

Quarterly Economic Summary

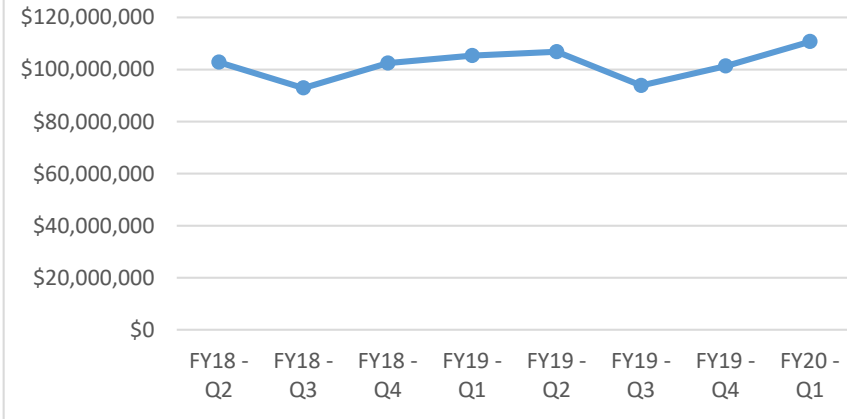
Rio Arriba County

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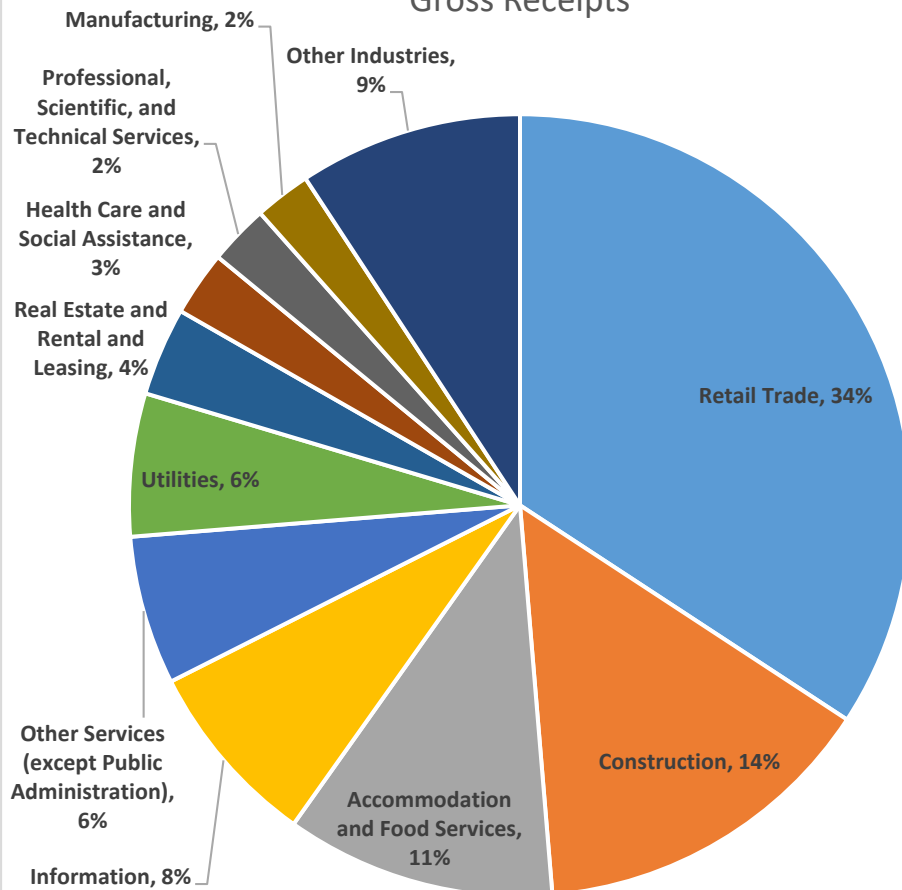
Chart 1. Matched Taxable Gross Receipts Per Quarter



Rio Arriba County has seen fluctuations in its matched taxable gross receipts (MTGR) over the last eight quarters, with a seasonal low in Q3, as seen in Chart 1. MTGR is trending upwards. Q1 FY20 saw a 10% year over year (YOY) increase in MTGR as seen in Table 1, on page 2. Table 1 also shows an industry, with -100% growth or no MTGR in the first quarter of FY20. This may be due to the few companies working in this industry possibly being late in reporting, resulting in no MTGR being reported for the period. In this case, the missing

MTGR is expected to 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	\$ 11,621,119	\$ 12,346,464	\$ 725,346	6%
Administrative/Support & Waste Management/Remediation	\$ 1,009,516	\$ 1,337,084	\$ 327,568	32%
Agriculture, Forestry, Fishing, and Hunting	\$ 1,941,051	\$ 1,257,004	\$ (684,047)	-35%
Arts, Entertainment, and Recreation	\$ 1,139,748	\$ 1,504,882	\$ 365,134	32%
Construction	\$ 12,497,372	\$ 15,992,187	\$ 3,494,816	28%
Educational Services	\$ 297,091	\$ 419,627	\$ 122,536	41%
Finance and Insurance	\$ 235,973	\$ 229,835	\$ (6,137)	-3%
Health Care and Social Assistance	\$ 4,206,133	\$ 2,964,767	\$ (1,241,365)	-30%
Information	\$ 8,294,721	\$ 8,559,094	\$ 264,373	3%
Management of Companies and Enterprises	\$ -	\$ -	\$ -	N/A
Manufacturing	\$ 2,453,533	\$ 2,573,409	\$ 119,876	5%
Mining, Quarrying, and Oil and Gas Extraction	\$ 2,550,583	\$ 1,935,636	\$ (614,947)	-24%
Other Services (except Public Administration)	\$ 6,141,716	\$ 6,816,207	\$ 674,492	11%
Professional, Scientific, and Technical Services	\$ 2,318,145	\$ 2,748,775	\$ 430,630	19%
Public Administration	\$ 18,372	\$ -	\$ (18,372)	-100%
Real Estate and Rental and Leasing	\$ 3,415,767	\$ 4,041,470	\$ 625,702	18%
Retail Trade	\$ 36,253,532	\$ 37,903,127	\$ 1,649,594	5%
Transportation and Warehousing	\$ 1,946,340	\$ 1,842,434	\$ (103,906)	-5%
Unclassified Establishments	\$ 209,823	\$ 299,668	\$ 89,845	43%
Utilities	\$ 6,819,243	\$ 6,540,424	\$ (278,819)	-4%
Wholesale Trade	\$ 1,971,036	\$ 1,407,659	\$ (563,377)	-29%
All Industries	\$ 105,340,812	\$ 110,719,754	\$ 5,378,942	5%

Gross Receipts Tax (GRT) revenue collections have continued an upward trend from Q2 FY18 to Q1 FY19, despite a slight decrease in Q3 FY19, as seen in Chart 4. Annual GRT revenue collections have seen YOY growth since FY 17. 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 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

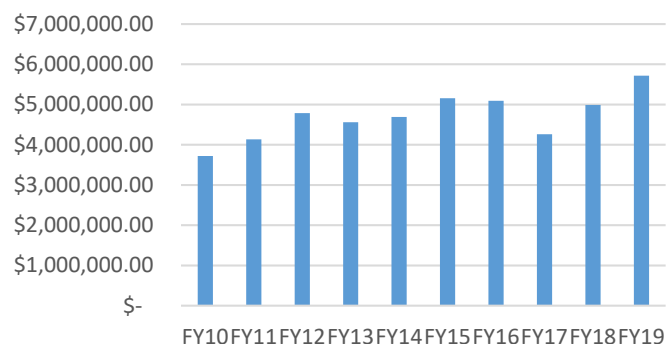
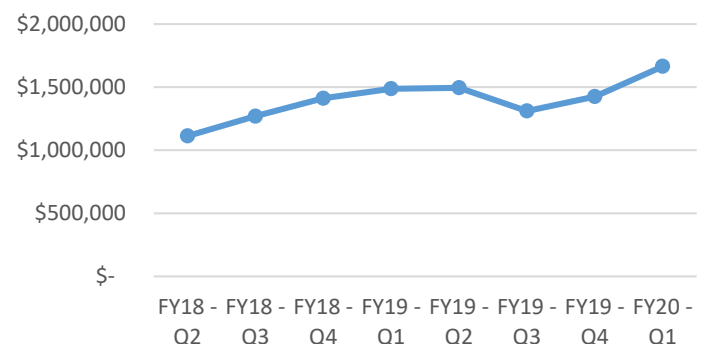


Chart 4. Quarterly GRT Revenue Collections



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Chart 5. Quarterly Average Total Employment & Weekly Wage

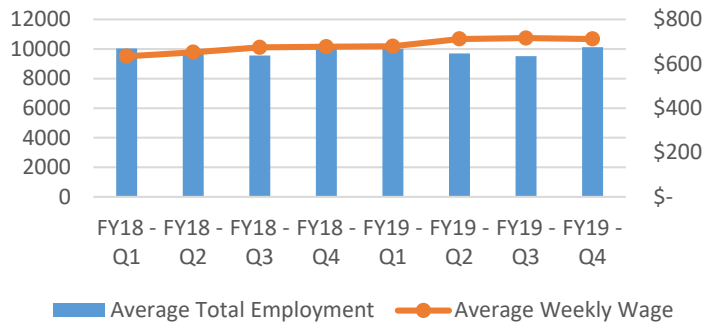


Chart 6. Quarterly Initial Unemployment Claims

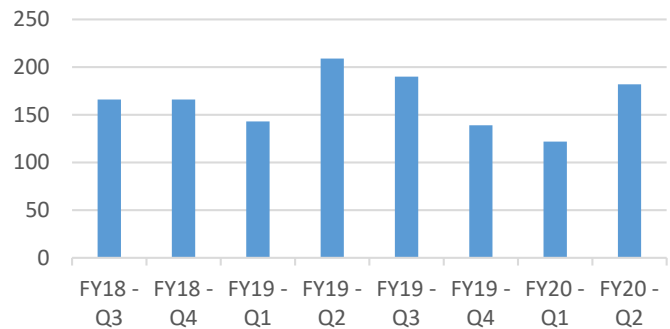
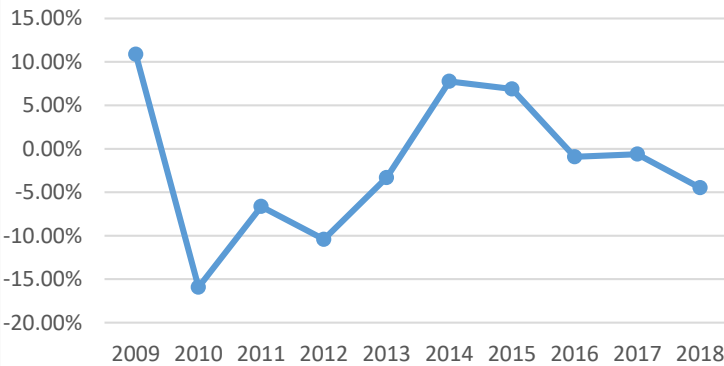


Chart 7. Calendar Year % Change In Real GDP Year Over Year



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	Rio Arriba, NM	New Mexico	Difference Between County and State
Accommodation and food services	1.99%	2.94%	-0.94%
Administrative and support and waste management and remediation services	1.91%	2.51%	-0.60%
Arts, entertainment, and recreation	0.47%	0.68%	-0.21%
Educational services	0.28%	0.51%	-0.23%
Finance and insurance	0.79%	2.75%	-1.96%
Health care and social assistance	6.77%	7.39%	-0.63%
Management of companies and enterprises	0.00%	0.61%	-0.61%
Professional, scientific, and technical services	0.00%	7.21%	-7.21%
Real estate and rental and leasing	12.22%	12.17%	0.05%
Agriculture, forestry, fishing and hunting	0.22%	1.78%	-1.56%
Construction	1.21%	3.12%	-1.91%
Information	0.73%	3.21%	-2.47%
Manufacturing	0.45%	4.31%	-3.87%
Mining, quarrying, and oil and gas extraction	40.57%	14.79%	25.78%
Other services (except government and government enterprises)	1.46%	1.96%	-0.50%
Retail trade	3.70%	5.87%	-2.17%
Transportation and warehousing	0.64%	2.58%	-1.95%
Utilities	0.66%	1.57%	-0.91%
Wholesale trade	0.55%	3.13%	-2.58%
Government and government enterprises	20.57%	21.50%	-0.93%