

# Quarterly Economic Summary

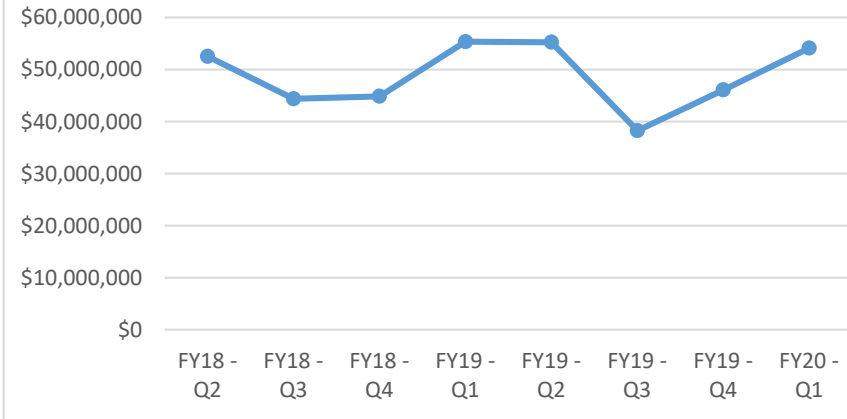
## Socorro County



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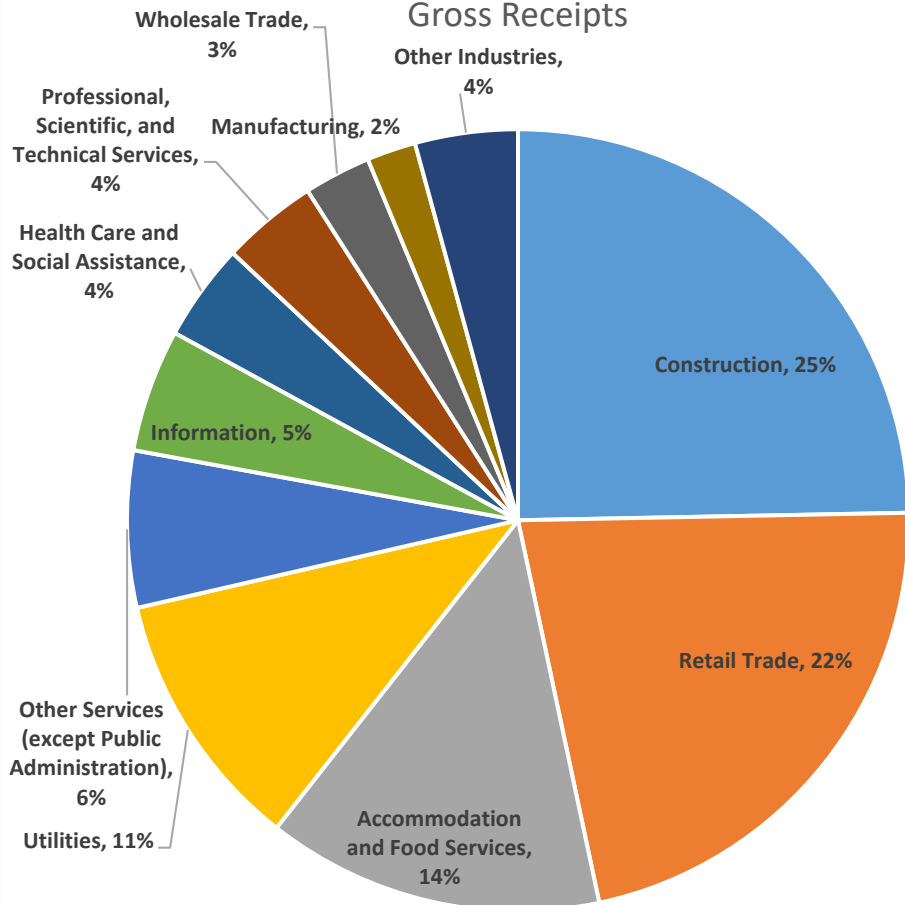
Chart 1. Matched Taxable Gross Receipts Per Quarter



Socorro County has seen an uptick in its matched taxable gross receipts (MTGR) over the last two quarters, as seen in Chart 1. Socorro County's MTGR was near its previous high, set in Q1 FY19, over the last eight quarters. Table 1, on the next page, shows a decrease of \$1.2M from Q1 FY19 to FY20 of the same period, with the largest dollar amount loss being in the Construction sector. This could indicate the completion of a project in the area. Even though the Construction sector saw a \$4M loss, the sector still makes up 25%

of the county's MTGR. Accommodations and Food services as well as Utilities saw the largest dollar amount of growth, with each sector increasing by roughly \$1.2M from Q1 FY19 to Q1 FY20.

Chart 2. FY20 - Q1 Industry Size by Matched Taxable Gross Receipts



**MATCHED TAXABLE GROSS RECEIPTS (MTGR) IS THE BEST TAX DATA AVAILABLE TO SHOW UNDERLYING ECONOMIC ACTIVITY. IT MATCHES A TAX PAYMENT WITH REPORTED RECEIPTS FOR EACH TAXPAYER, BY INDUSTRY.**

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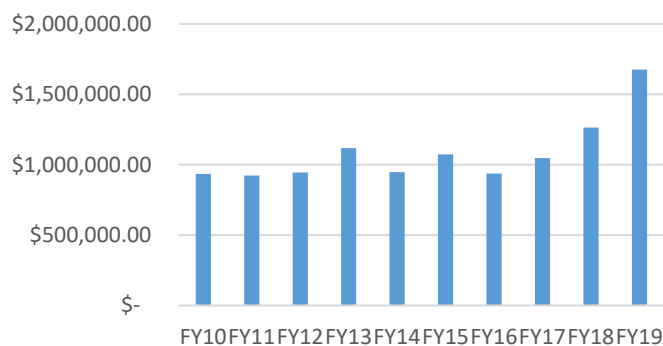
**Table 1. Matched Taxable Gross Receipts by Industry**

Industries	FY19 - Q1	FY20 - Q1	Growth	Year over year Change
Accommodation and Food Services	\$ 6,305,433	\$ 7,537,171	\$ 1,231,737	20%
Administrative/Support & Waste Management/Remediation	\$ 941,975	\$ 555,874	\$ (386,101)	-41%
Agriculture, Forestry, Fishing, and Hunting	\$ 385,149	\$ 251,322	\$ (133,827)	-35%
Arts, Entertainment, and Recreation	\$ 19,715	\$ 16,016	\$ (3,698)	-19%
Construction	\$ 17,395,497	\$ 13,364,014	\$ (4,031,484)	-23%
Educational Services	\$ 24,287	\$ 84,200	\$ 59,912	247%
Finance and Insurance	\$ 215,445	\$ 164,634	\$ (50,812)	-24%
Health Care and Social Assistance	\$ 1,738,228	\$ 2,179,838	\$ 441,609	25%
Information	\$ 2,771,063	\$ 2,749,235	\$ (21,828)	-1%
Management of Companies and Enterprises	\$ -	\$ 971	\$ 971	N/A
Manufacturing	\$ 918,358	\$ 1,098,237	\$ 179,879	20%
Mining, Quarrying, and Oil and Gas Extraction	\$ -	\$ -	\$ -	N/A
Other Services (except Public Administration)	\$ 3,374,573	\$ 3,503,731	\$ 129,158	4%
Professional, Scientific, and Technical Services	\$ 1,748,707	\$ 2,151,906	\$ 403,199	23%
Public Administration	\$ -	\$ -	\$ -	N/A
Real Estate and Rental and Leasing	\$ 873,947	\$ 668,307	\$ (205,640)	-24%
Retail Trade	\$ 12,108,028	\$ 11,891,214	\$ (216,815)	-2%
Transportation and Warehousing	\$ 181,107	\$ 244,166	\$ 63,059	35%
Unclassified Establishments	\$ 182,224	\$ 311,953	\$ 129,729	71%
Utilities	\$ 4,619,868	\$ 5,848,182	\$ 1,228,314	27%
Wholesale Trade	\$ 1,534,580	\$ 1,497,904	\$ (36,676)	-2%
<b>All Industries</b>	<b>\$ 55,338,185</b>	<b>\$ 54,118,872</b>	<b>\$ (1,219,313)</b>	<b>-2%</b>

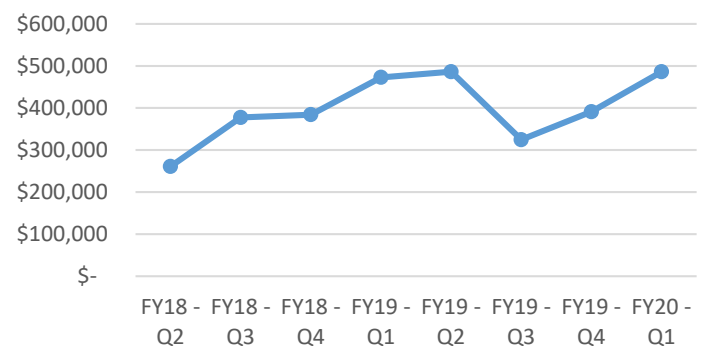
Gross Receipts Tax (GRT) revenue collections rose significantly in Q1 FY20 as compared to Q2 FY18, as seen in Chart 4. This represents an 86% increase during that time period. This increase is almost exclusively due to an increase in the county hold harmless GRT collection.

HB6, PASSED IN 2019, MADE WIDESPREAD TAX CHANGES WITHIN NEW MEXICO. ONE NOTABLE CHANGE IS THE CONVERSION TO DESTINATION-BASED SOURCING THAT WILL BEGIN AFTER A TWO YEAR DELAY. DURING THIS DELAY LOCAL GOVERNMENTS WILL RECEIVE A DISTRIBUTION THAT IS A PORTION OF \$2M EACH MONTH. THE PORTION DISTRIBUTED WILL BE BASED ON WHAT THE POPULATION OF EACH COUNTY IS TO THE TOTAL POPULATION OF ALL COUNTIES, AS PER THE MOST RECENT DECENNIAL CENSUS.

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



**Chart 4. Quarterly GRT Revenue Collections**



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Chart 5. Quarterly Average Total Employment & Weekly Wage

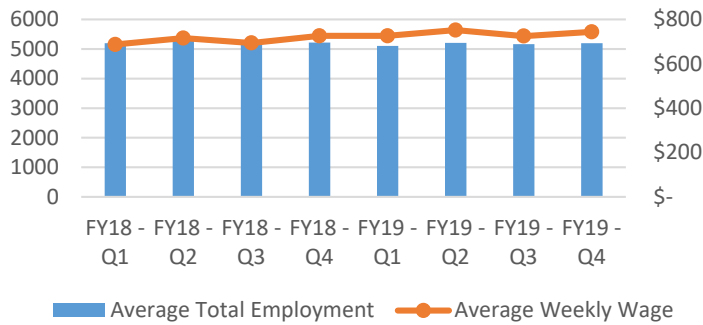


Chart 6. Quarterly Initial Unemployment Claims

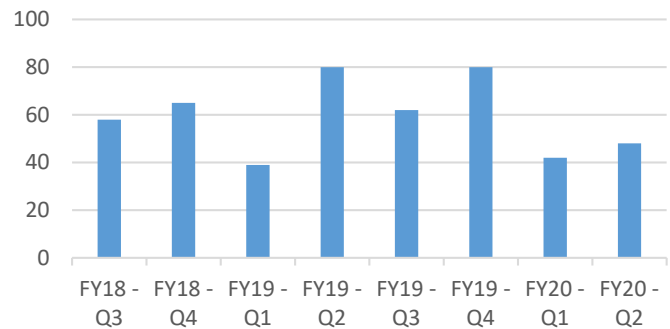
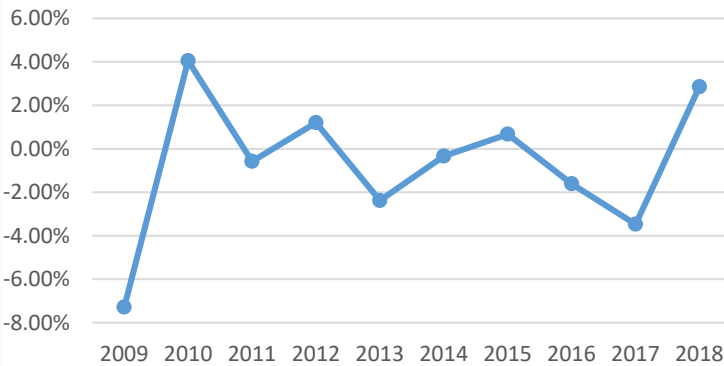


Chart 7. Calendar Year % Change In Real GDP Year Over Year



A SIGNIFICANT UNEXPLAINED INCREASE IN INITIAL UNEMPLOYMENT CLAIMS CAN BE AN EARLY INDICATOR OF AN INCOMING ECONOMIC DOWNTURN. EXPLAINED INCREASES COMMONLY INCLUDE SEASONAL JOB FLUCTUATIONS, GOVERNMENT SHUTDOWNS RESULTING IN MASS EMPLOYEE FURLOUGHS AND THE CLOSING OF A MAJOR REGIONAL FACILITY.

Table 2. Calendar Year 2018 Real County GDP vs Real State GDP

Industries	Socorro, NM	New Mexico	Difference Between County and State
Accommodation and food services	3.85%	2.94%	0.92%
Administrative and support and waste management and remediation services	0.00%	2.51%	-2.51%
Arts, entertainment, and recreation	0.01%	0.68%	-0.67%
Educational services	0.00%	0.51%	-0.51%
Finance and insurance	1.19%	2.75%	-1.56%
Health care and social assistance	0.00%	7.39%	-7.39%
Management of companies and enterprises	0.00%	0.61%	-0.61%
Professional, scientific, and technical services	7.03%	7.21%	-0.18%
Real estate and rental and leasing	15.91%	12.17%	3.75%
Agriculture, forestry, fishing and hunting	11.48%	1.78%	9.70%
Construction	0.47%	3.12%	-2.64%
Information	0.51%	3.21%	-2.70%
Manufacturing	2.22%	4.31%	-2.09%
Mining, quarrying, and oil and gas extraction	1.51%	14.79%	-13.28%
Other services (except government and government enterprises)	1.64%	1.96%	-0.32%
Retail trade	4.50%	5.87%	-1.37%
Transportation and warehousing	1.65%	2.58%	-0.94%
Utilities	0.00%	1.57%	-1.57%
Wholesale trade	0.00%	3.13%	-3.13%
Government and government enterprises	37.70%	21.50%	16.20%