

Quarterly Economic Summary

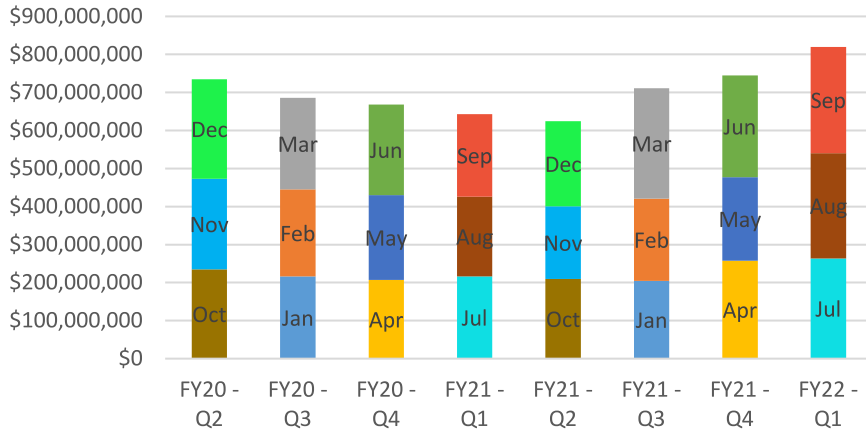
San Juan County

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Chart 1. Matched Taxable Gross Receipts Per Quarter

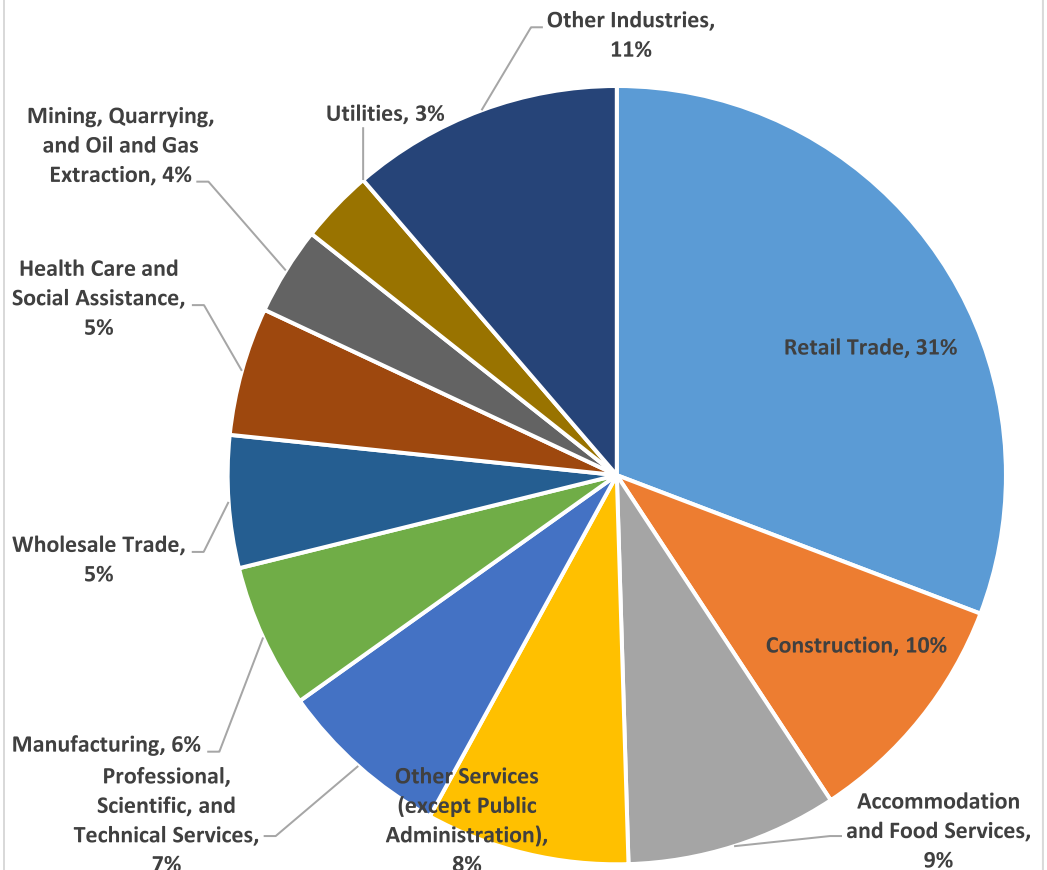


Twenty-nine of 33 counties saw significant economic growth year over year in the first quarter of FY22. The four counties experiencing gross receipts declines had major construction projects wrap up, skewing those results. COVID-19 continues to pose supply chain threats, and high levels of transmission and new variants create additional risks to New Mexicans and the economy, but this economic upswing and recent forecasts continue to show a strong rebound across most sectors, exceeding pre-pandemic numbers from two years ago.

San Juan County's matched taxable gross receipts (MTGR) reached an eight-quarter high during Q1 FY22, reporting \$819.8M, shown in Chart 1. From Q4 FY21 to Q1 FY22, MTGR increased by \$75M or 10%. When comparing MTGR, Q1 of FY22 is most comparable to Q4 FY05, when San Juan County reported \$4.3M less MTGR. Table 1, on the next page, shows an increase of \$176.8M from Q1 in FY21 to FY22 of the same period. Table 1 also

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.

Chart 2. FY22 - Q1 Industry Size by Matched Taxable Gross Receipts



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Table 1. FY22 - Q1 Matched Taxable Gross Receipts by Industry

Industries	FY22 - Q1	YOY Growth	YOY % Change	2-Year % Change
Accommodation and Food Services	\$ 70,645,391	\$ 19,135,230	37%	31%
Administrative/Support & Waste Management/Remediation	\$ 12,546,996	\$ 3,100,442	33%	23%
Agriculture, Forestry, Fishing, and Hunting	\$ 819,373	\$ (18,421)	-2%	-13%
Arts, Entertainment, and Recreation	\$ 2,600,722	\$ 1,640,695	171%	4%
Construction	\$ 79,955,739	\$ 15,902,152	25%	-19%
Educational Services	\$ 1,157,461	\$ 596,767	106%	34%
Finance and Insurance	\$ 4,159,632	\$ 1,524,900	58%	32%
Health Care and Social Assistance	\$ 42,868,578	\$ 7,065,067	20%	27%
Information	\$ 22,146,925	\$ 5,278,105	31%	-24%
Management of Companies and Enterprises	\$ 146,447	\$ (277,701)	-65%	-36%
Manufacturing	\$ 48,306,247	\$ 7,491,880	18%	42%
Mining, Quarrying, and Oil and Gas Extraction	\$ 29,440,454	\$ 13,958,456	90%	-50%
Other Services (except Public Administration)	\$ 68,037,467	\$ 15,176,110	29%	2%
Professional, Scientific, and Technical Services	\$ 57,617,989	\$ 9,295,325	19%	-6%
Public Administration	\$ 8,018,520	\$ 8,018,520	N/A	N/A
Real Estate and Rental and Leasing	\$ 17,607,669	\$ 6,492,317	58%	-59%
Retail Trade	\$ 247,582,824	\$ 38,684,871	19%	25%
Transportation and Warehousing	\$ 14,207,014	\$ 3,732,754	36%	-7%
Unclassified Establishments	\$ 7,594,382	\$ 6,397,532	535%	161%
Utilities	\$ 24,561,198	\$ 860,185	4%	1%
Wholesale Trade	\$ 44,201,832	\$ 20,490,976	86%	24%
All Industries	\$ 819,847,811	\$ 176,796,089	27%	3%

shows 18 industries that reported a year over year (YOY) increase. The largest increase came from the retail trade industry, which posted a YOY increase of \$38.7M or 19%.

Gross receipts tax (GRT) revenue collections increased by \$4.6M, or 46%, from Q4 FY21 to Q1 FY22, seen in Chart 4.

Chart 5 shows average weekly wages increased by \$31/week while average employment increased by 1,821 from Q3 to Q4 of FY21.

Chart 3. Annual Total GRT Revenue Collections

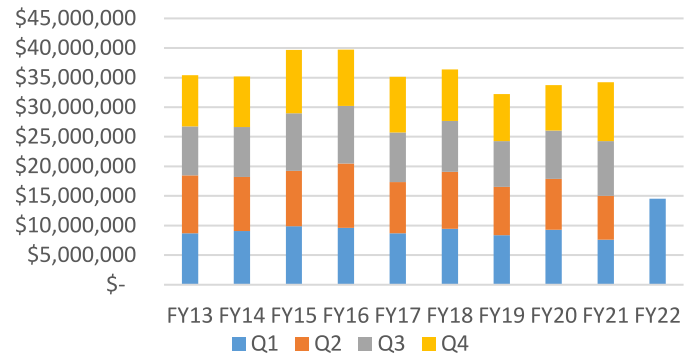


Chart 4. Quarterly GRT Revenue Collections

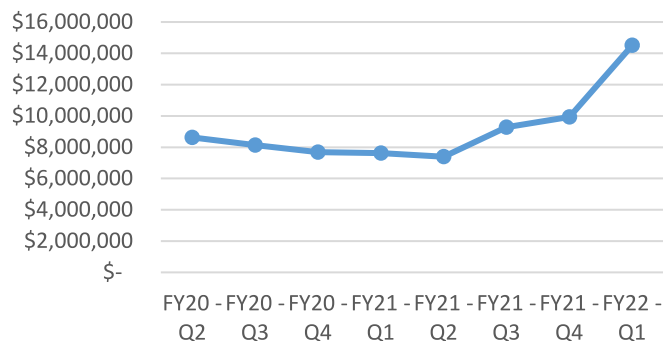
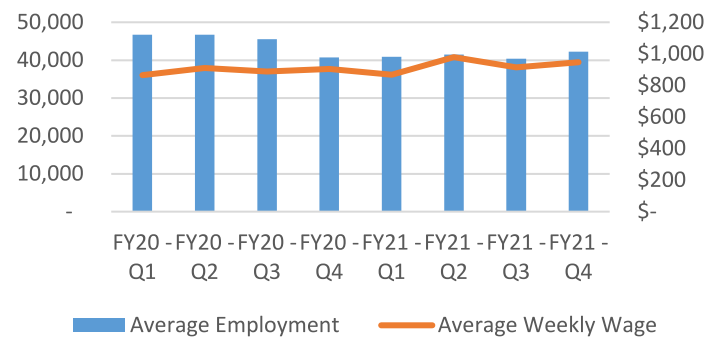


Chart 5. Total Employment & Weekly Wage

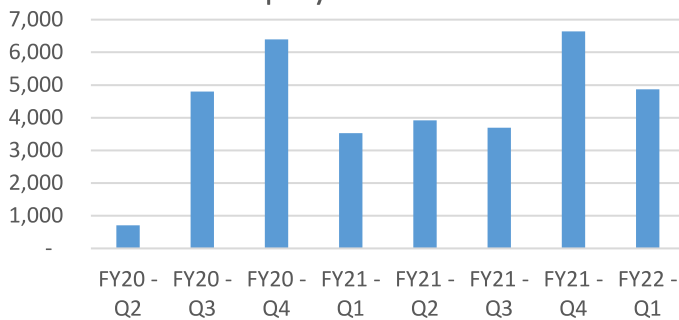


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Chart 6. Quarterly Initial Unemployment Claims



*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. Claims that were filed last year, when the pandemic first started, have expired and claimants need to reapply if they are still unemployed.

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 - Q4 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
		Average	Average		Average	Average		
Accommodation and Food Services	4,260	30.1%	\$ 379	14.2%	226	-0.9%		
Administrative/Support & Waste	1,031	-4.5%	\$ 686	1.0%	133	0.8%		
Agriculture, Forestry, Fishing, and Hunting	499	5.5%	\$ 683	-0.9%	16	6.7%		
Arts, Entertainment, and Recreation	992	25.7%	\$ 614	-3.8%	45	-2.2%		
Construction	2,914	-12.9%	\$ 1,040	-0.2%	259	-3.4%		
Educational Services	4,563	-2.0%	\$ 998	9.9%	41	-6.8%		
Finance and Insurance	736	-3.8%	\$ 1,009	9.9%	118	-3.3%		
Health Care and Social Assistance	7,707	5.5%	\$ 1,047	13.7%	392	-4.9%		
Information	248	-4.2%	\$ 799	-2.2%	35	2.9%		
Management of Companies and Enterprises	148	-39.8%	\$ 692	-21.6%	25	4.2%		
Manufacturing	945	7.3%	\$ 944	-5.6%	82	-4.7%		
Mining, Quarrying, and Oil and Gas Extraction	3,654	-1.1%	\$ 1,518	3.8%	171	-6.6%		
Other Services (except Public Administration)	1,155	7.3%	\$ 778	3.3%	224	1.4%		
Professional, Scientific, and Technical Services	858	-3.7%	\$ 983	11.1%	222	-5.5%		
Public Administration	2,803	-6.5%	\$ 1,033	11.6%	92	-2.1%		
Real Estate and Rental and Leasing	348	-3.1%	\$ 791	5.7%	119	-0.8%		
Retail Trade	5,657	17.7%	\$ 653	12.6%	391	6.5%		
Transportation and Warehousing	1,013	-1.5%	\$ 987	4.3%	108	0.9%		
Utilities	1,214	1.4%	\$ 1,836	8.3%	33	13.8%		
Wholesale Trade	1,456	-6.6%	\$ 1,153	-2.5%	166	-4.0%		
All Industries	42,201	3.7%	\$ 946	4.6%	2,898	-1.4%		

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