

CITY OF RIO RANCHO GENERAL FUND SUMMARY FOR THE PERIOD 7/1/2020 TO 6/30/2021

	Adopted FY2020	Increase (Decrease)	Adopted FY2021	Percentage Change
Beginning Fund Balance	12,707,053	4,327,664	17,034,717	34.1%
Property Tax	17,215,292	667,380	17,882,672	3.9%
Gross Receipts Tax	31,485,732	(5,705,902)	25,779,830	-18.1%
Franchise Fees	4,379,541	56,980	4,436,521	1.3%
Licenses & Permits	321,900	(11,900)	310,000	-3.7%
Grants	464,652	(89,264)	375,388	-19.2%
State Shared Taxes	375,000	10,000	385,000	2.7%
General Government	2,084,500	(83,000)	2,001,500	-4.0%
Public Safety	2,537,000	156,000	2,693,000	6.1%
Cultural Enrichment	1,126,795	(246,243)	880,552	-21.9%
Fines and Forfeitures	907,800	(166,000)	741,800	-18.3%
Miscellaneous Revenue	2,152,028	(721)	2,151,307	0.0%
Total Recurring Revenues	63,050,240	(5,412,670)	57,637,570	-8.6%
Non-Recurring Revenues	-	2,580,080	2,580,080	0.0%
Total Revenues	63,050,240	(2,832,590)	60,217,650	-4.5%
Transfers In	113,843	376,747	490,590	330.9%
Total Sources	75,871,136	1,871,821	77,742,957	2.5%
Personal Services	45,880,385	300,948	46,181,333	0.7%
Materials & Services	12,825,218	(840,622)	11,984,596	-6.6%
Capital Outlay	207,989	(2,732)	205,257	-1.3%
Other Non-Rec. Expenditures	178,400	(39,943)	138,457	-22.4%
Total Expenditures	59,091,992	(582,349)	58,509,643	-1.0%
Transfers Out	7,944,700	(4,543,939)	3,400,761	-57.2%
Ending Fund Balance Unreserved	3,910,111	7,046,638	10,956,749	180.2%
Ending Fund Balance Reserved	4,924,333	(48,529)	4,875,804	-1.0%
Total Ending Fund Balance	8,834,444	6,998,109	15,832,553	79.2%
Total Uses	75,871,136	1,871,821	77,742,957	2.5%

GENERAL FUND
Revenue / Sources Detail

	FY 18	FY 19	FY 20	FY 21	Variance	% Change
	Actual	Actual	Actual	Adopted	FY21 - FY20	FY21/FY20
					Increase	Increase
					(Decrease)	(Decrease)
Balances and Reserves						
Beginning Balance	\$ 10,850,514	\$ 7,166,129	\$ 13,443,113	\$ 17,034,717	\$ 3,591,604	27%
Taxes						
Property Tax	15,876,138	16,634,198	17,286,501	17,882,672	596,171	3%
Gross Receipts	28,200,904	31,729,673	38,590,599	26,431,876	(12,158,723)	-32%
Franchise Fees	3,457,806	3,917,131	4,437,903	4,436,521	(1,382)	0%
Total Taxes	47,534,848	52,281,002	60,315,003	48,751,069	(11,563,934)	-19%
Licenses and Permits	328,867	368,108	371,336	310,000	(61,336)	-17%
Intergovernmental						
Federal Grants	112,608	136,524	359,937	275,388	(84,549)	-23%
County Grants	103,250	102,000	102,000	100,000	(2,000)	-2%
State Shared Taxes	370,483	400,970	1,191,936	2,313,034	1,121,098	94%
Total Intergovernmental	586,341	639,494	1,653,873	2,688,422	1,034,549	63%
Charge for Services						
General Government	2,265,726	2,001,878	2,321,557	2,001,500	(320,057)	-14%
Public Safety	2,593,898	2,602,290	2,645,740	2,693,000	47,260	2%
Cultural/Recreation	1,134,738	1,171,696	587,199	880,552	293,353	50%
Total Charge for Services	5,994,362	5,775,864	5,554,496	5,575,052	20,556	0%
Fines and Forfeitures	919,182	886,131	787,673	741,800	(45,873)	-6%
Miscellaneous						
Interest Income	20,266	26,207	39,751	30,000	(9,751)	-25%
Contributions/Donations	2,000	12,489	2,645	-	(2,645)	0%
Reimbursements	1,829,854	1,641,291	1,888,375	1,985,212	96,837	5%
Other Miscellaneous	181,944	270,111	252,763	136,095	(116,668)	-46%
Total Miscellaneous Revenue	2,034,064	1,950,098	2,183,534	2,151,307	(32,227)	-1%
Other Sources						
Interfund Operating Transfer	3,443	3,665,113	113,843	490,590	-	0%
Total General Fund	\$ 68,251,621	\$ 72,731,939	\$ 84,422,871	\$ 77,742,957	\$ (6,679,914)	-8%

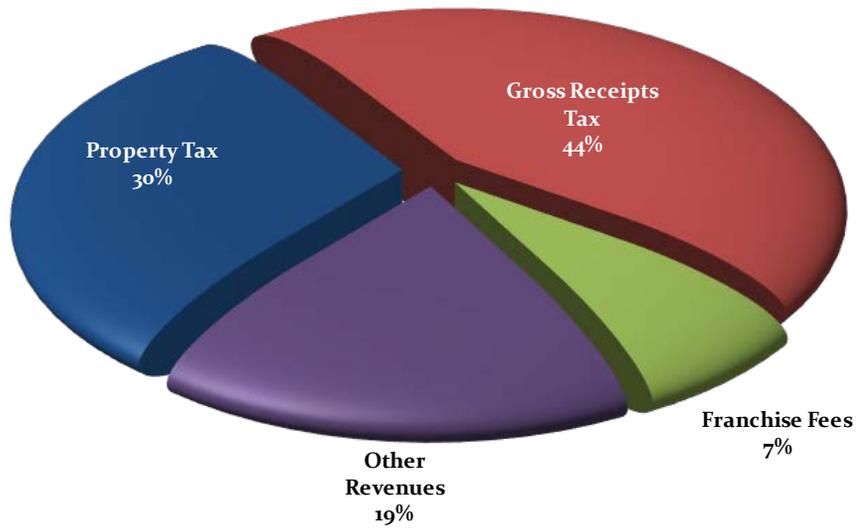
GENERAL FUND
Expenditures by Object

	FY 18	FY 19	FY 20	FY 21	Variance	% Change
	Actual	Actual	Actual	Adopted	FY21 - FY20	FY21/FY20
					Increase	Increase
					(Decrease)	(Decrease)
Operating Expenditures						
<i>Personal Services</i>						
Wages & Salaries	\$ 29,121,856	\$ 29,327,166	\$ 31,076,916	\$ 31,358,548	\$ 281,632	1%
Fringe Benefits	13,274,513	12,667,078	13,592,692	14,822,785	1,230,093	9%
Total Personal Services	42,396,369	41,994,244	44,669,608	46,181,333	1,511,725	3%
<i>Materials & Services</i>						
Contracts and Services	4,230,806	4,237,501	4,297,171	4,483,733	186,562	4%
Programs	83,342	99,873	96,948	105,082	8,134	8%
Membership/Subscriptions	187,196	168,138	178,157	219,056	40,899	23%
Conference, Travel & Training	173,188	205,995	176,637	89,955	(86,682)	-49%
Repair & Maintenance	681,446	669,592	762,643	724,873	(37,770)	-5%
Fleet Maintenance	699,723	719,027	723,058	788,289	65,231	9%
Utilities (1)	2,707,384	2,530,011	2,690,547	2,739,602	49,055	2%
Communications (2)	170,187	186,751	187,338	219,970	32,632	17%
Gasoline	594,934	639,755	564,027	583,049	19,022	3%
Supplies	1,103,480	1,054,075	1,267,267	1,413,178	145,911	12%
Minor Furniture & Equipment	216,864	192,251	255,187	239,623	(15,564)	-6%
Other Costs	260,119	265,703	726,461	516,643	(209,818)	-29%
Total Material & Services	11,108,669	10,968,672	11,925,441	12,123,053	197,612	2%
Total Operating Expenditures	53,505,038	52,962,916	56,595,049	58,304,386	1,709,337	3%
Capital Outlay						
Capital Projects-Infrastructure	6,506	-	1,575	-	(1,575)	0%
Major Furniture & Equipment	236,785	187,581	238,364	205,257	(33,107)	-14%
Total Capital Outlay	243,291	187,581	239,939	205,257	(34,682)	-14%
Other Uses						
Transfers	7,325,378	6,148,007	9,620,440	3,400,761	(6,219,679)	-65%
Balances & Reserves	5,018,796	8,265,849	8,522,691	15,832,553	7,309,862	86%
Total Other Uses	12,344,174	14,413,856	18,143,131	19,233,314	1,090,183	6%
Total Expenditures	\$ 66,092,503	\$ 67,564,353	\$ 74,978,119	\$ 77,742,957	\$ 2,764,838	4%

(1) Includes: Telephone services, Water, Wastewater, Gas & Electric services

(2) Includes: Long Distance Telephone, Cellular Phone services & Pagers

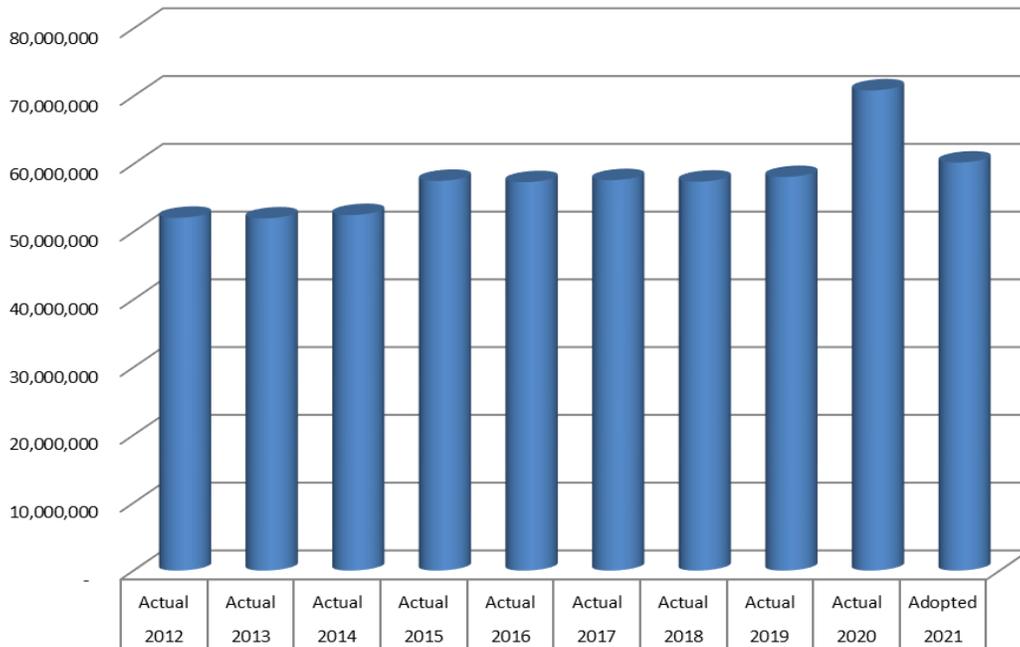
**FISCAL YEAR 2021
GENERAL FUND
Revenue Budget by Category**



Property Tax	17,882,672
Gross Receipts Tax	26,431,876
Franchise Fees	4,436,521
Other Revenues	11,466,581
Total Revenue	<u>\$ 60,217,650</u>

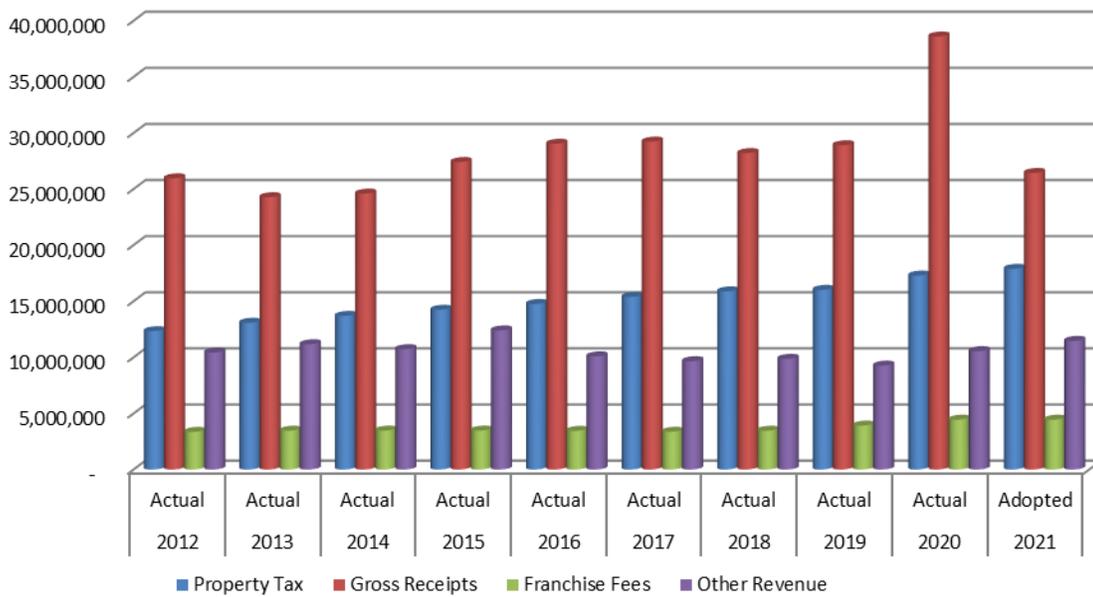
Transfers In are excluded (\$490,590)

GENERAL FUND Total Revenues



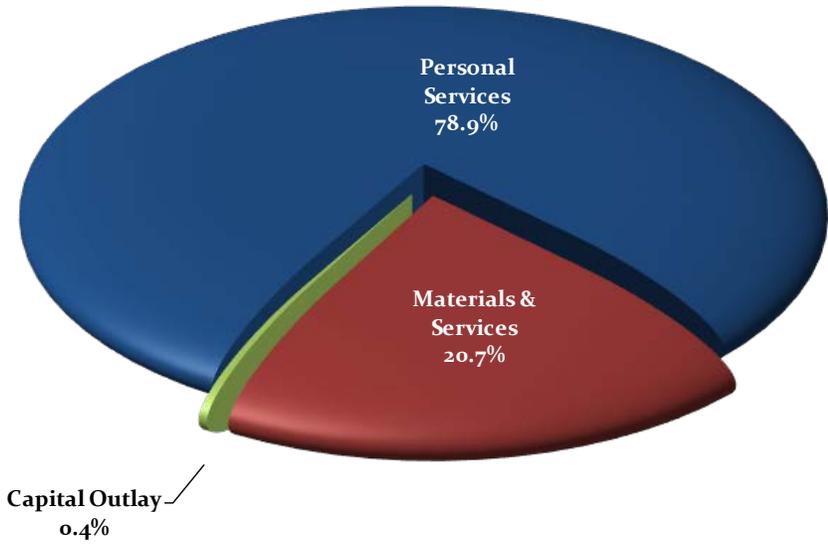
Transfers from other funds are excluded

Revenues by Category



Transfers from other funds are excluded

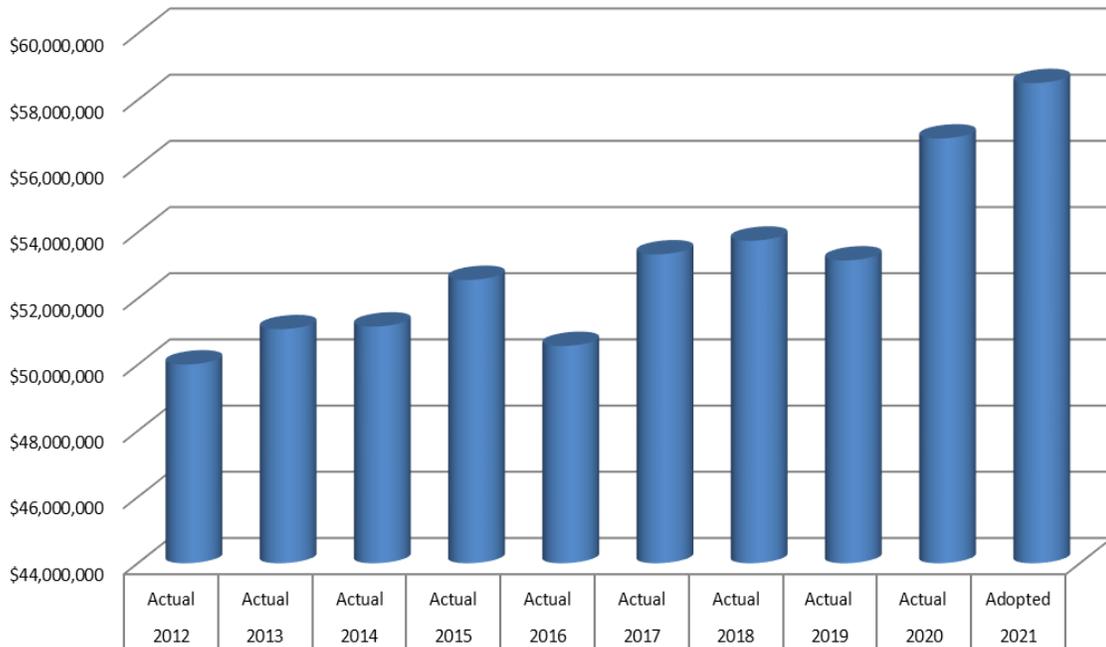
FISCAL YEAR 2021 GENERAL FUND Expenditure Budget by Category



Personal Services	\$ 46,181,333
Materials & Services	\$ 12,123,053
Capital Outlay	\$ 205,257
Total Expenditures	<u>\$ 58,509,643</u>

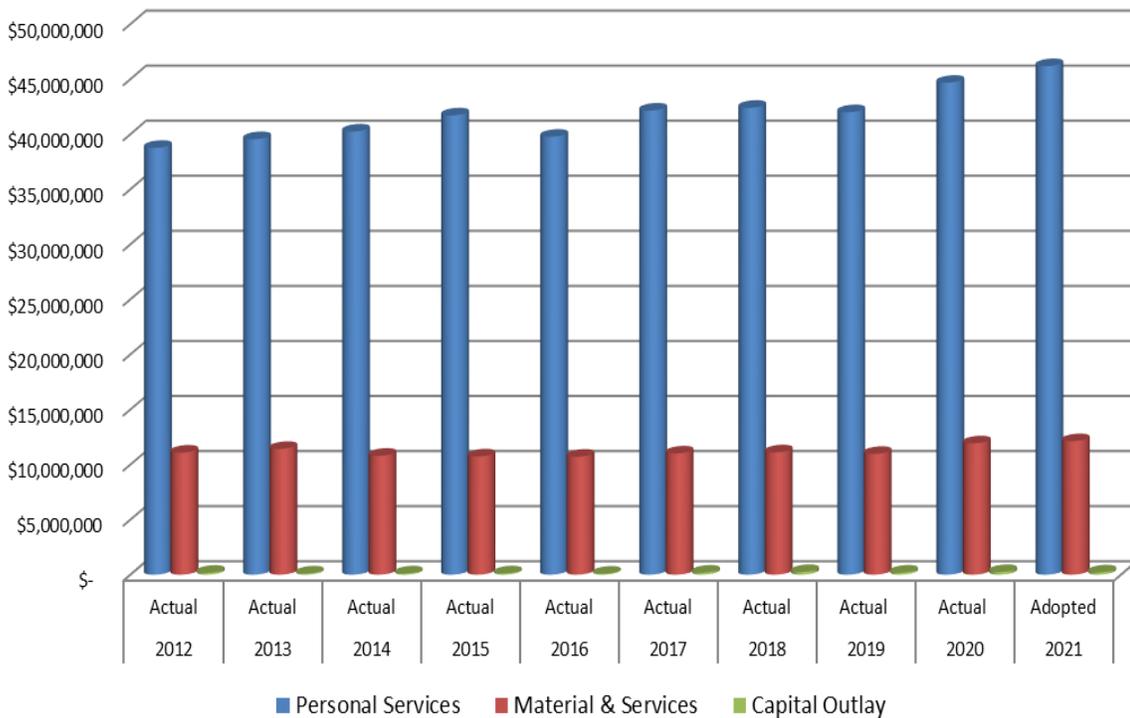
Transfers Out are excluded (\$3,400,761)

GENERAL FUND Total Expenditures



Transfers to other funds are excluded

Expenditures by Category



GENERAL FUND REVENUES

The General Fund provides the principal funding for city government operations. Most of the General Fund revenue comes from three principle sources: gross receipts taxes, property taxes, and franchise fees. The balance comes from a variety of other sources such as licenses and permits, grants, state shared taxes, charge for services and fines.

Gross Receipts Tax

The City's gross receipts tax (GRT) revenue is derived from local options imposed by ordinance and state-shared distributions. The GRT is the most important revenue source for the City comprising 44 percent of total General Fund revenues.

Gross receipts tax revenue is very sensitive to the performance of the local economy. During the early 1990's, the annual growth of GRT revenue was over 20 percent per year. However in the late 1990's, this growth slowed to about 5 percent per year due to the loss of retail trade to Albuquerque. Construction GRT revenue was extremely strong in FY 2006 and FY 2007 primarily related to increased construction activity but declined sharply from FY08 to FY10 with the onset of the economic recession and housing market collapse. Since that time, GRT construction revenue has stabilized in line with the overall economic recovery.

FY 2021 GRT projection account for the pandemic effects that started at the beginning of 2020. Five months into the pandemic and the path to recovery is no more certain than in March. The spread of the coronavirus is mostly unchecked, though many are placing their hope on a vaccine. In the economic realm, it is anyone's guess as to how many of the lost jobs will be restored and how many are gone for good, or even what the economy will look like when things return to 'normal'. The only certainty is that this is not a brief shutdown to be followed by a quick V-shaped recovery.

However, the economic effects of the COVID-19 crisis are set to take hold in New Mexico, and the effects may be greater and longer lasting here than in other states, for many reasons. New Mexico has received more bang for its buck from federal support programs, but that support ended July 31 and the level and duration of any possible extension is unclear. Many of the state's households and small business, with limited savings, are particularly vulnerable. Relatedly, government employees, which account for a large share of the state's workforce, have been largely spared the impacts of the shutdown so far, but a potential fiscal crash looms.

Rio Rancho GRT revenues are projected to decrease -28% compared to actual collections in FY 2020 the historical highest. Construction peaked in FY20 and is projected to decline by -31% for FY21 compared to FY20. However, the sector that is projected to decline the most is retail, projected to decrease by -55% compared to FY20. The other big loser due to the pandemic is healthcare and social services -33%.

CITY OF RIO RANCHO, NM
GROSS RECEIPT TAXES RECEIVED BY TYPE OF TRADE
All Funds
Last Five Fiscal Years (Actual Cash Basis)

	Actual				Projected	20/21
	2017	2018	2019	2020	2021	Change
Construction	6,142,891	5,413,428	6,934,943	8,107,147	5,593,765	-31%
	16.48%	14.48%	16.55%	17.79%	16.99%	
Manufacturing	704,470	609,153	672,945	811,528	787,654	-3%
	1.89%	1.63%	1.61%	1.78%	2.39%	
T C U	2,570,147	2,736,116	3,057,174	3,365,451	3,096,532	-8%
	6.90%	7.32%	7.30%	7.39%	9.40%	
Wholesale	465,831	726,047	728,470	877,850	807,282	-8%
	1.25%	1.94%	1.74%	1.93%	2.45%	
Retail*	11,917,657	12,123,234	12,354,990	13,770,032	6,194,740	-55%
	31.98%	32.43%	29.49%	30.22%	18.81%	
FIRE	996,660	595,289	1,172,465	1,249,307	1,047,406	-16%
	2.67%	1.59%	2.80%	2.74%	3.18%	
Healthcare & Social Services*	3,391,290	3,636,031	4,042,750	3,857,760	2,567,365	-33%
	9.10%	9.73%	9.65%	8.47%	7.80%	
Accommodation & Food Services	3,353,235	3,508,214	3,576,851	3,847,306	3,749,521	-3%
	9.00%	9.39%	8.54%	8.44%	11.39%	
Services	7,534,715	7,871,052	9,045,608	9,387,169	8,886,134	-5%
	20.22%	21.06%	21.59%	20.60%	26.99%	
Others	193,797	159,965	312,178	294,148	195,446	-34%
	0.52%	0.43%	0.75%	0.65%	0.59%	
Total	37,270,692	37,378,530	41,898,375	45,567,698	32,925,844	-28%
	100.00%	100.00%	100.00%	100.00%	100.00%	

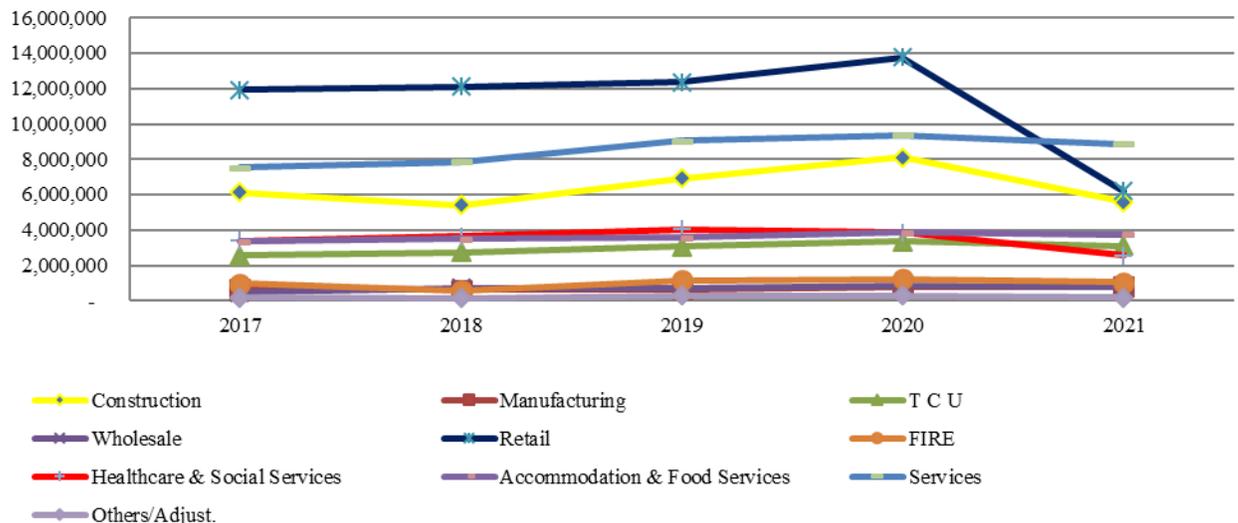
FIRE: Financial institutions and real estate; T C U: Transportation, Communication and Utility.

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

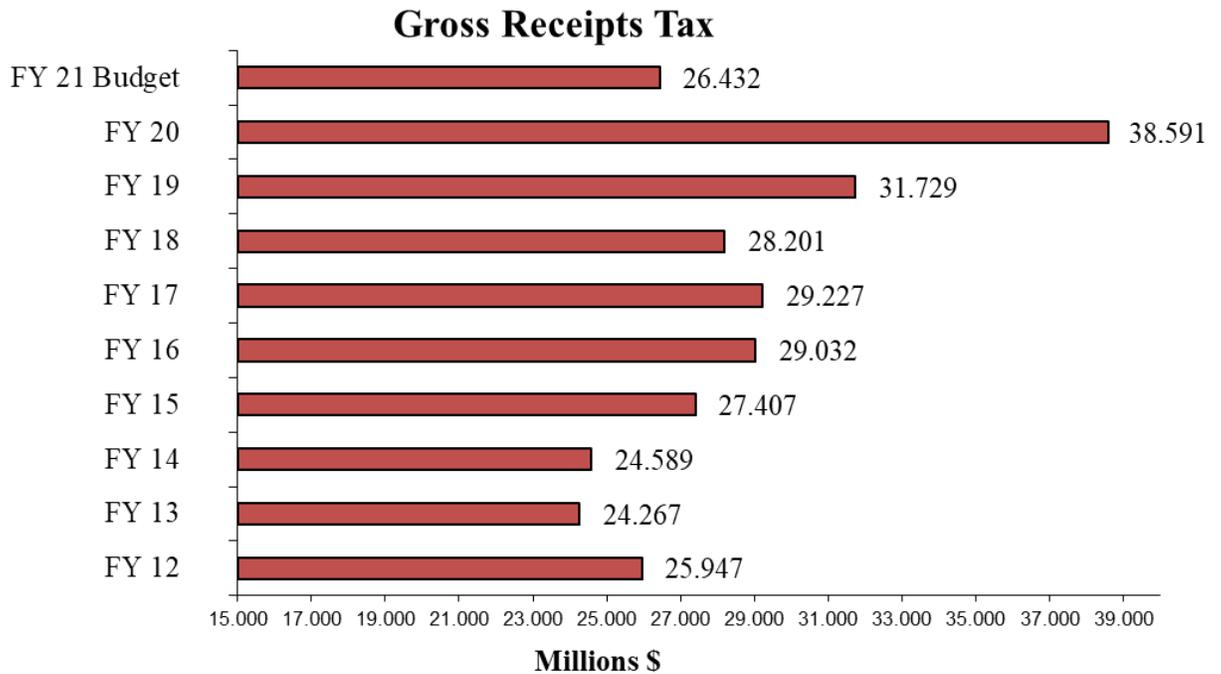
Note*: Includes HoldHarmless distribution

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

GRT RECEIVED BY TRADE



In 2005 the State of New Mexico removed gross receipts tax from food and medical services. In doing so, the State 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. Beginning in FY 2016, the hold harmless payments are being phased out over a 15 year period. In FY 2021, 37.0 percent of the hold harmless distribution (makeup for the State not allowing the imposition of gross receipts tax on food and medical services) will have been phased out. This percentage will increase incrementally by 7.0 percent annually until the hold harmless distribution has been eliminated in FY 2030. The adverse financial impact of the phase out in FY 2021 will be approximately \$800K. By FY 2025, the impact will reach approximately \$3.3 million annually. By FY 2030, at full phase out, the effect will be an estimated \$7.0 million loss in gross receipts tax revenue to the City annually.



NEW MEXICO GROSS RECEIPTS 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)	1.3500%	2.150%	3.5000%		0.5000%	4.0000%
7/1/1983	(2)	1.3500%	2.400%	3.7500%		0.7500%	4.5000%
7/1/1984		1.3500%	2.400%	3.7500%	0.1250%	0.7500%	4.625%
7/1/1985	(3)	1.3500%	2.400%	3.7500%	0.1250%	1.0000%	4.875%
7/1/1985	(3)	1.3500%	2.400%	3.7500%	0.1250%	1.5000%	5.375%
7/1/1990	(4)	1.3500%	3.150%	4.5000%	0.1250%	1.5000%	6.125%
1/1/1991	(5)	1.3500%	3.150%	4.5000%	0.2500%	1.5000%	6.2500%
7/1/1991	(3)	1.3500%	3.150%	4.5000%	0.2500%	1.2500%	6.0000%
1/1/1992	(6)	1.3500%	3.150%	4.5000%	0.2500%	1.4375%	6.1875%
8/1/1992	(7)	1.2250%	3.275%	4.5000%	0.2500%	1.4375%	6.1875%
1/1/2005	(8)	1.2250%	3.775%	5.0000%	0.2500%	1.4375%	6.6875%
7/1/2008	(9)	1.2250%	3.775%	5.0000%	0.2500%	1.6875%	6.9375%
7/1/2009	(10)	1.2250%	3.775%	5.0000%	0.3750%	1.6875%	7.0625%
7/1/2010	(11)	1.2250%	3.900%	5.1250%	0.3750%	1.6875%	7.1875%
1/1/2011	(12)	1.2250%	3.900%	5.1250%	0.3750%	1.9375%	7.4375%
1/1/2019	(13)	1.2250%	3.900%	5.1250%	0.5000%	2.0625%	7.6875%

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 7/1/81 the 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 1/4% increments. This 3/4% of 1% additional is known as the "Municipal Gross Receipts Tax."

- (1) The City of Rio Rancho enacted two 1/4% increments (i.e. 1/2 of 1%) on July 1, 1982.
- (2) Effective July 1, 1982, the N.M. Gross Receipts Tax was increased 3.75% from 3.5%. The City imposed an increment of 1/4% on July 1, 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 municipalities who have issued 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 tax on certain food items and medical services, and removed the .50% credit to municipalities.
- (9) 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
- (12) The City of Rio Rancho increased its rate by 1/4%.
- (13) The City of Rio Rancho increase the first 1/8 of the GRT Hold Harmless; Sandoval County imposed two 1/16% increments of Corrections GRT

Property Tax

Property tax is the second largest source of General Fund revenue and generated approximately \$17.2 million for operations in FY 2020. The net taxable value of residential and non-residential properties in Rio Rancho was certified to be \$2.3 billion in Tax Year 2019. The City's FY 2019 operating mill rate was \$7.553 per \$1,000 of net

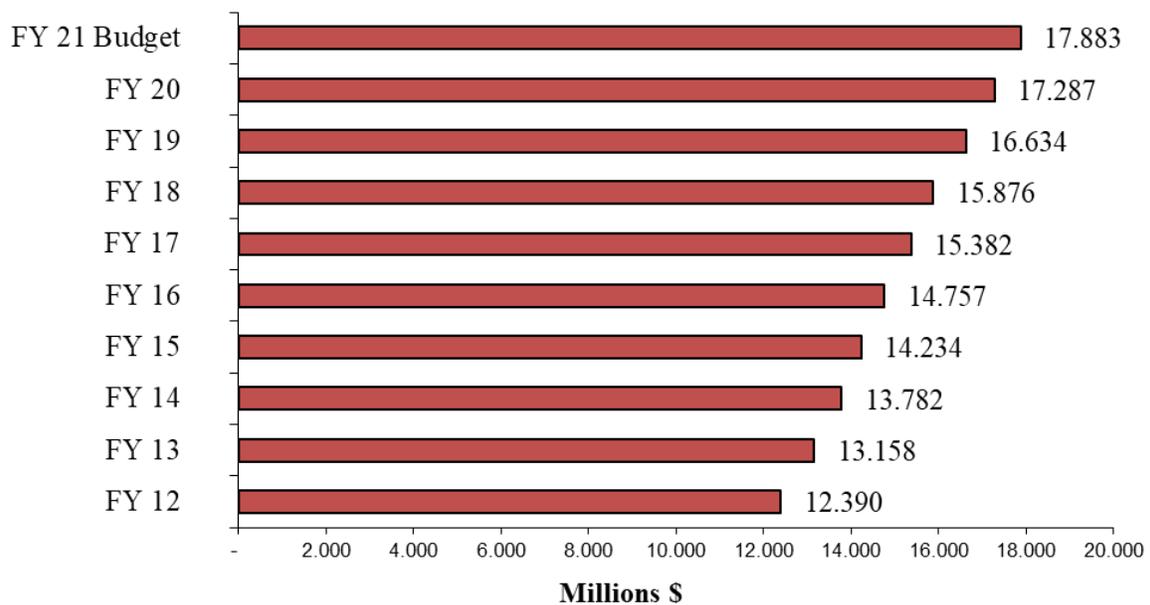
taxable value for residential and non-residential property located in Sandoval County and non-residential in Bernalillo County. The City also imposed a debt mill rate of \$2.770 per \$1,000 of net taxable value for repayment of outstanding General Obligation (G.O.) Bonds. Net taxable values have decreased in recent years resulting in a higher tax burden spread across a lower tax base. While the property tax revenue forecast is a conservative one, the outlook for values is cautiously optimistic as home values slowly rise with improving market fundamentals, and new construction experiences an uptick in a recovering market.

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 percent is legally subject to ad valorem taxes. After deduction of certain personal exemptions, the 2019 assessed valuation is \$2,304,731,258. For Sandoval and Bernalillo counties 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 is as follows:

RESIDENTIAL AND NON-RESIDENTIAL VALUATIONS									
	Tax Year 2015	Tax Year 2016	Percent Change	Tax Year 2017	Percent Change	Tax Year 2018	Percent Change	Tax Year 2019	Percent Change
Rio Rancho/Sandoval*									
Residential	\$ 1,614,104,545	\$ 1,650,033,647	2%	\$ 1,712,430,103	3.78%	\$ 1,802,533,522	5%	\$ 1,896,467,156	5%
Non-Residential	391,134,866	402,449,950	3%	395,678,480	-1.68%	399,514,220	1%	408,264,102	2%
Total Sandoval	\$ 2,005,239,411	\$ 2,052,483,597	2%	\$ 2,108,108,583	2.71%	\$ 2,202,047,742	4%	\$ 2,304,731,258	5%

Source: New Mexico Department of Finance and Administration; Prepared by: City of Rio Rancho Department of Finance Services. (*) Includes Non-Residential valuation from Bernalillo County.

Property Tax Revenues



Tax Rates

The following table summarizes the tax levy on residential property for 2010-2019.

PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS (Residential)										
Tax Year	City of Rio Rancho			Overlapping Rates						
	General Fund	Debt Service Fund	Total	State	County	School District	Central NM Comm. College	Pres. Hospital (A)	(B)	Total
2010	6.113	2.060	8.173	1.530	5.952	10.694	3.158	4.250	1.654	35.411
2011	6.518	1.645	8.163	1.362	6.659	10.773	3.237	4.250	1.867	36.311
2012	6.990	1.617	8.607	1.360	6.995	10.785	3.344	4.250	1.851	37.192
2013	7.181	1.789	8.970	1.360	7.167	10.791	3.392	4.250	2.076	38.006
2014	7.307	1.881	9.188	1.360	6.779	10.795	3.377	4.250	2.076	37.825
2015	7.426	2.000	9.426	1.360	7.191	10.802	3.381	4.250	2.076	38.486
2016	7.449	2.016	9.465	1.360	7.401	10.803	3.776	4.250	2.077	39.132
2017	7.492	2.051	9.543	1.360	7.367	10.804	3.789	-	2.194	35.057
2018	7.525	2.768	10.293	1.360	7.048	10.810	3.799	-	1.242	34.552
2019	7.553	2.770	10.323	1.360	7.328	10.810	3.823	1.900	0.000	35.544

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 Services

(A) Starting in 2009 Presbyterian Hospital Rates are listed separately

(B) Southern Sandoval County Arroyo Flood Control Authority

History of Assessed Valuation

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

Tax Year	City of Rio Rancho*	Percentage Change	Sandoval County	Percentage Change
2010	2,179,478,260		3,357,248,301	
2011	2,056,634,824	-5.64%	3,222,126,760	-4.02%
2012	1,999,664,999	-2.77%	3,156,898,770	-2.02%
2013	1,994,779,763	-0.24%	3,152,673,758	-0.13%
2014	2,005,662,198	0.55%	3,218,987,082	2.10%
2015	2,004,691,158	-0.05%	3,281,955,891	1.96%
2016	2,052,483,597	2.38%	3,337,949,847	1.71%
2017	2,108,108,583	2.71%	3,436,312,273	2.95%
2018	2,202,047,742	4.46%	3,555,320,582	3.46%
2019	2,304,731,258	4.66%	3,710,601,626	4.37%

Source: State of New Mexico, Taxation & Revenue Department

Prepared by: City of Rio Rancho Department of Financial Services

*Includes property valuation in both counties Sandoval and Bernalillo

Major Taxpayers:

The ten largest taxpayers have a combined assessed valuation of \$73,565,455 which represents 3.3 percent of the 2018 assessed valuation of Rio Rancho in Sandoval County. This table is useful in assessing the concentration risk of the tax base.

PRINCIPAL PROPERTY TAX PAYERS		
Sandoval County		
Taxpayer	2018 Taxable Assessed Value	% of Total
Public Service Company of New Mexico	\$ 20,097,328	0.91%
The Neighborhood in Rio Rancho	10,803,438	0.49%
Presbyterian Healthcare	9,536,599	0.59%
New Mexico Gas Company	7,605,914	0.35%
Northland Links LLC	5,203,385	0.24%
Sandia View LLC	4,776,731	0.22%
Rio Rancho Retirement Residence	4,239,503	0.19%
Wal-Mart Stores	3,982,652	0.18%
Cable One Inc	3,798,388	0.17%
Rio Rancho Community Inc	3,521,517	0.16%
	\$ 73,565,455	3.34%

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

Tax Collections

General property 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 within Rio Rancho for which each county treasurer collects taxes are as follows:

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.

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

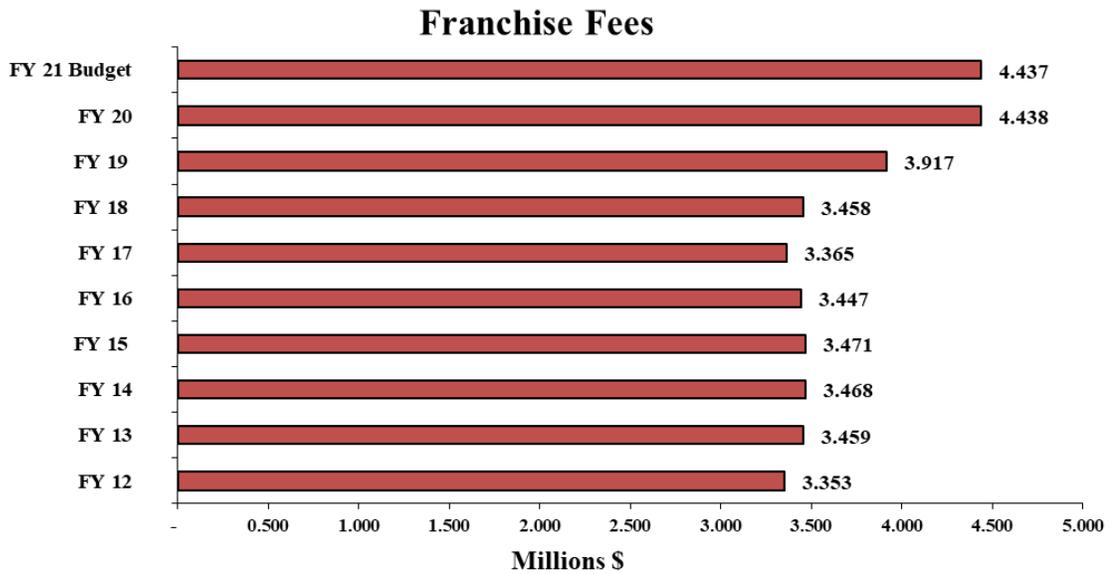
Pursuant to Section 7-38-47, NMSA 1978, property taxes are the personal obligation of the person owning the property on the date in which the property was subject to valuation for property taxation purposes. A personal judgment may be rendered against the

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

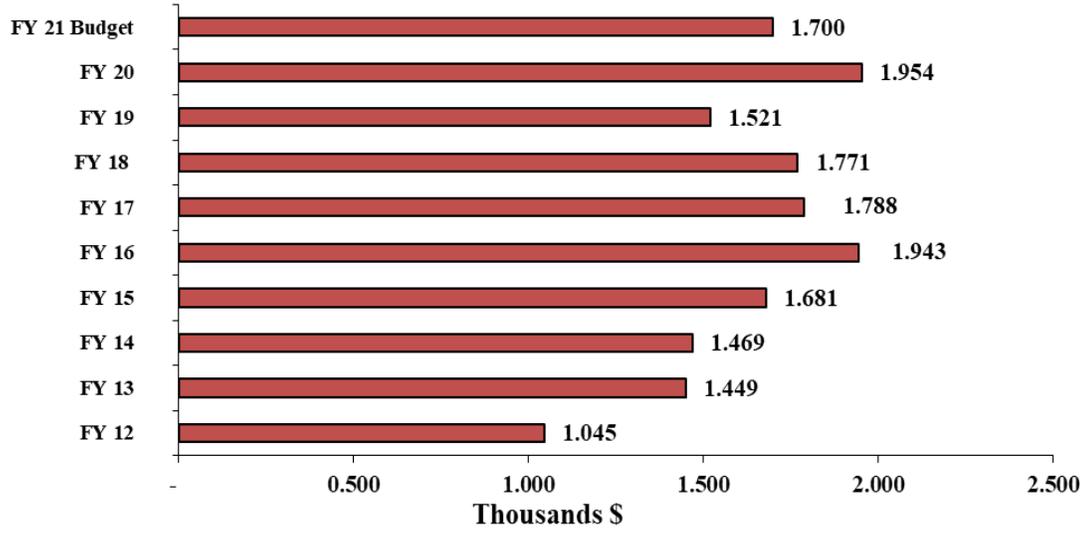
Franchise fees represent the third largest category of revenue in the General Fund, with over \$4.4 million in fees received in FY20. These fees are assessed on providers of waste collection, cable TV, water and wastewater, electricity, natural gas, and telephone service, with PNM Electric accounting for 56 percent of total franchise revenues. Trends for electric, gas, and water franchise fees are affected by changes in weather among other factors. For FY21, franchise fees are estimated to keep the same level compared to FY20 actual.



City Development Revenue

City development revenue is an important component of General Fund revenues due to the City's housing growth. As depicted in the table below, the high volume of construction activity began to increase revenues in FY13, peaking in FY20 due to residential and commercial construction activity. The FY 2021 Budget anticipates these revenues will decrease 10% compared to actual FY 2020.

City Development Revenue



FY 2021 GENERAL FUND
SUMMARY BUDGET
By Department/Cost Center/Category

Department/Division	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Adopted
City Manager				
Personal Services	\$ 739,606	\$ 633,331	\$ 900,919	\$ 857,296
Material and Services	359,466	348,802	317,036	161,293
Total	\$ 1,099,072	\$ 982,133	\$ 1,217,955	\$ 1,018,589
Mayor				
Personal Services	\$ 45,589	\$ 75,037	\$ 75,201	\$ 74,840
Material and Services	12,768	15,879	12,920	13,511
Total	\$ 58,357	\$ 90,916	\$ 88,121	\$ 88,351
Total Administration	\$ 1,157,429	\$ 1,073,049	\$ 1,306,076	\$ 1,106,940
Fiduciary				
Personal Services	\$ 25,906	\$ 41,951	\$ 27,457	\$ (683,983)
Material and Services	799,187	718,589	1,415,512	1,044,801
Capital Outlay	-	-	33,961	-
Transfers to Other Funds	7,325,378	6,148,007	9,620,440	3,400,761
Total Fiduciary	\$ 8,150,471	\$ 6,908,547	\$ 11,097,370	\$ 3,761,579
City Council				
Personal Services	\$ 166,211	\$ 175,963	\$ 167,943	\$ 175,953
Material and Services	115,050	120,444	122,435	160,263
Total City Council	\$ 281,261	\$ 296,407	\$ 290,378	\$ 336,216
City Clerk				
Personal Services	\$ 214,476	\$ 207,134	\$ 313,693	\$ 325,992
Material and Services	96,530	41,381	131,156	63,999
Capital Outlay	-	-	-	5,640
Total City Clerk	\$ 311,006	\$ 248,515	\$ 444,849	\$ 395,631
Municipal Court				
Personal Services	\$ 762,229	\$ 741,959	\$ 699,802	\$ 740,589
Material and Services	431,577	477,103	369,943	434,054
Capital Outlay	26,312	-	-	-
Total Municipal Court	\$ 1,220,118	\$ 1,219,062	\$ 1,069,745	\$ 1,174,643
City Attorney				
Personal Services	\$ 732,371	\$ 612,740	\$ 626,353	\$ 627,125
Material and Services	78,349	105,147	52,239	122,586
Total City Attorney	\$ 810,720	\$ 717,887	\$ 678,592	\$ 749,711

FY 2021 GENERAL FUND
SUMMARY BUDGET
By Department/Cost Center/Category

Department/Division	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Adopted
Human Resources				
Personal Services	\$ 594,181	\$ 569,713	\$ 593,256	\$ 599,685
Material and Services	252,578	222,155	232,877	280,258
Total Human Resources	\$ 846,759	\$ 791,868	\$ 826,133	\$ 879,943
Financial Services				
Administration				
Personal Services	\$ 139,315	\$ 121,512	\$ 162,122	\$ 220,360
Material and Services	26,731	46,707	47,734	95,415
Total	\$ 166,046	\$ 168,219	\$ 209,856	\$ 315,775
Budget / Grants				
Personal Services	\$ 381,416	\$ 350,891	\$ 384,982	\$ 381,990
Material and Services	48,708	34,611	33,631	18,063
Total	\$ 430,124	\$ 385,502	\$ 418,613	\$ 400,053
Accounting				
Personal Services	\$ 572,324	\$ 549,099	\$ 572,913	\$ 710,045
Material and Services	89,353	79,675	84,212	105,306
Total	\$ 661,677	\$ 628,774	\$ 657,125	\$ 815,351
Ambulance Billing				
Personal Services	\$ 152,036	\$ 156,865	\$ 165,140	\$ 166,113
Material and Services	10,680	10,459	14,503	14,700
Total	\$ 162,716	\$ 167,324	\$ 179,643	\$ 180,813
Purchasing				
Personal Services	\$ 228,600	\$ 262,674	\$ 332,160	\$ 333,869
Material and Services	4,330	5,366	5,797	7,510
Total	\$ 232,930	\$ 268,040	\$ 337,957	\$ 341,379
Motor Vehicle Division				
Personal Services	\$ 306,168	\$ 296,886	\$ 289,924	\$ 311,254
Material and Services	6,173	6,555	6,418	6,718
Total	\$ 312,341	\$ 303,441	\$ 296,342	\$ 317,972
Total Financial Services	\$ 1,965,834	\$ 1,921,300	\$ 2,099,536	\$ 2,371,343
Information Technologies				
Personal Services	\$ 538,523	\$ 546,530	\$ 536,749	\$ 559,520
Material and Services	592,488	597,830	850,706	920,119
Total Information Technologies	\$ 1,131,011	\$ 1,144,360	\$ 1,387,455	\$ 1,479,639

FY 2021 GENERAL FUND				
SUMMARY BUDGET				
By Department/Cost Center/Category				

Department/Division	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Adopted
Parks, Recreation and Community Services				
Administration				
Personal Services	\$ 523,300	\$ 448,337	\$ 542,112	\$ 536,010
Material and Services	1,371,607	1,203,166	1,399,814	1,471,990
Total	\$ 1,894,907	\$ 1,651,503	\$ 1,941,926	\$ 2,008,000
Outdoor Aquatics				
Personal Services	\$ 220,673	\$ 210,468	\$ 162,898	\$ 98,293
Material and Services	44,094	43,059	14,647	46,706
Capital Outlay	6,506	-	-	-
Total	\$ 271,273	\$ 253,527	\$ 177,545	\$ 144,999
Rio Rancho Aquatic Center				
Personal Services	\$ 612,209	\$ 605,712	\$ 463,947	\$ 710,717
Material and Services	307,191	314,385	295,488	341,750
Total	\$ 919,400	\$ 920,097	\$ 759,435	\$ 1,052,467
Programming				
Personal Services	\$ 827,984	\$ 813,248	\$ 726,554	\$ 826,244
Material and Services	263,507	239,762	207,152	240,291
Total	\$ 1,091,491	\$ 1,053,010	\$ 933,706	\$ 1,066,535
Parks & Facilities				
Personal Services	\$ 1,127,419	\$ 1,105,926	\$ 1,109,076	\$ 1,152,136
Material and Services	475,680	370,783	476,452	373,416
Capital Outlay	136,659	171,269	194,927	160,097
Total	\$ 1,739,758	\$ 1,647,978	\$ 1,780,455	\$ 1,685,649
Keep Rio Rancho Beautiful				
Personal Services	\$ 78,680	\$ 70,357	\$ 89,249	\$ 90,343
Material and Services	17,469	18,100	15,196	17,921
Total	\$ 96,149	\$ 88,457	\$ 104,445	\$ 108,264
Animal Resource Center				
Personal Services	\$ -	\$ -	\$ -	\$ 690,256
Material and Services	-	-	-	90,031
Total	\$ -	\$ -	\$ -	\$ 780,287
Senior Services				
Personal Services	\$ 421,268	\$ 406,581	\$ 371,864	\$ 401,992
Material and Services	110,798	79,709	64,697	122,391
Total	\$ 532,066	\$ 486,290	\$ 436,561	\$ 524,383
Total Parks, Rec. and Comm. Serv.	\$ 6,545,044	\$ 6,100,862	\$ 6,134,073	\$ 7,370,584

FY 2021 GENERAL FUND				
SUMMARY BUDGET				
By Department/Cost Center/Category				

Department/Division	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Adopted
Library & Information Services				
Personal Services	\$ 1,794,461	\$ 1,709,747	\$ 1,761,318	\$ 1,904,252
Material and Services	278,677	278,361	254,415	266,617
Total Library	\$ 2,073,138	\$ 1,988,108	\$ 2,015,733	\$ 2,170,869
Development Services				
Administration				
Personal Services	\$ 175,230	\$ 172,848	\$ 167,061	\$ 195,735
Material and Services	116,169	88,488	59,434	81,840
Total	\$ 291,399	\$ 261,336	\$ 226,495	\$ 277,575
Building Inspection				
Personal Services	\$ 791,585	\$ 758,399	\$ 753,488	\$ 898,600
Material and Services	28,929	46,415	24,164	37,600
Total	\$ 820,514	\$ 804,814	\$ 777,652	\$ 936,200
Development Engineering				
Personal Services	\$ 546,602	\$ 612,283	\$ 576,361	\$ 651,514
Material and Services	50,505	61,874	36,118	50,623
Total	\$ 597,107	\$ 674,157	\$ 612,479	\$ 702,137
Zoning and Planning				
Personal Services	\$ 485,852	\$ 478,629	\$ 354,821	\$ 472,131
Material and Services	15,015	20,294	15,118	96,165
Total	\$ 500,867	\$ 498,923	\$ 369,939	\$ 568,296
Code Enforcement				
Personal Services	\$ -	\$ 319,395	\$ 343,128	\$ 414,399
Material and Services	-	12,561	12,884	15,640
Total	\$ -	\$ 331,956	\$ 356,012	\$ 430,039
Total Development Services	\$ 2,209,887	\$ 2,571,186	\$ 2,342,577	\$ 2,914,247

FY 2021 GENERAL FUND
SUMMARY BUDGET
By Department/Cost Center/Category

Department/Division	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Adopted
Public Works				
Administration				
Personal Services	\$ 298,119	\$ 49,980	\$ 138,590	\$ 236,380
Material and Services	757,874	708,095	721,436	713,614
Total	<u>\$ 1,055,993</u>	<u>\$ 758,075</u>	<u>\$ 860,026</u>	<u>\$ 949,994</u>
Building Maintenance				
Personal Services	\$ 336,582	\$ 272,343	\$ 291,765	\$ 330,999
Material and Services	521,500	483,520	531,857	582,131
Total	<u>\$ 858,082</u>	<u>\$ 755,863</u>	<u>\$ 823,622</u>	<u>\$ 913,130</u>
Custodial				
Personal Services	\$ 325,459	\$ 349,236	\$ 346,214	\$ 375,307
Material and Services	94,440	86,995	88,683	95,893
Total	<u>\$ 419,899</u>	<u>\$ 436,231</u>	<u>\$ 434,897</u>	<u>\$ 471,200</u>
Fleet Maintenance				
Personal Services	\$ 325,964	\$ 325,595	\$ 382,217	\$ 429,621
Material and Services	25,122	22,223	18,281	29,924
Total	<u>\$ 351,086</u>	<u>\$ 347,818</u>	<u>\$ 400,498</u>	<u>\$ 459,545</u>
Streets and ROW				
Personal Services	\$ 2,143,717	\$ 1,979,328	\$ 1,889,156	\$ 2,361,591
Material and Services	878,329	1,197,058	1,227,342	1,377,376
Capital Outlay	8,537	-	-	-
Total	<u>\$ 3,030,583</u>	<u>\$ 3,176,386</u>	<u>\$ 3,116,498</u>	<u>\$ 3,738,967</u>
Engineering				
Personal Services	\$ 1,297,256	\$ 1,295,466	\$ 1,246,974	\$ 1,411,160
Material and Services	346,327	198,862	214,974	206,711
Total	<u>\$ 1,643,583</u>	<u>\$ 1,494,328</u>	<u>\$ 1,461,948</u>	<u>\$ 1,617,871</u>
Total Public Works	\$ 7,359,226	\$ 6,968,701	\$ 7,097,489	\$ 8,150,707

FY 2021 GENERAL FUND
SUMMARY BUDGET
By Department/Cost Center/Category

Department/Division	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Adopted
Police				
Administrative Services				
Personal Services	\$ 747,319	\$ 746,402	\$ 736,866	\$ 791,694
Material and Services	748,800	809,357	785,211	569,402
Capital Outlay	21,171	-	-	-
Total	\$ 1,517,290	\$ 1,555,759	\$ 1,522,077	\$ 1,361,096
Animal Control				
Personal Services	\$ 672,272	\$ 598,761	\$ 582,497	\$ -
Material and Services	82,510	71,031	75,410	-
Total	\$ 754,782	\$ 669,792	\$ 657,907	\$ -
Code Enforcement				
Personal Services	\$ 336,935	\$ -	\$ -	\$ -
Material and Services	18,347	-	-	-
Total	\$ 355,282	\$ -	\$ -	\$ -
Law Enforcement				
Personal Services	\$ 11,868,952	\$ 11,928,034	\$ 13,837,448	\$ 13,733,778
Materials and Services	\$ 658,962	\$ 738,774	\$ 724,187	\$ 800,083
Capital Outlay	-	-	1,575	-
Total	\$ 12,527,914	\$ 12,666,808	\$ 14,563,210	\$ 14,533,861
Training				
Personal Services	\$ 212,901	\$ 220,464	\$ 87,853	\$ 183,051
Material and Services	196,388	210,792	167,226	172,043
Total	\$ 409,289	\$ 431,256	\$ 255,079	\$ 355,094
Total Police	\$ 15,564,557	\$ 15,323,615	\$ 16,998,273	\$ 16,250,051

FY 2021 GENERAL FUND
SUMMARY BUDGET
By Department/Cost Center/Category

Department/Division	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Adopted
Department of Fire / Rescue				
Fire/Rescue Services				
Personal Services	\$ 10,525,604	\$ 11,045,399	\$ 11,723,161	\$ 11,747,766
Material and Services	766,610	826,430	790,198	865,965
Capital Outlay	44,106	16,312	9,476	39,520
Total	\$ 11,336,320	\$ 11,888,141	\$ 12,522,835	\$ 12,653,251
Emergency Management				
Personal Services	\$ 101,075	\$ 129,021	\$ 136,376	\$ 136,716
Material and Services	9,851	7,875	7,938	8,334
Total	\$ 110,926	\$ 136,896	\$ 144,314	\$ 145,050
Total Fire & Rescue	\$ 11,447,246	\$ 12,025,037	\$ 12,667,149	\$ 12,798,301
General Fund Totals				
Personal Services	\$ 42,396,369	\$ 41,994,244	\$ 44,669,608	\$ 46,181,333
Material and Services	10,449,707	10,229,898	\$ 11,925,441	\$ 12,123,053
Capital Outlay	243,291	187,581	239,939	205,257
Transfers to Other Funds	7,325,378	6,148,007	9,620,440	3,400,761
Summary Total	\$ 60,414,745	\$ 58,559,730	\$ 66,455,428	\$ 61,910,404

Program (Cost Center) / Departments Relationships											
Program (Cost Center)	Department										
	General Government	City Attorney	Human Resources	Financial Services	Information Technology	Parks, Rec. Community	Library	Development Services	Public Works	Police	Fire/Rescue
City Manager (0510)											
Major (0512)											
Fiduciary (0515)											
City Council (1005)											
City Clerk (1505)											
Municipal Court (1705)											
City Attorney (2005)											
Human Resources (2010)											
Administration (3001)											
Budget/Grants (3003)											
Accounting (3005)											
Ambulance Billing (3006)											
Purchasing (3010)											
Motor Vehicle (3015)											
Information Technology (3020)											
Administration (3505)											
Aquatic programs (3510)											
Rio Rancho Aquatic Ctr. (3511)											
Programming (3515)											
Parks & Facilities (3526)											
KRRRB (3530)											
Animal Resource Center (3540)											
Senior Services (4005)											
Library (4505)											
Administration (5005)											
Building Inspection (5015)											
Engineering (5030)											
Zoning & Planning (5035)											
Code Enforcement (5040)											
Administration (5501)											
Building Maintenance (5505)											
Custodial (5510)											
Fleet Maintenance (5512)											
Streets & ROW (5515)											
Engineering (5520)											
Administration (6005)											
Law Enforcement (6025)											
Training (6040)											
Fire/Rescue (6530)											
Emergency Management (6545)											

This matrix correlates the relationship between City's Departments and Cost Centers. Departments and Cost Centers are shown along the side.