DATE: January 23, 2017

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

FROM: Carole H. Jaramillo, Director of Financial Services

SUBJECT: January Gross Receipts Tax and Recent Labor Market Indicators

Gross Receipts Tax
Attached please find the monthly dashboard for January GRT collections. For the month, the City’s GRT distribution to the General Fund totaled $2,204,999 which was $36,622 below the projection. Year-to-date there is a positive budget to actual variance of $359,479 or 2.1 percent. Compared to the prior fiscal year, the cumulative variance is $69,210 or .4 percent.

GRT trends for each major industry are shown in Table 4 of the Dashboard on the next page. Note that accommodation and food services has the most significant increase, 11.6 percent compared to the prior fiscal year for the same period of time; other sectors with positive growth are retail trade at 4.2 percent, health care and social assistance at 6.5 percent, professional, education and other services at 4.6 percent, and information and cultural industries at 4.1 percent. In contrast, and most significantly, finance, insurance and real estate and manufacturing sectors are contracting 29.0 percent and 27.3 percent respectively. Other industries that are contracting are utilities, transportation and warehousing at 7.7 percent, food distribution at 5.2 percent, and the “other” category at 4.1 percent. Construction, is still showing negative growth compared to the same period in fiscal year 2016 of 11.9%.

Labor Market Indicators
Employment information for the Albuquerque MSA for the month of November grew 0.1 percent over the year, losing 500 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 6.6 percent in December, down from 6.7 percent in November and unchanged from a year ago. In contrast, the national unemployment rate was 4.7 percent, up from 4.6 percent in November, 2016 and down from 5.0 in December 2015. The full January Employment News Release (statewide numbers only) can be found here:

https://www.dws.state.nm.us/Portals/0/DM/LMI/pr-pdf_1216.pdf
**Chart 1: Gross Receipts Tax Monthly Revenue**
General Fund FY17 Estimate vs. Actual

*YTD through January is $359K or 2.1% 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 vs. Prior Years

Through January collections are $69K or 0.4% higher compared to last year and $1.6 million or 10.7% 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**

1/24/2017