CITY OF RIO RANCHO DEPARTMENT OF FINANCIAL SERVICES

MEMORANDUM

DATE: January 23, 2013

TO: Mayor Thomas Swisstack,

Council Members: Chuck Wilkins, Patricia Thomas, Tamara Gutierrez, Mark

Scott, Timothy Crum, and Lonnie Clayton

James Babin, Acting City Manager

Laura Fitzpatrick, Assistant City Manager

FROM: Olivia Padilla-Jackson, Financial Services Director

SUBJECT: January 2013 General Fund Gross Receipts Tax Revenue Distribution

The General Fund Gross Receipts Tax (GRT) revenue distribution for January, which is based on November economic activity, was \$1,927,162 after adjustments, \$66,082 or 3.6 percent above the monthly estimate. Fiscal year to date, GRT revenue to the General Fund is \$8,007 below the estimate, which reflects a -0.1 percent variance. Below are highlights of the month's distribution and attached is the Rio Rancho Gross Receipts Tax Dashboard showing notable GRT trends.

- The total January GRT distribution was approximately 7 percent lower than the total in January of 2012, with construction contributing the most to the year over year decline. Year over year, 10 sectors were lower than last January, while 12 sectors were higher than last January. Fiscal year to date, total GRT is 4.1 percent lower compared to FY12.
- The Construction GRT payment fell 40 percent from the amount one year ago, though the January 2012 payment was unusually large, and the last of the very large payments associated with the hospitals. Fiscal year to date, construction is down 32 percent.
- The Services sector revenue was 17 percent higher compared to January 2012, bringing the fiscal year to date growth to 4.4 percent. Losses in Information and Cultural Industries, Educational, and Professional, Scientific and Technical Services are being offset by gains in the Healthcare and Social Assistance and the Medical Hold Harmless distributions. Fiscal year to date, these combined sectors are 26 percent higher.
- Revenue from the broad Retail sector fell one percent compared to January 2012. Fiscal year to date, this category is 1.8 percent higher. While the core retail sector is mostly unchanged, the Food Hold Harmless distribution and the Accommodation and Food Services subsector are leading the gains, 3.2 and 5.7 percent higher, respectively.
- Utilities GRT is the strongest performing sector, fiscal year to date, up 12.6 percent.

Rio Rancho Gross Receipts Tax Dashboard











