



GRANT CENTER FOR
REAL ESTATE AND ECONOMICS
COASTAL CAROLINA UNIVERSITY

Regional Economic Outlook

Fall 2019

December 4, 2019
Robert F. Salvino, Ph.D.
Coastal Carolina University



Executive Summary

The Economic Outlook Board of the Waccamaw Council of Governments met on December 4, 2019 to review the latest quarterly economic indicators for the Grand Strand and surrounding region.

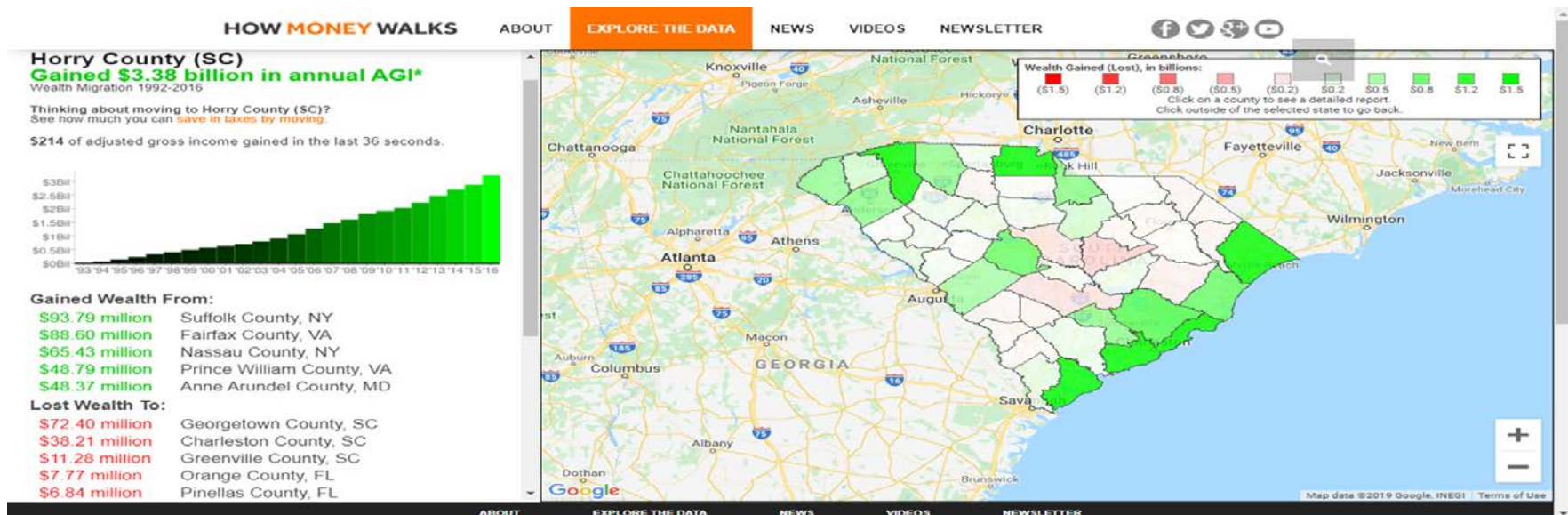
National Economy

- Longest economic expansion in modern history.
- But also the weakest (2% GDP per year max).
- Lower labor force participation.
- Residential investment strong.
- Interest rates low.

Regional Insight

2019Q3 from 2018Q3 for Horry Co.:

- Unemployment: 2.8% (Down 1.1 pt.)
- Employment: 153,170 (Up 3.9 %)
- Occupancy: 85.4% (Up 0.2 pt.)
- Retail Sales: \$3.8 billion (Up 0.5 %)
- Please see remaining slides...



How Money Walks: IRS Tax Migration

HOW MONEY WALKS

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IRS Tax Migration

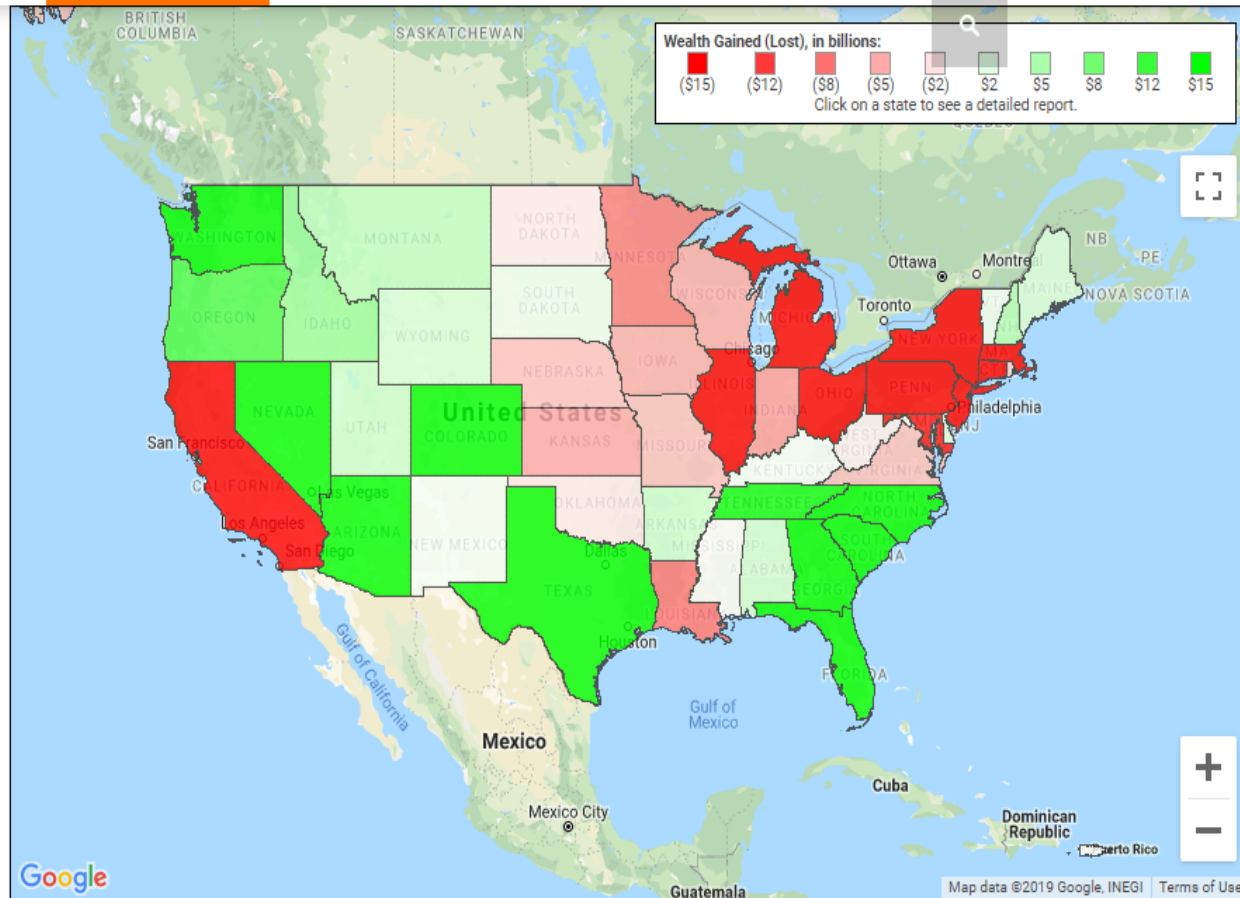
For many years now the IRS has been tracking the migration of Americans and their income across state and county lines. Every year they produce a detailed report on the tax migration of Americans, showing the amount of people and income that moved.

How Money Walks maps this great migration of American income and raises important questions about American tax policy and how it profoundly affects growth and development in our country:

- Why did so much wealth walk? Did people vote with their feet?
- Did money walk because the opportunity to keep more personal income talked?
- How does taxing personal income affect economic growth?
- Which states "won" which states "lost" and why?

These questions are explored in *How Money Walks* through unimpeachable IRS data mapped by state and metropolitan area. And the answers suggest a simple correlation: the key to accumulating working wealth for any state is a pro-growth tax policy, and that means not taxing personal income.

Click on the map to get started!



Google

Map data ©2019 Google, INEGI Terms of Use

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South Carolina: Where Gained/Where Lost

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population mode

South Carolina

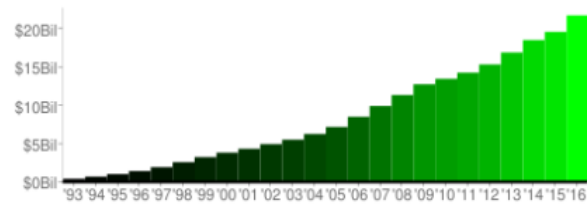
Gained \$22.70 billion in annual AGI*

Wealth Migration 1992-2016

Thinking about moving to South Carolina?

See how much you can **save in taxes by moving.**

\$1,798 of adjusted gross income gained in the last 45 seconds.

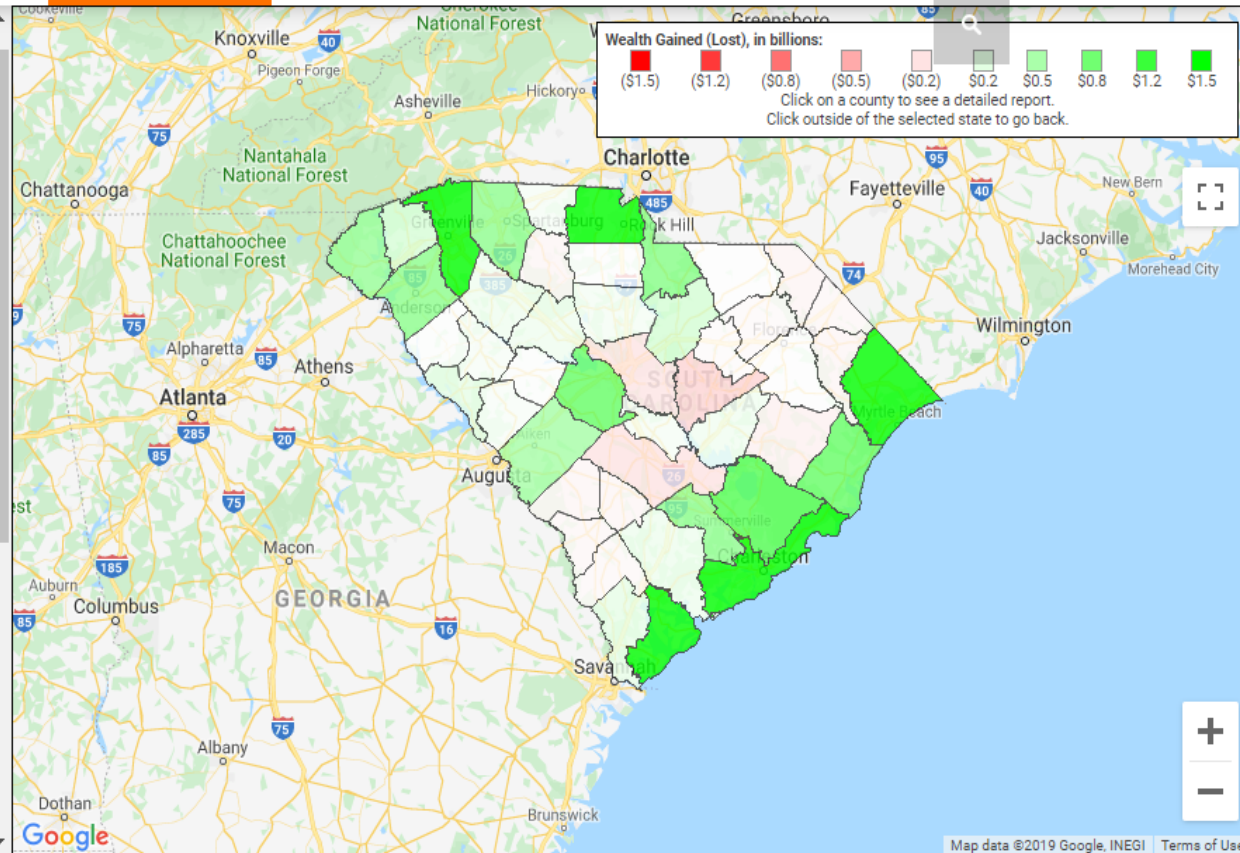


Gained Wealth From:

- \$3.05 billion New York
- \$2.29 billion North Carolina
- \$2.16 billion New Jersey
- \$1.76 billion Pennsylvania
- \$1.71 billion Ohio

Lost Wealth To:

- \$8.28 million Idaho
- \$5.82 million Montana
- \$3.97 million Oregon
- \$2.11 million Washington



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Horry County

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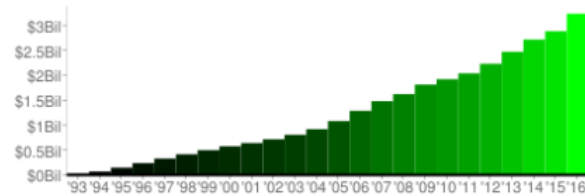
Horry County (SC)

Gained \$3.38 billion in annual AGI*

Wealth Migration 1992-2016

Thinking about moving to Horry County (SC)?
See how much you can **save in taxes by moving.**

\$214 of adjusted gross income gained in the last 36 seconds.

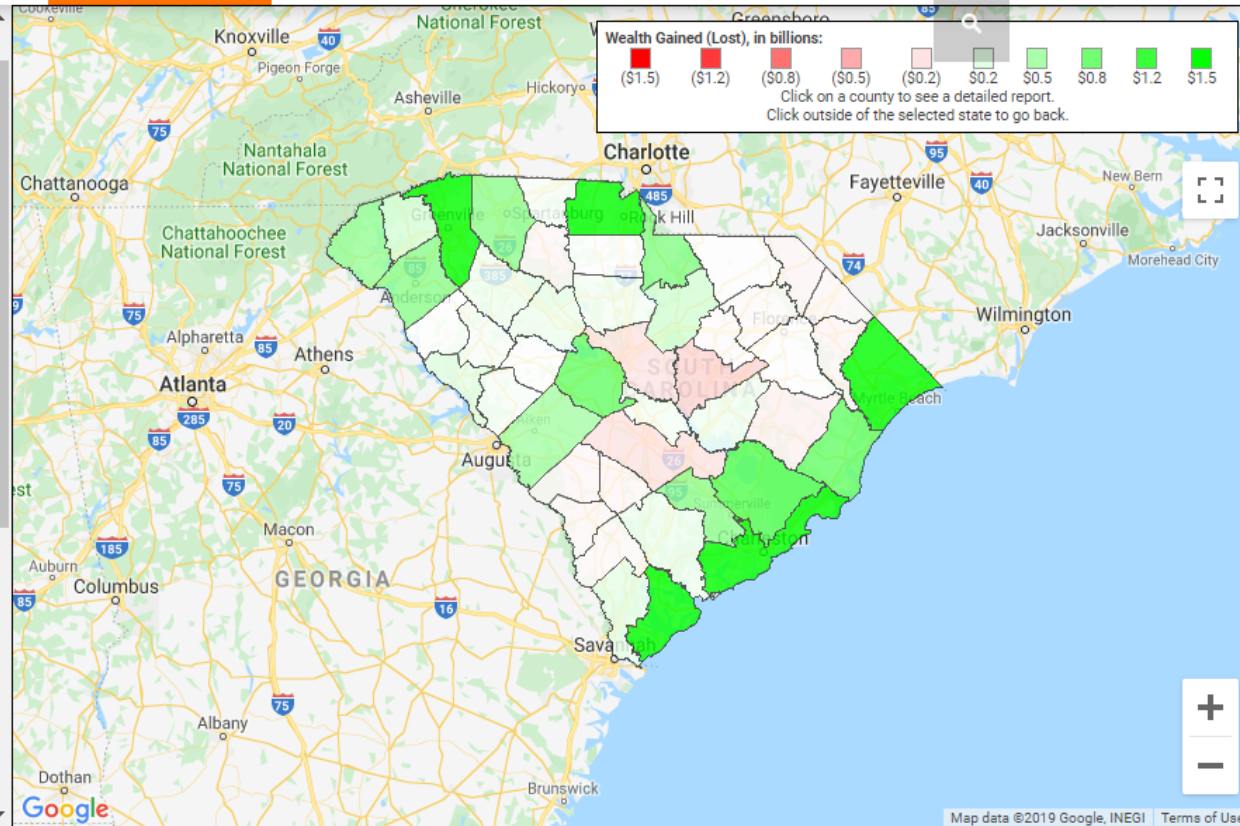


Gained Wealth From:

- \$93.79 million Suffolk County, NY
- \$88.60 million Fairfax County, VA
- \$65.43 million Nassau County, NY
- \$48.79 million Prince William County, VA
- \$48.37 million Anne Arundel County, MD

Lost Wealth To:

- \$72.40 million Georgetown County, SC
- \$38.21 million Charleston County, SC
- \$11.28 million Greenville County, SC
- \$7.77 million Orange County, FL
- \$6.84 million Pinellas County, FL



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Georgetown County

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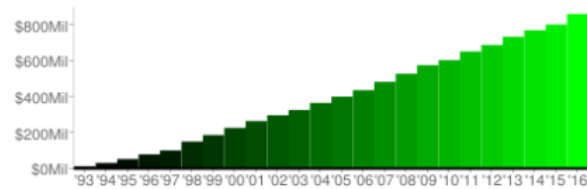


Georgetown County (SC) Gained \$897.83 million in annual AGI*

Wealth Migration 1992-2016

Thinking about moving to Georgetown County (SC)?
See how much you can [save in taxes by moving](#).

\$13 of adjusted gross income gained in the last 8 seconds.

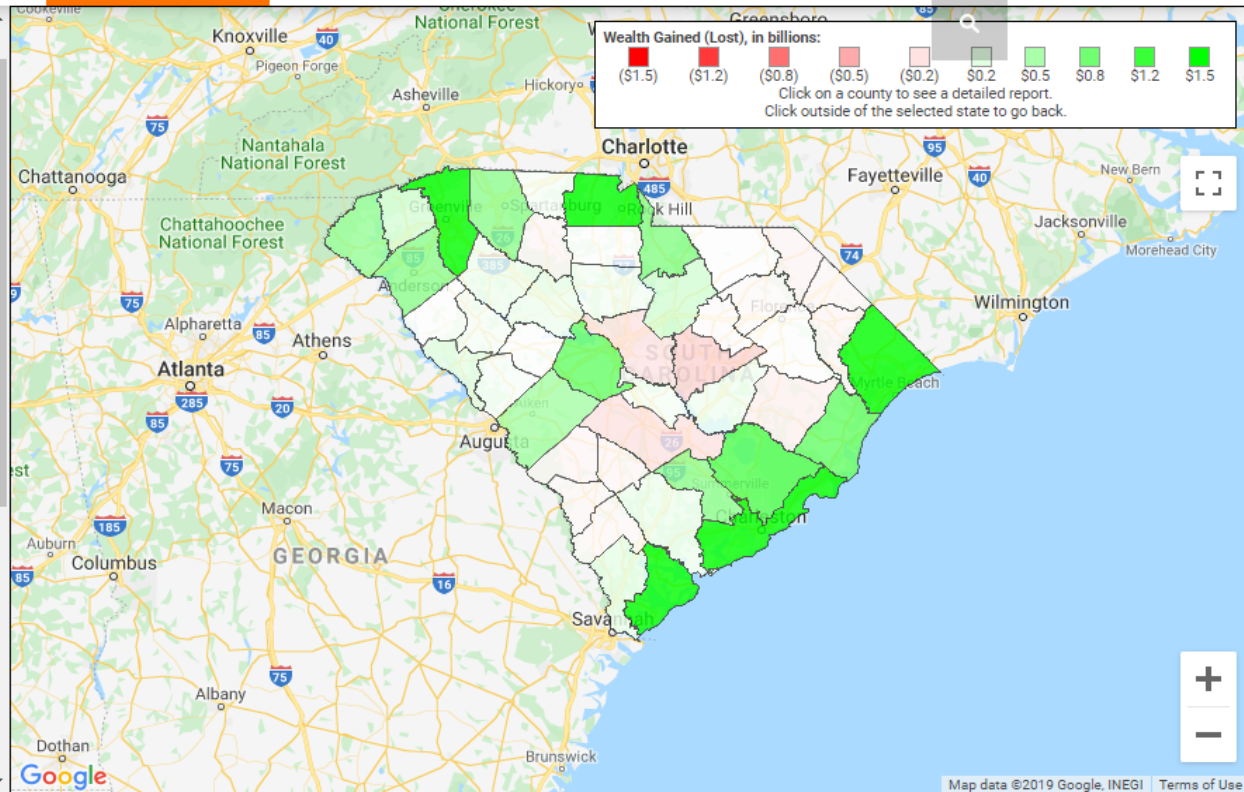


Gained Wealth From:

- \$72.40 million Horry County, SC
- \$70.80 million Mecklenburg County, NC
- \$22.51 million Fairfax County, VA
- \$20.34 million Florence County, SC
- \$14.14 million Richland County, SC

Lost Wealth To:

- \$15.33 million Charleston County, SC
- \$7.59 million Fulton County, GA
- \$4.67 million Berkeley County, SC
- \$3.51 million Beaufort County, SC
- \$3.08 million Dorchester County, SC



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Williamsburg County

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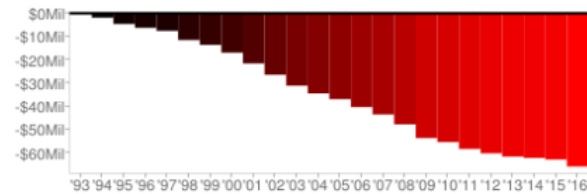
Williamsburg County (SC)

Lost \$69.08 million in annual AGI*

Wealth Migration 1992-2016

Thinking about moving to Williamsburg County (SC)?
See how much moving will cost you in taxes.

\$1 of adjusted gross income lost in the last 9 seconds.



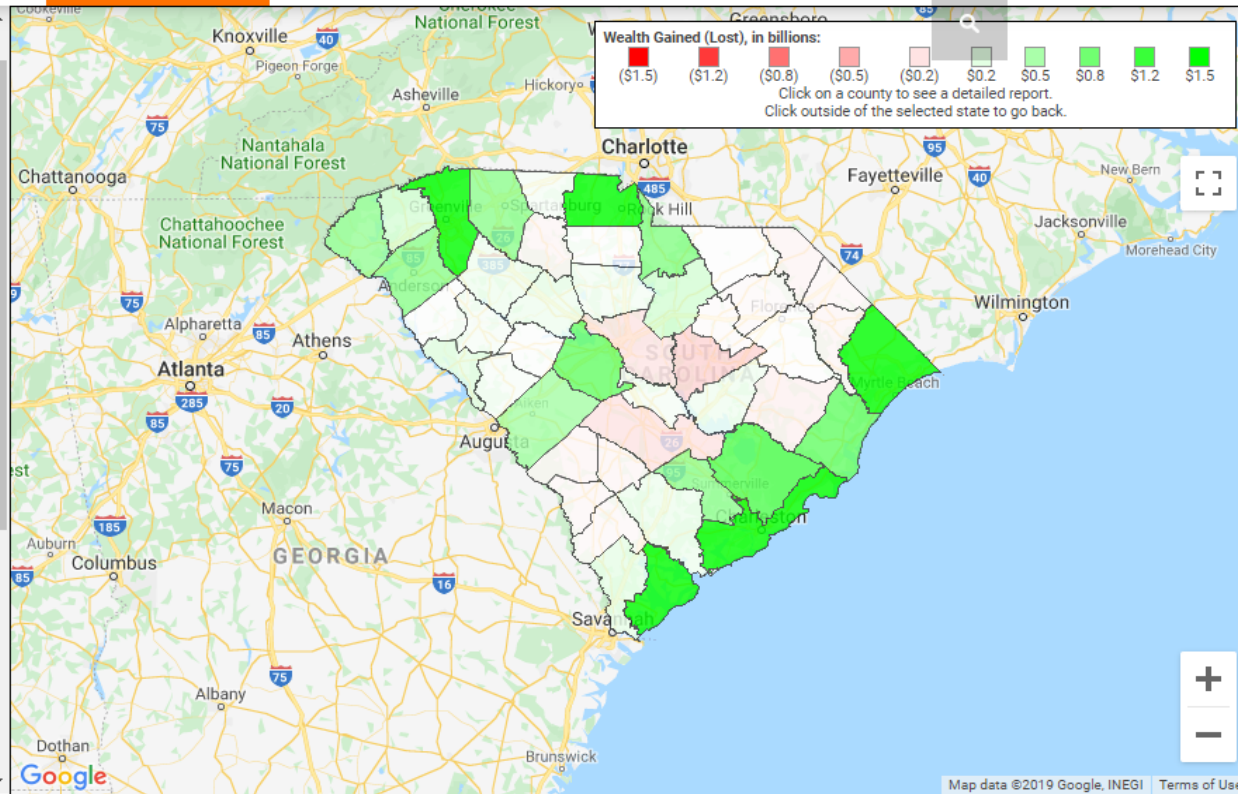
Gained Wealth From:

- \$607,000 Hillsborough County, FL
- \$222,000 New Haven County, CT
- \$93,000 Broward County, FL

Lost Wealth To:

- \$23.48 million Florence County, SC
- \$10.31 million Richland County, SC
- \$7.01 million Horry County, SC
- \$6.67 million Clarendon County, SC
- \$5.54 million Lexington County, SC

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Brunswick County, NC

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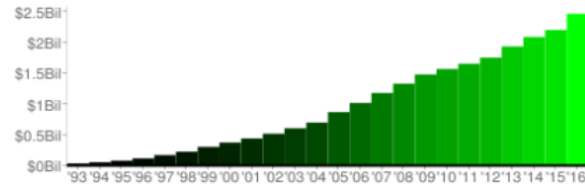


Brunswick County (NC) Gained \$2.57 billion in annual AGI*

Wealth Migration 1992-2016

Thinking about moving to Brunswick County (NC)?
See how much you can **save in taxes by moving**.

\$54 of adjusted gross income gained in the last 12 seconds.

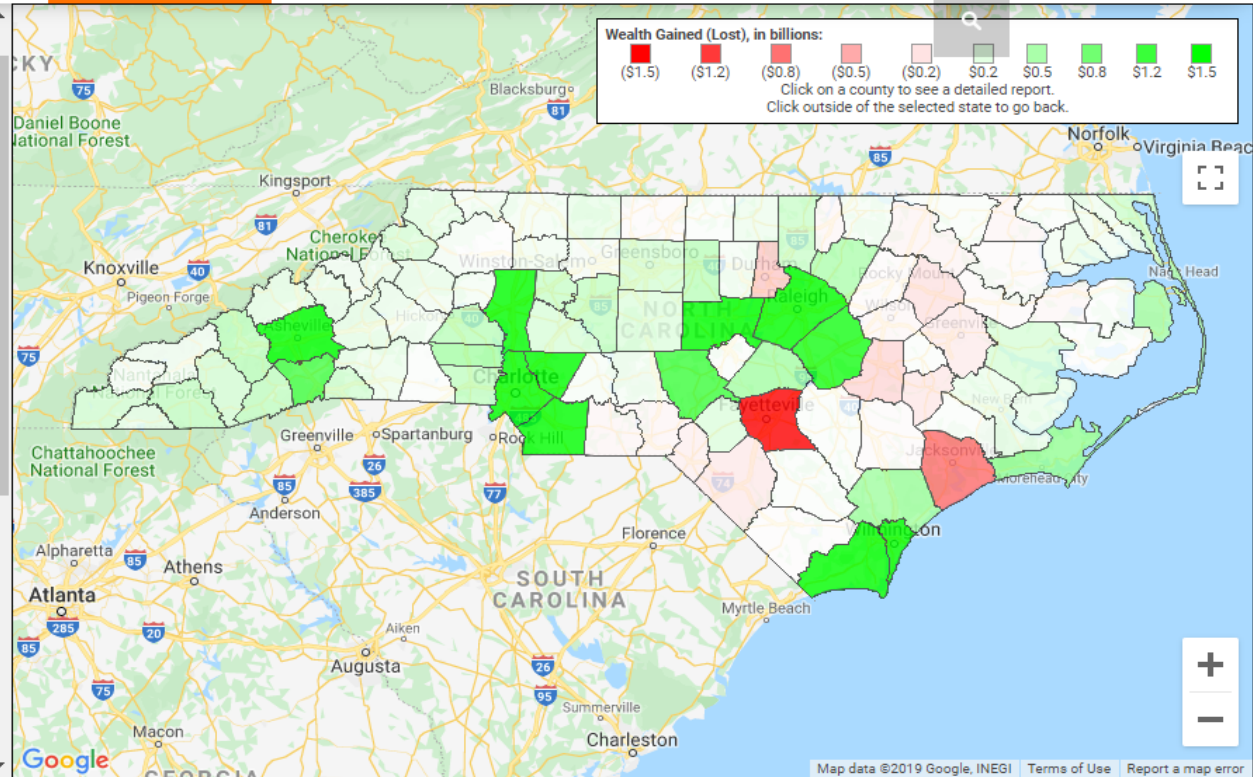


Gained Wealth From:

- \$180.90 million New Hanover County, NC
- \$125.57 million Fairfax County, VA
- \$83.19 million Wake County, NC
- \$61.74 million Suffolk County, NY
- \$53.59 million Mecklenburg County, NC

Lost Wealth To:

- \$2.56 million Pender County, NC
- \$2.17 million Charleston County, SC
- \$1.02 million Lexington County, SC
- \$858,000 Buncombe County, NC
- \$721,000 Berkeley County, SC



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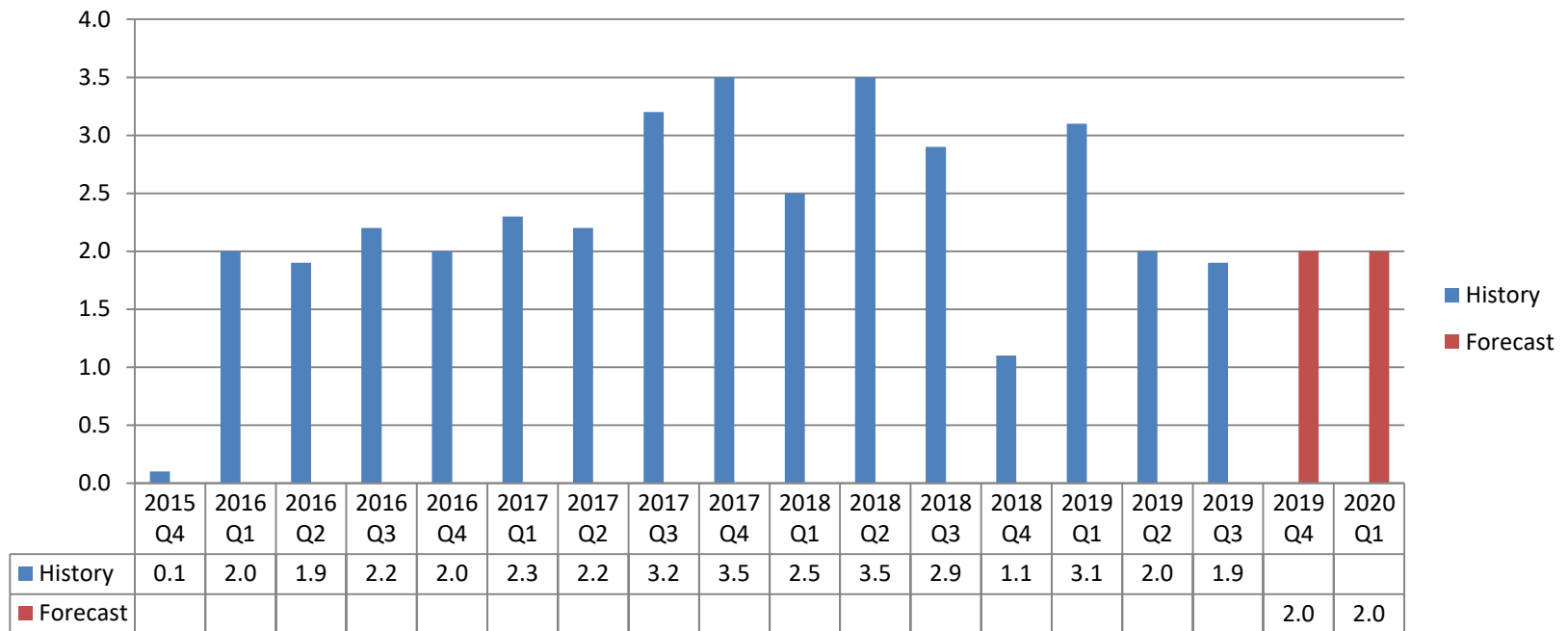
NEWSLETTER

Helpful Notes and Reminders

- Tourism Quarters: To reflect the importance of the seasons, offset by 1 month so that Q1 (Winter) is December, January, February, Q2 (Spring) is March, April, May, Q3 (Summer) is June, July, August and Q4 (Fall) is September, October, November.
- National data is based on normal calendar year, e.g. GDP 1st quarter is for January, February, March.
- All data reflect the period of business activity, unless otherwise noted.
- Receipts and collections of tax revenue by SC DOR may not coincide with period of business activity, e.g. retail sales business activity shows quarterly spikes; however the actual business activity may not resemble this periodic behavior.
- Reported and estimated changes in rate measures are reported as unit changes rather than percent changes, for example the unemployment rate movement from 6% to 6.5% is shown as a movement of one-half of a point (0.5).



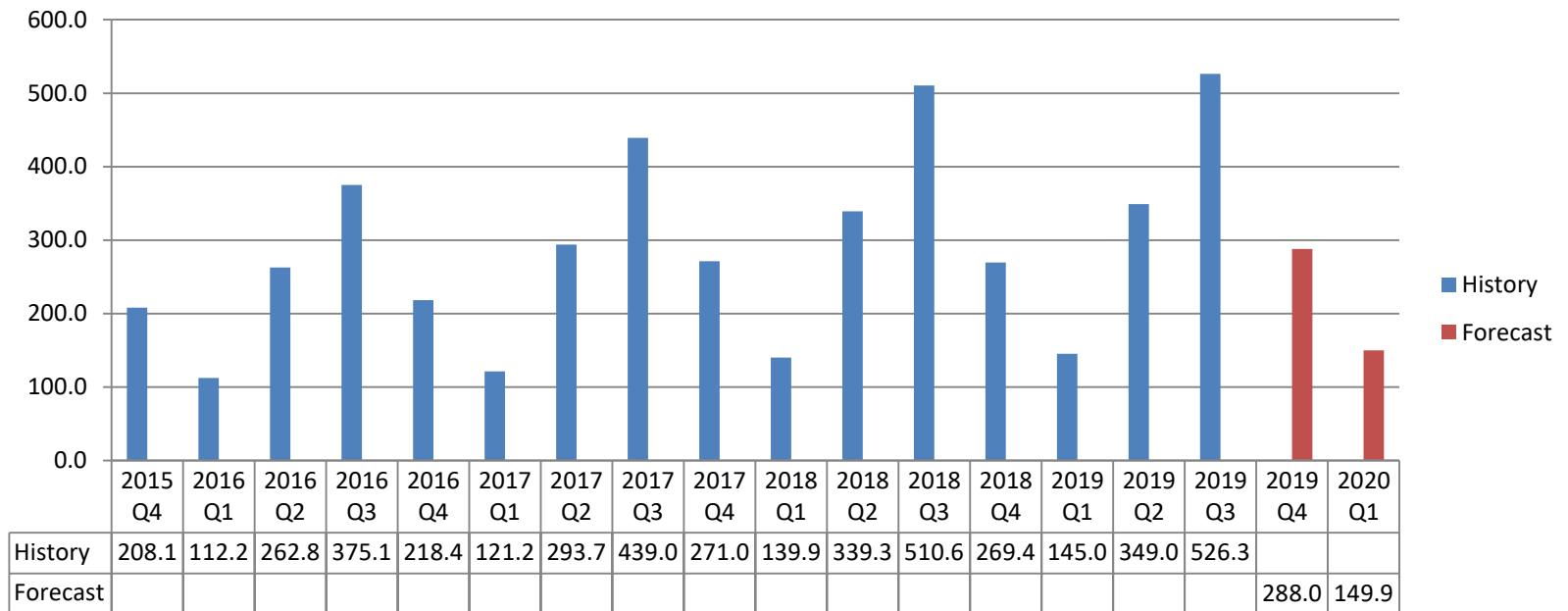
Annualized Real GDP Growth (%)



Source: U.S. Department of Commerce: Bureau of Economic Analysis



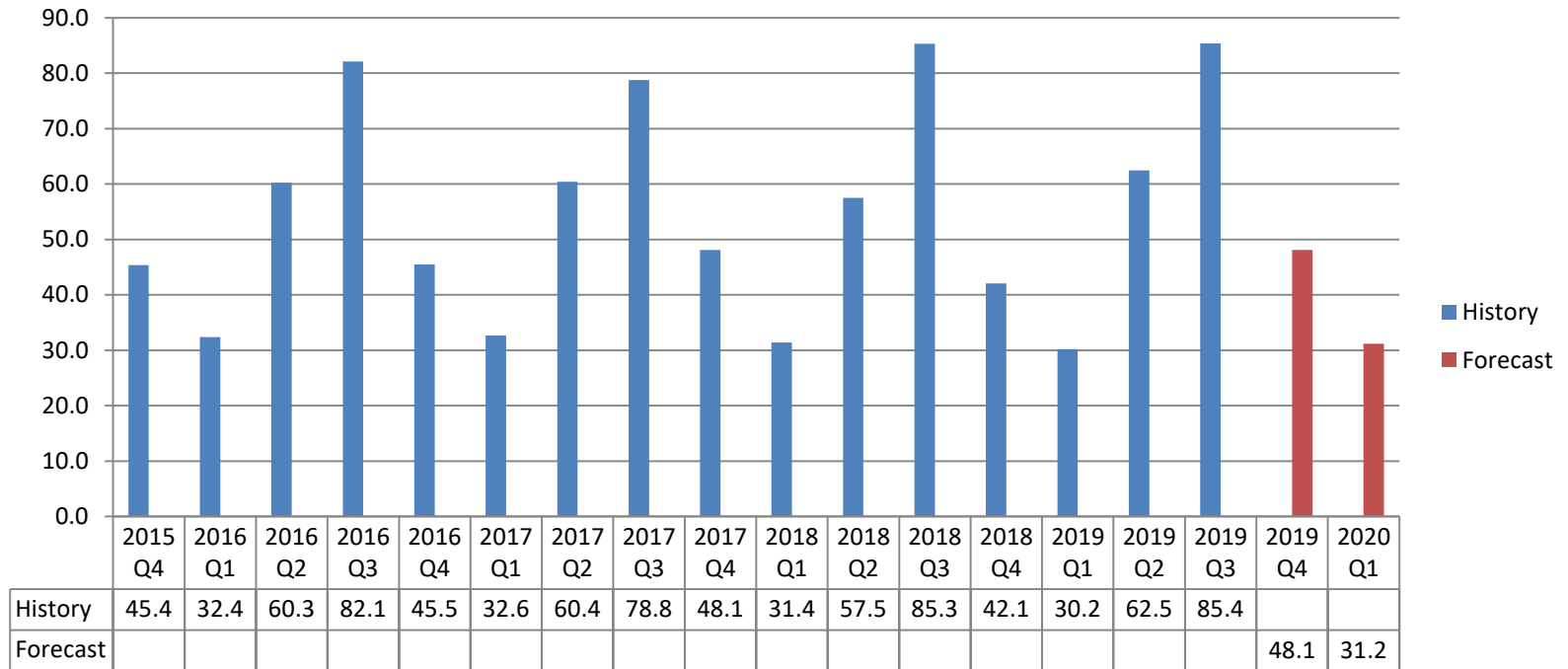
MYR Airport Deplanements (Thousands)



Source: Myrtle Beach International Airport



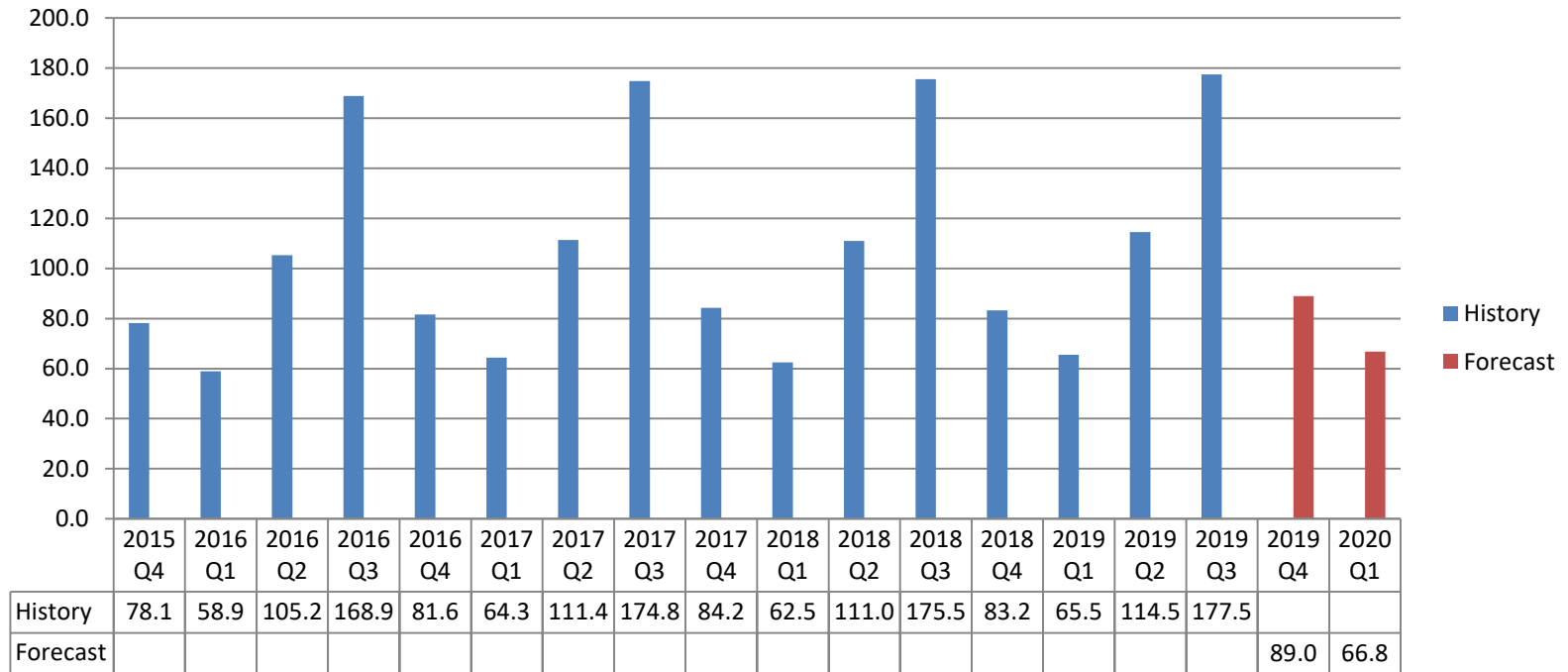
Hotel-Condotel-Campground Occupancy Rate



Source: Clay Brittain Jr. Center for Resort Tourism



Hotel-Condotel-Campground Average Daily Rate



Source: Clay Brittain Jr. Center for Resort Tourism

Change in Horry County Hospitality Fee Collections

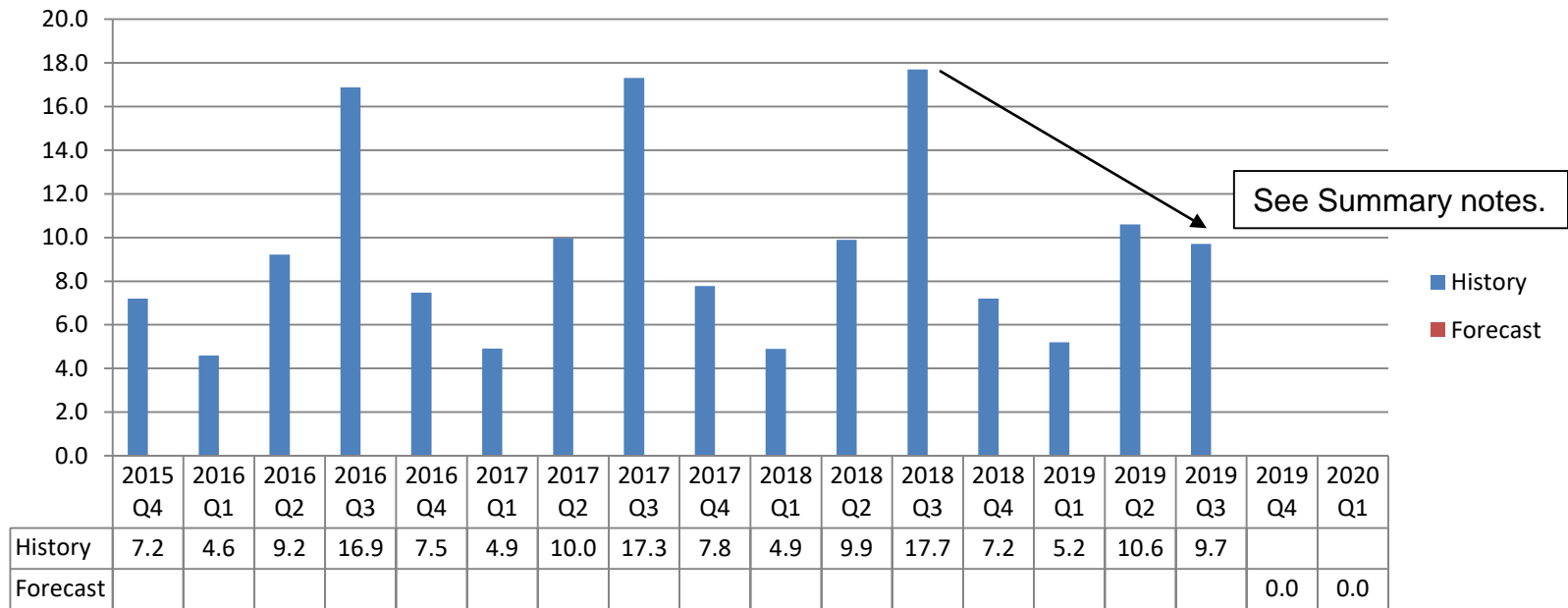
As of July 1, 2019, the county no longer collects from incorporated areas.

11/2% HOSPITALITY FEE REVENUE												variance from prior year	
<i>Fees on Accommodations, Prepared Foods, Beverages, and Admissions (County-wide) Shown by month in which the sale took place</i>												dollars	%
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020		
July	4,862,130	5,419,957	5,677,384	5,511,806	5,753,438	6,090,798	6,489,767	6,734,421	6,646,734	6,717,900	2,131,886	(4,586,014)	-68.27%
August	3,751,061	3,918,378	4,010,672	4,007,074	4,699,964	4,984,300	4,941,282	4,901,422	5,056,005	5,134,796	1,554,731	(3,580,065)	-69.72%
Sept	2,270,566	2,595,648	2,610,920	2,964,782	2,820,904	2,920,360	3,425,659	3,581,945	3,344,953	2,757,435	1,000,028	(1,757,407)	-63.73%
Oct	1,708,435	1,792,407	1,924,087	1,873,142	2,032,911	2,240,019	2,119,470	2,036,763	2,584,898	2,542,853			
Nov	1,240,228	1,356,213	1,388,423	1,421,382	1,447,945	1,563,440	1,658,860	1,856,303	1,853,201	1,895,456			
Dec	1,134,195	1,102,238	1,236,548	1,300,034	1,386,442	1,486,290	1,634,395	1,794,675	1,806,041	1,817,333			
Jan	960,897	909,717	1,029,499	1,061,020	1,059,047	1,316,737	1,379,978	1,409,296	1,365,688	1,567,085			
Feb	1,134,538	1,208,413	1,308,499	1,298,574	1,337,122	1,494,763	1,581,421	1,700,528	1,718,297	1,818,158			
Mar	1,794,996	1,726,203	2,153,801	2,382,070	2,229,085	2,428,137	2,951,366	2,753,758	3,033,462	2,986,669			
Apr	2,337,177	2,685,984	2,842,027	2,538,913	2,895,927	3,041,321	3,026,644	3,759,545	3,453,688	3,737,033			
May	2,360,988	2,576,518	2,699,467	2,845,392	3,066,567	3,210,863	3,242,796	3,452,510	3,444,353	3,849,892			
June	3,996,901	4,158,160	4,642,688	4,720,756	4,835,586	5,245,493	5,239,363	5,604,418	5,864,846	6,030,521			
Total for the Year	27,552,114	29,449,837	31,524,015	31,924,945	33,564,937	36,022,521	37,691,002	39,585,583	40,172,166	40,855,130	4,686,645	(9,923,486)	-67.92%
YTD Totals	10,883,757	11,933,983	12,298,976	12,483,662	13,274,306	13,995,458	14,856,709	15,217,788	15,047,692	14,610,130	4,686,645		
										Inception to Date	651,847,592		

Highest individual month since inception is highlighted in yellow



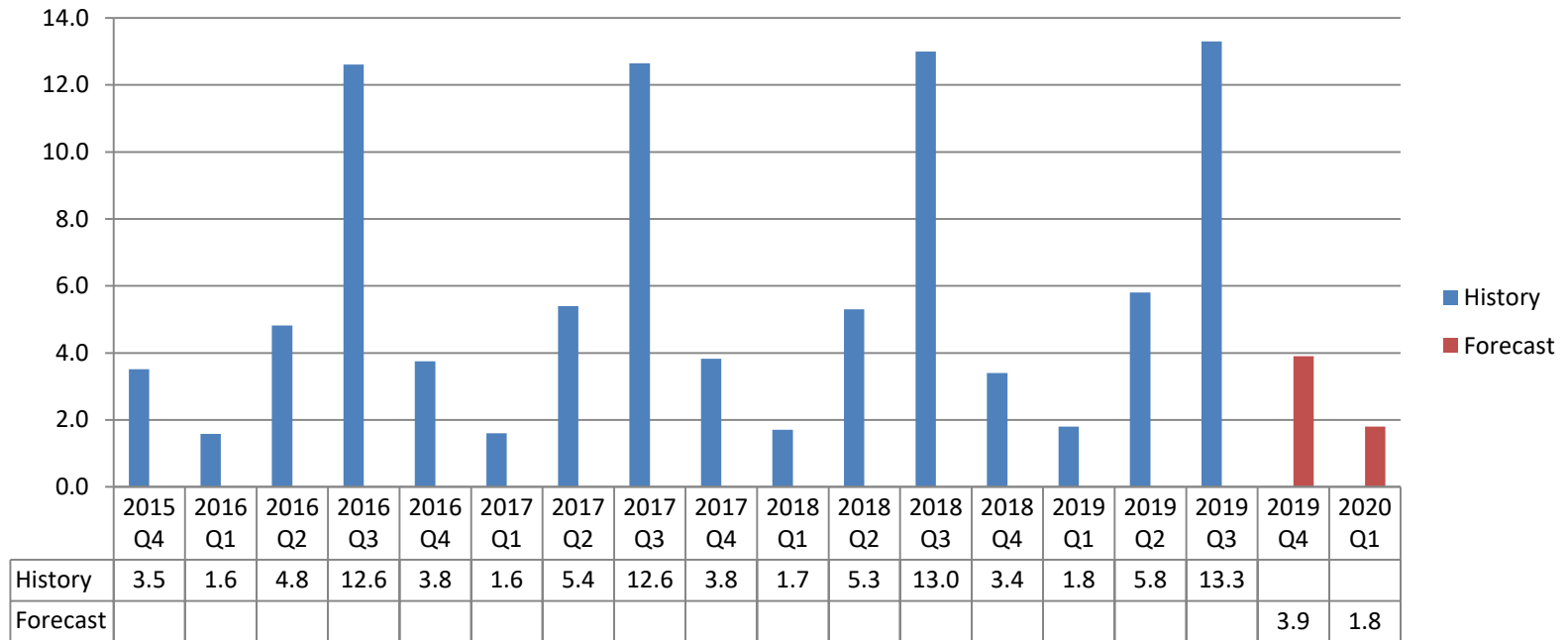
Horry 1.5% Hospitality Fee Revenue (\$Millions) (County-wide fees on accommodations, prepared foods, beverages, admissions)



Source: Horry County Government



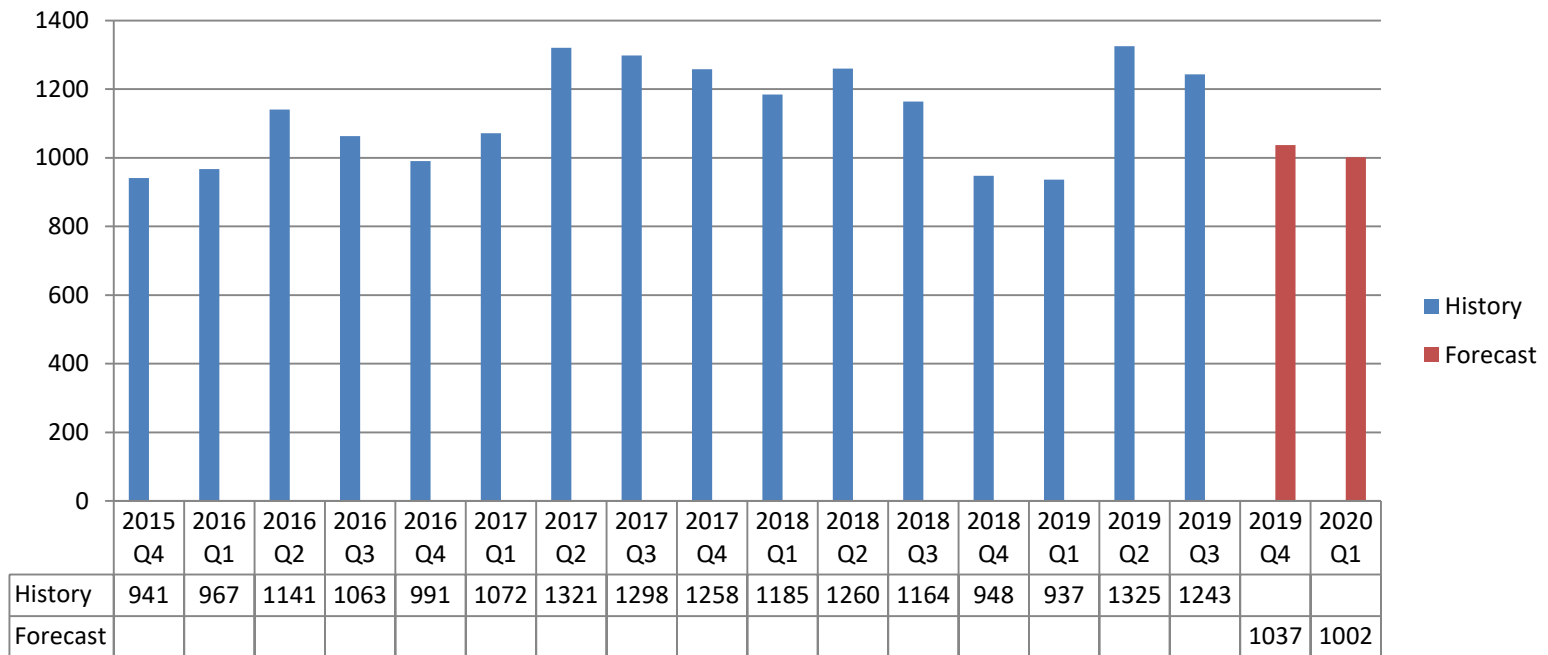
Accommodations Tax Revenue (\$Millions)



Source: SC Department of Revenue



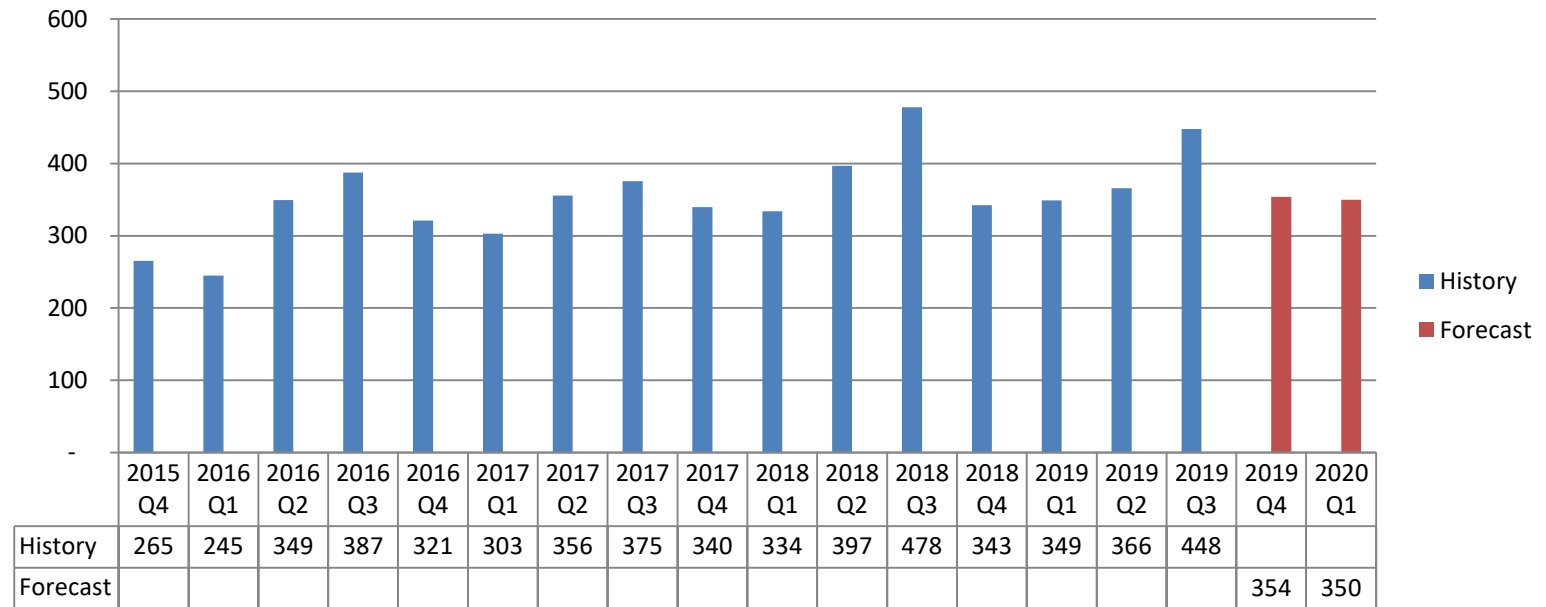
Regional Single Family Permits



Source: HUD State of the Cities Data System



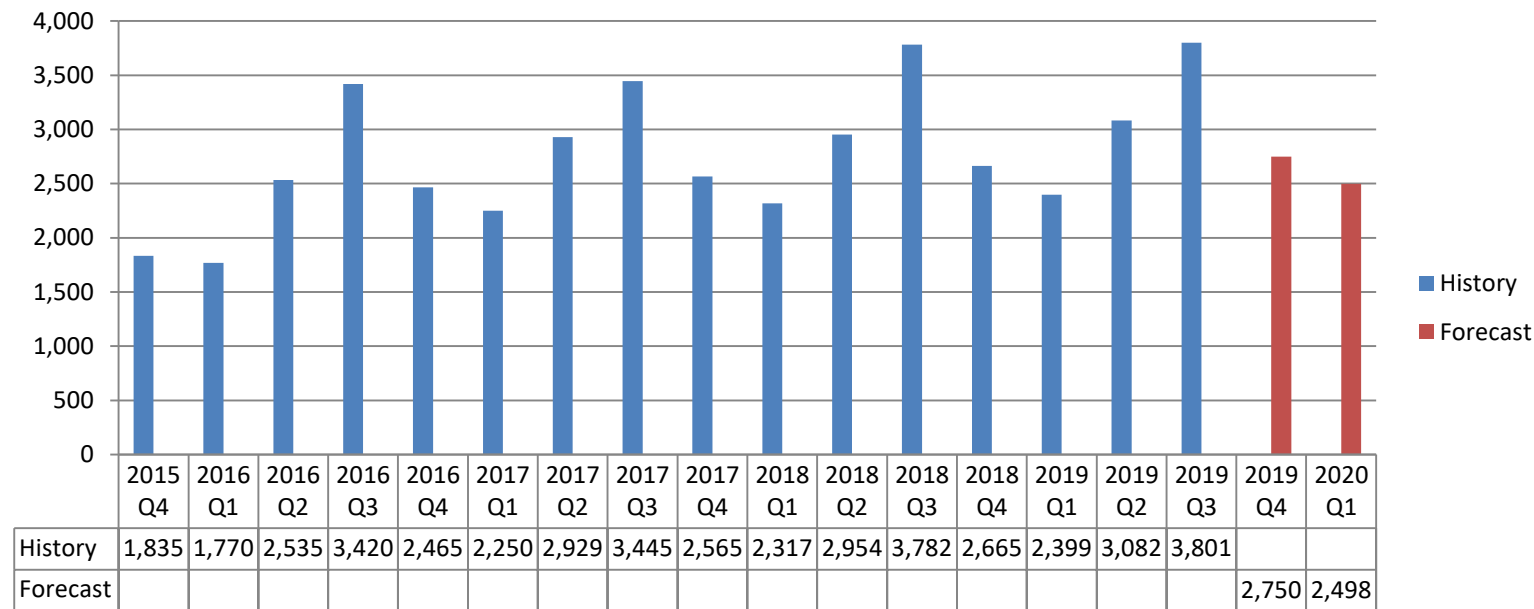
Georgetown Retail Sales (\$ Millions)



Source: SC Department of Revenue



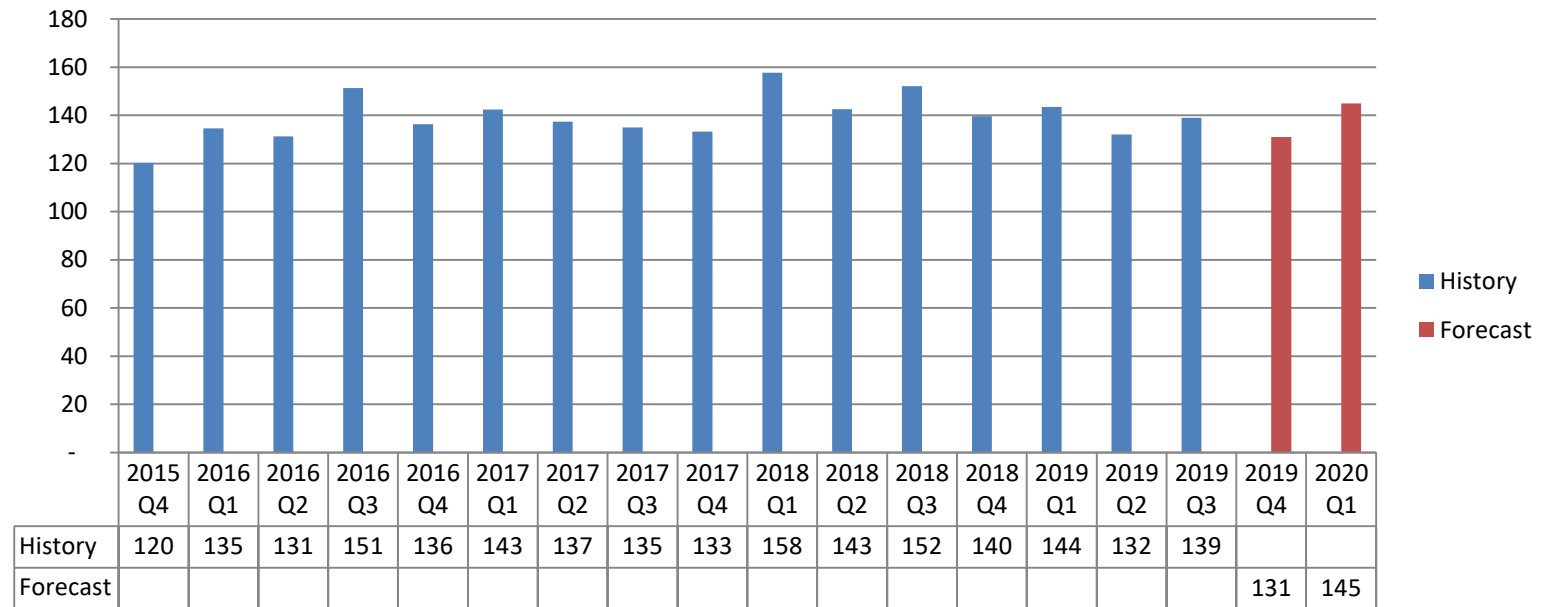
Horry Retail Sales (\$ Millions)



Source: SC Department of Revenue



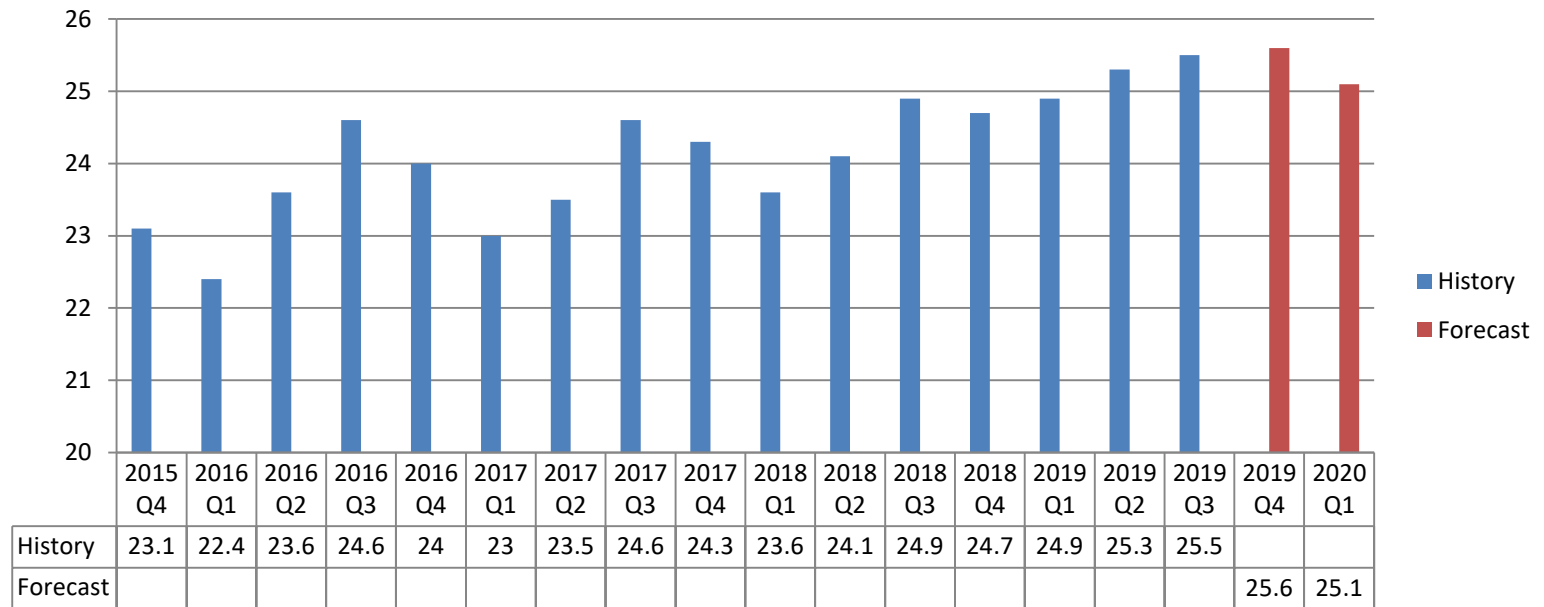
Williamsburg Retail Sales (\$ Millions)



Source: SC Department of Revenue



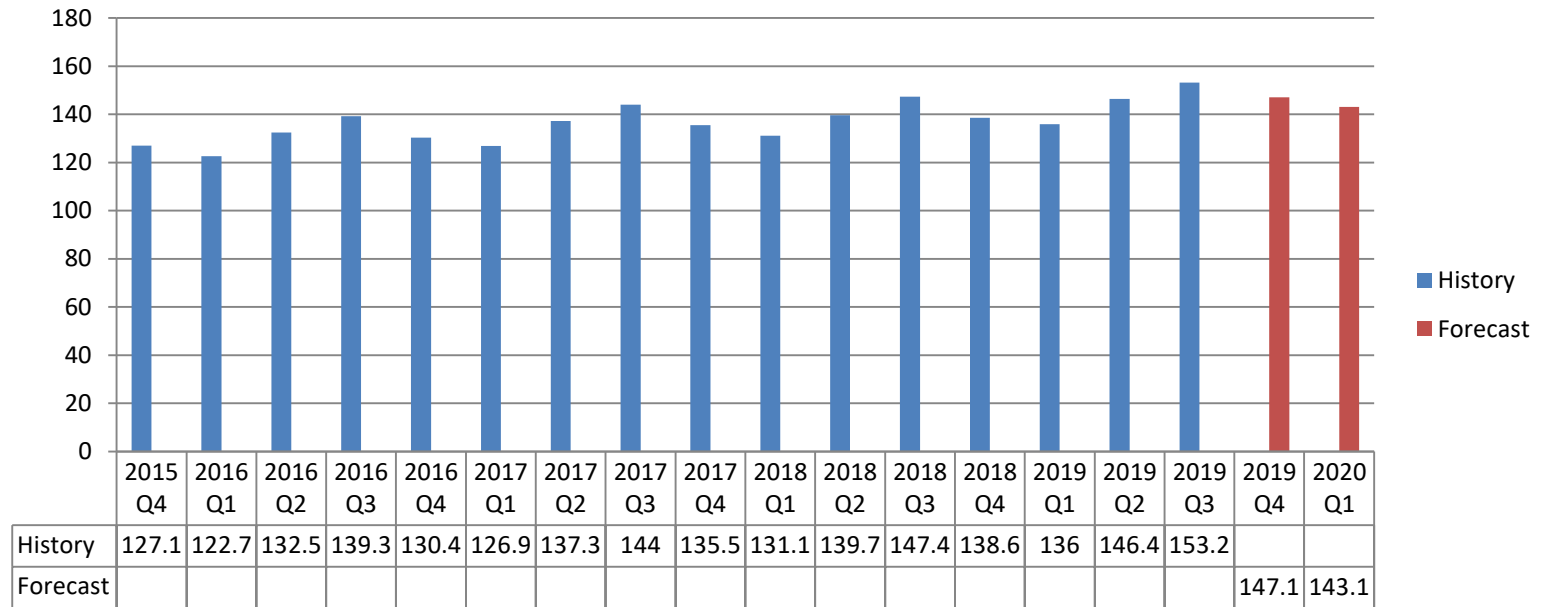
Georgetown Employment (Thousands)



Source: Local Area Unemployment Statistics, Bureau of Labor Statistics



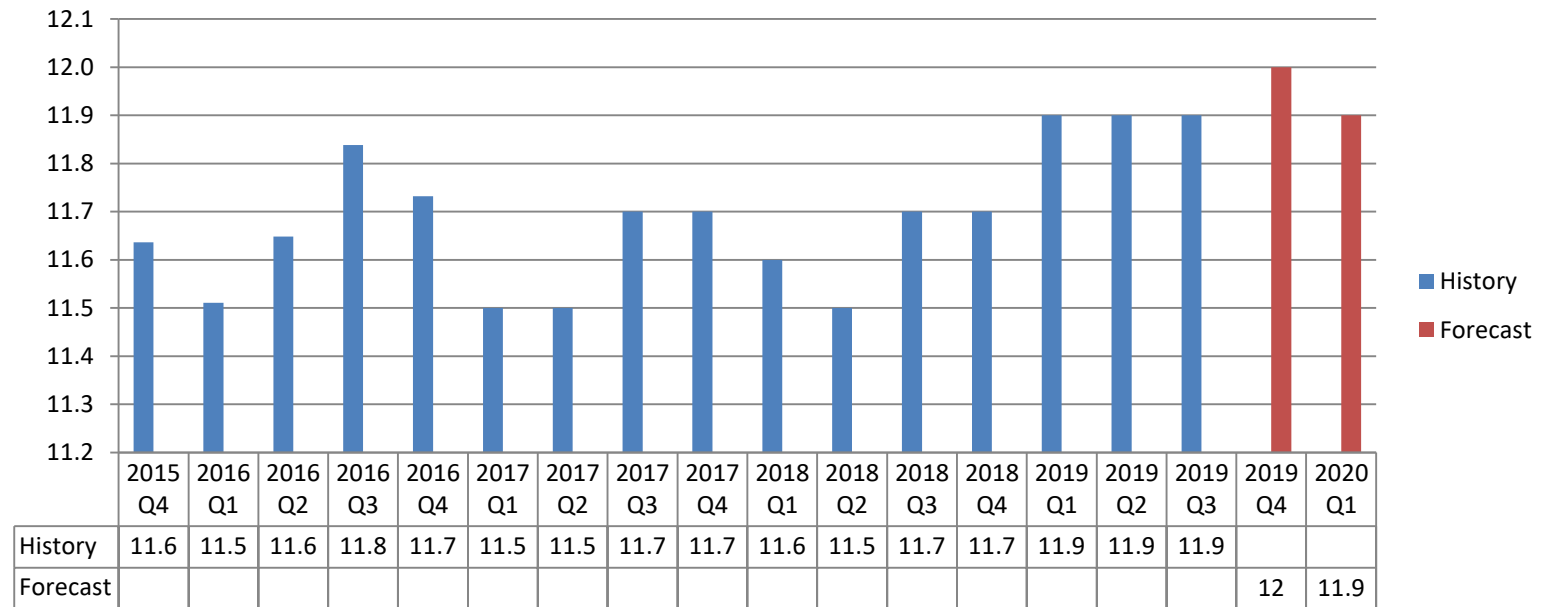
Horry Employment (Thousands)



Source: Local Area Unemployment Statistics, Bureau of Labor Statistics



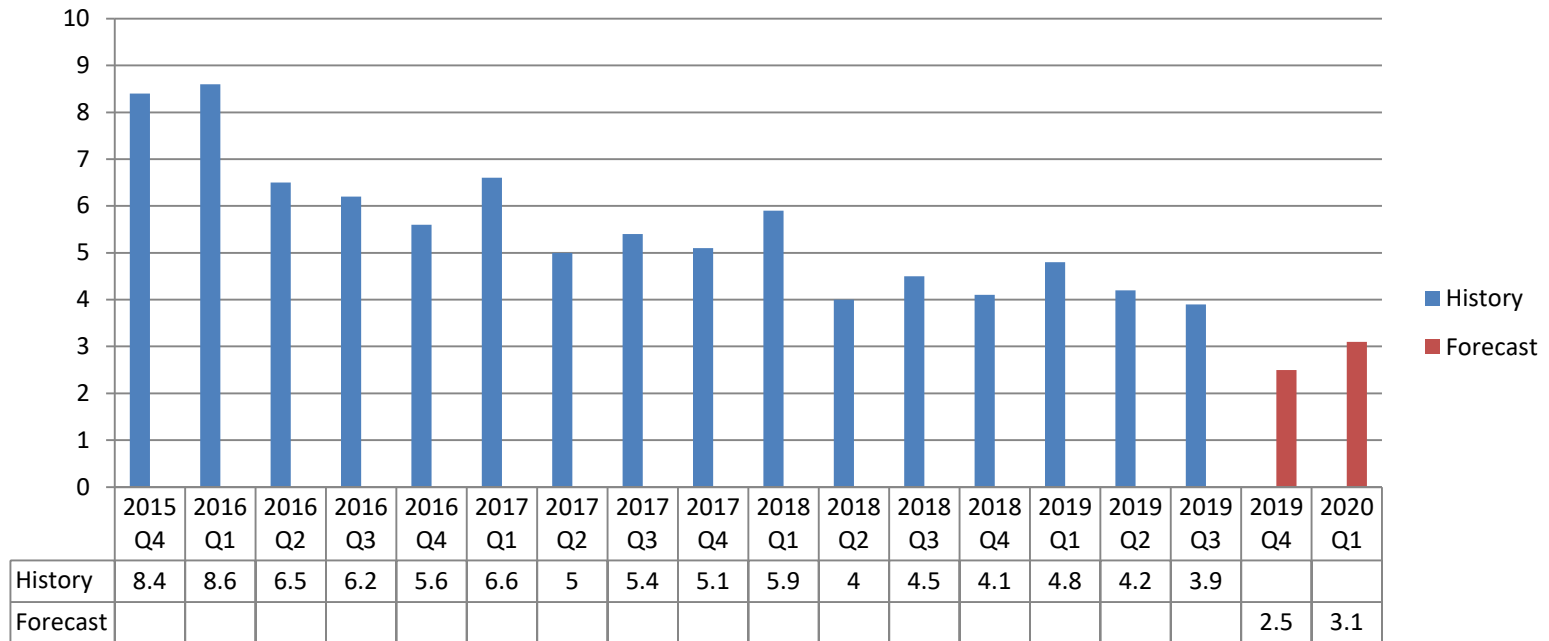
Williamsburg Employment (Thousands)



Source: Local Area Unemployment Statistics, Bureau of Labor Statistics



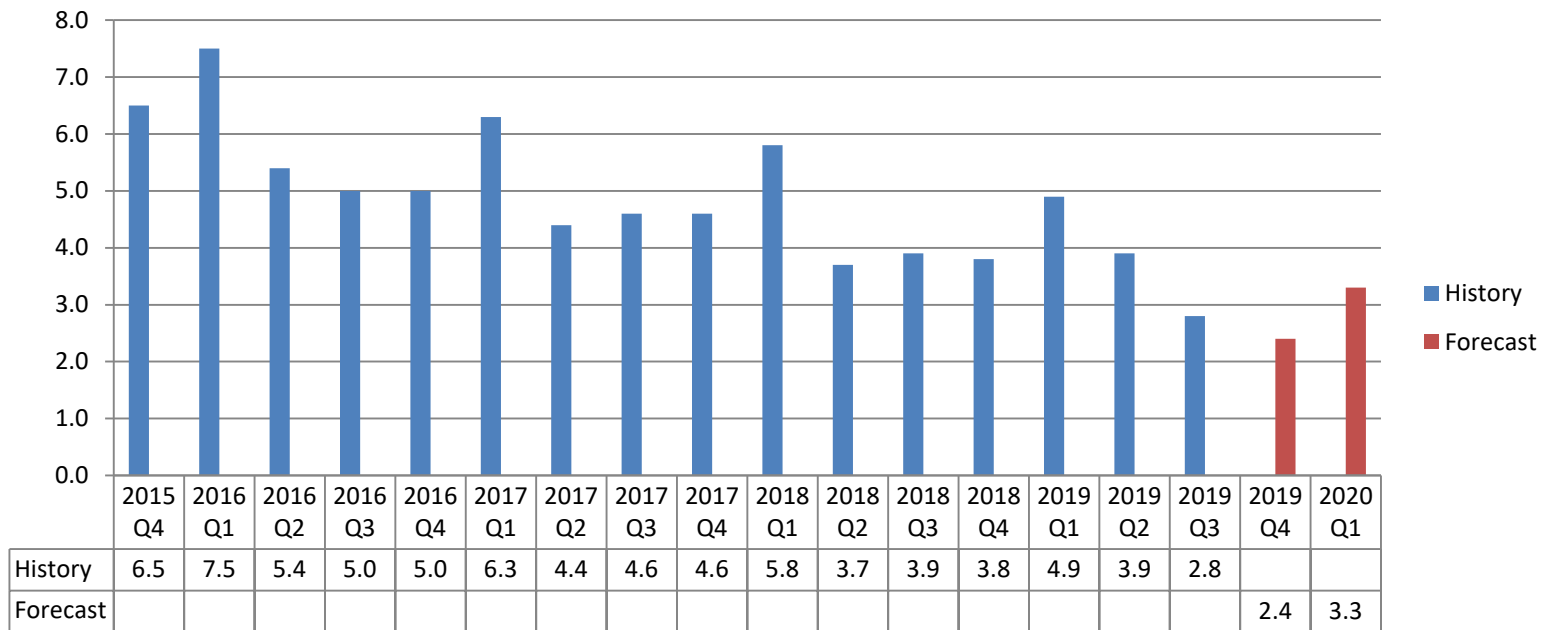
Georgetown Unemployment Rate



Source: Local Area Unemployment Statistics, Bureau of Labor Statistics



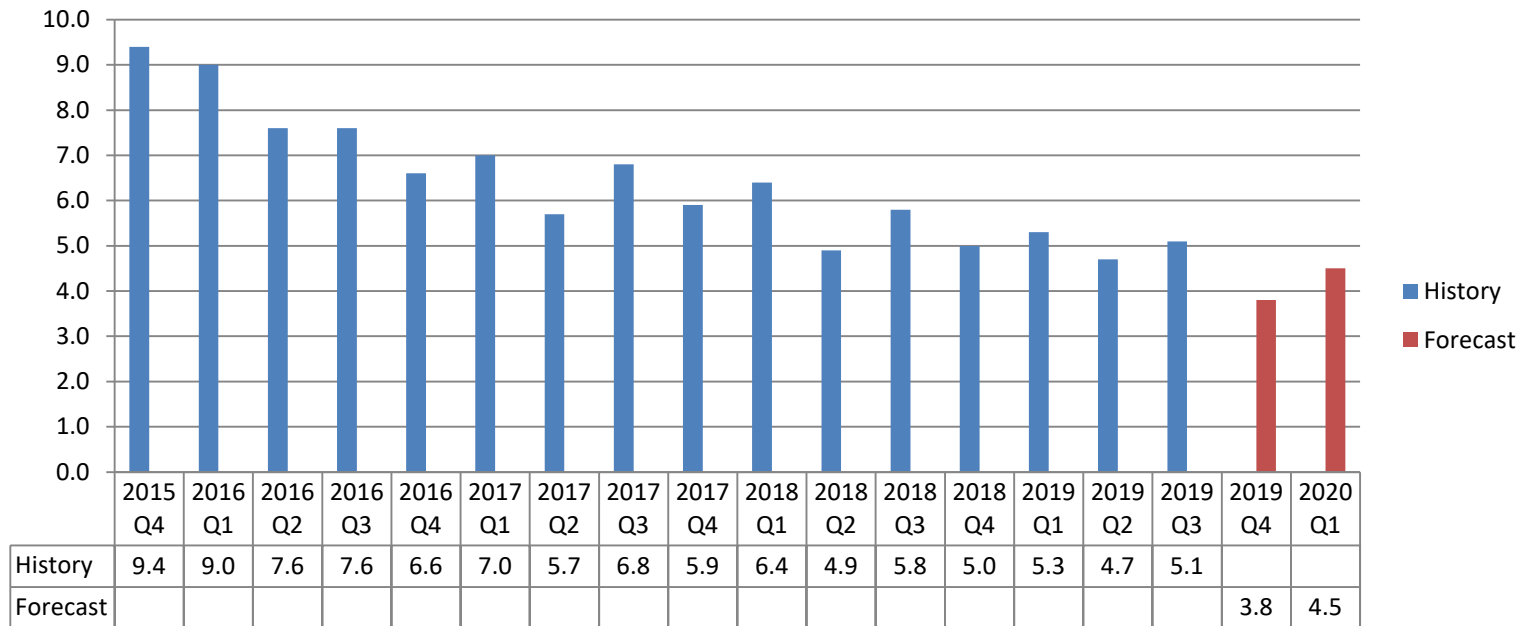
Horry Unemployment Rate



Source: Local Area Unemployment Statistics, Bureau of Labor Statistics



Williamsburg Unemployment Rate



Source: Local Area Unemployment Statistics, Bureau of Labor Statistics

Regional Economic Outlook Board: Fall 2019

Presented to: The Waccamaw Regional Council of Governments' Regional Economic Outlook Board

Prepared and Presented by Robert F. Salvino, Ph.D. Director, Grant Center for Real Estate and Economics
E. Craig Wall Sr. College of Business Administration, Coastal Carolina University

December 2019

	Value			Percent Change from Previous Year		
	History*	Forecast	Forecast	History*	Forecast	Forecast
	Previous	Current	Next	Previous	Current	Next
	Quarter	Quarter	Quarter	Quarter	Quarter	Quarter
	Summer 2019	Fall 2019	Winter 2020	Summer 2019	Fall 2019	Winter 2020
Airport Deplanements (thousands)	526.3	288.0	149.9	3.1	6.9	3.4
Occupancy Rate (Full Week)	85.4	48.1	31.2	0.2	6.0	1.0
Average Daily Rate (Full Week)	\$ 177.5	\$ 89.0	\$ 66.8	2.0	5.8	1.3
Horry County 1.5% Hosp. Fee Revenue (\$millions)*	\$ 9.7 Municipalities do not contribute as of July 1, 2019			-45.2 includes June (down 68% July and Aug)		
Accommodations Tax Revenue (\$millions)	\$ 13.3	\$ 3.9	\$ 1.8	2.4	14.2	0.6
Regional SF Building Permits	1,243	1,037	1,002	6.8	9.4	6.9
Retail Sales (\$millions)						
Georgetown County	\$ 448.0	\$ 354.0	\$ 350.0	-6.3	3.3	0.2
Horry County	\$ 3,801.2	\$2,750.0	\$2,498.0	0.5	3.2	4.1
Williamsburg County	\$ 139.0	\$ 131.0	\$ 145.0	-8.7	-6.2	1.0
Employment (thousands)						
Georgetown County	25,532	25,558	25,109	2.4	3.6	1.0
Horry County	153,170	147,054	143,099	3.9	6.1	5.2
Williamsburg County	11,908	12,008	11,859	2.1	2.5	-0.1
Unemployment Rate						
Georgetown County	3.9	2.5	3.1	-0.6	-1.6	-1.7
Horry County	2.8	2.4	3.3	-1.1	-1.4	-1.6
Williamsburg County	5.1	3.8	4.5	-0.7	-1.2	-0.8

*Municipalities no longer contribute as of July 2019.

Notes: Spring quarter is March - May, Summer is June - August, Fall is September - November, Winter is December - February. Retail Sales, Accommodations Tax Revenue and Admissions Tax Revenue represent the period of business activity. For example, Accommodations Taxes for Summer represent the business activity incurred during the Summer quarter. Percent change from previous year is relative to the same quarter from the previous year. For example, percent change for Summer 2016 is the percent change between Summer 2016 and Summer 2015. Rate given is absolute change for: Occupancy Rate, ADR and Unemployment Rates. For example, the given change for the Occupancy Rate during Summer 2016 is simply the Summer 2016 OccupancyRate minus the Summer 2015 Occupancy Rate.