

Quarterly Economic Summary

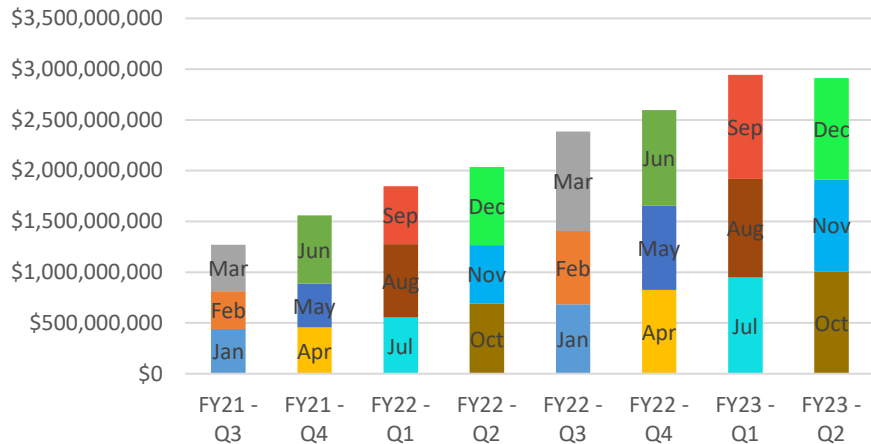
Eddy County



Released: March 2023

Prepared by: Joel Salas, Economist; Ryan Eustice, Economist

Chart 1. Matched Taxable Gross Receipts Per Quarter

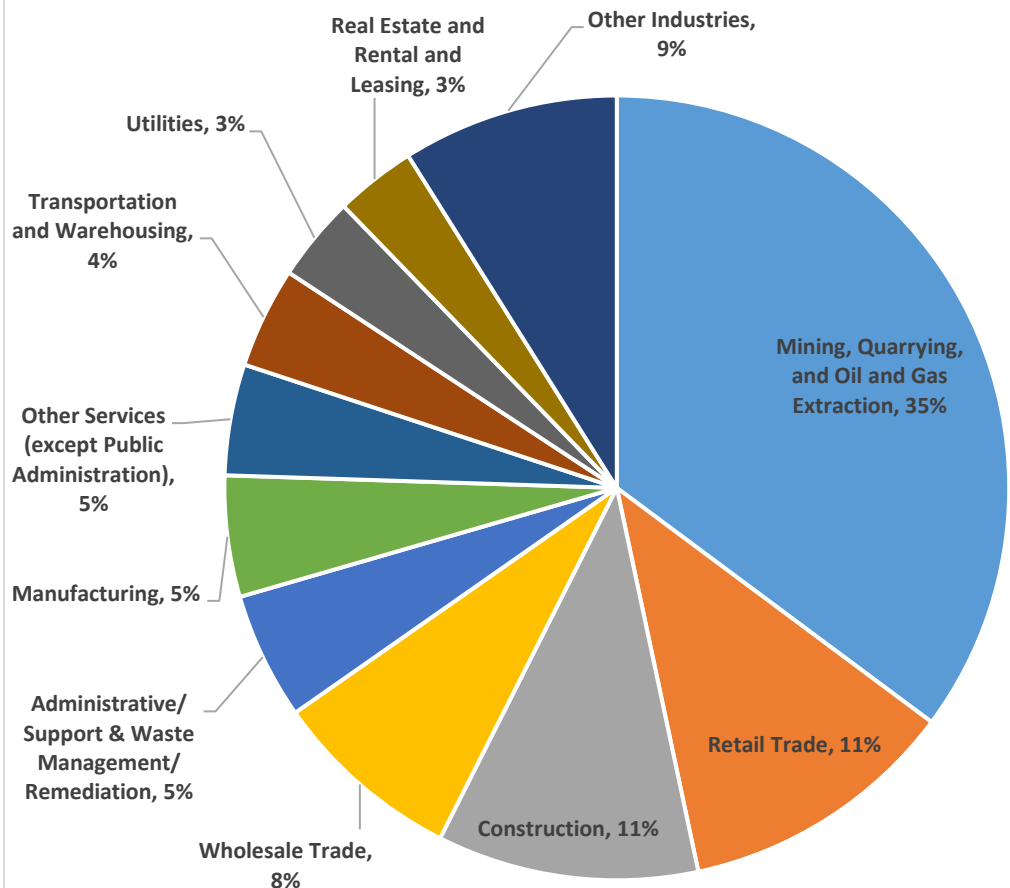


In the second quarter of FY23, 26 of 33 counties saw year-over-year economic growth, averaging 16% growth statewide. State gross receipts dropped slightly in October and November from the prior few months but rose significantly in December to a new record high. First quarter growth in FY23 was abnormally high, and the second quarter appears to have normalized with seasonal trends while still rising at a steady pace. However, national concerns remain regarding inflation and rising interest rates.

Eddy County's matched taxable gross receipts (MTGR) reported its first quarterly decline since Q3 FY21. From Q1 FY23 to Q2 FY23 MTGR declined by 1.1% or \$32M. Despite this decline the amount of quarterly MTGR reported for Eddy County (\$2.9B) was the 2nd largest amount ever and accounted for over 12% of the state's entire reported MTGR. Over the last 18 quarters MTGR for Eddy County has a strong upward trend.

Matched Taxable Gross Receipts (MTGR) are the best tax data available to show underlying economic activity. The data collection process matches a tax payment with reported receipts for each taxpayer by industry.

Chart 2. FY23 - Q2 Industry Size by Matched Taxable Gross Receipts



Quarterly Economic Summary

Eddy County



Table 1. FY23 - Q2 Matched Taxable Gross Receipts by Industry

Industries	FY23 - Q2	YOY Growth	YOY % Change	%Change from FY20-Q2 (Pre-COVID)
Accommodation and Food Services	\$ 59,643,068	\$ 8,102,541	16%	3%
Administrative/Support & Waste Management/Remediation	\$ 152,408,481	\$ 49,267,376	48%	119%
Agriculture, Forestry, Fishing, and Hunting	\$ 7,410,847	\$ 3,297,218	80%	88%
Arts, Entertainment, and Recreation	\$ 901,504	\$ 98,803	12%	72%
Construction	\$ 313,624,054	\$ 31,475,098	11%	-26%
Educational Services	\$ 1,038,576	\$ (655,098)	-39%	260%
Finance and Insurance	\$ 7,939,317	\$ 2,733,427	53%	108%
Health Care and Social Assistance	\$ 18,539,111	\$ 2,472,388	15%	19%
Information	\$ 19,971,984	\$ 547,347	3%	-18%
Management of Companies and Enterprises	\$ 12,584	\$ (98,968)	-89%	N/A
Manufacturing	\$ 145,388,960	\$ 24,866,330	21%	117%
Mining, Quarrying, and Oil and Gas Extraction	\$ 1,024,512,954	\$ 336,009,895	49%	56%
Other Services (except Public Administration)	\$ 133,273,806	\$ 47,302,757	55%	49%
Professional, Scientific, and Technical Services	\$ 96,454,547	\$ 15,080,928	19%	20%
Public Administration	\$ 5,646	\$ 247,430	-102%	N/A
Real Estate and Rental and Leasing	\$ 96,916,991	\$ 31,693,346	49%	28%
Retail Trade	\$ 334,547,992	\$ 84,896,675	34%	57%
Transportation and Warehousing	\$ 121,107,941	\$ 109,675,760	959%	63%
Unclassified Establishments	\$ 48,017,350	\$ 32,228,196	204%	657%
Utilities	\$ 101,909,026	\$ 24,766,690	32%	31%
Wholesale Trade	\$ 228,678,701	\$ 71,211,295	45%	112%
All Industries	\$ 2,912,526,405	\$ 875,406,903	43%	42%

Table 1 shows an increase of \$875M from Q2 in FY22 to FY23 of the same period. Table 1 also shows that only three industries reported a year-over-year (YOY) loss. The largest increase came from the oil and gas industry, which posted a YOY increase of \$336M or 49%.

Gross receipts tax (GRT) revenue collections decreased by \$275K, or 1.3%, from Q1 FY23 to Q2 FY23, seen in Chart 4. Over the last eight quarters GRT collections have averaged \$15.5M, or \$5.4M less than the amount collected during Q2 FY23.

Chart 3. Annual Total GRT Revenue Collections

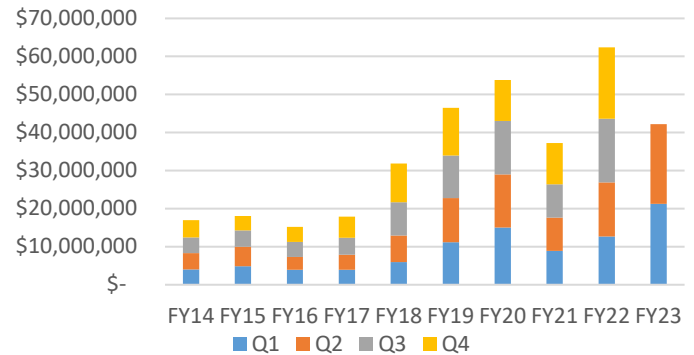


Chart 4. Quarterly GRT Revenue Collections

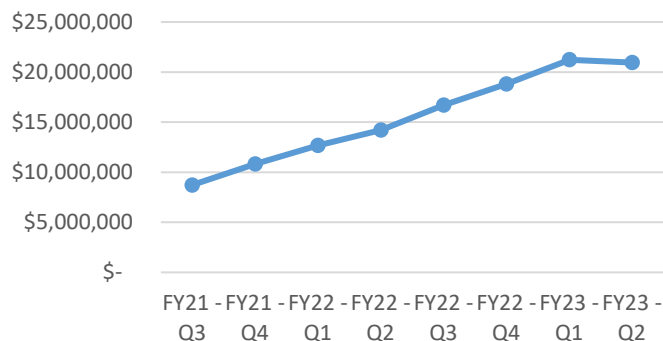
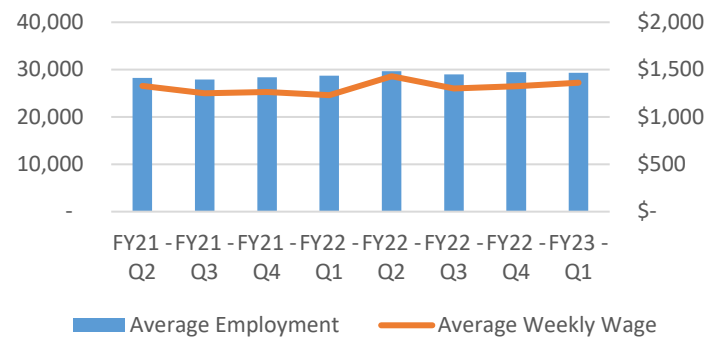


Chart 5. Total Employment & Weekly Wage

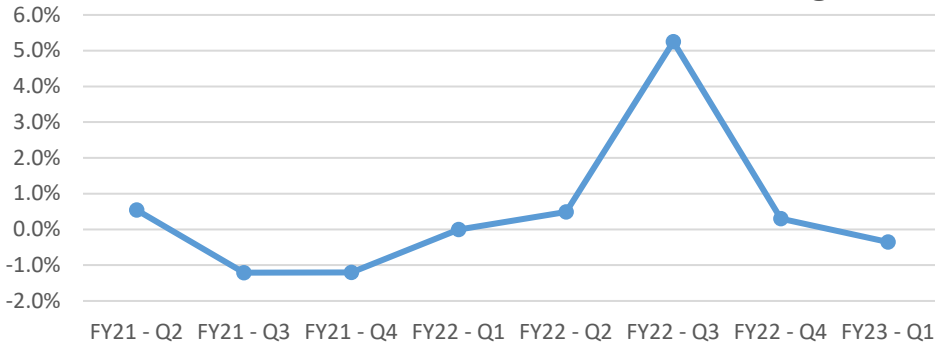


Quarterly Economic Summary

Eddy County



Chart 6. Establishment Year-Over-Year % Change



An **establishment**, as used in the QCEW and subsequently Chart 6 and Table 2, is an economic unit such as a farm, factory, or store, which produces goods or provides services at a single physical worksite and is engaged, predominantly, in one type of economic activity.

The **Quarterly Census of Employment and Wages**, or the **QCEW**, used in Charts 5-6 and Table 2, produces comprehensive data on the number of establishments, monthly employment and quarterly wages for workers covered by state unemployment insurance (UI) laws and federal workers covered by the Unemployment Compensation for Federal Employees (UCFE) program. These data are aggregated to many different levels, starting at the 6-digit NAICS industry level, to higher industry levels (NAICS industry groups, sectors, and supersectors), and to higher geographic levels (MSA, state and national).

Data are based on information reported by New Mexico employers, covering 97% of nonfarm wage and salary workers. Data are published every quarter. Considered the gold standard for its reliability of industry data, the QCEW data are the most complete universe of monthly employment and quarterly wage information by detailed industry.

Table 2. FY23 - Q1 Employment Data and Establishments by Industry

Industry	Average Employment	YOY Change in Average Employment	Average Weekly Wage	YOY change in Average Weekly Wage	Number of Establishments	YOY Change in Establishments
Accommodation and Food Services	2,508	9.9%	\$ 493	12.6%	157	0.0%
Administrative/Support & Waste Management/Remediation	1,554	10.1%	\$ 1,849	17.5%	85	-1.2%
Agriculture, Forestry, Fishing, and Hunting	353	-1.7%	\$ 988	14.5%	39	5.4%
Arts, Entertainment, and Recreation	290	6.2%	\$ 704	9.0%	21	-4.5%
Construction	2,764	-3.2%	\$ 1,418	13.3%	205	-1.4%
Educational Services	1,717	3.1%	\$ 962	13.2%	39	5.4%
Finance and Insurance	477	-1.6%	\$ 1,073	10.8%	71	0.0%
Health Care and Social Assistance	2,586	7.2%	\$ 1,018	-2.7%	158	2.6%
Information	215	8.0%	\$ 1,229	26.4%	23	9.5%
Management of Companies and Enterprises	122	2.5%	\$ 1,901	-3.1%	12	-7.7%
Manufacturing	1,090	5.5%	\$ 1,797	15.6%	44	2.3%
Mining, Quarrying, and Oil and Gas Extraction	5,909	-3.3%	\$ 1,926	11.7%	284	-2.7%
Other Services (except Public Administration)	878	10.2%	\$ 1,249	16.3%	149	-3.2%
Professional, Scientific, and Technical Services	1,048	-12.3%	\$ 1,515	10.5%	137	-0.7%
Public Administration	1,261	-1.7%	\$ 1,703	5.8%	62	-1.6%
Real Estate and Rental and Leasing	521	1.2%	\$ 1,685	51.7%	86	-5.5%
Retail Trade	3,485	5.8%	\$ 735	4.4%	187	5.1%
Transportation and Warehousing	1,418	-0.4%	\$ 1,885	28.8%	123	-3.1%
Utilities	506	7.9%	\$ 1,626	-1.2%	29	0.0%
Wholesale Trade	606	12.4%	\$ 1,584	13.8%	94	3.3%
All Industries	29,307	2.0%	\$ 1,363	10.8%	2,005	-0.3%

*Some data may be withheld to avoid disclosure of confidential information.

Quarterly Economic Summary

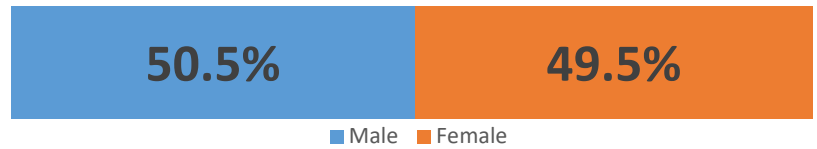
Eddy County



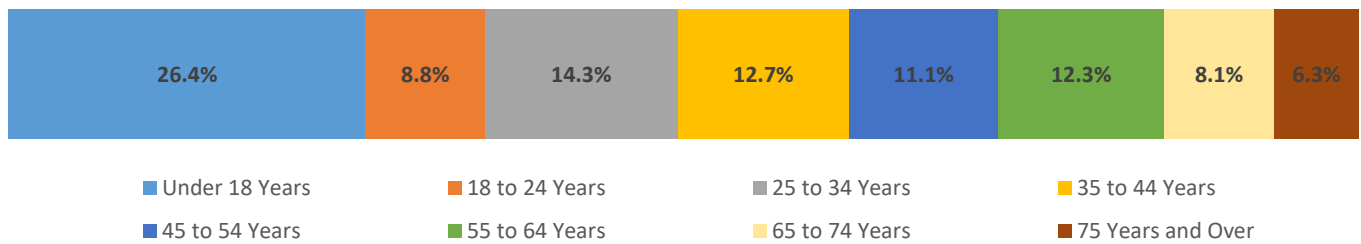
Population

57,865

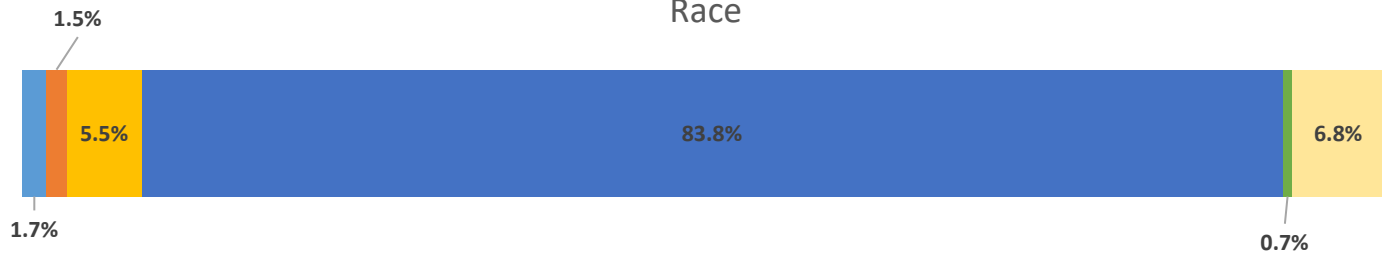
Population Sex



Population Age



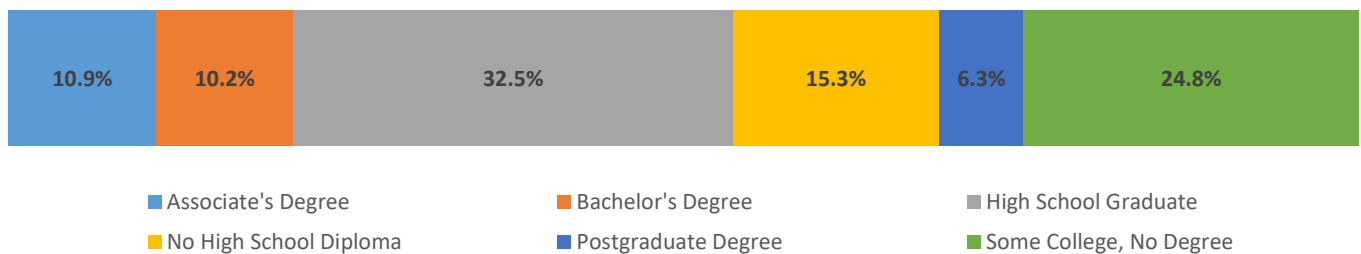
Race



Percent

Native American	1.7%
Black or African American	1.5%
Native Hawaiian and Other Pacific Islander	0.0%
Some Other Race	5.5%
White	83.8%
Asian	0.7%
Two or More Races	6.8%

Educational Attainment, Age 25-64



Page 4 Source: JobsEQ - American Community Survey 2016-2020, unless noted otherwise