## CITY OF RIO RANCHO DEPARTMENT OF FINANCIAL SERVICES

## **MEMORANDUM**

DATE: January 19, 2010

TO: Mayor Thomas Swisstack

Michael J. Williams, Council Member Patricia Thomas, Council Member Tamara L. Gutierrez, Council Member Steven L. Shaw, Council Member Timothy C. Crum, Council Member Kathleen Colley, Council Member James Jimenez, City Manager

Laura Fitzpatrick, Assistant City Manager

FROM: Olivia Padilla-Jackson, Financial Services Director

SUBJECT: January 2011 General Fund Gross Receipts Tax Revenue Distribution

The General Fund Gross Receipts Tax (GRT) revenue distribution for the month of January, which is based on November activity, was \$1,763,377 after deductions, \$18,711 above the monthly estimate (see Attachment 1, FY11 Gross Receipts Tax Revenue Estimate vs. Actual). Year-to-date Fiscal Year 2011 (FY11), GRT revenue is \$472,346 or 3.7 percent higher than the annual estimate and approximately 2 percent lower than FY10 through the same period.

Attachments 3 and 4 illustrate the trends in Gross Receipts Tax revenues by monthly totals and major sector activity. Below are some highlights of these graphs.

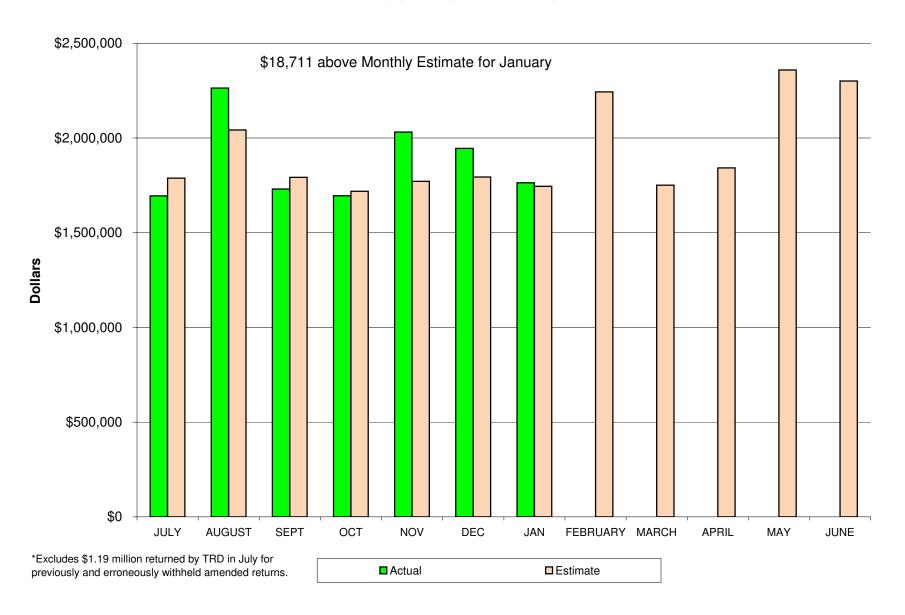
- The January GRT distribution was 12 percent below the January 2010 amount and modestly higher than the January 2009 amount. YTD, construction and retail activity continues to lag, while utilities and telecom are higher compared to FY10.
- Construction GRT revenue declined 26 percent from January 2010 despite the GRT revenue from the two hospital construction projects currently underway in Rio Rancho. Overall, GRT revenue from construction activity is down 23 percent compared to the same period last year.
- Retail revenue was 11 percent lower than last month and 17 percent below January 2010. Fiscal year to date, revenue from retail activity is 4.3 percent lower than FY10.
- The Services sector revenue was little changed from last month and about 3 percent

higher than January 2010. Compared to FY10 YTD, this revenue is 4.7 percent higher.

- The Transportation, Communications, and Utilities (TCU) sector revenue is 4 percent lower compared to last January. This sector is about 11 percent higher compared to the same period in FY10, which appears to be related to higher electricity prices.
- Manufacturing GRT was \$22,450 lower than last January. Fiscal year to date, Manufacturing is 22 percent lower compared with the same period last fiscal year.

Please see Attachment 2 that shows the amounts of GRT collected by industry and compares YTD revenue and percent of total to the prior fiscal year.

## FY11 Gross Receipts Tax Revenue Estimate vs. Actual



## **FY11 GROSS RECEIPTS REVENUES**

	January	FY11 Y-T-D	FY10 Y-T-D	Y-T-D	Y-T-D
	(November Activity)			% Change Over FY10	\$ Change Over FY10
Construction	\$473,685	\$3,091,782	\$4,040,017	00.470/	(40.40.005)
	20.36%	17.85%	22.39%	-23.47%	(\$948,235)
Manufacturing	\$14,638	\$123,110	\$157,897		
•	0.63%	0.71%	0.88%	-22.03%	(\$34,788)
Trans/Comm/Util	\$214,152	\$1,665,543	\$1,502,041		
	9.21%	9.62%	8.32%	10.89%	\$163,502
Wholesale Trade	\$18,513	\$140,504	\$158,322		
	0.80%	0.81%	0.88%	-11.25%	(\$17,818)
Retail Trade	\$785,715	\$6,337,202	\$6,623,923		
	33.78%	36.60%	36.71%	-4.33%	(\$286,721)
Fin/Ins/Real Estate	\$55,688	\$405,943	\$428,385		
	2.39%	2.34%	2.37%	-5.24%	(\$22,442)
Services	\$563,961	\$4,005,161	\$3,827,207		
	24.25%	23.13%	21.21%	4.65%	\$177,954
Other	\$199,690	\$1,547,036	\$1,306,715		
	8.58%	8.93%	7.24%	18.39%	\$240,321
Total GRT Receipts	\$2,326,043	\$17,316,281	\$18,044,507	-4.04% <u></u>	(\$728,226)
Adjustment/Reclass	(\$562,665)	(\$4,214,708)	(\$4,637,369)		
General Fund	\$1,763,378	\$13,101,573	\$13,407,138	-2.28%	(\$305,565)

