

Debt Obligations

Types of City Bonds

There are five types of bonds that the City of Rio Rancho normally issues:

- General Obligation Bonds
- Gross Receipts Revenue Bonds
- Utility Revenue Bonds
- Special Assessment Bonds
- Industrial Revenue Bonds

Each of the above bonds types is used for specific projects. In most cases only one type of bond can be used. The authority for issuing bonds is found in the State of New Mexico Constitution.

General Obligation Bonds

The General Obligation Bonds are authorized directly by the voters of the City of Rio Rancho. The debt limit is 4% of the total assessed valuation within the City limits.

Gross Receipts Revenue Bonds

The Gross Receipts Revenue Bonds may be issued for constructing, purchasing, furnishing, equipping, rehabilitating, making additions or improvements to one or more public buildings or purchasing and improving grounds. The bonds can be sold at public or private sale.

Utility Revenue Bonds

The Utility Revenue Bonds are normally issued for extending, enlarging, or improving the utility system. They can be sold at public or private sale. These bonds are repaid from the revenues generated from billings to the Utility customers.

Special Assessment Bonds

The proceeds of bond issued under this act are used to pay costs of the specifically stated improvements. After the bonds have been issued and the improvements completed, a special assessment is levied to property owners who benefit from the improvements, and liens are placed against the property. The special assessments are scheduled to coincide with the principal and interest debt retirement needs of the bond issue.

Industrial Revenue Bonds

This type of bond is issued by the City of Rio Rancho to assist in the development of industry within the City. Though the bonds are issued by and in the name of the City, the company receiving the benefit makes the principal and interest payments.

Bond Ratings

To attain the lowest possible interest rates on its bond issues and ensure the largest market for its bonds, the City obtains a credit rating from a major rating service. Ratings are based on the City's perceived ability to repay principal and interest through cash reserves and taxes. The better the rating, the lower the cost of interest that will be paid to bondholders, thus saving money for taxpayers. The major rating services are Moody's Investor Service and Standard & Poor's and Fitch IBCA. A comparison of their respective ratings and the meanings of these ratings are provided below:

<u>Rating</u>		<u>Description</u>
<u>Moody's (1)</u>	<u>Standard & Poor's (S & P) (2)</u>	
Aaa	AAA	Best quality. Extremely strong capacity to pay principal and interest.
Aa	AA	High quality. Very strong capacity to pay principal and interest.
A	A	Upper medium quality. Strong capacity to pay principal and interest.
Baa	BBB	Medium grade quality. Adequate capacity to pay principal and interest.
Ba & lower	BB & lower	Speculative quality. Poor capacity to pay principal and interest.

- (1) Moody's adds the number one to three on grades A and Baa to indicated greater strength within these categories.
- (2) Standard & Poor's may add a plus (+) or a minus (-) to grades AA through BB to indicate relative strength within these categories.

Current Outstanding Bonds

Current outstanding bonds issued by the City of Rio Rancho have received the following ratings:

<u>Issue Date</u>	<u>Description</u>	<u>Original Amount</u>	<u>Rating</u>
01/15/99	Water & Wastewater System Refunding, Series 1999	\$72,155,000	AAA S & P AAA Fitch IBCA
06/01/02	State Road 528 Impr., Series 2002	\$5,000,000	A1 Moody's
12/23/03	NM Gross Receipts Tax Refunding Series 2003	\$4,465,000	Aaa Moody's
03/16/04	Water & Wastewater System Series 2004	\$4,395,000	AAA S&P AAA Fitch
08/17/04	Library Construction Bonds Series 2004	\$5,500,000	A1 Moody's AA- Fitch
06/29/05	Taxable Event Center Revenue Series 2005	\$35,750,000	A2 Moody's A S&P
07/13/05	Water & Wastewater Series 2005	\$21,225,000	A S&P A Fitch
07/27/05	NM Gross Receipts Tax Revenue Series 2005	\$18,130,000	A1 Moody's A+ S&P
05/31/06	General Obligation Building Bonds Series 2006	\$7,000,000	Aaa Moody's AAA Fitch
02/28/07	Water & Wastewater Revenue Improvement Bonds	\$32,930,000	A S&P A+ Fitch

**LONG-TERM OBLIGATIONS
AS OF JUNE 30, 2007**

DEBT SERVICE REQUIREMENTS

The annual debt service requirements, principal and interest, for bonded and loan indebtedness are presented in the following table:

FISCAL YEAR	GENERAL OBLIGATION	REVENUE BONDS WATER/WASTEWATER	REVENUE BONDS MPEC	REVENUE BONDS GROSS RECEIPTS TAX	NM STATE LOANS	TOTAL
2008	\$1,367,406	\$10,493,251	\$2,876,786	\$1,697,193	\$598,089	\$17,032,725
2009	2,704,913	10,174,031	2,874,746	1,695,180	599,572	18,048,442
2010	1,784,113	10,177,731	2,874,651	1,696,180	259,248	16,791,923
2011	1,564,125	10,195,619	2,876,495	1,697,393	259,259	16,592,890
2012	1,497,938	10,198,179	2,875,615	1,693,374	254,427	16,519,532
2013	1,503,613	10,188,785	2,876,290	1,695,074	217,324	16,481,086
2014	1,602,638	10,196,685	2,877,973	1,693,274	152,838	16,523,407
2015	2,010,156	10,234,265	2,876,273	1,695,524	152,838	16,969,056
2016	1,514,338	10,215,873	2,875,068	1,695,274	152,838	16,453,389
2017	1,626,750	10,204,810	2,875,818	1,697,524	152,838	16,557,739
2018	851,750	10,215,760	2,877,568	1,697,024	152,838	15,794,939
2019	766,875	10,194,768	2,875,068	1,693,094	152,838	15,682,641
2020		10,201,368	2,873,318	1,692,594	152,838	14,920,117
2021		10,221,698	2,877,068	1,694,094	152,838	14,945,697
2022		10,208,279	2,872,780	1,697,344	152,089	14,930,492
2023		5,362,393	2,873,343	1,697,094		9,932,829
2024		5,354,563	2,873,240	1,693,344		9,921,146
2025		5,038,238	2,877,215	1,696,094		9,611,546
2026		3,378,938	2,874,753			6,253,690
2027		3,379,575	2,875,853			6,255,428
2028		3,382,800				
2029		3,380,625				
2030		3,378,050				
2031		3,379,850				
2032		3,380,575				
TOTAL	\$18,794,613	\$192,736,705	\$57,509,916	\$30,516,668	\$3,562,713	\$286,218,715

The above table does not include compensated absences or capital leases.

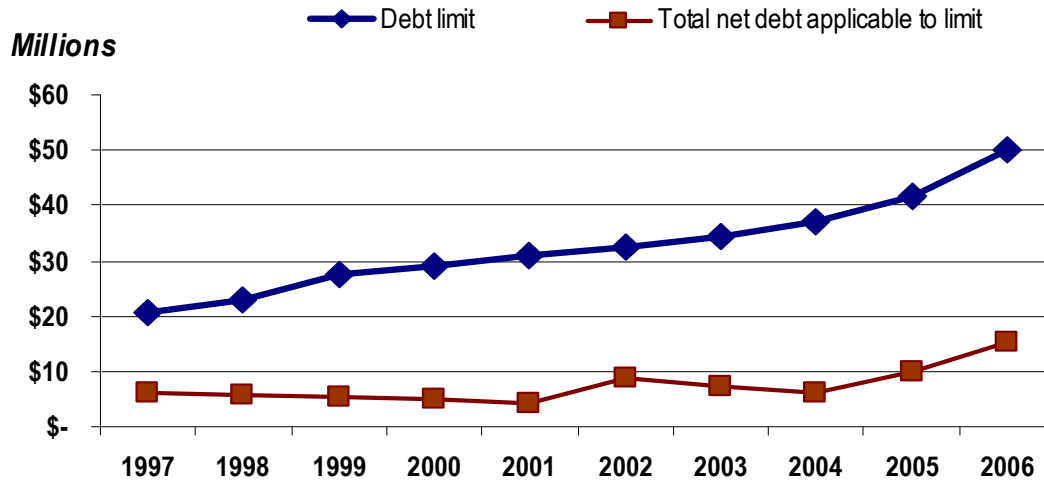
GENERAL OBLIGATION BONDS									
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
BOND	ISSUE DATE	Issue Date INTEREST RATE	ORIGINAL AMOUNT OF BOND ISSUE	OUTSTANDING PRINCIPAL AMOUNT @ Beginning FY	PRINCIPAL Payments Due this FY	Date Principal Due	INTEREST Payments Due this FY	Date Interest Due	OUTSTANDING PRINCIPAL AMOUNT @ Yr end
GENERAL PURPOSE									
GO Bonds, Series 2002 (State Road 528 Improve/)	6/1/2002	4.43%	5,000,000	3,250,000	275,000	8/1/2008	128,075	8/1/07 & 2/1/08	2,975,000
GO Bonds, Series 2004 (Library)	8/17/2004	3.43%	5,500,000	4,825,000	75,000	8/1/2008	172,331	8/1/07 & 2/1/08	4,750,000
GO Bonds, Series 2006 (Aquatic Center)	5/31/2006	4.55%	7,000,000	7,000,000	400,000	8/1/2008	317,000	8/1/07 & 2/1/08	6,600,000
									0
									0
GENERAL PURPOSE Total			17,500,000	15,075,000	750,000		617,406		14,325,000
WATER & SEWER									
									0
									0
									0
WATER & SEWER Total			0	0	0		0		0
GO BOND TOTAL			\$17,500,000	\$15,075,000	\$750,000		\$617,406		\$14,325,000
REVENUE BONDS									
GRT									
GRT Ref & Imprv Revenue Bonds, Series 2003	12/23/2003	3.12%	4,465,000	2,640,000	555,000	6/1/2008	86,218	12/1/07 & 6/1/08	2,085,000
GRT Improvement Revenue Bonds, Series 2005	7/27/2005	4.33%	18,130,000	17,585,000	225,000	6/1/2008	830,974	12/1/07 & 6/1/08	17,360,000
									0
GRT Total			22,595,000	20,225,000	780,000		917,192		19,445,000
UTILITY									
Water & Wastewater System Bonds, Series 1999	1/15/1999	4.50%	72,155,000	67,380,000	3,100,000	5/15/2008	3,335,710	11/15/07&5/15/08	64,280,000
Water & Wastewater System Bonds, Series 2004	3/16/2004	3.50%	4,395,000	3,925,000	175,000	5/15/2008	149,098	11/15/07&5/15/08	3,750,000
Water & Wastewater System Bonds, Series 2005	7/13/2005	4.49%	21,225,000	19,670,000	750,000	5/15/2008	913,518	11/15/07&5/15/08	18,920,000
Water & Wastewater System Bonds, Series 2007	2/28/2007	4.21%	32,930,000	32,930,000	310,000	5/15/2008	1,759,926	11/15/07&5/15/08	32,620,000
UTILITY Total			130,705,000	123,905,000	4,335,000		6,158,251		119,570,000
OTHER (i.e. Gas, Lodger's Tax)									
Taxable Event Center Revenue Bonds, Series 2005	6/29/2005	4.83%	35,750,000	35,750,000	1,120,000	6/1/2008	1,756,786	12/1/07 & 6/1/08	34,630,000
									0
OTHER Total			35,750,000	35,750,000	1,120,000		1,756,786		34,630,000
REVENUE BOND TOTAL			189,050,000	179,880,000	6,235,000		8,832,229		173,645,000
OTHER LONG TERM DEBT (Loans, i.e NMFA, RUS, BOF)									
NMFA/Fire Truck	12/3/1996	5.397%	531,000	40,000	40,000	7/1/2007	2,589	7/1/2007	0
NMFA/Golf Course Road	8/9/2002	3.99%	1,371,188	511,086	83,221	5/1/2008	23,170	11/1/07&5/1/08	427,865
NMFA/SAD VI	10/6/2006	3.58%	8,764,398	8,420,696	687,404	11/1/07 & 5/1/08	323,922	11/1/07&5/1/08	7,733,292
NMFA/SAD VI	10/6/2006	5.35%	717,868	689,716	56,304	11/1/07 & 5/1/08	38,198	11/1/07&5/1/08	633,412
NMED/WWTP	4/29/2003	3.00%	10,486,627	8,853,895	439,249	12/2/2007	265,617	12/2/2007	8,414,646
NMFA/Fire Truck	3/9/2007	3.62%	1,649,286	1,649,286	35,000	5/1/2008	73,775	11/1/07&5/1/08	1,614,286
NMDOT/SIB Loan	3/10/2006	1.50%	3,600,000	656,097	330,420	3/1/2008	9,913	3/1/2008	325,677
OTHER LONG TERM DEBT TOTAL			27,120,367	20,820,776	1,671,598		737,184		19,149,178

GENERAL OBLIGATION BONDS

Article IX, Section 13 of the New Mexico Constitution limits the powers of a City to incur general obligation debt in an aggregate amount, including existing indebtedness, exceeding four percent of the value of the taxable property within such City as shown by the last preceding general assessment.

Computation of Legal Debt Margin For Fiscal Year 2006

Assessed value	\$1,249,698,534
Debt limit (4% of assessed value)	49,987,941
Debt applicable to limit:	
General obligation bonds	16,765,000
Less: Amount set aside for	
Repayment of general obligation debt	<u>1,469,470</u>
Total net debt applicable to limit	<u>15,295,530</u>
Legal debt margin	<u>\$34,692,411</u>



City of Rio Rancho, New Mexico
Ratio of Annual Debt Service Expenditures for
General Obligation Bonded Debt to Total
General Governmental Expenditures
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest(1)</u>	<u>Total Debt Service</u>	<u>Total General Governmental Expenditures</u>	<u>Ratio of Debt Service to General Governmental Expenditures</u>
1998	375,000	381,657	756,657	30,998,088	2.44%
1999	420,000	329,763	749,763	30,225,931	2.48%
2000	485,000	306,445	791,445	29,310,213	2.70%
2001	550,000	278,943	828,943	27,954,497	2.97%
2002	625,000	247,180	872,180	31,835,325	2.74%
2003	705,000	365,368	1,070,368	40,434,161	2.65%
2004	1,390,000	390,408	1,780,408	37,587,719	4.74%
2005	1,580,000	408,095	1,988,095	43,451,150	4.58%
2006	1,505,000	443,958	1,948,958	63,279,474	3.08%
2007	1,690,000	592,507	2,282,507	N/A	N/A

(1) Excludes bond issuance and other costs.

The City issued general obligation bonds to provide funds for the acquisition, construction, renovation, and equipping major capital facilities. Bonds of this type currently outstanding are as follows:

<u>Description</u>	<u>Interest Rate</u>	<u>Amount</u>
General Obligation Bonds, Series 2002 \$5,000,000, issued 6/1/02 (Reconstruction of NM 528) Call Date: 08/01/2010	3.6% to 5.0%	\$3,250,000
General Obligation Bonds, Series 2004 \$5,500,000, issued 8/17/04 (Construction of new Library) Call Date: 08/01/2013	2.5% to 4.0%	\$4,825,000
General Obligation Bonds, Series 2006 \$7,000,000, issued 5/31/06 (Construction of new Aquatic Center) Call Date: 08/01/2016	4.0% to 5.0%	\$7,000,000
Total		\$15,075,000

Annual debt service requirements to maturity for all general obligations bonds are as follows:

State Road 528 Improvement, Series 2002

Year	Period Ending	Principle	Interest	Total P&I	Original Issue	Amount Retired	Amount Outstanding
	08/01/07	\$275,000	\$67,475	\$342,475	\$5,000,000	\$2,025,000	\$2,975,000
2008	02/01/08	0	60,600	60,600	5,000,000	0	2,975,000
	08/01/08	300,000	60,600	360,600	5,000,000	2,325,000	2,675,000
2009	02/01/09	0	55,200	55,200	5,000,000	0	2,675,000
	08/01/09	350,000	55,200	405,200	5,000,000	2,675,000	2,325,000
2010	02/01/10	0	48,550	48,550	5,000,000	0	2,325,000
	08/01/10	375,000	48,550	423,550	5,000,000	3,050,000	1,950,000
2011	02/01/11	0	41,050	41,050	5,000,000	0	1,950,000
	08/01/11	400,000	41,050	441,050	5,000,000	3,450,000	1,550,000
2012	02/01/12	0	33,050	33,050	5,000,000	0	1,550,000
2013-2014	08/01/12-08/01/14	1,550,000	107,100	1,657,100	5,000,000	5,000,000	0
Total		\$3,250,000	\$618,425	\$3,868,425			

Library Construction, Series 2004

Year	Period Ending	Principle	Interest	Total P&I	Original Issue	Amount Retired	Amount Outstanding
	08/01/07	\$75,000	\$86,775	\$161,775	\$5,500,000	\$750,000	\$4,750,000
2008	02/01/08	0	85,556	85,556	5,500,000	0	4,750,000
	08/01/08	700,000	85,556	785,556	5,500,000	1,450,000	4,050,000
2009	02/01/09	0	73,306	73,306	5,500,000	0	4,050,000
	08/01/09	650,000	73,306	723,306	5,500,000	2,100,000	3,400,000
2010	02/01/10	0	61,931	61,931	5,500,000	0	3,400,000
	08/01/10	450,000	61,931	511,931	5,500,000	2,550,000	2,950,000
2011	02/01/11	0	54,844	54,844	5,500,000	0	2,950,000
	08/01/11	400,000	54,844	454,844	5,500,000	2,950,000	2,550,000
2012	02/01/12	0	48,244	48,244	5,500,000	0	2,550,000
2013-2014	08/01/12-08/01/14	2,550,000	274,144	2,824,144	5,500,000	5,500,000	0
Total		\$4,825,000	\$960,437	\$5,785,437			

Aquatic Center Construction, Series 2006

Year	Period Ending	Principle	Interest	Total P&I	Original Issue	Amount Retired	Amount Outstanding
	08/01/07	\$400,000	\$162,500	\$562,500	\$7,000,000	\$400,000	\$6,600,000
2008	02/01/08	0	154,500	154,500	7,000,000	0	6,600,000
	08/01/08	1,150,000	154,500	1,304,500	7,000,000	1,550,000	5,450,000
2009	02/01/09	0	125,750	125,750	7,000,000	0	5,450,000
	08/01/09	300,000	125,750	425,750	7,000,000	1,850,000	5,150,000
2010	02/01/10	0	119,375	119,375	7,000,000	0	5,150,000
	08/01/10	300,000	119,375	419,375	7,000,000	2,150,000	4,850,000
2011	02/01/11	0	113,375	113,375	7,000,000	0	4,850,000
	08/01/11	300,000	113,375	413,375	7,000,000	2,450,000	4,550,000
2012	02/01/12	0	107,375	107,375	7,000,000	0	4,550,000
2013-2018	08/01/13-08/01/18	4,550,000	844,875	5,394,875	7,000,000	7,000,000	0
Total		\$7,000,000	\$2,140,750	\$9,140,750			

GENERAL GOVERNMENT REVENUE BONDS

The City of Rio Rancho, New Mexico Gross Receipts Tax Refunding and Improvement Revenue Bonds, Series 2003 were issued on December 23, 2003 for the purpose of defraying the cost to be paid from bond proceeds of 1) funding public safety building construction and improvement projects, and 2) refinancing the outstanding City of Rio Rancho Gross Receipts Tax Revenue Bonds, Series 1995.

The City of Rio Rancho, New Mexico Gross Receipts Tax Improvement Revenue Bonds, Series 2005 were issued on July 27, 2005 to provide funds for construction of a city hall facility, a maintenance yard for the City's Infrastructure Department and Cultural Enrichment Department, and street and sewer line improvements, and paying all costs pertaining to the issuance of the Bonds.

Amounts currently outstanding are as follows:

<u>Description</u>	<u>Interest Rate</u>	<u>Amount</u>
NM Gross Receipts Tax Refunding & Improvement Revenue Bonds, Series 2003		
\$4,465,000, issued 12/23/03	2.5% to 4.13%	\$2,640,000
Call Date: 12/1/2004		
NM Gross Receipts Tax Bonds, Series 2005		
\$18,130,000, issued 07/27/05	3.0% to 5.0%	\$17,585,000
Call Date: 06/01/2016		
Total		\$20,225,000

Revenue bonds debt service requirements to maturity are as follows:

NM Gross Receipts Tax Refunding & Improvement Revenue Bonds, Series 2003

Year	Period Ending	Principle	Interest	Total P&I	Original Issue	Amount Retired	Amount Outstanding
	12/01/07	\$0	\$43,109	\$43,109	\$4,465,000	\$0	\$2,640,000
2008	06/01/08	555,000	43,109	598,109	4,465,000	2,380,000	2,085,000
	12/01/08	0	35,478	35,478	4,465,000	0	2,085,000
2009	06/01/09	575,000	35,478	610,478	4,465,000	2,955,000	1,510,000
	12/01/09	0	26,853	26,853	4,465,000	0	1,510,000
2010	06/01/10	595,000	26,853	621,853	4,465,000	3,550,000	915,000
	12/01/10	0	14,559	14,559	4,465,000	0	915,000
2011	06/01/11	615,000	14,559	629,559	4,465,000	4,165,000	300,000
	12/01/11	0	4,950	4,950	4,465,000	0	300,000
2012	06/01/12	300,000	4,950	304,950	4,465,000	4,465,000	
Total		\$2,640,000	\$249,898	\$2,889,898			

NM Gross Receipts Tax Revenue Bonds, Series 2005

Year	Period Ending	Principle	Interest	Total P&I	Original Issue	Amount Retired	Amount Outstanding
	12/01/07	\$0	\$415,487	\$415,487	\$18,130,000	\$0	\$17,585,000
2008	06/01/08	225,000	415,487	640,487	18,130,000	770,000	17,360,000
	12/01/08	0	412,112	412,112	18,130,000	0	17,360,000
2009	06/01/09	225,000	412,112	637,112	18,130,000	995,000	7,135,000
	12/01/09	0	408,737	408,737	18,130,000	0	7,135,000
2010	06/01/10	230,000	408,737	638,737	18,130,000	1,225,000	16,905,000
	12/01/10	0	404,137	404,137	18,130,000	0	16,905,000
2011	06/01/11	245,000	404,137	649,137	18,130,000	1,470,000	16,660,000
	12/01/11	0	399,237	399,237	18,130,000	0	16,660,000
2012	06/01/12	585,000	399,237	984,237	18,130,000	2,055,000	16,075,000
2013-2025	12/01/12 06/01/25	16,075,000	5,962,349	22,037,349	18,130,000	18,130,000	0
Total		\$17,585,000	\$10,041,769	\$27,626,769			

ENTERPRISE REVENUE BONDS

The City of Rio Rancho, New Mexico Water and Wastewater System Refunding Bonds, Series 1999 were issued on January 15, 1999. The bonds were issued to advance refund the City of Rio Rancho, New Mexico Water and Wastewater System Bonds, Series 1995A which mature on and after May 15, 2007, to purchase a debt service reserve fund surety bond, to purchase a municipal bond insurance policy, and to pay certain costs of issuance.

The City of Rio Rancho, New Mexico Water and Wastewater System Revenue Bonds, Series 2004 were issued on March 16, 2004 to provide funds for water and wastewater system improvement projects, funding the Series 2004 Reserve Account, and paying all costs pertaining to the issuance of the Bonds including the purchase of a municipal bond insurance policy.

The City of Rio Rancho, New Mexico Water and Wastewater System Revenue Bonds, Series 2005 were issued July 13, 2005 to provide funds for water and wastewater system improvement projects, funding the Series 2005 Reserve Account, and paying all costs pertaining to the issuance of the Bonds including the purchase of a municipal bond insurance policy.

The City of Rio Rancho, New Mexico Taxable Event Center Revenue Bonds, Series 2005 were issued on June 29, 2005 to provide funds for acquiring land for, and designing, purchasing, constructing, remodeling, rehabilitating, improving, equipping and furnishing, a municipal event center, capitalizing interest on the Bonds, funding a Bond Reserve Fund and paying all costs pertaining to the issuance of the Bonds.

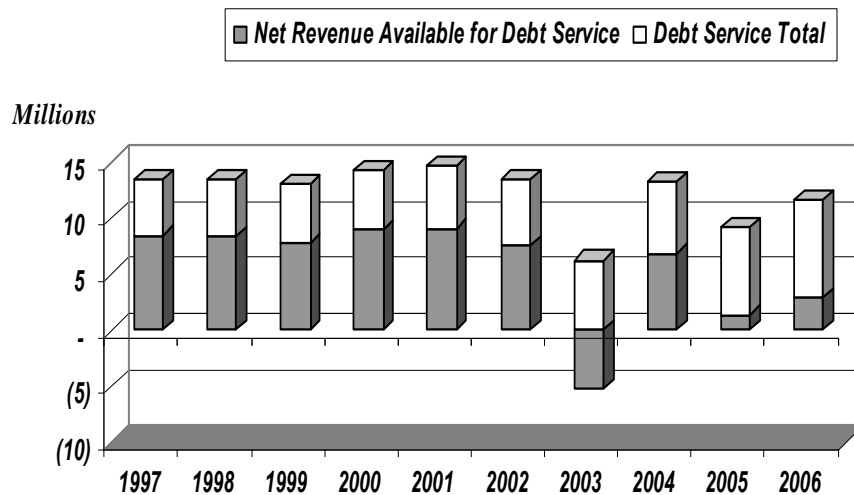
The City of Rio Rancho, New Mexico Water and Wastewater System Revenue Bonds, Series 2007 were issued February 28, 2007 to provide funds for water and wastewater system improvement projects, funding the Series 2007 Reserve Account, and paying all costs pertaining to the issuance of the Bonds including the purchase of a municipal bond insurance policy.

Amounts currently outstanding are as follows:

<u>Description</u>	<u>Interest Rate</u>	<u>Amount</u>
City of Rio Rancho New Mexico, Water & Wastewater System Refunding Bonds, Series 1999 \$72,155,000, issued on 01/15/99 Call Date: 05/15/2022	3.0% to 5.25%	\$67,380,000
City of Rio Rancho New Mexico, Water & Wastewater System Bonds, Series 2004 \$4,395,000, issued 3/16/04 Call Date: 05/15/2024	2.375% to 4.5%	\$ 3,925,000
City of Rio Rancho New Mexico, Water & Wastewater System Bonds, Series 2005 \$21,225,000, issued 07/13/05 Call Date: 05/15/2016	3.25% to 5.0%	\$19,670,000
Taxable Event Center Revenue Bonds, Series 2005 \$35,750,000, issued 06/29/05 Call Date: 06/01/2016	4.2% to 5.15%	\$35,750,000
City of Rio Rancho New Mexico, Water & Wastewater System Bonds, Series 2007 \$32,930,000, issued 02/28/07 Call Date: 05/15/2017	4.0% to 4.5%	\$32,930,000
Total		\$159,955,000

City of Rio Rancho, New Mexico
Revenue Bond Coverage
Business-Type Revenue Bonds
Last Ten Fiscal Years

Fiscal Year	Gross Revenues	Expenditures	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1997	\$14,323,983	\$5,828,748	\$8,495,235	-	\$4,878,313	\$4,878,313	1.74
1998	14,104,316	5,713,746	8,390,570	225,000	4,878,313	5,103,313	1.64
1999	14,405,928	6,630,734	7,775,194	390,000	4,867,963	5,257,963	1.48
2000	14,671,167	5,736,411	8,934,756	900,000	4,417,043	5,317,043	1.68
2001	14,194,116	5,116,088	9,078,028	1,260,000	4,377,330	5,637,330	1.61
2002	16,460,803	8,966,365	7,494,438	1,670,000	4,318,880	5,988,880	1.25
2003	16,557,012	21,758,570	(5,201,558)	2,050,000	4,195,938	6,245,938	-0.83
2004	18,145,771	11,286,038	6,859,733	2,410,000	4,042,563	6,452,563	1.06
2005	20,900,461	19,513,838	1,386,623	3,785,000	4,047,077	7,832,077	0.18
2006	25,442,854	22,513,665	2,929,189	3,830,000	4,930,426	8,760,426	0.33



Proprietary fund debt requirements to maturity are as follows:

**City of Rio Rancho, New Mexico Water & Wastewater
System Refunding Bonds, Series 1999**

Year	Period Ending	Principle	Interest	Total P&I	Original Issue	Amount Retired	Amount Outstanding
	11/15/07	\$0	\$1,667,855	\$1,667,855	\$72,155,000	\$0	\$67,380,000
2008	05/15/08	3,100,000	1,667,855	4,767,855	72,155,000	7,875,000	64,280,000
	11/15/08	0	1,586,480	1,586,480	72,155,000	0	64,280,000
2009	05/15/09	3,260,000	1,586,480	4,846,480	72,155,000	11,135,000	61,020,000
	11/15/09	0	1,500,905	1,500,905	72,155,000	0	61,020,000
2010	05/15/10	3,435,000	1,500,905	4,935,905	72,155,000	14,570,000	57,585,000
	11/15/10	0	1,410,736	1,410,736	72,155,000	0	57,585,000
2011	05/15/11	3,635,000	1,410,736	5,045,736	72,155,000	18,205,000	53,950,000
	11/15/11	0	1,330,766	1,330,766	72,155,000	0	53,950,000
2012	05/15/12	3,800,000	1,330,766	5,130,766	72,155,000	22,005,000	50,150,000
2013-2022	11/15/12 05/15/22	50,150,000	14,512,328	64,662,328	72,155,000	72,155,000	0
Total		\$67,380,000	\$29,505,813	\$96,885,813			

**City of Rio Rancho, New Mexico Water & Wastewater
System Bonds, Series 2004**

Year	Period Ending	Principle	Interest	Total P&I	Original Issue	Amount Retired	Amount Outstanding
	11/15/07	\$0	\$74,549	\$74,549	\$4,395,000	\$0	\$3,925,000
2008	05/15/08	175,000	74,549	249,549	4,395,000	645,000	3,750,000
	11/15/08	0	72,252	72,252	4,395,000	0	3,750,000
2009	05/15/09	180,000	72,252	252,252	4,395,000	825,000	3,570,000
	11/15/09	0	69,552	69,552	4,395,000	0	3,570,000
2010	05/15/10	185,000	69,552	254,552	4,395,000	1,010,000	3,385,000
	11/15/10	0	66,777	66,777	4,395,000	0	3,385,000
2011	05/15/11	190,000	66,777	256,777	4,395,000	1,200,000	3,195,000
	11/15/11	0	63,927	63,927	4,395,000	0	3,195,000
2012	05/15/12	195,000	63,927	258,927	4,395,000		3,000,000
2013-2024	11/15/12 05/15/24	3,000,000	881,630	3,881,630	4,395,000	4,395,000	0
Total		\$3,925,000	\$1,575,743	\$5,500,743			

**City of Rio Rancho, New Mexico Water & Wastewater
System Bonds, Series 2005**

Year	Period Ending	Principle	Interest	Total P&I	Original Issue	Amount Retired	Amount Outstanding
	11/15/07	\$0	\$456,759	\$456,759	\$21,225,000	\$0	\$19,670,000
2008	05/15/08	750,000	456,759	1,206,759	21,225,000	2,305,000	18,920,000
	11/15/08	0	444,571	444,571	21,225,000	0	18,920,000
2009	05/15/09	770,000	444,571	1,214,571	21,225,000	3,075,000	18,150,000
	11/15/09	0	431,096	431,096	21,225,000	0	18,150,000
2010	05/15/10	795,000	431,096	1,226,096	21,225,000	3,870,000	17,355,000
	11/15/10	0	417,184	417,184	21,225,000	0	17,355,000
2011	05/15/11	825,000	417,184	1,242,184	21,225,000	4,695,000	16,530,000
	11/15/11		398,184	398,184	21,225,000	0	16,530,000
2012	05/15/12	860,000	398,184	1,258,184	21,225,000	5,555,000	15,670,000
2013-2024	11/15/12 05/15/24	15,670,000	5,899,955	21,569,955	21,225,000	21,225,000	0
Total		\$19,670,000	\$10,195,543	\$29,865,543			

**Taxable Event Center
Revenue Bonds, Series 2005**

Year	Period Ending	Principle	Interest	Total P&I	Original Issue	Amount Retired	Amount Outstanding
	12/01/07	\$0	\$878,393	\$878,393	\$35,750,000	\$0	\$35,750,000
2008	06/01/08	1,120,000	878,393	1,998,393	35,750,000	1,120,000	34,630,000
	12/01/08	0	854,873	854,873	35,750,000	0	34,630,000
2009	06/01/09	1,165,000	854,873	2,019,873	35,750,000	2,285,000	33,465,000
	12/01/09	0	829,826	829,826	35,750,000	0	33,465,000
2010	06/01/10	1,215,000	829,826	2,044,826	35,750,000	3,500,000	32,250,000
	12/01/10	0	803,248	803,248	35,750,000	0	32,250,000
2011	06/01/11	1,270,000	803,248	2,073,248	35,750,000	4,770,000	30,980,000
	12/01/11	0	775,308	775,308	35,750,000	0	30,980,000
2012	06/01/12	1,325,000	775,308	2,100,308	35,750,000	6,095,000	29,655,000
2013-2027	12/01/12 06/01/27	29,655,000	13,476,623	43,131,623	35,750,000	35,750,000	0
Total		\$35,750,000	\$21,759,916	\$57,509,916			

**City of Rio Rancho, New Mexico Water & Wastewater
System Bonds, Series 2007**

Year	Period Ending	Principle	Interest	Total P&I	Original Issue	Amount Retired	Amount Outstanding
	11/15/07	\$0	\$1,035,014	\$1,035,014	\$32,930,000	\$0	\$32,930,000
2008	05/15/08	310,000	724,913	1,034,913	32,930,000	310,000	32,620,000
	11/15/08	0	718,713	718,713	32,930,000	0	32,620,000
2009	05/15/09	320,000	718,713	1,038,713	32,930,000	630,000	32,300,000
	11/15/09	0	712,313	712,313	32,930,000	0	32,300,000
2010	05/15/10	335,000	712,313	1,047,313	32,930,000	965,000	31,965,000
	11/15/10	0	705,613	705,613	32,930,000	0	31,965,000
2011	05/15/11	345,000	705,613	1,050,613	32,930,000	1,310,000	31,620,000
	11/15/11	0	698,713	698,713	32,930,000	0	31,620,000
2012	05/15/12	360,000	698,713	1,058,713	32,930,000	1,670,000	31,260,000
2013-2024	11/15/12 05/15/24	31,260,000	20,123,981	51,383,981	32,930,000	32,930,000	0
Total		\$32,930,000	\$60,484,608	\$60,484,608			

STATE OF NEW MEXICO LOANS

New Mexico Finance Authority Equipment Loan Program, Series 1996B closed on December 3, 1996. The loan proceeds were used to acquire fire apparatuses, consisting of two fire trucks and related equipment. Payment is made out Fire Protection Fund annual distribution to the City pursuant to Section 59A-53-7, NMSA 1978 and redirected to the New Mexico Finance Authority pursuant to the intercept agreement.

New Mexico Environment Department Loan Agreement 1997, dated December 22, 1999. The loan issued by the NM Environment Department under the Clean Water State Revolving Loan Fund - also known as - Wastewater Facility Construction Loan Program. The proceeds shall be used for wastewater treatment system upgrade to increase capacity and biological nutrient removal at Plant No. 2, and other approved wastewater treatment improvements. The first payment of principal shall become due one year after the completion of the project. The loan will be payable from the net revenues derived from the operation of the Water and Wastewater Utility.

New Mexico Finance Authority Golf Course Road Agreement 2002, dated August 9, 2002. The loan proceeds are used for the construction of Golf Course Road, located within the city limits of Rio Rancho. Payment is made from the revenues received by the road impact fees.

New Mexico Department of Transportation (NMDOT) Unser Boulevard Loan Agreement 2006, March 1, 2006. The loan proceeds are used for improvements to Unser Boulevard, including drainage, traffic signals, roadway lighting, signing, landscaping and widening the roadway. Pledged revenues for this loan is the City’s one-sixteenth of one percent increment (0.0625%) of municipal infrastructure gross receipts tax enacted pursuant to Section 7-19D-11, NMSA 1991. Repayment due date for the first payment will be on the anniversary date of the “Loan Closing” (the date the NMDOT deposited the loan proceeds into the project account) following the first day of the Federal Fiscal Year.

New Mexico Finance Authority Public Project Revolving Fund Loan 2007, closed on March 9, 2007. The loan proceeds were used to acquire fire fighting equipment. Payment is made out Fire Protection Fund annual distribution to the City pursuant to Section 59A-53-7, NMSA 1978 and redirected to the New Mexico Finance Authority pursuant to the intercept agreement.

Amounts currently outstanding are as follows:

<u>Description</u>	<u>Interest Rate</u>	<u>Amount</u>
New Mexico Finance Authority Fire Apparatus Loan Program, Series 1996B Due 02/01/2008	5.40%	\$40,000
New Mexico Finance Authority Golf Course Road Loan Agreement, 2002 Due 08/09/2017	1.97% to 4.9%	\$511,086
New Mexico Environment Department Loan Agreement, 2003 Due 12/13/2022	3.00%	\$8,853,895
New Mexico Department of Transportation Unser Boulevard Loan Agreement, 2006 Due Fiscal Year 2009	1.5%	\$656,097
New Mexico Finance Authority Fire Fighting Equipment Loan Program, Series 2007 Due 05/01/2022	3.320% to 3.910%	\$1,649,286
Total		\$11,710,364

New Mexico loan requirements to maturity are as follows:

**New Mexico Finance Authority
Fire Apparatus Loan Program, Series 1996B**

Year	Period Ending	Principle	Interest	Total P&I	Original Issue	Amount Retired	Amount Outstanding
	10/01/07	\$0	\$1,294	\$1,294	\$531,000	\$0	\$40,000
2008	04/01/08	40,000	1,295	41,295	531,000	531,000	0
Total		\$40,000	\$2,589	\$42,589			

**New Mexico Finance Authority
Golf Course Road Loan Agreement, 2001**

Year	Period Ending	Principle	Interest	Total P&I	Original Issue	Amount Retired	Amount Outstanding
	11/01/07	\$0	\$11,876	\$11,876	\$1,371,188	\$0	\$511,086
2008	05/01/08	83,221	11,294	94,515	1,371,188	943,322	427,865
	11/01/08	0	10,129	10,129	1,371,188	0	427,865
2009	05/01/09	86,774	9,498	96,272	1,371,188	1,030,096	341,091
	11/01/09	0	8,238	8,238	1,371,188	0	341,091
2010	05/01/10	90,608	7,565	98,173	1,371,188	1,120,704	250,483
	11/01/10	0	6,219	6,219	1,371,188	0	250,483
2011	05/01/11	94,702	5,500	100,202	1,371,188	1,215,406	155,781
	11/01/11	0	4,062	4,062	1,371,188	0	155,781
2012	05/01/12	94,232	3,295	97,527	1,371,188	1,309,638	61,550
2013	11/01/12– 05/01/13	61,550	2,936	64,486	1,371,188	1,371,188	0
Total		\$511,087	\$80,612	\$591,698			

**New Mexico Environment Department
Wastewater Facility Construction Loan Program 1997**

Year	Period Ending	Principle	Interest	Total P&I	Original Issue	Amount Retired	Amount Outstanding
2008	12/02/07	\$439,249	\$265,617	\$704,866	\$10,486,627	\$2,171,981	\$8,414,646
2009	12/02/08	452,427	252,439	704,866	10,486,627	2,624,408	7,962,219
2010	12/02/09	466,000	238,867	704,867	10,486,627	3,090,408	7,496,219
2011	12/02/10	479,979	224,887	704,866	10,486,627	3,470,387	7,016,240
2012	12/02/11	494,379	210,487	704,866	10,486,627	3,964,766	6,521,861
2013- 2022	12/02/12- 12/02/22	6,521,861	1,231,666	7,753,527	10,486,627	10,486,627	0
Total		\$8,853,895	\$2,423,963	\$11,277,857			

**New Mexico Department of Transportation
Unser Boulevard Loan Agreement, 2006**

Year	Period Ending	Principle	Interest	Total P&I	Original Issue	Amount Retired	Amount Outstanding
2008	03/01/08	\$330,420	\$9,913	\$340,333	\$3,600,000	\$3,274,323	\$325,677
2009	03/01/09	325,677	14,656	340,333	3,600,000	3,600,000	0
Total		\$656,097	\$24,569	\$680,666			

**New Mexico Finance Authority
Fire Fighting Equipment Loan Program, 2007**

Year	Period Ending	Principle	Interest	Total P&I	Original Issue	Amount Retired	Amount Outstanding
	11/01/07	\$0	\$41,543	\$41,543	\$1,649,286	\$0	\$1,649,286
2008	05/01/08	35,000	32,232	67,232	1,649,286	35,000	1,614,286
	11/01/08	0	31,607	31,607	1,649,286	0	1,614,286
2009	05/01/09	89,624	31,607	121,231	1,649,286	124,624	1,524,662
	11/01/09	0	29,994	29,994	1,649,286	0	1,524,662
2010	05/01/10	92,850	29,994	122,844	1,649,286	217,474	1,431,812
	11/01/10	0	28,309	28,309	1,649,286	0	1,431,812
2011	05/01/11	96,221	28,309	124,530	1,649,286	313,695	1,335,591
	11/01/11	0	26,548	26,548	1,649,286	0	1,335,591
2012	05/01/12	99,742	26,548	126,290	1,649,286	413,437	1,235,849
2013-2022	11/01/12-05/01/22	1,235,849	291,783	1,527,632	1,649,286	1,649,286	0
Total		\$1,649,286	\$598,474	\$2,247,760			

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