DATE: August 24, 2016

TO: Mayor Greggory Hull, Council Members Jim Owen, Dawnn Robinson, Cheryl Everett, Marlene Feuer, and David Bency
Keith Riesberg, City Manager
John Craig, Deputy City Manager

FROM: Juan Mejia, Budget/Grants Division Manager

SUBJECT: August Gross Receipts Tax and Recent Labor Market Indicators

Gross Receipts Tax
Attached please find the monthly dashboard for August GRT collections. For the month, the City’s GRT distribution to the General Fund totaled $2,708,516, which was $167,395 above the projection, year to date there is a positive variance of $254,963 or 5.3 percent. Compared to prior fiscal year cumulative variance is negative $88,822 or 1.7 percent.
GRT trends for each major industry are shown in Table 4 of the Dashboard on the next page. Note that Professional and other services have a significant increase of 43.4% compared to prior fiscal year same period of time; other sectors with positive growth are Accommodation and Food services 20.5%, and Finance, Insurance & Real Estate 8.6%; in contrast, construction is contracting 23.4 percent.

Labor Market Indicators
Employment information for the Albuquerque MSA for the month of June grew 2.4 percent over the year, adding 9,100 jobs. Following is the link to the state’s monthly Labor Market Review reporting web page:


For the state as a whole, New Mexico’s seasonally adjusted unemployment rate was 6.4% in July, up from 6.2 percent in June and down from 6.6% a year ago. In contrast, the national unemployment rate was 4.9%, unchanged from June and down from 5.3 percent in July 2015. The full July Employment New Release (statewide numbers only) can be found here:

http://www.dws.state.nm.us/Portals/0/DM/LMI/pr-pdf_0716.pdf
Chart 1: Gross Receipts Tax Monthly Revenue General Fund FY17 Estimate vs. Actual

*YTD through July is $87K or 3.8% above the FY17 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 Year vs. Prior Years

Through August collections are $88K or 1.7% below through August of last year and $534K or 25% higher than two years ago.

Chart 4: GRT Distribution by Industry FY17 YTD compared to FY16 YTD

Chart 5: GRT Distribution by Industry FY17 YTD

Chart 6: Changing Composition of GRT

8/23/2016