

# Quarterly Economic Summary

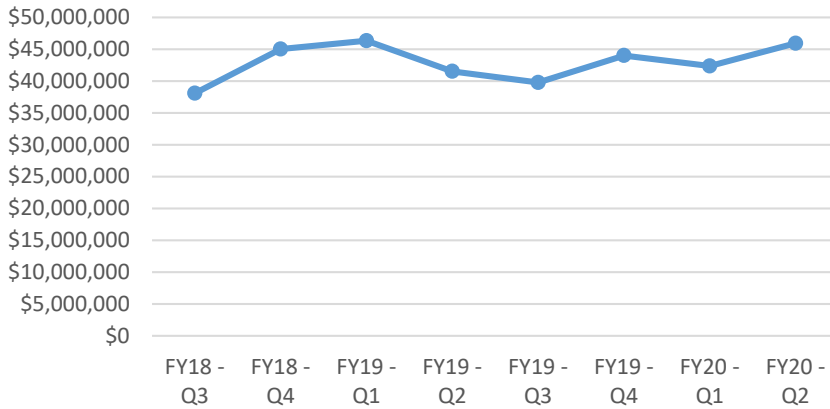
## Sierra County

Released: February 2020



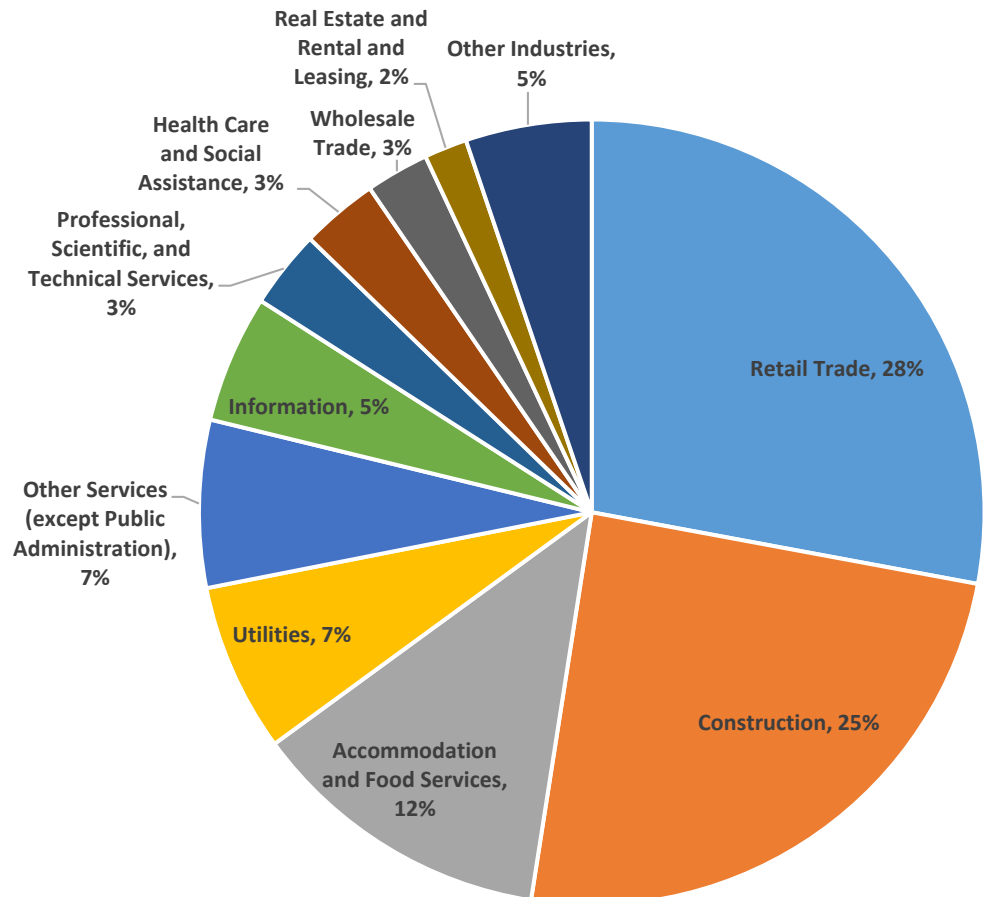
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Chart 1. Matched Taxable Gross Receipts Per Quarter



Sierra County saw a relatively slight increase in matched taxable gross receipts (MTGR). Q1 to Q2 of FY20 increased from \$42.4M to \$45.9M respectively, as seen in Chart 1. Q2 FY20 saw a year over year (YOY) increase of 11% with construction doing particularly well with a YOY growth of \$3.7M. Retail Trade and Construction remain the top two industries by MTGR with retail trade dropping from 31% of all MTGR in the county in Q1 FY20 to 28% in Q2. Construction increased from 18% in Q1 FY20 to 25% in Q2.

Chart 2. FY20 - Q2 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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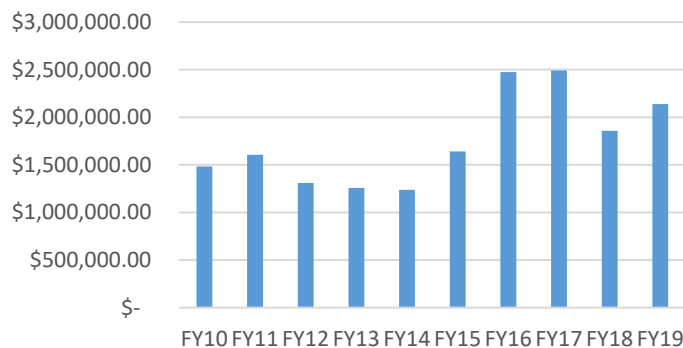
**Table 1. Matched Taxable Gross Receipts by Industry**

Industries	FY19 - Q2	FY20 - Q2	Growth	Year over year Change
Accommodation and Food Services	\$ 5,244,680	\$ 5,737,890	\$ 493,210	9%
Administrative/Support & Waste Management/Remediation	\$ 397,441	\$ 451,878	\$ 54,437	14%
Agriculture, Forestry, Fishing, and Hunting	\$ 236,128	\$ 486,125	\$ 249,997	106%
Arts, Entertainment, and Recreation	\$ 309,912	\$ 253,172	\$ (56,741)	-18%
Construction	\$ 7,532,352	\$ 11,278,013	\$ 3,745,661	50%
Educational Services	\$ 79,214	\$ 84,451	\$ 5,237	7%
Finance and Insurance	\$ 142,061	\$ 102,432	\$ (39,628)	-28%
Health Care and Social Assistance	\$ 1,533,984	\$ 1,459,151	\$ (74,833)	-5%
Information	\$ 2,430,480	\$ 2,414,061	\$ (16,419)	-1%
Management of Companies and Enterprises	\$ -	\$ 30,642	\$ 30,642	N/A
Manufacturing	\$ 618,686	\$ 466,348	\$ (152,338)	-25%
Mining, Quarrying, and Oil and Gas Extraction	\$ 12,899	\$ 24,285	\$ 11,386	88%
Other Services (except Public Administration)	\$ 3,491,836	\$ 3,166,823	\$ (325,012)	-9%
Professional, Scientific, and Technical Services	\$ 1,273,958	\$ 1,475,430	\$ 201,472	16%
Public Administration	\$ -	\$ -	\$ -	N/A
Real Estate and Rental and Leasing	\$ 647,481	\$ 811,748	\$ 164,267	25%
Retail Trade	\$ 12,785,350	\$ 12,826,819	\$ 41,468	0%
Transportation and Warehousing	\$ 50,101	\$ 243,096	\$ 192,996	385%
Unclassified Establishments	\$ 290,329	\$ 241,523	\$ (48,805)	-17%
Utilities	\$ 3,412,711	\$ 3,188,100	\$ (224,611)	-7%
Wholesale Trade	\$ 1,040,422	\$ 1,196,211	\$ 155,789	15%
<b>All Industries</b>	<b>\$ 41,530,024</b>	<b>\$ 45,938,199</b>	<b>\$ 4,408,175</b>	<b>11%</b>

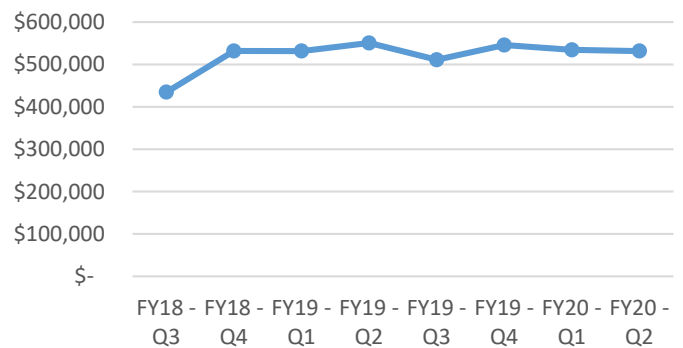
Gross Receipts Tax (GRT) revenue collections have remained relatively stable since Q4 FY18. Table 2, on page 3, shows two industries having no contribution to GDP in 2018. This is due to the number of companies within the industries being so low that the Bureau of Economic Analysis has withheld the information for the industry to avoid disclosure of confidential information. Table 2 does not necessarily reflect the proportion each industry contributes to overall GDP.

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**



# Quarterly Economic Summary

## Sierra County



Chart 5. Quarterly Average Total Employment & Weekly Wage

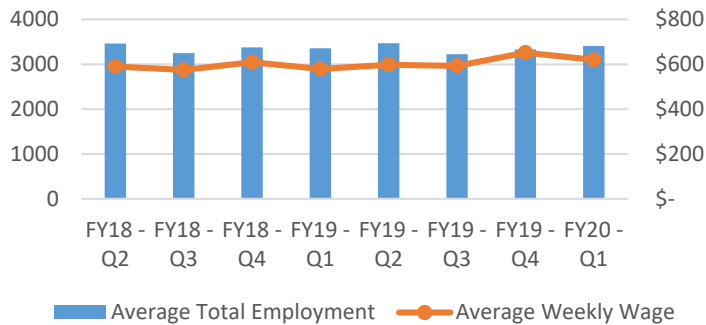


Chart 6. Quarterly Initial Unemployment Claims

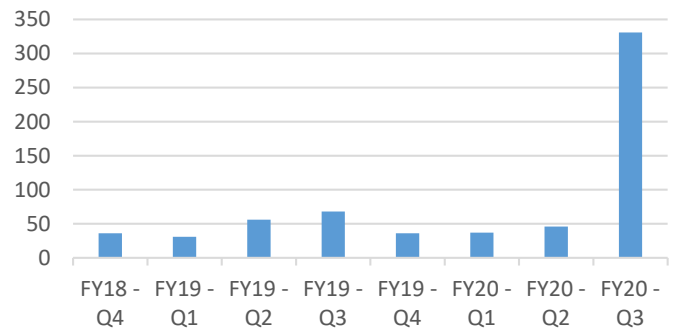
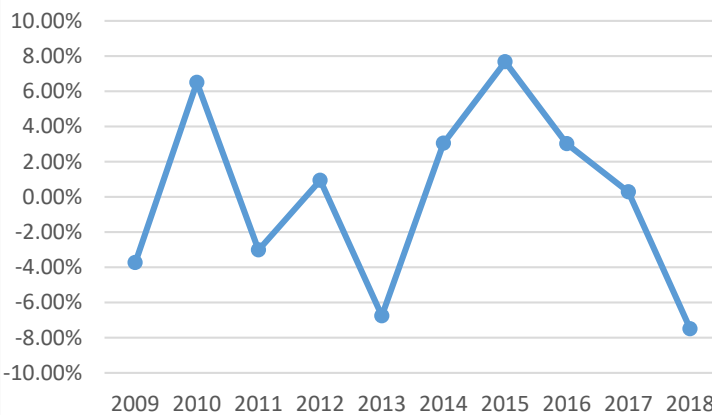


Chart 7. Calendar Year % Change In Real GDP Year Over Year



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. The major uptick in the initial unemployment claims is directly tied to the COVID-19 outbreak and the subsequent closure of “non-essential” businesses. These businesses tend to be a major component of the workforce. As the stay at home order stays in effect, it is likely that the initial unemployment claims will continue to increase as the economy shifts to handle the unprecedented changes.

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

Industries	Sierra, NM	New Mexico	Difference Between County and State
Accommodation and food services	3.67%	2.94%	0.74%
Administrative and support and waste management and remediation services	0.67%	2.51%	-1.85%
Arts, entertainment, and recreation	0.64%	0.68%	-0.04%
Educational services	0.00%	0.51%	-0.51%
Finance and insurance	1.23%	2.75%	-1.51%
Health care and social assistance	0.00%	7.39%	-7.39%
Management of companies and enterprises	0.78%	0.61%	0.17%
Professional, scientific, and technical services	1.66%	7.21%	-5.55%
Real estate and rental and leasing	28.48%	12.17%	16.31%
Agriculture, forestry, fishing and hunting	4.55%	1.78%	2.77%
Construction	3.89%	3.12%	0.77%
Information	0.67%	3.21%	-2.53%
Manufacturing	2.38%	4.31%	-1.93%
Mining, quarrying, and oil and gas extraction	2.17%	14.79%	-12.62%
Other services (except government and government enterprises)	1.82%	1.96%	-0.14%
Retail trade	7.20%	5.87%	1.33%
Transportation and warehousing	0.79%	2.58%	-1.79%
Utilities	1.22%	1.57%	-0.35%
Wholesale trade	0.22%	3.13%	-2.91%
Government and government enterprises	24.85%	21.50%	3.35%

SOURCES: NEW MEXICO TAXATION AND REVENUE DEPT, NEW MEXICO DEPARTMENT OF WORKFORCE SOLUTIONS, U.S. BUREAU OF LABOR AND STATISTICS, U.S. BUREAU OF ECONOMIC ANALYSIS AND EDD CALCULATIONS