

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

**MEMORANDUM**

**DATE:** October 27, 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: October Gross Receipts Tax and Latest Economic Data**

Attached is the monthly dashboard for October GRT collections.

**Gross Receipts Tax**

The General Fund GRT distribution for October was \$2,339,453, which was \$29,868 or 1.3 percent above the budgeted monthly estimate. Although year-to-date collections remain below budget, the gap has decreased from 7.3 percent last month to 5.1 percent this month. Additionally, year-to-date GRT revenue is 5.1 percent higher than this time last year.

Following are highlights from the October GRT data:

- The Retail sector was 8.0 percent higher than October last year, showing continued improvement over the declines during the first two months of this fiscal year. Year-to-date distributions for this sector remain 2.3 percent lower than last year, a significant contributor to the city's lower-than-expected revenue.
- The Construction sector continues to improve, with an increase of 13.3 percent over last month and year-to-date growth of 17.4 percent through October.
- Food and Medical hold-harmless distributions remain a positive enhancement to the City's GRT collections, growing 1.7 percent and 6.5 percent year-to-date, respectively.
- Although a small portion of overall GRT, the Finance/Insurance and Real Estate sector maintained its 31 percent growth rate compared to the same period last year.

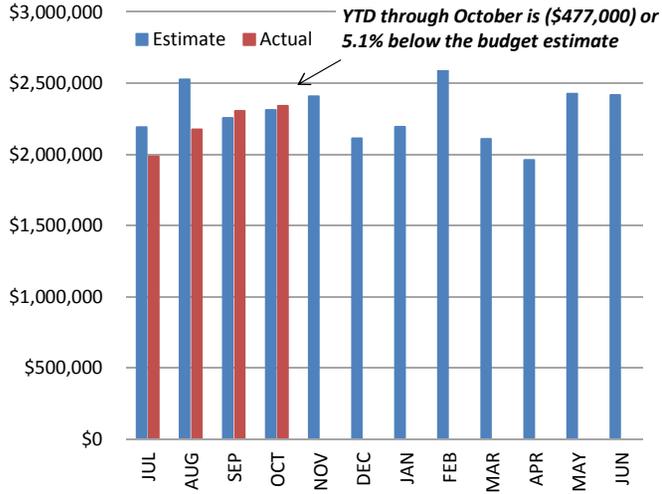
**Unemployment and Jobs**

The unemployment rate for the Albuquerque MSA was 6.7 percent in September, down from 6.8 percent in August and 7.1 percent last year. Total employment in the area contracted 0.5 percent over last September, losing a net 1,800 jobs, all of which were in the private sector goods-producing industries.

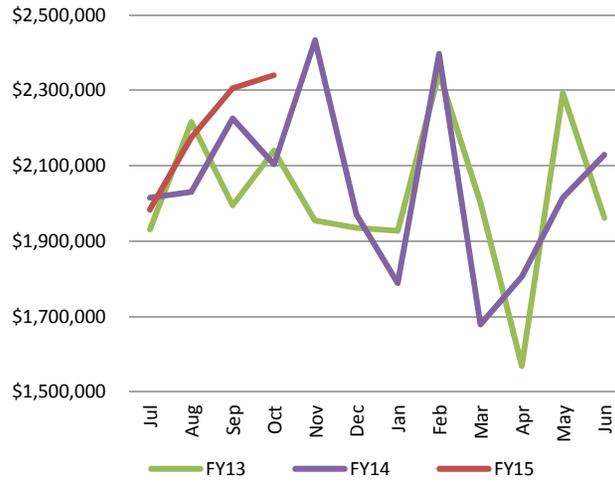
New Mexico's statewide unemployment rate dipped from 6.7 percent in August to 6.6 percent in September, and job growth was 0.8 percent, representing a net gain of 6,400 jobs statewide. In comparison, the national unemployment rate fell from 6.1 percent to 5.9 percent and job growth was 2.0 percent.

# Rio Rancho Gross Receipts Tax Dashboard

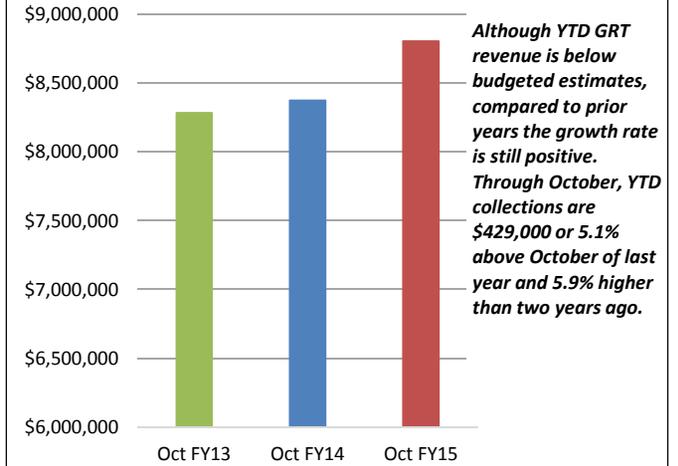
**Chart 1: FY15 Gross Receipts Tax Monthly Revenue General Fund Estimate vs. Actual**



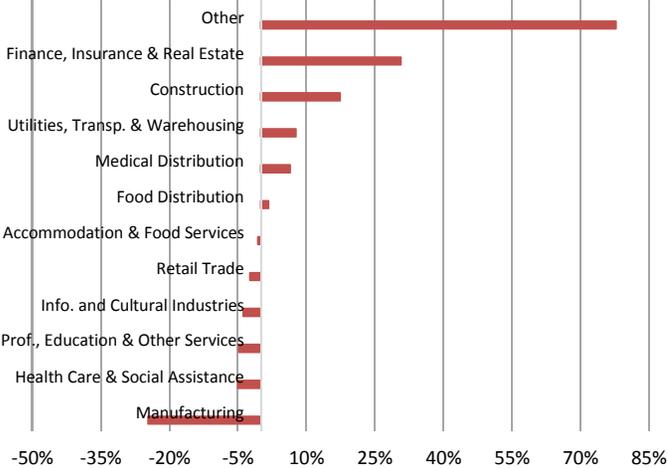
**Chart 2: Monthly Gross Receipts Tax Revenue General Fund Current vs. Prior Years**



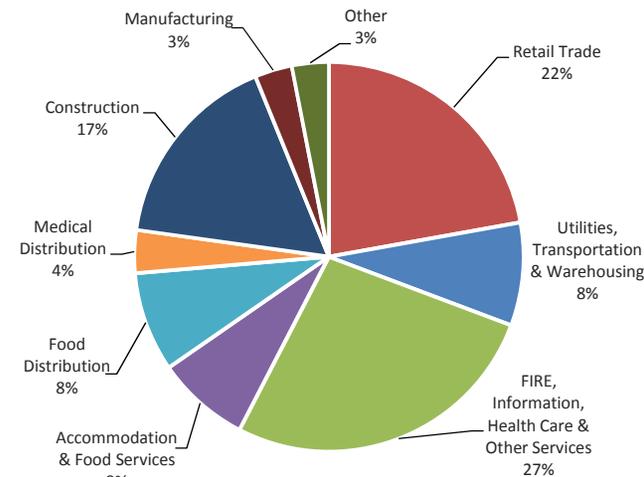
**Chart 3: YTD Gross Receipts Tax Revenue General Fund Current vs. Prior Years, as of October**



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



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



**Chart 6: Changing Composition of GRT**

