

# Quarterly Economic Summary

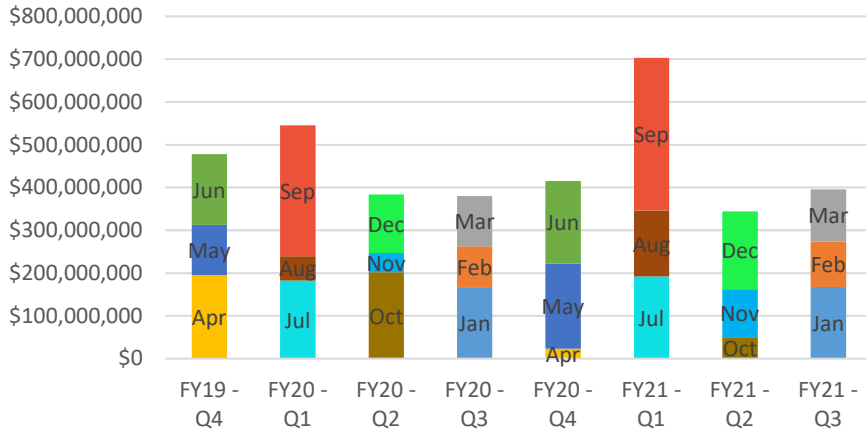
## Los Alamos County



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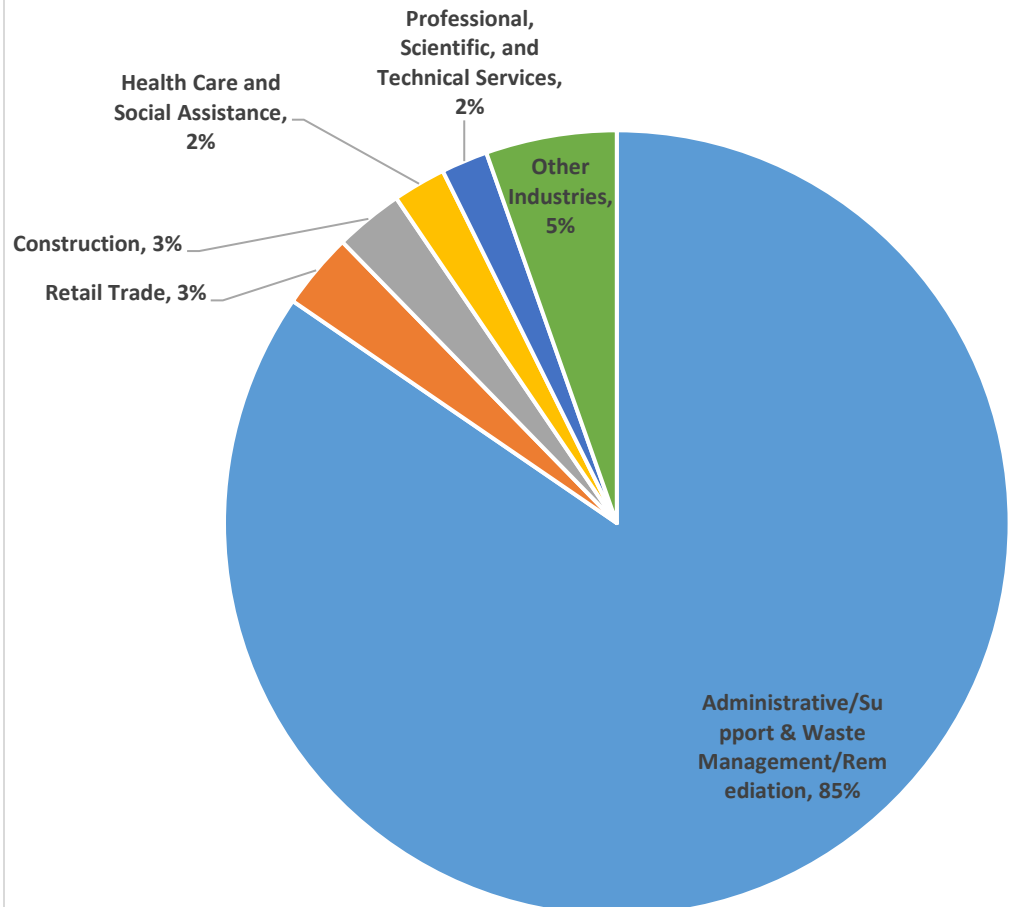
Chart 1. Matched Taxable Gross Receipts Per Quarter



During Q3 FY21, the state started rolling out vaccinations to a significant portion of the adult population. The economic effects of the pandemic waned as restrictions and limits on business capacity were lifted following improving health metrics. These shifts in policy, along with pent up demand, likely led to an increase in consumer spending on taxable goods and services. Though the uncertainty and impacts caused by the pandemic can still be seen, the economic stability of the state and many of its counties continues to improve.

Los Alamos County's matched taxable gross receipts (MTGR) increased by 15% from Q2 FY21 to Q3 FY21, shown in Chart 1. Even though MTGR increased by 15% quarter-to-quarter, the amount reported is still \$60M below the eight-quarter average of \$455.7M. Los Alamos County is heavily reliant on the national lab, with the administrative/support & waste management/remediation industry accounting for 85% of the MTGR reported during Q3 of FY21, shown in Chart 2.

Chart 2. FY21 - Q3 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.

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

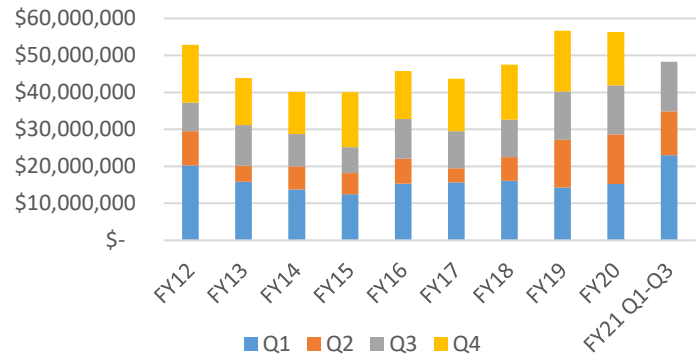
| Industries  | FY20 - Q3             | FY21 - Q3             | Growth               | Year over year Change |
|---|-----------------------|-----------------------|----------------------|-----------------------|
| Accommodation and Food Services                       | \$ 5,510,837          | \$ 4,906,744          | \$ (604,092)         | -11%                  |
| Administrative/Support & Waste Management/Remediation | \$ 301,817,420        | \$ 330,230,477        | \$ 28,413,057        | 9%                    |
| Agriculture, Forestry, Fishing, and Hunting           | \$ 320                | \$ -                  | \$ (320)             | -100%                 |
| Arts, Entertainment, and Recreation                   | \$ 1,273,296          | \$ 834,501            | \$ (438,795)         | -34%                  |
| Construction  | \$ 15,572,896         | \$ 11,000,366         | \$ (4,572,530)       | -29%                  |
| Educational Services                                  | \$ 261,190            | \$ 241,092            | \$ (20,098)          | -8%                   |
| Finance and Insurance                                 | \$ 1,190,101          | \$ 1,504,383          | \$ 314,282           | 26%                   |
| Health Care and Social Assistance                     | \$ 8,427,703          | \$ 8,526,411          | \$ 98,708            | 1%                    |
| Information   | \$ 6,200,264          | \$ 3,300,786          | \$ (2,899,478)       | -47%                  |
| Management of Companies and Enterprises               | \$ -                  | \$ -                  | \$ -                 | N/A                   |
| Manufacturing   | \$ 1,895,720          | \$ 1,216,573          | \$ (679,147)         | -36%                  |
| Mining, Quarrying, and Oil and Gas Extraction         | \$ -                  | \$ -                  | \$ -                 | N/A                   |
| Other Services (except Public Administration)         | \$ 5,447,274          | \$ 5,181,672          | \$ (265,602)         | -5%                   |
| Professional, Scientific, and Technical Services      | \$ 10,251,681         | \$ 7,482,040          | \$ (2,769,641)       | -27%                  |
| Public Administration                                 | \$ -                  | \$ -                  | \$ -                 | N/A                   |
| Real Estate and Rental and Leasing                    | \$ 1,766,843          | \$ 2,154,926          | \$ 388,083           | 22%                   |
| Retail Trade  | \$ 13,150,239         | \$ 12,227,056         | \$ (923,183)         | -7%                   |
| Transportation and Warehousing                        | \$ 119,547            | \$ 5,922              | \$ (113,625)         | -95%                  |
| Unclassified Establishments                           | \$ 1,432,328          | \$ 1,053,986          | \$ (378,342)         | -26%                  |
| Utilities   | \$ 95,339             | \$ 94,828             | \$ (511)             | -1%                   |
| Wholesale Trade                                       | \$ 666,571            | \$ 553,526            | \$ (113,045)         | -17%                  |
| <b>All Industries</b>                                 | <b>\$ 380,145,878</b> | <b>\$ 395,672,584</b> | <b>\$ 15,526,706</b> | <b>4%</b>             |

From Q3 FY20 to Q3 FY21, MTGR increased by \$15.5M or 4%, shown in Table 1. If we remove the admin./support/remediation industry, we can see the county's reported MTGR would have decreased by \$13M, or 17% year-over-year (YOY).

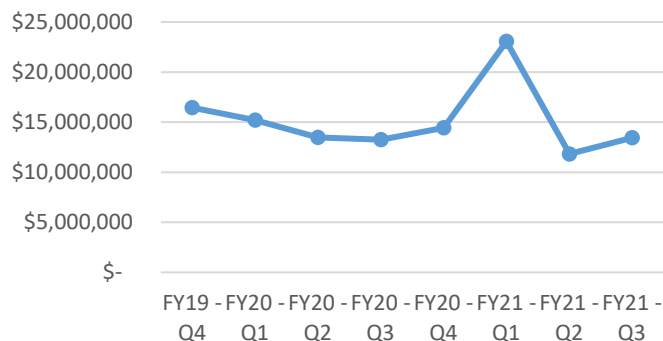
Gross receipts tax (GRT) revenue collections increased by \$1.6M, or 14%, from Q2 FY21 to Q3 FY21, as seen in Chart 4.

Chart 5 shows that average weekly wages increased while quarterly employment decreased during Q1 of FY21. This increase in average weekly wages is likely due to the loss of lower wage workers.

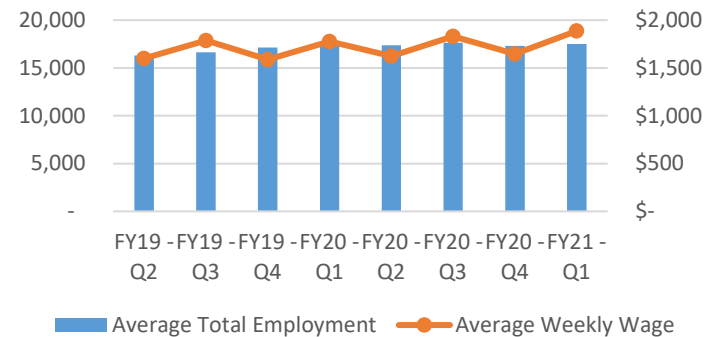
**Chart 3. Annual Total GRT Revenue Collections**



**Chart 4. Quarterly GRT Revenue Collections**



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

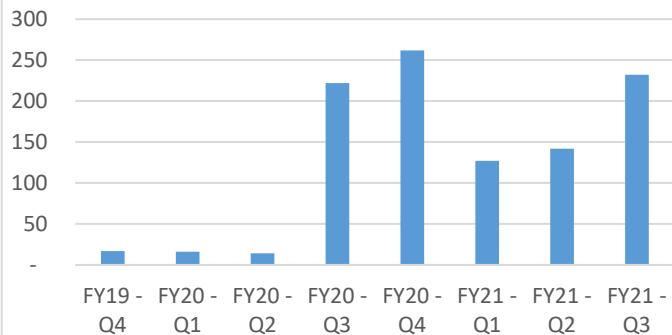


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## Los Alamos County



Chart 6. Quarterly Initial Unemployment Claims



\*Weeks with low IUC amounts have total claims withheld to avoid disclosure of confidential information. The sum of all weeks may not reflect the true total and may include a few days outside of the quarter. Claimants must reapply once a year. Claimants who applied at the beginning of the pandemic may be reapplying, possibly causing an increase in IUC.

A significant increase in initial unemployment claims can be an early indicator of an economic downturn, and a drop can be an early sign of an upturn. However, these numbers are also impacted by seasonal job fluctuations, federal government shutdowns resulting in temporary employee furloughs, or the closing of a major regional facility. The current unprecedented uptick in initial unemployment claims is clearly tied directly to the COVID-19 pandemic. As vaccination levels and other health indicators continue to improve and result in lessened health concerns and fewer business restrictions, these claims should decline, but it is impossible to predict how quickly employment numbers will return to pre-COVID-19 levels.

The **Quarterly Census of Employment and Wages (QCEW)** program publishes a quarterly count of establishments, employment and wages reported by employers, covering more than 95 percent of U.S. jobs. The QCEW data are used as the benchmark source for employment, and this data is far more reliable than the monthly employment survey data in the Current Employment Statistics program often reported in news articles. However, as shown below, this quarterly data has a significant lag time for reporting and does not reflect the same quarter as used in the other charts and tables above. This quarterly QCEW data combined with the other employment data above provide the best overall picture of employment levels using the most reliable data.

Table 2. FY21-Q1 Employment Data and Establishments by Industry

| Industry  | Average Employment | YOY Change in      |                    | Average Weekly Wage | YOY change in       |                     | Number of Establishments | YOY Change in  |                |
|---|--------------------|--------------------|--------------------|---------------------|---------------------|---------------------|--------------------------|----------------|----------------|
|   |                    | Average Employment | Average Employment |                     | Average Weekly Wage | Average Weekly Wage |                          | Establishments | Establishments |
| Accommodation and Food Services                       | 388                | -16.4%             |                    | \$ 394              | -6.9%               | 34                  | 0.0%                     |                |                |
| Administrative/Support & Waste Management/Remediation | 906                | 5.0%               |                    | \$ 1,850            | 5.8%                | 41                  | 13.9%                    |                |                |
| Agriculture, Forestry, Fishing, and Hunting           | *                  | *                  |                    | *                   | *                   | 1                   | 0.0%                     |                |                |
| Arts, Entertainment, and Recreation                   | 231                | -16.6%             |                    | \$ 757              | 6.0%                | 12                  | 0.0%                     |                |                |
| Construction  | 193                | -16.8%             |                    | \$ 2,004            | 33.4%               | 38                  | -2.6%                    |                |                |
| Educational Services                                  | 732                | -3.9%              |                    | \$ 671              | 0.8%                | 14                  | 16.7%                    |                |                |
| Finance and Insurance                                 | 146                | 3.5%               |                    | \$ 1,157            | 7.3%                | 22                  | 4.8%                     |                |                |
| Health Care and Social Assistance                     | 833                | -6.7%              |                    | \$ 1,039            | 3.1%                | 90                  | 4.7%                     |                |                |
| Information   | 99                 | -18.9%             |                    | \$ 1,571            | 30.6%               | 14                  | 0.0%                     |                |                |
| Management of Companies and Enterprises               | *                  | *                  |                    | *                   | *                   | 2                   | 0.0%                     |                |                |
| Manufacturing   | 93                 | -10.6%             |                    | \$ 1,182            | 32.7%               | 12                  | -20.0%                   |                |                |
| Other Services (except Public Administration)         | 209                | -34.7%             |                    | \$ 536              | 19.4%               | 53                  | 6.0%                     |                |                |
| Professional, Scientific, and Technical Services      | *                  | *                  |                    | *                   | *                   | 90                  | 4.7%                     |                |                |
| Public Administration                                 | 450                | 0.2%               |                    | \$ 2,162            | 2.7%                | 18                  | -10.0%                   |                |                |
| Real Estate and Rental and Leasing                    | 100                | -2.9%              |                    | \$ 610              | -0.3%               | 20                  | 5.3%                     |                |                |
| Retail Trade  | 432                | -6.9%              |                    | \$ 589              | 2.6%                | 32                  | -8.6%                    |                |                |
| Transportation and Warehousing                        | *                  | *                  |                    | *                   | *                   | 3                   | 0.0%                     |                |                |
| Utilities   | *                  | 100.0%             |                    | *                   | 100.0%              | 5                   | 25.0%                    |                |                |
| Wholesale Trade                                       | 36                 | 20.0%              |                    | \$ 1,292            | -9.7%               | 8                   | 0.0%                     |                |                |
| <b>All Industries</b>                                 | <b>17,499</b>      | <b>-1.1%</b>       |                    | <b>\$ 1,886</b>     | <b>6.4%</b>         | <b>509</b>          | <b>2.4%</b>              |                |                |

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