

Quarterly Economic Summary

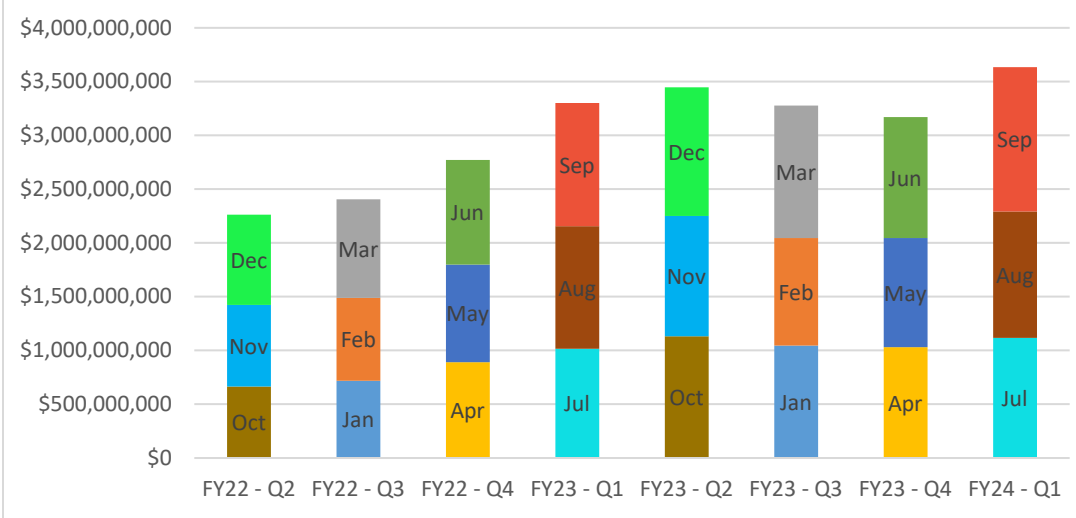
Lea County



Released: February 2024

Prepared by: Joel Salas, Economist

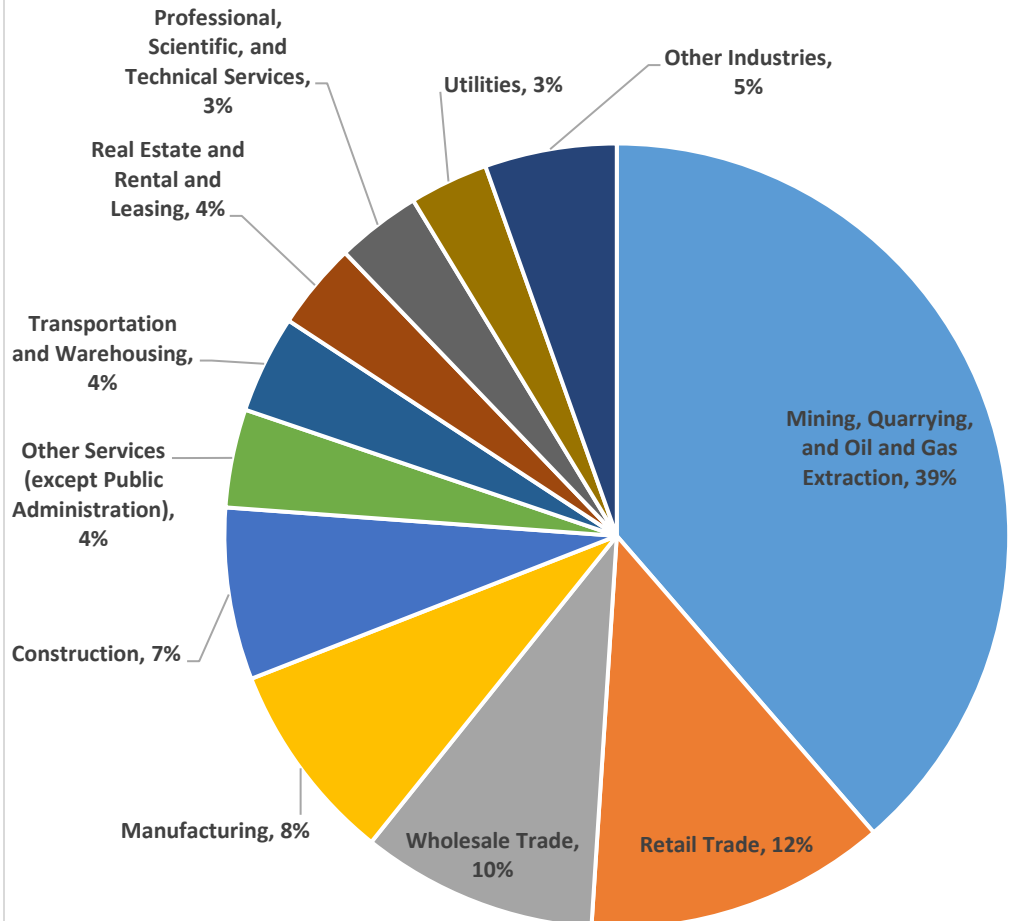
Chart 1. Matched Taxable Gross Receipts Per Quarter



In the first quarter of FY24, 28 of 33 counties saw year-over-year economic growth, with 9.1% growth statewide in matched taxable gross receipts (MTGR). State gross receipts increased from the fourth quarter of FY23, bringing it to the highest ever quarterly total in MTGR for the state.

Lea County's matched taxable gross receipts (MTGR) increased by \$464M, or 14.6%, from Q4 FY23 to Q1 FY24, as seen in Chart 1. The amount reported during Q1 FY24 (\$3.6B) was \$601M larger than the eight-quarter average (\$3B). As seen in Chart 2, the largest industry as a percentage of total MTGR was the oil and gas industry, which accounted for 39% of total MTGR during Q1 FY24. Last quarter the industry accounted for 40%.

Chart 2. FY24 - Q1 Industry Size by Matched Taxable Gross Receipts



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.

SOURCES: NEW MEXICO TAXATION AND REVENUE DEPT, NEW MEXICO DEPARTMENT OF WORKFORCE SOLUTIONS, U.S. BUREAU OF LABOR STATISTICS, U.S. BUREAU OF ECONOMIC ANALYSIS AND EDD CALCULATIONS

Quarterly Economic Summary

Lea County



Table 1. Matched Taxable Gross Receipts by Industry

Industries	FY23 - Q1	FY24 - Q1	Growth	Year over year Change
Accommodation and Food Services	\$ 49,419,079	\$ 55,313,093	\$ 5,894,014	12%
Administrative/Support & Waste Management/Remediation	\$ 40,175,346	\$ 47,707,443	\$ 7,532,097	19%
Agriculture, Forestry, Fishing, and Hunting	\$ (4,848,315)	\$ 3,547,068	*	*
Arts, Entertainment, and Recreation	\$ 3,129,845	\$ 4,044,799	\$ 914,953	29%
Construction	\$ 254,067,638	\$ 257,662,836	\$ 3,595,198	1%
Educational Services	\$ 467,630	\$ 1,713,526	\$ 1,245,896	266%
Finance and Insurance	\$ 3,251,687	\$ 3,240,825	\$ (10,862)	0%
Health Care and Social Assistance	\$ 23,293,330	\$ 31,006,007	\$ 7,712,677	33%
Information	\$ 19,195,546	\$ 19,978,719	\$ 783,173	4%
Management of Companies and Enterprises	\$ 10,294	\$ 141,714	\$ 131,420	1277%
Manufacturing	\$ 199,812,965	\$ 302,218,495	\$ 102,405,530	51%
Mining, Quarrying, and Oil and Gas Extraction	\$ 1,406,772,223	\$ 1,404,304,627	\$ (2,467,596)	0%
Other Services (except Public Administration)	\$ 130,682,507	\$ 147,307,821	\$ 16,625,314	13%
Professional, Scientific, and Technical Services	\$ 106,159,826	\$ 127,110,281	\$ 20,950,455	20%
Public Administration	\$ 1,126,810	\$ 782,283	\$ (344,527)	-31%
Real Estate and Rental and Leasing	\$ 112,323,945	\$ 130,211,326	\$ 17,887,380	16%
Retail Trade	\$ 324,628,978	\$ 450,551,666	\$ 125,922,688	39%
Transportation and Warehousing	\$ 146,025,904	\$ 146,475,129	\$ 449,226	0%
Unclassified Establishments	\$ 44,045,682	\$ 30,040,805	\$ (14,004,878)	-32%
Utilities	\$ 126,105,772	\$ 117,952,859	\$ (8,152,912)	-6%
Wholesale Trade	\$ 315,215,432	\$ 353,414,961	\$ 38,199,528	12%
All Industries	\$ 3,302,195,930	\$ 3,635,659,068	\$ 333,463,138	10%

Table 1 shows that all but five industries reported a year-over-year (YOY) increase. The largest increase came from the manufacturing industry, which posted a YOY increase of \$102M. The largest decline came from the unclassified establishments isector, which posted a YOY decrease of \$14M.

The amount of quarterly gross receipts tax (GRT) collections during Q1 FY24 (\$12.4M), as seen in Chart 4, is an increase of \$1.7M, or 16.7%, as compared to Q4 FY23. The amount collected during Q1 FY24 is \$2.2M larger than the eight-quarter average (\$10.1M).

Chart 3. Annual Total GRT Revenue Collections

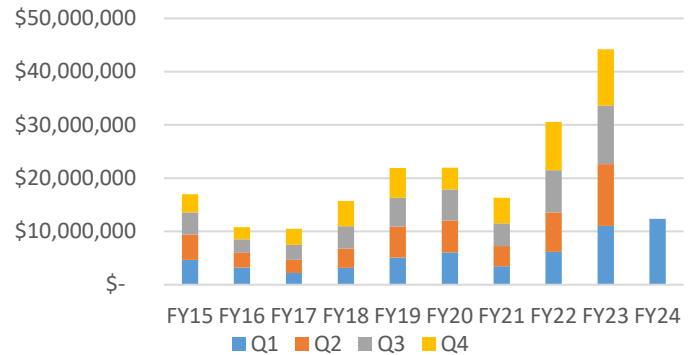


Chart 4. Quarterly GRT Revenue Collections

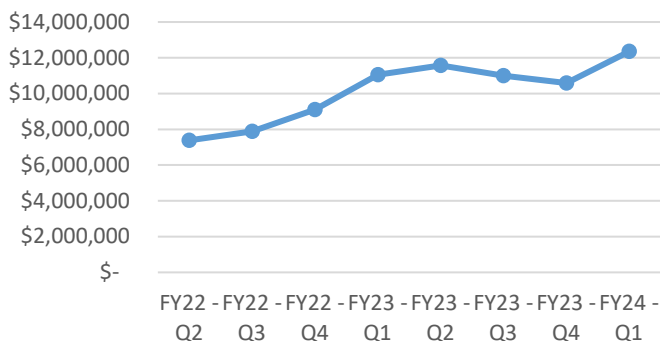
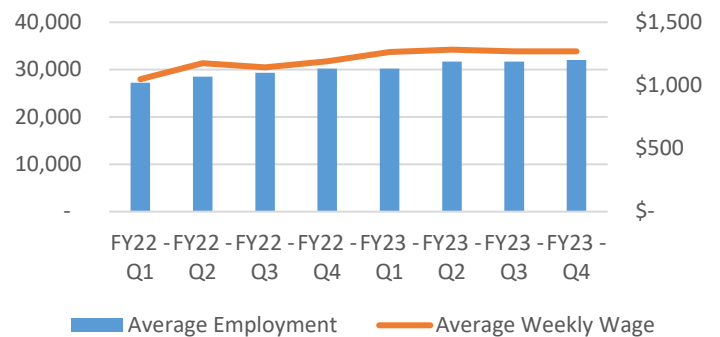


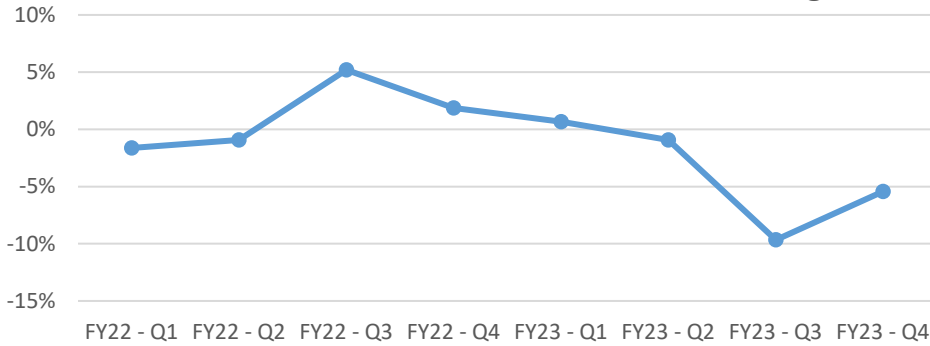
Chart 5. Total Employment & Weekly Wage



Quarterly Economic Summary Lea County



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 engaged, predominantly, in one type of economic activity.

Gross Domestic Product (GDP) is the value of all goods and services produced in an area. The percentage that GDP grew (or shrank) from one period to another is an important indicator as to how the economy is performing. Table 2, below, shows the percentage of GDP each industry accounts for in the total GDP, in a specific county and the state. The chart also compares the county to the entire state of New Mexico, by showing the impact of specific industry sectors on the county's GDP compared to that of the whole state.

Chart 7. Calendar Year % Change In Real GDP Year Over Year

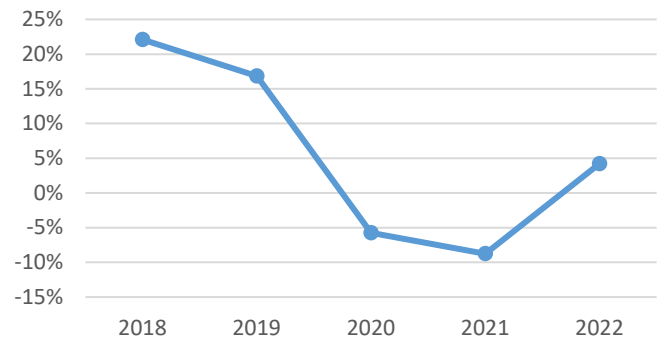


Table 2. Historical Glance: 2022 Gross Domestic Product by Industry

Industry	2022	Industry % of Total	2021-2022 Growth	YOY % Change
Accommodation and Food Services	\$ 136,196,000	2.23%	\$ 7,031,000	5%
Administrative/Support & Waste Management/Remediation	\$ 121,669,000	1.99%	\$ 21,199,000	21%
Agriculture, Forestry, Fishing, and Hunting	\$ 85,752,000	1.40%	\$ 17,747,000	26%
Arts, Entertainment, and Recreation	\$ 6,885,000	0.11%	\$ 2,323,000	51%
Construction	\$ 212,910,000	3.49%	\$ 18,986,000	10%
Educational Services	*	*	*	*
Finance and Insurance	\$ 92,953,000	1.52%	\$ 6,381,000	7%
Health Care and Social Assistance	*	*	*	*
Information	\$ 47,166,000	0.77%	\$ 4,625,000	11%
Management of Companies and Enterprises	\$ 22,938,000	0.38%	\$ 4,016,000	21%
Manufacturing	\$ 147,322,000	2.41%	\$ (21,169,000)	-13%
Mining, Quarrying, and Oil and Gas Extraction	\$ 3,344,084,000	54.77%	\$ 163,515,000	5%
Other Services (except Public Administration)	\$ 95,647,000	1.57%	\$ 1,055,000	1%
Professional, Scientific, and Technical Services	\$ 77,666,000	1.27%	\$ 11,625,000	18%
Public Administration	\$ 369,235,000	6.05%	\$ 17,341,000	5%
Real Estate and Rental and Leasing	\$ 418,593,000	6.86%	\$ 41,289,000	11%
Retail Trade	\$ 234,981,000	3.85%	\$ (39,623,000)	-14%
Transportation and Warehousing	\$ 228,711,000	3.75%	\$ 7,820,000	4%
Utilities	\$ 197,302,000	3.23%	\$ (21,842,000)	-10%
Wholesale Trade	\$ 127,170,000	2.08%	\$ 994,000	1%
All Industries	\$ 6,105,243,000		\$ 246,308,000	4%

*Not shown to avoid disclosure of confidential information

-This historical look at GDP data represents the most recent county GDP data available

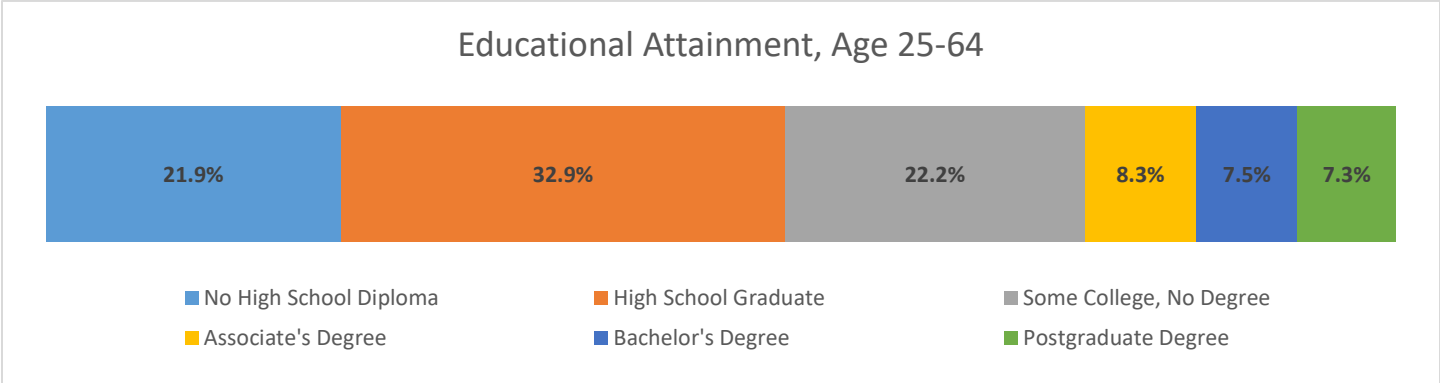
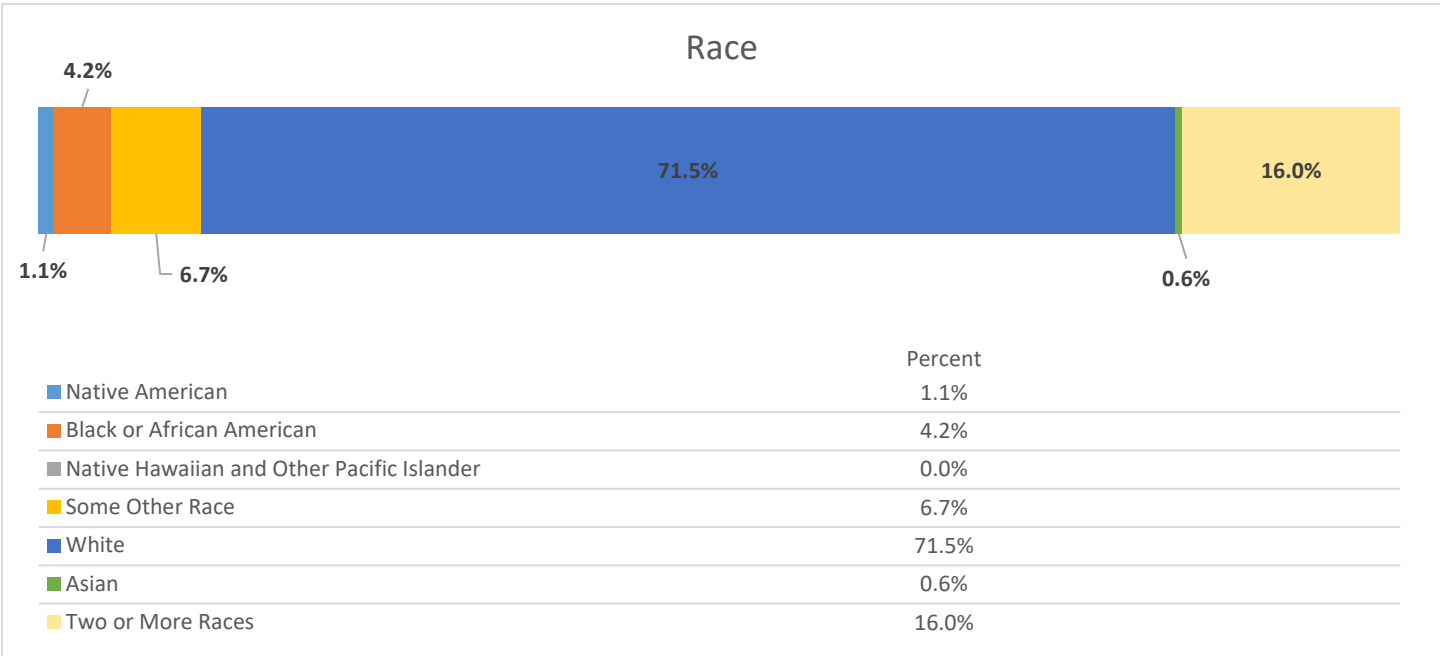
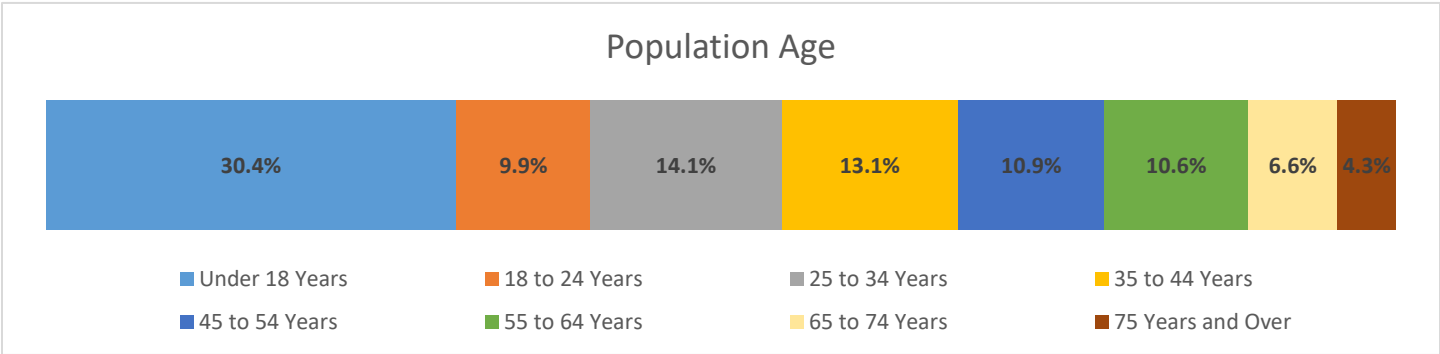
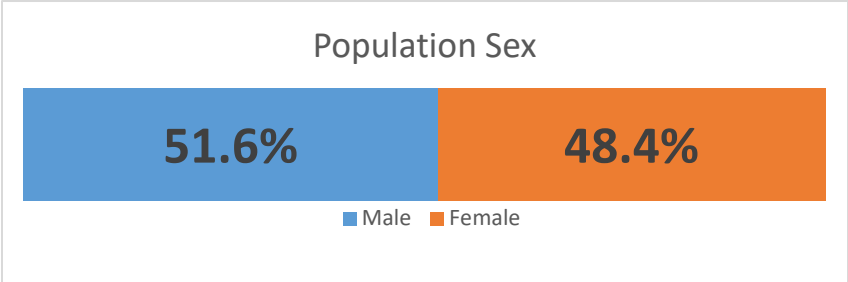
Quarterly Economic Summary

Lea County



Population

72,743



Page 4 Source: JobsEQ - American Community Survey 2021 5-year estimates, unless noted otherwise