

Quarterly Economic Summary

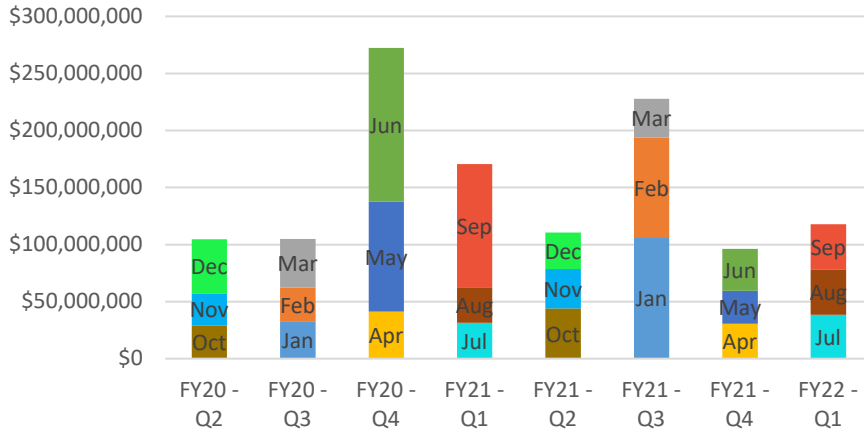
Luna County

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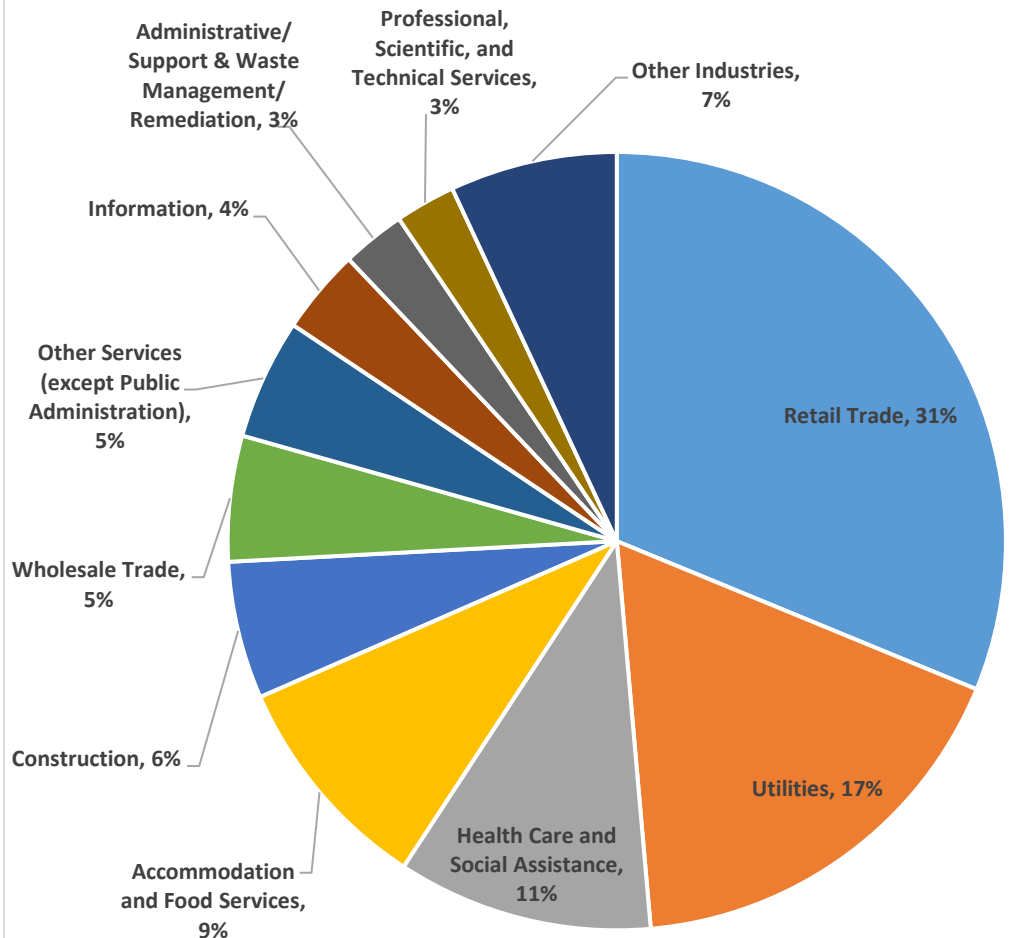
Chart 1. Matched Taxable Gross Receipts Per Quarter



Twenty-nine of 33 counties saw significant economic growth year over year in the first quarter of FY22. The four counties experiencing gross receipts declines had major construction projects wrap up, skewing those results. COVID-19 continues to pose supply chain threats, and high levels of transmission and new variants create additional risks to New Mexicans and the economy, but this economic upswing and recent forecasts continue to show a strong rebound across most sectors, exceeding pre-pandemic numbers from two years ago.

Luna County's matched taxable gross receipts (MTGR) increased from Q4 FY21 to Q1 FY22, shown in Chart 1. Over the last eight quarters, MTGR has ranged from \$96M to \$272M. During Q1 FY22, the amount of reported MTGR (\$117.9M) increased by \$21.8M, or 23%, when compared to Q4 FY21. In Chart 2, the retail trade industry represented 31% of the county's quarterly MTGR. Table 1, on the next page, shows a decrease of \$52.4M from Q1 in FY21 to FY22 of the same period. Table 1 also

Chart 2. FY22 - Q1 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. FY22 - Q1 Matched Taxable Gross Receipts by Industry

Industries	FY22 - Q1	YOY Growth	YOY % Change	2-Year % Change
Accommodation and Food Services	\$ 10,825,525	\$ 2,086,718	24%	16%
Administrative/Support & Waste Management/Remediation	\$ 3,100,950	\$ (1,337,759)	-30%	1790%
Agriculture, Forestry, Fishing, and Hunting	\$ 124,111	\$ (121,022)	-49%	23%
Arts, Entertainment, and Recreation	\$ 228,056	\$ 75,686	50%	291%
Construction	\$ 6,702,881	\$ (77,826,218)	-92%	-41%
Educational Services	\$ 127,358	\$ 113,534	821%	1235%
Finance and Insurance	\$ 434,216	\$ 52,842	14%	18%
Health Care and Social Assistance	\$ 12,469,973	\$ 2,332,667	23%	45%
Information	\$ 4,142,958	\$ 1,227,353	42%	-19%
Management of Companies and Enterprises	\$ 54,316	\$ 54,316	N/A	N/A
Manufacturing	\$ 2,577,793	\$ (165,718)	-6%	93%
Mining, Quarrying, and Oil and Gas Extraction	\$ 171,810	\$ (697,641)	-80%	180%
Other Services (except Public Administration)	\$ 5,871,268	\$ 801,400	16%	-576%
Professional, Scientific, and Technical Services	\$ 2,946,642	\$ (253,315)	-8%	51%
Public Administration	\$ -	\$ (264,967)	-100%	-100%
Real Estate and Rental and Leasing	\$ 1,394,768	\$ 299,918	27%	33%
Retail Trade	\$ 36,656,486	\$ 7,664,329	26%	45%
Transportation and Warehousing	\$ 1,744,090	\$ 771,280	79%	44%
Unclassified Establishments	\$ 1,302,609	\$ 1,146,224	733%	783%
Utilities	\$ 20,419,843	\$ 7,053,533	53%	73%
Wholesale Trade	\$ 6,127,989	\$ 4,274,666	231%	198%
All Industries	\$ 117,931,185	\$ (52,494,165)	-31%	48%

shows seven industries that reported a year over year (YOY) loss. The largest decline came from the construction industry, which posted a YOY decline of \$77.8M or 92%. The retail trade industry reported a YOY increase of \$7.6M or 26%.

Gross receipts tax (GRT) revenue collections increased by \$1M, or 73%, from Q4 FY21 to Q1 FY22, shown in Chart 4. Over the previous eight quarters, GRT collections have averaged \$2.36M while the amount reported for Q1 FY22 was \$2.41M.

Chart 3. Annual Total GRT Revenue Collections

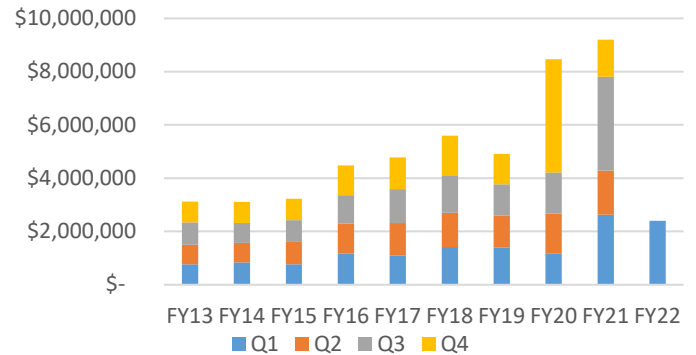


Chart 4. Quarterly GRT Revenue Collections

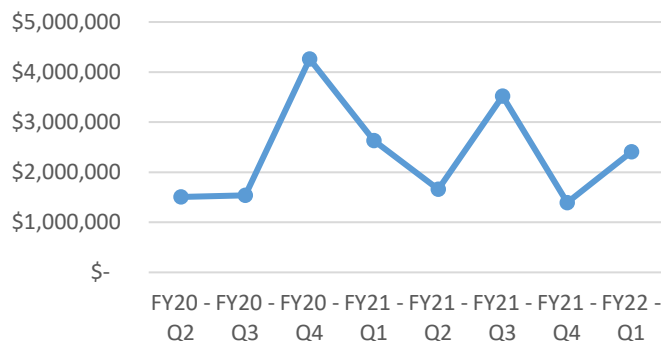
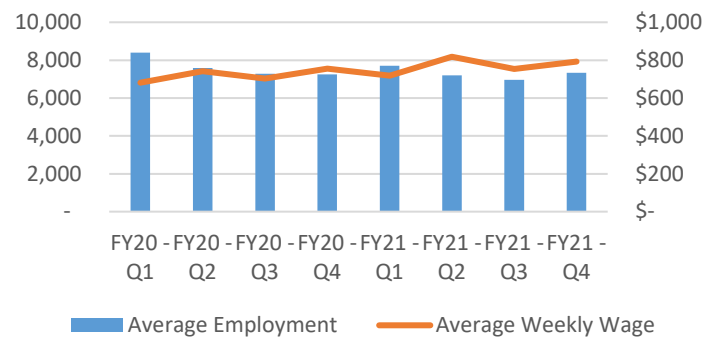


Chart 5. Total Employment & Weekly Wage

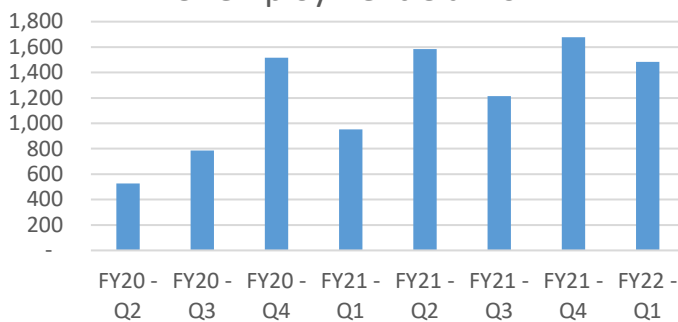


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Chart 6. Quarterly Initial Unemployment Claims



*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 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 - Q4 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 Employment		Average Weekly Wage	Average Weekly Wage		
Accommodation and Food Services	715	15.7%	\$ 326	15.6%	57	-1.7%		
Administrative/Support & Waste	131	14.9%	\$ 687	-14.3%	27	22.7%		
Agriculture, Forestry, Fishing, and Hunting	679	-19.5%	\$ 568	18.6%	51	-5.6%		
Arts, Entertainment, and Recreation	87	55.4%	\$ 299	-24.5%	11	0.0%		
Construction	510	6.3%	\$ 1,156	16.9%	47	-7.8%		
Educational Services	*	*	*	*	14	0.0%		
Finance and Insurance	102	-1.9%	\$ 751	-3.1%	22	0.0%		
Health Care and Social Assistance	1,216	4.0%	\$ 702	5.2%	94	1.1%		
Information	12	0.0%	\$ 1,032	14.7%	5	25.0%		
Management of Companies and Enterprises	*	*	*	*	2	0.0%		
Manufacturing	747	-2.7%	\$ 657	-1.1%	19	5.6%		
Mining, Quarrying, and Oil and Gas Extraction	*	*	*	*	3	50.0%		
Other Services (except Public Administration)	80	-14.9%	\$ 629	15.8%	23	0.0%		
Professional, Scientific, and Technical Services	101	34.7%	\$ 745	-5.6%	25	13.6%		
Public Administration	957	-1.4%	\$ 1,414	2.9%	28	0.0%		
Real Estate and Rental and Leasing	40	-4.8%	\$ 637	13.5%	25	0.0%		
Retail Trade	972	8.0%	\$ 564	8.7%	62	-3.1%		
Transportation and Warehousing	167	-8.2%	\$ 857	4.4%	26	4.0%		
Utilities	95	18.8%	\$ 1,337	1.2%	6	0.0%		
Wholesale Trade	95	-1.0%	\$ 692	-17.4%	11	0.0%		
All Industries	7,341	1.2%	\$ 792	4.9%	558	0.5%		

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