

# Quarterly Economic Summary

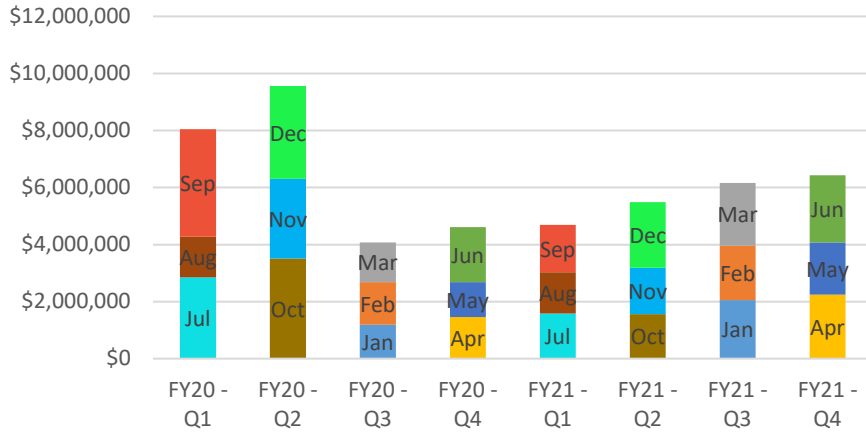
## De Baca County

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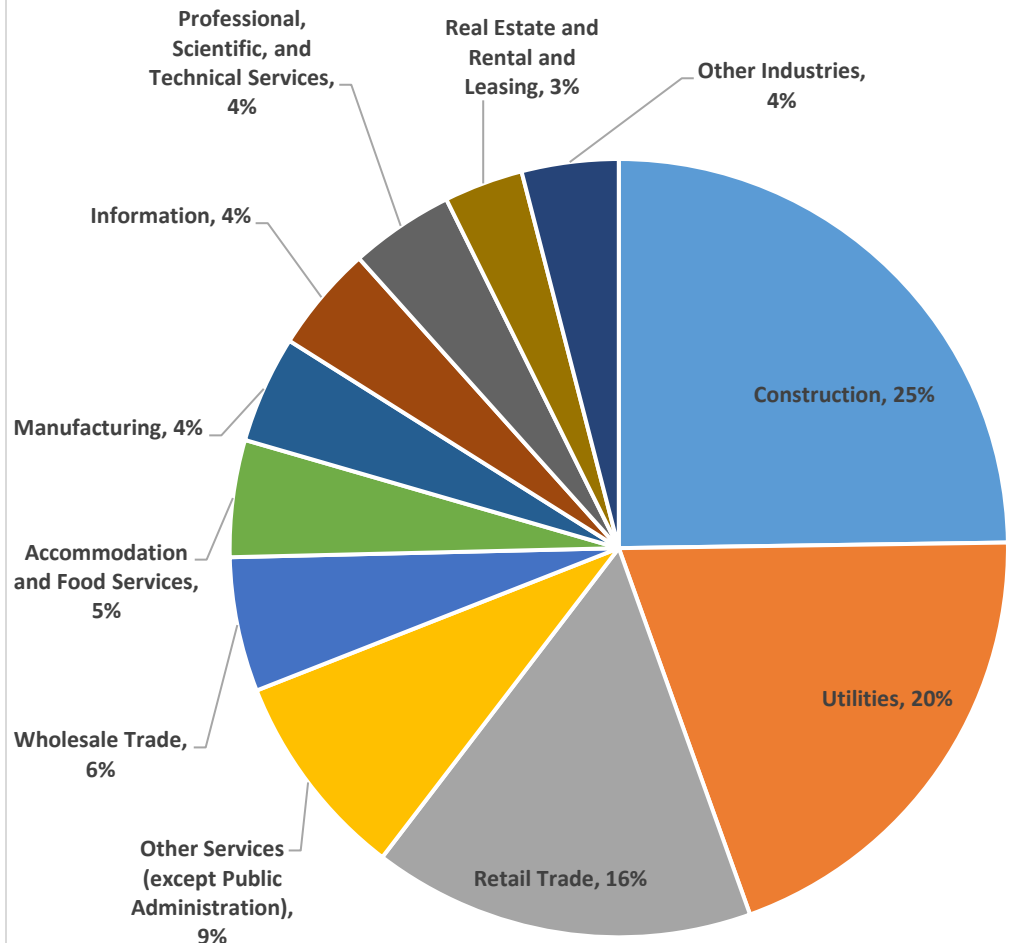
Chart 1. Matched Taxable Gross Receipts Per Quarter



Quarter four of FY21 provides the first full fiscal year of economic effects related to the COVID-19 pandemic. Economic shocks continue globally and throughout the state 18 months after the initial business closures and ensuing impacts. Federal policies, including additional direct payments and tax credits, coupled with pent up demand, led to an increase in consumer spending on taxable goods and services during this quarter, which is likely to continue. Additional pandemic-related shocks could be looming, making state-level efforts to restore the economy critical.

From Q3 FY20 to Q4 FY21, De Baca County's matched taxable gross receipts (MTGR) have steadily increased quarter over quarter (Chart 1). Despite this steady increase, MTGR during Q4 FY21 was down \$3M, or 33%, when compared to De Baca County's eight-quarter high in Q2 FY20. From Q3 to Q4 FY21, MTGR increased by \$274K, or 4.5%. The amount reported during Q4 FY21, \$6.4M, is most comparable to Q4 FY14, when De Baca County reported \$50K less in MTGR.

Chart 2. FY21 - Q4 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. FY21 - Q4 Matched Taxable Gross Receipts by Industry**

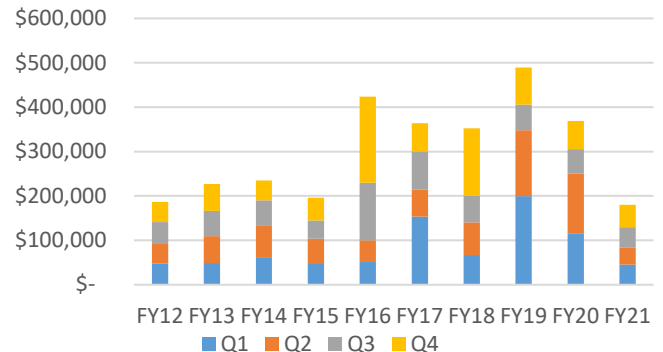
Industries	FY21 - Q4	YOY Growth	YOY % Change	2-Year % Change
Accommodation and Food Services	\$ 295,752	\$ 153,244	108%	10%
Administrative/Support & Waste Management/Remediation	\$ 23,633	\$ (68,053)	-74%	-98%
Agriculture, Forestry, Fishing, and Hunting	\$ 56,914	\$ 22,130	64%	2375%
Arts, Entertainment, and Recreation	\$ 84,132	\$ 84,132	N/A	74%
Construction	\$ 1,508,595	\$ 1,020,470	209%	38%
Educational Services	\$ 6,471	\$ (11,059)	-63%	-51%
Finance and Insurance	\$ 26,359	\$ 26,359	N/A	N/A
Health Care and Social Assistance	\$ -	\$ (1,828)	-100%	N/A
Information	\$ 269,540	\$ (292,540)	-52%	-51%
Manufacturing	\$ 271,520	\$ 14,039	5%	-7%
Mining, Quarrying, and Oil and Gas Extraction	\$ -	\$ -	N/A	N/A
Other Services (except Public Administration)	\$ 526,433	\$ 168,421	47%	20%
Professional, Scientific, and Technical Services	\$ 263,420	\$ 98,577	60%	348%
Public Administration	\$ -	\$ -	N/A	N/A
Real Estate and Rental and Leasing	\$ 200,042	\$ 72,189	56%	79%
Retail Trade	\$ 966,573	\$ 131,041	16%	-11%
Transportation and Warehousing	\$ 27,865	\$ (904)	-3%	8%
Unclassified Establishments	\$ 19,589	\$ 4,712	32%	198%
Utilities	\$ 1,203,136	\$ 578,624	93%	98%
Wholesale Trade	\$ 340,399	\$ (10,482)	-3%	67%
<b>All Industries</b>	<b>\$ 6,433,346</b>	<b>\$ 1,825,261</b>	<b>40%</b>	<b>1%</b>

Table 1 shows an increase of \$1.8M from Q4 in FY20 to FY21 of the same period. Ten industries reported a year-over-year (YoY) increase, with the largest gain coming from the construction industry, \$1M or 209%.

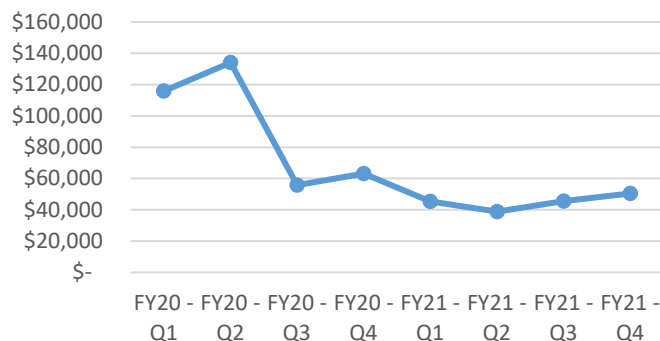
Gross receipts tax (GRT) revenue collections increased by \$5K, or 11%, from Q3 to Q4 FY21 (Chart 4).

Average weekly wages increased from Q1 to Q2 FY21. During this period average weekly wages grew by \$129, while quarterly employment increased by 24 workers (Chart 5).

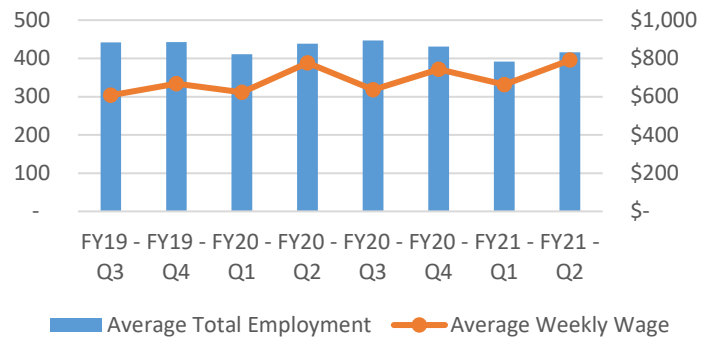
**Chart 3. Annual Total GRT Revenue Collections**



**Chart 4. Quarterly GRT Revenue Collections**



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



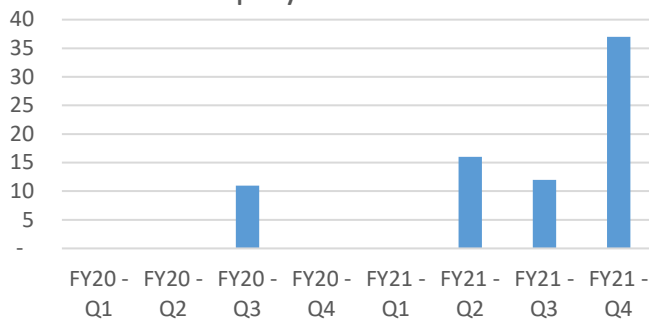
SOURCES: NEW MEXICO TAXATION AND REVENUE DEPT, NEW MEXICO DEPARTMENT OF WORKFORCE SOLUTIONS, U.S. BUREAU OF LABOR STATISTICS, U.S. BUREAU OF ECONOMIC ANALYSIS AND EDD CALCULATIONS

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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. Claims that were filed last year, when the pandemic first started, have expired and claimants need to reapply if they are still unemployed.

A significant increase in initial unemployment claims can be an early indicator of an economic downturn, and a reduction 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. 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 (CES)* program often reported in news articles. However, as shown below, QCEW data has a significant lag time before it is reported and does not reflect the same quarter 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-Q3 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
		Average Employment	YOY Change in Average Employment		Average Weekly Wage	YOY change in Average Weekly Wage		
Accommodation and Food Services	8		-20.0%	\$ 210		-23.1%	3	0.0%
Administrative/Support & Waste Management/Remediation	*	*	*	*	*	*	2	0.0%
Agriculture, Forestry, Fishing, and Hunting	37		-9.8%	\$ 728		3.1%	7	0.0%
Arts, Entertainment, and Recreation	6		*	\$ 974		*	3	0.0%
Construction	35		-10.3%	\$ 606		15.4%	9	-10.0%
Educational Services	*	*	*	*	*	*	2	0.0%
Finance and Insurance	*	*	*	*	*	*	2	0.0%
Health Care and Social Assistance	55		-11.3%	\$ 762		16.5%	8	0.0%
Information	*	*	*	*	*	*	3	0.0%
Manufacturing	*	*	*	*	*	*	2	0.0%
Other Services (except Public Administration)	*	*	*	*	*	*	2	0.0%
Public Administration	51		-1.9%	\$ 517		-4.4%	11	0.0%
Real Estate and Rental and Leasing	*	*	*	*	*	*	1	0.0%
Retail Trade	61		0.0%	\$ 520		-12.3%	9	0.0%
Transportation and Warehousing	*	*	*	*	*	*	6	20.0%
Utilities	*	*	*	*	*	*	3	0.0%
Wholesale Trade	*		100.0%	*		100.0%	3	0.0%
<b>All Industries</b>	<b>413</b>		<b>-7.4%</b>	<b>\$ 658</b>		<b>3.9%</b>	<b>76</b>	<b>0.0%</b>