

Quarterly Economic Summary

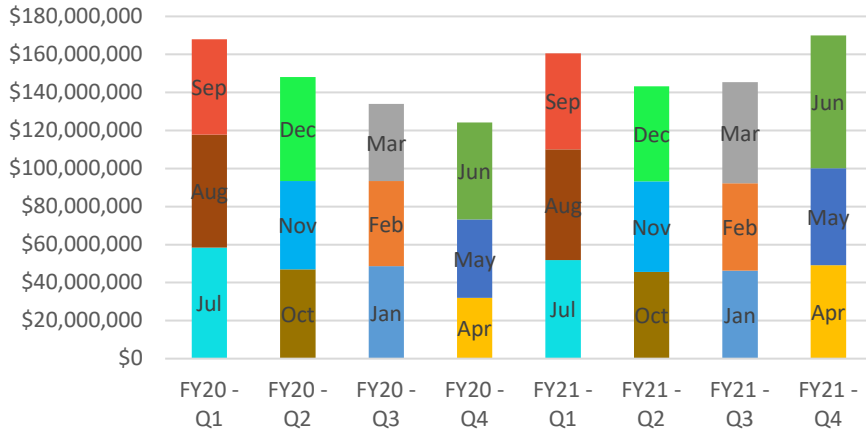
Lincoln County



Released: August 2021

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

Chart 1. Matched Taxable Gross Receipts Per Quarter

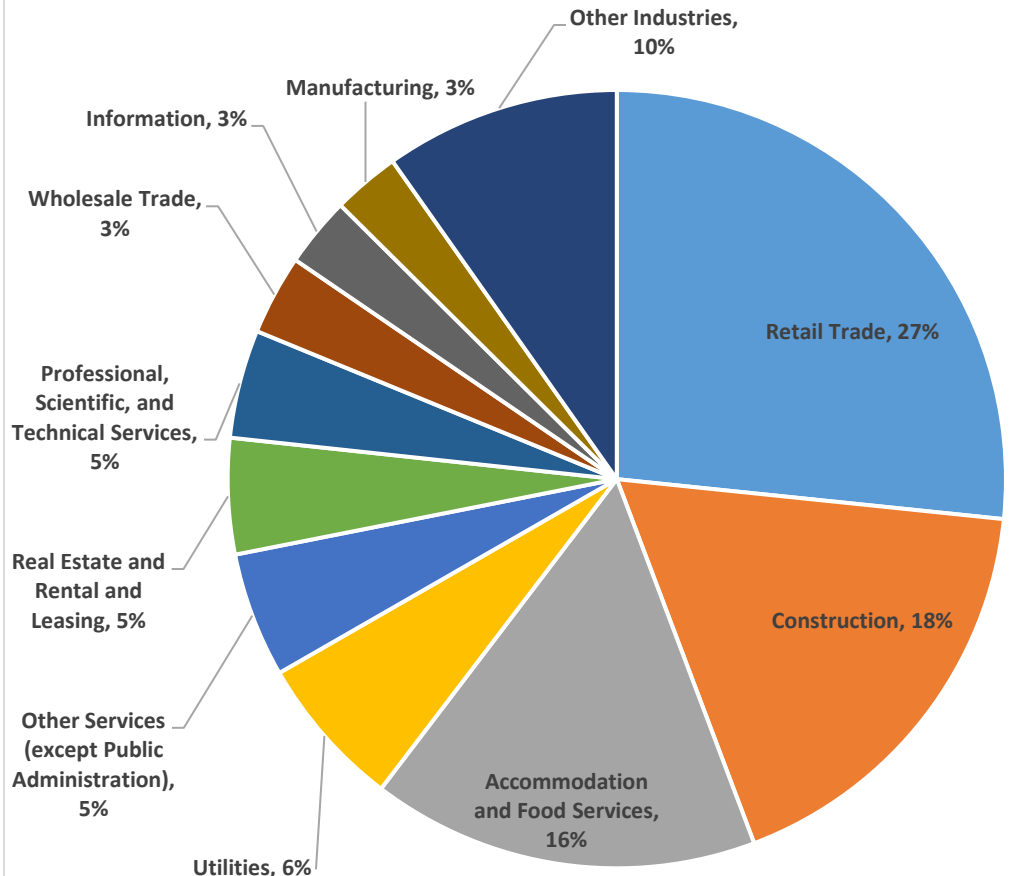


Quarter four of FY21 provides the first full fiscal year of economic effects related to the COVID-19 pandemic. Economic shocks continue globally and throughout the state 18 months after the initial business closures and ensuing impacts. Federal policies, including additional direct payments and tax credits, 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.

Lincoln County's matched taxable gross receipts (MTGR) increased substantially in Q4 as compared to Q3 FY21, shown in Chart 1. The amount reported during Q4 FY21, \$169.9M, was the largest quarterly MTGR dating back to Q1 FY16. From Q3 FY21 to Q4 FY21, MTGR increased by \$24.5M or 17%. Table 1, on the next page, shows an increase of \$45.7M from Q4 in FY20 to FY21 of the same period. Table 1 also

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.

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



Quarterly Economic Summary

Lincoln County



Table 1. FY21 - Q4 Matched Taxable Gross Receipts by Industry

Industries	FY21 - Q4	YOY Growth	YOY % Change	2-Year % Change
Accommodation and Food Services	\$ 27,105,369	\$ 11,383,284	72%	47%
Administrative/Support & Waste Management/Remediation	\$ 2,187,928	\$ 589,104	37%	39%
Agriculture, Forestry, Fishing, and Hunting	\$ 618,957	\$ 93,078	18%	36%
Arts, Entertainment, and Recreation	\$ 4,484,398	\$ 3,459,068	337%	-4%
Construction	\$ 29,660,450	\$ 7,743,543	35%	87%
Educational Services	\$ 86,291	\$ 428,930	-125%	33%
Finance and Insurance	\$ 2,052,242	\$ 1,056,773	106%	73%
Health Care and Social Assistance	\$ 3,494,297	\$ 889,311	34%	27%
Information	\$ 4,888,152	\$ (3,440,614)	-41%	-39%
Management of Companies and Enterprises	\$ -	\$ -	N/A	N/A
Manufacturing	\$ 4,699,940	\$ 2,487,193	112%	43%
Mining, Quarrying, and Oil and Gas Extraction	\$ 49,142	\$ 45,216	1151%	N/A
Other Services (except Public Administration)	\$ 8,732,456	\$ 2,044,125	31%	24%
Professional, Scientific, and Technical Services	\$ 7,586,381	\$ 1,617,598	27%	42%
Public Administration	\$ 471,373	\$ 424,192	899%	453%
Real Estate and Rental and Leasing	\$ 8,101,428	\$ 3,321,628	69%	22%
Retail Trade	\$ 44,845,882	\$ 6,473,220	17%	15%
Transportation and Warehousing	\$ 1,363,415	\$ 550,025	68%	-4%
Unclassified Establishments	\$ 1,651,717	\$ 600,542	57%	41%
Utilities	\$ 10,681,704	\$ 3,404,844	47%	51%
Wholesale Trade	\$ 5,585,708	\$ 996,324	22%	49%
All Industries	\$ 169,967,567	\$ 45,731,376	37%	33%

shows that only two of the 21 industries reported a year-over-year (YoY) loss, indicating a strong recovery. The accommodation and food services industry reported the largest (YoY) increase, \$11.3M or 72%.

Gross receipts tax (GRT) revenue collections increased by \$39K, or 9%, from Q3 FY21 to Q4 FY21 (Chart 4).

Chart 5 shows that average weekly wages decreased during Q2 of FY21. Even with the decrease, \$758/week is still the second highest reported average weekly wage over the previous eight quarters.

Chart 3. Annual Total GRT Revenue Collections

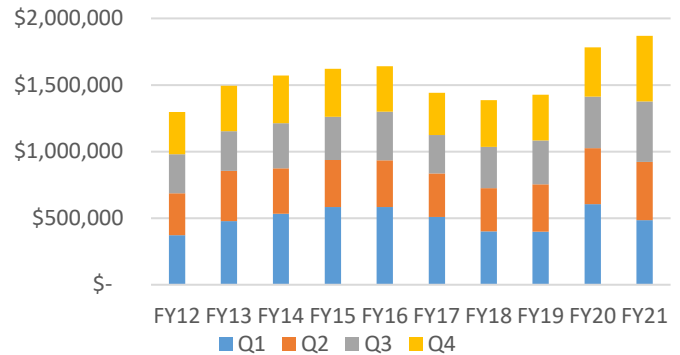


Chart 4. Quarterly GRT Revenue Collections

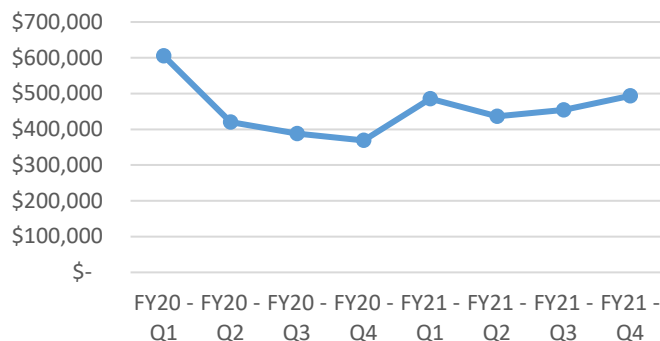
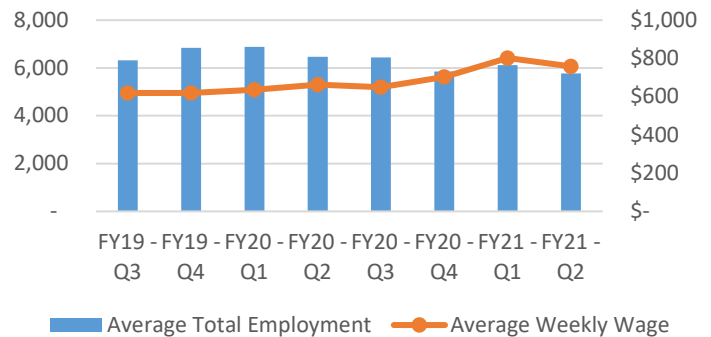


Chart 5. Quarterly Average Total Employment & Weekly Wage

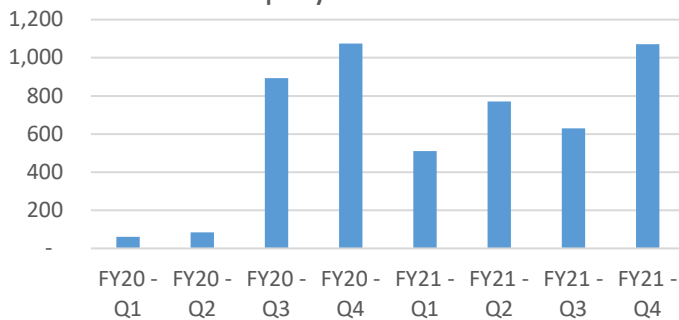


Quarterly Economic Summary

Lincoln 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. 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		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	976		-28.9%	\$ 411	12.9%	108	1.9%
Administrative/Support & Waste	219		-4.4%	\$ 674	7.5%	40	2.6%
Agriculture, Forestry, Fishing, and Hunting	53		-23.2%	\$ 799	-4.8%	17	0.0%
Arts, Entertainment, and Recreation	311		-26.1%	\$ 559	2.9%	31	6.9%
Construction	387		5.7%	\$ 608	-5.4%	111	1.8%
Educational Services	424		-12.9%	\$ 818	12.1%	16	6.7%
Finance and Insurance	147		-22.2%	\$ 972	2.7%	34	0.0%
Health Care and Social Assistance	702		-0.7%	\$ 1,094	-4.5%	81	3.8%
Information	40		-32.2%	\$ 810	34.1%	14	-12.5%
Management of Companies and Enterprises	*		*	*	*	2	0.0%
Manufacturing	96		-25.0%	\$ 528	24.2%	17	0.0%
Mining, Quarrying, and Oil and Gas Extraction	*		*	*	*	3	0.0%
Other Services (except Public Administration)	170		-13.3%	\$ 555	14.2%	57	9.6%
Professional, Scientific, and Technical Services	153		0.0%	\$ 748	2.9%	55	12.2%
Public Administration	433		-6.3%	\$ 868	-2.5%	41	0.0%
Real Estate and Rental and Leasing	137		-29.7%	\$ 712	12.1%	60	-4.8%
Retail Trade	1,158		-0.3%	\$ 548	6.2%	128	0.8%
Transportation and Warehousing	97		-6.7%	\$ 692	5.0%	26	0.0%
Utilities	112		-5.9%	\$ 1,063	-2.2%	11	0.0%
Wholesale Trade	29		11.5%	\$ 801	9.3%	10	25.0%
All Industries	5,663		-12.4%	\$ 687	6.2%	862	2.4%

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