



**Investment Advisory Board
Meeting
City of Rio Rancho
AGENDA
November 20, 2024
6:00 PM
City Hall Overflow Room**

Investment Advisory Board Members

Van Billops, District 1	Vacant, District 2
Christopher Daniel, District 3	Ron Baker, District 4
Chandra McCray, District 5	Kelly Wainright, District 6
David Jablonski, At-Large	

Meeting Information

This meeting will be conducted in-person. A live stream of the meeting can be viewed on the City of Rio Rancho website at <https://rrnm.gov/2303/Watch-and-Download-City-Meetings>

Pursuant to the Rules of Procedures, any person wishing to address the Board related to an item listed under Discussion and Deliberation, shall register in person with the designated City staff person no later than fifteen (15) minutes prior to the scheduled start time of a meeting. No more than two (2) hours in total will be allotted for comments pertaining to a specific agenda item at any meeting. A majority vote of the Board members present may approve to extend the total amount of time allotted for public input related to a specific agenda item at a meeting.

Public input can be submitted in writing to the designated City staff person prior to the date of the meeting in which the item is scheduled to be heard; however, only public input received before 4 p.m. on the day of the meeting will be entered into the record prior to the meeting.

Call to Order and Pledge of Allegiance

Consent Calendar

There will be no discussion of these items unless a Board Member so requests, in which event the item will be moved to a discussion item on the regular agenda.

- 1 [Approval of August 29, 2024, Minutes](#)
[August 29, 2024, Minutes](#)

Staff Presentations, Reports and Comments

Public Hearings

Pursuant to the Boards, Commissions, Committees and Advisory Bodies Rules of Procedure, all aggrieved persons, and materially relevant witnesses sponsored by such interested persons, wishing to address the Governing Body shall register in person or via specified communications technology/equipment with the City Clerk no later than fifteen (15) minutes prior the scheduled start time of a related hearing.

Discussion and Deliberation

- 2 [Establishment of 2025 Board Meeting Schedule](#)
[Proposed 2025 Meeting Calendar](#)

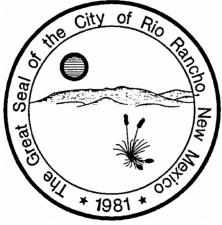
- 3 Annual Report Method to Governing Body
Annual Report Method to Governing Body
- 4 Review and Input on the Permanent Fund Performance
- 5 Review and Input on the Core and Liquidity Portfolios Performance
- 6 Discussion on Potential Uses of the 2025 Permanent Fund Distribution

Comments by Members

Public Forum

Any person wishing to address a board, commission, committee, or advisory body related to a non-agenda item shall register in person with the applicable City staff person no later than fifteen (15) minutes prior to the scheduled start time of a meeting. No more than two (2) hours in total will be allotted for public forum comments at any meeting. A majority vote of the board, commission, committee, or advisory body members present may approve to extend the total amount of time allotted for public forum at a meeting.

Adjournment



**CITY OF RIO RANCHO
COVER PAGE**

Legislation Item:

AGENDA DATE:

November 20, 2024

DEPARTMENT:

City Clerk

SUBJECT:

Approval of August 29, 2024, Minutes

BACKGROUND AND ANALYSIS:

IMPACT:

ALTERNATIVES:

DEPARTMENT RECOMMENDATION:

ATTACHMENT: [August 29, 2024, Minutes](#)



*Investment Advisory Board
Meeting*

MINUTES

AUGUST 28, 2024

6:00 PM

Council Chambers

MEMBERS PRESENT:

Van Billops, District 1
Christopher Daniel, District 3
Ron Baker, District 4
Kelly Wainwright, District 6
David Jablonski, At-Large

STAFF PRESENT:

Peter Wells, Deputy City Manager
Carole Jaramillo, Director of Financial Services
Noel Davis, City Clerk
Don Martinez, Capital Planning & Grants Sup.

MEMBERS ABSENT:

Chandra McCray, District 5

SPECIAL GUEST:

Mallory Sampson, PFM Asset Management
Deanne Woodring with GPA

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Kelly Wainwright called the meeting to order at 6:00 p.m.

CONSENT CALENDAR

1. Approval of May 29, 2024 Minutes

Van Billops moved to approve the minutes of May 29, 2024. Seconded by Christopher Daniel.

The members approved the minutes of May 29, 2024 by consent.

STAFF PRESENTATIONS, REPORTS AND COMMENTS

PUBLIC HEARINGS

DISCUSSION AND DELIBERATION

2. Review and Input on the Permanent Fund Performance

Mallory Sampson with PFM Asset Management, provide a brief economic update for the quarter ending June 30, 2024. The constant message is the inflation is coming down and the labor market is beginning to soften. The U.S economic growth remains resilient, but some softness as consumer spending tapers. Geopolitical risks continue to remain elevates. Tensions between the U.S. and China, the war between Russia and Ukraine, the Israel and Hamas conflict. China's move in South China Sea and Taiwan Strait further add to the risks.

3. Review and Input on the Core and Liquidity Portfolios Performance

1 Deanne Woodring with GPA, Over the fiscal year there was not a lot of change. Market
2 yields in Q2 rose early in the quarter on April's strong jobs data and March's CPI.
3 The economic environment continued to show more resilience that higher rates than
4 expected, which added to the uncertainty of when the Fed would move to lower rates
5 and how long the action to lower rates would last. When looking at the historical rates
6 over the last ten years, the rates appear to be peaking, 5% is a rate that we have not
7 seen for over 15 years. The Fed's preferred inflation metric, Core PCE, slowed during
8 Q2 from a year-ending annual growth rate of 2.9% to 2.6%. The Fed funds rate is still
9 trading higher than the inflation rate, which is slightly restrictive, but will not deter the Fed
10 from lowering rates as inflation moves closer to its 2% long-term target. Given the
11 outlook for lower rates into next year, GPA is focused on moving core portfolio durations
12 neutral to long relative to the benchmark effectively locking in higher rates for longer.
13 She went over the portfolio activity that has taken place.

14 15 4. Discussion of Potential Uses of the 2025 Permanent Fund Distribution

16
17 Carol Jaramillo, Director of Financial Services explained that staff will provide an
18 overview of the Capital Improvement planning process.

19
20 Don Martinez, Capital Planning & Grants Supervisor provided a brief overview. He went over
21 the infrastructure and Capital Improvement Plan process. The 5-year plan
22 prepared/updated annually with the budget process. Development commences in
23 December and adopted in May. The FY2025 Capital Budget consists of 115 projects
24 totaling \$222.2 million. The breakdown is as follows:

- 25 • Pay as you go: \$181.1 million, 81%
- 26 • Debt financing: \$32.4 million, 15%
- 27 • To be determined: \$8.7 million, 4%

28 29 5. Discussion on Potential Change to Permanent Fund Ordinance with Respect to 30 Additions to the Permanent Fund

31
32 Ms. Jaramillo stated that Section 36.127 of the Rio Rancho Municipal Code states
33 *"Nothing in this subchapter shall be construed to limit contribution of unrestricted one-*
34 *time revenue or unrestricted excess reserves to the permanent fund. The Governing*
35 *Body may, by resolution, add to the permanent fund principal amount. Such*
36 *contributions shall be made in July of any year and added to the new principal for that*
37 *year for purposes of determining future distributions".* Staff would like to change the
38 verbiage to allow for one-time windfalls at times other than July. This item will be sent to
39 Governing Body for approval.

40
41 Van Billops moved to recommend the elimination of the restriction of when the
42 City can deposit one-time revenue. Seconded by Ron Baker.

43
44 The motion carried by a vote of 5 FOR and 0 AGAINST.

45 YES: Van Billops, Christopher Daniel, Ron Baker, Kelly Wainwright, David
46 Jablonski

47 NO: None

1 **COMMENTS BY MEMBERS**

2

3 **PUBLIC FORUM**

4

5 **ADJOURNMENT**

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7 The meeting adjourned at 6:50 p.m.

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9 APPROVED THIS 20th DAY OF NOVEMBER, 2024

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Kelly Wainwright, Chair

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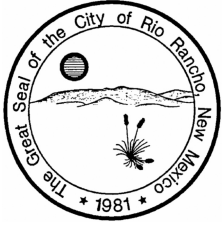
Noel Davis, City Clerk

15

SEAL

16

DRAFT



**CITY OF RIO RANCHO
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Legislation Item:

AGENDA DATE:

November 20, 2024

DEPARTMENT:

City Clerk

SUBJECT:

Establishment of 2025 Board Meeting Schedule

BACKGROUND AND ANALYSIS:

IMPACT:

ALTERNATIVES:

DEPARTMENT RECOMMENDATION:

ATTACHMENT: [Proposed 2025 Meeting Calendar](#)

Proposed 2025 Meeting Calendar

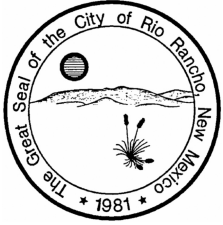
*Municipal Code states the following: 33.28 (D)(1) The Board shall hold at minimum regular quarterly meetings.

Wednesday, February 26, 2025 @ 6 p.m.

Wednesday, May 28, 2025 @ 6 p.m.

Wednesday, August 27, 2025 @ 6 p.m.

Wednesday, November 19, 2025 @ 6 p.m.



**CITY OF RIO RANCHO
COVER PAGE**

Legislation Item:

AGENDA DATE:

November 20, 2024

DEPARTMENT:

City Clerk

SUBJECT:

Annual Report Method to Governing Body

BACKGROUND AND ANALYSIS:

IMPACT:

ALTERNATIVES:

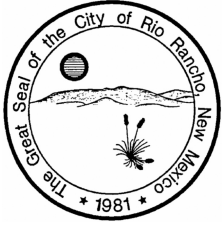
DEPARTMENT RECOMMENDATION:

ATTACHMENT: [Annual Report Method to Governing Body](#)

Annual Report Method to Governing Body

*Municipal Code states the following; 33.26 (F) Duties and Responsibilities: (5)
Report annually to the Governing Body in accordance with Section 33.05.

*Municipal Code states the following: 33.05 - Each board, commission or authority shall report in person or in writing annually to the Governing Body through its Chairperson or representative as the Chairperson shall delegate, unless the Mayor or the Chairperson through the Mayor requests more frequent or special reports. Each year the City Clerk shall establish and coordinate a Governing Body reporting schedule which includes every active board, commission, or authority. Any recommendations from the board, commission or authority or any financial reports shall be in writing.



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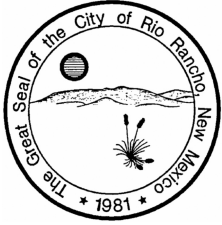
SUBJECT:
Review and Input on the Permanent Fund Performance

BACKGROUND AND ANALYSIS:

IMPACT:

ALTERNATIVES:

DEPARTMENT RECOMMENDATION:
Presentation by PMF Asset Management.



**CITY OF RIO RANCHO
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Legislation Item:

AGENDA DATE:

November 20, 2024

DEPARTMENT:

City Clerk

SUBJECT:

Review and Input on the Core and Liquidity Portfolios Performance

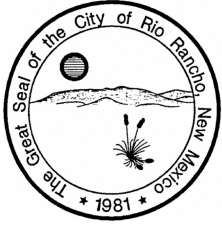
BACKGROUND AND ANALYSIS:

IMPACT:

ALTERNATIVES:

DEPARTMENT RECOMMENDATION:

Presentation by Government Portfolio Advisors



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Legislation Item:

AGENDA DATE:

November 20, 2024

DEPARTMENT:

City Clerk

SUBJECT:

Discussion on Potential Uses of the 2025 Permanent Fund Distribution

BACKGROUND AND ANALYSIS:

IMPACT:

ALTERNATIVES:

DEPARTMENT RECOMMENDATION:

Presentation by Carole Jaramillo