

Economic Trends:

The Quarterly Report on St. Tammany Economic Factors



Volume 13, Issue

First Quarter 2015

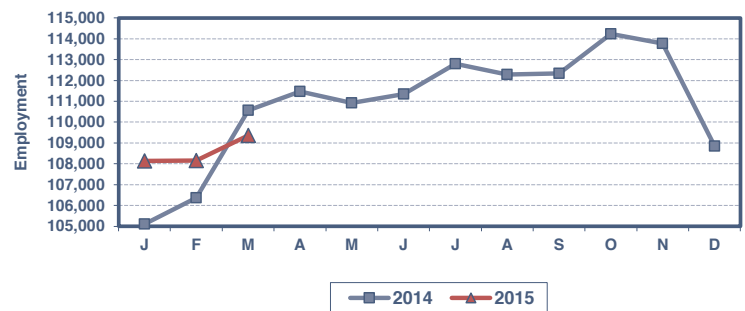
CEO UPDATE

The St. Tammany Economic Development Foundation would like to present the economic report for the first quarter of 2015. Overall growth of the parish economy increased by 5.8% from 1Q14. The report compares 1Q15 trends to the previous quarter (4Q14) and the corresponding period last year (1Q14). Residential building permits led growth from 4Q14, increasing by 52.2%, and commercial building permits led growth from 1Q14, increasing by 68.8%.

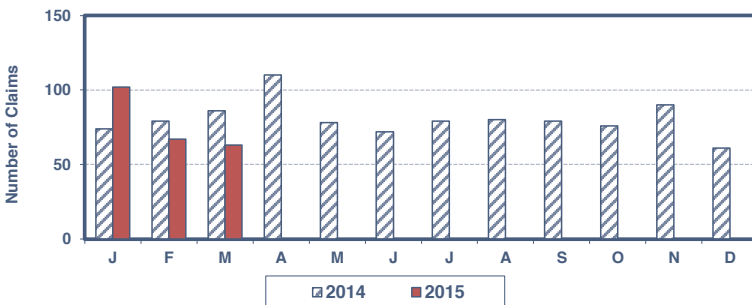
EMPLOYMENT

Total parish employment grew 1.1% over 1Q14. In 1Q15, monthly growth improved. March 2015 employment was somewhat lower than March 2014, but not low enough to cause the overall quarterly growth to decrease. The labor force increased from 1Q14 by 2.5% as unemployment grew 31.7%. The unemployment rate of 5.7% was 28.5% higher than in 1Q14, but the Parish unemployment rate remained below the statewide rate (6.5%) and the national rate (5.8%).

St. Tammany Parish Employment



Number Initial Unemployment Insurance Claims



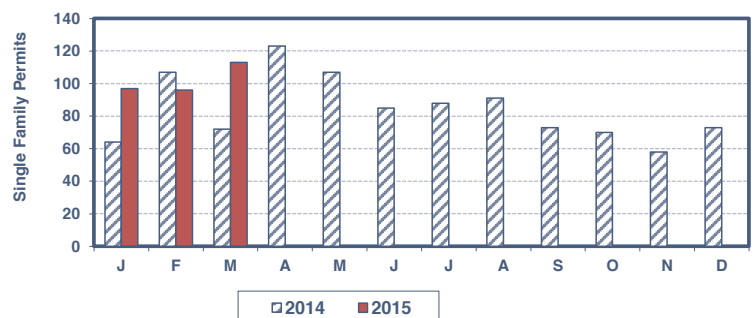
Initial unemployment insurance claims decreased to 232 from the 239 claims in 1Q14.

The unemployment rate only represents the recorded number of unemployed. It does not include the number of people out of work who have not filed claims with unemployment agencies.

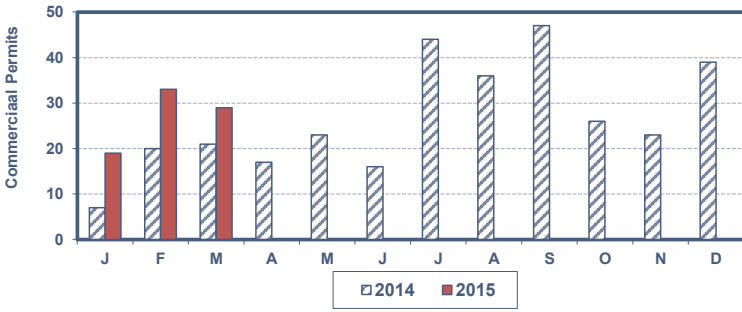
BUILDING & HOUSING

1Q15 saw 25.9% more residential building permits issued than in 1Q14. More permits were issued in January and March than in the corresponding months last year, increasing by 51.6% and 56.9% respectively. 10.3% fewer permits were issued in February 2015 than in February 2014.

Parish Single Family Building Permits (Unincorporated)



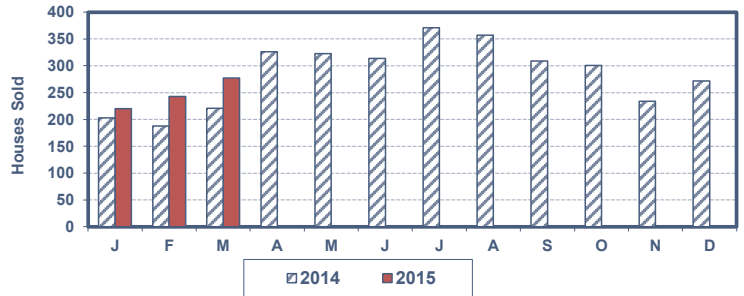
Parish Commercial Permits (Unincorporated)



68.8% more commercial building permits were issued in 1Q15 than in 1Q14. Permits increased in each individual month compared with 1Q14. January permits increased by 171.4%, February by 65.0%, and March by 38.1%.

Sales of existing homes were 20.9% higher in 1Q15 than in 1Q14. Sales increased in January by 8.4%, in February by 29.3%, and in March by 25.3% over corresponding months in 2014. Housing sales volume rose 12.5%.

Parish MLS Housing Unit Sales

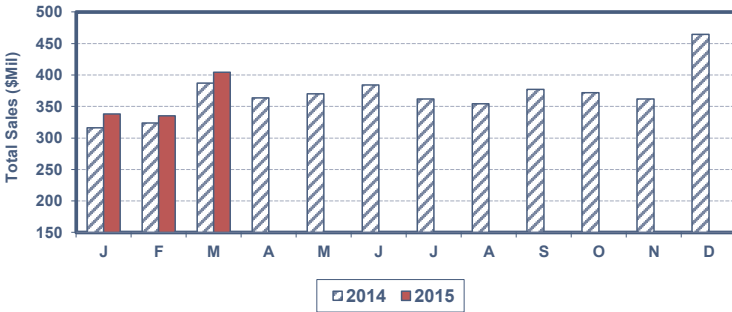


The average unit sales price decreased by 6.9%, declining every month in 1Q15 compared with corresponding months last year. Housing inventory of for-sale homes increased slightly from 1Q14 by 1.4%. The combination of permitted and sold single family homes rose 22.3%.

Average rent for professional or management household apartments increased by 2.8%. Average rent is derived from surveyed apartment units located in 10 different complexes throughout the parish that meet housing needs (2 bedrooms, 1.5 or 2 baths) of professional or managerial households.

TOTAL SALES TAX AND VEHICLE SALES TAX

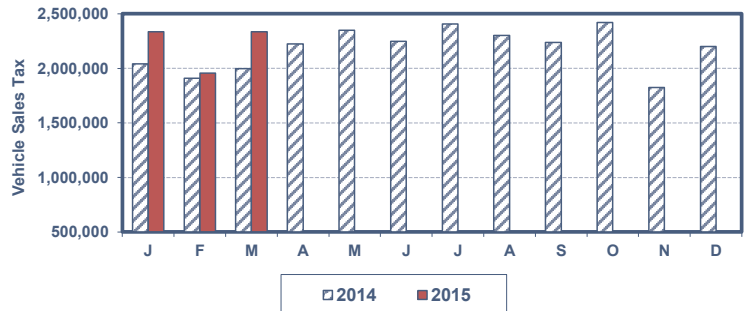
Parish Estimated Total Sales



Total sales and sales tax collections for 1Q15 increased by 4.9% – a slower pace than in recent past. January increased by 6.9%, February by 3.5% and March by 4.4%. The slower rate of total sales could be a result of consumers’ assessment of current conditions, which declined in March for the second consecutive month and does not appear to be gaining any significant momentum, according to The Conference Board’s consumer confidence tracking.

DMV sales tax collections experienced a slight increase of 11.4% over 1Q14 collections. The monthly increases proved somewhat erratic, with January increasing by 14.4%, February by only 2.5%, and March by 16.9%. DMV sales tax collections as a share of total sales tax collections increased slightly by 6.2% (from 12.1% in 1Q14 to 12.9% in 1Q15).

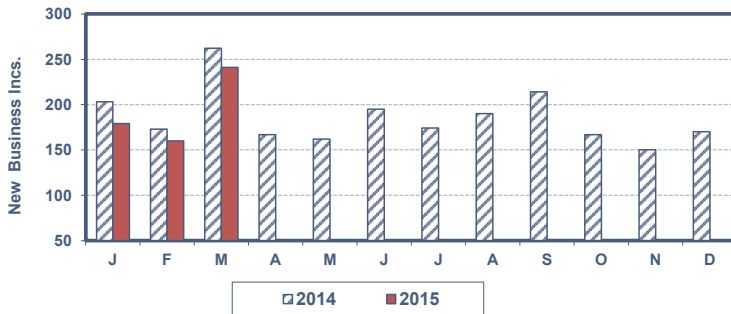
Parish Vehicle Sales Tax



Data on vehicle sales tax revenue is taken from all vehicle sales by residents living in the parish and registered in the parish, whether the sale occurred inside or outside the parish. Total vehicle sales tax is calculated from sheriff's office records of vehicles purchased, titled, and licensed in the parish, including vehicles licensed and titled in St. Tammany though purchased elsewhere. Any computation of vehicle sales using vehicle sales tax data is likely to be overstated, as it would include sales occurring outside the parish.

NEW BUSINESS INCORPORATIONS

Parish New Business Incorporations

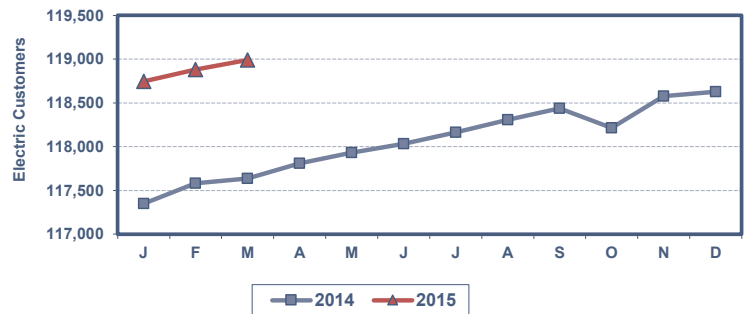


New business incorporations fell by 9.1% from 638 in 1Q14 to 580 in 1Q15. These numbers are somewhat high. Consumers continue to be leery with regard to future earnings and job growth. Consumers are keeping options open when it comes to financial matters and may be hedging their bets against future economic downturns.

UTILITIES (Electric)

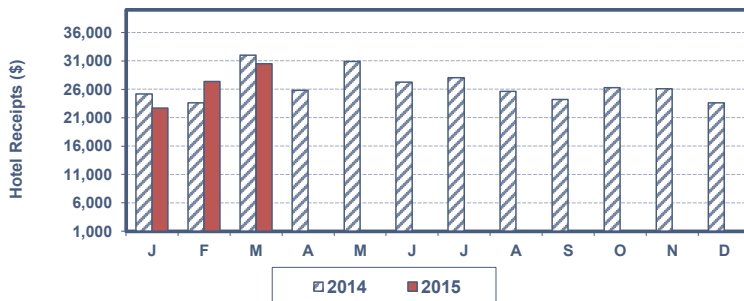
The number of electric customers rose 1.1% from 1Q14. The changes from month to month were minimal compared with 1Q14. Primary electric counts are provided by CLECO and Washington/St. Tammany Electric Coop.

St. Tammany Electric Customers



ACCOMMODATIONS (Net Occupancy Tax and Hotel Receipts)

Net Occupancy Tax Collections - Events Center



Net occupancy tax collections (bed tax) fell by a marginal 0.2% in 1Q15 from 1Q14. Bed tax collections decreased by 9.8% in January, increased by 16.1% in February, and fell again by 4.8% in March.

The number of hotel receipts increased by 3.1% from 1Q14. Receipts increased by 4.8% in January and by 11.4% in February, but decreased by 4.3% in March.

SOUTHERN CONSUMER PRICE INDEX/INFLATION RATE

The inflation rate for the southern region of the United States fell to -0.9% in 1Q15 from 1.4% in 1Q14. A large part of the drop in inflation is due to gasoline prices, which make up a large portion of the family budget.

The St. Tammany Economic Development Foundation (STEDF) "Economic Trends" report is compiled by John C. Borland, CCR, Director of Borland Econometrics and published quarterly by STEDF. The report is produced from information collected from various sectors and components of the St. Tammany Parish community.



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ST. TAMMANY PARISH ECONOMIC INDICATORS

Economic Indicators	Units	1Q15	4Q14	% Change	1Q14	% Change	YTD 2015	YTD 2014	% Change
Retail Sales (a)									
St. Tammany Parish Est.Total Sales	\$Mil.	1,078.0	1,198.3	-10.0%	1,027.6	4.9%	1,078.0	1,027.6	4.9%
St. Tammany Parish Total Sales Tax	\$	51,421,182	57,160,142	-10.0%	49,018,681	4.9%	51,421,182	49,018,681	4.9%
St. Tammany Parish DMV Sales Tax	\$	6,628,463	6,446,832	2.8%	5,949,645	11.4%	6,628,463	5,949,645	11.4%
DMV Sales Tax Share of Total Sales Tax		12.9%	11.3%	14.3%	12.1%	6.2%	12.9%	12.1%	6.2%
New Business Incorporations (h)									
Total New Licenses	No.	580	487	19.1%	638	-9.1%	580	638	-9.1%
Non-Agricultural Employment (Revised)(b)									
Total Employment	* No.	108,550	112,286	-3.3%	107,347	1.1%	108,550	107,347	1.1%
Unemployed	* No.	6,601	6,442	2.5%	5,013	31.7%	6,601	5,013	31.7%
Labor Force	* No.	115,151	118,727	-3.0%	112,360	2.5%	115,151	112,360	2.5%
Unemployment Rate (Revised)(b)									
St. Tammany Parish	*	5.7%	5.4%	5.7%	4.5%	28.5%	5.7%	4.5%	28.3%
Louisiana	*	6.5%	6.2%	5.9%	4.6%	42.0%	6.5%	4.6%	42.0%
United States	*	5.8%	5.5%	6.7%	6.9%	-15.9%	5.8%	6.9%	-15.9%
Unemployment Insurance Claims by St. Tammany Resident (b)									
Number of Initial Claims	No.	232	227	2.2%	239	-2.9%	232	239	-2.9%
Construction: New Building Permits (Uncorporated Area)									
New Single Family Units	No.	306	201	52.2%	243	25.9%	306	243	25.9%
New Commercial Units	No.	81	88	-8.0%	48	68.8%	81	48	68.8%
Utilities -- Total Electric Accounts (d)	* No.	118,872	118,474	0.3%	117,522	1.1%	118,872	117,522	1.1%
Real Estate (St. Tammany Parish)(e)									
Residential									
Total Sales Volume	\$000	151,537.5	192,262.4	-21.2%	134,642.8	12.5%	151,537.5	134,642.8	12.5%
Number of Houses Sold	No.	740	807	-8.3%	612	20.9%	740	612	20.9%
Average Sales Price	* \$	204,780	238,243	-14.0%	220,005	-6.9%	204,780	220,005	-6.9%
Housing Inventory/Listings	No.	1,473	1,550	-5.0%	1,452	1.4%	1,473	1,452	1.4%
Housing Inventory Months	No.	6.0	5.8	3.5%	7.1	-16.0%	6.0	7.1	-16.0%
Permitted/Sold Single Family Homes	No.	1,046	1,008	3.8%	855	22.3%	1,046	855	22.3%
Apartment Rent (2 bedrooms, 1.5 or 2 baths)(professional/managerial household)(i)									
Average Apartment Rent	* \$	1,200	1,219	-1.6%	1,167	2.8%	1,200	1,167	2.8%
Hotel Receipts (g)	\$	12,685,358	11,648,263	8.9%	12,306,308	3.1%	12,685,358	12,306,308	3.1%
Net Occupancy Tax Collections for St. Tammany Events Center (a)									
Net Occupancy Tax Collections	\$	80,578	75,923	6.1%	80,762	-0.2%	80,578	80,762	-0.2%
Inflation Rate									
Southern Region of United States (j)									
Consumer Price Index	* No.	224.5	227.0		226.6		224.5	226.6	
Inflation Rate	*	-0.9%	0.9%		1.4%		-0.9%	0.8%	

* Year-to-date data is an average. N.A. = not applicable; n.a. = not available

Sources: (a) St. Tammany Sheriff's Office; (b) Louisiana Department of Labor; (c) St. Tammany Parish Building Permit Office; (d) Washington-St. Tammany Electric Co-op, CLECO; (e) Latta & Blum, Inc. Realtors through the Gulf South Real Estate Information Network, Inc. and may not represent all single family real estate transaction in St. Tammany Parish for reported periods; (f); (g) St. Tammany Parish Tourist and Convention Commission; (h) LA Secretary of State; (i) www.forrent.com, www.apartments.com; (j) U.S. Bureau of Labor Statistics