

Quarterly Economic Summary

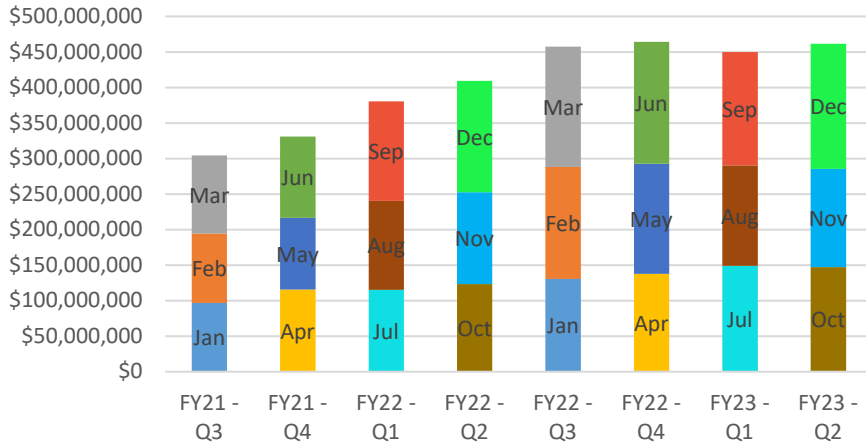
Valencia County



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

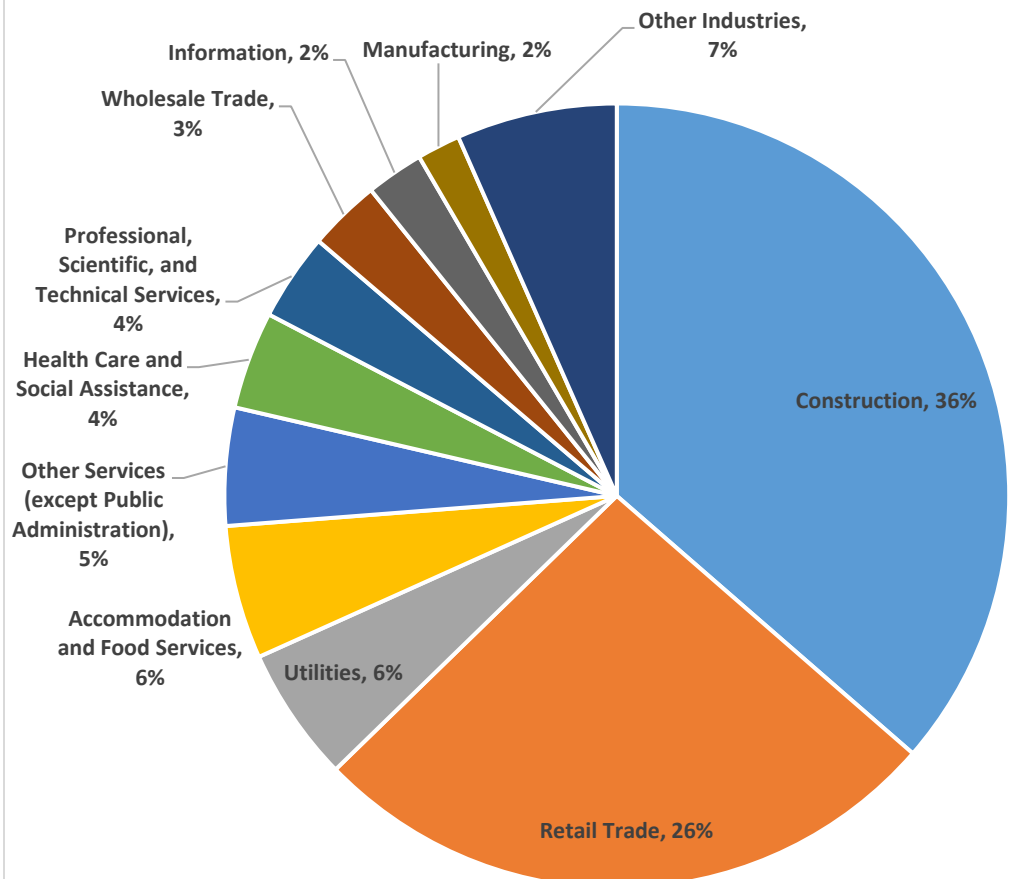
Chart 1. Matched Taxable Gross Receipts Per Quarter



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.

Valencia County's matched taxable gross receipts (MTGR) remained relatively flat in Q2 FY23 as compared to Q1 FY23, seen in Chart 1. From Q1 FY23 to Q2 FY23 MTGR increased by \$11.5M or nearly 2.5%. The amount reported during Q2 FY23, \$461.5M, is the second largest amount of quarterly MTGR, trailing only Q4 FY22 when MTGR was \$3M more. The construction industry continues to be the largest contributor to the county's MTGR, seen in Chart 2.

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	\$ 25,393,582	\$ (2,739)	0%	21%
Administrative/Support & Waste Management/Remediation	\$ 7,708,568	\$ 2,262,778	42%	143%
Agriculture, Forestry, Fishing, and Hunting	\$ 2,243,091	\$ 347,161	18%	213%
Arts, Entertainment, and Recreation	\$ 702,444	\$ 63,822	10%	-5%
Construction	\$ 167,964,343	\$ 28,952,260	21%	119%
Educational Services	\$ 567,267	\$ 270,049	91%	236%
Finance and Insurance	\$ 1,119,025	\$ (178,760)	-14%	8%
Health Care and Social Assistance	\$ 18,570,922	\$ 1,891,383	11%	25%
Information	\$ 10,963,840	\$ (184,934)	-2%	-35%
Management of Companies and Enterprises	\$ -	\$ -	N/A	N/A
Manufacturing	\$ 8,224,389	\$ (2,702,033)	-25%	79%
Mining, Quarrying, and Oil and Gas Extraction	\$ 64,223	\$ (108,270)	-63%	12%
Other Services (except Public Administration)	\$ 22,395,208	\$ 2,043,851	10%	42%
Professional, Scientific, and Technical Services	\$ 16,632,358	\$ 4,446,646	36%	66%
Public Administration	\$ -	\$ -	N/A	-100%
Real Estate and Rental and Leasing	\$ 7,843,534	\$ (286,889)	-4%	70%
Retail Trade	\$ 121,481,012	\$ 10,630,620	10%	62%
Transportation and Warehousing	\$ 2,393,180	\$ (1,848,539)	-44%	-14%
Unclassified Establishments	\$ 7,900,414	\$ 1,705,722	28%	285%
Utilities	\$ 25,629,390	\$ 4,267,427	20%	44%
Wholesale Trade	\$ 13,699,079	\$ 711,620	5%	139%
All Industries	\$ 461,543,156	\$ 52,298,646	13%	69%

Table 1 shows an increase of \$52M from Q2 in FY22 to FY23 of the same period. Table 1 also shows 12 industries that reported a year-over-year (YOY) increase. The largest increase came from the construction industry, which posted a YOY increase of \$28.9M or 21%.

Gross receipts tax (GRT) revenue collections increased by \$188K, or 3.1%, from Q1 FY23 to Q2 FY23, shown in Chart 4. Over the last eight quarters GRT collections have averaged \$5.8M, or \$358K less than the amount collected in Q2 FY23 (\$6.2M). GRT collections have a slight upward trend during this time period.

Chart 3. Annual Total GRT Revenue Collections

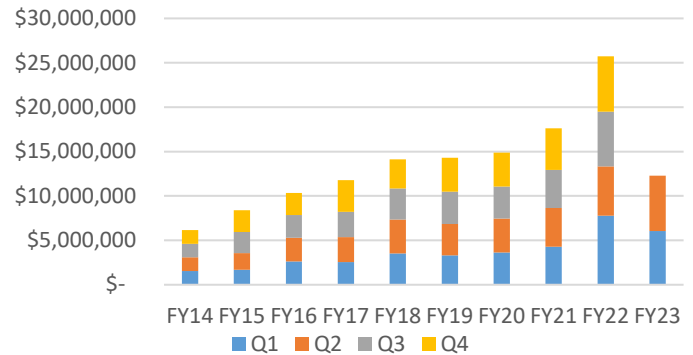


Chart 4. Quarterly GRT Revenue Collections

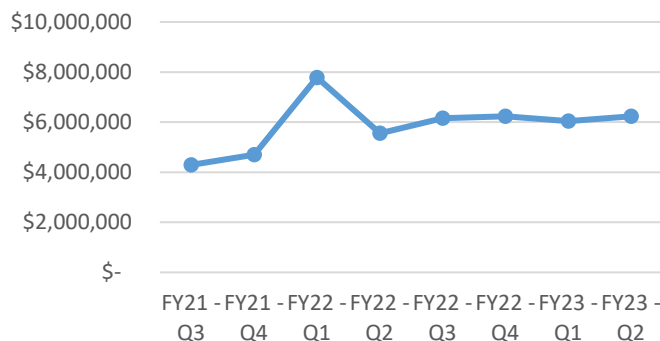
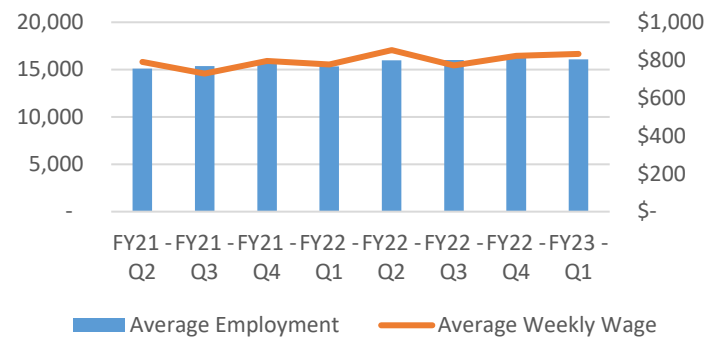


Chart 5. Total Employment & Weekly Wage

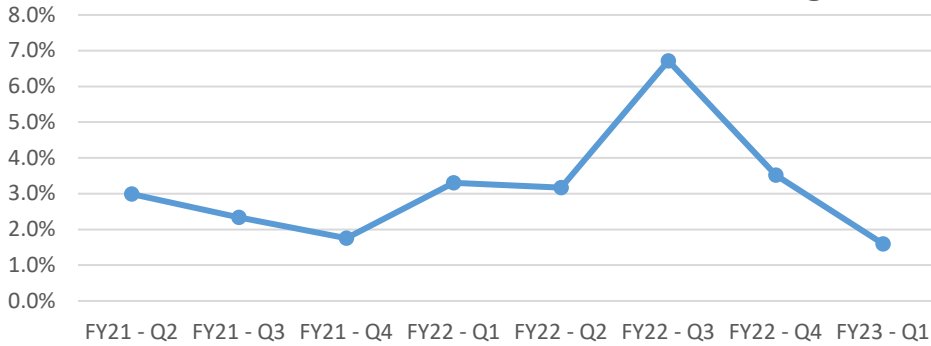


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Chart 6. Establishment Year-Over-Year % Change



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	1,528	-1.1%	\$ 400	8.4%	95	0.0%
Administrative/Support & Waste Management/Remediation	324	14.9%	\$ 773	17.8%	68	13.3%
Agriculture, Forestry, Fishing, and Hunting	217	0.9%	\$ 674	6.8%	21	-8.7%
Arts, Entertainment, and Recreation	116	0.9%	\$ 610	25.8%	16	-11.1%
Construction	2,103	10.2%	\$ 1,262	10.5%	198	3.1%
Educational Services	1,658	7.0%	\$ 841	23.5%	35	6.1%
Finance and Insurance	243	3.0%	\$ 1,043	13.6%	66	10.0%
Health Care and Social Assistance	2,835	5.9%	\$ 604	7.1%	383	-2.0%
Information	204	16.6%	\$ 2,876	-7.1%	16	6.7%
Management of Companies and Enterprises	61	-7.6%	\$ 1,256	1.0%	10	0.0%
Manufacturing	703	-12.1%	\$ 1,089	11.1%	41	-12.8%
Mining, Quarrying, and Oil and Gas Extraction	15	-28.6%	\$ 985	1.7%	5	0.0%
Other Services (except Public Administration)	267	1.5%	\$ 690	9.0%	78	2.6%
Professional, Scientific, and Technical Services	358	15.1%	\$ 1,132	2.1%	104	10.6%
Public Administration	964	-2.1%	\$ 1,145	8.7%	79	1.3%
Real Estate and Rental and Leasing	119	11.2%	\$ 567	13.9%	53	3.9%
Retail Trade	2,799	2.8%	\$ 605	0.7%	150	-2.6%
Transportation and Warehousing	1,352	16.4%	\$ 867	-11.2%	63	5.0%
Utilities	126	-0.8%	\$ 1,099	8.9%	14	0.0%
Wholesale Trade	89	7.2%	\$ 1,065	-0.3%	31	19.2%
All Industries	16,083	4.8%	\$ 833	7.2%	1,526	1.6%

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

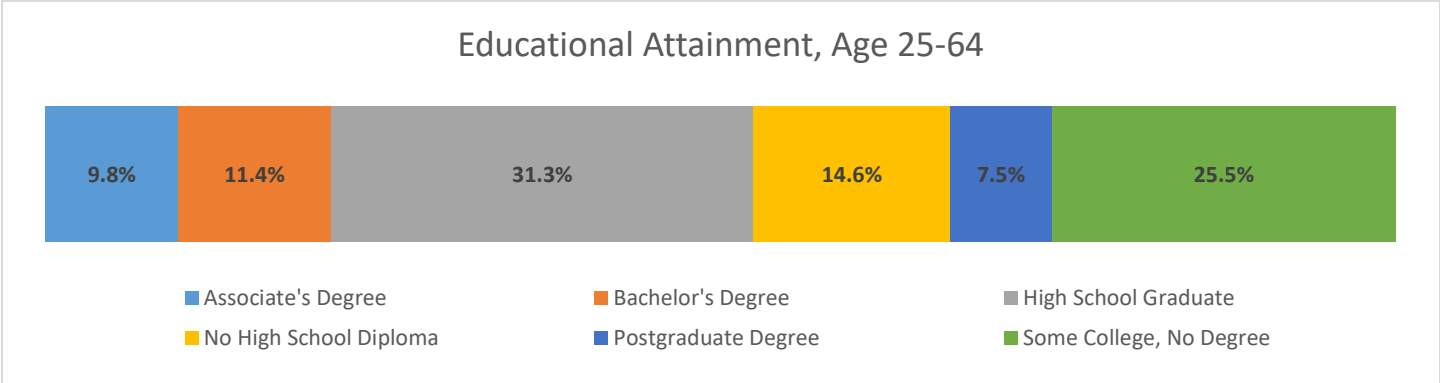
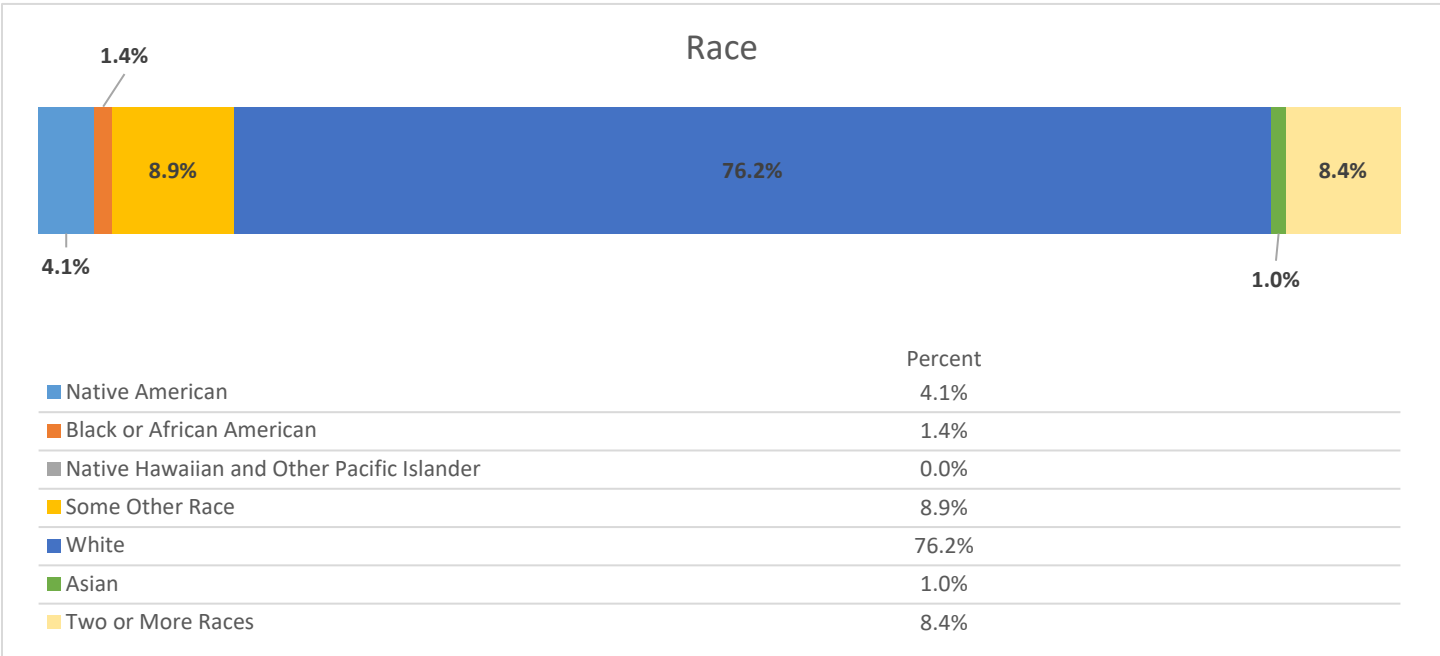
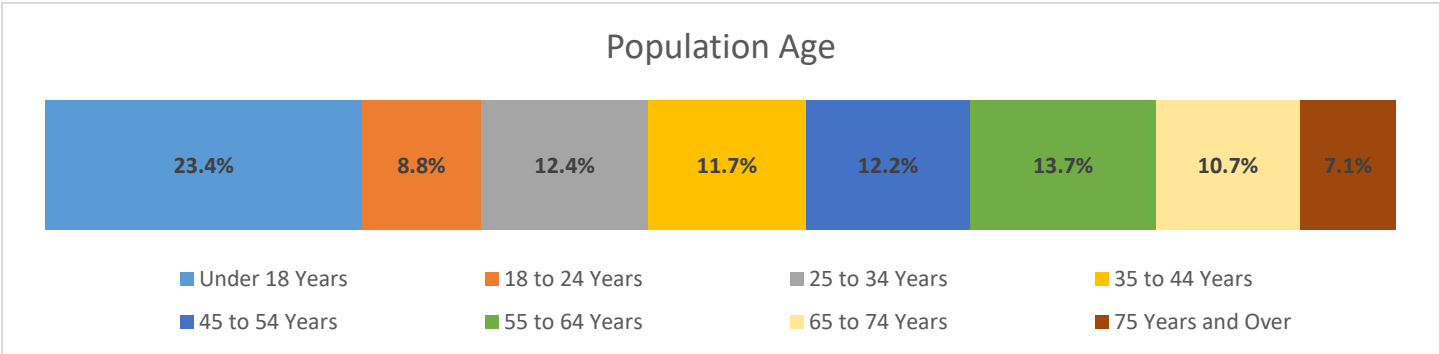
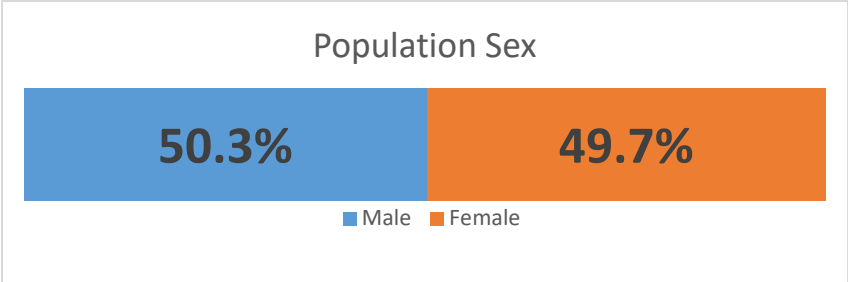
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Population

76,518



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