

# Quarterly Economic Summary

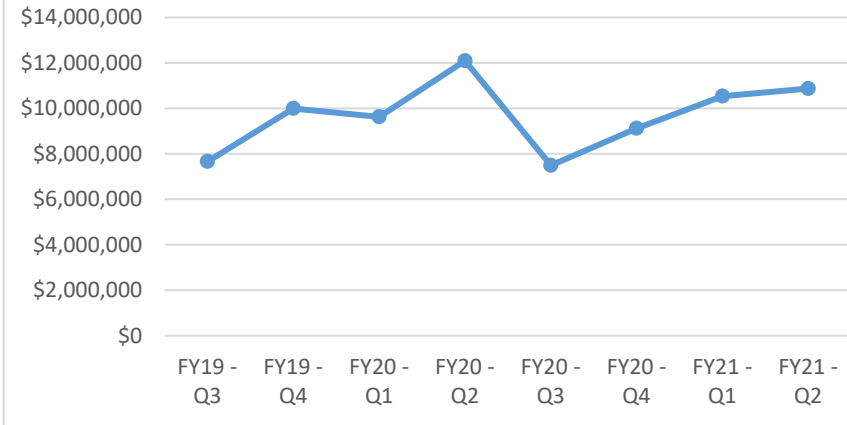
## Catron County



Released: March 2021

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

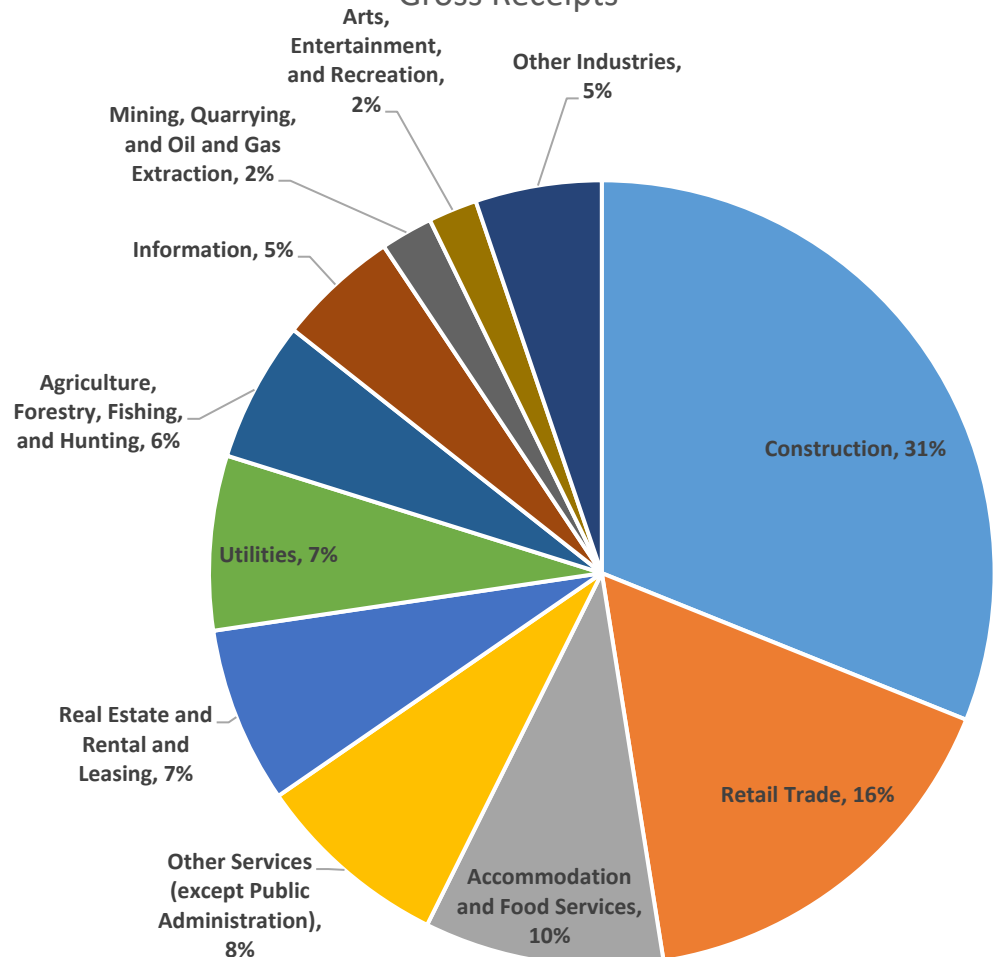
Chart 1. Matched Taxable Gross Receipts Per Quarter



New Mexico suffered another challenging quarter in Q2 FY20 compared to the previous year. The effects of the pandemic weighed heavily on business and consumer activity, and 18 of the 33 counties saw declines in year-over-year gross receipts tax revenue. Of the 15 with positive growth, several only experienced increases due to large construction projects. A new Public Health Order, which took effect on November 16, required many businesses to curb retail activities again to address the surge in COVID-19 cases.

Catron County has experienced stable growth in its matched taxable gross receipts (MTGR) over the last three quarters, shown in Chart 1. From Q1 to Q2 FY21, MTGR increased by \$336K or 3.2%. The construction industry continues to make up the largest percentage of the county's MTGR, this has been the case since Q4 of FY20. Table 1, on the next page, shows a decrease of \$1.2M from Q2 in FY20 to FY21 of the same period.

Chart 2. FY21 - 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.

# Quarterly Economic Summary

## Catron County



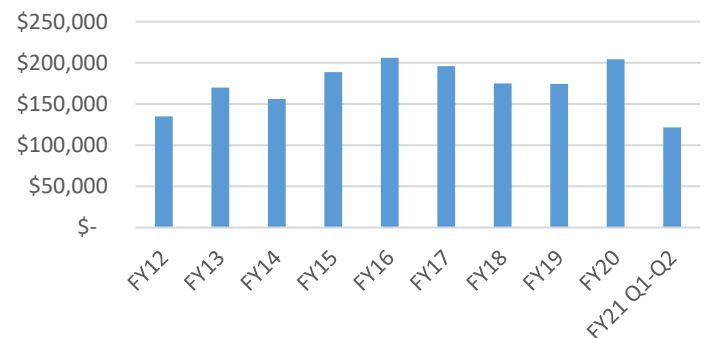
**Table 1. Matched Taxable Gross Receipts by Industry**

Industries	FY20 - Q2	FY21 - Q2	Growth	Year over year Change
Accommodation and Food Services	\$ 790,256	\$ 1,040,966	\$ 250,710	32%
Administrative/Support & Waste Management/Remediation	\$ 10,493	\$ 13,582	\$ 3,089	29%
Agriculture, Forestry, Fishing, and Hunting	\$ 1,453,195	\$ 612,714	\$ (840,481)	-58%
Arts, Entertainment, and Recreation	\$ 53,957	\$ 212,656	\$ 158,698	294%
Construction	\$ 4,194,874	\$ 3,285,597	\$ (909,277)	-22%
Educational Services	\$ 21,633	\$ 19,979	\$ (1,654)	-8%
Finance and Insurance	\$ -	\$ 9,912	\$ 9,912	N/A
Health Care and Social Assistance	\$ 188,591	\$ 89,065	\$ (99,526)	-53%
Information	\$ 719,787	\$ 529,026	\$ (190,761)	-27%
Manufacturing	\$ 124,499	\$ 119,435	\$ (5,063)	-4%
Mining, Quarrying, and Oil and Gas Extraction	\$ -	\$ 227,358	\$ 227,358	N/A
Other Services (except Public Administration)	\$ 506,637	\$ 852,189	\$ 345,551	68%
Professional, Scientific, and Technical Services	\$ 181,999	\$ 182,487	\$ 489	0%
Public Administration	\$ -	\$ 19,253	\$ 19,253	N/A
Real Estate and Rental and Leasing	\$ 762,322	\$ 766,691	\$ 4,369	1%
Retail Trade	\$ 1,667,270	\$ 1,732,869	\$ 65,599	4%
Transportation and Warehousing	\$ 125,562	\$ (10,326)	\$ (135,888)	-108%
Unclassified Establishments	\$ 278,601	\$ (10,465)	\$ (289,065)	-104%
Utilities	\$ 700,776	\$ 758,763	\$ 57,988	8%
Wholesale Trade	\$ 129,103	\$ 116,639	\$ (12,464)	-10%
<b>All Industries</b>	<b>\$ 12,094,268</b>	<b>\$ 10,871,227</b>	<b>\$ (1,223,041)</b>	<b>-10%</b>

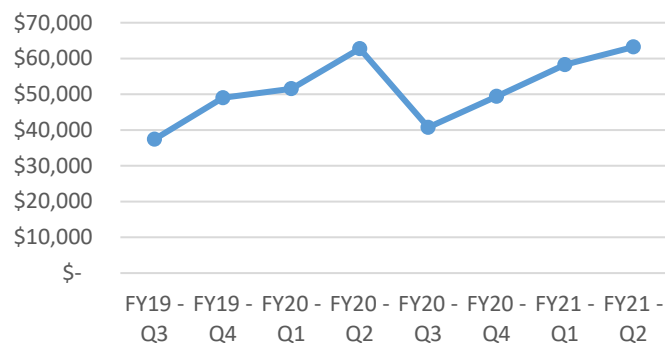
Table 1 also shows nine industries posted a year-over-year loss, with the construction industry experiencing the largest decline, \$909K or 22%.

Gross receipts tax (GRT) revenue collections rose by nearly \$5K or 8.5% from Q1 to Q2 FY21, as seen in Chart 4. The amount of GRT collected during Q2 FY21, \$63K, is the largest amount collected over the last eight quarters and the largest since Q2 FY17.

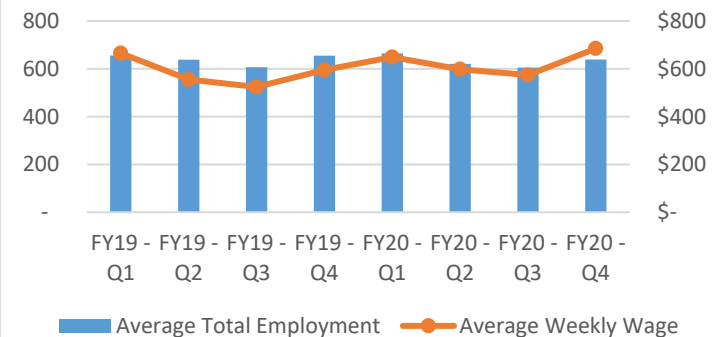
**Chart 3. Annual Total GRT Revenue Collections**



**Chart 4. Quarterly GRT Revenue Collections**



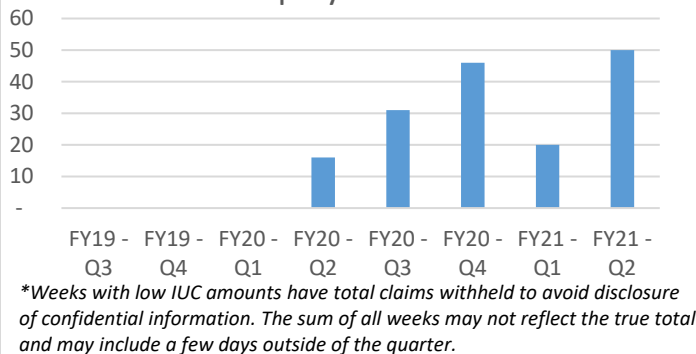
**Chart 5. Quarterly Average Total Employment & Weekly Wage**



# Quarterly Economic Summary Catron County



Chart 6. Quarterly Initial Unemployment Claims



A significant unexplained increase in initial unemployment claims can be an early indicator of an economic downturn. Examples include seasonal job fluctuations, federal government shutdowns resulting in employee furloughs, or the closing of a major regional facility. The current unprecedented uptick in initial unemployment claims is tied directly to the COVID-19 pandemic and subsequent furloughs and layoffs by affected businesses. As we continue into 2021, it is likely the number of initial unemployment claims will vary based on the effects of the pandemic, and it is impossible to predict how quickly employment numbers will return to pre-COVID-19 levels.

**Gross Domestic Product (GDP)** is the value of all goods and services produced in an area. The percentage that GDP grew (or shrank) from one period to another is an important indicator as to how the economy is performing. Table 2, below, shows the percentage of GDP each industry accounts for in the total GDP, in a specific county and the state. The chart also compares the county to the entire state of New Mexico, by showing the impact of specific industry sectors on the county's GDP compared to that of the whole state.

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

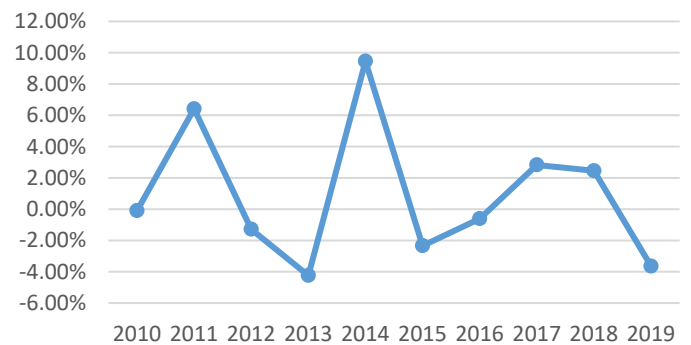


Table 2. Calendar Year 2019 Real County GDP and Real State GDP % of Total GDP

Industries	Catron County	New Mexico	County Difference from State
Accommodation and Food Services	0.73%	2.92%	-2.19%
Administrative/Support & Waste Management/Remediation	*	2.55%	N/A
Agriculture, Forestry, Fishing, and Hunting	12.14%	2.25%	9.90%
Arts, Entertainment, and Recreation	1.12%	0.69%	0.42%
Construction	2.11%	3.12%	-1.01%
Educational Services	*	0.51%	N/A
Finance and Insurance	*	2.62%	N/A
Health Care and Social Assistance	*	7.15%	N/A
Information	*	2.82%	N/A
Management of Companies and Enterprises	*	0.64%	N/A
Manufacturing	2.19%	4.79%	-2.60%
Mining, Quarrying, and Oil and Gas Extraction	0.06%	17.38%	-17.32%
Other Services (except Public Administration)	*	1.94%	N/A
Professional, Scientific, and Technical Services	1.08%	7.33%	-6.25%
Public Administration	35.75%	20.81%	14.94%
Real Estate and Rental and Leasing	28.57%	11.65%	16.93%
Retail Trade	*	5.57%	N/A
Transportation and Warehousing	0.54%	2.40%	-1.85%
Utilities	0.75%	1.47%	-0.72%
Wholesale Trade	*	3.06%	N/A

*\*Not shown to avoid disclosure of confidential information*