

Quarterly Economic Summary

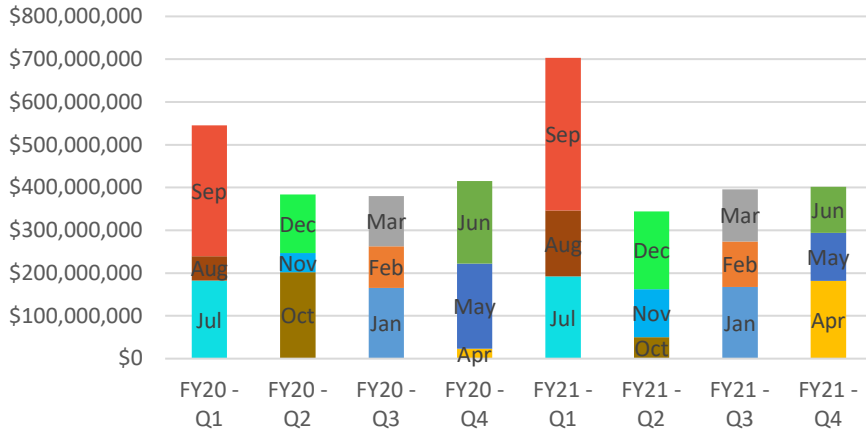
Los Alamos County



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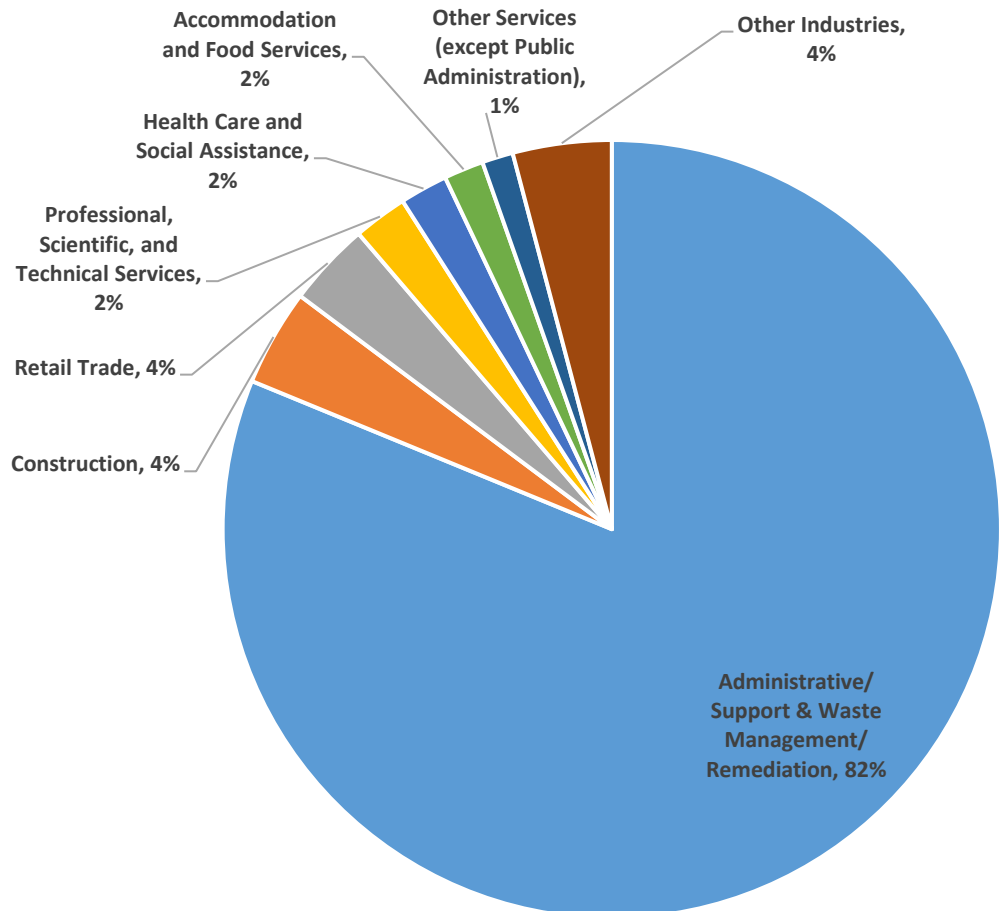
Chart 1. Matched Taxable Gross Receipts Per Quarter



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.

Los Alamos County's matched taxable gross receipts (MTGR) remained relatively flat in Q4 FY21 as compared to Q3 FY21, shown in Chart 1. The amount of reported quarterly MTGR for Los Alamos County during Q4 FY21 was \$401.6M. From Q3 FY21 to Q4 FY21, MTGR increased by \$6M or 2%. Over the previous 16 quarters reported, quarterly MTGR for Los Alamos County has averaged \$413M. Table 1, on the next page, shows a decrease of \$13.7M from Q4 in FY20 to FY21 of the same period.

Chart 2. FY21 - 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. FY21 - Q4 Matched Taxable Gross Receipts by Industry

Industries	FY21 - Q4	YOY Growth	YOY % Change	2-Year % Change
Accommodation and Food Services	\$ 6,660,535	\$ 1,594,900	31%	-18%
Administrative/Support & Waste Management/Remediation	\$ 327,946,462	\$ (15,884,274)	-5%	-13%
Agriculture, Forestry, Fishing, and Hunting	\$ 16,220	\$ 12,810	376%	241%
Arts, Entertainment, and Recreation	\$ 559,318	\$ 383,621	218%	11%
Construction	\$ 16,218,173	\$ (2,863,562)	-15%	-23%
Educational Services	\$ 345,975	\$ 180,390	109%	-12%
Finance and Insurance	\$ 1,428,420	\$ 139,292	11%	-4%
Health Care and Social Assistance	\$ 8,036,402	\$ 1,957,223	32%	-33%
Information	\$ 3,205,338	\$ (3,144,744)	-50%	-53%
Management of Companies and Enterprises	\$ -	\$ -	N/A	N/A
Manufacturing	\$ 1,654,048	\$ 333,594	25%	-17%
Mining, Quarrying, and Oil and Gas Extraction	\$ -	\$ -	N/A	N/A
Other Services (except Public Administration)	\$ 5,213,187	\$ 1,279,434	33%	-58%
Professional, Scientific, and Technical Services	\$ 9,062,648	\$ 1,245,826	16%	-23%
Public Administration	\$ -	\$ -	N/A	-100%
Real Estate and Rental and Leasing	\$ 2,482,283	\$ 76,540	3%	11%
Retail Trade	\$ 14,108,366	\$ 238,264	2%	13%
Transportation and Warehousing	\$ 6,606	\$ 2,866	77%	-98%
Unclassified Establishments	\$ 375,030	\$ (390,083)	-51%	-88%
Utilities	\$ 53,948	\$ 7,526	16%	0%
Wholesale Trade	\$ 1,227,157	\$ 452,273	58%	35%
All Industries	\$ 401,631,270	\$ (13,691,543)	-3%	-16%

Fourteen industries reported a year-over-year (YoY) increase (Table 1). Despite the increases, the administrative/support & waste management/remediation industry reported a YoY loss of nearly \$16M, negating all gains from other sectors in the County.

Gross receipts tax (GRT) revenue collections increased by \$1.5M (11%) from Q3 FY21 to Q4 FY21, shown in Chart 4.

Quarterly employment, shown in Chart 5, has remained steady, bucking the trend seen throughout New Mexico. This stability is tied directly to the national laboratory.

Chart 3. Annual Total GRT Revenue Collections

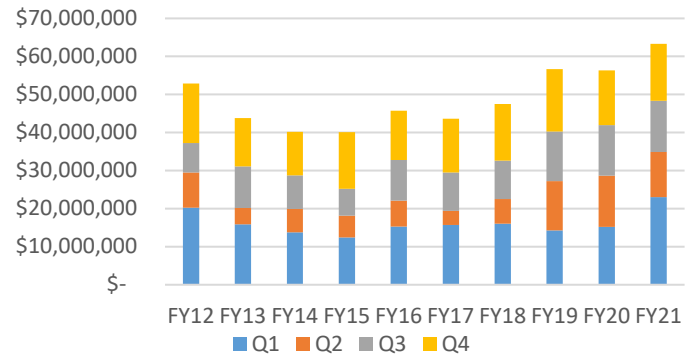


Chart 4. Quarterly GRT Revenue Collections

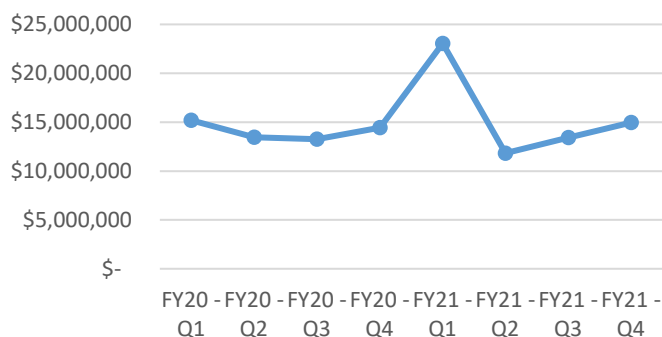
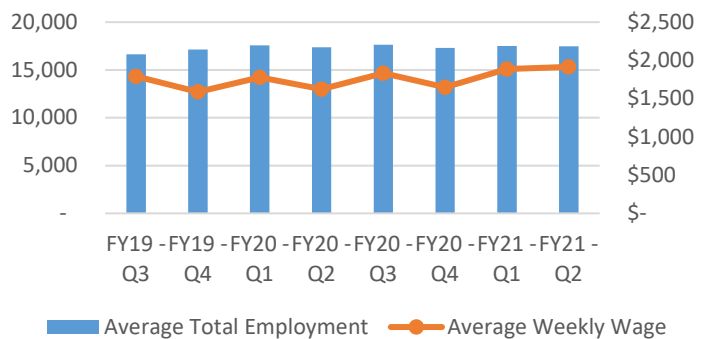


Chart 5. Quarterly Average Total Employment & Weekly Wage

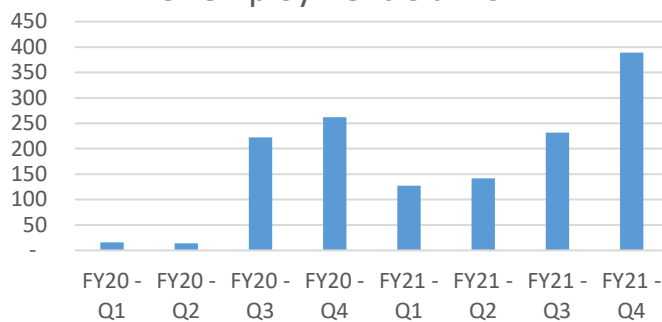


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Chart 6. Quarterly Initial Unemployment Claims



*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	378	-17.3%	\$ 370	-7.3%	34	3.0%
Administrative/Support & Waste Management/Remediation	793	-10.7%	\$ 1,754	-0.3%	40	2.6%
Agriculture, Forestry, Fishing, and Hunting	*	*	*	*	1	0.0%
Arts, Entertainment, and Recreation	*	100.0%	*	100.0%	12	0.0%
Construction	243	14.1%	\$ 1,088	10.3%	41	13.9%
Educational Services	821	-14.2%	\$ 789	8.1%	15	15.4%
Finance and Insurance	144	-4.6%	\$ 1,308	9.5%	24	9.1%
Health Care and Social Assistance	853	-4.8%	\$ 947	-4.4%	92	4.5%
Information	98	-16.9%	\$ 1,504	17.7%	16	14.3%
Management of Companies and Enterprises	*	*	*	*	1	-50.0%
Manufacturing	98	1.0%	\$ 1,161	31.6%	11	-15.4%
Other Services (except Public Administration)	214	-28.9%	\$ 493	2.3%	58	11.5%
Professional, Scientific, and Technical Services	*	*	*	*	99	10.0%
Public Administration	439	-1.3%	\$ 1,918	-10.6%	18	0.0%
Real Estate and Rental and Leasing	77	-19.8%	\$ 754	19.7%	20	5.3%
Retail Trade	425	-8.8%	\$ 582	-2.8%	34	3.0%
Transportation and Warehousing	*	*	*	*	4	33.3%
Utilities	*	100.0%	*	100.0%	5	25.0%
Wholesale Trade	48	11.6%	\$ 1,066	-1.8%	9	28.6%
All Industries	17,511	-0.7%	\$ 1,758	-3.9%	534	7.0%

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