



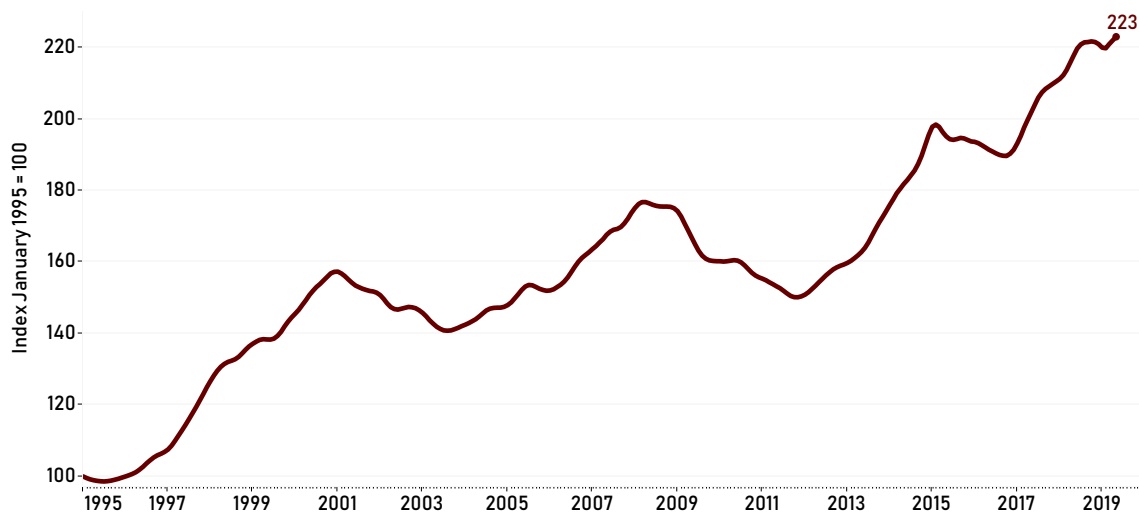
## HIGHLIGHTS

- The Business-Cycle Index increased at a robust annualized rate of 5.8% between April and May 2019.
- The seasonally adjusted unemployment rate reached an all-time low of 2.8% in May.
- Nonfarm employment increased by 0.1% from April to May and stood at 121,885 workers.
- Real taxable sales in May were 3.9% lower than in April and were down 1% compared to May of 2018.
- This month, the focus section compares the retirement income in College Station-Bryan to other Texas MSAs, and also compares the local percentage of the population over 65 years of age to the rest of the state.

## THE COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

Figure 1 depicts the College Station-Bryan (CSB) Business-Cycle Index. The May 2019 estimate of the CSB Business-Cycle Index is 223. This latest estimate indicates positive growth over the past 3 months.

**FIGURE 1. COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX**

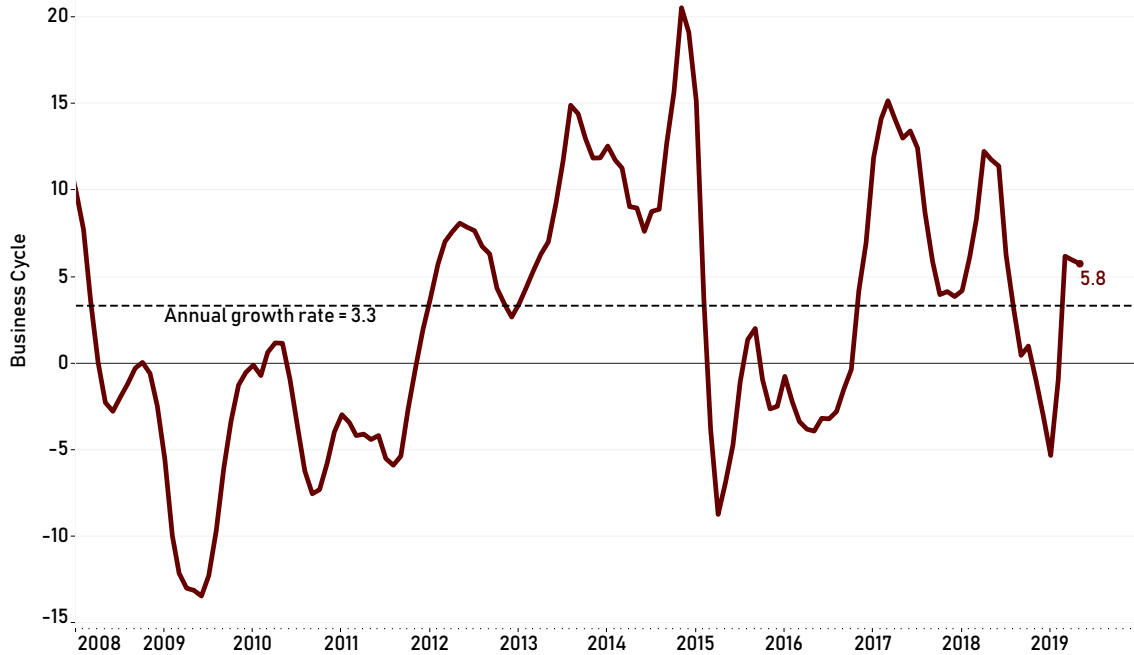


Last reported data point: May 2019 (monthly). Source: Private Enterprise Research Center.

## THE COLLEGE STATION-BRYAN BUSINESS-CYCLE

The CSB Business-Cycle Index grew by 0.47% between April and May, a robust annualized rate of 5.8%. The increase in the Business-Cycle Index is due to the decline in the unemployment rates combined with the increases in employment. These two favorable movements outweighed the decline in real taxable sales between April and May. The final factor used to estimate the index, real quarterly wages, were unchanged and will be updated in September with the next quarterly data release.

**FIGURE 2. COLLEGE STATION-BRYAN BUSINESS-CYCLE**

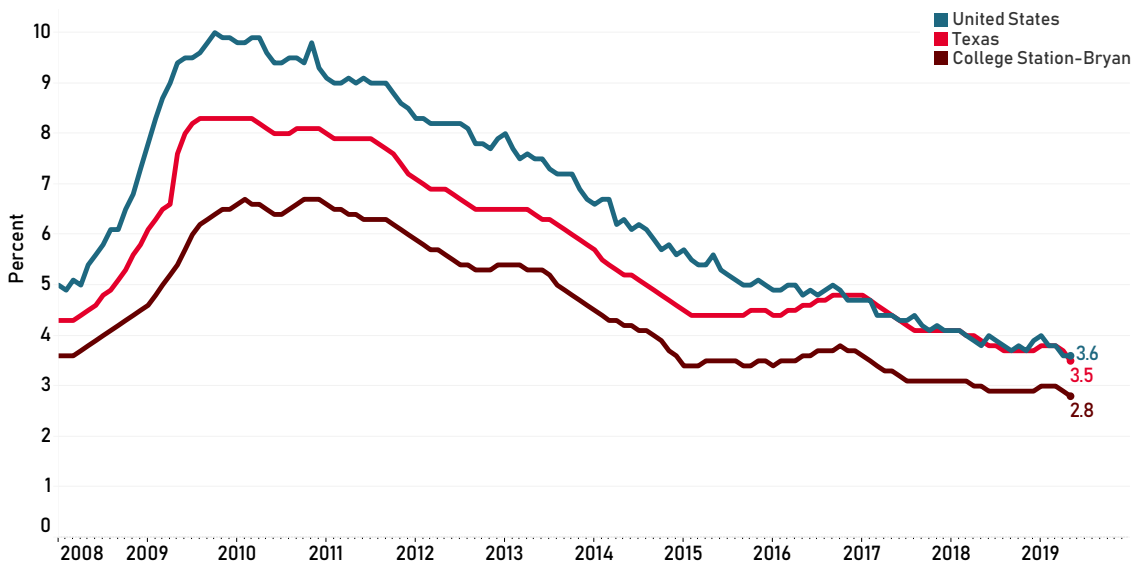


Annualized month-to-month growth rates. Last reported data point: May 2019 (monthly). Source: Private Enterprise Research Center.

**UNEMPLOYMENT RATE**

The local unemployment rate decreased from 2.9% to 2.8% for the month of May, which set a new historical low. The rate in Texas also decreased from April to May from 3.7% to 3.5%, while the national unemployment rate remained at its April level of 3.6%.

**FIGURE 3. UNEMPLOYMENT RATE**



Seasonally adjusted. Last reported data point: May 2019 (monthly). Source: Bureau of Labor Statistics.

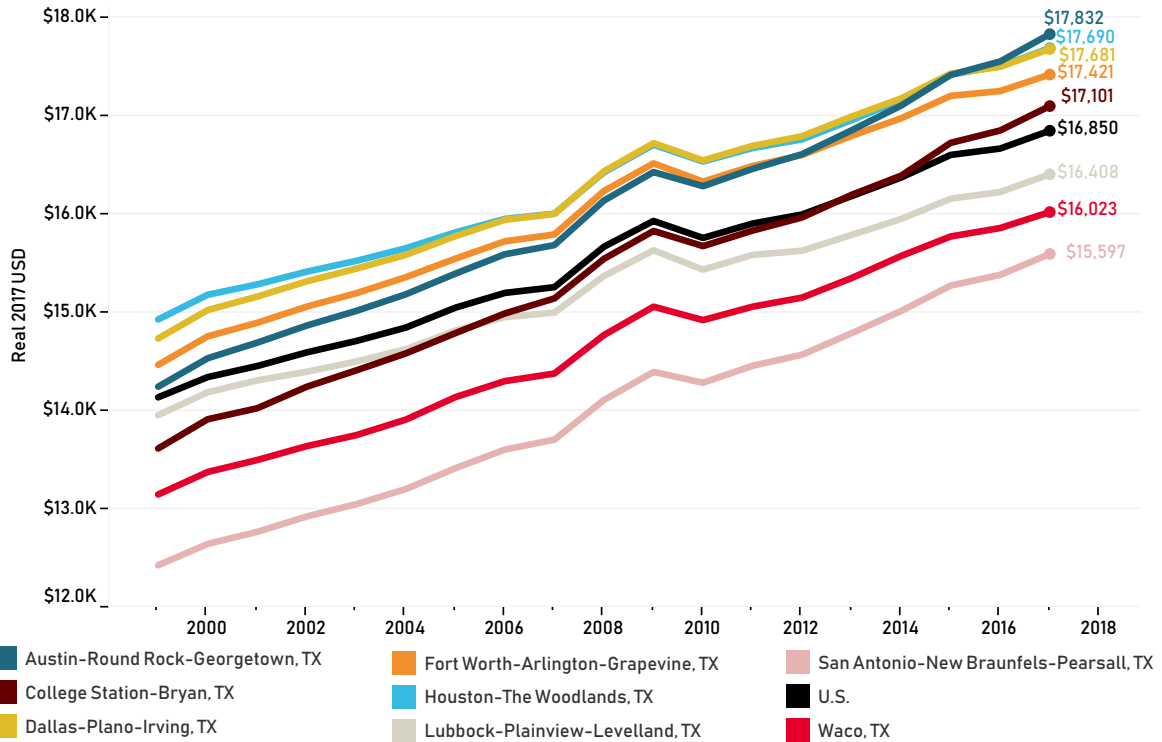
## FOCUS ON THE COLLEGE STATION-BRYAN MSA

This month, the focus section looks at several metrics related to retirees in the CSB MSA along with comparisons to other MSAs in the state of Texas. The first figure depicts the average Social Security benefits received by retired workers over time in select Texas MSAs. The size of these benefits is a good indication of the relative lifetime earnings of retirees in a particular area. The next figure presents a map of Texas counties showing the geographic distribution of average Social Security benefits. The final figure presents the percentage of the selected MSAs' population that is 65 years of age and above.

### RETIRED WORKERS' AVERAGE SOCIAL SECURITY BENEFITS BY MSA

Figure 4 presents retired workers' average Social Security benefits from 1999 to 2017 in inflation-adjusted 2017 dollars.<sup>1</sup> The Social Security benefit formula begins with the computation of a worker's average (wage-indexed) earnings in his or her 35 highest wage-earning years (higher earners generally receive higher Social Security benefits). Areas with higher average Social Security benefits are areas where retirees have had higher lifetime earnings. Among the series presented, the average benefits of retirees in the CSB MSA increased from the seventh highest in 1999 to the fifth highest in 2017 and real average benefits grew by 25.6%, the highest growth rate among the series presented during the same period. In 2017, the average retiree benefit in the CSB MSA was above the U.S. average and above the averages in Lubbock, Waco, and San Antonio. Data from the American Community Survey identifies the percentage of the 65-plus population who migrate from a different county to their current residence each year. From 2009 to 2017, the 65-plus population in the CSB MSA that migrated from a different county in the previous year grew from 2.7% to 4.8% for an average of 3.9%, compared to an average of 2.3% for the U.S. and 2.8% in Texas.

FIGURE 4. RETIRED WORKERS' SOCIAL SECURITY BENEFITS BY MSA

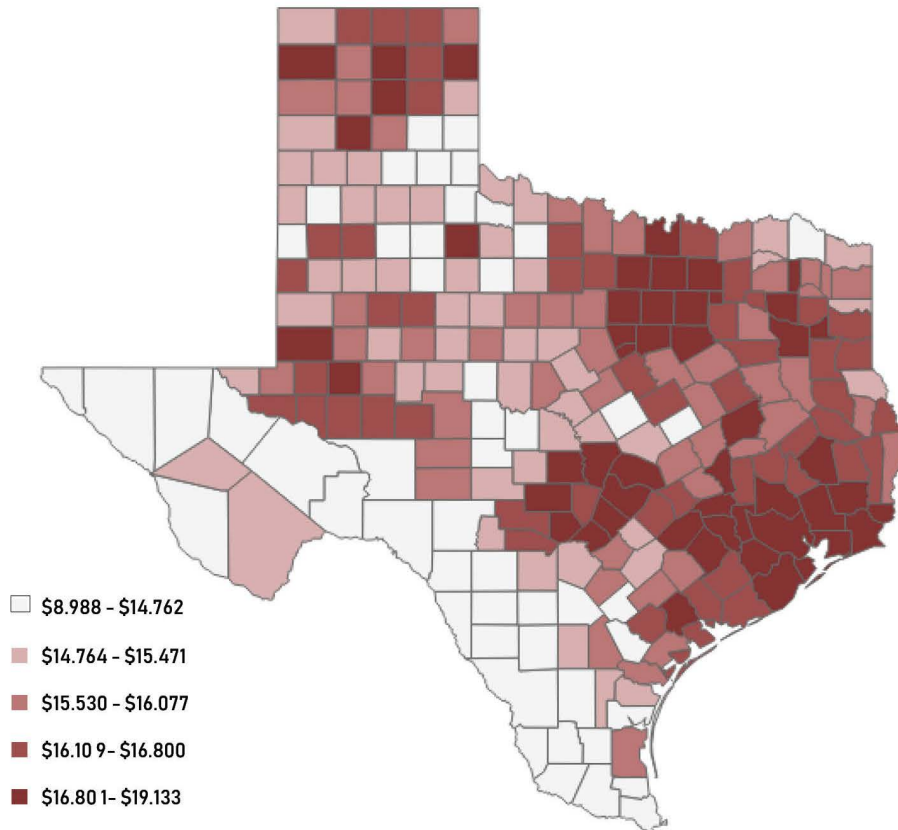


Source: OASDI Beneficiaries by State and County (1999-2017), Social Security Administration.

## RETIRED WORKERS' AVERAGE SOCIAL SECURITY BENEFITS BY COUNTY

Figure 5 depicts retired workers' average Social Security benefits for all of the counties in Texas as of 2017. The darker shades of maroon indicate higher relative average benefits. As seen in the figure, the average benefits in metropolitan areas are typically higher than in rural areas. The fact that average retiree benefits are based on workers' 35 highest wage-indexed earnings helps explain the geographic distribution of benefits. Retirees in urban areas are more likely to have higher wages during their working years, are more likely to work consistently in Social Security-covered employment and have more years in the labor force. The average benefit per retired worker in Brazos County was \$17,538, placing Brazos County in the top fifth of all counties in Texas.

FIGURE 5. RETIRED WORKERS' 2017 SOCIAL SECURITY BENEFITS IN TEXAS

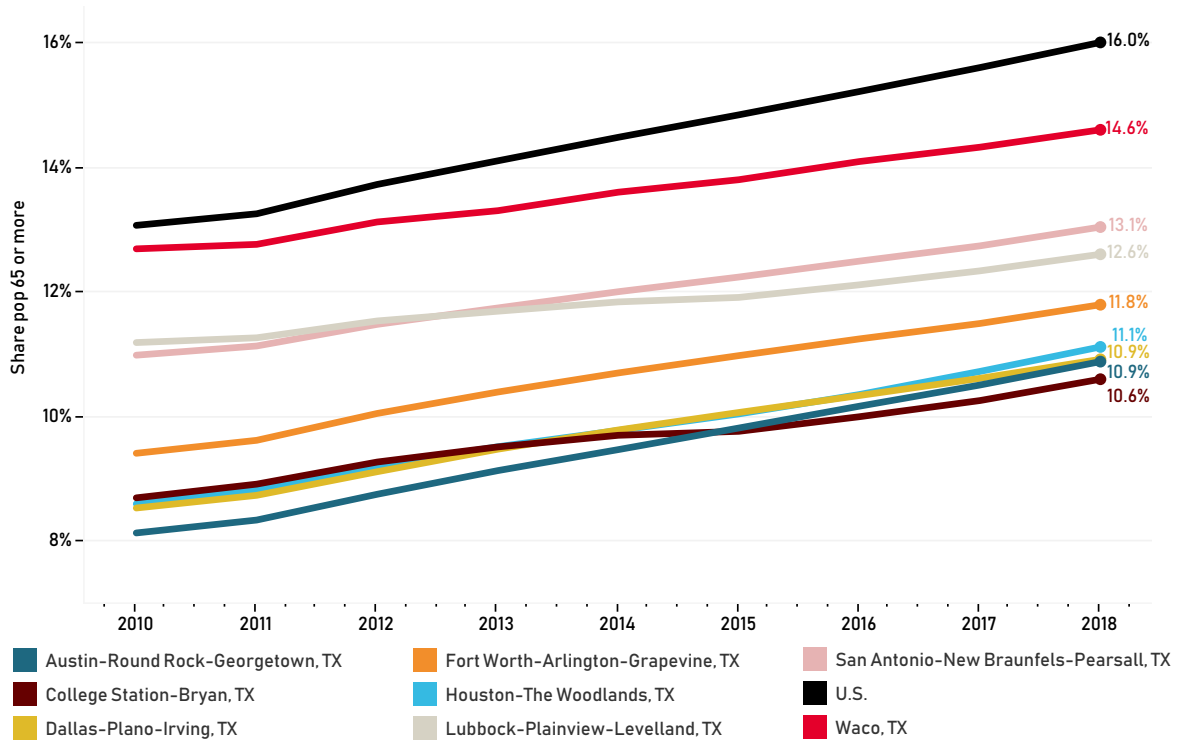


Source: OASDI Beneficiaries by State and County 2017, Social Security Administration. Also see the Private Enterprise Research Center's maps page: [https://maps.perc.tamu.edu/?topic=social\\_security](https://maps.perc.tamu.edu/?topic=social_security)

## PERCENTAGE OF THE POPULATION 65 YEARS OF AGE AND ABOVE

The percentage of the population aged 65 and above in select Texas MSAs and for the U.S. is presented in Figure 6. Clearly, the population is aging, nationally and state-wide. Locally, the percentage grew from 8.5% to 10.6% between 2010 and 2018, from 19,979 to 27,853, respectively. The figure also illustrates the relative youth of Texas when compared to the U.S. and the relative youth of the local community when compared to the other MSAs in Texas. In 2010, the percentage of the population aged 65 and above in College Station-Bryan was the fourth lowest among the other Texas MSAs included in the figure, and our relative rank fell to lowest starting in 2015. Texas A&M's enrollment growth over this period explains this change in relative ranking. The CSB MSA is growing older, but at a much slower pace than other Texas MSAs.

FIGURE 6. PERCENT OF THE POPULATION 65 AND ABOVE



Source: U.S. Census Bureau

## NOTES AND LINKS

The extent of the College Station-Bryan MSA is defined by the Census Bureau and includes Brazos, Burleson, and Robertson counties. The Business-Cycle Index is re-estimated each month using the most recent data for the four economic variables included in the model: the unemployment rate, nonfarm employment, real wages, and real taxable sales. The real wage series is released on a quarterly basis and the other three are released monthly. The underlying data series are subject to revision. With new monthly data and revisions of past data, each month the Index and the Business-Cycle will differ from previous estimates.

For more details about the CSB Business-Cycle Index see: *Methodology for Constructing an Economic Index for the College Station-Bryan Metropolitan Statistical Area*.

## ENDNOTES

<sup>1</sup> In addition to the major Texas metropolitan statistical areas, Lubbock and Waco are included because they are university-oriented communities in the Brazos Valley Economic Development Corporation's set of market comparison cities.

## DATA SOURCES

### Inflation

U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers: All Items [CPIAUCSL], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/CPIAUCSL>. Wages and Taxable Sales are converted to real dollars (inflation-adjusted) using the CPI-U.

### Nonfarm Employment

Federal Reserve Bank of Dallas, Texas Workforce Commission, and Bureau of Labor Statistics, Total Nonfarm Payroll Employment for College Station-Bryan, TX (MSA), two-step Seasonally Adjusted, retrieved from Federal Reserve Bank of Dallas, <https://www.dallasfed.org/research/econdata/brysa.aspx>

## Population

United States Census Bureau, Annual County Resident Population Estimates by Age, Sex, Race, and Hispanic Origin: April 1, 2010 to July 1, 2018, <https://www.census.gov/data/tables/time-series/demo/popest/2010s-counties-detail.html>

## Residence of Population 65 Years and Over

American Community Survey 5-Year Estimates (2009-2017), Fact Finder, Table: S0103, Population 65 Years and Over in the United States

## Sales Tax

Texas Comptroller of Public Accounts, Revenue by Source 1978-2018; <https://comptroller.texas.gov/transparency/reports/revenue-by-source/>

## Social Security Benefits

OASDI Beneficiaries by State and County (1999-2017), Social Security Administration Office of Retirement and Disability Policy Office of Research, Evaluation, and Statistics, Washington, DC.

[https://www.ssa.gov/policy/docs/statcomps/oasdi\\_sc/2017/index.html](https://www.ssa.gov/policy/docs/statcomps/oasdi_sc/2017/index.html)

## Taxable Sales (Sales and Use Tax Allocation)

Texas Comptroller of Public Accounts, Allocation Payment Detail, Current Period Collections. Data available through Texas Comptroller of Public Accounts: <https://mycpa.cpa.state.tx.us/allocation/AllocDetail> for years 2016 to 2018. Historical data prior to 2016 from Texas Comptroller of Public Accounts. Seasonal Adjustment by the Private Enterprise Research Center.

## Unemployment Rate

Bureau of Labor Statistics, Unemployment by Metropolitan Area, Seasonally Adjusted, Local Area Unemployment Statistics, retrieved from Bureau of Labor Statistics, <https://www.bls.gov/lau/metrossa.htm>

## Wages

Bureau of Labor Statistics, Total Quarterly Wages in College Station-Bryan, TX (MSA), retrieved from <https://www.bls.gov/cew/datatoc.htm>. Quarterly files by area. Seasonal Adjustment by Private Enterprise Research Center.

## CONTACT



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ECONOMIC DEVELOPMENT  
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**PRIVATE ENTERPRISE  
RESEARCH CENTER**  
TEXAS A&M UNIVERSITY

The Brazos Valley Economic Development Corporation serves Brazos County, the City of Bryan, the City of College Station, Texas A&M University, the surrounding region and private sector investors through the Invest Brazos Valley program. BVEDC helps companies launch, grow, and locate in the Brazos Valley.

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