

Gulf Coast Business Council
Research Update

PRESIDENTS NOTES

April 4, 2016

Employment. In late March, The Mississippi Department of Employment Security released preliminary February 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 third consecutive month, the combined Mississippi Gulf Coast reported an increase in total establishment jobs¹.
- Overall the combined Mississippi Gulf Coast reported 1,600 more jobs in February 2016 than it did prior year. Job sectors reporting the strongest growth were Government & Education, Leisure & Hospitality, and Retail Trade.
- The overall unemployment rate in February 2016 was 6.4%, compared to 6.8% prior year. Mississippi's overall rate was 6.2% while the United States unemployment rate was 4.9% in February (according to the Bureau of Labor Statistics).

Table 1: Mississippi Gulf Coast Establishment Jobs

Establish Jobs on the Mississippi Gulf Coast

Source: Mississippi Department of Employment Security

	2/29/2016	2/28/2015	Change	% Change	Pre Recession	
					2/29/2008	Change
Manufacturing	18,890	19,090	(200)	-1.0%	20,900	(2,010)
Agri., Forestry, Mining, Utilities	1,840	1,780	60	3.4%	1,650	190
Construction	8,170	8,250	(80)	-1.0%	11,390	(3,220)
Wholesale Trade	2,300	2,210	90	4.1%	2,500	(200)
Retail Trade	17,900	17,200	700	4.1%	17,800	100
Transportation and Warehousing	2,700	2,970	(270)	-9.1%	3,450	(750)
Information	1,590	1,500	90	6.0%	1,900	(310)
Finance & Insurance, Real Estate	5,210	5,200	10	0.2%	5,810	(600)
Professional Services	4,930	5,290	(360)	-6.8%	6,660	(1,730)
Management of Companies	1,240	1,240	0	0.0%	880	360
Waste Mgt.	8,130	9,160	(1,030)	-11.2%	10,140	(2,010)
Educational Services	1,010	1,020	(10)	-1.0%	640	370
Health Care	11,690	11,180	510	4.6%	10,260	1,430
Leisure & Hospitality	28,100	27,200	900	3.3%	27,400	700
Other Services and Government	5,200	5,300	(100)	-1.9%	5,800	(600)
Government and Education	33,890	32,600	1,290	4.0%	32,710	1,180
Total Establishment jobs	152,790	151,190	1,600	1.1%	159,890	(7,100)

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

Gulf Coast Business Council
Research Update

Table 2: MISSISSIPPI GULF COAST EMPLOYMENT SUMMARY

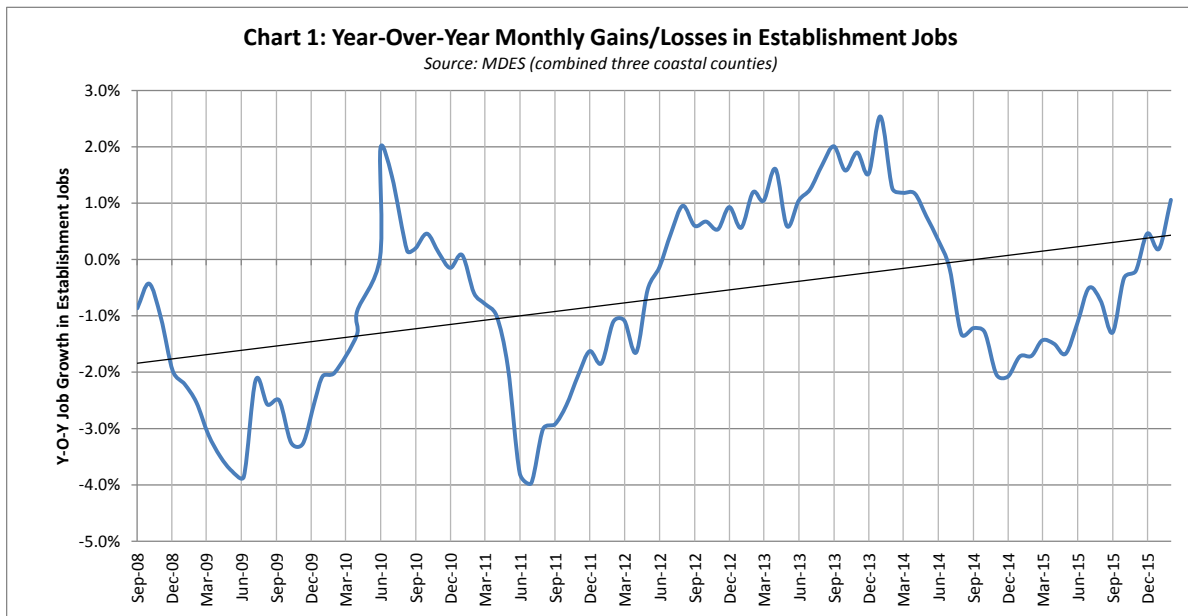
February 2016					
	Hancock	Harrison	Jackson	Combined Coast	Overall Mississippi
Civilian Labor Force	18,840	86,500	60,230	165,570	1,289,200
Unemployed	1,220	5,100	4,230	10,550	79,500
Rate	6.5%	5.9%	7.0%	6.4%	6.2%
Employed*	17,620	81,400	56,000	155,020	1,209,700

February 2015					
	Hancock	Harrison	Jackson	Combined Coast	Overall Mississippi
Civilian Labor Force	18,010	82,250	57,790	158,050	1,228,200
Unemployed	1,200	5,140	4,360	10,700	83,700
Rate	6.7%	6.2%	7.5%	6.8%	6.8%
Employed*	16,810	77,110	53,430	147,350	1,144,500

Year-Over-Year Change

	Hancock	Harrison	Jackson	Combined Coast	Overall Mississippi
Civilian Labor Force	830	4,250	2,440	7,520	61,000
Unemployed	20	(40)	(130)	(150)	(4,200)
Rate	-0.2%	-0.4%	-0.5%	-0.4%	-0.6%
Employed*	810	4,290	2,570	7,670	65,200

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



Gulf Coast Business Council
Research Update

Sales Tax Diversions. The Mississippi Department of Revenue has released monthly sales tax diversions (these occur the month after sales take place) through February. Key considerations below:

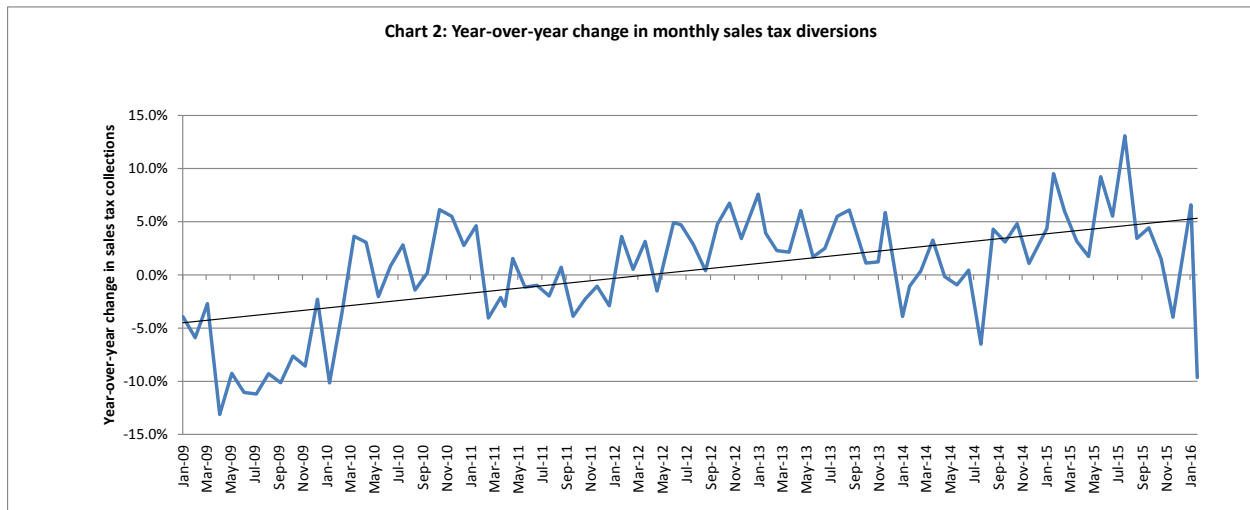
- After 15 consecutive months of year-over-year growth in the region’s combined municipal sales tax base, the last three months (December through February) have yielded mixed results, with declines in December 2015 and February 2016, and growth in January 2016. Generally speaking, the Mississippi Gulf Coast has followed a statewide trend in sales tax growth.
- D’Iberville has reported strong growth year-over-year, likely due to the new Scarlet Pearl Casino opening in December 2015.

Table 3: January and February Sales Tax Diversions

Source: Mississippi Department of Revenue

	2016	2015	2016 vs 2015	2008 (pre-recession)	2016 vs 2008	2005 (pre-Katrina)	2014 vs 2005
BAY ST LOUIS	216,567	225,848	-4.1%	214,836	0.8%	204,680	5.8%
BILOXI	1,788,162	1,872,844	-4.5%	1,849,668	-3.3%	2,058,884	-13.1%
DIAMONDHEAD	90,584	84,100	7.7%	0	NA	0	NA
D'IBERVILLE	1,406,641	1,147,297	22.6%	775,262	81.4%	594,860	136.5%
GAUTIER	366,489	334,099	9.7%	457,848	-20.0%	365,459	0.3%
GULFPORT	3,275,519	3,449,402	-5.0%	3,883,389	-15.7%	3,131,870	4.6%
LONG BEACH	218,436	215,583	1.3%	262,881	-16.9%	240,183	-9.1%
MOSS POINT	283,223	301,167	-6.0%	280,396	1.0%	227,936	24.3%
OCEAN SPRINGS	807,937	845,571	-4.5%	812,378	-0.5%	642,649	25.7%
PASCAGOULA	852,260	899,222	-5.2%	1,121,122	-24.0%	892,242	-4.5%
PASS CHRISTIAN	204,285	212,565	-3.9%	53,084	284.8%	216,445	-5.6%
WAVELAND	377,293	370,919	1.7%	491,887	-23.3%	382,606	-1.4%
Combined Cities	\$9,887,395	\$9,958,617	-0.7%	\$10,202,751	-3.1%	\$8,957,815	10.4%

*Diamondhead began receiving sales tax collections in March 2012.



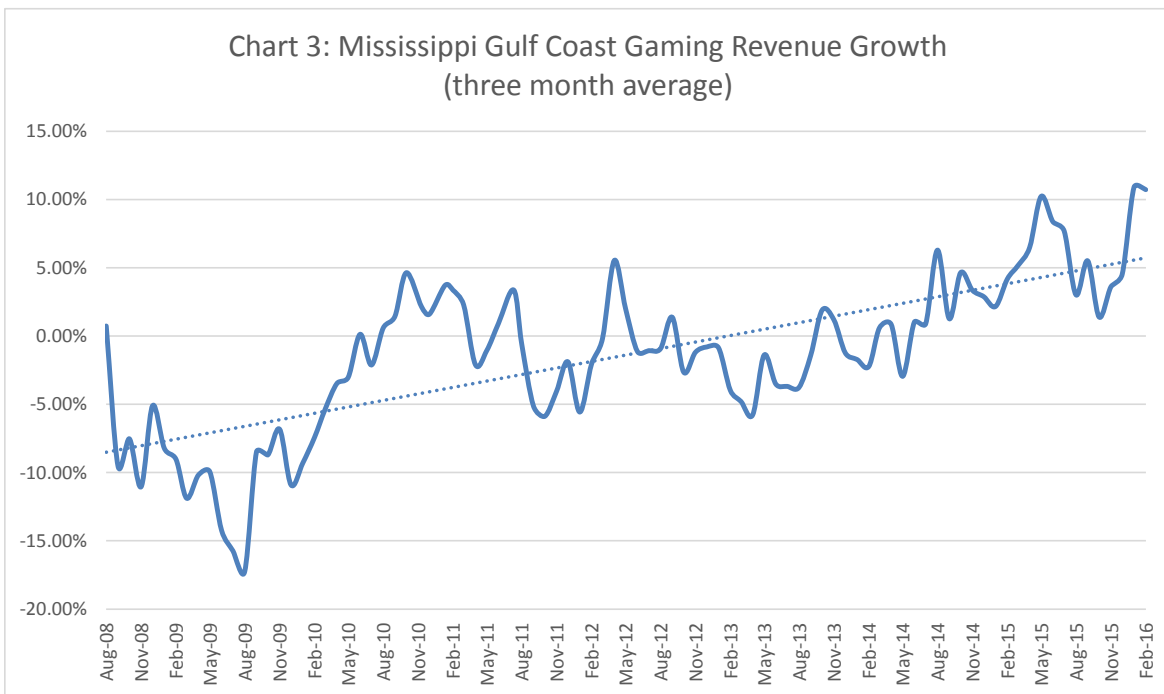
Gulf Coast Business Council
Research Update

Tourism. The Mississippi Gulf Coast’s tourism industry fared well versus prior year, which bodes well as the region transitions to peak tourism season.

- From the perspective of tourism tax collections, the Mississippi Gulf Coast has outpaced some of its regional counterparts over the last six months.
- The Mississippi Gulf Coast’s gaming industry has reported \$23 million in incremental gaming revenue growth over the first two months of 2016 versus prior year.

Table 4: Last Six Months (taxes unless specified as sales...tax collections lag actual sales)
Thru February returns unless otherwise noted

	Current Year	Prior Year	Change
Harrison County Hotel Tax	3,479,812	3,103,308	12.1%
All MS Coast Tourism	4,355,583	3,961,104	10.0%
Fort Walton (thru December Returns - taxable sales)	558,054,807	513,992,964	8.6%
Panama City (thru December Returns - taxable sales)	568,567,950	527,368,613	7.8%
Pensacola (thru December Returns - taxable sales)	665,392,703	621,938,600	7.0%
Gulf Shores (thru January Returns - taxable sales)	308,180,337	290,939,955	5.9%
City of Hattiesburg	2,734,865	2,614,019	4.6%
New Orleans	36,675,273	35,194,132	4.2%
City of Jackson	4,033,348	3,900,299	3.4%
City of Tupelo	834,466	829,573	0.6%



Gulf Coast Business Council
Research Update

Real Estate and Economic Development.

- According to Treen Reports, the Mississippi Gulf Coast saw an uptick in residential permits applied for in the fourth quarter 2015 versus same quarter prior year. The fourth quarter was the most active quarter for residential permitting since the first quarter of 2010.
- Biloxi has several hotel projects in the pipeline, including a Hilton Garden Inn, a new project where the former Casino Magic was located, and a new hotel where the former Santa Maria del Mar apartments were located.
- Amtrak is working on a possible return to providing rail service on the Mississippi Gulf Coast, which would include service to Mobile, New Orleans, and Orlando as key stops.
- The newly created Gulf Coast Broadband Commission is actively working on bringing gigabyte internet access to the Mississippi Gulf Coast. Governor Phil Bryant has indicated that \$15 million from the state’s BP Settlement could go towards financing. Similar investments in broadband internet infrastructure have yielded positive results in other parts of the country, including Chattanooga and Lafayette
- Edison Chouest Offshore, an offshore energy service and supply company, will be making a \$68 million corporate investment which will bring 1,000 full-time jobs to the Port of Gulfport.
- In March NASA successfully tested the first deep space RS-25 rocket engine. The work being done at Stennis Space Center is instrumental to the first manned deep-space mission in more than 45 years.

