Quarterly Economic Summary
Torrance County
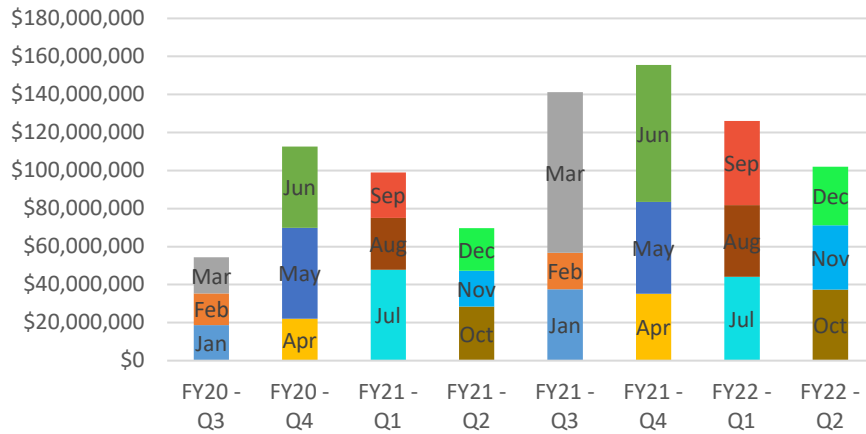
Released: March 2022

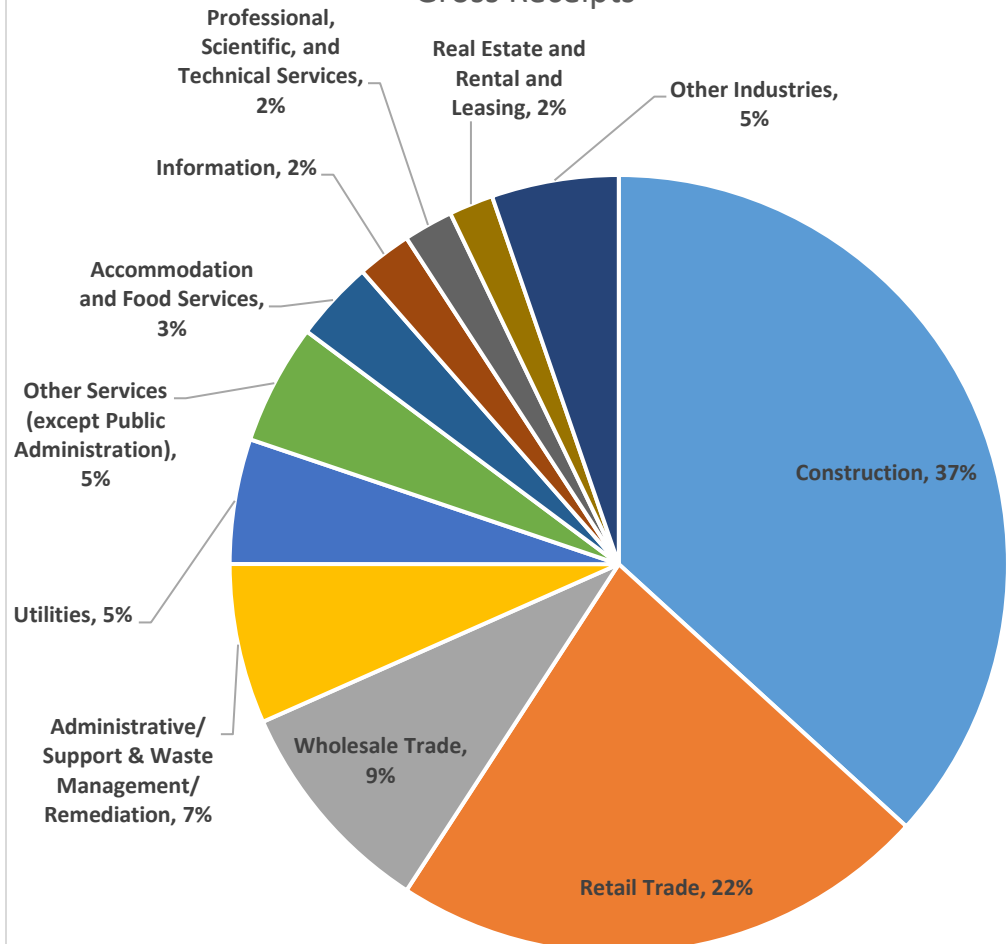**Prepared by:** Joel Salas, Economist; Ryan Eustice, Economist

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.

Torrance County's matched taxable gross receipts (MTGR) decreased by $24M, or 15%, in Q2 FY22 compared to Q1 FY22, shown in Chart 1. Over the last eight quarters, MTGR has averaged $107M, which is $6M more than Q2 FY22. When comparing MTGR, Q2 of FY22 is most comparable to Q1 FY20, when Torrance County reported $3M less in MTGR. Chart 2 shows the largest contributor to MTGR was the construction industry.

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

- Professional, Scientific, and Technical Services, 2%
- Real Estate and Rental and Leasing, 2%
- Other Industries, 5%
- Information, 2%
- Accommodation and Food Services, 3%
- Other Services (except Public Administration), 5%
- Utilities, 5%
- Administrative/ Support & Waste Management/ Remediation, 7%
- Wholesale Trade, 9%
- Retail Trade, 22%
- Construction, 37%

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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	$ 3,342,735	$ 1,138,402	52%	94%
Administrative/Support & Waste Management/Remediation	$ 6,635,353	$ 519,041	8%	40%
Agriculture, Forestry, Fishing, and Hunting	$ 291,737	$ (305,870)	-51%	-45%
Arts, Entertainment, and Recreation	$ 40,282	$ 1,092	3%	-21%
Construction	$ 36,730,218	$ 14,615,886	66%	302%
Educational Services	$ 182,357	$ (28,962)	-14%	23%
Finance and Insurance	$ 108,381	$ 52,493	94%	67%
Health Care and Social Assistance	$ 495,856	$ (19,310)	-4%	6%
Information	$ 2,264,682	$ 652,957	41%	-25%
Management of Companies and Enterprises	$ -	$ -	N/A	N/A
Manufacturing	$ 1,767,098	$ 461,098	35%	80%
Mining, Quarrying, and Oil and Gas Extraction	$ 133,732	$ (40,460)	-23%	205%
Other Services (except Public Administration)	$ 4,998,974	$ 1,066,457	27%	12%
Professional, Scientific, and Technical Services	$ 2,058,615	$ 413,393	25%	-5%
Public Administration	$ -	$ -	N/A	N/A
Real Estate and Rental and Leasing	$ 1,841,278	$ 538,866	41%	170%
Retail Trade	$ 22,386,301	$ 6,541,642	41%	63%
Transportation and Warehousing	$ 1,085,798	$ 244,082	29%	67%
Unclassified Establishments	$ 1,170,696	$ 1,051,383	881%	81%
Utilities	$ 5,185,083	$ 982,541	23%	23%
Wholesale Trade	$ 9,173,120	$ 4,111,677	81%	377%
All Industries	**$ 101,959,307**	**$ 32,215,955**	**46%**	**95%**

Table 1 shows an increase of $32M 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 four industries reported a YOY decline. The largest increase came from the construction industry, which posted a YOY increase of $14.6M or 66%.

Gross receipts tax (GRT) revenue collections decreased by $81K, or 39%, from Q1 FY21 to Q2 FY22, shown in Chart 4. The average amount collected over the last eight quarters was $1.5M.

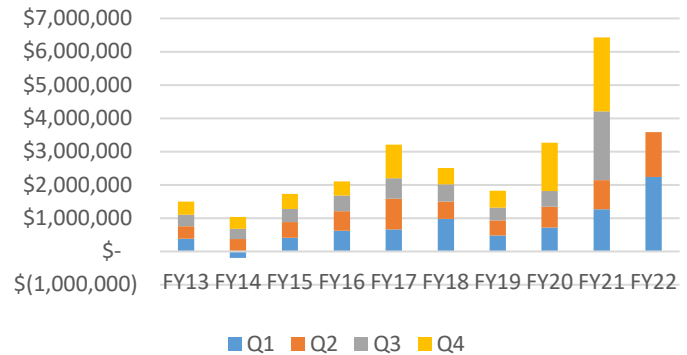## Chart 3. Annual Total GRT Revenue Collections

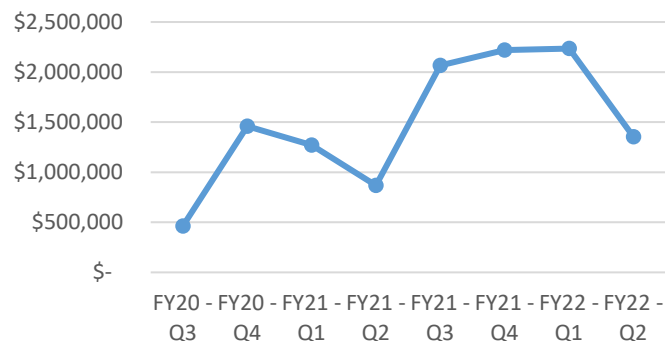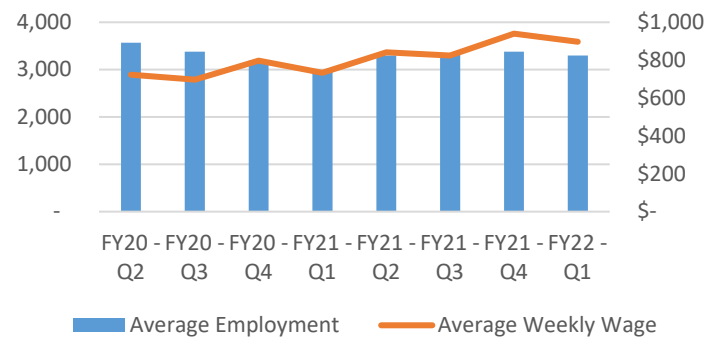## Chart 4. Quarterly GRT Revenue Collections
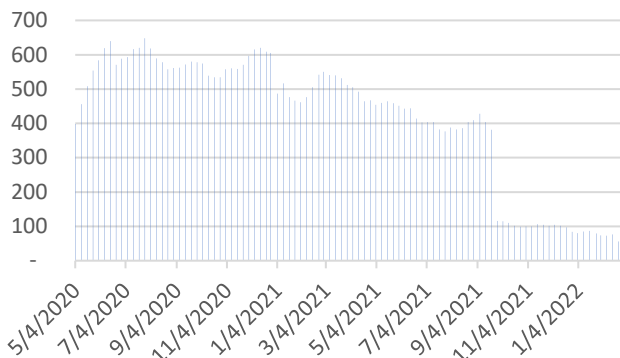

Chart 5. Total Employment & Weekly Wage

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Chart 6. Claimants Recieving Unemployment Benefits Per Week

* Data in weeks with low claiment 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.

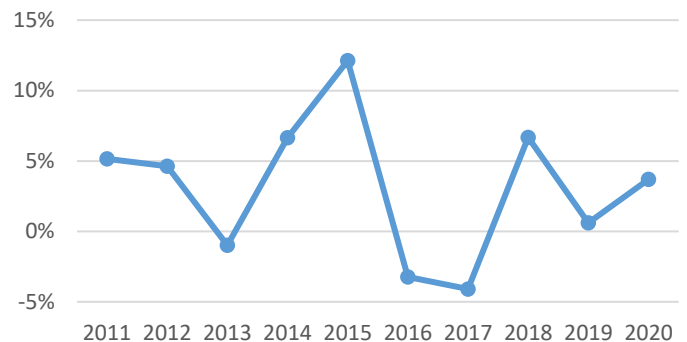### Chart 7. Calendar Year % Change In Real GDP Year Over Year

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

Industry	2020	Industry % of Total	2019-2020 Growth	YOY % Change
Accommodation and Food Services	$ 4,524,000	1.17%	*	*
Administrative/Support & Waste Management/Remediation	*	*	*	*
Agriculture, Forestry, Fishing, and Hunting	$ 57,867,000	14.96%	$ 1,088,000	2%
Arts, Entertainment, and Recreation	$ 461,000	0.12%	*	*
Construction	$ 10,266,000	2.65%	$ 2,106,000	26%
Educational Services	*	*	*	*
Finance and Insurance	*	*	*	*
Health Care and Social Assistance	*	*	*	*
Information	$ 3,513,000	0.91%	$ (164,000)	-4%
Management of Companies and Enterprises	*	*	*	*
Manufacturing	$ 13,055,000	3.38%	$ 1,426,000	12%
Mining, Quarrying, and Oil and Gas Extraction	$ 13,722,000	3.55%	$ 4,439,000	48%
Other Services (except Public Administration)	$ 7,321,000	1.89%	$ (716,000)	-9%
Professional, Scientific, and Technical Services	*	*	*	*
Public Administration	$ 69,577,000	17.99%	$ 2,525,000	4%
Real Estate and Rental and Leasing	*	*	*	*
Retail Trade	$ 35,477,000	9.17%	$ 752,000	2%
Transportation and Warehousing	*	*	*	*
Utilities	$ 59,697,000	15.44%	$ 11,168,000	23%
Wholesale Trade	$ 21,194,000	5.48%	$ (4,238,000)	-17%
All Industries	**$ 386,726,000**		**$ 13,761,000**	**4%**

*Not shown to avoid disclosure of confidential information
**This historical look at GDP data represents the most recent county GDP data available