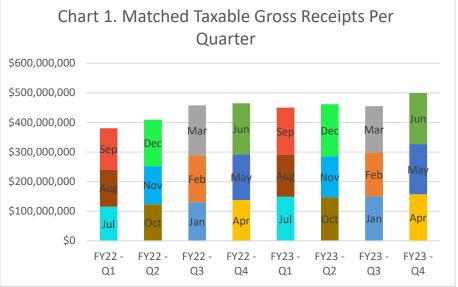
Quarterly Economic Summary



EDD ECONOMIC DEVELOPMENT DEPARTMENT

Released: September 2023

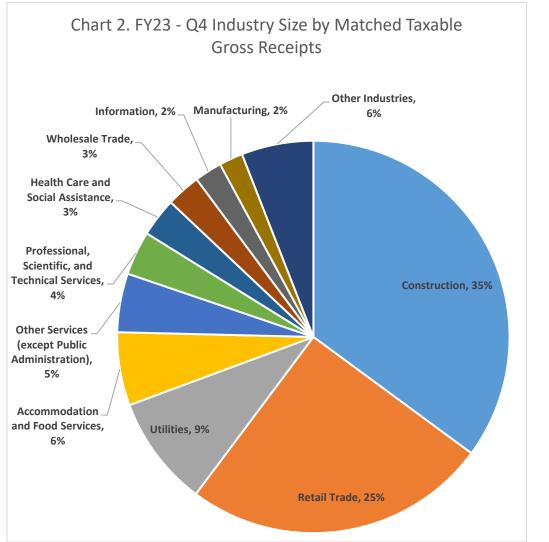
Prepared by: Joel Salas, Economist; Ryan Eustice, Economist



In the fourth quarter of FY23, 26 of 33 counties saw year-over-year economic growth, with 10.6% growth statewide in matched taxable gross receipts (MTGR). State gross receipts increased from the third quarter of FY23 bringing it to the highest ever quarterly total in MTGR for the state. As growth in New Mexico continues, the nation keeps an eye on the direction of inflation and rising interest rates while labor markets continue to adjust post pandemic.

Valencia County's matched taxable gross receipts (MTGR) increased by nearly \$45M, or 9.8%, from Q3 FY23 to Q4 FY23, as seen in Chart 1. The amount reported during Q4 FY23 (\$499M) was \$52M larger than the eight-quarter average (\$447M). Shown in Chart 2, the largest industry as a percentage of MTGR was the construction industry, which accounted for 35% of the total MTGR during Q4 FY23. Last quarter, the industry accounted for 38%.

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

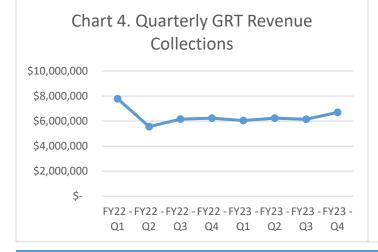
Quarterly Economic Summary Valencia County



| Table 1. Matched Taxable Gross Receipts by Industry | | | | | | | | | | | | |
|---|----|-------------|----|-------------|----|-------------|-------------------|-------|--|--|--|--|
| Industries | | FY22 - Q4 | | FY23 - Q4 | | Growth | Year over year Ch | nange | | | | |
| Accommodation and Food Services | \$ | 26,164,335 | \$ | 30,130,499 | \$ | 3,966,165 | | 15% | | | | |
| Administrative/Support & Waste Management/Remediation | \$ | 6,721,183 | \$ | 8,445,623 | \$ | 1,724,439 | | 26% | | | | |
| Agriculture, Forestry, Fishing, and Hunting | \$ | 475,157 | \$ | 688,094 | \$ | 212,937 | | 45% | | | | |
| Arts, Entertainment, and Recreation | \$ | 850,021 | \$ | 766,581 | \$ | (83,440) | | -10% | | | | |
| Construction | \$ | 177,524,520 | \$ | 175,286,764 | \$ | (2,237,756) | | -1% | | | | |
| Educational Services | \$ | 456,487 | \$ | 430,374 | \$ | (26,113) | | -6% | | | | |
| Finance and Insurance | \$ | 1,245,359 | \$ | 904,778 | \$ | (340,581) | | -27% | | | | |
| Health Care and Social Assistance | \$ | 15,489,937 | \$ | 15,932,328 | \$ | 442,391 | | 3% | | | | |
| Information | \$ | 10,758,180 | \$ | 11,282,317 | \$ | 524,137 | | 5% | | | | |
| Management of Companies and Enterprises | \$ | - | \$ | - | \$ | - | N/A | | | | | |
| Manufacturing | \$ | 9,434,671 | \$ | 9,771,555 | \$ | 336,883 | | 4% | | | | |
| Mining, Quarrying, and Oil and Gas Extraction | \$ | 197,467 | \$ | 269,302 | \$ | 71,835 | | 36% | | | | |
| Other Services (except Public Administration) | \$ | 21,270,817 | \$ | 24,171,567 | \$ | 2,900,750 | | 14% | | | | |
| Professional, Scientific, and Technical Services | \$ | 23,225,449 | \$ | 18,099,203 | \$ | (5,126,247) | | -22% | | | | |
| Public Administration | \$ | - | \$ | - | \$ | - | N/A | | | | | |
| Real Estate and Rental and Leasing | \$ | 9,263,116 | \$ | 8,309,972 | \$ | (953,144) | | -10% | | | | |
| Retail Trade | \$ | 113,800,834 | \$ | 125,478,758 | \$ | 11,677,924 | | 10% | | | | |
| Transportation and Warehousing | \$ | 4,227,964 | \$ | 2,485,069 | \$ | (1,742,895) | | -41% | | | | |
| Unclassified Establishments | \$ | 6,192,588 | \$ | 7,308,954 | \$ | 1,116,367 | | 18% | | | | |
| Utilities | \$ | 22,481,681 | \$ | 45,593,191 | \$ | 23,111,510 | | 103% | | | | |
| Wholesale Trade | \$ | 14,586,639 | \$ | 14,065,226 | \$ | (521,413) | 1 | -4% | | | | |
| All Industries | \$ | 464,428,808 | \$ | 499,468,614 | \$ | 35,039,806 | | 8% | | | | |

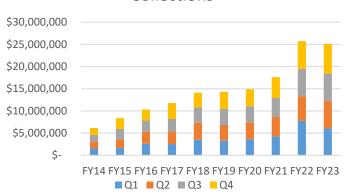
Table 1 shows that all but eight industries reported a year-over-year (YOY) increase. The largest increase came from the utilities industry, which posted a YOY increase of \$23.1M. The largest decline came from the professional, scientific, and technical services industry, which posted a YOY decrease of \$5.1M.

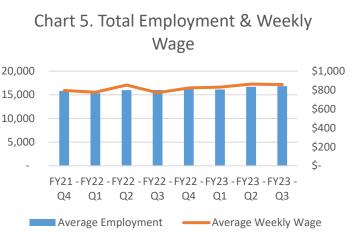
The amount of quarterly gross receipts tax (GRT) collections during Q4 FY23 (\$6.7M), as seen in Chart 4, is an increase of \$559K, or 9.1%, as compared to Q3 FY23. The amount collected during Q4 FY23 is \$342K larger than the eight-quarter average (\$6.4M).



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







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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 engaged, and is 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.

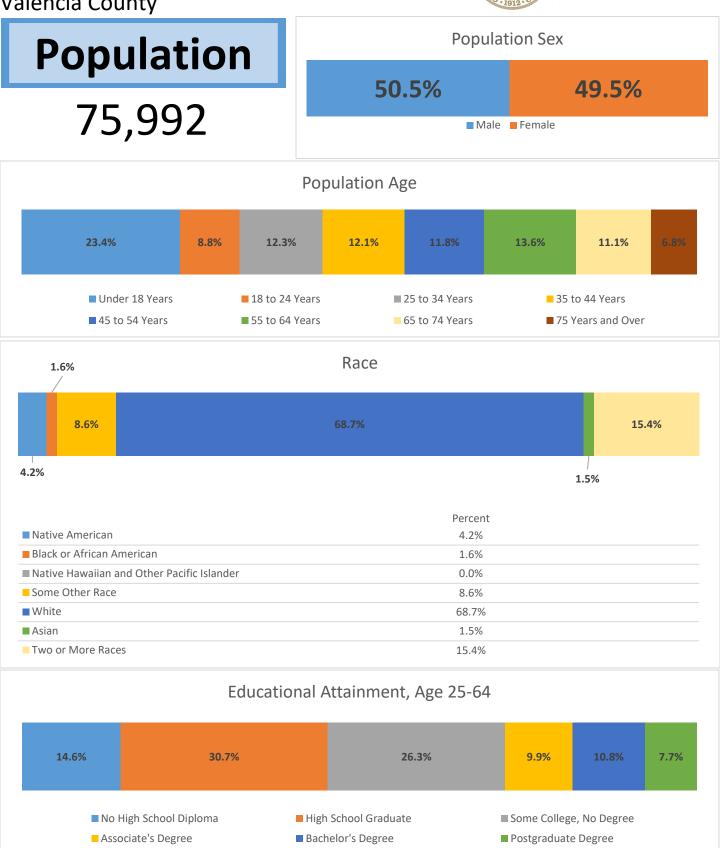
| Table 2. FT23 - | Q5 Employme | | a anu t | Stabilsli | ment | S Dy IIIC | JUSU | У | | |
|--|----------------------|-----------------------|---------|----------------------|-------|-----------|---------------------------------|-----------|---------------|--|
| | YOY Change | | | YOY change in | | | | | | |
| | Average Average | | e | Average | A | Average | | Number of | YOY Change in | |
| Industry | Employment | Employment Employment | | Weekly Wage Weekly W | | | age Establishments Establishmer | | | |
| Accommodation and Food Services | 1,659 |) | 15.7% | \$ | 395 | : 🛽 | 10.0% | 103 | 8.4% | |
| Administrative/Support & Waste | | | | | | | | | | |
| Management/Remediation | 379 |) | 21.1% | \$ | 809 | | 23.1% | 70 | 2.9% | |
| Agriculture, Forestry, Fishing, and Hunting | 132 | | -34.3% | \$ | 677 | | 26.3% | 20 | -13.0% | |
| Arts, Entertainment, and Recreation | 114 | Ļ | 17.5% | \$ | 470 | | 4.0% | 15 | -16.7% | |
| Construction | 2,098 | 5 | 5.9% | \$ | 1,299 | : 📕 | 13.7% | 205 | 3.0% | |
| Educational Services | 2,114 | L . | 7.8% | \$ | 884 | : 🛽 | 10.5% | 35 | 2.9% | |
| Finance and Insurance | 226 | i I | -8.1% | \$ | 1,059 | : 📘 | 13.3% | 72 | 16.1% | |
| Health Care and Social Assistance | 3,112 | 2 | 14.0% | \$ | 646 | | 27.2% | 391 | -1.8% | |
| Information | 211 | | 17.2% | \$ | 3,321 | | 21.3% | 20 | 17.6% | |
| Management of Companies and Enterprises | 57 | ' | -17.4% | \$ | 1,210 | | 16.7% | 9 | -10.0% | |
| Manufacturing | 677 | ' | -9.7% | \$ | 1,098 | | 1.9% | 41 | -8.9% | |
| Mining, Quarrying, and Oil and Gas Extraction | 13 | | -27.8% | \$ | 1,000 | | -2.5% | 5 | 0.0% | |
| Other Services (except Public Administration) | 259 |) | 1.6% | \$ | 723 | | 18.9% | 84 | 2.4% | |
| Professional, Scientific, and Technical Services | 363 | 5 | 8.7% | \$ | 1,095 | | 5.6% | 115 | 15.0% | |
| Public Administration | 974 | Ļ | -1.1% | \$ | 1,077 | : | 14.7% | 79 | 0.0% | |
| Real Estate and Rental and Leasing | 116 | 5 | 6.4% | \$ | 563 | : | 11.9% | 51 | -1.9% | |
| Retail Trade | 2,779 |) | -0.3% | \$ | 646 | | 7.1% | 153 | 3.4% | |
| Transportation and Warehousing | 1,311 | | -3.5% | \$ | 942 | | 0.7% | 61 | 0.0% | |
| Utilities | 135 | | 6.3% | \$ | 975 | | -6.3% | 15 | 7.1% | |
| Wholesale Trade | 94 | L I | 2.2% | \$ | 993 | | -3.0% | 31 | 0.0% | |
| All Industries | 16,823 | | 4.9% | \$ | 858 | | 11.1% | 1,575 | 2.2% | |
| *Some data may be withheld to avoid disclosure of confid | lential information. | | | | | | | | | |

Table 2, FY23 - O3 Employment Data and Establishments by Industry

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

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

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