Quarterly Economic Summary
Cibola County

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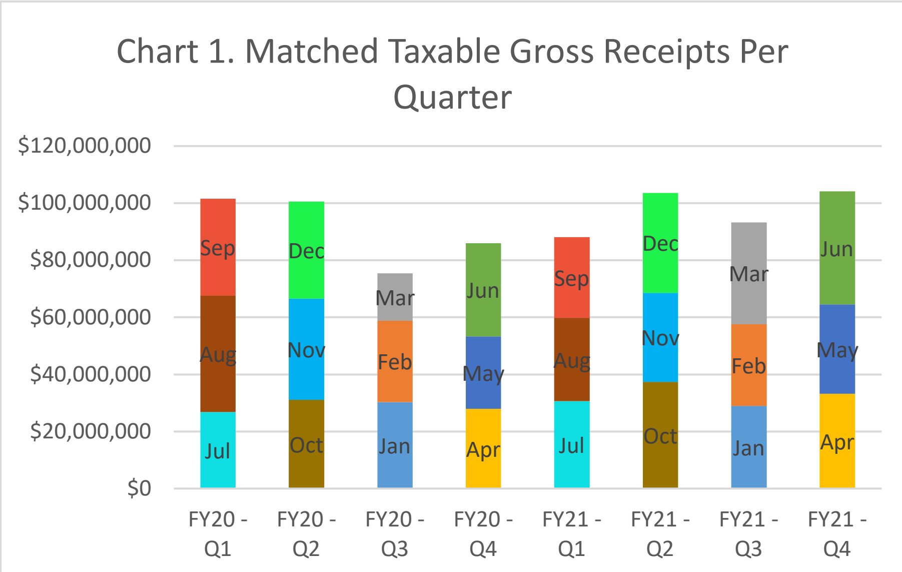

Quarter four of FY21 provides the first full fiscal year of economic effects related to the COVID-19 pandemic. Economic shocks continue globally and throughout the state 18 months after the initial business closures and ensuing impacts. Federal policies, including additional direct payments and tax credits, coupled with pent up demand, led to an increase in consumer spending on taxable goods and services during this quarter, which is likely to continue. Additional pandemic-related shocks could be looming, making state-level efforts to restore the economy critical.

Over the last eight quarters, Cibola County's matched taxable gross receipts (MTGR) have trended flat despite fluctuations (Chart 1). Despite this flat trend, Q4 FY21 reported the largest amount of MTGR over the eight-quarter period, $104.1M. From Q3 to Q4 FY21, MTGR increased by $10.8M, or 12%. When comparing MTGR, Q4 FY21 is most comparable to Q2 FY20, when Cibola County reported $1.4M less in MTGR.

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.

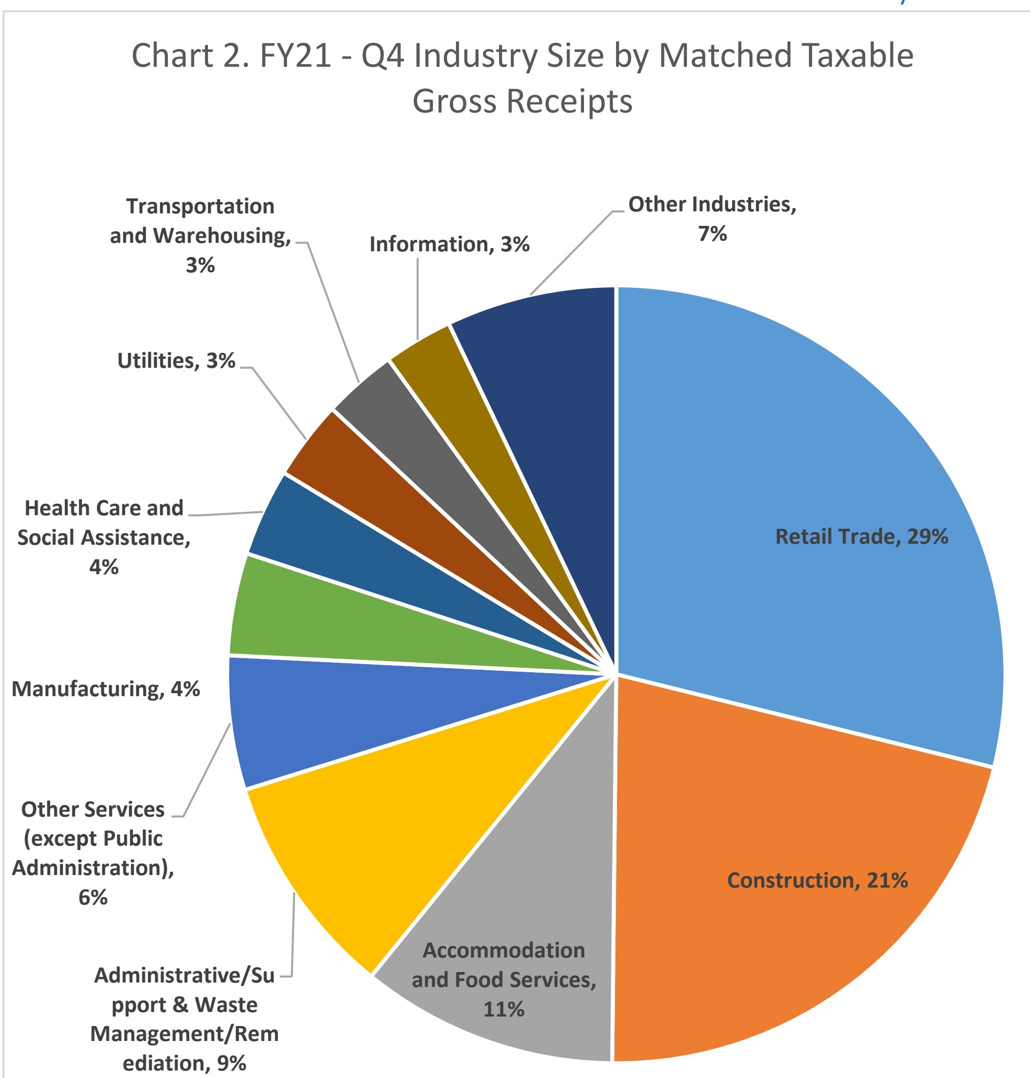

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Table 1. FY21 - Q4 Matched Taxable Gross Receipts by Industry

Industries	FY21 - Q4	YOY Growth	YOY % Change	2-Year % Change
Accommodation and Food Services	$ 10,912,177	$ 3,017,746	38%	14%
Administrative/Support & Waste Management/Remediation	$ 9,550,826	$ 1,667,461	21%	-12%
Agriculture, Forestry, Fishing, and Hunting	$ 54,718	$ 27,915	104%	-69%
Arts, Entertainment, and Recreation	$ 212,379	$ 53,356	34%	-11%
Construction	$ 21,774,529	$ 14,517,687	200%	98%
Educational Services	$ 23,086	$ (13,213)	-36%	-37%
Finance and Insurance	$ 212,672	$ 135,868	177%	50%
Health Care and Social Assistance	$ 3,719,395	$ (6,686,671)	-64%	-68%
Information	$ 2,942,348	$ (2,015,222)	-41%	-40%
Management of Companies and Enterprises	$ -	$ -	N/A	N/A
Manufacturing	$ 4,347,247	$ 2,152,789	98%	77%
Mining, Quarrying, and Oil and Gas Extraction	$ -	$ -	N/A	N/A
Other Services (except Public Administration)	$ 5,705,706	$ (64,356)	-1%	-15%
Professional, Scientific, and Technical Services	$ 2,652,486	$ 643,160	32%	96%
Public Administration	$ -	$ -	N/A	-100%
Real Estate and Rental and Leasing	$ 2,360,308	$ 964,979	69%	81%
Retail Trade	$ 29,480,006	$ 1,321,061	5%	34%
Transportation and Warehousing	$ 3,138,455	$ 2,442,757	351%	242%
Unclassified Establishments	$ 485,807	$ 373,079	331%	344%
Utilities	$ 3,355,118	$ (522,987)	-13%	13%
Wholesale Trade	$ 1,238,791	$ 150,150	14%	4%
All Industries	**$ 104,109,299**	**$ 18,186,242**	**21%**	**17%**

Table 1 shows an increase of $18.2M from Q4 in FY20 to FY21 of the same period. Table 1 also shows 13 industries with a reported year-over-year (YoY) increase. The largest increase came from the construction industry, which posted a YoY increase of $14.5M, or 200%. Gross receipts tax (GRT) revenue collections increased by nearly $120K, or 10%, from Q3 to Q4 FY21 (Chart 4). Average weekly wages increased during Q2 of FY21 (Chart 5). This increase makes Q2 FY21 ($823) the highest average weekly wage reported over the last eight quarters.

Chart 3. Annual Total GRT Revenue Collections

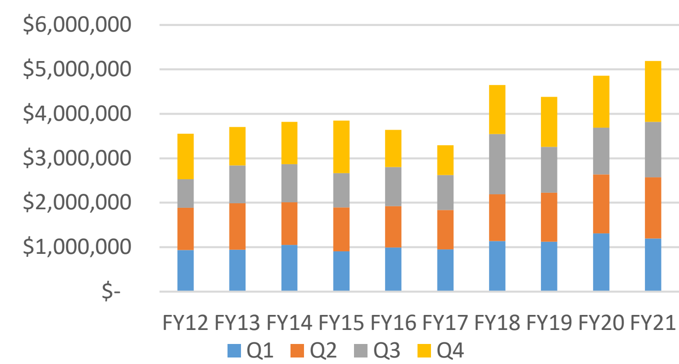

Chart 4. Quarterly GRT Revenue Collections

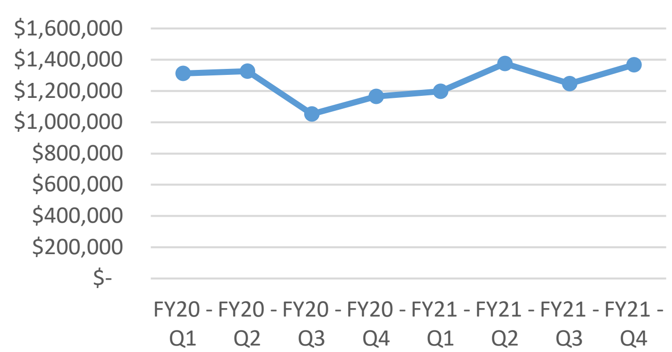

Chart 5. Quarterly Average Total Employment & Weekly Wage

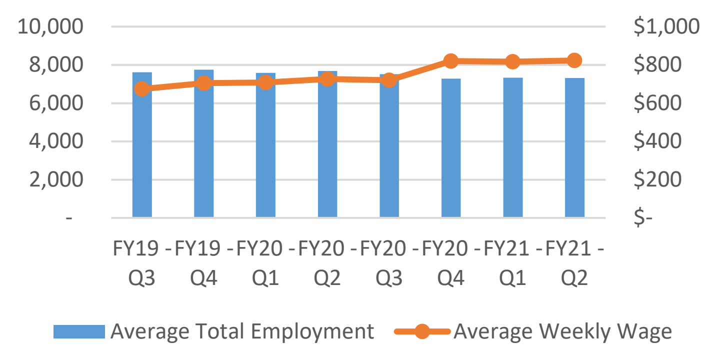

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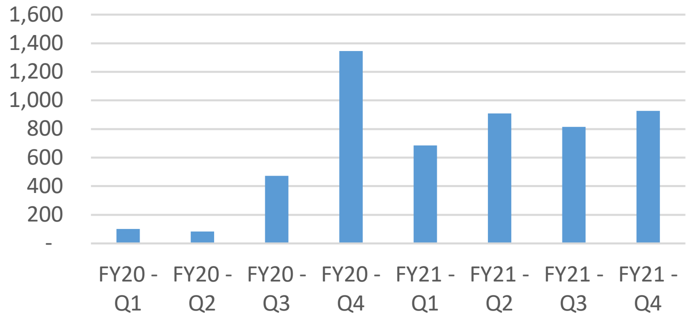
Chart 6. Quarterly Initial Unemployment Claims



**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 reduction 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. 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 (CES)* program often reported in news articles. However, as shown below, QCEW data has a significant lag time before it is reported and does not reflect the same quarter 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-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	628	-33.9%	$ 392	6.5%	47	2.2%
Administrative/Support & Waste	421	-7.5%	$ 922	3.0%	18	5.9%
Agriculture, Forestry, Fishing, and Hunting	*	-100.0%	*	-100.0%	3	-25.0%
Arts, Entertainment, and Recreation	70	-32.7%	$ 707	34.2%	11	0.0%
Construction	450	15.7%	$ 969	-7.3%	41	0.0%
Educational Services	*	*	*	*	15	0.0%
Finance and Insurance	84	-18.4%	$ 651	0.8%	17	-15.0%
Health Care and Social Assistance	1,665	-4.6%	$ 699	6.4%	95	0.0%
Information	*	*	*	*	5	0.0%
Management of Companies and Enterprises	*	*	*	*	2	0.0%
Manufacturing	59	-20.3%	$ 608	18.5%	7	-12.5%
Mining, Quarrying, and Oil and Gas Extraction	295	*	$ 1,567	*	4	33.3%
Other Services (except Public Administration)	66	-1.5%	$ 785	4.4%	18	-5.3%
Professional, Scientific, and Technical Services	54	-23.9%	$ 696	16.8%	15	0.0%
Public Administration	1,386	-2.9%	$ 824	3.0%	57	-1.7%
Real Estate and Rental and Leasing	39	-7.1%	$ 667	13.1%	9	-10.0%
Retail Trade	774	9.2%	$ 617	19.8%	54	0.0%
Transportation and Warehousing	74	-5.1%	$ 1,035	10.3%	24	0.0%
Utilities	96	-3.0%	$ 1,404	-0.4%	5	0.0%
Wholesale Trade	117	-6.4%	$ 801	-7.3%	14	0.0%
All Industries	**6,871**	**-8.8%**	**$ 776**	**7.8%**	**461**	**-1.1%**

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

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