

**CITY OF RIO RANCHO  
DEPARTMENT OF FINANCIAL SERVICES**

**MEMORANDUM**

**DATE:** October 31, 2017

**TO:** Mayor Gregory Hull, Council Members Jim Owen, Dawnn Robinson, Cheryl Everett, Marlene Feuer, Jennifer Flor, and Dave Bency  
Keith Riesberg, City Manager  
John Craig, Deputy City Manager

**FROM:** Carole H. Jaramillo, Director of Financial Services

**SUBJECT: October Gross Receipts Tax and Recent Labor Market Indicators**

**Gross Receipts Tax**

Attached please find the monthly dashboard for October GRT collections. For the month, the City's GRT revenue in the General Fund totaled \$2,352,478 which was \$157,209 below the projection. The year-to-date negative budget to actual variance continues to widen and has reached \$470,465 or 4.7 percent. Compared to the prior fiscal year, there is a negative cumulative variance of \$486,573 or 4.9 percent. The Financial Services Department is analyzing the trend for possible adjustment of projections at mid-year.

GRT trends for each major industry are shown in Table 4 of the Dashboard on the next page. Sectors with positive growth compared to the same period in FY 2017 are the "other" category at 34.9 percent, health care and social assistance at 12.0 percent, professional, education and other services at 11.1 percent, utilities, transportation and warehousing at 9.7 percent, finance, insurance and real estate at 9.7 percent, accommodation and food services at 6.1 percent, information and cultural industries at 1.4 percent, and retail trade at 0.5 percent. There is significant negative growth in the key sector of construction at 20.6 percent as well as manufacturing at 33.3 percent. The food distribution is down by 27.5 percent when compared to FY 2017 and the medical distribution is down by 8.1 percent.

**Labor Market Indicators**

Employment for the Albuquerque MSA for the month of August grew 1.2 percent over the year, gaining 4,700 jobs. Following is the link to the state's monthly *Labor Market Review* reporting web page:

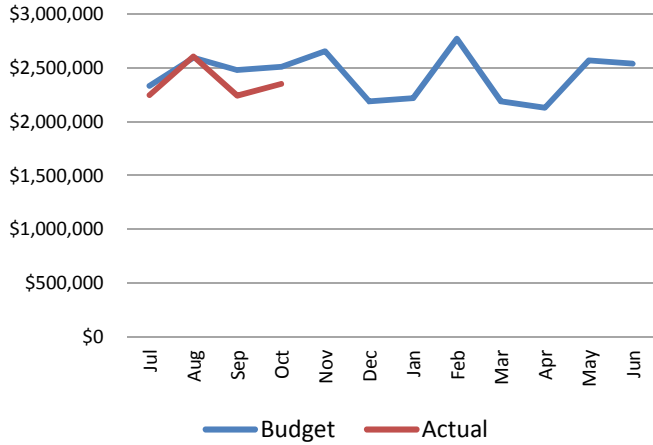
[https://www.dws.state.nm.us/Portals/0/DM/LMI/lmrSept\\_17.pdf](https://www.dws.state.nm.us/Portals/0/DM/LMI/lmrSept_17.pdf)

For the state as a whole, New Mexico's seasonally adjusted unemployment rate was 6.2 percent in September 2017, down from the August rate of 6.3 percent and 6.8 percent in September 2016. In contrast, the national unemployment rate was 4.2 percent, down from 4.4 percent in August and 4.9 percent in September 2016. The full September *Employment News Release* (statewide numbers only) can be found here:

[https://www.dws.state.nm.us/Portals/0/DM/LMI/pr-pdf\\_0917.pdf](https://www.dws.state.nm.us/Portals/0/DM/LMI/pr-pdf_0917.pdf)

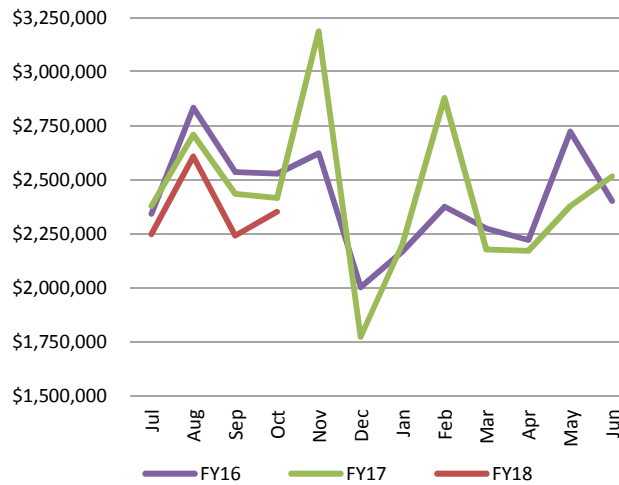
# Rio Rancho Gross Receipts Tax Dashboard

**Chart 1: Gross Receipts Tax Monthly Revenue  
General Fund FY18 Estimate vs. Actual**

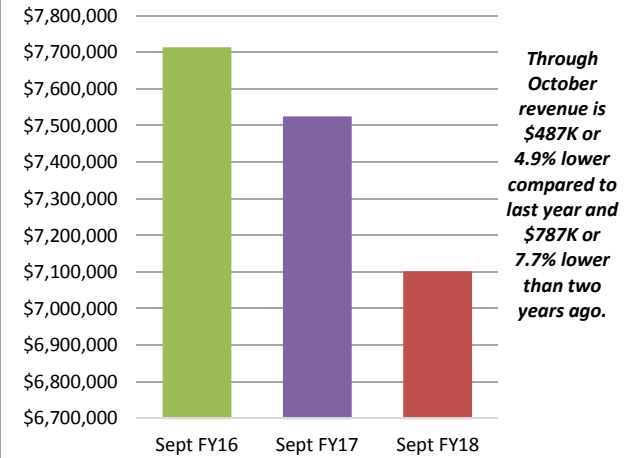


\*YTD through October is \$470K or 4.7% below the FY18 estimate

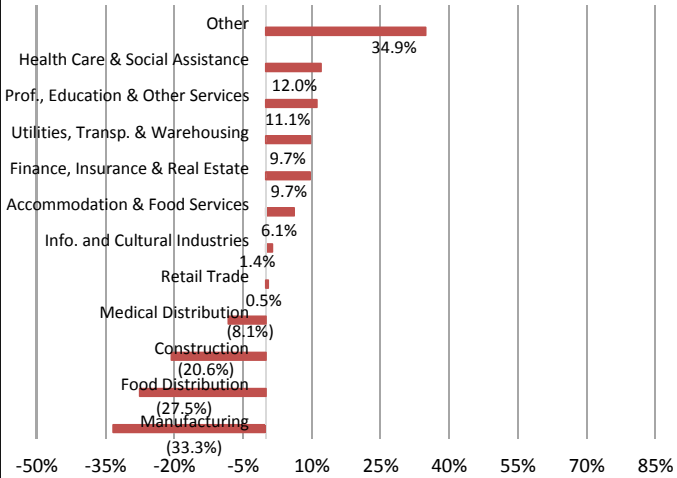
**Chart 2: Gross Receipts Tax Monthly Revenue  
General Fund Current Year vs. Prior Years**



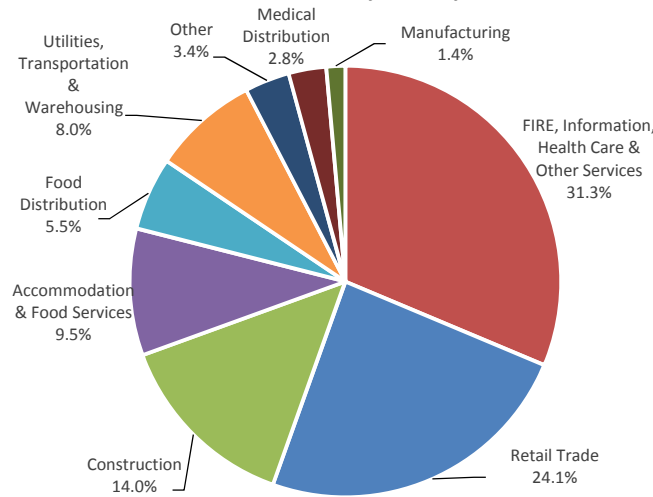
**Chart 3: Gross Receipts Tax Year-to-Date Revenue  
General Fund Current vs. Prior Years**



**Chart 4: GRT Distribution by Industry  
% Change FY18 YTD compared to FY17 YTD**



**Chart 5: GRT Distribution by Industry FY18 YTD**



**Chart 6: Changing Composition of GRT**

