

Quarterly Economic Summary

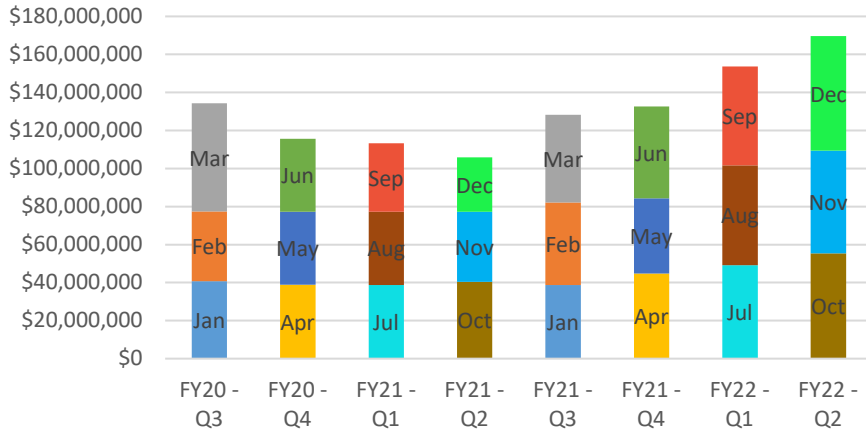
Grant County



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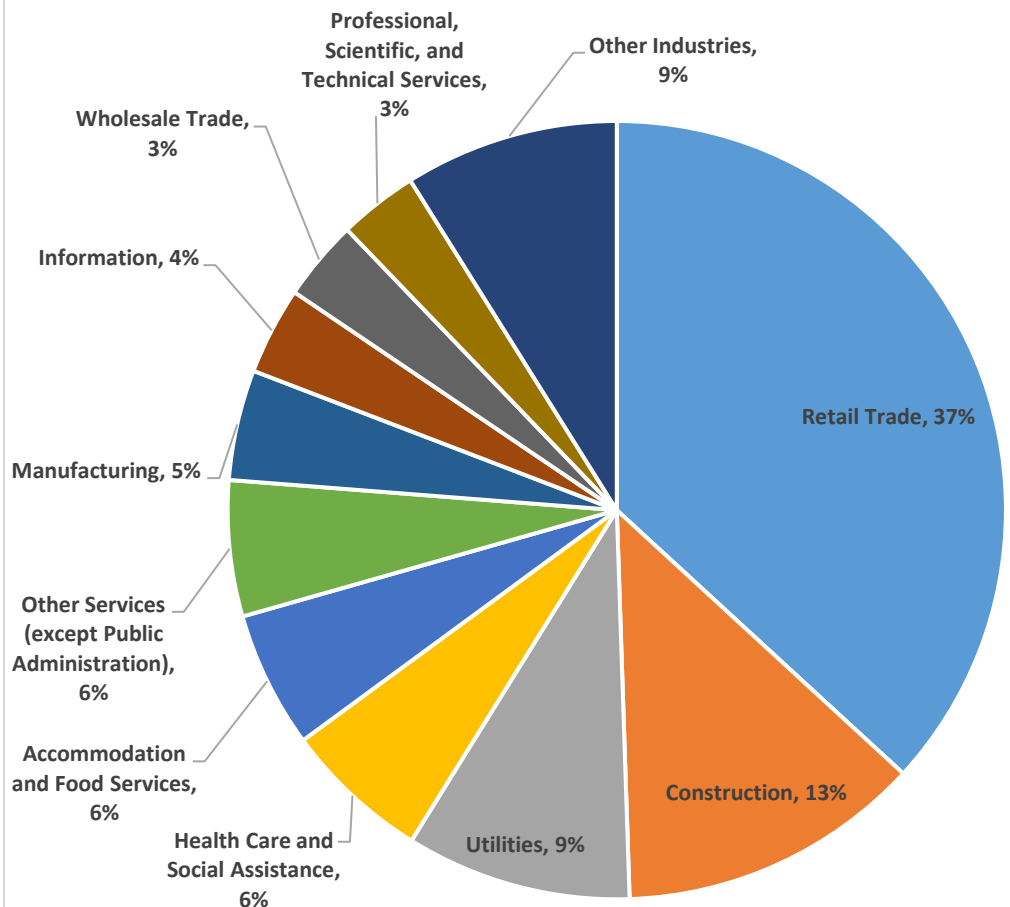
Chart 1. Matched Taxable Gross Receipts Per Quarter



Thirty of 33 counties saw significant year-over-year economic growth in the second quarter of FY22. Growth was also broad across industry sectors, with arts, entertainment and recreation leading the growth in gross receipts, up 143% over the year. COVID-19 continues to disrupt some supply chains, and rising inflation poses a risk of slower national economic growth; however, the immediate outlook is for continued strong growth in New Mexico. Additionally, any inflationary impacts will serve to boost gross receipts and related revenues.

Grant County's matched taxable gross receipts (MTGR) increased in Q2 FY22 compared to Q1 FY22, shown in Chart 1. From Q1 FY22 to Q2 FY22, MTGR increased by \$15.8M or 12%. Over the last eight quarters, quarterly MTGR has averaged \$131M, which is \$38M less than Q2 FY22. Q2 of FY22 is the largest amount of reported MTGR for Grant County. Chart 2 shows the largest contributor to MTGR was the retail trade industry.

Chart 2. FY21 - Q2 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 - Q2 Matched Taxable Gross Receipts by Industry

Industries	FY22 - Q2	YOY Growth	YOY % Change	2-Year % Change
Accommodation and Food Services	\$ 9,611,401	\$ 2,092,820	28%	3%
Administrative/Support & Waste Management/Remediation	\$ 3,207,677	\$ 1,296,849	68%	35%
Agriculture, Forestry, Fishing, and Hunting	\$ 250,943	\$ (1,213,191)	-83%	-69%
Arts, Entertainment, and Recreation	\$ 234,883	\$ 61,584	36%	-14%
Construction	\$ 21,436,875	\$ (2,008,706)	-9%	41%
Educational Services	\$ 275,409	\$ (204,546)	-43%	39%
Finance and Insurance	\$ 875,121	\$ (48,626)	-5%	21%
Health Care and Social Assistance	\$ 10,307,101	\$ 1,860,792	22%	21%
Information	\$ 6,163,800	\$ 2,041,580	50%	-19%
Management of Companies and Enterprises	\$ 2,181	\$ 2,181	N/A	N/A
Manufacturing	\$ 7,780,735	\$ 4,075,865	110%	24%
Mining, Quarrying, and Oil and Gas Extraction	\$ 1,512,552	\$ 755,091	100%	-4%
Other Services (except Public Administration)	\$ 9,571,824	\$ 24,796,412	163%	4%
Professional, Scientific, and Technical Services	\$ 5,572,056	\$ 1,438,145	35%	23%
Public Administration	\$ 402,581	\$ 400,074	15956%	N/A
Real Estate and Rental and Leasing	\$ 2,648,205	\$ (32,583)	-1%	54%
Retail Trade	\$ 62,453,621	\$ 15,674,487	34%	52%
Transportation and Warehousing	\$ 2,932,204	\$ 155,924	6%	19%
Unclassified Establishments	\$ 2,757,156	\$ 2,548,144	1219%	468%
Utilities	\$ 15,891,338	\$ 6,128,639	63%	109%
Wholesale Trade	\$ 5,676,911	\$ 4,079,500	255%	280%
All Industries	\$ 169,618,413	\$ 63,744,478	60%	34%

Table 1 shows an increase of \$63M from Q2 in FY21 to FY22 of the same period. Table 1 also shows 15 industries that reported a year-over-year (YOY) increase while five industries reported a YOY decline. The largest increase came from the other services industry, which posted a YOY increase of \$24.8M or 163%. Though, this large increase is artificially inflated due to a negative report of MTGR in Q2 FY21. The 2-year percent change is a more realistic look at the industry. Gross receipts tax (GRT) revenue collections declined by \$852K, or 31%, from Q1 FY22 to Q2 FY22, shown in Chart 4. The average amount collected over the last eight quarters was \$1.65M.

Chart 3. Annual Total GRT Revenue Collections

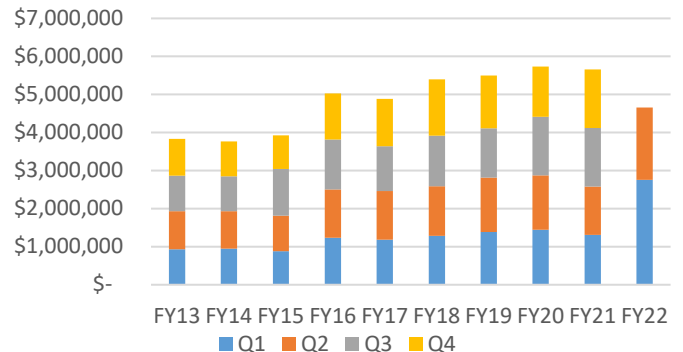


Chart 4. Quarterly GRT Revenue Collections

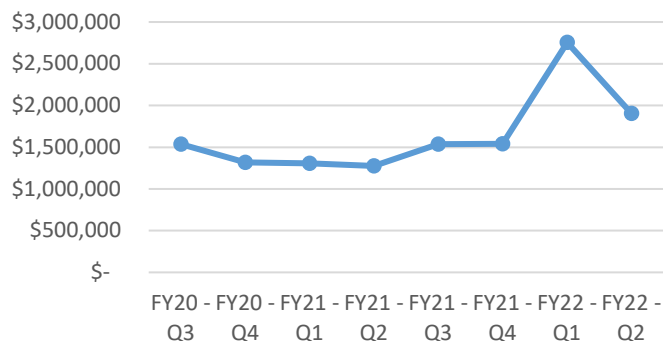
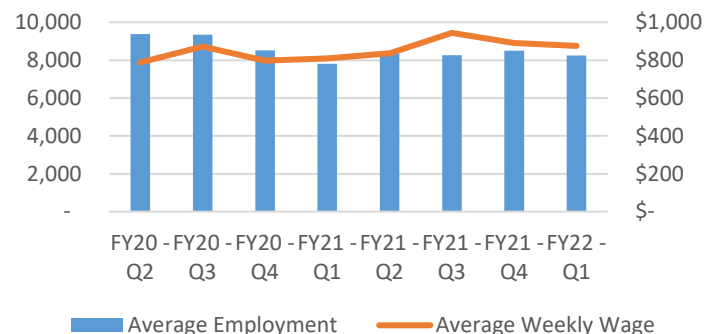


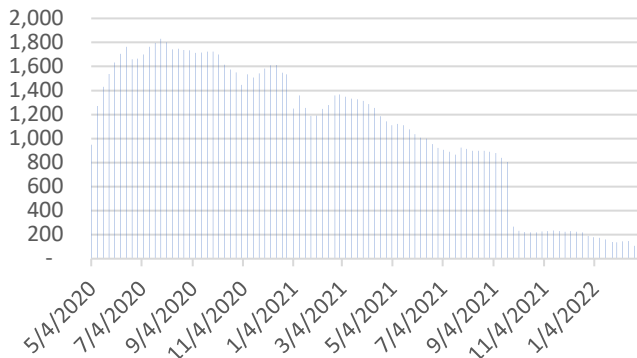
Chart 5. Total Employment & Weekly Wage



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Chart 6. Claimants Receiving Unemployment Benefits Per Week



* Data in weeks with low claimant amounts may be withheld to avoid disclosure of confidential information

Data in Chart 6 includes claimants receiving payment for standard unemployment insurance, pandemic unemployment assistance, pandemic emergency unemployment assistance, extended benefits, and trade readjustment allowances. Data are unofficial and subject to change. Extended Federal Unemployment Insurance benefits ended September 4th, 2021. This explains the decrease in the number of claimants shortly after this date. Data can be considered a three-week average.

Gross Domestic Product (GDP) is the value of all goods and services produced in an area. The percentage that GDP grew (or shrank) from one period to another is an important indicator as to how the economy is performing. Table 2, below, shows the percentage of GDP each industry accounts for in the total GDP, in a specific county and the state. The chart also compares the county to the entire state of New Mexico, by showing the impact of specific industry sectors on the county's GDP compared to that of the whole state.

Chart 7. Calendar Year % Change In Real GDP Year Over Year

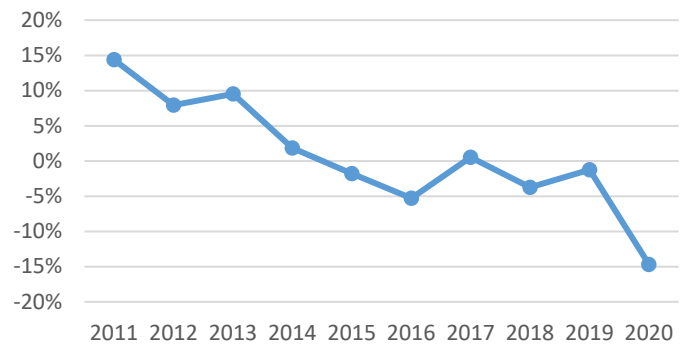


Table 2. Historical Glance: 2020 Gross Domestic Product by Industry

Industry	2020	Industry % of Total	2019-2020 Growth	YOY % Change
Accommodation and Food Services	\$ 22,997,000	2.43%	*	*
Administrative/Support & Waste Management/Remediation	\$ 11,652,000	1.23%	\$ 1,331,000	13%
Agriculture, Forestry, Fishing, and Hunting	\$ 28,199,000	2.98%	*	*
Arts, Entertainment, and Recreation	\$ 671,000	0.07%	*	*
Construction	\$ 16,176,000	1.71%	\$ (684,000)	-4%
Educational Services	\$ 2,609,000	0.28%	\$ (621,000)	-19%
Finance and Insurance	\$ 17,654,000	1.87%	\$ 3,775,000	27%
Health Care and Social Assistance	\$ 53,993,000	5.71%	\$ 2,016,000	4%
Information	\$ 17,214,000	1.82%	\$ (124,000)	-1%
Management of Companies and Enterprises	\$ 8,372,000	0.89%	\$ (4,326,000)	-34%
Manufacturing	\$ 5,264,000	0.56%	*	*
Mining, Quarrying, and Oil and Gas Extraction	\$ 323,225,000	34.20%	\$ (163,048,000)	-34%
Other Services (except Public Administration)	\$ 15,554,000	1.65%	\$ (1,124,000)	-7%
Professional, Scientific, and Technical Services	\$ 11,392,000	1.21%	\$ 101,000	1%
Public Administration	\$ 223,143,000	23.61%	\$ (1,424,000)	-1%
Real Estate and Rental and Leasing	\$ 91,070,000	9.64%	\$ (4,771,000)	-5%
Retail Trade	\$ 57,074,000	6.04%	\$ (580,000)	-1%
Transportation and Warehousing	\$ 5,814,000	0.62%	\$ (200,000)	-3%
Utilities	\$ 6,471,000	0.68%	\$ 1,081,000	20%
Wholesale Trade	\$ 10,106,000	1.07%	\$ (60,000)	-1%
All Industries	\$ 945,057,000		\$ (162,624,000)	-15%

*Not shown to avoid disclosure of confidential information

**This historical look at GDP data represents the most recent county GDP data available