

# Quarterly Economic Summary

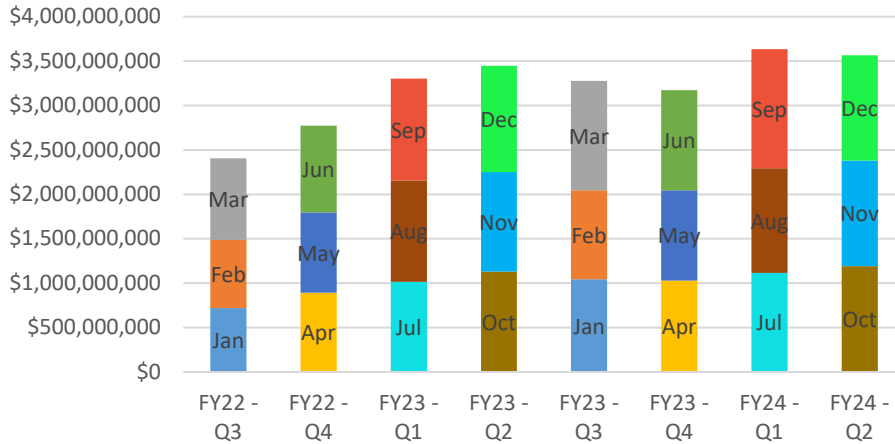
## Lea County



Released: May 2024

Prepared by: Joel Salas, Economist; Daye Kwon, Economist

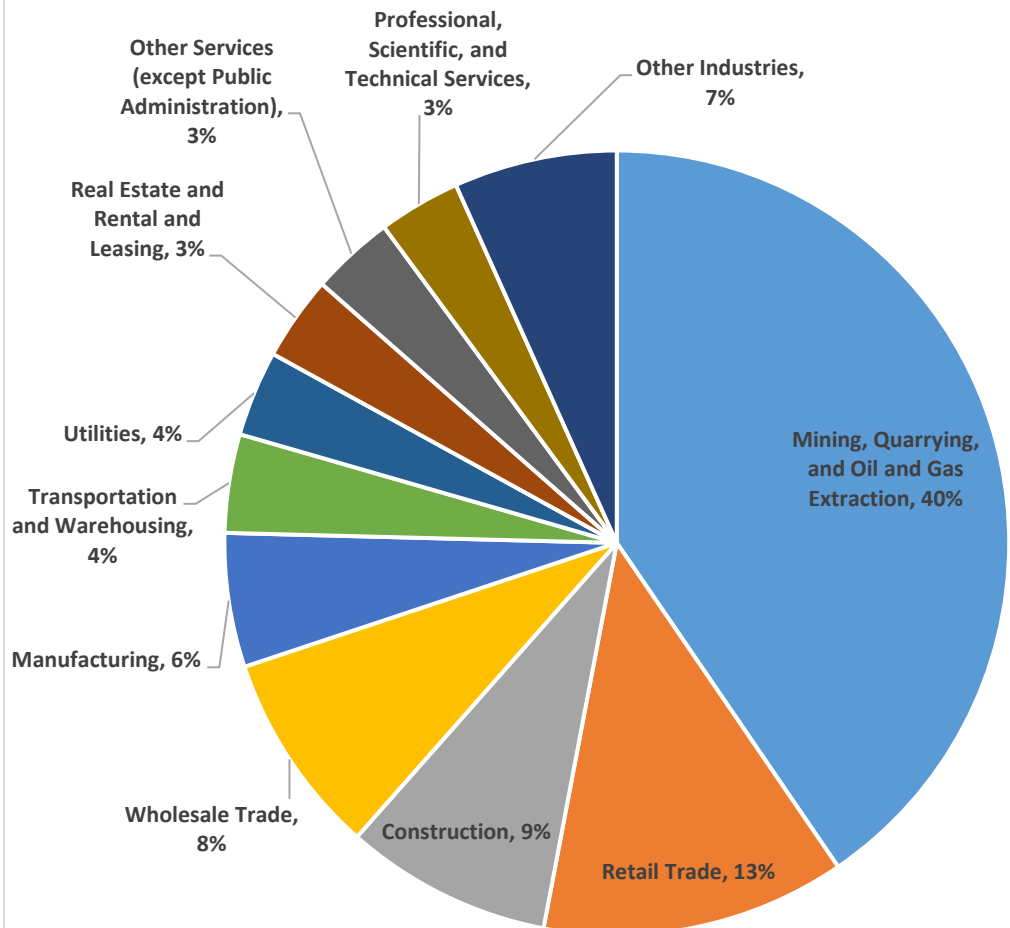
Chart 1. Matched Taxable Gross Receipts Per Quarter



In the second quarter of FY24, 25 of 33 counties saw year-over-year economic growth, with 5.1% growth statewide in matched taxable gross receipts (MTGR). State MTGR was the second highest quarterly total, trailing only the previous quarter, Q1 FY24. As inflation remains stubborn, employment, wages, and number of establishments are up year-over-year in New Mexico.

Over the last eight quarters matched taxable gross receipts (MTGR) have averaged \$3.2B, which is \$369M less than the amount reported during Q2 FY24 (\$3.6B). From Q1 FY24 to Q2 FY24, MTGR decreased by 1.9% or just under \$69M. Despite this decline, MTGR in Lea County have an upward trend. As seen in Chart 2, the oil and gas and retail trade industries accounted for 53% of Lea County's total MTGR.

Chart 2. FY24 - Q2 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.

# Quarterly Economic Summary

## Lea County

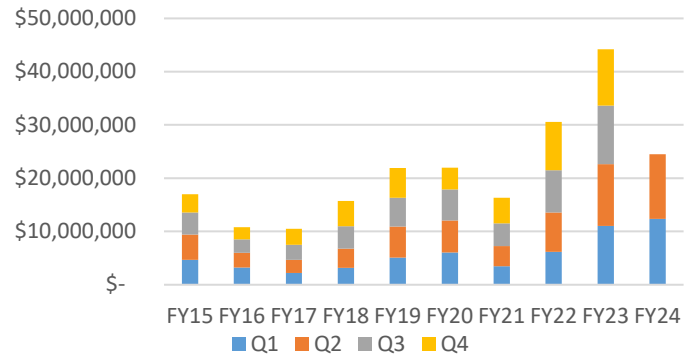


**Table 1. Matched Taxable Gross Receipts by Industry**

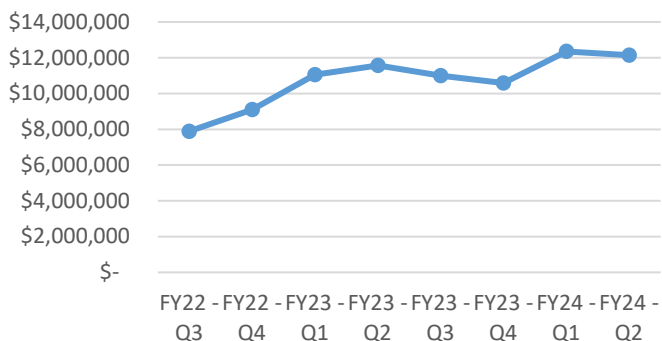
| Industries  | FY23 - Q2               | FY24 - Q2               | Growth                | Year over year Change |
|---|-------------------------|-------------------------|-----------------------|-----------------------|
| Accommodation and Food Services                       | \$ 46,867,101           | \$ 52,034,875           | \$ 5,167,774          | 11%                   |
| Administrative/Support & Waste Management/Remediation | \$ 44,944,445           | \$ 48,778,623           | \$ 3,834,177          | 9%                    |
| Agriculture, Forestry, Fishing, and Hunting           | \$ (2,764,456)          | \$ 4,638,743            | \$ 7,403,199          | -268%                 |
| Arts, Entertainment, and Recreation                   | \$ 2,934,492            | \$ 3,588,583            | \$ 654,091            | 22%                   |
| Construction  | \$ 222,106,016          | \$ 304,049,869          | \$ 81,943,852         | 37%                   |
| Educational Services                                  | \$ 399,380              | \$ 2,203,205            | \$ 1,803,825          | 452%                  |
| Finance and Insurance                                 | \$ 3,053,308            | \$ 3,354,904            | \$ 301,597            | 10%                   |
| Health Care and Social Assistance                     | \$ 36,367,863           | \$ 37,211,008           | \$ 843,144            | 2%                    |
| Information   | \$ 19,355,353           | \$ 21,403,601           | \$ 2,048,248          | 11%                   |
| Management of Companies and Enterprises               | \$ 162,889              | \$ 254,973              | \$ 92,083             | 57%                   |
| Manufacturing   | \$ 208,867,016          | \$ 196,877,491          | \$ (11,989,525)       | -6%                   |
| Mining, Quarrying, and Oil and Gas Extraction         | \$ 1,531,717,393        | \$ 1,442,779,517        | \$ (88,937,876)       | -6%                   |
| Other Services (except Public Administration)         | \$ 137,556,573          | \$ 122,152,701          | \$ (15,403,872)       | -11%                  |
| Professional, Scientific, and Technical Services      | \$ 98,461,982           | \$ 120,641,401          | \$ 22,179,419         | 23%                   |
| Public Administration                                 | \$ 2,253,845            | \$ 1,240,192            | \$ (1,013,654)        | -45%                  |
| Real Estate and Rental and Leasing                    | \$ 124,246,020          | \$ 123,736,238          | \$ (509,781)          | 0%                    |
| Retail Trade  | \$ 331,191,218          | \$ 446,912,560          | \$ 115,721,342        | 35%                   |
| Transportation and Warehousing                        | \$ 135,660,945          | \$ 144,787,721          | \$ 9,126,776          | 7%                    |
| Unclassified Establishments                           | \$ 47,283,846           | \$ 65,067,439           | \$ 17,783,593         | 38%                   |
| Utilities   | \$ 148,572,941          | \$ 125,865,872          | \$ (22,707,069)       | -15%                  |
| Wholesale Trade                                       | \$ 308,360,449          | \$ 298,433,142          | \$ (9,927,307)        | -3%                   |
| <b>All Industries</b>                                 | <b>\$ 3,448,104,356</b> | <b>\$ 3,566,693,310</b> | <b>\$ 118,588,954</b> | <b>3%</b>             |

Table 1 shows that, when comparing year-over-year (YOY) MTGR growth, the largest contribution came from the retail trade industry, with a YOY increase of \$116M. The largest decline came from mining, quarrying, and oil and gas extraction, with a YOY decrease of \$89M. Agriculture, forestry, fishing, and hunting shows negative MTGR in Q2 FY23, likely due to amended tax filings with TRD. The amount of quarterly gross receipts tax (GRT) collected during Q2 FY24 (\$12M) was 1.6% less than the amount collected during Q1 FY24, as seen in Chart 4. Over the last eight quarters GRT collections have averaged \$10.7M.

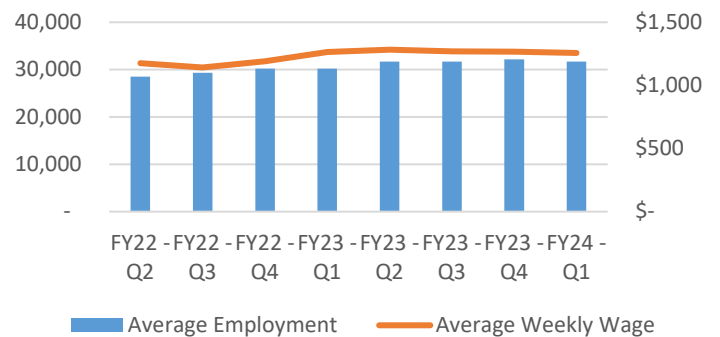
**Chart 3. Annual Total GRT Revenue Collections**



**Chart 4. Quarterly GRT Revenue Collections**



**Chart 5. Total Employment & Weekly Wage**

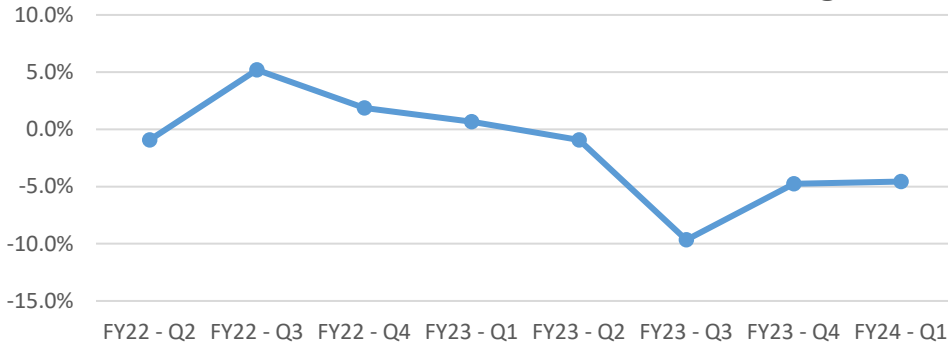


# Quarterly Economic Summary

## 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 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. FY24 - Q1 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                       | 3,161              | 1.1%                             | \$ 478              | 4.8%                              | 167                      | -0.6%                        |
| Administrative/Support & Waste Management/Remediation | 1,587              | 7.5%                             | \$ 930              | -4.3%                             | 102                      | 9.7%                         |
| Agriculture, Forestry, Fishing, and Hunting           | 393                | 2.6%                             | \$ 899              | 10.3%                             | 38                       | 2.7%                         |
| Arts, Entertainment, and Recreation                   | 370                | 25.4%                            | \$ 478              | -19.3%                            | 21                       | 10.5%                        |
| Construction  | 3,096              | 9.1%                             | \$ 1,345            | -5.5%                             | 189                      | -3.6%                        |
| Educational Services                                  | 2,091              | 6.3%                             | \$ 1,020            | 6.4%                              | 15                       | 7.1%                         |
| Finance and Insurance                                 | 430                | -32.7%                           | \$ 991              | -20.9%                            | 78                       | -50.6%                       |
| Health Care and Social Assistance                     | 2,665              | 1.5%                             | \$ 961              | 1.7%                              | 159                      | -1.9%                        |
| Information   | 215                | 11.4%                            | \$ 1,137            | 3.4%                              | 29                       | 26.1%                        |
| Management of Companies and Enterprises               | 156                | -6.0%                            | \$ 1,342            | -30.5%                            | 9                        | -18.2%                       |
| Manufacturing   | 576                | 7.5%                             | \$ 1,604            | -8.4%                             | 37                       | 5.7%                         |
| Mining, Quarrying, and Oil and Gas Extraction         | 7,386              | 5.3%                             | \$ 1,871            | -0.8%                             | 341                      | -5.3%                        |
| Other Services (except Public Administration)         | 662                | 2.6%                             | \$ 1,002            | -4.9%                             | 121                      | -1.6%                        |
| Professional, Scientific, and Technical Services      | 810                | 9.8%                             | \$ 1,197            | 0.6%                              | 136                      | -4.9%                        |
| Public Administration                                 | 899                | -1.9%                            | \$ 1,493            | 9.3%                              | 61                       | -3.2%                        |
| Real Estate and Rental and Leasing                    | 521                | 9.7%                             | \$ 1,405            | 0.5%                              | 84                       | -9.7%                        |
| Retail Trade  | 3,321              | 8.6%                             | \$ 707              | -4.6%                             | 226                      | 6.6%                         |
| Transportation and Warehousing                        | 2,001              | 12.7%                            | \$ 1,748            | 0.1%                              | 199                      | -1.0%                        |
| Utilities   | 499                | 6.2%                             | \$ 1,901            | 14.4%                             | 28                       | 0.0%                         |
| Wholesale Trade                                       | 866                | 0.6%                             | \$ 1,589            | 5.2%                              | 108                      | -3.6%                        |
| <b>All Industries</b>                                 | <b>31,704</b>      | <b>5.0%</b>                      | <b>\$ 1,258</b>     | <b>-0.6%</b>                      | <b>2,148</b>             | <b>-4.6%</b>                 |

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

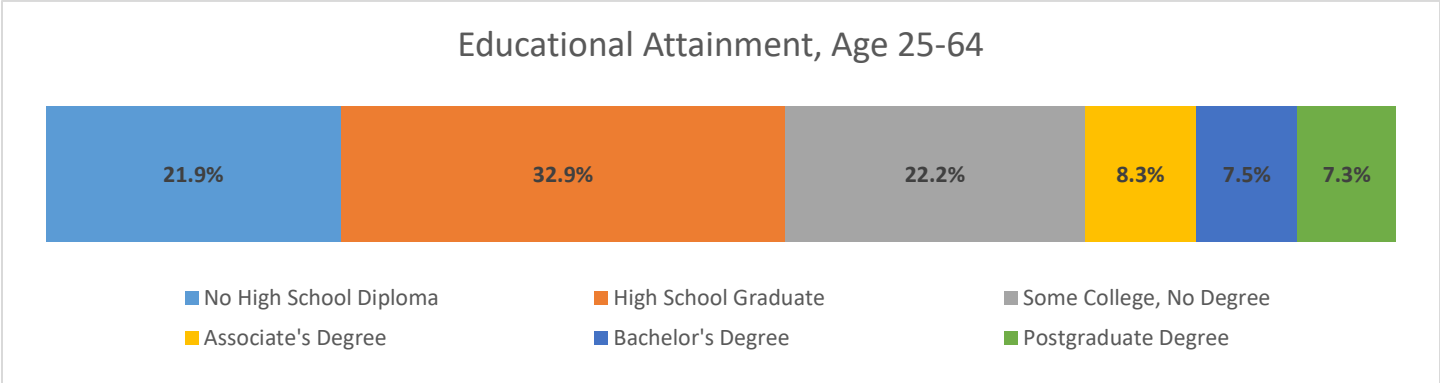
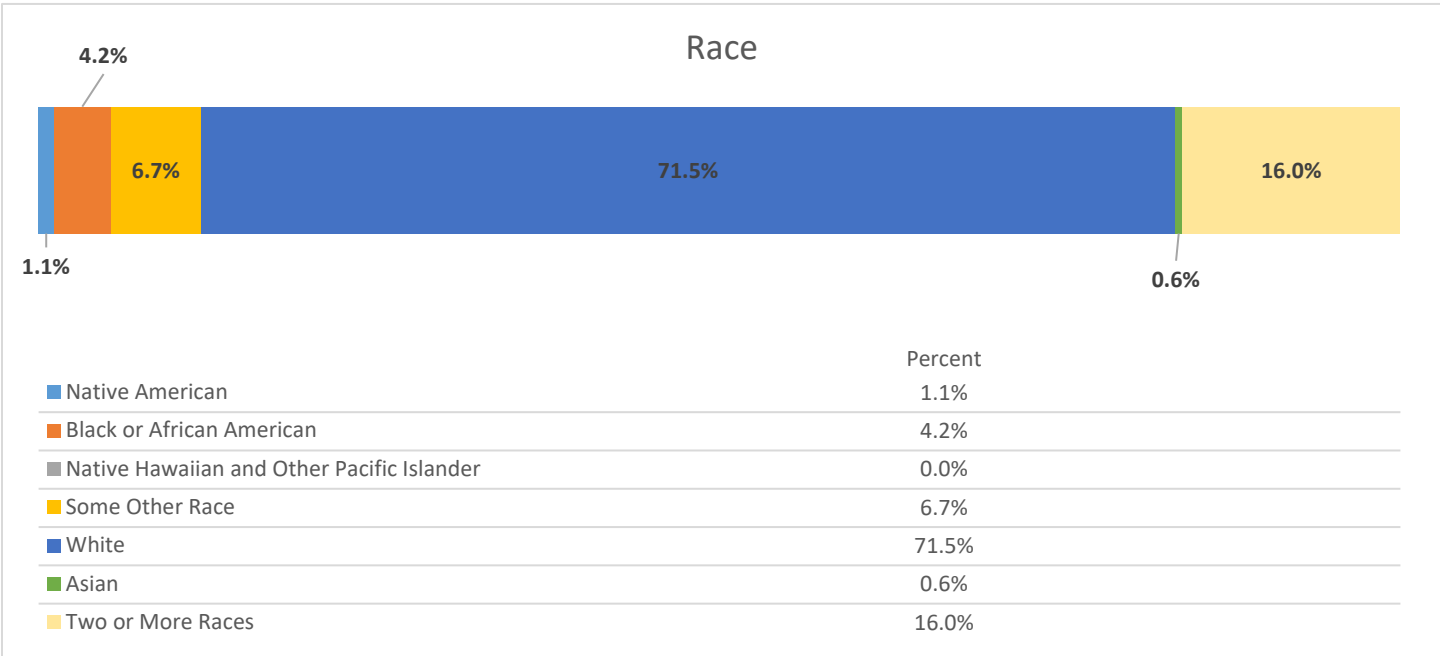
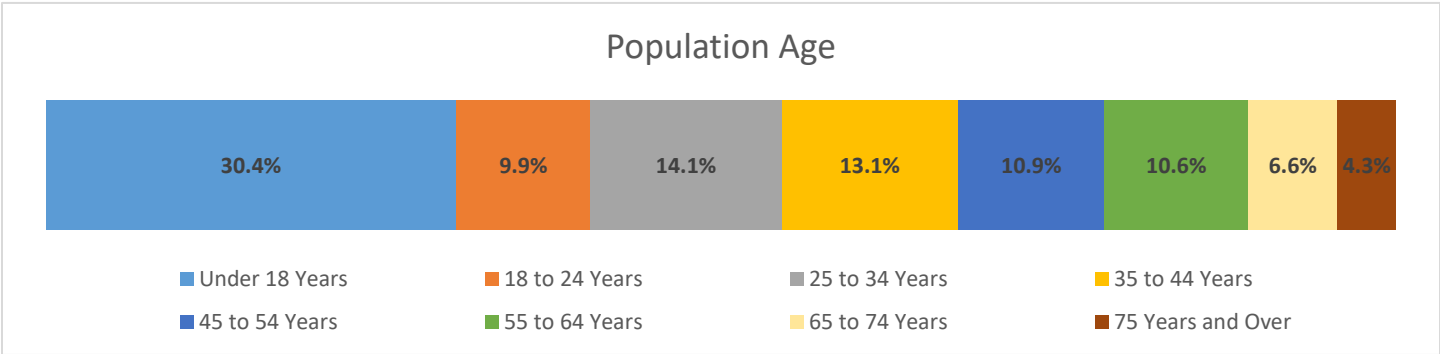
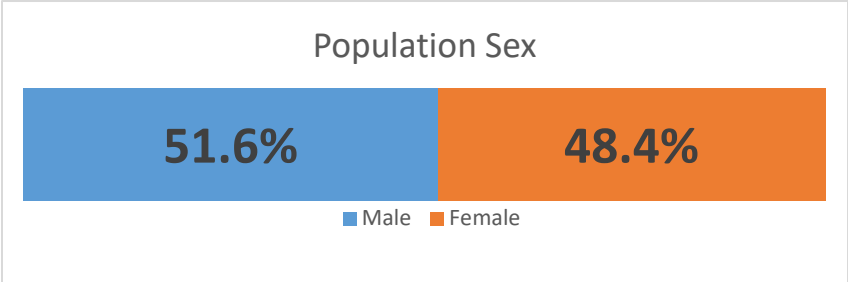
# Quarterly Economic Summary

## Lea County



# Population

## 72,743



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