

Quarterly Economic Summary

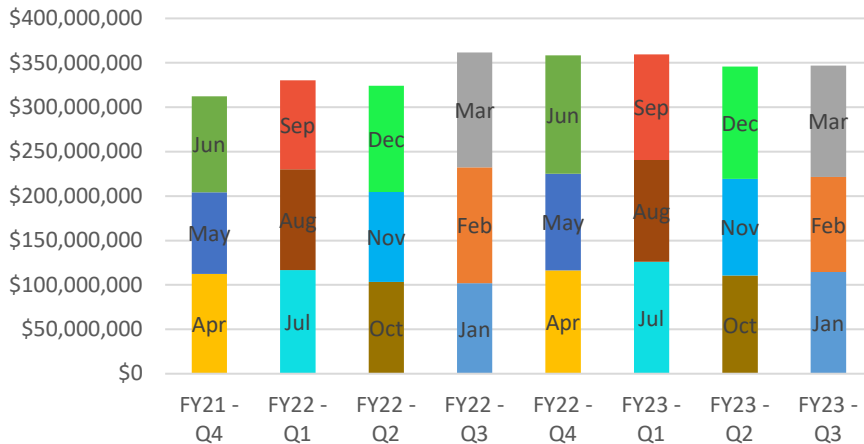
McKinley County

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Chart 1. Matched Taxable Gross Receipts Per Quarter

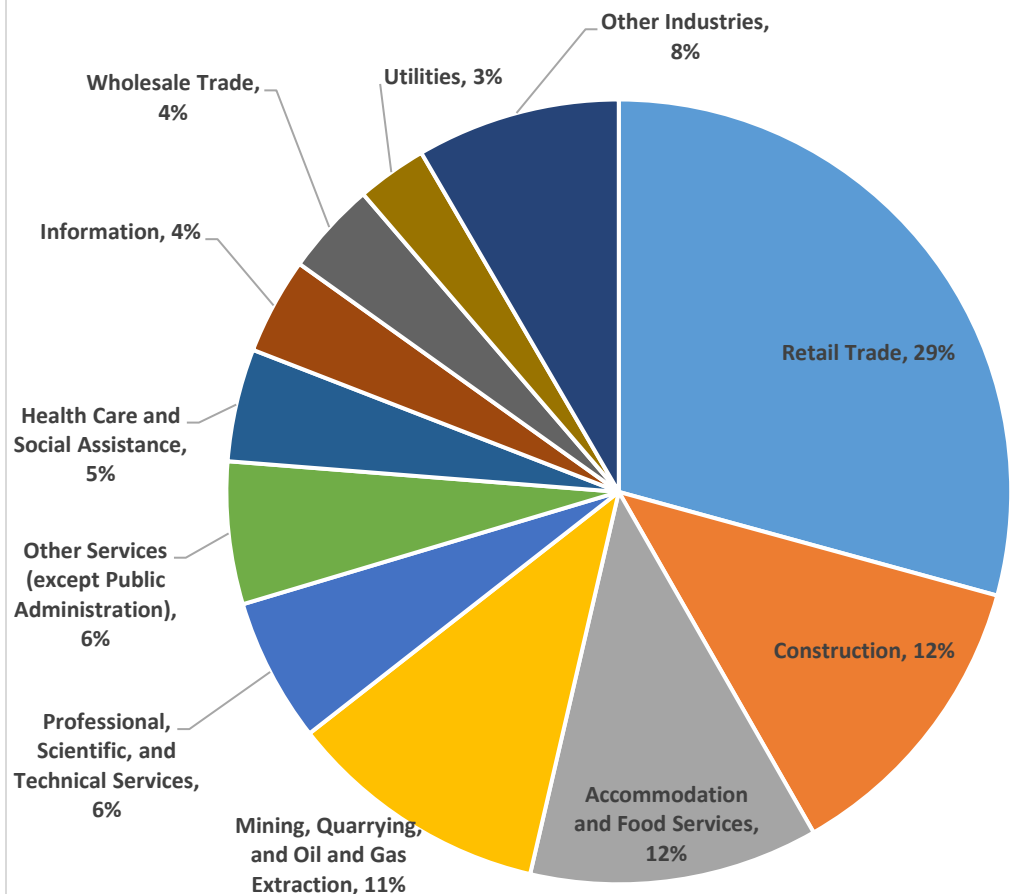


In the third quarter of FY23, 26 of 33 counties saw year-over-year economic growth, averaging 12% growth statewide in matched taxable gross receipts. State gross receipts decreased from the second quarter of FY23. This, however, follows the seasonal trend that the state has experienced historically in Q3. As growth in New Mexico continues, national concerns remain regarding inflation and rising interest rates while labor markets continue to adjust post pandemic.

McKinley County's matched taxable gross receipts (MTGR) remained relatively flat in Q3 FY23 as compared to Q2 FY23, seen in Chart 1. From Q2 FY23 to Q3 FY23 MTGR increased by \$1.1M or just below 1%. Over the last 16 quarters MTGR for McKinley County has an upward trend. In Chart 2 the retail trade and construction industries accounted for 41% of the total MTGR. This is down from the previous quarter where the two combined for over 46%.

Matched Taxable Gross Receipts (MTGR) are the best tax data available to show underlying economic activity. The data collection process matches a tax payment with reported receipts for each taxpayer by industry.

Chart 2. FY23 - Q3 Industry Size by Matched Taxable Gross Receipts



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Table 1. Matched Taxable Gross Receipts by Industry

Industries	FY22 - Q3	FY23 - Q3	Growth	Year over year Change
Accommodation and Food Services	\$ 42,638,452	\$ 40,867,708	\$ (1,770,744)	-4%
Administrative/Support & Waste Management/Remediation	\$ 6,193,670	\$ 5,879,738	\$ (313,931)	-5%
Agriculture, Forestry, Fishing, and Hunting	\$ 28,937	\$ 591,851	\$ 562,914	1945%
Arts, Entertainment, and Recreation	\$ 363,389	\$ 182,827	\$ (180,561)	-50%
Construction	\$ 27,054,910	\$ 42,832,206	\$ 15,777,296	58%
Educational Services	\$ 1,706,580	\$ 1,665,014	\$ (41,566)	-2%
Finance and Insurance	\$ 1,500,247	\$ 1,250,239	\$ (250,007)	-17%
Health Care and Social Assistance	\$ 17,110,876	\$ 15,961,499	\$ (1,149,377)	-7%
Information	\$ 15,805,923	\$ 13,651,372	\$ (2,154,551)	-14%
Management of Companies and Enterprises	\$ 2,056	\$ 5,564	\$ 3,508	171%
Manufacturing	\$ 12,487,625	\$ 7,063,831	\$ (5,423,794)	-43%
Mining, Quarrying, and Oil and Gas Extraction	\$ 32,910,223	\$ 37,151,308	\$ 4,241,085	13%
Other Services (except Public Administration)	\$ 18,222,952	\$ 20,155,114	\$ 1,932,162	11%
Professional, Scientific, and Technical Services	\$ 33,521,724	\$ 20,370,364	\$ (13,151,360)	-39%
Public Administration	\$ -	\$ 1,718,665	\$ 1,718,665	N/A
Real Estate and Rental and Leasing	\$ 7,077,174	\$ 6,116,194	\$ (960,980)	-14%
Retail Trade	\$ 113,302,494	\$ 100,479,457	\$ (12,823,037)	-11%
Transportation and Warehousing	\$ 602,263	\$ 1,162,240	\$ 559,977	93%
Unclassified Establishments	\$ 3,037,245	\$ 3,192,930	\$ 155,686	5%
Utilities	\$ 11,252,465	\$ 9,946,218	\$ (1,306,247)	-12%
Wholesale Trade	\$ 11,713,168	\$ 13,187,250	\$ 1,474,082	13%
All Industries	\$ 361,684,741	\$ 347,009,604	\$ (14,675,137)	-4%

Table 1 shows a decrease of \$14.6M from Q2 in FY22 to FY23 of the same period. Table 1 also shows 12 industries that reported a year-over-year (YOY) loss. The largest decline came from the professional, scientific, and technical services industry, which posted a YOY decline of \$13M or 39%.

Gross receipts tax (GRT) revenue collections increased by \$24K, or 0.6%, from Q2 FY23 to Q3 FY23, seen in Chart 4. Over the last eight quarters GRT collections have trended downward and have averaged \$427K more than what was reported in Q3 FY23 (\$4.4M).

Chart 3. Annual Total GRT Revenue Collections

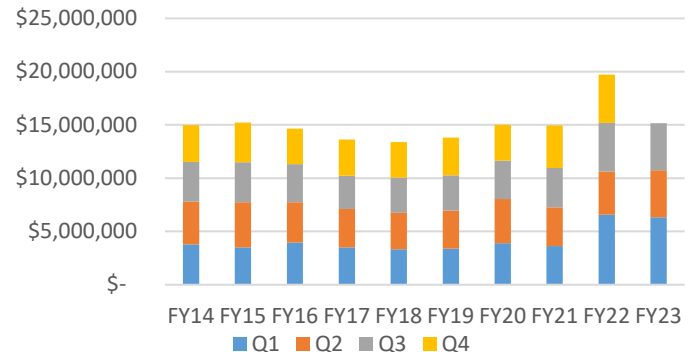


Chart 4. Quarterly GRT Revenue Collections

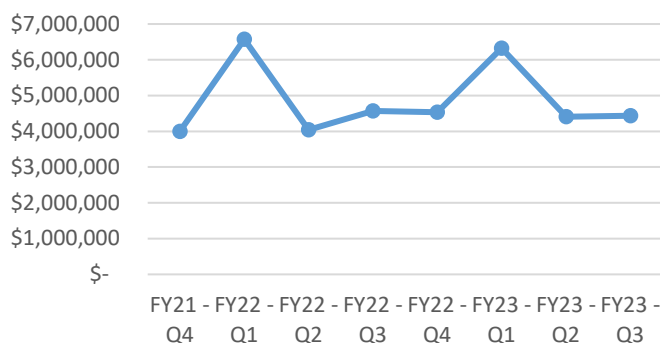
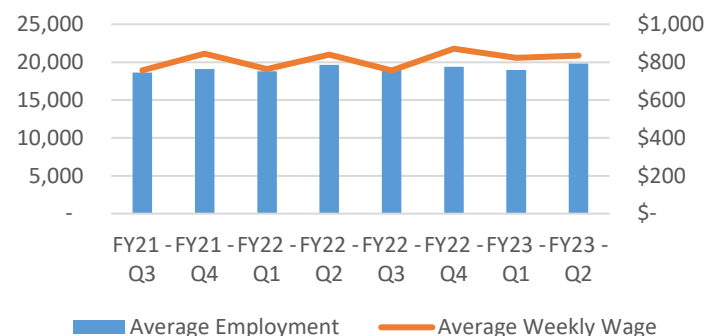


Chart 5. Total Employment & Weekly Wage

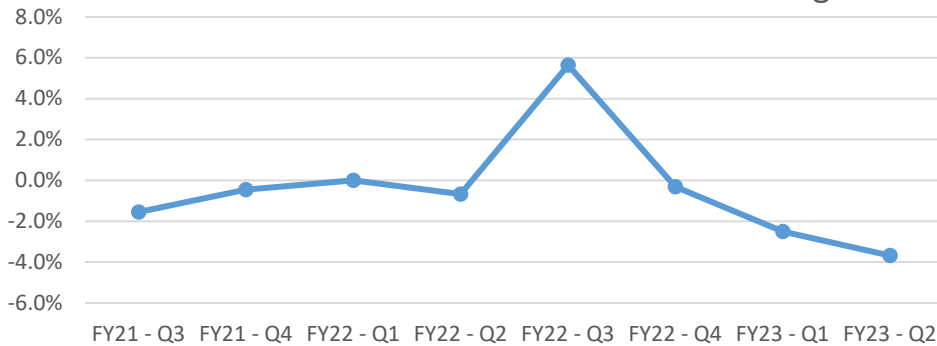


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Chart 6. Establishment Year-Over-Year % Change



An **establishment**, as used in the QCEW and subsequently Chart 6 and Table 2, is an economic unit, such as a farm, factory, or store, which produces goods or provides services at a single physical worksite and is engaged, predominantly, in one type of economic activity.

The **Quarterly Census of Employment and Wages**, or the **QCEW**, used in Charts 5-6 and Table 2, produces comprehensive data on the number of establishments, monthly employment and quarterly wages for workers covered by state unemployment insurance (UI) laws and federal workers covered by the Unemployment Compensation for Federal Employees (UCFE) program. These data are aggregated to many different levels, starting at the 6-digit NAICS industry level, to higher industry levels (NAICS industry groups, sectors, and supersectors), and to higher geographic levels (MSA, state and national).

Data are based on information reported by New Mexico employers, covering 97% of nonfarm wage and salary workers. Data are published every quarter. Considered the gold standard for its reliability of industry data, the QCEW data are the most complete universe of monthly employment and quarterly wage information by detailed industry.

Table 2. FY23 - Q2 Employment Data and Establishments by Industry

Industry	Average Employment	YOY Change in Average Employment	Average Weekly Wage	YOY Change in Average Weekly Wage	Number of Establishments	YOY Change in Establishments
Accommodation and Food Services	2,556	-5.4%	\$ 408	1.0%	140	0.7%
Administrative/Support & Waste Management/Remediation	694	25.5%	\$ 578	-0.9%	59	1.7%
Agriculture, Forestry, Fishing, and Hunting	*	*	*	*	3	0.0%
Arts, Entertainment, and Recreation	448	5.7%	\$ 831	14.0%	12	0.0%
Construction	756	1.9%	\$ 889	9.5%	75	0.0%
Educational Services	2,734	32.5%	\$ 1,085	8.8%	22	0.0%
Finance and Insurance	300	-2.6%	\$ 962	14.4%	60	-1.6%
Health Care and Social Assistance	4,950	0.3%	\$ 938	-8.4%	301	-2.0%
Information	126	0.0%	\$ 752	3.2%	23	0.0%
Management of Companies and Enterprises	*	*	*	*	9	0.0%
Manufacturing	475	-2.1%	\$ 910	-0.7%	29	0.0%
Mining, Quarrying, and Oil and Gas Extraction	27	*	\$ 1,506	*	3	0.0%
Other Services (except Public Administration)	456	-3.4%	\$ 690	2.8%	87	-1.1%
Professional, Scientific, and Technical Services	186	2.2%	\$ 1,299	39.5%	61	1.7%
Public Administration	1,795	3.3%	\$ 1,159	5.2%	67	0.0%
Real Estate and Rental and Leasing	150	2.0%	\$ 821	6.2%	37	0.0%
Retail Trade	3,231	3.0%	\$ 580	-3.5%	195	0.0%
Transportation and Warehousing	368	6.1%	\$ 994	-4.9%	49	0.0%
Utilities	107	-2.7%	\$ 1,757	-1.7%	12	0.0%
Wholesale Trade	434	0.7%	\$ 832	6.8%	38	0.0%
All Industries	19,829	4.5%	\$ 834	1.3%	1,282	-0.4%

*Some data may be withheld to avoid disclosure of confidential information.

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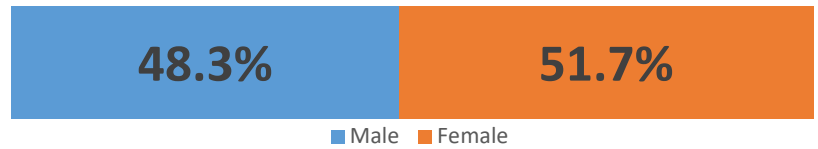
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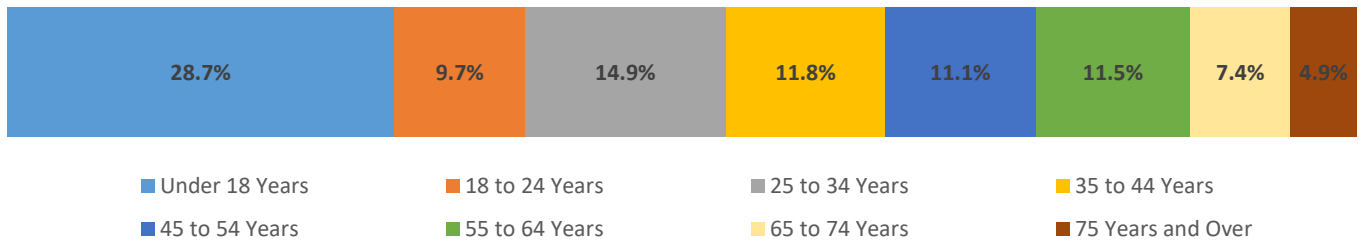
Population

71,956

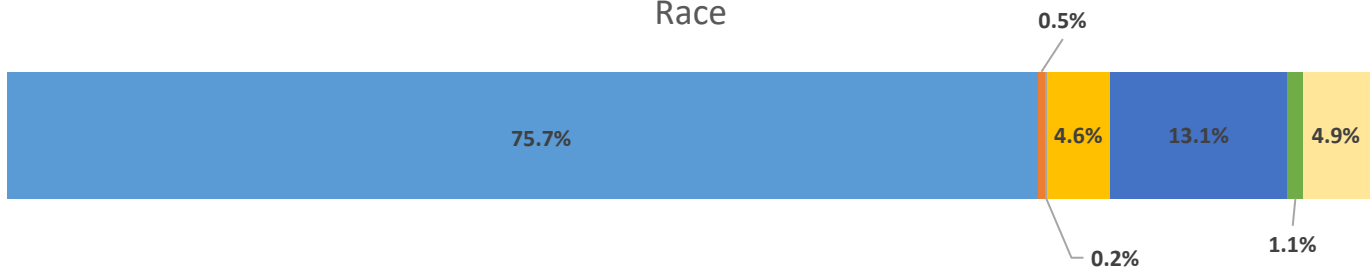
Population Sex



Population Age

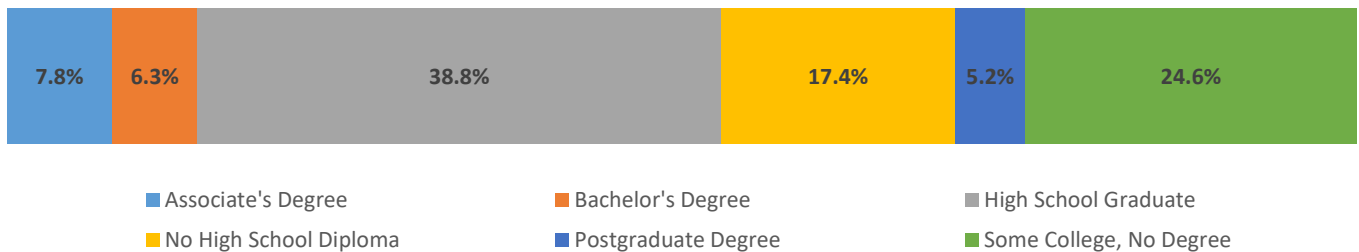


Race



	Percent
Native American	75.7%
Black or African American	0.5%
Native Hawaiian and Other Pacific Islander	0.2%
Some Other Race	4.6%
White	13.1%
Asian	1.1%
Two or More Races	4.9%

Educational Attainment, Age 25-64



Page 4 Source: JobsEQ - American Community Survey 2016-2020, unless noted otherwise