

Quarterly Economic Summary

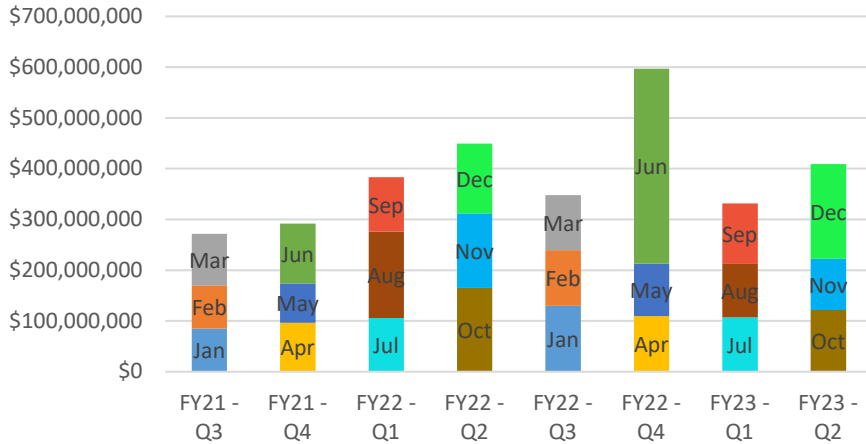
Otero County



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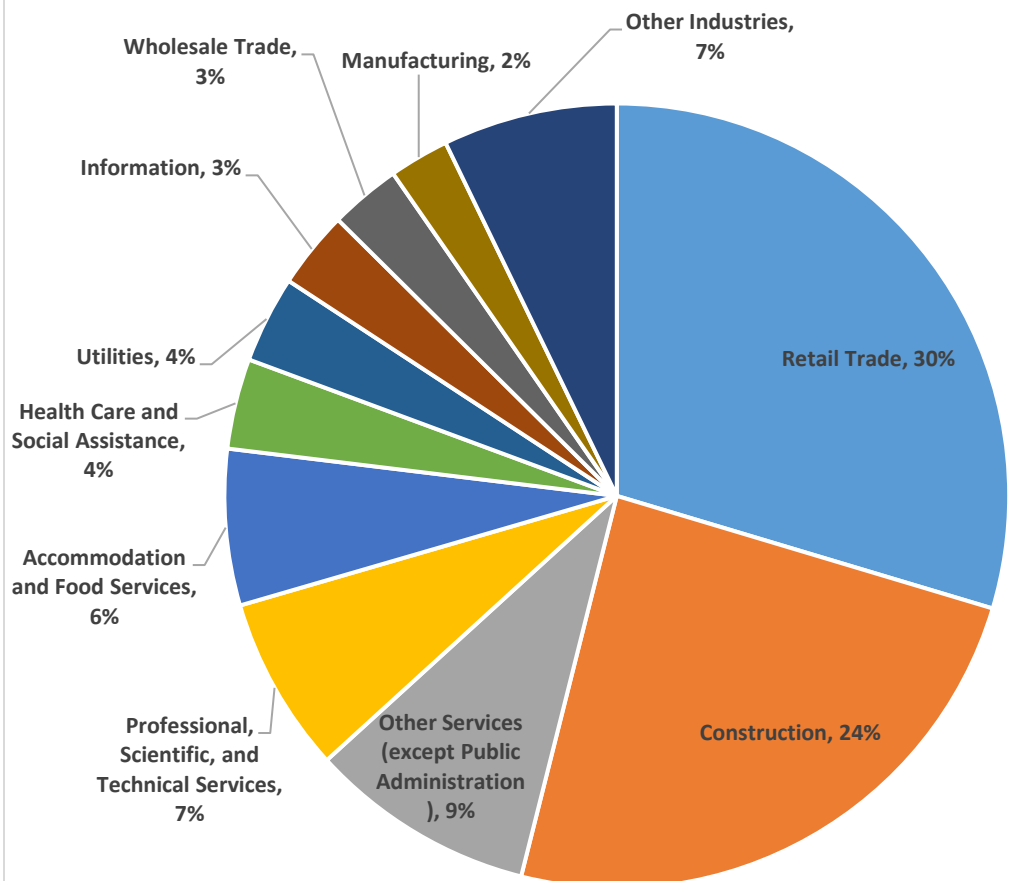
Chart 1. Matched Taxable Gross Receipts Per Quarter



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.

Over the last 18 quarters Otero County's matched taxable gross receipts (MTGR) have steadily increased, showing a strong upward trend. From Q1 FY23 to Q2 FY23 MTGR saw a substantial jump, seen in Chart 1. In that time period MTGR increased by \$77.6M or just over 23%. The amount reported during Q2 FY23 (\$406M) is the third largest amount ever reported for Otero County. Table 1, on the next page, shows a decrease of

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



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.

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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	\$ 26,297,703	\$ (3,914,325)	-13%	30%
Administrative/Support & Waste Management/Remediation	\$ 8,255,497	\$ 2,088,070	34%	60%
Agriculture, Forestry, Fishing, and Hunting	\$ (1,095,738)	\$ (1,966,502)	-226%	-178%
Arts, Entertainment, and Recreation	\$ 1,310,960	\$ 382,018	41%	106%
Construction	\$ 99,301,631	\$ 40,526,672	69%	133%
Educational Services	\$ 1,772,956	\$ (1,663,747)	-48%	-59%
Finance and Insurance	\$ 1,851,582	\$ 821,857	80%	79%
Health Care and Social Assistance	\$ 15,220,118	\$ (2,099,824)	-12%	17%
Information	\$ 13,046,832	\$ (1,125,530)	-8%	-22%
Management of Companies and Enterprises	\$ 42,034	\$ (31,933)	-43%	N/A
Manufacturing	\$ 10,097,552	\$ (3,312,547)	-25%	194%
Mining, Quarrying, and Oil and Gas Extraction	\$ 466,703	\$ 180,651	63%	746%
Other Services (except Public Administration)	\$ 38,086,320	\$ 2,020,829	6%	17%
Professional, Scientific, and Technical Services	\$ 29,672,782	\$ 9,311,314	46%	203%
Public Administration	\$ 223,279	\$ (254,502)	-53%	44%
Real Estate and Rental and Leasing	\$ 8,300,488	\$ (88,926,669)	-91%	38%
Retail Trade	\$ 121,145,166	\$ 5,077,948	4%	52%
Transportation and Warehousing	\$ 843,610	\$ 171,281	25%	22%
Unclassified Establishments	\$ 7,407,434	\$ 715,423	11%	578%
Utilities	\$ 14,646,943	\$ 1,329,976	10%	17%
Wholesale Trade	\$ 11,937,521	\$ 437,036	4%	63%
All Industries	\$ 409,160,001	\$ (40,043,118)	-9%	58%

\$40M from Q2 in FY22 to FY23 of the same period. Table 1 also shows seven industries that reported a year-over-year (YOY) loss. The largest decline came from the real estate and rental and leasing industry, which posted a YOY decline of \$89M or 91%.

Gross receipts tax (GRT) revenue collections increased by \$756K, or 26%, from Q1 FY23 to Q2 FY23, seen in Chart 4. Over the last eight quarters GRT collections have averaged \$3.7M, or \$100K more than the amount reported during Q2 FY23 (\$3.6M). During that eight-quarter period GRT has remained flat for Otero County.

Chart 3. Annual Total GRT Revenue Collections

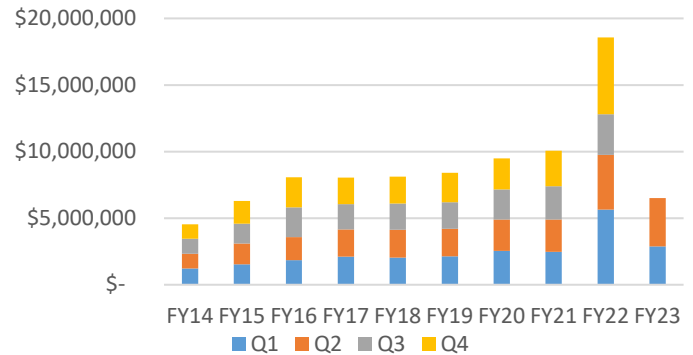


Chart 4. Quarterly GRT Revenue Collections

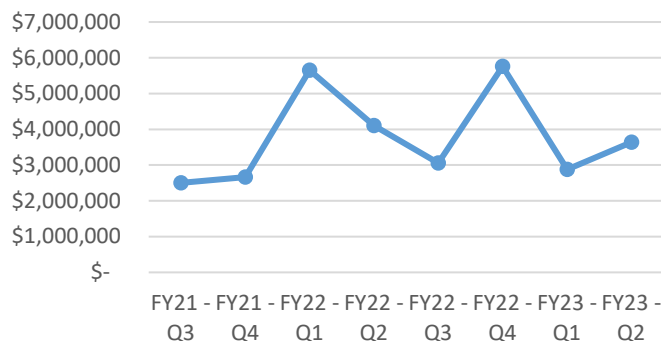
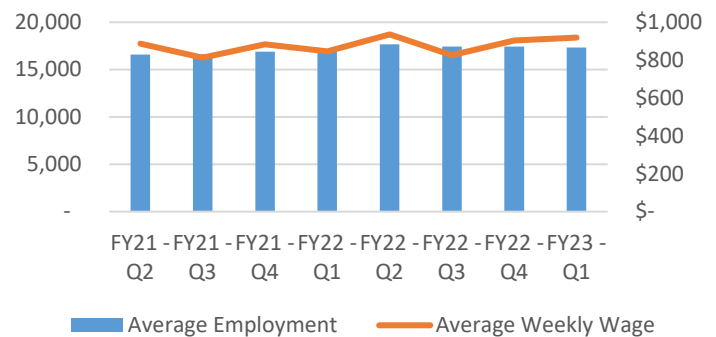


Chart 5. Total Employment & Weekly Wage

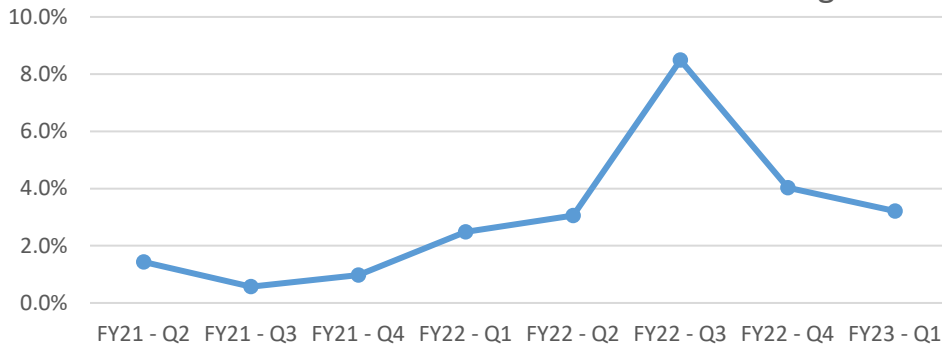


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Chart 6. Establishment Year-Over-Year % Change



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	2,574	5.7%	\$ 574	16.4%	108	0.0%
Administrative/Support & Waste Management/Remediation	1,317	-13.4%	\$ 995	8.4%	87	17.6%
Agriculture, Forestry, Fishing, and Hunting	111	1.8%	\$ 786	4.2%	15	-6.3%
Arts, Entertainment, and Recreation	271	30.9%	\$ 608	6.3%	28	3.7%
Construction	1,065	2.1%	\$ 975	8.7%	137	-1.4%
Educational Services	1,585	5.9%	\$ 1,064	2.8%	26	8.3%
Finance and Insurance	349	1.5%	\$ 876	4.4%	59	5.4%
Health Care and Social Assistance	3,194	1.8%	\$ 1,009	12.5%	229	0.0%
Information	217	0.5%	\$ 1,036	15.0%	40	21.2%
Management of Companies and Enterprises	*	*	*	*	10	-9.1%
Manufacturing	91	11.0%	\$ 616	15.1%	21	0.0%
Mining, Quarrying, and Oil and Gas Extraction	*	*	*	*	6	0.0%
Other Services (except Public Administration)	351	2.9%	\$ 722	5.9%	76	-2.6%
Professional, Scientific, and Technical Services	591	0.0%	\$ 1,328	7.0%	119	12.3%
Public Administration	2,338	-2.5%	\$ 1,252	8.8%	54	1.9%
Real Estate and Rental and Leasing	178	11.9%	\$ 739	22.8%	58	9.4%
Retail Trade	2,353	0.7%	\$ 598	7.2%	156	1.3%
Transportation and Warehousing	382	0.0%	\$ 1,261	11.8%	49	2.1%
Utilities	161	-6.4%	\$ 1,100	5.5%	19	-5.0%
Wholesale Trade	94	2.2%	\$ 833	13.0%	20	0.0%
All Industries	17,323	0.9%	\$ 919	8.6%	1,317	3.2%

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

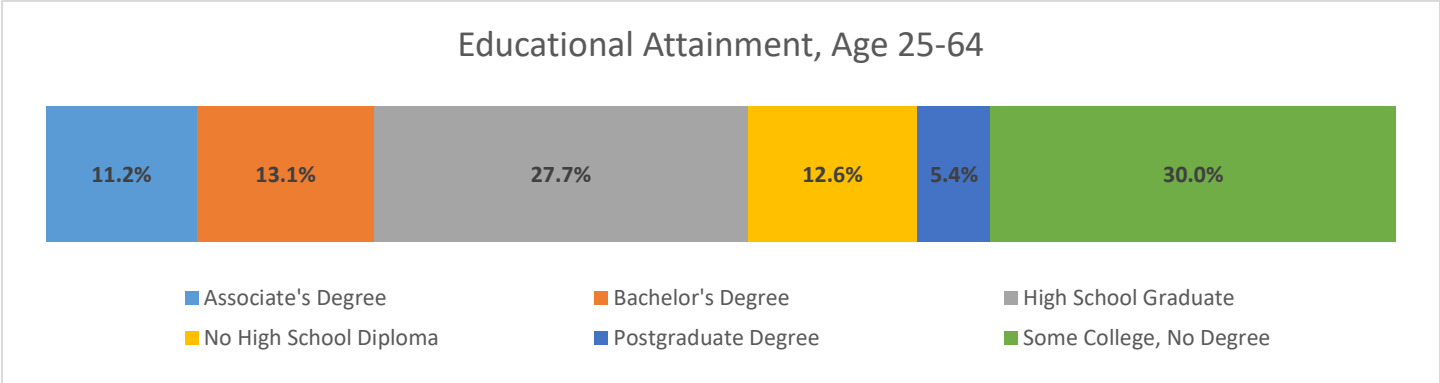
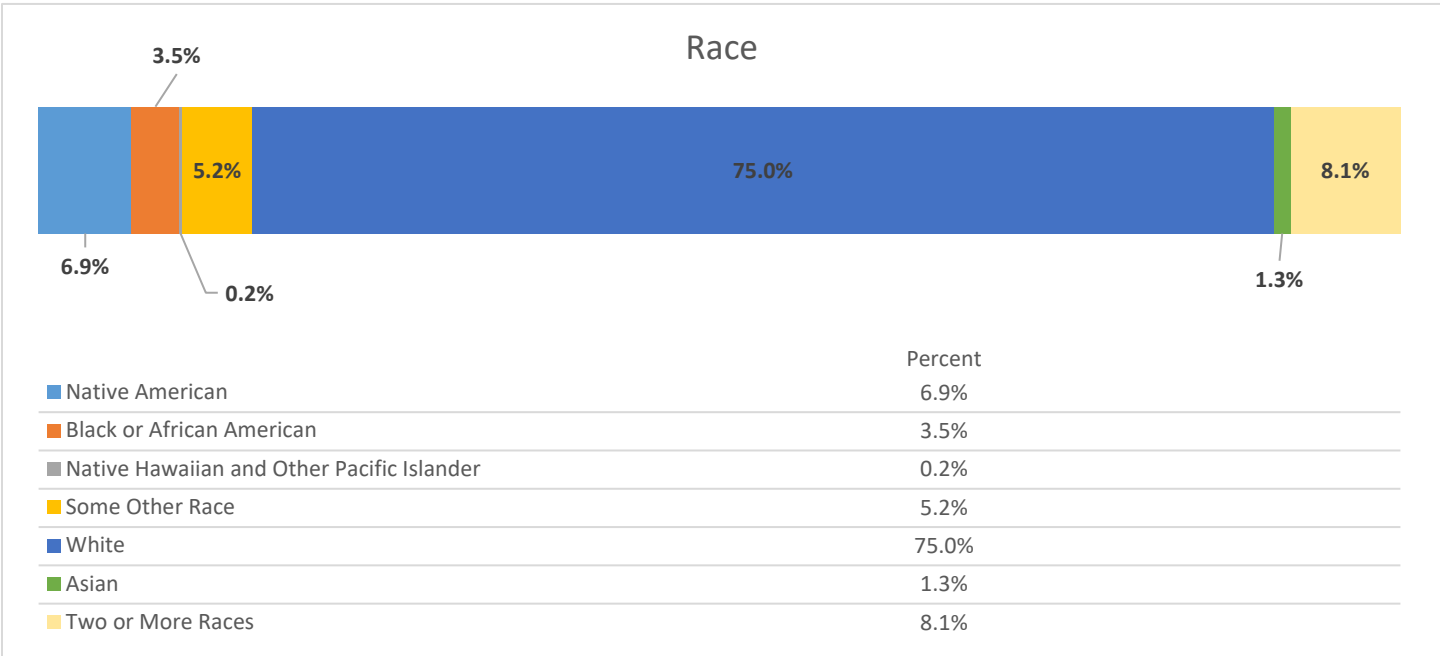
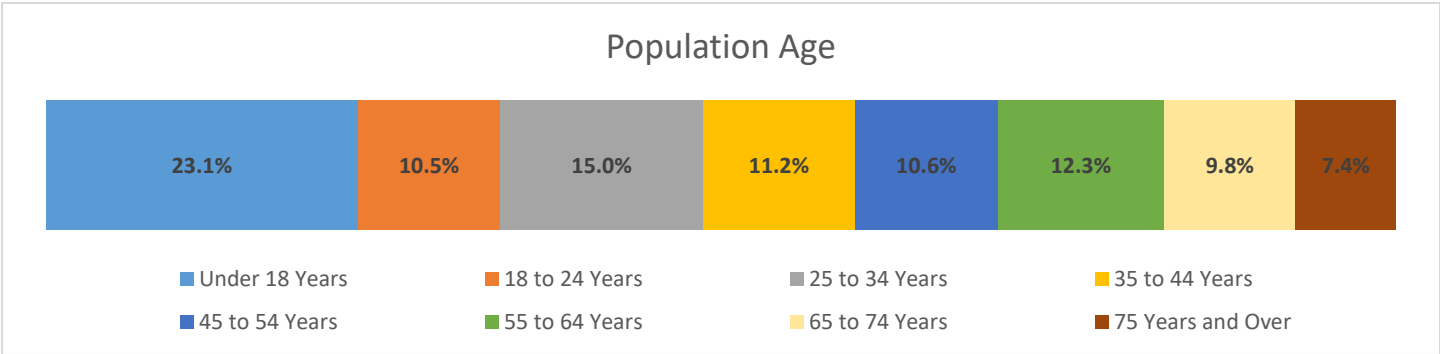
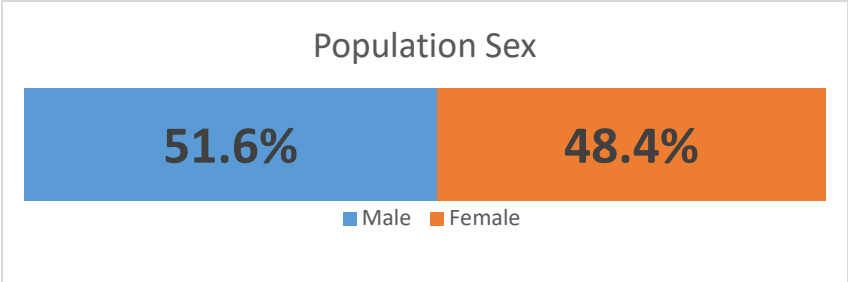
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Population

66,804



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