

Quarterly Economic Summary

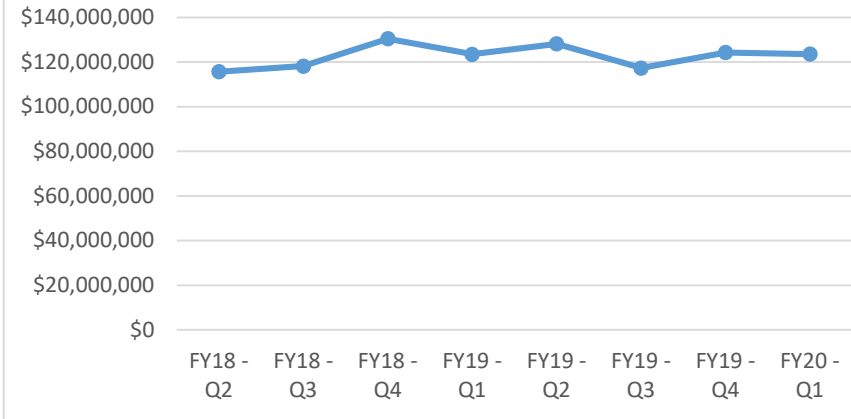
Grant County



Quarterly Report: FY20 Q3

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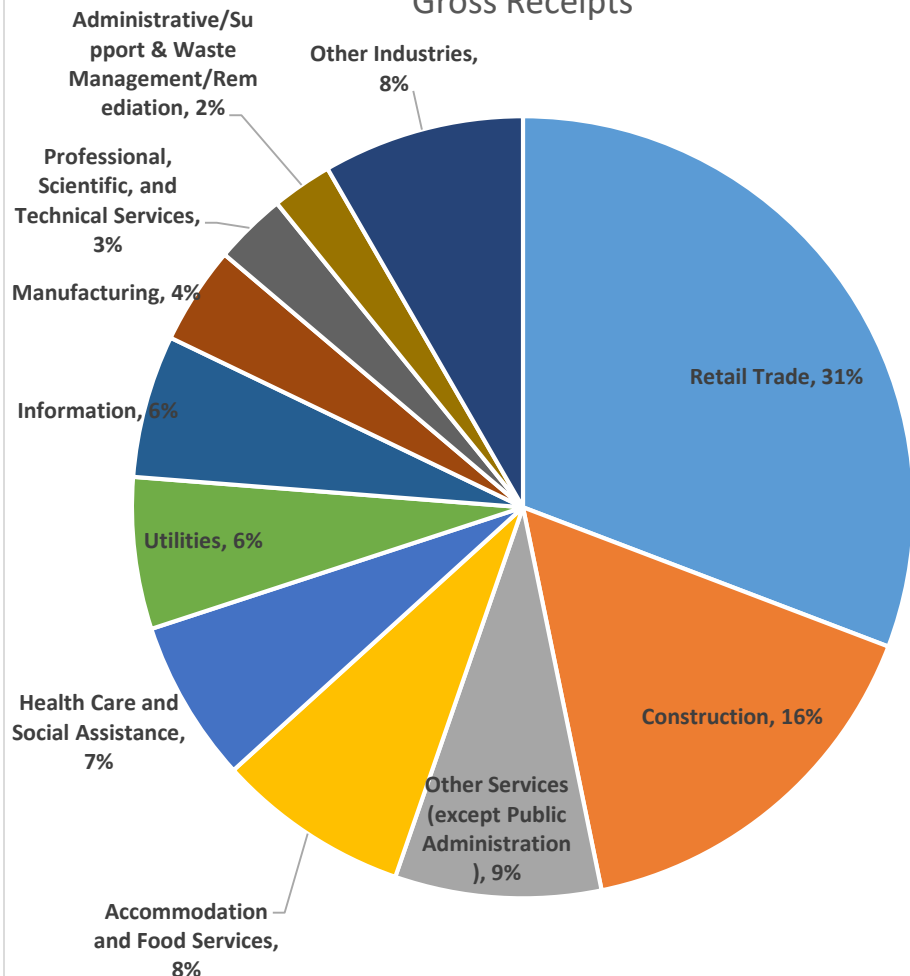
Chart 1. Matched Taxable Gross Receipts Per Quarter



Grant County's matched taxable gross receipts (MTGR) has fluctuated but has remained relatively stable with the slightest upward trend over the last eight quarters, as seen in Chart 1. The Arts, Entertainment, and Recreation industry as well as the Administrative/Support & Waste Management/Remediation industry saw larger relative increases in MTGR in Q1 FY20 compared to Q1 FY19 increasing by 428% and 205% respectively. The Art industry was at a low point in Q1 FY19 and the current MTGR reported are more in line with

what has been seen historically. Utilities saw the largest decline across all industries, declining by nearly \$4M in Q1 FY20 compared to the same period of FY19, as seen in Table 1 on page 2. Utilities have been in decline for the previous two quarters.

Chart 2. FY20 - Q1 Industry Size by Matched Taxable Gross Receipts



MATCHED TAXABLE GROSS RECEIPTS (MTGR) IS THE BEST TAX DATA AVAILABLE TO SHOW UNDERLYING ECONOMIC ACTIVITY. IT MATCHES A TAX PAYMENT WITH REPORTED RECEIPTS FOR EACH TAXPAYER, BY INDUSTRY.

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Table 1. Matched Taxable Gross Receipts by Industry

Industries	FY19 - Q1	FY20 - Q1	Growth	Year over year Change
Accommodation and Food Services	\$ 8,718,071	\$ 9,848,258	\$ 1,130,188	13%
Administrative/Support & Waste Management/Remediation	\$ 1,013,779	\$ 3,089,086	\$ 2,075,308	205%
Agriculture, Forestry, Fishing, and Hunting	\$ 601,820	\$ 802,516	\$ 200,696	33%
Arts, Entertainment, and Recreation	\$ 26,828	\$ 141,522	\$ 114,694	428%
Construction	\$ 19,675,856	\$ 19,749,374	\$ 73,518	0%
Educational Services	\$ 348,600	\$ 256,410	\$ (92,190)	-26%
Finance and Insurance	\$ 682,588	\$ 669,461	\$ (13,127)	-2%
Health Care and Social Assistance	\$ 6,857,936	\$ 8,283,860	\$ 1,425,924	21%
Information	\$ 7,396,581	\$ 7,284,800	\$ (111,781)	-2%
Management of Companies and Enterprises	\$ -	\$ -	\$ -	N/A
Manufacturing	\$ 5,944,031	\$ 5,002,603	\$ (941,429)	-16%
Mining, Quarrying, and Oil and Gas Extraction	\$ 2,206,912	\$ 1,763,043	\$ (443,869)	-20%
Other Services (except Public Administration)	\$ 8,768,492	\$ 10,526,926	\$ 1,758,435	20%
Professional, Scientific, and Technical Services	\$ 4,051,507	\$ 3,689,160	\$ (362,347)	-9%
Real Estate and Rental and Leasing	\$ 1,704,653	\$ 2,300,331	\$ 595,678	35%
Retail Trade	\$ 36,721,307	\$ 38,057,439	\$ 1,336,132	4%
Transportation and Warehousing	\$ 5,221,500	\$ 2,858,196	\$ (2,363,304)	-45%
Unclassified Establishments	\$ 213,366	\$ 129,248	\$ (84,118)	-39%
Utilities	\$ 11,674,497	\$ 7,752,731	\$ (3,921,766)	-34%
Wholesale Trade	\$ 1,692,800	\$ 1,375,056	\$ (317,744)	-19%
All Industries	\$ 123,521,123	\$ 123,580,020	\$ 58,897	0%

Annual Gross Receipt Tax (GRT) revenue collections have continued an upward trend in the county, as seen in Chart 3. GRT revenue collections have fluctuated over the last eight quarters but are seeing a slight upward trend as seen in Chart 4. Revenue collections were up 4% in Q1 FY20 compared to the same quarter of FY19, an increase of \$55K.

HB6, PASSED IN 2019, MADE WIDESPREAD TAX CHANGES WITHIN NEW MEXICO. ONE NOTABLE CHANGE IS THE CONVERSION TO DESTINATION-BASED SOURCING THAT WILL BEGIN AFTER A TWO YEAR DELAY. DURING THIS DELAY LOCAL GOVERNMENTS WILL RECEIVE A DISTRIBUTION THAT IS A PORTION OF \$2M EACH MONTH. THE PORTION DISTRIBUTED WILL BE BASED ON WHAT THE POPULATION OF EACH COUNTY IS TO THE TOTAL POPULATION OF ALL COUNTIES, AS PER THE MOST RECENT DECENNIAL CENSUS.

Chart 3. Annual Total GRT Revenue Collections

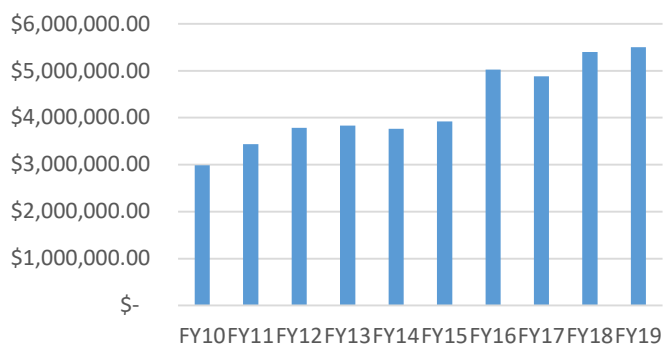
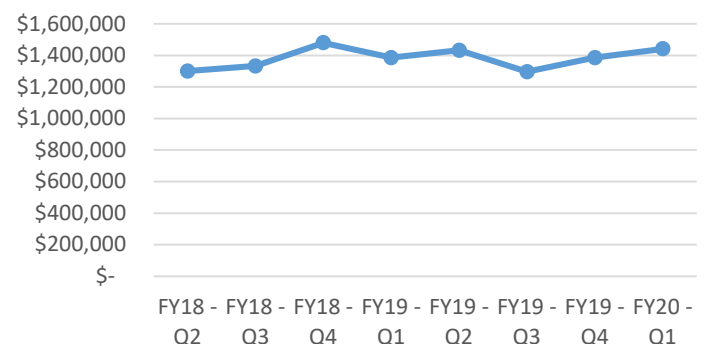


Chart 4. Quarterly GRT Revenue Collections



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Chart 5. Quarterly Average Total Employment & Weekly Wage

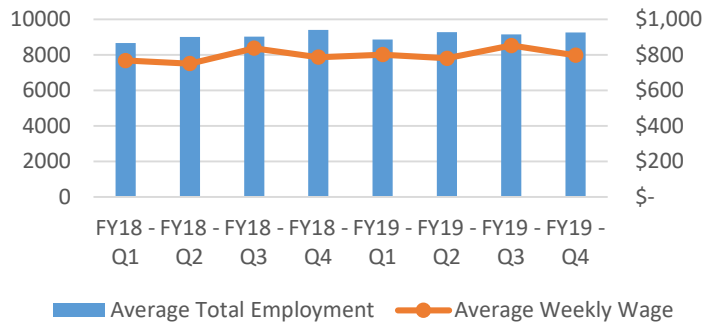


Chart 6. Quarterly Initial Unemployment Claims

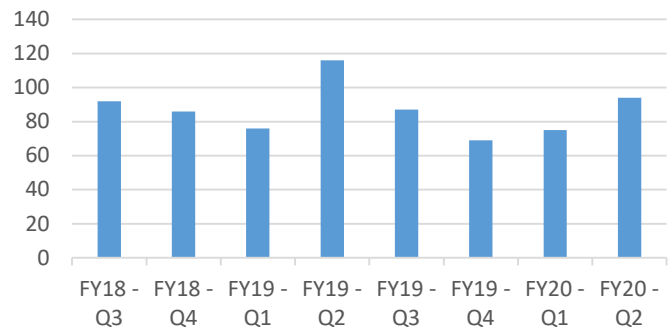
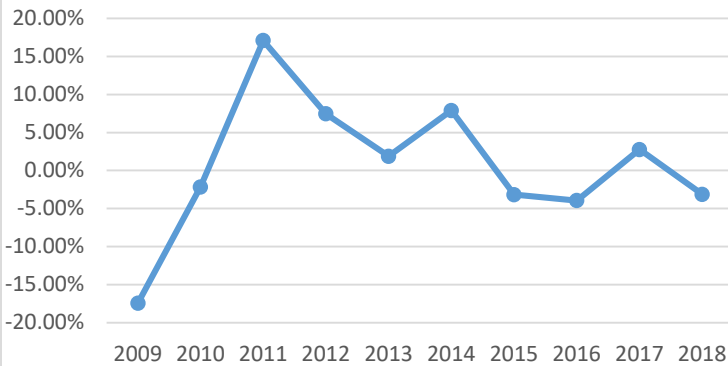


Chart 7. Calendar Year % Change In Real GDP Year Over Year



A SIGNIFICANT UNEXPLAINED INCREASE IN INITIAL UNEMPLOYMENT CLAIMS CAN BE AN EARLY INDICATOR OF AN INCOMING ECONOMIC DOWNTURN. EXPLAINED INCREASES COMMONLY INCLUDE SEASONAL JOB FLUCTUATIONS, GOVERNMENT SHUTDOWNS RESULTING IN MASS EMPLOYEE FURLOUGHS AND THE CLOSING OF A MAJOR REGIONAL FACILITY.

Table 2. Calendar Year 2018 Real County GDP vs Real State GDP

Industries	Grant, NM	New Mexico	Difference Between County and State
Accommodation and food services	0.00%	2.94%	-2.94%
Administrative and support and waste management and remediation services	0.75%	2.51%	-1.76%
Arts, entertainment, and recreation	0.00%	0.68%	-0.68%
Educational services	0.21%	0.51%	-0.30%
Finance and insurance	1.14%	2.75%	-1.61%
Health care and social assistance	4.24%	7.39%	-3.15%
Management of companies and enterprises	1.44%	0.61%	0.83%
Professional, scientific, and technical services	0.98%	7.21%	-6.23%
Real estate and rental and leasing	12.97%	12.17%	0.81%
Agriculture, forestry, fishing and hunting	0.18%	1.78%	-1.60%
Construction	1.81%	3.12%	-1.31%
Information	1.63%	3.21%	-1.58%
Manufacturing	0.47%	4.31%	-3.84%
Mining, quarrying, and oil and gas extraction	44.83%	14.79%	30.04%
Other services (except government and government enterprises)	1.40%	1.96%	-0.56%
Retail trade	4.61%	5.87%	-1.26%
Transportation and warehousing	0.49%	2.58%	-2.10%
Utilities	0.48%	1.57%	-1.09%
Wholesale trade	0.83%	3.13%	-2.30%
Government and government enterprises	19.01%	21.50%	-2.49%