



**Center for Economic Development  
and Business Research**  
JACKSONVILLE STATE UNIVERSITY

# **Northeast Economic Activity Zone**





# NEAZ Connected Economies: Overview



- NEAZ Update (#2-#57) &
  - Mark Hearn – JSU School of Business & Industry
- State of Alabama Update (#58-#94)
  - Mark Hearn – JSU School of Business & Industry
- Regional & National Update
  - Mr. Anoop Mishra - Vice President and Regional Executive, Birmingham Branch of Federal Reserve Bank of Atlanta



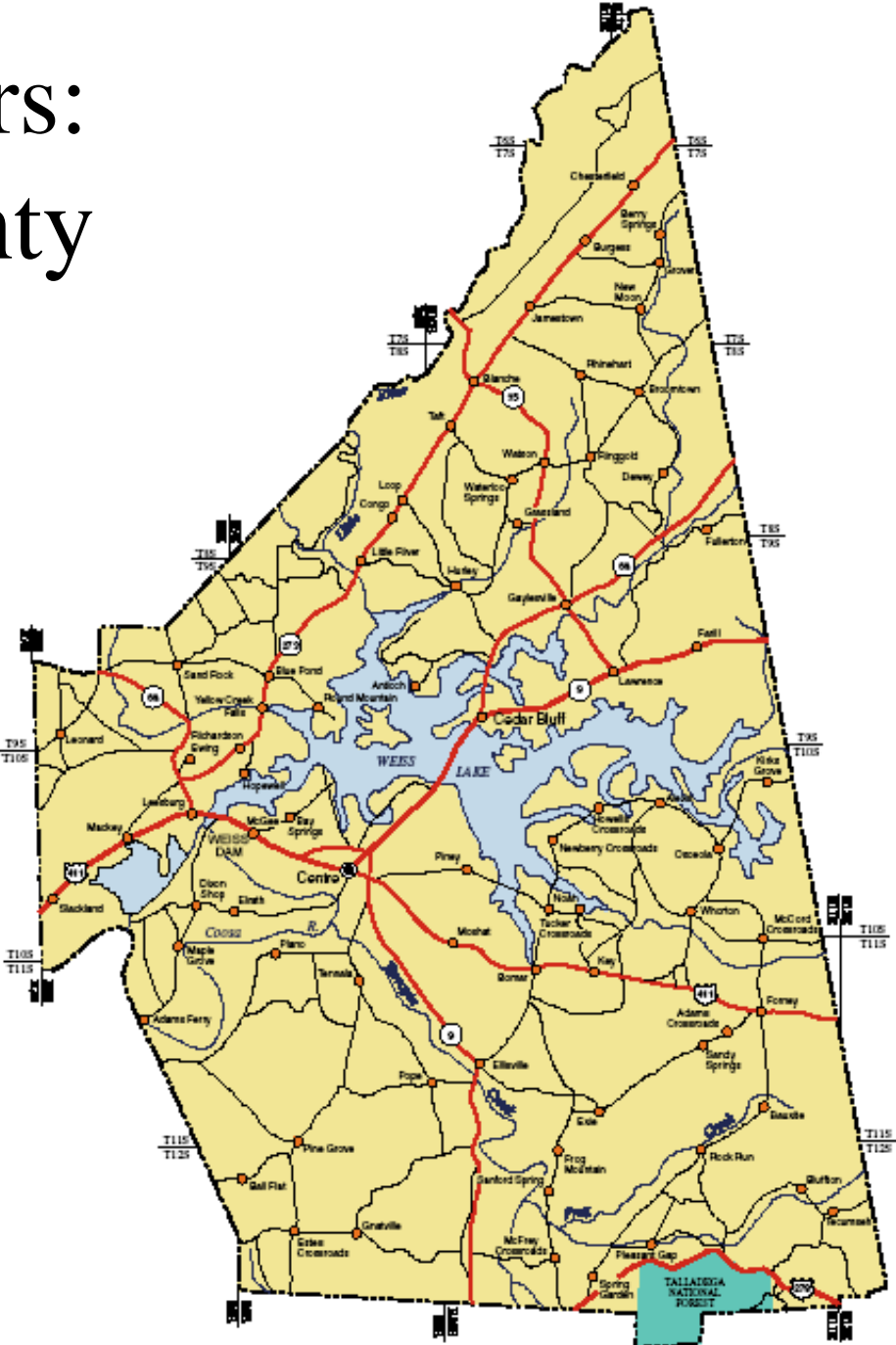
# Northeast Economic Activity Zone (NEAZ): Overview

- Population Trends (#7-#11)
- Income (#12-#13)
- Commuting Patterns (#14-#18)
- Labor Force, Employment, Unemployment (#20-#51)
- Sales Tax Revenues (#52-#56)



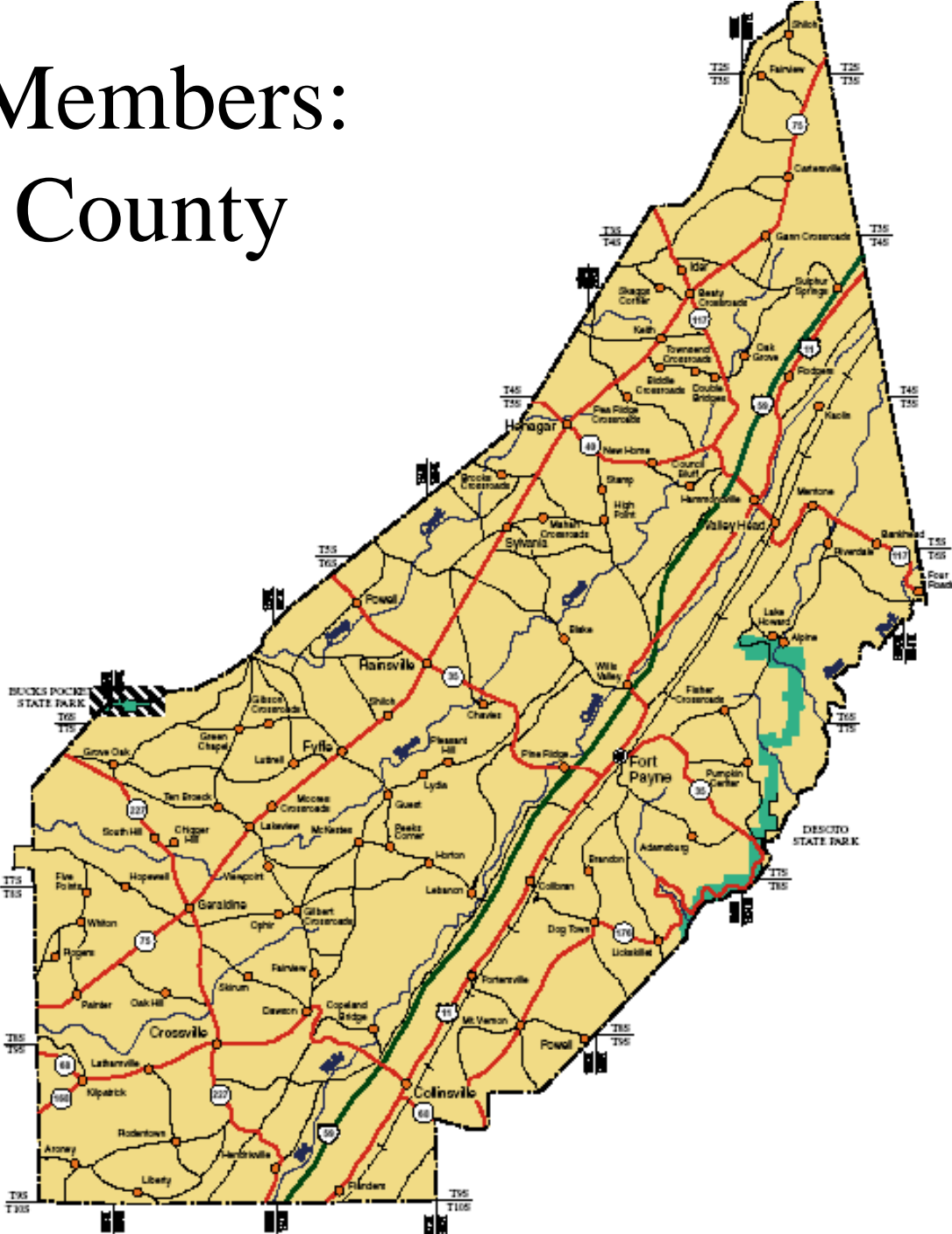


# NEAZ Members: Cherokee County





# NEAZ Members: DeKalb County



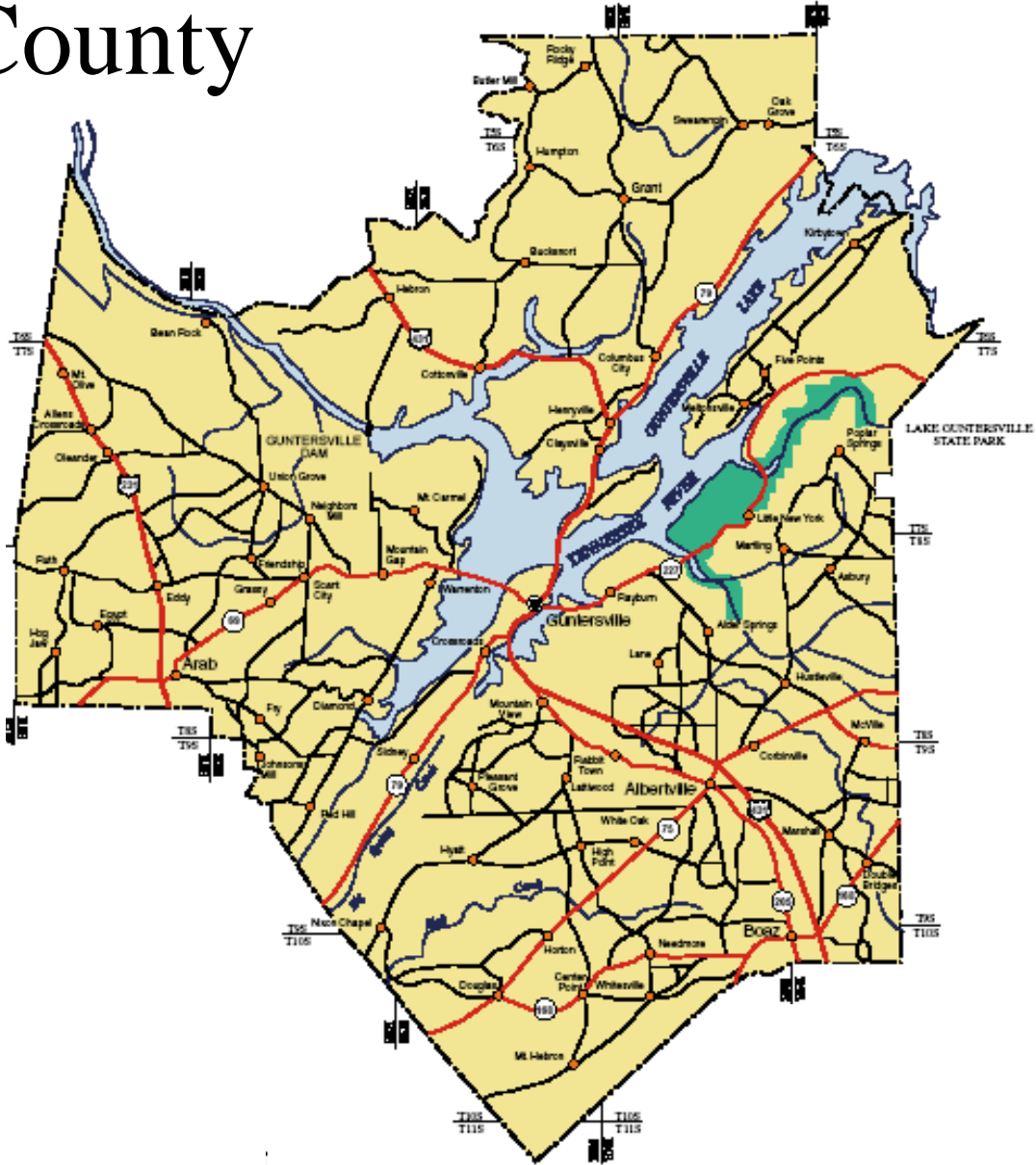


# NEAZ Members: Etowah County



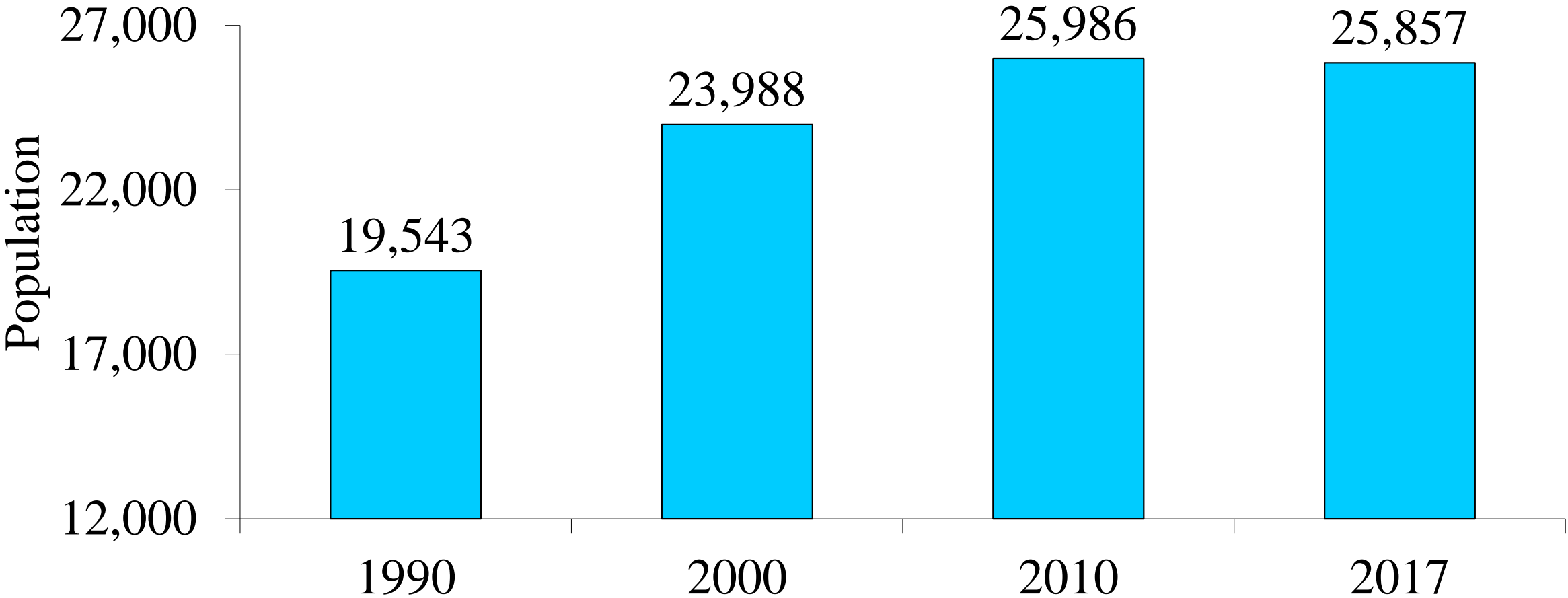


# NEAZ Members: Marshall County





# NEAZ : Population Trends Cherokee County 1990 - 2017

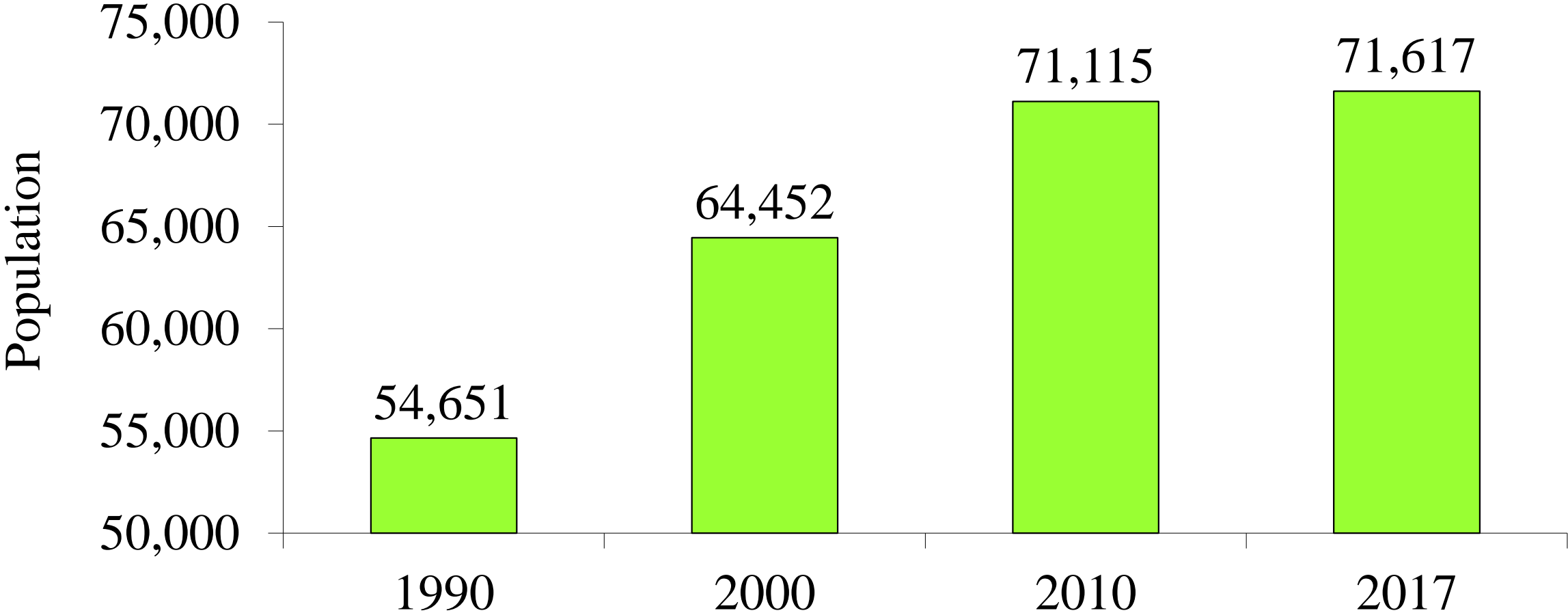


Source: U.S. Census Bureau





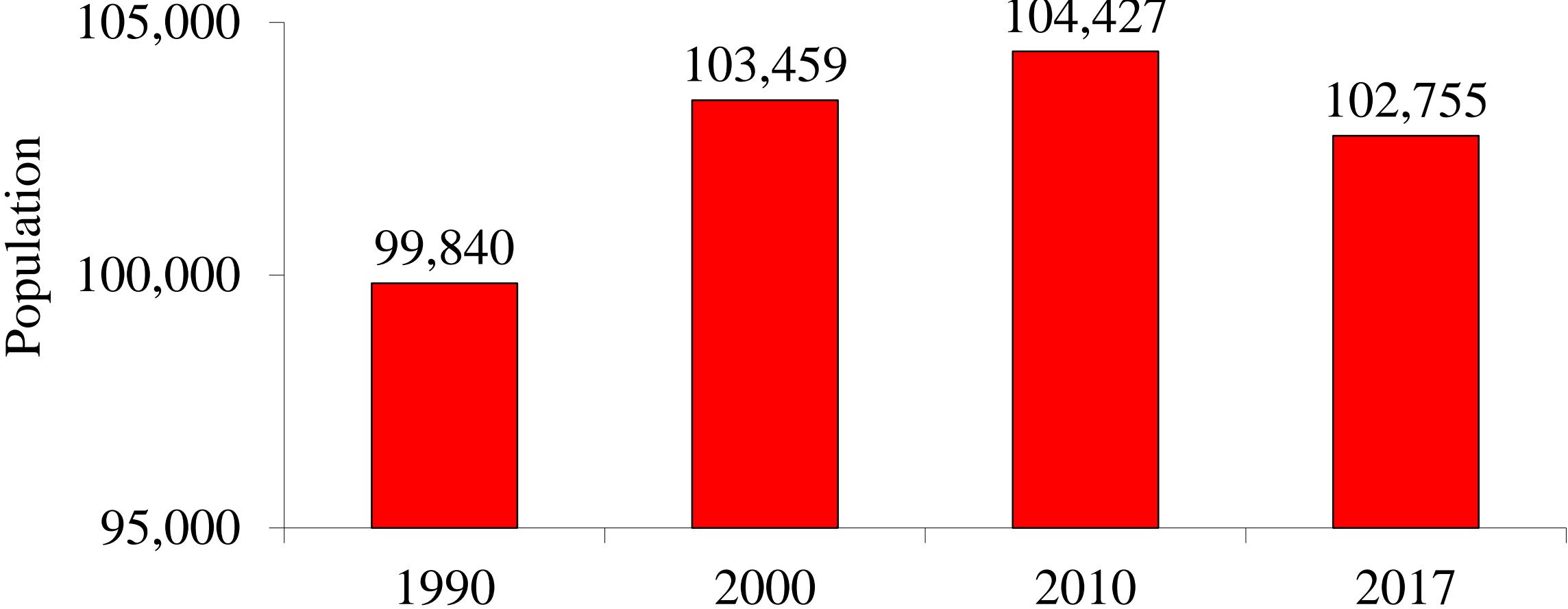
# NEAZ : Population Trends DeKalb County 1990 - 2017



Source: U.S. Census Bureau



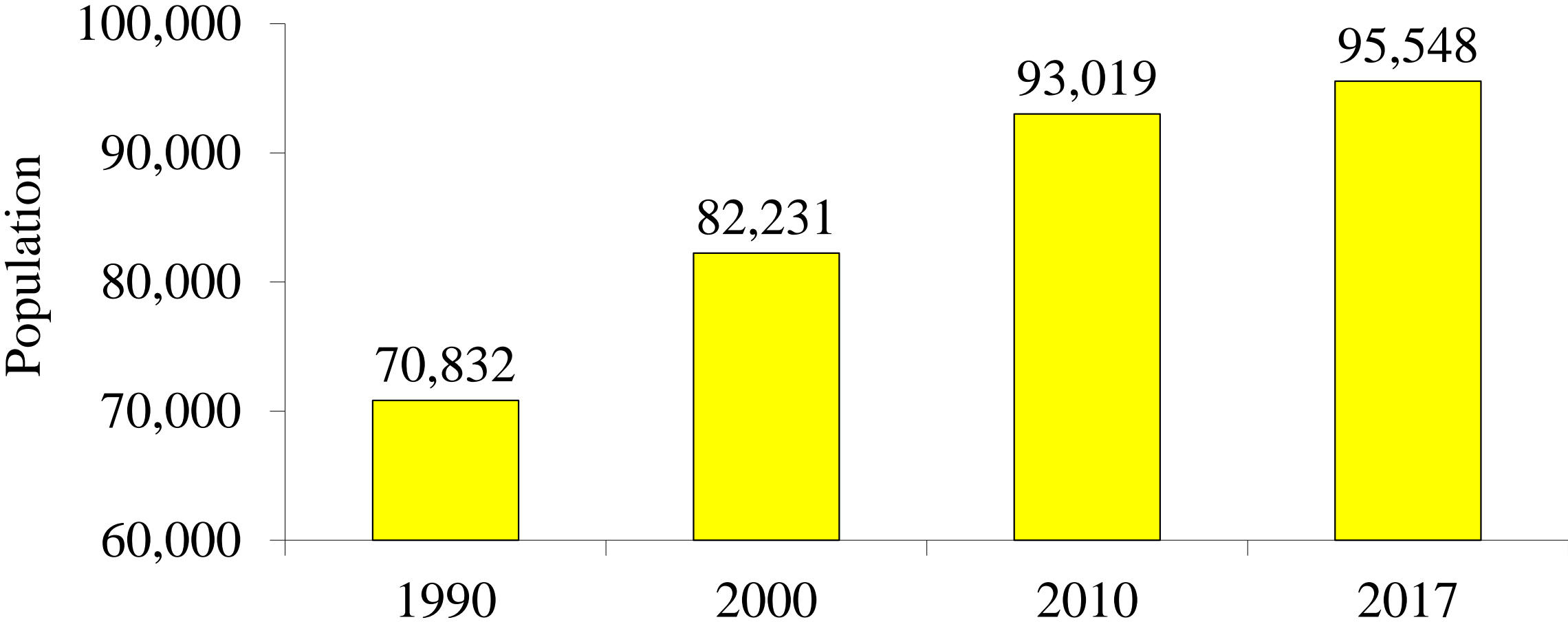
# NEAZ : Population Trends Etowah County 1990 - 2017



Source: U.S. Census Bureau



# NEAZ : Population Trends Marshall County 1990 - 2017

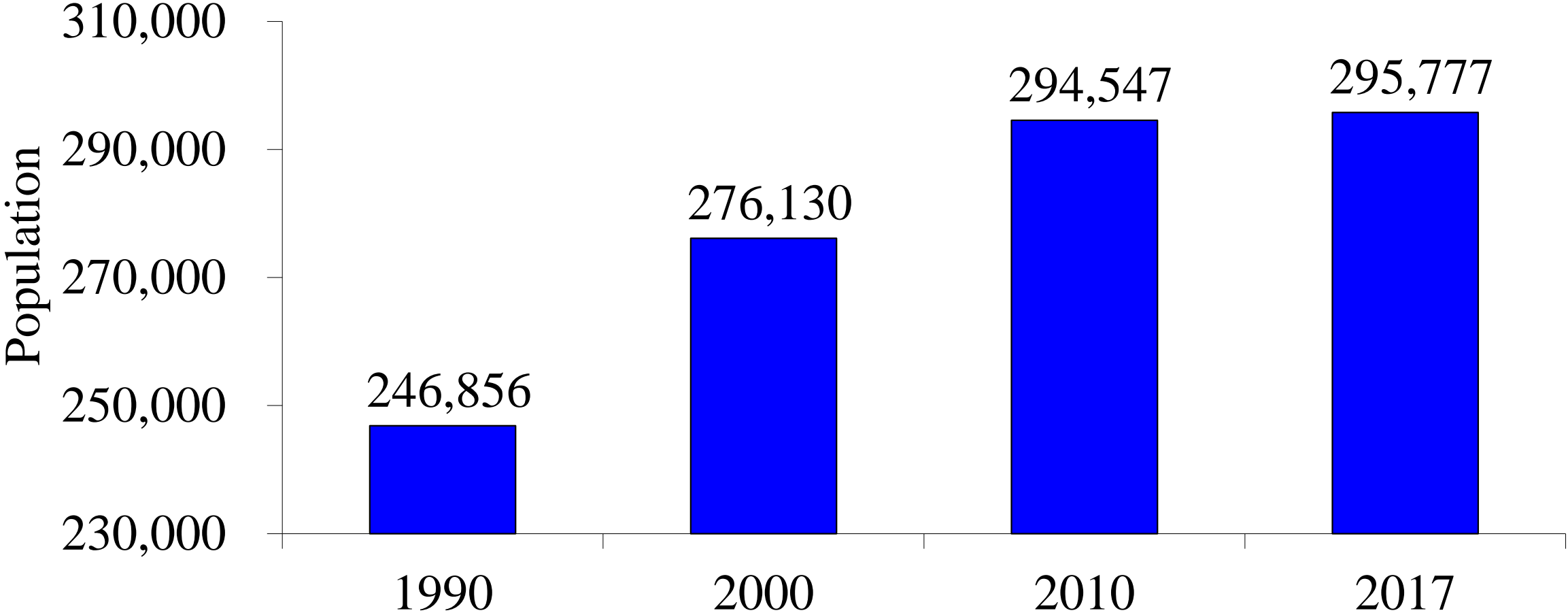


Source: U.S. Census Bureau



# NEAZ : Population Trends

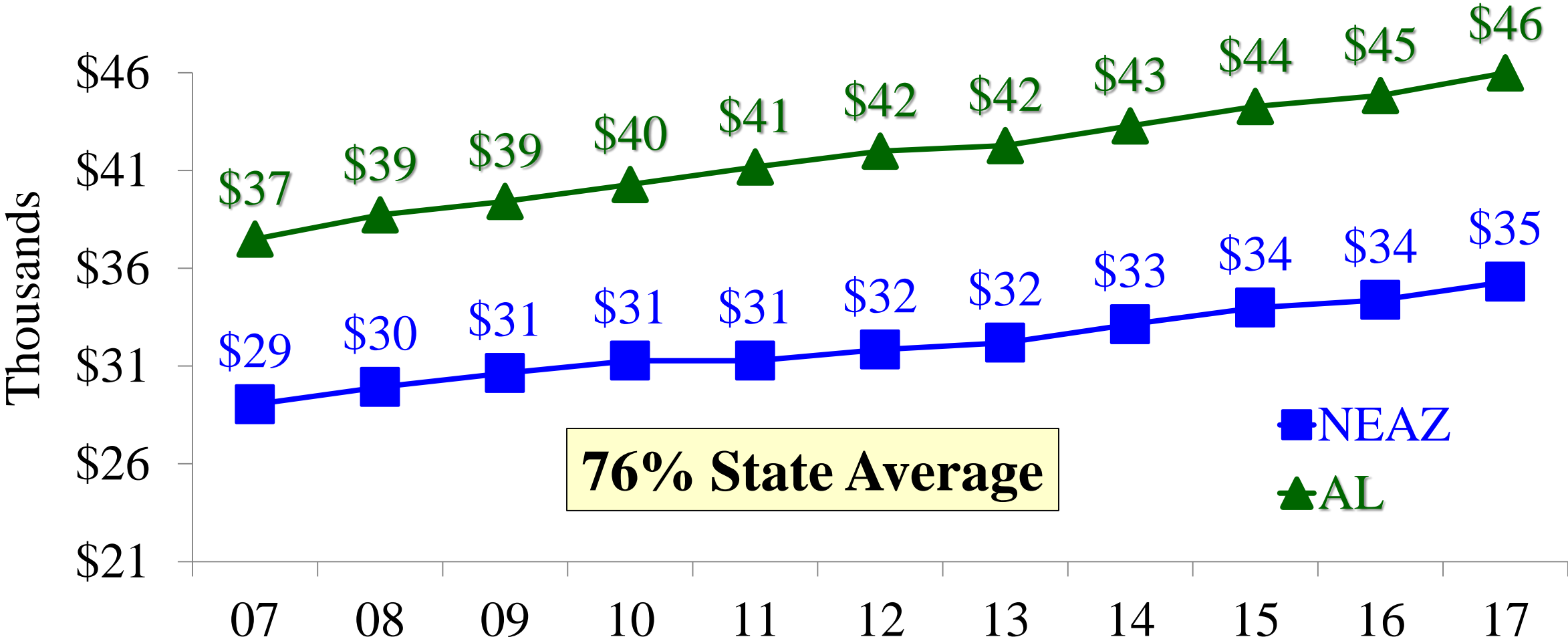
## Zone Total 1990 - 2017



Source: U.S. Census Bureau



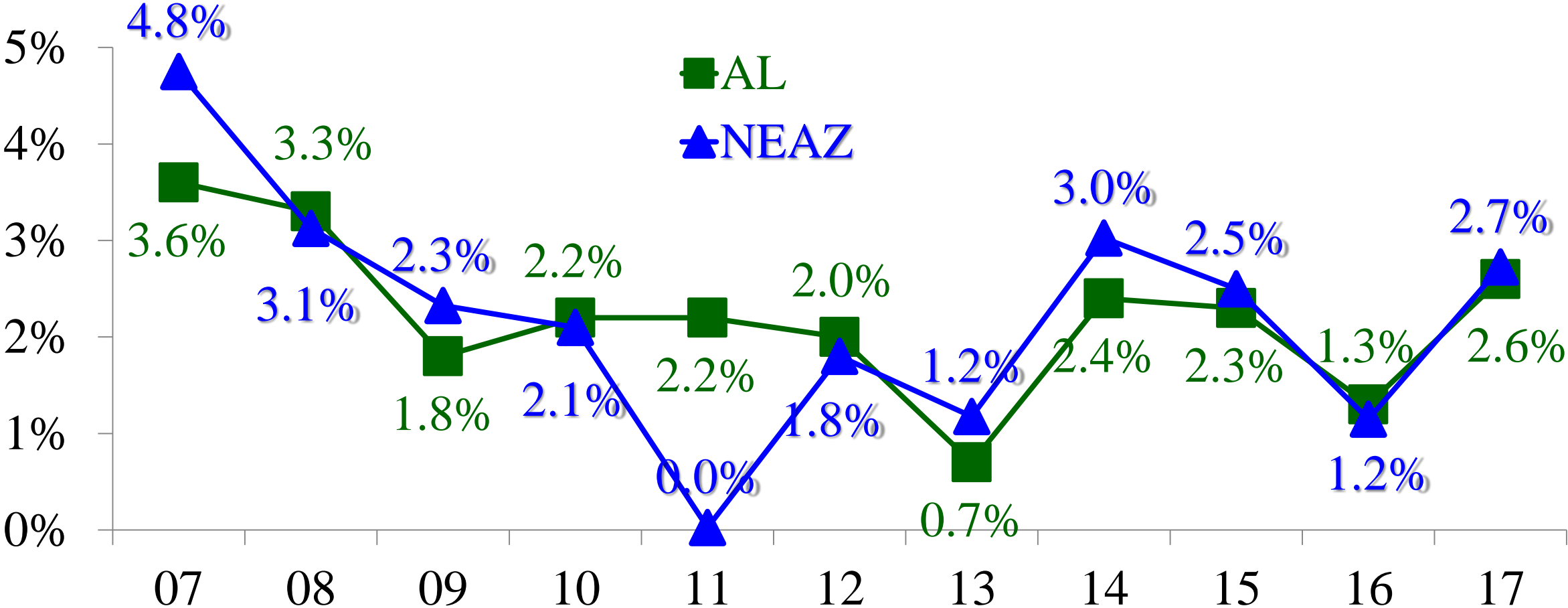
# Average Annual Income NEAZ vs AL 2007-2017 in \$ Thousands



Source: U.S. Bureau of Labor Statistics



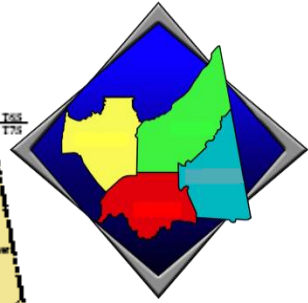
# Percent Change in Average Annual Income NEAZ vs AL 2007-2017



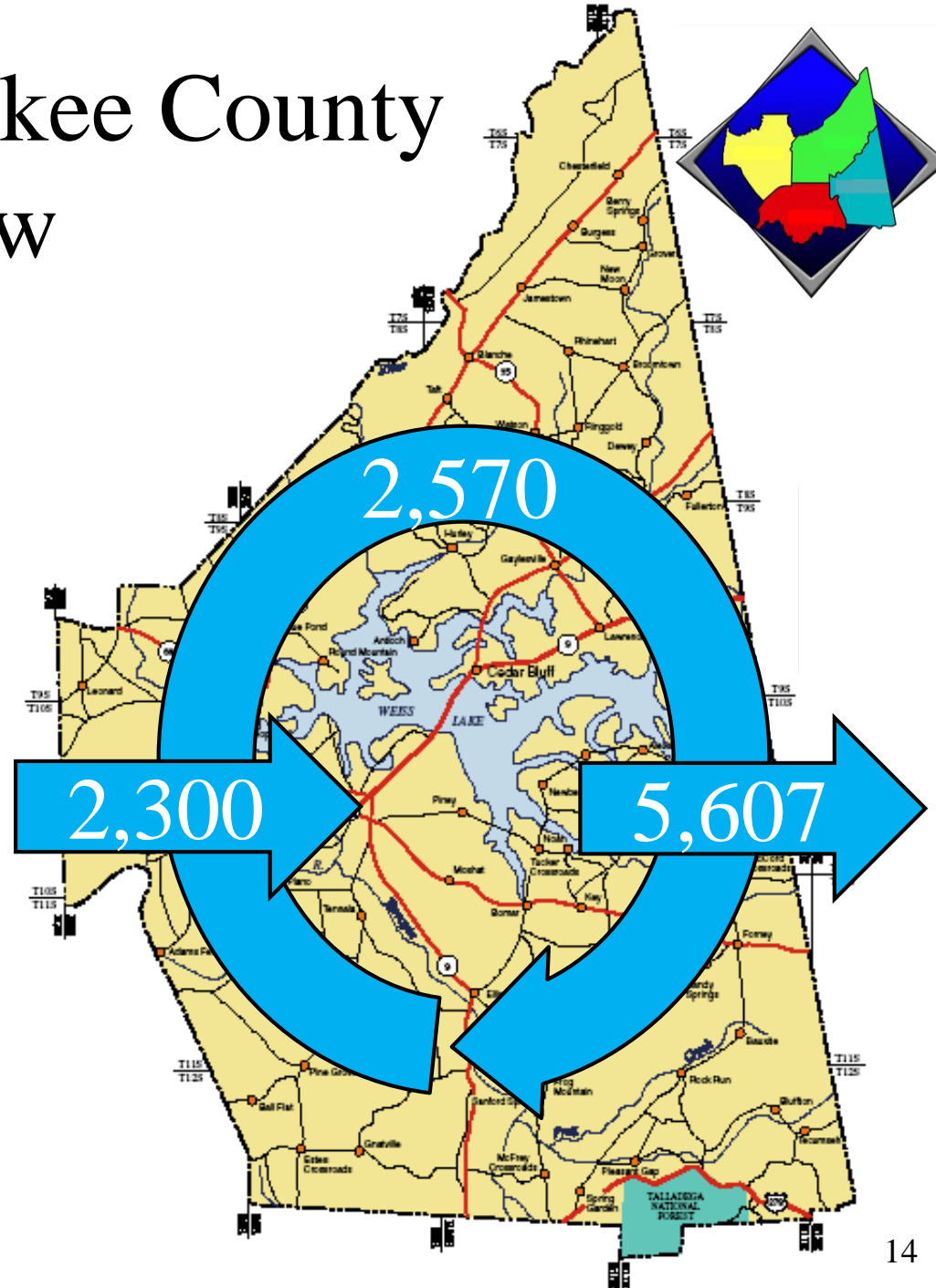
Source: U.S. Bureau of Labor Statistics



# NEAZ Members: Cherokee County Inflow/Outflow

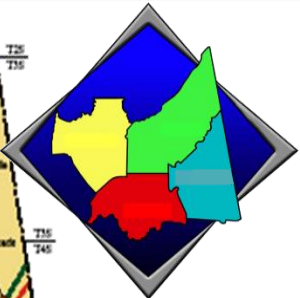


- Employed in Area
  - Living in Area 2,570 (52.8%)
  - Living Outside Area 2,300 (47.2%)
- Living in Area
  - Employed in Area 2,570 (31.45%)
  - Employed Outside Area 5,607 (68.6%)

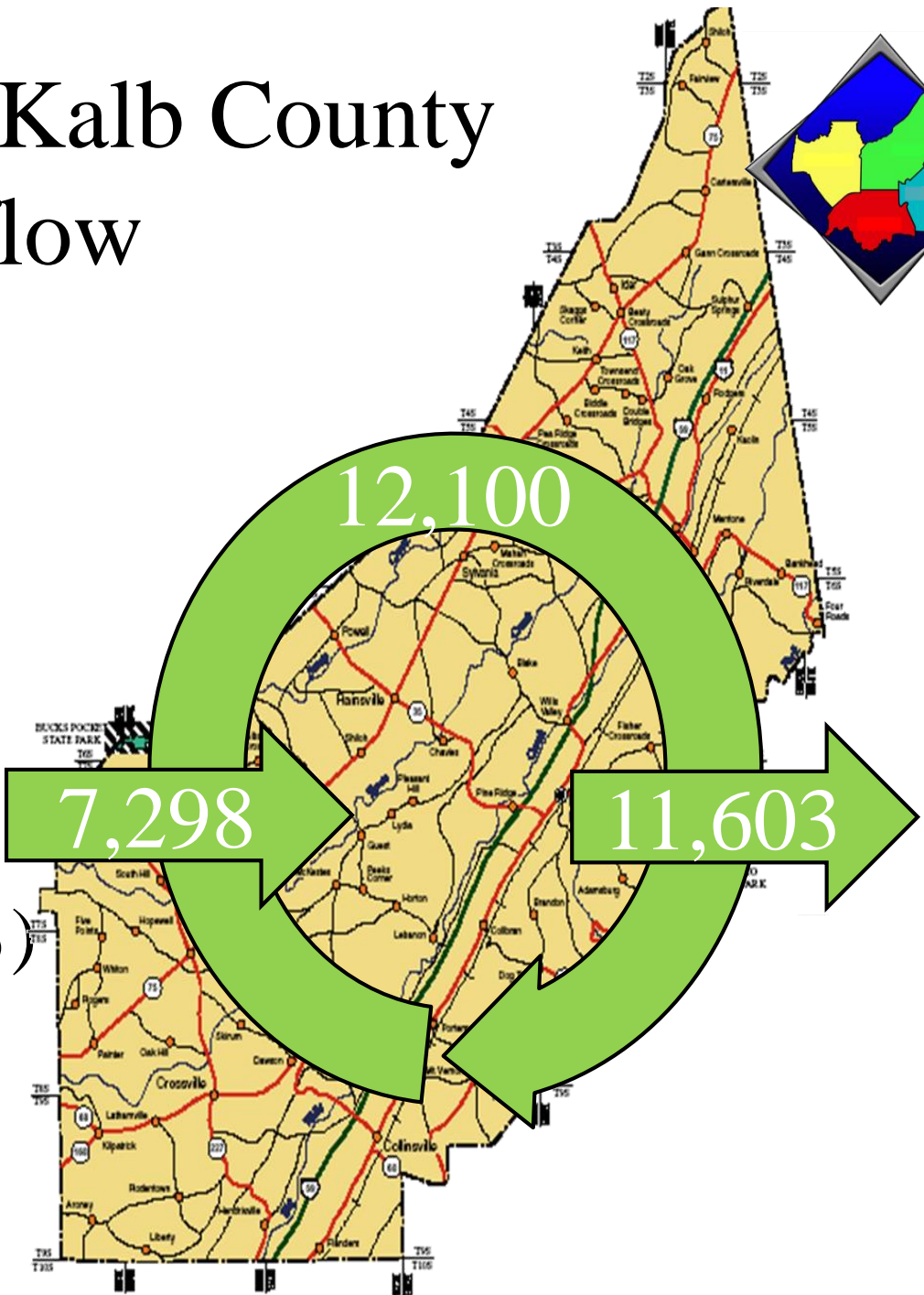




# NEAZ Members: DeKalb County Inflow/Outflow



- Employed in Area
  - Living in Area 12,100 (62.4%)
  - Living Outside Area 7,298 (37.6%)
- Living in Area
  - Employed in Area 12,100 (51.0%)
  - Employed Outside Area 11,603 (49.0%)



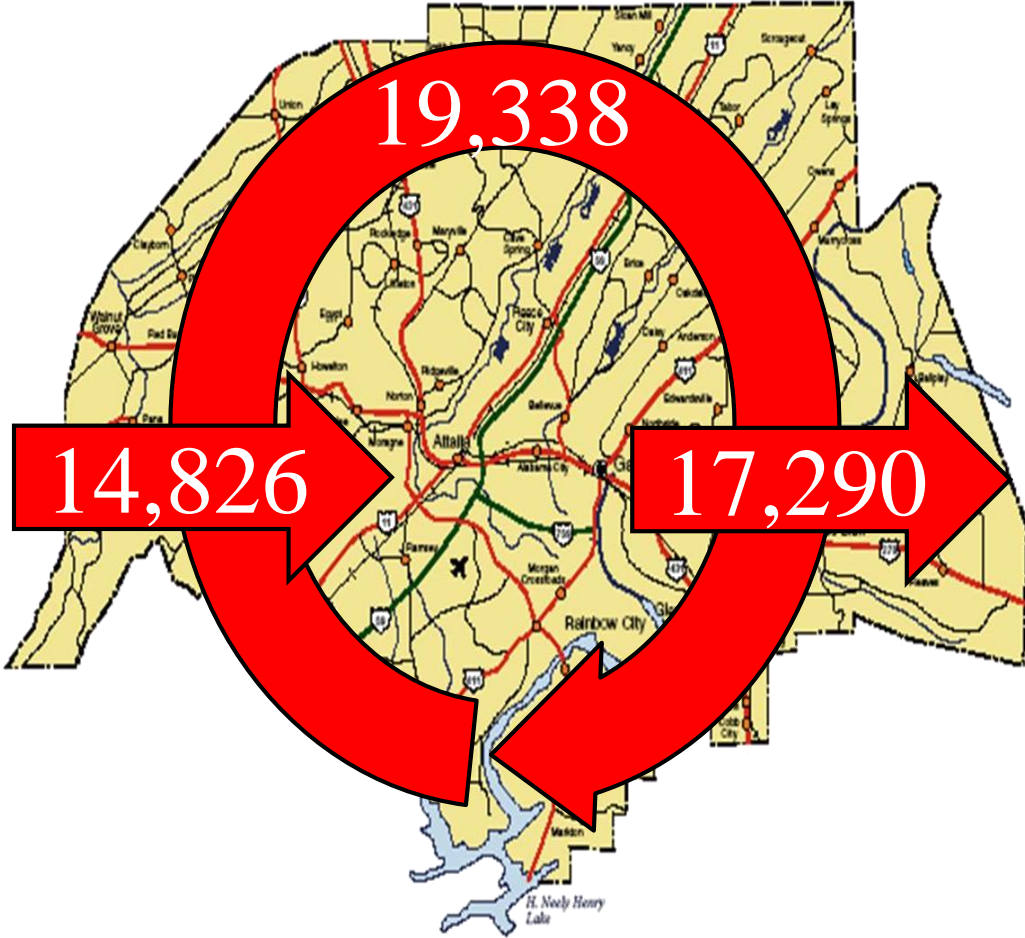




# NEAZ Members: Etowah County Inflow/Outflow



- Employed in Area
  - Living in Area 19,338 (56.6%)
  - Living Outside Area 14,826 (43.4%)
- Living in Area
  - Employed in Area 19,338 (52.8%)
  - Employed Outside Area 17,290 (47.2%)

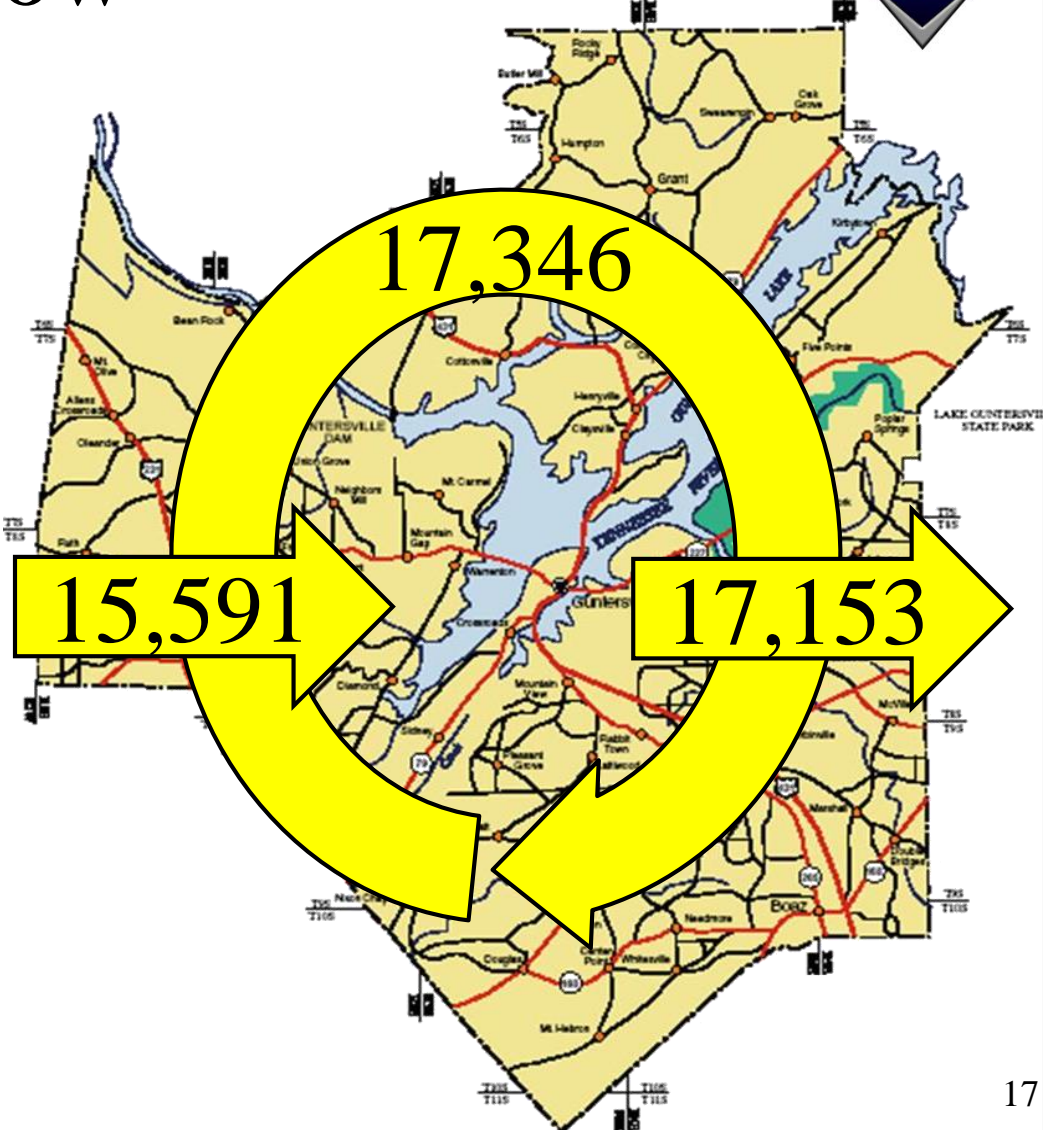




# NEAZ Members: Marshall County Inflow/Outflow



- Employed in Area
  - Living in Area 17,346 (52.1%)
  - Living Outside Area 15,951 (47.9%)
- Living in Area
  - Employed in Area 17,346 (50.3%)
  - Employed Outside Area 17,153 (49.7%)





# NEAZ Members: Inflow/Outflow Comparison



	Employed in County		Live in County & Are Employed	
	Live In	Live Out	Work Out	Work In
<b>Cherokee</b>	52.8%	47.2%	68.6%	31.4%
<b>DeKalb</b>	62.4%	37.6%	49.0%	51.0%
<b>Etowah</b>	56.6%	43.4%	47.2%	52.8%
<b>Marshall</b>	52.1%	47.9%	49.7%	50.3%



# Northeast Economic Activity Zone

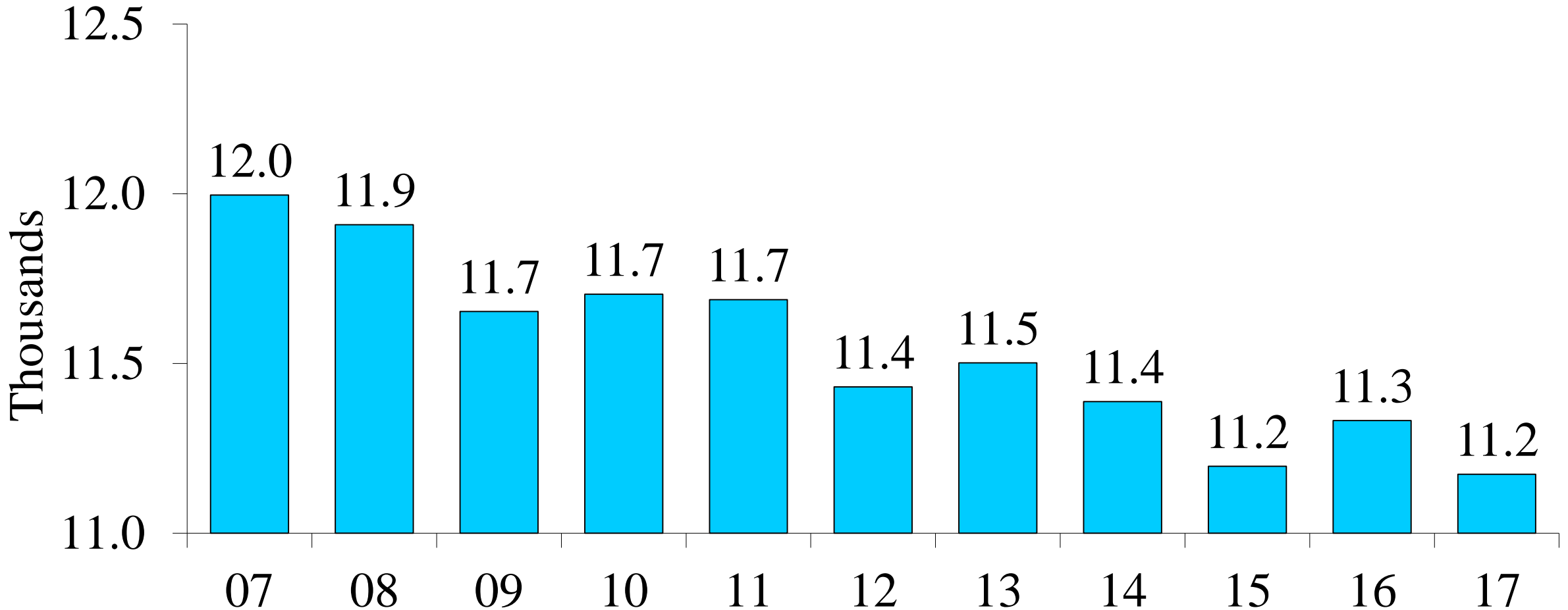


- Labor Force Statistics Individual Counties
- Cherokee County
- DeKalb
- Etowah
- Marshall





# Labor Force Cherokee County 2007 – 2017 in Thousands

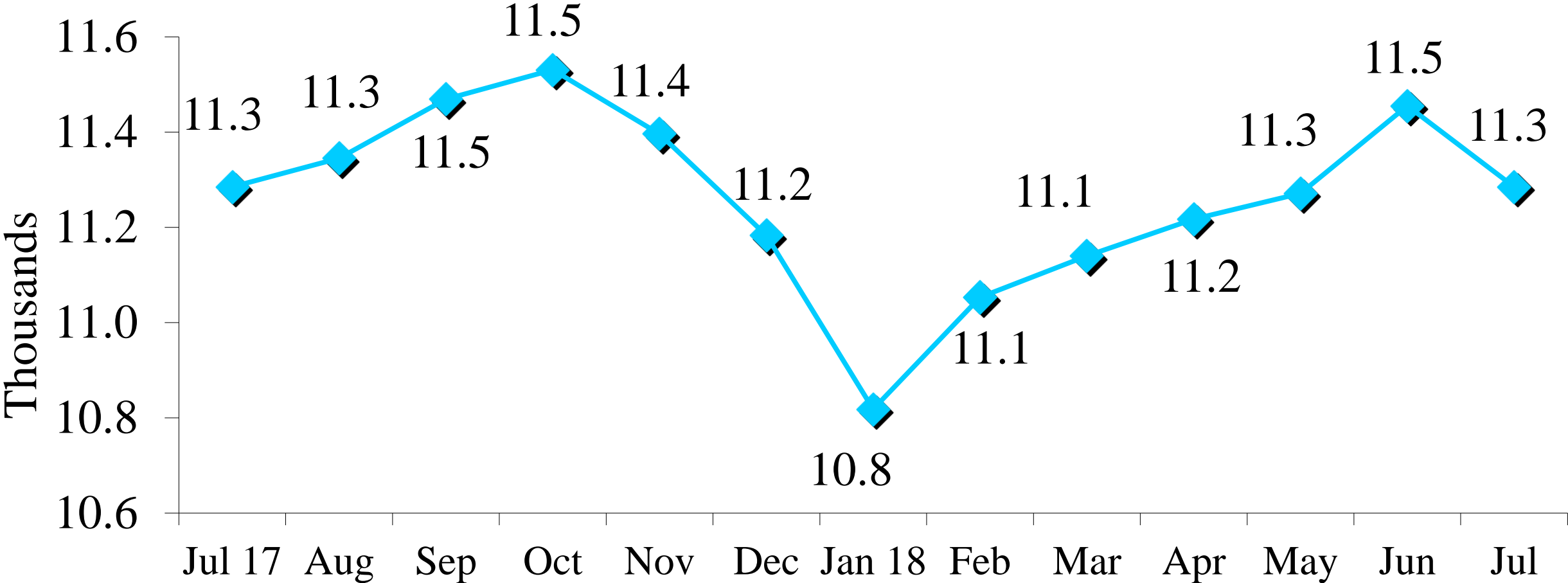


Source: U.S. Bureau of Labor Statistics



# Labor Force Cherokee County

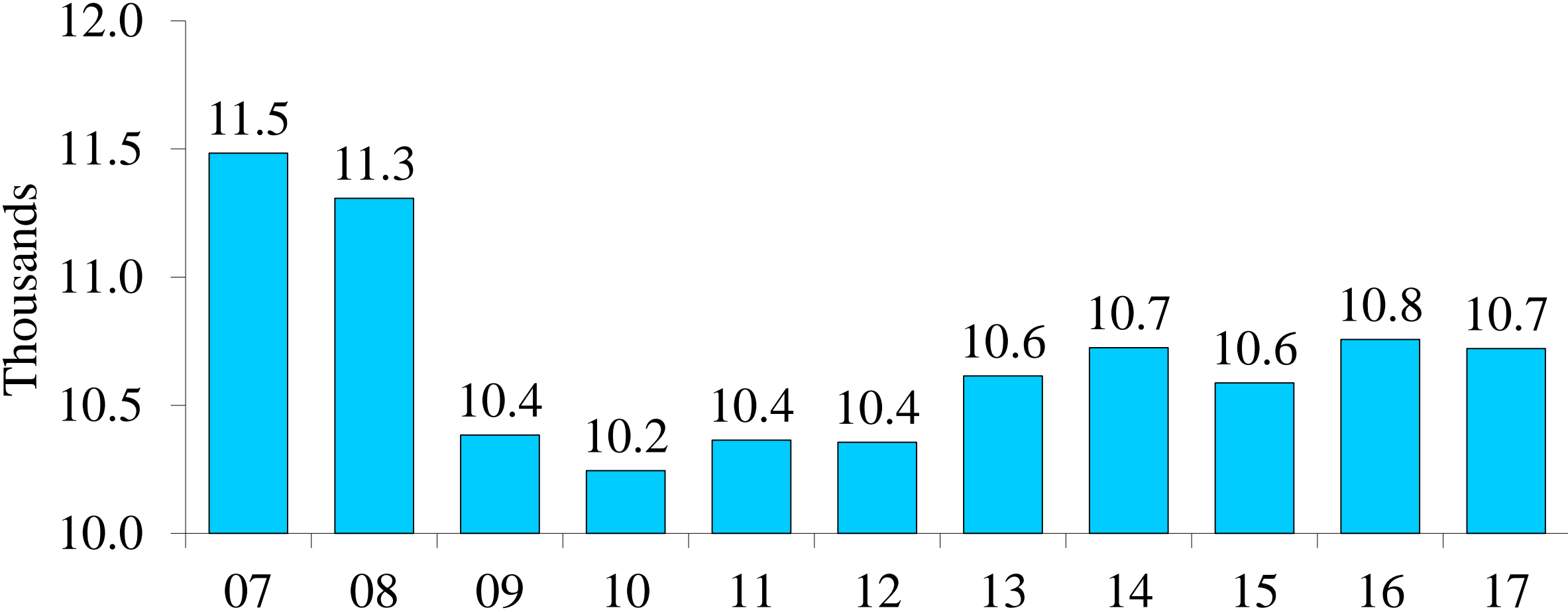
## July 2017 - July 2018 in Thousands



Source: U.S. Bureau of Labor Statistics



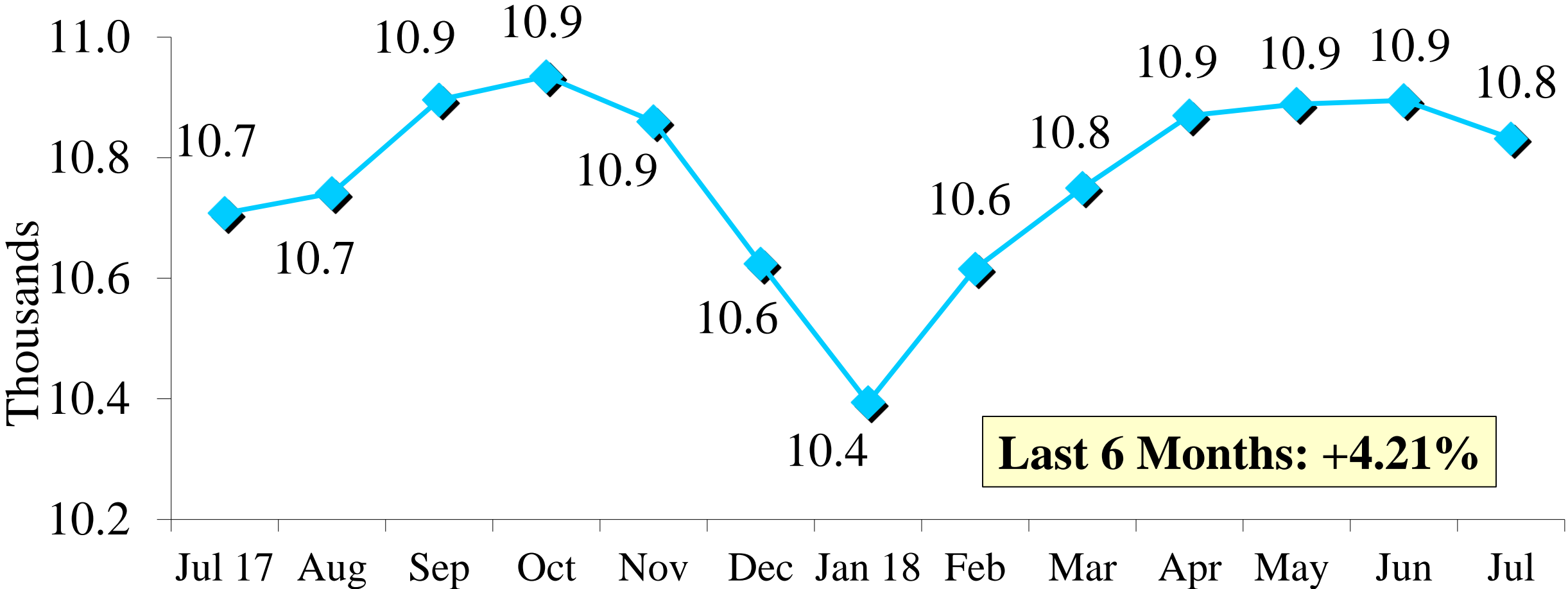
# Employment Cherokee County 2007 – 2017 in Thousands



Source: U.S. Bureau of Labor Statistics



# Employment Cherokee County July 2017 - July 2018 in Thousands

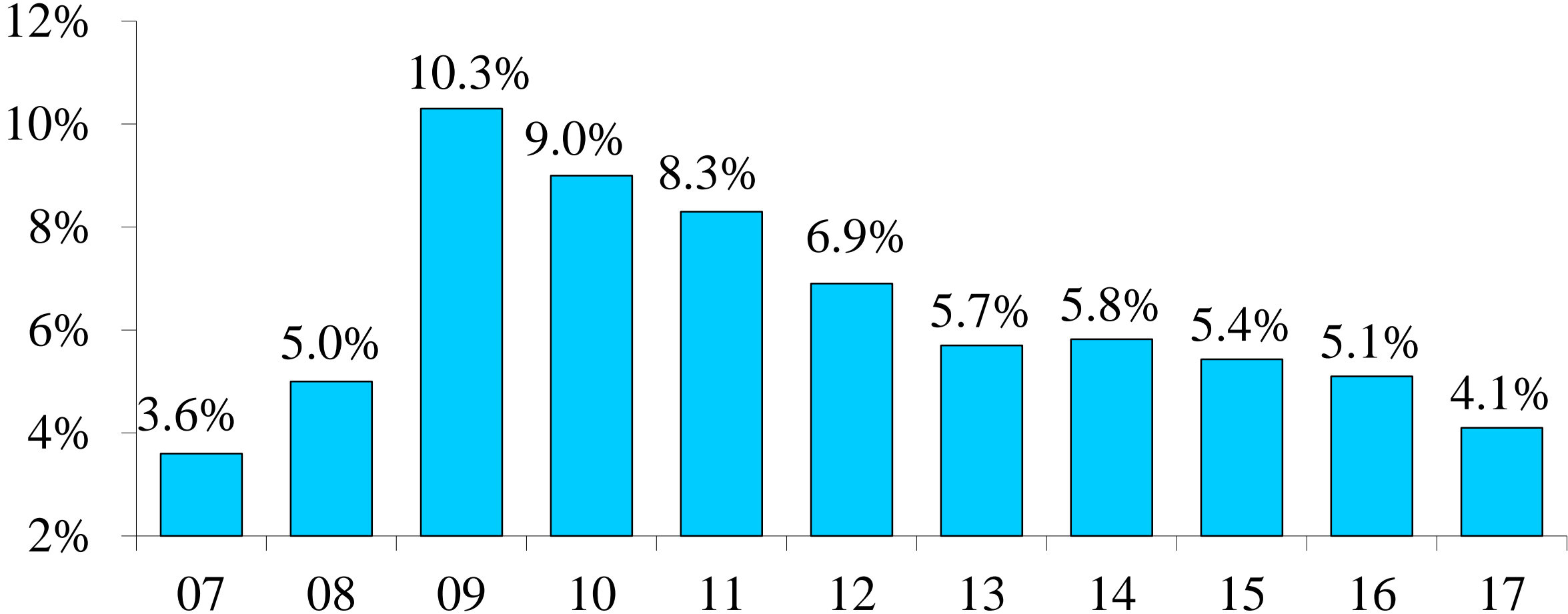


Source: U.S. Bureau of Labor Statistics





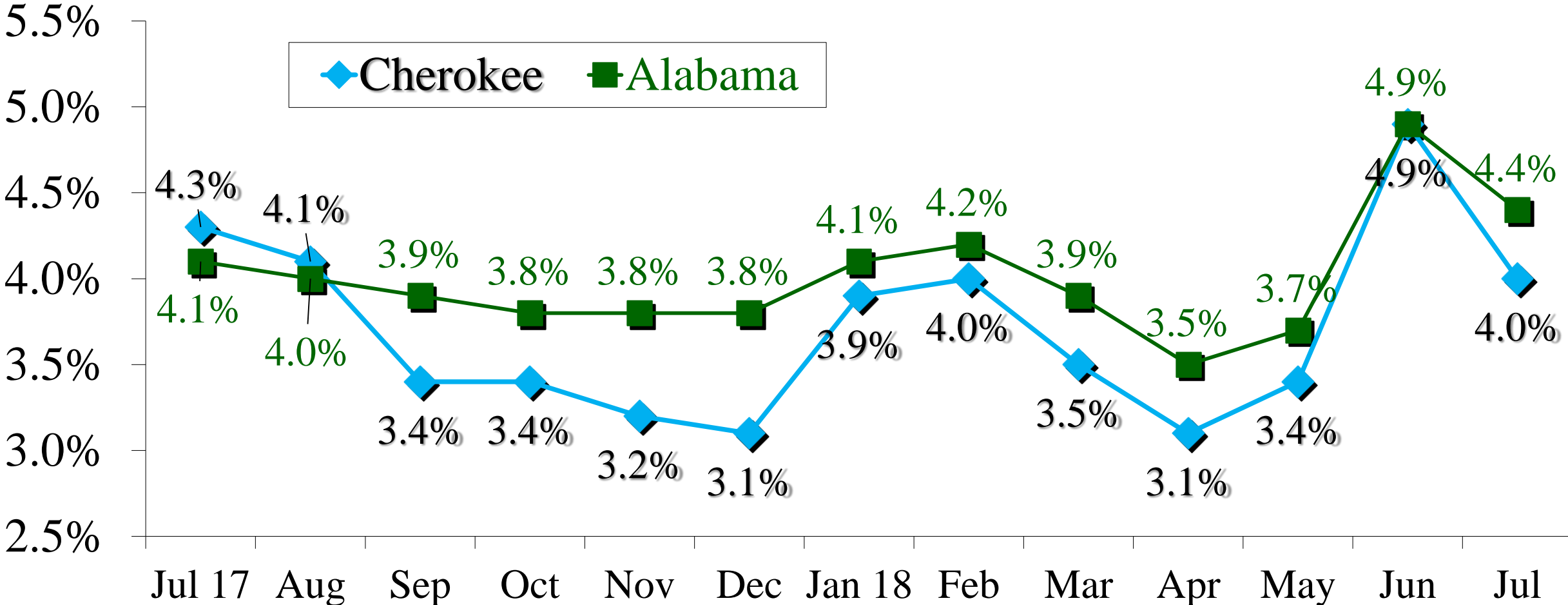
# Unemployment Rate Cherokee County 2007 – 2017



Source: U.S. Bureau of Labor Statistics



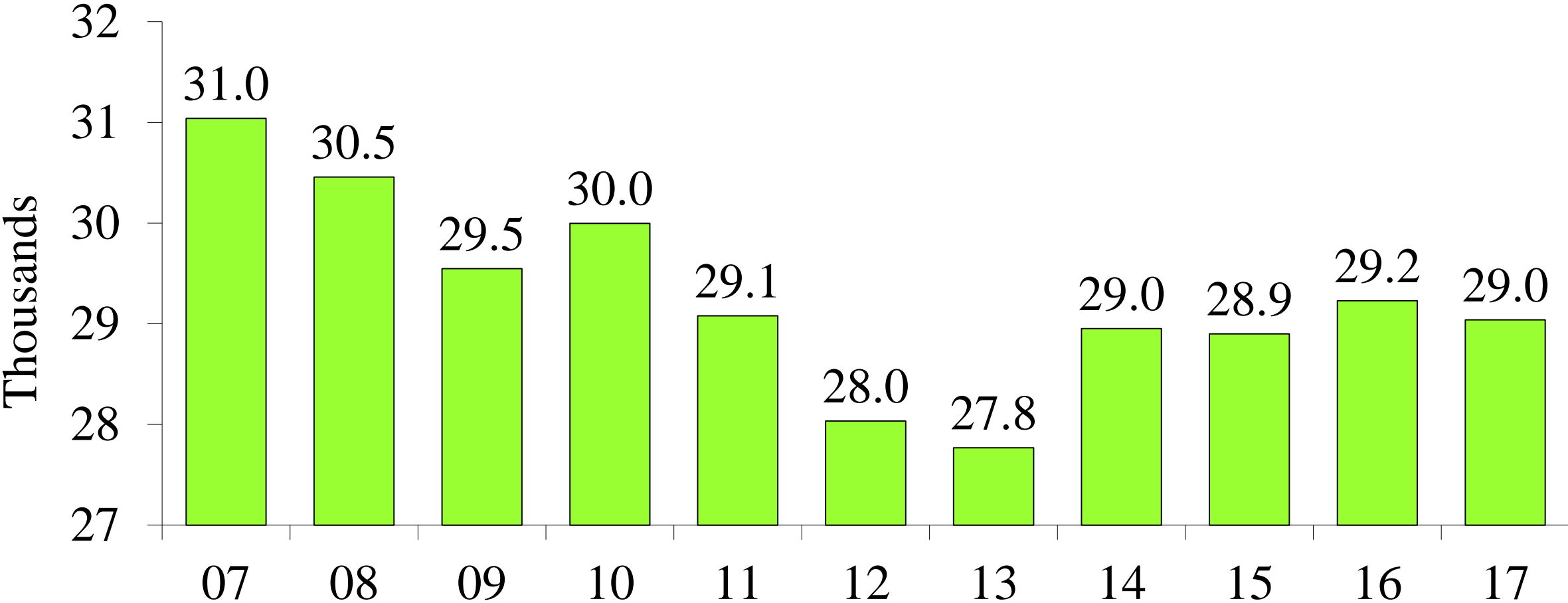
# Unemployment Rate Cherokee County vs Alabama July 2017 - July 2018



Source: U.S. Bureau of Labor Statistics



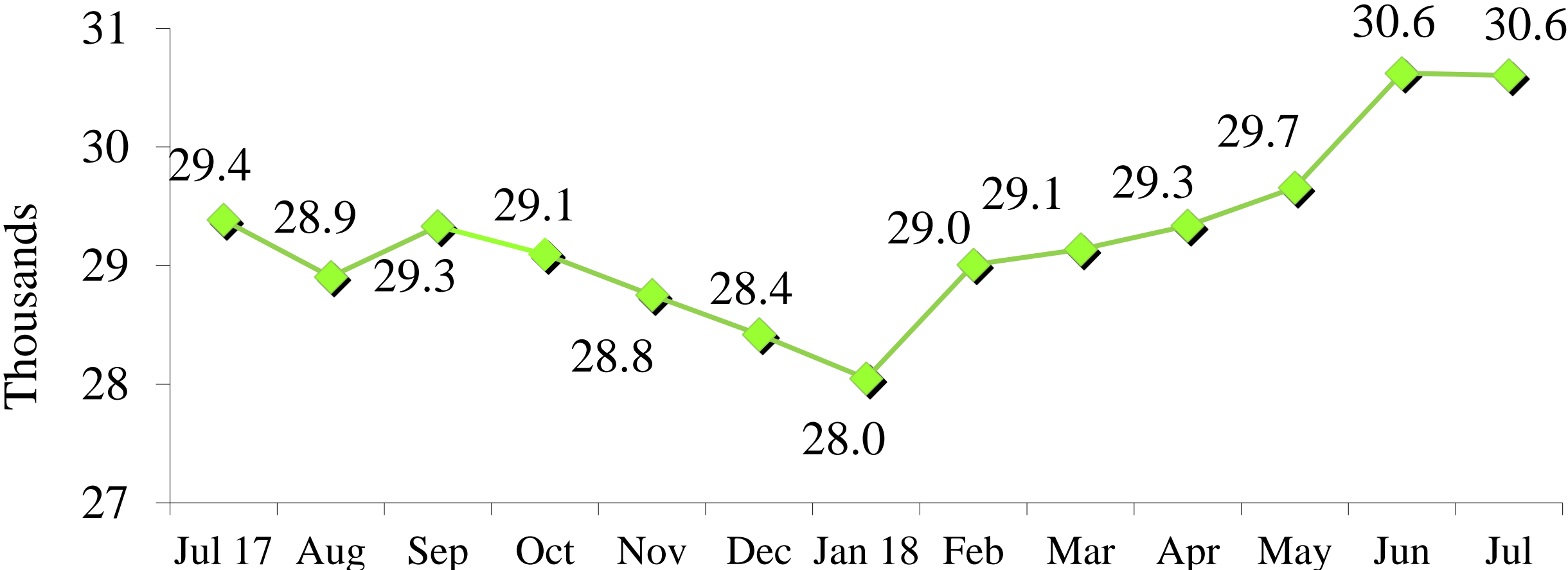
# Labor Force DeKalb County 2007 – 2017 in Thousands



Source: U.S. Bureau of Labor Statistics



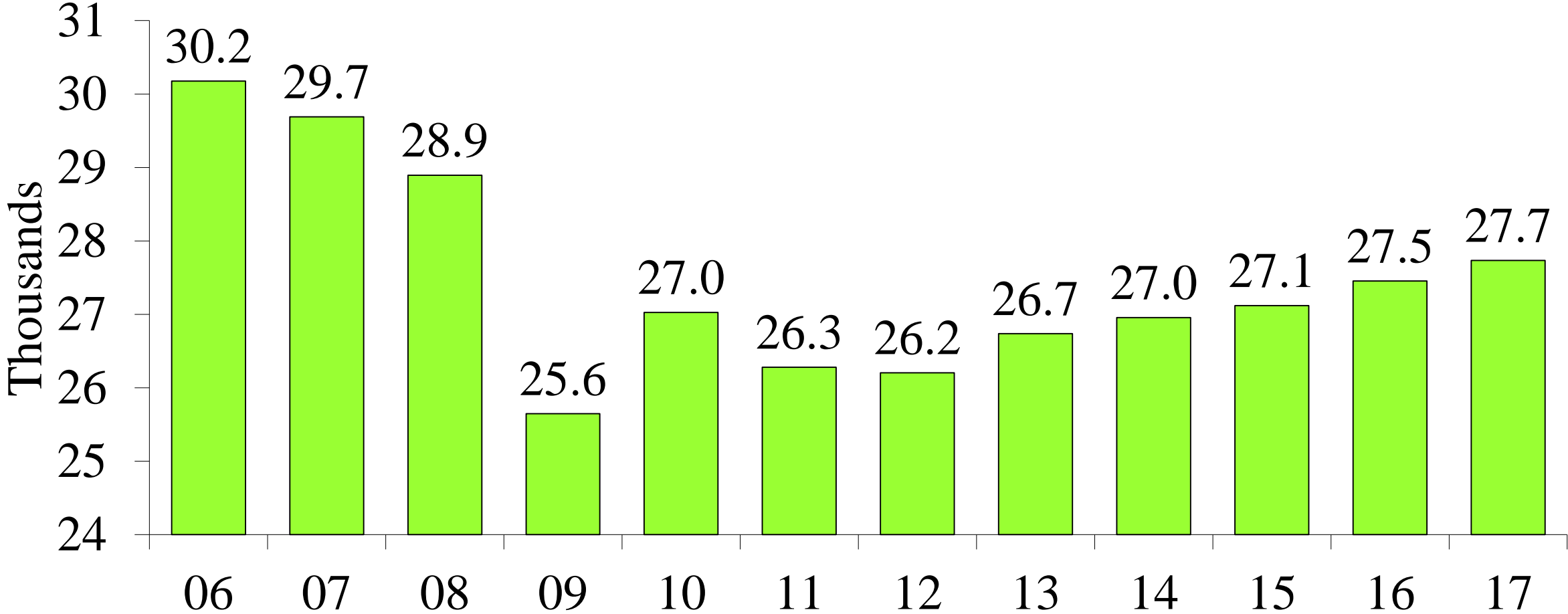
# Labor Force DeKalb County July 2017 - July 2018 in Thousands



Source: U.S. Bureau of Labor Statistics



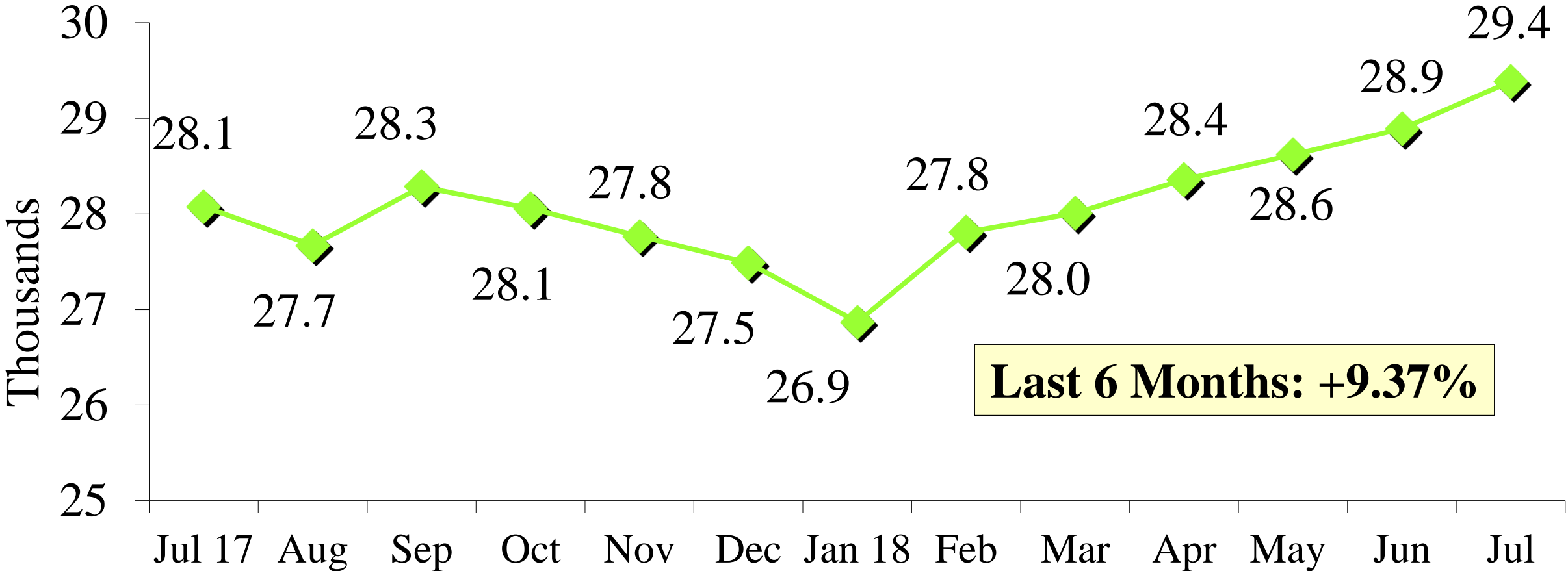
# Employment DeKalb County 2007 – 2017 in Thousands



Source: U.S. Bureau of Labor Statistics



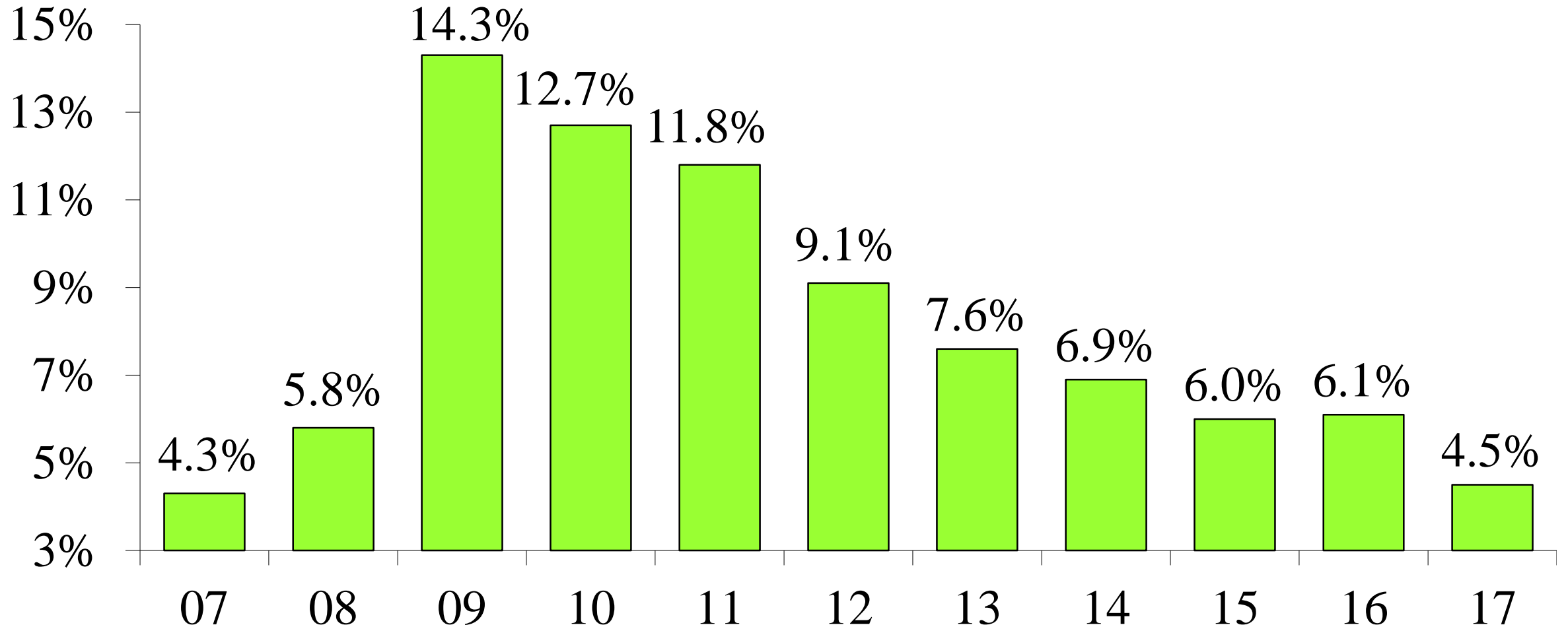
# Employment DeKalb County July 2017 - July 2018 in Thousands



Source: U.S. Bureau of Labor Statistics

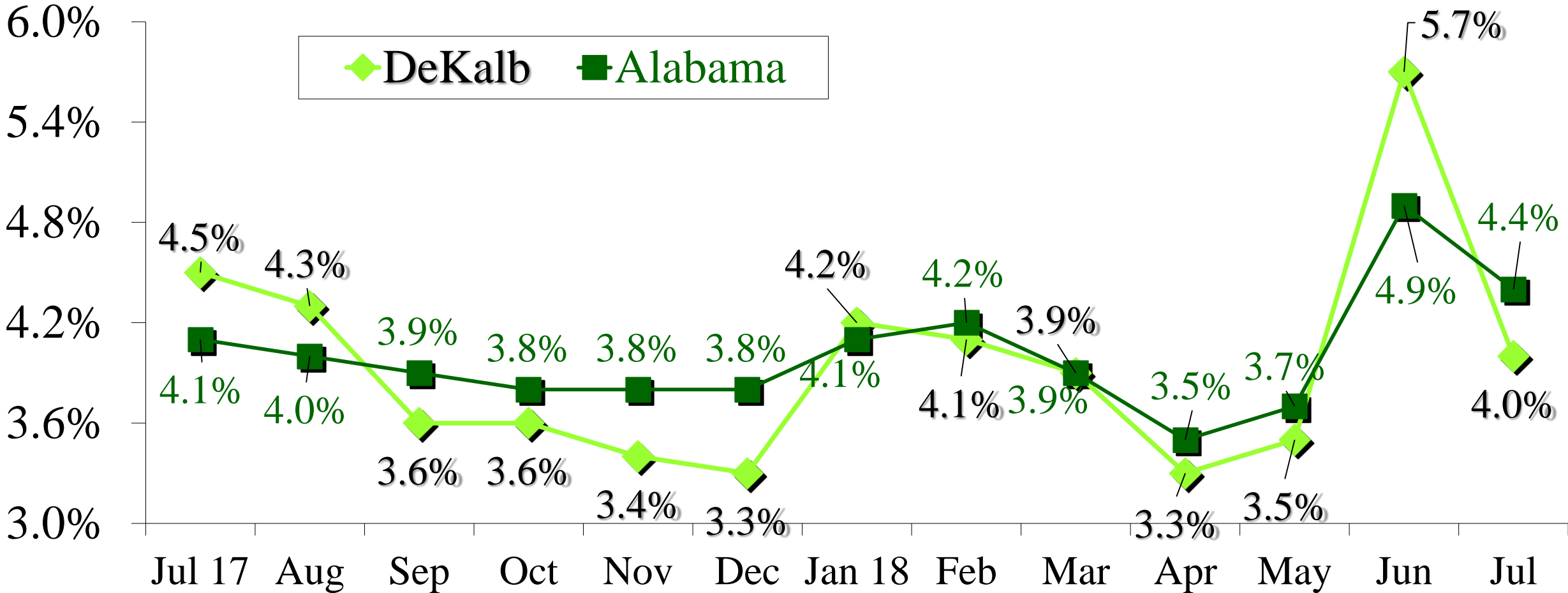


# Unemployment Rate DeKalb County 2007 - 2017





# Unemployment Rate DeKalb County vs Alabama July 2017 - July 2018

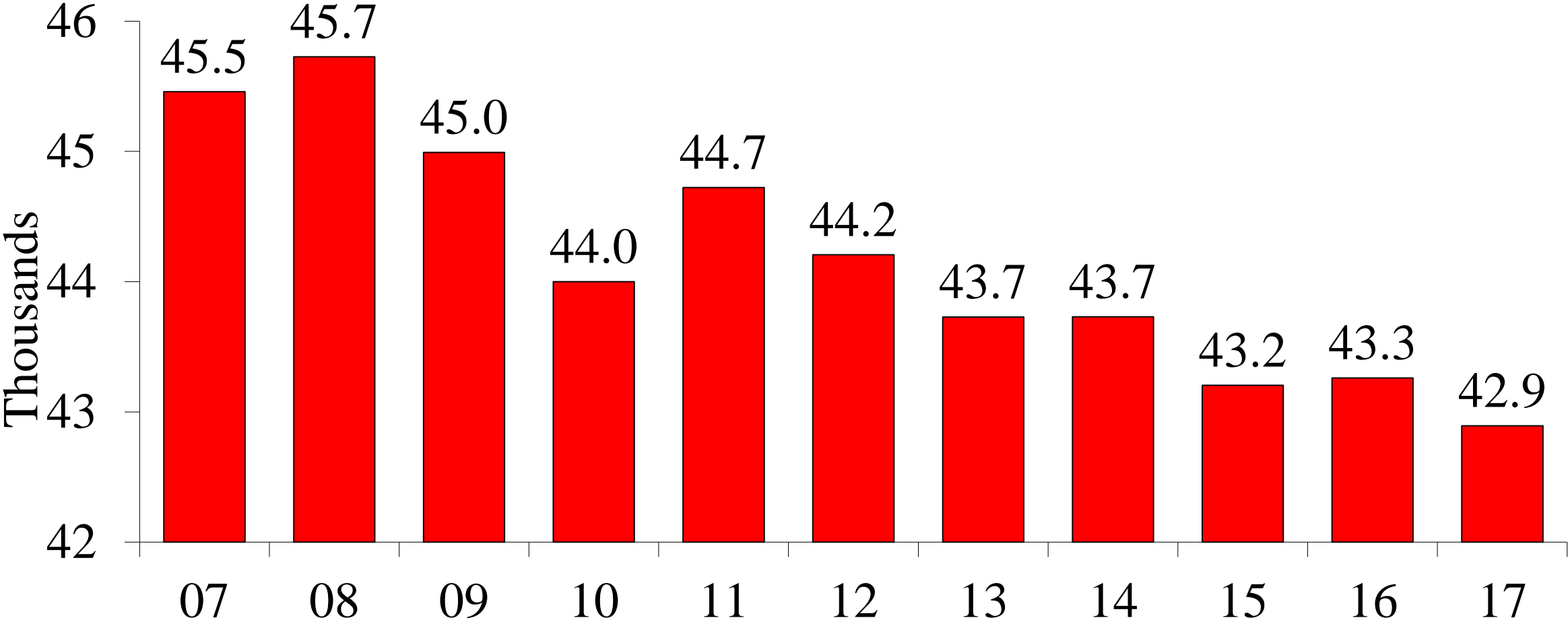


Source: U.S. Bureau of Labor Statistics





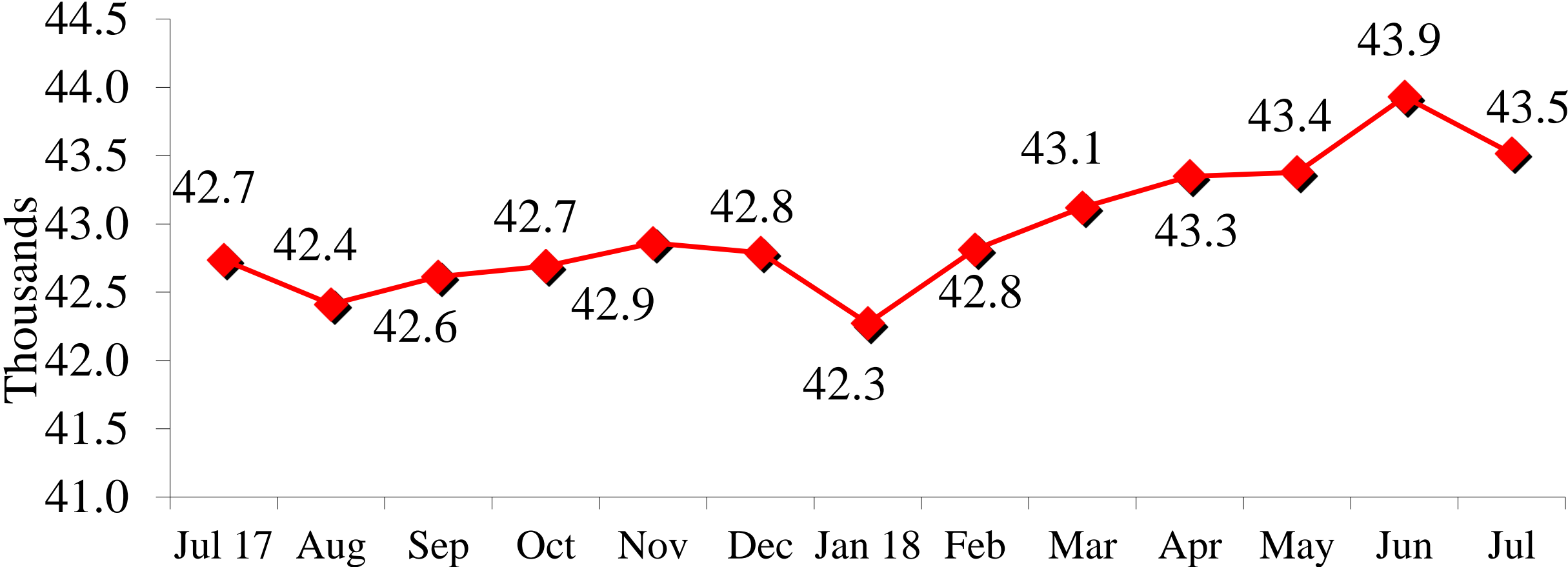
# Labor Force Etowah County 2007 – 2017 in Thousands



Source: U.S. Bureau of Labor Statistics



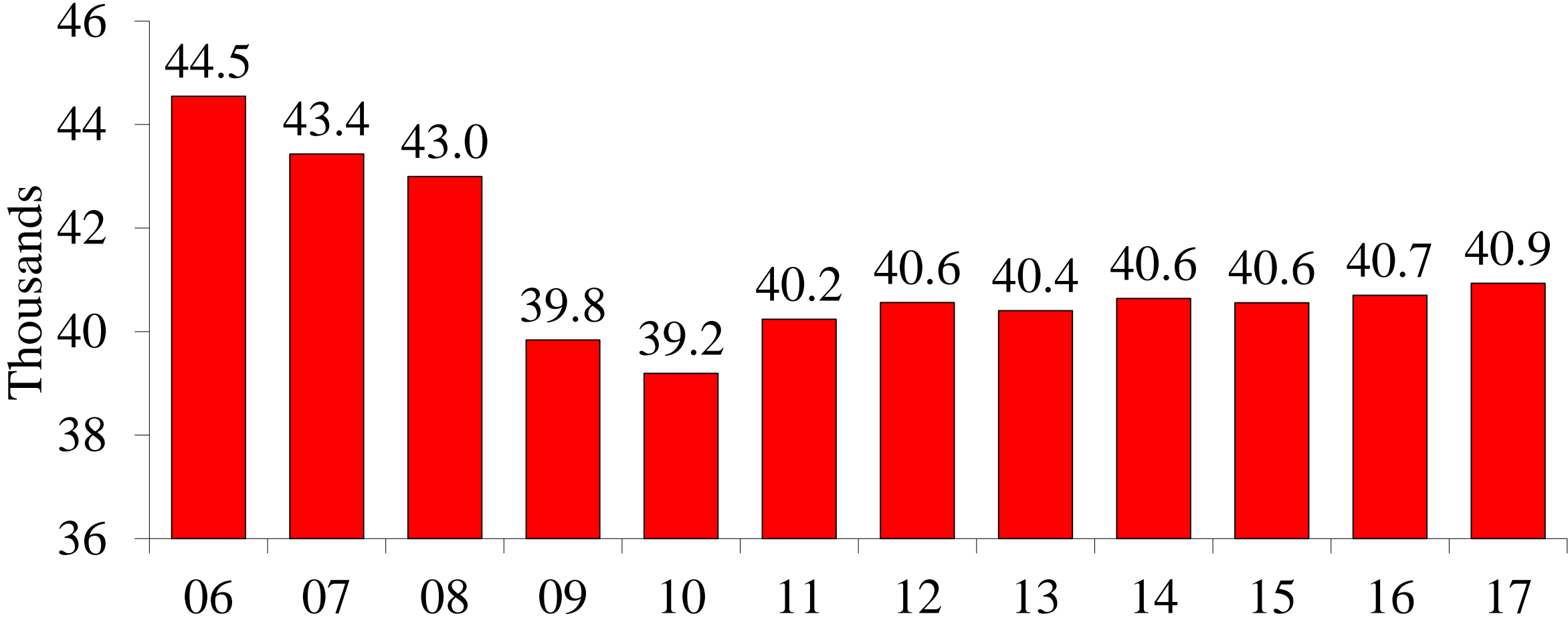
# Labor Force Etowah County July 2017 - July 2018 in Thousands



Source: U.S. Bureau of Labor Statistics



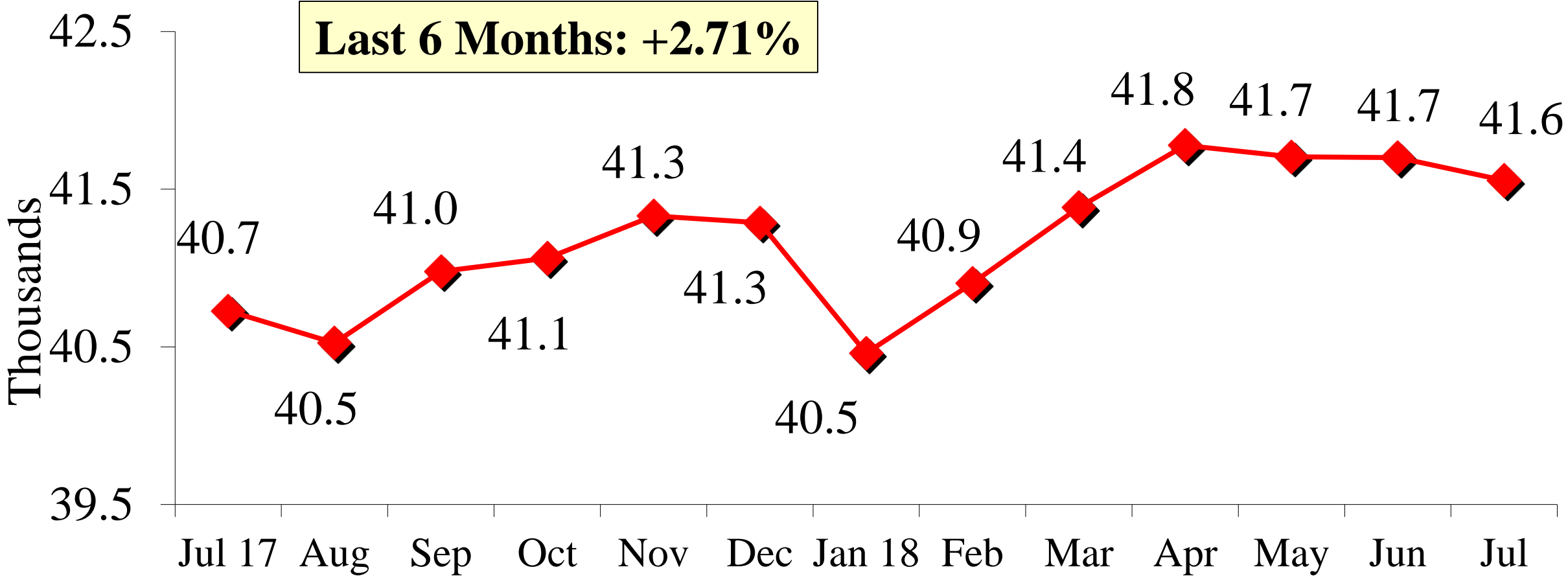
# Employment Etowah County 2007 – 2017 in Thousands



Source: U.S. Bureau of Labor Statistics



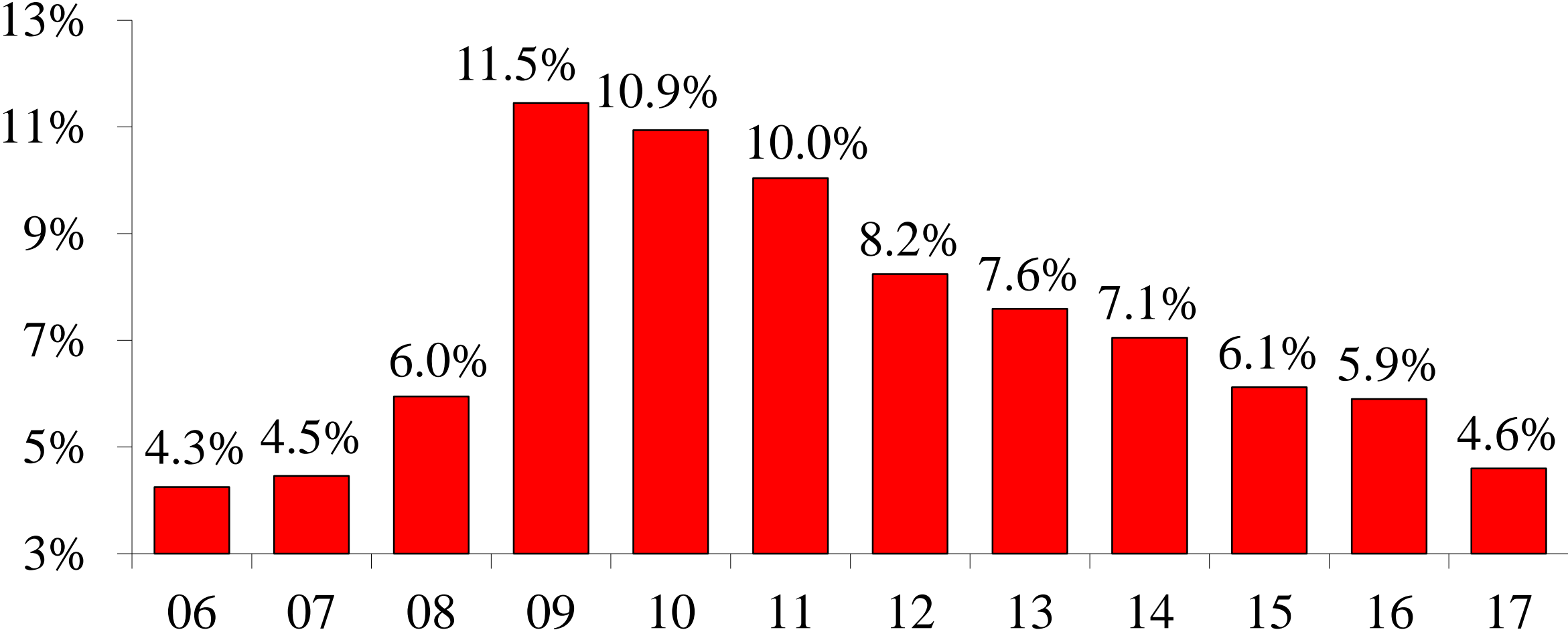
# Employment Etowah County July 2017 - July 2018 in Thousands



Source: U.S. Bureau of Labor Statistics



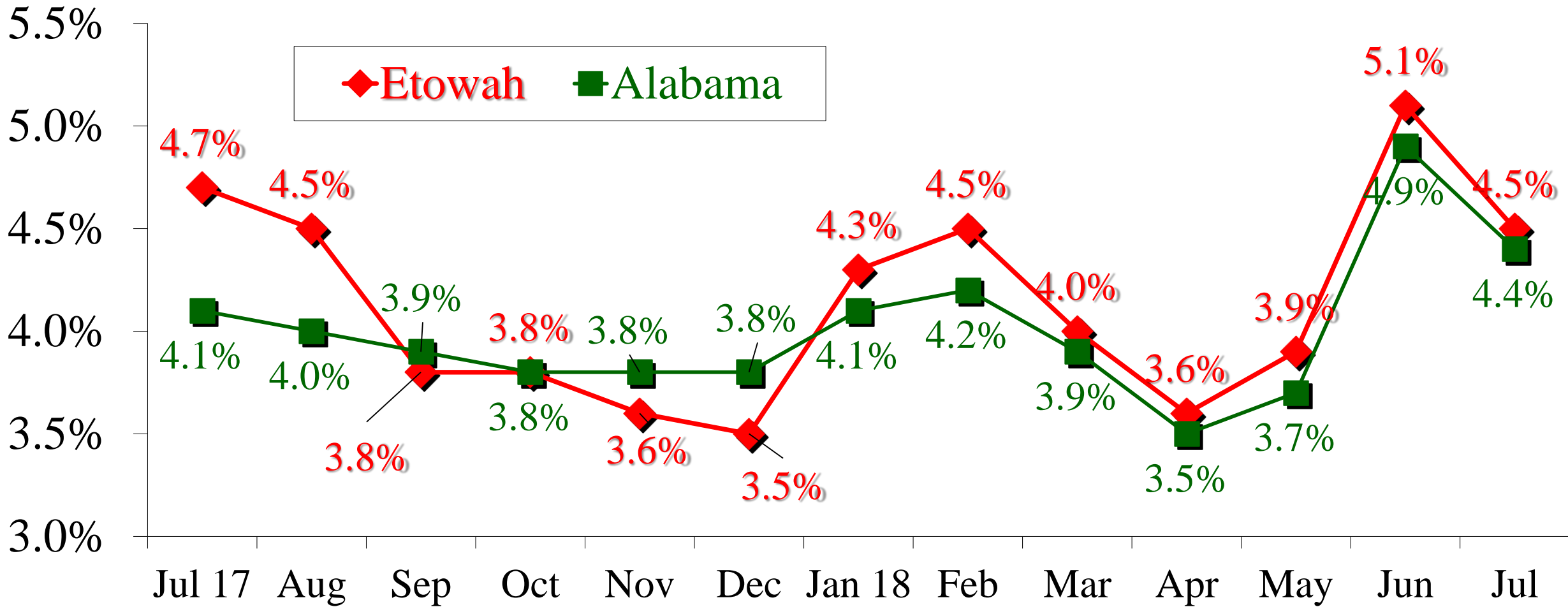
# Unemployment Rate Etowah County 2007 - 2017



Source: U.S. Bureau of Labor Statistics

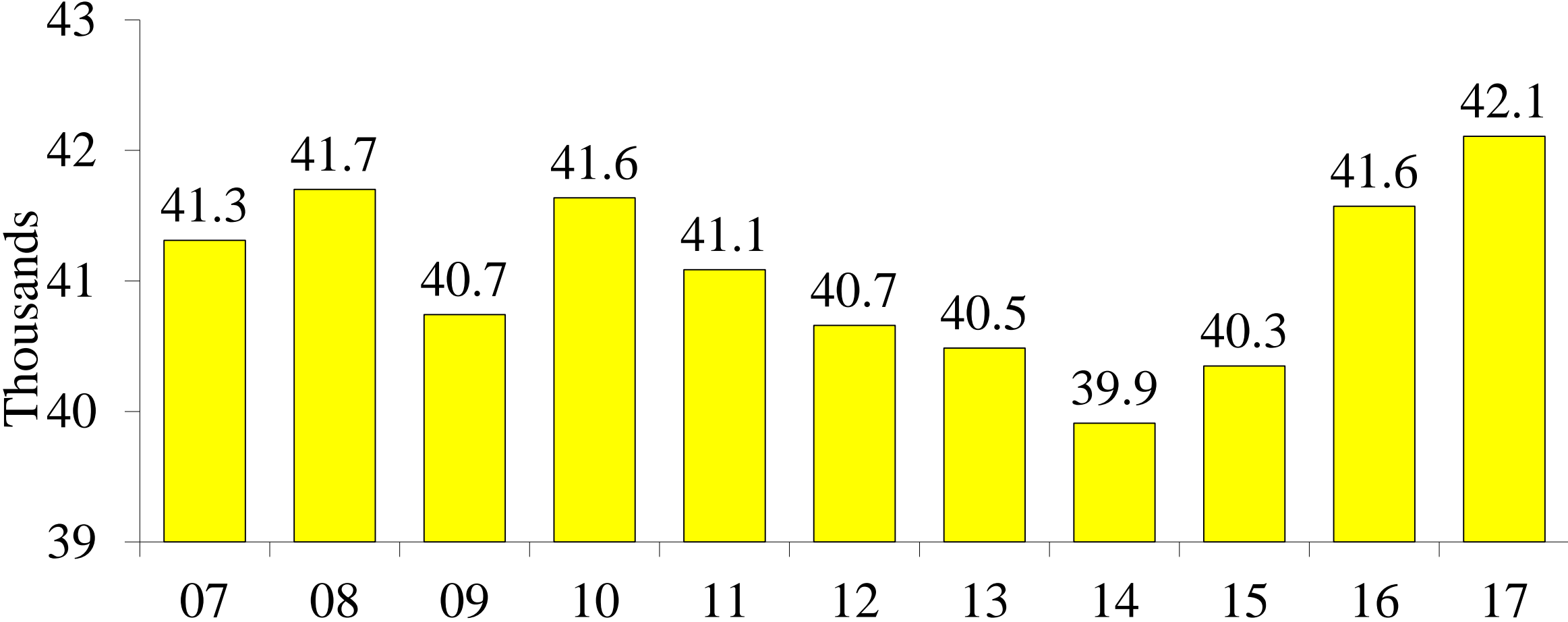


# Unemployment Rate Etowah County vs Alabama July 2017 - June 2018





# Labor Force Marshall County 2007 – 2017 in Thousands

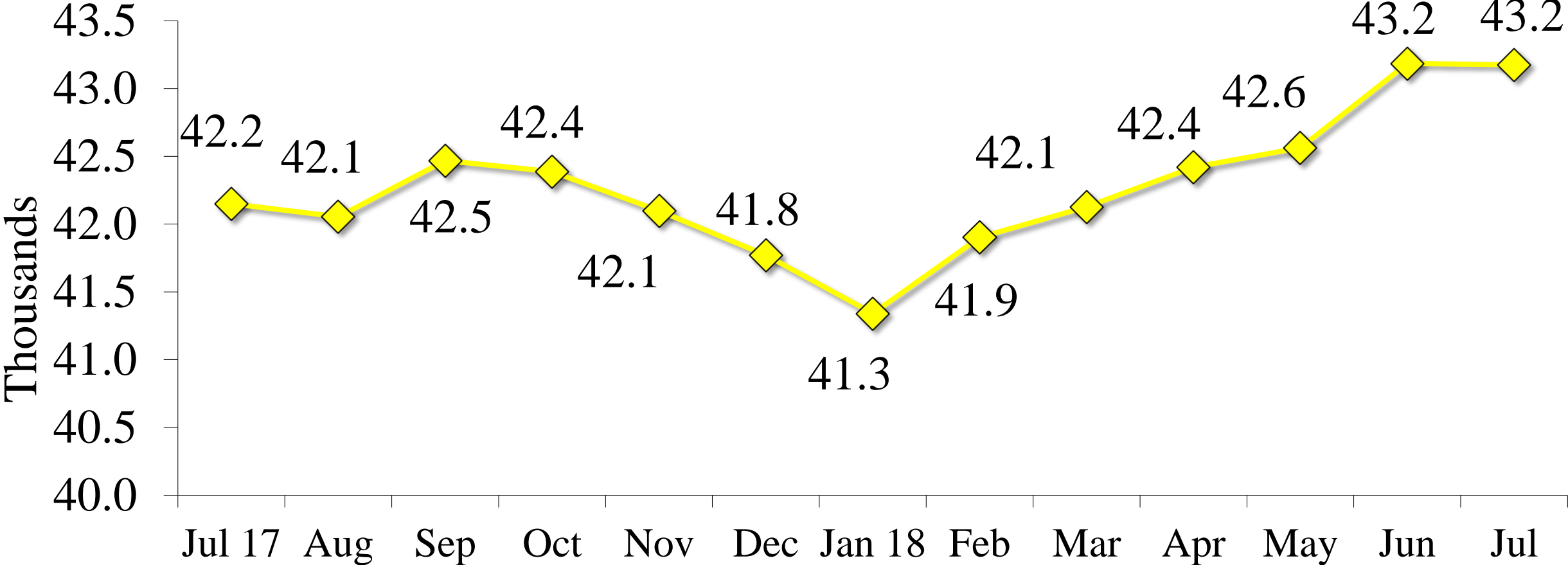


Source: U.S. Bureau of Labor Statistics



# Labor Force Marshall County

## July 2017 - July 2018 in Thousands

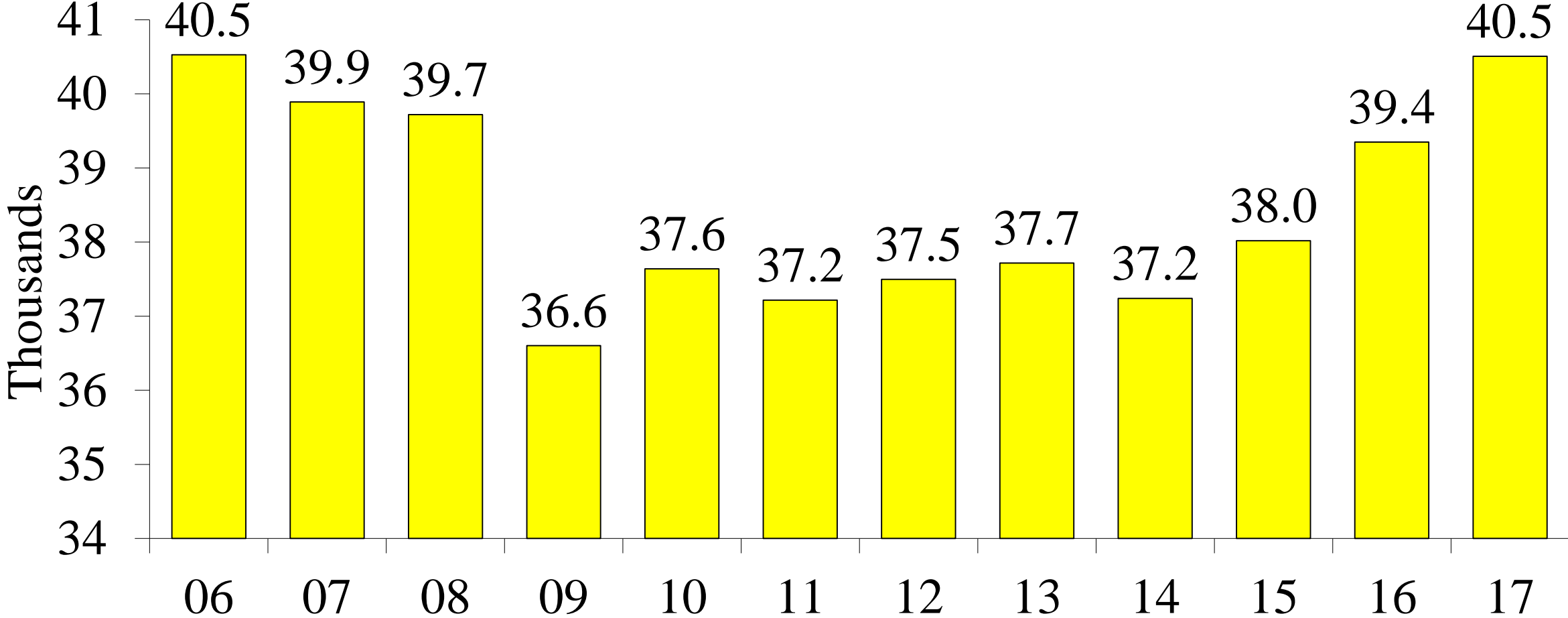


Source: U.S. Bureau of Labor Statistics





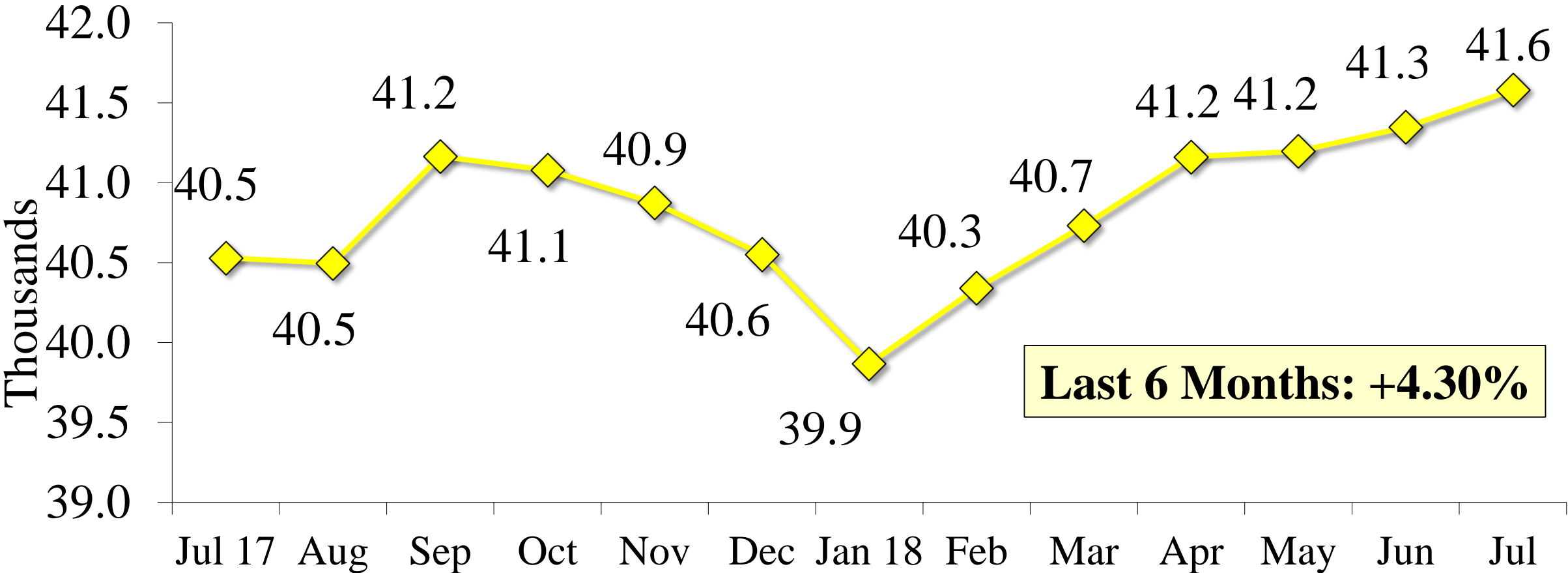
# Employment Marshall County 2007 – 2017 in Thousands



Source: U.S. Bureau of Labor Statistics



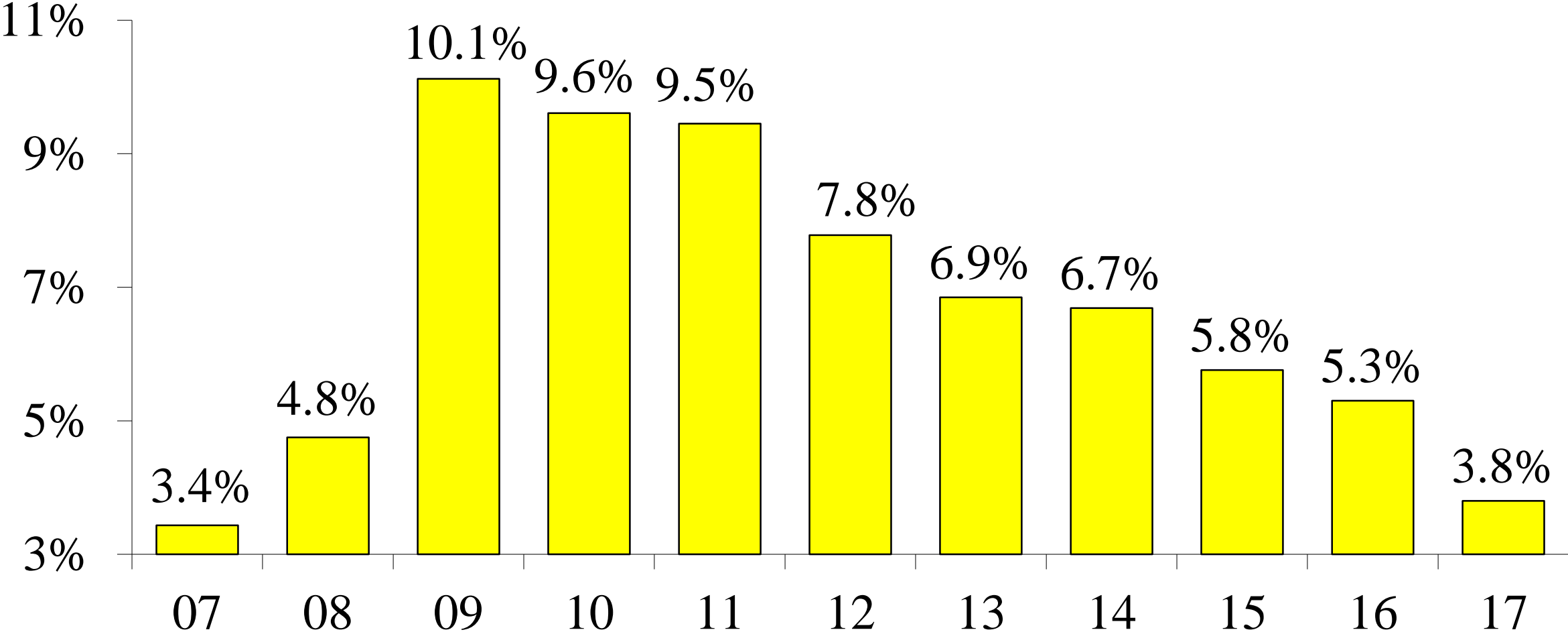
# Employment Marshall County July 2017 - July 2018 in Thousands



Source: U.S. Bureau of Labor Statistics



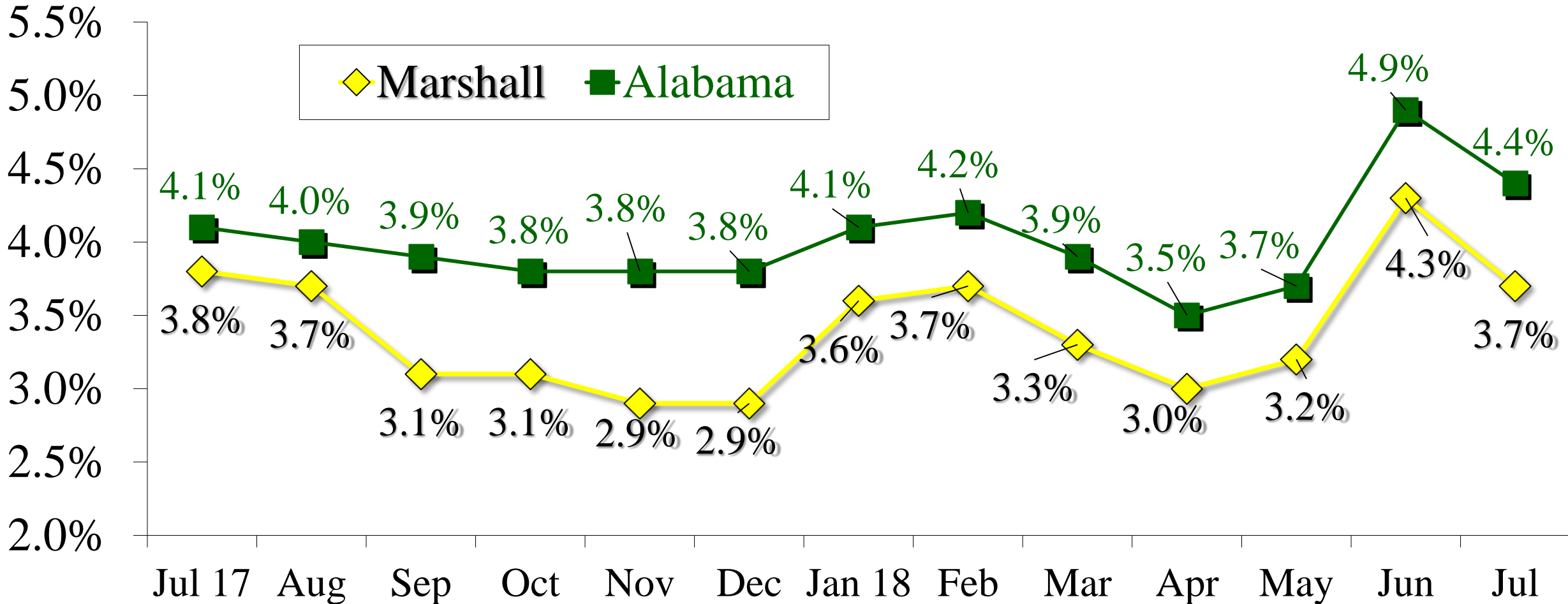
# Unemployment Rate Marshall County 2007 – 2017



Source: U.S. Bureau of Labor Statistics



# Unemployment Rate Marshall County vs Alabama July 2017 – July 2018



Source: U.S. Bureau of Labor Statistics

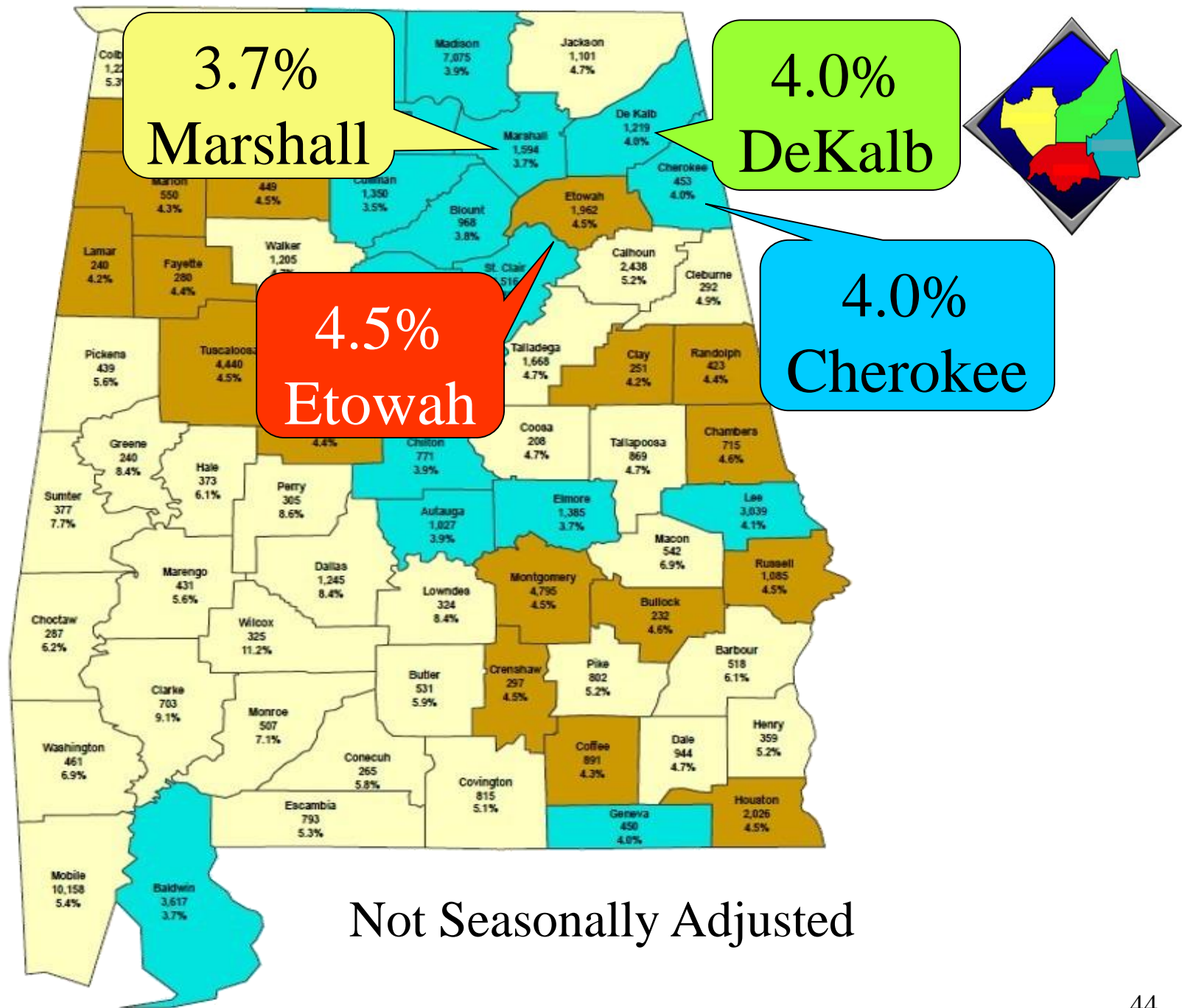


# Alabama Unemployment Rates July 2018

State Ave – 4.4%

Unemployment Rate

- 4.1% and Below
- 4.2% - 4.6%
- 4.7% and Above



Not Seasonally Adjusted

Source: Alabama Department of Labor



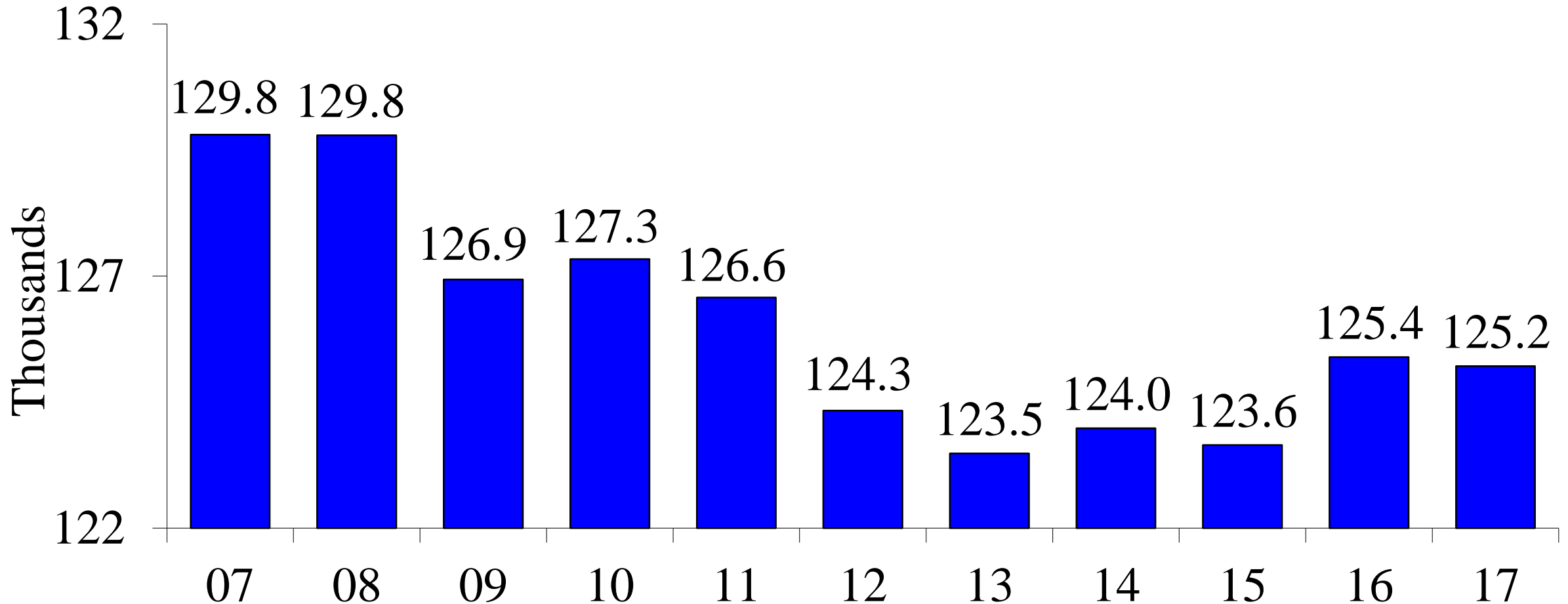
# Northeast Economic Activity Zone

- Labor Force
- Employment
- Unemployment Rate
- Tax Revenues





# Labor Force NEAZ 2007 – 2017 in Thousands

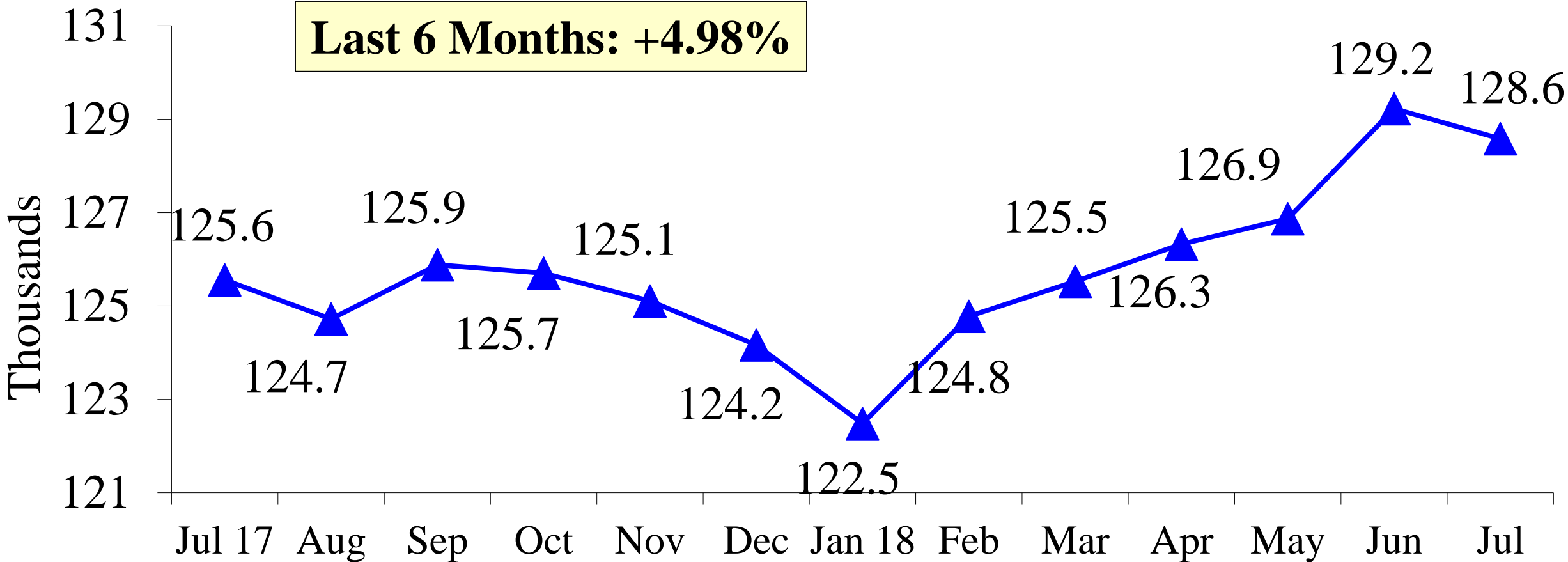


Source: U.S. Bureau of Labor Statistics



# Labor Force NEAZ

## July 2017 - July 2018 in Thousands

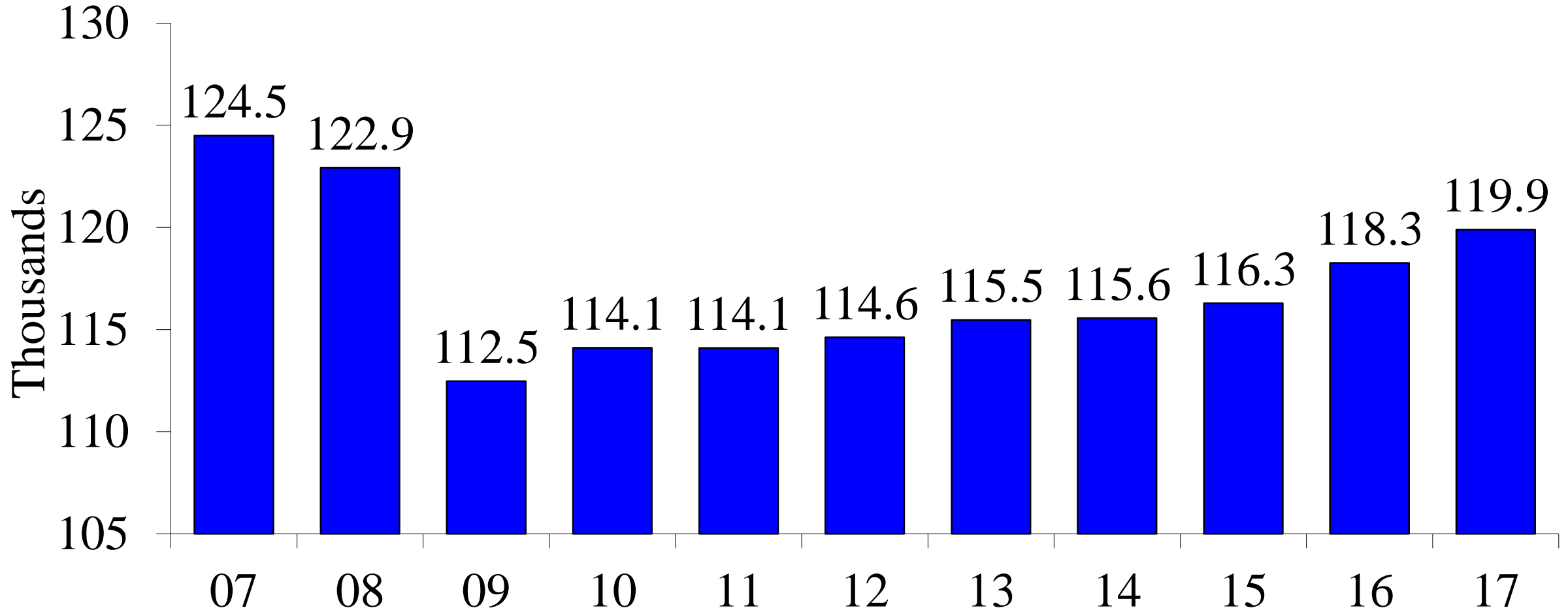


Source: U.S. Bureau of Labor Statistics





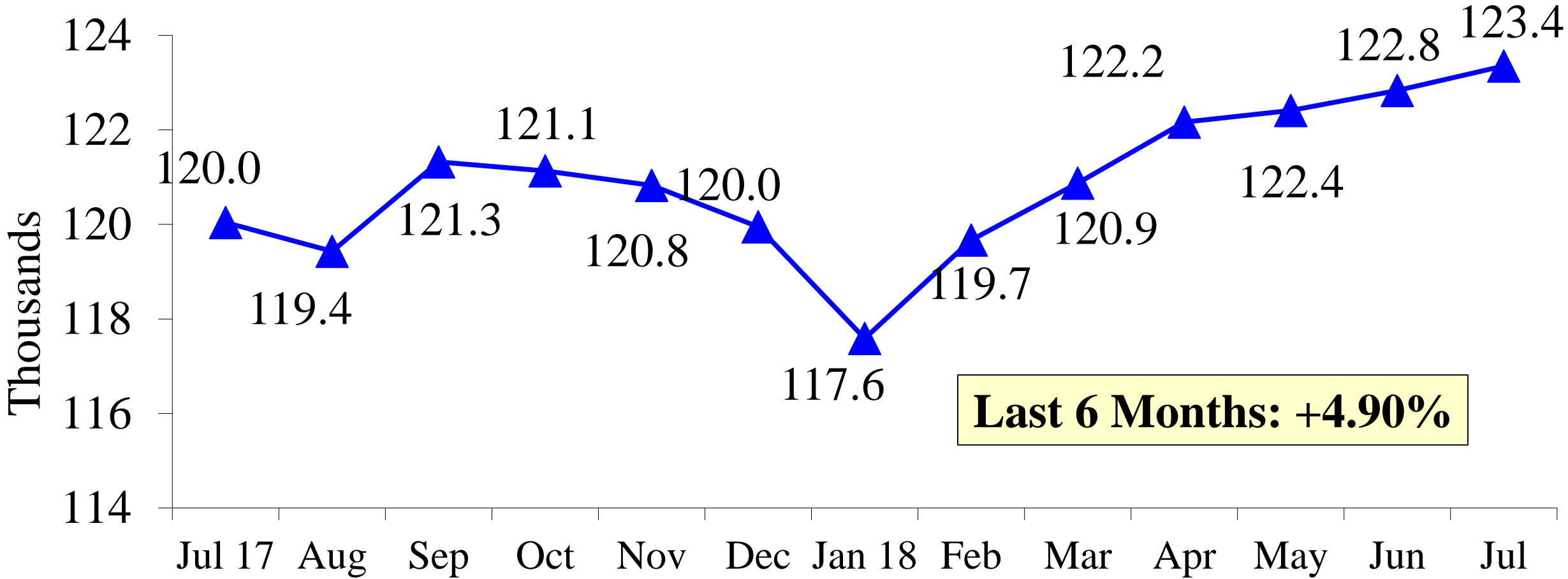
# Employment NEAZ 2007 – 2017 in Thousands





# Employment NEAZ

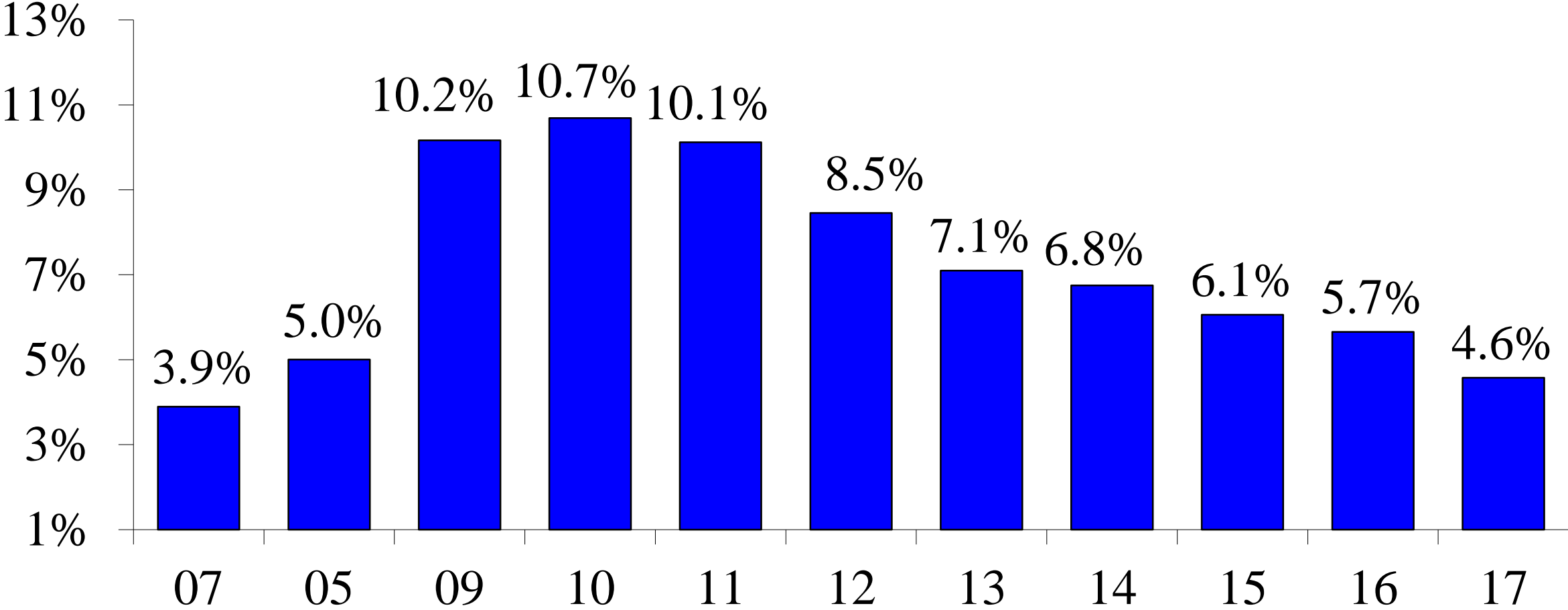
## July 2017 - July 2018 in Thousands



Source: U.S. Bureau of Labor Statistics



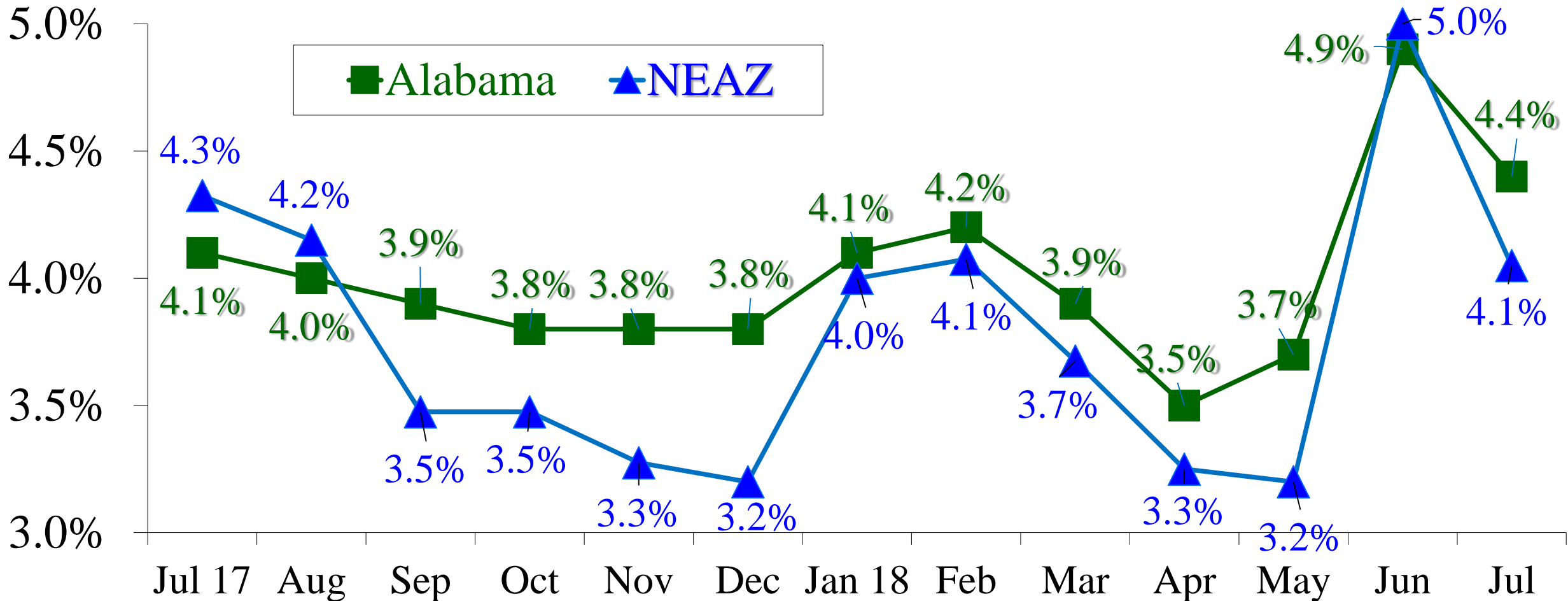
# Unemployment Rate NEAZ 2007 - 2017



Source: U.S. Bureau of Labor Statistics

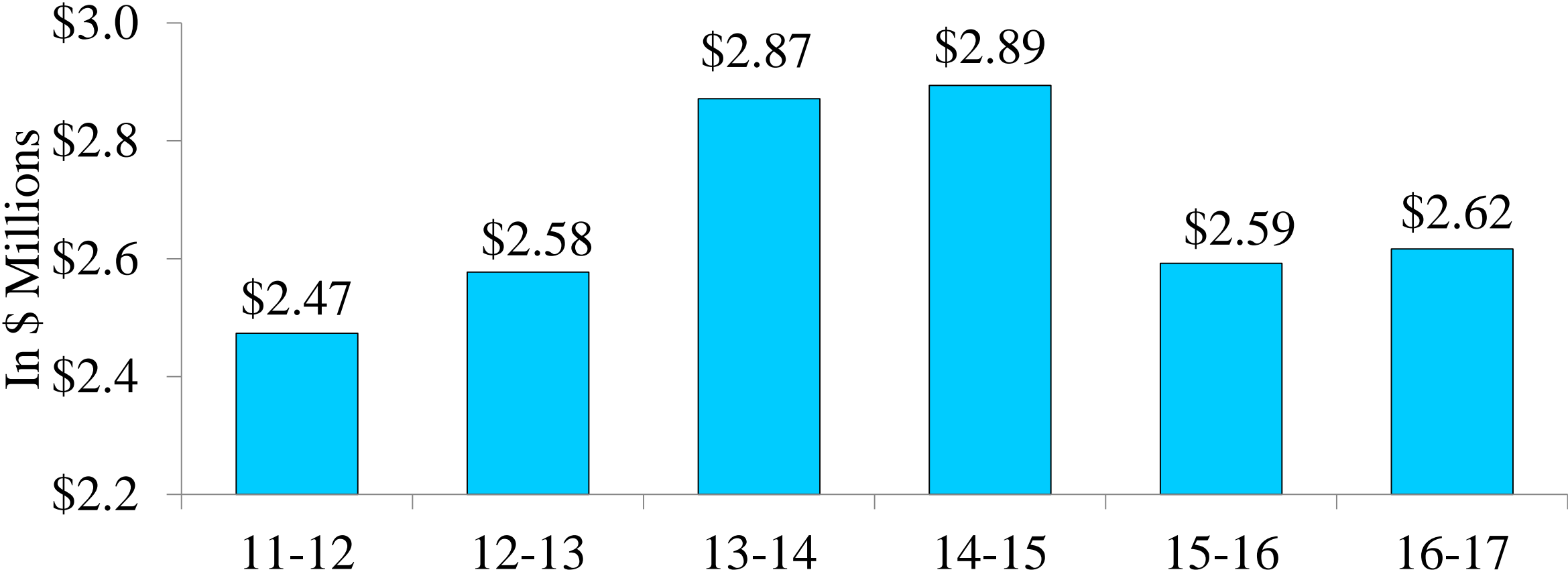


# Unemployment Rate NEAZ vs Alabama July 2017 - July 2018





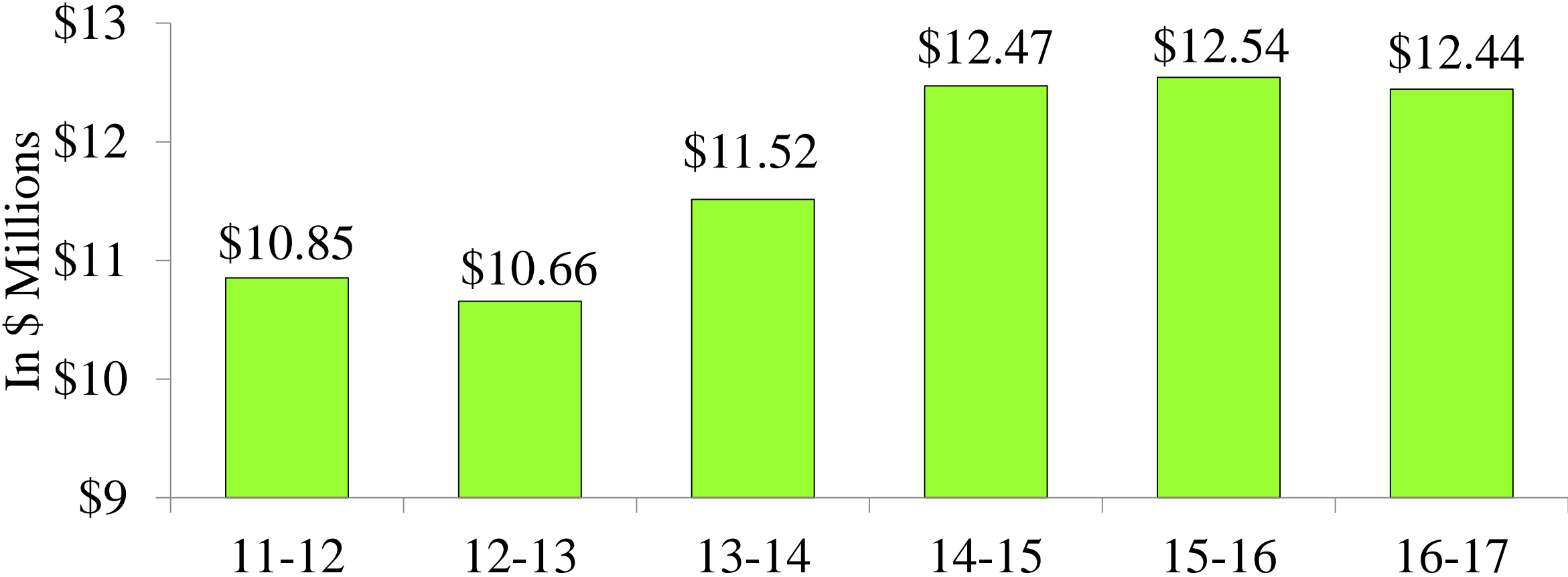
# State Sales Tax Collections from Cherokee County FY 11-12 – FY 16-17 in \$ Millions



Source: AL Dept of Revenue



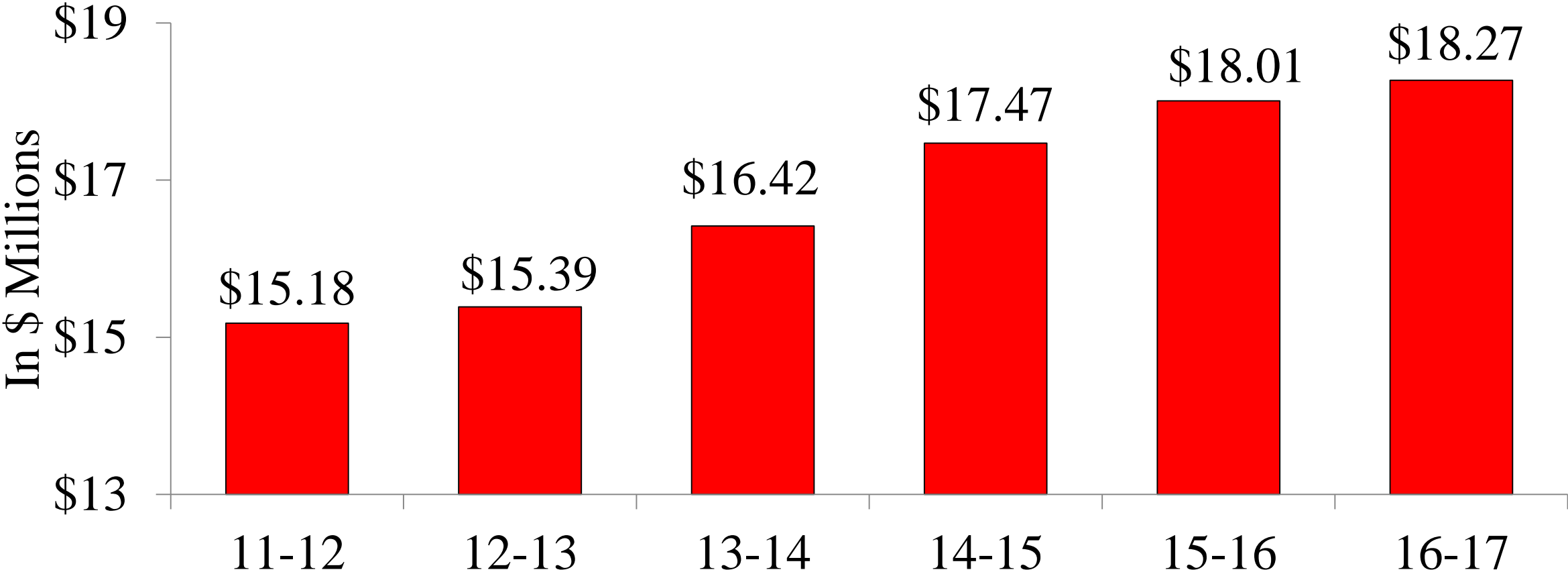
# State Sales Tax Collections from DeKalb County FY 11-12 – FY 16-17 in \$ Millions



Source: AL Dept of Revenue



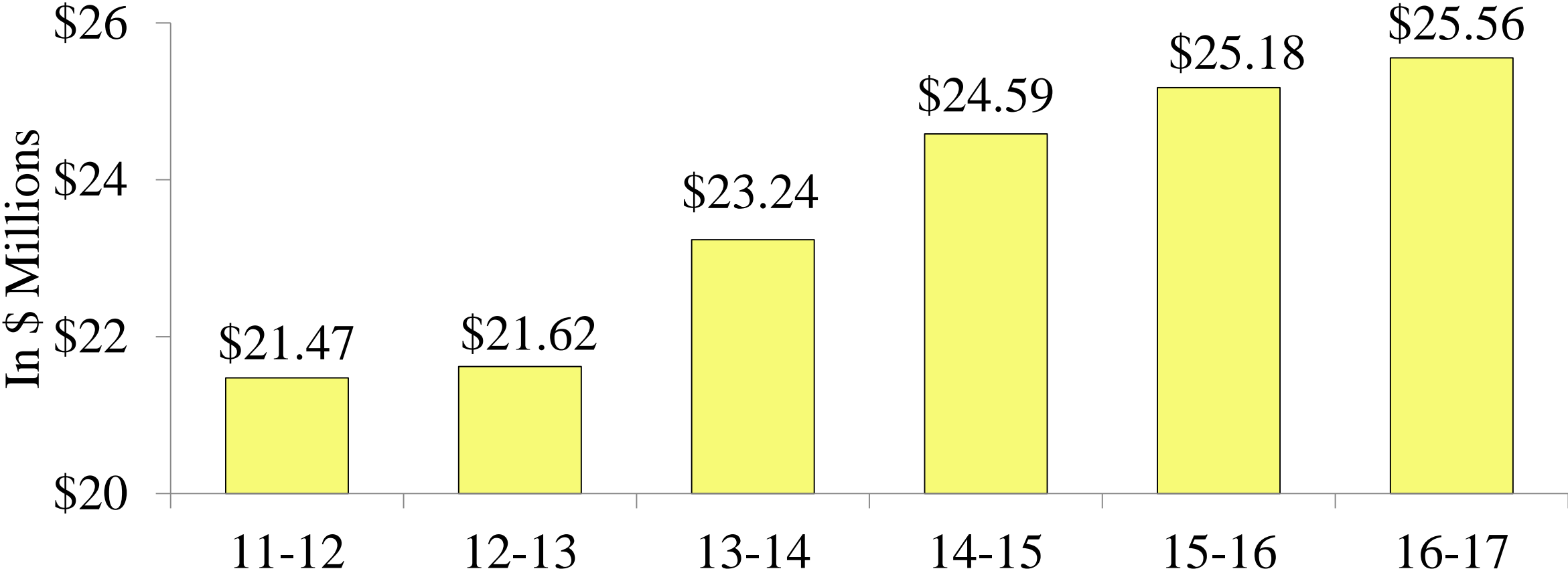
# State Sales Tax Collections from Etowah County FY 11-12 – FY 16-17 in \$ Millions



Source: AL Dept of Revenue



# State Sales Tax Collections from Marshall County FY 11-12 – FY 16-17 in \$ Millions

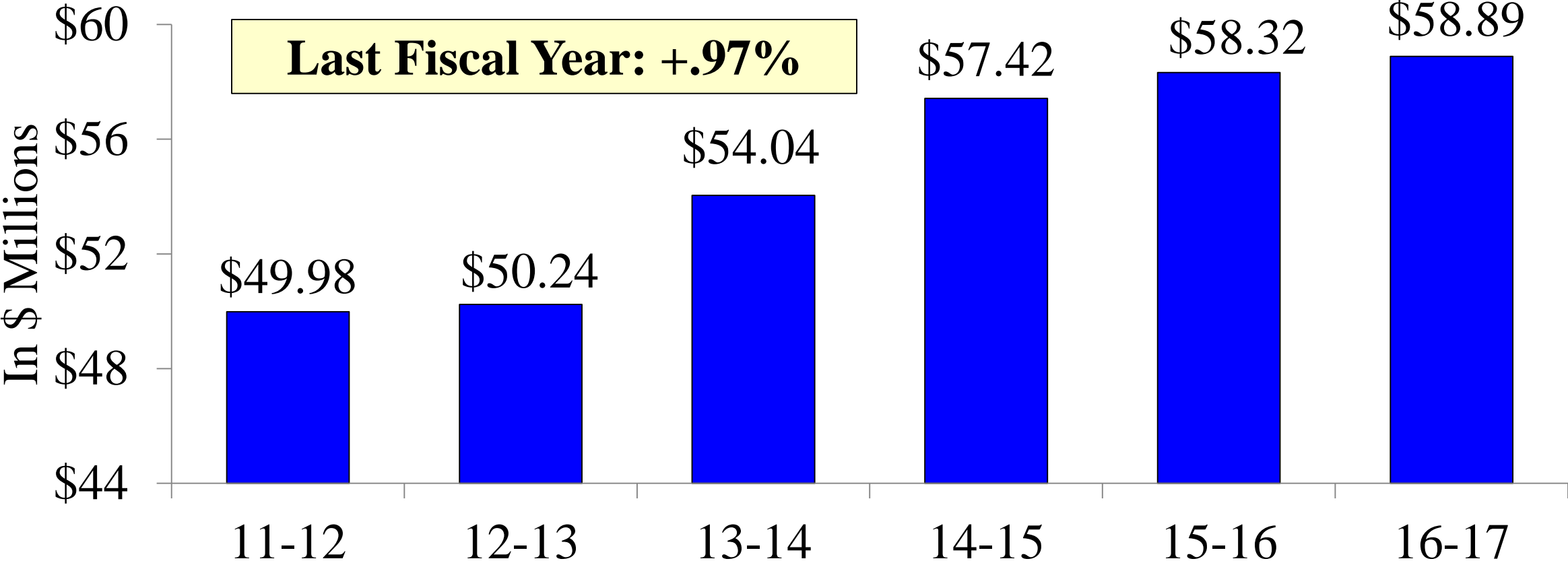


Source: AL Dept of Revenue





# State Sales Tax Collections from NEAZ FY 11-12 – FY 16-17 in \$ Millions



Source: AL Dept of Revenue



# Northeast Economic Activity Zone (NEAZ): Summary



- Population Trends – Last 7 Years-Up Slightly
- Income – Growing +2.7% 2017, 76% of State Avg
- Labor Force - Last 6 Months +4.98%
- Employment - Last 6 Months +4.90%
- Unemployment – 4.05% July 2018, Below State Avg
- Sales Tax Revenues – FY 16-17 +1%



# State of Alabama Economy

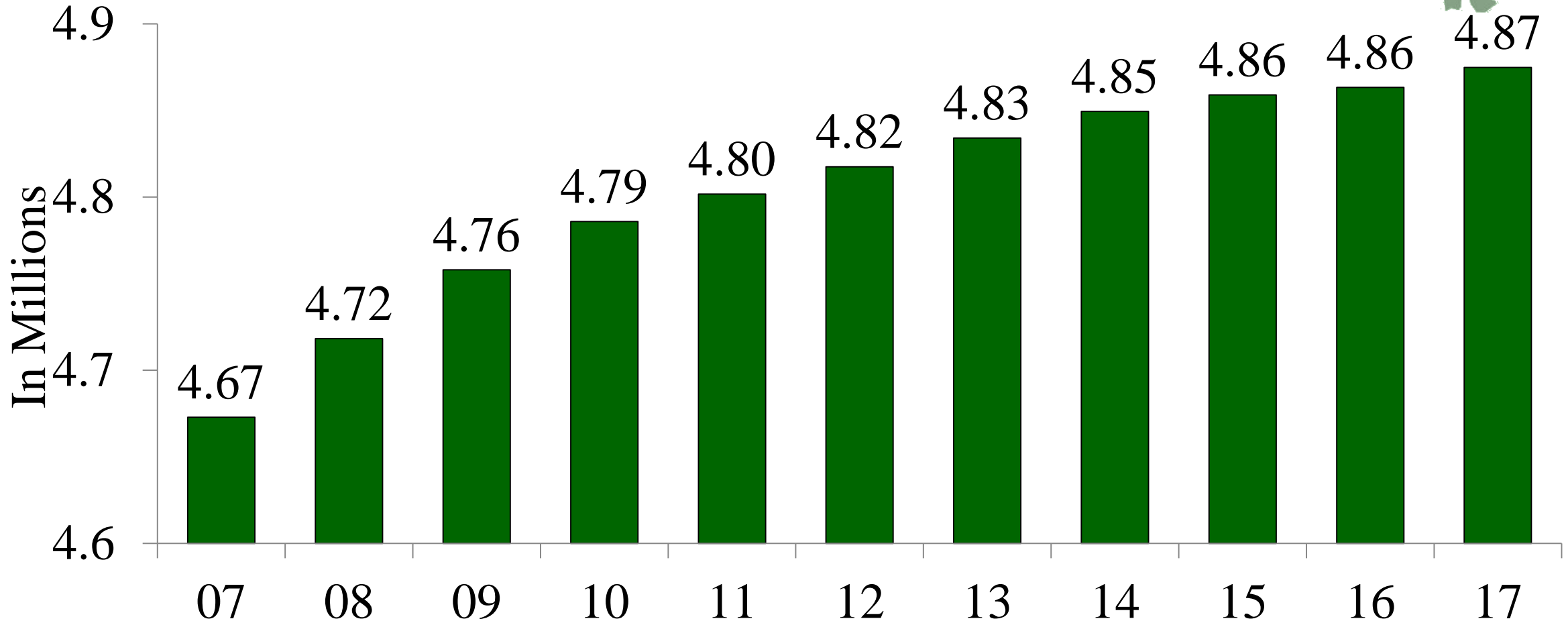


- Population & Migration (59-65)
- Gross Domestic Product (66-67)
- Labor Force (68-75)
- Tax Revenues (76-82)
- Housing (83-84)
- State Confidence Survey (85-93)



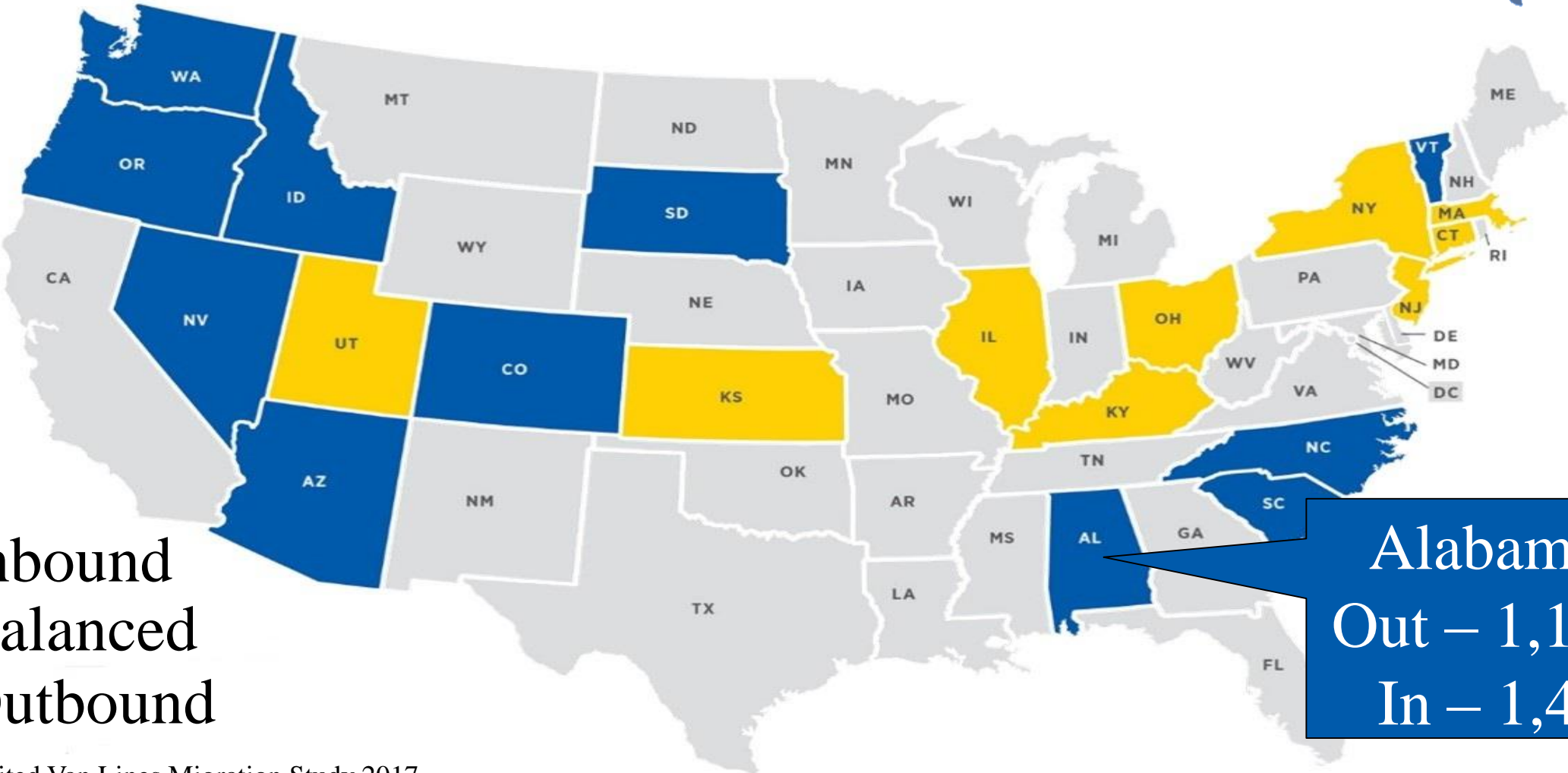


# Population Estimates State of Alabama 2007-2017 in Millions





# Migration Patterns Based Upon Household Moves Jan-Dec 2017



- Inbound
- Balanced
- Outbound

**Alabama**  
Out – 1,153  
In – 1,425

Source: United Van Lines Migration Study 2017



# Top Inbound & Top Outbound States for Migration 2017



Top 10 Inbound States		Top 10 Outbound States	
1. Vermont	6. Washington	1. Illinois	6. Massachusetts
2. Oregon	7. S Carolina	2. New Jersey	7. Ohio
3. Idaho	8. N Carolina	3. New York	8. Kentucky
4. Nevada	9. Colorado	4. Connecticut	9. Utah
5. S Dakota	10. Alabama	5. Kansas	10. Wisconsin



# Alabama Migration Patterns Based Upon Household Moves 2012-2017



Year of Study	Classification*	Inbound	Outbound	Percentage
2017	Inbound	1153	1425	55%
2016	Balanced	893	795	53%
2015	Inbound	1092	819	57%
2014	Balanced	962	887	52%
2013	Balanced	1121	955	54%
2012	Balanced	1151	1019	53%

Source: United Van Lines Migration Study 2017

**\*55% ratio of moved are Inbound**



# Top Reported Reasons for Migration In and Out of Alabama 2017



Inbound Reason	Top Reasons Reported	Outbound Reason
14.44%	Retirement	5.83%
6.67%	Health	4.17%
21.67%	Family	14.17%
6.11%	Lifestyle	3.33%
61.11%	Job*	74.17%





# Age for Migration In and Out of Alabama 2017



Inbound Age	Age Categories	Outbound Age
19.19%	<18 to 34	27.68%*
18.02%	35-44	14.29%
16.28%	45-54	26.79%
28.49%*	55-64	14.29%
18.02%	65 and Older	16.96%



# Income for Migration In and Out of Alabama 2017

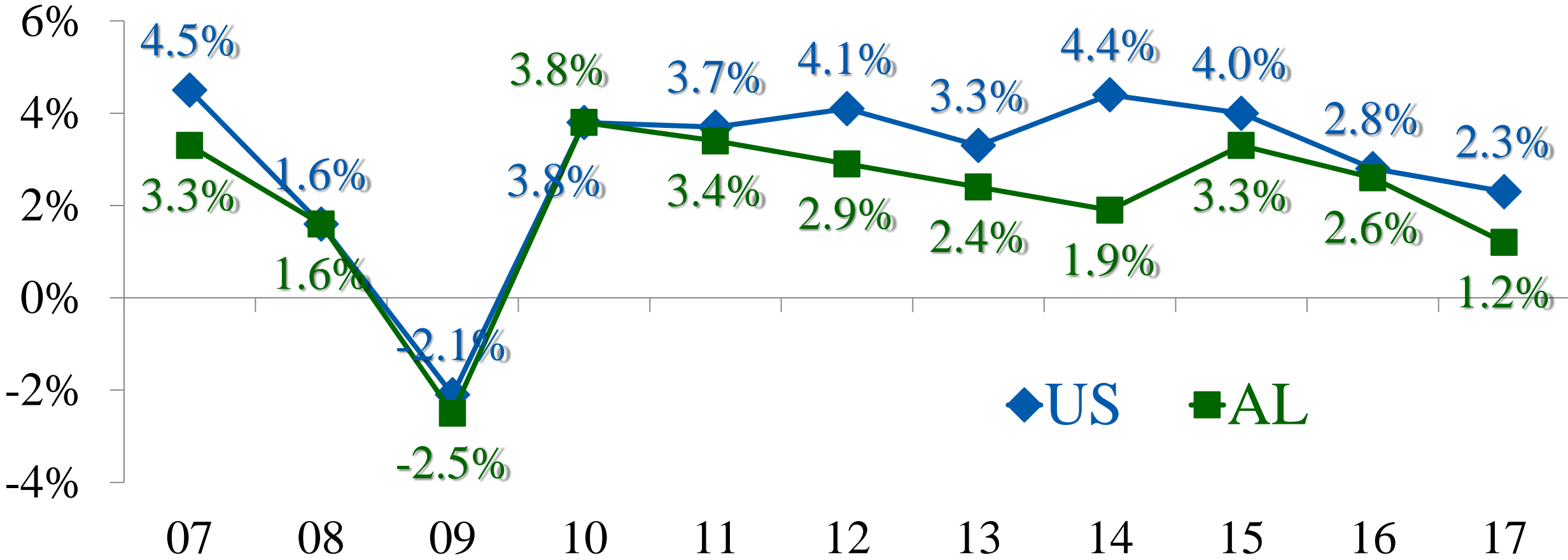


Inbound Income	Income Categories	Outbound Income
8.53%	Less than \$50,000	8.00%
27.91%*	\$50,000 to \$74,999	16.00%
13.95%	\$75,000 to \$99,999	14.00%
22.48%	\$100,000 to \$149,000	23.00%
27.13%*	\$150,000 or More	39.00%*



# GDP % Change from Preceding Year

## State of AL Vs U.S. 2007 - 2017



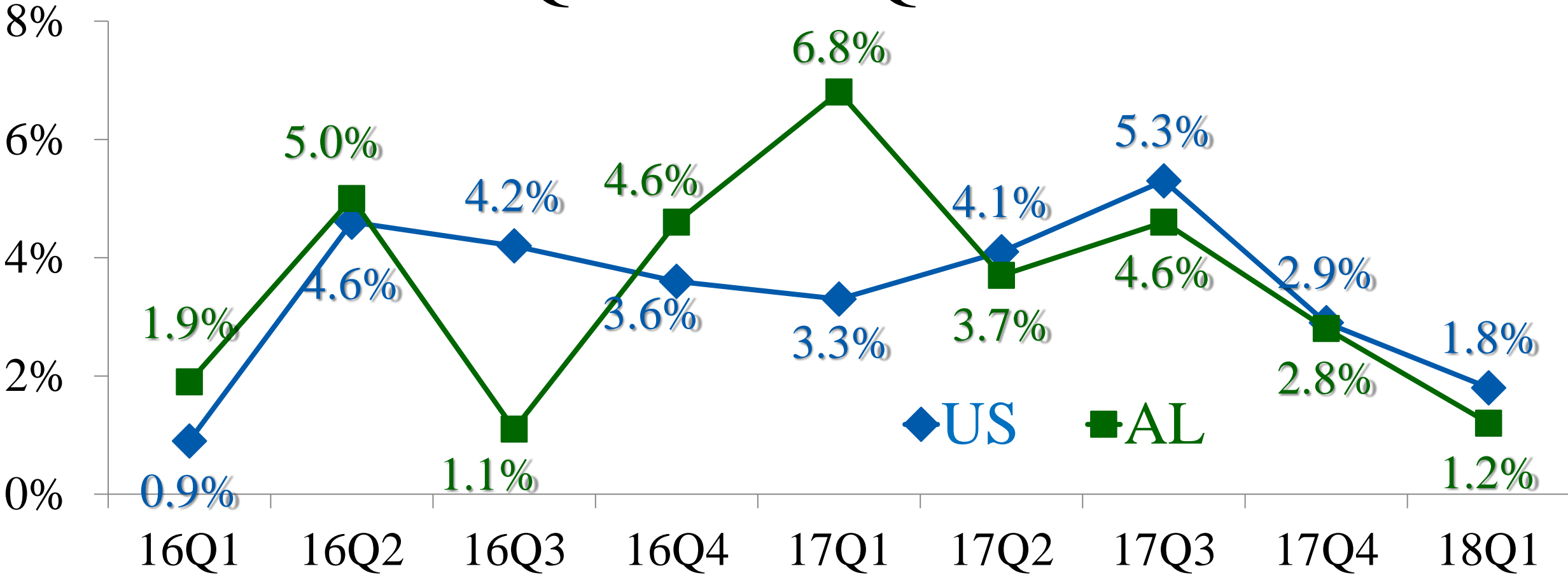
Source: U.S. Bureau of Economic Analysis: Current \$



# GDP % Change from Previous Quarter State of AL Vs U.S.



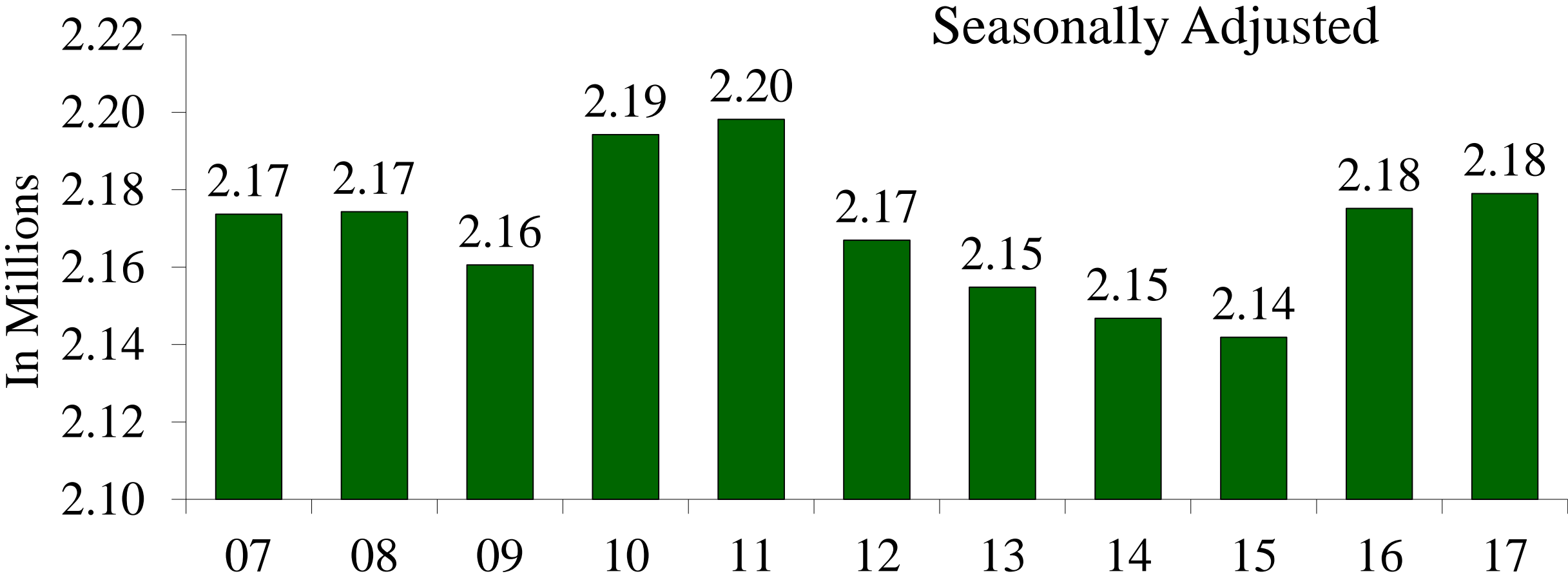
## 1<sup>st</sup> Qtr 2016-1<sup>st</sup> Qtr 2018



Source: U.S. Bureau of Economic Analysis: Current \$



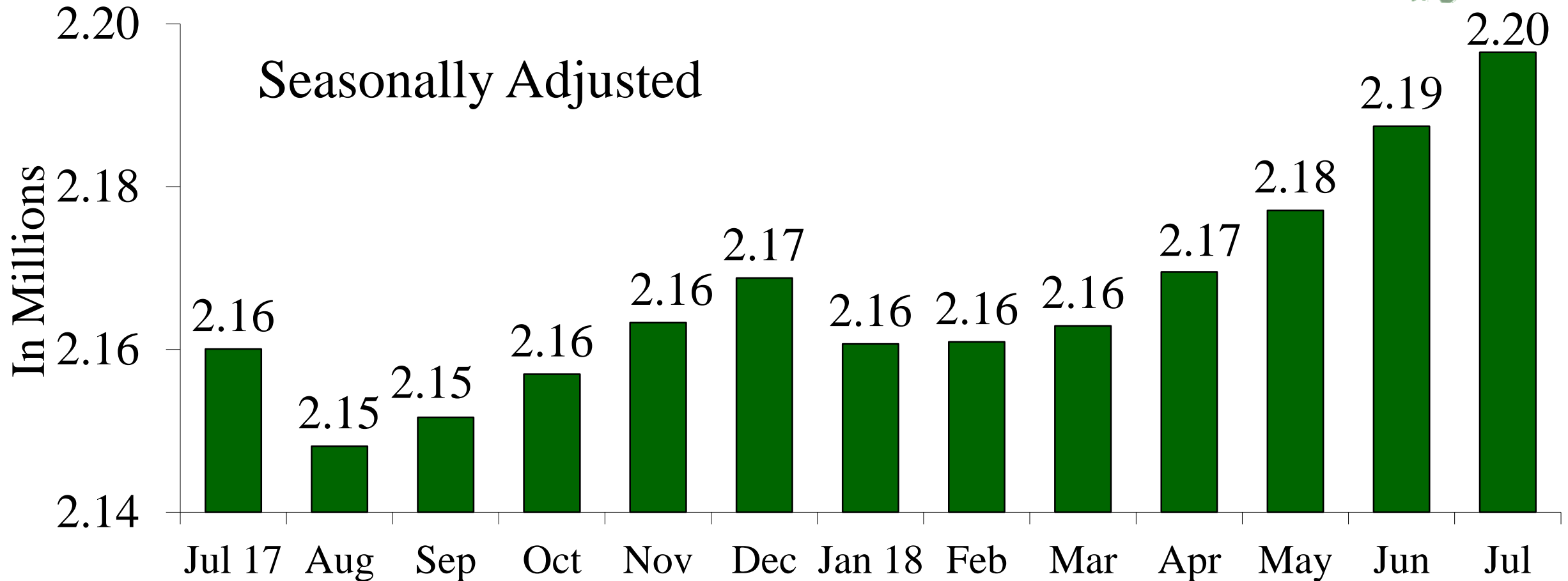
# Labor Force State of Alabama 2007-2017 in Millions



Source: U.S. Bureau of Labor Statistics

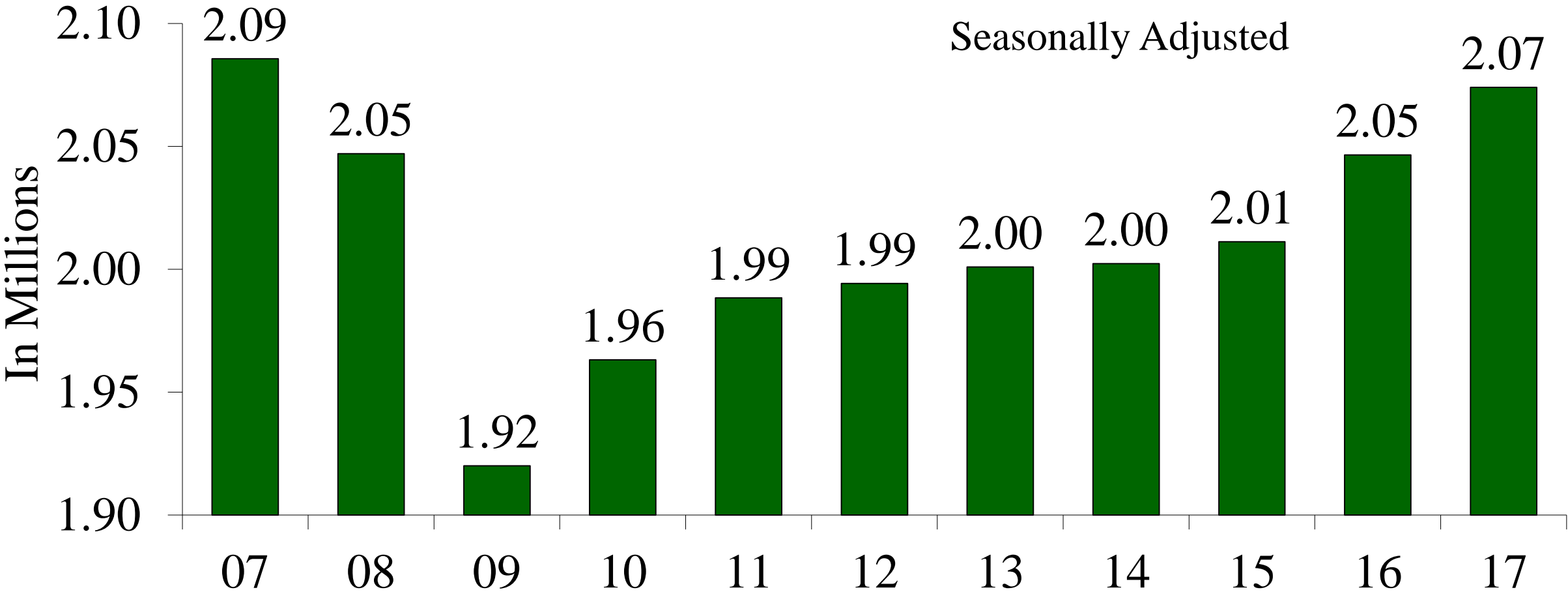


# Labor Force State of Alabama July 2017 – July 2018 in Millions





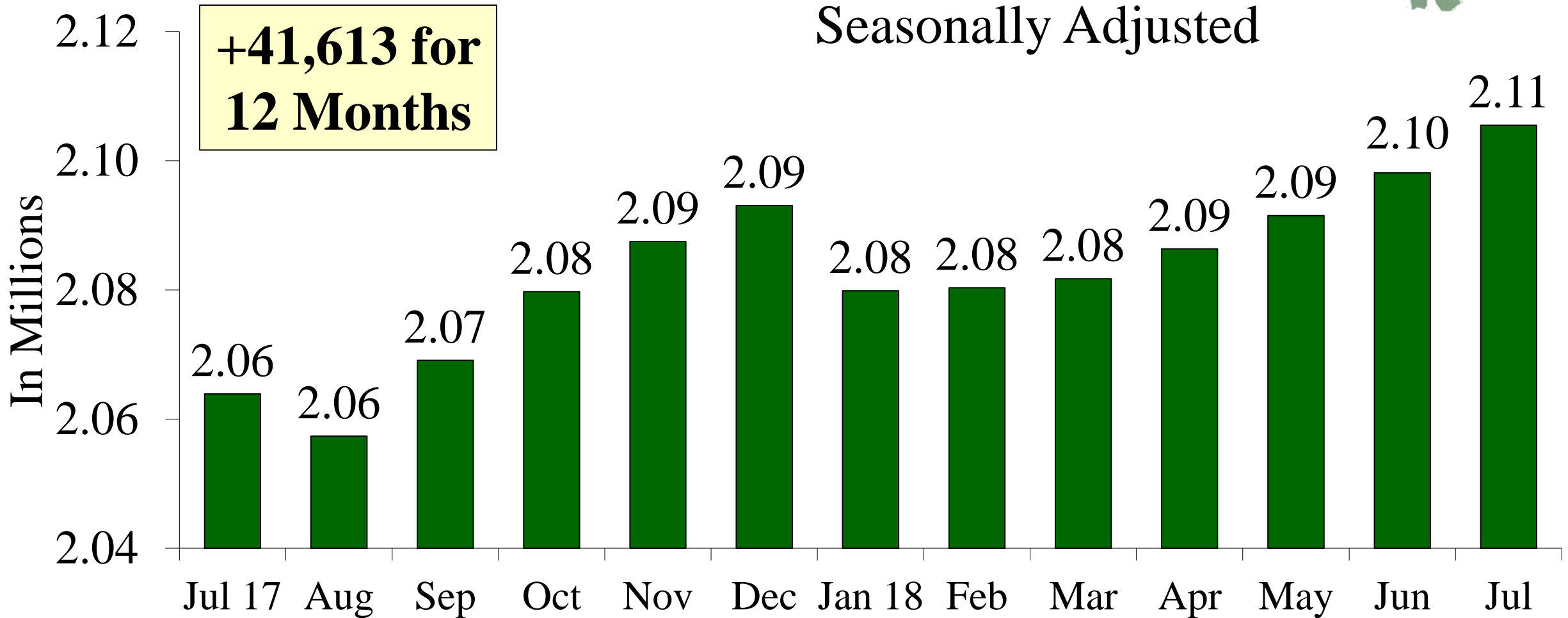
# Employment State of Alabama 2007-2017 in Millions



Source: U.S. Bureau of Labor Statistics



# Employment State of Alabama July 2017 – July 2018 in Millions

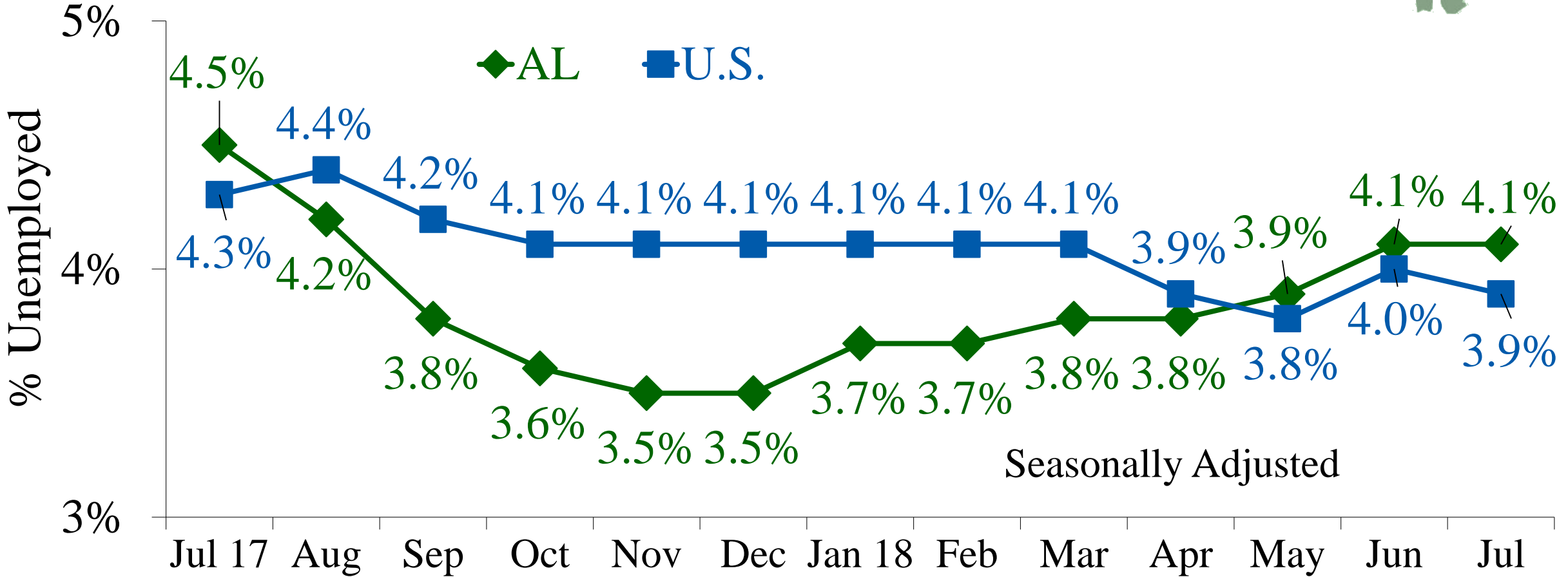




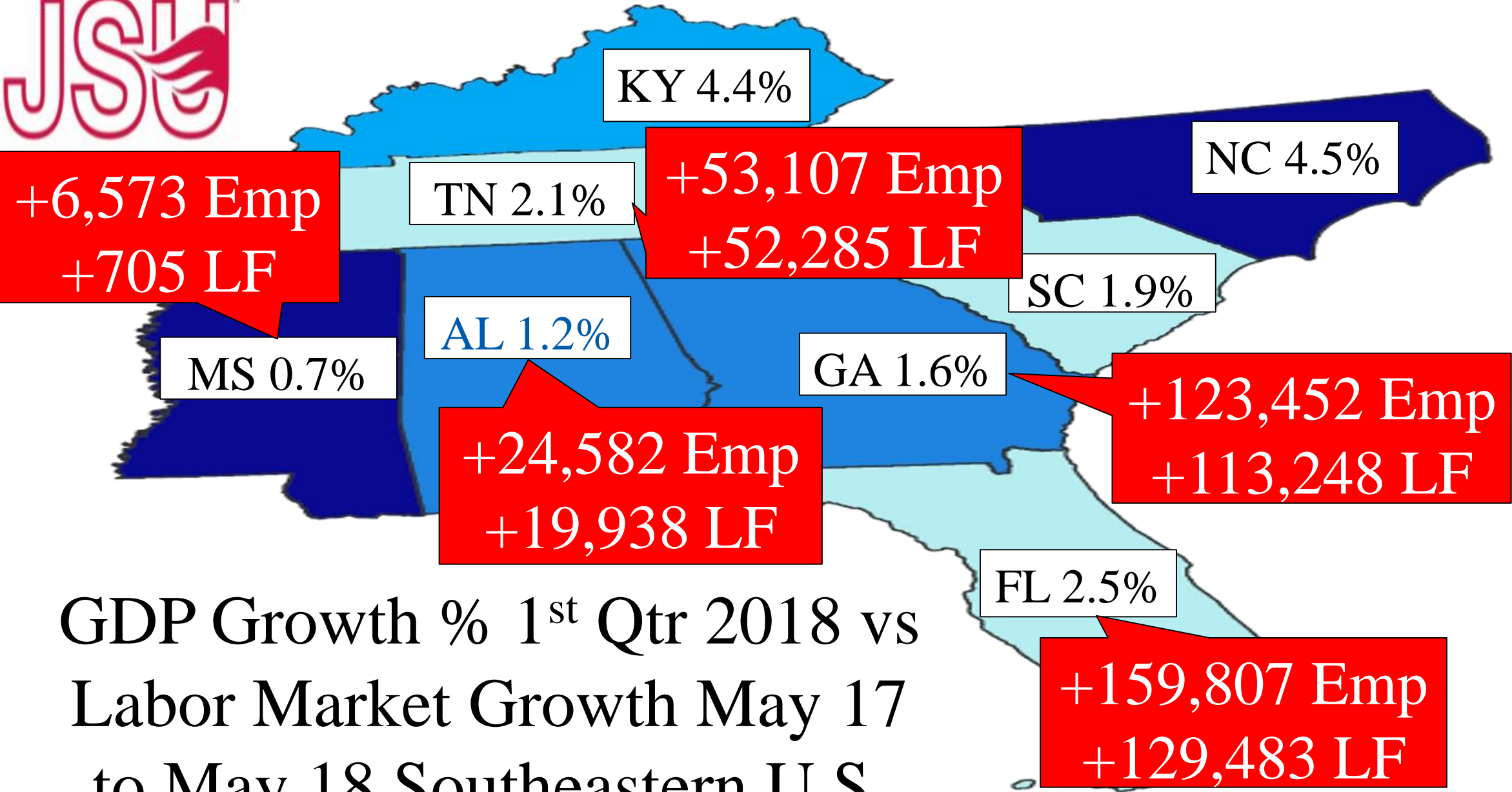


# Unemployment Rate

## AL vs U.S. July 2017 – July 2018

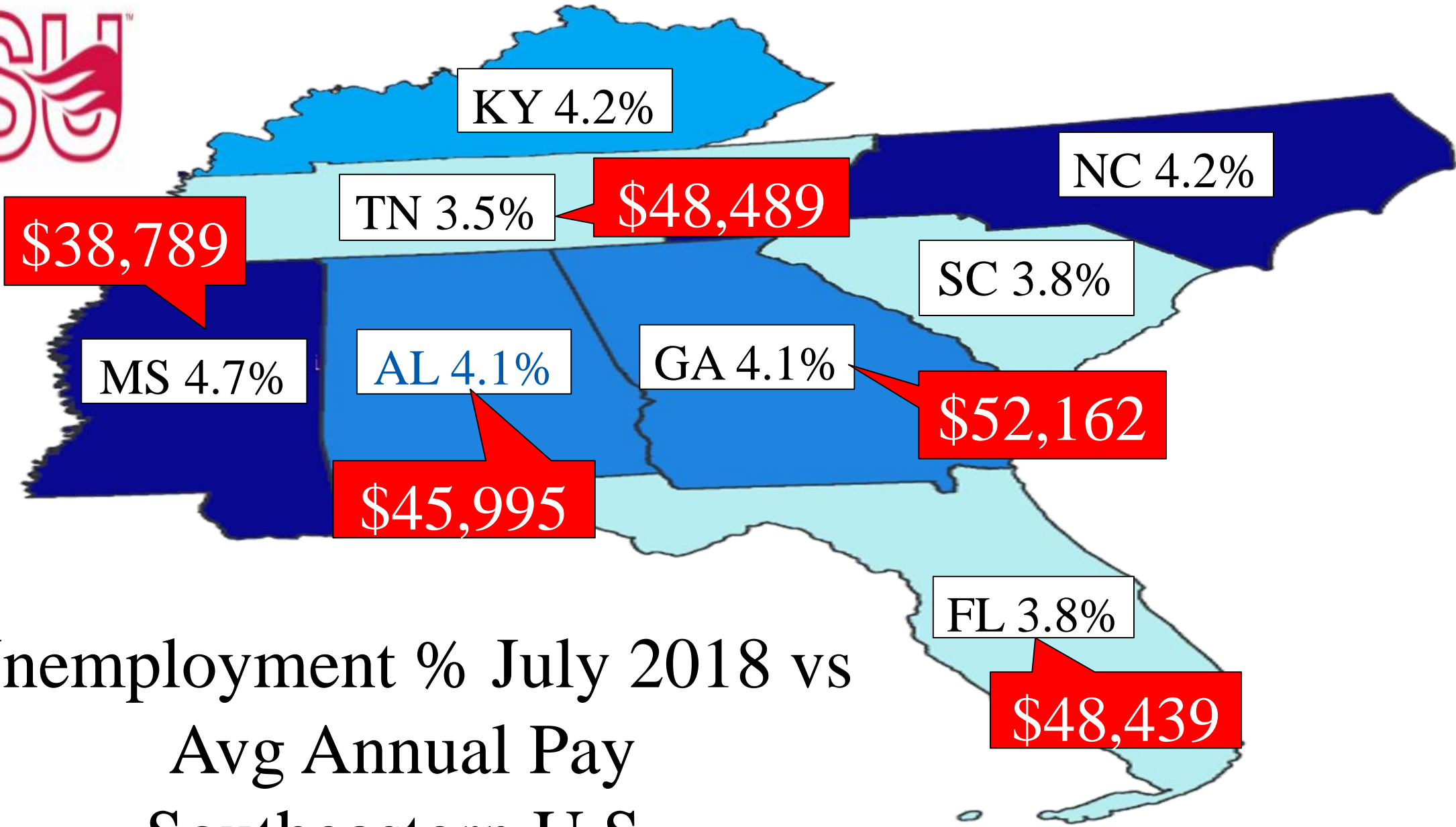


Source: U.S. Bureau of Labor Statistics



GDP Growth % 1<sup>st</sup> Qtr 2018 vs Labor Market Growth May 17 to May 18 Southeastern U.S.

Source: Bureau of Economic Analysis

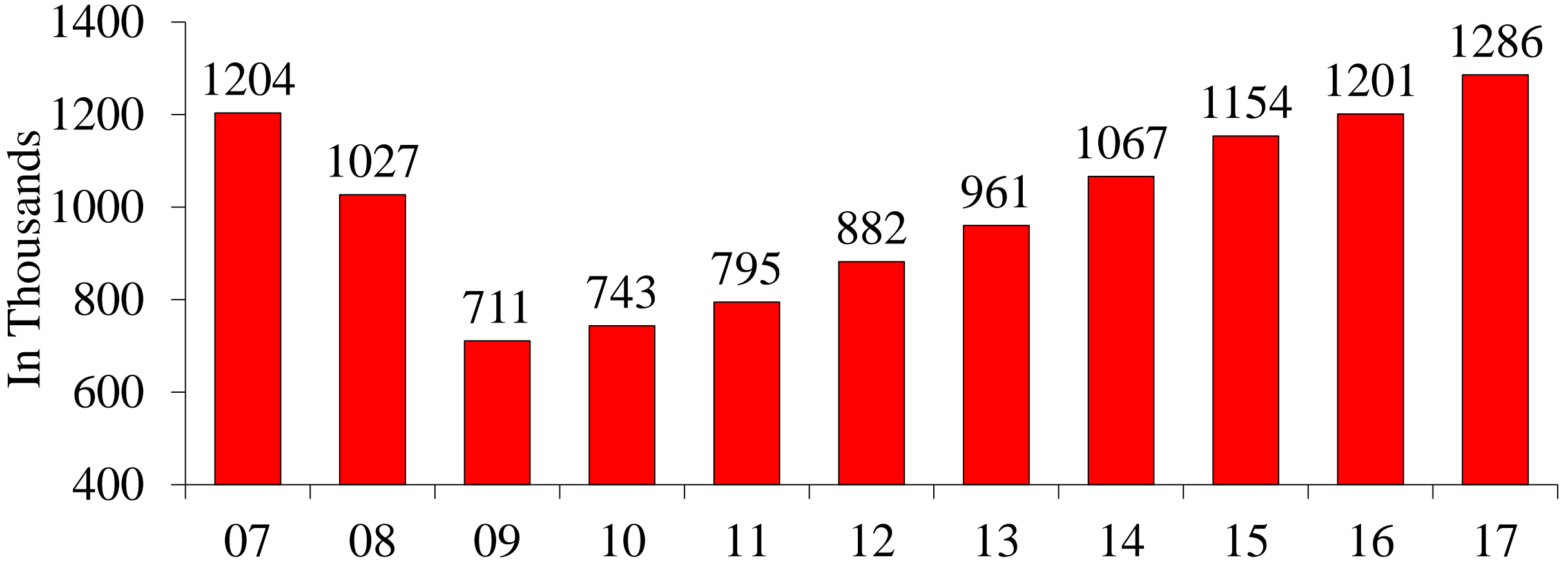


# Unemployment % July 2018 vs Avg Annual Pay Southeastern U.S.

Source: Bureau of Economic Analysis



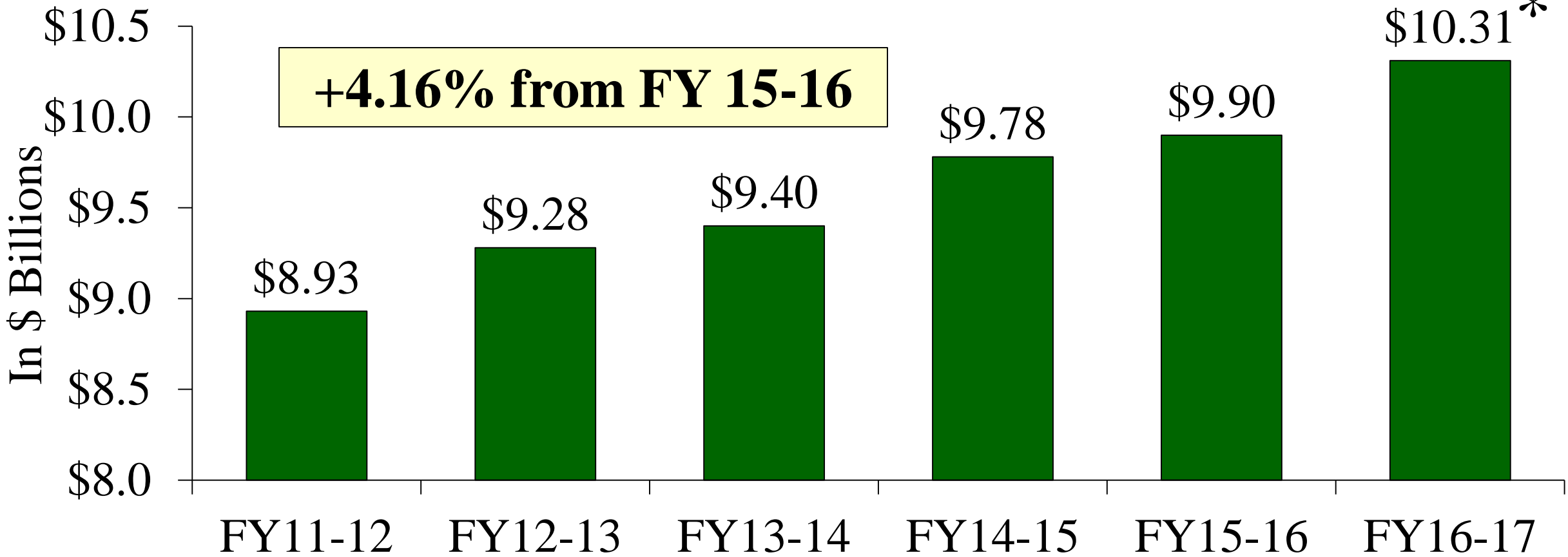
# Job Quit Levels Annual Per Month Average for U.S. South Region 2007-2017 in Thousands



Source: Bureau of Labor Statistics



# Gross Revenue Collections State of Alabama FY11-12 – FY16-17 in \$ Billions

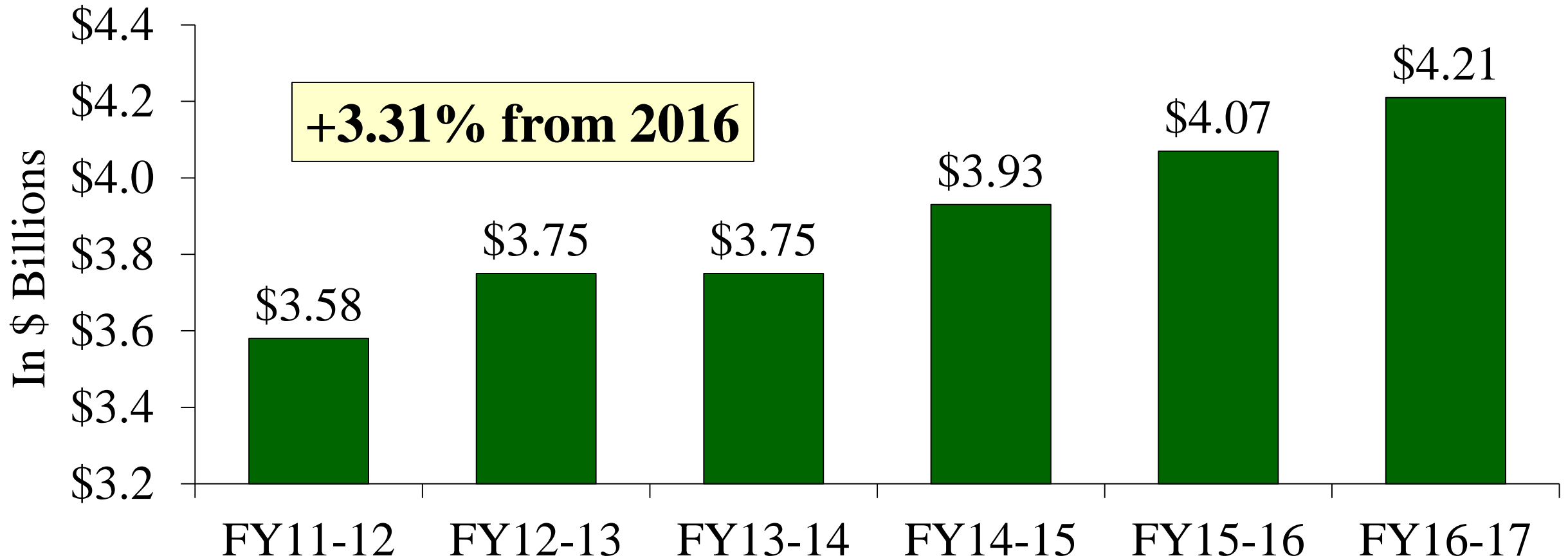


Source: Alabama Department of Revenue

\*Record High for Alabama

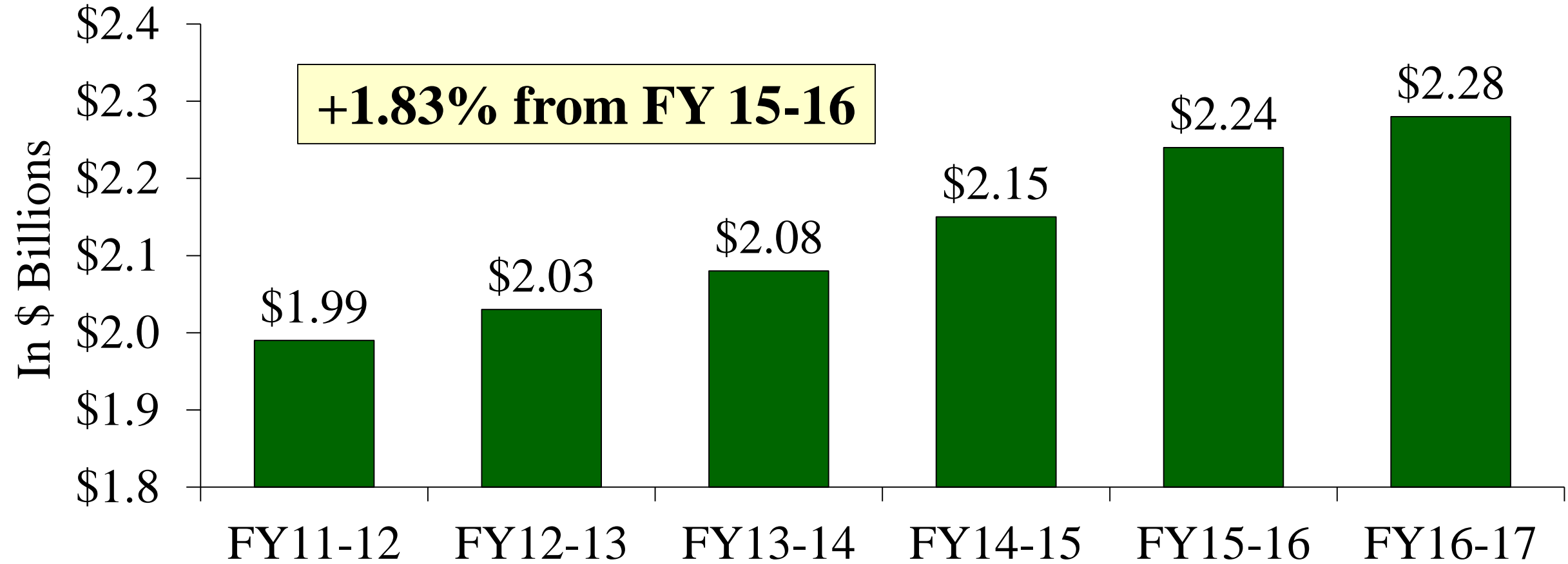


# Individual Income Tax Gross Collections State of Alabama FY11-12 – FY16-17 in \$ Billions





# Sales Tax Gross Collections State of Alabama FY11-12 – FY16-17 in \$ Billions



Source: Alabama Department of Revenue



Total/Sales/Individual Income Tax State  
of AL in \$ Millions



FYTD 16-17 vs FYTD 17-18

In \$ Millions	<u>FYTD</u> <u>16-17</u>	<u>FYTD</u> <u>17-18</u>	<u>% Change</u>
Individual Income Tax	\$3,449	\$3,702	+7.33%
Sales Tax	\$1,902	\$1,977	+3.96%
<b>Total</b>	<b>\$8,717</b>	<b>\$9,118</b>	<b>+4.60%</b>





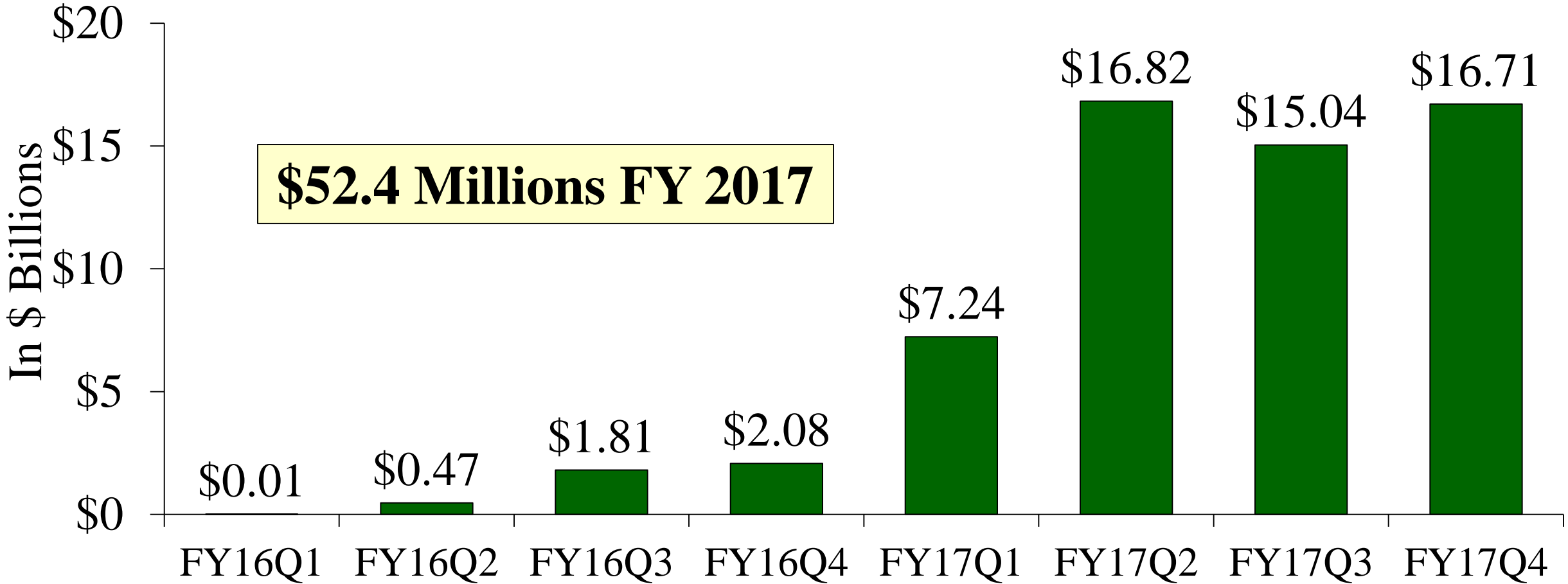
# Total/Sales/Individual Income Tax State of AL in \$ Millions July 2017 vs July 2018



In \$ Millions	<u>July 2017</u>	<u>July 2018</u>	<u>% Change</u>
Individual Income Tax	\$168.19	\$180.13	+7.10%
Sales Tax	\$192.64	\$208.33	+8.14%
<b>Total</b>	<b>\$698.04</b>	<b>\$700.32</b>	<b>+.33%</b>

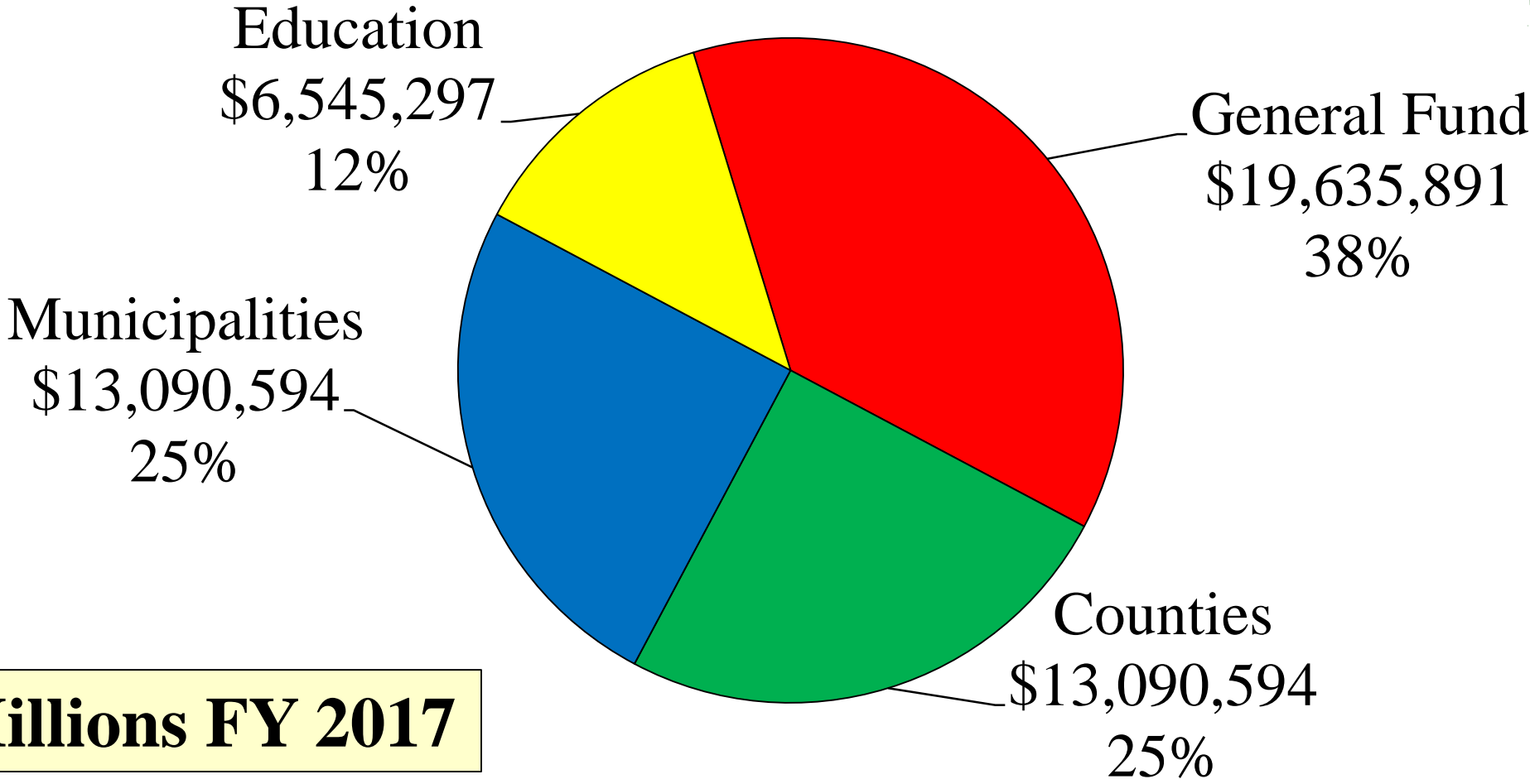


# Simplified Sellers Use Tax Program\* State of Alabama Total Collections by Fiscal Quarter FY16Q1-FY2017Q4





# Simplified Sellers Use Tax Program State of Alabama FY 2016-2017



Source: Alabama Department of Revenue



# Housing Statistics State of AL

## YTD June 2017 vs YTD June 2018



	<u>YTD Jun 17</u>	<u>YTD Jun 18</u>	<u>% Change</u>
Median Price	\$148,510	\$156,744	+5.54%
Avg Days on Market	127	109	-15.8%
<b>Total Homes Sold</b>	<b>28,617</b>	<b>30,625</b>	<b>+7.01%</b>

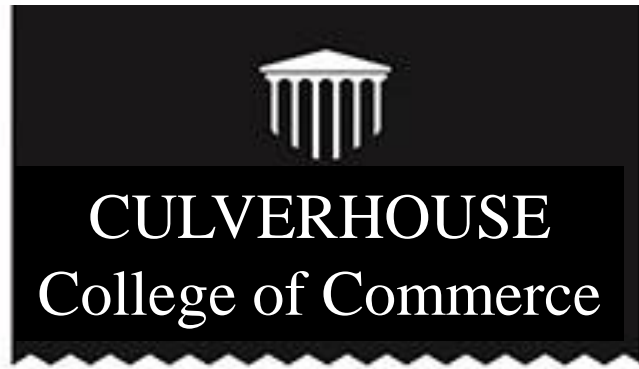


# Housing Statistics

## State of AL June 2017 vs June 2018



	<u>June 2017</u>	<u>June 2018</u>	<u>% Change</u>
Median Price	\$163,809	\$164,987	+.72%
Avg Days on Market	116	100	-13.8%
<b>Total Homes Sold</b>	<b>5,831</b>	<b>6,277</b>	<b>+7.65</b>

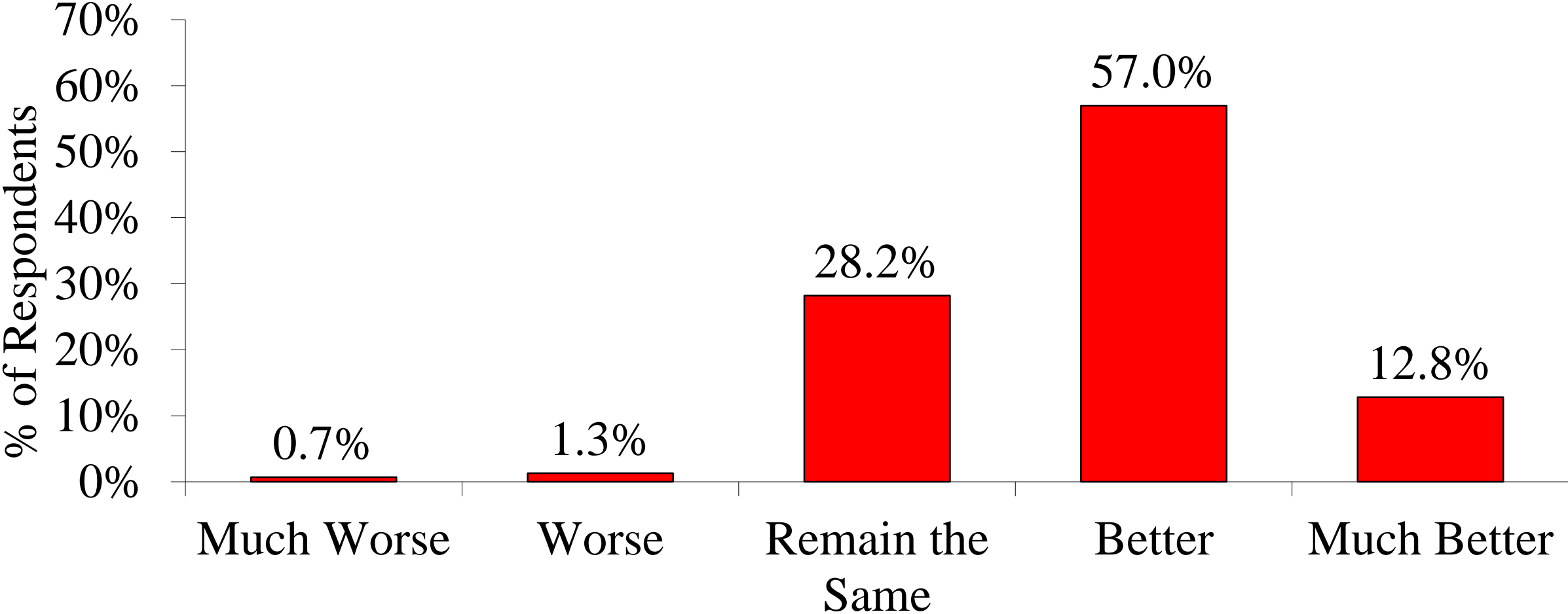


Alabama Business Confidence Index

- State Survey – 3rd Quarter 2018
- Approximately 149 respondents
- Operated by University of Alabama Center for Business and Economic Research
- [cber.cba.ua.edu](http://cber.cba.ua.edu)



# Overall Economic Outlook for Alabama Q2 2018 compared to Q3 2018



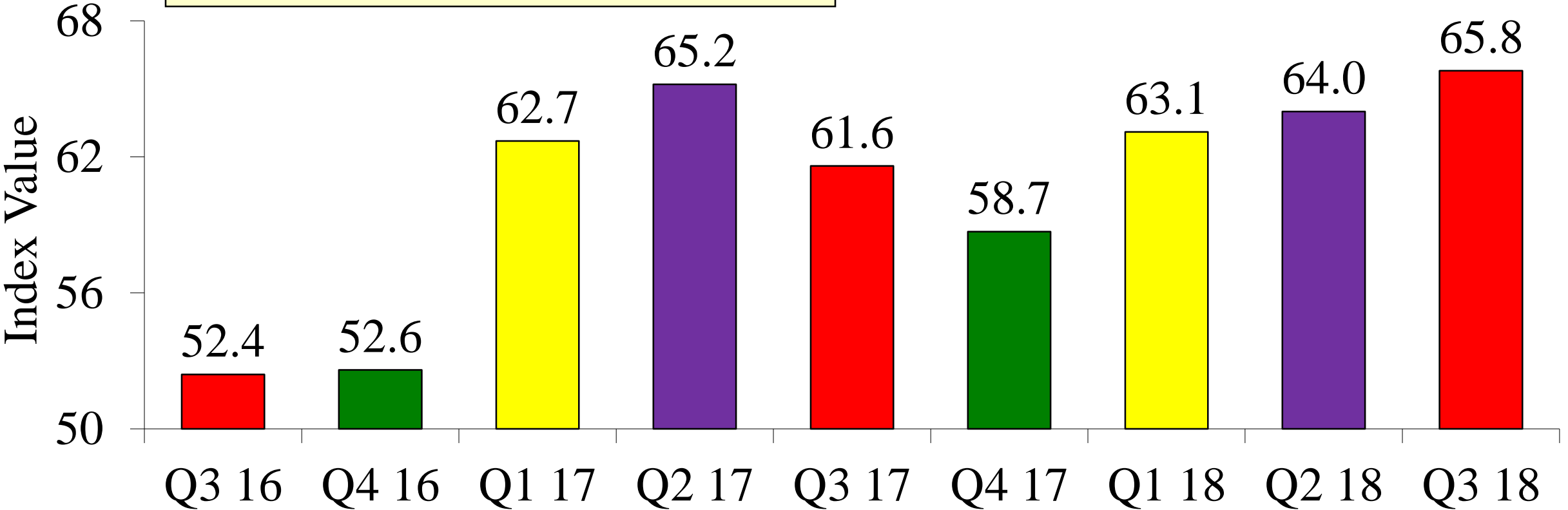
Source: Alabama Business Confidence Index



# Overall Economic Outlook Index for Alabama Q3 16 – Q3 18



**Change Q2 18 – Q3 18 +1.8 pts**  
**Change Q3 17 – Q3 18 +4.2 pts**

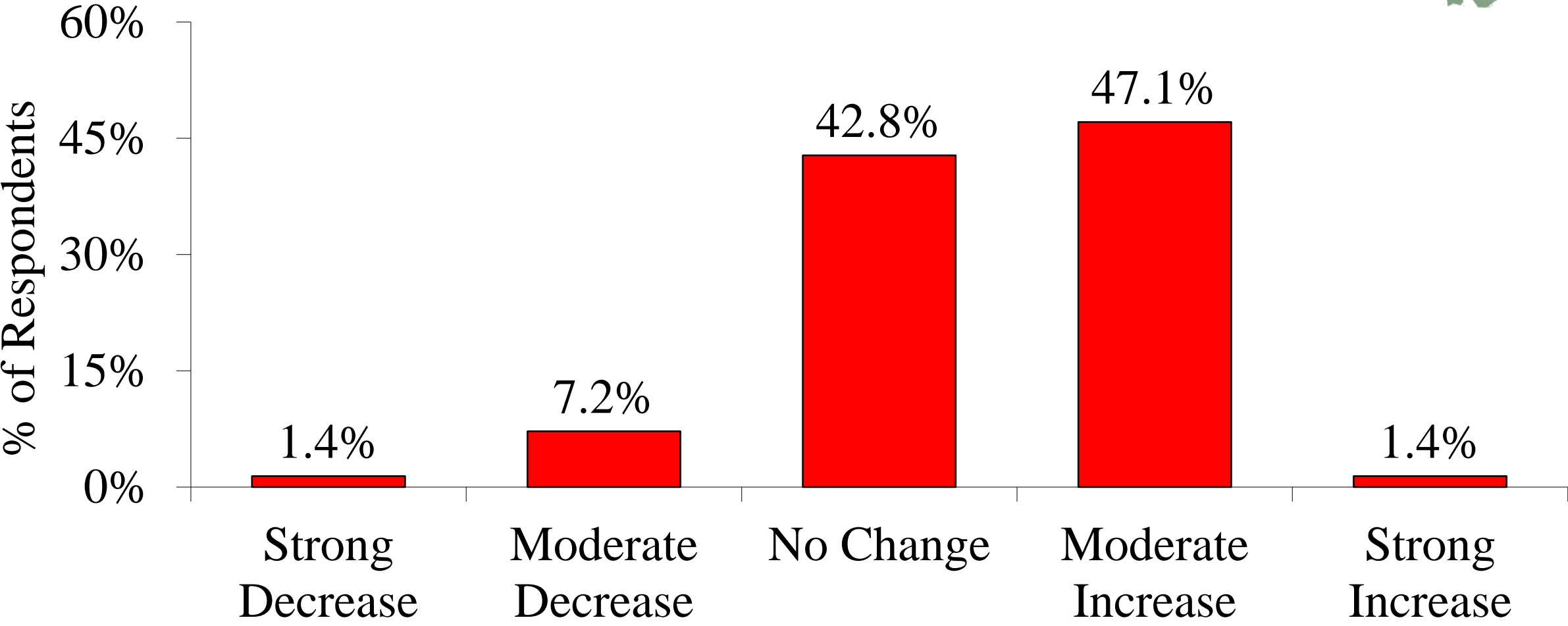


Source: Alabama Business Confidence Index





# Hiring Outlook for Alabama Q2 2018 compared to Q3 2018



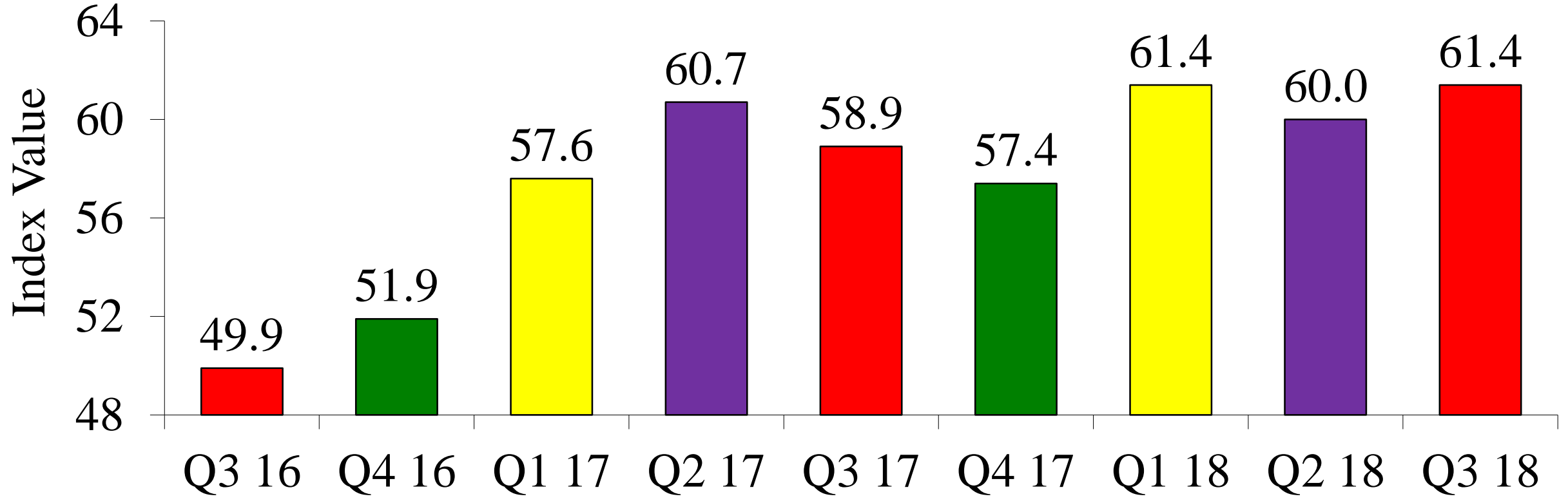
Source: Alabama Business Confidence Index



# Hiring Outlook Index for Alabama Q3 16 – Q3 18



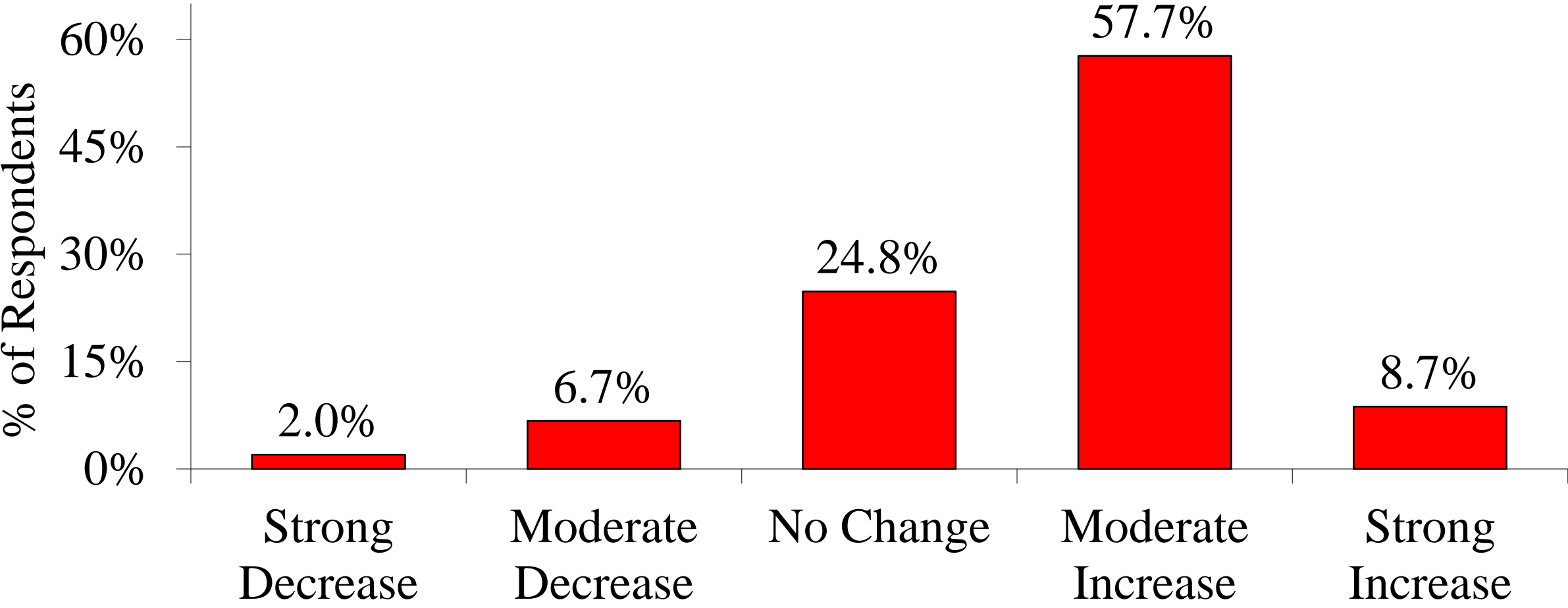
**Change Q2 18 – Q3 18 +1.4 pts**  
**Change Q3 17 – Q3 18 +2.5 pts**



Source: Alabama Business Confidence Index



# Sales Outlook for Alabama Q2 2018 compared to Q3 2018



Source: Alabama Business Confidence Index

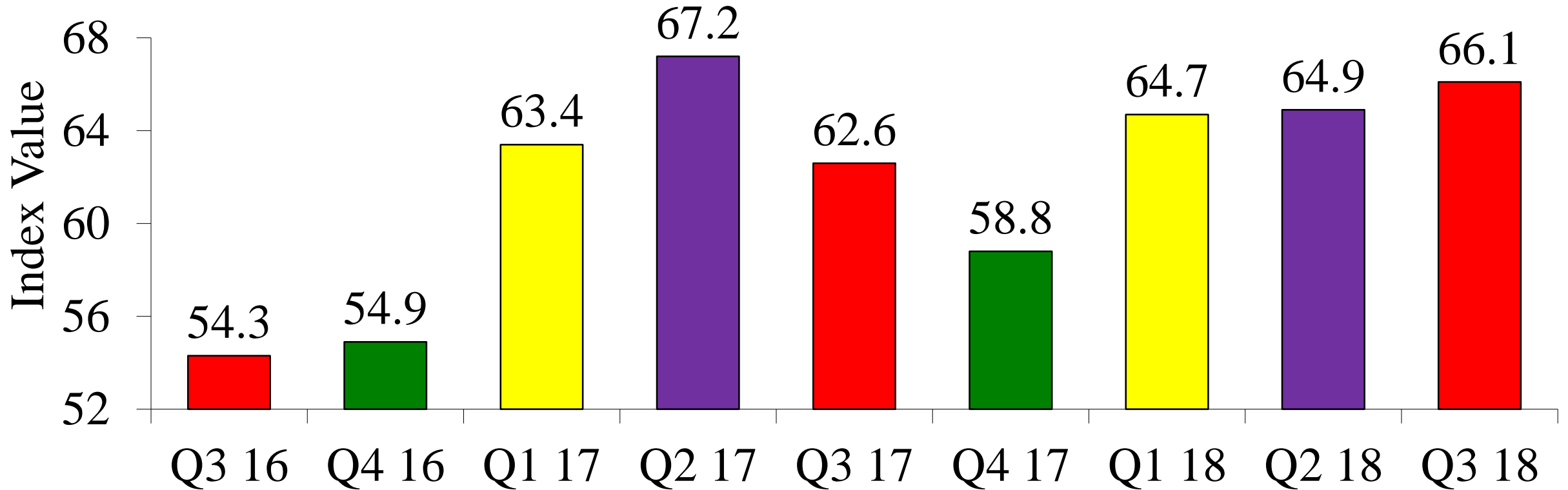


# Sales Outlook Index for Alabama

## Q3 16 – Q3 18

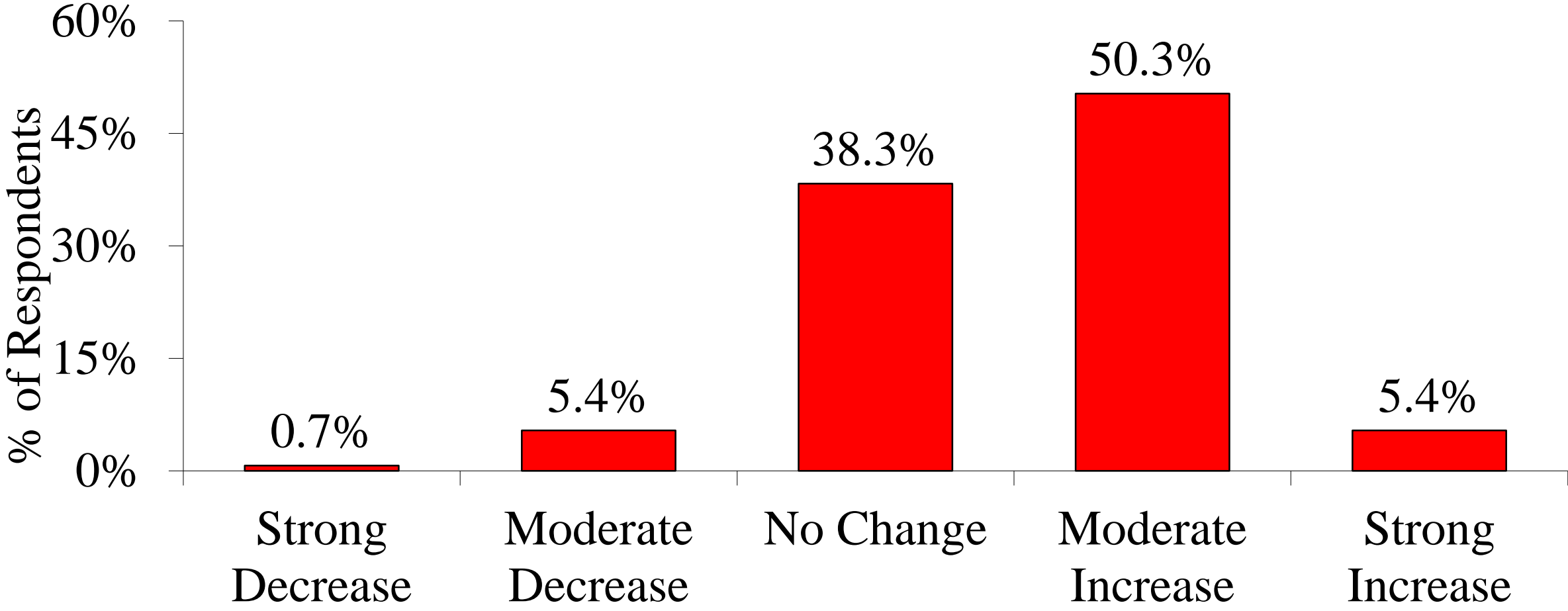


**Change Q2 18 – Q3 18 +1.2 pts**  
**Change Q2 17 – Q2 18 +3.5 pts**





# Capital Expenditures Outlook Q2 2018 compared to Q3 2018



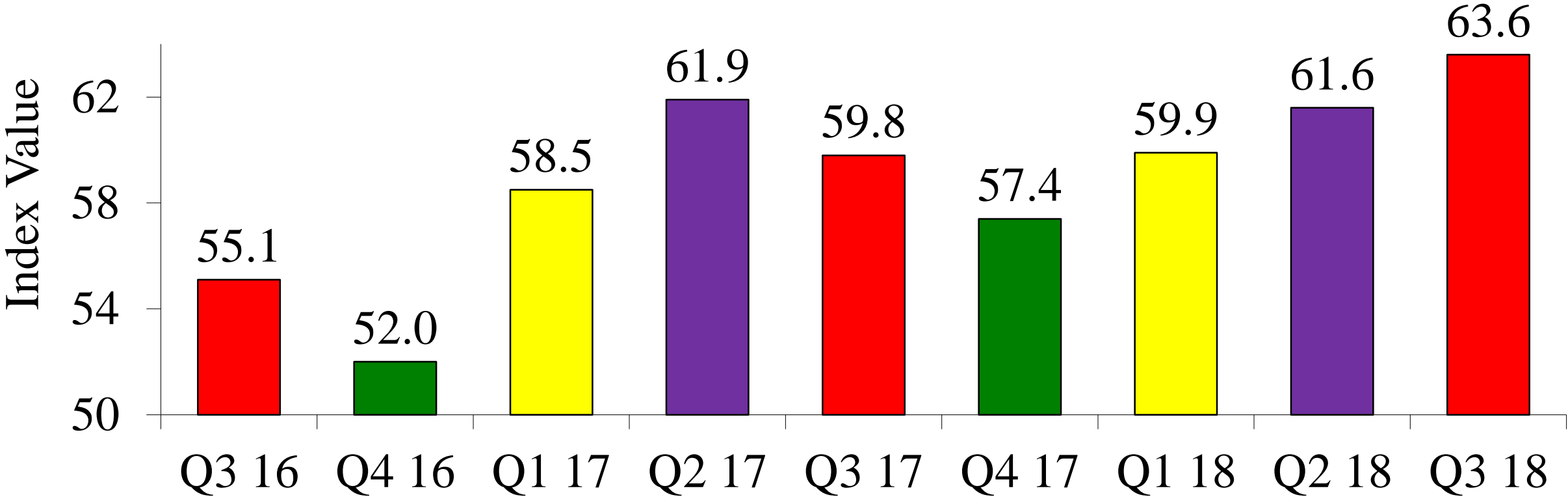
Source: Alabama Business Confidence Index



# Capital Expenditures Outlook Alabama Q3 16 – Q3 18



**Change Q2 18 – Q3 18 +2.0 pts**  
**Change Q3 17 – Q3 18 +3.8 pts**



Source: Alabama Business Confidence Index



# State of Alabama Summary



- Population Census Up, High Inbound State (57%)
- State GDP Up (2017 1.2%)
- Labor Force Flat to Up Slightly (+4,000 2017, Trending Up)
- Employment Up (+27,433 2017)
- Unemployment Rate Down (4.0% June)
- Housing Up (+7.01% Homes Sold YTD 2016 vs 2017)
- State Tax Revenues Exceed \$10 Billion 1<sup>st</sup> Time (\$10.31 B)