

# Quarterly Economic Summary

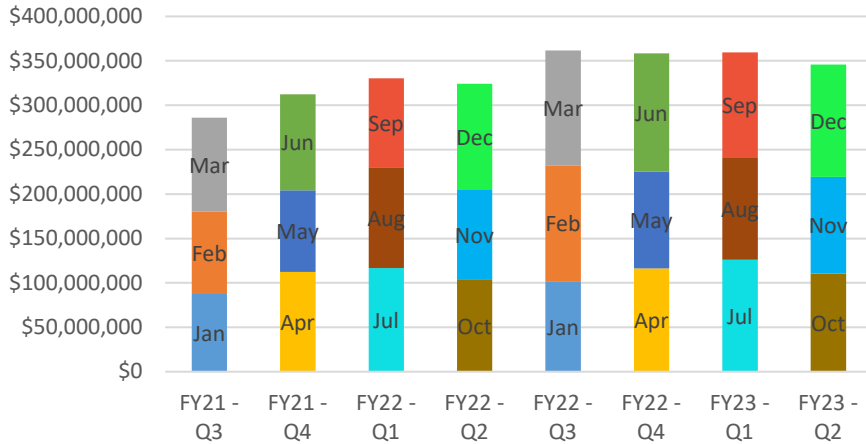
## McKinley County



Released: March 2023

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

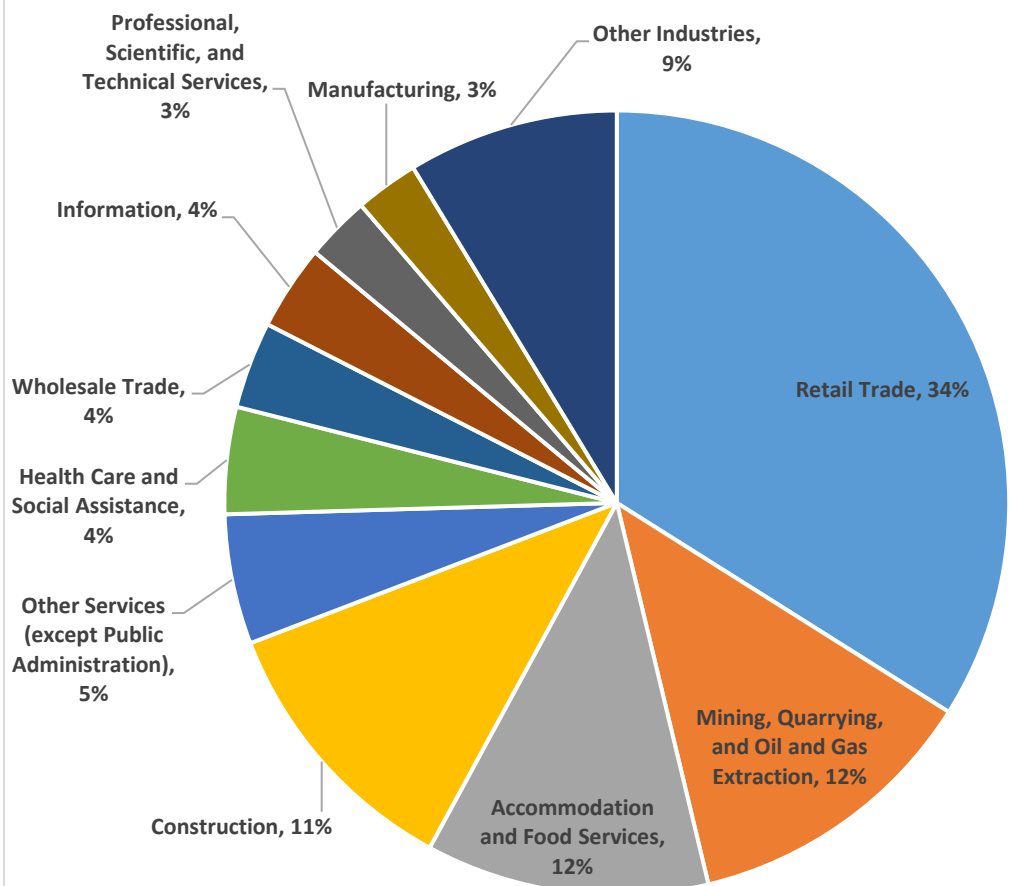
Chart 1. Matched Taxable Gross Receipts Per Quarter



In the second quarter of FY23, 26 of 33 counties saw year-over-year economic growth, averaging 16% growth statewide. State gross receipts dropped slightly in October and November from the prior few months but rose significantly in December to a new record high. First quarter growth in FY23 was abnormally high, and the second quarter appears to have normalized with seasonal trends while still rising at a steady pace. However, national concerns remain regarding inflation and rising interest rates.

McKinley County's matched taxable gross receipts (MTGR) remained relatively flat in Q2 FY23 as compared to Q1 FY23, seen in Chart 1. From Q1 FY23 to Q2 FY23 MTGR declined by \$13.5M or nearly 3%. MTGR has averaged \$304M over the last 18 quarters. That amount is \$41M less than the total reported in Q2 FY23 (\$346M). Over this timespan MTGR has an upward trend. Table 1, on the next page, shows an increase of \$21.5M from Q2 in FY22 to FY23 of the

Chart 2. FY23 - 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.

# Quarterly Economic Summary

## McKinley County



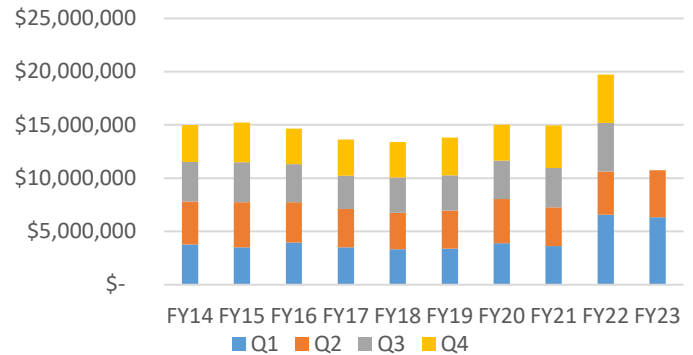
**Table 1. FY23 - Q2 Matched Taxable Gross Receipts by Industry**

Industries	FY23 - Q2	YOY Growth	YOY % Change	%Change from FY20- Q2 (Pre-COVID)
Accommodation and Food Services	\$ 39,934,170	\$ (168,813)	0%	16%
Administrative/Support & Waste Management/Remediation	\$ 5,916,489	\$ 1,465,992	33%	218%
Agriculture, Forestry, Fishing, and Hunting	\$ 897,531	\$ 786,827	711%	88%
Arts, Entertainment, and Recreation	\$ 191,552	\$ (447,435)	-70%	45%
Construction	\$ 38,557,144	\$ 3,394,618	10%	5%
Educational Services	\$ 1,507,937	\$ 526,131	54%	98%
Finance and Insurance	\$ 1,260,304	\$ (163,597)	-11%	2%
Health Care and Social Assistance	\$ 15,086,683	\$ (160,672)	-1%	22%
Information	\$ 12,014,288	\$ (995,631)	-8%	-25%
Management of Companies and Enterprises	\$ -	\$ (1,775)	-100%	N/A
Manufacturing	\$ 8,928,676	\$ (2,300,592)	-20%	-37%
Mining, Quarrying, and Oil and Gas Extraction	\$ 42,092,143	\$ 13,141,828	45%	18%
Other Services (except Public Administration)	\$ 18,328,502	\$ 1,968,406	12%	-23%
Professional, Scientific, and Technical Services	\$ 9,134,288	\$ (699,558)	-7%	-43%
Public Administration	\$ 1,446,002	\$ 1,446,002	N/A	N/A
Real Estate and Rental and Leasing	\$ 7,201,263	\$ 1,220,609	20%	-7%
Retail Trade	\$ 116,172,499	\$ 977,738	1%	29%
Transportation and Warehousing	\$ 1,331,980	\$ 92,032	7%	-40%
Unclassified Establishments	\$ 3,802,101	\$ (241,784)	-6%	-26%
Utilities	\$ 6,181,397	\$ 321,657	5%	36%
Wholesale Trade	\$ 12,246,886	\$ 2,190,221	22%	10%
<b>All Industries</b>	<b>\$ 345,904,249</b>	<b>\$ 21,564,595</b>	<b>7%</b>	<b>8%</b>

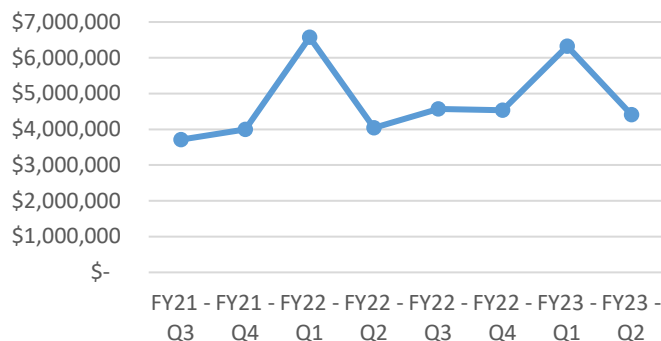
same period. Table 1 also shows 12 industries that reported a year-over-year (YOY) increase. The largest increase came from the oil and gas industry, which posted a YOY increase of \$13M or 45%.

Gross receipts tax (GRT) revenue collections decreased by nearly \$2M, or 30%, from Q1 FY23 to Q2 FY23, seen in Chart 4. Over the last eight quarters GRT collections have averaged \$4.7M, or \$361K more than the amount collected during Q2 FY23 (\$4.4M). During this time span GRT collections have a slight upward trend.

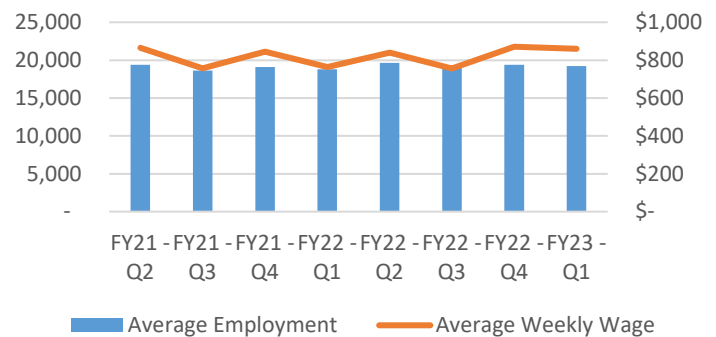
**Chart 3. Annual Total GRT Revenue Collections**



**Chart 4. Quarterly GRT Revenue Collections**



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



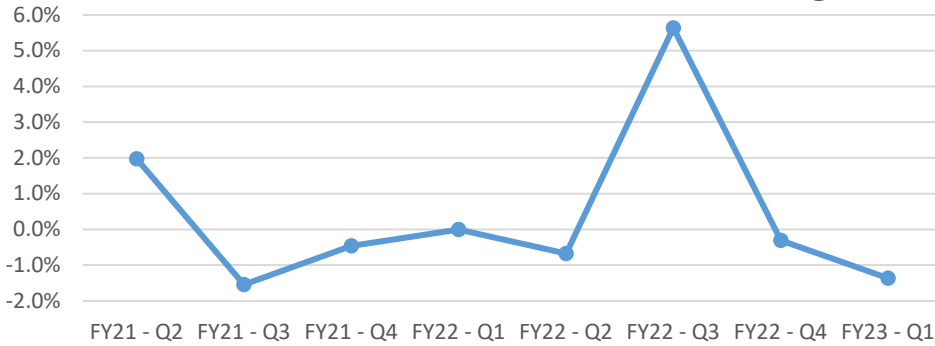
SOURCES: NEW MEXICO TAXATION AND REVENUE DEPT, NEW MEXICO DEPARTMENT OF WORKFORCE SOLUTIONS, U.S. BUREAU OF LABOR STATISTICS, U.S. BUREAU OF ECONOMIC ANALYSIS AND EDD CALCULATIONS

# Quarterly Economic Summary

## McKinley County



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 is 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. FY23 - Q1 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	2,680	-2.0%	\$ 408	9.7%	141	-3.4%
Administrative/Support & Waste Management/Remediation	549	21.5%	\$ 586	0.2%	57	3.6%
Agriculture, Forestry, Fishing, and Hunting	*	*	*	*	3	0.0%
Arts, Entertainment, and Recreation	424	8.4%	\$ 729	15.2%	12	0.0%
Construction	743	1.0%	\$ 808	5.9%	74	-1.3%
Educational Services	2,060	-0.1%	\$ 1,013	23.2%	22	0.0%
Finance and Insurance	354	16.4%	\$ 891	18.6%	61	-4.7%
Health Care and Social Assistance	5,229	5.8%	\$ 1,135	15.9%	315	-5.7%
Information	126	0.0%	\$ 729	17.6%	23	4.5%
Management of Companies and Enterprises	*	*	*	*	9	0.0%
Manufacturing	485	5.0%	\$ 916	11.2%	29	3.6%
Mining, Quarrying, and Oil and Gas Extraction	*	*	*	*	4	0.0%
Other Services (except Public Administration)	465	2.0%	\$ 666	9.7%	92	4.5%
Professional, Scientific, and Technical Services	179	-1.6%	\$ 931	2.9%	59	7.3%
Public Administration	1,741	-1.1%	\$ 1,100	7.5%	67	-6.9%
Real Estate and Rental and Leasing	147	-7.5%	\$ 773	9.8%	37	-7.5%
Retail Trade	3,089	-0.5%	\$ 599	1.5%	196	2.1%
Transportation and Warehousing	347	-2.3%	\$ 1,045	23.7%	51	2.0%
Utilities	108	0.0%	\$ 1,817	-12.1%	12	0.0%
Wholesale Trade	431	7.2%	\$ 777	7.2%	38	2.7%
<b>All Industries</b>	<b>19,222</b>	<b>2.2%</b>	<b>\$ 860</b>	<b>12.6%</b>	<b>1,302</b>	<b>-1.4%</b>

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

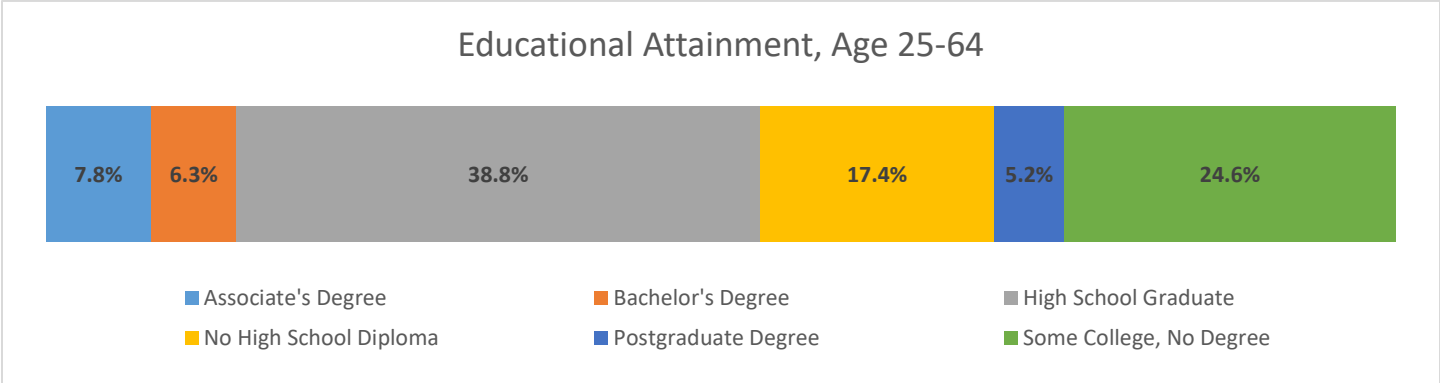
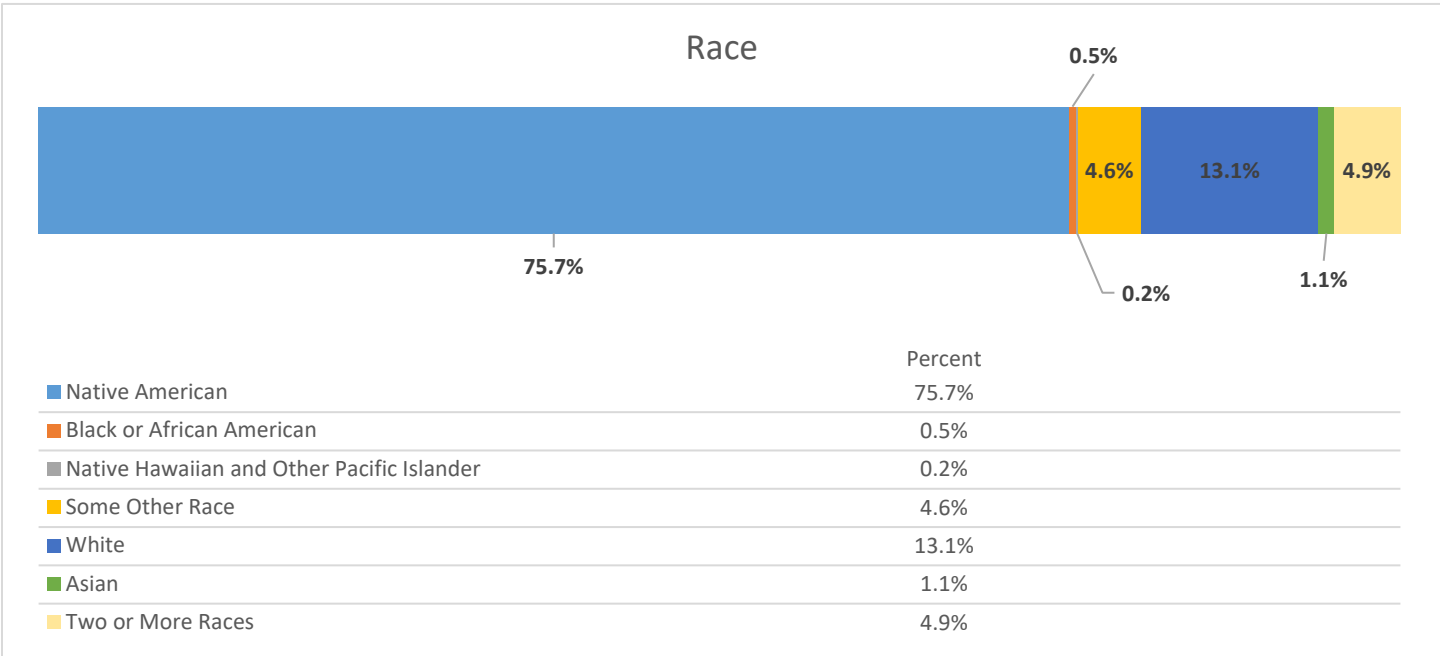
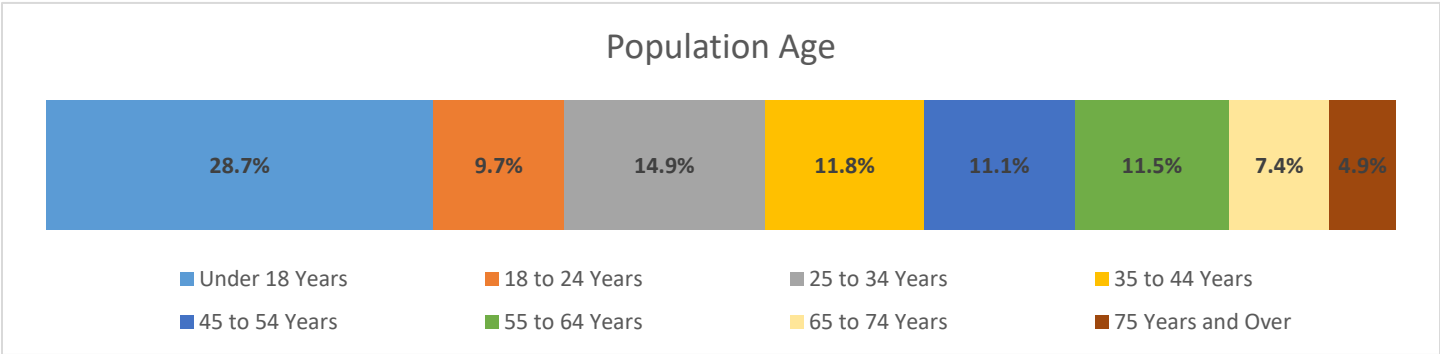
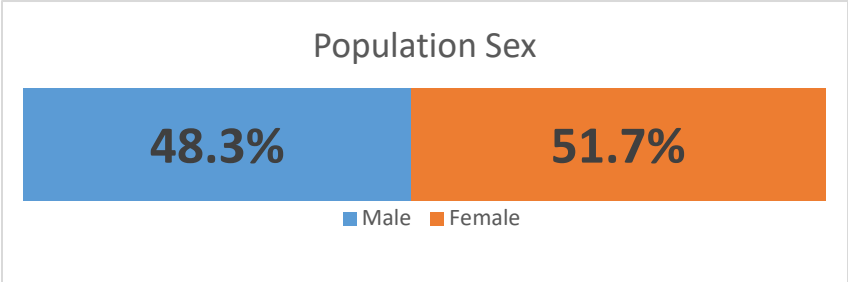
# Quarterly Economic Summary

## McKinley County



# Population

## 71,956



Page 4 Source: JobsEQ - American Community Survey 2016-2020, unless noted otherwise