

## GENERAL FUND CONSENSUS REVENUE ESTIMATE

The Consensus Revenue Estimating Group (CREG), comprising the Legislative Finance Committee (LFC), Department of Finance and Administration (DFA), Taxation and Revenue Department (TRD), and Department of Transportation (DOT), reached consensus on the revenue estimates presented in this brief. The table below presents a reconciliation of recurring revenues through the current revenue estimating cycle.

**DATE:** December 9, 2019

**PREPARED BY:** Dawn Iglesias, Chief Economist, and Ismael Torres, Economist

<b>December 2019 Consensus General Fund Recurring Revenue Outlook</b>				
(in millions)				
	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>
August 2019 Consensus	\$7,923.7	\$7,780.1	\$7,991.4	\$8,334.0
December 2019 Adjustments	\$85.8	(\$3.7)	(\$108.9)	(\$318.9)
December 2019 Consensus	\$8,009.5	\$7,776.4	\$7,882.5	\$8,015.2
Annual amount change	\$1,193.0	(\$233.0)	\$106.1	\$132.6
Annual percent change	17.5%	-2.9%	1.4%	1.7%
Distributions to Tax Stabilization Reserve				
August 2019 Consensus	\$441.4	\$463.9	\$252.8	\$235.3
December 2019 Consensus	\$561.5	\$470.1	\$173.2	\$119.0
Adjustment from Prior	\$120.1	\$6.2	(\$79.6)	(\$116.3)

Note: General fund amounts above do not include oil and gas emergency school tax revenues in excess of the five-year average that are distributed to the tax stabilization reserve.

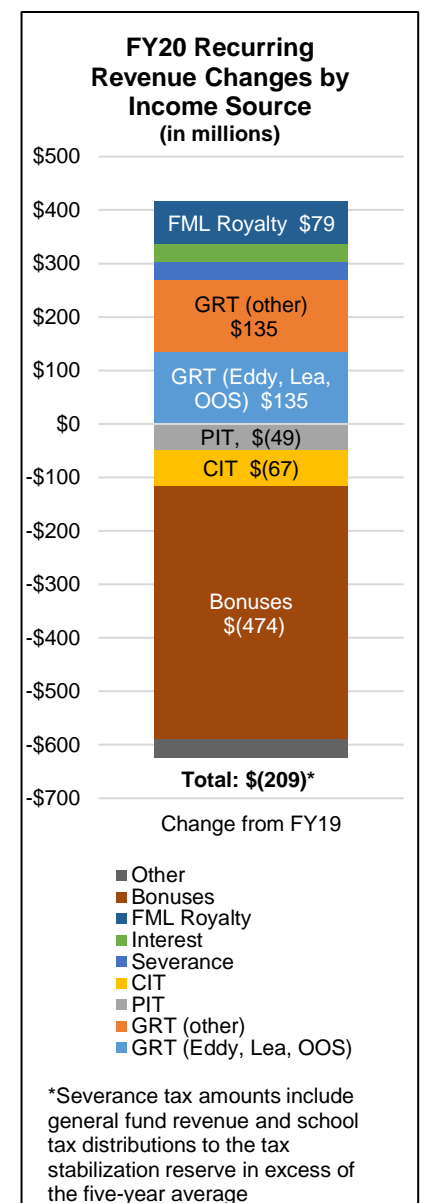
## Summary

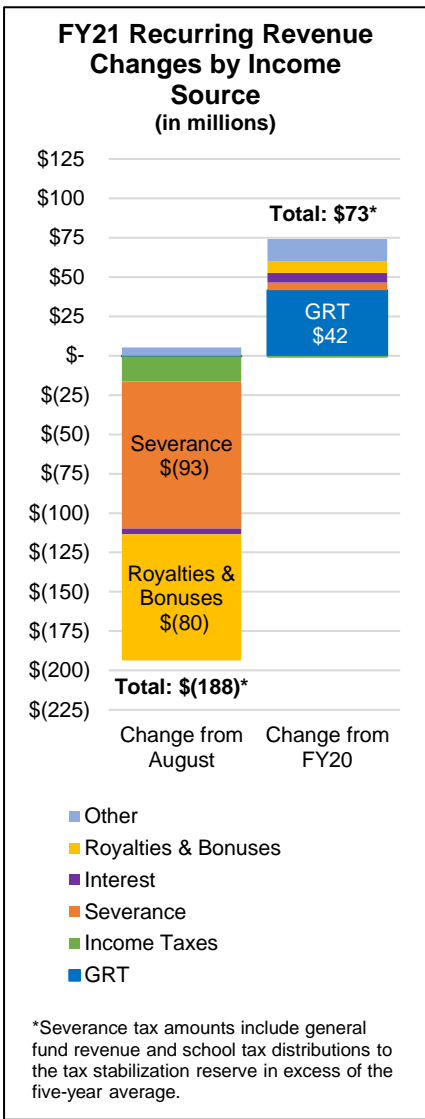
General fund recurring revenues ended FY19 at \$8 billion, up \$85.8 million from the August consensus forecast and \$1.2 billion, or 17.5 percent, from FY18. Most gains above the forecast were in reversions from state agency operating funds and personal income taxes. Without considering energy revenues from severance taxes and federal mineral leasing payments, FY19 recurring revenues were up 11.8 percent from FY18.

Recurring revenues for FY20 are estimated at \$7.78 billion, a decline of \$233 million, or 2.9 percent, from FY19. The decline is due to lower projected bonus payments for federal land lease sales and new personal income tax deductions as part of 2019 legislation. Revenues in FY20 are projected to exceed current expenditures by \$286.6 million.

“New money,” defined as projected recurring revenues for the following fiscal year less current year recurring appropriations, is estimated at \$797 million for FY21, or 11 percent growth from the FY20 recurring budget level.

**General Fund Reserves.** The general fund financial summary shown in Attachment 1 illustrates the impact of the December 2019 revenue estimates on reserve levels. Ending reserve balances for FY19 were \$1.83 billion, or 28.9 percent of recurring appropriations. Prior to any additional spending, ending





balances are projected to reach \$2.4 billion in FY20, or 34 percent of recurring appropriations.

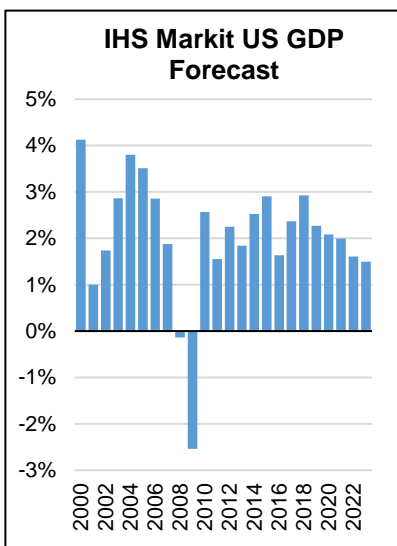
Revenues exceeded expenditures in FY19 by \$395.3 million. The operating reserve cap – which transfers any amount in excess of 8 percent of the prior year’s recurring appropriation – to the tax stabilization reserve was reached, resulting in a \$378.7 million transfer to the tax stabilization reserve (i.e. the “rainy day fund”). Combined with the transfer of excess oil and gas school tax revenue, the ending balance of the rainy day fund at the end of FY19 was \$1.1 billion, or 17.2 percent of FY19 recurring appropriations.

**Revised Oil and Natural Gas Production Projections.** With the extractive industry driving much of the projected revenue growth in August, recent changes in the production outlooks for oil and natural gas resulted in downward revisions to the revenue estimates in FY21 and beyond. New Mexico is on track to produce 350 million barrel in FY20, up 16.4 percent from the 300 million barrels produced in FY19. However, lower expectations for well productivity gains and drilling investment led to a revised FY21 oil production estimate of 360 million barrels, down from the 400 million barrels projected in the August forecast (see *Oil and Gas Industry Impacts* on page 3).

This forecast reduces the FY21 revenues estimate by \$109 million from August and reduces the FY22 estimate by \$319 million. Additionally, less money in excess of the oil and gas school tax five-year average is expected to flow into the tax stabilization reserve (see *Severance Taxes* on page 8). This forecast revised the tax stabilization reserve distribution down by \$80 million in FY21 and down \$116 million in FY22.

## United States and New Mexico Economic Forecast

LFC economists use national data from IHS Global Insight and local data from the University of New Mexico Bureau of Business and Economic Research (BBER) to develop the economic assumptions on which the forecast is based. Selected economic indicators from these forecasts are presented in Attachment 6.



**United States.** National economic growth continued at a moderate pace as seen over the last couple of years, reaching 2.6 percent in FY19. Despite strong employment and income gains, favorable monetary policy, and high levels of consumer confidence, IHS projects a slowdown in U.S. gross domestic product (GDP) growth, downgrading its assumptions for future economic growth to 2 percent in FY20 and eventually falling to 1.5 percent in FY23. A number of factors, including slowed growth in the global economy, decelerating stock markets, fading stimulus of tax cuts and spending increases, tariffs and the U.S.-China trade war, slowing inventory accumulation, and labor capacity constraints, continue to affect the U.S. macroeconomic outlook. Both IHS Markit and Moody’s Analytics – the forecasting service used by DFA – do not include a US recession in their baseline forecast. Yet, current economic conditions suggest a recession could occur in the near-term (see *Recession Risk* discussion on page 13).

**New Mexico.** The Bureau of Economic Analysis estimates New Mexico’s gross state product grew 4.6 percent in the first quarter of 2019, and BBER reports nearly three-quarters of the increase was due to gains in the mining sector. New Mexico’s seasonally adjusted unemployment rate was 4.8 percent in October 2019, down from 4.9 percent in September 2019 and down from 5.0 percent in October 2018,

according to the Department of Workforce Solutions. Much of the state’s recent job growth is driving by oil- and gas-related employment. In October, BBER reported the state added 11,000 jobs in the first quarter of 2019 from the same quarter a year ago, nearly half of which were in Eddy and Lea counties, despite those counties only representing 7 percent of the labor force.

The current employment statistics (CES) survey shows average 2019 employment growth at 1.4 percent, and BBER revised its expectations for growth in New Mexico’s employment for FY20 up by 0.2 percent from the August estimate to 1.7 percent. BBER’s forecast for employment is driven by recent but slowing gains in the oil and gas sector and long-term employment growth by state and local government. The outlook is dependent on sustained growth in public education and construction-heavy capital projects.

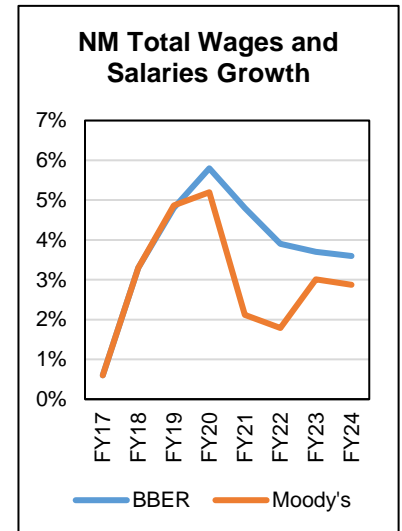
New Mexico’s average weekly earnings are growing at a pace similar to the United States but remain well below the national average due to nearly seven years of stagnation (see Attachment 11). Since 2017, weekly earnings growth in New Mexico has outpaced the nation’s growth by 0.7 percent, narrowing the earnings gap to \$178 per week.

BBER projects personal income in New Mexico to grow 4.8 percent in FY20 and 4.1 percent in FY21, and total wages and salaries are projected to grow 5.8 percent in FY20 and 4.8 percent in FY21. However, forecasts from Moody’s Analytics are less optimistic, projecting 5.2 percent growth in total wages and salaries in FY20 and just 2.1 percent growth in FY21. The diverging outlooks exemplify the susceptibility of the revenue forecast to volatility and uncertainty in the economic forecast.

### Oil and Gas Industry Impacts

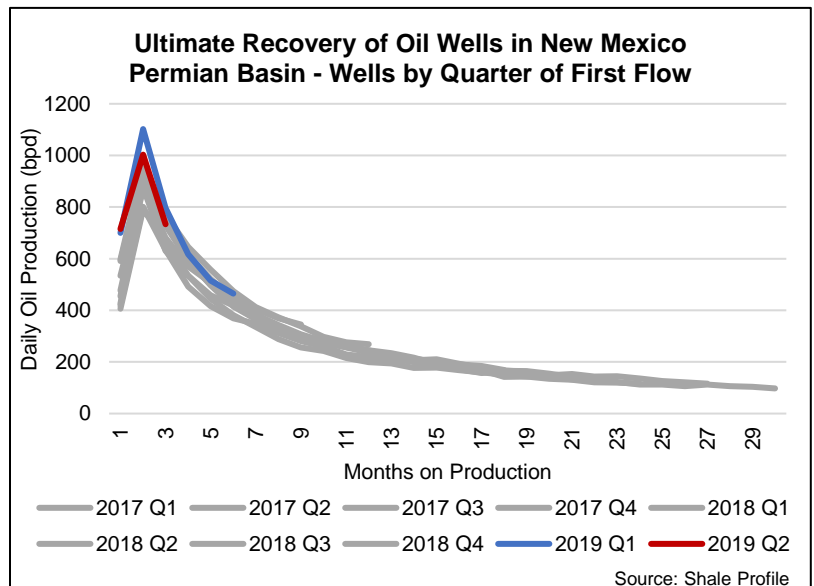
The total recurring revenue estimate of \$7.78 billion in FY20 and the estimated \$797 million available in new money for FY21 are heavily dependent on the oil price and volume expectations in the forecast. Nearly 70 percent of the revenue growth from FY18 to FY19 is tied to the energy industry through severance taxes, rents and royalties, and gross receipts taxes. Of the revenues that are growing in FY20, about 60 percent are tied to oil and gas production and drilling activity.

**Mining Investment Projected to Decline and Well Productivity Gains are Slowing.** From 1980 to 2010, New Mexico’s annual oil production averaged 70 million barrels. Increased drilling activity and rising productivity of new wells pushed New Mexico to produce 300 million barrels in FY19, a 47 percent increase over FY18, and the state is on track to produce 350 million barrels of oil in FY20, an increase of 16.4 percent. However, in the face of stock prices declines, oil companies are focusing on shareholder returns over investment in drilling new wells. Additionally, new data shows oil well productivity in the second quarter of 2019 below that of the previous quarter, indicating a potential slowdown in well productivity gains.

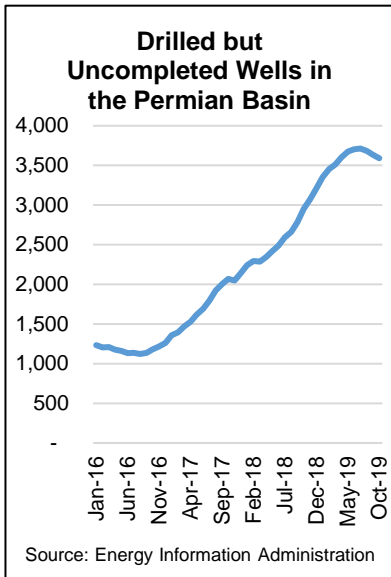


New Mexico Top Oil Producers	1-Year Change in Stock Price
EOG	-31.8%
Occidental	-45.3%
Concho	-42.3%
Devon	-21.4%
Cimarex	-43.1%
ExxonMobil	-13.7%
Matador	-38.1%
Chevron	-0.6%
Apache	-46.5%
Marathon	-28.4%

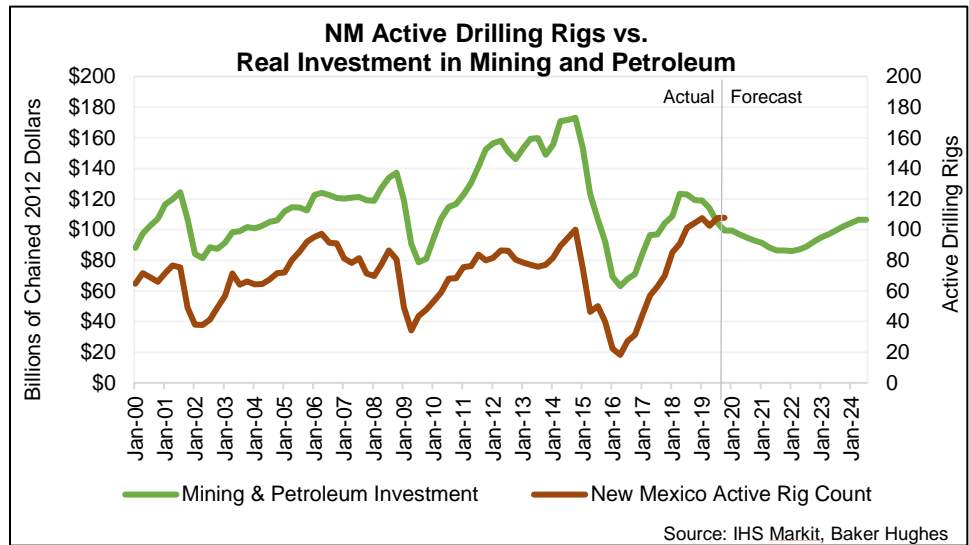
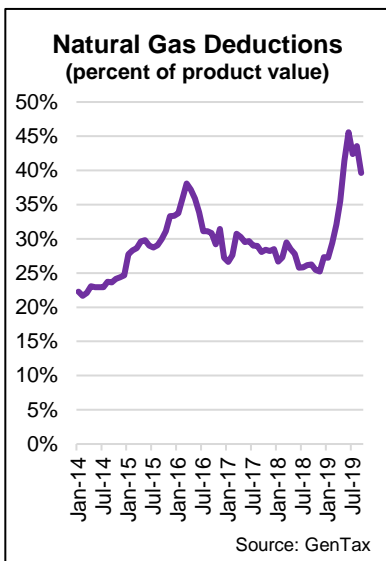
Source: RBC Richardson Barr (as of 12/5/19)



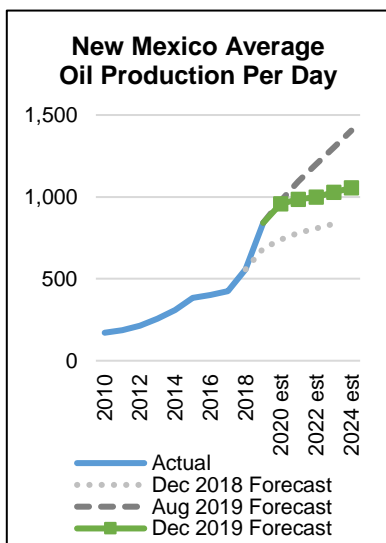
Source: Shale Profile



Drilled but uncompleted wells (DUCs) in the Permian basin began declining in August, indicating producers are beginning to complete wells to maintain production levels. Analysis from Rystad Energy in October shows that in the absence of new drilling, completing DUCs alone would only allow for four months of production growth before the natural decline rate of wells would lower total production levels. The analysis illustrates the importance of oil companies' capital investments on the production forecasts (see Attachment 8).



With investments and efficiency gains in oil production expected to slow over the forecast period, this forecast revised the estimate for FY21 oil production to 360 million barrels, down from the 400 million barrels projected in August. Oil production in FY22 is projected to reach 365 million barrels.



New Mexico's average oil price for FY19 was \$51.51 per barrel (bbl). The West Texas Intermediate (WTI) oil price averaged \$60.86/bbl for the same period, resulting in an average oil price differential of about \$9/bbl for the year, a result of pipeline capacity constraints that were most problematic at the end of 2019. With additional pipeline capacity now online, the differential has returned to historical norms of about \$3/bbl.

**Downward Pressure on Natural Gas Prices and Taxable Volumes.** Natural gas prices continue to face downward pressure in the Permian basin due to the rise in associated gas production and lack of pipeline capacity. Transportation deductions have increased as more companies rely on more expensive methods to get natural gas to market and, in some cases, producers face negative prices – meaning they must pay to have the natural gas removed.

While the Henry Hub natural gas price in the first quarter of FY20 was \$2.47 per thousand cubic feet (mcf), New Mexico's natural gas price was \$1.98/mcf. However, after accounting for transportation and processing deductions, the net natural gas price – which is based on the taxable value of the product and best represents the final price producers receive – in the first quarter was just \$1.15/mcf. The consensus forecast incorporates expectations for increased deduction amounts and significant natural gas price differentials, estimating an average statewide net price of \$1.26/mcf in FY20 and \$1.47/mcf in FY21.

New Mexico produced 1,692 billion cubic feet of natural gas in FY19, an almost 19 percent increase over FY18; however, TRD’s GenTax data shows taxable volumes of natural gas were just 1,562 billion cubic feet in FY19. Gas is expected to grow commensurately with oil as associated natural gas rises with increased oil production; however, the forecast assumes pipeline capacity constraints continue to depress prices and constrain taxable volumes.

FY	2019	2020	2021
	Actual	Forecast	Forecast
Gross Oil Price (\$/bbl)	51.51	52.00	50.00
Net Oil Price (\$/bbl)*	45.25	45.75	44.00
Oil Volume (MMbbls)	300	350	360
Gross Natural Gas Price (\$/mcf)	3.08	2.10	2.25
Net Natural Gas Price (\$/mcf)*	2.18	1.26	1.47
Natural Gas Volume (bcf)	1,562	1,610	1,625

\* Net prices are based on the taxable value of the product after deductions for transportation, processing, and royalties

**Forecast Dependent on Price and Volume Assumptions.** The consensus estimates for oil volumes assume New Mexico oil prices in the low-\$50s over the forecast horizon. Should prices fall or rise substantially below or above those prices, the volume forecasts and associated revenues could significantly change (see *Stress Testing* below). Low prices could lead to a pullback in drilling activity and declines in production. Due to the natural decline rate of well production, oil and gas production in the state would fall significantly without continued drilling.

## Stress Testing the Revenue Estimates

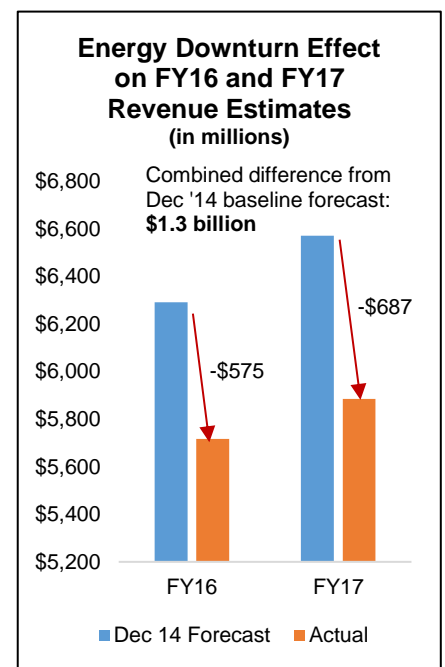
### Sensitivity Analysis

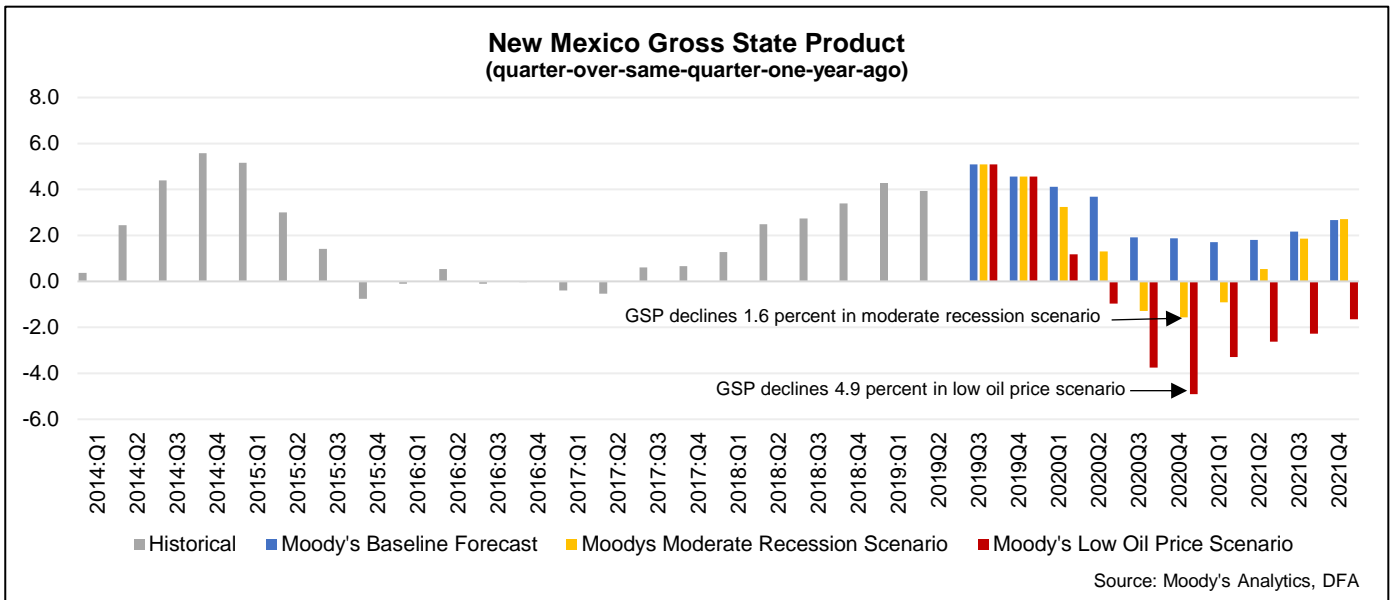
The CREG reviewed changes in underlying assumptions to determine the sensitivity of select revenues – including severance taxes, federal mineral leasing payments, personal income taxes, and gross receipts taxes – based on three scenarios: (1) low oil price and low production, (2) moderate recession, and (3) stronger near-term economic growth.

The chart on page 6 illustrates Moody’s Analytics’ forecast for New Mexico’s gross state product (GSP) under a low oil price scenario and moderate recession scenario compared with its baseline forecast. Moody’s projects the low oil price scenario will have a more significant effect on the state’s GSP than the moderate recession scenario. The CREG used the Moody’s scenarios as a starting point for the sensitivity analysis.

**Low Oil Price Scenario.** On the low end, an unexpected drop in oil prices would send the state’s energy revenues into a tailspin. The scenario assumes (a) statewide average oil prices fall to \$35/bbl starting in the first quarter of 2020, (b) the state’s oil and natural gas production declines, (c) oil exploration and drilling activity contracts, and (d) the contraction results in related employment declines.

Low prices amplify the effect of production declines on severance tax and royalty revenues. The state loses GRT revenue primarily from Eddy and Lea counties and out-of-state receipts, with some ripple effects in other parts of the state, and layoffs cause reductions in personal income tax revenues. The scenario results in revenues below the baseline by \$940 million in FY21 and \$1.2 billion in FY22. The

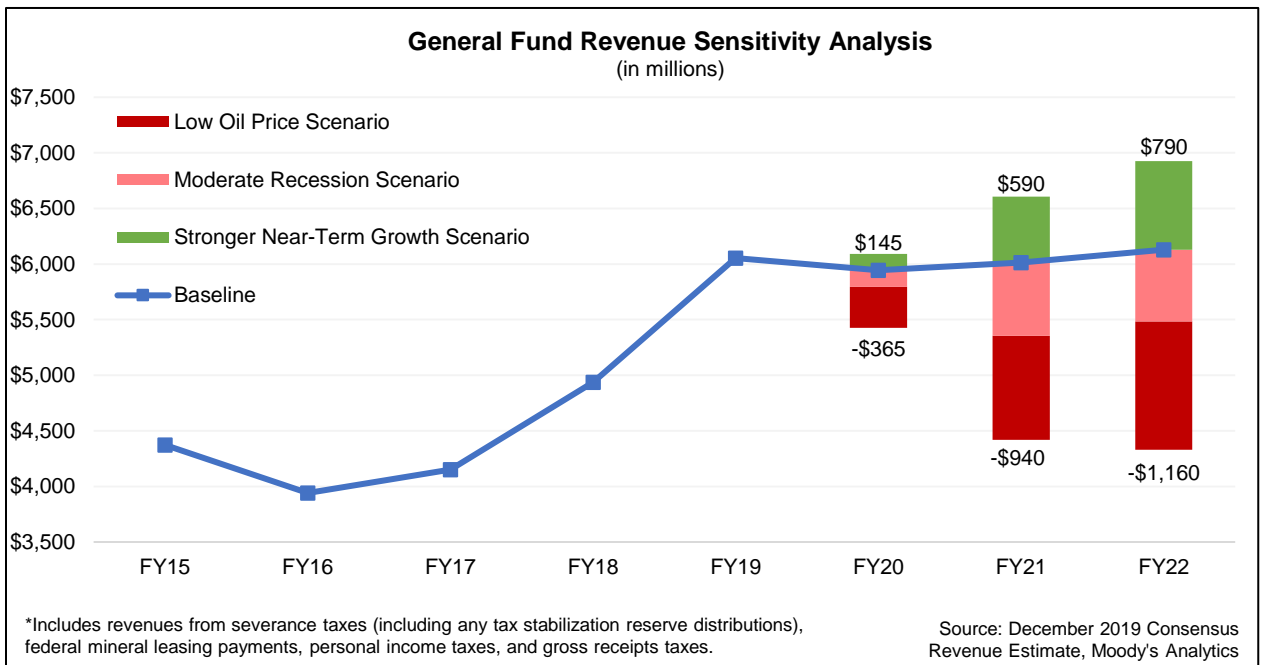




combined effect on FY21 and FY22 is \$2.1 billion. Notably, effects of the state's last energy downturn spanned two fiscal years (FY16 and FY17).

The Energy Information Administration places about a 10 percent to 15 percent chance of oil prices dropping to \$35 per barrel in FY21. Moody's Analytics places about a 5 percent probability on its low oil price scenario, which assumes oil prices remain at \$35 per barrel for more than three years.

**Moderate Recession.** The Moody's Analytics moderate recession scenario assumes the global effects of Brexit and the ongoing trade wars send the U.S. into a four-quarter recession. New Mexico experiences declines in its gross state product, rising unemployment, and reduced consumer spending. In this scenario, oil prices also decline, though to a lesser degree than the low oil price scenario, which affects oil production and drilling activity. As a result, general fund revenues from severance taxes, royalties, GRT, and personal income taxes decline. Moody's places a 10 percent probability on its moderate recession scenario.



Scenario	FY20			FY21			FY22		
	Low Oil Price	Moderate Recession	Stronger Growth	Low Oil Price	Moderate Recession	Stronger Growth	Low Oil Price	Moderate Recession	Stronger Growth
Severance Taxes	-\$70	-\$5	\$70	-\$220	-\$140	\$275	-\$225	-\$105	\$320
Federal Mineral Leasing	-\$45	-\$5	\$35	-\$190	-\$110	\$205	-\$245	-\$130	\$320
Gross Receipts Taxes	-\$225	-\$100	\$25	-\$480	-\$290	\$55	-\$615	-\$285	\$85
Personal Income Taxes	-\$25	-\$35	\$15	-\$50	-\$125	\$55	-\$75	-\$120	\$65
Total Difference from Baseline	-\$365	-\$145	\$145	-\$940	-\$665	\$590	-\$1,160	-\$640	\$790

Note: in millions

Although the scenario assumes the recession recovery begins in second quarter of 2021, revenues remain well below the baseline in FY22. The combined revenue effect of this scenario in FY21 and FY22 is \$1.3 billion below the baseline forecast.

**Stronger Near-Term Growth.** In this scenario, stronger economic growth results in higher wages and salaries, increased employment, and higher consumer confidence. The resulting global growth raises the demand for oil, raising oil prices to \$75 per barrel by the end of 2020. Higher oil prices push New Mexico’s severance tax and royalty revenue above the baseline, and higher employment and earnings leads to above-baseline GRT and personal income tax revenues. Moody’s places a 10 percent probability on its stronger near-term growth scenario.

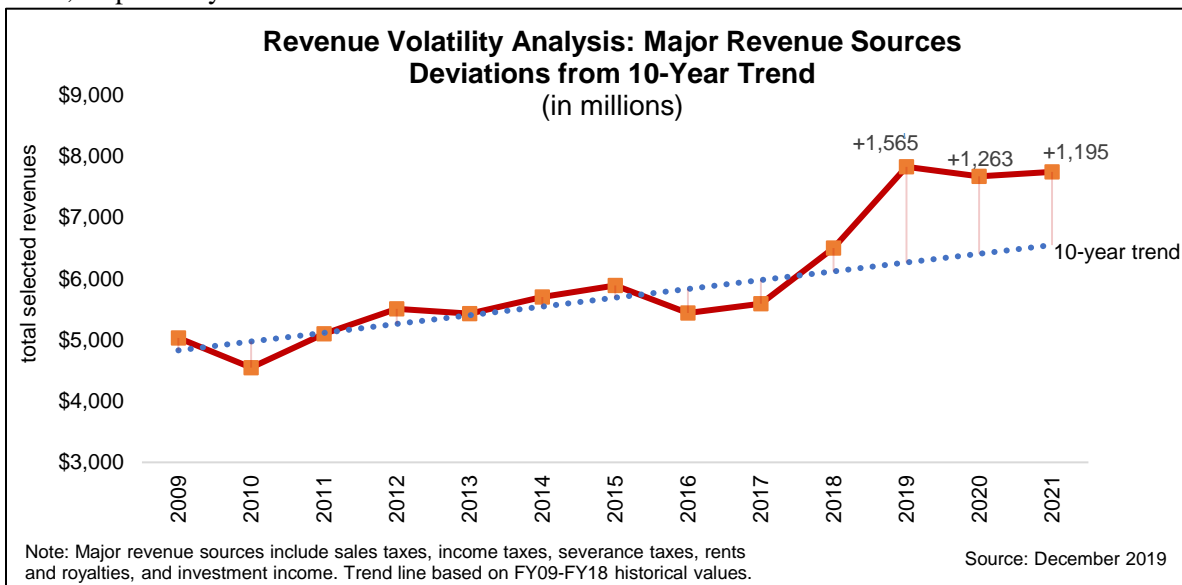
### Trend Analysis

In addition to the above sensitivity analyses, CREG established a trend analysis framework to analyze the sustainability of current estimates. The CREG calculated a 10-year trend for major revenues by source and compared current revenue estimates against that trend, to identify outlier revenues and years.

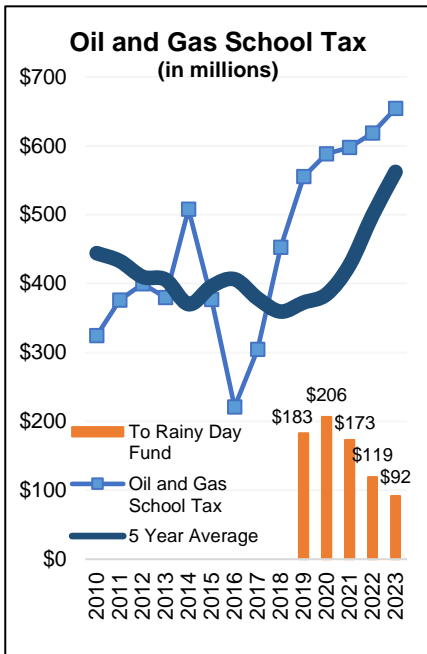
**Deviation from Trend.** The trend analysis in the chart below demonstrates the variation in New Mexico’s major sources of revenue: sales taxes, income taxes, severance taxes, investment income, and rents and royalty payments. Using historical data from these sources for FY09 to FY18, a 10-year trend line is carried forward through FY21, demonstrating the irregularity of FY19, FY20, and FY21 revenues. The forecast period shows substantial deviation from trend, both as individual revenue sources and in total. In FY19, revenues are \$1.6 billion above trend while FY20 and FY21 are similarly \$1.3 billion and \$1.2 billion above the trend, respectively.

**Linear Trend Models**

Linear trend models are a simplistic forecasting technique that uses historical data to predict future outcomes. These models can identify cyclical variations, such as business cycles that consist of periods of prosperity followed by periods of recession and then recovery. Recessionary periods will fall below long-term trend lines, while periods of prosperity are above the long-term trend line.



Attachment 13 shows each revenue source’s difference from the respective 10-year trend. The largest variances are in GRT and rents and royalty revenues. GRT revenue deviates as high as \$618 million above the 10-year trend, while rents and royalties revenue deviates as high as \$687 million.



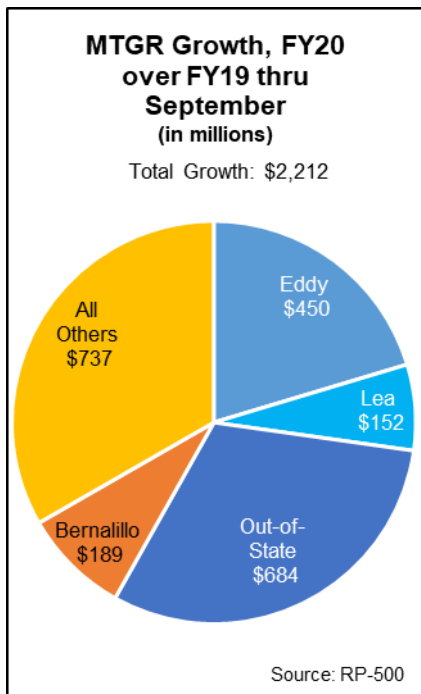
**Revenues Significantly Above Trend May Not Be Sustainable Over Time.** In revenue volatility studies conducted by Pew, long-term trend analyses are recommended to reduce the negative effects of budgeting on volatile revenues. Attachment 14 illustrates a 10-year trend analysis in the years preceding the Great Recession. Above trend years are shown from 2006 to 2008 before falling significantly below trend during the Great Recession and subsequent years. The analysis demonstrates that previous revenue volatility resulted in revenues falling below trend in downturns proportional to the above trend growth in robust years. The current above trend performance and the recent escalation of budgetary dependence on volatile revenues indicates that policy makers should proceed cautiously when apportioning the current revenue surge to recurring expenditures.

## General Fund Revenue Forecast

### Severance Taxes

General fund severance taxes – which include the oil and gas emergency school tax, oil conservation tax, resources excise tax, and natural gas processors tax – reached \$607 million in FY19 and are estimated to reach \$641.3 million in FY20. Of this amount, \$182.8 million was distributed to the tax stabilization reserve in FY19 and another \$206.4 million distribution is expected in FY20.

**Distributions to Rainy Day Fund Mitigates Negative Budget Effects.** The transfers to the tax stabilization reserve are a function of 2017 legislation that sends all oil and gas emergency school tax revenue in excess of the five-year average to this “rainy day fund”. The distribution is an inherent buffer for the consensus forecast, as negative impacts of severance tax revenue volatility hits reserves first, reducing negative effects to the general fund. For example, although the severance tax estimate for FY21 is \$93 million lower than the August estimate due to lower expectations for oil and natural gas production, general fund severance tax estimates are down only \$14 million. The rest of the reduction only affects the expected reserve distribution for that year.



### Gross Receipts Taxes

**Growth in Eddy and Lea Counties is Slowing.** The majority of the gross receipts tax (GRT) revenue increase for FY19 was attributed to oil and gas activity driving up receipts in Eddy and Lea counties and out-of-state receipts. The out-of-state figure is receipts for goods sold into New Mexico for which there is no local reporting location. Tax revenues from Amazon and select other online sellers fall into this category, but much of the revenue base, and increase, appears to be related to oil and gas drilling activities. In FY19, Eddy and Lea Counties along with out-of-state receipts accounted for 90 percent of all growth in matched taxable gross receipts (MTGR) – taxable gross receipts matched to tax payments, which best represent overall economic activity in the state compared with other tax data. Eddy and Lea county MTGR grew 37 percent in FY19, and out-of-state MTGR grew 29 percent over the same period.



Receipts from Eddy, Lea, and out-of-state account for about 50 percent of all MTGR growth in FY20. However, the anticipated slowdown in drilling activity resulted in lower GRT revenue expectations in these areas for FY21 and beyond.

**More Economic Growth Statewide.** Most of the rest of New Mexico experienced little growth in FY19; however, all but seven of the state’s 33 counties grew in MTGR in the first quarter of FY20. Bernalillo county MTGR grew 2.9 percent in FY19, barely exceeding the rate of inflation, but is up 4.1 percent in the first quarter of FY20 compared with the same quarter a year ago. Increased activity at the national lab pushed Los Alamos MTGR up 31.9 percent due in the first quarter, and Dona Ana and Santa Fe grew by 4.2 percent and 8.7 percent, respectively.

The mining industry grew \$1.9 billion in MTGR, or 85.3 percent, in FY19 and accounted for 40 percent of all MTGR growth over the fiscal year. While the mining industry dominated MTGR growth last fiscal year, growth in the industry slowed in the first quarter of FY20, up just 12.1 percent over the same period a year ago.

<b>Matched Taxable Gross Receipts by Industry - FY20 through September 2019</b>			
<b>Industry</b>	<b>Matched Taxable Gross Receipts</b>	<b>Year-over-Year Growth</b>	<b>Year-over-Year Change</b>
Mining, Quarrying, and Oil and Gas Extraction	\$1,813,547,669	\$196,194,605	12.1%
Utilities	\$826,498,678	\$86,480,407	11.7%
Construction	\$2,295,159,664	\$386,866,923	20.3%
Manufacturing	\$520,191,200	\$36,497,840	7.5%
Wholesale Trade	\$905,625,798	\$82,395,530	10.0%
Retail Trade	\$3,663,585,123	\$328,942,259	9.9%
Transportation and Warehousing	\$246,131,101	-\$15,134,322	-5.8%
Information	\$706,480,626	\$77,191,960	12.3%
Real Estate and Rental and Leasing	\$535,504,371	\$89,774,779	20.1%
Professional, Scientific, and Technical Services	\$1,636,771,934	-\$191,763,492	-10.5%
Administrative/Support & Waste Management/Remediation	\$897,475,192	\$505,662,572	129.1%
Health Care and Social Assistance	\$849,989,200	\$58,916,551	7.4%
Leisure and Hospitality Services	\$1,370,948,627	\$101,525,194	8.0%
Other Industries	\$2,392,190,762	\$468,934,055	24.4%
<b>Total</b>	<b>\$18,660,099,945</b>	<b>\$2,212,484,862</b>	<b>13.5%</b>

Source: RP500

Currently, the state’s strongest MTGR growth is in the administrative support industry, and this growth is concentrated almost entirely in Los Alamos, indicating significant strength in economic activity from the national lab.

The second strongest MTGR growth is in the “other services” industry – an industry classification that includes a variety of subsectors such as repair and maintenance services, personal care services, and civic and social organizations. Much of the strength in the other services industry is due to new reporting by nonprofit and government hospitals, which became taxable in FY20 as part of Chapter 270 (House Bill 6) passed in the 2019 session. Analysis by the Taxation and Revenue Department indicates many of those hospitals are reporting under the other services industry code. There is also considerable growth in out-of-state receipts for the other services industry, and it is currently unclear whether this

growth is attributable to oil-and-gas activity – as in the past – or whether newly reporting hospitals are not classified in the correct locations.

Retail trade MTGR is up nearly 10 percent in the first quarter of FY20 compared with the same period a year ago. Nearly 45 percent of this growth is in out-of-state receipts, some of which is attributable to oil-and-gas drilling activity but much is also due to provisions of Chapter 270 in the 2019 session that expanded taxation of Internet sales.

Construction MTGR is up 20 percent in the first quarter of FY20. About half of the construction growth is concentrated in Eddy and Lea counties and is associated with oil-and-gas drilling activity. Some of the construction industry’s growth is also due to significant transportation and capital investments made in the 2019 session, in which lawmakers appropriated over \$1 billion in capital outlay and infrastructure projects.

### Rents and Royalties

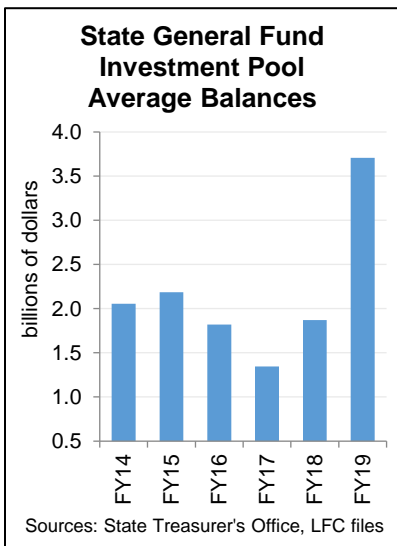
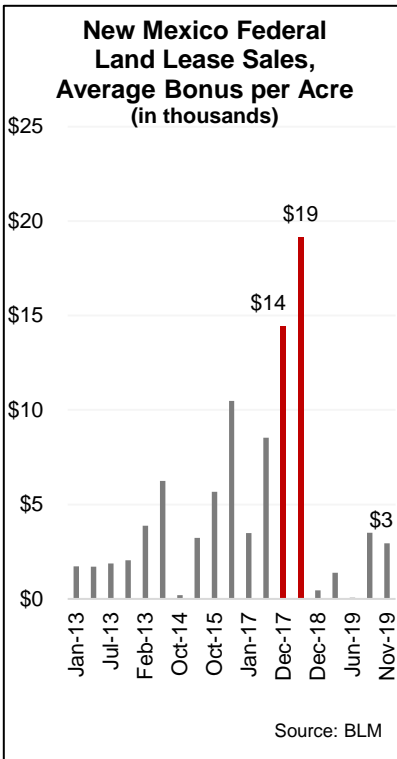
Total general fund rents and royalty revenue was nearly \$1.3 billion for FY19, an 89 percent increase over the prior year. Much of the growth was due to a large federal land lease sale in September 2018 of over 50 thousand acres in Eddy and Lea counties that generated a record-breaking \$972 million, and nearly half of the bonus was distributed to the state in November. However, the December lease sale generated just \$16 million for the state, and two additional sales in March and June generated \$7 million and \$1.4 million, respectively. These additional lease sales remain under protest, delaying the distributions for New Mexico’s share, which is expected to occur in FY20. While federal royalties for oil and gas produced on state lands are expected to grow as production rises, this forecast assumes bonus payments for federal land lease sales will remain well below the levels seen from FY17 to FY19. This expected drop in federal bonuses is responsible for the majority of the FY20 recurring revenue decrease from FY19, as shown on page 1.

### Investment Earnings

**Permanent Funds.** Contributions to the state’s permanent funds are made from royalty payments for mineral production on state lands and revenue from the severance tax not used for bonding. As oil and gas production rises, contributions to these funds also rise, leading to stronger fund balances and, in turn, greater general fund distributions.

Distributions from the land grant permanent fund (LGPF) and severance tax permanent fund (STPF) are based on the five-year rolling average of the year-end balance. Ending FY19, the unaudited market value of the LGPF was \$18.7 billion and the value of the STPF was \$5.5 billion. For FY20, the consensus estimate expects the LGPF to distribute \$33.1 million to the general fund more than in FY19, reaching \$671.8 million. The STPF is expected distribute \$225.3 million in non-earmarked revenue in FY20, up \$4.6 million from FY19, and unchanged from the August estimates.

**State Treasurer’s Office.** As general fund revenues climbed through FY19, State General Fund Investment Pool (SGFIP) balances also grew. As the State Treasurer manages larger balances, larger interest earnings are distributed to the general fund. The forecast for FY20 expects that balances remain high before declining in



future fiscal years as large appropriations made in the 2019 session for capital projects spend down balances. Interest earnings in FY19 totaled \$86.9 million, and the general fund is expected to earn \$82.1 million on balances in FY20. General fund balances reached a new peak of \$4.6 billion at the end of FY19, up from \$2.8 billion at the end of FY18.

## Insurance

The insurance revenue forecast grew slightly from the August 2019 forecast due to a stronger-than-anticipated realization of revenues in FY19. The FY19 audit released in November showed that insurance revenues climbed \$36.8 million, or 20.5 percent, from a low point in FY18. Recurring insurance revenues fell in FY18 due to changes in required premium tax filing and refund procedures.

After accounting for a \$42.9 million nonrecurring insurance payment that resulted from a special audit, FY18 revenue was 21 percent less than the previous year. Revenues collected in FY19 demonstrated that actual revenues for FY19 recovered more quickly to historical levels than originally expected. The forecast for FY20 to FY24 were updated to reflect the actual revenues received in FY19 and the anticipated growth in future years.

## Income Taxes

**Corporate income taxes (CIT).** Corporate income tax (CIT) revenues generated \$122.8 million in FY19 and are expected to decline to \$55.6 million in FY20. In response to member requests, the CREG began separating refundable credits from other CIT revenues. For now, only film credits are included in this line item, as it is the only credit with separate estimates available. In FY20, film tax credits are expected to reduce CIT revenue by an estimated \$78.8 million. Credits are projected to grow to \$165 million or higher in FY23, primarily because of additional productions qualifying for film tax credits. Film credits are expected to quickly outpace CIT revenue growth in the forecast horizon, causing the revenue source to become negative by FY22 and reach negative \$32.4 million in FY23 (see film credit discussion in *Forecast Risks* on page 12).

**Personal Income Tax (PIT).** Total wages and salaries growth beat expectations in the final quarter of FY19, reaching 5.8 percent, and have remained strong in the most recent quarters of data. Combined with the effects of federal tax reform changes, FY19 PIT revenues grew \$153.1 million or 10 percent over FY18. Due to the recent robust growth in wages and salaries and near-term expectations for the growth to continue, the FY20 and FY21 forecasts were raised by \$38.3 million and \$15.6 million, respectively. The upward revisions reflect the current strength in personal income taxes and employment gains in mining and construction, government, and education.

Despite the upward revisions, PIT revenues are expected to decline by \$48.7 million in FY20, due to House Bill 6 (Laws 2019, Chapter 270) increasing the working families tax credit and dependent deduction. These changes are expected to have a \$63 million cost to the general fund, which is partially offset by \$10 million of revenue raising reductions in the capital gains tax deduction. The forecast also assumes the new 5.9 percent tax bracket created for high-income earners as part of House Bill 6 becomes effective in FY21 – the rate is currently contingent on FY20 recurring revenues exceeding FY19 recurring revenues by not more than 5 percent. Currently, FY20 revenues are estimated at 2.9 percent below

### FY18 Insurance Audit, Investigation, and Resulting Lawsuit

In FY18, the general fund received \$42.9 million in nonrecurring insurance revenues as a result of the special audit and investigation conducted in coordination with the state auditor and attorney general. The state received a total of \$54.4 million in nonrecurring revenues from this effort, but \$3.7 million was paid to three Office of Superintendent of Insurance (OSI) employees who initiated the “qui tam” lawsuit to recover the underpayments. An additional \$3.1 million was set aside due to ongoing litigation after those employees sued OSI, asserting they are also owed this additional amount.

### Film Tax Credit Changes

Chapter 87, Laws 2019 (Senate Bill 2) amended the Film Production Tax Credit Act to pay off the backlog in credit claims, raise the annual cap, increase credits in some cases, and create new incentive structures. Senate Bill 2 changed the annual \$50 million “rolling” cash cap to a \$110 million cash cap and implemented a \$100 million “hard” cap for liabilities. The bill also exempted production companies (“film partners”) that purchase or sign a qualified 10-year lease from both the hard and cash caps.

### Effect of Changes in Oil and Gas Prices and Volumes

Based on projected FY20 direct oil and gas revenues (severance taxes and federal royalties):

- A \$1 change in the annual average NM price of oil has about a \$22 million impact on the general fund;
- A 10 cent change in the annual average NM price of natural gas has about a \$17 million impact on the general fund;
- Each additional million barrels of oil generates about \$3 million for the general fund; and
- Each additional 10 billion cubic feet of natural gas generates about \$2 million for the general fund.

However, these general rules do not consider other indirect impacts of prices and production changes on the general fund, such as gross receipts tax revenue from drilling activity or income taxes from production companies and their employees.

FY19, due primarily to the large and unprecedented bonus payment for the September 2019 federal land lease sales.

Personal Income Tax Impacts of House Bill 6 (included in forecast; in millions)				
	FY20	FY21	FY22	FY23
Add rate of 5.9%*	-	\$20	\$40	\$41
Working Families Credit (10% to 17%)	(\$37)	(\$39)	(\$39)	(\$41)
Dependent deduction (\$4k after 1 <sup>st</sup> child)	(\$26)	(\$27)	(\$28)	(\$28)
Capital Gains Deduction (50% to 40%)	\$10	\$10	\$10	\$10
<b>Total PIT Revenue Change</b>	<b>(\$53)</b>	<b>(\$36)</b>	<b>(\$17)</b>	<b>(\$18)</b>

\*Forecast assumes statutory contingency for new PIT rate bracket is met

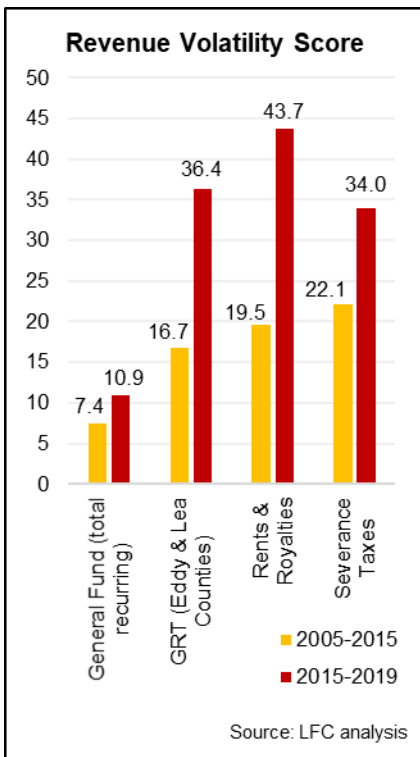
## Forecast Risks

### Oil and Natural Gas Price Volatility and Production Variance

New Mexico’s dependence on the energy sector makes oil market volatility one of the largest, most significant risks to the forecast – on the upside and the downside (see *Stress Test* on page 5). A significant portion of the state’s revenue is generated from the activities of the petroleum industry. This includes not only direct revenue from severance taxes, bonuses, rents, and royalties, but also includes income taxes from oil companies and industry workers, gross receipts taxes on industry-related activities, and other worker spending. While low breakeven costs in New Mexico’s Delaware basin could insulate the state from serious production declines in the event of lower oil prices, the state would still face a drop in severance tax and royalty revenues due to declining product values.

Given the new oil industry dynamics playing out in the Permian Basin, there is considerable uncertainty on how significantly a price crash below \$40/bbl would affect rig counts and production. However, what is certain is current revenue estimates are highly dependent on current prices, continued production growth, and elevated rig counts. If this changes, general fund revenues could drop substantially.

**Reliance on Highly Volatile Revenues Sources.** The volatility of general fund revenues is rising with the growing dependence on revenues from the extractives industry. Oil and gas industry-related activity accounted for 36 percent of general fund recurring revenue in FY19, up from a prior decade-long average of 26 percent (see Attachment 9). The volatility score – a mathematical representation of revenue volatility calculated based on the standard deviation of the revenue’s annual percent change – of some of general fund’s largest revenue sources has increased in recent years due to price swings and soaring production. While growth in the industry is expected to slow, this forecast projects continued increases in oil and natural gas production, deepening the state’s reliance on this volatile industry and causing above-trend revenue spikes (see *Trend Analysis* on page 7) that may be unsustainable in the long-run.

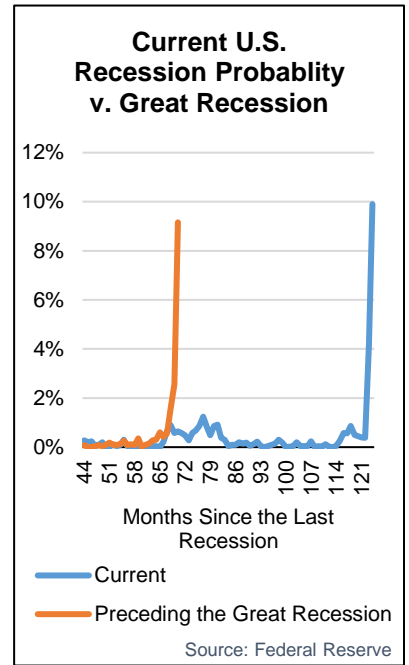


## Recession

IHS Markit and Moody’s economic forecasts continue to assume less than a 50 percent chance of a recession in any given year and therefore do not include the risk in their baseline economic forecast. The baseline forecasts are the underpinnings for the consensus revenue forecast, so that risk is similarly excluded from the revenue projections.

**Recession Risks Linger.** However, external forecasting agencies have signaled concern for a recession occurring as soon as 2020. Among the most often cited reasons that the economy might shrink are: slowing growth abroad that could worsen, particularly in Europe and China; a worse outcome for Brexit than is expected; escalation in tariff disputes; geopolitical risks; worsening global economic confidence; tightening employment conditions; and domestic policy choices. The Federal Reserve reports a smoothed US recession probability, which showed a 9.9 percent probability of recession in October of this year, a level not reached since the months leading up to the 2008 Great Recession.

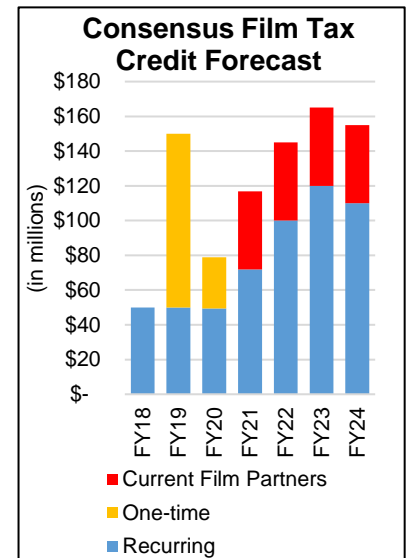
The CREG estimates Moody’s moderate recession scenario could cause revenues to come in \$1.3 billion lower than the current baseline forecast (see *Sensitivity Analysis* on page 5). Given that the US is in the longest expansion period in modern history, it would be a phenomenal occurrence for the next recession not to occur within the forecast period. Because there is no way to predict the timing or severity of a recession, the state’s protection against this risk is to maintain high reserve levels, backfill funds, and restrain recurring budget growth to long-term trends (see *Trend Analysis* on page 7).



## Film Tax Credits

Changes during the 2019 Legislative Session exempting film partners to the credit caps have increased the volatility and unpredictability of general fund revenues as credits can grow rapidly with the introduction of new film partners. Based on analysis from EDD, total film credits are projected to reach \$117 million in FY21 and \$165 million by FY23, due to film partners’ claims and a \$10 million rollover from FY22. Yet, if EDD succeeds in attracting new film partners, these amounts can continue to grow at potentially rapid rates, depending on the size of the production commitments made by new partners. Currently, growth in film tax credits are expected to cause CIT revenues to become negative by FY22.

In addition to its growth, the film tax credit reduces fiscal stability due to its unpredictable nature and requirement to pay regardless of general fund revenues. Film tax credit claims paid in a given year can be the result of up to three years of prior activity. Coupled with irregular productions and scheduling, future year claims are volatile and difficult to predict. The Economic Development Department is implementing processes to provide timely information on the status of film credit claims. However, film tax credits are unlike other recurring spending in that they must be paid regardless of a financial down turn. Where other spending may be cut to balance budgets, film tax credits could not be cut in a current fiscal year because of the legal duty to provide the promised credits for approved activity.



## Tax Protests

While currently available tax refund claim protest data is insufficient to estimate the value or timing of risk, tax abatement and refund claim protests are a downside

risk to the forecast. Protests decided in favor of the taxpayer could result in large general fund losses, exacerbating the significant risk from revenue volatility.

A recent significant protest issue was the oil and gas industry’s attempted use of the chemical and reagent deduction for fracking sand, which posed a \$250 million risk to general fund revenues with potential for ongoing recurring costs. However, the Administrative Hearings Office (AHO) issued a decision and order in February 2019 rejecting the a claim to use the deduction for this purpose. The decision reduced many concerns on the risk to state revenues; however, the decision is expected to be appealed. There have also been attempts to claim this deduction for the sale of coal and natural gas to power plants for electricity generation, which was also denied by AHO and is expected to be appealed.

**Potential Reserve Targets**  
(in billions)

	Amount	Percent*
Low Oil Price Stress Test Scenario for FY21 and FY22	\$2,100	30%
Moderate Recession Scenario for FY21 and FY22	\$1,305	18%
3 Months Operating Expenses	\$1,998	28%

\* Percent of FY20 recurring appropriations.

Source: December 2019 Consensus Revenue Estimate, DFA, LFC Files

In April 2019, AHO issued a decision and order in favor of Sandia Corporation’s GRT protest claims for receipts from its sales of certain services to various out-of-state buyers. The protest spanned a two-year period from December 2008 to September 2011 for a total of \$15 million, however the Taxation and Revenue Department is expected to file an appeal.

**Reserves Protect Against Risks**

While the various forecast risks cannot be reasonably accounted for within the revenue estimates – including an energy industry crash (see *Stress Test* on page 5), recession, taxpayer protests, and local government lawsuits (see *Forecast Risks* on page 12) – the Legislature can prepare for these risks by maintaining adequate reserves. Based on the stress-testing of the revenue estimate, staff economists recommend maintaining reserves of 20 percent to 25 percent of recurring appropriations.

**Other Issues and Forecast Risks**

**Local Governments Lawsuit.** Several local governments filed suit against TRD, claiming the agency incorrectly withheld portions of GRT distributions over several years. Taxpayers often amend previous filings for various reasons, including correcting errors or taking deductions not previously taken, and these amendments can often result in impacts to local governments in addition to the state. However, there are statutory limitations for how TRD is allowed to claw back money from the distributions to local governments as part of correcting the issue to match the amended filings. The local government plaintiffs claim TRD might have incorrectly clawed back more than \$10 million. Other local governments may also join the lawsuit, which could cause that estimate to rise significantly.

**Oil and Gas Activity from Out-of-State Vendors.** In June 2018, LFC requested a written response from TRD regarding whether out-of-state vendors supporting the oil and gas industry are properly reporting their personal income tax (PIT) liabilities. The concern was that improper reporting could lead to underpayment of New Mexico taxes and unfair competition with local vendors. In November 2018, TRD submitted a letter addressing these concerns and noting an apparent problem with both in-state and out-of-state oil companies inappropriately reporting employees to workers compensation and the Workforce Solutions Department and with reported employees inappropriately filing PIT returns. TRD stated the department will continue to use data analysis to monitor the issue and will focus efforts on increasing compliance, reducing fraud, and increasing education and outreach for PIT compliance with oil and gas companies.

**General Fund Financial Summary:  
December 2019 Consensus Revenue Estimate**  
(in millions)

December 7, 2019	Estimate FY2019	Estimate FY2020	Estimate FY2021
<b>APPROPRIATION ACCOUNT</b>			
<b>REVENUE</b>			
Recurring Revenue			
August 2019 Consensus Revenue Forecast	\$ 7,923.7	\$ 7,780.1	\$ 7,991.4
December 2019 Consensus Revenue Forecast Adjustments	\$ 85.8	\$ (3.7)	\$ (108.9)
Total Recurring Revenue	\$ 8,009.5	\$ 7,776.4	\$ 7,882.5
Nonrecurring Revenue			
2019 Nonrecurring Revenue Legislation <sup>1</sup>	\$ (100.0)	\$ -	\$ -
December 2019 Consensus Revenue Forecast Adjustments	\$ -	\$ 28.8	\$ -
Total Nonrecurring Revenue	\$ (100.0)	\$ 28.8	\$ -
<b>TOTAL REVENUE</b>	<b>\$ 7,909.5</b>	<b>\$ 7,805.2</b>	<b>\$ 7,882.5</b>
<b>APPROPRIATIONS</b>			
Recurring Appropriations			
2018 Session Legislation & Feed Bill <sup>2</sup>	\$ 6,329.8	\$ -	FY21 New Money: \$797 million or 11%
2019 Session Legislation & Feed Bill	\$ 10.0	\$ 7,085.3	
Total Recurring Appropriations	\$ 6,339.8	\$ 7,085.3	
Nonrecurring Appropriations			
2018 Session Nonrecurring Appropriations	\$ 47.8	\$ -	
2019 Session Nonrecurring Appropriations <sup>3</sup>	\$ 1,177.0	\$ 433.2	
Total Nonrecurring Appropriations	\$ 1,224.8	\$ 433.2	\$ -
FY2019 Ending Audit Adjustments	\$ (50.4)		
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 7,514.2</b>	<b>\$ 7,518.6</b>	<b>\$ -</b>
Transfer to (from) Reserves	\$ 395.3	\$ 286.6	
<b>GENERAL FUND RESERVES</b>			
Beginning Balances	\$ 1,184.6	\$ 1,833.9	\$ 2,405.8
Transfers from (to) Appropriations Account	\$ 395.3	\$ 286.6	\$ -
Revenue and Reversions	\$ 262.6	\$ 320.7	\$ 298.1
Appropriations, Expenditures and Transfers Out	\$ (8.5)	\$ (35.5)	\$ (35.0)
<b>Ending Balances</b>	<b>\$ 1,833.9</b>	<b>\$ 2,405.8</b>	
<i>Reserves as a Percent of Recurring Appropriations</i>	<i>28.9%</i>	<i>34.0%</i>	

**Notes:**

1) Laws 2019, Chapter 87 (SB2) included non-recurring revenue impact of negative \$100 million in FY19 and negative \$95 million in FY20 for payment of the film credit claims backlog. The legislation also allowed for an additional \$30 million film credit payout in FY20 if revenues for FY19 exceeded the forecast. The FY19 payout for \$100 million was made in June 2019; however, the Economic Development Department does not expect FY20 film credit claims large enough to require the FY20 \$125 million tax expenditure (\$95 million plus \$30 million for the met contingency).

2) Less \$2.5 million in FY19 for undistributed compensation from HB2 section 8

3) Laws 2019, Chapter 271 (HB2) contained \$31 million in appropriations contingent on the consensus forecast amount presented in August 2019 for FY19 exceeding \$7.62 billion. Contingent appropriations include up to \$15 million to the Economic Development Department for LEDA projects, up to \$11 million to the Department of Transportation for road projects, and up to \$5 million to the Higher Education Department to replenish the college affordability endowment fund.

\* Note: totals may not foot due to rounding

**General Fund Financial Summary:**  
**December 2019 Consensus Revenue Estimate**  
**RESERVE DETAIL**  
(in millions)

December 7, 2019	Estimate FY2019	Estimate FY2020	Estimate FY2021
<b>OPERATING RESERVE</b>			
Beginning Balance	\$ 485.9	\$ 486.3	\$ 507.2
BOF Emergency Appropriations/Reversions	\$ (2.0)	\$ (2.0)	\$ (2.0)
Transfers from/to Appropriation Account	\$ 395.3	\$ 286.6	\$ -
Transfers to Tax Stabilization Reserve	\$ (378.7)	\$ (263.7)	\$ -
Disaster Allotments <sup>1</sup>	\$ (14.1)	\$ -	\$ -
Transfer from (to) ACF/Other Appropriations	\$ -	\$ -	\$ -
Ending Balance	\$ 486.3	\$ 507.2	\$ 505.2
<b>APPROPRIATION CONTINGENCY FUND</b>			
Beginning Balance	\$ 12.3	\$ 11.7	\$ 3.7
Disaster Allotments	\$ (15.3)	\$ (16.0)	\$ (16.0)
Other Appropriations	\$ -	\$ -	\$ -
Transfers In	\$ -	\$ -	\$ -
Revenue and Reversions	\$ 14.7	\$ 8.0	\$ 8.0
Ending Balance	\$ 11.7	\$ 3.7	\$ (4.3)
<b>STATE SUPPORT FUND</b>			
Beginning Balance	\$ 1.0	\$ 19.1	\$ 29.1
Revenues <sup>2</sup>	\$ 18.1	\$ 10.0	\$ -
Appropriations	\$ -	\$ -	\$ -
Ending Balance	\$ 19.1	\$ 29.1	\$ 29.1
<b>TOBACCO SETTLEMENT PERMANENT FUND (TSPF)</b>			
Beginning Balance	\$ 158.7	\$ 228.6	\$ 260.9
Transfers In	\$ 34.2	\$ 35.0	\$ 34.0
Appropriation to Tobacco Settlement Program Fund	\$ (17.0)	\$ (17.5)	\$ (17.0)
Gains/Losses	\$ 12.7	\$ 14.9	\$ 17.0
Additional Transfers to/from TSPF <sup>3</sup>	\$ 40.0	\$ -	\$ -
Transfer to General Fund Appropriation Account	\$ -	\$ -	\$ -
Ending Balance	\$ 228.6	\$ 260.9	\$ 294.9
<b>TAX STABILIZATION RESERVE (RAINY DAY FUND)</b>			
Beginning Balance	\$ 526.8	\$ 1,088.3	\$ 1,604.9
Revenues <sup>4</sup>	\$ 182.8	\$ 206.4	\$ 173.2
Gains/Losses <sup>5</sup>	\$ -	\$ 46.5	\$ 65.9
Transfers In (From Operating Reserve)	\$ 378.7	\$ 263.7	\$ -
Transfer Out to Operating Reserve	\$ -	\$ -	\$ -
Ending Balance	\$ 1,088.3	\$ 1,604.9	\$ 1,844.0
<i>Percent of Recurring Appropriations</i>	<i>17.2%</i>	<i>22.7%</i>	
<b>EMERGENCY RESERVES: RAINY DAY FUND &amp; TSPF ENDING BALANCES</b>	<b>\$ 1,316.9</b>	<b>\$ 1,865.8</b>	
<i>Percent of Recurring Appropriations</i>	<i>20.8%</i>	<i>26.3%</i>	
<b>OTHER RESERVE FUND ENDING BALANCES</b>	<b>\$ 517.1</b>	<b>\$ 539.9</b>	
<i>Percent of Recurring Appropriations</i>	<i>8.2%</i>	<i>7.6%</i>	
<b>TOTAL GENERAL FUND ENDING BALANCES</b>	<b>\$ 1,833.9</b>	<b>\$ 2,405.8</b>	
<i>Percent of Recurring Appropriations</i>	<i>28.9%</i>	<i>34.0%</i>	

**Notes:**

1) Low balance in the appropriation contingency fund in FY19 required disaster allotments to be made from the operating reserve until additional revenue received in the appropriation contingency fund

2) Laws 2019, Chapter 271 (HB2) contained a \$10 million appropriation to the state support reserve fund

3) Laws 2019, Chapter 271 (HB2) contained a \$40 million appropriation to the tobacco settlement permanent fund

4) Estimated transfer to tax stabilization reserve from excess oil and gas emergency school tax revenues above the five-year average

5) Laws 2019, Chapter 138 (HB 393) moved investment earnings of the tax stabilization reserve from the general fund to credit back to the reserve and transferred management of the tax stabilization reserve to the State Investment Council

\* Note: totals may not foot due to rounding





# Legislative Finance Committee **FINANCE FACTS**

Understanding State Financial Policy

## General Fund Reserves

Because the New Mexico Constitution requires a balanced budget, state government maintains general fund reserves to cover any shortfalls if revenues are unexpectedly low or expenses are unexpectedly high. The general fund reserves are measured as a percentage of recurring appropriations – planned ongoing spending. They are made up of several distinct accounts: the operating reserve, tax stabilization reserve, appropriation contingency fund, and state support reserve fund.

### Operating Reserve

Revenues left at the end of the fiscal year are transferred to the operating reserve. If revenues come up short, the governor may transfer money from the operating reserve to cover authorized expenses. The amount the governor can transfer is capped by the Legislature each year in the General Appropriation Act. Once the operating reserve fund hits 8 percent of the prior budget year's recurring appropriations, the excess must be transferred to the tax stabilization reserve by law.

### Tax Stabilization Reserve

Money in the tax stabilization reserve may only be appropriated if (1) the governor declares it necessary because of a shortfall and the House and Senate approve it with a simple majority vote, or (2) two-thirds of both the House and Senate vote for it.

Additional funds are deposited into the tax stabilization reserve from the oil and gas emergency tax if annual revenue exceeds the five-year average income. This allows the state to capture windfall revenue from the oil and gas industry and moderate the volatility of that revenue source. Other state revenue that also spikes when the energy industry booms – including federal mineral leasing payments, trust land distributions, and gross receipts tax collections – are not captured.

Until 2017, revenue in the tax stabilization reserve in excess of a specified threshold was transferred to another fund for possible distribution to taxpayers. However, several years of depleted reserves prompted lawmakers to transform the tax stabilization into a true “rainy day” fund.

### Appropriation Contingency Fund

The Legislature authorizes revenue going in and out of the appropriation contingency fund. A limited amount of the rev-

enue in the fund can also be spent when the governor declares an emergency. The fund is mostly used to set aside money for use if certain circumstances come into play, such as the start-up of a new program moving faster than funded.

### State Support Fund

On the first day of each fiscal year, any balance in the public school district general obligation bonds loan fund over \$1 million is transferred state support reserve fund and can only be used to augment certain appropriations to the public schools.

### Tobacco Settlement Fund

The tobacco settlement permanent fund was created to hold payments to New Mexico from cigarette companies under the master settlement agreement of 1998. Under the enabling legislation, the settlement payments are split, with half going to the permanent fund and half spent directly on health and education programs. However, during economic hard times, the Legislature has temporarily suspended deposits into the permanent fund and put the entire amount into direct spending.

Money in the tobacco settlement permanent fund is invested by the State Investment Council and interest is credited to the fund. The Legislature may authorize spending from the fund for a budget shortfall only after balances in all other reserve accounts have been exhausted.



### For More Information:

- The status of the New Mexico's reserve accounts can be found in the state's general fund financial summary, published on the State Board of Finance's website: [http://nmdfa.state.nm.us/Board\\_of\\_Finance.aspx](http://nmdfa.state.nm.us/Board_of_Finance.aspx)
- Statutes governing New Mexico's general fund reserves include 6-4-2.1, 6-4-2.2, 6-4-2.3, 6-4-4, 6-4-9, 7-1-6.61, 12-11-24, 22-8-31 NMSA 1978.

General Fund Consensus Revenue Estimate December 2019

Revenue Source	FY19					FY20					FY21				
	Aug 2019 Prelim.	Dec 2019 Audited Actual	Change from Prior (Aug. 19)	% Change from FY18	\$ Change from FY18	Aug 2019 Est.	Dec 2019 Est.	Change from Prior (Aug. 19)	% Change from FY19	\$ Change from FY19	Aug 2019 Est.	Dec 2019 Est.	Change from Prior (Aug. 19)	% Change from FY20	\$ Change from FY20
<i>Base Gross Receipts Tax</i>	2,791.8	2,772.8	(19.0)	9.8%	246.9	3,039.8	3,083.8	44.0	11.2%	311.0	3,077.0	3,091.9	14.8	0.3%	8.1
<i>F&amp;M Hold Harmless Payments</i>	(120.4)	(113.4)	7.0	-8.4%	10.4	(114.6)	(155.0)	(40.4)	36.7%	(41.6)	(106.2)	(121.4)	(15.2)	-21.7%	33.6
NET Gross Receipts Tax	2,671.4	2,659.4	(12.0)	11.7%	278.3	2,925.2	2,928.8	3.6	10.1%	269.4	2,970.8	2,970.4	(0.4)	1.4%	41.7
Compensating Tax	78.7	78.3	(0.4)	39.5%	22.2	82.9	82.9	-	6.0%	4.7	85.4	85.4	-	3.0%	2.5
<b>TOTAL GENERAL SALES</b>	<b>2,750.1</b>	<b>2,737.7</b>	<b>(12.4)</b>	<b>12.3%</b>	<b>300.5</b>	<b>3,008.1</b>	<b>3,011.7</b>	<b>3.6</b>	<b>10.0%</b>	<b>274.0</b>	<b>3,056.3</b>	<b>3,055.9</b>	<b>(0.4)</b>	<b>1.5%</b>	<b>44.2</b>
Tobacco Taxes	77.6	75.4	(2.2)	-3.8%	(2.9)	89.4	88.6	(0.8)	17.5%	13.2	89.0	88.0	(1.0)	-0.7%	(0.6)
Liquor Excise	25.4	25.3	(0.1)	6.2%	1.5	22.3	23.2	1.0	-8.1%	(2.1)	22.3	23.2	1.0	0.0%	0.0
Insurance Taxes	184.8	216.3	31.5	20.5%	36.8	198.7	206.1	7.4	-4.7%	(10.2)	206.5	215.1	8.6	4.4%	9.0
Fire Protection Fund Reversion	22.6	-	(22.6)	-100.0%	(20.0)	16.9	16.9	-	#DIV/0!	16.9	17.4	17.4	-	3.0%	0.5
Motor Vehicle Excise	152.6	152.5	(0.1)	-1.0%	(1.5)	153.8	150.0	(3.8)	-1.7%	(2.5)	158.2	153.5	(4.7)	2.3%	3.5
Gaming Excise	64.8	64.9	0.1	4.6%	2.8	66.7	66.5	(0.2)	2.5%	1.6	69.3	68.8	(0.5)	3.5%	2.3
Leased Vehicle & Other	8.7	8.7	0.0	6.6%	0.5	8.1	8.3	0.2	-5.0%	(0.4)	8.1	8.3	0.2	0.0%	-
<b>TOTAL SELECTIVE SALES</b>	<b>536.4</b>	<b>543.2</b>	<b>6.8</b>	<b>3.3%</b>	<b>17.3</b>	<b>555.9</b>	<b>559.7</b>	<b>3.8</b>	<b>3.0%</b>	<b>16.5</b>	<b>570.8</b>	<b>574.4</b>	<b>3.6</b>	<b>2.6%</b>	<b>14.7</b>
Personal Income Tax	1,642.8	1,672.0	29.2	10.1%	153.1	1,585.0	1,623.3	38.3	-2.9%	(48.7)	1,645.0	1,660.6	15.6	2.3%	37.3
<i>Gross Corporate Income Tax</i>	174.0	172.8	(1.2)	10.3%	16.2	155.8	134.4	(21.3)	-22.2%	(38.4)	159.4	134.0	(25.4)	-0.3%	(0.5)
<i>CIT Refundable Credits</i>	(50.0)	(50.0)	-	0.0%	-	(70.0)	(78.8)	(8.8)	57.6%	(28.8)	(110.7)	(116.9)	(6.2)	48.4%	(38.1)
NET Corporate Income Tax	124.0	122.8	(1.2)	15.2%	16.2	85.8	55.6	(30.1)	-54.7%	(67.2)	48.7	17.1	(31.6)	-69.3%	(38.6)
<b>TOTAL INCOME TAXES</b>	<b>1,766.8</b>	<b>1,794.8</b>	<b>28.0</b>	<b>10.4%</b>	<b>169.3</b>	<b>1,670.7</b>	<b>1,678.9</b>	<b>8.2</b>	<b>-6.5%</b>	<b>(115.9)</b>	<b>1,693.7</b>	<b>1,677.7</b>	<b>(16.0)</b>	<b>-0.1%</b>	<b>(1.2)</b>
<i>Gross Oil and Gas School Tax</i>	569.3	555.4	(13.9)	23.2%	104.6	609.1	588.4	(20.7)	6.0%	33.0	684.0	597.5	(86.5)	1.5%	9.1
<i>Excess to Tax. Stabilization Reserve</i>	(196.8)	(182.8)	(14.0)	n/a	n/a	(224.3)	(206.4)	(17.9)	12.9%	23.6	(252.8)	(173.2)	(79.6)	-16.1%	(33.2)
NET Oil & Gas School Tax	372.5	372.5	0.0	n/a	n/a	384.8	382.0	(2.8)	2.5%	9.5	431.2	424.3	(6.9)	11.1%	42.3
Oil Conservation Tax	29.6	28.7	(0.9)	25.4%	5.8	32.4	31.2	(1.2)	8.7%	2.5	36.1	31.6	(4.5)	1.3%	0.4
Resources Excise Tax	7.6	7.8	0.2	-8.6%	(0.7)	7.7	7.4	(0.3)	-5.5%	(0.4)	7.7	7.5	(0.2)	1.4%	0.1
Natural Gas Processors Tax	14.9	15.1	0.2	39.5%	4.3	14.3	14.3	-	-5.5%	(0.8)	11.7	9.5	(2.2)	-33.6%	(4.8)
<b>TOTAL SEVERANCE TAXES</b>	<b>424.6</b>	<b>424.2</b>	<b>(0.4)</b>	<b>-14.0%</b>	<b>(68.9)</b>	<b>439.2</b>	<b>434.9</b>	<b>(4.3)</b>	<b>2.5%</b>	<b>10.7</b>	<b>486.7</b>	<b>472.9</b>	<b>(13.8)</b>	<b>8.7%</b>	<b>38.0</b>
LICENSE FEES	51.7	55.4	3.7	-9.2%	(5.6)	52.8	52.8	-	-4.8%	(2.6)	53.3	53.3	-	1.1%	0.6
LGPf Interest	638.0	638.7	0.7	8.9%	52.1	667.5	671.8	4.3	5.2%	33.1	701.4	696.5	(4.9)	3.7%	24.7
STO Interest	84.5	86.9	2.4	1361.4%	80.9	85.0	82.1	(2.9)	-5.5%	(4.8)	56.3	59.5	3.2	-27.5%	(22.6)
STPF Interest	220.6	220.6	-	4.9%	10.2	225.3	225.3	-	2.1%	4.6	231.5	229.4	(2.1)	1.8%	4.1
<b>TOTAL INTEREST</b>	<b>943.1</b>	<b>946.2</b>	<b>3.0</b>	<b>17.8%</b>	<b>143.3</b>	<b>977.7</b>	<b>979.1</b>	<b>1.4</b>	<b>3.5%</b>	<b>33.0</b>	<b>989.1</b>	<b>985.4</b>	<b>(3.7)</b>	<b>0.6%</b>	<b>6.2</b>
Federal Mineral Leasing	1,146.3	1,146.8	0.5	103.2%	582.6	833.8	810.4	(23.4)	-29.3%	(336.4)	897.4	817.3	(80.2)	0.9%	6.9
State Land Office	132.5	132.5	-	18.4%	20.6	74.0	74.0	-	-44.1%	(58.5)	74.5	74.5	-	0.7%	0.5
<b>TOTAL RENTS &amp; ROYALTIES</b>	<b>1,278.8</b>	<b>1,279.3</b>	<b>0.5</b>	<b>89.2%</b>	<b>603.2</b>	<b>907.8</b>	<b>884.4</b>	<b>(23.4)</b>	<b>-30.9%</b>	<b>(394.9)</b>	<b>971.9</b>	<b>891.8</b>	<b>(80.2)</b>	<b>0.8%</b>	<b>7.4</b>
TRIBAL REVENUE SHARING	76.9	78.4	1.5	15.2%	10.3	78.5	80.1	1.6	2.1%	1.6	80.4	82.0	1.6	2.4%	1.9
MISCELLANEOUS RECEIPTS	52.3	53.6	1.3	14.3%	6.7	49.4	49.4	-	-7.9%	(4.2)	49.2	49.2	-	-0.4%	(0.2)
REVERSIONS	43.0	96.7	53.7	21.3%	17.0	40.0	45.5	5.5	-53.0%	(51.2)	40.0	40.0	-	-12.1%	(5.5)
<b>TOTAL RECURRING</b>	<b>7,923.7</b>	<b>8,009.5</b>	<b>85.8</b>	<b>17.5%</b>	<b>1,193.0</b>	<b>7,780.1</b>	<b>7,776.4</b>	<b>(3.7)</b>	<b>-2.9%</b>	<b>(233.0)</b>	<b>7,991.4</b>	<b>7,882.5</b>	<b>(108.9)</b>	<b>1.4%</b>	<b>106.1</b>
<b>TOTAL NONRECURRING</b>	<b>(100.0)</b>	<b>(99.2)</b>	<b>0.8</b>	<b>-253.1%</b>	<b>(164.0)</b>	<b>-</b>	<b>28.8</b>	<b>28.8</b>	<b>-129.1%</b>	<b>128.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>(28.8)</b>
<b>GRAND TOTAL</b>	<b>7,823.7</b>	<b>7,910.3</b>	<b>86.6</b>	<b>15.0%</b>	<b>1,029.0</b>	<b>7,780.1</b>	<b>7,805.2</b>	<b>25.2</b>	<b>-1.3%</b>	<b>(105.0)</b>	<b>7,991.4</b>	<b>7,882.5</b>	<b>(108.9)</b>	<b>1.0%</b>	<b>77.3</b>

Note: Columns in blue show difference between December 2019 Consensus Revenue Estimate and August 2019 Consensus Revenue Estimate

Note: Columns in red show year-over-year growth expected in the December 2019 Consensus Revenue Estimate

General Fund Consensus Revenue Estimate December 2019

Revenue Source	FY22					FY23					FY24				
	Aug 2019 Est.	Dec 2019 Est.	Change from Prior (Aug. 19)	% Change from FY21	\$ Change from FY21	Aug 2019 Est.	Dec 2019 Est.	Change from Prior (Aug. 19)	% Change from FY22	\$ Change from FY22	Aug 2019 Est.	Dec 2019 Est.	Change from Prior (Aug. 19)	% Change from FY23	\$ Change from FY23
Base Gross Receipts Tax	3,135.2	3,063.2	(72.0)	-0.9%	(28.7)	3,227.5	3,139.3	(88.2)	2.5%	76.1	3,325.5	3,242.5	(83.0)	3.3%	103.2
F&M Hold Harmless Payments	(96.9)	(113.4)	(16.5)	-6.6%	8.0	(87.0)	(105.0)	(18.0)	-7.4%	8.3	(76.8)	(96.4)	(19.6)	-8.3%	8.7
NET Gross Receipts Tax	3,038.3	2,949.8	(88.5)	-0.7%	(20.6)	3,140.5	3,034.3	(106.2)	2.9%	84.4	3,248.7	3,146.1	(102.5)	3.7%	111.9
Compensating Tax	88.0	88.0	-	3.0%	2.6	90.6	90.6	-	3.0%	2.6	93.4	93.4	-	3.0%	2.7
TOTAL GENERAL SALES	3,126.3	3,037.8	(88.5)	-0.6%	(18.1)	3,231.1	3,124.9	(106.2)	2.9%	87.1	3,342.0	3,239.5	(102.5)	3.7%	114.6
Tobacco Taxes	88.2	88.2	-	0.2%	0.2	87.4	86.9	(0.5)	-1.5%	(1.3)	86.6	85.6	(1.0)	-1.5%	(1.3)
Liquor Excise	22.3	22.3	-	-4.2%	(1.0)	22.2	22.2	-	-0.1%	(0.0)	22.1	22.1	-	-0.4%	(0.1)
Insurance Taxes	214.6	221.9	7.3	3.2%	6.8	222.6	228.0	5.4	2.7%	6.1	230.9	234.1	3.2	2.7%	6.1
Fire Protection Fund Reversion	18.0	18.0	-	3.0%	0.5	18.5	18.5	-	3.0%	0.5	19.1	19.1	-	3.0%	0.6
Motor Vehicle Excise	134.3	131.5	(2.8)	-14.3%	(22.0)	138.2	136.0	(2.2)	3.4%	4.5	142.1	140.8	(1.3)	3.5%	4.8
Gaming Excise	71.4	70.9	(0.5)	3.1%	2.1	73.2	72.4	(0.8)	2.1%	1.5	74.5	73.5	(1.0)	1.5%	1.1
Leased Vehicle & Other	8.1	8.3	0.2	0.0%	-	8.1	8.2	0.1	-1.2%	(0.1)	8.0	-	(8.0)	-100.0%	(8.2)
TOTAL SELECTIVE SALES	556.9	561.0	4.2	-2.3%	(13.4)	570.2	572.2	2.0	2.0%	11.2	583.3	575.2	(8.1)	0.5%	3.0
Personal Income Tax	1,713.8	1,707.1	(6.7)	2.8%	46.5	1,765.7	1,748.1	(17.6)	2.4%	41.0	1,818.4	1,790.1	(28.3)	2.4%	42.0
Gross Corporate Income Tax	163.1	133.3	(29.8)	-0.5%	(0.7)	166.9	132.6	(34.3)	-0.5%	(0.7)	170.8	132.6	(38.2)	0.0%	(0.1)
CIT Refundable Credits	(145.0)	(145.0)	-	24.0%	(28.1)	(165.0)	(165.0)	-	13.8%	(20.0)	(155.0)	(155.0)	-	-6.1%	10.0
NET Corporate Income Tax	18.1	(11.7)	(29.8)	-168.3%	(28.8)	1.9	(32.4)	(34.3)	177.2%	(20.7)	15.8	(22.4)	(38.2)	-30.7%	9.9
TOTAL INCOME TAXES	1,731.9	1,695.5	(36.5)	1.1%	17.7	1,767.7	1,715.7	(51.9)	1.2%	20.3	1,834.1	1,767.6	(66.5)	3.0%	51.9
Gross Oil and Gas School Tax	759.2	618.6	(140.6)	3.5%	21.1	844.1	654.4	(189.7)	5.8%	35.8	927.8	680.0	(247.8)	3.9%	25.6
Excess to Tax. Stabilization Reserve	(235.3)	(119.0)	(116.3)	-31.3%	(54.2)	(229.3)	(91.8)	(137.5)	-22.9%	(27.2)	(234.7)	(77.2)	(157.5)	-15.9%	(14.6)
NET Oil & Gas School Tax	523.9	499.6	(24.3)	17.7%	457.3	614.8	562.6	(52.2)	12.6%	63.0	693.1	602.8	(90.3)	7.1%	40.2
Oil Conservation Tax	39.9	32.5	(7.4)	2.8%	0.9	44.4	34.4	(10.0)	5.8%	1.9	48.7	35.7	(13.0)	3.8%	1.3
Resources Excise Tax	7.4	7.2	(0.2)	-4.0%	(0.3)	7.1	7.0	(0.1)	-2.8%	(0.2)	7.1	7.0	(0.1)	0.0%	-
Natural Gas Processors Tax	9.8	9.0	(0.8)	-5.3%	(0.5)	12.1	10.6	(1.5)	17.8%	1.6	13.4	11.3	(2.1)	6.6%	0.7
TOTAL SEVERANCE TAXES	581.0	548.3	(32.7)	15.9%	75.4	678.4	614.6	(63.8)	12.1%	66.3	762.3	656.8	(105.5)	6.9%	42.2
LICENSE FEES	54.0	54.0	-	1.2%	0.6	54.7	54.7	-	1.3%	0.7	55.4	55.4	-	1.4%	0.8
LGPFI Interest	746.0	737.4	(8.6)	5.9%	40.9	794.6	783.0	(11.6)	6.2%	45.6	836.2	822.4	(13.8)	5.0%	39.4
STO Interest	65.7	66.8	1.1	12.3%	7.3	71.9	72.3	0.4	8.2%	5.5	71.9	72.3	0.4	0.0%	-
STPF Interest	240.8	236.7	(4.1)	3.2%	7.4	250.4	244.1	(6.4)	3.1%	7.4	257.5	248.6	(8.9)	1.9%	4.5
TOTAL INTEREST	1,052.5	1,040.9	(11.6)	5.6%	55.5	1,116.9	1,099.4	(17.6)	5.6%	58.5	1,165.6	1,143.3	(22.3)	4.0%	43.9
Federal Mineral Leasing	985.2	829.8	(155.4)	1.5%	12.6	1,086.3	866.5	(219.8)	4.4%	36.7	1,193.9	901.8	(292.1)	4.1%	35.3
State Land Office	74.7	74.7	-	0.2%	0.2	75.0	75.0	-	0.4%	0.3	75.5	75.5	-	0.6%	0.5
TOTAL RENTS & ROYALTIES	1,059.9	904.5	(155.4)	1.4%	12.7	1,161.3	941.5	(219.8)	4.1%	37.0	1,269.3	977.3	(292.1)	3.8%	35.8
TRIBAL REVENUE SHARING	82.2	83.8	1.6	2.2%	1.8	83.1	84.7	1.6	1.1%	0.9	85.8	87.4	1.7	3.2%	2.7
MISCELLANEOUS RECEIPTS	49.4	49.4	-	0.5%	0.2	49.4	49.4	-	0.0%	0.0	49.9	49.9	-	1.0%	0.5
REVERSIONS	40.0	40.0	-	0.0%	-	40.0	40.0	-	0.0%	-	40.0	40.0	-	0.0%	-
TOTAL RECURRING	8,334.0	8,015.2	(318.9)	1.7%	132.6	8,752.7	8,297.1	(455.6)	3.5%	282.0	9,187.8	8,592.5	(595.3)	3.6%	295.3
TOTAL NONRECURRING	-	-	-	#DIV/0!	-	-	-	-	#DIV/0!	-	-	-	-	#DIV/0!	-
GRAND TOTAL	8,334.0	8,015.2	(318.9)	1.7%	132.6	8,752.7	8,297.1	(455.6)	3.5%	282.0	9,187.8	-	(9,187.8)	-100.0%	#####

## FISCAL YEAR 2020 GENERAL FUND MONTHLY REVENUE TRACKING

(dollars in millions; italics indicate preliminary actual revenue; bold indicates actual revenue)

12/2/19 1:15 PM

	ESTIMATED REVENUE ACCRUALS												FY20	TRACKING CHANGE		
	July Actual	Aug Actual	Sept Prelim.	Oct Estimate	Nov Estimate	Dec Estimate	Jan Estimate	Feb Estimate	Mar Estimate	Apr Estimate	May Estimate	June Estimate	Actual + Estimate	FY20 Aug. Forecast	% Diff.	\$ Diff.
Gross Receipts Tax	219.3	258.7	259.9	254.9	242.8	261.5	238.0	236.0	268.7	251.9	264.9	218.0	2,974.7	2,925.2	1.7%	49.6
Compensating Tax	6.7	5.2	7.9	4.7	5.7	9.0	9.0	8.5	7.7	2.3	7.2	8.3	82.2	82.9	-1.0%	(0.8)
<b>TOTAL GENERAL SALES TAXES</b>	<b>226.0</b>	<b>263.8</b>	267.8	259.6	248.5	270.5	247.0	244.5	276.3	254.2	272.1	226.3	3,056.9	3,008.1	1.6%	48.8
Tobacco Products & Cigarette Taxes	9.4	9.2	7.3	7.5	7.2	7.7	6.1	7.8	7.0	7.0	7.6	8.9	92.7	89.4	3.7%	3.3
Liquor Excise Tax	2.2	2.4	1.9	1.8	2.0	2.3	1.4	1.5	1.8	1.8	1.8	2.2	23.3	22.3	4.7%	1.0
Insurance Premiums Tax	0.3	2.4	46.3	0.6	46.3	0.6	54.2	0.6	0.6	0.6	47.1	0.6	200.2	198.7	0.7%	1.5
Fire Protection Fund Reversion	-	-	-	-	-	-	-	-	-	-	-	16.9	16.9	0.0%	-	
Motor Vehicle Excise Tax	11.4	14.1	12.2	12.9	11.5	11.4	12.7	11.4	14.0	13.5	13.5	13.3	151.8	153.8	-1.3%	(2.0)
Gaming Excise Tax	5.2	5.3	5.3	5.3	5.2	5.4	5.4	5.6	6.2	5.6	6.0	5.3	65.9	66.7	-1.1%	(0.8)
Leased Vehicle Surcharge & Other	0.7	0.8	0.8	0.8	0.6	0.6	0.5	0.5	0.6	0.6	0.7	0.7	8.1	8.1	-0.5%	(0.0)
<b>TOTAL SELECTIVE SALES TAXES</b>	<b>29.2</b>	<b>34.2</b>	73.7	29.0	72.7	27.9	80.4	27.5	30.2	29.2	76.7	48.0	558.9	555.9	0.5%	3.0
Withholding	110.7	117.8	125.7	103.3	101.3	152.5	101.2	105.0	122.2	107.7	107.6	150.2	1,405.3	1,379.5	1.9%	25.8
Final Settlements	20.5	53.5	30.8	20.7	12.0	16.8	22.3	52.2	180.9	29.7	74.8	37.5	551.6	536.4	2.8%	15.2
Oil and Gas Withholding Tax	3.0	5.3	12.9	10.5	(2.9)	10.4	7.4	12.9	13.4	20.6	11.4	23.8	128.6	125.3	2.6%	3.3
Fiduciary Tax	(0.4)	1.4	(0.4)	0.0	0.2	0.4	0.3	0.1	2.9	0.2	1.5	(0.1)	6.2	5.9	5.4%	0.3
<b>Gross Personal Income Tax</b>	<b>133.8</b>	<b>178.0</b>	169.0	134.6	110.6	180.1	131.3	170.2	319.4	158.1	195.4	211.4	2,091.8	2,047.2	2.2%	44.6
Transfer to PIT Suspense	(9.7)	(10.1)	(14.4)	(9.4)	(9.8)	(91.9)	(115.5)	(74.6)	(56.9)	(20.3)	(14.0)	(10.2)	(436.7)	(431.9)	1.1%	(4.8)
Retiree Health Care	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(30.1)	(30.3)	-0.7%	0.2
<b>Less: Refunds, distributions to other funds</b>	<b>(12.1)</b>	<b>(12.5)</b>	(16.8)	(11.9)	(12.3)	(94.4)	(118.0)	(77.1)	(59.5)	(22.9)	(16.5)	(12.7)	(466.8)	(462.2)	1.0%	(4.5)
<b>NET PERSONAL INCOME TAX</b>	<b>121.7</b>	<b>165.5</b>	152.2	122.7	98.3	85.6	13.3	93.1	260.0	135.3	178.8	198.6	1,625.0	1,585.0	2.5%	40.1
<b>CORPORATE INCOME TAX</b>	<b>(22.3)</b>	<b>(18.7)</b>	33.2	7.8	1.0	20.6	(6.2)	2.2	20.9	(9.6)	(12.2)	24.8	41.4	85.8	-51.7%	(44.4)
<b>TOTAL INCOME TAXES</b>	<b>99.4</b>	<b>146.7</b>	185.3	130.5	99.3	106.3	7.1	95.2	280.9	125.6	166.6	223.5	1,666.4	1,670.7	-0.3%	(4.3)
Oil and Gas School Tax*	48.5	48.0	48.1	48.1	48.1	48.1	48.1	47.8	-	-	-	-	384.8	384.8	0.0%	0.0
Oil Conservation Tax	2.6	2.8	2.6	2.6	2.5	2.7	2.7	2.6	3.0	2.5	3.3	2.9	32.7	32.4	0.8%	0.3
Resources Excise Tax	0.6	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	7.5	7.7	-2.9%	(0.2)
Natural Gas Processors Tax	1.0	1.2	1.3	1.2	1.2	1.2	1.1	1.1	1.2	1.2	1.2	1.2	14.1	14.3	-1.3%	(0.2)
<b>TOTAL MINERAL PROD. TAXES</b>	<b>52.8</b>	<b>52.5</b>	52.6	52.6	52.4	52.6	52.6	52.1	4.8	4.3	5.1	4.8	439.1	439.2	0.0%	(0.1)
<b>LICENSE FEES</b>	<b>2.0</b>	<b>1.5</b>	3.7	3.1	2.9	15.0	6.5	3.1	3.4	2.9	3.1	3.0	50.3	52.8	-4.7%	(2.5)
Land Grant Perm. Fund Distributions	56.0	56.0	55.6	55.6	55.6	55.6	55.6	55.6	55.6	55.6	55.6	55.6	668.2	667.5	0.1%	0.7
State Treasurer's Earnings	1.5	18.3	(1.5)	7.7	7.1	7.1	7.1	7.1	7.1	7.1	7.1	7.1	82.7	85.0	-2.7%	(2.3)
Severance Tax Perm. Fund Distributions	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	225.3	225.3	0.0%	0.0
<b>TOTAL INVESTMENT EARNINGS</b>	<b>76.3</b>	<b>93.1</b>	72.9	82.1	81.5	81.5	81.5	81.5	81.5	81.5	81.5	81.5	976.2	977.7	-0.2%	(1.5)
Federal Mineral Leasing Royalties	73.4	61.3	57.2	137.8	61.1	61.1	61.1	61.1	61.1	61.1	61.1	95.3	852.8	833.8	2.3%	19.1
State Land Office Bonuses, Rents	2.9	5.7	9.4	6.5	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2	73.8	74.0	-0.2%	(0.2)
<b>TOTAL RENTS &amp; ROYALTIES</b>	<b>76.3</b>	<b>67.0</b>	66.6	144.3	67.3	67.3	67.3	67.3	67.3	67.3	67.3	101.5	926.7	907.8	2.1%	18.9
<b>TRIBAL REVENUE SHARING</b>	<b>-</b>	<b>6.2</b>	19.0	0.4	0.1	18.2	0.6	0.3	19.5	0.2	0.1	19.6	84.2	78.5	7.3%	5.7
<b>MISCELLANEOUS RECEIPTS</b>	<b>1.2</b>	<b>1.2</b>	1.0	1.0	1.0	18.5	1.5	1.1	1.1	1.2	1.2	19.9	49.8	49.4	0.9%	0.4
<b>REVERSIONS</b>	<b>0.0</b>	<b>0.0</b>	0.0	0.2	0.6	1.5	2.0	2.9	5.1	0.4	2.3	25.1	40.0	40.0	0.0%	(0.0)
<b>TOTAL RECURRING REVENUE</b>	<b>563.0</b>	<b>666.4</b>	742.6	702.8	626.2	659.4	546.5	575.7	770.1	566.9	675.9	753.1	7,848.6	7,780.1	0.9%	68.5
Non-Recurring	0.0	0.0	-	-	-	-	-	-	-	-	-	-	0.0	-	-	-
Additional Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL NON-RECURRING REVENUE</b>	<b>0.0</b>	<b>0.0</b>	-	-	-	-	-	-	-	-	-	-	0.0	-	-	0.0
<b>GRAND TOTAL REVENUE</b>	<b>563.0</b>	<b>666.4</b>	742.6	702.8	626.2	659.4	546.5	575.7	770.1	566.9	675.9	753.1	7,848.6	7,780.1	0.9%	68.5

Estimates are developed by LFC and based on the consensus revenue estimate and historical monthly patterns.

\*Oil and gas school tax distributions in excess of five-year average expected to divert to Tax Stabilization Reserve beginning in March 2020.

## FISCAL YEAR 2019 GENERAL FUND MONTHLY REVENUE TRACKING

(dollars in millions; italics indicate preliminary actual revenue; bold indicates actual revenue)

11/30/19 3:44 PM

	ESTIMATED REVENUE ACCRUALS												FY19 Actual + Estimate	TRACKING CHANGE		
	July Actual	Aug Actual	Sept Actual	Oct Actual	Nov Actual	Dec Actual	Jan Actual	Feb Actual	Mar Actual	Apr Actual	May Actual	June Actual		FY19 Aug. Forecast	% Diff.	\$ Diff.
Gross Receipts Tax	216.8	229.4	209.1	228.1	222.3	242.1	216.8	214.0	229.0	243.6	237.3	170.9	2,659.4	2,671.4	-0.4%	(12.0)
Compensating Tax	6.4	1.8	6.9	8.0	6.3	7.3	6.6	8.2	7.2	5.5	6.9	7.2	78.4	78.7	-0.4%	(0.3)
<b>TOTAL GENERAL SALES TAXES</b>	<b>223.3</b>	<b>231.3</b>	<b>216.0</b>	<b>236.0</b>	<b>228.6</b>	<b>249.4</b>	<b>223.4</b>	<b>222.2</b>	<b>236.2</b>	<b>249.1</b>	<b>244.3</b>	<b>178.2</b>	<b>2,737.8</b>	<b>2,750.1</b>	<b>-0.4%</b>	<b>(12.3)</b>
Tobacco Products & Cigarette Taxes	5.1	7.6	5.8	6.8	8.1	6.1	3.9	3.9	10.1	4.5	7.4	6.0	75.4	77.6	-2.8%	(2.2)
Liquor Excise Tax	2.0	3.0	1.1	3.2	2.3	2.2	1.0	1.8	2.0	2.1	2.3	2.3	25.3	25.4	-0.3%	(0.1)
Insurance Premiums Tax	0.7	0.9	0.0	67.7	1.2	0.6	52.1	1.3	0.7	58.2	0.8	9.6	193.8	184.8	4.9%	9.0
Fire Protection Fund Reversion	-	-	-	-	-	-	-	-	-	-	-	22.6	22.6	0.0%	0.0	
Motor Vehicle Excise Tax	12.3	13.6	12.7	13.3	11.2	11.0	13.2	11.2	13.4	13.2	13.9	13.4	152.5	152.6	-0.1%	(0.1)
Gaming Excise Tax	5.3	5.5	5.2	4.9	5.3	5.3	5.1	5.2	6.4	5.3	5.9	5.5	64.9	64.8	0.1%	0.1
Leased Vehicle Surcharge & Other	(0.3)	0.6	0.6	0.6	1.6	0.6	0.8	1.1	0.5	0.5	0.6	1.4	8.7	8.7	0.5%	0.0
<b>TOTAL SELECTIVE SALES TAXES</b>	<b>25.1</b>	<b>31.3</b>	<b>25.5</b>	<b>96.6</b>	<b>29.6</b>	<b>25.8</b>	<b>76.0</b>	<b>24.5</b>	<b>33.0</b>	<b>83.9</b>	<b>31.0</b>	<b>60.8</b>	<b>543.2</b>	<b>536.4</b>	<b>1.3%</b>	<b>6.8</b>
Withholding	100.7	108.0	103.2	100.0	112.5	133.7	104.5	109.0	124.8	100.0	117.4	187.6	1,401.4	1,361.9	2.9%	39.5
Final Settlements	16.4	50.1	24.3	21.0	12.1	17.0	22.6	53.0	183.6	30.1	75.9	38.1	544.4	523.9	3.9%	20.6
Oil and Gas Withholding Tax	2.4	2.4	12.3	10.0	(2.8)	9.9	7.1	12.3	12.7	19.6	10.9	22.6	119.3	121.5	-1.8%	(2.2)
Fiduciary Tax	0.2	1.2	(0.6)	(0.2)	(0.7)	0.8	0.1	(1.2)	4.6	0.2	0.9	(0.4)	4.9	6.2	-21.8%	(1.4)
<b>Gross Personal Income Tax</b>	<b>119.6</b>	<b>161.7</b>	<b>139.2</b>	<b>130.8</b>	<b>121.2</b>	<b>161.5</b>	<b>134.3</b>	<b>173.1</b>	<b>325.7</b>	<b>149.9</b>	<b>205.1</b>	<b>247.9</b>	<b>2,070.0</b>	<b>2,013.4</b>	<b>2.8%</b>	<b>56.6</b>
Transfer to PIT Suspense	(4.3)	(7.4)	(8.1)	(5.8)	(17.7)	(86.0)	(90.8)	(65.9)	(48.8)	(14.4)	(11.2)	(11.4)	(371.7)	(346.6)	7.2%	(25.1)
Retiree Health Care	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(26.3)	(24.0)	9.4%	(2.3)
<b>Less: Refunds, distributions to other funds</b>	<b>(6.5)</b>	<b>(9.6)</b>	<b>(10.3)</b>	<b>(7.9)</b>	<b>(19.9)</b>	<b>(88.2)</b>	<b>(93.0)</b>	<b>(68.1)</b>	<b>(51.0)</b>	<b>(16.6)</b>	<b>(13.4)</b>	<b>(13.5)</b>	<b>(398.0)</b>	<b>(370.6)</b>	<b>7.4%</b>	<b>(27.3)</b>
<b>NET PERSONAL INCOME TAX</b>	<b>113.1</b>	<b>152.1</b>	<b>128.9</b>	<b>122.9</b>	<b>101.3</b>	<b>73.3</b>	<b>41.3</b>	<b>104.9</b>	<b>274.8</b>	<b>133.3</b>	<b>191.7</b>	<b>234.4</b>	<b>1,672.0</b>	<b>1,642.8</b>	<b>1.8%</b>	<b>29.2</b>
<b>CORPORATE INCOME TAX</b>	<b>6.3</b>	<b>7.1</b>	<b>38.8</b>	<b>11.1</b>	<b>1.4</b>	<b>29.5</b>	<b>(8.8)</b>	<b>3.1</b>	<b>30.0</b>	<b>(13.8)</b>	<b>(17.5)</b>	<b>35.5</b>	<b>122.8</b>	<b>124.0</b>	<b>-1.0%</b>	<b>(1.2)</b>
<b>TOTAL INCOME TAXES</b>	<b>119.4</b>	<b>159.3</b>	<b>167.7</b>	<b>134.0</b>	<b>102.8</b>	<b>102.8</b>	<b>32.5</b>	<b>108.0</b>	<b>304.7</b>	<b>119.5</b>	<b>174.2</b>	<b>269.9</b>	<b>1,794.8</b>	<b>1,766.8</b>	<b>1.6%</b>	<b>28.0</b>
Oil and Gas School Tax	48.0	51.3	48.2	50.6	47.5	43.1	44.3	39.6	-	-	-	-	372.5	372.5	0.0%	(0.0)
Oil Conservation Tax	2.5	2.6	2.5	2.6	2.4	2.2	2.3	2.3	2.7	2.8	3.5	0.3	28.7	29.6	-3.0%	(0.9)
Resources Excise Tax	0.6	0.7	0.8	0.7	0.6	0.5	0.7	0.6	0.5	0.4	0.8	0.8	7.8	7.6	3.1%	0.2
Natural Gas Processors Tax	1.3	1.2	1.2	1.2	1.1	1.2	1.2	1.1	1.3	1.2	1.6	1.5	15.1	14.9	1.5%	0.2
<b>TOTAL MINERAL PROD. TAXES</b>	<b>52.4</b>	<b>55.9</b>	<b>52.6</b>	<b>55.1</b>	<b>51.7</b>	<b>47.0</b>	<b>48.5</b>	<b>43.7</b>	<b>4.5</b>	<b>4.5</b>	<b>5.9</b>	<b>2.5</b>	<b>424.1</b>	<b>424.6</b>	<b>-0.1%</b>	<b>(0.5)</b>
<b>LICENSE FEES</b>	<b>-</b>	<b>5.2</b>	<b>1.9</b>	<b>2.1</b>	<b>0.8</b>	<b>3.8</b>	<b>8.7</b>	<b>5.2</b>	<b>7.5</b>	<b>11.1</b>	<b>5.8</b>	<b>3.2</b>	<b>55.4</b>	<b>51.7</b>	<b>7.2%</b>	<b>3.7</b>
Land Grant Perm. Fund Distributions	53.1	53.1	53.1	53.2	53.2	53.2	53.2	53.3	53.3	53.3	53.3	53.3	638.6	638.0	0.1%	0.6
State Treasurer's Earnings	1.6	4.7	0.3	3.0	6.4	12.5	7.2	3.8	13.1	5.2	16.3	12.8	86.9	84.5	2.8%	2.4
Severance Tax Perm. Fund Distributions	18.4	18.4	18.4	18.4	18.4	18.4	18.4	18.4	18.4	18.4	18.4	18.4	220.6	220.6	0.0%	0.0
<b>TOTAL INVESTMENT EARNINGS</b>	<b>73.1</b>	<b>76.2</b>	<b>71.8</b>	<b>74.6</b>	<b>78.0</b>	<b>84.1</b>	<b>78.8</b>	<b>75.5</b>	<b>84.8</b>	<b>76.9</b>	<b>88.0</b>	<b>84.5</b>	<b>946.1</b>	<b>943.1</b>	<b>0.3%</b>	<b>3.0</b>
Federal Mineral Leasing Royalties	67.8	55.8	45.6	100.0	497.3	53.5	53.4	57.6	47.9	50.3	56.9	60.8	1,146.8	1,146.3	0.0%	0.5
State Land Office Bonuses, Rents	17.4	10.7	7.2	6.1	18.6	10.5	7.7	32.5	8.4	6.1	2.2	5.1	132.5	132.5	0.0%	0.0
<b>TOTAL RENTS &amp; ROYALTIES</b>	<b>85.2</b>	<b>66.5</b>	<b>52.8</b>	<b>106.0</b>	<b>515.9</b>	<b>64.0</b>	<b>61.1</b>	<b>90.0</b>	<b>56.2</b>	<b>56.4</b>	<b>59.2</b>	<b>65.9</b>	<b>1,279.3</b>	<b>1,278.8</b>	<b>0.0%</b>	<b>0.5</b>
<b>TRIBAL REVENUE SHARING</b>	<b>-</b>	<b>-</b>	<b>18.7</b>	<b>-</b>	<b>0.9</b>	<b>0.2</b>	<b>18.4</b>	<b>0.0</b>	<b>0.3</b>	<b>17.2</b>	<b>2.6</b>	<b>20.1</b>	<b>78.4</b>	<b>76.9</b>	<b>1.9%</b>	<b>1.5</b>
<b>MISCELLANEOUS RECEIPTS</b>	<b>1.1</b>	<b>1.0</b>	<b>1.5</b>	<b>1.0</b>	<b>12.2</b>	<b>1.0</b>	<b>1.0</b>	<b>14.9</b>	<b>0.5</b>	<b>1.1</b>	<b>1.2</b>	<b>17.0</b>	<b>53.6</b>	<b>52.3</b>	<b>2.5%</b>	<b>1.3</b>
<b>REVERSIONS</b>	<b>-</b>	<b>2.5</b>	<b>0.1</b>	<b>0.1</b>	<b>0.5</b>	<b>(0.0)</b>	<b>0.4</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.0</b>	<b>2.5</b>	<b>90.7</b>	<b>96.7</b>	<b>43.0</b>	<b>124.9%</b>	<b>53.7</b>
<b>TOTAL RECURRING REVENUE</b>	<b>579.4</b>	<b>629.1</b>	<b>608.6</b>	<b>705.6</b>	<b>1,021.0</b>	<b>578.1</b>	<b>548.9</b>	<b>584.0</b>	<b>727.8</b>	<b>619.8</b>	<b>614.5</b>	<b>792.7</b>	<b>8,009.5</b>	<b>7,923.7</b>	<b>1.1%</b>	<b>85.8</b>
Non-Recurring	0.0	0.2	(0.0)	0.1	0.4	(0.1)	0.0	0.2	(0.2)	0.0	0.2	(0.1)	0.8	(100.0)	(100.0)	
Additional Transfers	-	-	-	-	-	-	-	-	-	-	(100.0)	-	(100.0)	(100.0)		
<b>TOTAL NON-RECURRING REVENUE</b>	<b>0.0</b>	<b>0.2</b>	<b>(0.0)</b>	<b>0.1</b>	<b>0.4</b>	<b>(0.1)</b>	<b>0.0</b>	<b>0.2</b>	<b>(0.2)</b>	<b>0.0</b>	<b>(99.8)</b>	<b>(0.1)</b>	<b>(99.2)</b>	<b>(100.0)</b>		
<b>GRAND TOTAL REVENUE</b>	<b>579.4</b>	<b>629.3</b>	<b>608.6</b>	<b>705.7</b>	<b>1,021.4</b>	<b>578.0</b>	<b>548.9</b>	<b>584.2</b>	<b>727.7</b>	<b>619.9</b>	<b>614.7</b>	<b>792.6</b>	<b>7,910.3</b>	<b>7,823.7</b>	<b>1.1%</b>	<b>86.6</b>

Estimates are developed by LFC and based on the consensus revenue estimate and historical monthly patterns.

Oil and gas school tax distributions in excess of five-year average diverted to Tax Stabilization Reserve beginning in February 2019.

Non-recurring additional transfer in May reflects payment film credit backlog claims per Chapter 87 (Laws 201, Senate Bill 2)

## U.S. and New Mexico Economic Indicators

		FY19		FY20		FY21		FY22		FY23		FY24	
		Aug 19 Forecast	Dec 19 Forecast	Aug 19 Forecast	Dec 19 Forecast	Aug 19 Forecast	Dec 19 Forecast	Aug 19 Forecast	Dec 19 Forecast	Aug 19 Forecast	Dec 19 Forecast	Aug 19 Forecast	Dec 19 Forecast
<b>National Economic Indicators</b>													
GI	US Real GDP Growth (annual avg., % YOY)*	2.6	2.6	2.2	2.0	2.3	2.2	1.9	1.7	1.7	1.5	1.6	1.7
Moody's	US Real GDP Growth (annual avg., % YOY)*	2.6	2.6	2.0	2.0	1.5	1.5	2.9	2.9	2.3	2.5	2.2	2.2
GI	US Inflation Rate (CPI-U, annual avg., % YOY)**	2.1	2.1	2.2	2.0	1.9	1.6	2.3	2.2	2.4	2.5	2.5	2.5
Moody's	US Inflation Rate (CPI-U, annual avg., % YOY)**	2.1	2.1	2.1	1.8	2.1	2.3	2.4	2.4	2.3	2.3	2.3	2.3
GI	Federal Funds Rate (%)	2.2	2.2	2.2	1.8	2.3	1.8	2.4	2.3	2.5	2.5	2.6	2.6
Moody's	Federal Funds Rate (%)	2.2	2.2	1.8	1.8	1.7	1.4	2.3	2.0	2.9	2.7	3.0	3.0
<b>New Mexico Labor Market and Income Data</b>													
BBER	NM Non-Agricultural Employment Growth (%)	1.5	1.5	1.6	1.7	1.2	1.2	1.1	1.0	0.9	0.8	0.9	0.8
Moody's	NM Non-Agricultural Employment Growth (%)	1.4	1.4	1.4	1.9	0.2	0.1	0.4	0.4	0.8	0.9	0.6	0.6
BBER	NM Nominal Personal Income Growth (%)***	3.8	3.8	4.8	5.7	4.0	3.8	4.6	4.5	4.4	4.2	4.4	4.5
Moody's	NM Nominal Personal Income Growth (%)***	4.6	4.6	4.4	4.6	3.1	2.8	3.6	3.6	4.0	4.1	3.7	3.6
BBER	NM Total Wages & Salaries Growth (%)	4.8	4.8	5.1	5.8	4.6	4.8	4.2	3.9	3.7	3.7	3.6	3.6
Moody's	NM Total Wages & Salaries Growth (%)	4.9	4.9	4.1	5.2	2.0	2.1	1.7	1.8	2.8	3.0	2.8	2.9
BBER	NM Private Wages & Salaries Growth (%)	5.5	5.5	5.2	5.4	5.0	4.7	4.4	4.1	4.0	4.0	3.9	4.0
BBER	NM Real Gross State Product (% YOY)	2.4	2.4	1.6	1.9	1.4	1.2	1.2	1.3	1.1	1.2	1.1	1.1
Moody's	NM Real Gross State Product (% YOY)	3.7	3.7	3.2	3.4	1.9	1.9	2.6	2.7	2.1	2.2	2.3	2.2
CREG	NM Gross Oil Price (\$/barrel)	\$51.80	\$51.51	\$52.50	\$52.00	\$52.00	\$50.00	\$52.00	\$50.00	\$54.00	\$52.00	\$55.50	\$53.00
CREG	NM Net Oil Price (\$/barrel)*****	\$45.58	\$45.25	\$46.20	\$45.75	\$45.75	\$44.00	\$45.75	\$44.00	\$47.50	\$45.75	\$48.85	\$46.65
BBER	Oil Volumes (million barrels)	302.7	302.7	361.8	341.3	389.5	370.3	404.2	384.6	416.9	397.0	428.0	407.9
CREG	NM Taxable Oil Volumes (million barrels)	298.0	300.4	356.3	350.0	399.6	360.0	438.3	365.0	475.0	375.0	512.8	385.0
	NM Taxable Oil Volumes (%YOY growth)	45.8%	45.8%	19.6%	16.5%	12.2%	2.9%	9.7%	1.4%	8.4%	2.7%	8.0%	2.7%
CREG	NM Gross Gas Price (\$ per thousand cubic feet)****	\$3.05	\$3.08	\$2.00	\$2.10	\$2.25	\$2.25	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
CREG	NM Net Gas Price (\$ per thousand cubic feet)*****	\$2.20	\$2.18	\$1.32	\$1.26	\$1.51	\$1.47	\$1.70	\$1.67	\$1.70	\$1.67	\$1.70	\$1.67
BBER	Gas Volumes (billion cubic feet)	1,602	1,602	1,679	1,696	1,718	1,758	1,748	1,798	1,749	1,813	1,714	1,779
CREG	NM Taxable Gas Volumes (billion cubic feet)	1,575	1,562	1,662	1,610	1,745	1,625	1,832	1,650	1,914	1,665	2,001	1,675
	NM Taxable Gas Volumes (%YOY growth)	15.7%	15.7%	5.5%	3.1%	5.0%	0.9%	5.0%	1.5%	4.5%	0.9%	4.5%	0.6%

**Notes**

\* Real GDP is BEA chained 2012 dollars, billions, annual rate

\*\* CPI is all urban, BLS 1982-84=1.00 base

\*\*\*Nominal Personal Income growth rates are for the calendar year in which each fiscal year begins

\*\*\*\*The gross gas prices are estimated using a formula of NYMEX, EIA, and IHS Markit (November) future prices

\*\*\*\*\*The net oil and gas prices represent calculated prices based on taxable values of the product after deductions for transportation, processing, and royalties

Sources: BBER - October 2019 FOR-UNM baseline. IHS Global Insight - November 2019 baseline.

**DFA Notes**

\* Real GDP is BEA chained 2012 dollars, billions, annual rate

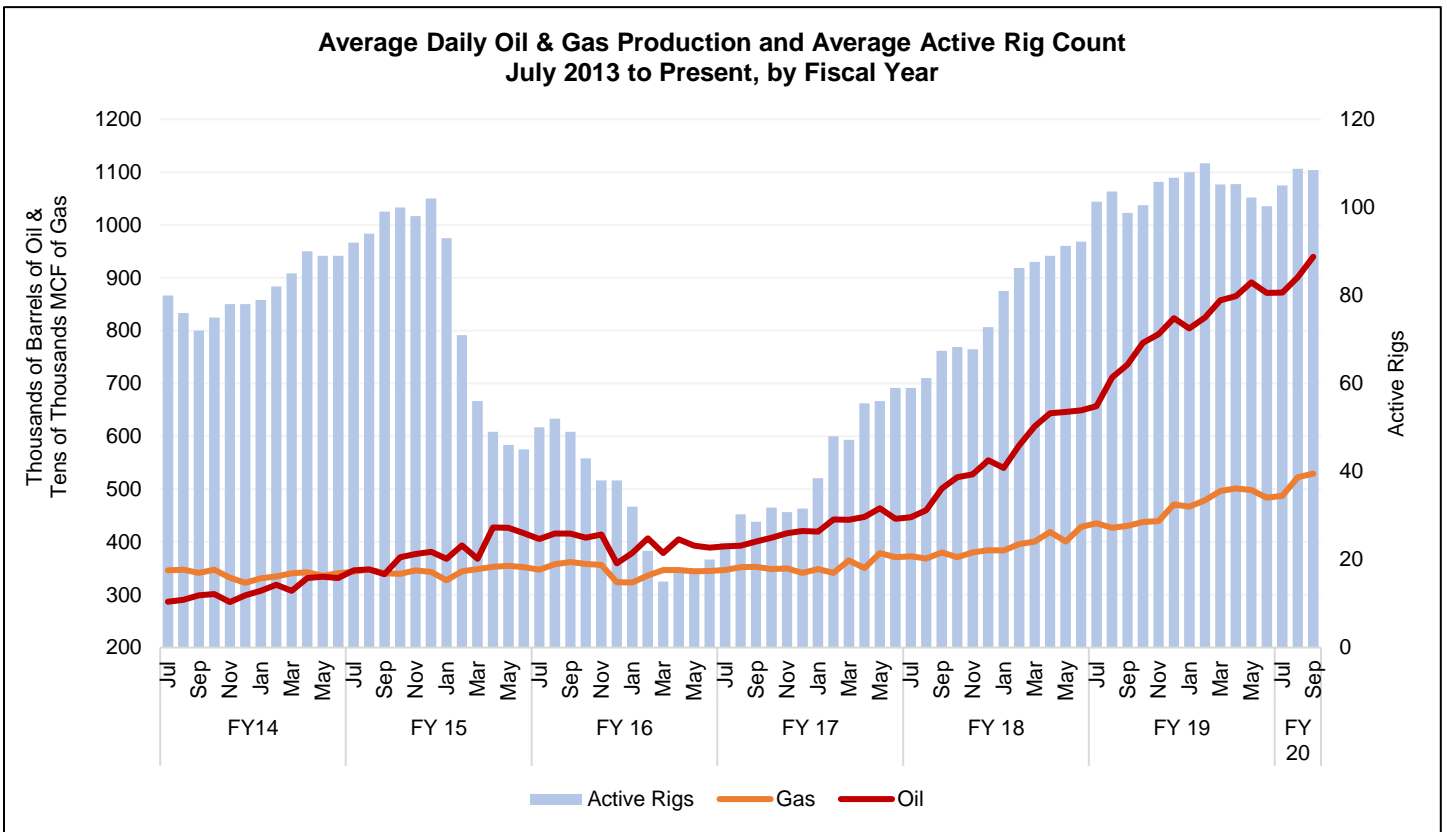
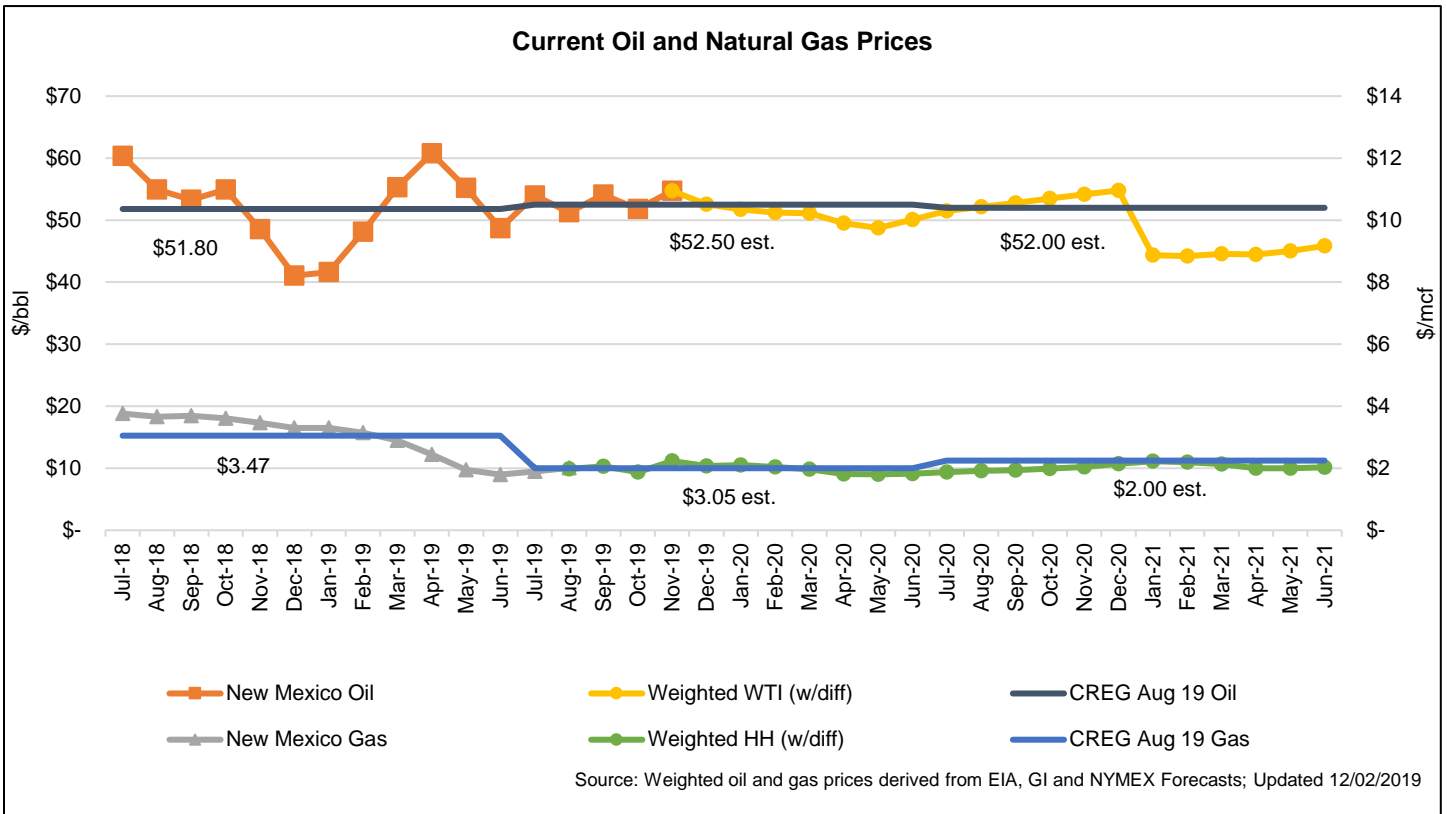
\*\* CPI is all urban, BLS 1982-84=1.00 base.

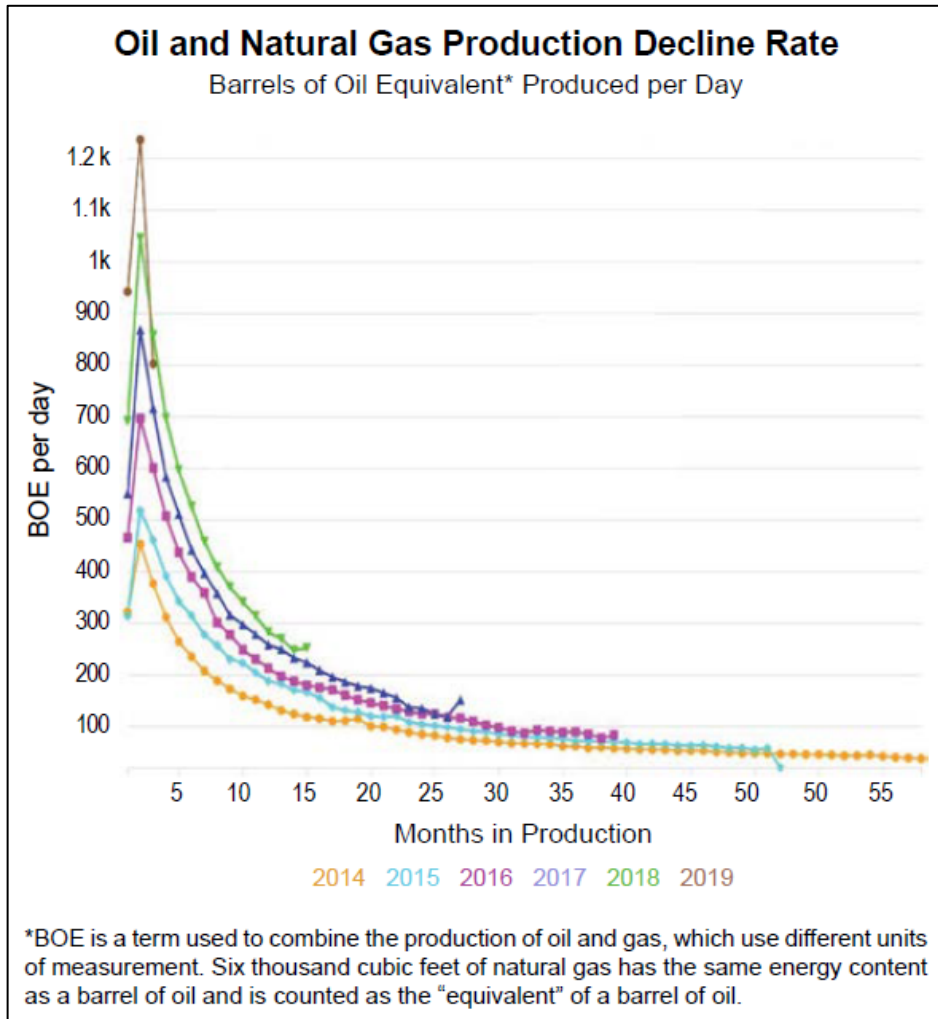
\*\*\*Nominal Personal Income growth rates are for the calendar year in which each fiscal year begins

\*\*\*\*The gross gas prices are estimated using a formula of NYMEX, EIA, and Moody's (November) future prices

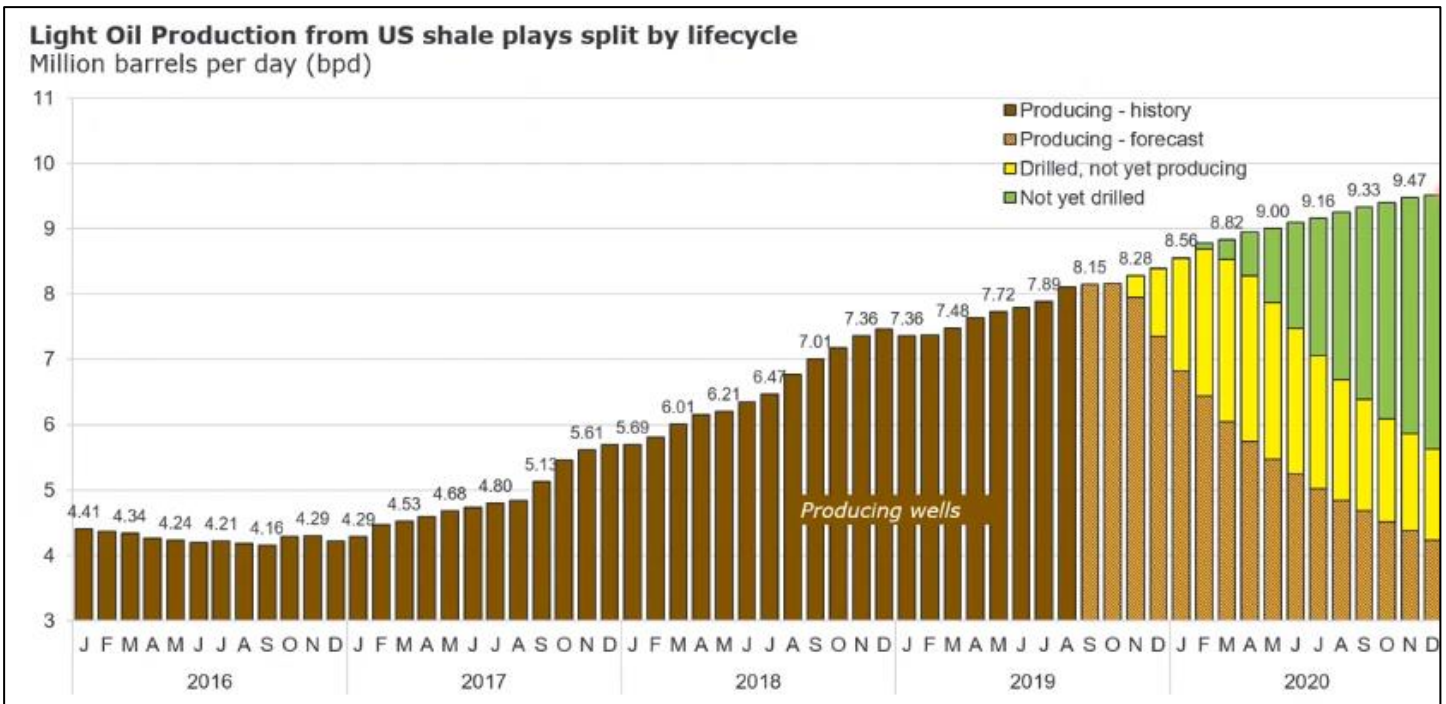
\*\*\*\*\*The net oil and gas prices represent calculated prices based on taxable values of the product after deductions for transportation, processing, and royalties

Sources: November 2019 Moody's economy.com baseline



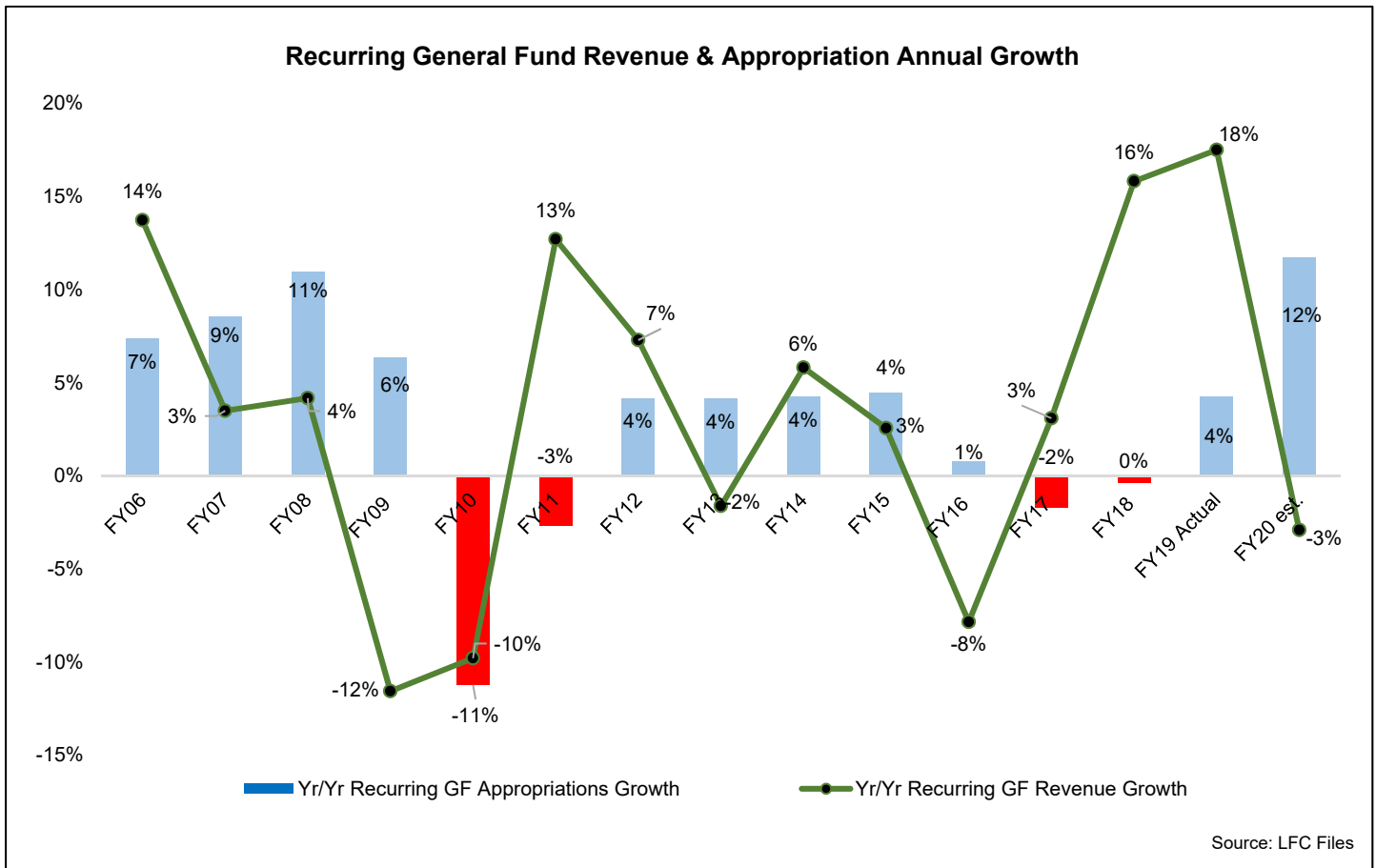
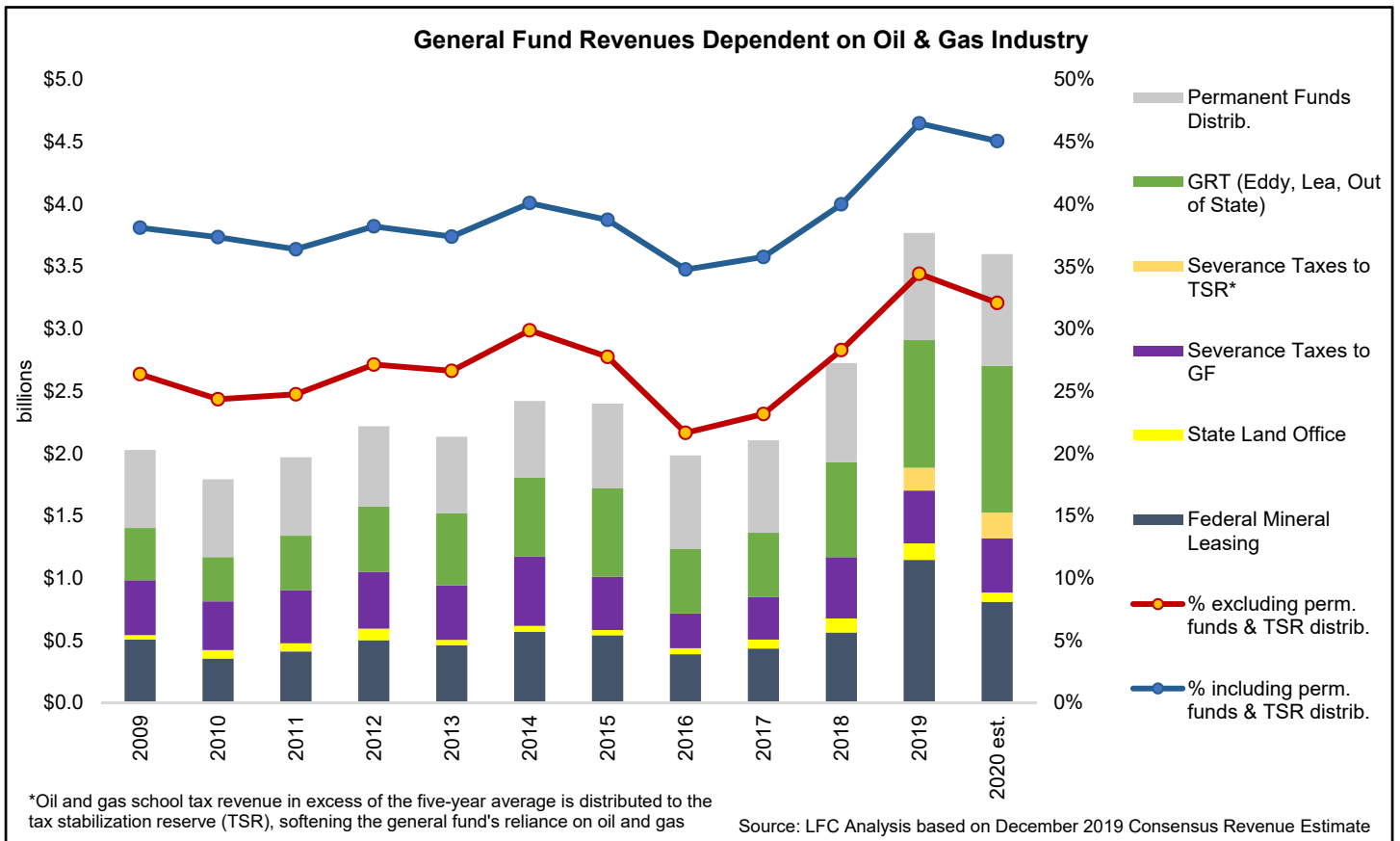


Source: DrillingInfo presentation to LFC July 2019

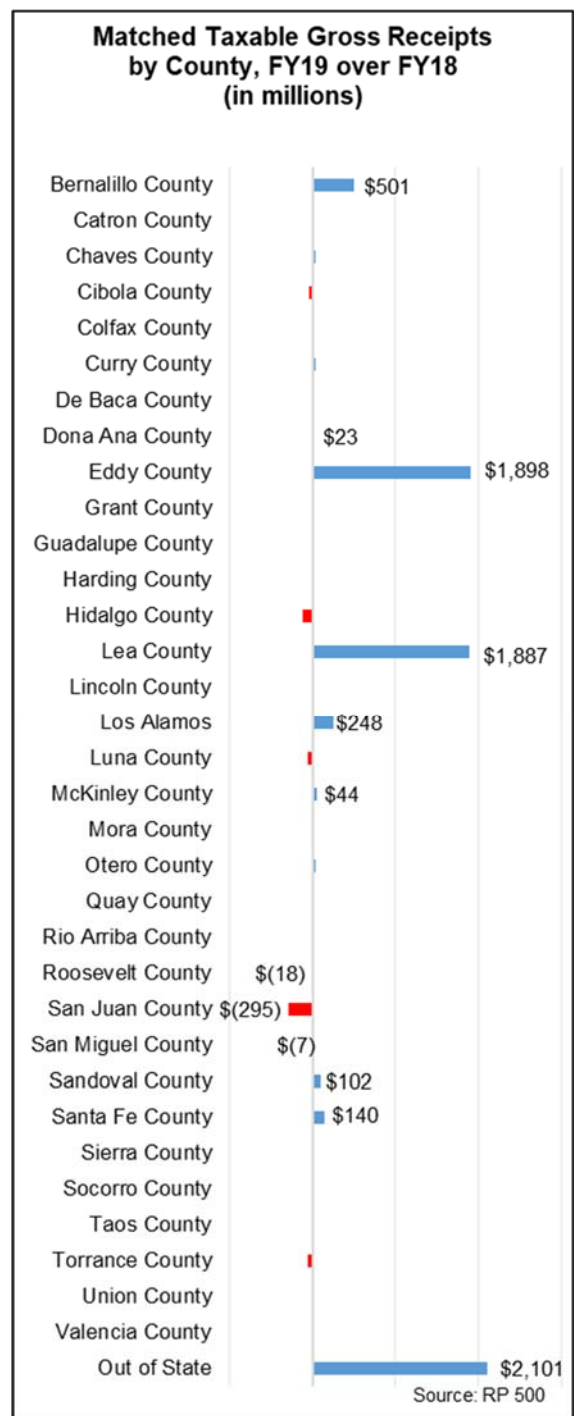
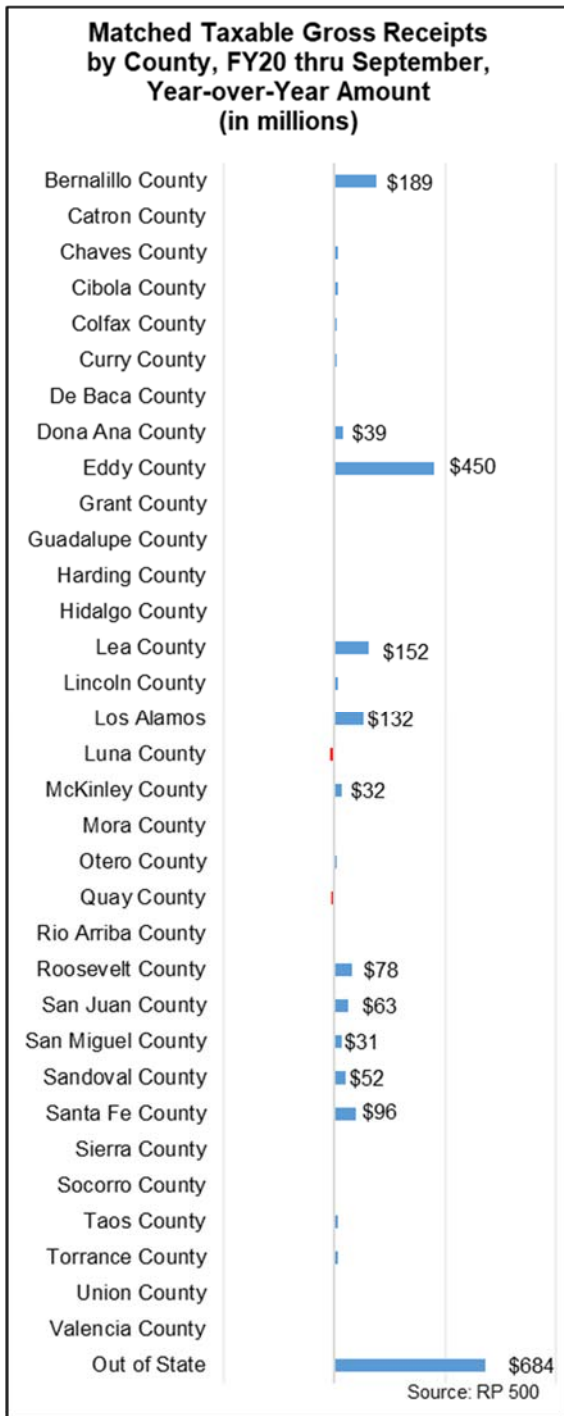


Source: Rystad Energy ShaleWellCube, from Rystad Energy Shale Webinar October 2019





### Matched Taxable Gross Receipts (MTGR) by County



### New Mexico Employment and Earnings

