

MEETING HIGHLIGHTS

June 8, 2023

- Nevada's unemployment rate ticked down to 5.4 percent in April, with year-over-year job growth at 4.2 percent. Nevada continues to have both the highest unemployment rate **and** the strongest year-over-year job growth of any state in the nation. These contradictory forces point to dynamic churn within the economy, with some Nevadans struggling to find work even as overall job growth remains strong.
- March sales tax revenues were the fourth highest on record in the State, despite taxable sales only outpacing the prior March by 2.4 percent. This suggests that while overall sales remain high, growth might be levelling off somewhat from the significant pace of recent years. Moderating inflation rates may also be a factor in slowing growth.
- Las Vegas tourism activity was down a bit in April from the strong visitation and spending seen in March. The events calendar for the upcoming several months remains robust, though consumer sentiment surveys point to mixed signals on travel spending.
- A recent land study commissioned by GOED found that Southern Nevada may face a land shortage, stunting economic growth, around 2030 based on current conditions. Of roughly 16,400 acres of developable land (for business), roughly 5,000 acres are in the most optimal categories for economic development.
- According to the June Silver Sage report, FY23 year-to-date General Fund collections are almost spot on, just 0.1 percent below forecast. This marks a 6.9 percent increase year over year, a slowdown from the 9.7 percent and 21.6 percent annual growth seen in FY21 and FY22 during pandemic recovery, but slightly higher than the 6.7 percent growth in FY19.

CONSENSUS FORECASTS

UNEMPLOYMENT RATE

The current Statewide unemployment rate stands at 5.4% as of April 2023. The consensus expectation is that the unemployment rate will decline to 5.2% by June 2023 and 5.0% in December, then further drop to 4.8% by June 2024.

JOB GROWTH

As of April, Statewide employment stands 4.2% above April 2022. Year-over-year job growth is expected to slow to 3.9% by June 2023 and 3.1% in December, and further moderate to 2.5% year-over-year growth by June 2024.

VISITOR VOLUME GROWTH

Statewide visitor volume is measured as a 12-month moving average (12MMA) to account for seasonality. Visitation was up 13.6% over the year through Feb-23. Year-over-year growth is expected to slow to 9.2% by June 2023, 6.5% in Dec-2023, and 4.1% by June 2024.

TAXABLE SALES GROWTH

Taxable sales are also projected as a 12MMA, which was up 8.3% over the year in March. The consensus projection anticipates growth slowing to 6.5% year over year by June 2023, 5.7% by December 2023, and 4.6% in June 2024.

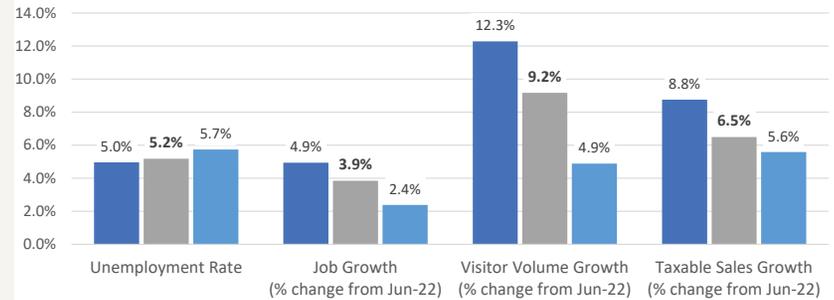
ADDITIONAL ESTIMATES

To account for uncertainty, best case and worst-case scenarios are also estimated. The "most likely" scenarios are the primary projections for June 2023, December 2023, and June 2024.

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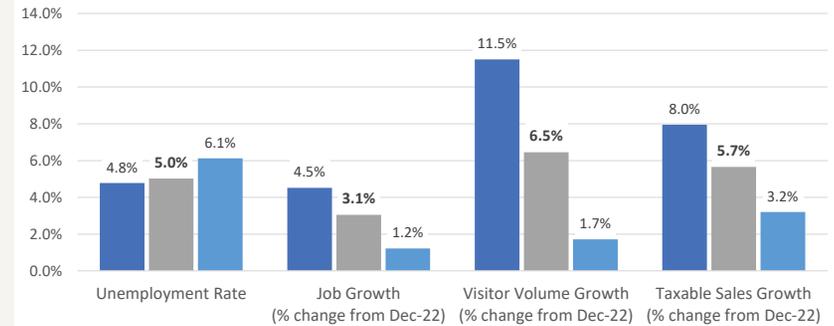
■ Best Case ■ Most Likely ■ Worst Case

June 2023 Consensus Projections



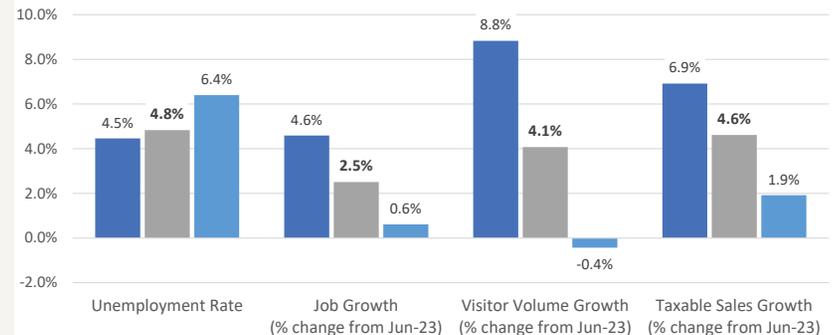
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December 2023 Consensus Projections



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June 2024 Consensus Projections



All charts are labeled "DRAFT" due to changing conditions.

The unemployment rate and job growth are seasonally adjusted, while visitor volume and taxable sales are measured as 12-month moving averages to account for expected seasonal variation.