

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

MEMORANDUM

DATE: July 29, 2019

TO: Mayor Gregory Hull, Council Members Jim Owen, Jeremy Lenentine, Bob Tyler,  
Marlene Feuer, Jennifer Flor, and Dave Bency  
David S. Campbell, City Manager  
John Craig, Deputy City Manager

FROM: Juan C Mejia, Budget & Grants Division Manager

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

**Gross Receipts Tax**

Attached please find the monthly dashboard for July GRT collections. For the month, the City's GRT revenue in the General Fund totaled \$2,603,680, which was \$119,524 above the adopted revenue estimate. Year-to-date the City has a positive revised budget to actual gross receipts tax variance of 4.8 percent. Compared to the prior fiscal year actuals, there is a positive variance of \$56,395 or 2.2 percent for the General Fund.

GRT trends for each major industry are shown in Table 4 of the Dashboard on the next page. Year-to-date, sectors with positive growth compared to the same period in FY 2019 are; health care and social assistance at 39.8 percent, utilities, transportation and warehousing at 33.5 percent, finance, insurance & real estate at 25.5 percent, professional, education & other services at 14.0 percent, "other" industries at 10.7 percent, information and cultural industries at 3.7 percent and retail trade at 2.7 percent. The key sector of construction, continue showing positive variance with 64.5 percent growth compare to FY19. Year-to-date sectors with negative growth compared to same period in FY19 are; manufacturing at 48.8 percent, accommodation & food service at 2.9 percent, food distribution at 75.4 percent and medical distribution at 15.9 percent.

**Labor Market Indicators**

Employment data for the State as a whole shows the seasonally adjusted unemployment rate was 4.9 percent in June 2019, down from 5.0 percent in May 2019 and up from 4.8 percent in the previous year. In contrast, the national unemployment rate in June was 3.7 percent, up from 3.6 percent in May 2019 and down from 4.0 percent in June 2018. Employment news release

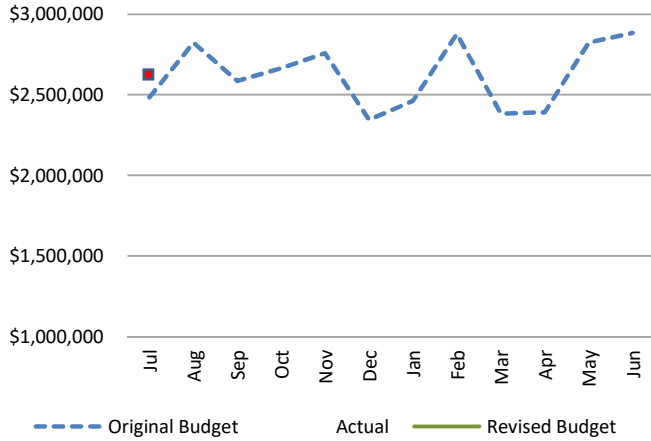
[https://www.dws.state.nm.us/Portals/0/DM/LMI/pr-pdf\\_0619.pdf](https://www.dws.state.nm.us/Portals/0/DM/LMI/pr-pdf_0619.pdf)

Employment for the Albuquerque MSA for the month of June 2019 increased by 4,900 jobs, or 1.2 percent year-over-year. Following is the link to the *Labor Market Review* for the month of June:  
Labor market review

[https://www.dws.state.nm.us/Portals/0/DM/LMI/lmr\\_June\\_19.pdf](https://www.dws.state.nm.us/Portals/0/DM/LMI/lmr_June_19.pdf)

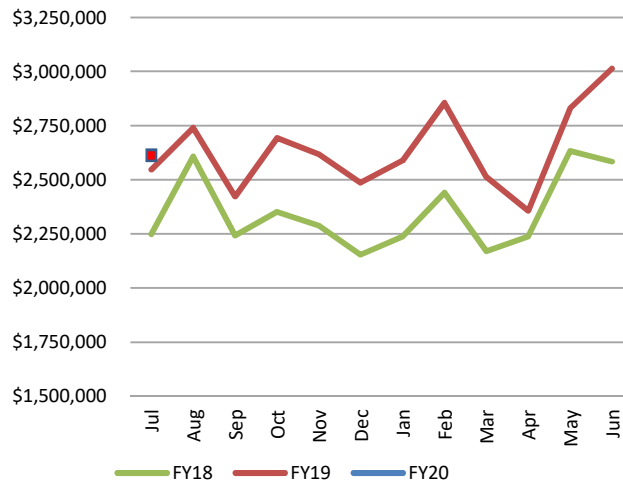
# Rio Rancho Gross Receipts Tax Dashboard

**Chart 1: Gross Receipts Tax Monthly Revenue General Fund FY20 Original and Revised vs. Actual**

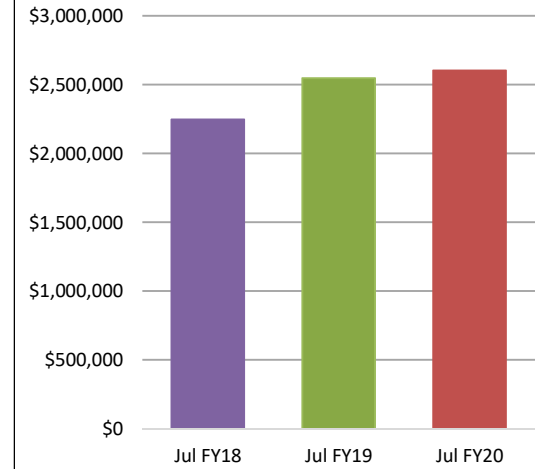


*\*Y-T-D March 2019 is \$1.4 million or 6.5% above the FY19 revised*

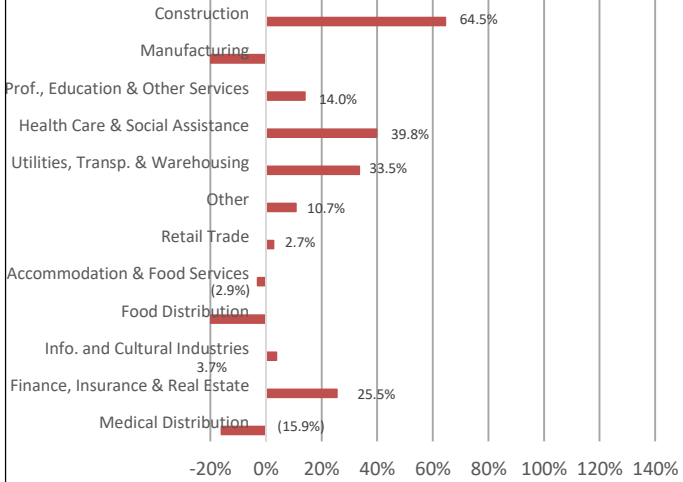
**Chart 2: Gross Receipts Tax Monthly Revenue General Fund Current Year vs. Prior Years**



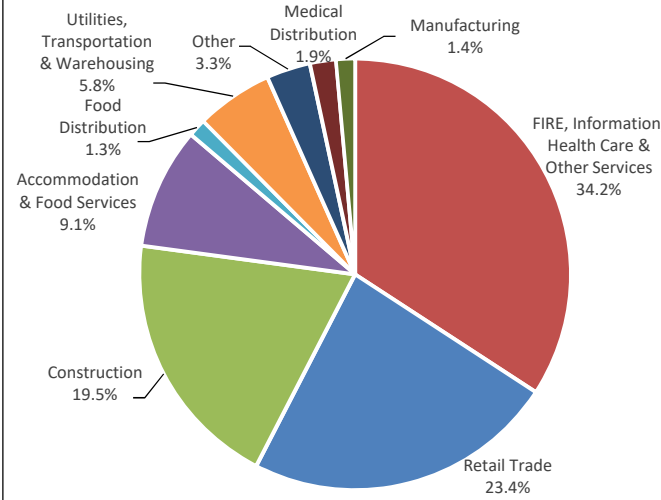
**Chart 3: Gross Receipts Tax Year-to-Date Revenue General Fund Current vs. Prior Years**



**Chart 4: GRT Distribution by Industry % Change FY20 YTD compared to FY19 YTD**



**Chart 5: GRT Distribution by Industry FY20 YTD**



**Chart 6: Changing Composition of GRT**

