

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

**MEMORANDUM**

**DATE:** September 29, 2014

**TO:** Mayor Gregory Hull  
Council Members: Chuck Wilkins, Dawnn Robinson, Cheryl Everett, Mark Scott,  
Shelby Smith, and Lonnie Clayton  
Keith Riesberg, City Manager and Laura Fitzpatrick, Assistant City Manager

**FROM:** Dan Olsen, Financial Services Director

**SUBJECT: September Gross Receipts Tax and August Economic Data**

Attached are the monthly dashboards for September GRT and August Economic Activity.

**Gross Receipts Tax**

The General Fund GRT distribution for September was \$2,304,877, which was \$50,372 or 2.2 percent above the budgeted monthly estimate. Although year-to-date collections remain below budget, the gap has decreased from 11.8 percent last month to 7.3 percent this month. Additionally, year-to-date GRT revenue is 3.1 percent higher than this time last year. Still, with growth rates not keeping pace with budgeted estimates, the Finance Department will review projections of all revenue sources and provide recommendations to bring General Fund expenditures in line with revised revenue estimates.

Following are highlights from the September GRT data:

- The Retail sector was 23.1 percent higher than last month, mostly from remaining adjustments by State TRD for late-filing retailers in prior months. Year-to-date distributions for this sector remain 5.8 percent lower than last year, a significant contributor to the city's lower-than-expected revenue.
- The Construction sector continues to improve, with year-to-date growth of 8.2 percent through September.
- Although a small portion of overall GRT, the Finance/Insurance and Real Estate sector's year-to-date distribution was up 31 percent compared to the same period last year.

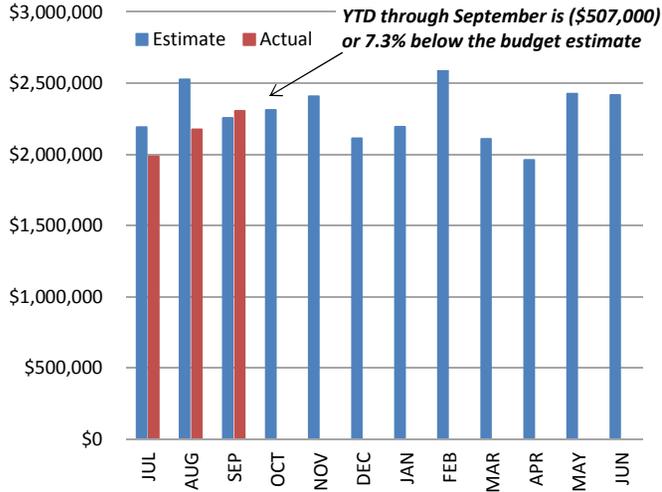
**Unemployment and Jobs**

The unemployment rate for the Albuquerque MSA was 6.8 percent in August, unchanged from July but down from 7.1 percent last year. Total employment in the area contracted 0.2 percent over last August, losing a net 600 jobs. In the aggregate, the private sector lost 500 jobs, while the public sector lost 100 jobs.

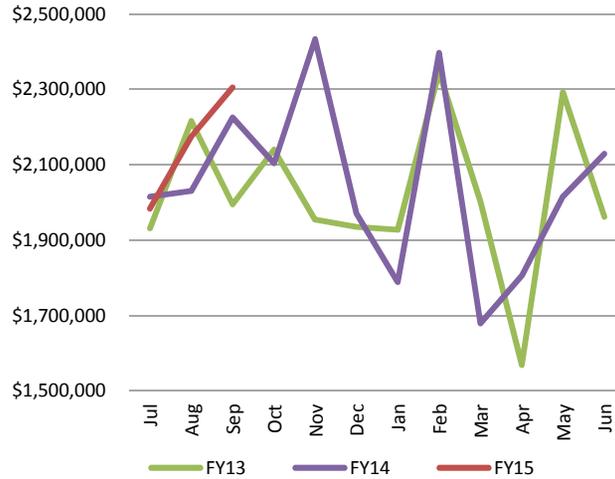
New Mexico's statewide unemployment rate rose from 6.6 percent in July to 6.7 percent in August, and job growth was 0.6 percent, representing a net gain of 4,600 jobs. In comparison, the national unemployment rate fell from 6.2 percent to 6.1 percent and job growth was 1.8% for the same period.

# Rio Rancho Gross Receipts Tax Dashboard

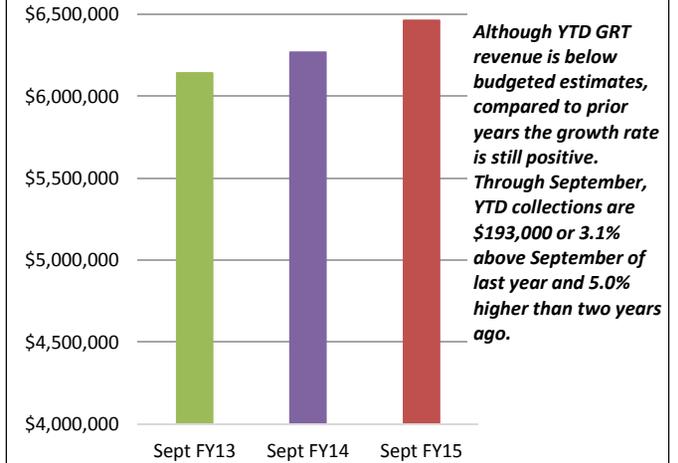
**Chart 1: FY15 Gross Receipts Tax Monthly Revenue General Fund Estimate vs. Actual**



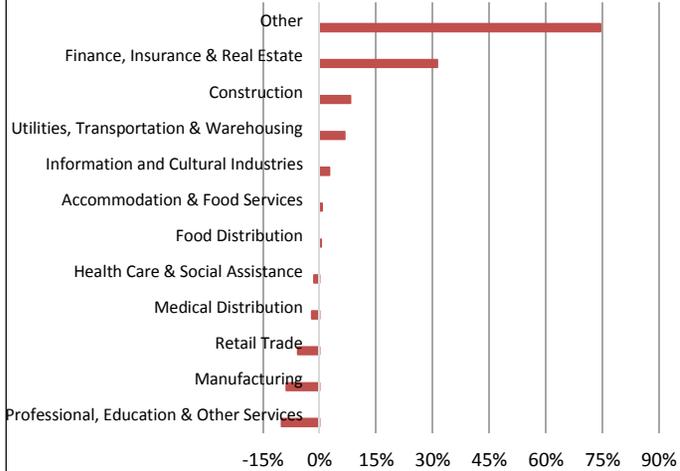
**Chart 2: Monthly Gross Receipts Tax Revenue General Fund Current vs. Prior Years**



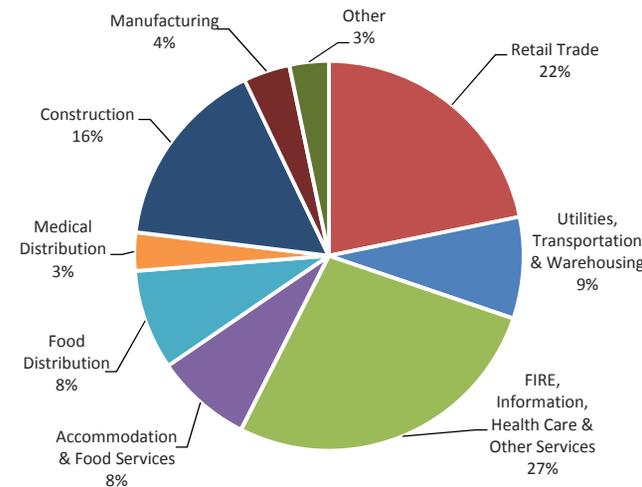
**Chart 3: YTD Gross Receipts Tax Revenue General Fund Current vs. Prior Years, as of September**



**Chart 4: FY15 YTD GRT Distribution by Industry Compared to FY14 YTD through September**



**Chart 5: GRT Distribution by Industry FY15 YTD**



**Chart 6: Changing Composition of GRT**

