

Quarterly Economic Summary

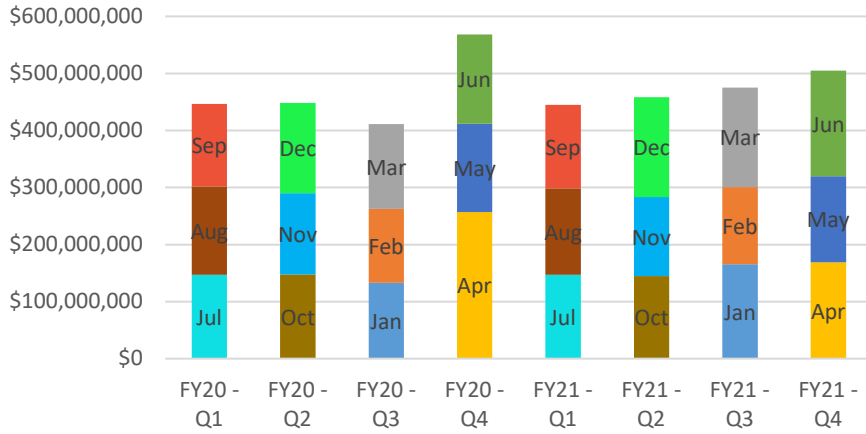
Sandoval County



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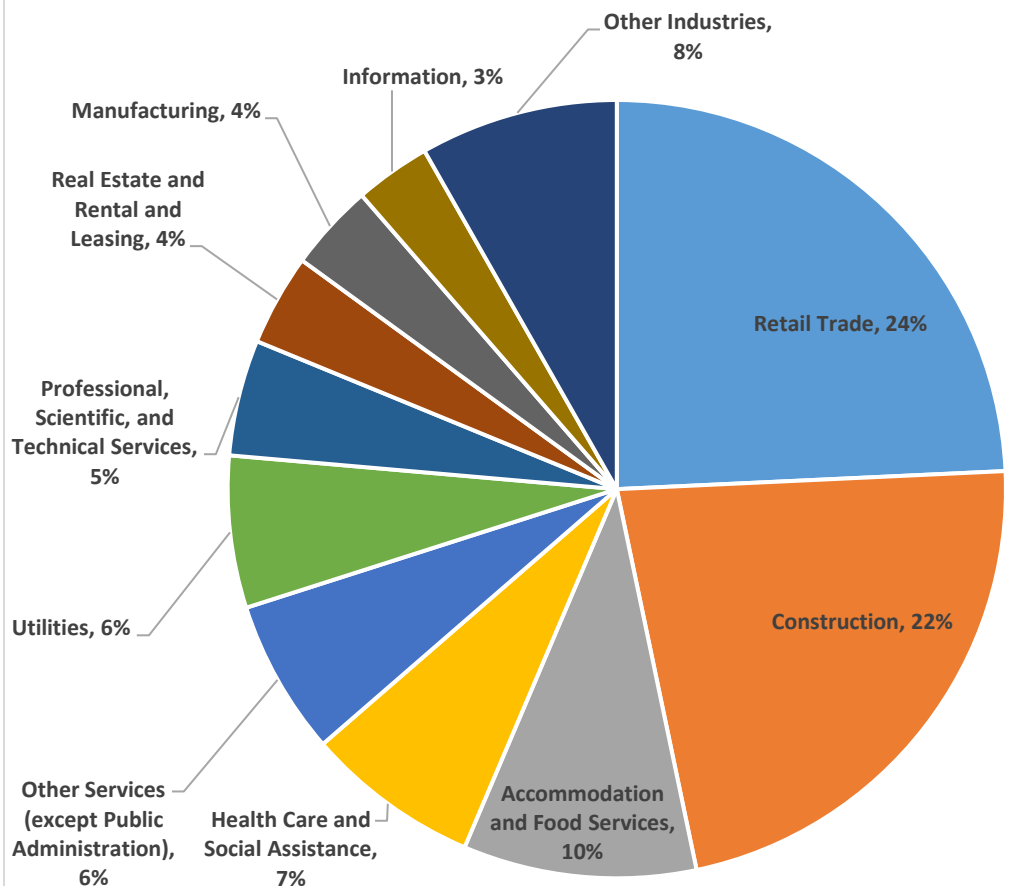
Chart 1. Matched Taxable Gross Receipts Per Quarter



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.

From Q3 FY21 to Q4 FY21 matched taxable gross receipts (MTGR) for Sandoval County increased by nearly \$30M or 6%. The amount reported in Q4 FY21 (\$504.8M) was the second largest amount of MTGR reported over the last eight quarters. During the eight-quarter time span MTGR has trended upward. The retail trade and construction industries were the largest contributors to MTGR for Sandoval County, shown in Chart 2.

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	\$ 48,866,571	\$ 10,330,650	27%	7%
Administrative/Support & Waste Management/Remediation	\$ 9,489,258	\$ 332,659	4%	20%
Agriculture, Forestry, Fishing, and Hunting	\$ 1,269,132	\$ 459,686	57%	190%
Arts, Entertainment, and Recreation	\$ 2,799,304	\$ 1,831,943	189%	2%
Construction	\$ 113,272,948	\$ (100,852,901)	-47%	36%
Educational Services	\$ 3,909,724	\$ 539,718	16%	16%
Finance and Insurance	\$ 1,562,118	\$ 429,445	38%	29%
Health Care and Social Assistance	\$ 36,484,983	\$ 13,985,875	62%	47%
Information	\$ 15,898,966	\$ (17,633,209)	-53%	-50%
Management of Companies and Enterprises	\$ 131,189	\$ (49,916)	-28%	-48%
Manufacturing	\$ 18,254,407	\$ 7,407,499	68%	83%
Mining, Quarrying, and Oil and Gas Extraction	\$ 4,416,380	\$ 3,885,922	733%	50%
Other Services (except Public Administration)	\$ 32,498,658	\$ (5,821,229)	-15%	0%
Professional, Scientific, and Technical Services	\$ 24,315,751	\$ 1,977,633	9%	24%
Public Administration	\$ -	\$ (21,100)	-100%	-100%
Real Estate and Rental and Leasing	\$ 19,154,983	\$ 7,821,316	69%	26%
Retail Trade	\$ 122,394,227	\$ 4,486,773	4%	28%
Transportation and Warehousing	\$ 5,967,672	\$ (142,758)	-2%	20%
Unclassified Establishments	\$ 2,168,529	\$ 306,977	16%	25%
Utilities	\$ 31,869,187	\$ 6,472,079	25%	29%
Wholesale Trade	\$ 9,792,683	\$ 413,482	4%	46%
All Industries	\$ 504,752,752	\$ (63,666,869)	-11%	21%

When comparing Q4 FY20 to Q4 FY21, MTGR decreased by nearly \$64M or 11%. Only six industries reported a year-over-year (YoY) loss. The largest decline came from the construction industry, which posted a YoY decline of \$100.8M or 47%. The accommodation and food services industry rebounded with a YoY increase of \$10.3M.

Gross receipts tax (GRT) revenue collections increased by nearly \$108K, or 3%, from Q3 FY21 to Q4 FY21, shown in Chart 4.

Average weekly wages reported the second highest amount (\$973/week) over the previous eight quarters (Chart 5).

Chart 3. Annual Total GRT Revenue Collections

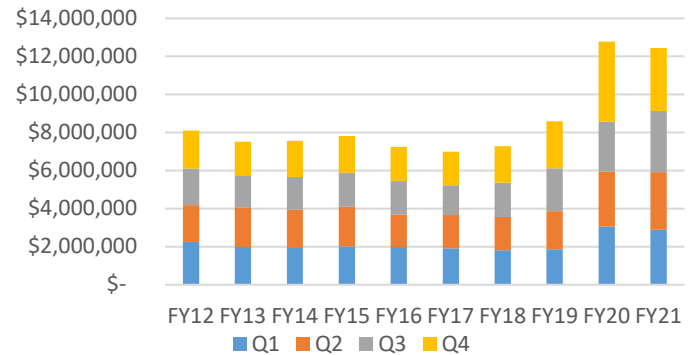


Chart 4. Quarterly GRT Revenue Collections

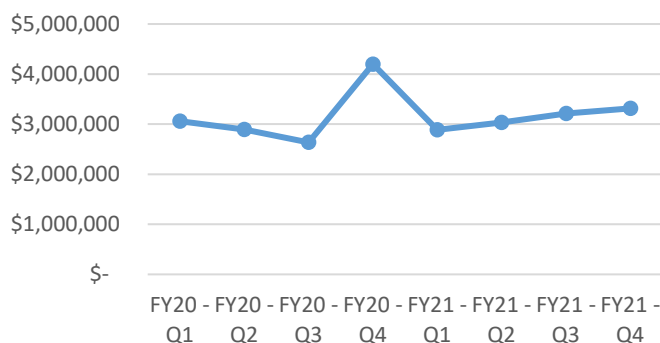
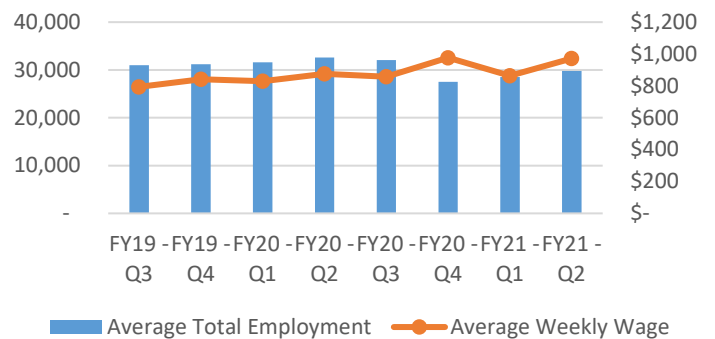


Chart 5. Quarterly Average Total Employment & Weekly Wage

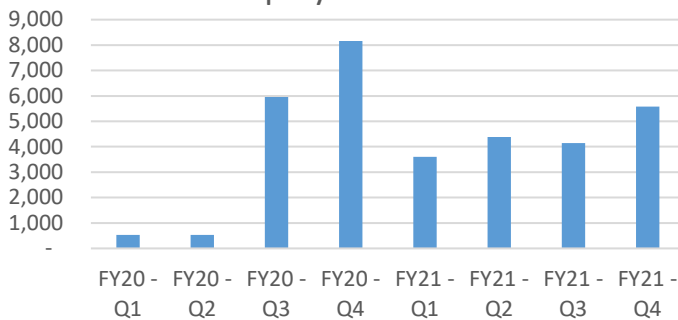


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Chart 6. Quarterly Initial Unemployment Claims



*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	Average Employment	YOY Change in Average Employment		YOY change in Average Weekly Wage		Number of Establishments	YOY Change in Establishments
		Average Employment	YOY Change in Average Employment	Average Weekly Wage	YOY change in Average Weekly Wage		
Accommodation and Food Services	3,075		-31.0%	\$ 369	-10.2%	173	1.8%
Administrative/Support & Waste Management/Remediation	3,234		-20.2%	\$ 799	12.2%	166	6.4%
Agriculture, Forestry, Fishing, and Hunting	62		-3.1%	\$ 570	9.6%	10	11.1%
Arts, Entertainment, and Recreation	443		-33.1%	\$ 489	16.7%	40	8.1%
Construction	1,617		-12.0%	\$ 870	-5.1%	272	3.4%
Educational Services	3,248		-10.2%	\$ 961	22.1%	49	19.5%
Finance and Insurance	498		-9.1%	\$ 1,203	4.2%	130	8.3%
Health Care and Social Assistance	4,365		1.2%	\$ 713	0.1%	663	8.0%
Information	153		-16.4%	\$ 1,244	32.6%	56	36.6%
Management of Companies and Enterprises	67		39.6%	\$ 1,984	45.3%	33	94.1%
Manufacturing	3,123		-2.9%	\$ 2,170	2.7%	78	6.8%
Mining, Quarrying, and Oil and Gas Extraction	98		-7.5%	\$ 1,093	1.9%	11	0.0%
Other Services (except Public Administration)	590		-12.7%	\$ 869	15.9%	188	6.8%
Professional, Scientific, and Technical Services	1,111		-1.0%	\$ 1,088	-2.4%	333	11.7%
Public Administration	2,513		-5.3%	\$ 873	3.1%	79	0.0%
Real Estate and Rental and Leasing	429		-7.9%	\$ 718	10.6%	115	6.5%
Retail Trade	3,329		1.2%	\$ 569	5.0%	194	1.0%
Transportation and Warehousing	432		-5.5%	\$ 1,233	11.0%	48	-5.9%
Utilities	83		-6.7%	\$ 956	-2.1%	17	0.0%
Wholesale Trade	406		0.5%	\$ 1,378	2.5%	110	8.9%
All Industries	28,878		-10.5%	\$ 925	8.1%	2,765	7.4%

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