

Quarterly Economic Summary

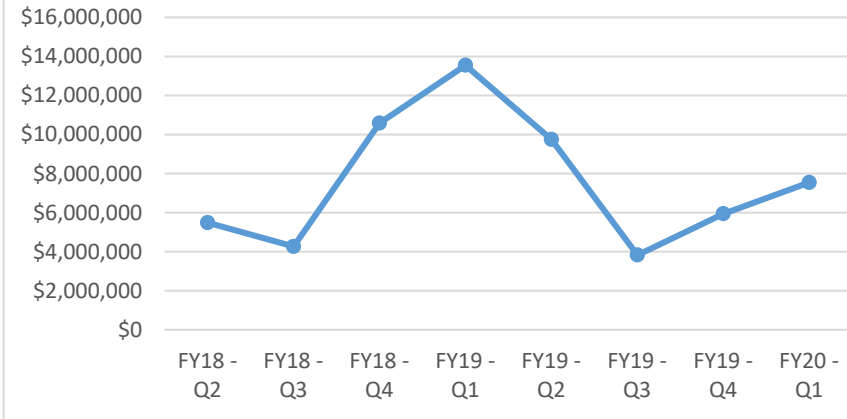
De Baca County

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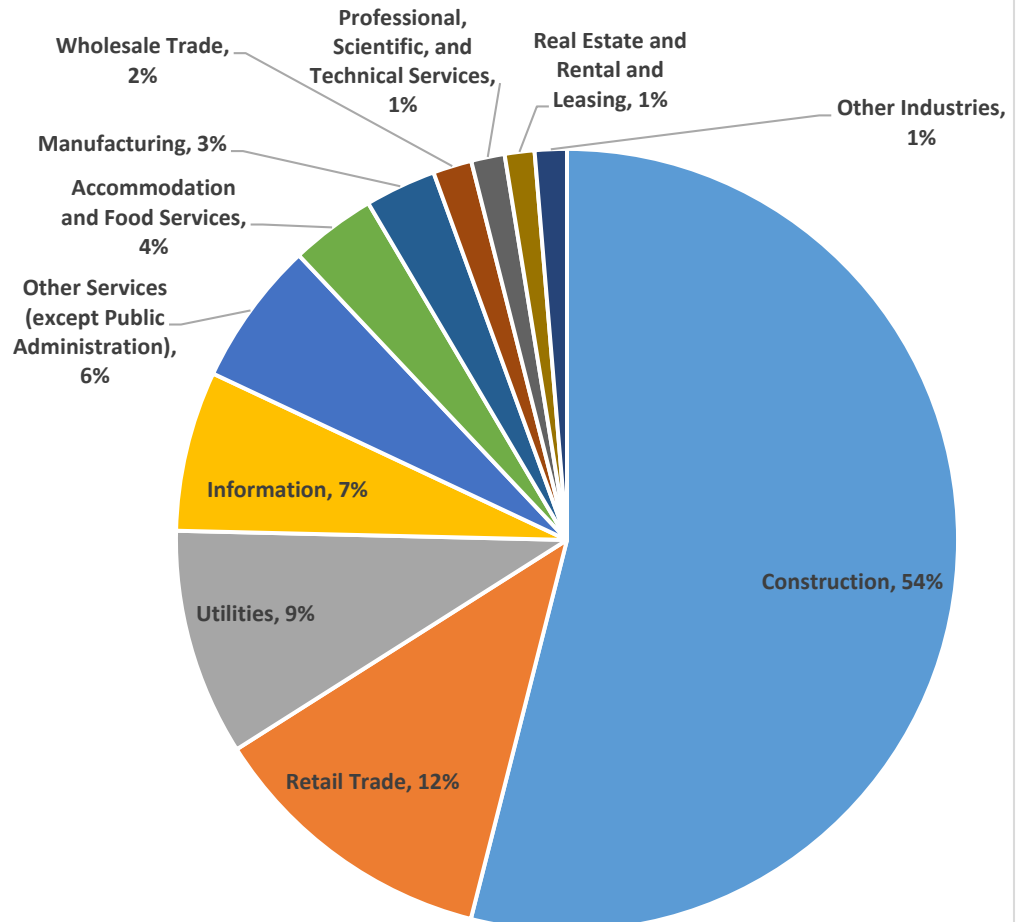
Chart 1. Matched Taxable Gross Receipts Per Quarter



De Baca County saw a spike in its matched taxable gross receipts (MTGR) from Q2 FY18 through Q2 FY19, as seen in Chart 1. MTGR decreased back to a level commonly seen by the County in Q3 FY19, and has been steadily increasing again through Q1 FY20. A similar spike was seen in the County from Q3 FY16 through Q1 FY17. Table 1, on page 2, shows the significant decrease in MTGR from Q1 FY19 and the same period of FY20. Industries, with -100% growth or no MTGR reported, may be due to the county's smaller size and fewer

companies within each industry. The few companies working in these industries may be late in filing, resulting in no MTGR being reported for the period. In this case, the missing MTGR may be included in the next period.

Chart 2. FY20 - Q1 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 - Q1	FY20 - Q1	Growth	Year over year Change
Accommodation and Food Services	\$ 320,605	\$ 267,056	\$ (53,549)	-17%
Administrative/Support & Waste Management/Remediation	\$ 58,254	\$ 22,316	\$ (35,938)	-62%
Agriculture, Forestry, Fishing, and Hunting	\$ 21,506	\$ 41,036	\$ 19,530	91%
Arts, Entertainment, and Recreation	\$ 41,070	\$ -	\$ (41,070)	-100%
Construction	\$ 9,484,930	\$ 4,071,040	\$ (5,413,891)	-57%
Educational Services	\$ -	\$ 25,418	\$ 25,418	N/A
Finance and Insurance	\$ -	\$ -	\$ -	N/A
Health Care and Social Assistance	\$ 110,666	\$ -	\$ (110,666)	-100%
Information	\$ 492,311	\$ 499,274	\$ 6,963	1%
Manufacturing	\$ 322,171	\$ 221,888	\$ (100,283)	-31%
Mining, Quarrying, and Oil and Gas Extraction	\$ -	\$ -	\$ -	N/A
Other Services (except Public Administration)	\$ 602,469	\$ 451,385	\$ (151,084)	-25%
Professional, Scientific, and Technical Services	\$ 114,167	\$ 104,547	\$ (9,620)	-8%
Public Administration	\$ -	\$ -	\$ -	N/A
Real Estate and Rental and Leasing	\$ 167,959	\$ 92,799	\$ (75,161)	-45%
Retail Trade	\$ 939,554	\$ 909,446	\$ (30,108)	-3%
Transportation and Warehousing	\$ 34,833	\$ 10,766	\$ (24,067)	-69%
Unclassified Establishments	\$ 9,613	\$ 451	\$ (9,162)	-95%
Utilities	\$ 653,272	\$ 706,731	\$ 53,458	8%
Wholesale Trade	\$ 175,537	\$ 121,014	\$ (54,523)	-31%
All Industries	\$ 13,548,917	\$ 7,545,164	\$ (6,003,753)	-44%

Annual Gross Receipt Tax (GRT) revenue collections have seen an upward trend since FY15 for the County, as seen in Chart 3. GRT collections saw a similar spike as MTGR from Q4 FY18 through Q2 FY19. Table 2, on page 3, shows multiple 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 protect these companies' 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

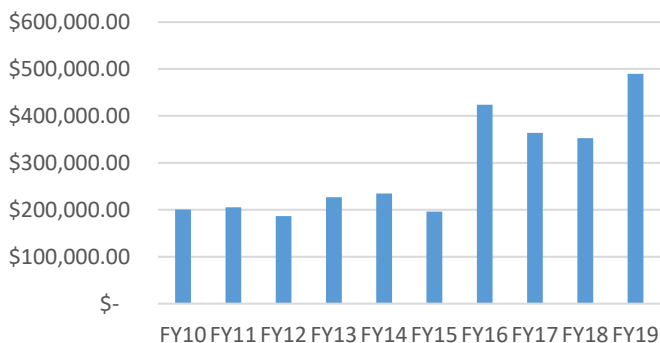
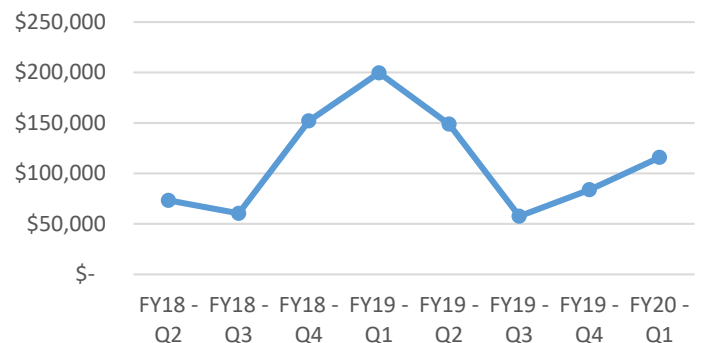


Chart 4. Quarterly GRT Revenue Collections



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Chart 5. Quarterly Average Total Employment & Weekly Wage

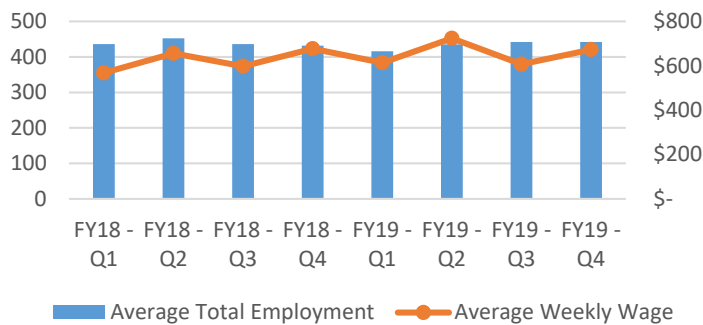


Chart 6. Quarterly Initial Unemployment Claims

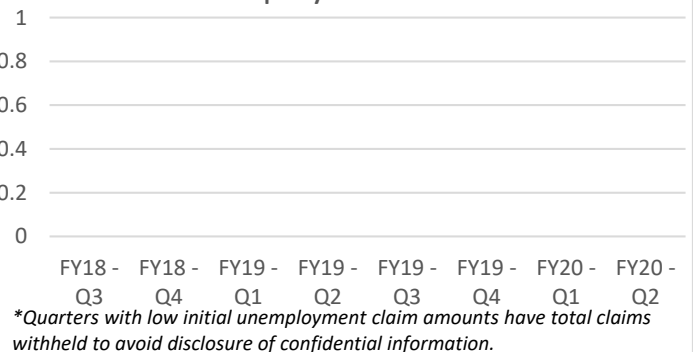
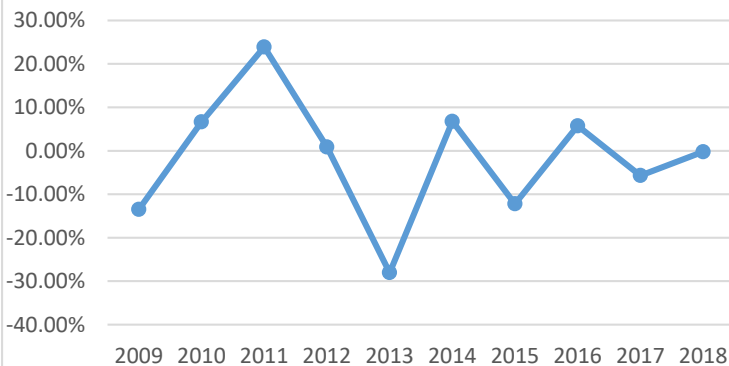


Chart 7. Calendar Year % Change In Real GDP Year Over Year



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.

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

Industries	De Baca, NM	New Mexico	Difference Between County and State
Accommodation and food services	0.00%	2.94%	-2.94%
Administrative and support and waste management and remediation services	1.46%	2.51%	-1.05%
Arts, entertainment, and recreation	0.00%	0.68%	-0.68%
Educational services	0.52%	0.51%	0.01%
Finance and insurance	0.00%	2.75%	-2.75%
Health care and social assistance	0.00%	7.39%	-7.39%
Management of companies and enterprises	4.30%	0.61%	3.70%
Professional, scientific, and technical services	0.00%	7.21%	-7.21%
Real estate and rental and leasing	0.00%	12.17%	-12.17%
Agriculture, forestry, fishing and hunting	4.82%	1.78%	3.03%
Construction	0.00%	3.12%	-3.12%
Information	0.00%	3.21%	-3.21%
Manufacturing	0.00%	4.31%	-4.31%
Mining, quarrying, and oil and gas extraction	0.00%	14.79%	-14.79%
Other services (except government and government enterprises)	0.00%	1.96%	-1.96%
Retail trade	9.60%	5.87%	3.73%
Transportation and warehousing	0.00%	2.58%	-2.58%
Utilities	2.19%	1.57%	0.62%
Wholesale trade	0.00%	3.13%	-3.13%
Government and government enterprises	21.35%	21.50%	-0.15%