### CITY OF RIO RANCHO GENERAL FUND SUMMARY FOR THE PERIOD 7/1/2010 To 6/30/2011

	FY 2010 Actual	Increase (Decrease)	FY 2011 Budget	Percentage Change
Beginning Fund Balance	4,148,187	559,215	4,707,402	13.5%
Revenues				
Property Tax	11,331,128	(215,369)	11,115,759	-1.9%
Gross Receipts Tax	21,436,240	1,710,037	23,146,277	8.0%
Franchise Fees	2,820,083	91,926	2,912,009	3.3%
Licenses and Permits	335,490	296,155	631,645	88.3%
Grants	564,585	(493,870)	70,715	-87.5%
State Shared Taxes	341,865	(44,865)	297,000	-13.1%
General Government	1,518,091	179,052	1,697,143	11.8%
Public Safety	1,914,336	979,664	2,894,000	51.2%
Culture and Recreation	1,005,607	(130,564)	875,043	-13.0%
Fines and Forfeitures	1,190,322	133,385	1,323,707	11.2%
Other Miscellaneous Revenue	2,538,937	587,601	3,126,538	23.1%
Total Revenues	44,996,684	3,093,152	48,089,836	6.9%
Other Financing Sources				
Transfer In	3,944,341	(3,298,453)	645,888	-83.6%
<b>Total Resources</b>	53,089,212	353,914	53,443,126	0.7%
Expenditures				
Personal Services	38,272,115	825,182	39,097,297	2.2%
Materials and Services	9,366,329	529,963	9,896,292	5.7%
Capital Outlay	6,499	19,501	26,000	300.1%
Encumbrances and Year End	342,144	(342,144)		
Total Expenditures	47,987,087	(- ) /	49,019,589	2.2%
Other				
Transfer Out	394,723	(56,152)	338,571	-14.2%
Ending Fund Balance				
Unreserved	632,085	(632,085)	0	
Reserved	4,075,317	9,649	4,084,966	0.2%
Total Ending Fund Balance	4,707,402	(622,436)	4,084,966	-13.2%
Total Uses	53,089,212	353,914	53,443,126	0.7%

## GENERAL FUND

#### Revenue Detail

	FY 08 Actual	FY 09 Actual	FY 10 Actual	FY 11 Adopted	Variance FY11 - FY10 Increase (Decrease)	% Change FY11/FY10 Increase (Decrease)
Balances and Reserves						
Beginning Balance	\$ 12,913,295	\$ 8,390,351	\$ 4,148,187	\$ 4,707,402	559,215	13%
Taxes						
Property Tax	8,920,605	10,042,694	11,331,128	11,115,759	(215,369)	-2%
Gross Receipts	28,087,910	23,529,711	21,436,240	23,146,277	1,710,037	8%
Franchise Fees	2,737,694	2,975,551	2,820,085	2,912,009	91,924	3%
Total Taxes	39,746,209	36,547,956	35,587,453	37,174,045	1,586,592	4%
Licenses and Permits	362,924	309,309	335,490	631,645	296,155	88%
Intergovernmental						
Federal Grants	1,245,179	1,470,118	563,634	69,715	(493,919)	-88%
State Grants	72,331	45,911	-	-	-	0%
County Grants	120,778	-	951	1,000	49	0%
State Shared Taxes	330,293	315,295	341,866	297,000	(44,866)	-13%
Total Intergovernmental	1,768,581	1,831,324	906,451	367,715	(538,736)	-59%
Charge for Services						
General Government	2,274,132	1,509,472	1,518,092	1,697,143	179,051	12%
Public Safety	2,016,317	1,912,199	1,914,336	2,894,000	979,664	51%
Cultural/Recreation	815,113	1,015,040	1,005,608	875,043	(130,565)	-13%
Total Charge for Services	5,105,562	4,436,711	4,438,036	5,466,186	1,028,150	23%
Fines and Forfeitures	1,087,997	1,132,317	1,190,321	1,323,707	133,386	11%
Miscellaneous						
Interest Income	656,900	55,470	6,325	6,000	(325)	-5%
Rents and Royalties	39,928	11,905	10,216	2,640	(7,576)	-74%
Contributions/Donations	-	6,600	-	-	-	0%
Reimbursements	1,697,171	1,951,353	2,348,263	2,693,474	345,211	15%
Other Miscellaneous	112,018	260,096	174,120	424,424	250,304	144%
Total Miscellaneous Revenue	2,506,017	2,285,424	2,538,924	3,126,538	587,614	23%
Other Sources						
Interfund Operating Transfer	152,651	1,560,211	3,944,342	645,888	(3,298,454)	-84%
Total General Fund	\$ 63,643,236	\$ 56,493,603	\$ 53,089,204	\$ 53,443,126	353,922	1%

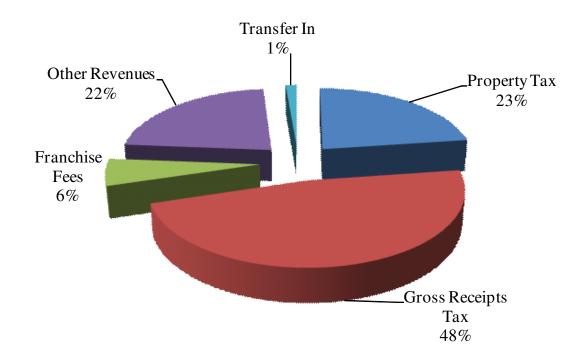
# **GENERAL FUND**Expenditures by Object

	FY 08 Actual	FY 09 Actual	FY 10 Actual	FY 11 Adopted	Variance FY11 - FY10 Increase (Decrease)	% Change FY11/FY10 Increase (Decrease)
Operating Expenditures					(= ======)	(= 000 00000)
Personal Services						
Wages & Salaries	\$ 26,260,654	\$ 29,711,419	\$ 27,085,807	\$ 27,370,439	\$ 284,632	1%
Fringe Benefits	11,175,611	11,598,068	11,186,308	11,726,858	540,550	5%
Total Personal Services	37,436,265	41,309,487	38,272,115	39,097,297	825,182	2%
Materials & Services						
Professional Services	990,680	1,021,349	454,815	751,973	297,158	65%
Contracts and Other Services	2,648,048	2,435,378	2,234,290	2,036,197	(198,093)	-9%
Programs	29,789	10,767	7,529	28,179	20,650	274%
Advertising	74,942	58,726	25,549	44,900	19,351	76%
Membership/Subscriptions	139,315	180,593	138,611	143,161	4,550	3%
Conference, Travel & Training	310,206	145,856	66,619	94,880	28,261	42%
Postage	63,155	81,250	55,392	78,265	22,873	41%
Repair & Maintenance	867,414	825,192	749,926	950,890	200,964	27%
Fleet Maintenance	695,423	690,437	671,986	750,350	78,364	12%
Gas & Oil	1,037,932	798,502	724,942	853,720	128,778	18%
Utilities (1)	1,711,572	2,050,524	1,898,152	1,970,523	72,371	4%
Communications (2)	211,986	211,394	197,754	202,348	4,594	2%
Supplies	1,241,796	1,207,720	1,038,121	1,193,568	155,447	15%
Minor Furniture & Equipment	905,729	272,816	79,217	98,029	18,812	24%
Other Costs	808,845	583,644	1,023,426	699,309	(324,117)	-32%
Total Material & Services	11,736,832	10,574,148	9,366,329	9,896,292	529,963	6%
Total Operating Expenditures	49,173,097	51,883,635	47,638,444	48,993,589	1,355,145	3%
Capital Outlay						
Capital Projects-Infrastructure	415,990	21,244	-	-	-	0%
Vehicles & Heavy Equipment	26,315	120,000	-	-	-	0%
Major Furniture & Equipment	190,512	50,892	6,499	26,000	19,501	300%
Total Capital Outlay	632,817	192,136	6,499	26,000	19,501	300%
Other Uses						
Transfers	5,969,231	1,340,564	394,723	338,571	(56,152)	-14%
Balances & Reserves	6,681,827	4,711,178	4,234,854	4,084,966	(149,888)	-4%
Total Other Uses	12,651,058	6,051,742	4,629,577	4,423,537	(206,040)	-4%
Total Expenditures	\$ 62,456,972	\$ 58,127,513	\$ 52,274,520	\$ 53,443,126	\$ 1,168,606	2%

<sup>(1)</sup> Includes: Telephone services, Water, Wastewater, Gas & Electric services

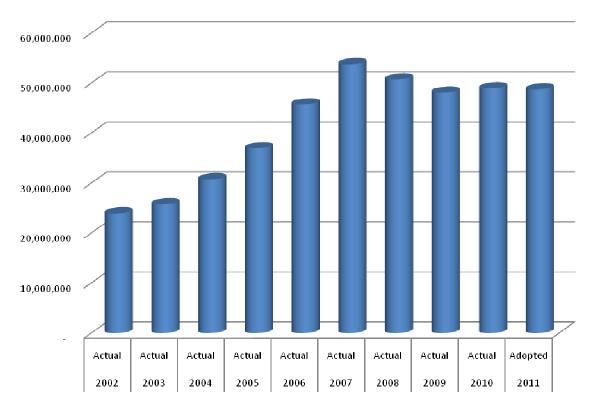
<sup>(2)</sup> Includes: Long Distance Telephone, Cellular Phone services & Pagers

# FISCAL YEAR 2011 GENERAL FUND Revenue Budget by Category

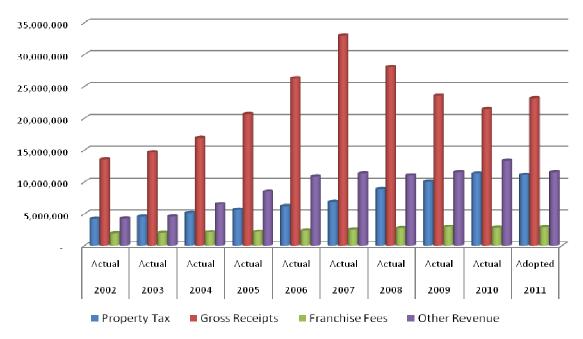


Property Tax	11,115,759
<b>Gross Receipts Tax</b>	23,146,277
Franchise Fees	2,912,009
<b>Other Revenues</b>	10,915,791
Transfer In	 645,888
<b>Total Revenue</b>	\$ 48,735,724

# GENERAL FUND Total Revenues

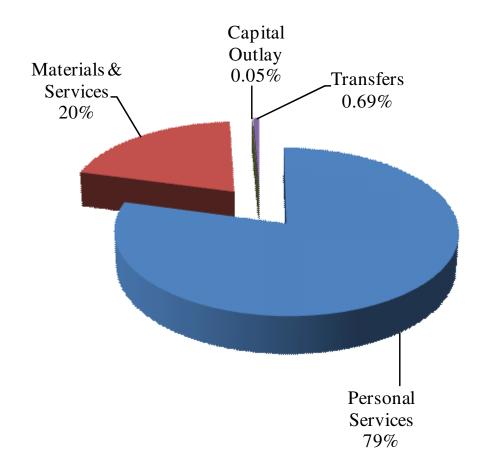


## **Revenues by Category**



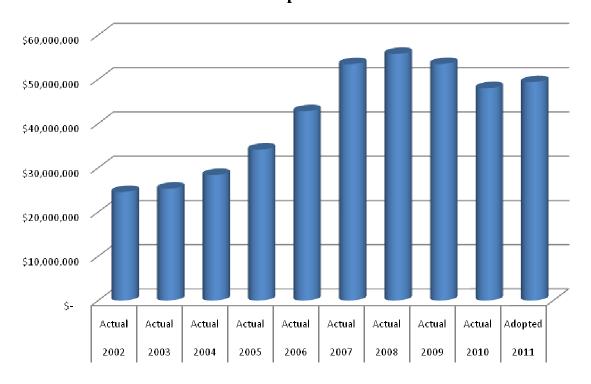
# FISCAL YEAR 2011 GENERAL FUND

# **Expenditure Budget by Category**

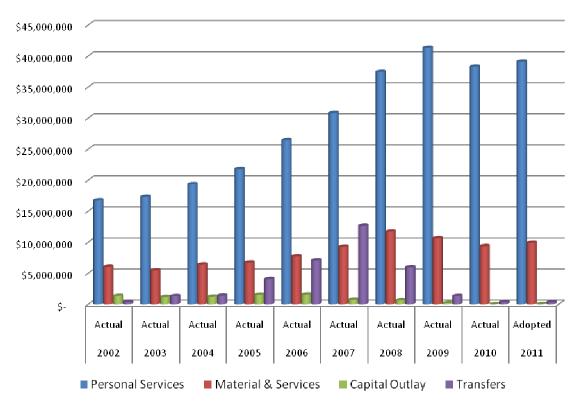


Personal Services	\$ 39,097,297
<b>Materials &amp; Services</b>	\$ 9,896,292
Capital Outlay	\$ 26,000
Transfers	\$ 338,571
<b>Total Expenditures</b>	\$ 49,358,160

# **GENERAL FUND Total Expenditures**



# **Expenditures by Category**



#### GENERAL FUND REVENUES

The General Fund provides the principal funding for local government operations. Most of the General Fund revenues come from three principle sources: gross receipts taxes (GRT), property taxes, and franchise fees. The balance comes from a variety of other sources such as licenses and permits, grants, state shared taxes, general government, public safety revenues, and transfers from previous year fund balances.

#### **Gross Receipts Tax**

Gross receipts tax (GRT) revenue is very sensitive to the performance of the local economy, which can create revenue problems. During the early 1990's, the annual growth of GRT revenues was over 20% per year. However; in the late 1990's this growth slowed to about 5% per year due to the loss of retail trade to Albuquerque. Construction GRT revenues were extremely strong in FY 2006 and FY 2007 primarily related to increased construction activity.

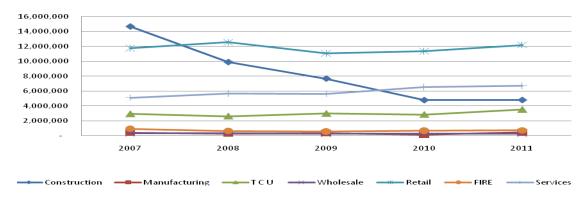
			RIO RANCHO,							
	GROS	S RECEIPT TAXE	S RECEIVED BY	TYPE OF TRADI	E					
	All Funds									
		Last I	Five Fiscal Years							
		Actu	al		Projected	10/09				
	2007	2008	2009	2010	2011	Change				
Construction	\$14,649,571	\$ 9,884,916	\$ 7,671,760	\$ 4,792,404	\$ 4,074,319	-14.98%				
	40.53%	30.65%	25.16%	16.66%	13.39%					
Manufacturing	417,349	299,400	363,688	159,426	463,361	190.64%				
	1.15%	0.93%	1.19%	0.55%	1.52%					
TCU	2,931,265	2,622,902	2,984,284	2,841,294	3,600,353	26.72%				
	8.11%	8.13%	9.79%	9.88%	11.84%					
Wholesale	317,612	319,455	265,360	265,964	260,262	-2.14%				
	0.88%	0.99%	0.87%	0.92%	0.86%					
Retail	11,757,514	12,552,014	11,059,039	11,362,688	12,733,585	12.06%				
	32.53%	38.92%	36.27%	39.51%	41.86%					
FIRE	940,101	655,892	583,226	689,255	743,968	7.94%				
	2.60%	2.03%	1.91%	2.40%	2.45%					
Services	5,120,893	5,678,187	5,637,115	6,551,880	7,026,794	7.25%				
	14.17%	17.61%	18.49%	22.78%	23.10%					
Others	13,507	235,066	1,929,948	2,099,057	1,517,440	-27.71%				
	0.04%	0.73%	6.33%	7.30%	4.99%					
Total	36,147,812	32,247,832	30,494,420	28,761,968	30,420,082	5.76%				
	100.00%	100.00%	100.00%	100.00%	100.00%					

 $FIRE: Financial institutions \ and \ real \ estate; T.C. \ U: Transportation, Communication \ and \ Utility.$ 

Source: State of New Mexico, Department of Taxation and Revenue; Prepared by: City of Rio Rancho Department of Finance Services

The following table is a breakdown of Gross Receipts Taxes received by type of trade.

#### GRT RECEIVED BY TRADE



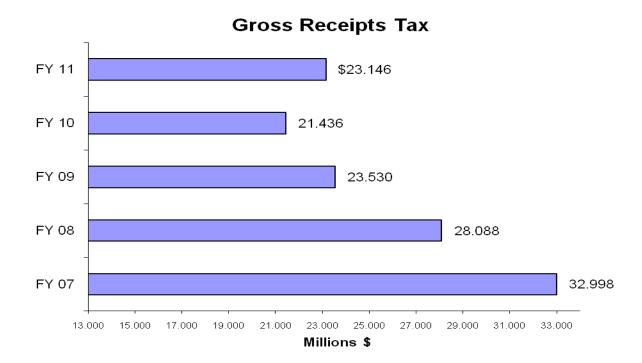
The following table shows the total taxable reported and taxable retail gross receipts reported in Rio Rancho, Albuquerque, and New Mexico. In 2005 the State of New Mexico enacted law that removed gross receipts tax from food and medical services. In doing so, the State of New Mexico held cities harmless against gross receipts revenue loss as a result of the new legislation. The taxable retail gross receipts reported in this table include food and medical services.

City of Rio Rancho, Albuquerque, Sandoval County and State of New Mexico Total Taxable Reported and Taxable Retail Gross Receipts (000s)									
	Rio Rar	ncho		Albuqu	ierque		New N	Mexico .	
FY	Total	Retail		Total Retail				Retail	
2004	674,797	216,072	32%	N/A	N/A		38,401,816	12,118,079	32%
2005	844,433	232,786	28%	12,692,867	4,112,286	32%	42,033,856	12,570,490	30%
2006	1,222,214	275,093	23%	13,234,465	3,999,286	30%	46,727,076	11,842,129	25%
2007	1,140,667	290,236	25%	13,983,767	4,298,358	31%	49,440,668	12,837,973	26%
2008	1,093,684	285,607	26%	13,949,723	4,438,891	32%	50,010,224	13,109,663	26%
2009	972,469	266,640	27%	12,500,403	3,946,836	32%	45,876,109	11,792,857	26%

Source: State of New Mexico, Taxation & Revenue Department

Prepared by: City of Rio Rancho Department of Finance Services

The City's **Gross Receipts Tax (GRT)** revenues are derived from local options imposed by ordinance and state-shared distributions. The GRT is the most important revenue source for the City comprising of 45 percent of total General Fund revenues. As the chart indicates, construction activity and revenue was extremely strong in FY07.



		NE	W MEXICO	GROSS R	ECEIPTS TAX RATE		
		N.M.G.R.T.			MUNICIPAL G.R.T.		Total
		To Rio Rancho	To State	Total	Sandoval County	Rio Rancho	G.R. Tax
7/1/1982	(1)	1.35%	2.15%	3.50%		0.50%	4.00%
7/1/1983	(2)	1.35%	2.40%	3.75%		0.75%	4.50%
7/1/1984		1.35%	2.40%	3.75%	0.125%	0.75%	4.625%
7/1/1985	(3)	1.35%	2.40%	3.75%	0.125%	1.00%	4.875%
7/1/1985	(3)	1.35%	2.40%	3.75%	0.125%	1.50%	5.375%
7/1/1990	(4)	1.35%	3.15%	4.50%	0.125%	1.50%	6.125%
1/1/1991	(5)	1.35%	3.15%	4.50%	0.250%	1.50%	6.25%
7/1/1991	(3)	1.35%	3.15%	4.50%	0.250%	1.25%	6.00%
1/1/1992	(6)	1.35%	3.15%	4.50%	0.250%	1.4375%	6.1875%
8/1/1992	(7)	1.225%	3.275%	4.50%	0.250%	1.4375%	6.1875%
1/1/2005	(8)	1.225%	3.775%	5.00%	0.250%	1.4375%	6.6875%
7/1/2008	(9)	1.225%	3.775%	5.00%	0.250%	1.6875%	6.9375%
7/1/2009	(10)	1.225%	3.900%	5.13%	0.250%	1.6875%	7.0625%
7/1/2010	(11)	1.225%	4.025%	5.25%	0.250%	1.6875%	7.1875%

Note: Rio Rancho incorporated as a City on September 6, 1980, but it was not "officially" incorporated for tax distribution purposes until March, 1981. On 7/V81the State of New Mexico lowered the state-wide gross receipts tax rate from 3.75% to 3.50%. This allowed municipalities to add 3/4% of 1% additional V4% increments. This 3/4% of 1% additional is known as the "Municipal Gross Receipts Tax.".

- (1) City of Rio Rancho enacted two 1/4% increments (i.e. 1/2 of 1%) on July 1, 1982.
- (2) Effective July I, 1982, the N.M. Gross Receipts Tax was increased 3.75% from 3.5%. The City imposed an increment of 1/4% on July I, 1983. Receipts of additional 1/4% commenced approximately September 10, 1983.
- (3) Allowable municipal rate increased to 1 1/4%, and a Special Municipal Gross Receipts Tax was authorized. The Special Municipal Gross Receipts Tax now deemed to be an imposition of a Municipal Gross Receipts Tax by Section 7-19A-3
  (G) NMSA 1978. The authority to impose the Special Municipal Gross Receipts Tax of 1/4% expired on 6-30-91, except for municipal lities who have is sued bonds secured by such tax, which Rio Rancho had not done.
- (4) The State rate was increased to 4.5% to fund salary increases for teachers and to fund environment issues.
- (5) The County increased its rate by .125% for the Indigent Fund.
- (6) The City of Rio Rancho increased its rate by 3/16%: 1/16% for environmental, and 2/16% for infrastructure.
- (7) The State reduced the amount to cities from the N.M. Gross Receipts Tax by 1/8% effective August 1, 1992.
- (8) The State removed the taxon certain food items and medical services, and removed the .50% credit to municipalities.
- The City of Rio Rancho increased its rate by 1/4% for acquisition, construction, renovation or improvement of facilities of higher public education.
- (10) Sandoval County joined with voters from Bernalillo and Valencia counties in approving a 1/8 of a cent GRT increase to help fund the Rail Runner Express and bus transit services in the area.
- (11) The State increase 1/4% to help close the state's budget deficit

#### **Property Tax**

Property taxes are a large source of General Fund revenue and generated over \$9.9 million in FY 2009. Residential and non-residential properties in Rio Rancho are valued at over \$2,228 million. The City's General Fund only receives a portion of the total property tax revenues based on the residential and the non-residential mill levy reserved for local government operations. The remaining property tax revenues are apportioned to the county, the school district, and debt service funds. The City has the option to increase property taxes through the creation of a General Obligation (G.O.) bonding cycle to fund high priority capital improvements projects. Residential

property tax valuations are continuing to increase while non-residential property taxes decrease due to personal property depreciation.

#### Tax Base

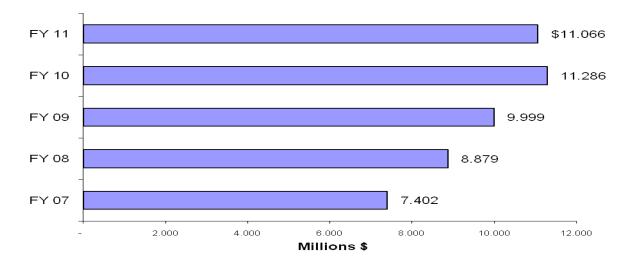
Assessed Valuation of property within the City is calculated as follows: Of the total estimated actual valuation of all taxable property in the City, 33 1/3% is legally subject to ad valorem taxes. After deduction of certain personal exemptions, the 2009 Assessed Valuation is \$2,168,284,909. The actual value of personal property within the City (see "Assessments" below) is determined by the County Assessor. The actual value of certain corporate property within the City (see "Centrally Assessed" below) is determined by the State of New Mexico, Taxation and Revenue Department, Property Tax Division. The analysis of Assessed Valuation follows:

	RESIDENTIAL AND NON-RESIDENTIAL VALUATIONS							
		Tax Year 2006		Tax Year 2007		Tax Year 2008		Tax Year 2009
Rio Rancho/Sandova	11							
Residential	\$	1,021,116,289	\$	1,314,202,433	\$	1,503,000,052	\$	1,626,691,648
Non-Residential		228,582,245		526,077,885		591,127,758		541,593,261
Total Sandoval	\$ 1	1,249,698,534	\$	1,840,280,318	\$ 2	2,094,127,810	\$ :	2,168,284,909
Rio Rancho/Bernalillo	o							
Residential		-		-		-		-
Non-Residential	\$	6,902,342	\$	8,318,585	\$	8,561,309	\$	8,060,390
Total Bernalillo	\$	6,902,342	\$	8,318,585	\$	8,561,309	\$	8,060,390
Total Valuation	\$	1,256,600,876	\$	1,848,598,903	\$	2,102,689,119	\$	2,176,345,299

Source: New mexico Department of Finance and Administration; Prepared by: City of Rio Rancho Department of Finance Services

As depicted below, this revenue source continues to increase as the valuation of real property in the City increases.

## **Property Tax Revenues**



Tax Rates

The following table summarizes the tax levy on residential property for 2000-2009.

PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS (Residential)									
	City of Rio Rancho Overlapping Rates								
Tax Year	General Fund	Debt Service Fund	Total	State	County	School District	Central NM Comm. College	<u>Hos pital</u>	Total
2000	5.816	1.140	6.956	1.529	5.516	10.735	2.989		27.725
2001	5.917	1.140	7.057	1.765	5.620	10.762	3.008		28.212
2002	5.983	2.000	7.983	1.123	5.713	10.750	3.008		28.577
2003	6.227	2.074	8.301	1.520	5.759	10.758	3.011		29.349
2004	6.300	2.067	8.367	1.028	6.940	10.760	3.019		30.114
2005	6.286	2.067	8.353	1.234	6.384	10.756	3.038		29.765
2006	6.138	1.826	7.964	1.291	6.271	10.704	3.027		29.257
2007	5.914	2.060	7.974	1.221	5.800	10.624	2.992		28.611
2008	5.847	2.060	7.907	1.250	5.368	10.899	2.990		28.414
2009	5.944	2.067	8.011	1.150	5.809	10.635	3.046	4.250	32.901

Rate per \$1,000 of assessed value

Source: State of New Mexico Department of Finance and Administration; Prepared by: City of Rio Rancho Department of Financial

#### History of Assessed Valuation

The following is a seven-year history of assessed valuation for the City of Rio Rancho and Sandoval County.

Tax	City of	Percentage	Sandoval	Percentage
Year	Rio Rancho	Change	County	Change
2009	\$ 2,168,284,909	17.82%	\$ 3,348,477,492	16.68%
2008	2,094,127,810	13.79%	3,244,344,944	55.41%
2007	1,840,280,318	0.00%	2,869,720,531	37.46%
2006	1,840,280,318	77.22%	2,087,630,700	16.23%
2005	1,038,410,640	12.93%	1,796,081,781	13.03%
2004	919,484,245	7.13%	1,589,098,941	5.46%
2003	858,249,709	5.76%	1,506,824,794	5.69%
2002	811,480,163		1,425,698,630	

Source: State of New Mexico, Taxation & Revenue Department Prepared by: City of Rio Rancho Department of Financial Services

#### Major Taxpayers:

The ten largest taxpayers have a combined assessed valuation of \$80,336,595, which represents 3.84% of the 2008 Assessed Valuation. Property taxes are current for these taxpayers. This table is useful in assessing the concentration risk of the tax base.

PRINCIPAL PROPE	RTY T	AX PAYERS			
	2008 Taxable % of				
Taxpayer	Ass	sessed Value	Total		
   Wal-Mart Stores	\$	14,986,708	0.72%		
Pulte Homes of New Mexico		14,470,976	0.69%		
Presbyterian Healthcare		13,807,186	0.66%		
Broadstone High Resort LLC		6,552,836	0.31%		
Sandia View LLC		6,243,752	0.30%		
Curb North Inc		6,022,140	0.29%		
PEAKS LLC		5,399,735	0.26%		
Enchanted Vista Phase II		4,713,067	0.23%		
Rio rancho Community Inc.		4,444,052	0.21%		
Sandia Springs Assisted Living		3,696,143	0.18%		
	\$	80,336,595	3.84%		

 $Source: Sandoval\ County\ Assessor's\ and\ Trasurer's\ Office;\ Prepared\ by:\ City\ of\ Rio$ 

Rancho Department of Financial Services

#### Tax Collections

General (ad valorem) taxes for all units of government are collected by the County Treasurer and distributed monthly to the various political subdivisions to which they are due.

Property taxes are due in two installments. The first half installment is due on November 10 and becomes delinquent on December 10. The second half installment is due on April 10 and becomes delinquent on May 10. Collection statistics for all political subdivisions for which each county treasurer collects taxes are as follows:

			PROPERTY'	TAX LEVIES AN	D COLLEC	ΓΙΟΝS									
	CITY OF RIO RANCHO, NM														
				Last Five Fiscal	Years										
		Collecte	ed within					Ratio of							
the Fiscal Year of the Levy Ratio of Total															
				_		Tax		Delinquent							
	Taxes Levied			Delinquent		Collections to	Outstanding	Taxes to							
Fiscal	for the Fiscal			Tax	<b>Total Tax</b>	Total Tax	Delinquent	Total Tax							
Year	Year (A)	Amount (A)	Percentage	Collection (A)	Collection	Levy	Taxes	Levy							
2004	7,558,650	7,299,238	97%	191,081	7,490,320	99%	68,330	1%							
2005	8,454,578	8,135,231	96%	231,028	8,366,259	99%	319,348	4%							
2006	9,679,603	9,297,367	96%	289,712	9,587,079	99%	382,236	4%							
2007	12,896,884	12,231,289	95%	422,973	12,654,262	98%	665,595	5%							
2008	14,649,411	13,790,591	94%	-	13,790,591	94%	858,820	6%							

Source: Sandoval County Treasurer's Office; Prepared by: City of Rio Rancho Department of Financial Services

#### Interest on Delinquent Taxes

Pursuant to Section 7-38-49, NMSA 1978, if property taxes are not paid for any reason within 30 days after the date they are due, interest on the unpaid taxes shall accrue from the 30th day after they are due until the date they are paid. Interest accrues at the rate of one percent per month or any fraction of a month.

<sup>(</sup>A) - Subject to change each day due to additions and deletions of levied and collected amounts.

#### Penalty for Delinquent Taxes.

Pursuant to Section 7-38-50, NMSA 1978, if property taxes become delinquent, a penalty of one percent of the delinquent tax for each month, or any portion of a month, they remain unpaid must be imposed, but the total penalty shall not exceed five percent of the delinquent taxes. The minimum penalty imposed is \$5.00. A county can suspend application of the minimum penalty requirement for any tax year. If property taxes become delinquent because of intent to defraud by the property owner, 50 percent of the property tax due or \$50.00, whichever is greater, shall be added as a penalty.

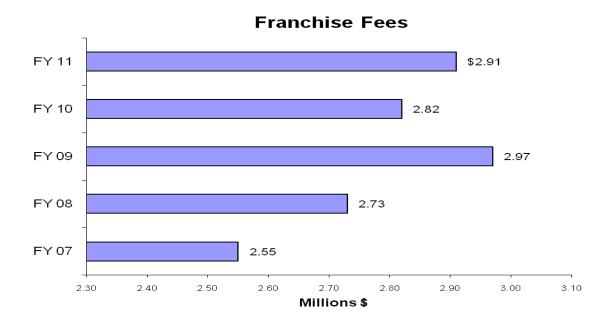
#### Remedies Available for Non-Payment of Taxes

Pursuant to Section 7-38-47, NMSA 1978, property taxes are the personal obligation of the person owning the property on the date in which the property was subject to valuation for property taxation purposes. A personal judgment may be rendered against the taxpayer for payment of taxes that are delinquent, together with any penalty and interest on the delinquent taxes.

Taxes on real property are a lien against the real property. Pursuant to Section 7-38-65, NMSA 1978, delinquent taxes on real property may be collected by selling the real property on which taxes are delinquent.

#### Franchise Fees

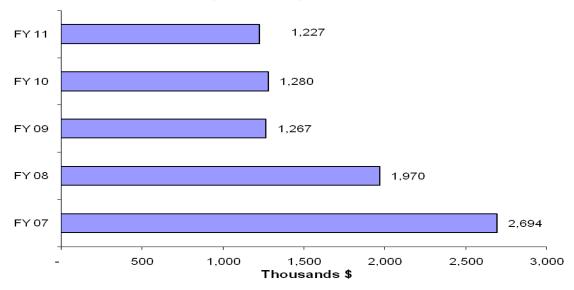
Franchise fees represent the third largest category of revenues in the General Fund, with over \$2.82 million in fees received in FY2010. These fees are assessed on providers of waste collection, cable TV, water and wastewater, electricity, natural gas, and telephone service, with PNM Electric accounting for 43.6% of total franchise revenues. Trends for electric, gas, and water Franchise Fees are affected by changes in weather. For FY11 are estimated to increase by 3.3%.



#### **City Development Revenue**

This is an important component of General Fund revenues due to the City's housing growth. As depicted in the table, the high volume of construction activity dramatically increased revenues of FY06 and slowed beginning in FY07.

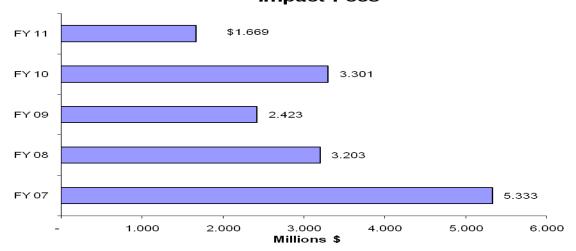
### City Development Revenue



#### **Impact Fees**

Impact fees are classified as Special Funds and are an important source of funding for capital improvements. The City adopted an impact fee ordinance in 1995 in accordance with the state enabling legislation on impact fees. The legislation required that impact fees be assessed on new development for specified categories of infrastructure in order to pay the fair share of the costs of growth. The City assesses impact fees for both residential and nonresidential properties.





## FY 2011 GENERAL FUND SUMMARY BUDGET

# By Department/Cost Center/Category

	1	FY 2008	1	FY 2009	1	FY 2010	F	TY 2011
Department/Division		Actual	-	Actual		Actual		Adopted
Department/Division		11Ctuai		7 ICtuar		Actual	1.	laoptea
City Manager								
Personal Services	\$	417,868	\$	786,939	\$	582,208	\$	597,196
Material and Services		227,184		350,384		279,533		225,013
Total	\$	645,052	\$	1,137,323	\$	861,741	\$	822,209
Communications & Civic Outreach								
Personal Services	\$	98,694	\$	-	\$	-	\$	-
Material and Services		76,663		4,271		-		-
Total	\$	175,357	\$	4,271	\$	-	\$	-
Mayor								
Personal Services	\$	29,651	\$	27,770	\$	26,540	\$	27,213
Material and Services		55,261		20,277		12,127		16,024
Total	\$	84,912	\$	48,047	\$	38,667	\$	43,237
Total Administration	\$	905,321	\$	1,189,641	\$	900,408	\$	865,446
Fiduciary								
Personal Services	\$	151,937	\$	47,515	\$	51,147	\$	(440,853)
Material and Services	Ψ	815,295	Ψ	845,630	Ψ	1,137,615	Ψ	1,093,149
Transfers to Other Funds		5,969,231		1,340,564		394,723		338,571
Total Fiduciary	\$	6,936,463	\$	2,233,709	\$	1,583,485	\$	990,867
City Council								
Personal Services	\$	92,301	\$	127,755	\$	113,996	\$	118,436
Material and Services	Ψ	99,422	Ψ	96,312	Ψ	75,131	Ψ	76,090
Total City Council	\$	191,723	\$	224,067	\$	189,127	\$	194,526
City Cloub								
City Clerk Personal Services	\$	231,607	\$	231,627	\$	215,627	\$	220,224
Material and Services	φ	168,211	φ	68,522	Φ	111,478	Ф	40,141
Total City Clerk	\$	399,818	\$	300,149	\$	327,105	\$	260,365
Municipal Court	ф	640 401	ф	<b>717.022</b>	Ф	500 51 4	ф	607.010
Personal Services	\$	640,431	\$	717,923	\$	580,514	\$	605,918
Material and Services		275,213		285,186		261,400		298,833
Capital Outlay  Total Municipal Court	\$	915,644	Ф	7,288 <b>1,010,397</b>	\$	841,914	\$	904,751
Total Mullicipal Court	Ф	913,044	Ф	1,010,397	Ф	041,714	φ	904,731
City Attorney								
Personal Services	\$	555,333	\$	607,894	\$	514,696	\$	532,843
Material and Services		45,297		92,487		41,054		102,860
Total City Attorney	\$	600,630	\$	700,381	\$	555,750	\$	635,703
Human Resources								
Personal Services	\$	477,606	\$	567,678	\$	490,730	\$	514,553
Material and Services		500,139		261,810		254,437		287,361
Total Human Resources	\$	977,745	\$	829,488	\$	745,167	\$	801,914

		FY 2008	]	FY 2009	]	FY 2010	]	FY 2011
Department/Division		Actual		Actual		Actual		Adopted
Financial Services								
Administration	ф	222.016	ф	106 717	ф	424 501	ф	270.267
Personal Services	\$	332,916	\$	406,747	\$	434,521	\$	372,367
Material and Services Total	\$	54,712 387,628	\$	58,798 465,545	\$	45,329 479,850	\$	52,336 424,703
Total	Ф	367,026	Ф	405,545	Ф	479,630	Ф	424,703
Accounting								
Personal Services	\$	623,085	\$	536,516	\$	487,811	\$	471,821
Material and Services		92,657		75,187		85,144		88,282
Total	\$	715,742	\$	611,703	\$	572,955	\$	560,103
Ambulance Billing				0= 0==		00.66		150 555
Personal Services	\$	-	\$	97,257	\$	90,667	\$	170,757
Material and Services	Ф.	-	ф	19,069	ф	20,531	Ф	19,844
Total	\$	-	\$	116,326	\$	111,198	\$	190,601
Purchasing								
Personal Services	\$	190,310	\$	191,759	\$	178,962	\$	173,300
Material and Services	·	14,154	Ċ	8,730	Ċ	9,077	·	8,885
Total	\$	204,464	\$	200,489	\$	188,039	\$	182,185
Motor Vehicle Division								
Personal Services	\$	222,957	\$	244,750	\$	224,631	\$	257,869
Material and Services		3,850		4,366		3,915		7,950
Total	\$	226,807	\$	249,116	\$	228,546	\$	265,819
<b>Total Financial Services</b>	\$	1,534,641	\$	1,643,179	\$	1,580,588	\$	1,623,411
Information Technologies								
Personal Services	\$	395,036	\$	509,493	\$	472,501	\$	486,570
Material and Services		689,324		552,114		527,303		497,421
<b>Total Information Technologies</b>	\$	1,084,360	\$	1,061,607	\$	999,804	\$	
Parks, Recreation and Community	Ser	vices						
•								
Administration								
Personal Services	\$	482,919	\$	434,726	\$	441,723	\$	452,826
Material and Services		1,125,826		1,212,861		895,086		949,632
Total	\$	1,608,745	\$	1,647,587	\$	1,336,809	\$	1,402,458
Outdoor Aquatics								
Personal Services	\$	314,472	\$	360,156	\$	203,935	\$	284,882
Material and Services	Ψ	47,191	Ψ	46,924	Ψ	31,761	Ψ	58,303
Capital Outlay		15,354				-		-
Total	\$	377,017	\$	407,080	\$	235,696	\$	343,185
		,		, -		,		,

	]	FY 2008	FY 2009	]	FY 2010	]	FY 2011
Department/Division		Actual	Actual		Actual	4	Adopted
Rio Rancho Aquatic Center							
Personal Services	\$	36,063	\$ 623,370	\$	595,136	\$	657,231
Material and Services		12,315	237,965		225,257		273,488
Total	\$	48,378	\$ 861,335	\$	820,393	\$	930,719
Programming							
Personal Services	\$	907,327	\$ 942,788	\$	811,254	\$	899,030
Material and Services		295,854	199,538		150,905		202,309
Capital Outlay		6,975	-		-		-
Total	\$	1,210,156	\$ 1,142,326	\$	962,159	\$	1,101,339
Parks & Facilities							
Personal Services	\$	1,146,163	\$ 1,210,865	\$	1,100,930	\$	1,085,450
Material and Services		510,734	387,622		251,251		379,548
Capital Outlay		36,568	2,107		-		-
Total	\$	1,693,465	\$ 1,600,594	\$	1,352,181	\$	1,464,998
Keep Rio Rancho Beautiful							
Personal Services	\$	116,407	\$ 126,420	\$	102,813	\$	53,179
Material and Services		30,481	29,423		8,117		16,776
Total	\$	146,888	\$ 155,843	\$	110,930	\$	69,955
Civic Outreach							
Material and Services	\$	6,120	\$ -	\$	-	\$	-
Total	\$	6,120	\$ -	\$	-	\$	-
Senior Services							
Personal Services	\$	355,960	\$ 397,082	\$	379,599	\$	391,108
Material and Services		152,326	92,755		87,005		112,289
Total	\$	508,286	\$ 489,837	\$	466,604	\$	503,397
Rio Transit Operations							
Personal Services	\$	283,428	\$ 303,384	\$	124,509	\$	-
Material and Services		68,986	56,987		23,815		-
Total	\$	352,414	\$ 360,371	\$	148,324	\$	-
Total Parks, Rec. and Comm. Serv.	\$	5,951,469	\$ 6,664,973	\$	5,433,096	\$	5,816,051
Library & Information Services							
Personal Services	\$	1,505,820	\$ 1,736,902	\$	1,654,275	\$	1,750,135
Material and Services		190,660	168,280		241,023		235,623
Total Library	\$	1,696,480	\$ 1,905,182	\$	1,895,298	\$	1,985,758

	]	FY 2008	]	FY 2009	]	FY 2010	]	FY 2011
Department/Division		Actual		Actual		Actual		Adopted
Development Services								-
Administration								
Personal Services	\$	230,345	\$	284,690	\$	216,789	\$	174,376
Material and Services	Ψ	397,649	Ψ	456,927	Ψ	125,786	Ψ	201,736
Total	\$	627,994	\$	741,617	\$	342,575	\$	376,112
Zoning								
Personal Services	\$	292,846	\$	278,594	\$	303,045	\$	318,717
Material and Services		7,684		1,670		_		2,350
Total	\$	300,530	\$	280,264	\$	303,045	\$	321,067
Building Inspection								
Personal Services	\$	1,059,224	\$	1,133,285	\$	914,259	\$	943,322
Material and Services		63,280		35,363		25,354		38,540
Total	\$	1,122,504	\$	1,168,648	\$	939,613	\$	981,862
Planning								
Personal Services	\$	302,572	\$	264,176	\$	273,574	\$	292,026
Material and Services		42,164		197,704		3,401		24,997
Capital Outlay		30,250		=		=		-
Total	\$	374,986	\$	461,880	\$	276,975	\$	317,023
Real Property Division								
Personal Services	\$	190,460	\$	140,650	\$	132,415	\$	135,830
Material and Services		53,076		63,484		4,926		18,350
Total	\$	243,536	\$	204,134	\$	137,341	\$	154,180
Total Development Services	\$	2,669,550	\$	2,856,543	\$	1,999,549	\$	2,150,244
<b>Public Works</b>								
Administration								
Personal Services	\$	206,274	\$	147,983	\$	129,536	\$	134,320
Material and Services		17,350		18,923		17,082	·	16,784
Total	\$	223,624	\$	166,906	\$	146,618	\$	151,104
Building Maintenance								
Personal Services	\$	320,135	\$	320,418	\$	320,197	\$	326,308
Material and Services		420,680		500,721		547,032		514,504
Capital Outlay		79,702		21,244		-		-
Total	\$	820,517	\$	842,383	\$	867,229	\$	840,812
Custodial								
Personal Services	\$	326,297	\$	332,537	\$	279,578	\$	278,195
Material and Services		79,745		81,481	,	99,616		105,554
Total	\$	406,042	\$	414,018	\$	379,194	\$	383,749

	]	FY 2008	]	FY 2009	]	FY 2010	]	FY 2011
Department/Division		Actual		Actual		Actual	4	Adopted
Fleet Maintenance								
Personal Services	\$	359,018	\$	391,179	\$	364,382	\$	377,001
Material and Services		30,273		45,152		30,144		41,387
Capital Outlay		-		7,053		-		-
Total	\$	389,291	\$	443,384	\$	394,526	\$	418,388
Streets and Rows								
Personal Services	\$	1,913,288	\$	2,126,558	\$	2,076,987	\$	2,183,189
Material and Services		1,291,104		1,169,394		1,139,778		1,216,367
Total	\$	3,204,392	\$	3,295,952	\$	3,216,765	\$	3,399,556
Engineering								
Personal Services	\$	1,325,210	\$	1,617,429	\$	1,532,994	\$	1,500,453
Material and Services		484,050		203,960		149,787		151,570
Capital Outlay		82,515		9,726		6,499		
Total	\$	1,891,775	\$	1,831,115	\$	1,689,280	\$	1,652,023
Total Public Works	\$	6,935,641	\$	6,993,758	\$	6,693,612	\$	6,845,632
Police								
Administrative Services								
Personal Services	\$	486,070	\$	525,826	\$	482,429	\$	491,540
Material and Services		1,008,464		874,963		820,391		781,013
Capital Outlay		38,954		-		-		-
Total	\$	1,533,488	\$	1,400,789	\$	1,302,820	\$	1,272,553
Communications								
Personal Services	\$	2,134,976	\$	2,487,489	\$	2,336,903	\$	2,634,571
Material and Services		72,589		109,504		85,677		98,594
Total	\$	2,207,565	\$	2,596,993	\$	2,422,580	\$	2,733,165
Animal Control								
Personal Services	\$	628,963	\$	656,751	\$	584,052	\$	592,635
Material and Services		81,868		79,858		73,854		85,454
Capital Outlay		271,557		-		-		-
Total	\$	982,388	\$	736,609	\$	657,906	\$	678,089
Code Enforcement								
Personal Services	\$	363,197	\$	394,774	\$	352,800	\$	358,948
Material and Services		50,089		13,416		14,424		15,793
Total	\$	413,286	\$	408,190	\$	367,224	\$	374,741
Law Enforcement								
Personal Services	\$	10,114,280	\$	10,707,694	\$	10,159,643	\$	10,535,139
Material and Services		981,762		670,602		585,927		658,724
Capital Outlay				5,600				<u> </u>
Total	\$	11,096,042	\$	11,383,896	\$	10,745,570	\$	11,193,863

	]	FY 2008	]	FY 2009	]	FY 2010	]	FY 2011
Department/Division		Actual		Actual		Actual	4	Adopted
Training								
Personal Services	\$	163,555	\$	186,134	\$	170,453	\$	168,627
Material and Services		109,261		71,152		78,818		81,577
Total	\$	272,816	\$	257,286	\$	249,271	\$	250,204
Total Police	\$1	16,505,585	<b>\$</b> 1	16,783,763	\$1	15,745,371	\$1	16,502,615
Department of Fire / Rescue								
Fire/Rescue Services								
Personal Services	\$	7,285,029	\$	7,942,713	\$	7,637,018	\$	7,839,504
Material and Services		949,580		832,933		782,125		791,113
Capital Outlay		70,942		139,118		-		26,000
Total	\$	8,305,551	\$	8,914,764	\$	8,419,143	\$	8,656,617
Emergency Management								
Personal Services	\$	126,235	\$	133,291	\$	126,336	\$	130,541
Material and Services		10,146		6,886		3,913		9,728
Total	\$	136,381	\$	140,177	\$	130,249	\$	140,269
Total Fire & Rescue	\$	8,441,932	\$	9,054,941	\$	8,549,392	\$	8,796,886
General Fund Totals								
Personal Services	\$	37,436,265	\$	41,309,487	\$	38,272,115	\$	39,097,297
Material and Services	\$	11,708,689	\$	10,609,591	\$	9,366,329	\$	9,896,292
Capital Outlay	\$	632,817	\$	192,136	\$	6,499	\$	26,000
Transfers to Other Funds	\$	5,969,231		1,340,564	\$	394,723	\$	338,571
Summary Total	\$	55,747,002		53,451,778	\$4	48,039,666	\$4	49,358,160

	Prog	ram (Co	st Cente	r) / Dep	artment	s Relatio	nships								
	Department														
Program (Cost Center)	General Government	City Attorney	Human Resources		Information Technology	Parks, Rec.	Library	Development Services	Public Works	Police	Fire/ Rescue				
City Manager (0510)							, ,								
Major (0512)											1				
Fiduciary (0515)											1				
City Council (1005)															
City Clerk (1505)															
Municipal Court (1705)															
City Attorney (2005)															
Human Resources (2010)															
Administration (3001)															
Accounting (3005)															
Ambulance Billing (3006)															
Purchasing (3010)															
Motor Vehicle (3015)															
MPEC (601, 610)															
Information Technology (3020)															
Administration (3505)															
Aquatic programs (3510)															
Rio Rancho Aquatic Ctr. (3511)															
Programming (3515)															
Parks & Facilities (3526)															
KRRB (3530)															
Senior Services (4005)															
Rio Transit (4010)															
Library (4505)															
Administration (5005)															
Zoning (5010)															
Building Inspection (5015)															
Planning (5020)															
Real Property Division (5025)															
Administration (5501)															
Building Maintenance (5505)															
Custodial (5510)															
Fleet Maintenance (5512)															
Streets & ROW (5515)															
Engineering (5520)															
Utility Funds (501 - 574)															
Administration (6005)															
Communications (6010)															
Animal Control (6020)															
Code Enforcement (6022)															
Law Enforcement (6025)															
Training (6040)	1							İ							
Fire/Rescue (6030)															
Emergency Management (6045)	1							1							

MPEC = Multi Purpose Event Center

KRRB – Keep Rio Rancho Beautiful
This matrix correlating the relationship between City's Departments and Cost Centers. The top of the chart shows areas shows the relationship. Departments and Cost Centers are shown along the side. The interception between columns and rows, the shadow