year, Budgetary Basis	35,363	35,638	35,638	-
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,229</u>	<u>\$ 30,229</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis (No Differences)	\$ 34,851
Total Actual Revenues - GAAP Basis	<u>\$ 34,851</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 40,260
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	1,765
Prior Year Accrued Expenditures	(1,449)
Total Actual Expenditures - GAAP Basis	<u>\$ 40,576</u>

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
SPECIAL ASSESSMENT DISTRICT VI BOND FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Miscellaneous	\$ 9,000	\$ 9,000	\$ 13,547	\$ 4,547
Investment Income (Loss)	100,200	100,200	151,080	50,880
Total Revenues	<u>109,200</u>	<u>109,200</u>	<u>164,627</u>	<u>55,427</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	109,200	109,200	164,627	55,427
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	(230,000)	(230,000)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(230,000)</u>	<u>(230,000)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	109,200	(120,800)	(65,373)	55,427
Fund Balances - Beginning of Year, Budgetary Basis	<u>2,594,310</u>	<u>2,594,310</u>	<u>2,594,310</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 2,703,510</u>	<u>\$ 2,473,510</u>	<u>\$ 2,528,937</u>	<u>\$ 55,427</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 164,627
Certain Year-End Adjustments Related to the Fair Market Value of the City's Investments are Considered Revenue for Financial Reporting but not for Budgetary Reporting	
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	7,623
Total Actual Revenues - GAAP Basis	<u>\$ 172,250</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ -
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u>\$ -</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
SPECIAL ASSESSMENT DISTRICT VII BOND FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Miscellaneous	\$ 15,000	\$ 15,000	\$ 18,146	\$ 3,146
Investment Income (Loss)	115,000	115,000	89,522	(25,478)
Total Revenues	<u>130,000</u>	<u>130,000</u>	<u>107,668</u>	<u>(22,332)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	580,942	841,123	841,122	1
Total Expenditures	<u>580,942</u>	<u>841,123</u>	<u>841,122</u>	<u>1</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(450,942)	(711,123)	(733,454)	(22,331)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(450,942)	(711,123)	(733,454)	(22,331)
Fund Balances - Beginning of Year, Budgetary Basis	<u>1,982,987</u>	<u>1,982,942</u>	<u>1,982,942</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 1,532,045</u>	<u>\$ 1,271,819</u>	<u>\$ 1,249,488</u>	<u>\$ (22,331)</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 107,668
Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	6,208
Total Actual Revenues - GAAP Basis	<u>\$ 113,876</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 841,122
(No Differences)	\$ -
Total Actual Expenditures - GAAP Basis	<u>\$ 841,122</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
SPECIAL ASSESSMENT DISTRICT VIII BOND FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Miscellaneous	\$ 10,000	\$ 10,000	\$ 9,986	\$ (14)
Investment Income (Loss)	16,000	16,000	14,064	(1,936)
Total Revenues	<u>26,000</u>	<u>26,000</u>	<u>24,050</u>	<u>(1,950)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	124,606	341,066	341,066	-
Total Expenditures	<u>124,606</u>	<u>341,066</u>	<u>341,066</u>	<u>-</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(98,606)	(315,066)	(317,016)	(1,950)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(98,606)	(315,066)	(317,016)	(1,950)
Fund Balances - Beginning of Year, Budgetary Basis	<u>450,598</u>	<u>450,598</u>	<u>450,598</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u><u>\$ 351,992</u></u>	<u><u>\$ 135,532</u></u>	<u><u>\$ 133,582</u></u>	<u><u>\$ (1,950)</u></u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 24,050
(No Differences)	-
Total Actual Revenues - GAAP Basis	<u><u>\$ 24,050</u></u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 341,066
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u><u>\$ 341,066</u></u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
LEDA REIMBURSEMENT  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Investment Income	\$ -	\$ -	\$ 176,043	\$ 176,043
Intergovernmental - State	-	-	-	-
Total Revenues	-	-	176,043	176,043
<b>EXPENDITURES</b>				
Current:				
Community and Economic Development	-	3,050,000	600,000	2,450,000
Total Expenditures	-	3,050,000	600,000	2,450,000
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	-	(3,050,000)	(423,957)	2,626,043
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	-	(3,050,000)	(423,957)	2,626,043
Fund Balances - Beginning of Year, Budgetary Basis	135,688	3,185,688	3,185,688	-
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 135,688</u>	<u>\$ 135,688</u>	<u>\$ 2,761,731</u>	<u>\$ 2,626,043</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 176,043
Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Unearned Revenue	6,787
Total Actual Revenues - GAAP Basis	<u>\$ 182,830</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 600,000
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u>\$ 600,000</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
DONATIONS FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Donations	\$ 5,000	\$ 5,000	\$ 6,510	\$ 1,510
Investment Income	-	-	1,030	1,030
<b>Total Revenues</b>	<u>5,000</u>	<u>5,000</u>	<u>7,540</u>	<u>2,540</u>
<b>EXPENDITURES</b>				
Current:				
Parks, Recreation, and Culture	22,922	25,396	3,558	-
<b>Total Expenditures</b>	<u>22,922</u>	<u>25,396</u>	<u>3,558</u>	<u>-</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(17,922)	(20,396)	3,982	24,378
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(17,922)	(20,396)	3,982	24,378
Fund Balances - Beginning of Year, Budgetary Basis	17,922	20,396	20,396	-
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,378</u>	<u>\$ 24,378</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis (No Differences)	\$ 7,540
Total Actual Revenues - GAAP Basis	<u>\$ 7,540</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 3,558
Current Period for Financial Reporting but not for Budgetary Reporting:	
Prior Year Accrued Expenditures	(70)
Total Actual Expenditures - GAAP Basis	<u>\$ 3,488</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
FIRE PROTECTION FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Intergovernmental - State	\$ 970,000	\$ 981,149	\$ 981,149	\$ -
Investment Income (Loss)	-	12,404	30,190	17,786
Total Revenues	<u>970,000</u>	<u>993,553</u>	<u>1,011,339</u>	<u>17,786</u>
<b>EXPENDITURES</b>				
Current:				
Public Safety	523,642	778,239	624,112	154,127
Capital Outlay	490,571	628,038	255,148	372,890
Debt Service:				
Principal	39,758	39,758	39,758	-
Interest and Other Charges	13,281	13,281	13,281	-
Total Expenditures	<u>1,067,252</u>	<u>1,459,316</u>	<u>932,299</u>	<u>527,017</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(97,252)	(465,763)	79,040	544,803
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(97,252)	(465,763)	79,040	544,803
Fund Balances - Beginning of Year, Budgetary Basis	<u>97,337</u>	<u>466,138</u>	<u>466,138</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 85</u>	<u>\$ 375</u>	<u>\$ 545,178</u>	<u>\$ 544,803</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 1,011,339
(No Differences)	-
Total Actual Revenues - GAAP Basis	<u>\$ 1,011,339</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 932,299
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	26,149
Prior Year Accrued Expenditures	(144,526)
Total Actual Expenditures - GAAP Basis	<u>\$ 813,922</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
EMERGENCY MEDICAL SERVICES FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Intergovernmental - State	\$ 20,000	\$ 98,992	\$ 98,992	\$ -
Investment Income	-	-	1,575	1,575
Total Revenues	<u>20,000</u>	<u>98,992</u>	<u>100,567</u>	<u>1,575</u>
<b>EXPENDITURES</b>				
Current:				
Public Safety	20,000	76,246	69,046	7,200
Capital Outlay	1,812	27,142	26,987	155
Total Expenditures	<u>21,812</u>	<u>103,388</u>	<u>96,033</u>	<u>7,355</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(1,812)	(4,396)	4,534	8,930
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(1,812)	(4,396)	4,534	8,930
Fund Balances - Beginning of Year, Budgetary Basis	<u>1,812</u>	<u>4,396</u>	<u>4,396</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,930</u>	<u>\$ 8,930</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 100,567
(No Differences)	-
Total Actual Revenues - GAAP Basis	<u>\$ 100,567</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 96,033
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u>\$ 96,033</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
DWI PROGRAM FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Investment Income (Loss)	\$ 20,000	\$ 20,000	\$ 13,108	\$ (6,892)
Total Revenues	20,000	20,000	13,108	(6,892)
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Total Expenditures	-	-	-	-
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	20,000	20,000	13,108	(6,892)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	20,000	20,000	13,108	(6,892)
Fund Balances - Beginning of Year, Budgetary Basis	251,650	251,650	251,650	-
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 271,650</u>	<u>\$ 271,650</u>	<u>\$ 264,758</u>	<u>\$ (6,892)</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 13,108
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	1,047
Total Actual Revenues - GAAP Basis	<u>\$ 14,155</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ -
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u>\$ -</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
FIRE FIGHTER RECRUITMENT FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Intergovernmental - State	\$ -	\$ 225,000	225,000	-
Investment Income (Loss)	-	-	3,594	3,594
Total Revenues	-	225,000	228,594	3,594
<b>EXPENDITURES</b>				
Current:				
Public Safety	-	225,000	225,000	-
Total Expenditures	-	225,000	225,000	-
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	3,594	3,594
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	-	-	3,594	3,594
Fund Balances - Beginning of Year, Budgetary Basis	-	-	-	-
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,594</u>	<u>\$ 3,594</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 228,594
(No Differences)	-
Total Actual Revenues - GAAP Basis	<u>\$ 228,594</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 225,000
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u>\$ 225,000</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
ENVIRONMENTAL GROSS RECEIPTS TAX FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Municipal and State-Shared Taxes	\$ 70,000	\$ 70,000	\$ 89,898	\$ 19,898
Investment Income (Loss)	10,000	10,000	21,397	11,397
Total Revenues	<u>80,000</u>	<u>80,000</u>	<u>111,295</u>	<u>31,295</u>
<b>EXPENDITURES</b>				
Current:				
Public Safety	92,198	92,198	24,705	67,493
Capital Outlay	-	70,045	-	70,045
Total Expenditures	<u>92,198</u>	<u>162,243</u>	<u>24,705</u>	<u>137,538</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(12,198)	(82,243)	86,590	168,833
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	348,150	348,150	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>348,150</u>	<u>348,150</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(12,198)	265,907	434,740	168,833
Fund Balances - Beginning of Year, Budgetary Basis	<u>339,757</u>	<u>409,803</u>	<u>409,803</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 327,559</u>	<u>\$ 675,710</u>	<u>\$ 844,543</u>	<u>\$ 168,833</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 111,295
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	20,942
Prior Year Accrued Revenue	(12,552)
Total Actual Revenues - GAAP Basis	<u>\$ 119,685</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 24,705
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	1,092
Total Actual Expenditures - GAAP Basis	<u>\$ 25,797</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
STRATEGIC PLANNING INITIATIVE FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Municipal Taxes	\$ -	\$ -	\$ 70,312	\$ 70,312
Investment Income (Loss)	\$ -	\$ -	181,123	181,123
Total Revenues	-	-	251,435	251,435
<b>EXPENDITURES</b>				
Current:				
Public Safety	-	-	-	-
Total Expenditures	-	-	-	-
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	251,435	251,435
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	3,000,000	3,800,000	3,800,000	-
Transfers Out	(1,000,000)	(1,000,000)	(1,000,000)	-
Total Other Financing Sources (Uses)	2,000,000	2,800,000	2,800,000	-
<b>NET CHANGE IN FUND BALANCES</b>	2,000,000	2,800,000	3,051,435	251,435
Fund Balances - Beginning of Year, Budgetary Basis	2,261,742	2,261,742	2,261,742	-
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 4,261,742</u>	<u>\$ 5,061,742</u>	<u>\$ 5,313,177</u>	<u>\$ 251,435</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 251,435
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	6,278
Prior Year Accrued Revenue	(11,779)
Total Actual Revenues - GAAP Basis	<u>\$ 245,934</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ -
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u>\$ -</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
LAW ENFORCEMENT RECRUITMENT AND RETENTION FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Intergovernmental - State	\$ 693,750	\$ 798,146	\$ 789,359	\$ (8,787)
Investment Income (Loss)	-	3,086	3,012	(74)
Total Revenues	<u>693,750</u>	<u>801,232</u>	<u>792,371</u>	<u>(8,861)</u>
<b>EXPENDITURES</b>				
Current:				
Public Safety	696,622	848,096	836,302	11,794
Total Expenditures	<u>696,622</u>	<u>848,096</u>	<u>836,302</u>	<u>11,794</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(2,872)	(46,864)	(43,931)	2,933
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(2,872)	(46,864)	(43,931)	2,933
Fund Balances - Beginning of Year, Budgetary Basis	<u>2,872</u>	<u>46,864</u>	<u>46,864</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,933</u></u>	<u><u>\$ 2,933</u></u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 792,371
(No Differences)	-
Total Actual Revenues - GAAP Basis	<u><u>\$ 792,371</u></u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 836,302
Current Year Accrued Expenditures	2,896
Total Actual Expenditures - GAAP Basis	<u><u>\$ 839,198</u></u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
MUNICIPAL ROAD FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Intergovernmental - State	\$ 550,000	\$ 550,000	\$ 572,647	\$ 22,647
Investment Income (Loss)	15,000	15,000	25,635	10,635
Charges for Services	6,000	6,000	18,706	12,706
Total Revenues	<u>571,000</u>	<u>571,000</u>	<u>616,988</u>	<u>45,988</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	268,264	335,474	240,679	94,795
Capital Outlay	92,400	141,375	79,143	62,232
Debt Service:				
Principal	96,551	96,551	96,551	-
Interest and Other Charges	3,795	3,795	3,795	-
Total Expenditures	<u>461,010</u>	<u>577,195</u>	<u>420,168</u>	<u>157,027</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	109,990	(6,195)	196,820	203,015
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	109,990	(6,195)	196,820	203,015
Fund Balances - Beginning of Year, Budgetary Basis	<u>397,222</u>	<u>513,379</u>	<u>513,379</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 507,212</u>	<u>\$ 507,184</u>	<u>\$ 710,199</u>	<u>\$ 203,015</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 616,988
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	44,983
Prior Year Accrued Revenue	(42,926)
Total Actual Revenues - GAAP Basis	<u>\$ 619,045</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 420,168
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Prior Year Accrued Expenditures	(15,986)
Total Actual Expenditures - GAAP Basis	<u>\$ 404,182</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
REGIONAL EMERGENCY COMMUNITY CENTER FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Investment Income (Loss)	\$ -	\$ -	\$ 92,617	\$ 92,617
Miscellaneous	2,055,307	2,055,307	2,055,307	-
Total Revenues	<u>2,055,307</u>	<u>2,055,307</u>	2,147,924	92,617
<b>EXPENDITURES</b>				
Current:				
Public Safety	4,516,169	5,699,513	5,214,125	485,388
Total Expenditures	<u>4,516,169</u>	<u>5,699,513</u>	5,214,125	485,388
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(2,460,862)	(3,644,206)	(3,066,201)	578,005
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	2,512,041	2,512,041	2,512,041	-
Transfers Out	(51,179)	(1,184,198)	(1,184,198)	-
Total Other Financing Sources (Uses)	<u>2,460,862</u>	<u>1,327,843</u>	1,327,843	-
<b>NET CHANGE IN FUND BALANCES</b>	-	(2,316,363)	(1,738,358)	578,005
Fund Balances - Beginning of Year, Budgetary Basis	<u>2,314,722</u>	<u>2,321,759</u>	<u>2,321,759</u>	-
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u><u>\$ 2,314,722</u></u>	<u><u>\$ 5,396</u></u>	<u><u>\$ 583,401</u></u>	<u><u>\$ 578,005</u></u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 2,147,924
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	1,956
Total Actual Revenues - GAAP Basis	<u><u>\$ 2,149,880</u></u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 5,214,125
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	491,933
Prior Year Accrued Expenditures	(178,149)
Total Actual Expenditures - GAAP Basis	<u><u>\$ 5,527,909</u></u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
HUD CDBG FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Intergovernmental - Federal	\$ 470,571	\$ 1,376,026	\$ 795,004	\$ (581,022)
Total Revenues	470,571	1,376,026	795,004	(581,022)
<b>EXPENDITURES</b>				
Current:				
Public Works	117,071	545,764	482,833	62,931
Capital Outlay	204,546	827,503	312,181	515,322
Total Expenditures	321,617	1,373,267	795,014	578,253
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	148,954	2,759	(10)	(2,769)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	148,954	2,759	(10)	(2,769)
Fund Balances - Beginning of Year, Budgetary Basis	-	(2,759)	(2,759)	-
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 148,954</u>	<u>\$ -</u>	<u>\$ (2,769)</u>	<u>\$ (2,769)</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 795,004
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Unavailable Revenue	(4,952)
Current Year Accrued Revenue	8,684
Total Actual Revenues - GAAP Basis	<u>\$ 798,736</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 795,014
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	12,322
Prior Year Accrued Expenditures	2,759
Total Actual Expenditures - GAAP Basis	<u>\$ 810,095</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
CRIME VICTIM ASSISTANCE FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Intergovernmental - Federal	\$ -	\$ 85,917	\$ 64,929	\$ (20,988)
Total Revenues	-	85,917	64,929	(20,988)
<b>EXPENDITURES</b>				
Current:				
Public Safety	-	76,813	76,761	52
Total Expenditures	-	76,813	76,761	52
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	-	9,104	(11,832)	(20,936)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	-	9,104	(11,832)	(20,936)
Fund Balances - Beginning of Year, Budgetary Basis	-	(9,104)	(9,104)	-
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (20,936)</u>	<u>\$ (20,936)</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 64,929
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	20,936
Total Actual Revenues - GAAP Basis	<u>\$ 85,865</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 76,761
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Prior Year Accrued Expenditures	9,104
Total Actual Expenditures - GAAP Basis	<u>\$ 85,865</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
CANNABIS FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Municipal Taxes	\$ 400,000	\$ 300,000	\$ 297,636	\$ (2,364)
Investment Income	20,000	20,000	22,679	2,679
Total Revenues	<u>420,000</u>	<u>320,000</u>	<u>320,315</u>	<u>315</u>
<b>EXPENDITURES</b>				
Current:				
General Government	12,000	12,000	8,641	3,359
Total Expenditures	<u>12,000</u>	<u>12,000</u>	<u>8,641</u>	<u>3,359</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	408,000	308,000	311,674	3,674
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	(1,158,720)	(1,058,720)	(1,058,720)	-
Total Other Financing Sources (Uses)	<u>(1,158,720)</u>	<u>(1,058,720)</u>	<u>(1,058,720)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(750,720)	(750,720)	(747,046)	3,674
Fund Balances - Beginning of Year, Budgetary Basis	<u>752,473</u>	<u>752,473</u>	<u>752,473</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 1,753</u>	<u>\$ 1,753</u>	<u>\$ 5,427</u>	<u>\$ 3,674</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 320,315
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	23,168
Prior Year Accrued Revenue	(25,156)
Total Actual Revenues - GAAP Basis	<u>\$ 318,327</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 8,641
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u>\$ 8,641</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
HIGHER EDUCATION GROSS RECEIPTS TAX FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Municipal and State-Shared Taxes	\$ 5,257,948	\$ 6,120,000	\$ 5,561,743	\$ (558,257)
Investment Income (Loss)	530,000	530,000	884,771	354,771
Compensating Tax	55,000	55,000	37,417	(17,583)
Total Revenues	<u>5,842,948</u>	<u>6,705,000</u>	<u>6,483,931</u>	<u>(221,069)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	159,496	183,600	167,656	15,944
Capital Outlay	2,100,000	7,282,208	6,168,249	1,113,959
Principal	1,610,000	1,610,000	1,610,000	-
Interest	346,750	346,750	346,750	-
Total Expenditures	<u>4,216,246</u>	<u>9,422,558</u>	<u>8,292,655</u>	<u>1,129,903</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	1,626,702	(2,717,558)	(1,808,724)	908,834
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,626,702	(2,717,558)	(1,808,724)	908,834
Fund Balances - Beginning of Year, Budgetary Basis	<u>9,597,850</u>	<u>14,781,103</u>	<u>14,781,103</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u><u>\$ 11,224,552</u></u>	<u><u>\$ 12,063,545</u></u>	<u><u>\$ 12,972,379</u></u>	<u><u>\$ 908,834</u></u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 6,483,931
Certain Year-End Adjustments Related to the Fair Market Value of the City's Investments are Considered Revenue for Financial Reporting but not for Budgetary Reporting	
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	974,049
Prior Year Accrued Revenue	(1,020,757)
Total Actual Revenues - GAAP Basis	<u><u>\$ 6,437,223</u></u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 8,292,655
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	70,681
Total Actual Expenditures - GAAP Basis	<u><u>\$ 8,363,336</u></u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
GENERAL OBLIGATION BOND FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 8,500,000	\$ 8,500,000	\$ 9,676,432	\$ 1,176,432
Investment Income	-	-	335,020	335,020
Total Revenues	<u>8,500,000</u>	<u>8,500,000</u>	<u>10,011,452</u>	<u>1,511,452</u>
<b>EXPENDITURES</b>				
Debt Service:				
Principal	4,320,000	4,320,000	4,320,000	-
Interest and Other Charges	1,010,375	1,417,479	1,417,479	-
Total Expenditures	<u>5,330,375</u>	<u>5,737,479</u>	<u>5,737,479</u>	<u>-</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	3,169,625	2,762,521	4,273,973	1,511,452
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	637,150	637,150	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>637,150</u>	<u>637,150</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	3,169,625	3,399,671	4,911,123	1,511,452
Fund Balances - Beginning of Year, Budgetary Basis	<u>9,254,119</u>	<u>9,254,119</u>	<u>9,254,119</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 12,423,744</u>	<u>\$ 12,653,790</u>	<u>\$ 14,165,242</u>	<u>\$ 1,511,452</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 10,011,452
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Unavailable Revenue	(325,836)
Prior Year Unavailable Revenue	340,273
Current Year Accrued Revenue	380,329
Prior Year Accrued Revenue	(374,132)
Total Actual Revenues - GAAP Basis	<u>\$ 10,032,086</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 5,737,479
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u>\$ 5,737,479</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
GRT REVENUE BOND FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Intergovernmental - State	\$ -	\$ -	\$ -	\$ -
Investment Income	10,000	10,000	33,765	23,765
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>33,765</u>	<u>23,765</u>
<b>EXPENDITURES</b>				
Debt Service:				
Principal	1,535,000	1,535,000	1,535,000	-
Interest and Other Charges	39,375	38,375	38,375	-
Total Expenditures	<u>1,574,375</u>	<u>1,573,375</u>	<u>1,573,375</u>	<u>-</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(1,564,375)	(1,563,375)	(1,539,610)	23,765
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	1,501,322	1,501,321	1,501,321	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>1,501,322</u>	<u>1,501,321</u>	<u>1,501,321</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(63,053)	(62,054)	(38,289)	23,765
Fund Balances - Beginning of Year, Budgetary Basis	<u>63,053</u>	<u>63,053</u>	<u>63,053</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ 999</u>	<u>\$ 24,764</u>	<u>\$ 23,765</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 33,765
(No Differences)	-
Total Actual Revenues - GAAP Basis	<u>\$ 33,765</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 1,573,375
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u>\$ 1,573,375</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
NMFA DEBT SERVICE FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Investment Income (Loss)	\$ 20,000	\$ 20,000	\$ 45,493	\$ 25,493
Total Revenues	<u>20,000</u>	<u>20,000</u>	<u>45,493</u>	<u>25,493</u>
<b>EXPENDITURES</b>				
Debt Service:				
Principal	1,095,754	1,095,754	1,095,754	-
Interest and Other Charges	138,601	136,996	136,996	-
Total Expenditures	<u>1,234,355</u>	<u>1,232,750</u>	<u>1,232,750</u>	<u>-</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(1,214,355)	(1,212,750)	(1,187,257)	25,493
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	1,155,670	1,154,065	1,154,065	-
Transfers Out	-	(348,150)	(348,150)	-
Total Other Financing Sources (Uses)	<u>1,155,670</u>	<u>805,915</u>	<u>805,915</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(58,685)	(406,835)	(381,342)	25,493
Fund Balances - Beginning of Year, Budgetary Basis	<u>791,118</u>	<u>793,253</u>	<u>793,253</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 732,433</u>	<u>\$ 386,418</u>	<u>\$ 411,911</u>	<u>\$ 25,493</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis (No Differences)	\$ 45,493
Total Actual Revenues - GAAP Basis	<u>\$ 45,493</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis (No Differences)	\$ 1,232,750
Total Actual Expenditures - GAAP Basis	<u>\$ 1,232,750</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
INFRASTRUCTURE FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Intergovernmental - Federal	\$ 1,463,096	\$ 10,163,250	\$ 1,357,328	\$ (8,805,922)
Intergovernmental - State	-	3,183,450	3,183,450	-
Intergovernmental - Local	100,000	100,000	100,000	-
Charges for Services	-	-	92,796	92,796
Investment Income	-	-	1,057,966	1,057,966
Total Revenues	<u>1,563,096</u>	<u>13,446,700</u>	<u>5,791,540</u>	<u>(7,655,160)</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	96,300	2,264,635	143,454	2,121,181
Capital Outlay	15,352,425	42,654,710	13,923,198	28,731,512
Total Expenditures	<u>15,448,725</u>	<u>44,919,345</u>	<u>14,066,652</u>	<u>30,852,693</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(13,885,629)	(31,472,645)	(8,275,112)	23,197,533
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	13,789,329	14,019,329	14,019,329	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>13,789,329</u>	<u>14,019,329</u>	<u>14,019,329</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(96,300)	(17,453,316)	5,744,217	23,197,533
Fund Balances - Beginning of Year, Budgetary Basis	<u>925,622</u>	<u>18,282,642</u>	<u>18,282,642</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 829,322</u>	<u>\$ 829,326</u>	<u>\$ 24,026,859</u>	<u>\$ 23,197,533</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 5,791,540
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Unavailable Revenue	(240,868)
Prior Year Unavailable Revenue	191,107
Current Year Accrued Revenue	1,646,015
Prior Year Accrued Revenue	(598,058)
Total Actual Revenues - GAAP Basis	<u>\$ 6,789,736</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 14,066,652
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	1,292,454
Prior Year Accrued Expenditures	(1,316,375)
Total Actual Expenditures - GAAP Basis	<u>\$ 14,042,731</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
RECREATION DEVELOPMENT FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Investment Income	\$ -	\$ -	\$ 5,580	\$ 5,580
Total Revenues	-	-	5,580	5,580
<b>EXPENDITURES</b>				
Current:				
Public Works	103,013	36,029	30,787	5,242
Capital Outlay	66,660	219,673	166,542	53,131
Total Expenditures	169,673	255,702	197,329	58,373
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(169,673)	(255,702)	(191,749)	63,953
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	103,013	188,013	188,013	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	103,013	188,013	188,013	-
<b>NET CHANGE IN FUND BALANCES</b>	(66,660)	(67,689)	(3,736)	63,953
Fund Balances - Beginning of Year, Budgetary Basis	66,660	67,690	67,690	-
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 63,954</u>	<u>\$ 63,953</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis (No Differences)	\$ 5,580
Total Actual Revenues - GAAP Basis	<u>\$ 5,580</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis (No Differences)	\$ 197,329
Total Actual Expenditures - GAAP Basis	<u>\$ 197,329</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
STATE APPROPRIATION CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Intergovernmental - State	\$ -	\$ 10,648,140	\$ 3,880,828	\$ (6,767,312)
Total Revenues	-	10,648,140	3,880,828	(6,767,312)
<b>EXPENDITURES</b>				
Current:				
General Government	-	234,297	195,582	38,715
Capital Outlay	-	8,528,225	4,472,019	4,056,206
Total Expenditures	-	8,762,522	4,667,601	4,094,921
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	-	1,885,618	(786,773)	(2,672,391)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	-	1,885,618	(786,773)	(2,672,391)
Fund Balances - Beginning of Year, Budgetary Basis	-	(1,885,612)	(1,885,612)	-
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ 6</u>	<u>\$ (2,672,385)</u>	<u>\$ (2,672,391)</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 3,880,828
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	2,222,345
Prior Year Accrued Revenue	(2,498,714)
Total Actual Revenues - GAAP Basis	<u>\$ 3,604,459</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 4,667,601
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	243,313
Prior Year Accrued Expenditures	(237,572)
Total Actual Expenditures - GAAP Basis	<u>\$ 4,673,342</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
2016 GO BOND CONSTRUCTION FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Investment Income (Loss)	\$ -	\$ -	\$ 1,377	\$ 1,377
Total Revenues	-	-	1,377	1,377
<b>EXPENDITURES</b>				
Capital Outlay	2,304	2,304	2,304	-
Total Expenditures	2,304	2,304	2,304	-
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(2,304)	(2,304)	(927)	1,377
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	(2,304)	(2,304)	(927)	1,377
Fund Balances - Beginning of Year, Budgetary Basis	2,304	2,304	2,304	-
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,377</u>	<u>\$ 1,377</u>

**BUDGET TO GAAP RECONCILIATION**

<b>REVENUES</b>	
Total Actual Revenues - Budgetary Basis	\$ 1,377
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	110
Total Actual Revenues - GAAP Basis	<u>\$ 1,487</u>
<b>EXPENDITURES</b>	
Total Actual Expenditures - Budgetary Basis	\$ 2,304
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u>\$ 2,304</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
2018 GO BOND PROJECT FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Investment Income (Loss)	\$ -	\$ -	\$ 5,908	\$ 5,908
Total Revenues	-	-	5,908	5,908
<b>EXPENDITURES</b>				
Capital Outlay	50,182	140,732	76,722	64,010
Total Expenditures	50,182	140,732	76,722	64,010
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(50,182)	(140,732)	(70,814)	69,918
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	(50,182)	(140,732)	(70,814)	69,918
Fund Balances - Beginning of Year, Budgetary Basis	50,182	140,732	140,732	-
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,918</u>	<u>\$ 69,918</u>

**BUDGET TO GAAP RECONCILIATION**

<b>REVENUES</b>	
Total Actual Revenues - Budgetary Basis (No Differences)	\$ 5,908
Total Actual Revenues - GAAP Basis	<u>\$ 5,908</u>
<b>EXPENDITURES</b>	
Total Actual Expenditures - Budgetary Basis	\$ 76,722
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	2,592
Prior Year Accrued Expenditures	(13)
Total Actual Expenditures - GAAP Basis	<u>\$ 79,301</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
2020 GO BOND PROJECT FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Investment Income (Loss)	\$ -	\$ -	\$ 28,352	\$ 28,352
Total Revenues	-	-	28,352	28,352
<b>EXPENDITURES</b>				
Capital Outlay	215,289	508,580	317,824	190,756
Total Expenditures	215,289	508,580	317,824	190,756
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(215,289)	(508,580)	(289,472)	219,108
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	(215,289)	(508,580)	(289,472)	219,108
Fund Balances - Beginning of Year, Budgetary Basis	215,289	508,580	508,580	-
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 219,108</u>	<u>\$ 219,108</u>

**BUDGET TO GAAP RECONCILIATION**

<b>REVENUES</b>	
Total Actual Revenues - Budgetary Basis (No Differences)	\$ 28,352
Total Actual Revenues - GAAP Basis	<u>\$ 28,352</u>
<b>EXPENDITURES</b>	
Total Actual Expenditures - Budgetary Basis	\$ 317,824
Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	945
Prior Year Accrued Expenditures	(58,356)
Total Actual Expenditures - GAAP Basis	<u>\$ 260,413</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
2022 GO BOND PROJECT FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Investment Income (Loss)	\$ -	\$ -	\$ 183,563	\$ 183,563
Total Revenues	-	-	183,563	183,563
<b>EXPENDITURES</b>				
Current:				
Public Safety	-	28,101	28,101	-
Parks, Recreation, and Culture	14,680	10,368	10,368	-
Capital Outlay	110,657	3,712,812	743,547	2,969,265
Total Expenditures	125,337	3,751,281	782,016	2,969,265
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(125,337)	(3,751,281)	(598,453)	3,152,828
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	(125,337)	(3,751,281)	(598,453)	3,152,828
Fund Balances - Beginning of Year, Budgetary Basis	125,337	3,751,284	3,751,284	-
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	\$ -	\$ 3	\$ 3,152,831	\$ 3,152,828

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 183,563
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	5,801
Prior Year Accrued Revenue	(13,768)
Total Actual Revenues - GAAP Basis	<u>\$ 175,596</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 782,016
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	2,229
Prior Year Accrued Expenditures	(50,071)
Total Actual Expenditures - GAAP Basis	<u>\$ 734,174</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
2024 GO BOND PROJECT FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Investment Income (Loss)	\$ -	\$ -	\$ 505,675	\$ 505,675
Total Revenues	-	-	505,675	505,675
<b>EXPENDITURES</b>				
Current:				
Parks, Recreation, and Culture	-	474,882	308,969	165,913
Capital Outlay	-	15,525,118	3,073,594	12,451,524
Debt Service:				
Bond Issuance Costs	-	170,000	148,774	21,226
Total Expenditures	-	16,170,000	3,531,337	12,638,663
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	-	(16,170,000)	(3,025,662)	13,144,338
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of General Obligation Bonds	-	16,000,000	16,000,000	-
Premium on Bonds Issued	-	807,150	807,150	-
Transfers In	-	-	-	-
Transfers Out	-	(637,150)	(637,150)	-
Total Other Financing Sources (Uses)	-	16,170,000	16,170,000	-
<b>NET CHANGE IN FUND BALANCES</b>	-	-	13,144,338	13,144,338
Fund Balances - Beginning of Year, Budgetary Basis	320,000	320,000	-	(320,000)
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 320,000</u>	<u>\$ 320,000</u>	<u>\$ 13,144,338</u>	<u>\$ 12,824,338</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 505,675
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	27,734
Total Actual Revenues - GAAP Basis	<u>\$ 533,409</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 3,531,337
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	20,935
Prior Year Accrued Expenditures	(3,750)
Total Actual Expenditures - GAAP Basis	<u>\$ 3,548,522</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
STATE SHARED GRT REVENUE BOND FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Investment Income (Loss)	\$ -	\$ -	\$ (34,399)	\$ (34,399)
Total Revenues	-	-	(34,399)	(34,399)
<b>EXPENDITURES</b>				
Capital Outlay	-	32,000,000	-	32,000,000
Debt Service:				
Bond Issuance Costs	-	341,018	331,112	9,906
Total Expenditures	-	32,341,018	331,112	32,009,906
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	-	(32,341,018)	(365,511)	31,975,507
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of General Obligation Bonds	-	30,540,000	30,540,000	-
Premium on Bonds Issued	-	1,802,017	1,802,017	-
Transfers In	-	-	-	-
Transfers Out	-	(999)	(999)	-
Total Other Financing Sources (Uses)	-	32,341,018	32,341,018	-
<b>NET CHANGE IN FUND BALANCES</b>	-	-	31,975,507	31,975,507
Fund Balances - Beginning of Year, Budgetary Basis			-	-
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	\$ -	\$ -	\$ 31,975,507	\$ 31,975,507

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ (34,399)
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	229,267
Total Actual Revenues - GAAP Basis	<u>\$ 194,868</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 331,112
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u>\$ 331,112</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
ROAD IMPACT FEES FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Impact Fees	\$ 653,000	\$ 2,184,286	\$ 1,936,743	\$ (247,543)
Investment Income (Loss)	70,000	70,000	189,087	119,087
Total Revenues	<u>723,000</u>	<u>2,254,286</u>	<u>2,125,830</u>	<u>(128,456)</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	19,590	65,529	58,102	7,427
Capital Outlay	-	959,128	81,849	877,279
Total Expenditures	<u>19,590</u>	<u>1,024,657</u>	<u>139,951</u>	<u>884,706</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	703,410	1,229,629	1,985,879	756,250
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	703,410	1,229,629	1,985,879	756,250
Fund Balances - Beginning of Year, Budgetary Basis	<u>1,728,875</u>	<u>2,688,004</u>	<u>2,688,004</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u><u>\$ 2,432,285</u></u>	<u><u>\$ 3,917,633</u></u>	<u><u>\$ 4,673,883</u></u>	<u><u>\$ 756,250</u></u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 2,125,830
Certain Year-End Adjustments Related to the Fair Market Value of the City's Investments are Considered Revenue for Financial Reporting but not for Budgetary Reporting	
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	11,384
Prior Year Accrued Revenue	(3,640)
Total Actual Revenues - GAAP Basis	<u><u>\$ 2,133,574</u></u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 139,951
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	31,432
Total Actual Expenditures - GAAP Basis	<u><u>\$ 171,383</u></u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
TRAILS IMPACT FEES FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Impact Fees	\$ 22,144	\$ 51,844	\$ 46,167	\$ (5,677)
Investment Income (Loss)	5,000	5,000	10,326	5,326
Total Revenues	<u>27,144</u>	<u>56,844</u>	<u>56,493</u>	<u>(351)</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	664	1,555	1,385	170
Capital Outlay	-	108,375	101,890	6,485
Total Expenditures	<u>664</u>	<u>109,930</u>	<u>103,275</u>	<u>6,655</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	26,480	(53,086)	(46,782)	6,304
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	26,480	(53,086)	(46,782)	6,304
Fund Balances - Beginning of Year, Budgetary Basis	<u>99,081</u>	<u>207,456</u>	<u>207,456</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 125,561</u>	<u>\$ 154,370</u>	<u>\$ 160,674</u>	<u>\$ 6,304</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 56,493
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenues	400
Total Actual Revenues - GAAP Basis	<u>\$ 56,893</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 103,275
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u>\$ 103,275</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
PARKS IMPACT FEES FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Impact Fees	\$ 438,103	\$ 1,510,073	\$ 1,455,492	\$ (54,581)
Investment Income (Loss)	50,000	50,000	170,593	120,593
Total Revenues	<u>488,103</u>	<u>1,560,073</u>	<u>1,626,085</u>	<u>66,012</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	13,143	45,302	43,665	1,637
Capital Outlay	-	62,151	57,729	4,422
Total Expenditures	<u>13,143</u>	<u>107,453</u>	<u>101,394</u>	<u>6,059</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	474,960	1,452,620	1,524,691	72,071
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	474,960	1,452,620	1,524,691	72,071
Fund Balances - Beginning of Year, Budgetary Basis	<u>2,569,425</u>	<u>2,631,576</u>	<u>2,631,576</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 3,044,385</u>	<u>\$ 4,084,196</u>	<u>\$ 4,156,267</u>	<u>\$ 72,071</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 1,626,085
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	5,773
Prior Year Accrued Revenue	(7,818)
Total Actual Revenues - GAAP Basis	<u>\$ 1,624,040</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 101,394
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u>\$ 101,394</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
PUBLIC SAFETY IMPACT FEES FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Impact Fees	\$ 292,716	\$ 826,893	\$ 771,736	\$ (55,157)
Investment Income (Loss)	30,000	30,000	81,668	51,668
Total Revenues	<u>322,716</u>	<u>856,893</u>	<u>853,404</u>	<u>(3,489)</u>
<b>EXPENDITURES</b>				
Current:				
Public Safety	8,781	24,807	23,152	1,655
Capital Outlay	342,500	727,838	382,099	345,739
Total Expenditures	<u>351,281</u>	<u>752,645</u>	<u>405,251</u>	<u>347,394</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(28,565)	104,248	448,153	343,905
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(28,565)	104,248	448,153	343,905
Fund Balances - Beginning of Year, Budgetary Basis	<u>940,659</u>	<u>1,325,997</u>	<u>1,325,997</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u>\$ 912,094</u>	<u>\$ 1,430,245</u>	<u>\$ 1,774,150</u>	<u>\$ 343,905</u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 853,404
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	<u>2,467</u>
Total Actual Revenues - GAAP Basis	<u>\$ 855,871</u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 405,251
(No Differences)	-
Total Actual Expenditures - GAAP Basis	<u>\$ 405,251</u>

**CITY OF RIO RANCHO, NEW MEXICO  
BUDGETARY COMPARISON SCHEDULE –  
DRAINAGE IMPACT FEES FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

	Budget		Actual - Budgetary Basis	Variance With Final Budget - Budgetary Basis
	Original	Final		
<b>REVENUES</b>				
Impact Fees	\$ 480,032	\$ 480,032	\$ 411,544	\$ (68,488)
Investment Income (Loss)	80,000	80,000	187,056	107,056
Total Revenues	<u>560,032</u>	<u>560,032</u>	<u>598,600</u>	<u>38,568</u>
<b>EXPENDITURES</b>				
Current:				
Public Works	14,401	14,401	12,345	2,056
Capital Outlay	-	420,697	148,010	272,687
Total Expenditures	<u>14,401</u>	<u>435,098</u>	<u>160,355</u>	<u>274,743</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	545,631	124,934	438,245	313,311
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	545,631	124,934	438,245	313,311
Fund Balances - Beginning of Year, Budgetary Basis	<u>3,185,488</u>	<u>3,185,488</u>	<u>3,185,488</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR, BUDGETARY BASIS</b>	<u><u>\$ 3,731,119</u></u>	<u><u>\$ 3,310,422</u></u>	<u><u>\$ 3,623,733</u></u>	<u><u>\$ 313,311</u></u>

**BUDGET TO GAAP RECONCILIATION**

**REVENUES**

Total Actual Revenues - Budgetary Basis	\$ 598,600
Certain Year-End Adjustments Related to the Fair Market Value of the City's Investments are Considered Revenue for Financial Reporting but not for Budgetary Reporting	
Certain Amounts Collected After Year-End are Considered Revenue of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Revenue	8,125
Prior Year Accrued Revenue	(10,398)
Total Actual Revenues - GAAP Basis	<u><u>\$ 596,327</u></u>

**EXPENDITURES**

Total Actual Expenditures - Budgetary Basis	\$ 160,355
Certain Payments Made After Year-End are Considered Expenditures of the Current Period for Financial Reporting but not for Budgetary Reporting:	
Current Year Accrued Expenditures	63,314
Total Actual Expenditures - GAAP Basis	<u><u>\$ 223,669</u></u>



**OTHER SUPPLEMENTARY  
INFORMATION**

**CITY OF RIO RANCHO, NEW MEXICO**  
**SCHEDULE OF DEPOSITS, INVESTMENTS, AND PLEDGED COLLATERAL**  
**JUNE 30, 2025**

Financial Institution Account Name	Account Type	Balances	
		On Deposit	Reconciled
<b>Deposit Accounts:</b>			
<b>Wells Fargo:</b>			
Government Sweep	Money Market	\$ 62,515,980	\$ 62,020,453
Total Wells Fargo Money Market Accounts		<u>62,515,980</u>	<u>62,020,453</u>
<b>PFM Fund Distributors, Inc.:</b>			
US Bank Money Market	Money Market	45,936,933	45,936,933
Total PFM Fund Distributors, Inc. Money Market Accounts		<u>45,936,933</u>	<u>45,936,933</u>
<b>Cash Drawers:</b>			
Petty Cash	Cash	-	4,720
Total Petty Cash		<u>-</u>	<u>4,720</u>
Total Deposit, Money Market, and Petty Cash Accounts		<u>\$ 108,452,913</u>	<u>\$ 107,962,106</u>
<b>Investment Accounts:</b>			
<b>State of New Mexico:</b>			
State Investment Council - City of Rio Rancho Permanent Fund	Investment	\$ 14,763,038	\$ 14,763,038
Total State of New Mexico Investment Accounts		<u>14,763,038</u>	<u>14,763,038</u>
<b>US Bank:</b>			
GPA	Investment	177,748,963	179,615,195
2024 General Obligation Bond	Investment	13,549,069	13,549,764
Series 2025 SSGRT Revenue Bond	Investment	32,209,600	32,209,600
Total US Bank Investment Accounts		<u>223,507,632</u>	<u>225,374,559</u>
<b>New Mexico Finance Authority:</b>			
NMFA Program Funds (PPRF-2885)	Escrow	1,611	1,611
NMFA Program Funds (PPRF-5156)	Escrow	1	1
NMFA Program Fund (PPRF-4810)	Escrow	2	2
NMFA Program Fund (PPRF-2282A, PPRF-2282B)	Escrow	277	277
NMFA Program Funds (PPRF-2336A, PPRF-2336B)	Escrow	201	201
NMFA Program Funds (PPRF- 3764, 3765, 4944)	Escrow	355,228	355,228
NMFA Program Funds (PPRF-3267, 3541, 3666, 5612, WPF-945)	Escrow	629	629
Total New Mexico Finance Authority Program Funds		<u>357,949</u>	<u>357,949</u>
<b>Bank of Albuquerque:</b>			
BAQ - U.S. Government Securities	Investment	285,401	282,878
Total Bank of Albuquerque U.S. Government Securities		<u>285,401</u>	<u>282,878</u>
Total Investment Accounts		<u>\$ 238,914,020</u>	<u>\$ 240,778,424</u>
Total Cash, Cash Equivalents, Restricted Cash, Investments and Restricted Investments		<u>\$ 347,366,933</u>	<u>\$ 348,740,530</u>

**Collateral Disclosure**

As of June 30, 2025, the City's deposits and investments were either fully FDIC insured or backed by the federal government, therefore no pledged collateral has been presented. See Note 2 in the Notes to the Financial Statements for additional information.

**CITY OF RIO RANCHO, NEW MEXICO  
SCHEDULE OF EXPENDITURES OF STATE APPROPRIATIONS  
FOR THE YEAR ENDED JUNE 30, 2025**

Appropriation Purpose	Original Appropriation Amount	Appropriation Period	Source of Funding	Legislature	Expenditures as of June 30, 2025	Remaining Balance	Reverted June 30, 2025	Outstanding Encumbrances
Fire Station 1 Improvements	\$ 297,000	8/24/2022 - 6/30/2026	STB	Laws 2022, Chapter 53, Section 30, Paragraph 382	\$ 296,460	\$ 540	\$ -	\$ -
Rescue/Ambulance Replacement	350,000	10/2/2023 - 6/30/2025	General Fund	Laws 2003, Chapter 199, Section 28, Paragraph 416	348,945	1,055	1,055	-
Fire Marshal Vehicles	165,000	10/2/2023 - 6/30/2025	General Fund	Laws 2003, Chapter 199, Section 28, Paragraph 418	164,943	57	57	-
Self Contained Breathing Apparatus (SCBA)	225,000	10/2/2023 - 6/30/2025	General Fund	Laws 2003, Chapter 199, Section 28, Paragraph 419	225,000	-	-	-
Fire Station 8	1,023,908	7/19/2024 - 6/30/2028	General Fund	Laws 2004, Chapter 66, Section 28, Paragraph 472	79,495	944,413	-	646,705
Library Bookmobile	150,000	7/19/2024 - 6/30/2026	General Fund	Laws 2024, Chapter 66, Section 28, Paragraph 470	150,000	-	-	-
Library Desk Renovations	100,000	7/19/2024 - 6/30/2027	General Fund	Laws 2024, Chapter 65, Section 198	100,000	-	-	-
Campus Park Phase 2	486,350	12/29/2022 - 6/30/2026	STB	Laws 2022, Chapter 53, Section 30, Paragraph 380	484,898	1,452	-	1,452
Animal Resource Center	59,000	12/7/2022 - 6/30/2026	STB	Laws 2022, Chapter 53, Section 30, Paragraph 379	40,836	18,164	-	18,164
Broadmoor Senior Center	510,246	1/9/2023 - 6/30/2026	STB	Laws 2022, Chapter 53, Section 5, Paragraph 13	231,250	278,996	-	278,996
Park System Improvements	182,000	12/12/2022 - 6/30/2026	STB	Laws 2022, Chapter 53, Section 30, Paragraph 383	146,406	35,594	-	-
Sabana Grande Recreation Center	50,000	12/9/2022 - 6/30/2026	STB	Laws 2022, Chapter 53, Section 30, Paragraph 387	50,000	-	-	-
Campus Park Phase 2	350,000	10/2/2023 - 6/30/2027	General Fund	Laws 2023, Chapter 199, Section 28, Paragraph 417	350,000	-	-	-
Rainbow Pool	132,660	10/2/2023 - 6/30/2027	General Fund	Laws 2023, Chapter 199, Section 28, Paragraph 423	132,660	-	-	-
Sports Complex Playground	327,000	10/2/2023 - 6/30/2027	General Fund	Laws 2023, Chapter 199, Section 28, Paragraph 424	315,554	11,446	-	1,006
Sports Complex Parking Lot	250,000	10/2/2023 - 6/30/2027	General Fund	Laws 2023, Chapter 199, Section 28, Paragraph 425	250,000	-	-	-
Broadmoor Senior Center	766,823	12/6/2023 - 6/30/2026	GOB	Laws 2022, Chapter 55, Section 10, Paragraph 50	39,478	727,345	-	727,345
Meadowlark Senior Center	224,209	12/6/2023 - 6/30/2026	GOB	Laws 2022, Chapter 55, Section 10, Paragraph 51	-	224,209	-	224,005
Broadmoor Senior Center	75,600	2/2/2024 - 6/30/2027	General Fund	Laws 2023, Chapter 199, Section 4, Paragraph 51	-	75,600	-	75,600
Sports Complex Parking Lot	610,000	7/19/2024 - 6/30/2028	General Fund	Laws 2024, Chapter 66, Section 28, Paragraph 477	610,000	-	-	-
Haynes Pool	39,000	7/19/2024 - 6/30/2026	General Fund	Laws 2024, Chapter 66, Section 28, Paragraph 473	39,000	-	-	-
Police Headquarters	239,580	8/24/2022 - 6/30/2026	STB	Laws 2022, Chapter 53, Section 30, Paragraph 384	239,580	-	-	-
Police Motorcycles	101,000	10/2/2023 - 6/30/2025	General Fund	Laws 2023, Chapter 199, Section 28, Paragraph 421	91,531	9,469	9,469	-
Police Vehicles	183,000	10/2/2023 - 6/30/2025	General Fund	Laws 2023, Chapter 199, Section 28, Paragraph 422	183,000	-	-	-
Police Off Highway Vehicles	21,000	10/2/2023 - 6/30/2025	General Fund	Laws 2023, Chapter 199, Section 28, Paragraph 415	19,007	1,993	1,993	-
Police Vehicles	100,000	7/19/2024 - 6/30/2026	General Fund	Laws 2024, Chapter 66, Section 28, Paragraph 474	-	100,000	-	50,857
Police Motorcycles	166,000	7/19/2024 - 6/30/2026	General Fund	Laws 2024, Chapter 66, Section 28, Paragraph 475	139,576	26,424	-	-
Police Radios	166,000	7/19/2024 - 6/30/2026	General Fund	Laws 2024, Chapter 66, Section 28, Paragraph 476	-	166,000	-	165,412
Support for Fire Department and Police Department	320,000	6/30/2024 - 6/30/2026	General Fund	General Appropriations Act of 2024, Chapter 69, Section 9.D.8.g, Paragraphs 43 and 44	129,572	190,428	-	182,058
Idalia Road & Loma Colorado Boulevard Roundabout	600,000	10/20/2021 - 6/30/2025	STB	Laws of 2021, Chapter 138, Section 33, Subsection 92	600,000	-	-	-
Idalia Road & Loma Colorado Boulevard Roundabout	300,000	1/20/2023 - 6/30/2026	STB	Laws 2022, Chapter 53, Section 36, Subsection 81	39,175	260,825	-	260,825
Grande Boulevard	375,277	1/23/2024 - 6/30/2027	General Fund	Laws 2023, Chapter 199, Section 33, Subsection 86	375,277	-	-	-
Esther Bone/Veteran's Memorial Park Parking Lot	200,000	7/19/2024 - 6/30/2028	General Fund	Laws 2024, Chapter 66, Section 28, Paragraph 471	-	200,000	-	-
Total	<u>\$ 9,145,653</u>				<u>\$ 5,871,643</u>	<u>\$ 3,274,010</u>	<u>\$ 12,574</u>	<u>\$ 2,632,425</u>

**CITY OF RIO RANCHO, NEW MEXICO  
SCHEDULE OF JOINT POWERS AGREEMENTS (JPA)  
FOR THE YEAR ENDED JUNE 30, 2025**

Type	City Contract Number	Participants	Responsible Party	Description	Beginning/Ending Dates of Agreement	Total Amount City Share	FY25 Amount	Audit Responsibility	Fiscal Agent	Government Agency for Reported Revenues and Expenditures
JPA	88-CC-001	City of Rio Rancho/ New Mexico Taxation & Revenue Dept.	Both	Appointment as Agent for Issuance of Tax ID	08/01/1988 - Indefinite	0.00%	\$ -	N/A	N/A	N/A
JPA	34-PD-001	City of Rio Rancho/ New Mexico Energy, Minerals, and Natural Resources Department (ENMRD)	Both	Maintain a cooperative fire protection system covering any private, county, non-municipal, and state lands within/adjacent to the city	02/24/1994 - Indefinite	100%	\$ -	N/A	N/A	N/A
JPA	04-AD-39	City of Rio Rancho/ New Mexico Energy, Minerals, and Natural Resources Dept., State Forestry Division (ENMRD)	Both	Use of inmate crews for natural resource improvements to city property	12/01/2003 - Until terminated by either party	0.00%	\$ -	N/A	N/A	N/A
JPA	n/a	City of Rio Rancho/New Mexico Municipal League Self-Insurer's Fund (NMSIF)	NMSIF Board of Trustees	Protections for Members and Their Employees Relating to Insurance or Self-Insurance	07/1/2021 - Indefinite	100.00%	\$1,670,324	NMSIF	NMSIF	NMSIF
JPA	23-FS-043	City of Rio Rancho/ New Mexico State Investment Council	Both	Authorized to invest permanent fund, all investment income through SIC long term pooled investment fund	11/18/2022 - 11/18/2026	100.00%	\$ -	N/A	N/A	N/A

*See Independent Auditor's Report.*



**STATISTICAL SECTION  
(UNAUDITED)**

**CITY OF RIO RANCHO, NEW MEXICO  
INDEX TO STATISTICAL SECTION  
JUNE 30, 2025**

The Statistical Section provides additional historical context and detail to aid in using the information in Rio Rancho's financial statements and in understanding and assessing the City's overall financial health.

**Financial Trends**

These schedules present trend information to help the reader understand how the City's financial performance and fiscal health have changed over time.

- Net Position by Component (Schedule 1)
- Changes in Net Position (Schedule 2)
- Changes in Fund Balances of Governmental Funds (Schedule 3)
- Fund Balances of Governmental Funds (Schedule 4)

**Revenue Capacity**

These schedules contain information to help the reader assess the City's capacity to raise revenue from the City's most significant revenue sources, property taxes, and gross receipts taxes.

- Taxable and Full Value of Taxable Property (Schedule 5)
- Property Tax Levies and Collections (Schedule 6)
- Property Tax Rates, Direct and Overlapping Governments (Schedule 7)
- Principal Property Taxpayers (Schedule 8)
- Taxable Gross Receipts by Type of Trade (Schedule 9)

**Debt Capacity**

These Schedules present information to help the reader understand and assess the City's levels of outstanding debt and the City's ability to issue additional debt in the future.

- Ratios of Outstanding Debt by Type (Schedule 10)
- Ratios of General Bonded Debt Outstanding (Schedule 11)
- Direct and Overlapping Debt (Schedule 12)
- Computation of Legal Debt Margin (Schedule 13)

**Demographic and Economic Information**

These schedules present demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

- Demographic and Economic Statistics (Schedule 14)
- Principal Employers (Schedule 15)

**CITY OF RIO RANCHO, NEW MEXICO  
INDEX TO STATISTICAL SECTION  
JUNE 30, 2025**

**Operating Information**

These schedules offer operating data to help the reader understand how the information in the City's financial report relates to the services it provides and the activities it performs.

Full-Time Equivalent Employees by Function/Program (Schedule 16)

Operating Indicators by Function/Program (Schedule 17)

Capital Asset Statistics by Function/Program (Schedule 18)

Sources: Unless otherwise noted, the information in the following schedules is derived from the City's Annual Comprehensive Financial Reports for the years indicate

**CITY OF RIO RANCHO, NEW MEXICO  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<b>Governmental activities</b>										
Net investment in capital assets	\$ 234,227,258	\$ 236,219,807	\$ 261,320,063	\$ 248,304,596	\$ 248,304,596	\$ 252,854,319	\$ 232,695,159	\$ 280,991,281	\$ 296,761,735	\$ 311,854,305
Restricted	18,491,028	24,423,773	31,606,304	40,167,746	40,167,746	33,680,160	79,528,076	71,852,812	88,599,300	161,627,690
Unrestricted	(36,004,190)	(47,075,136)	(118,747,136)	(100,200,558)	(80,899,757)	(51,549,242)	(46,442,306)	(34,593,575)	(23,735,391)	(34,892,438)
Total governmental activities net position	<u>\$ 216,714,096</u>	<u>\$ 213,568,444</u>	<u>\$ 174,179,231</u>	<u>\$ 188,271,784</u>	<u>\$ 207,572,585</u>	<u>\$ 234,985,237</u>	<u>\$ 265,780,929</u>	<u>\$ 318,250,518</u>	<u>\$ 361,625,644</u>	<u>\$ 438,589,557</u>
<b>Business-type activities</b>										
Net investment in capital assets	\$ 184,486,885	\$ 196,738,317	\$ 181,184,997	\$ 220,547,306	\$ -	\$ 229,042,491	\$ 248,011,305	\$ 259,696,572	\$ 284,383,670	\$ 323,611,343
Restricted	7,087,740	5,488,791	30,336,244	38,689,545	-	8,755,501	5,212,347	3,887,244	6,086,575	3,112,725
Unrestricted	30,974,882	29,954,415	35,004,191	7,883,205	283,982,931	62,811,623	73,223,725	86,980,728	95,502,467	107,702,793
Total business-type activities net position	<u>\$ 222,549,507</u>	<u>\$ 232,181,523</u>	<u>\$ 246,525,432</u>	<u>\$ 267,120,056</u>	<u>\$ 283,982,931</u>	<u>\$ 300,609,615</u>	<u>\$ 326,447,377</u>	<u>\$ 350,564,544</u>	<u>\$ 385,972,712</u>	<u>\$ 434,426,861</u>
<b>Primary government</b>										
Net investment in capital assets	\$ 418,714,143	\$ 432,958,124	\$ 442,505,060	\$ 468,851,902	\$ 248,304,596	\$ 481,896,810	\$ 480,706,464	\$ 540,687,853	\$ 581,145,405	\$ 635,465,648
Restricted	25,578,768	29,912,564	61,942,548	78,857,291	40,167,746	42,435,661	84,740,423	75,740,056	94,685,875	164,740,415
Unrestricted	(5,029,308)	(17,120,721)	(83,742,945)	(92,317,353)	203,083,174	11,262,381	26,781,419	52,387,153	71,767,076	72,810,355
Total primary government net position	<u>\$ 439,263,603</u>	<u>\$ 445,749,967</u>	<u>\$ 420,704,663</u>	<u>\$ 455,391,840</u>	<u>\$ 491,555,516</u>	<u>\$ 535,594,852</u>	<u>\$ 592,228,306</u>	<u>\$ 668,815,062</u>	<u>\$ 747,598,356</u>	<u>\$ 873,016,418</u>

**CITY OF RIO RANCHO, NEW MEXICO  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<b>Expenses</b>										
Governmental Activities:										
General government	\$ 12,223,084	\$ 12,432,806	\$ 10,816,403	\$ 10,838,081	\$ 11,944,699	\$ 25,519,450	\$ 20,531,951	\$ 15,422,607	\$ 17,511,015	\$ 20,311,690
Public safety	33,857,302	37,240,153	35,731,849	36,801,320	38,462,015	35,777,079	40,201,807	44,716,908	53,071,714	62,990,551
Public works	16,201,872	20,649,955	18,218,656	19,325,855	20,595,792	19,955,337	21,309,127	23,014,428	24,595,960	29,245,126
Parks, recreation, and culture	10,132,443	11,564,343	11,171,626	10,231,901	10,421,726	11,755,695	11,755,695	13,586,114	16,374,515	20,717,548
Community and economic development	2,710,890	2,934,292	3,326,414	3,742,614	3,445,356	3,280,409	6,058,237	4,352,439	5,023,954	5,911,400
Interest on long-term debt	1,595,512	1,587,696	1,522,115	1,307,880	1,558,555	1,797,577	1,548,331	1,708,433	1,227,210	2,121,781
<b>Total Government Activities</b>	<u>76,721,103</u>	<u>86,409,245</u>	<u>80,787,063</u>	<u>82,247,651</u>	<u>86,428,143</u>	<u>96,586,804</u>	<u>101,405,148</u>	<u>102,800,929</u>	<u>117,804,368</u>	<u>141,298,096</u>
Business-type Activities:										
Water	34,703,938	40,596,342	36,836,367	36,260,532	38,496,895	37,964,639	35,336,786	39,527,641	37,219,042	49,254,949
Interfacility Transport	-	-	-	-	202,402	-	-	-	-	-
Event Center	2,955,425	2,923,681	3,157,283	3,087,042	2,979,291	3,547,071	2,749,946	2,843,946	2,878,758	3,484,587
<b>Total Business-type Activities</b>	<u>37,659,363</u>	<u>43,520,023</u>	<u>39,993,650</u>	<u>39,347,574</u>	<u>41,678,588</u>	<u>41,511,710</u>	<u>38,086,732</u>	<u>42,371,587</u>	<u>40,097,800</u>	<u>52,739,536</u>
<b>Total Expenses</b>	<u>\$ 114,380,466</u>	<u>\$ 129,929,268</u>	<u>\$ 120,780,713</u>	<u>\$ 121,595,225</u>	<u>\$ 128,106,731</u>	<u>\$ 138,098,514</u>	<u>\$ 139,491,880</u>	<u>\$ 145,172,516</u>	<u>\$ 157,902,168</u>	<u>\$ 194,037,632</u>
<b>Program Revenues</b>										
Governmental Activities:										
Charge for services										
General government	\$ 5,576,001	\$ 6,399,036	\$ 6,677,226	\$ 6,636,349	\$ 6,845,090	\$ 8,132,005	\$ 8,612,849	\$ 12,083,468	\$ 10,647,036	\$ 11,028,239
Public safety	3,514,328	4,033,054	4,208,386	4,182,622	4,314,184	5,125,274	5,428,331	7,615,721	6,710,396	6,950,653
Public works	171,371	196,666	205,216	203,959	210,375	249,926	264,705	371,369	327,223	338,939
Parks, recreation, and culture	1,440,434	1,653,047	1,724,911	1,714,351	1,768,275	2,100,794	2,224,935	3,121,491	2,750,421	2,848,896
Community and economic development	2,123,054	2,436,423	2,542,344	2,526,780	2,606,258	3,096,249	3,279,329	4,600,762	4,053,843	4,198,986
Operating grants and contributions	6,078,377	2,617,284	2,211,030	2,280,450	4,753,592	14,721,466	7,404,254	10,018,678	10,994,184	4,468,919
Capital grants and contributions	10,335,132	8,272,871	3,717,761	11,994,122	8,491,748	10,397,132	10,659,362	13,299,957	5,220,187	36,332,036
<b>Total Governmental Activities</b>	<u>29,238,697</u>	<u>25,608,381</u>	<u>21,286,874</u>	<u>29,538,633</u>	<u>28,989,522</u>	<u>43,822,846</u>	<u>37,873,765</u>	<u>51,111,446</u>	<u>40,703,290</u>	<u>66,166,668</u>
Business-type Activities:										
Charge for services:										
Water	43,252,348	48,111,159	49,479,965	49,900,736	50,795,917	53,331,721	56,648,328	55,316,851	61,687,716	65,834,309
Interfacility Transport	-	-	-	-	86,132	-	-	-	-	-
Event Center	262,103	340,363	305,220	396,854	314,231	54,080	821,767	947,693	1,342,186	960,907
Operating grants and contributions	2,956,864	4,293,003	4,444,620	6,376,415	3,813,977	5,157,093	5,657,234	1,579,364	1,145,396	-
Capital grants and contributions	3,685,168	1,312,903	76,684	1,325,935	347,661	-	618,207	2,869,754	-	15,919,939
<b>Total Business-type Activities</b>	<u>50,156,483</u>	<u>54,057,428</u>	<u>54,306,489</u>	<u>57,999,940</u>	<u>55,357,918</u>	<u>58,542,894</u>	<u>63,745,536</u>	<u>60,713,662</u>	<u>64,175,298</u>	<u>82,715,155</u>
<b>Total Program Revenues</b>	<u>\$ 79,395,180</u>	<u>\$ 79,665,809</u>	<u>\$ 75,593,363</u>	<u>\$ 87,538,573</u>	<u>\$ 84,347,440</u>	<u>\$ 102,365,740</u>	<u>\$ 101,619,301</u>	<u>\$ 111,825,108</u>	<u>\$ 104,878,588</u>	<u>\$ 148,881,823</u>

**CITY OF RIO RANCHO, NEW MEXICO  
CHANGES IN NET POSITION (CONTINUED)  
LAST TEN FISCAL YEARS**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (47,482,406)	\$ (60,800,864)	\$ (59,500,189)	\$ (52,709,018)	\$ (57,438,621)	\$ (52,763,958)	\$ (63,531,383)	\$ (51,689,483)	\$ (77,101,078)	\$ (75,131,428)
Business-type Activities	12,497,120	10,537,405	14,312,839	18,652,366	13,679,330	17,031,184	25,511,979	18,342,075	24,077,498	29,975,619
Total Net Expense	<u>\$ (34,985,286)</u>	<u>\$ (50,263,459)</u>	<u>\$ (45,187,350)</u>	<u>\$ (34,056,652)</u>	<u>\$ (43,759,291)</u>	<u>\$ (35,732,774)</u>	<u>\$ (38,019,404)</u>	<u>\$ (33,347,408)</u>	<u>\$ (53,023,580)</u>	<u>\$ (45,155,809)</u>
<b>General Revenues</b>										
Governmental Activities:										
Taxes:										
Property taxes	\$ 18,591,427	\$ 19,483,865	\$ 20,120,842	\$ 23,417,641	\$ 24,803,694	\$ 22,967,175	\$ 25,754,853	\$ 28,498,072	\$ 31,216,187	\$ 33,748,152
Gross receipts taxes	22,028,576	24,760,247	21,955,845	24,520,960	29,730,084	30,563,233	40,893,700	44,134,040	49,766,013	52,398,919
Franchise taxes	3,399,256	3,481,784	3,548,462	3,764,378	4,504,734	4,987,931	5,239,525	5,404,656	5,363,992	5,857,268
Unrestricted grants, aid and state shared revenues	13,268,517	11,448,958	13,825,706	15,017,305	18,595,398	19,894,785	25,569,793	27,669,867	31,831,858	33,005,674
Investment income	44,722	50,791	54,575	708,316	678,176	242,994	(1,790,567)	2,952,598	8,713,706	11,150,230
Miscellaneous	210,685	452,767	761,901	(70,474)	-	(1,331,953)	(152,032)	(1,576,370)	(1,452,500)	(103,856)
Transfers	(988,745)	(968,315)	(1,797,331)	(627,030)	(1,572,663)	(1,059,100)	(1,188,197)	(2,923,791)	(4,963,052)	(1,635,749)
Total Governmental Activities	<u>56,554,438</u>	<u>58,710,097</u>	<u>58,470,000</u>	<u>66,731,096</u>	<u>76,739,423</u>	<u>76,265,065</u>	<u>94,327,075</u>	<u>104,159,072</u>	<u>120,476,204</u>	<u>134,420,638</u>
Business-type Activities										
Unrestricted grants, aid and state shared revenues	-	-	-	-	-	-	-	-	-	-
Investment income	45,744	215,419	262,579	1,301,288	1,594,091	(244,339)	(1,014,446)	1,274,931	4,915,118	5,814,089
Miscellaneous	-	-	-	13,940	16,791	(1,219,261)	152,032	1,576,370	1,452,500	103,856
Transfers	988,745	968,315	1,797,331	627,030	1,572,663	1,059,100	1,188,197	2,923,791	4,963,052	1,635,749
Total Business-type Activities	<u>1,034,489</u>	<u>1,183,734</u>	<u>2,059,910</u>	<u>1,942,258</u>	<u>3,183,545</u>	<u>(404,500)</u>	<u>325,783</u>	<u>5,775,092</u>	<u>11,330,670</u>	<u>7,553,694</u>
Total primary government	<u>\$ 57,588,927</u>	<u>\$ 59,893,831</u>	<u>\$ 60,529,910</u>	<u>\$ 68,673,354</u>	<u>\$ 79,922,968</u>	<u>\$ 75,860,565</u>	<u>\$ 94,652,858</u>	<u>\$ 109,934,164</u>	<u>\$ 131,806,874</u>	<u>\$ 141,974,332</u>
<b>Change in Net Position</b>										
Governmental Activities	\$ 9,072,032	\$ (2,090,768)	\$ (1,030,190)	\$ 14,092,553	\$ 19,300,801	\$ 23,501,694	\$ 30,795,692	\$ 52,469,589	\$ 43,375,126	\$ 59,289,210
Business-type Activities	13,531,609	11,721,139	16,372,749	20,594,624	16,862,875	16,626,684	25,837,762	24,117,167	35,408,168	37,529,313
Total Change in Net Position	<u>\$ 22,603,641</u>	<u>\$ 9,630,371</u>	<u>\$ 15,342,559</u>	<u>\$ 34,687,177</u>	<u>\$ 36,163,676</u>	<u>\$ 40,128,378</u>	<u>\$ 56,633,454</u>	<u>\$ 76,586,756</u>	<u>\$ 78,783,294</u>	<u>\$ 96,818,523</u>

**CITY OF RIO RANCHO, NEW MEXICO  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Revenues</b>										
Taxes	\$ 40,647,987	\$ 44,264,784	\$ 42,127,542	\$ 47,268,447	\$ 53,336,590	\$ 54,564,552	\$ 66,664,003	\$ 72,658,616	\$ 80,884,329	\$ 86,062,709
Licenses and permits	337,255	348,097	328,867	368,108	371,336	330,157	393,214	329,274	523,445	603,926
Intergovernmental	24,640,228	19,932,774	18,325,362	27,605,694	29,084,729	44,209,026	42,102,664	41,108,499	47,270,625	48,195,080
Impact fees	1,032,838	716,638	922,489	811,328	1,336,869	2,956,674	2,188,851	1,398,028	2,965,443	4,621,681
Charges for services	7,004,161	6,713,192	6,756,260	7,794,401	6,155,780	6,955,620	7,643,815	8,459,930	10,467,374	11,303,073
Fines and forfeits	1,007,460	1,290,492	1,327,353	958,367	1,135,107	1,054,323	1,168,045	1,461,365	3,536,394	1,208,383
Franchise fees	3,399,256	3,481,784	3,548,462	3,764,378	4,504,734	4,987,931	5,239,525	5,404,656	5,363,992	5,857,268
Investment income	-	-	54,576	671,306	678,176	242,995	(1,790,567)	2,952,598	8,594,368	10,973,989
Other revenues	4,789,999	4,689,916	5,122,303	4,364,966	5,026,554	5,454,624	6,620,223	6,829,116	7,773,194	5,199,897
<b>Total Revenues</b>	<b>82,859,184</b>	<b>81,437,677</b>	<b>78,513,214</b>	<b>93,606,995</b>	<b>101,629,875</b>	<b>120,755,902</b>	<b>130,229,773</b>	<b>140,602,082</b>	<b>167,379,164</b>	<b>174,026,006</b>
<b>Expenditures</b>										
Current:										
General government	10,680,064	9,670,690	8,957,361	10,619,879	10,330,193	24,660,046	20,524,160	14,737,716	15,857,877	17,687,023
Public safety	30,730,532	31,282,885	30,952,620	31,666,671	34,291,422	34,178,517	36,959,075	41,321,913	46,728,337	55,714,882
Public works	8,122,916	8,661,744	8,706,971	8,524,833	8,847,547	9,212,220	9,697,869	10,737,617	11,833,847	11,990,480
Cultural and recreation	9,173,717	9,393,551	9,437,300	8,340,713	8,607,839	8,503,677	9,229,114	10,956,046	12,806,512	14,618,810
Economic development	2,789,229	2,773,880	3,119,772	3,542,849	3,315,449	3,133,912	5,835,718	4,101,133	4,681,736	5,660,778
Capital outlay	15,472,501	13,688,410	4,352,694	21,860,089	20,806,446	28,839,102	16,153,297	30,140,423	33,475,540	40,898,765
Debt service:										
Payment to bond escrow agent	-	-	-	-	-	-	-	-	-	-
Principal	5,531,081	5,835,594	6,152,480	6,176,788	8,070,962	9,556,156	8,274,461	14,090,733	9,880,802	8,697,063
Interest and fiscal charges	1,574,208	1,596,087	1,251,320	1,326,004	1,481,788	2,139,188	2,010,065	2,132,991	1,911,757	1,956,676
Bond/Loan issuance costs	168,159	-	174,284	219,307	217,943	127,228	144,410	-	-	479,886
<b>Total Expenditures</b>	<b>84,242,407</b>	<b>82,902,841</b>	<b>73,104,802</b>	<b>92,277,133</b>	<b>95,969,589</b>	<b>120,350,046</b>	<b>108,828,169</b>	<b>128,218,572</b>	<b>137,176,408</b>	<b>157,704,363</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>(1,383,223)</b>	<b>(1,465,164)</b>	<b>5,408,412</b>	<b>1,329,862</b>	<b>5,660,286</b>	<b>405,856</b>	<b>21,401,604</b>	<b>12,383,510</b>	<b>30,202,756</b>	<b>16,321,643</b>
<b>Other Financing Sources (Uses)</b>										
Issuance of general obligation bonds	11,310,000	-	6,885,000	14,100,000	14,600,000	-	15,250,000	-	-	16,000,000
Issuance of GRT Revenue Bonds	-	-	-	-	-	-	-	-	-	32,342,017
Payment to refunded bond escrow agent	(2,390,736)	-	-	-	-	-	-	-	-	-
Loan proceeds	259,950	-	-	4,049,056	11,720,000	-	-	-	-	-
Premium on bonds issued	604,340	-	-	837,327	4,552,170	-	772,558	-	-	807,150
Sale of land/capital asset proceeds	-	-	-	24,930	104,082	114,335	81,352	128,929	142,434	212,596
Lease Proceeds	-	-	-	-	-	-	-	-	397,895	103,377
SBITA Proceeds	-	-	-	-	-	-	-	-	-	2,308,551
Payment to refunding escrow	-	-	(6,703,013)	-	-	-	-	-	-	-
Transfer in	4,810,068	3,251,201	5,732,009	8,125,280	6,840,065	2,525,643	27,815,793	18,888,186	25,839,018	27,613,375
Transfer out	(5,798,813)	(4,219,516)	(6,766,993)	(9,278,260)	(8,412,728)	(3,584,743)	(31,303,990)	(21,811,978)	(31,802,070)	(30,627,149)
<b>Total other Financing Sources (Uses)</b>	<b>8,794,809</b>	<b>(968,315)</b>	<b>(852,997)</b>	<b>17,858,333</b>	<b>29,403,589</b>	<b>(944,765)</b>	<b>12,615,713</b>	<b>(2,794,863)</b>	<b>(5,422,723)</b>	<b>48,759,917</b>
<b>Net Change in fund balances</b>	<b>\$ 7,411,586</b>	<b>\$ (2,433,479)</b>	<b>\$ 4,555,415</b>	<b>\$ 19,188,195</b>	<b>\$ 35,063,875</b>	<b>\$ (538,909)</b>	<b>\$ 34,017,317</b>	<b>\$ 9,588,647</b>	<b>\$ 24,780,033</b>	<b>\$ 65,081,560</b>
Debt service as a percentage of noncapital expenditures	10.33%	10.74%	10.77%	10.65%	12.71%	12.78%	11.10%	16.54%	11.37%	9.12%

**CITY OF RIO RANCHO, NEW MEXICO  
FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<b>General Fund</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-	-	-	10,575,248
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	16,011,877	16,464,883	13,739,208	20,795,958	29,062,875	55,916,707	57,771,162	65,044,277	74,890,490	68,498,660
Total general fund	<u>\$16,011,877</u>	<u>\$16,464,883</u>	<u>\$13,739,208</u>	<u>\$20,795,958</u>	<u>\$29,062,875</u>	<u>\$55,916,707</u>	<u>\$57,771,162</u>	<u>\$65,044,277</u>	<u>\$74,890,490</u>	<u>\$ 79,073,908</u>
<b>All other Governmental Funds</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	27,439,409	24,423,773	31,606,304	41,950,288	68,671,450	45,776,891	76,700,383	77,242,847	87,745,015	151,052,442
Committed	-	-	-	1,725,811	1,848,471	1,614,157	2,427,233	3,903,705	7,875,685	8,364,191
Assigned	-	-	-	-	-	-	55,857	401,100	777,629	28,595
Unassigned	(486,956)	(357,806)	(70,314)	(8,663)	(55,527)	(408,437)	(80,648)	(86,646)	(3,503)	(1,902,260)
Total all other governmental funds	<u>\$26,952,453</u>	<u>\$24,065,967</u>	<u>\$31,535,990</u>	<u>\$43,667,436</u>	<u>\$70,464,394</u>	<u>\$46,982,611</u>	<u>\$79,102,825</u>	<u>\$81,461,006</u>	<u>\$96,394,826</u>	<u>\$ 157,542,968</u>

**CITY OF RIO RANCHO, NEW MEXICO  
TAXABLE AND FULL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS**

Fiscal Year	Residential property		Commercial Property			Total		Net Taxable Value as a Percentage of Full Value
	Taxable Value (\$)	Full Value (\$)	Taxable Value (\$)	Full Value (\$)	Less: Tax-exempt Property (\$)	Net Taxable Value (\$)	Full Value (\$)	
2016	1,746,050,994	6,984,204,500	603,035,018	2,412,140,253	285,761,783	2,063,324,229	8,253,297,535	25.00%
2017	1,816,428,452	7,265,714,353	621,708,598	2,486,834,579	307,468,656	2,130,668,394	8,522,674,215	25.00%
2018	1,907,597,566	7,630,390,836	885,798,279	3,543,193,382	556,941,802	2,236,454,043	8,945,816,843	25.00%
2019	2,006,883,158	8,027,533,234	1,108,334,948	4,433,340,125	795,141,625	2,320,076,481	9,280,306,620	25.00%
2020	2,115,109,007	8,460,436,663	1,241,710,922	4,966,844,061	800,460,271	2,556,359,658	10,225,439,399	25.00%
2021	2,283,051,722	9,132,207,573	778,116,337	3,112,465,581	453,654,605	2,607,513,454	10,430,054,598	25.00%
2022	2,551,097,422	10,204,390,453	723,984,980	2,895,940,137	467,099,022	2,807,983,380	11,231,934,362	25.00%
2023	2,964,382,905	11,857,532,509	937,111,372	3,748,445,769	573,451,182	3,328,043,095	13,312,173,378	25.00%
2024	3,115,450,950	12,461,804,735	1,083,551,907	4,334,207,953	624,778,441	3,574,224,416	14,296,898,736	25.00%
2025	3,408,256,551	13,633,027,226	1,090,213,472	4,360,854,215	682,623,602	3,815,846,421	15,263,386,829	25.00%

**Source:** Sandoval and Bernalillo County Assessor's Office Abstract 2016 through 2025

**Note:** The difference in the net taxable value listed on this schedule and schedule 13, is due to taxpayer disputed values not being included in schedule 13.

**CITY OF RIO RANCHO, NEW MEXICO  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Taxes Levied for the Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>	
		<b>Amount</b>	<b>Percentage</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2015	18,665,557	18,171,992	97.36%	-	18,171,992	97.36%
2016	19,677,778	19,207,650	97.61%	-	19,207,650	97.61%
2017	20,349,272	19,952,046	98.05%	-	19,952,046	98.05%
2018	23,073,937	22,503,108	97.53%	-	22,503,108	97.53%
2019	22,798,840	23,422,494	102.74%	(657)	23,421,837	102.73%
2020	25,582,741	23,690,762	92.60%	(21,369)	23,669,393	92.52%
2021	26,036,715	25,412,923	97.60%	(13,268)	25,399,655	97.55%
2022	28,817,101	28,172,613	97.76%	(685)	28,171,928	97.76%
2023	31,554,342	30,902,305	97.93%	(43,159)	30,859,146	97.80%
2024	34,203,903	33,464,137	97.84%	(27,822)	33,436,315	97.76%

**Source:** Sandoval and Bernalillo County Treasurer's Offices (small portion of Rio Rancho is in Bernalillo County)

**CITY OF RIO RANCHO, NEW MEXICO  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS  
(RATE PER \$1,000 OF ASSESSED VALUE)**

Fiscal Year	City of Rio Rancho		Total	Overlapping Rates							Total
	General Fund	Debt Service Fund		State	County	School District	Central NM Community College	Pres. Hospital	SSCAFCA		
2016	7.449	2.016	9.465	1.360	7.401	10.803	3.776	4.250	2.077	39.132	
2017	7.492	2.051	9.543	1.360	7.367	10.804	3.789	-	2.194	35.057	
2018	7.525	2.768	10.293	1.360	7.048	10.810	3.799	-	3.950	22.500	
2019	7.553	2.770	10.323	1.360	7.328	10.810	5.723	1.900	2.902	29.536	
2020	7.482	2.770	10.252	1.360	7.181	10.795	3.822	1.886	2.781	38.077	
2021	7.278	2.770	10.048	1.360	7.136	10.731	3.763	1.839	2.827	37.704	
2022	7.116	2.770	9.886	1.360	6.910	10.743	3.775	1.840	2.037	36.551	
2023	7.004	2.772	9.776	1.360	6.695	10.705	3.790	1.816	2.025	36.167	
2024	6.791	2.771	9.562	1.360	6.985	10.639	3.733	1.760	2.001	36.040	
2025	6.636	2.771	9.407	1.360	6.133	10.591	3.706	1.720	1.979	34.896	

**Source:** State of New Mexico Department of Finance and Administration and/or county treasurer's offices

**CITY OF RIO RANCHO, NEW MEXICO  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**

Tax Payer	2025			2016		
	Taxable Assessed Value	Rank	Percent of Total Taxable Valuation	Taxable Assessed Value	Rank	Percent of Total Taxable Valuation
Intel Corporation	\$ 431,974,937	1	11.39%			
Presbyterian Healthcare	35,730,974	2	0.94%			
Cable One Inc.	8,619,756	3	0.23%			
LPG 7700 Inc	6,643,398	4	0.18%			
New Mexico Gas Company	6,530,303	5	0.17%			
Wal-Mart Stores	6,397,341	6	0.17%			
Northland Links LLC	5,520,271	7	0.15%			
EP Country Club Drive LLC	5,505,049	8	0.15%			
HD Development of Maryland Inc	5,370,492	9	0.14%			
Rio Rancho Retirement Residence LLC	4,583,929	10	0.12%			
Public Service Company of New Mexico				\$ 19,653,110	1	0.93%
Presbyterian Healthcare				14,460,115	2	0.69%
The Neighborhood in Rio Rancho				10,662,964	3	0.51%
New Mexico Gas Company				7,433,519	4	0.35%
Wal-Mart Stores				5,147,491	5	0.24%
De High Resort LLC Etal				4,904,690	6	0.23%
Rio Rancho Retirement Residence LLC				4,833,342	7	0.23%
Tri-State Generation & Transmission				4,728,918	8	0.22%
Enchanted 528 Development				4,696,796	9	0.22%
Sandia View LLC				4,682,814	10	0.22%
<b>Total</b>	<b>\$ 516,876,450</b>		<b>2.24%</b>	<b>\$ 81,203,759</b>		<b>3.86%</b>

**Source:** Sandoval County Assessor's Office

**CITY OF RIO RANCHO, NEW MEXICO  
TAXABLE GROSS RECEIPTS BY TYPE OF TRADE  
LAST TEN FISCAL YEARS**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Construction	\$ 201,156,473	\$ 193,486,365	\$ 172,404,041	\$ 222,570,471	\$ 261,493,128	\$ 311,161,240	\$ 390,060,631	\$ 386,746,938	\$ 486,042,601	\$ 523,956,445
Manufacturing	25,327,413	21,608,927	20,152,646	20,163,643	27,071,989	29,483,262	35,673,952	39,142,973	49,158,734	48,408,969
Transportation, Communication and Utility	95,394,246	83,335,054	84,267,527	96,970,286	104,839,749	116,341,459	131,043,486	139,352,655	159,776,666	124,995,866
Wholesale Trade	11,855,585	16,886,192	23,872,597	23,237,826	28,647,040	30,981,403	51,493,606	60,377,693	56,110,361	84,196,066
Retail Trade	283,093,409	287,793,273	293,121,150	305,495,145	352,032,629	409,663,797	565,449,190	619,324,597	659,615,724	694,683,731
Finance, Insurance and Real Estate	46,440,978	31,902,564	18,018,797	37,922,374	37,490,539	50,654,472	70,572,489	74,016,266	71,861,458	65,866,040
Health Care & Social Svcs	69,846,497	85,421,779	86,388,626	102,942,639	89,918,743	115,294,481	148,261,953	165,228,396	166,769,976	171,173,849
Accommodations & Food Svcs	103,142,163	109,927,837	111,778,254	112,217,168	118,353,536	127,895,274	152,016,533	175,236,405	185,849,126	194,435,446
Services	243,695,365	245,402,415	255,253,847	285,085,566	288,161,752	239,946,891	330,871,148	395,565,078	414,229,019	454,245,130
Other (A)	12,297,517	5,646,659	5,163,035	10,653,345	9,782,631	19,869,016	55,831,249	71,153,555	77,431,681	80,885,443
<b>Total Taxable Gross Receipts</b>	<b>\$ 1,092,249,646</b>	<b>\$ 1,081,411,065</b>	<b>\$ 1,070,420,520</b>	<b>\$ 1,217,258,463</b>	<b>\$ 1,317,791,736</b>	<b>\$ 1,451,291,295</b>	<b>\$ 1,931,274,237</b>	<b>\$ 2,126,144,556</b>	<b>\$ 2,326,845,346</b>	<b>\$ 2,442,846,984</b>
City direct sales tax rate	7.4375%	7.4375%	7.4375%	7.6875%	7.6875%	7.6875%	7.6875%	7.6875%	7.6875%	7.6875%
Sandoval County direct sales tax rate	6.2500%	6.2500%	6.2500%	6.3750%	6.3750%	6.3750%	6.3750%	6.3750%	6.3750%	6.3750%

**Source:** State of New Mexico, Department of Taxation and Revenue

**Notes:** Unable to provide schedule of Principal Sales Tax Remitters, per New Mexico Taxation and Revenue Laws and Regulations 2004 Edition, section 7-1-8, Confidentiality of returns and other information. Schedule restated to include additional business sectors.

**(A)** - This category is made up of "undetermined establishments" due to adjustments of monthly reporting by the state, therefore, negative amounts may be reported.

**CITY OF RIO RANCHO, NEW MEXICO  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

<b>Governmental Activities</b>									
<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>GRT Revenue Bonds</b>	<b>Notes Payable</b>	<b>Lease Liability ( C )</b>	<b>Subscription Liability ( C )</b>	<b>Total Governmental Activities</b>			
2016	24,594,126	13,124,725	12,775,719	-	-	50,494,570			
2017	21,152,337	11,850,311	11,425,125	-	-	44,427,773			
2018	17,670,548	10,540,897	10,413,645	-	-	38,625,090			
2019	28,766,085	9,186,483	13,250,913	-	-	51,203,481			
2020	39,934,432	21,918,348	11,884,951	-	-	73,737,731			
2021	34,148,896	18,926,483	10,359,212	-	-	63,434,591			
2022	45,120,918	16,165,451	9,149,334	220,579	-	70,656,282			
2023	34,585,133	13,094,002	7,918,601	168,866	1,486,873	57,253,475			
2024	28,440,712	9,772,554	6,717,799	247,134	1,076,274	46,254,473			
2025	40,538,442	38,573,122	5,485,736	261,842	2,340,384	87,199,526			

<b>Business-Type Activities</b>						<b>Total</b>			
<b>Fiscal Year</b>	<b>Revenue Bonds</b>	<b>MPEC Revenue Bonds</b>	<b>Loan Payable</b>	<b>Lease Liability ( C )</b>	<b>Subscription Liability ( C )</b>	<b>Total Business Activities</b>	<b>Total Primary Government</b>	<b>Percentage of Personal Income (A)</b>	<b>Per Capita (B)</b>
2016	86,768,055	26,750,000	41,050,115	-	-	154,568,170	205,062,740	2.68%	2,133
2017	129,151,112	25,385,000	16,423,197	-	-	170,959,309	215,387,082	2.67%	2,197
2018	120,838,055	24,000,000	15,484,861	-	-	160,322,916	198,948,006	3.03%	2,006
2019	112,598,559	22,590,000	24,951,020	-	-	160,139,579	211,343,060	2.97%	2,031
2020	101,225,202	21,150,000	25,344,449	-	-	147,719,651	221,457,382	3.06%	2,092
2021	102,641,273	19,305,206	12,540,668	-	-	134,487,147	197,921,738	3.57%	1,831
2022	92,193,881	17,629,278	11,585,140	63,256	-	121,471,555	192,127,837	3.85%	1,762
2023	85,022,321	15,943,350	10,407,785	108,885	-	111,482,341	168,735,816	4.54%	1,525
2024	78,320,583	14,252,422	9,222,080	51,798	-	101,846,883	148,101,356	5.37%	1,316
2025	71,573,846	12,546,495	9,728,654	66,154	-	93,915,149	181,114,675	4.56%	1,580

**Source:** The City's Financial Records, Financial Services Department

- ( A ) This information uses Sandoval County Personal Income through 2018. Amounts are estimated for 2019 through 2024.
- ( B ) Population for the City of Rio Rancho for 2022-2024 are estimated.
- ( C ) Additional liabilities added to schedule in 2024.

**CITY OF RIO RANCHO, NEW MEXICO**  
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>General Obligation Bonds (\$)</u>	<u>Less: Amounts Restricted for Debt Service (\$)</u>	<u>Total (\$)</u>	<u>Percentage of Estimated Actual Taxable Value of Property</u>	<u>Per Capita (A)</u>
2016	24,594,126	3,937,721	20,656,405	1.01%	215.11
2017	21,152,337	4,167,419	16,984,918	0.81%	176.63
2018	17,670,548	4,506,711	13,163,837	0.60%	134.29
2019	28,766,085	6,844,148	21,921,937	0.95%	221.04
2020	39,934,432	8,746,496	31,187,936	1.24%	299.75
2021	34,148,896	8,840,893	25,308,003	0.99%	239.13
2022	45,120,918	10,172,315	34,948,603	1.22%	323.35
2023	34,585,133	7,326,957	27,258,176	0.86%	249.94
2024	28,440,712	8,947,703	19,493,009	0.55%	176.15
2025	40,538,442	14,656,408	25,882,034	0.68%	225.86

**Source:** The City's Financial Records, Financial Services Department

**(A)** - This information uses the Bureau of Business and Economic Research (BBER) City of Rio Rancho population estimation.

**CITY OF RIO RANCHO, NEW MEXICO  
DIRECT AND OVERLAPPING DEBT  
AS OF JUNE 30, 2025**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Applicable Percentage (A)</u>	<u>Estimated Share Applicable to City</u>
<b>Debt repaid with property taxes</b>			
State of New Mexico	\$ 347,815,000	3.30%	\$ 11,490,082
Sandoval County	9,730,000	60.47%	5,884,132
Central NM Community College	157,630,000	13.77%	21,699,237
SSCAFCA	22,635,000	74.53%	16,869,866
Rio Rancho School District	105,735,000	87.74%	92,768,382
Subtotal, overlapping debt			148,711,699
<b>City direct debt</b>			<u>87,199,526</u>
<b>Total direct &amp; overlapping debt</b>			<u><u>\$ 235,911,225</u></u>

**Note:** Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Rio Rancho. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

**(A) -** The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

**Source:** Sandoval County Assessor's Office and/or Debt Disclosure Statement

**CITY OF RIO RANCHO, NEW MEXICO  
COMPUTATION OF LEGAL DEBT MARGIN  
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Debt Limit</u>	<u>Total Net Debt Applicable to Limit</u>	<u>Total Net Debt Applicable to Limit as a Percentage of Debt Limit</u>
2016	\$ 82,532,969	\$ 19,667,279	23.83%
2017	\$ 84,324,343	\$ 16,132,581	19.13%
2018	\$ 88,081,910	\$ 16,955,000	19.25%
2019	\$ 92,189,250	\$ 21,955,000	23.82%
2020	\$ 100,711,888	\$ 27,808,504	27.61%
2021	\$ 102,042,577	\$ 22,279,107	21.83%
2022	\$ 114,554,974	\$ 31,497,685	27.50%
2023	\$ 126,872,884	\$ 31,485,000	24.82%
2024	\$ 140,906,219	\$ 28,440,712	20.18%
2025	\$ 151,732,004	\$ 40,538,442	26.72%

**Legal Debt Margin Calculation for Fiscal Year 2025:**

Assessed value	\$3,793,300,109
Debt limit (4% of assessed value)	151,732,004
Debt applicable to limit:	
General obligation bonds	40,538,442
Less: Amount set aside for repayment of general obligation debt	(14,219,733)
Total net debt applicable to limit	<u>26,318,709</u>
Legal debt margin	<u><u>\$125,413,295</u></u>

**Sources:** The City's Financial Records, Financial Services Department, Sandoval County Assessor's and Bernalillo County Assessor's Offices.

**CITY OF RIO RANCHO, NEW MEXICO  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

Fiscal Year	City Population	County Population	Personal Income	Per Capita Income			Unemployment Rate		
				U.S.	New Mexico	Sandoval County	U.S.	New Mexico	Sandoval County
2016	96,028	140,464	5,493,079	49,828	38,474	40,156	4.80%	5.00%	7.40%
2017	96,159	142,689	5,756,717	51,006	39,196	40,661	4.30%	4.50%	7.00%
2018	98,023	145,096	6,036,908	52,242	40,976	41,603	3.80%	4.10%	5.60%
2019	99,178	146,748	6,278,627	53,683	43,223	44,465	3.60%	3.80%	6.00%
2020	104,441	149,301	6,766,111	56,501	46,483	47,306	11.00%	3.70%	9.80%
2021	106,309	151,509	7,064,420	59,153	50,682	54,136	5.40%	4.50%	7.70%
2022	108,685	153,509	7,400,375	57,052	53,069	53,517	3.50%	4.90%	4.20%
2023	110,656	155,943	7,654,921	57,937	55,166	56,559	3.50%	3.50%	4.20%
2024	112,524	157,757	7,957,561	58,822	57,652	59,601	4.10%	3.90%	4.70%
2025	114,594	160,092	8,260,201	59,707	60,138	62,643	4.20%	4.20%	3.90%

**Sources:** U.S. Census Bureau, World Population Review, U.S. Bureau of Labor Statistics, FRED Economic Data

**CITY OF RIO RANCHO, NEW MEXICO  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

<u>Employer</u>	<u>2025</u>			<u>2016</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Intel Corporation	2,900	1	3%			
Rio Rancho Public Schools	2,377	2	3%			
Presbyterian-Rust Medical Center	1,200	3	1%			
HP	680	4	1%			
Sandoval Regional Medical Center-UNM	670	5	1%			
City of Rio Rancho	668	6	1%			
Sandoval County	580	7	1%			
Santa Ana Pueblo	509	8	1%			
Bank of America	330	9	0%			
Sandia Pueblo	300	10	0%			
Intel Corporation				5,000	1	10%
Rio Rancho Public Schools				1,838	2	4%
Intel sub contractors				1,300	3	3%
Sprint PCS				800	4	2%
Bank of America				700	5	1%
City of Rio Rancho				651	6	1%
eTelecare Global Solution				600	7	1%
Brycon Construction				422	8	1%
Sandoval County				406	9	1%
Victoria's Secret				400	10	1%
Total Major Employers-Sandoval County	<u>10,214</u>			<u>12,117</u>		
Total Sandoval County Employment	<u>86,596</u>			<u>51,402</u>		

**Notes:** Most recent Total Sandoval County Employment data from the US Census Bureau is for 2022.

**CITY OF RIO RANCHO, NEW MEXICO  
FULL-TIME-EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

<u>Function/Program</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General Government										
City Administration	5	7	7	7	7	7	8	6	6	6
Human Resources	7	6	6	6	6	6	7	8	8	8
City Clerk	3	3	3	4	4	5	5	5	5	9
City Attorney	6	8	8	7	7	6	6	7	7	8
Municipal Court	13	13	13	13	13	11	11	11	11	13
Finance/IT	33	34	34	36	36	38	40	42	45	34
Public Safety										
Police	136	133	133	133	133	135	137	141	143	137
Firefighters	107	104	104	112	112	113	112	112	121	144
Civilians	37	43	43	36	36	20	25	27	31	70
Public Works										
Engineering	18	18	19	18	18	18	22	22	21	19
Others	69	72	72	71	71	71	72	72	74	61
Parks and Recreation	89	91	90	90	90	105	110	111	112	117
Senior Services	8	8	8	8	7	9	9	9	9	8
Library and Information Services	35	37	36	36	36	36	43	45	45	45
City Development	28	28	28	36	37	37	39	41	46	44
Special Funds	71	69	69	70	70	66	61	62	60	60
Water and Wastewater	35	35	36	36	36	36	32	32	32	24
<b>Total</b>	<b>700</b>	<b>709</b>	<b>709</b>	<b>719</b>	<b>719</b>	<b>719</b>	<b>739</b>	<b>753</b>	<b>776</b>	<b>807</b>

**Source:** City of Rio Rancho Human Resources Department

**Note:** A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

**CITY OF RIO RANCHO, NEW MEXICO  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Police (A)</b>										
Total Violent Crimes	491	405	486	575	393	-	-	-	-	-
Total Property Crimes	2,147	2,512	1,824	1,495	1,282	-	-	-	-	-
Total Warnings & Citations	21,886	19,600	13,309	16,213	7,181	-	-	-	-	-
Total Arrests	7,215	6,941	7,078	6,397	3,454	-	-	-	-	-
Total Traffic Crashes	1,642	1,877	1,821	1,746	1,102	-	-	-	-	-
Total Incident Reports	9,725	9,556	9,627	7,324	7,067	-	-	-	-	-
Total Calls for Service	41,966	36,352	45,178	36,787	20,760	-	-	-	-	-
Murders	-	-	-	-	-	1	2	3	4	5
Sexual Offenses	-	-	-	-	-	77	111	96	83	43
Robbery Totals	-	-	-	-	-	26	41	24	15	14
Assault Totals	-	-	-	-	-	1,138	1,137	1,166	1,446	1,623
Burglary Totals	-	-	-	-	-	192	197	218	222	167
Larceny Totals	-	-	-	-	-	974	430	445	1,405	460
Motor Vehicle Theft	-	-	-	-	-	182	189	209	176	148
Motor Vehicle Recoveries	-	-	-	-	-	75	35	56	-	-
Property Theft Recoveries	-	-	-	-	-	23	34	36	-	-
Other Criminal Offenses	-	-	-	-	-	2,214	2,441	2,431	1,880	1,383
Traffic Offenses	-	-	-	-	-	538	376	413	-	354
<b>Fire</b>										
Total Structural Fires	46	59	36	33	46	34	28	40	57	79
Total Fire Inspections	1,510	1,535	1,478	1,462	1,685	1,645	1,519	1,701	1,701	1,838
Total Calls for Service	10,122	10,335	10,959	10,885	4,186	11,683	3,706	14,321	10,714	11,326
<b>EMS</b>										
Total EMS Patients	7,861	6,704	6,825	6,306	7,542	7,645	8,854	11,493	9,687	10,422
Total Patient Transports	5,118	5,099	5,001	5,024	5,577	6,743	7,098	9,512	7,619	8,191
Total Calls for Service	7,861	7,240	7,517	6,335	11,728	7,645	9,911	10,481	14,800	15,501
<b>Animal Control</b>										
Total Impounds	2,391	2,291	2,328	2,145	1,681	1,456	1,891	1,913	1,771	1,736
Total Claims	889	911	888	838	594	475	533	568	572	548
Total Adoptions	633	590	694	521	568	602	492	465	498	566
Total Euthanasia	474	401	351	361	297	204	280	341	293	293
Total Complaints	5,032	4,591	3,765	1,959	3,511	2,455	-	-	-	-
<b>Code Enforcement</b>										
Total Inspections	6,580	4,617	8,873	8,929	8,398	13,981	11,875	9,696	15,128	16,888
Total Citations	607	385	277	441	649	864	467	991	1,106	633
Courtesy Notices	-	-	-	-	-	-	-	-	4,833	5,784

CITY OF RIO RANCHO, NEW MEXICO  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<u>Public Works</u>										
Total Potholes Repaired	493	612	384	950	250	962	1,457	1,793	1,677	533
<u>Parks &amp; Recreation</u>										
Total Summer Camp Participants	2,742	3,305	3,483	3,219	1,774	720	1,428	1,437	1,661	1,845
Total KidsZone Participants	606	408	567	494	232	156	104	131	256	166
Total Youth Sports League Participants	699	679	933	974	656	146	684	1,564	566	446
Total Adult Sports League Teams	212	180	149	164	49	106	266	307	142	160
Total Indoor/Outdoor Aquatics Participants	2,605	2,985	3,334	3,721	1,874	-	911	1,212	1,181	1,600
Total Free Summer Meals Served ( C )	26,884	40,262	31,180	43,311	21,280	-	5,810	-	-	-
Total Student Attendance of Keep Rio Rancho Beautiful Program	3,984	3,339	4,168	5,282	-	339	481	75	500	227
<u>Meadowlark Senior Center</u>										
Average # of Daily Participants per Employee	141	149	125	132	121	22	100	107	139	67
Total Volunteer Hours	26,922	29,132	27,350	23,728	20,689	1,091	5,312	10,419	9,880	10,118
<u>Library</u>										
Total Collection	169,508	160,476	153,274	153,906	146,278	138,751	136,489	148,719	156,512	162,645
New Items Added	18,886	18,334	17,431	10,478	11,488	12,372	14,442	20,075	12,204	13,907
Items Withdrawn	25,478	27,366	24,633	9,846	19,116	19,899	16,704	7,845	4,411	7,774
Collection Growth/Decrease	(6,592)	(9,032)	(7,202)	632	(7,628)	(7,527)	(2,262)	12,230	7,793	6,133
<u>Circulation Stats: (B)</u>										
Visitors	297,565	309,529	306,857	286,658	171,988	45,845	93,764	121,878	154,150	156,070
Circulation	657,939	682,086	659,895	621,839	491,542	319,440	453,926	484,081	526,389	550,939
Computer Usage	63,319	59,957	58,305	52,711	30,666	11,836	-	-	-	-
Program Attendance	26,776	36,966	46,908	40,129	59,083	3,106	5,523	14,261	28,942	27,879
Library Cardholders	-	-	-	-	-	-	31,753	37,834	39,156	45,034
<u>Transit</u>										
Total Fare Cards Sold ( D )	1,998	1,982	1,932	919	238	-	-	-	-	-

**Note:** The City chose to use the prospective method of reporting for this schedule as the data was not tracked prior to GASB 44 implementation.

( A ) The Department of Public Safety changed software programs in fiscal year 2021, so fiscal year 2020 was unable to be restated. Also, beginning in fiscal year 2021 the data was captured in more detail, so category verbiage has been changed to more accurately mirror the new reporting software. A new database system was implemented in fiscal year 2024, so certain categories will no longer be reported.

( B ) The City of Rio Rancho libraries will no longer report computer usage, but will begin reporting the number of library cardholders.

( C ) The City of Rio Rancho is no longer offering the free lunch distribution program.

( D ) The City of Rio Rancho no longer operates the Rio Metro transit system.

**Sources:** Various City Departments

**CITY OF RIO RANCHO, NEW MEXICO  
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS<sup>1,2</sup>**

Function/Program	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<u>Police</u>										
Main Stations	1	1	1	1	1	1	1	1	1	1
Law Enforcement Units (A)	190	192	177	179	185	178	234	249	238	235
<u>Fire</u>										
Main Stations	6	6	6	6	6	6	6	6	6	6
Substations	1	1	1	1	1	1	1	1	1	1
Firetrucks	14	14	14	16	17	17	17	18	18	17
<u>EMS</u>										
Ambulances	12	12	12	12	11	11	10	11	13	13
<u>Animal Control</u>										
Patrol Units	8	8	8	8	8	8	8	10	10	8
<u>Public Works</u>										
Streets (centerline miles) (B)	444	446	447	447	451	466	470	481	481	481
Streetlights	3,002	3,002	3,347	3,366	3,366	3,558	3,568	3,568	3,577	3,906
Traffic Signals (Signalized Intersections)	59	59	59	60	60	60	60	60	60	60
Sidewalks & Paths (C)										
<u>Parks &amp; Recreation</u>										
New/Renovated Park Facilities	1	2	3	2	1	-	2	-	2	1
Developed Parkland (acres) (D)	285	285	287	287	291	291	296	295	295	295
Constructed Trailways (linear feet) (E)	68,821	68,821	68,821	132,000	132,000	132,000	132,000	138,111	117,744	117,744
<u>Transit</u>										
Mini buses (F)	-	-	-	-	-	-	-	-	-	-
<u>Water</u>										
Water mains (miles)	573	579	579	582	588	597	599	608	610	618.58
Fire hydrants	4,273	4,213	4,318	4,323	4,384	4,461	4,713	4,720	4,737	4,876
New Connections (G)	334	485	493	439	660	1,043	937	554	962	1,049
Water main breaks (H)	40	42	54	55	38	45	53	56	40	66
Storage capacity (thousands of gallons) (I)	44,350	44,350	44,350	42,350	44,100	44,100	44,100	44,100	44,570	44,570
Average daily consumption (thousands of gallons) (J)	9,636	9,761	9,807	9,203	9,750	9,496	9,589	9,189	12,000	9,973
Booster Stations (K)	10	11	11	11	11	11	11	12	12	13
Wells (in production) (L)	14	15	15	15	14	14	14	13	12	15
Storage Tanks (M)	19	19	18	18	18	18	19	20	19	20
Arsenic Treatment Facilities (N)	10	10	10	10	10	10	10	10	10	3
<u>Wastewater</u>										
Sanitary sewers (miles)	382	386	388	389	392	402	402	412	413	400.41
Average daily treatment (thousands of gallons) (O)	4,532	4,236	4,137	4,725	4,994	5,201	5,201	4,828	5,200	5,414
Wastewater Treatment Plants (in operation) (P)	4	4	4	4	3	3	3	3	3	3
Lift Stations (Q)	26	26	26	26	27	28	27	27	26	26

Sources: Various City Departments

CITY OF RIO RANCHO, NEW MEXICO  
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS<sup>1-2</sup>

**Notes:**

1. The city chose to use the prospective method of reporting for this schedule as the data was not tracked prior to GASB 44 implementation.
  2. The city established a baseline year for restatement of capital asset statistics for Fiscal Year ending June 30, 2010. Baseline figures were primarily obtained from the city's Geographic Information System (GIS).
  3. The city established a second baseline year for restatement of capital asset statistics for Fiscal Year ending June 30, 2015. Baseline figures were obtained from the city's Geographic Information System (GIS) and staff facility inventories.
- (A) Amended the number of patrol units to correctly state the baseline point for Fiscal Year ending June 30, 2010. Law Enforcement Units include Marked, Unmarked, Administrative, Pool, and Special Use vehicles.
- (B) Amended the number of centerline miles of paved roadway to correctly state the baseline point for Fiscal Year ending June 30, 2010. Previous year's reporting was presumably based on a lane mile unit of measure. The number of centerline miles of paved roadway is based on full build out classification and does not include state roads for which the city is not responsible for
- (C) The Public Works Department discontinued tracking sidewalks in Fiscal Year ending June 30, 2010. Sidewalks are considered part of the roadway/street infrastructure.
- (D) Amended the number of developed parkland acreage to correctly state the baseline point for Fiscal Year ending June 30, 2010.
- (E) Amended the number of linear feet of constructed trailways to correctly state the baseline point for Fiscal Year ending June 30, 2019.
- (F) On Dec. 16, 2009, the Rio Rancho City Council adopted a Resolution No. 134, ENACT 09-134 to transfer the city's Rio Transit Program to the Mid-Region Council of Governments.
- (G) The city began tracking new connections in the ACFR beginning in Fiscal Year ending June 30, 2007
- (H) The city began tracking water main breaks in the ACFR beginning in Fiscal Year ending June 30, 2007
- (I) The city discontinued tracking water storage capacity in the ACFR for Fiscal Years 2008 and 2009.
- (J) The city began tracking average daily water consumption in the ACFR beginning in Fiscal Year ending June 30, 2007.
- (K) The city began tracking the number of booster stations in the ACFR beginning in Fiscal Year ending June 30, 2010.
- (L) The city began tracking the number of wells in the ACFR beginning in Fiscal Year ending June 30, 2010.
- (M) The city began tracking the number of water storage tanks in the ACFR beginning in Fiscal Year ending June 30, 2010.
- (N) The city began tracking the number of arsenic treatment facilities in the ACFR beginning in Fiscal Year ending June 30, 2010.
- (O) The city discontinued tracking wastewater treatment capacity and began tracking average daily treatment capacity in thousands of gallons in the ACFR beginning in Fiscal Year ending June 30, 2010.
- (P) The city began tracking the number of wastewater treatment plants (WWTP) in operation in the ACFR beginning in Fiscal Year ending June 30, 2010. Amended the number of wastewater plants in operation to correctly state the baseline point for Fiscal Year ending June 30, 2015. WWTP#3 is in reserve status and is not in active operation. WWTP#4 has been permanently at
- (Q) The city began tracking the number of lift stations in the ACFR beginning in Fiscal Year ending June 30, 2010.



# **SINGLE AUDIT SECTION**

**CITY OF RIO RANCHO, NEW MEXICO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025**

<u>Federal Grantor/Program Title</u>	<u>Federal AL Number</u>	<u>Grantor/ Pass-Through Number</u>	<u>Direct Expenditures</u>	<u>Passed Through to Subrecipients</u>	<u>Total Expenditures</u>
<u>U.S. Department of Housing and Urban Development</u>					
<i>Direct Funding</i>					
CDBG - Entitlement Grants-Cluster					
Community Development Block Grants/Entitlement Grants	14.218	B-18-MC-35-0004	\$ 100	-	100
Community Development Block Grants/Entitlement Grants	14.218	B-20-MC-35-0004	49,130	-	49,130
Community Development Block Grants/Entitlement Grants	14.218	B-21-MC-35-0004	28,238	-	28,238
Community Development Block Grants/Entitlement Grants	14.218	B-22-MC-35-0004	30,267	-	30,267
Community Development Block Grants/Entitlement Grants	14.218	B-23-MC-35-0004	11	366,557	366,568
Community Development Block Grants/Entitlement Grants	14.218	B-24-MC-35-0004	230,137	50,101	280,238
Community Development Block Grants/Entitlement Grants	14.218	B-25-MC-35-0004	962	-	962
Total U.S. Department of Housing and Urban Development			338,845	416,658	755,503
<u>U.S. Department of Justice</u>					
<i>Direct Funding</i>					
Law Enforcement Assistance FBI Crime Laboratory Support	16.301	269-HQ-1368950-OT	3,454	-	3,454
Law Enforcement Assistance FBI Crime Laboratory Support	16.301	269-HQ-1368950-OT	5,766	-	5,766
Law Enforcement Assistance National Instant Criminal Background Check System	16.309	281D-AQ-C60903	5,155	-	5,155
Law Enforcement Assistance National Instant Criminal Background Check System	16.309	281D-AQ-C60903	16,369	-	16,369
Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-22-GG-03539-UHPX	142,247	-	142,247
<i>Passed through New Mexico Crime Victims Reparation Commission</i>					
Crime Victim Assistance	16.575	2024-VA-322	29,460	-	29,460
Crime Victim Assistance	16.575	2025-VA-322	42,984	-	42,984
Total U.S. Department of Justice			245,435	-	245,435
<u>U.S. Department of Transportation</u>					
<i>Direct Funding</i>					
Highway Planning and Construction	* 20.205	CN A301042	29,862	-	29,862
Highway Planning and Construction	* 20.205	CN A301042	249,122	-	249,122
Highway Planning and Construction	* 20.205	CN A300431	38,179	-	38,179
Highway Planning and Construction	* 20.205	CN A300202	1,386,836	-	1,386,836
Highway Planning and Construction	* 20.205	CN A300201	39,981	-	39,981
Highway Planning and Construction	* 20.205	CN A300201	374,577	-	374,577
Highway Planning and Construction	* 20.205	CN A301753	122,276	-	122,276
Highway Planning and Construction	* 20.205	CN A302240	195,888	-	195,888
<i>Passed through NM Department of Transportation</i>					
Highway Safety Cluster					
State and Community Highway Safety	20.600	04-PT-02-081	23,056	-	23,056
State and Community Highway Safety	20.600	05-PT-02-081	34,880	-	34,880
Total Highway Safety Cluster			57,936	-	57,936

See Independent Auditor's Report.

**CITY OF RIO RANCHO, NEW MEXICO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025**

<u>Federal Grantor/Program Title</u>	<u>Federal AL Number</u>	<u>Grantor/ Pass-Through Number</u>	<u>Direct Expenditures</u>	<u>Passed Through to Subrecipients</u>	<u>Total Expenditures</u>
<i>Passed through NM Department of Transportation, cont.</i>					
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	04-AL-64-081	49,833	-	49,833
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	05-AL-64-081	41,638	-	41,638
<i>Passed through NM Department of Homeland Security and Emergency Management</i>					
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	693JK32240024HMEP	16,077	-	16,077
Total U.S. Department of Transportation			<u>2,602,205</u>	<u>-</u>	<u>2,602,205</u>
<u>U.S. Department of the Treasury</u>					
<i>Direct Funding</i>					
COVID 19 - Coronavirus State and Local Fiscal Recovery Fund	21.027	N/A	207,033	556,532	763,565
Total U.S. Department of the Treasury			<u>207,033</u>	<u>556,532</u>	<u>763,565</u>
<u>U.S. Environmental Protection Agency</u>					
<i>Passed through New Mexico Finance Authority</i>					
Drinking Water State Revolving Fund	* 66.468	4D-02F18901-0	1,695,966	-	1,695,966
Total U.S. Environmental Protection Agency			<u>1,695,966</u>	<u>-</u>	<u>1,695,966</u>
<u>Executive Office of the President</u>					
<i>Direct Funding</i>					
High Intensity Drug Trafficking Areas Program	95.001	NM0230600 FY2024	6,891	-	6,891
High Intensity Drug Trafficking Areas Program	95.001	NM0230600 FY2025	14,711	-	14,711
Total Executive Office of the President			<u>21,602</u>	<u>-</u>	<u>21,602</u>
<u>U.S. Department of Health and Human Services</u>					
<i>Passed through NM Department of Health</i>					
Public Health Emergency Preparedness	93.069	MOA23-665-300-24591	5,211	-	5,211
Total U.S. Department of Health and Human Services			<u>5,211</u>	<u>-</u>	<u>5,211</u>
<u>U.S. Department of Homeland Security</u>					
<i>Passed through NM Department of Homeland Security and Emergency Management</i>					
Emergency Management Performance Grants	97.042	EMT_2024_EP_0514	79,681	-	79,681
Homeland Security Grant Program	97.067	EMW-2022-SS-00044	142,873	-	142,873
Homeland Security Grant Program	97.067	EMW-2023-SS-00015	2,797	-	2,797
Homeland Security Grant Program	97.067	EMW-2024-SS-05231	8,882	-	8,882
Total U.S. Department of Homeland Security			<u>234,233</u>	<u>-</u>	<u>234,233</u>
Total Federal Expenditures			<u>\$ 5,350,530</u>	<u>973,190</u>	<u>6,323,720</u>

\* denotes major federal program

**CITY OF RIO RANCHO, NEW MEXICO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2025**

**Reconciliation of Schedule of Expenditures of Federal Awards to Governmental Fund Financial Statements**

Federal Grant Revenue Per Fund Financials	\$	4,673,740
Federal Loan Proceeds		1,695,966
Total Federal Grant Revenue and Loan Proceeds		<u>6,369,706</u>
Total Federal Awards Expended per the Schedule of Expenditures of Federal Awards		6,323,720
Difference - due to additional adjustments	\$	<u><u>45,986</u></u>

**Notes to Schedule of Expenditures of Federal Awards**

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "SEFA") presents the federal award activity of the City of Rio Rancho, New Mexico (the "City") for the year ended June 30, 2025. The information in this SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"). Because the SEFA presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City. The SEFA is prepared on the accrual basis of accounting, consistent with the City's basic financial statements. Expenditures are recognized in accordance with 2 CFR 200.502, which provides the basis for determining when federal awards are considered expended. Amounts reported in the SEFA are derived from and reconcile to the City's accounting records. Federal awards received directly from federal agencies are presented as "Direct." Federal awards received from other entities are presented as "Passed through" and are reported with the name of the pass-through entity and the corresponding pass-through identifying number, when available.

Note 2 - Non-Cash Federal Assistance

No non-cash federal assistance was received during the year ended June 30, 2025.

Note 3 - Indirect Cost Rate

The City has not elected to use the de minimis indirect cost rate permitted under 2 CFR 200.414(f) for any of its federal programs.

Note 4 - Subrecipient Schedule

The City provided federal funds to the following subrecipients for the year ended June 30:

	Federal AL #	2025
Haven House Inc.	14.218	\$ 46,161
St. Felix Pantry	14.218	42,157
Sandoval County Permanent Supportive Housing	14.218	9,922
Greater Albuquerque Habitat for Humanity	14.218	318,418
Homewise, Inc.	21.027	556,532
		<u>\$ 973,190</u>

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and Members of the City Council  
City of Rio Rancho, New Mexico and  
Joseph M. Maestas, PE, CFE, State Auditor  
State of New Mexico, Office of the State Auditor

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, the budgetary comparisons for the general fund and major special revenue fund of the City of Rio Rancho (the City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 16, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Hinkle + Landers, PC  
Albuquerque, NM  
December 16, 2025

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Mayor and Members of the City Council  
City of Rio Rancho, New Mexico and  
Joseph M. Maestas, PE, CFE, State Auditor  
State of New Mexico, Office of the State Auditor

**Opinion on Each Major Federal Program**

We have audited the City of Rio Rancho (the City), compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2025. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

**Basis for Opinion on Each Major Federal Program**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

**Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

**Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and to express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence of the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Report on Internal Control Over Compliance**

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Hinkle + Landers, PC  
Albuquerque, NM  
December 16, 2025

**STATE OF NEW MEXICO  
CITY OF RIO RANCHO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**SECTION I: SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that are not considered to be a material weakness(es)? Yes No
- Noncompliance material to the financial statements noted? Yes No

**Federal Awards**

Type of auditor's report issued on compliance for major federal programs: Unmodified

Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that are not considered to be a material weakness(es)? Yes No

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR § 200.516(a) Yes No

Identification of major federal programs:

Assistance Listing #	Name of Federal Programs or Cluster	Federal Funding Source
20.205	Highway Planning and Construction	U.S. Department of Transportation
66.468	Drinking Water State Revolving Funds	U.S. Environmental Protection Agency

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes No

**STATE OF NEW MEXICO  
CITY OF RIO RANCHO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**SECTION II, III, & IV: FINANCIAL STATEMENT, FEDERAL AWARDS, AND SECTION 12-6-5 NMSA 1978 FINDINGS**

Findings		Current or Prior Year Finding	Status of Findings	Type of Finding*
Reference #	Description			
<u>Section II - Financial Statement Findings</u>				
None reported				
<u>Section III - Major Federal Programs Findings</u>				
None reported				
<u>Section IV - 12-6-5 NMSA 1978 Findings</u>				
None reported				

\*Legend for Type of Findings

- A. Material Weakness in Internal Control Over Financial Reporting
- B. Significant Deficiency in Internal Control Over Financial Reporting
- C. Finding that Does Not Rise to the Level of a Significant Deficiency (Other Matters) Involving Internal Control Over Financial Reporting
- D. Instance of Non-compliance Material to the Financial Statements
- E. Material Weakness in Internal Control Over Compliance of Federal Awards
- F. Significant Deficiency in Internal Control Over Compliance of Federal Awards
- G. Instance of Non-compliance related to Federal Awards
- H. Other Non-compliance Required to be Reported per Section 12-6-5 NMSA 1978

**SECTION V: SUMMARY OF PRIOR YEAR AUDIT FINDINGS**

None reported

**STATE OF NEW MEXICO  
CITY OF RIO RANCHO  
EXIT CONFERENCE  
FOR THE YEAR ENDED JUNE 30, 2025**

An exit conference was held on December 16, 2025. The following individuals were in attendance:

**City of Rio Rancho**

Greggory D. Hull

Matthew B. Geisel

Stephanie Yara, CPA, CGFM

Melissa Spangler, CPA, CGFM, CFE

Mayor

City Manager

Director of Financial Services

Deputy Director of Financial Services

**Hinkle + Landers, PC**

Farley H. Vener, CPA, CFE, CGMA

Katelyn Constantin, CGFM

President & Managing Shareholder

Senior Audit Manager

## APPENDIX B

### Form of Opinion of Bond Counsel

\_\_\_\_\_, 2026

City of Rio Rancho  
Rio Rancho, New Mexico

\$ \_\_\_\_\_  
CITY OF RIO RANCHO, NEW MEXICO  
Water and Wastewater System Improvement and Refunding Revenue Bonds  
Series 2026

Ladies and Gentlemen:

We have acted as bond counsel to the City of Rio Rancho, New Mexico (the “City”) in connection with the issuance and sale of its \$ \_\_\_\_\_ Water and Wastewater System Improvement and Refunding Revenue Bonds, Series 2026 (the “Bonds”). The Bonds are issued pursuant to the Constitution and laws of the State of New Mexico (the “State”), City Ordinance No. 1, Enactment No. 26-04, adopted by the City on March 12, 2026, as supplemented by the Pricing Certificate executed and delivered on March \_\_\_, 2026 (as supplemented, “Ordinance No. 1”), Ordinance No. 59, Enactment No. 94-059 adopted by the Council on December 14, 1994, as amended by Ordinance No. 13, Enactment No. 95-013 adopted by the Council on May 17, 1995, by Substitute Ordinance No. 25, Enactment No. 98-028 adopted by the Council on November 18, 1998, and by Ordinance No. 16, Enactment No. 17-18 adopted on August 9, 2017 (collectively, the “Master Ordinance” and, together with the Ordinance No. 1, the “Bond Ordinance”). Except as expressly defined herein, capitalized terms used herein have the same meanings as such terms have in the Bond Ordinance.

We have examined the laws of the State and the United States of America relevant to the opinions herein, and other proceedings and documents relevant to the issuance by the City of the Bonds. As to the questions of fact material to our opinion, we have relied upon representations of the City contained in the certified proceedings and other certifications furnished to us, without undertaking to verify the same by independent investigation.

Based upon the foregoing, and subject to the assumptions and qualifications set forth below, we are of the opinion that, under existing law on the date of this opinion:

1. The Bonds are valid and binding special, limited obligations of the City under and in accordance with the Bond Ordinance.
2. The Bond Ordinance has been duly authorized, executed and delivered by the City and the provisions of the Bond Ordinance are valid and binding on the City.
3. The Bonds are payable as to principal and interest solely from, and are secured by a pledge (but not an exclusive pledge) of System Net Revenues of the City, as more fully described in the Bond Ordinance. The owners of the Bonds have no right to have taxes levied by the City for the payment of principal or interest on the Bonds, and the Bonds do not represent or constitute a debt or pledge of, or a charge against, the general credit of the City.

4. The Bond Ordinance creates the lien on the System Net Revenues that it purports to create.

5. Under existing laws, regulations, rulings and judicial decisions, interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"), as amended, and is not a specific item of tax preference for purposes of the federal alternative minimum tax under the Code; however, interest on the Bonds is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Although we are of the opinion that interest on the Bonds is excludable from gross income for federal income tax purposes, the accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of the recipient. We call your attention to the fact that the interest on tax-exempt obligations, such as the Bonds, may be includable in a corporation's adjusted financial statement income for purposes of determining the alternative minimum tax imposed on certain corporations by section 55 of the Code. The extent of these other tax consequences will depend upon the recipient's particular tax status or other items of income or deduction. We express no opinion regarding any such consequences.

6. The Bonds and the income from the Bonds are exempt from all taxation by the State or any political subdivision of the State.

The opinions set forth above in paragraph 5 are subject to continuing compliance by the City with covenants regarding federal tax law contained in the proceedings and other documents relevant to the issuance by the City of the Bonds. Failure to comply with these covenants may result in interest on the Bonds being included in gross income retroactive to their date of issuance.

The opinions expressed herein are based upon existing legislation as of the date of issuance and delivery of the Bonds, and we express no opinion as of any date subsequent thereto or with respect to any pending legislation. We disclaim any obligation to update this opinion.

The obligations of the City related to the Bonds are subject to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of the powers (including bankruptcy powers) delegated to it by the United States Constitution. The obligations of the City and the security provided therefor, as contained in the Bond Ordinance, may be subject to general principles of equity which permit the exercise of judicial discretion and are subject to the provisions of applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect.

The foregoing opinions represent our legal judgment based upon a review of existing legal authorities that we deem relevant to render such opinions and are not a guarantee of result.

We are passing upon only those matters set forth in this opinion and are not passing upon the accuracy or completeness of any statement made in connection with any sale of the Bonds or upon any tax consequences arising from the receipt or accrual or interest on, or the ownership of, the Bonds except those specifically addressed in paragraphs 5 and 6 above.

Respectfully submitted,

## APPENDIX C

### Form of Continuing Disclosure Undertaking

§ \_\_\_\_\_

### CITY OF RIO RANCHO, NEW MEXICO Water and Wastewater System Improvement and Refunding Revenue Bonds, Series 2026

#### CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the “Disclosure Undertaking”) is executed and delivered by the CITY OF RIO RANCHO, NEW MEXICO (the “City”) in connection with the issuance of the City’s Water and Wastewater System Improvement and Refunding Revenue Bonds, Series 2026 (the “Series 2026 Bonds”). The Series 2026 Bonds are being issued pursuant to City Ordinance No. 1, Enactment No. 26-04, adopted by the City on March 12, 2026, as supplemented by the Pricing Certificate executed and delivered on March \_\_, 2026 (as supplemented, “Ordinance No. 1”), Ordinance No. 59, Enactment No. 94-059 adopted by the Council on December 14, 1994, as amended by Ordinance No. 13, Enactment No. 95-013 adopted by the Council on May 17, 1995, by Substitute Ordinance No. 25, Enactment No. 98-028 adopted by the Council on November 18, 1998, and by Ordinance No. 16, Enactment No. 17-18 adopted on August 9, 2017 (collectively, the “Master Ordinance” and, together with the Ordinance No. 1, the “Bond Ordinance”).

The City covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the City for the benefit of the Owners of the Series 2026 Bonds and in order to allow the Participating Underwriters (as defined by Rule 15c2-12) to comply with Rule 15c2-12.

SECTION 2. Definitions. In addition to the definitions set forth in the Bond Legislation, which apply to any capitalized term used in this Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Financial Information” means the financial information or operating data with respect to the City, delivered at least annually pursuant to Sections 3(a) and 3(b), consisting of information of the type set forth in “ANNUAL DEBT SERVICE SUMMARY,” “CERTAIN INFORMATION CONCERNING THE WATER SYSTEM,” “HISTORICAL OPERATING STATISTICS - Water Enterprise,” “CERTAIN INFORMATION CONCERNING THE WASTEWATER SYSTEM,” and “HISTORICAL OPERATING STATISTICS – Wastewater System” in the Official Statement. Annual Financial Information will include Audited Financial Statements if available.

“Audited Financial Statements” means the annual financial statements for the City, prepared in accordance with generally accepted accounting principles consistently applied, as in effect from time to time, audited by a firm of certified public accountants.

“EMMA” means the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System located on its website at [emma.msrb.org](http://emma.msrb.org).

“Events” means any of the events listed in Section 4(a) of this Disclosure Undertaking.

“Fiscal Year” means the Fiscal Year of the City, ending June 30.

“Financial Obligation” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided however that a “financial obligation” shall not include municipal securities as to which a final official statement (as defined in Rule 15c2-12) has been provided to the MSRB consistent with Rule 15c2-12.

“Official Statement” means the final Official Statement delivered in connection with the original issue and sale of the Series 2026 Bonds.

“Owners” means the registered owners of the Series 2026 Bonds, and so long as the Series 2026 Bonds are subject to the book-entry system, any Beneficial Owner, as such term is defined in the Bond Legislation.

“Report Date” means March 31 of each year, beginning in 2027.

“Rule 15c2-12” shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SEC” means the United States Securities and Exchange Commission.

### SECTION 3. Provision of Annual Information.

(a) Annually while the Series 2026 Bonds remain outstanding, the City shall provide or cause to be provided to EMMA Annual Financial Information and Audited Financial Statements.

(b) Annual Financial Information shall be provided by the City not later than 270 days after the end of each Fiscal Year. If not filed with the Annual Financial Information, the Audited Financial Statements will be provided when available.

(c) The City may provide Annual Financial Information and Audited Financial Statements with respect to the City by specific cross reference to other documents which have been submitted to EMMA or filed with the SEC. If the document so referenced is a final official statement within the meaning of Rule 15c2-12, such final official statement must also be available from the MSRB. The City shall clearly identify each other document incorporated by cross reference.

SECTION 4. Reporting of Events.

(a) This Section 4 shall govern the giving of notices of the occurrence of any of the following Events with respect to the Series 2026 Bonds:

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 Series 2026 Bonds;
7. modifications to the rights of the security holders, if material;
8. bond calls, if material, or tender offers;
9. defeasances;
10. release, substitution or sale of property securing repayment of the Series 2026 Bonds, if material;
11. rating changes;
12. bankruptcy, insolvency, receivership or a similar event with respect to the City or an obligated person;
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 a change of name of a trustee, if material;
15. the incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and

16. a default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

(b) At any time the Series 2026 Bonds are outstanding and the City obtains knowledge of the occurrence of an Event, the City shall file, in a timely manner not in excess of ten (10) business days after the occurrence of the event, a notice of such occurrence with EMMA.

(c) At any time the Series 2026 Bonds are outstanding, the City shall provide to EMMA, notice in a timely manner not in excess of ten (10) business days after the occurrence of any failure of the City to timely provide the Annual Financial Information and Audited Financial Statements as specified in Section 3 hereof.

SECTION 5. Term. This Disclosure Undertaking shall be in effect from and after the issuance and delivery of the Series 2026 Bonds and shall extend to the earliest of (a) the date all principal and interest on the Series 2026 Bonds are deemed paid or legally defeased pursuant to the terms of the Bond Legislation; (b) the date that the City is no longer an “obligated person” with respect to the Series 2026 Bonds within the meaning of Rule 15c2-12; and (c) the date on which those portions of Rule 15c2-12 which require this Disclosure Undertaking are determined to be invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Series 2026 Bonds, the determination of (a), (b) or (c) herein to be made in any manner deemed appropriate by the City, including by an opinion of Counsel experienced in federal securities laws selected by the City. The City shall file a notice of any such termination with EMMA.

SECTION 6. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the City may amend this Disclosure Undertaking, and any provision of this Disclosure Undertaking may be waived, if (a) such amendment or waiver is consented to by the Owners of no less than a majority in aggregate principal amount of the Series 2026 Bonds obtained in the manner prescribed by the Bond Legislation or (b) if such amendment or waiver is otherwise consistent with Rule 15c2-12, as determined by an opinion of Counsel experienced in federal securities laws selected by the City. Written notice of any such amendment or waiver shall be provided by the City to EMMA, and the Annual Financial Information shall explain the reasons for the amendment and the impact of any change in the type of information being provided. If any amendment changes the accounting principles to be followed in preparing financial statements, the Annual Financial Information for the year in which the change is made will present a comparison between the financial statement or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The City shall provide notice of any such amendment or waiver to EMMA.

SECTION 7. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other annual information or notice of occurrence of an event which is not an Event, in addition to that which is required by this Disclosure Undertaking; provided that the City shall not be required to do so. If the City chooses to include any annual information or notice of occurrence of an event in addition to that which is specifically required by this Disclosure

Undertaking, the City shall have no obligation under this Disclosure Undertaking to update such information or include it in any future annual filing or notice of occurrence of an Event.

**SECTION 8. Default and Enforcement.** If the City fails to comply with any provision of this Disclosure Undertaking, any Owner of the Series 2026 Bonds may take action to seek specific performance by court order to compel the City to comply with its obligations under this Disclosure Undertaking; provided that any Owner of the Series 2026 Bonds seeking to require the City to so comply shall first provide at least 30 days' prior written notice to the City of the City's failure (giving reasonable details of such failure), following which notice the City shall have 30 days to comply and, provided further, that only the Owners of no less than a majority in aggregate principal amount of the Series 2026 Bonds may take action to seek specific performance in connection with a challenge to the adequacy of the information provided by the City in accordance with this Disclosure Undertaking, after notice and opportunity to comply as provided herein, and such action shall be taken only in a court of competent jurisdiction in the State of New Mexico. **A DEFAULT UNDER THIS DISCLOSURE UNDERTAKING SHALL NOT BE DEEMED AN EVENT OF DEFAULT UNDER THE BOND LEGISLATION OR THE SERIES 2026 BONDS, AND THE SOLE REMEDY UNDER THIS DISCLOSURE UNDERTAKING IN THE EVENT OF ANY FAILURE OF THE CITY TO COMPLY WITH THIS DISCLOSURE UNDERTAKING SHALL BE AN ACTION TO COMPEL PERFORMANCE.**

**SECTION 9. Beneficiaries.** The Disclosure Undertaking shall inure solely to the benefit of the City, the Underwriter and Owners from time to time of the Series 2026 Bonds, and shall create no rights in any other person or entity.

Dated as of \_\_\_\_\_, 2026.

CITY OF RIO RANCHO, NEW MEXICO

By: \_\_\_\_\_

Title: \_\_\_\_\_

## **APPENDIX D**

### **Book-Entry Only System**

#### **Introduction**

Unless otherwise noted, the information contained under the caption “General” below has been provided by DTC. The City makes no representations as to the accuracy or the completeness of such information. The Beneficial Owners of the Series 2026 Bonds should confirm the following information with DTC, the Direct Participants or the Indirect Participants.

NEITHER THE CITY NOR THE FISCAL AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, TO INDIRECT PARTICIPANTS, OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT, OR ANY INDIRECT PARTICIPANT; (B) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE SERIES 2026 BONDS UNDER THE BOND ORDINANCE, (C) THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE SERIES 2026 BONDS; (D) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OR INTEREST DUE WITH RESPECT TO THE OWNER OF THE SERIES 2026 BONDS; (E) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNERS OF SERIES 2026 BONDS; OR (F) ANY OTHER MATTER REGARDING DTC.

#### **General**

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Series 2026 Bonds. The Series 2026 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2019 Bond certificate will be issued for the Series 2026 Bonds, in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates.

Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s rating of AA+. The DTC Rules applicable to Direct Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org). The City undertakes no responsibility for and makes no representations as to the accuracy or the completeness of the content of such material contained on that website as described in the preceding sentence including, but not limited to, updates of such information or links to other Internet sites accessed through the aforementioned website.

Purchases of the Series 2026 Bonds under the DTC system must be made by or through Direct or Indirect Participants, which will receive a credit for the Series 2026 Bonds on DTC’s records. The ownership interest of each actual purchaser of each Series 2019 Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2026 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2026 Bonds, except in the event that use of the book-entry system for the Series 2026 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2026 Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2026 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2026 Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Series 2026 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

While the Series 2026 Bonds are in the book-entry only system, redemption notices will be sent to DTC. If less than all of the Series 2026 Bonds are being redeemed, DTC’s practice is

to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2026 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2026 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2026 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the City or agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2026 Bonds at any time by giving reasonable notice to the City. Under such circumstances, in the event that a successor depository is not obtained, certificates representing the Series 2026 Bonds are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, certificates representing the Series 2026 Bonds will be printed and delivered to DTC.

The information in this Appendix concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but neither the City nor the Underwriters take any responsibility for the accuracy thereof.