

Quarterly Economic Summary

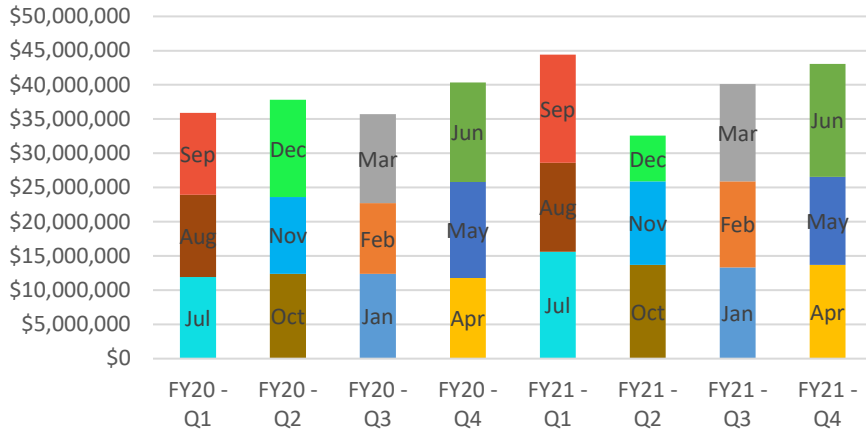
Quay County

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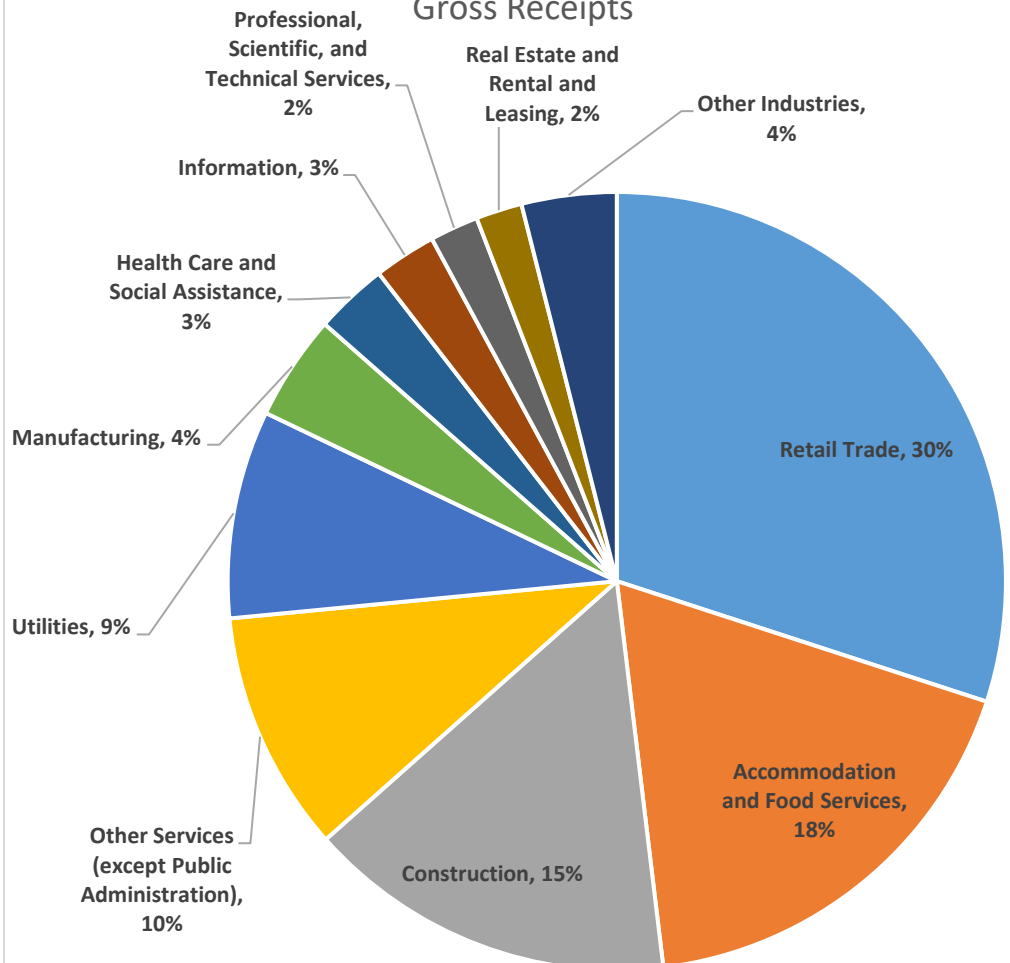
Chart 1. Matched Taxable Gross Receipts Per Quarter



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.

Quay County's matched taxable gross receipts (MTGR) increased slightly in Q4 FY21 as compared to Q3 FY21 (Chart 1). From Q3 FY21 to Q4 FY21, MTGR increased by nearly \$3M or 7%. When comparing MTGR, Q4 of FY21 is most comparable to Q2 FY19, when Quay County reported \$400K higher in MTGR. Table 1, on the next page, shows an increase of \$2.7M from Q4 in FY20 to FY21 of the same period. Table 1 also

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	\$ 7,770,589	\$ 3,067,099	65%	12%
Administrative/Support & Waste Management/Remediation	\$ 360,230	\$ 48,768	16%	98%
Agriculture, Forestry, Fishing, and Hunting	\$ 219,325	\$ 6,895	3%	116%
Arts, Entertainment, and Recreation	\$ 17,249	\$ (21,028)	-55%	-69%
Construction	\$ 6,601,828	\$ (1,347,351)	-17%	11%
Educational Services	\$ 21,406	\$ 13,795	181%	593%
Finance and Insurance	\$ 124,583	\$ 6,689	6%	-16%
Health Care and Social Assistance	\$ 1,305,238	\$ (45,566)	-3%	-73%
Information	\$ 1,115,697	\$ (1,495,034)	-57%	-48%
Management of Companies and Enterprises	\$ -	\$ -	N/A	N/A
Manufacturing	\$ 1,881,005	\$ (1,588,465)	-46%	24%
Mining, Quarrying, and Oil and Gas Extraction	\$ -	\$ -	N/A	N/A
Other Services (except Public Administration)	\$ 4,309,571	\$ 865,610	25%	19%
Professional, Scientific, and Technical Services	\$ 867,401	\$ (131,856)	-13%	11%
Public Administration	\$ -	\$ -	N/A	N/A
Real Estate and Rental and Leasing	\$ 825,576	\$ 275,412	50%	57%
Retail Trade	\$ 12,902,434	\$ 1,552,033	14%	20%
Transportation and Warehousing	\$ 313,367	\$ (1,481)	0%	-29%
Unclassified Establishments	\$ 64,732	\$ 12,118	23%	-61%
Utilities	\$ 3,714,808	\$ 1,286,435	53%	62%
Wholesale Trade	\$ 574,249	\$ 271,598	90%	56%
All Industries	\$ 43,080,439	\$ 2,753,282	7%	5%

shows seven industries that reported a year-over-year (YoY) loss. The largest decline came from the manufacturing industry, which posted a YoY decline of \$1.5M or 46%. The accommodation and food services industry reported the largest YoY increase of \$3M or 65%.

Gross receipts tax (GRT) revenue collections increased by \$35K, or 5%, from Q3 FY21 to Q4 FY21, shown in Chart 4.

Average weekly wages increased while quarterly employment remained relatively flat during Q2 of FY21 (Chart 5).

Chart 3. Annual Total GRT Revenue Collections

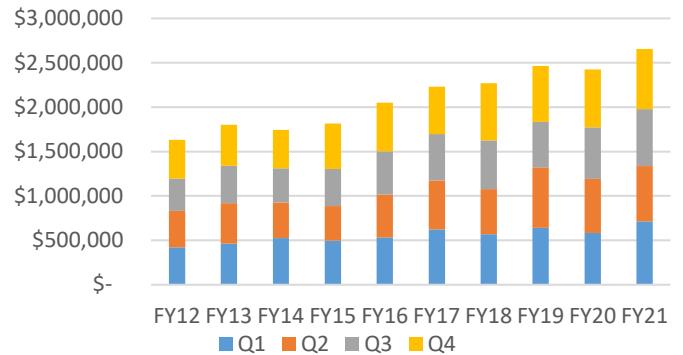


Chart 4. Quarterly GRT Revenue Collections

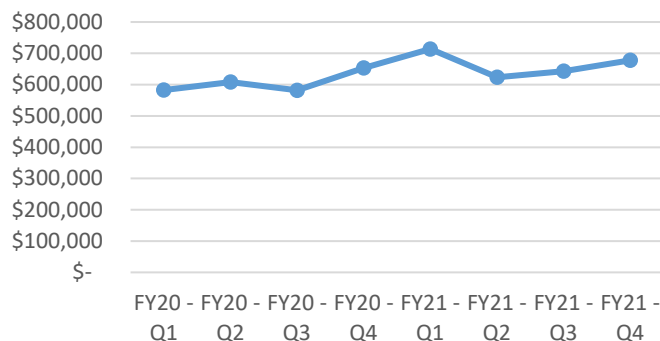
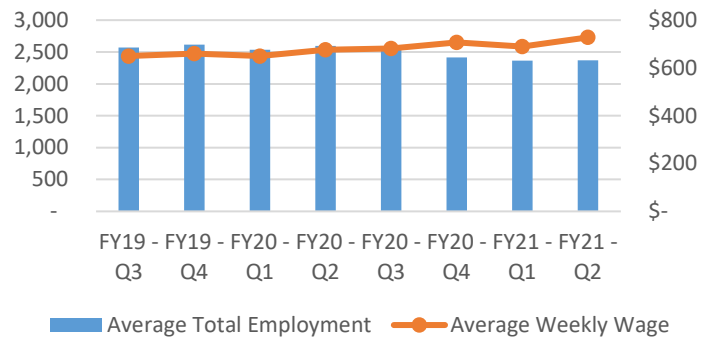


Chart 5. Quarterly Average Total Employment & Weekly Wage

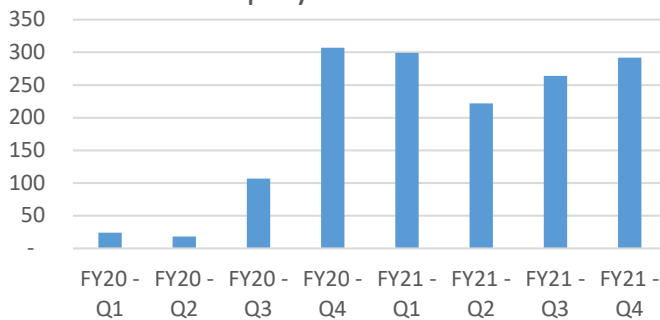


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Chart 6. Quarterly Initial Unemployment Claims



*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	YOY Change in		YOY change in		Number of Establishments	YOY Change in Establishments
	Average Employment	Average Employment	Average Weekly Wage	Average Weekly Wage		
Accommodation and Food Services	365	-16.7%	\$ 305	16.4%	36	2.9%
Administrative/Support & Waste Management/Remediation	29	-21.6%	\$ 1,018	28.9%	11	10.0%
Agriculture, Forestry, Fishing, and Hunting	37	-9.8%	\$ 696	9.4%	10	0.0%
Arts, Entertainment, and Recreation	*	*	*	*	5	0.0%
Construction	192	-2.5%	\$ 700	-5.9%	30	-9.1%
Educational Services	322	-13.7%	\$ 896	15.5%	6	0.0%
Finance and Insurance	75	-7.4%	\$ 910	-6.4%	16	14.3%
Health Care and Social Assistance	408	-8.3%	\$ 931	-4.6%	63	8.6%
Information	14	-12.5%	\$ 812	12.5%	7	0.0%
Management of Companies and Enterprises	*	*	*	*	1	0.0%
Manufacturing	*	*	*	*	2	0.0%
Other Services (except Public Administration)	70	-19.5%	\$ 618	0.2%	26	0.0%
Professional, Scientific, and Technical Services	42	-6.7%	\$ 590	2.3%	15	15.4%
Public Administration	176	-9.3%	\$ 845	1.2%	31	0.0%
Real Estate and Rental and Leasing	9	-18.2%	\$ 751	-2.6%	8	0.0%
Retail Trade	370	-5.6%	\$ 514	14.0%	30	0.0%
Transportation and Warehousing	73	0.0%	\$ 672	8.7%	20	0.0%
Utilities	66	-5.7%	\$ 1,179	-2.6%	11	10.0%
Wholesale Trade	14	-22.2%	\$ 1,071	2.9%	7	0.0%
All Industries	2,312	-10.0%	\$ 707	4.4%	335	2.8%

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