

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

MEMORANDUM

DATE: March 24, 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: March Gross Receipts Tax and Latest Economic Data

Attached is the monthly dashboard for March GRT collections.

Gross Receipts Tax

The City's March GRT distribution totaled \$1,899,820, which is \$106,000 or 5.3 percent below the budget estimate for March. In total, year-to-date collections are \$1.46 million or 7.8 percent above the same period last year. This growth rate exceeds the City's FY15 annual estimate of 6.7 percent and provides some optimism that the City will meet its GRT budget projections.

Following are some highlights from the March GRT data:

- The Retail sector's year-to-date growth rate is 5.0 percent, down slightly from last month's 5.2 percent rate.
- Gains in the Construction sector remain steady, with year-to-date growth of 35.1 percent.
- The Finance, Insurance, and Real Estate sector is up 18 percent compared to last year, with most of that growth occurring in the Real Estate/Rental/Leasing sub-sector.
- The Utilities/Transportation/Warehousing and Manufacturing sectors continue to decline, falling 12.2 percent and 22.1 percent, respectively, compared to the same period last year.

Unemployment and Jobs – January (the most current data available)

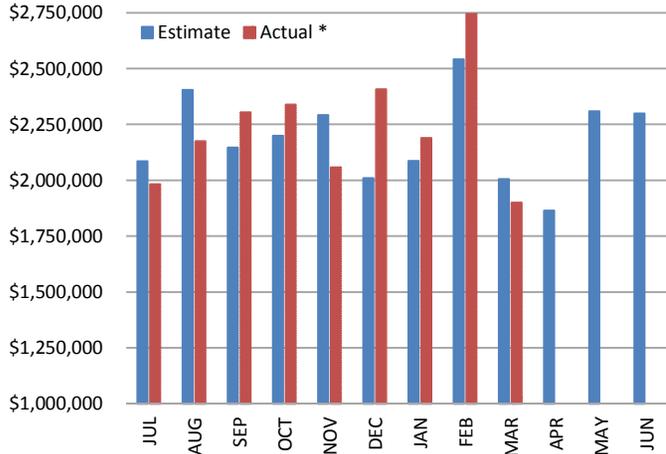
The seasonally adjusted unemployment rate for the Albuquerque MSA in January was 5.7 percent, down from 5.8 percent in December and down from 6.6 a year earlier (these are temporary state-produced rates that will be revised later with official Bureau of Labor Statistics data). Total employment in the area matched last month's growth rate of 0.9 percent, adding a net 3,200 jobs.

New Mexico's unemployment rate fell from 6.0 percent in December to 5.9 percent in January, and job growth was 1.3 percent, representing a net gain of 10,200 jobs. In comparison, the national unemployment rate was 5.7 percent in January, up from December's rate of 5.6 percent.

New Mexico's January unemployment rate ranked 20th nationally (highest to lowest), the same rank as January 2014. In contrast, the state's job growth rate ranked 37th, a marked improvement over last year's rank of last place.

Rio Rancho Gross Receipts Tax Dashboard

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



*YTD through March is \$332,000 or 1.7% above the revised FY15 estimate

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

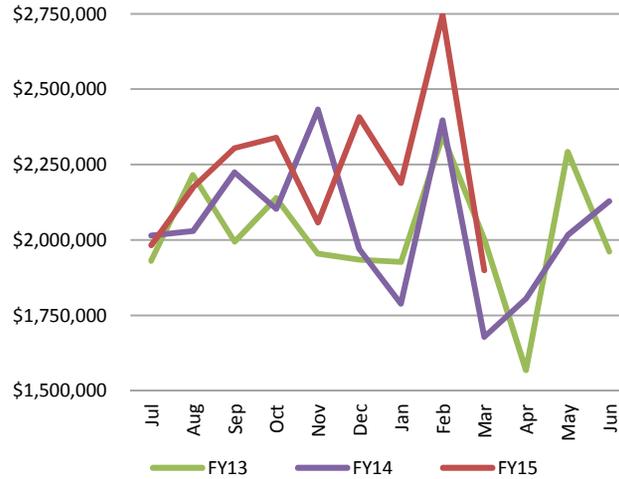


Chart 3: Gross Receipts Tax Year-to-Date Revenue General Fund Current vs. Prior Years

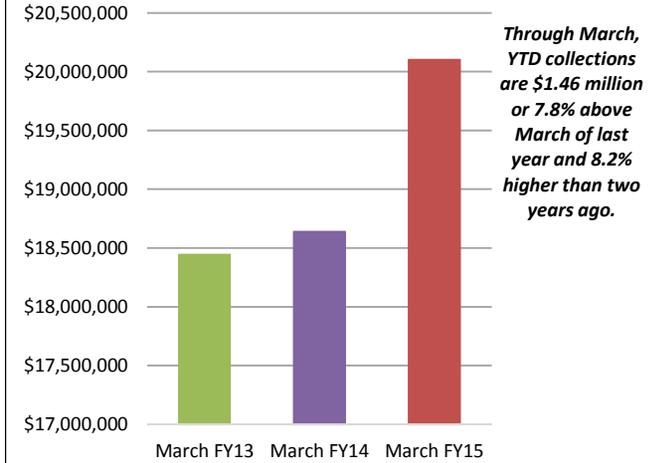


Chart 4: GRT Distribution by Industry FY15 YTD compared to FY14 YTD

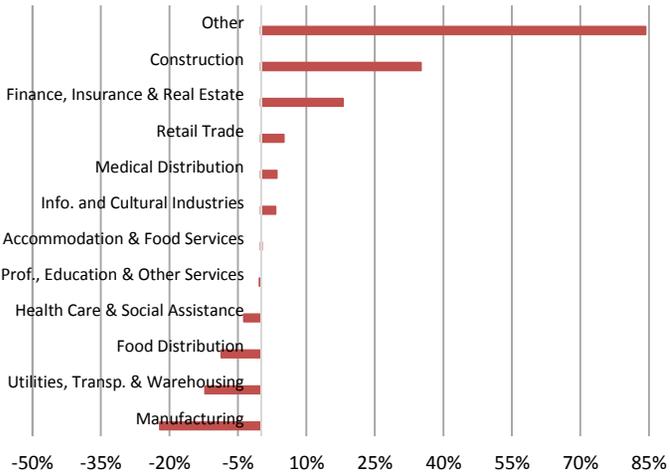


Chart 5: GRT Distribution by Industry FY15 YTD

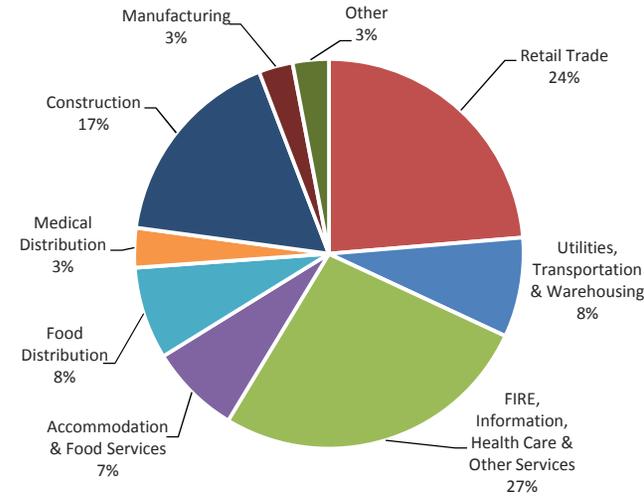


Chart 6: Changing Composition of GRT

