Barometers of our regional economy...

- Survey of Local Consumer Attitudes
- Survey of Local Business Attitudes
Survey of Local Consumer Attitudes

1. Better off or worse off than last year?
2. Better off or worse off next year?
3. Country better off or worse off next year?
4. Country better off or worse off in five years?
5. Good or bad time for a major purchase?
Measure of Consumer Sentiment

- Pessimistic
- Optimistic
- More Pessimistic
- More Optimistic
<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>1. Better off or worse off than last year?</td>
<td>102.1</td>
<td>94.7</td>
<td>91.2</td>
<td>117.8</td>
<td>128.0</td>
<td>126.9</td>
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<td>2. Better off or worse off next year?</td>
<td>132.1</td>
<td>104.0</td>
<td>124.5</td>
<td>131.0</td>
<td>131.7</td>
<td>143.6</td>
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<td>3. Country better off of worse off next year?</td>
<td>91.1</td>
<td>99.7</td>
<td>121.1</td>
<td>109.5</td>
<td>119.3</td>
<td>133.8</td>
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<td>4. Country better off of worse off in five years?</td>
<td>83.0</td>
<td>97.4</td>
<td>121.3</td>
<td>105.0</td>
<td>122.1</td>
<td>124.2</td>
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<td>5. Good or bad time for major purchase?</td>
<td>166.0</td>
<td>100.6</td>
<td>126.5</td>
<td>144.2</td>
<td>146.0</td>
<td>152.0</td>
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<tr>
<td>Overall</td>
<td>114.9</td>
<td>99.3</td>
<td>116.9</td>
<td>121.5</td>
<td>129.5</td>
<td>136.1</td>
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</table>
What Portion of Your Retail Purchases are Made in Columbus ...Throughout the Year ... During Holidays?

65% of area HH purchase at least 75% of their retail purchases in Columbus.
What Portion of Your Retail Purchases are Made Online ...Throughout the Year ... During Holidays?

- 20% make at least 25% of their retail purchases online throughout the year.
- 48% make at least 50% of their retail purchases online throughout the year.
- 24% make at least 75% of their retail purchases online throughout the year.
- 7% make 100% of their retail purchases online throughout the year.
- 1% make 100% of their holiday shopping online.

Over 80% of area HHs make at least 25% of their retail purchases online throughout the year.
What Retail Establishment Would You Like to See Locate in Columbus?

<table>
<thead>
<tr>
<th>Retail Establishment</th>
<th>Preferences</th>
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<tbody>
<tr>
<td>Costco</td>
<td>37</td>
</tr>
<tr>
<td>Trader Joes</td>
<td>24</td>
</tr>
<tr>
<td>Belk</td>
<td>22</td>
</tr>
<tr>
<td>Kroger</td>
<td>17</td>
</tr>
<tr>
<td>Bass Pro Shops</td>
<td>12</td>
</tr>
<tr>
<td>Whole Foods</td>
<td>9</td>
</tr>
<tr>
<td>World Market</td>
<td>6</td>
</tr>
</tbody>
</table>
Local Business Attitude Survey

Questions about ...
• Current state of doing business
• Expectations about the future
Over the next 12 months, the local economy will:
- Expand
- Decline
- Stay about the same

Over the next 12 months, the national economy will:
- Expand
- Decline
- Stay about the same

Pessimistic

Optimistic

More Pessimistic

More Optimistic
Over the next 12 months ...

<table>
<thead>
<tr>
<th></th>
<th>Expectations for the year ...</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>2016</td>
</tr>
<tr>
<td>o the local economy will expand?</td>
<td>100</td>
</tr>
<tr>
<td>o the national economy will expand?</td>
<td>147</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Inflation Rate</th>
<th>Mortgage Rate</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Prediction</td>
<td>Actual</td>
</tr>
<tr>
<td>2018</td>
<td>2.1%</td>
<td>1.9%</td>
</tr>
<tr>
<td>2019</td>
<td>2.7%</td>
<td>2.3%</td>
</tr>
<tr>
<td>2020</td>
<td>1%</td>
<td>1.8%</td>
</tr>
<tr>
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<td></td>
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</tr>
</tbody>
</table>
Two-thirds of businesses expect their revenues to increase in 2020. Only 6% of businesses expect their revenues to decline in 2020.
Capital Expenditures (capex)

- 2019 Actual
- 2020 Expectations

Increase: 44% (2019), 38% (2020)
Decrease: 16% (2019), 12% (2020)
Stay the Same: 40% (2019), 50% (2020)

Indicator of growth expectations.

- Healthcare
- Retail
- Professional/Technical
- Food Service
Expect to hire employees within the next 3 months...

- 27% of companies hired employees last year.
- 36% expect to hire employees this year.

- Mid-size between 11 and 50 employees
- Healthcare, retail sectors
How difficult is it for your business to *find* qualified employees?

87% of local businesses reported difficulty in finding qualified employees.

How difficult is it for your business to *keep* qualified employees?

48% reported having difficulty with retention.

Construction, healthcare, professional/technical services
Of those businesses who have employees...

• nearly three-quarters indicated that they hired at least one employee in the last 12 months and over 20% indicated that they hired more than 5.

• each has one current unfilled job opening, on average.

• 61% of those who recently hired or have current openings have increased the compensation for those jobs.
A strong middle class fosters economic growth by

- promoting the development of human capital and a well-educated workforce
- creating a stable source of demand for goods and services
- developing the next generation of entrepreneurs

In addition, a strong middle class can help a community to weather economic storms.
Looking in the mirror at the beginning of each year shows me the toll that the previous six weeks always has on my body. From Thanksgiving hullabaloo, stresses of holiday shopping, large family meals, sitting and watching endless bowl games, travel, and New Year celebrations, the impacts are unmistakable. This is especially noticeable around my midsection, which becomes significantly larger and softer through weeks of neglect. I know that a strong core is important for good balance, stability, flexibility, and the prevention of pain and injury, especially as I grow older. And so each year I make a series of resolutions to reverse the trend and strengthen my core before I inevitably relapse again when Thanksgiving rolls around.

Just as a strong core is important for personal health, a strong core, i.e., a strong middle class, is important for the health of a local economy. Research indicates that a strong middle class is key to fostering economic growth by promoting the development of human capital and a well-educated workforce, creating a stable source of demand for goods and services, and developing the next generation of entrepreneurs. In addition, a healthy and strong middle class can help a community to weather economic storms such as a recession or the relocation of a major employer. As we begin this new year, it is a good time for us to look in the mirror and see how we look. How strong is our core? How healthy is our middle class?

How Strong is Our Core?

Exactly who is included in the middle class depends on who you ask. Some definitions are based on occupation or education and others are based on cultural attitudes. Most common are definitions based on income, i.e., the middle class are those households who “fit in the middle” — that is, in the middle of the income distribution. However, even definitions based on income don’t agree upon what constitutes the “middle.” For the purposes here, we define the middle class as those households with incomes within 50% of the median US household income. In 2018, this would include households with incomes between $30,070 and $92,900.
Indicators Pointing to Continued Growth in the Middle Class and the Columbus Economy

👍 The unemployment rate has dropped to a historic low of 3.6%.
👍 The number of jobs in Columbus increased by over 500 during the first 6 months of 2019 compared to the previous year.
👍 Total Part-Time and Full-Time Employment has increased since 2016 reversing a downward trend that began in 2012.
👍 Over the last 3 years, real weekly wages have reached their highest levels since at least 2001.
👍 In real terms, total wages paid in Columbus increased by over $14 million from last year and over $200 million since 2016.
👍 Real GDP reached an all-time high of $9.7 billion in 2018, the 8th largest county economy in the state. Real GDP has increased 5.5% since 2016 reversing a formerly downward trend.
👍 The population in Columbus increased in 2018 for the first time since 2013.