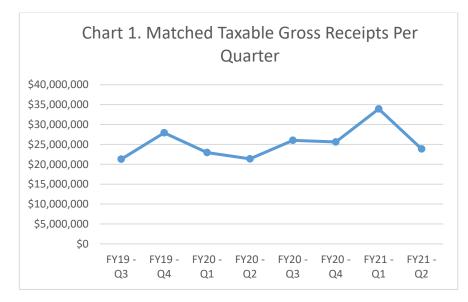
## Quarterly Economic Summary Guadalupe County

ECONOMIC DEVELOPMENT DEPARTMENT

Released: March 2021

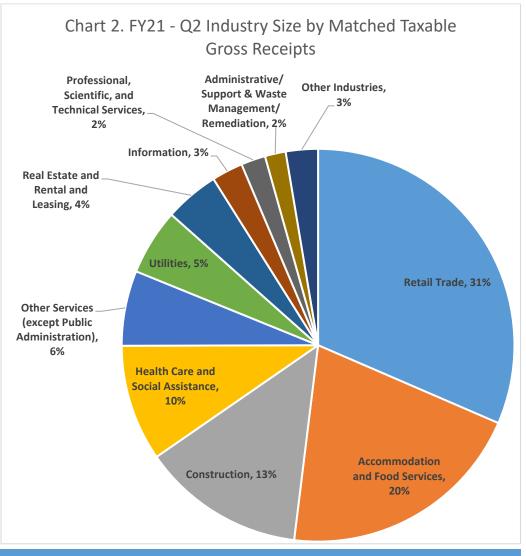
Prepared by: Joel Salas, Economist, and Ryan Eustice, Economist



Mexico suffered challenging quarter in Q2 FY20 compared to the previous year. The effects of the pandemic weighed heavily on business and consumer activity, and 18 of the 33 counties saw declines in year-over-year gross receipts tax revenue. Of the 15 with positive growth, several experienced increases due to large construction projects. A new Public Health Order, which took effect on November 16, required many businesses to curb retail activities again to address the surge in COVID-19 cases.

Guadalupe County reported \$23.8M during Q2 FY21 in its matched taxable gross receipts (MTGR), shown in Chart 1. From Q1 FY21 to Q2 FY21, MTGR for Guadalupe County decreased by \$10M, or nearly 30%. This marks the largest percentage change, positive for Guadalupe negative, over the eight-quarter time period. Table 1, on the next page, shows a year-over-(YOY) increase year \$2.5M from Q2 in FY20 to FY21 of the same period.

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 Guadalupe County

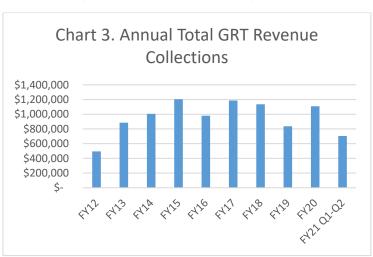


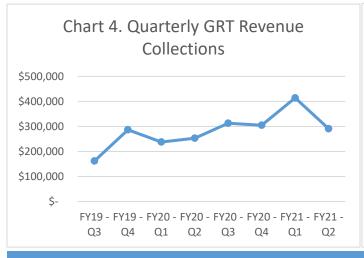
Table 1. Matched Taxable Gross Receipts by Industry										
Industries		FY20 - Q2		FY21 - Q2		Growth	Year ove	r year (	Change	
Accommodation and Food Services	\$	4,027,342	\$	4,865,194	\$	837,852			21%	
Administrative/Support & Waste Management/Remediation	\$	408,754	\$	406,998	\$	(1,756)			0%	
Agriculture, Forestry, Fishing, and Hunting	\$	10,797	\$	33,781	\$	22,984			213%	
Arts, Entertainment, and Recreation	\$	-	\$	-	\$	-	N/A			
Construction	\$	3,117,542	\$	3,192,433	\$	74,891			2%	
Educational Services	\$	2,196	\$	2,874	\$	678			31%	
Finance and Insurance	\$	21,318	\$	23,177	\$	1,860			9%	
Health Care and Social Assistance	\$	859,860	\$	2,278,562	\$	1,418,702			165%	
Information	\$	1,128,192	\$	611,293	\$	(516,899)			-46%	
Management of Companies and Enterprises	\$	-	\$	0	\$	0	N/A			
Manufacturing	\$	118,209	\$	69,211	\$	(48,998)			-41%	
Mining, Quarrying, and Oil and Gas Extraction	\$	-	\$	-	\$	-	N/A			
Other Services (except Public Administration)	\$	1,602,012	\$	1,470,397	\$	(131,615)			-8%	
Professional, Scientific, and Technical Services	\$	492,395	\$	478,269	\$	(14,126)			-3%	
Public Administration	\$	-	\$	149,012	\$	149,012	N/A			
Real Estate and Rental and Leasing	\$	987,420	\$	1,065,777	\$	78,357			8%	
Retail Trade	\$	6,605,090	\$	7,487,970	\$	882,879			13%	
Transportation and Warehousing	\$	364,321	\$	101,191	\$	(263,130)			-72%	
Unclassified Establishments	\$	161,705	\$	68,119	\$	(93,586)			-58%	
Utilities	\$	1,262,440	\$	1,293,973	\$	31,533			2%	
Wholesale Trade	\$	151,073	\$	181,541	\$	30,468			20%	
All Industries	\$	21,366,870	\$	23,844,907	\$	2,478,037			12%	

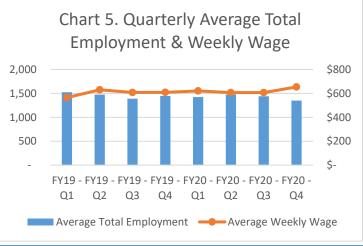
The largest contributor to the YOY increase for Guadalupe County was the health care and social assistance sector, with an increase of \$1.4M, or 165%.

Gross receipts tax (GRT) revenue collections declined significantly in Q2 FY21, as seen in Chart 4. From Q1 FY21 to Q2 FY21, GRT collections decreased by \$123K or 30%.

Chart 5 shows an increase in the average weekly wage, while quarterly employment decreased during Q4 of FY20. This increase is likely due to the loss of lower wage workers.

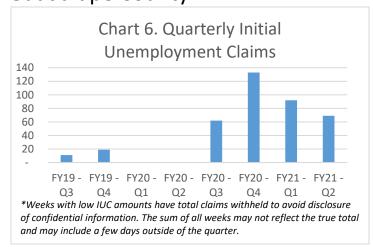






## Quarterly Economic Summary Guadalupe County





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.

A significant unexplained increase in initial unemployment claims can be an early indicator of an economic downturn. Examples include seasonal job fluctuations, federal government shutdowns resulting in employee furloughs, or the closing of a major regional facility. The current unprecedented uptick in initial unemployment claims is tied directly to the COVID-19 pandemic and subsequent furloughs and layoffs by affected businesses. As we continue into 2021, it is likely the number of initial unemployment claims will vary based on the effects of the pandemic, and it is impossible to predict how quickly employment numbers will return to pre-COVID-19 levels.

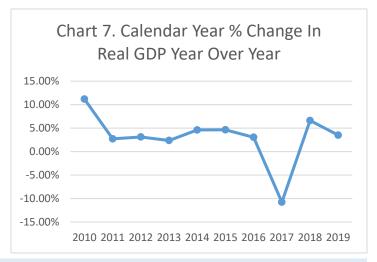


Table 2. Calendar Year 2019 Real County GDP and Real State GDP % of Total GDP								
Industries	Guadalupe County	New Mexico	County Difference from State					
Accommodation and Food Services	7.42%	2.92%	4.50%					
Administrative/Support & Waste Management/Remediation	*	2.55%	N/A					
Agriculture, Forestry, Fishing, and Hunting	8.24%	2.25%	5.99%					
Arts, Entertainment, and Recreation	0.32%	0.69%	-0.38%					
Construction	*	3.12%	N/A					
Educational Services	0.00%	0.51%	-0.51%					
Finance and Insurance	*	2.62%	N/A					
Health Care and Social Assistance	7.02%	7.15%	-0.13%					
Information	*	2.82%	N/A					
Management of Companies and Enterprises	*	0.64%	N/A					
Manufacturing	*	4.79%	N/A					
Mining, Quarrying, and Oil and Gas Extraction	*	17.38%	N/A					
Other Services (except Public Administration)	1.94%	1.94%	0.00%					
Professional, Scientific, and Technical Services	*	7.33%	N/A					
Public Administration	18.70%	20.81%	-2.11%					
Real Estate and Rental and Leasing	17.15%	11.65%	5.50%					
Retail Trade	13.96%	5.57%	8.39%					
Transportation and Warehousing	9.70%	2.40%	7.31%					
Utilities	6.18%	1.47%	4.71%					
Wholesale Trade	*	3.06%	N/A					
*Not shown to avoid disclosure of confidential information								