

Quarterly Economic Summary

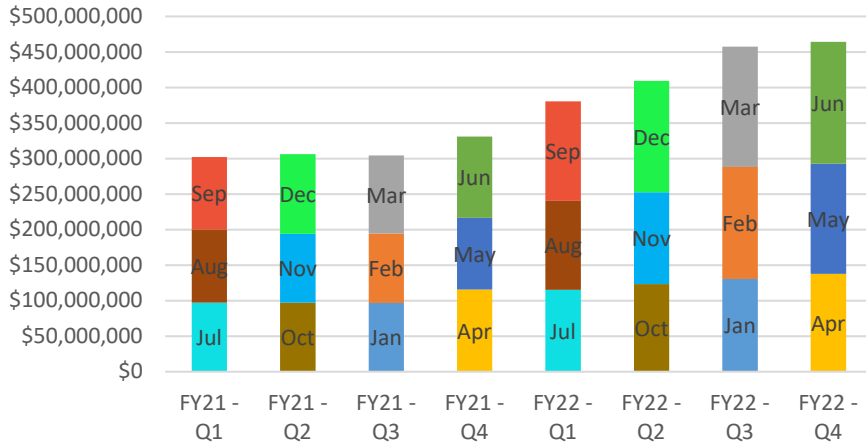
Valencia County



Released: September 2022

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

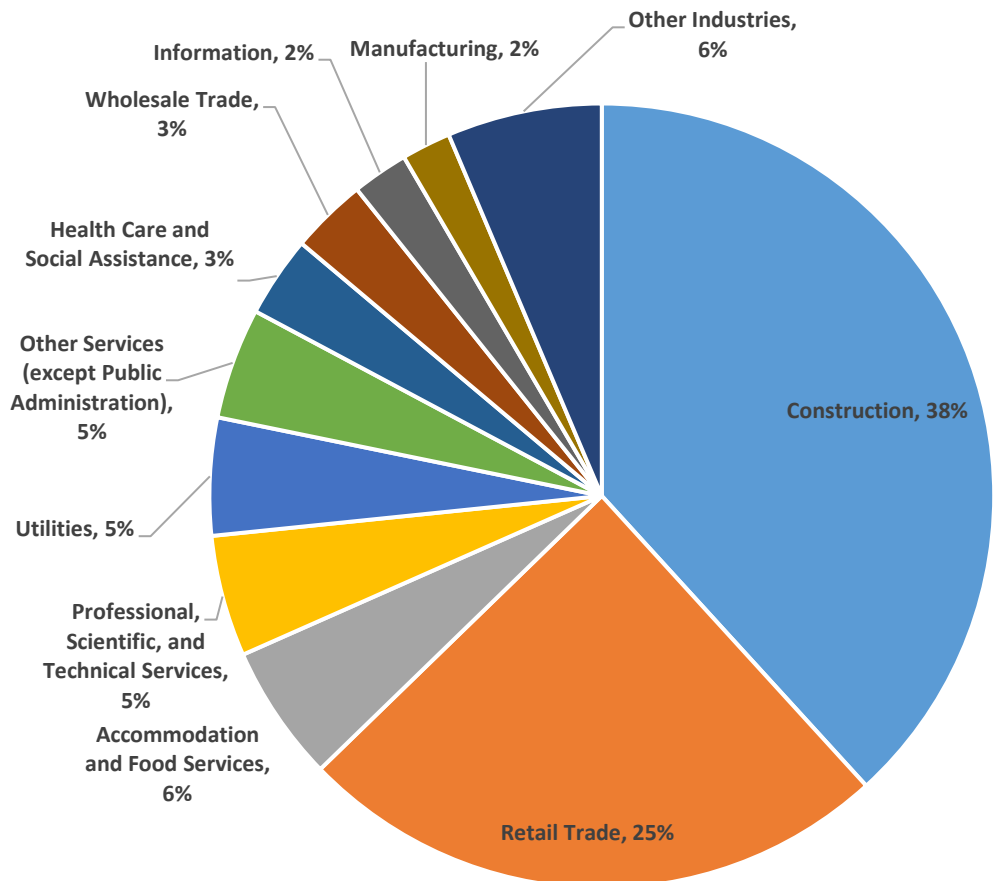
Chart 1. Matched Taxable Gross Receipts Per Quarter



Gross receipts growth across the state significantly outpaced inflation over the last year, and 31 of 33 counties saw growth during that time. The state improved from an already strong third quarter for economic growth in the fourth quarter of FY22 of 20% for all industries compared with the same quarter a year ago and an increase of 29% compared with the same quarter before the COVID-19 pandemic hit. Rising inflation and interest rates pose risks, but the outlook is for continued strong growth in New Mexico.

Valencia County's matched taxable gross receipts (MTGR) remained relatively flat in Q4 FY22 as compared to Q3 FY22, seen in Chart 1. From Q3 FY22 to Q4 FY22 MTGR increased by \$6.9M or nearly 2%. Since Q1 FY19, MTGR has trended upward, driven solely by the construction industry, and that is highlighted in Chart 2 where the industry accounts for 38% of the county's total MTGR. Table 1, on the next page, shows an increase of \$133M from Q4 in FY21 to

Chart 2. FY22 - Q4 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

Valencia County



Table 1. FY22 - Q4 Matched Taxable Gross Receipts by Industry

Industries	FY22 - Q4	YOY Growth	YOY % Change	%Change from FY19- Q4 (Pre-COVID)
Accommodation and Food Services	\$ 26,164,335	\$ 158,310	1%	22%
Administrative/Support & Waste Management/Remediation	\$ 6,721,183	\$ 2,376,090	55%	33%
Agriculture, Forestry, Fishing, and Hunting	\$ 475,157	\$ (324,376)	-41%	33%
Arts, Entertainment, and Recreation	\$ 850,021	\$ 143,236	20%	-6%
Construction	\$ 177,524,520	\$ 65,231,127	58%	77%
Educational Services	\$ 456,487	\$ 141,844	45%	95%
Finance and Insurance	\$ 1,245,359	\$ 239,555	24%	39%
Health Care and Social Assistance	\$ 15,489,937	\$ 1,583,697	11%	20%
Information	\$ 10,758,180	\$ 3,086,788	40%	-34%
Management of Companies and Enterprises	\$ -	\$ -	N/A	N/A
Manufacturing	\$ 9,434,671	\$ 4,122,695	78%	121%
Mining, Quarrying, and Oil and Gas Extraction	\$ 197,467	\$ 197,467	N/A	2233%
Other Services (except Public Administration)	\$ 21,270,817	\$ 2,172,759	11%	51%
Professional, Scientific, and Technical Services	\$ 23,225,449	\$ 13,194,293	132%	291%
Public Administration	\$ -	\$ (2,107)	-100%	N/A
Real Estate and Rental and Leasing	\$ 9,263,116	\$ 3,911,473	73%	102%
Retail Trade	\$ 113,800,834	\$ 18,955,474	20%	61%
Transportation and Warehousing	\$ 4,227,964	\$ 1,594,748	61%	58%
Unclassified Establishments	\$ 6,192,588	\$ 5,070,781	452%	609%
Utilities	\$ 22,481,681	\$ 3,866,675	21%	76%
Wholesale Trade	\$ 14,586,639	\$ 7,919,296	119%	188%
All Industries	\$ 464,428,808	\$ 133,615,650	40%	66%

FY22 of the same period. Table 1 also shows 17 industries that reported a year-over-year (YOY) increase. The largest increase came from the construction industry, which posted a YOY increase of \$65M or 58%.

Gross receipts tax (GRT) revenue collections increased by \$80K, or 1.4%, from Q3 FY22 to Q4 FY22, shown in Chart 4. From FY21 to FY22 annual GRT collections increased by \$8.1M or 46%. Since FY13 annual GRT collections have averaged \$13M or \$12M less than the amount collected during FY22 (\$25M).

Chart 3. Annual Total GRT Revenue Collections

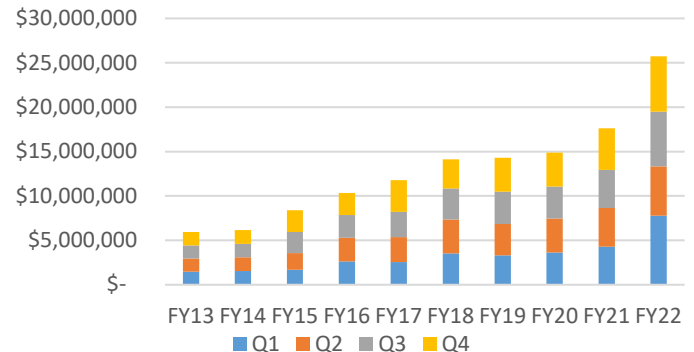


Chart 4. Quarterly GRT Revenue Collections

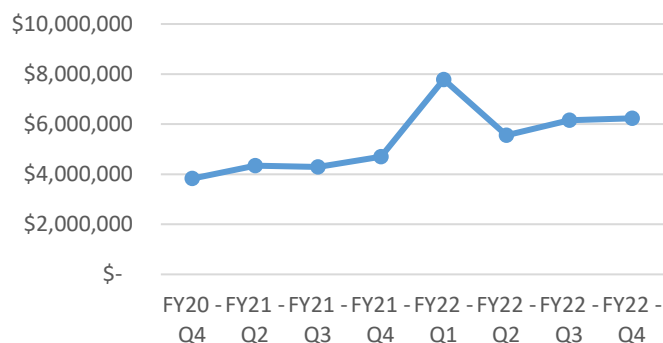
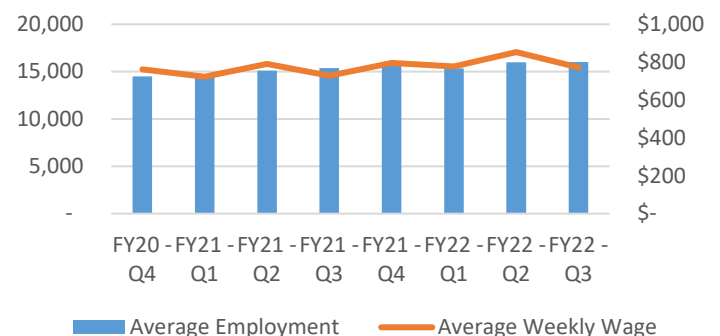


Chart 5. Total Employment & Weekly Wage

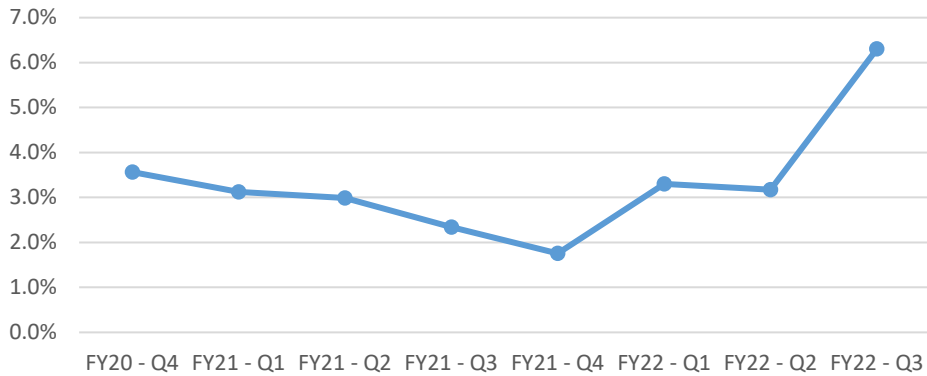


Quarterly Economic Summary

Valencia County



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 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. FY22 - Q3 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	1,434	3.8%	\$ 360	10.1%	95	0.0%
Administrative/Support & Waste Management/Remediation	314	19.8%	\$ 656	4.6%	68	17.2%
Agriculture, Forestry, Fishing, and Hunting	201	6.9%	\$ 536	-7.9%	24	0.0%
Arts, Entertainment, and Recreation	97	2.1%	\$ 452	3.2%	19	11.8%
Construction	1,969	1.3%	\$ 1,146	6.9%	198	7.6%
Educational Services	1,960	4.8%	\$ 800	6.8%	34	0.0%
Finance and Insurance	246	4.2%	\$ 937	14.3%	62	0.0%
Health Care and Social Assistance	2,726	2.5%	\$ 510	-1.5%	396	9.1%
Information	180	17.6%	\$ 2,738	-8.7%	16	14.3%
Management of Companies and Enterprises	69	7.8%	\$ 1,037	-0.8%	10	0.0%
Manufacturing	752	-4.1%	\$ 1,072	15.5%	45	-4.3%
Mining, Quarrying, and Oil and Gas Extraction	18	-10.0%	\$ 1,026	5.2%	5	0.0%
Other Services (except Public Administration)	253	11.9%	\$ 613	-0.3%	82	13.9%
Professional, Scientific, and Technical Services	333	6.7%	\$ 1,020	13.5%	99	8.8%
Public Administration	985	-0.4%	\$ 939	-13.1%	79	1.3%
Real Estate and Rental and Leasing	108	0.9%	\$ 507	16.3%	52	15.6%
Retail Trade	2,788	1.9%	\$ 603	11.7%	148	-1.3%
Transportation and Warehousing	1,359	22.9%	\$ 934	16.8%	60	7.1%
Utilities	127	-8.0%	\$ 1,040	5.4%	14	0.0%
Wholesale Trade	92	-8.9%	\$ 1,024	29.0%	29	16.0%
All Industries	16,011	4.2%	\$ 772	5.9%	1,535	6.3%

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