

# Waccamaw Regional Economic Outlook

Fall 2014

November 12, 2014

Rob Salvino

Coastal Carolina University



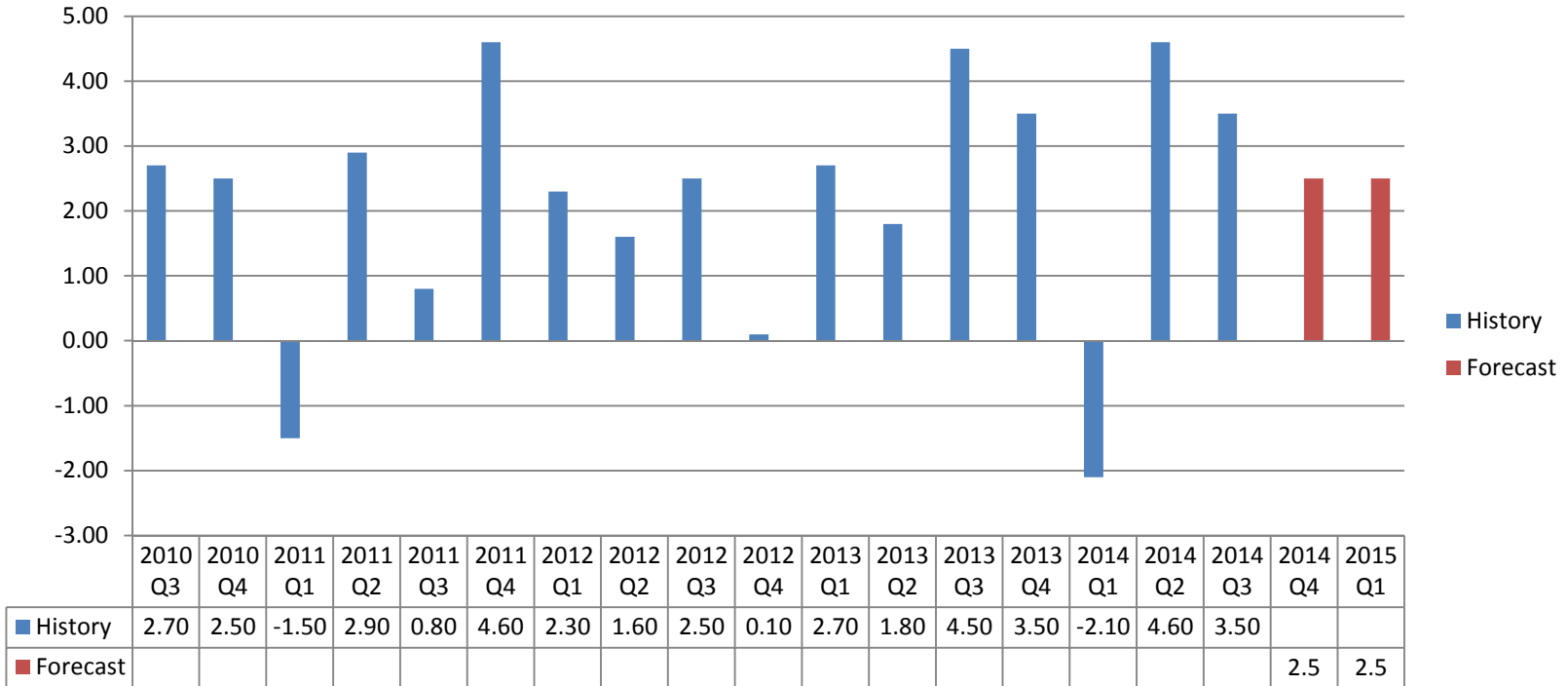
# Executive Summary

The summer quarter (June, July, August) posted strong gains in residential construction and moderate growth in tourism activity along the Grand Strand. Single family home construction permits were up 44 percent for the quarter, and multi-family building activity increased with a higher volume of small to medium-sized projects across the Grand Strand. Employment growth was consistently positive across all three counties (Horry, Georgetown, and Williamsburg). Admissions tax revenue continued its decline; however, much of the decline was concentrated in the golf business segment, which accounted for 30 percent of the admissions tax revenue in Horry and Georgetown Counties for the fiscal year-ending 2014: 25 percent of revenue in Horry County and 94 percent of revenue in Georgetown County. Port tonnage was up 21.1 percent for the Georgetown Port, and the voters of Georgetown County approved a capital project sales tax to provide matching funds with the state and federal government in order to deepen the port for increased accessibility to attract future shipments. In addition to port dredging, the tax will be allocated for dredging the marsh in Murrells Inlet and for road maintenance in the County. Economic activity in the region should continue growth at a moderate pace in the coming quarters, while the seasonally-adjusted unemployment rate is expected to stabilize.

# Helpful Notes and Reminders

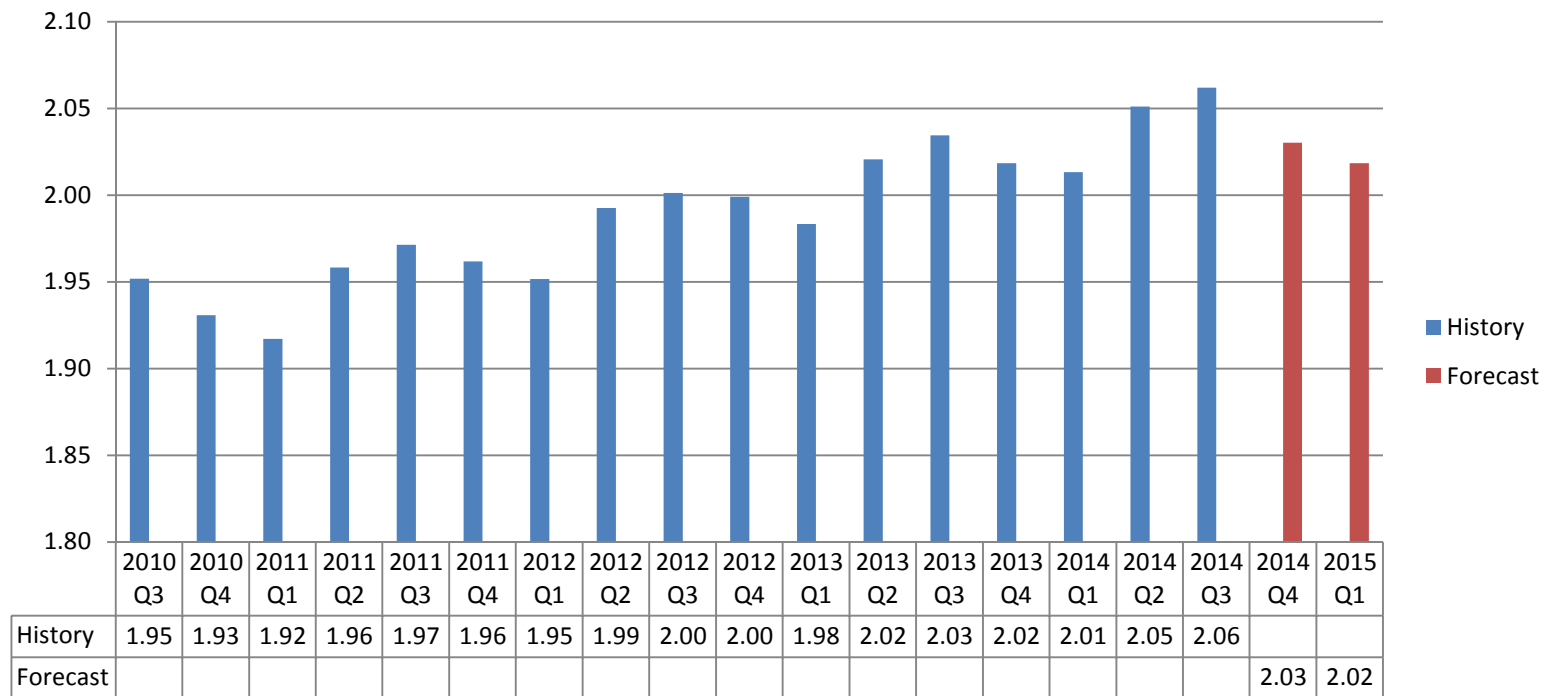
- Tourism Quarters: To reflect the importance of the seasons, offset by 1 month so that Q1 (Winter) is December, January, February, Q2 (Spring) is March, April, May, Q3 (Summer) is June, July, August and Q4 (Fall) is September, October, November.
- National data is based on normal calendar year, e.g. GDP 1<sup>st</sup> 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).
- In November, 2011 SC DOR received a ruling to aggressively pursue taxes on VRBO properties as far back as ten years. The reporting does not adjust for the actual period of business activity and is reflected in the period of collection.

# Annualized Real GDP Growth (%)



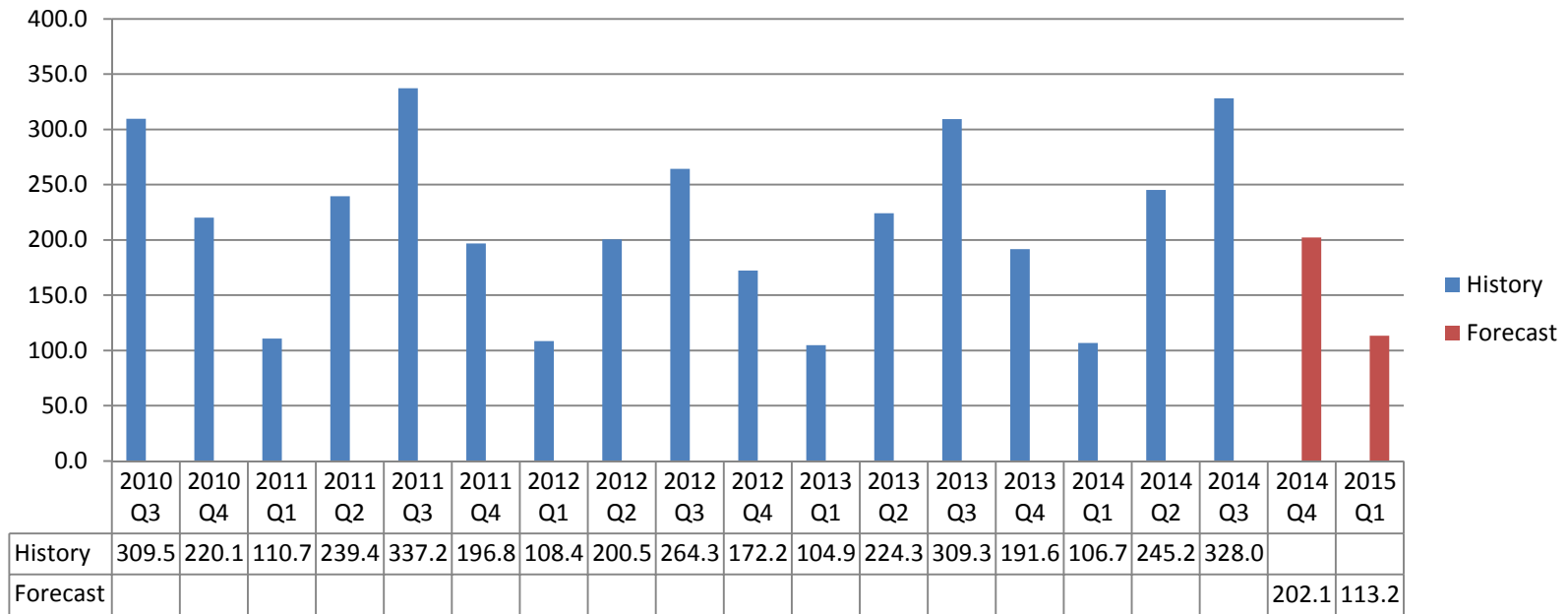
Source: U.S. Department of Commerce: Bureau of Economic Analysis

# South Carolina Employment (Millions)



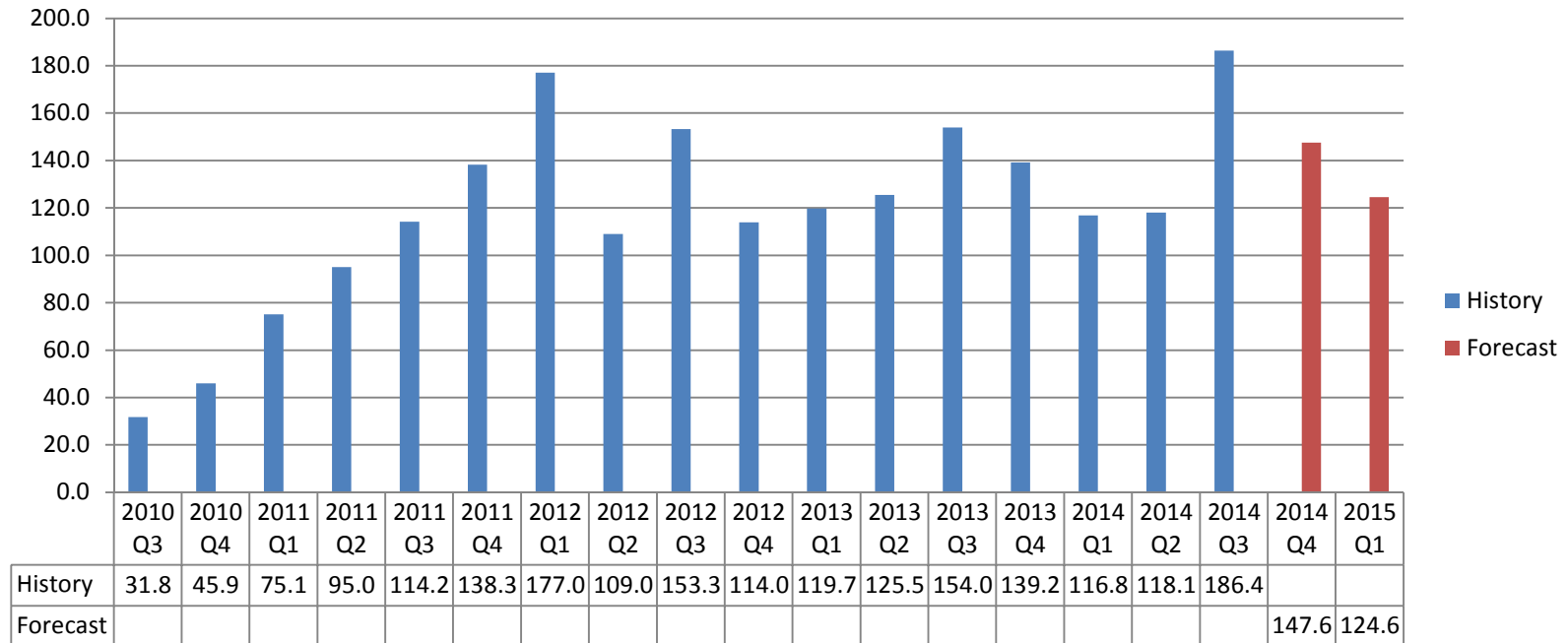
Source: Bureau of Labor Statistics

# MYR Airport Deplanements (Thousands)



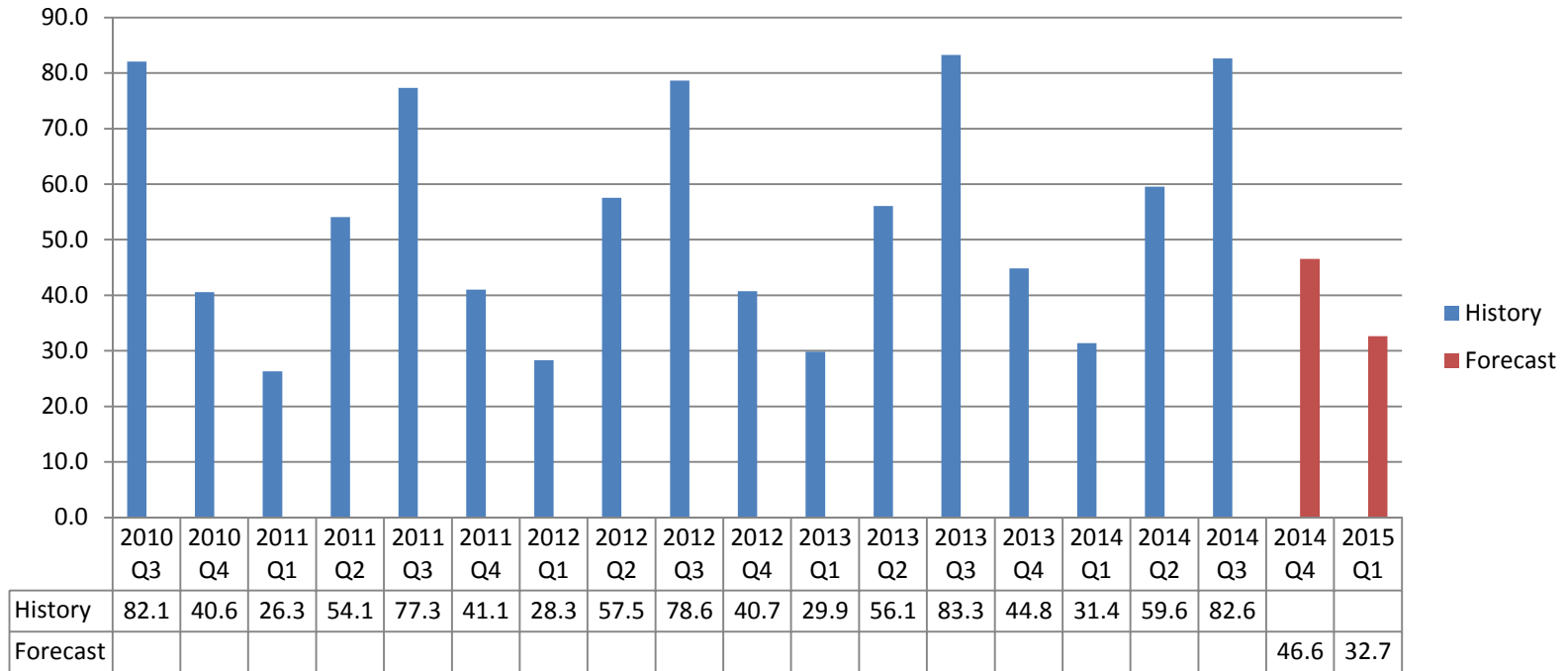
Source: Myrtle Beach International Airport

# Georgetown Port Tonnage (Thousands)



Source: Georgetown Port Authority

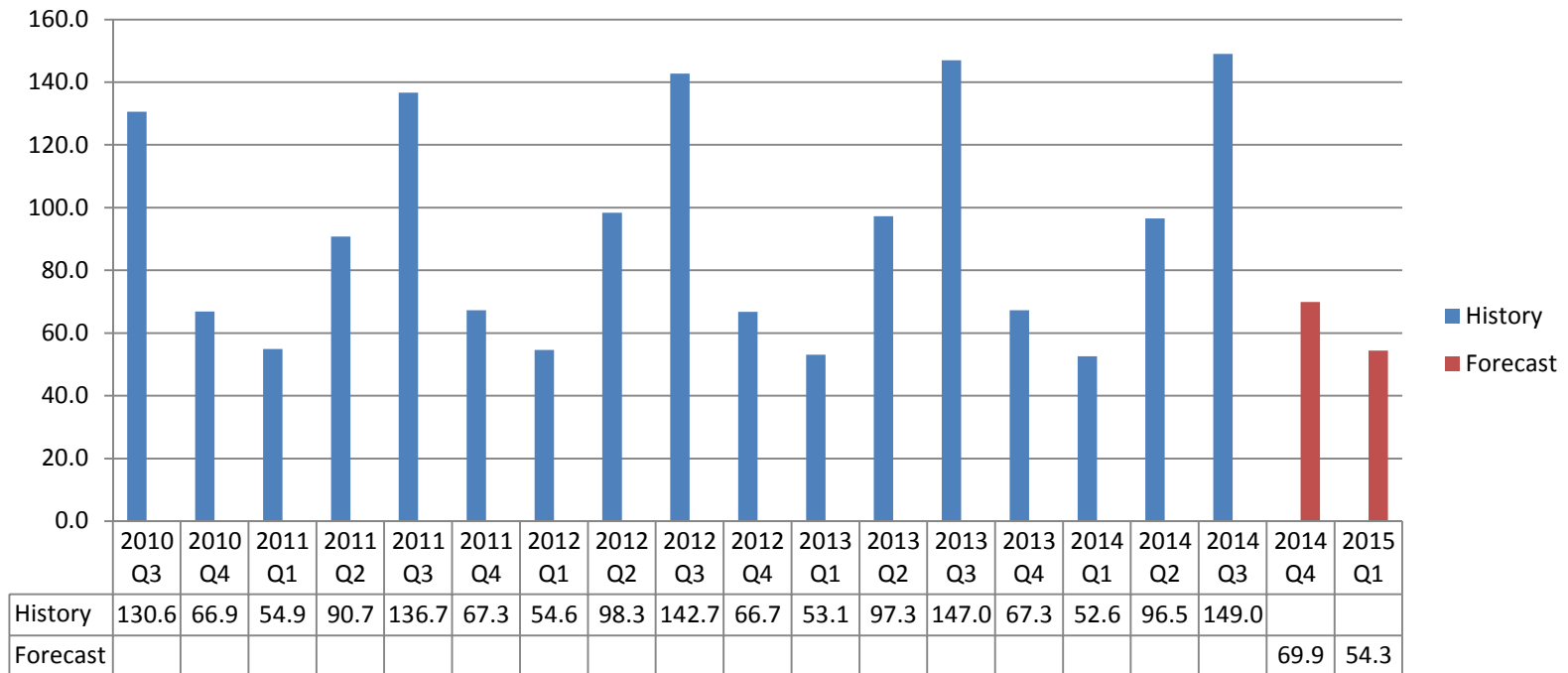
# Hotel-Condotel-Campground Occupancy Rate



Source: Clay Brittain Jr. Center for Resort Tourism

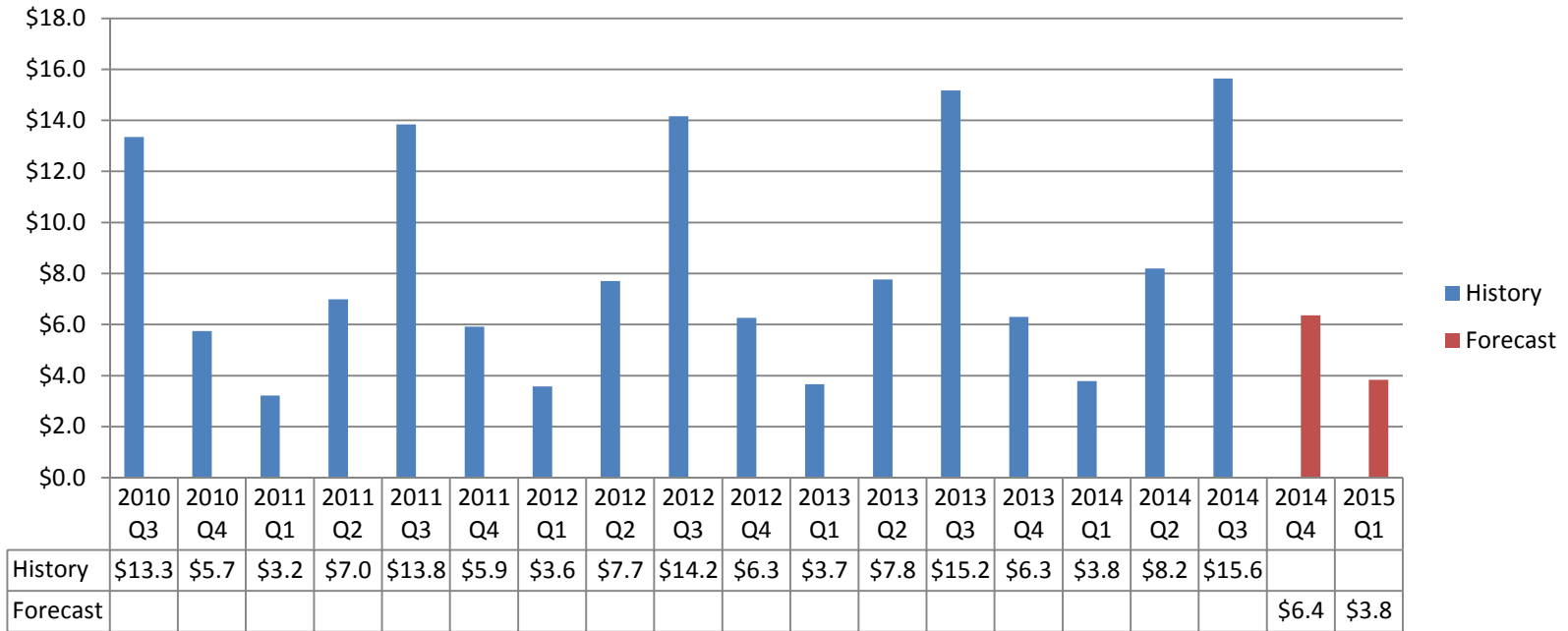


# Hotel-Condotel-Campground Average Daily Rate



Source: Clay Brittain Jr. Center for Resort Tourism

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



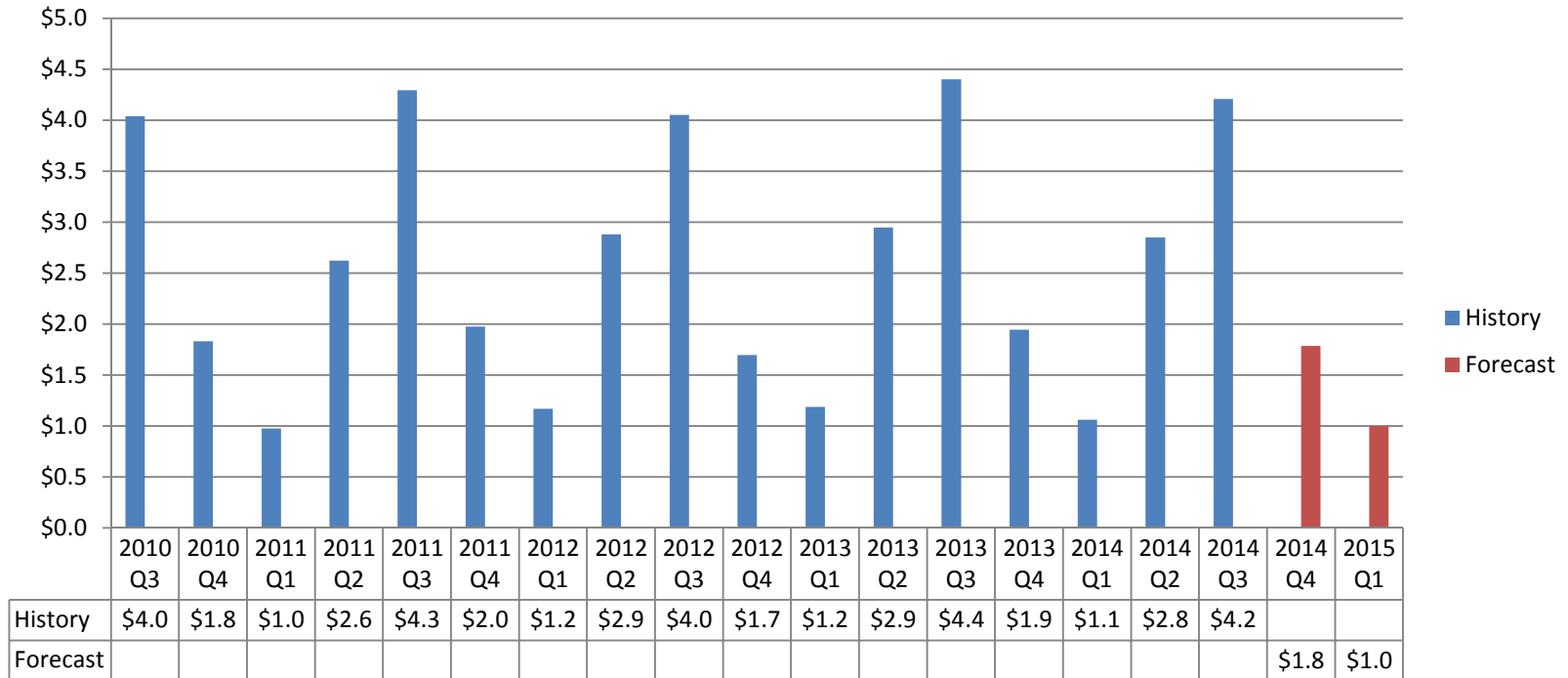
Source: Horry County Government

# Accommodations Tax Revenue (\$Millions)

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See summary sheet for details.

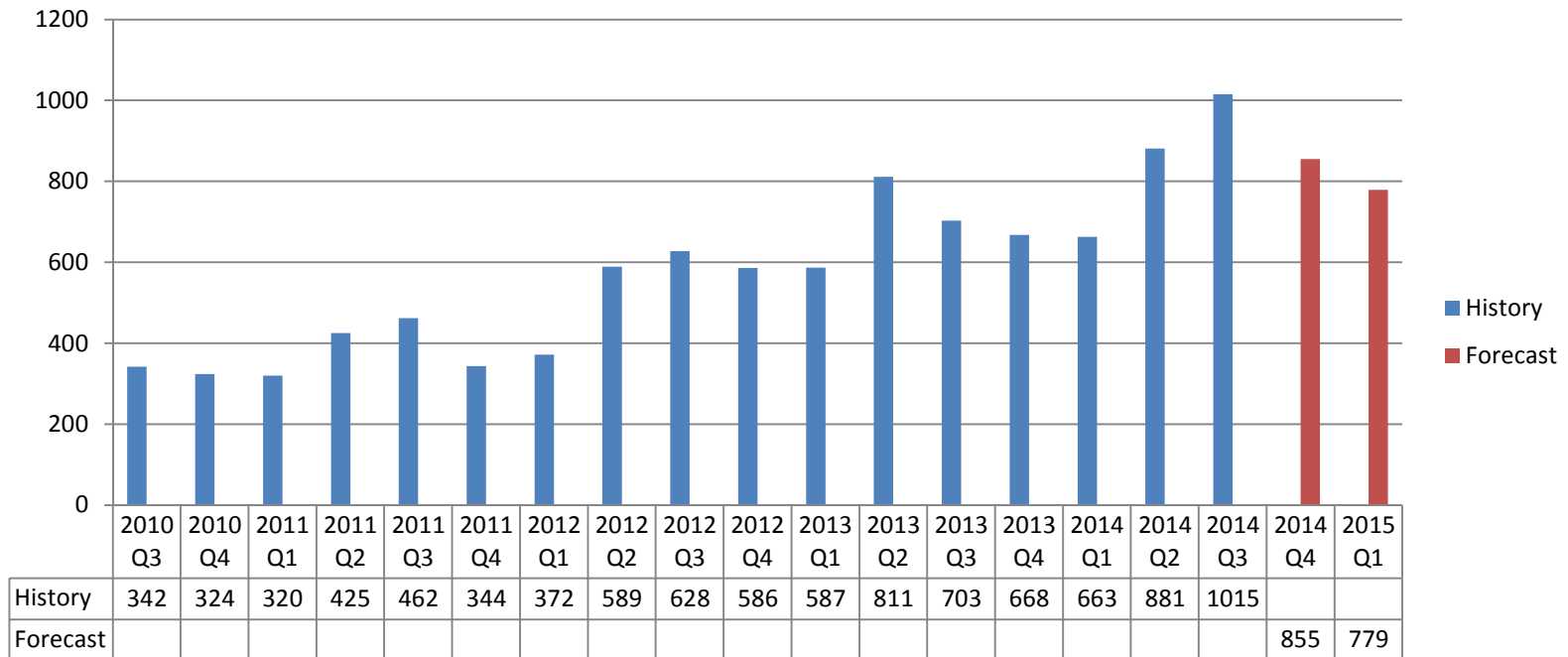
Source: SC Department of Revenue

# 5% State Admissions Tax (\$ Millions)



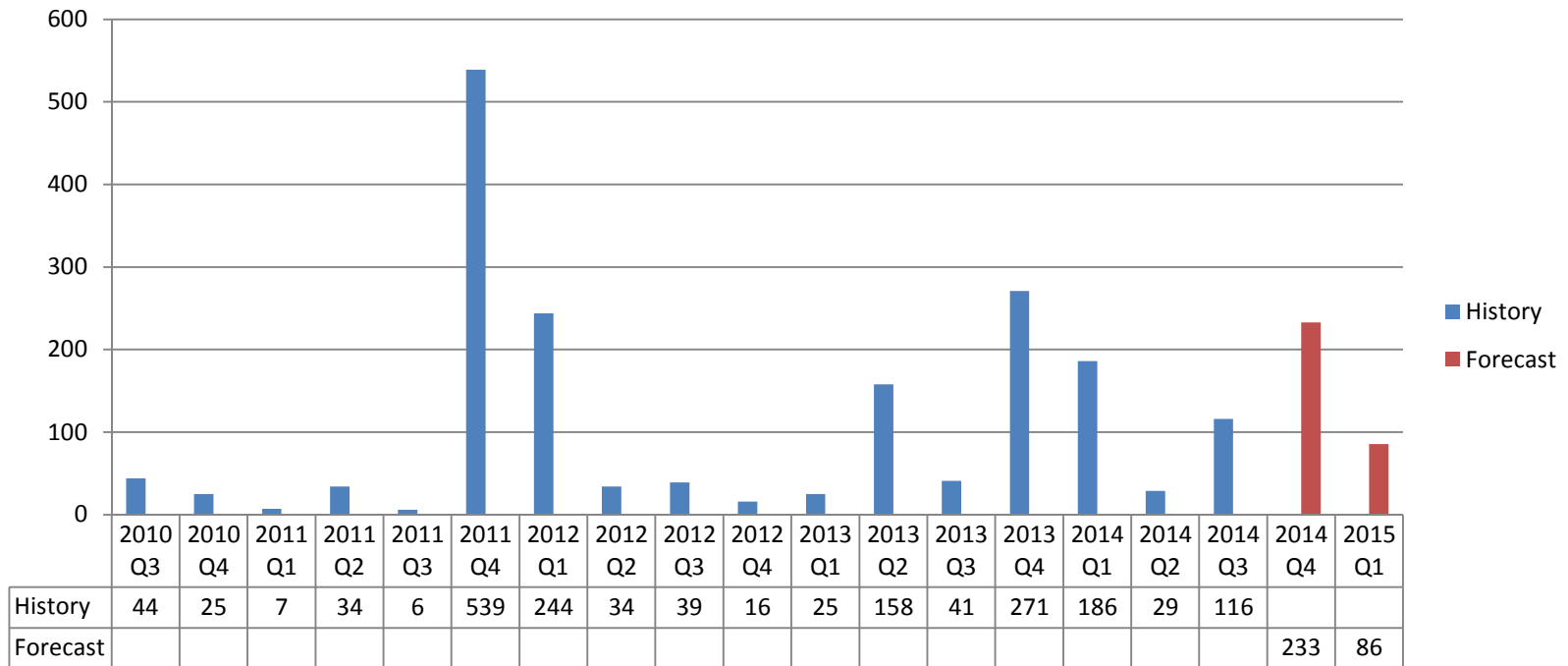
Source: SC Department of Revenue

# Regional Single Family Permits



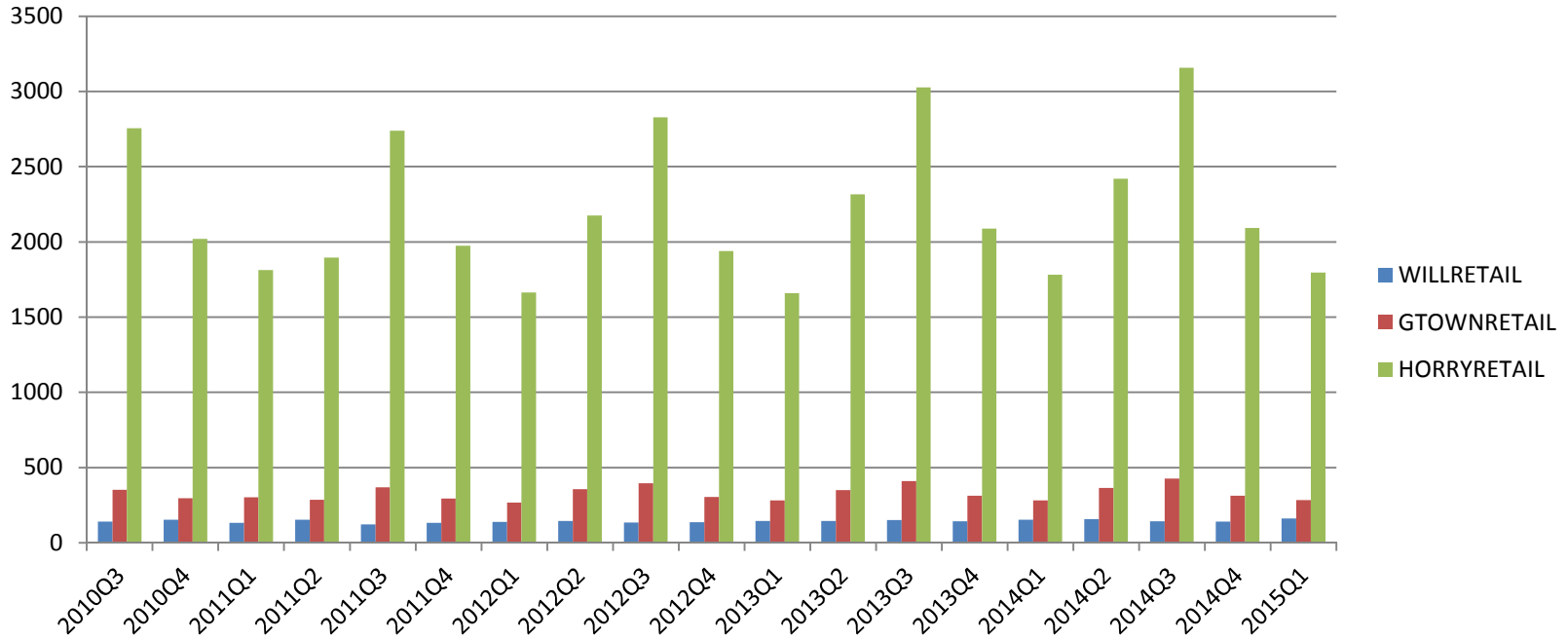
Source: HUD State of the Cities Data System

# Regional Multi-family Permits



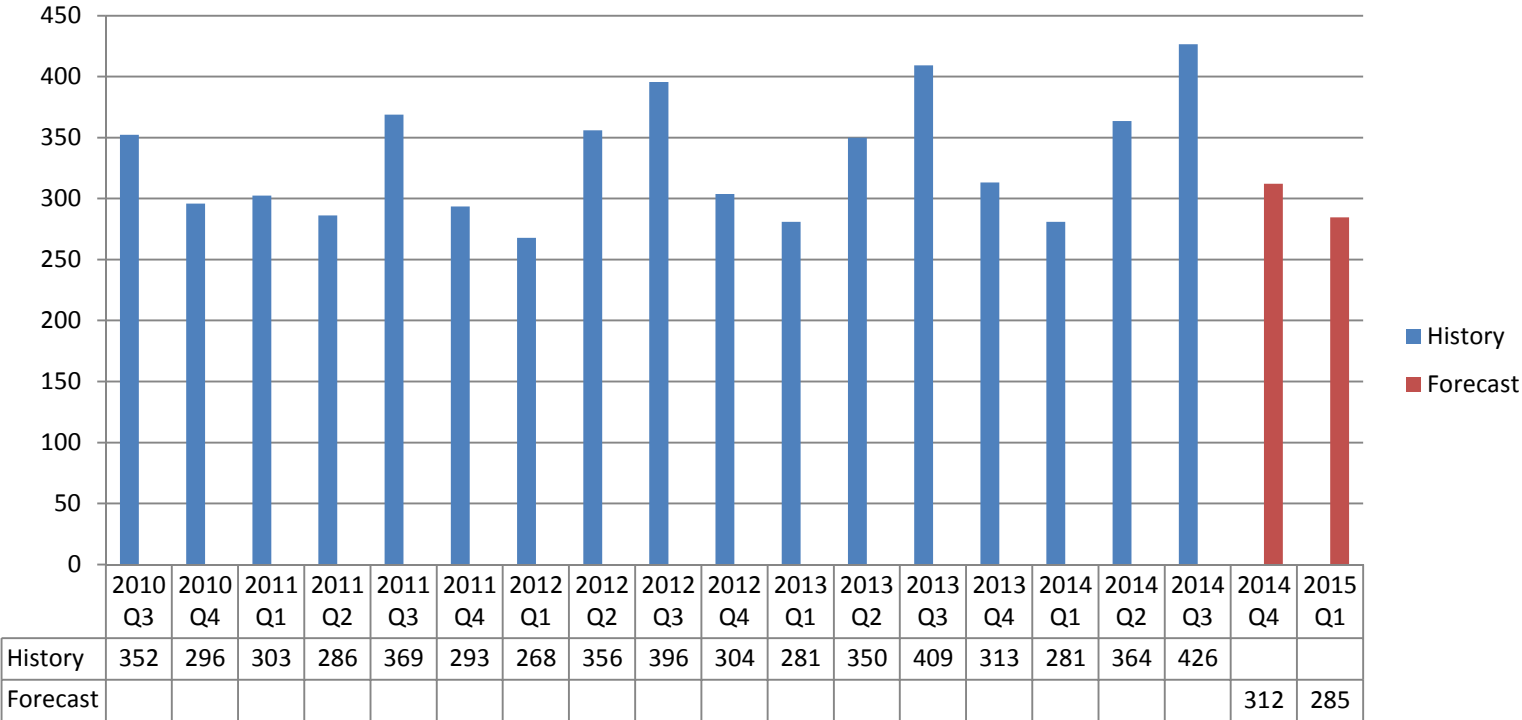
Source: HUD State of the Cities Data System

# Regional Retail Sales (\$ Millions)

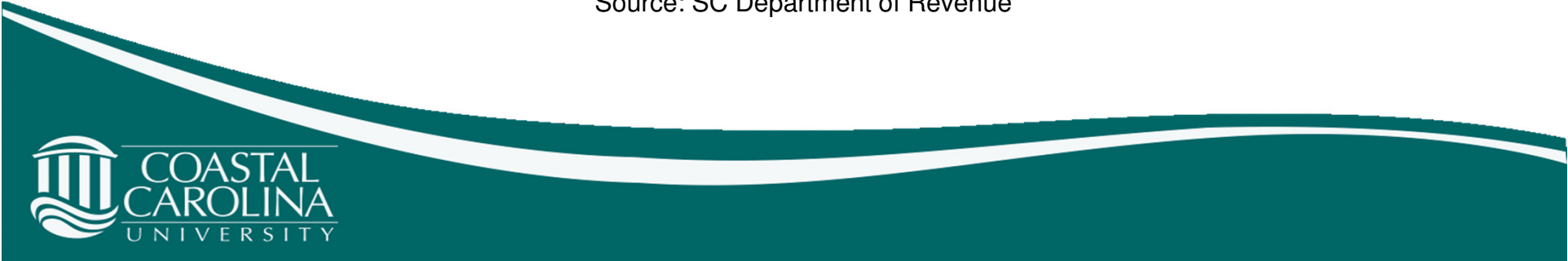


Source: SC Department of Revenue

# Georgetown Retail Sales (\$ Millions)

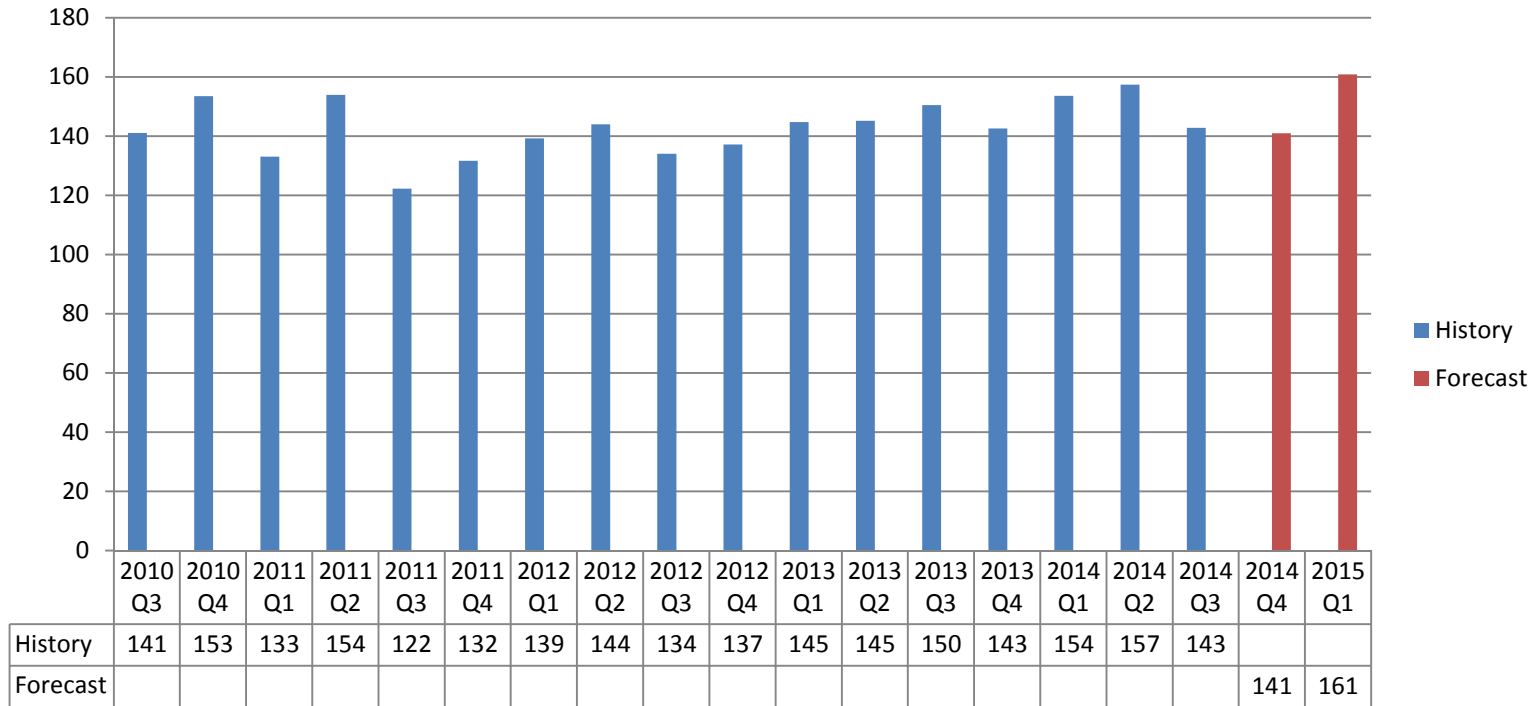


Source: SC Department of Revenue





# Williamsburg Retail Sales (\$ Millions)



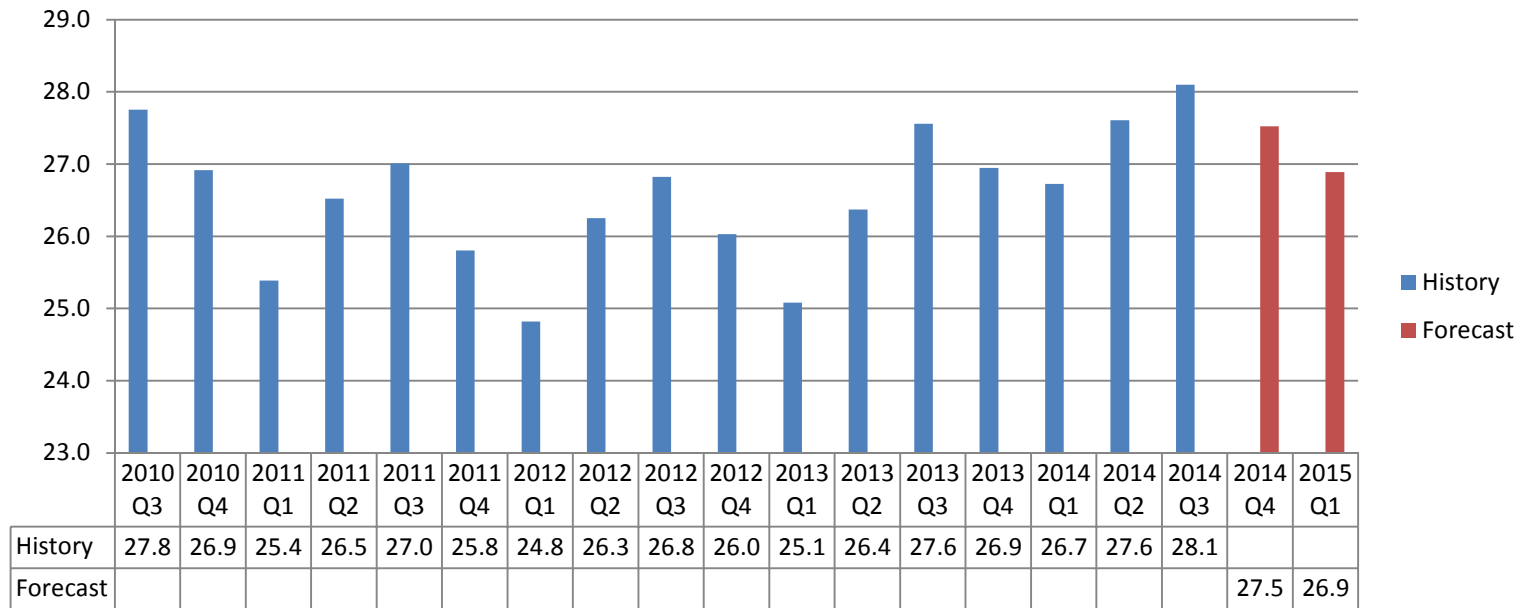
Source: SC Department of Revenue

# Regional Employment Breakout (Thousands)



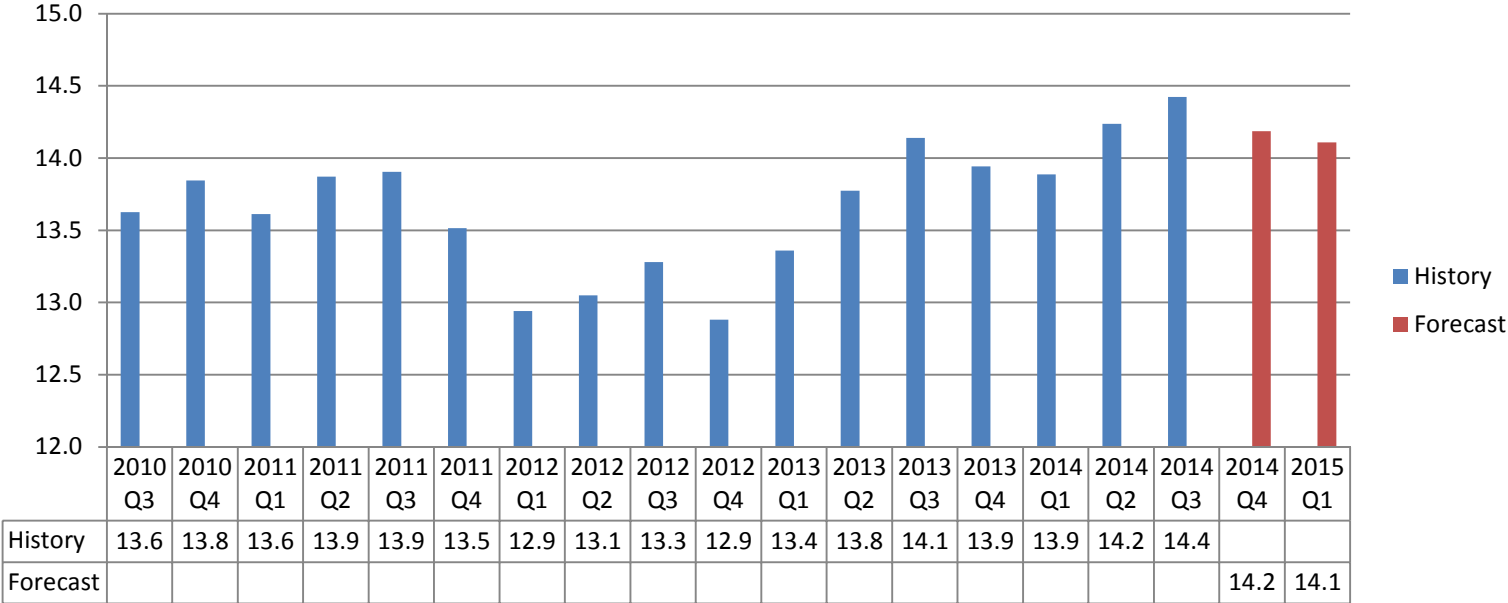
Source: Local Area Unemployment Statistics, Bureau of Labor Statistics

# Georgetown Employment (Thousands)



Source: Local Area Unemployment Statistics, Bureau of Labor Statistics

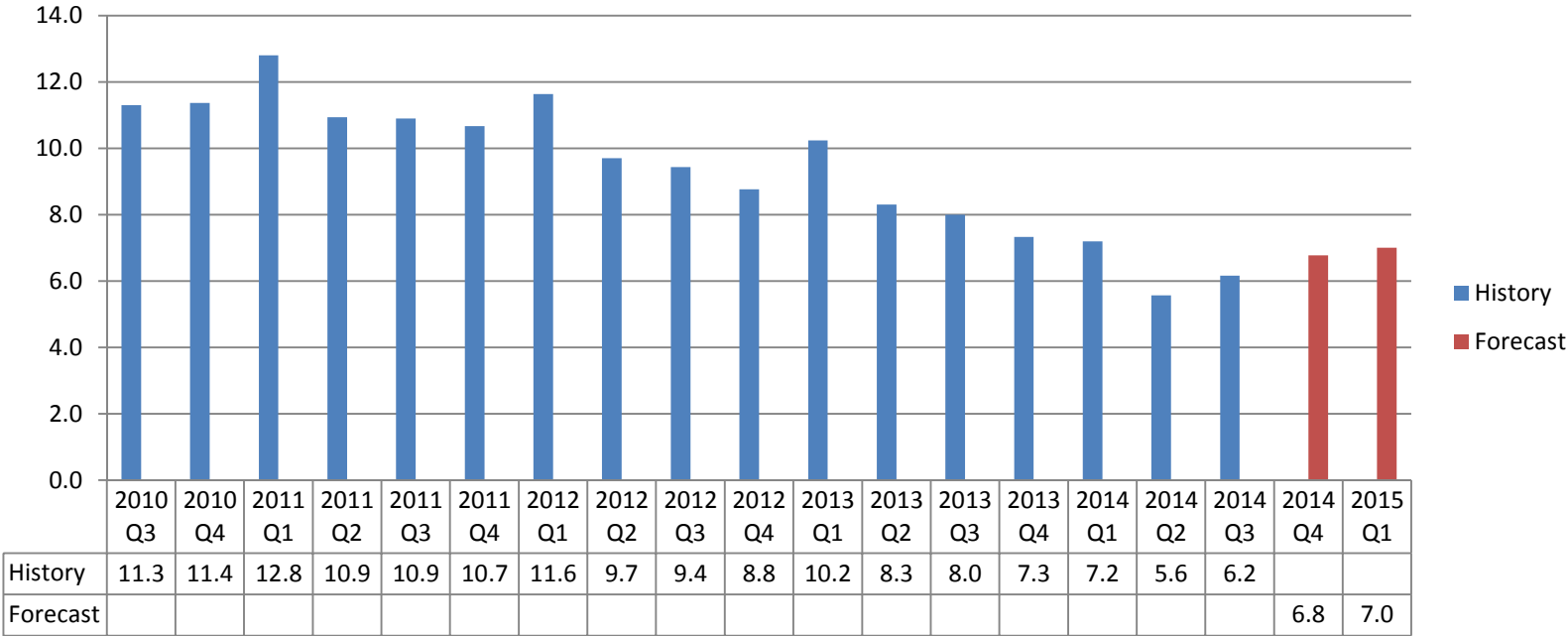
# Williamsburg Employment (Thousands)



Source: Local Area Unemployment Statistics, Bureau of Labor Statistics



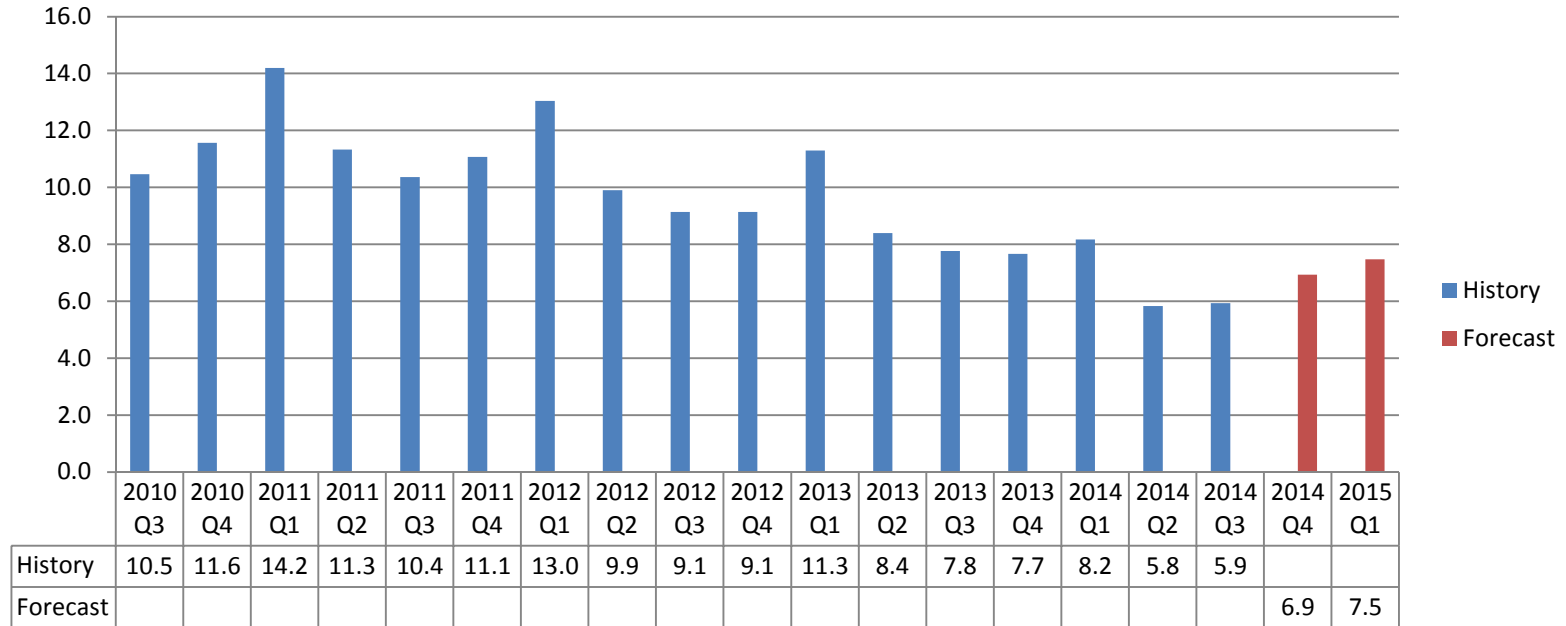
# Georgetown Unemployment Rate



Source: Local Area Unemployment Statistics, Bureau of Labor Statistics

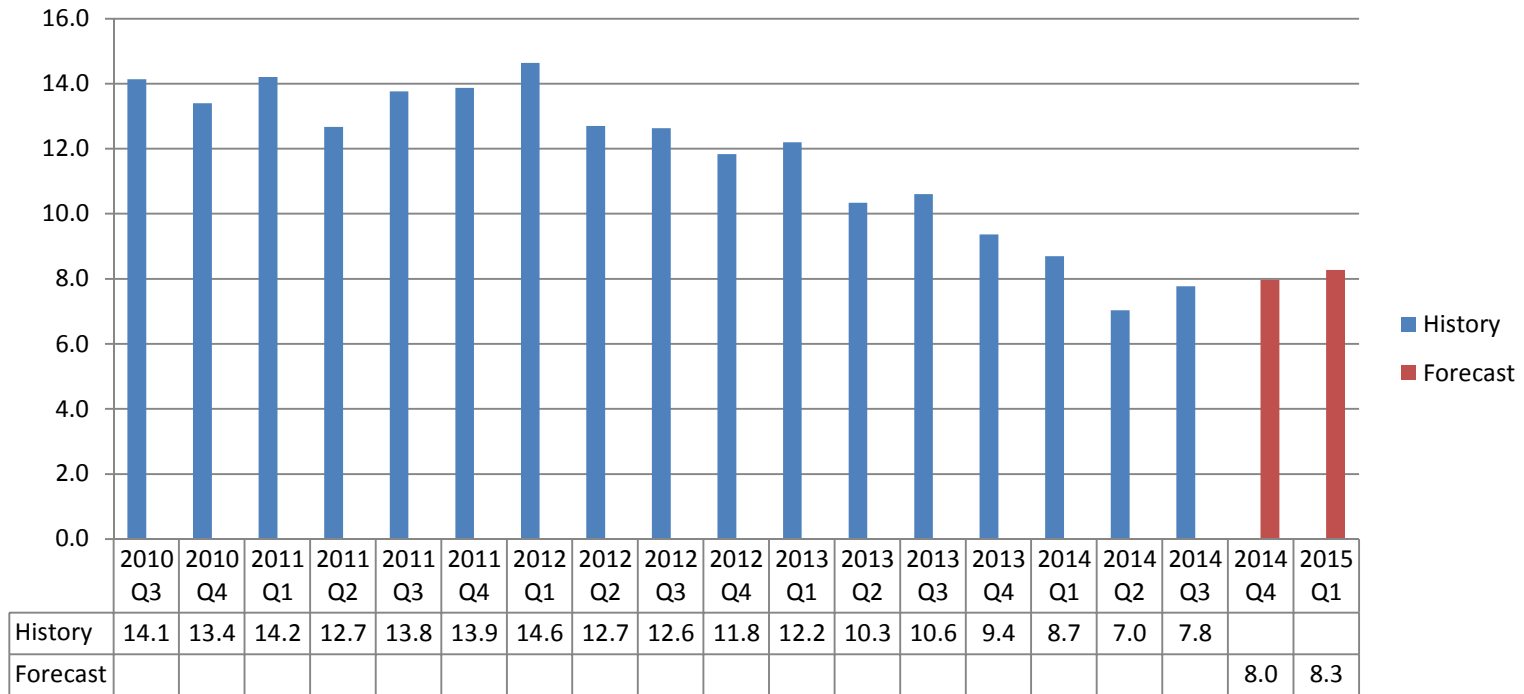


# Horry Unemployment Rate



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 2014

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

Prepared and Presented by Dr. Rob Salvino, Research Economist, Center for Economic and Community Development  
E. Craig Wall Sr. College of Business Administration, Coastal Carolina University

**November 2014**

	Value			Percent Change from Previous Year		
	History	Forecast	Forecast	History	Forecast	Forecast
	Previous Quarter Summer 2014	Current Quarter Fall 2014	Next Quarter Winter 2015	Previous Quarter Summer 2014	Current Quarter Fall 2014	Next Quarter Winter 2015
Airport Deplanements (thousands)	328.0	202.1	113.2	6.0	5.5	6.2
Port Tonnage (thousands)	186.4	147.6	124.6	21.1	6.0	6.6
Occupancy Rate (Full Week)	82.6	46.6	32.7	-0.7	1.7	1.2
Average Daily Rate (Full Week)	\$ 149.0	\$ 70.0	\$ 54.3	2.0	2.6	1.7
Horry County 1.5% Hosp. Fee Revenue (\$millions)	\$ 15.6	\$ 6.4	\$ 3.8	3.1	0.9	1.5
Accommodations Tax Revenue (\$millions) <sup>a</sup>	Will resume regular tracking and forecasting of county accommodations tax receipts next quarter.					
Admissions Tax Revenue (\$millions)	\$ 4.2	\$ 1.8	\$ 1.0	-4.4	-8.2	-5.8
Regional SF Building Permits*	1015	855	779	44.4	28.0	17.5
Regional MF Building Permits*	116	233	86	182.9	-14.0	-54.0
<b>Retail Sales (\$millions)</b>						
Georgetown County	\$ 426.5	\$ 312.0	\$ 284.7	4.2	-0.4	1.3
Horry County	\$ 3,158.1	\$ 2,091.8	\$ 1,796.0	4.3	0.2	0.8
Williamsburg County	\$ 142.8	\$ 141.0	\$ 161.0	-5.1	-1.1	4.7
<b>Employment (thousands)</b>						
Georgetown County	28,097	27,523	26,890	2.0	2.1	0.6
Horry County	132,446	121,476	115,150	3.8	3.0	2.6
Williamsburg County	14,424	14,186	14,109	2.0	1.7	1.6
<b>Unemployment Rate</b>						
Georgetown County	6.2	6.8	7.0	-1.8	-0.6	-0.2
Horry County	5.9	6.9	7.5	-1.8	-0.7	-0.7
Williamsburg County	7.8	8.0	8.3	-2.8	-1.4	-0.4

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 2010 is the percent change between Summer 2009 and Summer 2010. Rate given is absolute change for: Occupancy Rate, ADR and Unemployment Rates. For example, the given change for the Occupancy Rate during Summer 2009 is simply the Summer 2010 Occupancy Rate minus the Summer 2009 Occupancy Rate.

<sup>a</sup>SCDOR received a ruling in November 2011 allowing it to more aggressively pursue tax from VRBO properties. Monthly reporting may include back payments from last 10 years.

February collections in 2013 for Georgetown County were adjusted to -\$278k - *negative*. \*Williamsburg County analysis began August 2013

Regional Economic Outlook: November 2014

Questions may be directed to Dr. Rob Salvino, 843-349-2719, rsalvino@coastal.edu