

Gulf Coast Business Council
Research Update

PRESIDENTS NOTES

February 17, 2016

Sales Tax Collections. The Mississippi Department of Revenue has updated sales tax data through December 2015 (for sales which occurred through November). Prior to December's report, the MS Gulf Coast combined municipal sales tax base had grown in 15 consecutive months (compared to prior year). December's returns came in 4% less than prior year. It's too early to tell if this is a trend or if it is a potential precursor to recent financial unrest. Notably, the state also reported a decline in December's returns, the first in 15 months. In December, all but three cities (D'Iberville, Gautier, and Waveland) reported declines.

July - December 2015 Sales Tax Diversion

Source: Mississippi Department of Revenue

	2015	2014	2015 vs 2014	2008 (pre-recession)	2014 vs 2008
BAY ST LOUIS	750,028	708,760	5.8%	631,819	18.7%
BILOXI	5,814,423	5,726,931	1.5%	5,464,898	6.4%
DIAMONDHEAD	271,705	253,370	7.2%	0	NA
D'IBERVILLE	3,427,702	3,032,161	13.0%	2,200,770	55.8%
GAUTIER	1,098,974	988,984	11.1%	1,396,364	-21.3%
GULFPORT	10,095,716	9,716,477	3.9%	10,392,397	-2.9%
LONG BEACH	664,336	669,905	-0.8%	723,697	-8.2%
MOSS POINT	904,739	873,510	3.6%	887,503	1.9%
OCEAN SPRINGS	2,444,653	2,339,205	4.5%	2,234,510	9.4%
PASCAGOULA	2,619,053	2,686,743	-2.5%	3,058,196	-14.4%
PASS CHRISTIAN	622,363	606,200	2.7%	178,346	249.0%
WAVELAND	1,173,113	1,140,600	2.9%	1,378,047	-14.9%
Combined Cities	\$29,886,805	\$28,742,846	4.0%	\$28,546,548	4.7%

October - December 2015 Sales Tax Diversion

Source: Mississippi Department of Revenue

	2015	2014	2015 vs 2014	2008 (pre-recession)	2014 vs 2008
BAY ST LOUIS	347,850	338,881	2.6%	280,858	23.9%
BILOXI	2,646,840	2,701,185	-2.0%	2,529,101	4.7%
DIAMONDHEAD	129,669	125,114	3.6%	0	NA
D'IBERVILLE	1,716,953	1,526,727	12.5%	1,037,326	65.5%
GAUTIER	531,575	505,859	5.1%	621,132	-14.4%
GULFPORT	4,856,467	4,842,399	0.3%	4,907,154	-1.0%
LONG BEACH	312,631	332,620	-6.0%	323,191	-3.3%
MOSS POINT	421,062	442,081	-4.8%	410,975	2.5%
OCEAN SPRINGS	1,178,504	1,197,279	-1.6%	1,066,619	10.5%
PASCAGOULA	1,273,675	1,320,162	-3.5%	1,406,840	-9.5%
PASS CHRISTIAN	299,105	296,754	0.8%	80,475	271.7%
WAVELAND	564,935	558,215	1.2%	659,138	-14.3%
Combined Cities	\$14,279,267	\$14,187,277	0.6%	\$13,322,809	7.2%

*Diamondhead began receiving sales tax collections in March 2012.

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Employment. The Mississippi Department of Employment Security released preliminary estimates for its Annual Labor Force Report. Notably, MDES revises their numbers every April so this data is subject to change. Key considerations below:

- For the first time since January 2014, all three counties on the Mississippi Gulf Coast reported year-over-year increases in establishment jobs¹.
- Overall the combined Mississippi Gulf Coast reported 700 more jobs in December 2016 than it did prior year. If the loss in construction jobs in Jackson County (as a result of Chevron plant completion) is factored out, overall growth would have been closer to 1,300 jobs.
- The number of employed individuals living in the three coastal counties increased by 8,560.

Table 1: Mississippi Gulf Coast Establishment Jobs
Establish Jobs on the Mississippi Gulf Coast

Source: Mississippi Department of Employment Security

	11/30/2015	11/30/2014	Change	% Change
Manufacturing	19,600	19,200	400	2.1%
Agri., Forestry, Mining, Utilities	1,800	1,780	20	1.1%
Construction	6,970	8,150	(1,180)	-14.5%
Wholesale Trade	2,300	2,300	0	0.0%
Retail Trade	17,800	17,800	0	0.0%
Transportation and Warehousing	3,030	2,970	60	2.0%
Information	1,500	1,500	0	0.0%
Finance & Insurance, Real Estate	5,200	5,200	0	0.0%
Professional Services	5,200	5,130	70	1.4%
Management of Companies	1,210	1,190	20	1.7%
Waste Mgt.	8,980	8,870	110	1.2%
Educational Services	1,060	1,020	40	3.9%
Health Care	11,640	11,280	360	3.2%
Leisure & Hospitality	27,700	27,400	300	1.1%
Other Services and Government	5,400	5,300	100	1.9%
Government and Education	33,500	33,100	400	1.2%
Total Establishment jobs	152,890	152,190	700	0.5%

¹ Establishment jobs are those located on the Mississippi Gulf Coast and do not include self-employed individuals.

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MISSISSIPPI GULF COAST EMPLOYMENT SUMMARY

December 2015

	Hancock	Harrison	Jackson	Combined Coast	Overall Mississippi
Civilian Labor Force	18,990	86,890	61,020	166,900	1,302,100
Unemployed	1,390	5,890	4,830	12,110	93,800
Rate	7.3%	6.8%	7.9%	7.3%	7.2%
Employed*	17,600	81,000	56,190	154,790	1,208,300

December 2014

	Hancock	Harrison	Jackson	Combined Coast	Overall Mississippi
Civilian Labor Force	17,990	81,930	57,530	157,450	1,247,100
Unemployed	1,270	5,400	4,550	11,220	88,100
Rate	7.1%	6.6%	7.9%	7.1%	7.1%
Employed*	16,720	76,530	52,980	146,230	1,159,000

Year-Over-Year Change

	Hancock	Harrison	Jackson	Combined Coast	Overall Mississippi
Civilian Labor Force	1,000	4,960	3,490	9,450	55,000
Unemployed	120	490	280	890	5,700
Rate	0.3%	0.2%	0.0%	0.1%	0.1%
Employed*	880	4,470	3,210	8,560	49,300

*Employed individuals live in the surveyed area but do not necessarily work in the same area.

Tourism. The Mississippi Department of Revenue has only updated its special tax tables through October, but leading up to then special tourism taxes had exceeded prior year in seven of eight months. Gaming finished its year at \$1.143 billion, up \$64 million from prior year and completing its best year since 2008. Notably, gaming revenues were up \$50 million through October so it is too early to tell whether Scarlet Pearl grew the market.

Real Estate. Residential permits filed in three coastal counties totaled 460 in the fourth quarter of 2016, compared to 314 same quarter prior year. This represents the most active quarter for residential permitting on the Mississippi Gulf Coast dating back to 2011. (source: Treen Reports). The number of commercial permits applied for was flat to prior year, with Harrison County reporting an increase. The value of commercial permits applied for was \$24.5 million, compared to \$28.2 million prior year.

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