



# TAOS ECONOMIC REPORT

A Public Service Project of the Taos County Chamber of Commerce

## Economic Indicators and Statistics - 2nd - Quarter 2009

### GROSS RECEIPTS

New Mexico is one of a few states that levies a tax on most business and personal services, including construction. The broadly - based statistic of gross receipts reported provides a good measure of economic trends. It is especially useful because it is a tabulation rather than an estimate and normally is the first economic statistic reported.

**Table 1. Gross Receipts Reported, Taos County, NM, 2008, \$**

Table 1 Shows gross receipts reported in 2008 for the major industrial sectors of North America Industry Classification System (NAICS).

NAICS Industry Sector	2008	% 08
Agriculture, Forestry & Hunting	2,214,963	0.2%
Mining & Oil Gas Extraction	*	
Utilities	47,441,068	5.3%
Construction	155,197,241	17.4%
Manufacturing	24,731,227	2.8%
Wholesale Trade	32,181,113	3.6%
Retail Trade	310,694,851	34.8%
Transportation & Warehousing	3,954,554	0.4%
Information & Cultural Industries	20,339,149	2.3%
Finance & Insurance	6,833,860	0.8%
Real Estate & Rental & Leasing	19,110,871	2.1%
Professional, Scientific & Technical Serv	31,907,419	3.6%
Mgmnt of Companies and Enterprises		
Admin & Support, Waste Mgt. & Remed.	8,749,824	1.0%
Educational Services	1,532,626	0.2%
Health Care & Social Assistance	36,487,282	4.1%
Arts, Entertainment & Recreation	5,319,680	0.6%
Accommodations & Food Services	94,444,439	10.6%
Other Services, Except Public Admin	78,614,845	8.8%
Public Administration		
Unclassified Establishments	2,057,583	0.2%
<b>Totals</b>	<b>892,881,081</b>	

\* Data withheld due to disclosure guidance.

■ Decrease from the previous reporting period.

Source New Mexico Taxation & Revenue Department, Quarterly RP-80 annualized.

As shown in Table 1, Retail Trade dominates the gross receipts reported statistic in Taos County, at 34.8% of the total. Services (defined for this report as the sum of the ten industries Professional, Scientific and Technical Services through Unclassified Establishments) follows at 29.0%. Other large industries not a part of services include Construction at +17.4%.

"Services"	2008	% of Total
Gross Receipts Reported	259,113,698	29.0%

**Table 2. Gross Receipts Reported, Taos County, NM, Recent Quarters**

Table 2 Shows gross receipts reported by quarters and annually since 2005.

Qtr / Yr	Rpt Gr Receipts	% Cg f/Prv Pd	% Cg CPI (U)	% Cg Adj
1st / 05	<b>191,419,875</b>	<b>-1.9%</b>	3.0%	<b>-4.9%</b>
2nd / 05	196,992,325	4.8%	2.9%	1.9%
3rd / 05	222,352,540	11.3%	3.8%	7.5%
4th / 05	240,136,496	13.5%	3.7%	9.8%
<b>2005</b>	<b>850,901,236</b>	<b>7.1%</b>	<b>3.4%</b>	<b>3.7%</b>
1st / 06	209,217,561	9.3%	3.6%	5.7%
2nd / 06	234,549,916	19.1%	4.0%	15.1%
3rd / 06	228,702,200	2.9%	3.3%	<b>-0.4%</b>
4th / 06	240,675,635	0.2%	1.9%	<b>-0.4%</b>
<b>2006</b>	<b>913,145,312</b>	<b>7.3%</b>	<b>3.2%</b>	<b>4.1%</b>
1st / 07	<b>199,541,070</b>	<b>-4.6%</b>	2.4%	<b>-7.0%</b>
2nd / 07	<b>216,117,299</b>	<b>-7.9%</b>	2.7%	<b>-10.6%</b>
3rd / 07	<b>220,648,518</b>	<b>-3.5%</b>	2.4%	<b>-5.9%</b>
4th / 07	<b>236,049,011</b>	<b>-1.9%</b>	4.0%	<b>-5.9%</b>
<b>2007</b>	<b>872,355,898</b>	<b>-4.5%</b>	<b>2.9%</b>	<b>-7.4%</b>
1st / 08	211,947,232	6.2%	4.1%	2.1%
2nd / 08	<b>215,914,322</b>	<b>-0.1%</b>	4.0%	<b>-4.1%</b>
3rd / 08	228,952,013	3.8%	5.3%	<b>-1.5%</b>
4th / 08	<b>236,067,514</b>	0.0%	4.0%	<b>-4.0%</b>
<b>2008</b>	<b>892,881,081</b>	<b>2.4%</b>	<b>3.8%</b>	<b>-1.4%</b>
1st / 09	<b>203,092,072</b>	<b>-4.2%</b>	0.0%	<b>-4.2%</b>
2nd / 09	<b>201,079,528</b>	<b>-6.9%</b>	<b>-1.2%</b>	<b>-5.7%</b>
3rd / 09	-			
4th / 09	-			
<b>2009</b>				

■ Decrease from the previous reporting period.

Source: New Mexico Taxation & Revenue Department, Quarterly RP-80 annualized.

The four year average growth rate is 3.1%. The third and fourth quarters of 2005 and second quarter of 2006 all experienced double digit growth rates. 2007 suffered four consecutive quarters of negative growth. When adjusted for inflation by applying the Consumer Price Index (Urban) ten of the past eleven quarters experienced a negative growth rate. A negative percentage change over the same time in the previous year for two consecutive quarters defines a "recession". The previous recession in recent times was for the middle quarters of 1997.

Of note is the negative percentage change (-1.2%) in the CPI (Consumer Price Index) Urban for the second quarter of 2009. The application of the negative percentage change reduces the loss from (-6.9%) to (-5.7%).

**Table 3. Gross Receipts Reported, Dollars, Taos County, New Mexico, First Quarter 2005 Through 2009**

Table number three compares gross receipts reported in the Second Quarters of 2005 through 2009 for the major industrial sectors of the North American Industry Classification System (NAICS).

NAICS Industry Sector	2nd Quarter					\$ Change 2nd Qtr 08/09	% Change 2nd Qtr 08/09
	2005	2006	2007	2008	2009		
Agriculture, Forestry & Hunting	623,744	<b>595,097</b>	<b>421,615</b>	760,948	<b>472,763</b>	<b>(288,185)</b>	<b>-37.9%</b>
Mining & Oil Gas Extraction	*	*	227,414	3,580,132	*		
Utilities	8,333,345	8,977,506	11,231,923	<b>10,864,193</b>	<b>9,081,815</b>	<b>(1,782,378)</b>	<b>-16.4%</b>
Construction	<b>31,006,870</b>	46,686,065	<b>35,386,962</b>	<b>31,814,471</b>	<b>27,913,019</b>	<b>(3,901,452)</b>	<b>-12.3%</b>
Manufacturing	<b>5,871,524</b>	6,538,792	<b>6,175,116</b>	7,528,568	<b>6,287,872</b>	<b>(1,240,696)</b>	<b>-16.5%</b>
Wholesale Trade	<b>7,218,651</b>	14,148,234	10,783,311	<b>7,550,430</b>	8,605,613	1,055,183	14.0%
Retail Trade	70,156,325	79,680,249	<b>76,327,759</b>	76,706,665	<b>74,243,576</b>	<b>(2,463,089)</b>	<b>-3.2%</b>
Transportation & Warehousing	1,794,577	<b>586,025</b>	604,582	1,659,313	<b>490,675</b>	<b>(1,168,638)</b>	<b>-70.4%</b>
Information & Cultural Industries	<b>3,327,659</b>	4,242,041	4,949,179	<b>3,086,307</b>	4,870,582	1,784,275	57.8%
Finance & Insurance	<b>742,037</b>	1,685,599	1,727,234	<b>1,594,500</b>	<b>1,102,964</b>	<b>(491,538)</b>	<b>-30.8%</b>
Real Estate & Rental & Leasing	5,977,679	6,004,245	<b>4,242,811</b>	4,293,338	<b>3,505,101</b>	<b>(788,237)</b>	<b>-18.4%</b>
Professional, Scientific & Technical Services	5,022,546	7,288,416	<b>6,908,338</b>	8,714,073	9,261,765	547,692	6.3%
Management of Companies and Enterprises	*			*			
Admin & Support, Waste Mgt. & Remed.	387,362	656,573	1,871,916	2,199,250	<b>2,086,492</b>	<b>(112,758)</b>	<b>-5.1%</b>
Educational Services	399,627	411,857	483,481	<b>479,220</b>	<b>451,719</b>	<b>(27,501)</b>	<b>-5.7%</b>
Health Care & Social Assistance	8,402,254	9,883,686	<b>8,762,629</b>	8,880,859	9,179,979	299,120	3.4%
Arts, Entertainment & Recreation	1,275,588	1,389,935	1,485,497	1,668,507	<b>1,158,386</b>	<b>(510,121)</b>	<b>-30.6%</b>
Accommodations & Food Services	17,927,712	21,858,568	<b>19,893,384</b>	23,541,636	<b>22,935,234</b>	<b>(606,402)</b>	<b>-2.6%</b>
Other Services, Except Public Administration	27,189,566	<b>23,579,749</b>	24,241,158	<b>20,704,725</b>	<b>18,414,974</b>	<b>(2,289,751)</b>	<b>-11.1%</b>
Public Administration	*	*	*				
Unclassified Establishments	1,280,101	<b>232,302</b>	371,555	<b>284,918</b>	974,555	689,637	242.0%
<b>TOTALS</b>	<b>196,992,325</b>	<b>234,549,916</b>	<b>216,117,299</b>	<b>215,914,322</b>	<b>201,079,528</b>	<b>(14,834,794)</b>	<b>-6.9%</b>

\* Data withheld due to disclosure guidance.

■ Decrease from the previous reporting period.

Source: New Mexico Taxation & Revenue Department, Quarterly RP-80.

"Services"	2005	2006	2007	2008	2009	\$ Change 2nd Qtr 08/09	% Change 2nd Qtr 08/09
Gross Receipts Reported	61,884,756	65,301,086	<b>64,017,958</b>	66,473,188	<b>64,463,104</b>	<b>(2,010,084)</b>	<b>-3.0%</b>
Percentage of Gross Receipts Reported	31.4%	<b>27.8%</b>	29.6%	30.8%	32.1%		
% of Gain / Loss from previous reporting period		5.5%	<b>-2.0%</b>	3.8%	<b>-3.0%</b>		

Gross receipts reported had a negative (-6.9%) growth rate in the second quarter 2009. Four of the largest five industry sectors had a negative growth rate. Construction (13.9% of the total) lost -\$3,901,452. (-12.3%). Retail Trade (36.9% of the total) lost -\$2,463,089 (-3.2%). Other Services Except Public Administration (9.2% of the total) lost -\$2,289,751. (-11.1%). Accommodations and Food Services (11.4% of the total) lost -\$606,402. (-2.6%). Two industry sectors tied for the fifth position at (4.6% of the total). Professional, Scientific and Technical Services gained a modest \$547,692. and Health Care and Social Assistance gained a lesser amount \$299,120.

Tables number 4 and 5 lists the "Top Ten" sectors that either gained or lost in quarterly gross receipts reported. For recent reports, the lists of gainers and losers both have been dominated by a single industry. For example second quarter 2009 GROCERY STORES had the largest gain \$5,345,789. and MISCELLANEOUS STORE RETAILERS, an industry that is reportedly dominated by WAL-MART had the largest loss of -\$4,625,601. Accordingly these two large industries are not included in the lists.

NAICS Code	NAICS Industry Sector	2nd Quarter 2008	2nd Quarter 2009	Dollar Difference 2008 - 2009	% Diff 08 - 09
445100	Grocery Stores	34,307,264	39,653,053	5,345,789	15.6%
453000	Other Miscellaneous Store Retailers	17,808,095	13,182,494	(4,625,601)	-26.0%

**Table 4. Top NAICS Ten Industry Gainers via Sector in Gross Receipts Reported, Dollars, Second Quarter, 2008 to 2009**

Table 4 shows Top Ten industries that had the largest dollar gain in gross receipts reported for the second quarter 2009.

NAICS Code	NAICS Industry Sector	2nd Quarter 2008	2nd Quarter 2009	Dollar Diff 2008 -2009	% Diff 08 - 09	% of Gain Ttl
513300	Telecommunications	2,727,872	4,083,103	1,355,231	49.7%	21.3%
421990	Other Miscellaneous Durable Goods Wholesalers	3,919,778	4,666,772	746,994	19.1%	11.7%
234100	Highway, Street, Bridge and Tunnel Construction	2,345,381	3,083,675	738,294	31.5%	11.6%
422990	Other Miscellaneous Nondurable Goods Wholesalers	466,679	1,088,016	621,337	133.3%	9.8%
235310	Electrical Contractors	569,319	1,153,170	583,851	102.6%	9.2%
452110	Department Stores	9,473	583,964	574,491	6064.5%	9.0%
234900	Other Heavy Construction	429,248	998,246	568,998	132.6%	8.9%
722110	Full Service Restaurants	11,169,034	11,582,078	413,044	3.7%	6.5%
541213	Tax Preparation Service	120,724	513,391	392,667	325.3%	6.2%
711510	Independent Artists, Writers and Performers	371,329	744,319	372,990	100.4%	5.9%
<b>Totals</b>		<b>22,128,837</b>	<b>28,496,734</b>	<b>6,367,897</b>	<b>28.8%</b>	

Three industries accounted for 72.5% of the total gains in the Top Ten: Construction at 29.7% (mostly large government facilities), Wholesale Trade at 21.5% and Telecommunications at 21.3%. Telecommunications had by far the largest dollar increase at \$1,355,231. Research on the Department Stores entry suggest that the value reported is an error of some type and should be ignored. That industry consistently has had relatively minor changes over time at roughly a \$600,000. level for previous second quarter reporting periods.

**Table 5. Top NAICS Ten Industry Losers via Sector in Gross Receipts Reported, Dollars, Second Quarter, 2008 to 2009**

Table 5 shows Top Ten industries that had the largest dollar loss in gross receipts reported for the second quarter 2009.

NAICS Code	NAICS Industry Sector	2nd Quarter 2008	2nd Quarter 2009	Dollar Diff 2008 -2009	% Diff 08 - 09	% of Loss Ttl
233000	Building, Developing and General Contracting	16,796,865	12,910,030	(3,886,835)	-23.1%	27.1%
810000	Other Services (Except Public Administration)	15,399,450	12,210,964	(3,188,486)	-20.7%	22.2%
221210	Natural Gas Distributors	3,292,630	1,883,468	(1,409,162)	-42.8%	9.8%
484000	Truck Transportation	1,285,859	36,613	(1,249,246)	-97.2%	8.7%
531000	Real Estate	3,251,269	2,099,177	(1,152,092)	-35.4%	8.0%
447100	Gasoline Stations	2,580,246	1,799,757	(780,489)	-30.2%	5.4%
722300	Special Food Services (Includes Food Service Contracting and Catering)	4,090,538	3,332,404	(758,134)	-18.5%	5.3%
339900	Other Miscellaneous Manufacture	2,680,962	2,000,437	(680,525)	-25.4%	4.7%
444100	Building Material and Supply Dealers	5,094,286	4,476,121	(618,165)	-12.1%	4.3%
721000	Accommodations	5,064,233	4,450,258	(613,975)	-12.1%	4.3%
<b>Totals</b>		<b>59,536,338</b>	<b>45,199,229</b>	<b>(14,337,109)</b>	<b>-24.1%</b>	

Two industry sectors accounted for 49.3% of the total Losers. Building, Developing and General Contracting (27.1% of the total) lost -\$3,886,835 (-23.1%). Other Services (except Public Administration), (22.2% of the total) lost -\$3,188,486. (-20.7%).

**Dollar difference between 2nd quarter 2009 Winners and Losers (7,969,212)**

Notably of local interest is the Art Dealers and the Automobile Dealers sector of the Retail Trade industry. The loss of -\$194,258. and -\$366,147. respectively did not qualify for placement with the Top Ten Losers, however the percentage change is significant.

NAICS Code	NAICS Industry Sector	2nd Quarter 2008	2nd Quarter 2009	Dollar Difference 2008 - 2009	% Diff 08 - 09
453920	Art Dealers	761,466	567,208	(194,258)	-25.5%
441100	Automobile Dealers	988,980	622,833	(366,147)	-37.0%

Although Tourism is not a defined industry, it can be measured by proxy industries. As shown in Table 6, the appropriate large proxies under the new NAICS format are four: AMUSEMENTS GAMBLING & RECREATION, ACCOMMODATIONS, FULL-SERVICE RESTAURANTS and DRINKING PLACES.

**Table 6. Tourism Indicator, from Gross Receipts Reported, Dollars, Taos County, New Mexico**

Amusements, Gambling & Recreation	Accommodations	Full - Service Restuarants	Drinking Places	Tourism Total	\$ Change from Previous Reporting Period	% Change from Previous Reporting Period

2nd Qtr

2004	548,407	7,168,407	10,130,410	1,487,331	19,334,555	723,863	3.6%
2005	567,270	6,709,376	8,545,279	1,591,169	17,413,094	(1,921,461)	-9.9%
2006	521,243	6,645,113	11,367,542	1,600,252	20,134,150	2,721,056	15.6%
2007	556,922	5,450,546	9,929,107	1,643,383	17,579,958	(2,554,192)	-12.7%
2008	566,407	5,064,233	11,169,034	1,305,696	18,105,370	525,412	3.0%
2009	166,531	4,450,258	11,582,078	1,349,755	17,548,622	(566,748)	-3.1%

1ST AND 2ND QUARTER TOURISM TOTALS

2004	1,482,132	15,109,212	19,598,722	4,312,102	40,502,168		
2005	1,515,012	14,055,529	16,021,043	4,477,990	36,069,574	(4,432,594)	-10.9%
2006	1,438,211	12,315,746	18,431,914	3,773,948	35,959,819	(109,755)	-0.3%
2007	1,625,859	11,031,234	19,998,253	4,381,122	37,036,468	1,076,649	3.0%
2008	1,362,364	10,018,355	21,122,705	4,969,680	37,473,104	436,636	1.2%
2009	2,309,564	9,351,717	20,830,782	3,733,258	36,225,321	(1,247,783)	-3.3%

Decrease from the previous reporting period.

Source: New Mexico Taxation & Revenue Department, Quarterly RP-80.

Second Quarter 2009 had a 3.1% loss in the Tourism Indicator and one proxy industry had a notable loss. Amusements, Gambling and Recreation reported a loss of \$166,311 versus a gain of \$566,407 for Second Quarter 2008. The total for that industry 2009 so far (combining the two quarters 2008 - 2009 ski season), resulted in an overall gain of \$2,309,584 or 70%. That industry apparently benefited from good snowfall for skiing and inclusion of snowboarding in winter sports at Taos Ski Valley. The other three tourism proxy industries all fell, for the first time in reporting this series.

Table 7. Residential Property Sold, Multiple Listing Service, Greater Taos, Area, New Mexico

Table 7 presents data on residential property statistics published quarterly by the Taos County Association of Realtors

2nd Qtr	LISTINGS		DOLLAR VOLUME		AVERAGE PRICE		MEDIAN PRICE		DAYS ON MKT	
	#	% Chg	Dollar	% Chg	Dollar	% Chg	Dollar	% Chg	#	% Chg
2000	62		12,988,761		147,091		130,000		348	
2001	90	45.2%	16,046,276	23.5%	178,291	21.2%	158,750	22.1%	251	-27.9%
2002	88	-2.2%	17,861,306	11.3%	202,969	13.8%	175,000	10.2%	246	-2.0%
2003	89	1.1%	19,365,530	8.4%	217,590	7.2%	206,000	17.7%	353	43.5%
2004	91	2.2%	21,035,970	8.6%	231,164	6.2%	205,000	-0.5%	241	-31.7%

2005	110	20.9%	29,746,458	41.4%	270,422	17.0%	257,500	25.6%	211	-12.4%
2006	140	27.3%	41,262,337	38.7%	294,731	9.0%	264,450	2.7%	261	23.7%
2007	91	-35.0%	27,809,655	-32.6%	305,601	3.7%	263,000	-0.5%	298	14.2%
2008	57	-37.4%	11,505,375	-58.6%	207,849	-32.0%	197,000	-25.1%	346	16.1%
2009	71	24.6%	15,448,050	34.3%	217,575	4.7%	185,500	-5.8%	397	14.7%

**1ST AND 2ND QUARTER PROPERTY STATISTICS TOTALS**

2nd Qtr	LISTINGS		DOLLAR VOLUME		AVERAGE PRICE		MEDIAN PRICE		DAYS ON MKT	
	#	% Chg	Dollar	% Chg	Dollar	% Chg	Dollar	% Chg	#	% Chg
2000	103		20,611,401		166,505		142,500		284	
2001	122	18.4%	21,527,376	4.4%	174,788	5.0%	156,875	10.1%	235	-17.3%
2002	147	20.5%	31,220,806	45.0%	214,701	22.8%	170,250	8.5%	275	16.8%
2003	161	9.5%	38,582,930	23.6%	242,249	12.8%	221,625	30.2%	341	24.2%
2004	161	0.0%	36,192,492	-6.2%	223,843	-7.6%	192,750	-13.0%	277	-18.8%
2005	201	24.8%	57,294,878	58.3%	286,576	28.0%	263,750	36.8%	260	-6.1%
2006	243	20.9%	73,942,490	29.1%	306,007	6.8%	271,725	3.0%	259	-0.4%
2007	179	-26.3%	59,478,695	-19.6%	332,738	8.7%	293,950	8.2%	310	19.7%
2008	135	-24.6%	40,967,950	-31.1%	292,787	-12.0%	250,375	-14.8%	322	3.9%
2009	115	-14.6%	26,443,705	-35.3%	233,738	-20.2%	207,750	-17.0%	397	23.3%

Decrease or other negative.

Source: Taos County Association of Realtors, information deemed reliable but not guaranteed.

Second Quarter 2009 had significant gains in number of residential listings (+24.6%), dollar volume of sales (+34.3%) and average sales (+4.7%). On the negative side, median sales price fell (-5.8%) and average days on market grew (+14.7%). For 2009 so far (sum of first two quarters), all parameters were negative, with dollar volume falling by -35.3%. Since the 2006 high, dollar volume has fallen by -64.2%.