

Quarterly Economic Summary

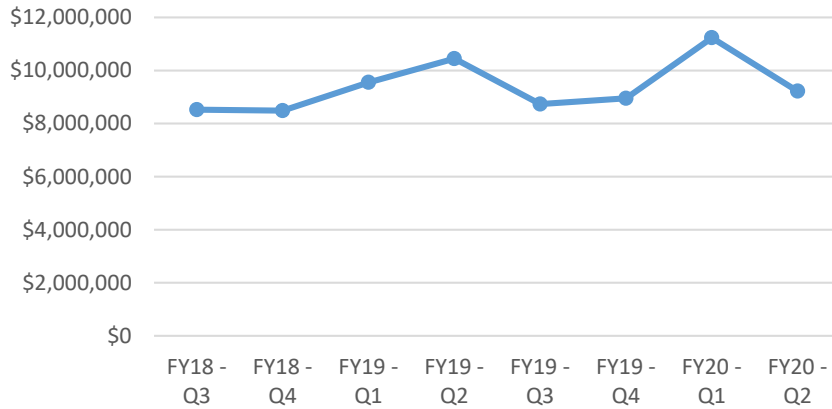
Mora County

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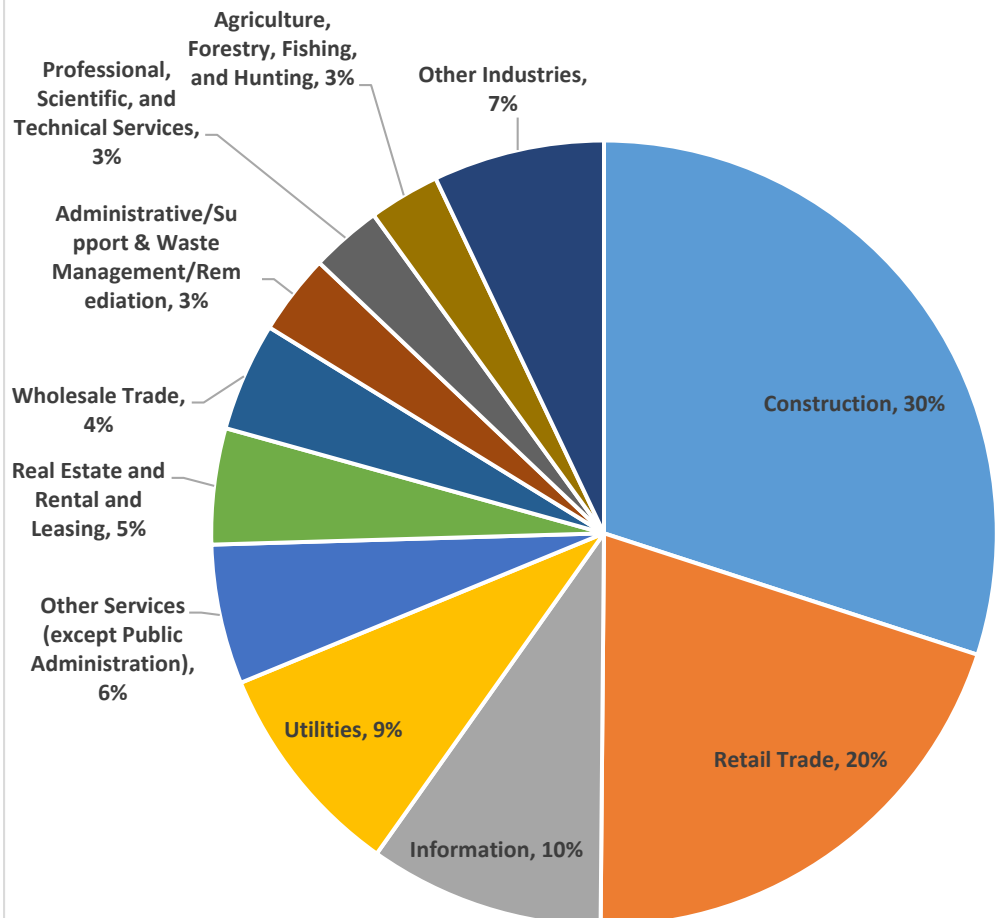
Chart 1. Matched Taxable Gross Receipts Per Quarter



Mora County's matched taxable gross receipts (MTGR) saw a decrease from Q1 FY20 to Q2 FY20, as seen in Chart 1. The County saw a 12% year over year (YOY) decrease in MTGR for Q2 FY20, a decrease of \$1.2M. The Agriculture and Construction industries saw the largest YOY decreases in MTGR with a decrease of \$945K and \$673K, respectively, comparing the second quarter of FY19 and FY20. The Professional, Scientific, and Technical Services, industry and the Unclassified establishments saw the largest YOY percent changes with

Increases of 662% and 1,055%, respectively. The significant percent change in these relatively small industries may be due to the timing of taxpayer reporting.

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	\$ 44,133	\$ 109,680	\$ 65,547	149%
Administrative/Support & Waste Management/Remediation	\$ 248,309	\$ 305,720	\$ 57,412	23%
Agriculture, Forestry, Fishing, and Hunting	\$ 1,214,153	\$ 269,468	\$ (944,685)	-78%
Arts, Entertainment, and Recreation	\$ -	\$ 281	\$ 281	N/A
Construction	\$ 3,439,581	\$ 2,765,859	\$ (673,722)	-20%
Educational Services	\$ 26,096	\$ 28,463	\$ 2,367	9%
Finance and Insurance	\$ -	\$ -	\$ -	N/A
Health Care and Social Assistance	\$ 108,122	\$ 64,463	\$ (43,659)	-40%
Information	\$ 985,778	\$ 892,417	\$ (93,361)	-9%
Manufacturing	\$ 72,503	\$ 102,052	\$ 29,549	41%
Mining, Quarrying, and Oil and Gas Extraction	\$ -	\$ -	\$ -	N/A
Other Services (except Public Administration)	\$ 666,412	\$ 530,421	\$ (135,991)	-20%
Professional, Scientific, and Technical Services	\$ 35,449	\$ 270,275	\$ 234,827	662%
Public Administration	\$ -	\$ -	\$ -	N/A
Real Estate and Rental and Leasing	\$ 447,756	\$ 440,074	\$ (7,681)	-2%
Retail Trade	\$ 1,785,521	\$ 1,856,099	\$ 70,578	4%
Transportation and Warehousing	\$ 57,114	\$ 249,555	\$ 192,441	337%
Unclassified Establishments	\$ 8,258	\$ 95,386	\$ 87,128	1055%
Utilities	\$ 860,423	\$ 826,556	\$ (33,868)	-4%
Wholesale Trade	\$ 447,589	\$ 411,612	\$ (35,977)	-8%
All Industries	\$ 10,447,196	\$ 9,218,381	\$ (1,228,815)	-12%

Gross Receipts Tax (GRT) revenue collections saw a 16% or \$29K decrease from Q1 to Q2 in FY20, seen in Chart 4. The second quarter saw a smaller year over year decrease of 3% or \$4K, comparing Q2 of FY19 to Q2 of FY20. 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

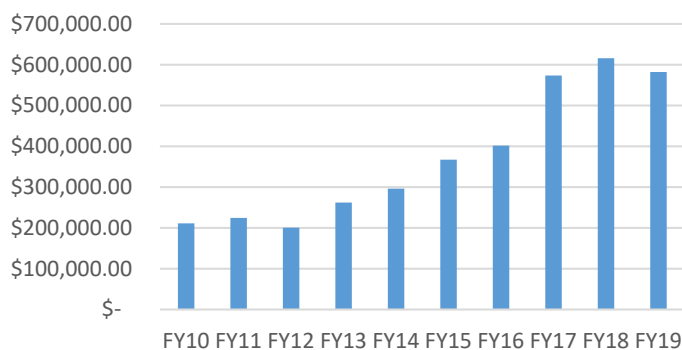
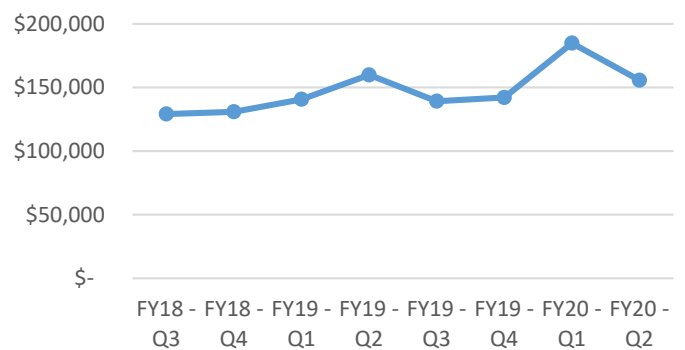


Chart 4. Quarterly GRT Revenue Collections



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Chart 5. Quarterly Average Total Employment & Weekly Wage

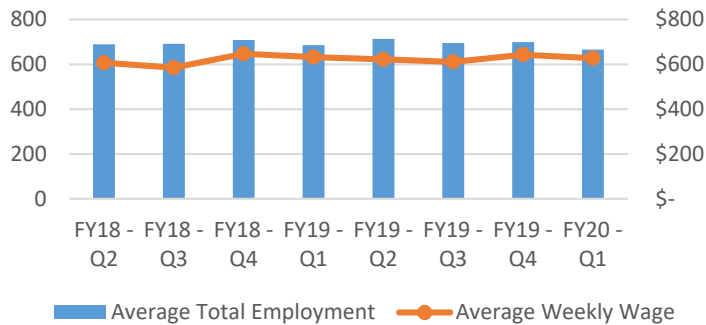


Chart 6. Quarterly Initial Unemployment Claims

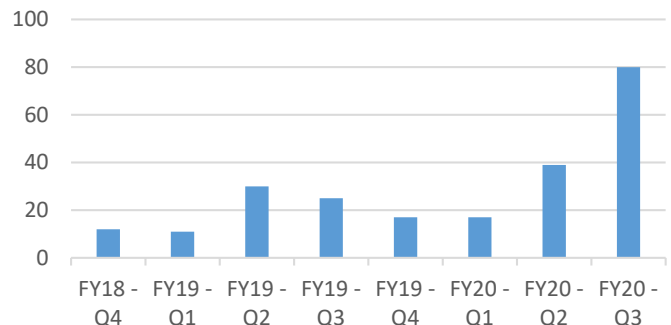
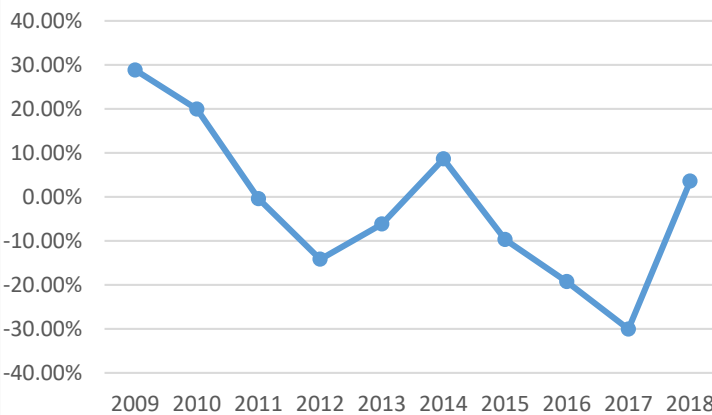


Chart 7. Calendar Year % Change In Real GDP Year Over Year



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. 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	Mora, 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	0.00%	2.51%	-2.51%
Arts, entertainment, and recreation	0.00%	0.68%	-0.68%
Educational services	0.00%	0.51%	-0.51%
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	0.00%	0.61%	-0.61%
Professional, scientific, and technical services	0.41%	7.21%	-6.80%
Real estate and rental and leasing	0.00%	12.17%	-12.17%
Agriculture, forestry, fishing and hunting	2.13%	1.78%	0.35%
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	0.14%	14.79%	-14.65%
Other services (except government and government enterprises)	2.13%	1.96%	0.16%
Retail trade	4.47%	5.87%	-1.40%
Transportation and warehousing	1.40%	2.58%	-1.19%
Utilities	2.09%	1.57%	0.52%
Wholesale trade	0.00%	3.13%	-3.13%
Government and government enterprises	28.29%	21.50%	6.79%