

Quarterly Economic Summary

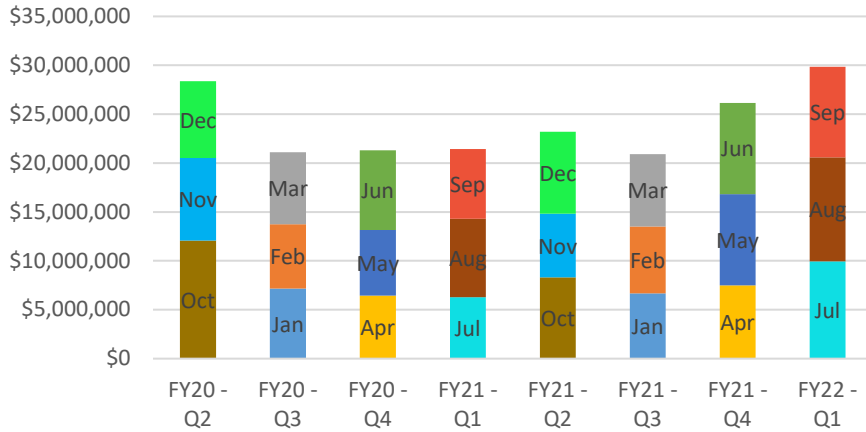
Union County



Released: November 2021

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

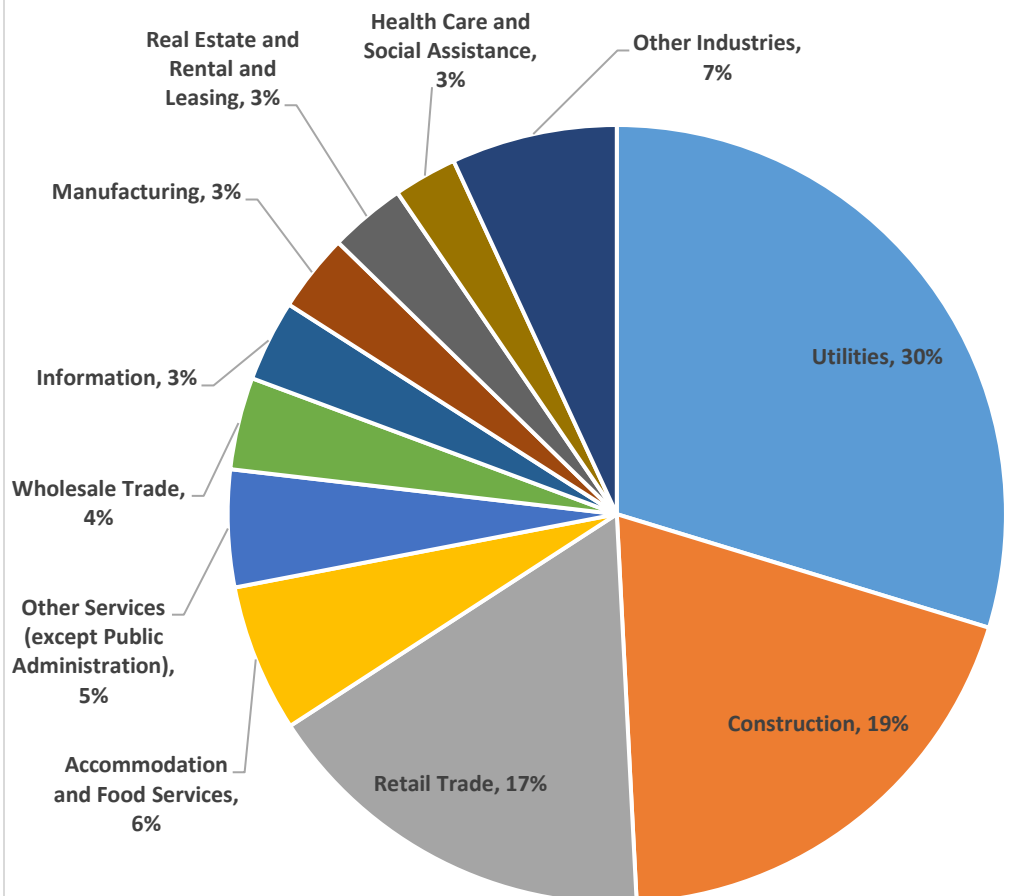
Chart 1. Matched Taxable Gross Receipts Per Quarter



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.

Union County's matched taxable gross receipts (MTGR) increased in Q1 FY22 as compared to Q4 FY21, shown in Chart 1. From Q4 FY21 to Q1 FY22, MTGR increased by \$3.6M or 14%. When comparing MTGR, Q1 of FY22 is most comparable to Q1 FY18, when Union County reported \$75K less in MTGR. Table 1, on the next page, shows an increase of \$8.4M from Q1 in FY21 to FY22 of the same period. Table 1 also shows that six

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.

Quarterly Economic Summary

Union County



Table 1. FY22 - Q1 Matched Taxable Gross Receipts by Industry

Industries	FY22 - Q1	YOY Growth	YOY % Change	2-Year % Change
Accommodation and Food Services	\$ 1,827,899	\$ 526,436	40%	14%
Administrative/Support & Waste Management/Remediation	\$ 365,285	\$ 175,885	93%	-86%
Agriculture, Forestry, Fishing, and Hunting	\$ 101,035	\$ (8,246)	-8%	-71%
Arts, Entertainment, and Recreation	\$ 71,562	\$ (16,581)	-19%	21%
Construction	\$ 5,801,433	\$ 3,896,217	205%	27%
Educational Services	\$ 5,428	\$ 4,880	892%	406%
Finance and Insurance	\$ 81,831	\$ (46,707)	-36%	-63%
Health Care and Social Assistance	\$ 787,107	\$ (766,538)	-49%	-50%
Information	\$ 1,006,433	\$ 261,922	35%	-17%
Management of Companies and Enterprises	\$ -	\$ -	N/A	N/A
Manufacturing	\$ 967,409	\$ 633,149	189%	-79%
Mining, Quarrying, and Oil and Gas Extraction	\$ -	\$ -	N/A	-100%
Other Services (except Public Administration)	\$ 1,450,069	\$ (110,228)	-7%	2%
Professional, Scientific, and Technical Services	\$ 553,312	\$ (141,245)	-20%	28%
Public Administration	\$ 451,176	\$ 451,176	N/A	N/A
Real Estate and Rental and Leasing	\$ 944,608	\$ 52,936	6%	-37%
Retail Trade	\$ 4,964,062	\$ 1,027,010	26%	25%
Transportation and Warehousing	\$ 119,331	\$ 50,839	74%	1%
Unclassified Establishments	\$ 303,288	\$ 289,596	2115%	1670%
Utilities	\$ 8,854,009	\$ 1,030,484	13%	-11%
Wholesale Trade	\$ 1,141,487	\$ 1,062,208	1340%	995%
All Industries	\$ 29,835,767	\$ 8,411,887	39%	-14%

industries reported a year over year (YOY) loss. The largest decline came from the health care and social assistance industry, which posted a YOY decline of \$766K or 50%. The largest YOY increase came from the construction industry, which posted a gain of \$3.9M or 205%.

Gross receipts tax (GRT) revenue collections increased by \$180K, or 76%, from Q4 FY21 to Q1 FY22, shown in Chart 4.

Average weekly wages increased by \$33/week from Q3 FY21 to Q4 FY21.

Chart 3. Annual Total GRT Revenue Collections

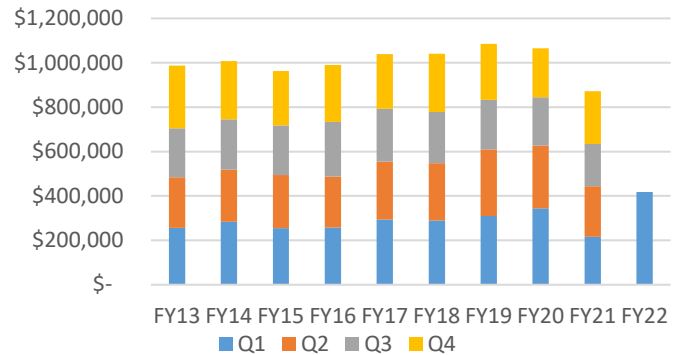


Chart 4. Quarterly GRT Revenue Collections

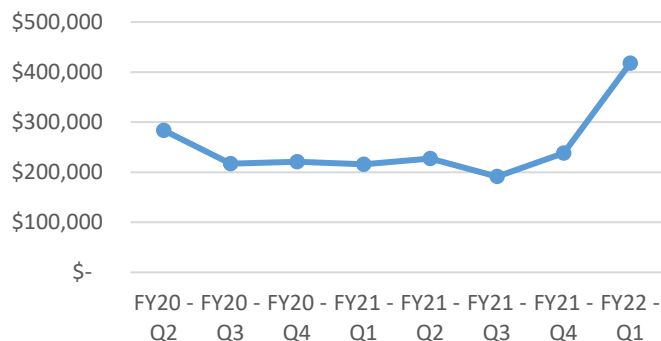
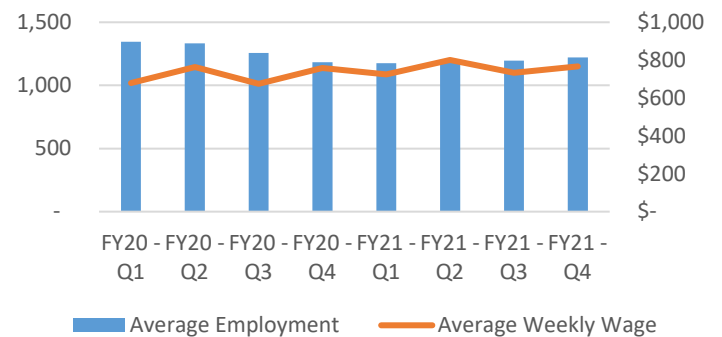


Chart 5. Total Employment & Weekly Wage

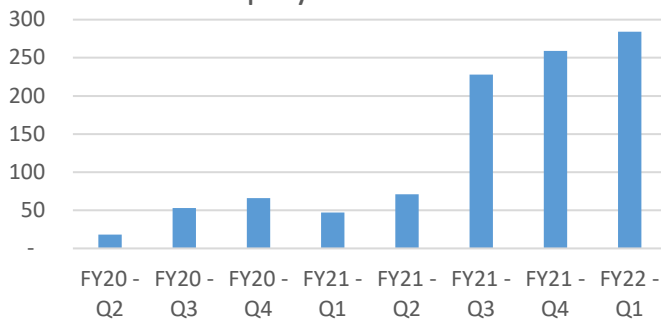


Quarterly Economic Summary

Union 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 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 Employment	Average Weekly Wage	YOY change in Average Weekly Wage	Number of Establishments	YOY Change in Establishments
Accommodation and Food Services	96	6.7%	\$ 326	25.9%	13	-13.3%
Administrative/Support & Waste	*	*	*	*	8	14.3%
Agriculture, Forestry, Fishing, and Hunting	95	3.3%	\$ 850	-1.0%	19	0.0%
Arts, Entertainment, and Recreation	18	12.5%	\$ 855	29.2%	6	-14.3%
Construction	58	-6.5%	\$ 771	12.1%	15	-6.3%
Educational Services	125	7.8%	\$ 983	-12.9%	3	0.0%
Finance and Insurance	51	2.0%	\$ 1,079	9.9%	7	40.0%
Health Care and Social Assistance	193	4.9%	\$ 750	-5.3%	15	7.1%
Information	40	2.6%	\$ 773	-2.9%	4	0.0%
Management of Companies and Enterprises	*	*	*	*	1	100.0%
Manufacturing	*	*	*	*	2	100.0%
Mining, Quarrying, and Oil and Gas Extraction	*	*	*	*	3	0.0%
Other Services (except Public Administration)	10	-28.6%	\$ 696	25.9%	9	-18.2%
Professional, Scientific, and Technical Services	21	40.0%	\$ 1,503	66.6%	9	-10.0%
Public Administration	189	-1.0%	\$ 913	5.8%	20	-4.8%
Real Estate and Rental and Leasing	7	0.0%	\$ 1,230	-1.8%	4	0.0%
Retail Trade	165	4.4%	\$ 517	-3.0%	18	0.0%
Transportation and Warehousing	*	*	*	*	10	0.0%
Utilities	27	-6.9%	\$ 989	-15.0%	5	0.0%
Wholesale Trade	48	2.1%	\$ 570	14.5%	5	0.0%
All Industries	1,222	3.2%	\$ 767	1.1%	176	-1.1%

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