

Quarterly Economic Summary

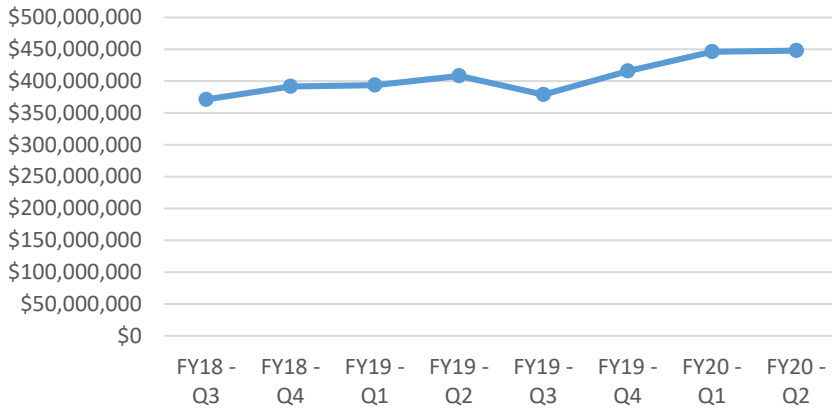
Sandoval County



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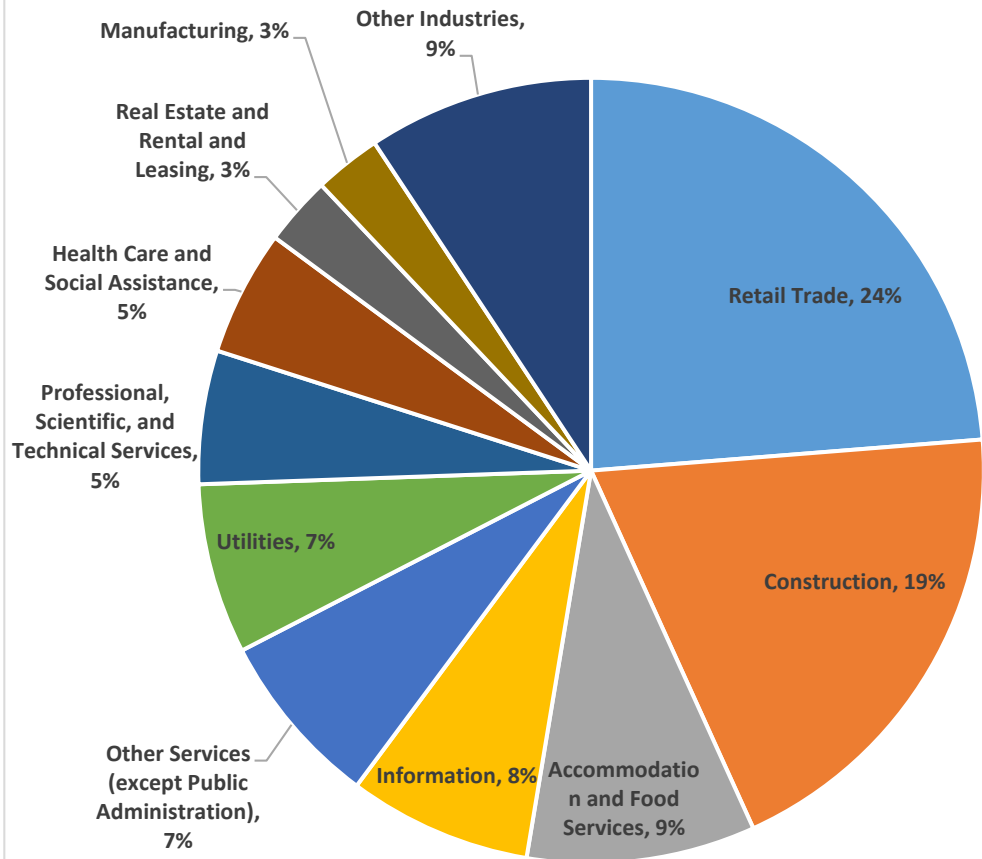
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Chart 1. Matched Taxable Gross Receipts Per Quarter



Sandoval County's matched taxable gross receipts (MTGR) continue to trend upward, as seen in Chart 1. The second quarter of FY20 saw a 10% year over year (YOY) growth, shown on Table 1 on page 2. The Mining/Oil and Gas industry saw a particularly large increase, 167%, in Q2 FY20 compared to the same period of FY19, ending at \$8.3M. Retail Trade, Construction and Accommodation and Food Services remain the largest industries by MTGR.

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	\$ 39,987,092	\$ 42,140,990	\$ 2,153,898	5%
Administrative/Support & Waste Management/Remediation	\$ 7,675,402	\$ 9,597,961	\$ 1,922,560	25%
Agriculture, Forestry, Fishing, and Hunting	\$ 623,982	\$ 659,506	\$ 35,524	6%
Arts, Entertainment, and Recreation	\$ 2,576,879	\$ 3,056,120	\$ 479,242	19%
Construction	\$ 82,589,329	\$ 87,286,704	\$ 4,697,375	6%
Educational Services	\$ 2,699,571	\$ 3,153,224	\$ 453,653	17%
Finance and Insurance	\$ 746,673	\$ 1,043,824	\$ 297,151	40%
Health Care and Social Assistance	\$ 22,956,136	\$ 23,169,826	\$ 213,690	1%
Information	\$ 32,492,491	\$ 33,817,900	\$ 1,325,408	4%
Management of Companies and Enterprises	\$ 118,371	\$ 62,047	\$ (56,324)	-48%
Manufacturing	\$ 10,540,646	\$ 12,332,098	\$ 1,791,452	17%
Mining, Quarrying, and Oil and Gas Extraction	\$ 3,131,523	\$ 8,345,818	\$ 5,214,295	167%
Other Services (except Public Administration)	\$ 31,174,763	\$ 32,474,743	\$ 1,299,980	4%
Professional, Scientific, and Technical Services	\$ 18,342,482	\$ 24,617,334	\$ 6,274,852	34%
Public Administration	\$ -	\$ 33,097	\$ 33,097	N/A
Real Estate and Rental and Leasing	\$ 11,392,691	\$ 12,716,183	\$ 1,323,493	12%
Retail Trade	\$ 97,115,068	\$ 106,329,973	\$ 9,214,905	9%
Transportation and Warehousing	\$ 4,572,078	\$ 5,873,649	\$ 1,301,571	28%
Unclassified Establishments	\$ 1,672,060	\$ 3,631,555	\$ 1,959,495	117%
Utilities	\$ 29,893,169	\$ 31,431,660	\$ 1,538,491	5%
Wholesale Trade	\$ 7,956,977	\$ 6,213,371	\$ (1,743,606)	-22%
All Industries	\$ 408,257,384	\$ 447,987,583	\$ 39,730,200	10%

Gross Receipts Tax (GRT) revenue collections have decreased slightly in Q2 FY20 after four quarters of growth, as seen in Chart 4. Q2 FY20 saw a 45% YOY increase from FY19.

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

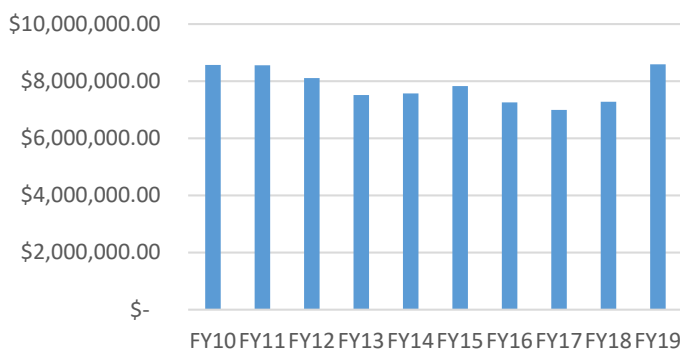
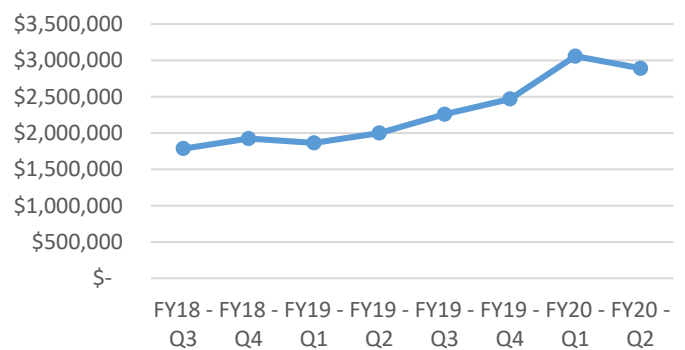


Chart 4. Quarterly GRT Revenue Collections



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

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Chart 5. Quarterly Average Total Employment & Weekly Wage

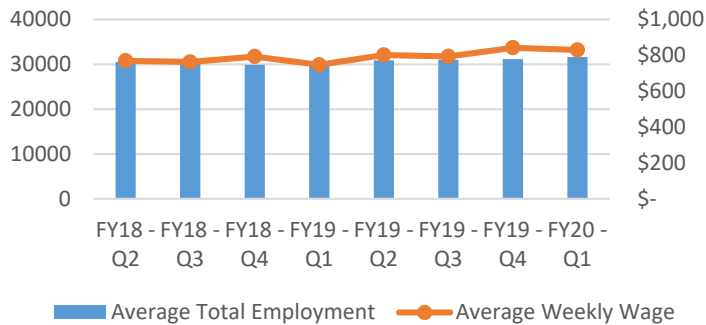


Chart 6. Quarterly Initial Unemployment Claims

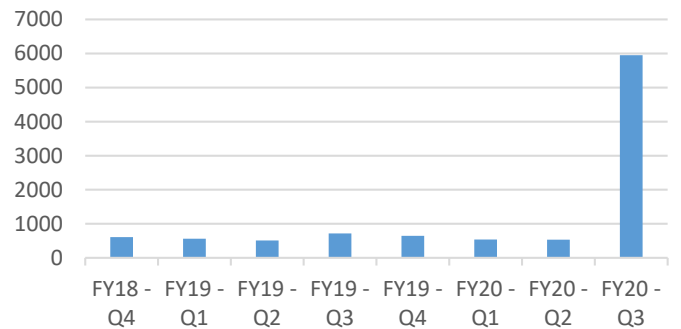
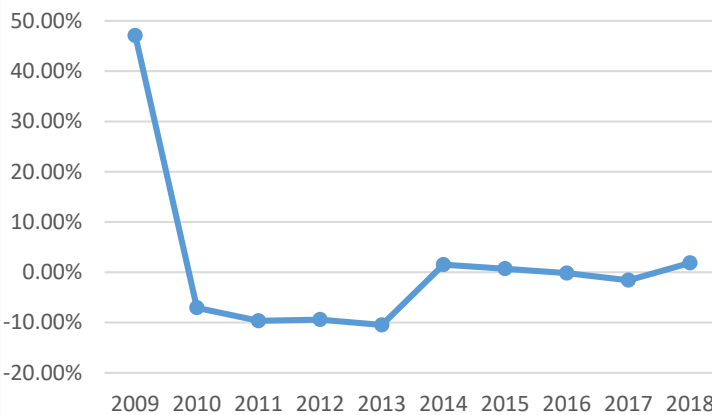


Chart 7. Calendar Year % Change In Real GDP Year Over Year



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	Sandoval, NM	New Mexico	Difference Between County and State
Accommodation and food services	3.86%	2.94%	0.92%
Administrative and support and waste management and remediation services	8.27%	2.51%	5.76%
Arts, entertainment, and recreation	0.71%	0.68%	0.03%
Educational services	0.38%	0.51%	-0.13%
Finance and insurance	1.66%	2.75%	-1.09%
Health care and social assistance	6.47%	7.39%	-0.92%
Management of companies and enterprises	0.00%	0.61%	-0.61%
Professional, scientific, and technical services	4.47%	7.21%	-2.74%
Real estate and rental and leasing	16.43%	12.17%	4.26%
Agriculture, forestry, fishing and hunting	0.00%	1.78%	-1.78%
Construction	3.71%	3.12%	0.60%
Information	3.47%	3.21%	0.26%
Manufacturing	14.31%	4.31%	9.99%
Mining, quarrying, and oil and gas extraction	3.45%	14.79%	-11.34%
Other services (except government and government enterprises)	2.90%	1.96%	0.94%
Retail trade	6.20%	5.87%	0.33%
Transportation and warehousing	1.04%	2.58%	-1.54%
Utilities	0.00%	1.57%	-1.57%
Wholesale trade	2.43%	3.13%	-0.70%
Government and government enterprises	18.67%	21.50%	-2.83%

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