

Quarterly Economic Summary

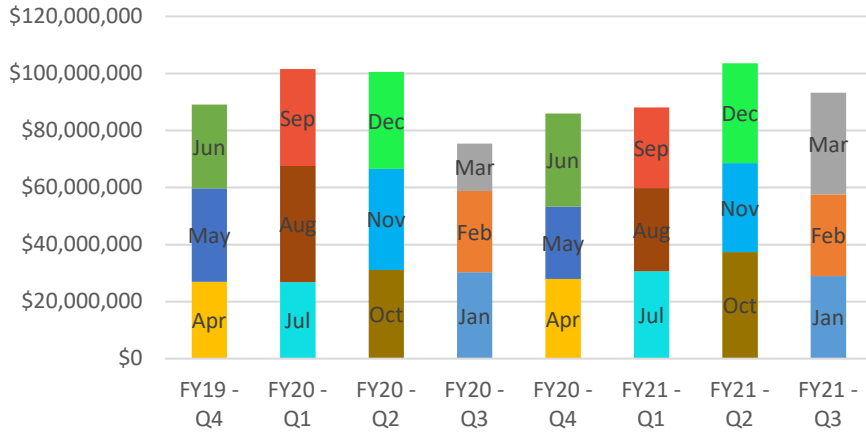
Cibola County



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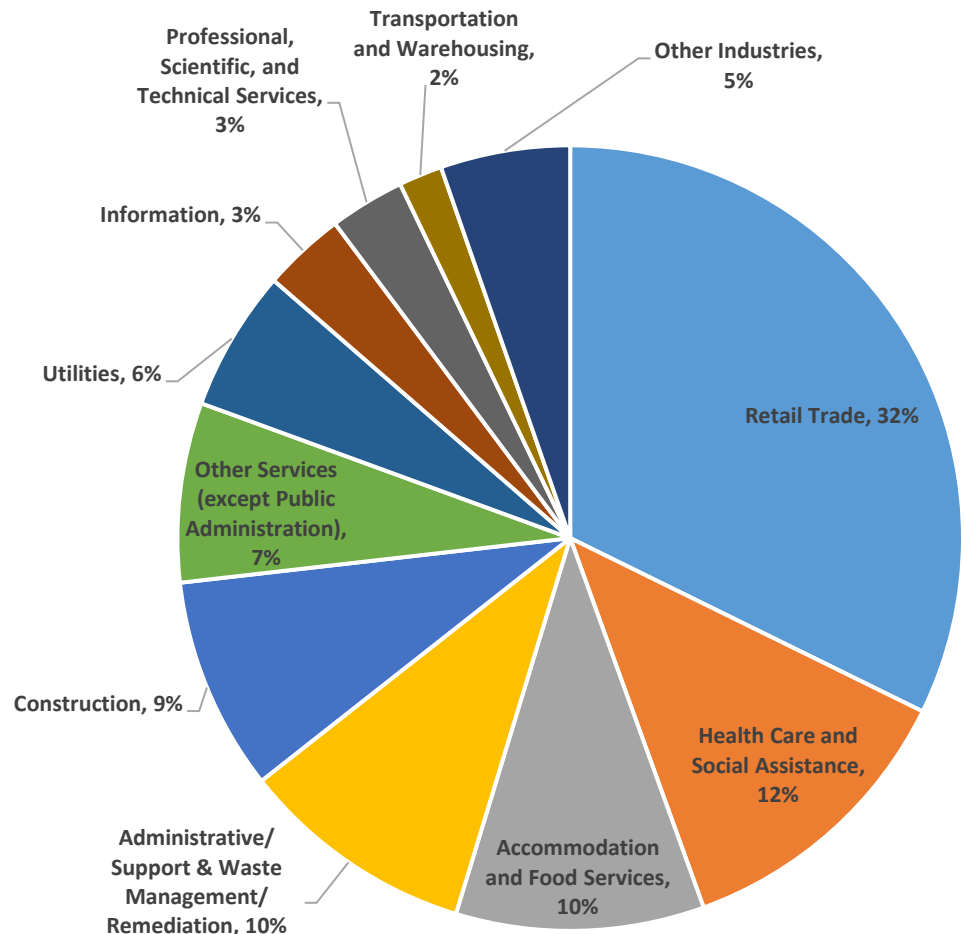
Chart 1. Matched Taxable Gross Receipts Per Quarter



During Q3 FY21, the state started rolling out vaccinations to a significant portion of the adult population. The economic effects of the pandemic waned as restrictions and limits on business capacity were lifted following improving health metrics. These shifts in policy, along with pent up demand, likely led to an increase in consumer spending on taxable goods and services. Though the uncertainty and impacts caused by the pandemic can still be seen, the economic stability of the state and many of its counties continues to improve.

Cibola County's matched taxable gross receipts (MTGR) declined by 10% from Q2 FY21 to Q3 FY21, as seen in Chart 1. Despite the quarter-to-quarter decline of 10%, the month of March in Q3 FY21 was the third highest amount of reported MTGR (\$35.7M) during the past 24 months, trailing only August (Q1) FY20 (\$40.7M) and October (Q2) FY21 (\$37M). The average MTGR reported over the previous 24 months is \$30.7M. Table 1, on the next page, shows an increase of \$17.8M from Q3 in FY20 to FY21 of the same period.

Chart 2. FY21 - Q3 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. Matched Taxable Gross Receipts by Industry

Industries	FY20 - Q3	FY21 - Q3	Growth	Year over year Change
Accommodation and Food Services	\$ 8,451,477	\$ 9,342,074	\$ 890,598	11%
Administrative/Support & Waste Management/Remediation	\$ 8,476,579	\$ 8,862,224	\$ 385,646	5%
Agriculture, Forestry, Fishing, and Hunting	\$ 12,989	\$ 17,494	\$ 4,505	35%
Arts, Entertainment, and Recreation	\$ 102,461	\$ 121,772	\$ 19,311	19%
Construction	\$ 7,176,913	\$ 8,039,049	\$ 862,136	12%
Educational Services	\$ 32,477	\$ 19,042	\$ (13,435)	-41%
Finance and Insurance	\$ 119,615	\$ 98,388	\$ (21,226)	-18%
Health Care and Social Assistance	\$ 1,615,372	\$ 11,160,244	\$ 9,544,872	591%
Information	\$ 6,456,881	\$ 3,099,915	\$ (3,356,967)	-52%
Manufacturing	\$ 2,016,561	\$ 1,393,526	\$ (623,035)	-31%
Mining, Quarrying, and Oil and Gas Extraction	\$ 462,491	\$ -	\$ (462,491)	-100%
Other Services (except Public Administration)	\$ 6,217,054	\$ 6,755,781	\$ 538,727	9%
Professional, Scientific, and Technical Services	\$ 1,732,203	\$ 2,825,640	\$ 1,093,437	63%
Public Administration	\$ -	\$ -	\$ -	N/A
Real Estate and Rental and Leasing	\$ 1,200,379	\$ 1,396,221	\$ 195,842	16%
Retail Trade	\$ 20,948,279	\$ 29,506,776	\$ 8,558,497	41%
Transportation and Warehousing	\$ 483,651	\$ 1,637,536	\$ 1,153,884	239%
Unclassified Establishments	\$ 868,923	\$ 514,492	\$ (354,432)	-41%
Utilities	\$ 5,635,646	\$ 5,315,240	\$ (320,406)	-6%
Wholesale Trade	\$ 1,280,044	\$ 1,318,365	\$ 38,321	3%
All Industries	\$ 75,451,622	\$ 93,263,183	\$ 17,811,560	24%

Table 1 also shows seven industries that reported a year-over-year (YOY) loss. The largest decline came from the information industry, which posted a YOY decline of \$3.4M or 52%.

Gross receipts tax (GRT) revenue collections decreased by \$129K, or 9%, from Q2 FY21 to Q3 FY21, as seen in Chart 4.

Chart 5 shows that average weekly wages decreased while quarterly employment increased during Q1 of FY21. This decrease in average weekly wages is likely due to an increase in lower wage workers.

Chart 3. Annual Total GRT Revenue Collections

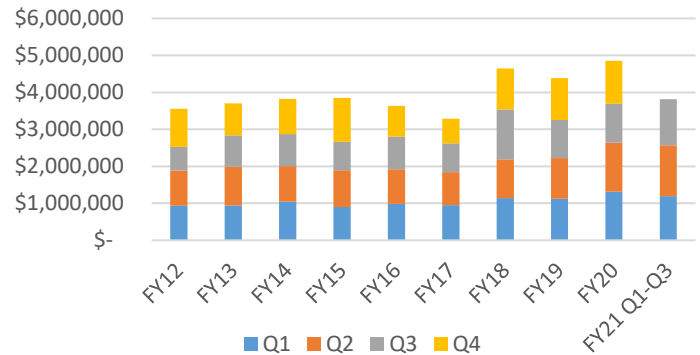


Chart 4. Quarterly GRT Revenue Collections

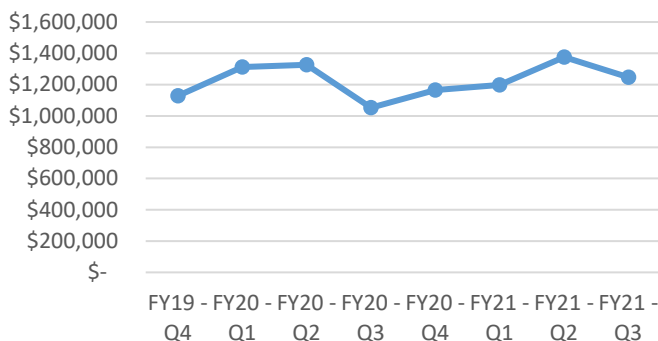
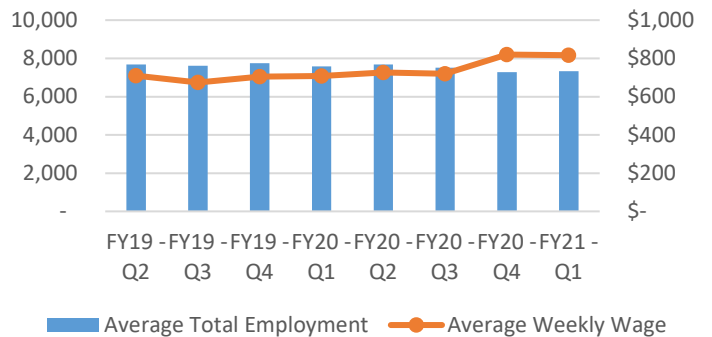


Chart 5. Quarterly Average Total Employment & Weekly Wage

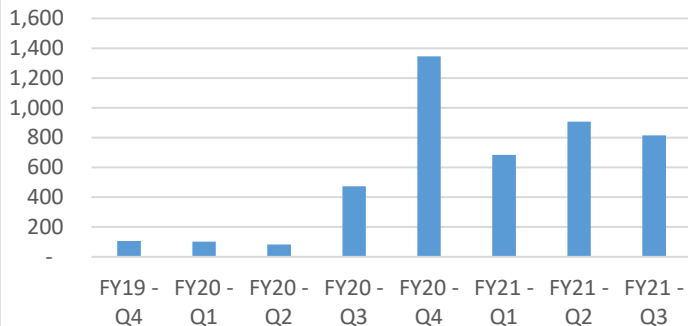


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Chart 6. Quarterly Initial Unemployment Claims



*Weeks with low IUC amounts have total claims withheld to avoid disclosure of confidential information. The sum of all weeks may not reflect the true total and may include a few days outside of the quarter. Claimants must reapply once a year. Claimants who applied at the beginning of the pandemic may be reapplying, possibly causing an increase in IUC.

A significant increase in initial unemployment claims can be an early indicator of an economic downturn, and a drop can be an early sign of an upturn. However, these numbers are also impacted by seasonal job fluctuations, federal government shutdowns resulting in temporary employee furloughs, or the closing of a major regional facility. The current unprecedented uptick in initial unemployment claims is clearly tied directly to the COVID-19 pandemic. As vaccination levels and other health indicators continue to improve and result in lessened health concerns and fewer business restrictions, these claims should decline, but it is impossible to predict how quickly employment numbers will return to pre-COVID-19 levels.

The **Quarterly Census of Employment and Wages (QCEW)** program publishes a quarterly count of establishments, employment and wages reported by employers, covering more than 95 percent of U.S. jobs. The QCEW data are used as the benchmark source for employment, and this data is far more reliable than the monthly employment survey data in the Current Employment Statistics program often reported in news articles. However, as shown below, this quarterly data has a significant lag time for reporting and does not reflect the same quarter as used in the other charts and tables above. This quarterly QCEW data combined with the other employment data above provide the best overall picture of employment levels using the most reliable data.

Table 2. FY21-Q1 Employment Data and Establishments by Industry

Industry	YOY Change in		YOY change in		Number of Establishments	YOY Change in Establishments
	Average Employment	Average Employment	Average Weekly Wage	Average Weekly Wage		
Accommodation and Food Services	837	-20.7%	\$ 486	25.6%	47	-2.1%
Administrative/Support & Waste Management/Remediation	424	-4.3%	\$ 887	9.2%	16	0.0%
Agriculture, Forestry, Fishing, and Hunting	38	11.8%	\$ 379	-1.3%	4	0.0%
Arts, Entertainment, and Recreation	96	-32.9%	\$ 707	26.5%	11	-8.3%
Construction	666	144.0%	\$ 1,285	39.8%	41	0.0%
Educational Services	*	*	*	*	15	7.1%
Finance and Insurance	90	9.8%	\$ 541	-8.0%	20	0.0%
Health Care and Social Assistance	1,688	-8.6%	\$ 704	2.3%	96	-10.3%
Information	*	100.0%	*	100.0%	5	-16.7%
Management of Companies and Enterprises	*	*	*	*	2	0.0%
Manufacturing	77	-11.5%	\$ 539	3.9%	9	-10.0%
Mining, Quarrying, and Oil and Gas Extraction	*	*	*	*	3	50.0%
Other Services (except Public Administration)	62	-8.8%	\$ 776	-8.1%	19	-9.5%
Professional, Scientific, and Technical Services	63	-8.7%	\$ 690	7.6%	15	0.0%
Public Administration	1,402	-1.5%	\$ 868	4.5%	50	-15.3%
Real Estate and Rental and Leasing	43	-12.2%	\$ 668	17.8%	9	0.0%
Retail Trade	711	-10.0%	\$ 540	10.0%	54	-1.8%
Transportation and Warehousing	75	-2.6%	\$ 1,005	8.4%	24	4.3%
Utilities	102	1.0%	\$ 1,368	7.2%	5	-16.7%
Wholesale Trade	127	1.6%	\$ 1,007	9.0%	14	0.0%
All Industries	7,331	-3.4%	\$ 818	15.5%	459	-5.2%

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