

About the Center

The H.C. Drew Center for Business and Economic Analysis (Drew CBEA) collects, tracks, and analyzes data relevant to the economy of Southwest Louisiana.

A joint venture between McNeese State University and the SWLA Alliance, the center strives to serve the community with high quality economic analysis, reports, and data collections.

Visit our website and follow us on social media to see what we have to offer.

Contact

Phone: 337-475-5560

Website:

mcneesedrewecon.org



drewecon@mcneese.edu



[@mcneesedrewecon](https://twitter.com/mcneesedrewecon)



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Inaugural Issue

We here at the H.C. Drew Center for Business and Economic Analysis (Drew CBEA) are very happy to present the first of many quarterly economic reports to come. These reports will analyze the current economic situation for each of the five parishes in Southwest Louisiana as well as the Lake Charles MSA. Future reports will also give an overview of the national and state economies.

These pages cover a selection of data series for each area and comment on any trends or new changes we observe. Most of what will be in these reports are data series that are updated frequently so as to keep the content current with new developments in our area. Each issue may also contain a separate written analysis on a particular data release or topic relevant to our economy.

As a McNeese State University entity partnered with the SWLA Economic Development Alliance, we look forward to providing the area with high quality analysis. We welcome any feedback for the reports, or the Center in general. Feel free to contact us with comments, questions, requests, etc., by emailing us at drewecon@mcneese.edu.

Finally, all the data our center collects obviously cannot fit into an overview report such as this. Some data series may rotate and be shown at different times in these reports. Some series may not be able to show changes as detailed as needed by some. Please visit our website at mcneesedrewecon.org to see all our data collections as well brief descriptions of the series and sources. Links to each data series are in the headers throughout the report. Our website contains downloadable economic datasets and interactive graphs of information related to the SWLA economy. Some parts of the site may still be under construction but we are diligently working to have all sections completed and up-to-date.

We are excited about the new information we can bring you as well as all the new changes that are still to come. Thank you for reading.

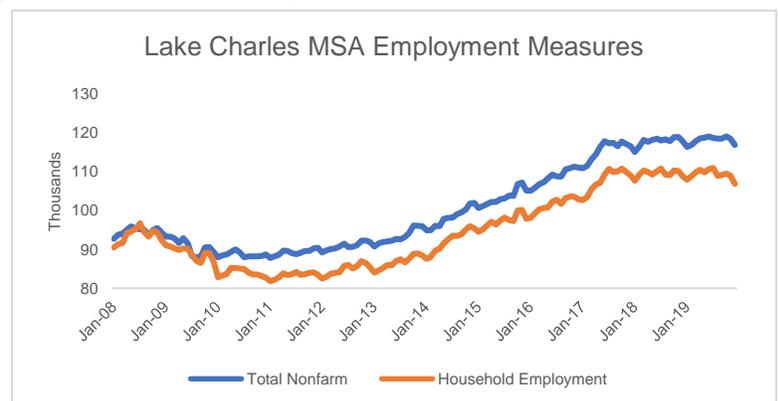
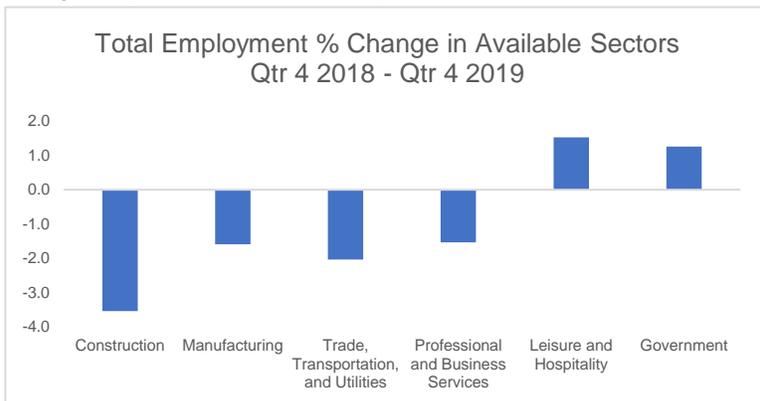
Selected Employment Indicators – Lake Charles MSA

(measures in thousands of workers)	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019
Total Nonfarm	118.6	117.1	118.8	118.6	118.2
Year-Over-Year Change	1.4	0.5	0.7	0.5	-0.4
Year-Over-Year % Change	1.2	0.4	0.6	0.4	-0.3
Mining and Logging	0.3	0.2	0.2	0.2	0.2
Year-Over-Year Change	-0.1	0.0	-0.1	-0.1	-0.1
Year-Over-Year % Change	-20.0	0.0	-33.3	-33.3	-25.0
Construction	26.4	25.5	26.2	26.4	25.4
Year-Over-Year Change	-0.4	-1.4	-0.5	-0.5	-0.9
Year-Over-Year % Change	-1.4	-5.1	-1.7	-2.0	-3.5
Manufacturing	10.5	10.5	10.5	10.5	10.3
Year-Over-Year Change	-0.1	0.0	0.0	-0.1	-0.2
Year-Over-Year % Change	-0.6	-0.3	0.0	-0.6	-1.6
Trade, Transportation, and Utilities	18.0	17.7	17.6	17.3	17.7
Year-Over-Year Change	0.2	0.0	-0.2	-0.6	-0.4
Year-Over-Year % Change	0.9	-0.2	-1.1	-3.2	-2.0
Professional and Business Services	10.9	10.7	10.8	10.7	10.7
Year-Over-Year Change	0.8	0.7	0.0	-0.1	-0.2
Year-Over-Year % Change	8.3	6.6	0.0	-0.9	-1.5
Leisure and Hospitality	15.3	15.2	15.6	15.5	15.5
Year-Over-Year Change	0.1	0.1	0.2	0.0	0.2
Year-Over-Year % Change	0.7	0.7	1.3	-0.2	1.5
Government	15.9	15.8	16.1	15.3	16.1
Year-Over-Year Change	0.2	0.3	0.3	0.3	0.2
Year-Over-Year % Change	1.3	1.9	1.7	1.8	1.3
Average Weekly Earnings (All Employees)	836.61	825.17	816.18	838.00	828.50
Year-Over-Year Change	61.8	52.5	20.8	8.1	-8.1
Year-Over-Year % Change	8.0	6.8	2.6	1.0	-1.0
Average Hourly Earnings (All Employees)	22.45	22.36	22.93	23.74	24.03
Year-Over-Year Change	0.5	0.4	0.8	1.0	1.6
Year-Over-Year % Change	2.1	1.7	3.4	4.6	7.1

In the 4th quarter of 2019, the Lake Charles MSA (consisting of Calcasieu and Cameron parishes) has seen a slight decrease in employment compared to the same quarter the previous year. While it was a slight dip, the overall magnitudes of the changes were relatively small.

Total nonfarm employment (presented in thousands of jobs in the table) fell by 400 jobs over the year for a 0.3% decrease. Looking at the industries shows Construction experienced a 3.5% drop losing 900 jobs. Manufacturing fell 200 jobs (-1.6%) while Trade, Transportation, and Utilities lost 400 jobs (-2.0%). Professional and Business services lost 200 jobs for a 1.5% drop. Industries that gained jobs were Leisure and Hospitality which gained 200 jobs (+1.5%) and Government which gained 200 (+1.3%). Not shown, but analyzed, were the total Goods Producing and total Service Producing

sectors which lost 1,200 jobs (-3.1%) and gained 800 jobs (+0.9%), respectively, over the year. This quarter represents a slight drop from the consecutive job increases the MSA has been experiencing. The longer-term monthly employment measures graph below shows a continual increase in jobs and employment over the years. Around the beginning of 2018, the area has seen slower growth as some larger area projects have completed construction and begun operations. However, Lake Charles does have a higher sustained level of jobs.

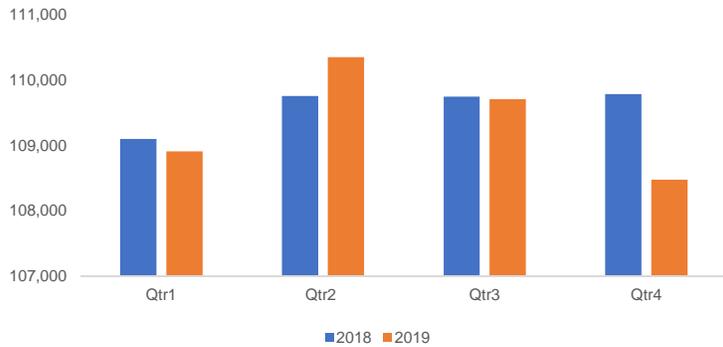


Selected Employment Indicators – Lake Charles MSA

	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019
Household Employment	109,787	108,907	110,349	109,707	108,478
Year-Over-Year Change	-125	-194	593	-37	-1,309
Year-Over-Year % Change	-0.1	-0.2	0.5	0.0	-1.2
Household Unemployment	3,902	4,013	3,988	4,549	4,569
Year-Over-Year Change	128	-86	-621	-189	667
Year-Over-Year % Change	3.4	-2.1	-13.5	-4.0	17.1
Labor Force	113,689	112,920	114,337	114,257	113,047
Year-Over-Year Change	3	-280	-28	-226	-642
Year-Over-Year % Change	0.0	-0.2	0.0	-0.2	-0.6
Unemployment Rate (%)	3.4	3.6	3.5	4.0	4.0
Year-Over-Year Change	0.1	-0.1	-0.6	-0.1	0.6

	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019
Total Job Openings	5,397	5,587	5,570	6,629	5,599
Year-Over-Year Change	370	242	-276	1,010	202
Year-Over-Year % Change	7.4	4.5	-4.7	18.0	3.7

Lake Charles MSA Employment



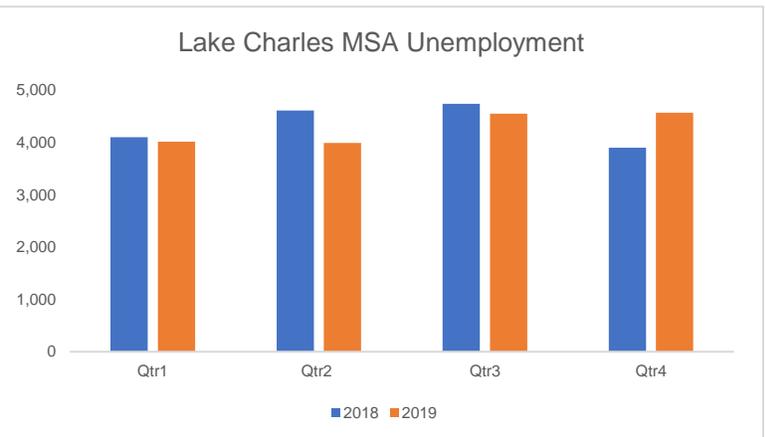
Lake Charles MSA Unemployment Rate



The quarterly average unemployment rate in the MSA currently sits at 4.0% which represents a 0.6 percentage point increase from a year ago. Lake Charles currently has the lowest unemployment rate of all MSA's in the state. The household employment measure fell by 1,309 over the year in the 4th quarter for a 1.2% decrease. The number of unemployed increased by 667. As the labor force is the total of unemployed and employed, the total change in the labor force was a drop of 642.

Job openings in the 4th quarter of 2019 averaged 5,599. Openings rose by 202 (+3.7%) over the year.

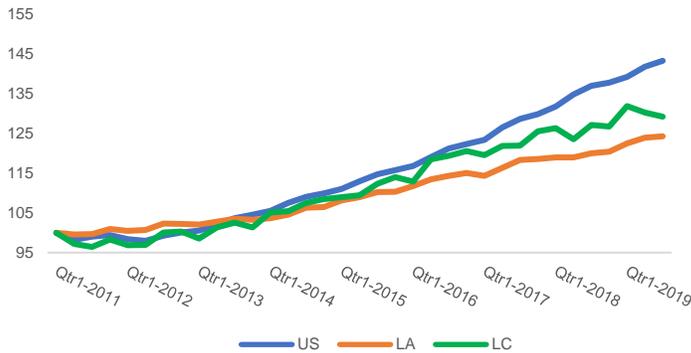
Overall, both the household and nonfarm employment measures show the MSA has been growing, but the upward trend has become flatter over the past two years



In the coming first quarter of 2020, all employment measures will undergo a benchmark revision. New measures will be available at the Drew CBEA website and incorporated into future quarterly reports.

Housing Statistics

FHFA Quarterly Housing Price Indexes
(Qtr1-2011 = 100)

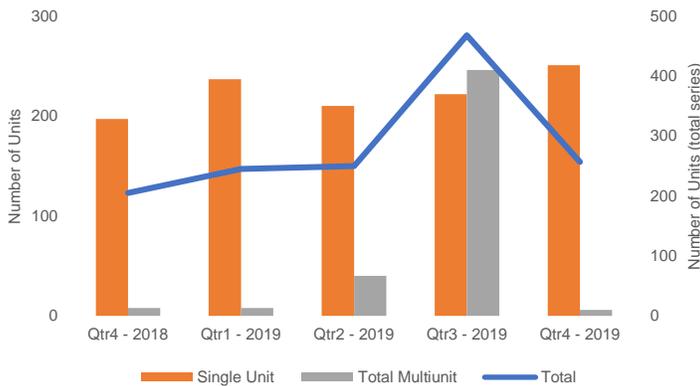


Home Price Index Comparisons	Qtr3 - 2018	Qtr3 - 2019	Year-over-Year % Change
Lake Charles HPI	127.1	129.2	1.7
Louisiana HPI	120.0	124.2	3.5
US HPI	136.9	143.2	4.6

The housing statistics show that prices in the area were rising faster than the state but slower than the nation from 2014 - 2018. Looking at price changes over-the-year, from the third quarter of 2018 to the third quarter of 2019, housing prices have risen 1.7% in the Lake Charles MSA compared to 3.5% in LA and 4.6% in the US.

Housing Permits – Lake Charles MSA

Lake Charles MSA Building Permits



In the fourth quarter of 2019, single unit permits increased by 54 over-the-year while multi-unit permits fell by 2 bringing the total increase to 52. This represented a 25.4% increase. The YTD figures show an increase of 24 in single unit and a drop of 10 for multi-unit bringing the total increase to 14. The percentage change for total permits YTD was 1.2%. In terms of valuation, single unit permits rose \$5.1 million while multi-unit permit valuations fell \$209 thousand for a total increase of \$4.8 million. This represented a 12.7% increase year-over-year in the 4th quarter of 2019 for valuation of all permits. In terms of YTD numbers, the total year-over-year change in valuation for single unit permits was a drop of \$535 thousand while the drop in multi-unit permits was \$163 thousand leading to a

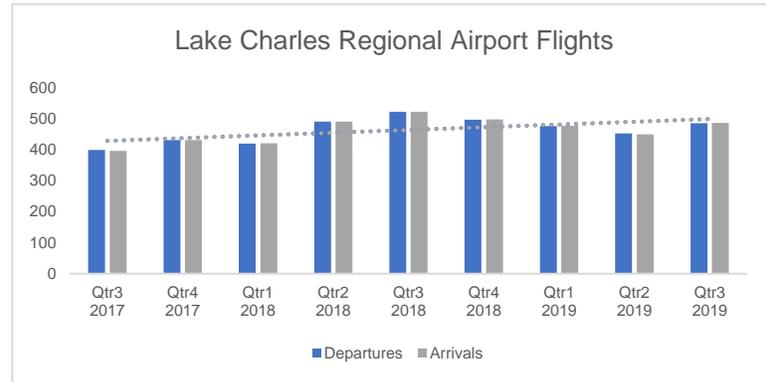
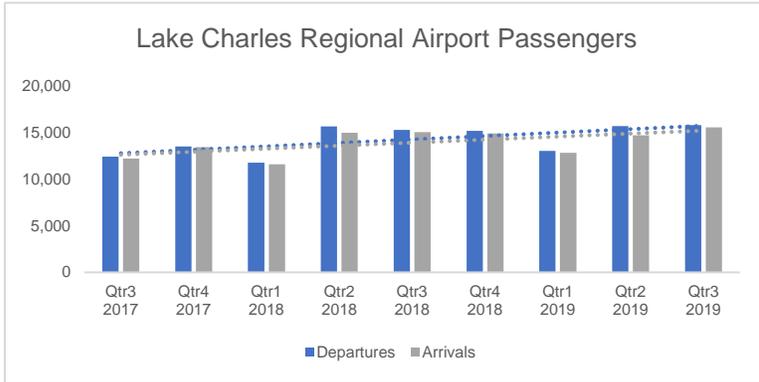
total drop in valuation of \$698 thousand. The percentage change in valuation for all permits YTD was a decrease of 0.4%.

	Qtr-4 2018	Qtr-4 2019	YoY Change	YoY % Change	Qtr-4 2018 YTD	Qtr-4 2019 YTD	YoY Change	YoY % Change
Number								
Total	205	257	52	25.4	1,206	1,220	14	1.2
Single	197	251	54	27.4	896	920	24	2.7
Multi-unit	8	6	-2	-25.0	310	300	-10	-3.2
Valuation (thousands \$)								
Total	38,234	43,083	4,849	12.7	197,908	197,210	-698	-0.4
Single	37,639	42,697	5,058	13.4	169,013	168,478	-535	-0.3
Multi-unit	595	386	-209	-35.1	28,895	28,732	-163	-0.6

The graph of building permits shows that there was a spike in multiunit permits in the third quarter of 2019 pointing to more apartments and other multi-family units being built in the near future. Looking at the single-unit permits shows an increase over the year. Though the number of permitted units to construct has increased over the year, the valuation of the properties associated with the permits has fallen.

Transportation Statistics

Lake Charles Regional Airport

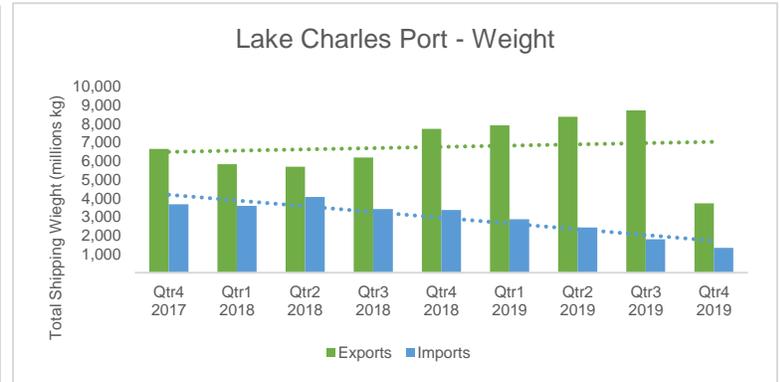
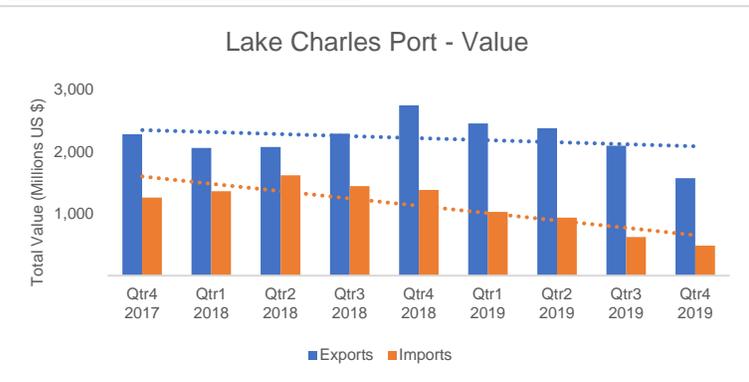


	Qtr-3 2018	Qtr-3 2019	YoY Change	YoY % Change
Passengers				
Departures	15,322	15,836	514	3.4
Arrivals	15,087	15,587	500	3.3
Flights				
Departures	522	485	-37	-7.1
Arrivals	522	486	-36	-6.9

The Lake Charles regional airport has seen an increase in passengers according to the latest available data. Passengers departing in the 3rd quarter of 2019 have increased 514 (+3.4%) since the 3rd quarter of 2018 and those arriving have increased 500 (+3.3%). In terms of flights,

there has been a decrease of 37 flights (-7.1%) departing Lake Charles over that same period while the number of flights arriving has fallen by 36 (-6.9%). The graphs showing these measures point to a slight upward trend over the past two years as illustrated by the trendlines.

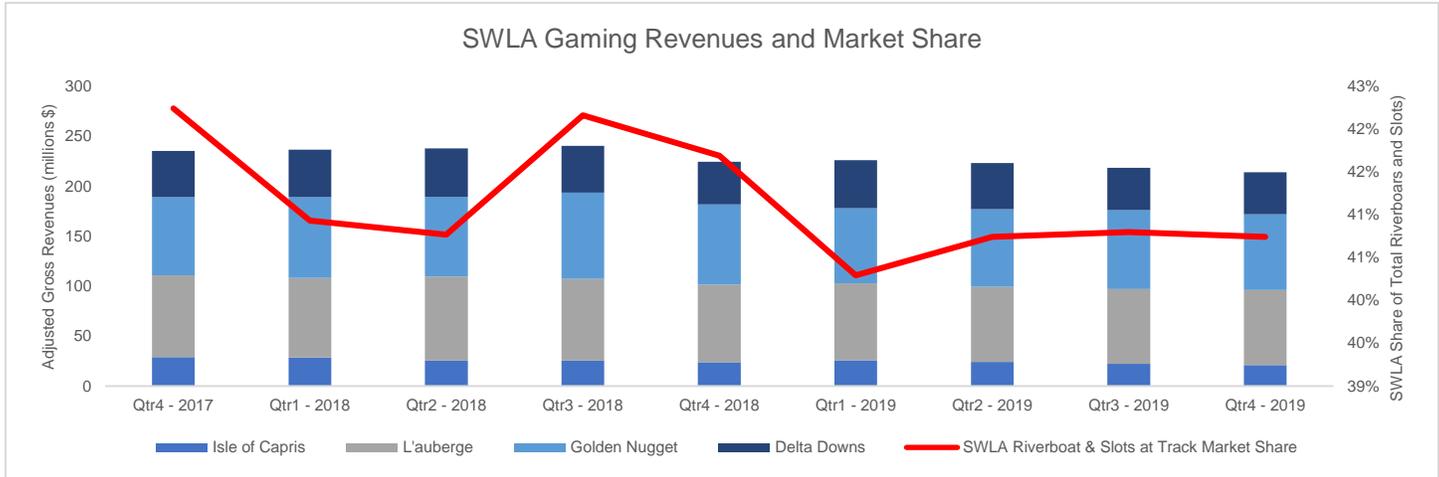
Lake Charles Port Statistics



The Lake Charles port has seen slightly falling export values and falling import values over the past two years as shown in the graph above. The total shipping weight of exports has had a slight upward trend while import weights have been falling. The figures in the table below show the value of exports fell \$1.2 billion (-42.9%) over the year while the total value of imports fell \$896 million (-64.8%). Closer inspection of the data reveals this drop in export values was due mainly to a 2019 4th quarter drop in LNG exports to Asia (specifically South Korea), Europe, and Mexico. The total weight of all exports fell 4 billion kg (-51.8%) while the total weight of all imports fell 2 billion kg (-60.4%).

	Qtr-4 2018	Qtr-4 2019	YoY Change	YoY % Change
Value (millions \$)				
Exports	2,749	1,570	-1,179	-42.9
Imports	1,382	486	-896	-64.8
Shipping Weight (millions kg)				
Exports	7,734	3,727	-4,007	-51.8
Imports	3,370	1,335	-2,035	-60.4

Gaming Statistics



Gaming Statistics – SWLA

	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019
Total State AGR (millions)	538.4	561.5	548.2	535.6	524.9
Year-Over-Year Change (millions)	-18.5	-16.9	-35.4	-34.9	-13.5
Year-Over-Year % Change	-3.3	-2.9	-6.1	-6.1	-2.5
Total SWLA AGR (millions)	224.5	226.2	223.4	218.5	213.9
Year-Over-Year Change (millions)	-10.8	-10.5	-14.6	-22.0	-10.6
Year-Over-Year % Change	-4.6	-4.4	-6.1	-9.2	-4.7
Total AGR (millions)					
Isle of Capri	23.9	25.8	24.3	22.3	20.9
Year-Over-Year Change (millions)	-5.0	-2.8	-1.1	-3.2	-3.1
Year-Over-Year % Change	-17.2	-9.9	-4.2	-12.6	-12.9
L'Auberge	77.5	76.9	75.0	74.8	75.4
Year-Over-Year Change (millions)	-4.4	-2.8	-9.1	-6.9	-2.2
Year-Over-Year % Change	-5.4	-3.5	-10.9	-8.5	-2.8
Golden Nugget	80.3	75.2	77.8	78.8	75.7
Year-Over-Year Change (millions)	1.9	-5.5	-2.1	-7.5	-4.6
Year-Over-Year % Change	2.4	-6.8	-2.7	-8.7	-5.7
Delta Downs	42.7	48.3	46.2	42.5	41.9
Year-Over-Year Change (millions)	1.9	-5.5	-2.1	-7.5	-4.6
Year-Over-Year % Change	-7.1	1.2	-4.6	-9.4	-1.9
Share of Total SWLA AGR					
Isle of Capri	10.7%	11.4%	10.9%	10.2%	9.8%
L'Auberge	34.5%	34.0%	33.6%	34.2%	35.2%
Golden Nugget	35.8%	33.2%	34.8%	36.1%	35.4%
Delta Downs	19.0%	21.4%	20.7%	19.5%	19.6%
Share of Total State AGR					
Isle of Capri	4.4%	4.6%	4.4%	4.2%	4.0%
L'Auberge	14.4%	13.7%	13.7%	14.0%	14.4%
Golden Nugget	14.9%	13.4%	14.2%	14.7%	14.4%
Delta Downs	7.9%	8.6%	8.4%	7.9%	8.0%
SWLA Total AGR	41.7%	40.3%	40.7%	40.8%	40.7%

SWLA saw drops in gaming adjusted gross revenues (AGR) in the 4th quarter of 2019 compared to the same quarter in the previous year. Total revenues in SWLA fell \$10.6 million for a 4.7% decrease. The state as a whole also saw a drop in revenues. This fall amounted to \$13.5 million for a 2.5% decrease.

The Golden Nugget had an annual percentage drop in AGR of 5.7% with absolute decreases of \$4.6 million. L'Auberge had an absolute drop of \$2.2 million for a 2.8% decrease. Isle of Capri experienced an absolute drop of \$3.1 million for a 12.9% decrease over-the-year. Delta Downs experienced a \$4.6 million drop in AGR over the year for a 1.9% decrease.

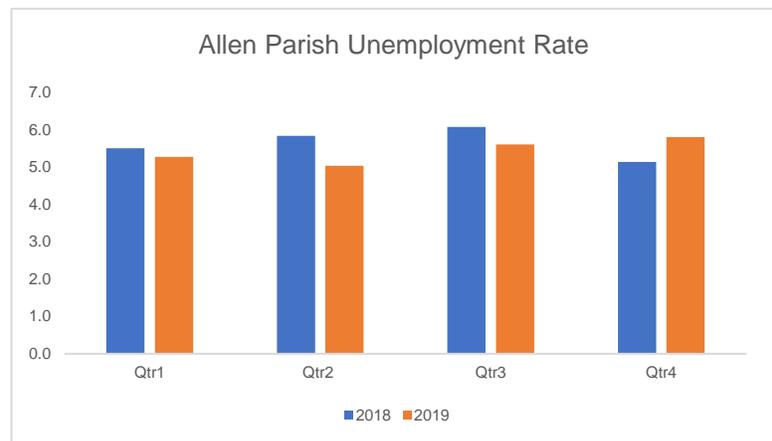
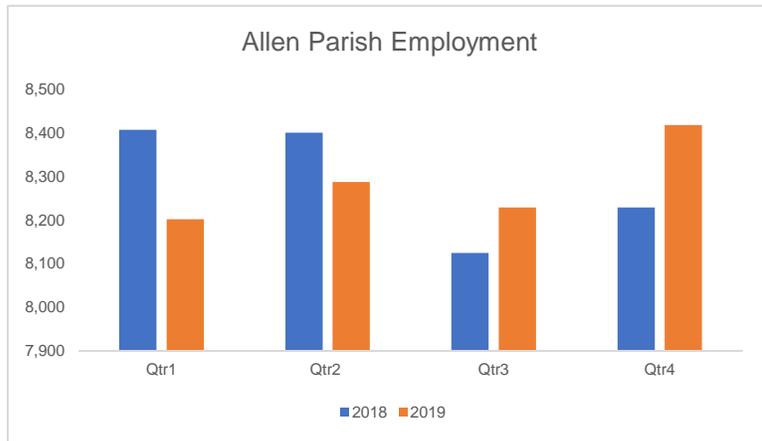
The four casinos in the region made up 40.7% of the total AGR from riverboats and slots and tracks in the state. The largest share of SWLA AGR in the 4th quarter of 2019 came from

Golden Nugget which equaled 35.4%, followed closely by L'Auberge at 35.2%.

Selected Employment Indicators – Allen Parish

	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019
Household Employment	8,229	8,202	8,287	8,229	8,418
Year-Over-Year Change	-265	-205	-113	104	189
Year-Over-Year % Change	-3.1	-2.4	-1.3	1.3	2.3
Household Unemployment	442	455	441	485	517
Year-Over-Year Change	19	-32	-81	-39	75
Year-Over-Year % Change	4.5	-6.6	-15.5	-7.4	16.9
Labor Force	8,672	8,657	8,728	8,715	8,935
Year-Over-Year Change	-246	-237	-194	65	264
Year-Over-Year % Change	-2.8	-2.7	-2.2	0.8	3.0
Unemployment Rate (%)	5.1	5.3	5.0	5.6	5.8
Year-Over-Year Change	0.4	-0.2	-0.8	-0.5	0.7

	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019
Total Job Openings	144	151	157	167	151
Year-Over-Year Change	-4	35	46	20	7
Year-Over-Year % Change	-2.5	30.2	41.6	13.9	4.6

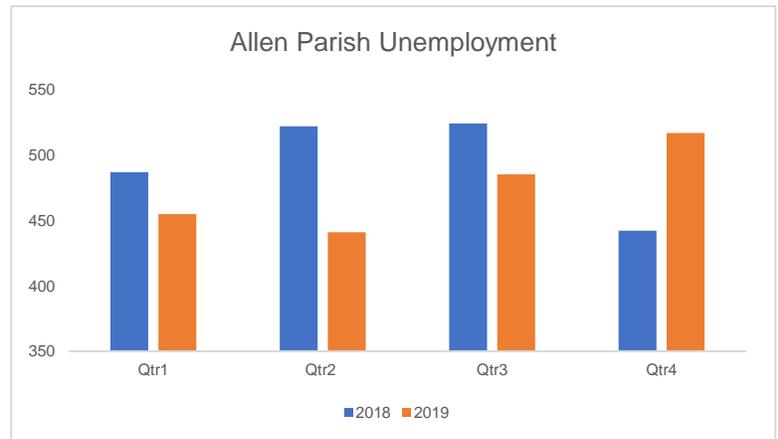


In the 4th quarter of 2019, Allen parish saw an increase in the labor force of 264 (+3.0%). This was broken down by an increase in household employment of 189 over the year (+2.3%) while the number of unemployed persons also rose 75 (+16.9%) over the year. The unemployment rate rose 0.7 percentage points over the year to 5.8%.

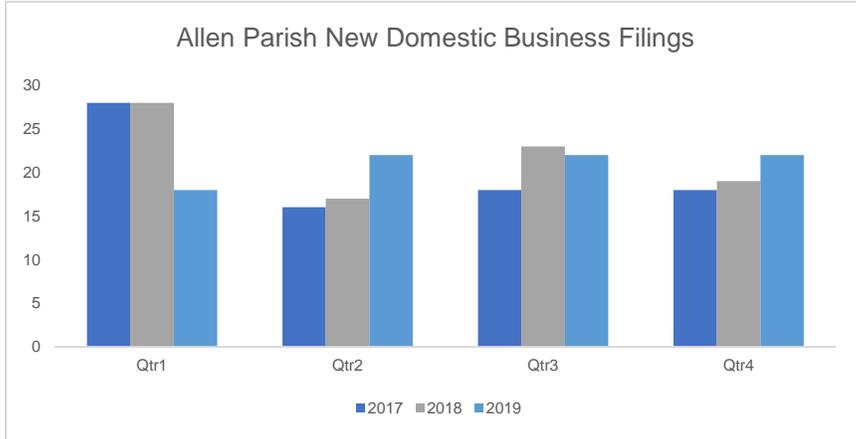
Job openings in the 4th quarter of 2019 averaged 151. Openings rose by 7 (+4.6%) over the year.

The graphs show the levels of household employment, unemployment, and the unemployment rate for each quarter compared to the same quarter the previous year.

In the 4th quarter of 2019, Allen has had higher employment and unemployment figures, representing a growing labor force.



New Business Filings



The graph to the left shows the amount of new business filings each quarter compared to the same quarter in the previous two years.

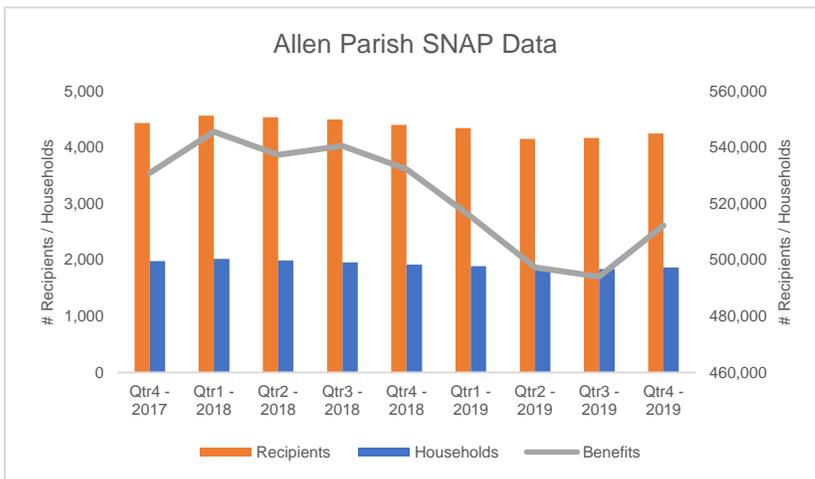
The number of new business filings in Allen parish was 22 in the 4th quarter of 2019 which was 3 higher than the same quarter the previous year and 4 more compared to the same quarter 2 years ago. The YTD total for the 4th quarter of 2019 was 84. This was 3 businesses lower than the 4th quarter of 2018 YTD and 4 businesses higher than the 4th quarter of 2017 YTD.

Qtrly New Business Filings	Qtr1	Qtr2	Qtr3	Qtr4
2017	28	16	18	18
2018	28	17	23	19
2019	18	22	22	22

Qtrly New Business Filings YTD	Qtr1	Qtr2	Qtr3	Qtr4
2017	28	44	62	80
2018	28	45	68	87
2019	18	40	62	84

SNAP Benefits

	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019	YoY Change	YoY % Change
Recipients	4,398	4,341	4,150	4,165	4,245	-153	-3.5
Households	1,918	1,889	1,830	1,835	1,867	-52	-2.7
Benefits	532,255	515,438	497,347	494,041	512,278	-19,977	-3.8



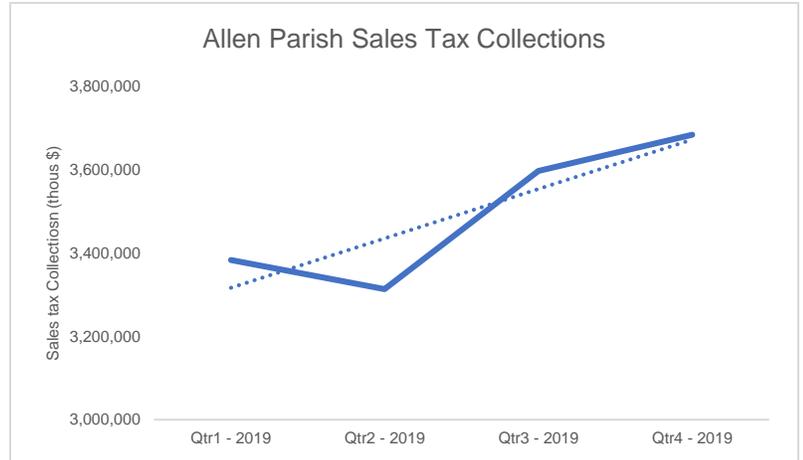
Allen parish has had a decrease in SNAP recipients, households and benefits over the year. The parish had an average of 4,245 recipients of SNAP benefits in the 4th quarter of 2019. 153 fewer people received benefits compared to the 4th quarter of 2018 for a 3.5% decrease over this time. The total number of households receiving SNAP was 1,867 which was 52 less than the same quarter in the previous year¹. This represented a 2.7% drop. In terms of benefits, the parish received \$512 thousand in total during the 4th quarter of 2019, which was a \$20 thousand drop over-the-year. This was a 3.8% drop in benefits in the parish. Looking

at the graph illustrates over the past two years an overall decreasing trend in benefits. This trend is also shown in the number of households and recipients receiving benefits.

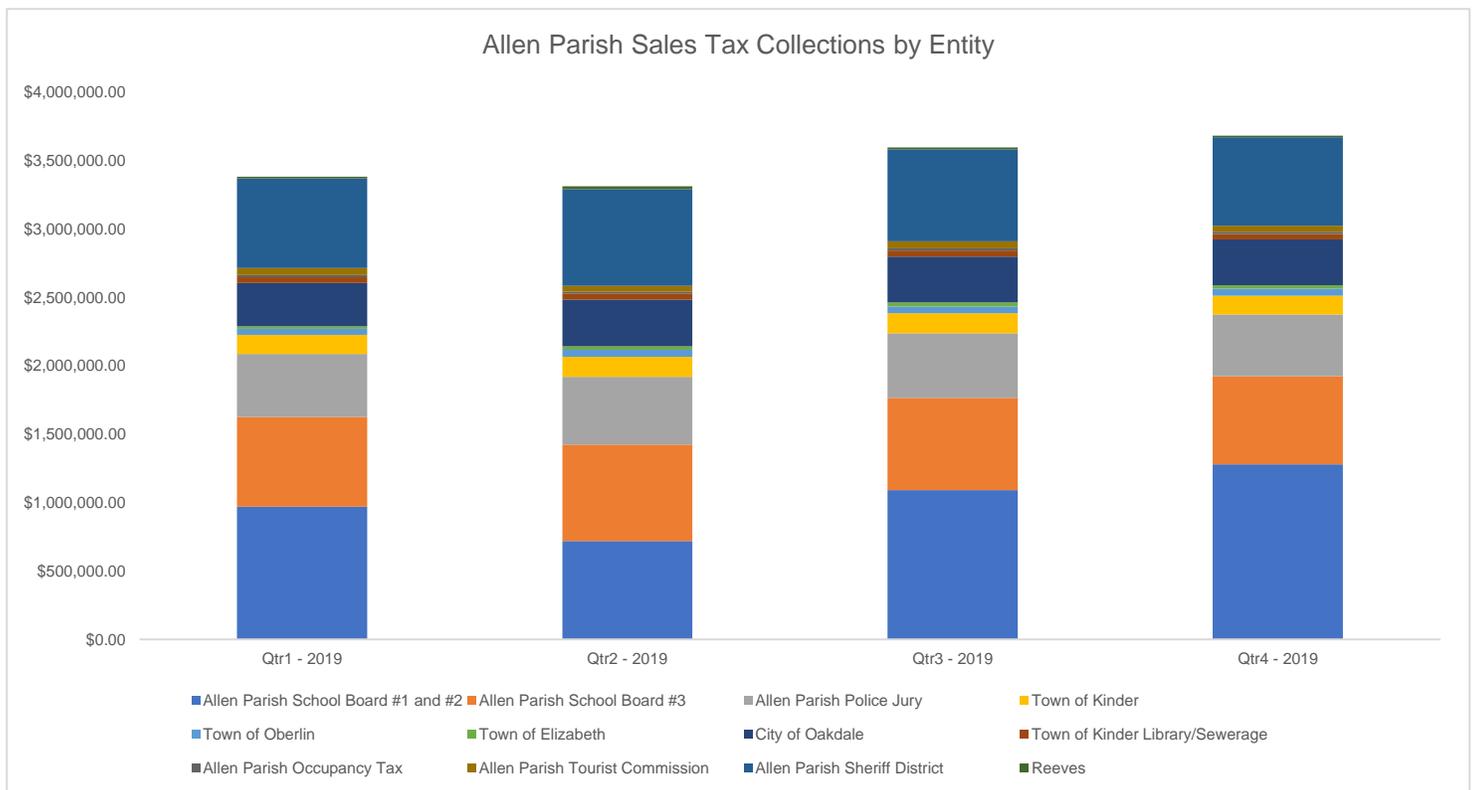
¹ As these are quarterly averages, some totals may be off due to rounding.

Tax Collections

The Drew CBEA has begun building a history of Allen Parish sales tax collections with the help of the Allen Parish School Board. While we do not have all of the information dating before 2019, the numbers show clear upward movement throughout most of the year. Over time, the center will be able to more effectively decipher the seasonal elements and overall trend of sales taxes in Allen Parish as more data becomes available.



Allen Parish Sales Tax Collections by Entity	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019
Allen Parish School Board #1 and #2	\$970,373.69	\$718,434	\$1,092,684	\$1,280,303
Allen Parish School Board #3	\$656,680.99	\$707,005	\$674,263	\$645,265
Allen Parish Police Jury	\$459,676.08	\$494,904	\$471,985	\$451,688
Town of Kinder	\$139,938.82	\$146,324	\$147,544	\$137,175
Town of Oberlin	\$44,627.35	\$50,912	\$48,330	\$50,163
Town of Elizabeth	\$19,203.91	\$25,764	\$28,849	\$24,619
City of Oakdale	\$315,547.84	\$342,787	\$335,473	\$335,061
Town of Kinder Library/Sewerage	\$41,981.57	\$43,897	\$44,263	\$41,153
Allen Parish Occupancy Tax	\$16,751.36	\$13,848	\$16,716	\$15,261
Allen Parish Tourist Commission	\$50,253.96	\$41,544	\$50,147	\$45,784
Allen Parish Sheriff District	\$656,678.86	\$707,006	\$672,771	\$645,266
Reeves	\$11,758.94	\$21,004	\$14,391	\$12,330
Total	\$3,383,473.36	\$3,313,428	\$3,597,416	\$3,684,067



Selected Employment Indicators – Beauregard Parish

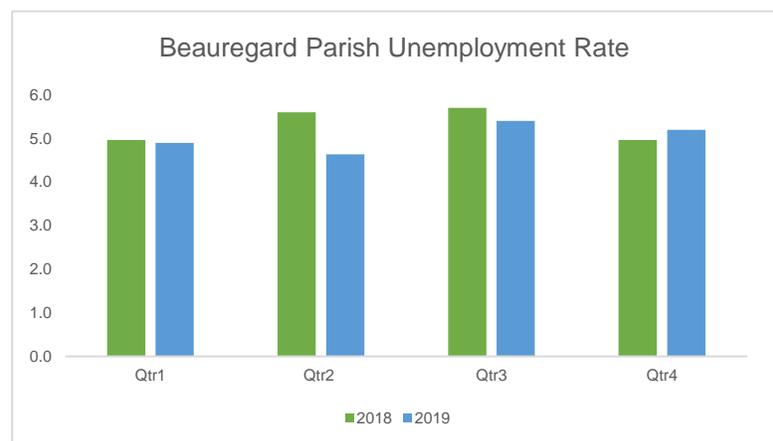
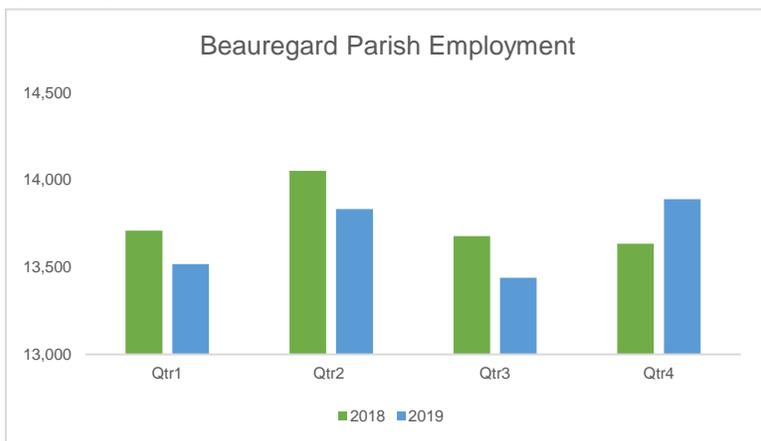
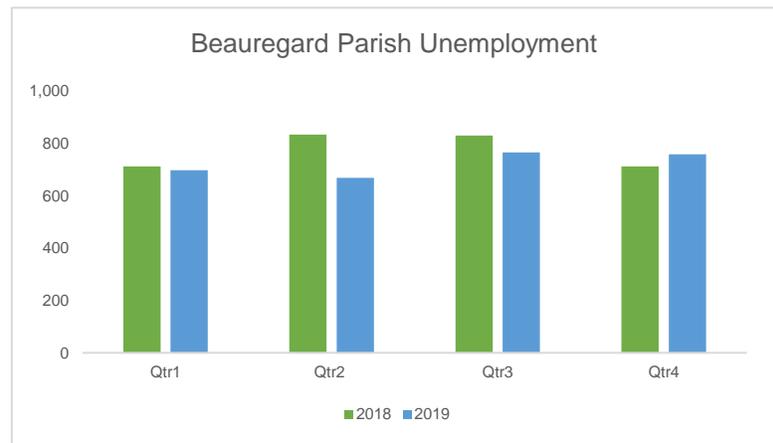
	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019
Household Employment	13,634	13,519	13,834	13,440	13,890
Year-Over-Year Change	-220	-190	-218	-239	256
Year-Over-Year % Change	-1.6	-1.4	-1.6	-1.7	1.9
Household Unemployment	713	698	669	766	759
Year-Over-Year Change	76	-15	-166	-64	46
Year-Over-Year % Change	12.0	-2.1	-19.9	-7.7	6.4
Labor Force	14,348	14,217	14,502	14,206	14,649
Year-Over-Year Change	-144	-206	-384	-303	302
Year-Over-Year % Change	-1.0	-1.4	-2.6	-2.1	2.1
Unemployment Rate (%)	5.0	4.9	4.6	5.4	5.2
Year-Over-Year Change	0.5	-0.1	-1.0	-0.3	0.2

	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019
Total Job Openings	161	193	219	258	270
Year-Over-Year Change	-45	27	51	17	108
Year-Over-Year % Change	-21.7	16.0	30.2	7.2	67.1

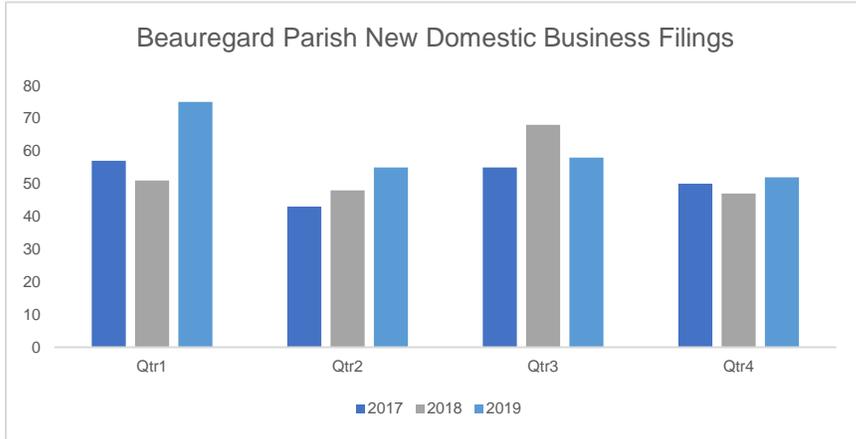
In the 4th quarter of 2019, Beauregard parish saw an increase in household employment of 256 over the year (+1.9%) while the number of unemployed persons rose 46 (+6.4%) over the year. This led to an increase of 302 (+2.1%) in the total labor force. The unemployment rate rose 0.2 percentage points over the year to 5.2%.

Job openings in the 4th quarter of 2019 averaged 270. Openings rose by 108 (+67.1%) over the year.

The graphs show the levels of household employment, unemployment, and the unemployment rate for each quarter compared to the same quarter the previous year. In the 4th quarter of 2019, Beauregard has had higher employment and unemployment figures, representing a growing labor force.



New Business Filings



The graph shows the amount of new business filings each quarter compared to the same quarter in the previous two years.

The number of new business filings in Beauregard parish was 52 in the 4th quarter of 2019 which was 5 higher than the same quarter the previous year and 2 more compared to the same quarter 2 years ago. The YTD total for the 4th quarter of 2019 was 240. This was 26 more businesses than the 4th quarter of 2018 YTD and 35 businesses higher than the 4th quarter of 2017 YTD.

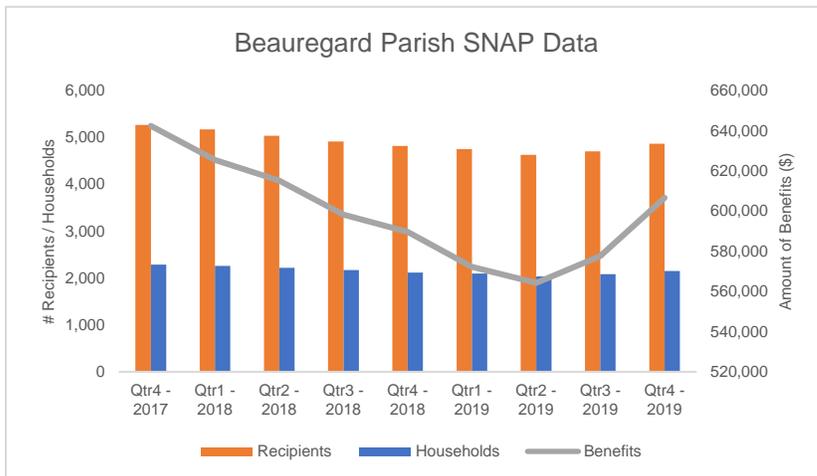
Qtrly New Business Filings	Qtr1	Qtr2	Qtr3	Qtr4
2017	57	43	55	50
2018	51	48	68	47
2019	75	55	58	52

Qtrly New Business Filings YTD	Qtr1	Qtr2	Qtr3	Qtr4
2017	57	100	155	205
2018	51	99	167	214
2019	75	130	188	240

SNAP Benefits

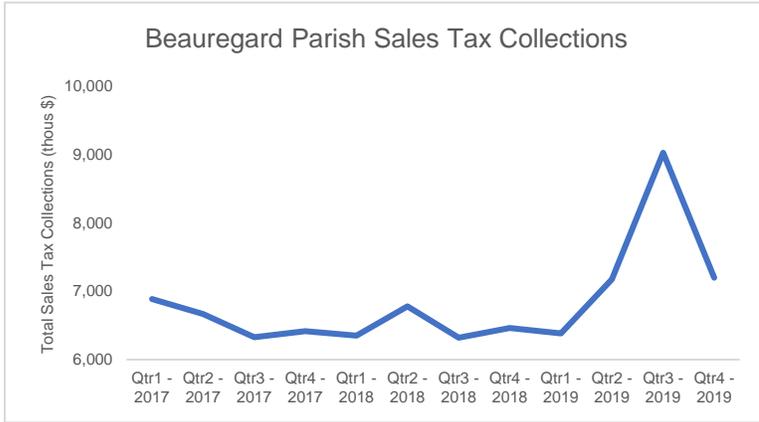
	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019	YoY Change	YoY % Change
Recipients	4,812	4,745	4,624	4,702	4,859	47	1.0
Households	2,115	2,096	2,031	2,079	2,151	36	1.7
Benefits	589,669	572,237	564,214	577,607	606,476	16,807	2.9

Beauregard parish has had a slight increase in SNAP recipients, households and benefits over the year. The parish had an average of 4,859 recipients of SNAP benefits in the 4th quarter of 2019. 47 more people received benefits compared to the 4th quarter of 2018 for a 1% increase over this time. The total number of households receiving SNAP averaged 2,151 which was 36 more than the same quarter in the previous year. This represented a 1.7% increase. In terms of benefits, the parish received an average of \$606.5 thousand in total during the 4th quarter of 2019, which was



a \$16.8 thousand increase over-the-year. This was a 2.9% rise in benefits in the parish. Looking at the graph illustrates over the past two years an overall decreasing trend in benefits. This trend is also shown in the number of households and recipients receiving benefits. However, all three of the variables have shown steady increases since the 2nd quarter of 2019.

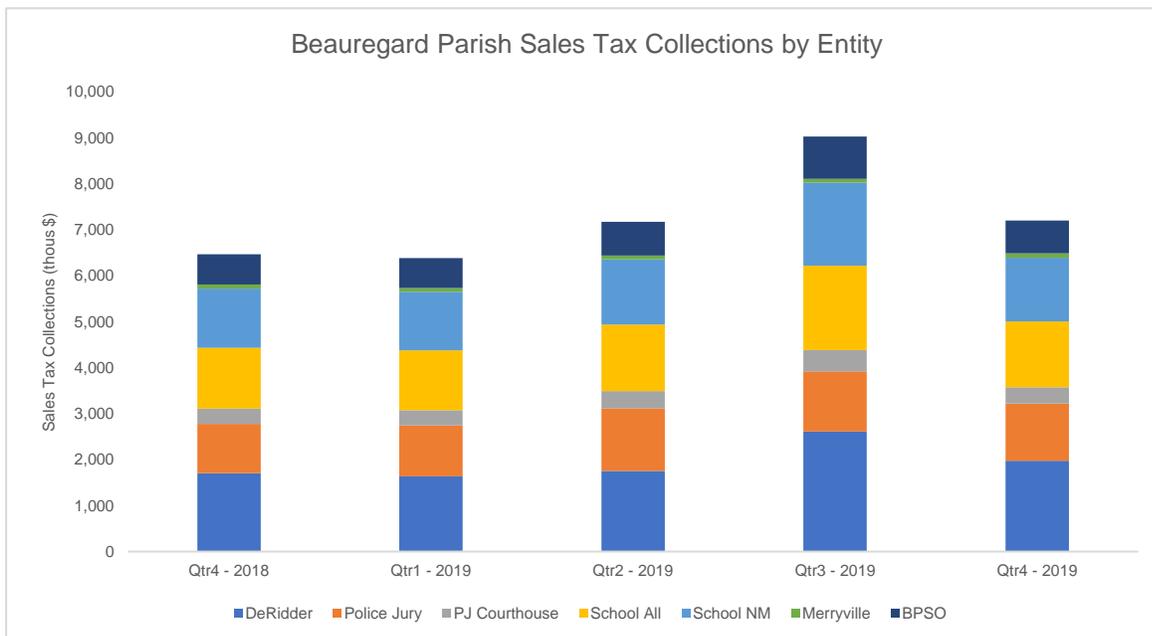
Tax Collections



Beauregard parish has seen an increase in its sales tax collections in the 4th quarter of 2019, compared to the same quarter the previous year. Sales tax collections have grown by \$733.8 thousand over the year for 11.4% increase. Looking at the entities that receive sales tax distributions shows that DeRidder collects the most revenue. These are sales conducted within the city limits. This category saw a year-over-year increase of \$267.5 thousand (+15.7%) over the year. The other entities all experienced increases in sales taxes. Other categories show the Police Jury collections grew \$173.5 thousand (+16.2%) and PJ Courthouse revenues grew \$23.3 thousand (+7.0%).

School board revenues, All and NM, grew by \$115 thousand (+8.7%) and \$97.7 thousand (+7.6%), respectively. Merryville collections grew \$3.6 thousand (+4.1%) and BPSO grew \$53.1 thousand (+8.1%) over the year.

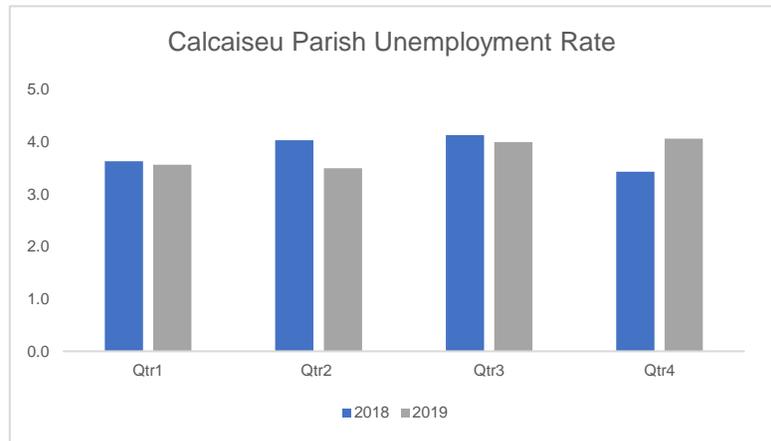
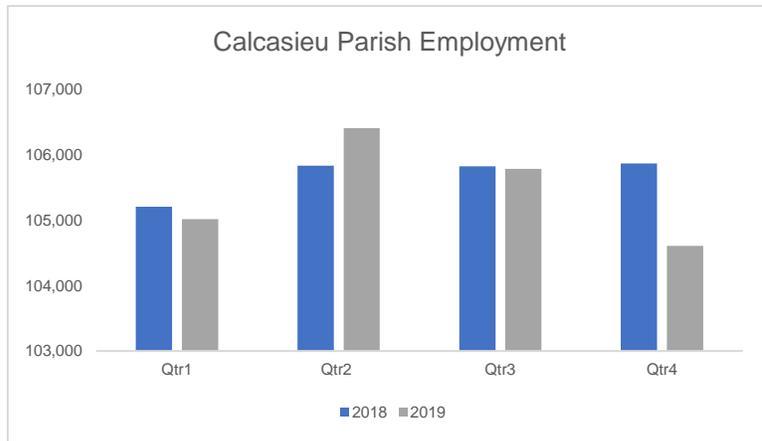
Sales Tax Collections (thous \$)	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019	YoY Change	YoY % Change
DeRidder	1,708.5	1,634.7	1,750.5	2,612.9	1,976.0	267.5	15.7
Police Jury	1,071.8	1,112.1	1,366.9	1,307.9	1,245.3	173.5	16.2
PJ Courthouse	332.2	329.4	370.4	460.7	355.5	23.3	7.0
School All	1,317.8	1,303.4	1,448.9	1,835.9	1,432.8	115.0	8.7
School NM	1,286.7	1,272.9	1,416.9	1,806.6	1,384.4	97.7	7.6
Merryville	88.9	79.5	83.3	82.7	92.5	3.6	4.1
BPSO	658.1	650.6	738.4	917.8	711.2	53.1	8.1
Total	6,463.8	6,382.6	7,175.3	9,024.6	7,197.6	733.8	11.4



Selected Employment Indicators – Calcasieu Parish

	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019
Household Employment	105,869	105,017	106,409	105,787	104,606
Year-Over-Year Change	-123	-188	576	-39	-1,263
Year-Over-Year % Change	-0.1	-0.2	0.5	0.0	-1.2
Household Unemployment	3,774	3,881	3,855	4,404	4,419
Year-Over-Year Change	122	-86	-600	-177	645
Year-Over-Year % Change	3.4	-2.2	-13.5	-3.9	17.1
Labor Force	109,643	108,898	110,265	110,191	109,025
Year-Over-Year Change	-1	-274	-24	-216	-618
Year-Over-Year % Change	0.0	-0.3	0.0	-0.2	-0.6
Unemployment Rate (%)	3.4	3.6	3.5	4.0	4.1
Year-Over-Year Change	0.1	-0.1	-0.5	-0.1	0.6

	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019
Total Job Openings	5,290	5,444	5,426	6,372	5,378
Year-Over-Year Change	417	301	-195	881	88
Year-Over-Year % Change	8.5	5.8	-3.5	16.0	1.7

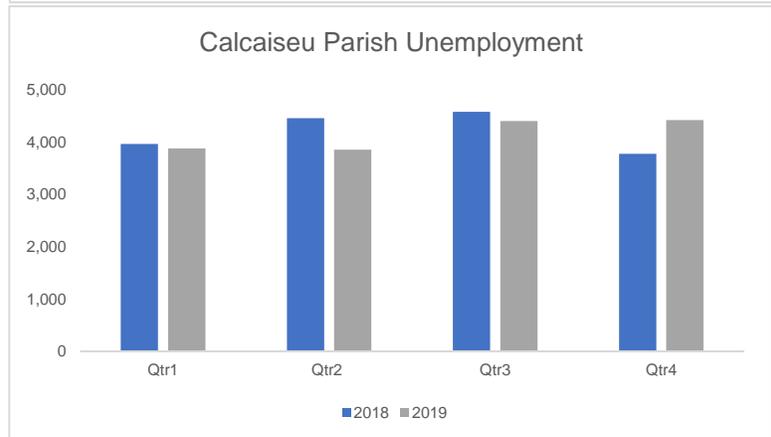


In the 4th quarter of 2019, Calcasieu parish saw a drop in the labor force of 618 (-0.6%). This was due to a drop in household employment of 1,263 over the year (-1.2%) while the number of unemployed persons rose 645 (+17.1%). The unemployment rate rose 0.6 percentage points over the year to 4.1%.

Job openings in the 4th quarter of 2019 averaged 5,378. Openings rose by 88 (+1.7%) over the year.

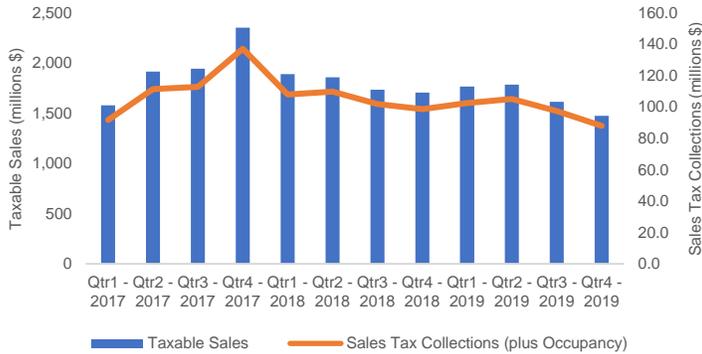
The graphs show the levels of household employment, unemployment, and the unemployment rate for each quarter compared to the same quarter the previous year.

Calcasieu has had higher employment levels in general through 2019 compared to the previous year. The unemployment measures have generally been lower than in 2019. The 4th quarter seems to be an exception to this trend.

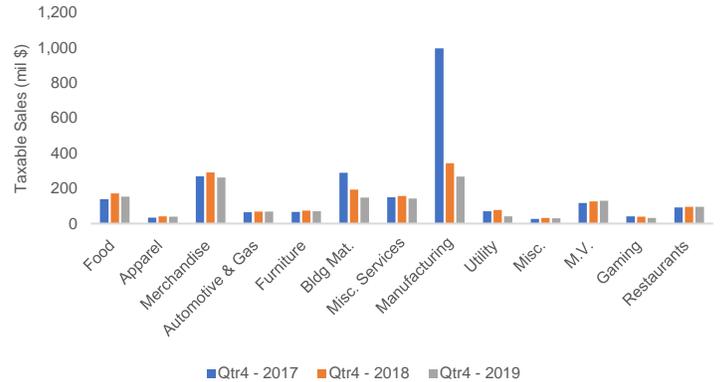


Tax Collections

Calcasieu Parish Taxable Sales and Sales Tax Collections



Calcasieu Parish Taxable Sales - Qtr 4 YTD



Collections (mil \$)	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019	YoY Change	YoY % Change
Food	170.9	168.9	156.6	165.4	153.3	-17.6	-10.3
Apparel	40.9	42.7	38.7	35.5	38.3	-2.6	-6.3
Merchandise	291.3	284.7	281.7	263.2	261.3	-30.0	-10.3
Automotive & Gas	68.3	64.0	75.3	74.5	67.7	-0.6	-0.8
Furniture	73.9	88.8	77.6	67.5	69.6	-4.3	-5.8
Bldg Mat.	192.7	194.2	187.5	167.3	148.2	-44.5	-23.1
Misc. Services	156.4	135.7	153.0	143.0	141.4	-15.0	-9.6
Manufacturing	342.2	395.9	406.1	320.4	266.5	-75.7	-22.1
Utility	77.6	85.7	83.0	45.8	41.0	-36.6	-47.1
Misc.	31.7	39.4	32.6	34.6	30.6	-1.2	-3.7
M.V.	126.8	123.5	139.8	145.5	129.1	2.3	1.8
Gaming	38.9	40.8	48.0	52.3	31.8	-7.1	-18.3
Restaurants	95.3	100.3	105.9	98.9	96.0	0.7	0.8
Total	1,706.8	1,764.7	1,785.7	1,614.0	1,474.9	-232.0	-13.6

Calcasieu parish saw a decrease in its sales tax collections in the 4th quarter of 2019, compared to the same period in 2018. Sales tax collections, plus occupancy, have fallen by \$10.8 million over the year for a 10.9%

decrease. General sales taxes fell by \$10.8 million (-11.1%) over the year while occupancy taxes were essentially unchanged. This occurred as taxable sales in the parish fell \$232.0 million (-13.6%) over the year. Motor vehicles and restaurants were the only categories to see an increase in sales. All other categories of sales fell. The largest absolute decrease occurred in manufacturing (-\$75.7 million, -22.1%) while the largest percentage decrease was in utilities (-\$36.6 million, -47.1%). Overall, both taxable sales and sales taxes have seen a slight downward trend over the past two years.

Collections (mil \$)	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019	YoY Change	YoY % Change
General Sales Tax Collections	96.8	100.6	102.9	95.2	86.1	-10.8	-11.1
Occupancy Taxes	1.9	1.8	2.2	2.2	1.9	0.0	0.1
Sales Tax Collections	98.7	102.4	105.1	97.4	88.0	-10.8	-10.9

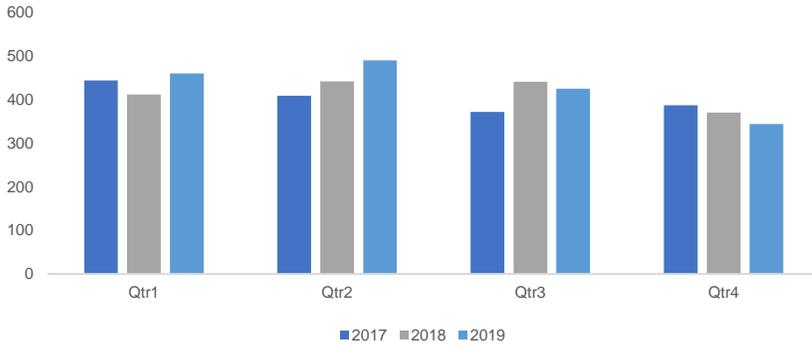
YTD figures show that total taxable sales have fallen in the parish by \$552.3 million compared to the 4th quarter of 2018 YTD figure for a 7.7% decrease. This led to a \$25.5 million decrease in sales tax collections (-6.1%). While some categories have shown increases in YTD sales, the magnitudes of the drops in building materials (-\$310.7 million, -30.8%) and Miscellaneous Services (-\$121.1 million, -17.4%) were much larger than any increases in other categories.

Taxable Sales YTD (mil \$)	Qtr 1	Qtr 2	Qtr 3	Qtr 4
2018	1,890.8	3,749.8	5,484.7	7,191.6
2019	1,764.7	3,596.1	5,210.1	6,639.3

Sales Tax YTD (mil \$)	Qtr 1	Qtr 2	Qtr 3	Qtr 4
2018	108.0	217.8	319.6	418.3
2019	102.4	207.5	304.9	392.8

New Business Filings

Calcasieu Parish New Domestic Business Filings



The graph shows the amount of new business filings each quarter compared to the same quarter in the previous two years.

The number of new business filings in Calcasieu parish was 344 in the 4th quarter of 2019 which was 26 less than the same quarter the previous year and 43 less compared to the same quarter 2 years ago. The YTD total for the 4th quarter of 2019 was 1,719. This was 54 more businesses than the 4th quarter of 2018 YTD and 107 businesses higher than the 4th quarter of 2017 YTD.

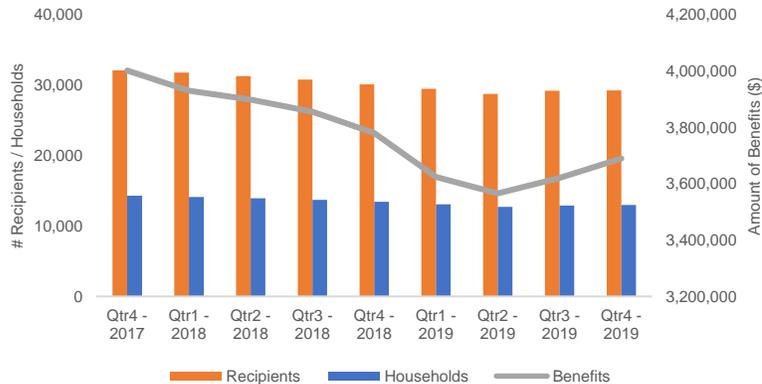
Qtrly New Business Filings	Qtr1	Qtr2	Qtr3	Qtr4
2017	444	409	372	387
2018	412	442	441	370
2019	460	490	425	344

Qtrly New Business Filings YTD	Qtr1	Qtr2	Qtr3	Qtr4
2017	444	853	1,225	1,612
2018	412	854	1,295	1,665
2019	460	950	1,375	1,719

SNAP Benefits

	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019	YoY Change	YoY % Change
Recipients	30,137	29,490	28,772	29,234	29,303	-834	-2.8
Households	13,448	13,087	12,711	12,906	13,023	-425	-3.2
Benefits	3,780,495	3,624,812	3,566,147	3,621,400	3,690,243	-90,252	-2.4

Calcasieu Parish SNAP Data



Calcasieu parish has had a decrease in SNAP recipients, households and benefits over the year. The parish had an average of 29,303 recipients of SNAP benefits in the 4th quarter of 2019. This was 834 less people receiving benefits compared to the 4th quarter of 2018 for a 2.8% decrease over this time. The total number of households receiving SNAP averaged 13,023 which was 425 less than the same quarter in the previous year. This represented a 3.2% decrease. In terms of benefits, the parish received an average of \$3.7 million in total during the 4th quarter of 2019, which was a \$90 thousand drop over-the-year. This was a 2.4% decrease in benefits in the parish. Looking at the graph illustrates an overall decreasing trend in

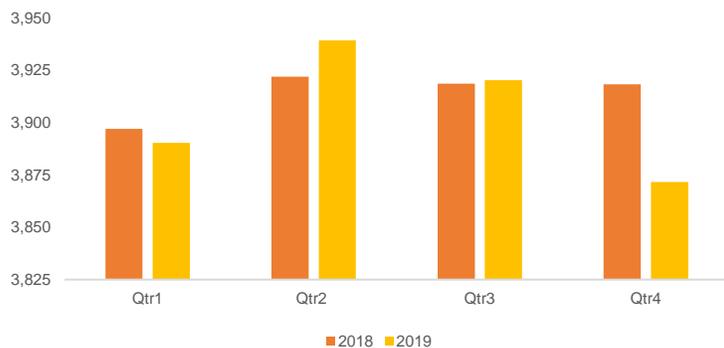
benefits over the past two years. This trend is also shown in the number of households and recipients receiving benefits.

Selected Employment Indicators – Cameron Parish

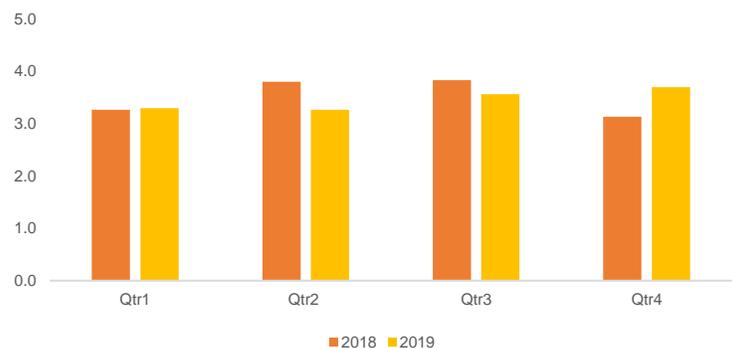
	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019
Household Employment	3,918	3,890	3,939	3,920	3,872
Year-Over-Year Change	-2	-7	17	2	-47
Year-Over-Year % Change	-0.1	-0.2	0.4	0.0	-1.2
Household Unemployment	128	132	133	145	150
Year-Over-Year Change	5	0	-21	-12	22
Year-Over-Year % Change	4.4	0.3	-13.4	-7.6	17.2
Labor Force	4,046	4,022	4,072	4,065	4,021
Year-Over-Year Change	3	-6	-3	-10	-25
Year-Over-Year % Change	0.1	-0.2	-0.1	-0.3	-0.6
Unemployment Rate (%)	3.1	3.3	3.3	3.6	3.7
Year-Over-Year Change	0.1	0.0	-0.5	-0.3	0.6

	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019
Total Job Openings	107	142	143	257	221
Year-Over-Year Change	-46	-59	-82	129	114
Year-Over-Year % Change	-30.2	-29.3	-36.3	101.3	106.5

Cameron Parish Employment



Cameron Parish Unemployment Rate



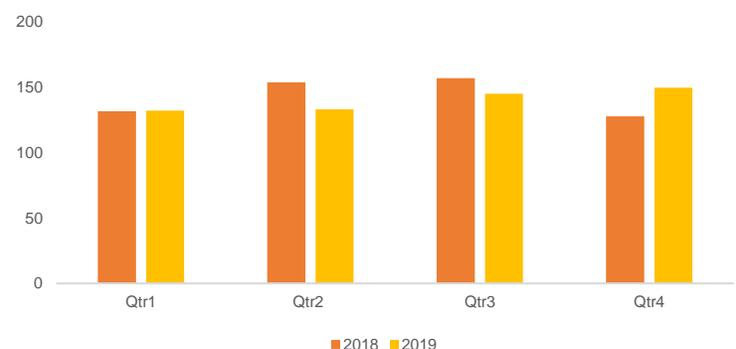
In the 4th quarter of 2019, Cameron parish had a drop in household employment of 47 over the year (-1.2%) while the number of unemployed persons rose 22 (+17.2%). This meant a slight decrease of 25 (-0.6%) in the total labor force. The unemployment rate increased 0.6 percentage points over the year to 3.7%.

Job openings in the 4th quarter of 2019 averaged 221. Openings rose by 114 (+106.5%) over the year.

The graphs show the levels of household employment, unemployment, and the unemployment rate for each quarter compared to the same quarter the previous year.

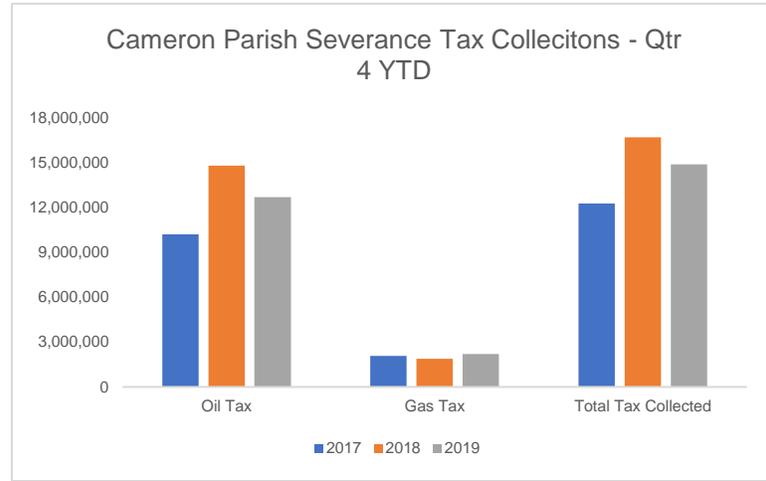
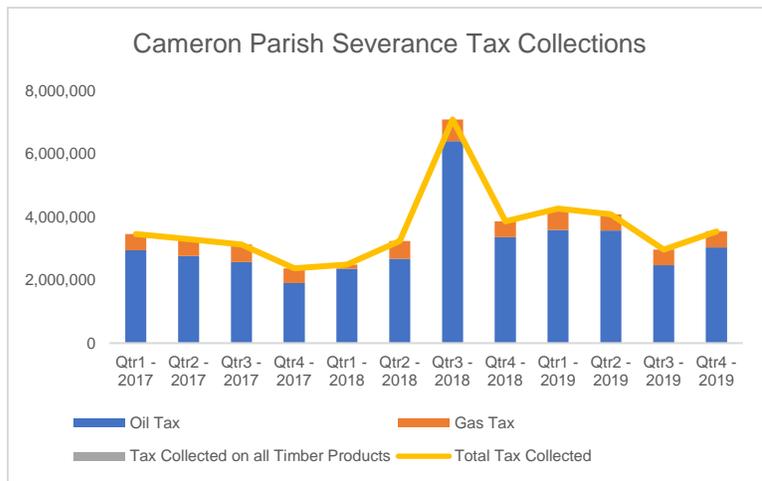
Each quarter, Cameron has generally lower, or comparable, unemployment levels compared to same quarters in previous years. The 4th quarter comparisons show a stark contrast to this pattern.

Cameron Parish Unemployment



Tax Collections

Cameron parish collects no local sales tax, so it is not possible to show the monthly or quarterly trends in those particular tax collections in the parish. However, Cameron is the parish in SWLA that is responsible for the highest amount of state severance tax collections. In order to give some view into the severance tax collections in the parish, below are figures and data relating to the recent severance tax collections by category for Cameron.



The graph on the above left shows the total severance tax collections from each source with the line representing total collections. The graph on the upper right shows the latest fourth quarter YTD figures for each severance tax type (as well as total) over the past three years.

Severance Tax Collections	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019	YoY Change	YoY % Change
Oil Tax	3,361,896	3,590,786	3,574,632	2,478,060	3,039,578	-322,318	-9.6
Gas Tax	503,160	685,305	517,606	495,506	499,860	-3,300	-0.7
Tax Collected on all Timber Products	0	0	0	21	22	22	NA
Total Tax Collected	3,865,056	4,276,091	4,092,238	2,973,588	3,539,460	-325,596	-8.4

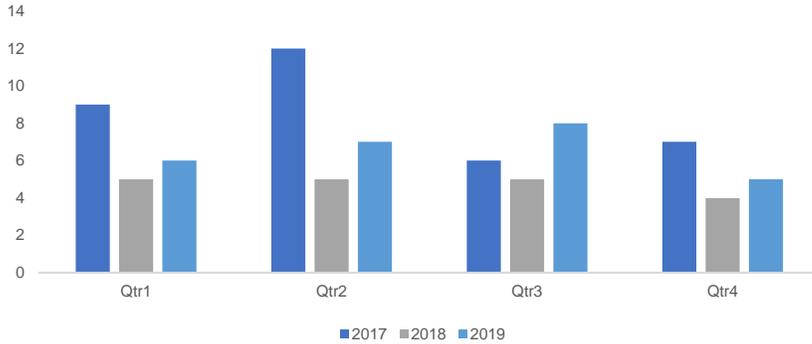
Total Severance Tax Collections (YTD)	Qtr1	Qtr2	Qtr3	Qtr4
2017	3,460,838	6,762,540	9,895,301	12,271,155
2018	2,491,262	5,728,810	12,830,771	16,695,828
2019	4,276,091	8,368,328	11,341,916	14,881,376

The largest amount of severance tax collections from Cameron are taxes on oil. Oil tax collections in the fourth quarter of 2019 fell by \$322.3 thousand compared to the same quarter the previous year. This represented a 9.6% drop. In terms of gas collections, those fell \$3.3 thousand over that period for a 0.7% decrease. Timber product collections have been negligible. Total severance taxes collected from the parish have fallen \$325.6 thousand over the year in the 4th quarter of 2019 for an 8.4% decrease.

The YTD figures show in 2018 there was a substantial increase in total severance taxes collected compared to the previous year. In 2018, severance taxes increased \$4.4 million for growth of 36.1% compared to the previous year. Much of this was due to the spike seen in the 3rd quarter of that year. In 2019, there was a slight drop in revenues of approximately \$1.8 million, for a 10.9% decrease.

New Business Filings

Cameron Parish New Domestic Business Filings



The graph shows the amount of new business filings each quarter compared to the same quarter in the previous two years.

The number of new business filings in Cameron parish was 5 in the 4th quarter of 2019 which was 1 more than the same quarter the previous year and 2 less compared to the same quarter 2 years ago. The YTD total for the 4th quarter of 2019 was 26. This was 7 more businesses than the 4th quarter of 2018 YTD and 8 businesses lower than the 4th quarter of 2017 YTD.

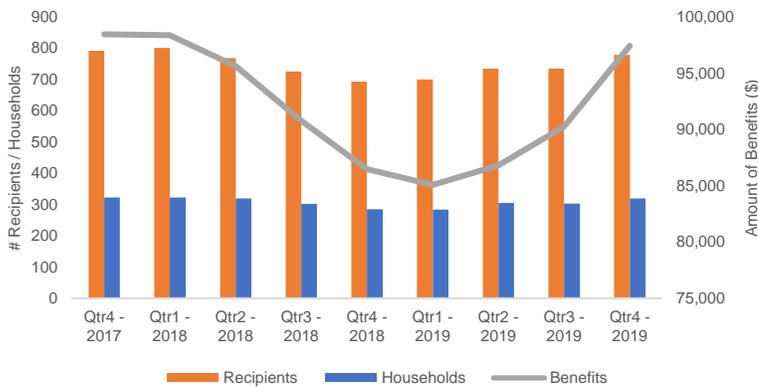
Qtrly New Business Filings	Qtr1	Qtr2	Qtr3	Qtr4
2017	9	12	6	7
2018	5	5	5	4
2019	6	7	8	5

Qtrly New Business Filings YTD	Qtr1	Qtr2	Qtr3	Qtr4
2017	9	21	27	34
2018	5	10	15	19
2019	6	13	21	26

SNAP Benefits

	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019	YoY Change	YoY % Change
Recipients	693	699	734	734	778	85	12.3
Households	285	284	305	303	319	34	11.9
Benefits	86,478	85,071	86,793	90,256	97,422	10,944	12.7

Cameron Parish SNAP Data



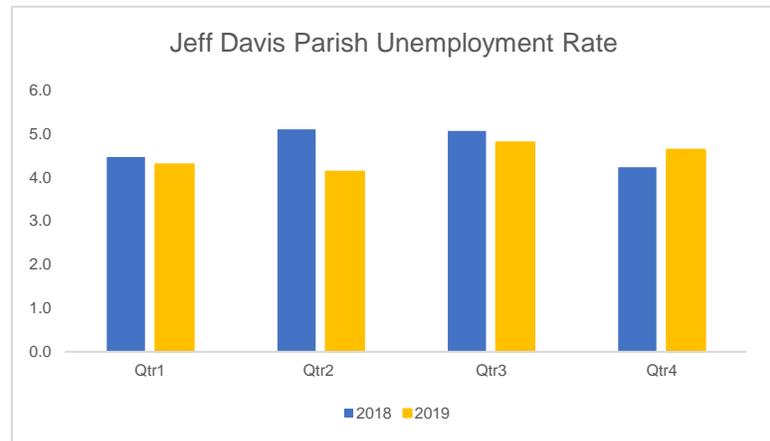
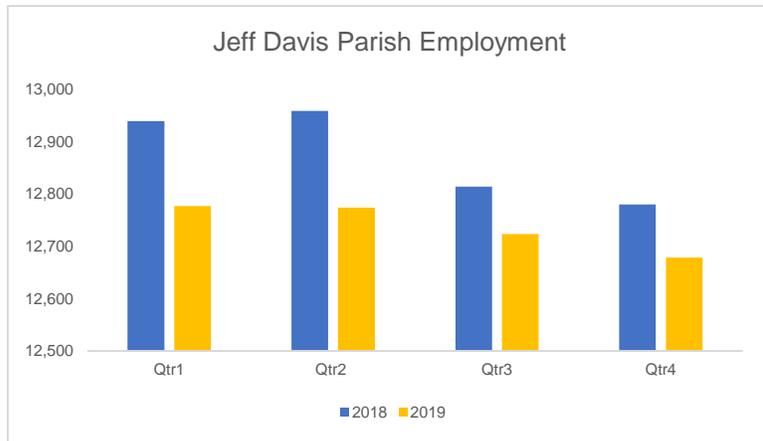
Cameron parish has had a slight increase in SNAP recipients, households and benefits over the year. The parish had an average of 778 recipients of SNAP benefits in the 4th quarter of 2019. This was 85 more people receiving benefits compared to the 4th quarter of 2018 for a 12.3 % decrease over this time. The total number of households receiving SNAP averaged 319 which was 34 more than the same quarter in the previous year. This represented a 11.9% increase. In terms of benefits, the parish received an average of \$97.4 thousand in total during the 4th quarter of 2019, which was an \$11 thousand increase over-the-year. This was a 12.7% increase in benefits in the parish. Looking at the

graph illustrates all measures (recipients, households, total benefits) falling throughout 2018 before increase back to similar levels by the end of 2019.

Selected Employment Indicators – Jefferson Davis Parish

	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019
Household Employment	12,780	12,777	12,774	12,724	12,679
Year-Over-Year Change	-195	-162	-185	-91	-102
Year-Over-Year % Change	-1.5	-1.3	-1.4	-0.7	-0.8
Household Unemployment	565	573	552	640	619
Year-Over-Year Change	15	-30	-141	-48	53
Year-Over-Year % Change	2.7	-5.0	-20.3	-7.0	9.4
Labor Force	13,346	13,350	13,326	13,363	13,297
Year-Over-Year Change	-180	-193	-325	-139	-48
Year-Over-Year % Change	-1.3	-1.4	-2.4	-1.0	-0.4
Unemployment Rate (%)	4.2	4.3	4.1	4.8	4.6
Year-Over-Year Change	0.2	-0.2	-1.0	-0.3	0.4

	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019
Total Job Openings	251	278	247	237	298
Year-Over-Year Change	82	60	35	3	46
Year-Over-Year % Change	48.4	27.8	16.4	1.3	18.4

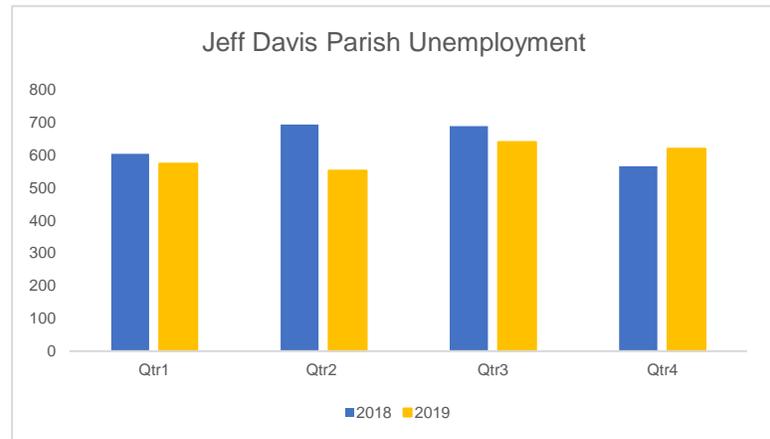


In the 4th quarter of 2019, Jefferson Davis parish saw a decrease of 48 (-0.4%) in the total labor force. This was broken down by a drop in household employment of 102 over the year (-0.8%) while the number of unemployed persons rose 53 (+9.4%). The unemployment rate increased 0.4 percentage points over the year to 4.6%.

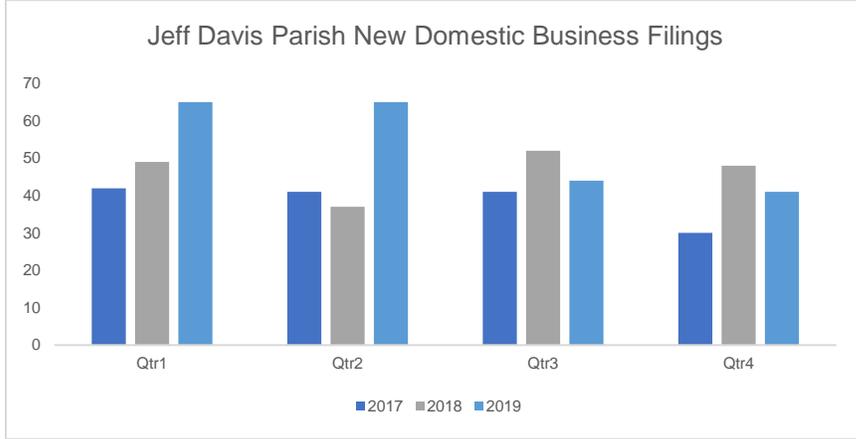
Job openings in the 4th quarter of 2019 averaged 298. Openings rose by 46 (+18.4%) over the year.

The graphs show the levels of household employment, unemployment, and the unemployment rate for each quarter compared to the same quarter the previous year.

Jeff Davis parish has had generally lower figures for all three measures in 2019 compared to the previous year, indicating the dropping labor force in the parish.



New Business Filings



The graph shows the amount of new business filings each quarter compared to the same quarter in the previous two years.

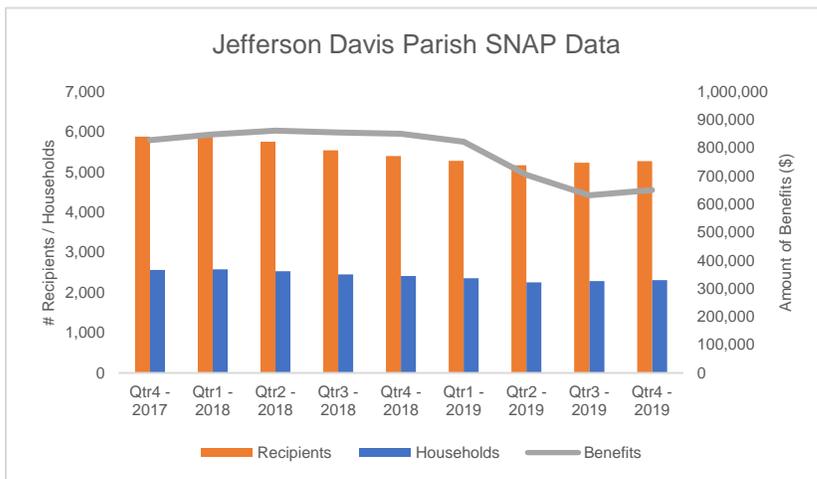
The number of new business filings in Jefferson Davis parish was 41 in the 4th quarter of 2019 which was 7 less than the same quarter the previous year and 11 more compared to the same quarter 2 years ago. The YTD total for the 4th quarter of 2019 was 215. This was 29 more businesses than the 4th quarter of 2018 YTD and 61 businesses higher than the 4th quarter of 2017 YTD.

Qtrly New Business Filings	Qtr1	Qtr2	Qtr3	Qtr4
2017	42	41	41	30
2018	49	37	52	48
2019	65	65	44	41

Qtrly New Business Filings YTD	Qtr1	Qtr2	Qtr3	Qtr4
2017	42	83	124	154
2018	49	86	138	186
2019	65	130	174	215

SNAP Benefits

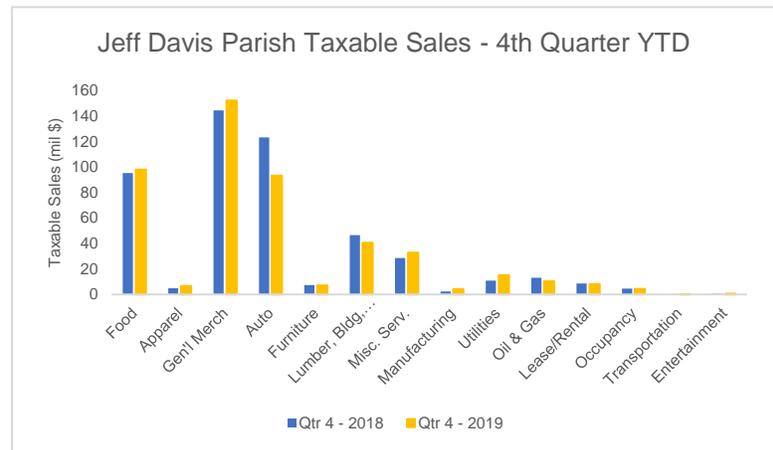
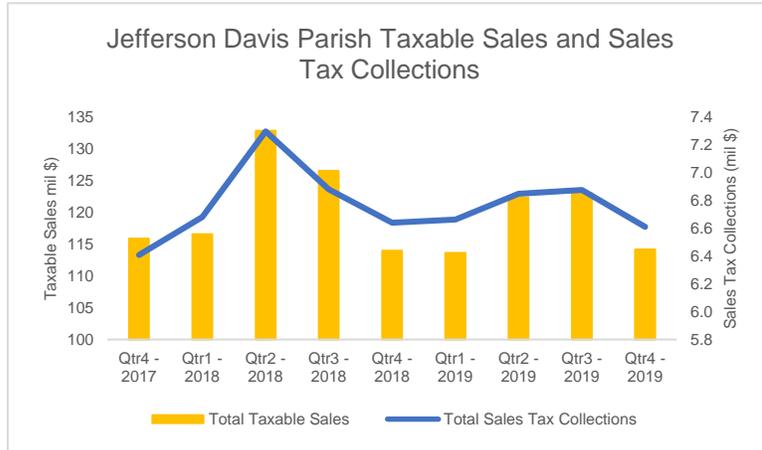
	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019	YoY Change	YoY % Change
Recipients	5,396	5,276	5,162	5,224	5,271	-125	-2.3
Households	2,411	2,355	2,256	2,288	2,312	-99	-4.1
Benefits	849,952	822,021	703,952	631,257	650,214	-199,738	-23.5



Jefferson Davis parish has had a decrease in SNAP recipients, households and benefits over the year. The parish had an average of 5,271 recipients of SNAP benefits in the 4th quarter of 2019. This was 125 less people receiving benefits compared to the 4th quarter of 2018 for a 2.3% decrease over this time. The total number of households receiving SNAP averaged 2,312 which was 99 less than the same quarter in the previous year. This represented a 4.1% decrease. In terms of benefits, the parish received an average of \$650 thousand in total during the 4th quarter of 2019, which was a \$200 thousand drop over-the-year. This was a 23.5% decrease in benefits in the parish. Looking at the

graph illustrates an overall decreasing trend in benefits over the past two years. This trend is also shown in the number of households and recipients receiving benefits.

Tax Collections



Taxable Sales (mil \$)	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019	YoY Change	YoY % Change
Food	23.1	23.5	25.4	25.0	24.1	1.0	4.3
Apparel	1.2	1.4	2.8	1.1	1.4	0.2	17.8
Gen'l Merch	33.9	37.2	37.2	37.4	40.5	6.6	19.6
Auto	21.6	19.3	22.9	31.2	20.0	-1.6	-7.6
Furniture	1.4	2.0	1.8	1.6	1.6	0.2	11.9
Lumber, Bldg, Contractors	13.8	10.7	12.1	9.4	8.4	-5.4	-39.0
Misc. Serv.	8.1	7.6	8.9	8.0	8.4	0.3	3.3
Manufacturing	0.5	0.9	1.7	0.8	0.7	0.2	35.3
Utilities	3.0	3.2	3.3	3.8	4.8	1.9	62.7
Oil & Gas	4.2	4.7	2.5	1.8	1.4	-2.8	-67.4
Lease/Rental	1.8	2.3	2.5	1.8	1.5	-0.2	-13.7
Occupancy	1.1	1.0	1.1	1.2	1.0	-0.2	-13.7
Transportation	0.0	0.0	0.0	0.1	0.2	0.1	2,076.6
Entertainment	0.2	0.1	0.1	0.1	0.2	0.0	-10.5
Total	114.0	113.6	122.3	123.1	114.2	0.2	0.2

Tax Collections (mil \$)	Qtr4 - 2018	Qtr1 - 2019	Qtr2 - 2019	Qtr3 - 2019	Qtr4 - 2019	YoY Change	YoY % Change
Total Sales Tax Collections	6.6	6.7	6.8	6.9	6.6	0.0	-0.4

Taxable Sales YTD (mil \$)	Qtr 1	Qtr 2	Qtr 3	Qtr 4
2018	116.6	249.4	376.0	490.0
2019	113.6	236.0	359.1	473.2

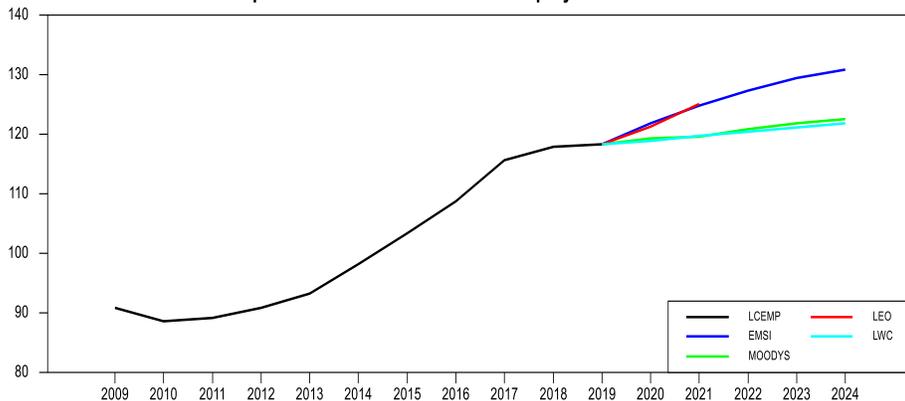
Sales Tax YTD (mil \$)	Qtr 1	Qtr 2	Qtr 3	Qtr 4
2018	6.7	14.0	20.9	27.5
2019	6.7	13.5	20.4	27.0

Jefferson Davis parish saw essentially no change in its sales tax collections in the 4th quarter of 2019, compared to the same quarter the previous year. Sales tax collections have fallen by \$28 thousand over the year for a 0.4% decrease. This occurred as taxable sales in the parish rose slightly by \$175 thousand (0.2%) over the year. The largest absolute increase occurred in general merchandise (+\$6.6 million, +19.6%) while the largest percentage increase was in transportation (+\$0.1 million, +2,076.6%) followed by utilities (+\$1.9 million, +62.7%). Other notable category changes include a notable drop in lumber and building material sales (-\$5.4 million, -39%) and a drop in oil and gas (-\$2.8 million, -67.4%). Overall, both taxable sales and sales taxes have been relatively constant (if not showing a very slight downward trend) over the past two years.

The 4th quarter of 2019 YTD figures show that total taxable sales have fallen in the parish by \$16.7 million compared to the same quarter in 2018 last year for a 3.4% decrease. This led to a \$0.5 million decrease in sales tax collections (-1.8%). While half of the categories have shown increases in YTD sales, the magnitudes of the drops in auto sales (-\$29.8 million, -24.2%) were much larger than any increases in other categories. Specifically, general merchandise (+\$7.7 million, +5.4%), miscellaneous services (+\$4.4 million, +15.3%), and utilities (+\$4.3 million, +40.3%) experienced the largest YTD increases over the year.

Graphs of Lake Charles employment measures show that our area has been experiencing slow, but steady overall growth over the past two years. Our economy has currently leveled off but is sustaining high levels of employment. This leads to a common question we get at the Drew CBEA, which is “What direction is the local economy going?” The forecasts of our economy you often see are generally statistical models that try to estimate where the economy is headed based on past performance. Of course, there is some subjectivity in estimates at times due to the fact that many developers and citizens have knowledge of new projects and events that mathematical models cannot know. Some forecasts incorporate this knowledge into the final results while others are strictly statistical outcomes. We follow a wide range of forecasts here as well as the forecasting econometric model we are currently building. When looking at the results of all these different forecasts, a general conclusion emerges that our Lake Charles MSA should continue its growth, albeit at a slower pace than what we have seen for the past five years.

Comparison of Lake Charles MSA Employment Forecasts



For illustration, below are four forecast figures for the Lake Charles area from different sources: Moody’s, Economic Modeling Specialists, Intl. (EMSI), LA Workforce Commission (LWC²), and the Louisiana Economic Outlook (LEO) by Loren Scott³. The actual data we have on Jobs until 2019 is also shown (LCEMP).

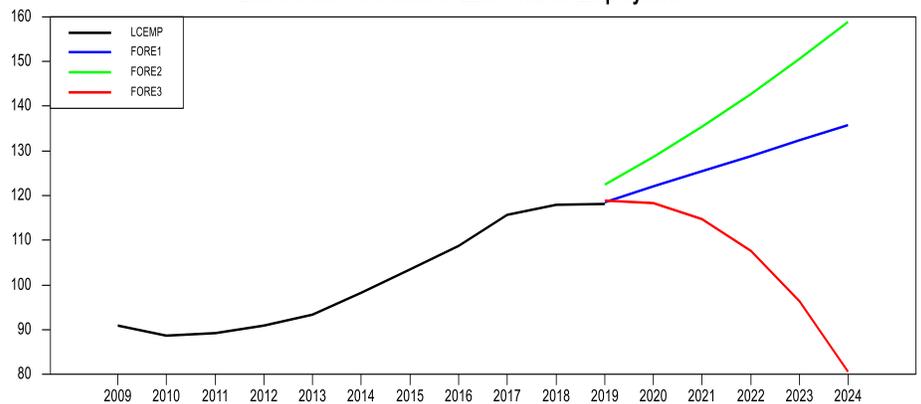
The Moody’s and the LWC forecasts show the MSA leveling off in future time periods exhibiting only slight growth. The LEO shows the MSA picking up its fast growth. That figure only goes out two years into

the future, however, so one cannot make a longer-term judgement. The EMSI forecast predicts the area will continue to add jobs at a rapid rate.

Many forecasting models will show a pattern seen in the later years due to the trend chosen and assumptions made. To show this, below is a picture of a forecast with three basic trends that trace the direction of the Lake Charles MSA employment.

As the graph above shows, only one of the trends shows rapidly rising growth. “FORE1” shows a slow and steady pace of growth reflecting a linear property. The estimate, entitled “FORE2” seems to show increases in jobs that are not realistic based on past observation and future planning. If one were to look at “FORE3”, the red line shows a slight increase in the early years before drastic drops in later time periods. This illustrates the how forecasts can differ so dramatically based on models constructed.

Basic Trend Forecasts of Lake Charles Employment

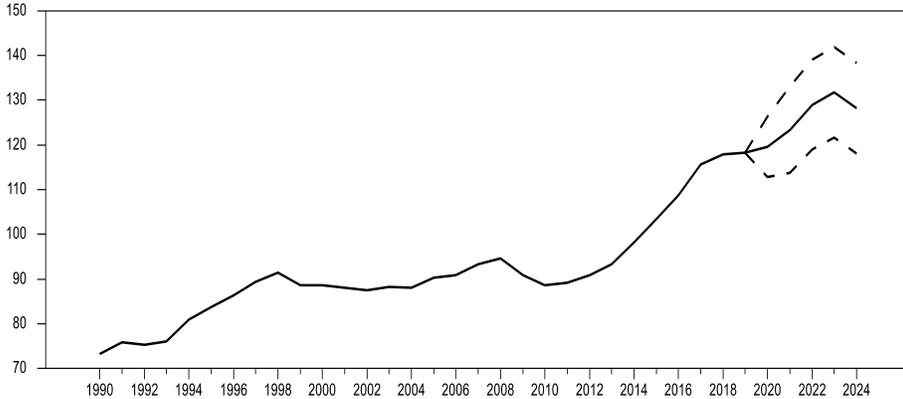


² The LWC forecasts are actually for the entire five parish area plus Vernon Parish.

³ There are slight differences in the sources and definitions of employment used in each of the forecasts. As an illustration this graph shows what would occur if the growth rates from each of these forecasts were applied to the Lake Charles CES annual employment figures so that all can be shown with the same measure.

Our preliminary forecasting model at the Drew CBEA is not a basic trend model. While it does have statistical properties, we also try to incorporate our knowledge of what we think will occur in the SWLA economy. Our model shows a slightly different trajectory of the local economy over the next five years.

Lake Charles Employment Forecast

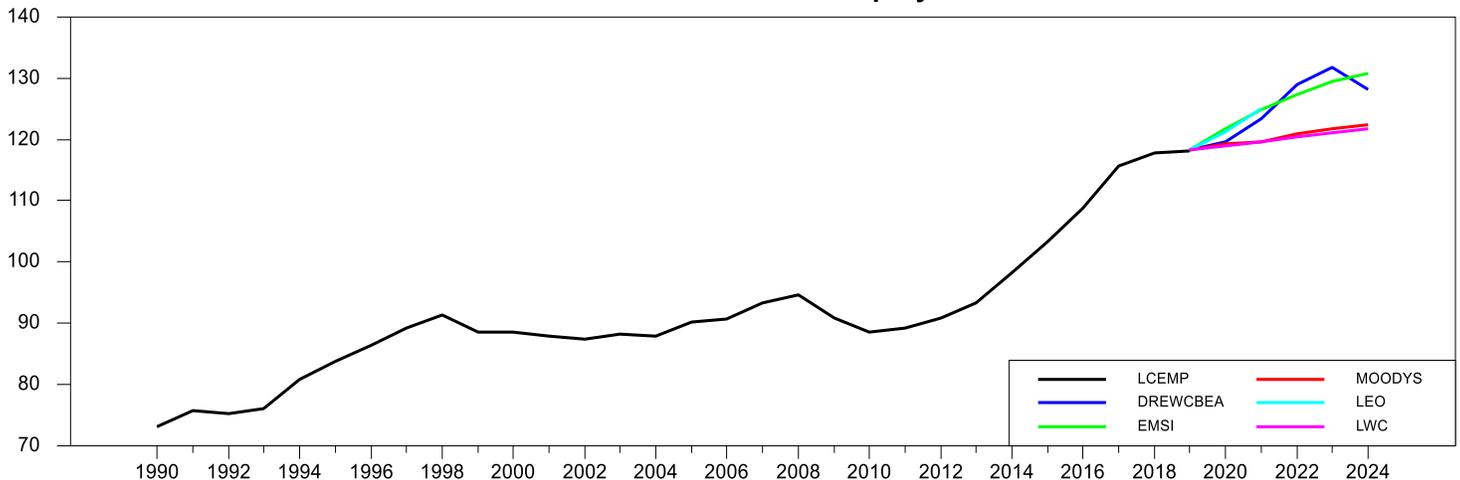


Our projections show a continued leveling off period before increasing the trajectory around 2022. These projections are in line with the new projects that are in the process of reaching final investment decisions that will begin construction around the next two years in the Lake Charles Area. The graph to the left plots out these projections along with dashed confidence interval bands. These bands represent the range in which we expect the (unknown) future value to fall.

Of course, as our model is refined and new information always becomes available, these forecasts may change. This is also true of other forecasts. The LEO is published and presented annually by Dr. Loren Scott. EMSI updates its forecasts quarterly as new data becomes available from the BLS QCEW. Moody's updates their projections three times a year, rather than four, since we are a "smaller" MSA. Finally, the LWC Occupational Forecasting Conference meets several times throughout the year and comes up with new long-term and short-term forecasts on an annual basis. All forecasts are subject to change with new information, so it always has to be remembered that this is the best projection using the techniques and information available at that time. It is not uncommon to see drastic changes in forecasts after new information that could not have been predicted.

Overall, all the figures point to the future of our area as positive with increased job growth in the coming years as shown below where all forecasts mentioned are plotted.

Forecasts of Lake Charles Employment



The following sources were utilized for each of the graphs and tables shown in the report. Data transformations are described in the footnotes and it should be noted some of the totals in the report may be off due to rounding. The monthly data used for the report, and more not shown, is available at our website, mcneesedrewecon.org/.

1. Lake Charles MSA Employment Indicators – BLS CES/SAE and LAUS^a

Total nonfarm employment, average weekly hours, and average weekly earnings statistics for the area come from the BLS State and Metro Area Employment, Hours, & Earnings (SAE) measures which are derived from the Current Employment Statistics (CES). The household employment measures for the MSA (and parishes) come from the BLS Local Area Employment Statistics (LAUS). The CES/SAE measures are derived from a survey of businesses while LAUS figures come from a survey of households that become part of a BLS formula/model to derive the household employment statistics. For more information, please contact the Drew CBEA.

2. Quarterly Housing Price Indexes - Federal Housing Finance Agency (rebased to have the first quarter of 2011 equal 100)

3. Lake Charles MSA Building Permits – Census Building Permits Survey (BPS)^b

Note: While the building permit YTD figures in this report are calculated by summing up the monthly values, they may not match the YTD values given from pulling data directly from the Census BPS. The YTD monthly values at the BPS are changed due to late and missed filings. However, the monthly values of permits and valuations, which this report uses, are not changed at the Census BPS. These differences appear to be fairly minor, however. For more information, please contact the Drew CBEA.

4. Lake Charles Regional Airport Statistics – Bureau of Transportation Statistics, TranStats^b

5. Lake Charles Port Statistics – Census USA Trade Online^b

6. Lake Charles Gaming Statistics – Louisiana Department of Public Safety & Corrections, Louisiana Gaming Control Board^b

7. Parish Employment Indicators – BLS LAUS^a

The labor force is the sum of household employment and household unemployment.

8. Parish Job Openings – Louisiana Workforce Commission^a

9. New Business Filings – Louisiana Secretary of State^b

10. Parish SNAP Benefits – Louisiana Department of Children & Family Services^a

11. Allen Parish Tax Collections – Allen Parish School Board^b

12. Beauregard Parish Tax Collections – Beauregard Parish Sheriff Office^b

13. Calcasieu Parish Tax Collections – Calcasieu Parish School Board^b

14. Cameron Parish Severance Tax Collections – Louisiana Department of Revenues^b

15. Jefferson Davis Parish Tax Collections – Jefferson Davis Parish School Board^b

a. Quarterly values are obtained from averaging the monthly values

b. Quarterly values are obtained from summing the monthly values