

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

**MEMORANDUM**

**DATE:** February 26, 2015

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

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

**SUBJECT: February Gross Receipts Tax and Latest Economic Data**

Attached is the monthly dashboard for February GRT collections.

**Gross Receipts Tax**

The City's February GRT distribution totaled \$2,745,970, which is \$204,000 or 2.5 percent above the monthly budget estimate. Year-to-date collections are now \$1.24 million or 7.3 percent above the same period last year. February is typically the City's largest monthly distribution because it reflects economic activities that happened in December during the holiday shopping season. Although the February data are encouraging as a sign of improved consumer and business confidence, staff remains cautious in our budget forecasts and will continue to monitor revenues closely.

Following are some highlights from the February GRT data:

- The Retail sector's year-to-date growth rate of 5.2 percent is unchanged from last month.
- Gains in the Construction and FIRE (Finance, Insurance, and Real Estate) sectors nearly match last month's growth rates, at 33.4 percent and 20 percent, respectively.
- The Utilities/Transportation/Warehousing sector overall has fallen off sharply from last year; however, within this category, the Transportation/Warehousing segment is up 89 percent year-to-date and has shown positive growth every month this fiscal year.

**Unemployment and Jobs – December (the most current data available)**

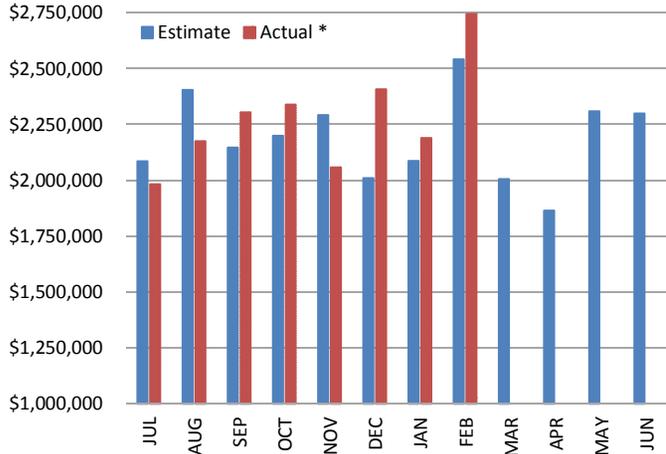
The seasonally adjusted unemployment rate for the Albuquerque MSA was 6.4 percent in December, down from 6.7 percent in November and down from 7.0 percent last year. Total employment in the area grew 0.9 percent over last year, adding a net 3,400 jobs.

New Mexico's unemployment rate fell from 6.4 percent in November to 6.1 percent in December, and job growth was 1.7 percent, representing a net gain of 13,500 jobs statewide. In comparison, the national unemployment rate was 5.6 percent in December, down from November's rate of 5.8 percent.

New Mexico's December unemployment rate ranked 18<sup>th</sup> nationally (highest to lowest) but was lower than the nearby southwestern states of Arizona and Nevada who have unemployment rates of 6.7 percent and 6.8 percent, respectively.

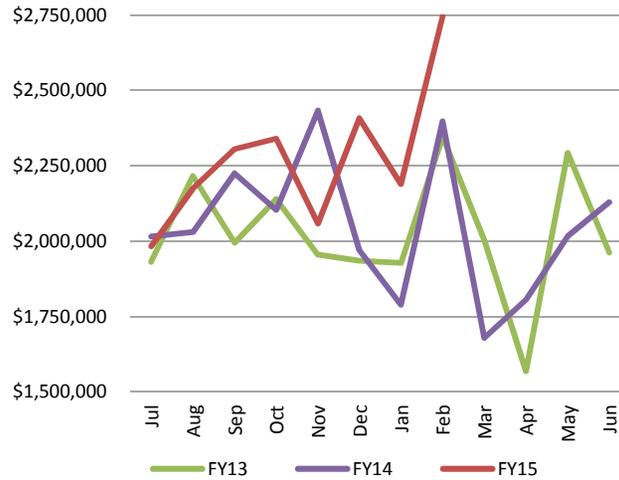
# Rio Rancho Gross Receipts Tax Dashboard

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

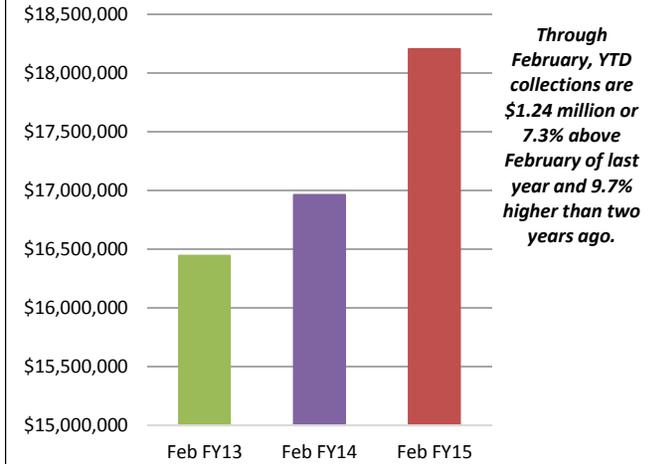


\*YTD through February is \$438,000 or 2.5% above the revised FY15 estimate

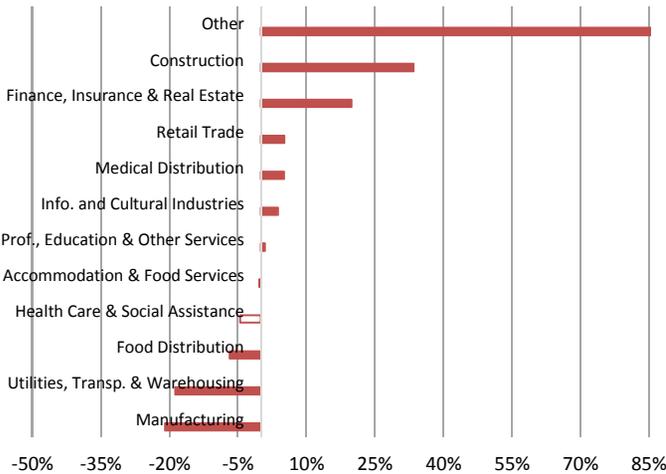
**Chart 2: Gross Receipts Tax Monthly Revenue General Fund Current Year vs. Prior Years**



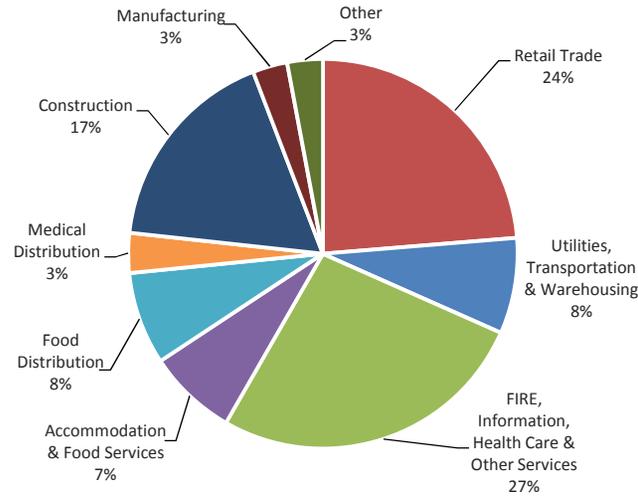
**Chart 3: Gross Receipts Tax Year-to-Date Revenue General Fund Current vs. Prior Years**



**Chart 4: GRT Distribution by Industry FY15 YTD compared to FY14 YTD**



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



**Chart 6: Changing Composition of GRT**

