

Quarterly Economic Summary

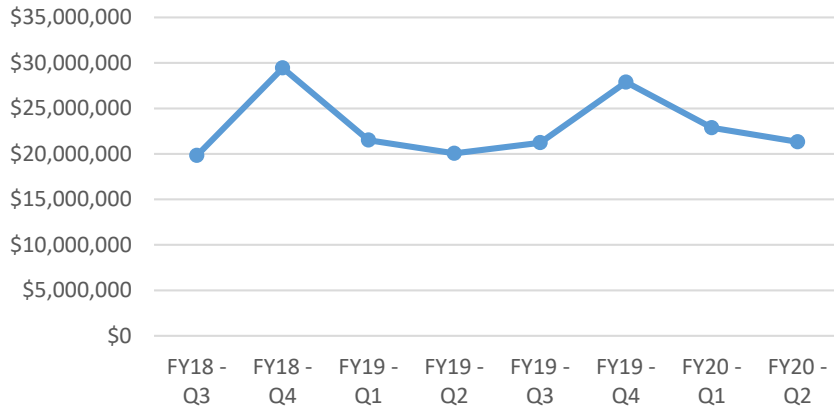
Guadalupe County



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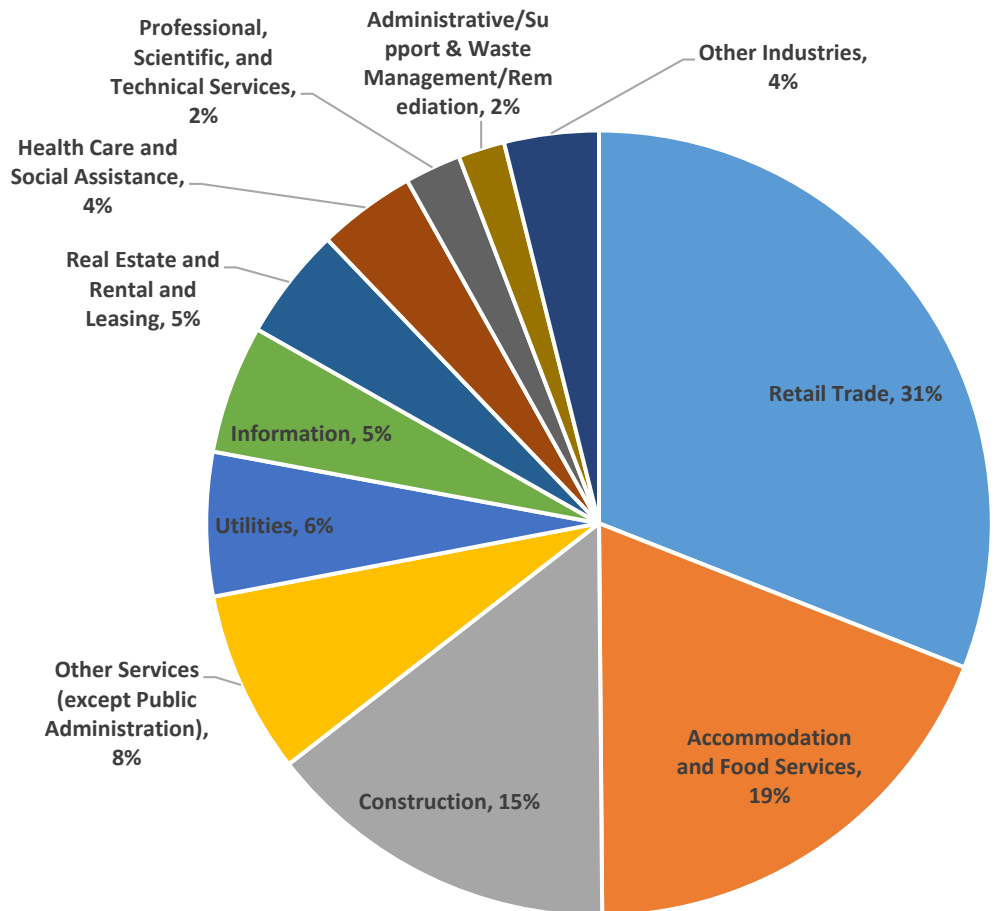
Chart 1. Matched Taxable Gross Receipts Per Quarter



Guadalupe County's matched taxable gross receipts (MTGR) has fluctuated over the last eight quarters, as seen in Chart 1. Just like the eight quarter trend, the trend line going back to Q1 FY16 is flat. There has been a recent seasonality that has shown up with Q4 hitting a seasonal peak followed by a decline. Table 1, on the next page, shows an increase of \$1.3M from Q2 in FY19 to FY20 of the same period.

The largest percentage increase from Q2 FY19 to Q2 FY20 came from the Transportation and Warehousing industry (307%). This is likely due to an expansion of a company.

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	\$ 4,438,771	\$ 4,027,342	\$ (411,428)	-9%
Administrative/Support & Waste Management/Remediation	\$ 149,274	\$ 408,754	\$ 259,480	174%
Agriculture, Forestry, Fishing, and Hunting	\$ 10,551	\$ 10,797	\$ 246	2%
Construction	\$ 2,486,199	\$ 3,117,542	\$ 631,343	25%
Educational Services	\$ -	\$ 2,196	\$ 2,196	N/A
Finance and Insurance	\$ 31,488	\$ 21,318	\$ (10,170)	-32%
Health Care and Social Assistance	\$ 1,179,967	\$ 859,860	\$ (320,107)	-27%
Information	\$ 1,106,813	\$ 1,128,192	\$ 21,379	2%
Manufacturing	\$ 116,553	\$ 118,209	\$ 1,655	1%
Mining, Quarrying, and Oil and Gas Extraction	\$ -	\$ -	\$ -	N/A
Other Services (except Public Administration)	\$ 1,590,116	\$ 1,602,012	\$ 11,895	1%
Professional, Scientific, and Technical Services	\$ 127,316	\$ 492,395	\$ 365,080	287%
Public Administration	\$ 15,340	\$ -	\$ (15,340)	-100%
Real Estate and Rental and Leasing	\$ 603,154	\$ 987,420	\$ 384,266	64%
Retail Trade	\$ 6,741,747	\$ 6,605,090	\$ (136,657)	-2%
Transportation and Warehousing	\$ 89,430	\$ 364,321	\$ 274,890	307%
Unclassified Establishments	\$ 70,146	\$ 161,705	\$ 91,559	131%
Utilities	\$ 1,172,319	\$ 1,262,440	\$ 90,121	8%
Wholesale Trade	\$ 122,742	\$ 151,073	\$ 28,331	23%
All Industries	\$ 20,051,927	\$ 21,320,666	\$ 1,268,740	6%

Gross receipts tax (GRT) revenue collections have varied significantly, as seen in Chart 4. The county has experienced a variation in its annual GRT revenue collections as well, as seen in Chart 3 below.

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

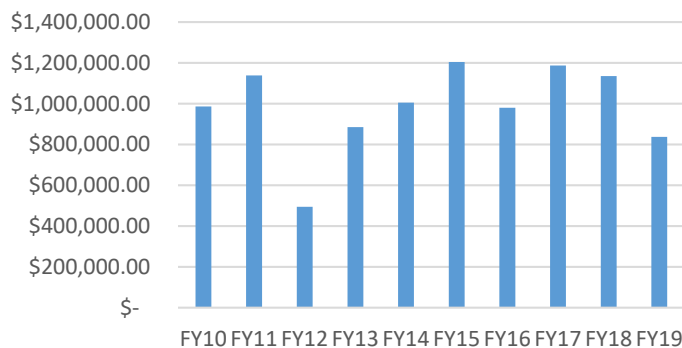
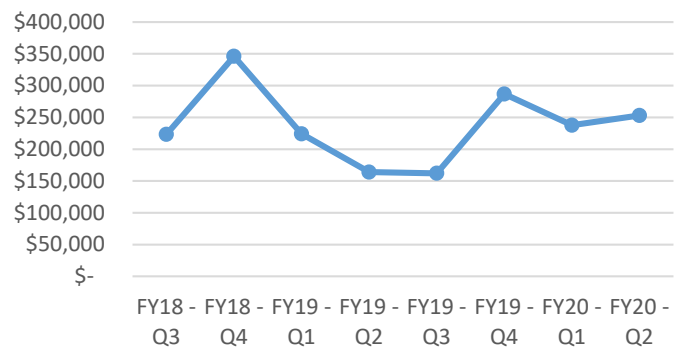


Chart 4. Quarterly GRT Revenue Collections



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Chart 5. Quarterly Average Total Employment & Weekly Wage

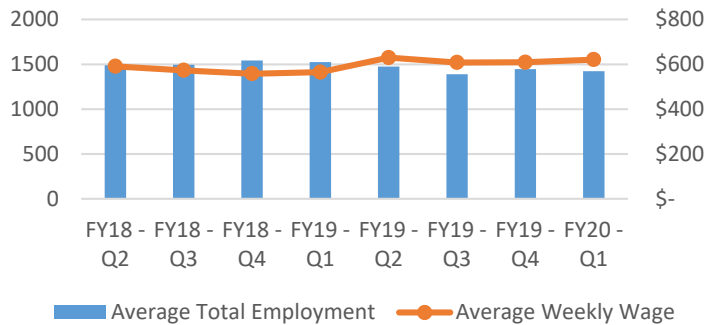
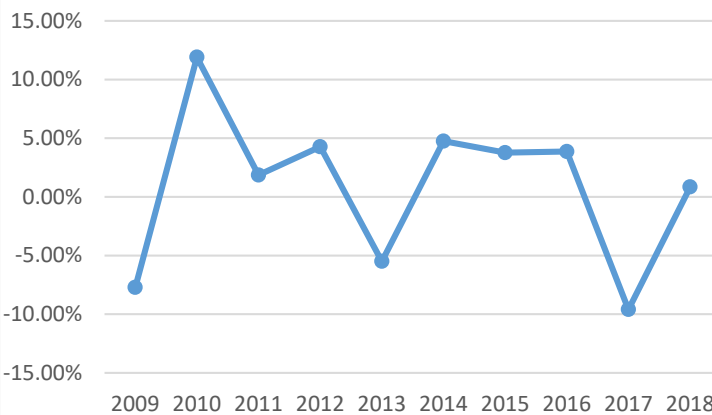


Chart 6. Quarterly Initial Unemployment Claims



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. 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	Guadalupe, NM	New Mexico	Difference Between County and State
Accommodation and food services	9.31%	2.94%	6.38%
Administrative and support and waste management and remediation services	0.00%	2.51%	-2.51%
Arts, entertainment, and recreation	0.30%	0.68%	-0.38%
Educational services	0.01%	0.51%	-0.50%
Finance and insurance	0.00%	2.75%	-2.75%
Health care and social assistance	7.98%	7.39%	0.59%
Management of companies and enterprises	1.74%	0.61%	1.14%
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	0.00%	1.78%	-1.78%
Construction	0.58%	3.12%	-2.54%
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)	1.52%	1.96%	-0.44%
Retail trade	15.07%	5.87%	9.20%
Transportation and warehousing	6.19%	2.58%	3.60%
Utilities	7.30%	1.57%	5.72%
Wholesale trade	0.00%	3.13%	-3.13%
Government and government enterprises	20.54%	21.50%	-0.96%

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