

# Quarterly Economic Summary

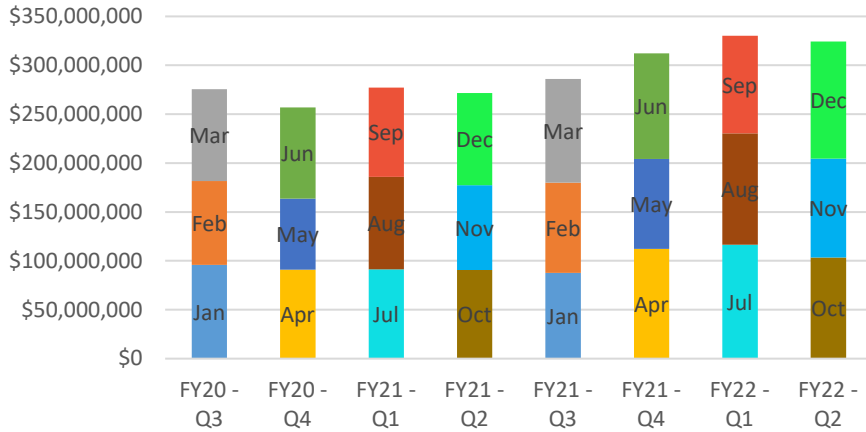
## McKinley County



Released: March 2022

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

Chart 1. Matched Taxable Gross Receipts Per Quarter

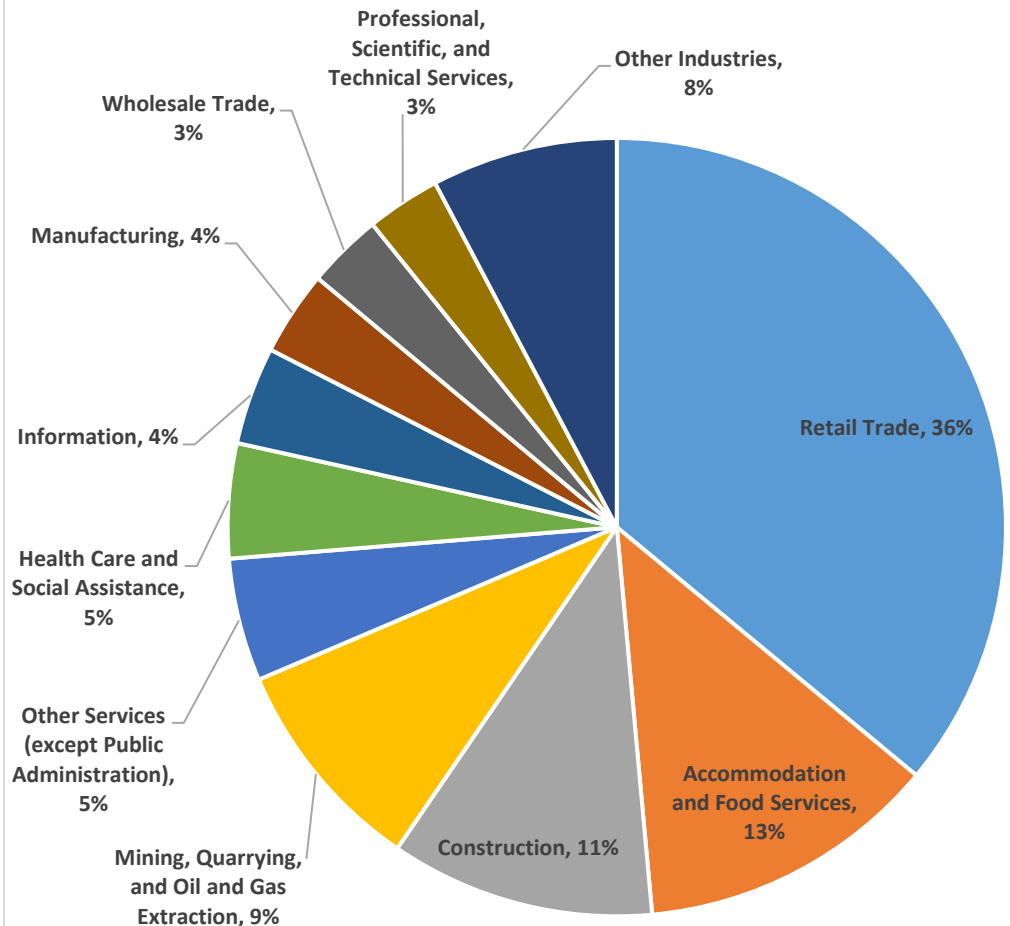


Thirty of 33 counties saw significant year-over-year economic growth in the second quarter of FY22. Growth was also broad across industry sectors, with arts, entertainment and recreation leading the growth in gross receipts, up 143% over the year. COVID-19 continues to disrupt some supply chains, and 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.

McKinley County's matched taxable gross receipts (MTGR) declined in Q2 FY22 compared to Q1 FY22, as shown in Chart 1. From Q1 FY22 to Q2 FY22, MTGR declined by \$5.9M or 2%. Over the last eight quarters, quarterly MTGR has averaged \$291M, which is \$33M less than Q2 FY22. When comparing MTGR, Q2 of FY22 is most comparable to Q1 FY13, when McKinley County reported \$323M, \$1M less than what was most recently reported.

**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.

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



# Quarterly Economic Summary

## McKinley County

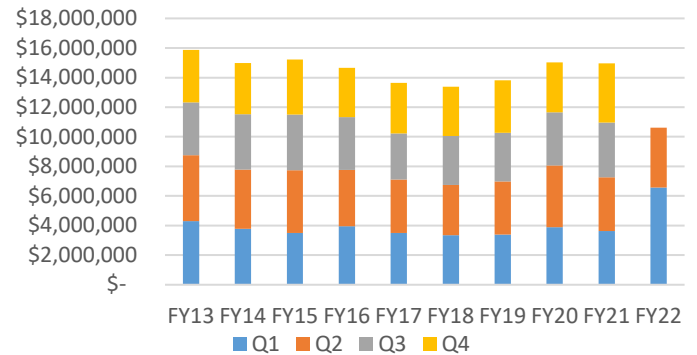


**Table 1. FY22 - Q2 Matched Taxable Gross Receipts by Industry**

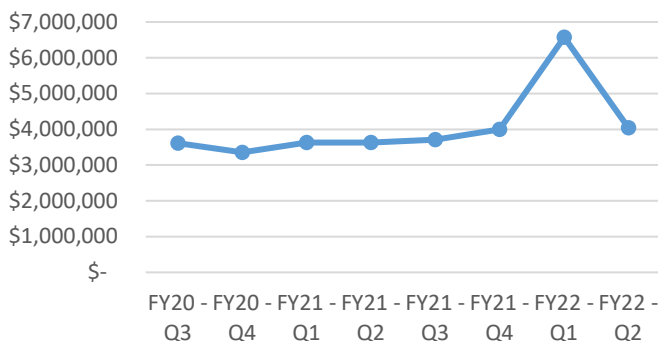
Industries	FY22 - Q2	YOY Growth	YOY % Change	2-Year % Change
Accommodation and Food Services	\$ 40,102,984	\$ 8,015,122	25%	16%
Administrative/Support & Waste Management/Remediation	\$ 4,450,498	\$ 1,771,084	66%	139%
Agriculture, Forestry, Fishing, and Hunting	\$ 110,704	\$ 74,548	206%	-77%
Arts, Entertainment, and Recreation	\$ 638,986	\$ 587,220	1134%	384%
Construction	\$ 35,162,525	\$ 2,493,327	8%	-4%
Educational Services	\$ 981,806	\$ 511,299	109%	29%
Finance and Insurance	\$ 1,423,901	\$ (24,929)	-2%	16%
Health Care and Social Assistance	\$ 15,247,355	\$ 241,183	2%	23%
Information	\$ 13,009,919	\$ 3,302,780	34%	-19%
Management of Companies and Enterprises	\$ 1,775	\$ 1,696	2139%	N/A
Manufacturing	\$ 11,229,269	\$ 4,111,565	58%	-21%
Mining, Quarrying, and Oil and Gas Extraction	\$ 28,950,315	\$ 11,137,518	63%	-19%
Other Services (except Public Administration)	\$ 16,360,096	\$ 1,443,980	10%	-32%
Professional, Scientific, and Technical Services	\$ 9,833,846	\$ (2,595,490)	-21%	-39%
Public Administration	\$ -	\$ -	N/A	N/A
Real Estate and Rental and Leasing	\$ 5,980,654	\$ 358,225	6%	-23%
Retail Trade	\$ 115,194,761	\$ 23,287,307	25%	27%
Transportation and Warehousing	\$ 1,239,948	\$ 391,925	46%	-44%
Unclassified Establishments	\$ 4,043,884	\$ 2,209,719	120%	-22%
Utilities	\$ 5,859,740	\$ 1,911,737	48%	29%
Wholesale Trade	\$ 10,056,664	\$ 5,493,969	120%	-10%
<b>All Industries</b>	<b>\$ 324,339,654</b>	<b>\$ 52,840,702</b>	<b>19%</b>	<b>1%</b>

Table 1 shows an increase of \$52.8M from Q2 in FY21 to FY22 of the same period. Table 1 also shows 18 industries that reported a year-over-year (YOY) increase while two industries reported a YOY decline. The largest increase came from the retail trade sector, which posted a YOY increase of \$23M or 25%. The largest decline came from the professional, scientific, and technical services industry, which posted a YOY decline of \$2.5M or 21%.

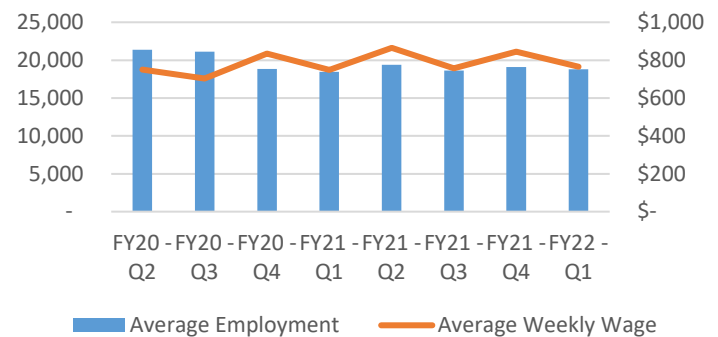
**Chart 3. Annual Total GRT Revenue Collections**



**Chart 4. Quarterly GRT Revenue Collections**



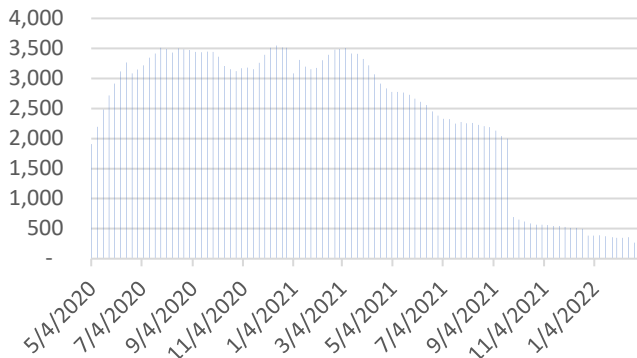
**Chart 5. Total Employment & Weekly Wage**



# Quarterly Economic Summary McKinley County



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

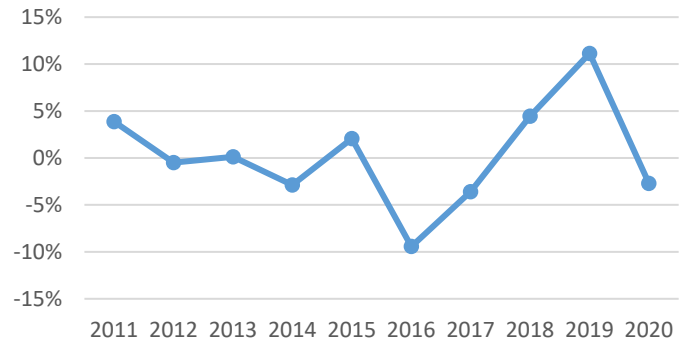


Table 2. Historical Glance: 2020 Gross Domestic Product by Industry

Industry	2020	Industry % of Total	2019-2020 Growth	YOY % Change
Accommodation and Food Services	\$ 64,299,000	2.65%	\$ (18,614,000)	-22%
Administrative/Support & Waste Management/Remediation	\$ 19,805,000	0.82%	\$ (2,305,000)	-10%
Agriculture, Forestry, Fishing, and Hunting	*	*	*	*
Arts, Entertainment, and Recreation	*	*	*	*
Construction	\$ 26,515,000	1.09%	\$ 622,000	2%
Educational Services	\$ 7,149,000	0.30%	\$ (530,000)	-7%
Finance and Insurance	\$ 23,011,000	0.95%	\$ 98,000	0%
Health Care and Social Assistance	\$ 142,458,000	5.88%	\$ (6,532,000)	-4%
Information	\$ 19,071,000	0.79%	\$ (4,248,000)	-18%
Management of Companies and Enterprises	\$ 4,366,000	0.18%	\$ 174,000	4%
Manufacturing	\$ 533,481,000	22.03%	\$ 63,309,000	13%
Mining, Quarrying, and Oil and Gas Extraction	\$ 239,695,000	9.90%	\$ (12,588,000)	-5%
Other Services (except Public Administration)	\$ 37,808,000	1.56%	\$ (2,686,000)	-7%
Professional, Scientific, and Technical Services	\$ 15,348,000	0.63%	\$ (2,464,000)	-14%
Public Administration	\$ 843,389,000	34.82%	\$ 269,000	0%
Real Estate and Rental and Leasing	\$ 156,449,000	6.46%	\$ (7,057,000)	-4%
Retail Trade	\$ 166,777,000	6.89%	\$ (7,647,000)	-4%
Transportation and Warehousing	\$ 103,027,000	4.25%	\$ (20,763,000)	-17%
Utilities	*	*	*	*
Wholesale Trade	\$ 52,637,000	2.17%	\$ (2,896,000)	-5%
<b>All Industries</b>	<b>\$ 2,421,932,000</b>		<b>\$ (67,568,000)</b>	<b>-3%</b>

\*Not shown to avoid disclosure of confidential information

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