

Quarterly Economic Summary

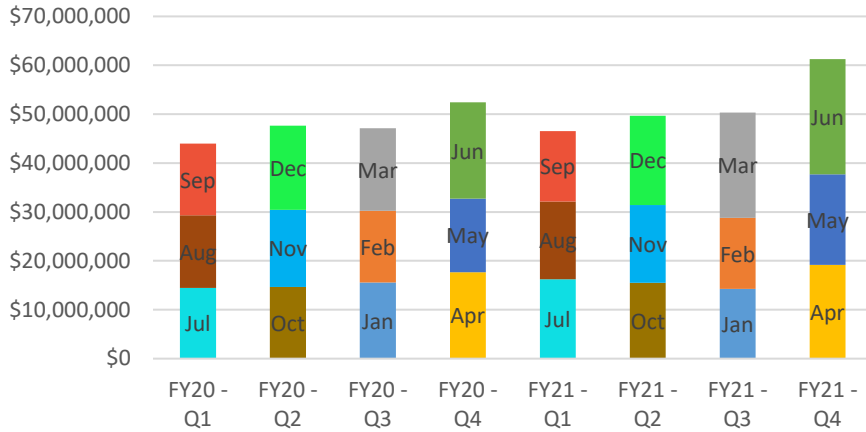
Sierra County

Released: August 2021



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

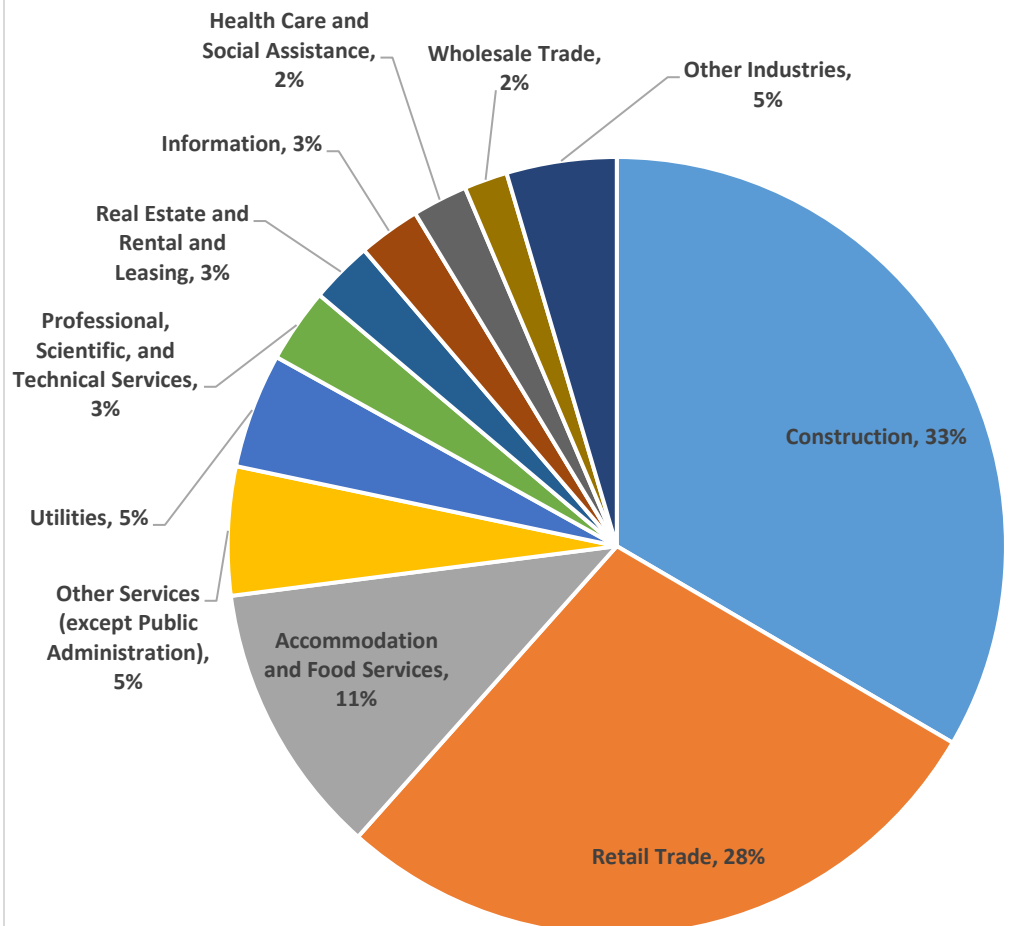
Chart 1. Matched Taxable Gross Receipts Per Quarter



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.

Sierra County's matched taxable gross receipts (MTGR) saw a notable increase from Q3 to Q4 of FY21. During this time MTGR increased by \$11M, or 21.8%, totaling \$61.3M in Q4. When comparing MTGR, Q4 FY21 is the second largest amount of total MTGR in a single quarter, behind only Q1 FY17 (\$62.4M). While MTGR has fluctuated over the previous eight quarters, MTGR is trending upwards.

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.

Quarterly Economic Summary

Sierra 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	\$ 6,827,807	\$ 2,942,234	76%	18%
Administrative/Support & Waste Management/Remediation	\$ 820,137	\$ 269,141	49%	51%
Agriculture, Forestry, Fishing, and Hunting	\$ 466,908	\$ 287,749	161%	326%
Arts, Entertainment, and Recreation	\$ 357,650	\$ 204,834	134%	141%
Construction	\$ 20,052,683	\$ 3,928,066	24%	128%
Educational Services	\$ 52,181	\$ (29,742)	-36%	-55%
Finance and Insurance	\$ 98,848	\$ 8,543	9%	-18%
Health Care and Social Assistance	\$ 1,376,247	\$ (126,805)	-8%	-16%
Information	\$ 1,547,122	\$ (923,167)	-37%	-35%
Management of Companies and Enterprises	\$ -	\$ -	N/A	-100%
Manufacturing	\$ 579,595	\$ (79,944)	-12%	48%
Mining, Quarrying, and Oil and Gas Extraction	\$ 35,580	\$ 41,385	4138549%	76%
Other Services (except Public Administration)	\$ 3,203,004	\$ 133,183	4%	-6%
Professional, Scientific, and Technical Services	\$ 1,854,632	\$ 377,298	26%	44%
Public Administration	\$ -	\$ -	N/A	-100%
Real Estate and Rental and Leasing	\$ 1,553,094	\$ 418,724	37%	94%
Retail Trade	\$ 16,887,583	\$ 617,361	4%	22%
Transportation and Warehousing	\$ 196,790	\$ 105,638	116%	102%
Unclassified Establishments	\$ 135,356	\$ 12,466	10%	-49%
Utilities	\$ 2,863,431	\$ 583,403	26%	21%
Wholesale Trade	\$ 1,081,262	\$ (1,540)	0%	-42%
All Industries	\$ 61,282,524	\$ 8,874,813	17%	36%

Table 1 shows 14 industries that reported a year-over-year (YoY) increase. The largest increase came from the construction industry, which reported a YoY increase of \$3.9M or 24%. The information industry reported a YoY decline of \$923K, or 37%, when comparing the two periods. The mining, quarrying, and oil and gas extraction has an overstated YOY percent change due to a negative number reported in Q4 FY20. This number may be negative due to a correction by one or more firms in the industry during that period. Annual GRT revenue collections increased by \$397K, or 18%, from FY20 to FY21.

Chart 3. Annual Total GRT Revenue Collections

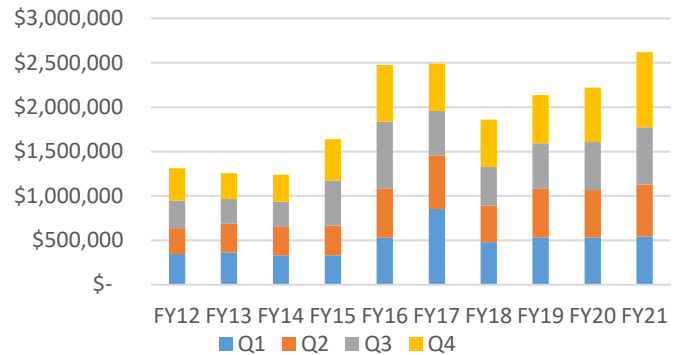


Chart 4. Quarterly GRT Revenue Collections

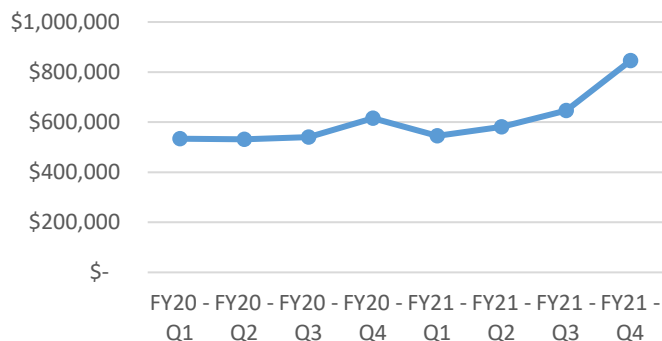
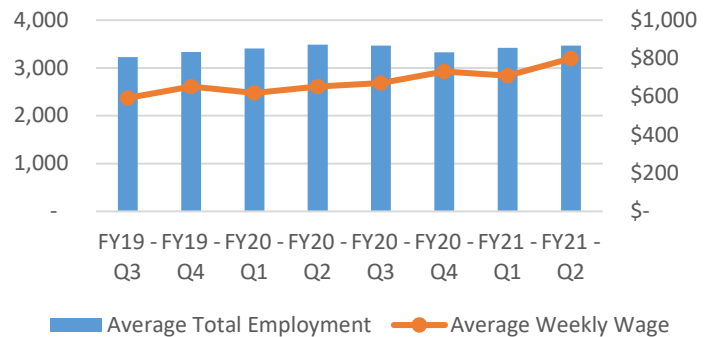


Chart 5. Quarterly Average Total Employment & Weekly Wage

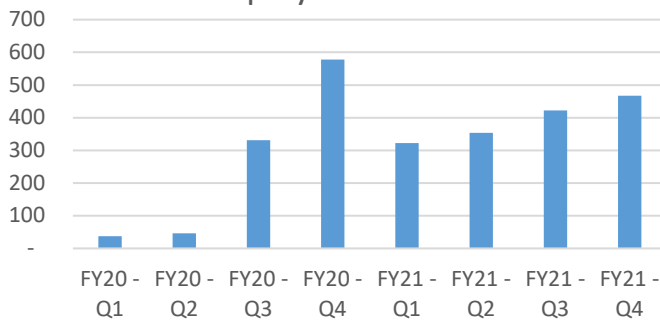


Quarterly Economic Summary

Sierra 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	Average Weekly Wage	YOY change in Average Weekly Wage	Number of Establishments	YOY Change in Establishments
Accommodation and Food Services	342	-23.0%	\$ 321	15.1%	41	0.0%
Administrative/Support & Waste Management/Remediation	97	5.4%	\$ 789	0.9%	17	30.8%
Agriculture, Forestry, Fishing, and Hunting	139	-10.3%	\$ 607	24.1%	20	5.3%
Arts, Entertainment, and Recreation	68	-17.1%	\$ 522	8.3%	10	0.0%
Construction	243	0.8%	\$ 760	2.4%	35	12.9%
Educational Services	*	*	*	*	2	0.0%
Finance and Insurance	55	-3.5%	\$ 733	11.7%	14	16.7%
Health Care and Social Assistance	838	-10.6%	\$ 754	12.0%	74	5.7%
Information	15	7.1%	\$ 584	23.2%	5	0.0%
Management of Companies and Enterprises	*	*	*	*	1	#DIV/0!
Manufacturing	107	-4.5%	\$ 764	9.3%	5	0.0%
Mining, Quarrying, and Oil and Gas Extraction	*	*	*	*	1	0.0%
Other Services (except Public Administration)	58	-24.7%	\$ 323	9.9%	18	-5.3%
Professional, Scientific, and Technical Services	127	30.9%	\$ 1,101	11.9%	21	10.5%
Public Administration	306	-12.3%	\$ 968	10.5%	34	0.0%
Real Estate and Rental and Leasing	10	-28.6%	\$ 348	-12.8%	7	0.0%
Retail Trade	441	12.8%	\$ 513	-0.4%	36	5.9%
Transportation and Warehousing	162	*	\$ 1,805	*	17	6.3%
Utilities	46	7.0%	\$ 1,115	4.4%	6	0.0%
Wholesale Trade	11	0.0%	\$ 754	18.7%	6	0.0%
All Industries	3,298	-5.7%	\$ 755	13.0%	370	5.7%

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