

Quarterly Economic Summary

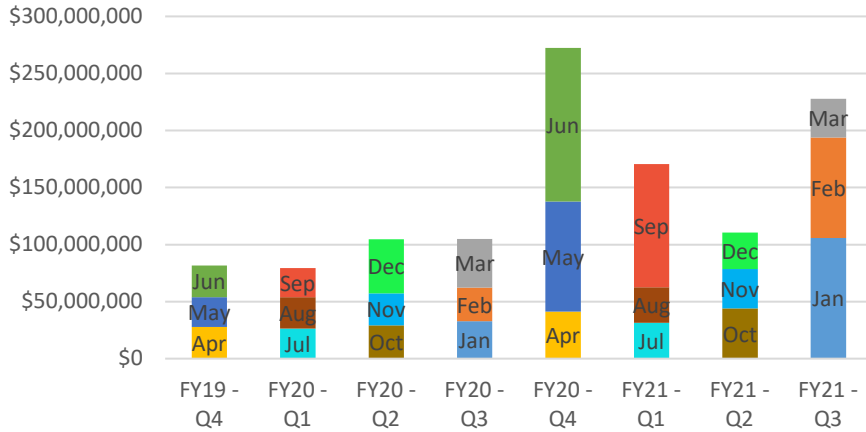
Luna County

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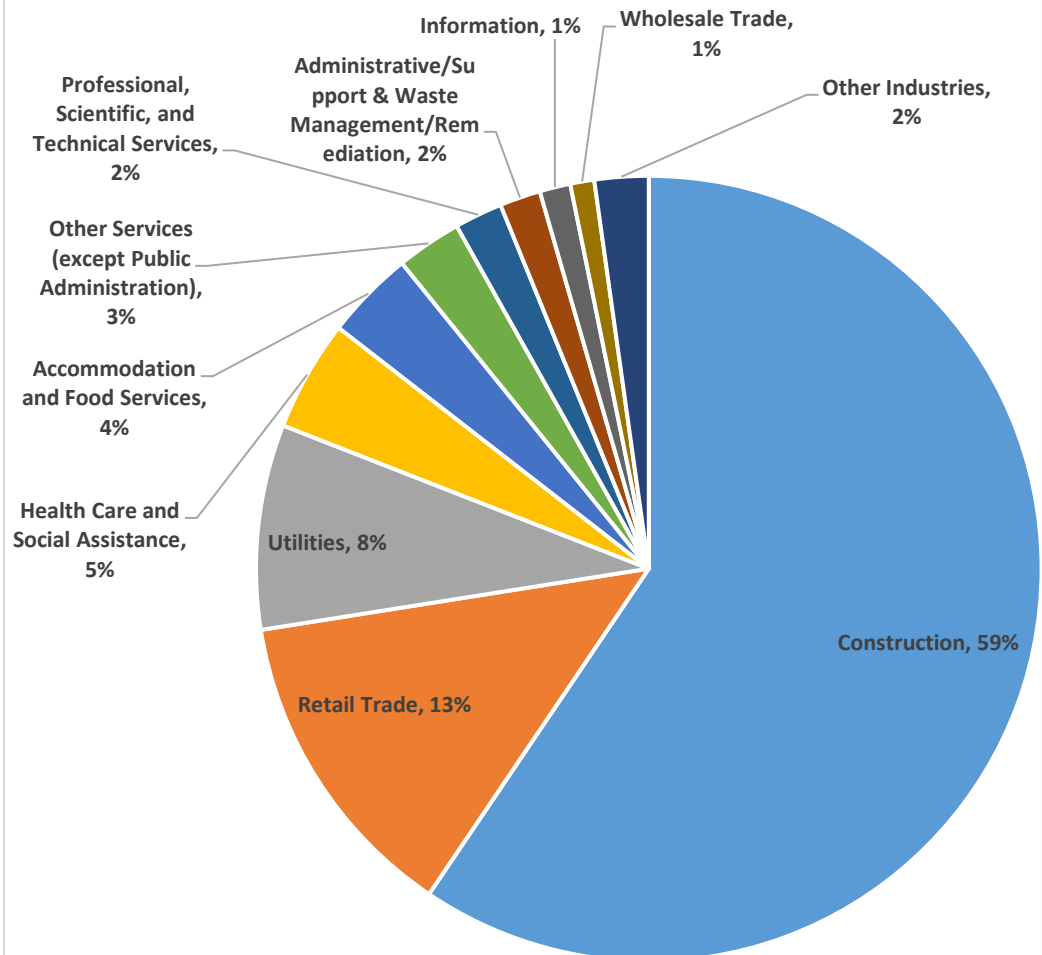
Chart 1. Matched Taxable Gross Receipts Per Quarter



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.

From Q2 FY21 to Q3 FY21 matched taxable gross receipts (MTGR) in Luna County increased by 106%, as seen in Chart 1. Over the past eight quarters MTGR has averaged \$144M. The amount of reported MTGR during Q3 FY21 (\$227M) is the second largest amount ever reported for Luna County, trailing only Q4 FY20. The construction industry is the driver for the two highest reported quarterly MTGR in Luna County. Chart 2 as well as Table 1, highlight the

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	\$ 8,895,280	\$ 8,321,309	\$ (573,971)	-6%
Administrative/Support & Waste Management/Remediation	\$ 1,713,503	\$ 3,816,197	\$ 2,102,694	123%
Agriculture, Forestry, Fishing, and Hunting	\$ 109,830	\$ 104,470	\$ (5,360)	-5%
Arts, Entertainment, and Recreation	\$ 131,278	\$ 174,854	\$ 43,576	33%
Construction	\$ 27,620,641	\$ 134,738,814	\$ 107,118,173	388%
Educational Services	\$ 4,343	\$ 4,178	\$ (165)	-4%
Finance and Insurance	\$ 397,028	\$ 452,315	\$ 55,286	14%
Health Care and Social Assistance	\$ 8,725,725	\$ 10,365,765	\$ 1,640,040	19%
Information	\$ 5,711,454	\$ 2,876,966	\$ (2,834,488)	-50%
Management of Companies and Enterprises	\$ -	\$ -	\$ -	N/A
Manufacturing	\$ 1,547,394	\$ 1,479,633	\$ (67,761)	-4%
Mining, Quarrying, and Oil and Gas Extraction	\$ 294,647	\$ 62,011	\$ (232,636)	-79%
Other Services (except Public Administration)	\$ 5,296,869	\$ 6,083,523	\$ 786,654	15%
Professional, Scientific, and Technical Services	\$ 2,941,194	\$ 4,471,579	\$ 1,530,385	52%
Public Administration	\$ 1,742,418	\$ 20,068	\$ (1,722,350)	-99%
Real Estate and Rental and Leasing	\$ 1,195,444	\$ 1,139,863	\$ (55,581)	-5%
Retail Trade	\$ 24,897,826	\$ 29,581,877	\$ 4,684,051	19%
Transportation and Warehousing	\$ 1,165,070	\$ 1,317,487	\$ 152,417	13%
Unclassified Establishments	\$ 338,051	\$ 281,572	\$ (56,479)	-17%
Utilities	\$ 7,615,934	\$ 19,105,662	\$ 11,489,728	151%
Wholesale Trade	\$ 3,827,873	\$ 2,232,196	\$ (1,595,677)	-42%
All Industries	\$ 104,854,516	\$ 227,658,867	\$ 122,804,351	117%

explosion the construction industry has had on MTGR in Luna County. During the previous eight quarters, the construction industry reported an average MTGR of \$65M. In Q4 FY20 and Q3 FY21, the construction industry reported MTGR of \$190M and \$135M, both of which account for nearly 60% of the county's total MTGR. Despite the strong growth of the construction industry, the information industry posted a year-over-year (YOY) loss of \$2.8M, as seen in Table 1. The information industry has been trending downward during the previous eight quarters. The reported MTGR in Q3 FY21 (\$2.9M) was the second lowest amount dating back to Q1 FY18.

Chart 3. Annual Total GRT Revenue Collections

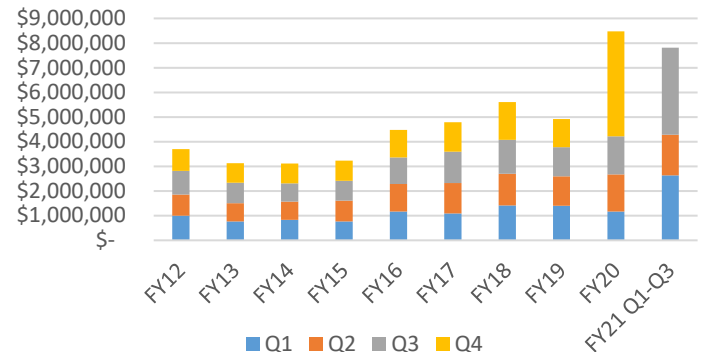


Chart 4. Quarterly GRT Revenue Collections

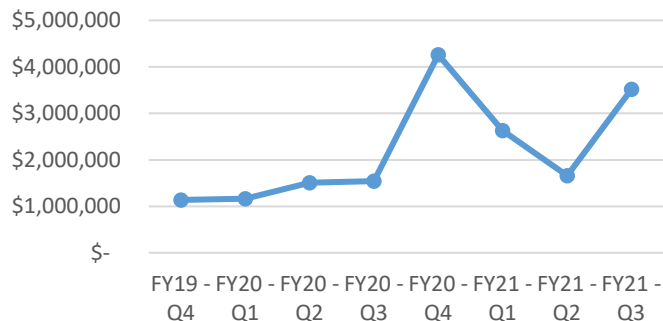
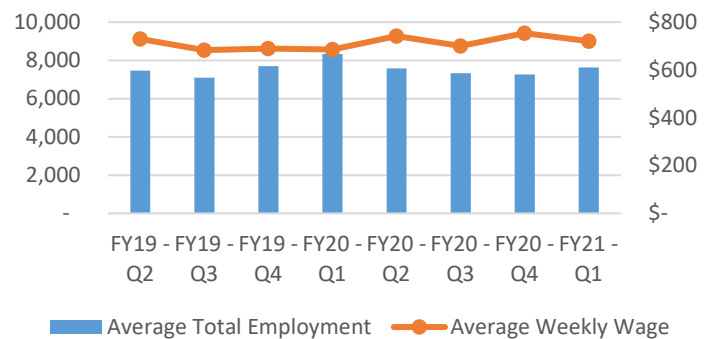


Chart 5. Quarterly Average Total Employment & Weekly Wage

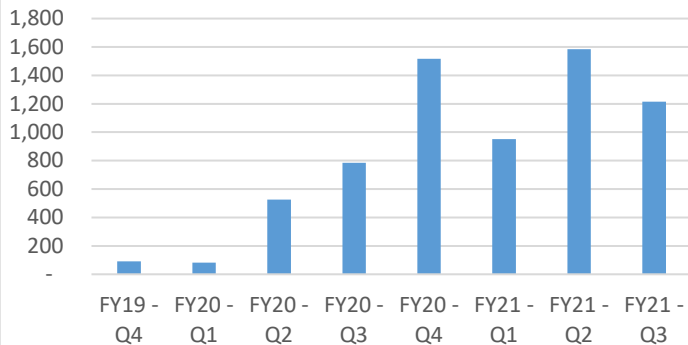


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Chart 6. Quarterly Initial Unemployment Claims



*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 Establishments
		Average Employment	Average Weekly Wage		Average Weekly Wage	YOY Change in Establishments		
Accommodation and Food Services	688	-9.7%	\$ 285	5.2%	60	5.3%		
Administrative/Support & Waste Management/Remediation	115	0.9%	\$ 754	13.9%	24	4.3%		
Agriculture, Forestry, Fishing, and Hunting	1,057	-20.2%	\$ 480	10.6%	54	3.8%		
Arts, Entertainment, and Recreation	82	-23.4%	\$ 333	21.5%	12	20.0%		
Construction	492	3.1%	\$ 1,116	7.2%	52	0.0%		
Educational Services	*	*	*	*	14	0.0%		
Finance and Insurance	99	-7.5%	\$ 904	25.0%	22	4.8%		
Health Care and Social Assistance	1,183	-6.3%	\$ 650	6.2%	97	9.0%		
Information	12	*	\$ 999	*	4	33.3%		
Management of Companies and Enterprises	*	*	*	*	2	0.0%		
Manufacturing	997	-9.0%	\$ 654	3.6%	18	5.9%		
Mining, Quarrying, and Oil and Gas Extraction	*	*	*	*	2	0.0%		
Other Services (except Public Administration)	96	-3.0%	\$ 551	10.6%	23	0.0%		
Professional, Scientific, and Technical Services	71	-10.1%	\$ 764	21.9%	22	-8.3%		
Public Administration	962	-4.1%	\$ 1,293	-7.8%	28	-3.4%		
Real Estate and Rental and Leasing	41	-8.9%	\$ 630	15.8%	25	-3.8%		
Retail Trade	905	-2.7%	\$ 506	12.4%	64	0.0%		
Transportation and Warehousing	177	-2.7%	\$ 750	-7.7%	27	12.5%		
Utilities	87	17.6%	\$ 1,498	9.6%	6	0.0%		
Wholesale Trade	101	-39.5%	\$ 749	19.6%	11	0.0%		
All Industries	7,628	-9.2%	\$ 720	5.7%	567	3.3%		

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