

Quarterly Economic Summary

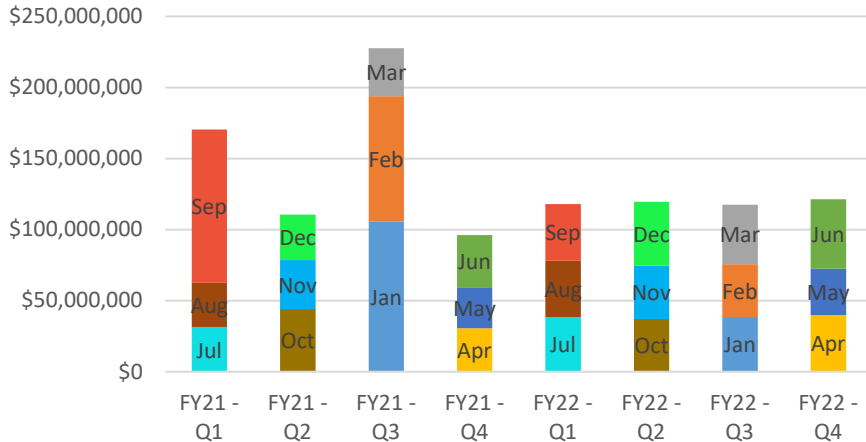
Luna County

Released: September 2022

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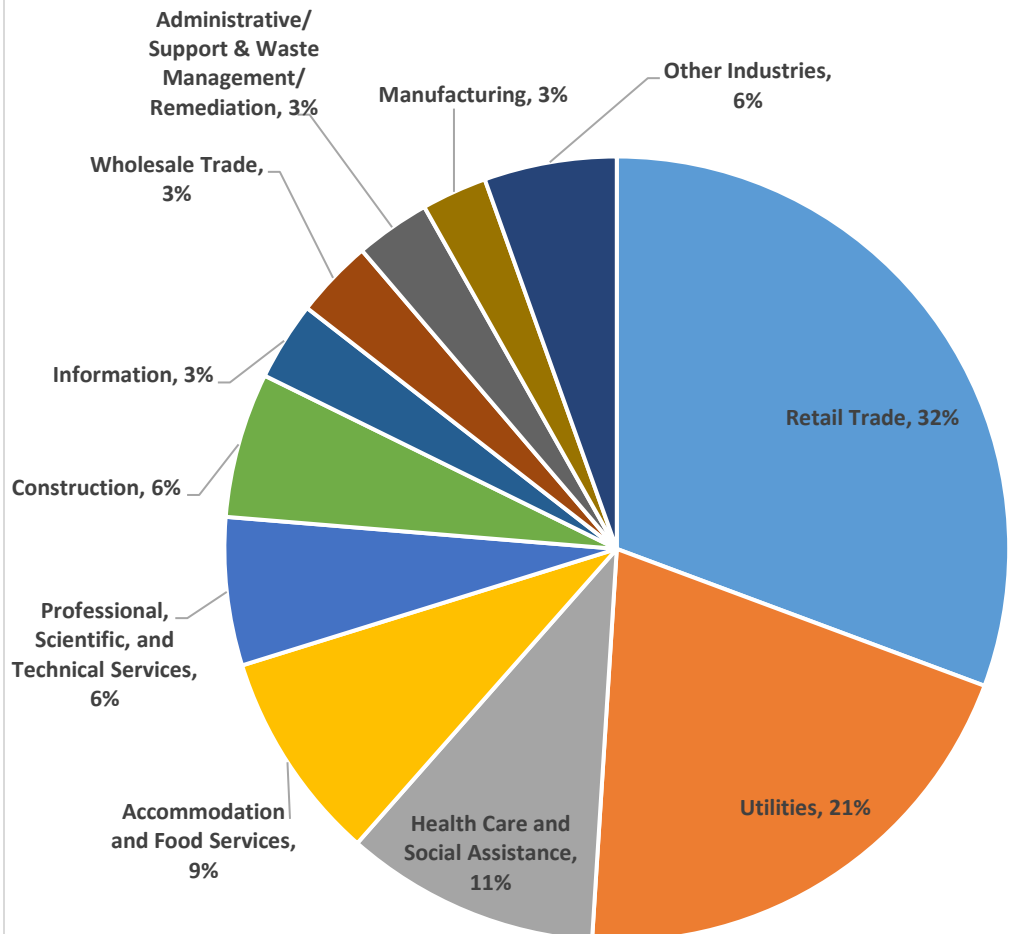
Chart 1. Matched Taxable Gross Receipts Per Quarter



Gross receipts growth across the state significantly outpaced inflation over the last year, and 31 of 33 counties saw growth during that time. The state improved from an already strong third quarter for economic growth in the fourth quarter of FY22 of 20% for all industries compared with the same quarter a year ago and an increase of 29% compared with the same quarter before the COVID-19 pandemic hit. Rising inflation and interest rates pose risks, but the outlook is for continued strong growth in New Mexico.

Luna County's matched taxable gross receipts (MTGR) remained relatively flat in Q4 FY22 as compared to Q3 FY22, as seen in Chart 1. Throughout FY22 MTGR has averaged \$119M for Luna County, which is \$2M lower than the amount reported during Q4 FY22 (\$121M). From Q3 FY22 to Q4 FY22 MTGR increased by \$3.6M or 3%. Chart 2 shows that the retail trade industry contributed the largest percentage to the county's MTGR (32%).

Chart 2. FY22 - 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.

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Table 1. FY22 - Q4 Matched Taxable Gross Receipts by Industry

Industries	FY22 - Q4	YOY Growth	YOY % Change	%Change from FY19- Q4 (Pre-COVID)
Accommodation and Food Services	\$ 11,050,510	\$ 1,576,873	17%	16%
Administrative/Support & Waste Management/Remediation	\$ 3,923,859	\$ 1,463,287	59%	66%
Agriculture, Forestry, Fishing, and Hunting	\$ 503,398	\$ 429,887	585%	525%
Arts, Entertainment, and Recreation	\$ 286,441	\$ 41,479	17%	333%
Construction	\$ 7,587,647	\$ (700,513)	-8%	-7%
Educational Services	\$ 114,998	\$ 85,809	294%	1371%
Finance and Insurance	\$ 404,270	\$ (32,964)	-8%	-8%
Health Care and Social Assistance	\$ 13,326,710	\$ 3,879,930	41%	34%
Information	\$ 4,118,529	\$ 1,472,330	56%	-20%
Management of Companies and Enterprises	\$ 38,270	\$ 6,778	22%	N/A
Manufacturing	\$ 3,425,505	\$ 2,166,399	172%	172%
Mining, Quarrying, and Oil and Gas Extraction	\$ 86,490	\$ (22,407)	-21%	3%
Other Services (except Public Administration)	\$ (6,622,061)	\$ (11,085,474)	-248%	-237%
Professional, Scientific, and Technical Services	\$ 7,748,279	\$ 4,661,950	151%	237%
Public Administration	\$ 34,608	\$ 11,642	51%	N/A
Real Estate and Rental and Leasing	\$ 1,819,990	\$ 879,499	94%	59%
Retail Trade	\$ 38,954,010	\$ 6,554,271	20%	52%
Transportation and Warehousing	\$ 2,080,992	\$ 257,388	14%	145%
Unclassified Establishments	\$ 1,567,130	\$ 1,399,439	835%	873%
Utilities	\$ 25,823,969	\$ 11,706,669	83%	274%
Wholesale Trade	\$ 4,103,188	\$ 236,807	6%	121%
All Industries	\$ 121,270,411	\$ 25,175,578	26%	49%

Table 1 shows an increase of \$25M from Q4 in FY21 to FY22 of the same period. Table 1 also shows that all but 4 industries reported a year-over-year (YOY) increase. The largest increase came from the utilities industry, which posted a YOY increase of \$11.7M or 83%. The other services (except public administration) sector is artificially low in Q4, showing a negative which is likely the result of a tax filing correction.

Gross receipts tax (GRT) revenue collections increased by \$52K, or 3.1%, from Q3 FY22 to Q4 FY22, shown in Chart 4. From FY21 to FY22, annual GRT collections declined by nearly 20% or \$1.8M.

Chart 3. Annual Total GRT Revenue Collections

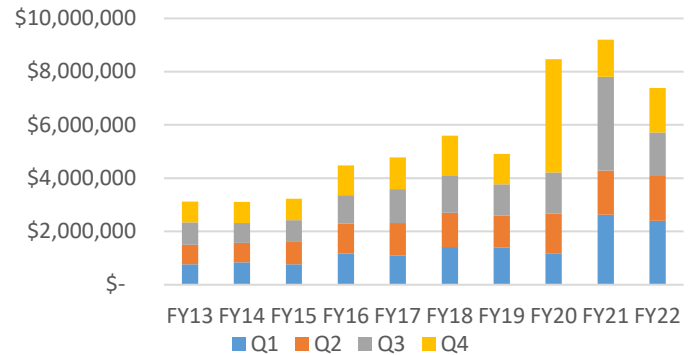


Chart 4. Quarterly GRT Revenue Collections

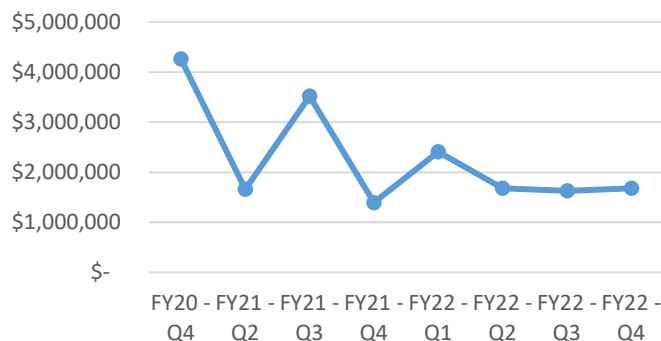
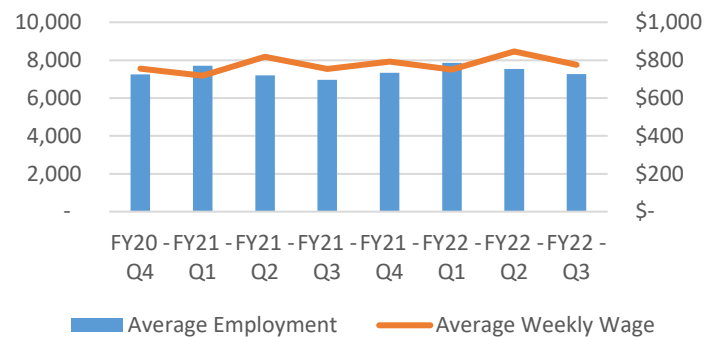


Chart 5. Total Employment & Weekly Wage

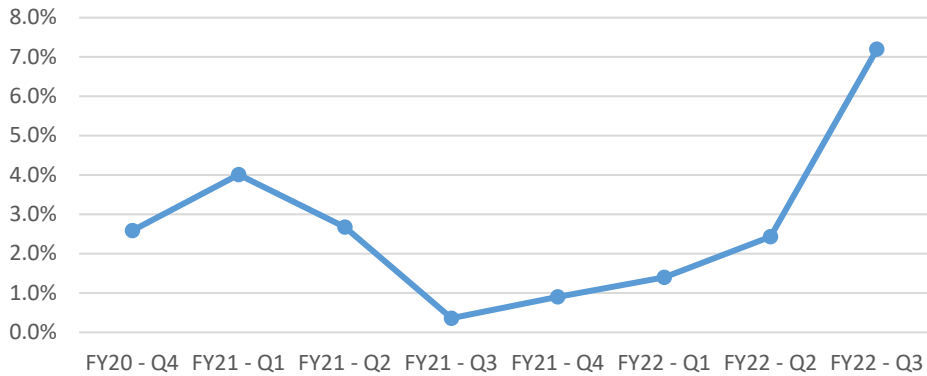


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Chart 6. Establishment Year-Over-Year % Change



An **establishment**, as used in the QCEW and subsequently Chart 6 and Table 2, is an economic unit, such as a farm, factory, or store, which produces goods or provides services at a single physical worksite and engaged, predominantly, in one type of economic activity.

The **Quarterly Census of Employment and Wages**, or the **QCEW**, used in Charts 5-6 and Table 2, produces comprehensive data on the number of establishments, monthly employment and quarterly wages for workers covered by state unemployment insurance (UI) laws and federal workers covered by the Unemployment Compensation for Federal Employees (UCFE) program. These data are aggregated to many different levels, starting at the 6-digit NAICS industry level, to higher industry levels (NAICS industry groups, sectors, and supersectors), and to higher geographic levels (MSA, state and national).

Data are based on information reported by New Mexico employers, covering 97% of nonfarm wage and salary workers. Data are published every quarter. Considered the gold standard for its reliability of industry data, the QCEW data are the most complete universe of monthly employment and quarterly wage information by detailed industry.

Table 2. FY22 - 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	729	11.3%	\$ 344	12.4%	59	0.0%
Administrative/Support & Waste Management/Remediation	110	-10.6%	\$ 692	-6.0%	28	3.7%
Agriculture, Forestry, Fishing, and Hunting	467	7.4%	\$ 644	10.1%	56	9.8%
Arts, Entertainment, and Recreation	86	7.5%	\$ 312	11.8%	11	10.0%
Construction	490	-1.0%	\$ 1,101	-4.8%	48	2.1%
Educational Services	649	*	\$ 797	*	15	7.1%
Finance and Insurance	115	9.5%	\$ 941	18.2%	25	19.0%
Health Care and Social Assistance	1,217	0.7%	\$ 715	7.2%	104	10.6%
Information	9	-35.7%	\$ 1,047	15.4%	5	0.0%
Management of Companies and Enterprises	*	*	*	*	2	0.0%
Manufacturing	801	6.2%	\$ 730	6.0%	19	0.0%
Mining, Quarrying, and Oil and Gas Extraction	*	*	*	*	3	0.0%
Other Services (except Public Administration)	107	20.2%	\$ 591	1.5%	28	21.7%
Professional, Scientific, and Technical Services	106	1.9%	\$ 762	9.5%	27	8.0%
Public Administration	1,012	6.4%	\$ 1,226	-4.6%	28	0.0%
Real Estate and Rental and Leasing	42	0.0%	\$ 614	6.6%	27	8.0%
Retail Trade	979	5.2%	\$ 597	12.4%	65	4.8%
Transportation and Warehousing	167	-8.7%	\$ 891	26.4%	27	12.5%
Utilities	97	3.2%	\$ 1,326	-2.6%	7	16.7%
Wholesale Trade	58	-9.4%	\$ 844	10.3%	12	9.1%
All Industries	7,257	4.2%	\$ 776	2.9%	596	7.2%

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