

Quarterly Economic Summary

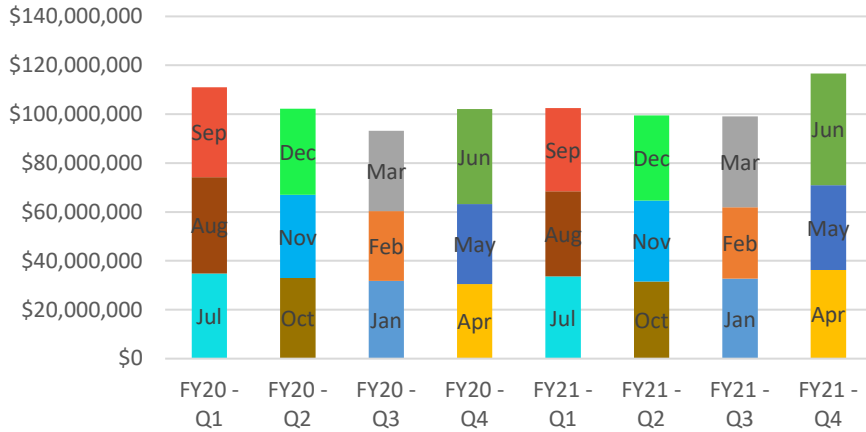
Rio Arriba County

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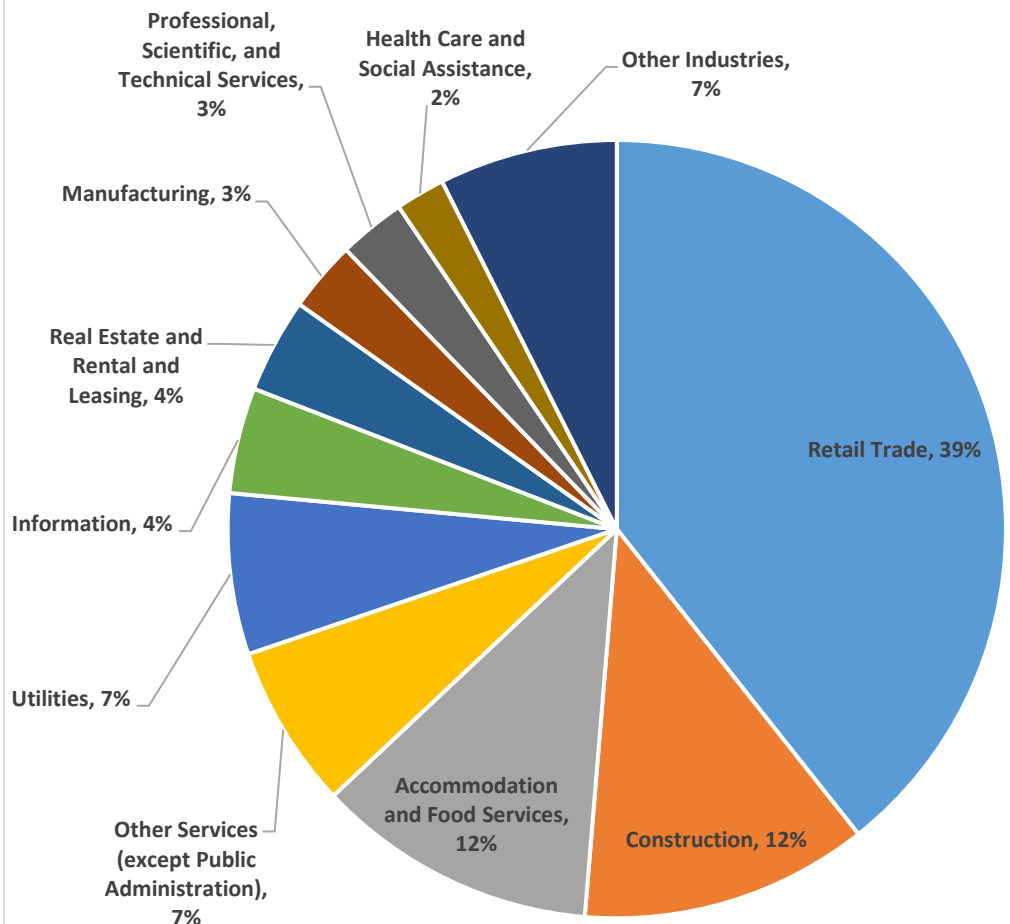
Chart 1. Matched Taxable Gross Receipts Per Quarter



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.

Rio Arriba County's matched taxable gross receipts (MTGR) increased in Q4 FY21 as compared to Q3 FY21, seen in Chart 1. The amount of reported quarterly MTGR for Rio Arriba County in Q4 FY21 (\$116.6M) was the largest amount in the previous 16 quarters. From Q3 FY21 to Q4 FY21, MTGR increased by \$17.6M or 18%. Table 1, on the next page, shows an increase of \$14.5M 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.

Quarterly Economic Summary

Rio Arriba County



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

Industries	FY21 - Q4	YOY Growth	YOY % Change	2-Year % Change
Accommodation and Food Services	\$ 13,586,972	\$ 3,506,785	35%	34%
Administrative/Support & Waste Management/Remediation	\$ 1,290,872	\$ 232,414	22%	-37%
Agriculture, Forestry, Fishing, and Hunting	\$ 847,155	\$ 161,629	24%	-16%
Arts, Entertainment, and Recreation	\$ 1,199,861	\$ 803,581	203%	-11%
Construction	\$ 13,945,614	\$ 1,208,436	9%	63%
Educational Services	\$ 493,746	\$ 127,820	35%	21%
Finance and Insurance	\$ 278,336	\$ (30,487)	-10%	1%
Health Care and Social Assistance	\$ 2,391,930	\$ 279,398	13%	-33%
Information	\$ 5,117,045	\$ (3,548,693)	-41%	-41%
Management of Companies and Enterprises	\$ 5,527	\$ 5,527	N/A	N/A
Manufacturing	\$ 3,419,458	\$ 843,540	33%	18%
Mining, Quarrying, and Oil and Gas Extraction	\$ 1,871,221	\$ 1,241,627	197%	-24%
Other Services (except Public Administration)	\$ 7,928,983	\$ 2,767,828	54%	37%
Professional, Scientific, and Technical Services	\$ 3,240,574	\$ 532,199	20%	38%
Public Administration	\$ -	\$ -	N/A	N/A
Real Estate and Rental and Leasing	\$ 4,579,066	\$ 1,609,874	54%	6%
Retail Trade	\$ 45,789,139	\$ 2,265,734	5%	21%
Transportation and Warehousing	\$ 1,099,308	\$ 703,923	178%	-21%
Unclassified Establishments	\$ (129,977)	\$ (388,038)	-150%	-177%
Utilities	\$ 7,782,931	\$ 1,358,533	21%	16%
Wholesale Trade	\$ 1,541,636	\$ 743,113	93%	16%
All Industries	\$ 116,654,253	\$ 14,514,449	14%	15%

Table 1 also shows 16 industries that reported a year-over-year (YoY) increase. The largest increase came from the accommodation and food services industry, which posted a YoY increase of \$3.5M or 35%.

Gross receipts tax (GRT) revenue collections increased by nearly \$250K, or 17%, from Q3 FY21 to Q4 FY21 (Chart 4).

Chart 5 shows an increase in average weekly wages while quarterly employment decreased during Q2 of FY21. This increase in average weekly wages is likely due to the loss of lower wage workers.

Chart 3. Annual Total GRT Revenue Collections

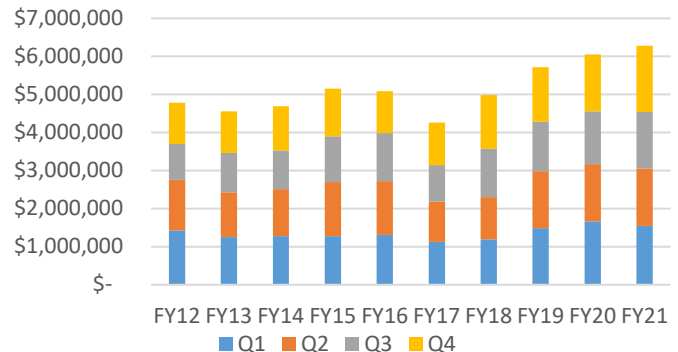


Chart 4. Quarterly GRT Revenue Collections

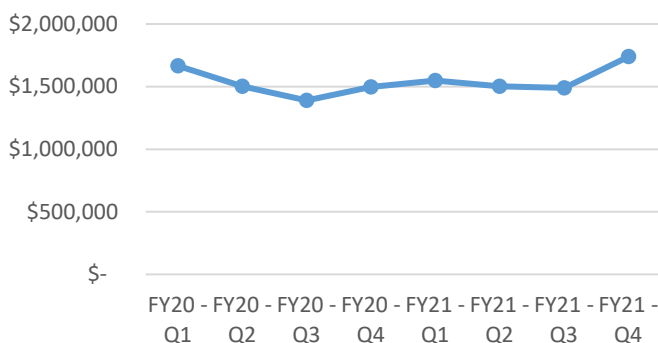
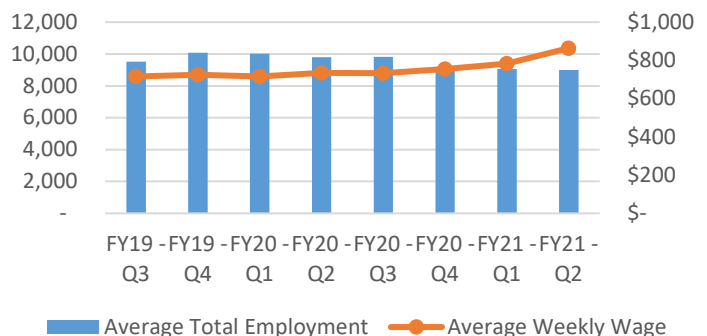


Chart 5. Quarterly Average Total Employment & Weekly Wage

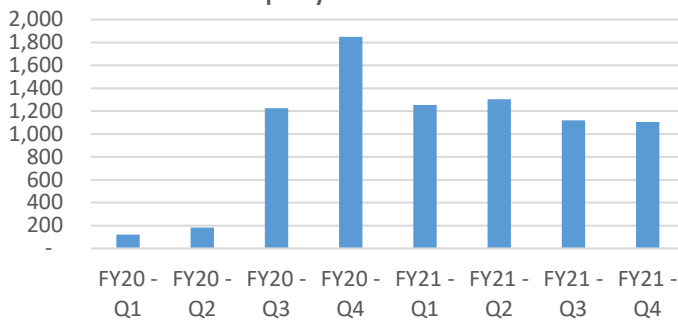


Quarterly Economic Summary

Rio Arriba County



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	947	-19.1%	\$ 413	5.6%	78	11.4%
Administrative/Support & Waste Management/Remediation	194	*	\$ 1,081	*	31	3.3%
Agriculture, Forestry, Fishing, and Hunting	46	-8.0%	\$ 676	28.0%	24	4.3%
Arts, Entertainment, and Recreation	92	-32.4%	\$ 636	12.2%	21	0.0%
Construction	502	10.8%	\$ 1,012	15.0%	91	-1.1%
Educational Services	1,135	-16.7%	\$ 797	16.2%	25	0.0%
Finance and Insurance	122	-4.7%	\$ 850	17.1%	32	6.7%
Health Care and Social Assistance	1,464	-6.8%	\$ 1,003	-2.6%	247	5.6%
Information	77	13.2%	\$ 1,202	102.7%	24	33.3%
Management of Companies and Enterprises	62	*	\$ 980	*	9	200.0%
Manufacturing	132	4.8%	\$ 630	5.0%	16	0.0%
Mining, Quarrying, and Oil and Gas Extraction	114	-34.1%	\$ 1,347	-15.3%	6	0.0%
Other Services (except Public Administration)	234	-6.4%	\$ 622	1.5%	43	13.2%
Professional, Scientific, and Technical Services	143	0.7%	\$ 1,301	-10.6%	63	8.6%
Public Administration	1,970	-11.2%	\$ 619	-13.2%	54	0.0%
Real Estate and Rental and Leasing	59	7.3%	\$ 717	12.7%	18	0.0%
Retail Trade	1,169	1.9%	\$ 505	8.4%	80	0.0%
Transportation and Warehousing	175	-15.0%	\$ 782	5.4%	38	0.0%
Utilities	129	-4.4%	\$ 1,234	2.4%	12	0.0%
Wholesale Trade	30	-43.4%	\$ 886	9.5%	9	-18.2%
All Industries	8,795	-9.5%	\$ 747	1.1%	921	5.0%

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