

Quarterly Economic Summary

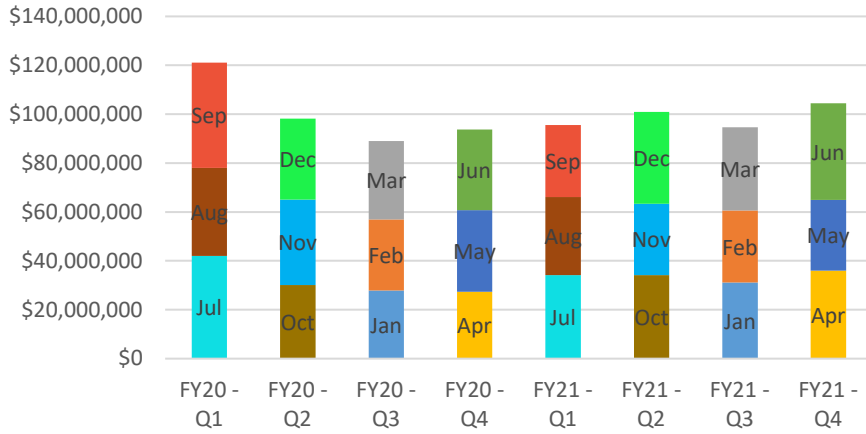
San Miguel County



Released: August 2021

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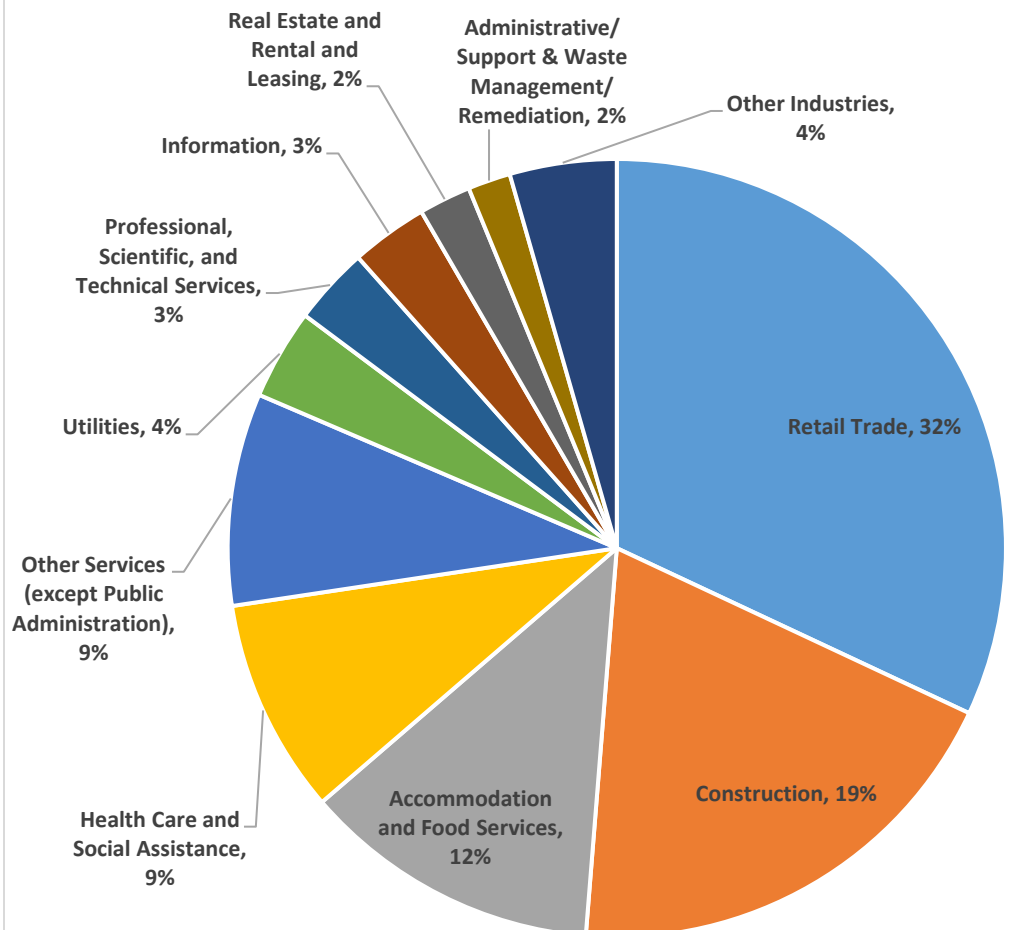
Chart 1. Matched Taxable Gross Receipts Per Quarter



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.

Over the last 16 quarters, San Miguel County's matched taxable gross receipts (MTGR) have trended slightly upward. During this time, the reported MTGR has averaged nearly \$97M. During Q4 FY21 reported MTGR was the second highest amount (\$104.4M) behind only Q1 FY20. From Q3 FY21 to Q4 FY21, reported MTGR increased by nearly \$9.9M or 10%. The retail trade industry was the largest contributor to the counties MTGR (Chart 2).

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	\$ 12,751,238	\$ 5,475,276	75%	26%
Administrative/Support & Waste Management/Remediation	\$ 1,821,824	\$ 70,225	4%	51%
Agriculture, Forestry, Fishing, and Hunting	\$ 171,260	\$ 61,581	56%	14%
Arts, Entertainment, and Recreation	\$ 198,043	\$ 143,355	262%	961%
Construction	\$ 19,829,481	\$ 6,249,476	46%	-16%
Educational Services	\$ 133,250	\$ 69,835	110%	28%
Finance and Insurance	\$ 354,039	\$ 127,942	57%	35%
Health Care and Social Assistance	\$ 9,185,091	\$ (3,078,467)	-25%	-26%
Information	\$ 3,285,668	\$ (2,769,666)	-46%	-45%
Manufacturing	\$ 1,127,874	\$ 68,184	6%	18%
Mining, Quarrying, and Oil and Gas Extraction	\$ -	\$ (46)	-100%	N/A
Other Services (except Public Administration)	\$ 9,063,314	\$ 847,924	10%	-5%
Professional, Scientific, and Technical Services	\$ 3,309,582	\$ 685,334	26%	21%
Public Administration	\$ -	\$ -	N/A	N/A
Real Estate and Rental and Leasing	\$ 2,222,778	\$ 910,839	69%	18%
Retail Trade	\$ 32,846,514	\$ 1,699,354	5%	23%
Transportation and Warehousing	\$ 901,219	\$ (129,174)	-13%	-19%
Unclassified Establishments	\$ 261,124	\$ (281,497)	-52%	-39%
Utilities	\$ 3,862,731	\$ (101,213)	-3%	-4%
Wholesale Trade	\$ 1,412,478	\$ 416,064	42%	7%
All Industries	\$ 104,472,271	\$ 10,675,251	11%	0%

Table 1 shows that MTGR increased by \$10.6M when comparing Q4 FY20 to the same period in FY21. This year-over-year (YoY) increase was driven by the construction industry. The industry reported a YoY increase of \$6M or 46%. Gross receipts tax (GRT) revenue collections increased by \$127K, or 11%, from Q3 FY21 to Q4 FY21, shown in Chart 4.

The average weekly wages have remained flat over the last 3 quarters (Chart 5). The average weekly wage in Q2 FY21 (\$708/week) was the highest reported amount over the last eight quarters.

Chart 3. Annual Total GRT Revenue Collections

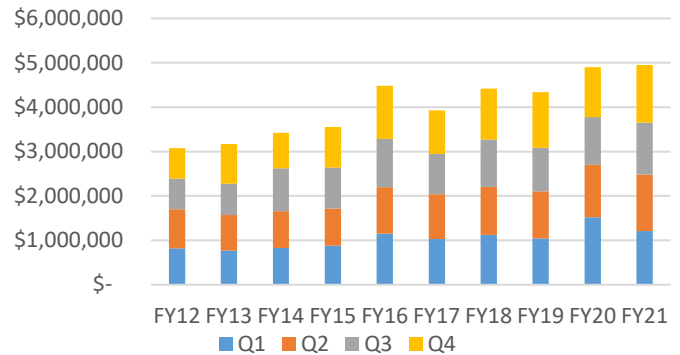


Chart 4. Quarterly GRT Revenue Collections

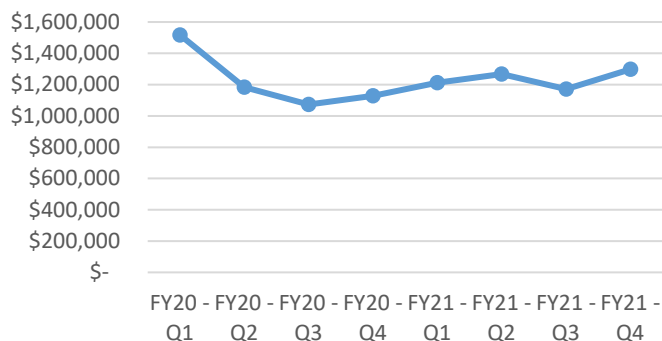
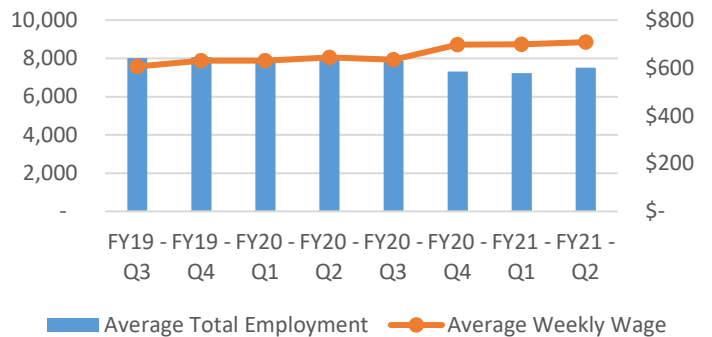


Chart 5. Quarterly Average Total Employment & Weekly Wage

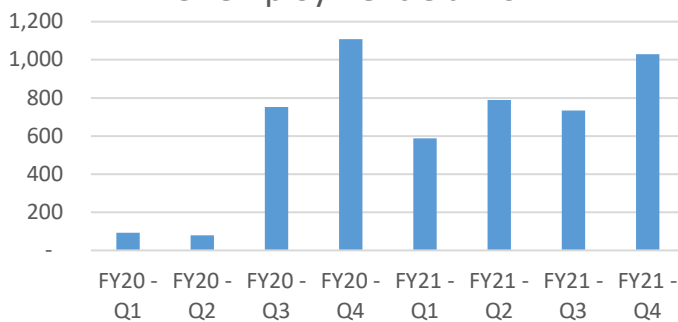


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Chart 6. Quarterly Initial Unemployment Claims



*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. 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
Accommodation and Food Services	628	-22.8%	\$ 320	13.9%	67	0.0%
Administrative/Support & Waste Management/Remediation	78	20.0%	\$ 424	-17.3%	17	-5.6%
Agriculture, Forestry, Fishing, and Hunting	37	2.8%	\$ 545	-16.4%	9	-10.0%
Arts, Entertainment, and Recreation	48	-11.1%	\$ 833	15.5%	6	0.0%
Construction	427	1.7%	\$ 801	0.0%	65	3.2%
Educational Services	*	100.0%	*	100.0%	21	10.5%
Finance and Insurance	144	-10.6%	\$ 717	-4.5%	31	3.3%
Health Care and Social Assistance	2,463	-9.1%	\$ 675	4.7%	308	2.0%
Information	40	5.3%	\$ 869	0.3%	14	16.7%
Management of Companies and Enterprises	7	*	\$ 847	*	4	0.0%
Manufacturing	99	7.6%	\$ 533	-5.8%	10	11.1%
Mining, Quarrying, and Oil and Gas Extraction	*	*	*	*	3	0.0%
Other Services (except Public Administration)	84	-16.0%	\$ 555	28.5%	43	10.3%
Professional, Scientific, and Technical Services	111	4.7%	\$ 824	4.8%	37	0.0%
Public Administration	464	-7.4%	\$ 966	5.6%	48	-2.0%
Real Estate and Rental and Leasing	60	42.9%	\$ 640	-24.9%	20	17.6%
Retail Trade	827	0.9%	\$ 508	9.5%	75	4.2%
Transportation and Warehousing	276	-11.0%	\$ 506	0.6%	31	3.3%
Utilities	91	-1.1%	\$ 627	5.7%	11	0.0%
Wholesale Trade	15	0.0%	\$ 681	20.5%	6	20.0%
All Industries	7,257	-7.7%	\$ 673	6.2%	826	2.9%

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