

REGIONAL SNAPSHOT:

SOUTH REGION

As the state's chief financial officer, I am charged with monitoring the economic health of our state. Therefore, it's vitally important that my office studies factors related to our regional economies.

The 28 counties comprising the South Region cover a sizeable portion of the Gulf Coast and Mexican border and offer a young, growing workforce.

Below, we track regional trends in population growth, personal income, jobs and wages, education and water — a wildcard issue that, if left unaddressed, could curtail continued economic expansion.

- GLENN HEGAR

Texas Comptroller of Public Accounts

SOUTH REGION COUNTIES:

ARANSAS	KENEDY	SAN PATRICIO
BEE	KINNEY	STARR
BROOKS	KLEBERG	UVALDE
CAMERON	LA SALLE	VAL VERDE
DIMMIT	LIVE OAK	WEBB
DUVAL	MAVERICK	WILLACY
EDWARDS	MCMULLEN	ZAPATA
HIDALGO	NUECES	ZAVALA
JIM HOGG	REAL	
JIM WELLS	REFUGIO	

Hispanics comprise more than 84 percent of the South Region's population.

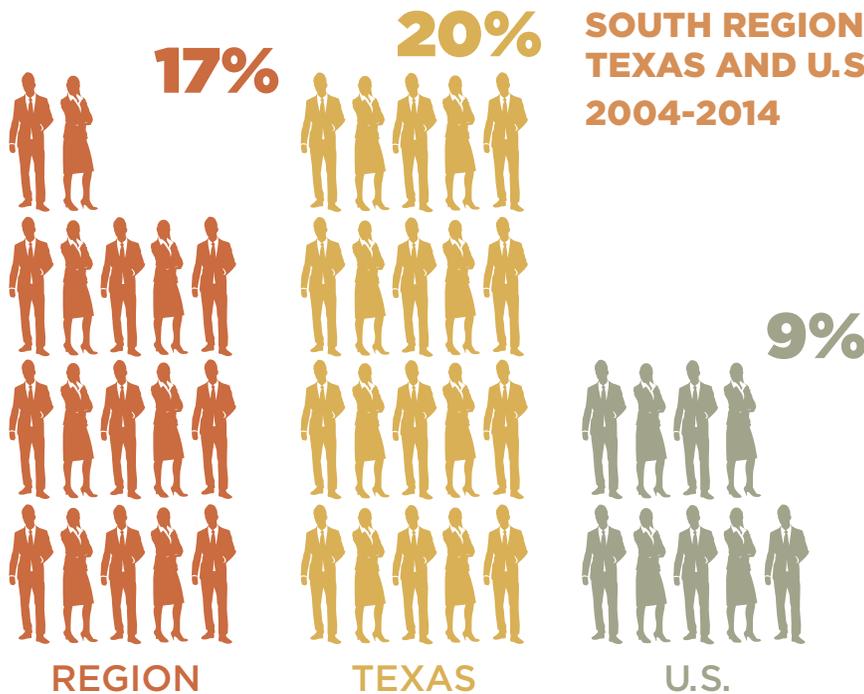


Source: U.S. Census Bureau

KEY INDUSTRIES 2016:

- FEDERAL GOVERNMENT
- HEALTH CARE AND SOCIAL ASSISTANCE
- LEATHER AND ALLIED PRODUCT MANUFACTURING
- MACHINERY MANUFACTURING
- PETROLEUM AND COAL PRODUCTS MANUFACTURING
- SUPPORT ACTIVITIES FOR TRANSPORTATION
- SUPPORT ACTIVITIES FOR AGRICULTURE AND FORESTRY
- TRUCK TRANSPORTATION

POPULATION GROWTH



Source: Bureau of Economic Analysis and Texas Comptroller of Public Accounts

THE SOUTH REGION ACCOUNTED FOR

11%

OF ALL BIRTHS IN TEXAS SINCE 2009

...BUT ONLY 9% OF THE TOTAL POPULATION.

Source: U.S. Census Bureau

THE SPACEX FACILITY IN BROWNSVILLE IS EXPECTED TO CREATE 300 JOBS AND \$85 MILLION IN CAPITAL INVESTMENT.

Source: Brownsville Economic Development Council

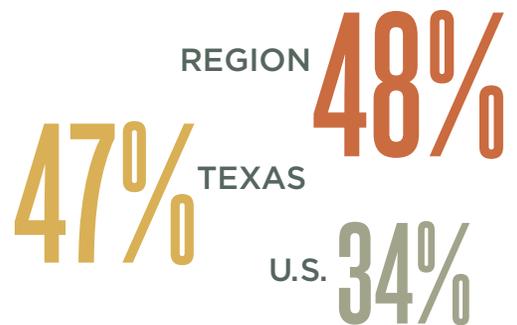
PERSONAL INCOME

Personal income in the South Region rose from \$40.7 billion in 2004 to \$70.3 billion in 2014. It accounted for 6 percent of the state's \$1.23 trillion in personal income in 2014.

PER CAPITA PERSONAL INCOME GROWTH 2004-2014

COUNTY	2014 PER CAPITA INCOME	10-YR PER CAPITA INCOME GROWTH
McMullen	\$71,176	80%
Kenedy	\$56,300	81%
Dimmit	\$48,078	171%
La Salle	\$45,591	193%
Refugio	\$45,306	58%
Live Oak	\$44,484	105%
Aransas	\$43,292	61%
Jim Wells	\$42,782	80%
Nueces	\$42,439	52%
Duval	\$39,800	97%
Edwards	\$39,359	56%
San Patricio	\$38,920	60%
Brooks	\$36,606	88%
Kleberg	\$34,148	48%

COUNTY	2014 PER CAPITA INCOME	10-YR PER CAPITA INCOME GROWTH
Uvalde	\$34,086	50%
Jim Hogg	\$33,296	38%
Val Verde	\$33,017	48%
Zapata	\$32,037	89%
Kinney	\$30,314	35%
Bee	\$29,203	68%
Webb	\$28,355	47%
Real	\$27,896	38%
Maverick	\$25,490	69%
Willacy	\$25,480	43%
Cameron	\$25,211	40%
Zavala	\$23,952	63%
Hidalgo	\$23,753	41%
Starr	\$23,215	76%



Per capita personal income grew 48 percent, slightly faster than the state's 47 percent average.

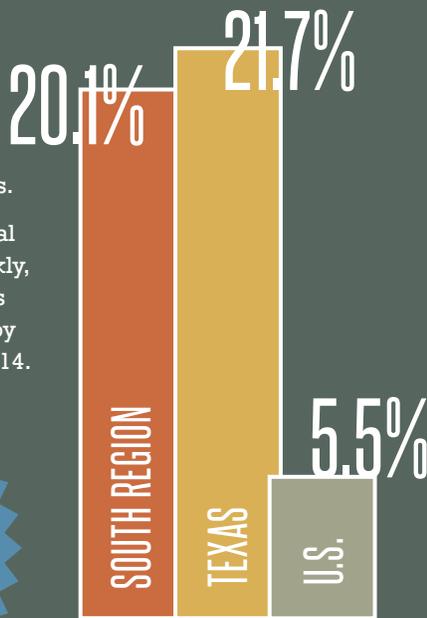
Source: Bureau of Economic Analysis and Texas Comptroller of Public Accounts

JOBS & WAGES

JOB GROWTH 2004-2014

The South Region added more than 138,600 jobs from 2004 to 2014, led by Hidalgo County. Its 26 percent job growth accounted for 37 percent of the region's net new jobs.

The region's average annual wages didn't grow so quickly, however. At \$36,465, wages trailed the Texas average by more than 30 percent in 2014.



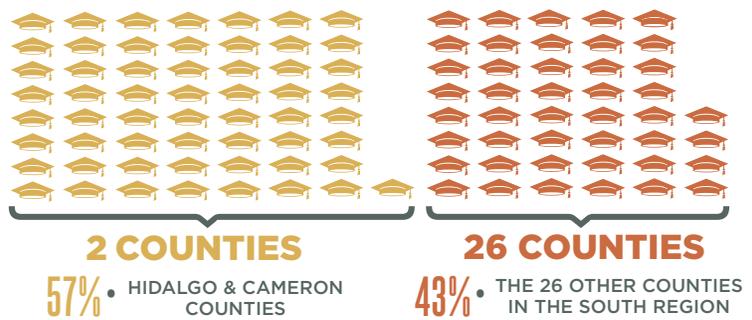
MORE THAN **100,000** VISITORS CELEBRATED THE FOURTH OF JULY IN CORPUS CHRISTI. THE ECONOMIC IMPACT? **\$7.4 MILLION.**

Source: Corpus Christi Convention & Visitors Bureau

Source: Economic Modeling Specialists Intl.

EDUCATION

SOUTH REGION PUBLIC HIGH SCHOOL GRADUATES, 2014



While the South Region makes up 9 percent of the Texas population, it accounts for 11 percent of the state's public high school graduates.

The number of graduates grew by 9,260 (41.6 percent) from 2003 to 2012. Only the Metroplex Region saw a larger percent increase.

Portions of the South Region experienced rapid growth in school-age populations. In nine counties, under-18 residents made up 30 percent or more of the population in 2014.

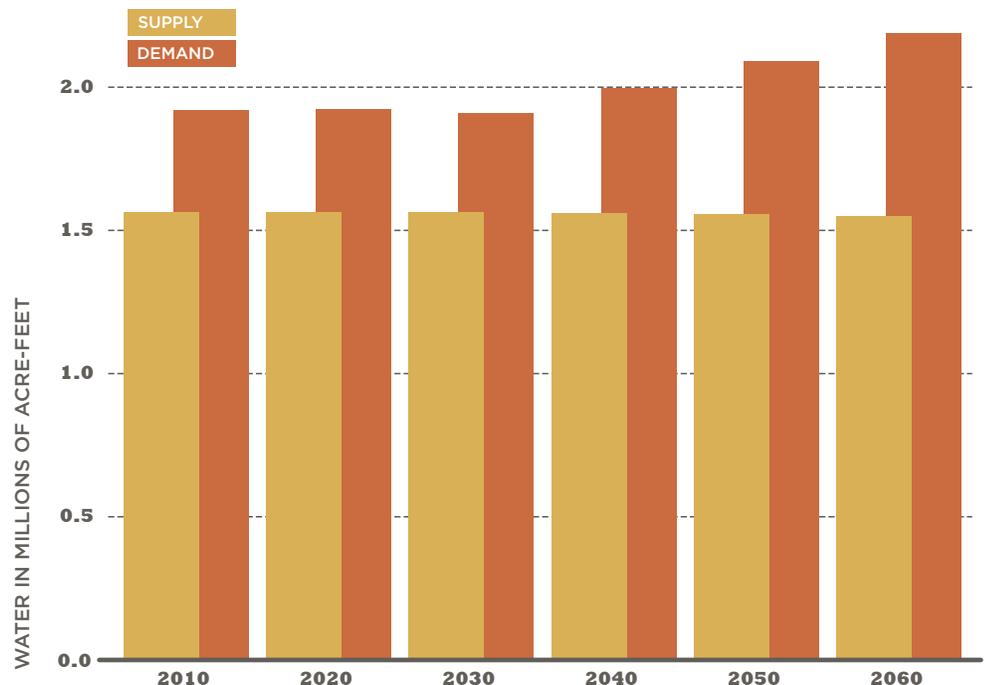
Source: Texas Education Agency

WATER

PROJECTED WATER SUPPLY VS. DEMAND 2010-2060

Demand for water already exceeds available supply in much of the South Region. This fact could hinder economic and demographic growth in the region, given that projections show a regional water shortage of 29 percent by 2060. Water demand will continue to rise, regardless of whether new water sources develop in this fast-growing region.

While irrigation accounts for the majority of water demand in the South Region, needs vary substantially by county. Val Verde and Aransas counties, for example, used their water primarily for municipal purposes. Willacy and Kenedy counties, however, used more than 80 percent of their water for irrigation and livestock, respectively.



Source: Texas Water Development Board and Texas Comptroller of Public Accounts

CONCLUSION

The South Region is one of Texas' fastest growing and most diverse. It overlies a portion of the Eagle Ford Shale that has helped fuel the state's energy resurgence. It also serves as a hub for shipping, farming and manufacturing. Meanwhile, tourists flock to shoreline destinations such as Corpus Christi and South Padre Island.

The region offers a dynamic workforce. Both birth and graduation rates top state averages. It has also added jobs at a faster rate than Texas as a whole, though wages lag significantly behind the state average.

Rapid growth, coupled with drought conditions, has strained the region's water supplies.

Thriving cities, agriculture and mining helped drive Texas' largest consumption increase over the past decade.

In all, the region offers much promise. It will remain relatively young and culturally dynamic while supporting some of Texas' key industries.

Glenn Hegar

Texas Comptroller of Public Accounts

THE SOUTH REGION IS ONE OF THE COMPTROLLER'S 12 ECONOMIC REGIONS.

To see a complete list of these regions, plus more in-depth county-by-county data, visit:

TEXASAHEAD.ORG/REGIONALRPTS