

NWGRC Economic Impact Analysis

IMPACT OF COVID-19 ON NORTHWEST GEORGIA

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Executive Summary

Introduction

On April 2, 2020, Governor Brian Kemp issued a stay-at-home order in response to the spread of COVID-19. This order required certain populations to shelter in place and residents and visitors to stay home until the order was lifted. The order also ordered specific types of businesses to close and restricted all other non-essential service businesses to Minimum Basic Operations. During that time, weekly unemployment claims drastically increased for the region and the state.

The Economic Impact Analysis is meant to provide a snapshot of the economic impact felt in the northwest Georgia region and individual counties from March to November 2020. The data analyzed included weekly unemployment data, monthly unemployment rates, industries most impacted due to unemployment based on 2-digit NAICS Code industry sectors and 3-digit NAICS Code industry subsectors, low-income unemployment data, and sales tax data. Data were obtained from the Georgia Department of Labor, the Federal Reserve Economic Data (FRED), the University of Georgia Carl Vinson Institute of Government, the Urban Institute, and the Georgia Tax Center.

Northwest Georgia Regional Commission

The Northwest Georgia Regional Commission is a multi-county organization consisting of 15 Northwest Georgia counties and 49 municipalities. Major responsibilities of the regional commission include: (1) implementation of the Georgia Planning Act of 1989; (2) administration of the Area Agency on Aging; (3) administration of the Workforce Investment Act; and (4) providing planning and development assistance to member governments in areas they could not otherwise afford.

EDA Cares Grant

This economic impact analysis was made possible by and came about due to an EDA Cares Act Grant awarded to the Northwest Georgia Regional Commission. This analysis aims to understand the impact of COVID-19 on the region to develop informed plans for the recovery of the region's economy and build resilient and sustainable communities throughout Northwest Georgia.

Northwest Georgia Region Map

Figure 1: Map of Region



Georgia COVID-19 Policies Summary

Table 1: COVID-19 Policies Summary summarizes some of the major policies related to COVID-19 that Georgia currently has or has not adopted as of March 17. The state does not require face masks, allows reopening schools, and does not provide workers compensation. It does have restrictions on gatherings, bars, and gyms while providing unemployment insurance extensions and liability protections.

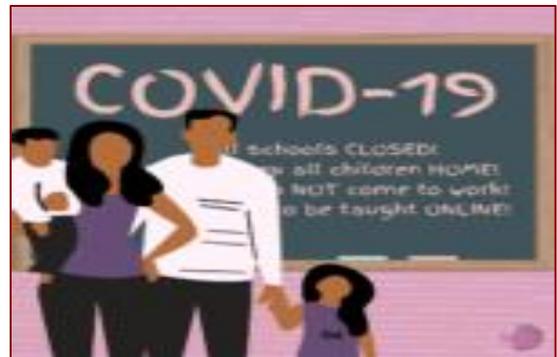
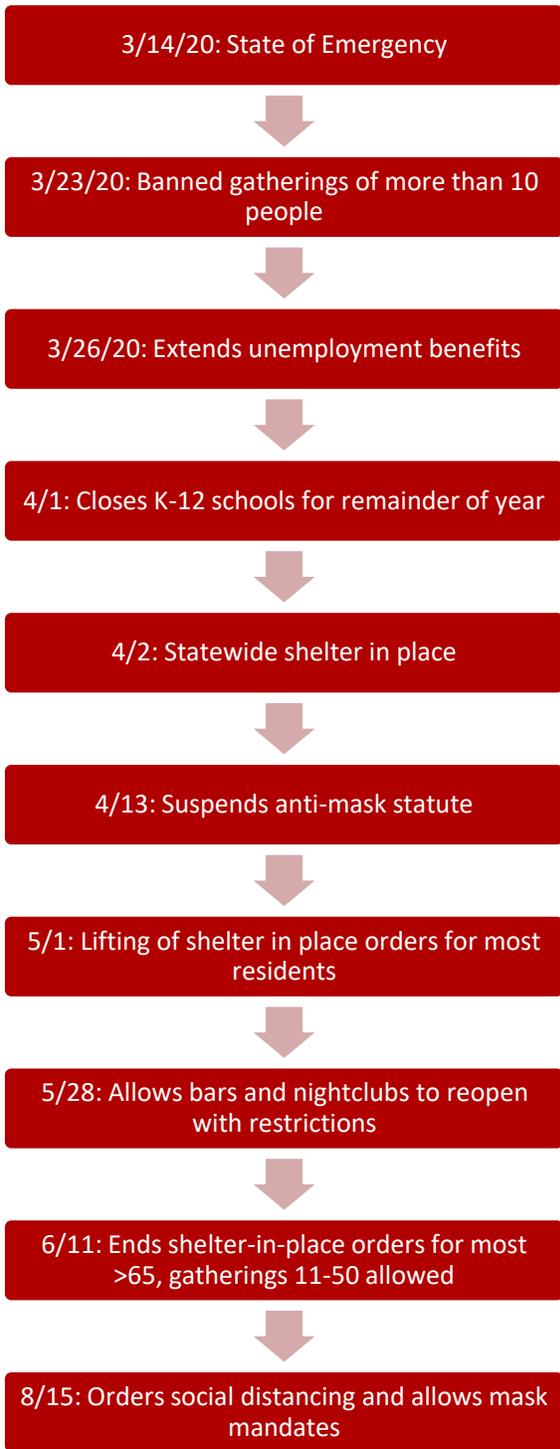
Table 1: COVID-19 Policies Summary

	Policy/Action	Status	Description
General	Face Mask Requirements	No	Local governments can impose limited mask mandates.
	Social Distancing/Gatherings and Meetings Restrictions	Yes	Gatherings are limited to 50 people or less.
Institutional Restrictions	School Reopening Allowed	Yes	Georgia will allow individual school districts and local communities to decide whether school buildings physically open or will operate remotely.
Business Restrictions	Restaurants at Least 50% Capacity	Yes	Restaurants may operate at full capacity. Georgia allows home delivery of beer, wine, and liquor directly to people's homes from restaurants, bars, convenience stores, some package and retail stores, and grocery stores.
	Bars Open	Yes	Bars may operate at full capacity.
	Gyms Open	Yes	Group class attendance must be limited to ensure patrons are 10 ft. apart.
Employment	Unemployment Insurance Extension	Yes	Work search requirements have been waived.
	Liability Protections	Yes	No healthcare facility or other entity (broadly defined) will be held liable for damages in an action involving a COVID-19 liability claim unless the claimant proves that the actions showed gross negligence, willful and wanton misconduct, reckless infliction of harm, or intentional infliction of harm.
	Workers Comp	No	

Source: Stateside, State Snapshot: A COVID-19 Report as of March 17, 2021

COVID-19 Executive Order Timeline

Figure 2: Executive Orders March 2020:



Source: Office of the Governor, 2020 Executive Orders

Key Takeaways

- The Manufacturing Sector, which is the largest sector of the region's economy according to the Georgia Department of Labor Area Labor Profile for Northwest Georgia Regional Commission, was hit hard by COVID-19.
 - According to the Demographic Atlas of the United States, all five of the counties with the highest weekly unemployment claims during the March 7 – June 13 period when the pandemic hit hardest have Manufacturing as their largest sector.
 - Manufacturing had significantly more weekly unemployment claims than any other sector.
 - The 2-digit NAICS Code industry sector that lost the most jobs in 9 of the 15 counties was Manufacturing.
- The Food Services industry subsector of the economy was also hit hard.
 - 12 of the region's 15 counties had Accommodations and Food Services as the largest or second-largest 2-digit NAICS Code industry sector in terms of weekly job claims.
 - Food Services & Drinking Places was the 3-digit NAICS Code subsector that lost the most jobs between March 7 & June 13 for 10 of the region's 15 counties.
 - Community leaders listed Food Services as the industry hit the hardest more commonly than any other industry in the Georgia Tech EDA University Center survey.
- The unemployment rate peaked in April and has since gone down to a level slightly above what it was pre-pandemic.
- Low-income workers were hit less hard by the pandemic in the region than in many other parts of the country.
- According to a model used by the University of Georgia, had the jobs lost in the first few months of the pandemic remained lost for a year, this would result in the loss of most of the region's employee compensation and gross regional product (the value of the goods and services produced by the region).
- Most of the region experienced more sales tax revenue in 2020 than in 2019 despite the pandemic. The increase in sales tax remains even after the General Merchandise sales tax revenue from a month that experienced a large increase in General Merchandise sales tax revenue due to a one-time adjustment is excluded from the analysis. The combination of an increase in revenue from general merchandise and a decrease in revenue from wholesale indicates that retail moved online.
- A survey conducted by Georgia Tech's EDA University Center found that businesses experienced significant revenue loss problems but that most unemployment due to the pandemic has already occurred. Community leaders and companies expressed that more assistance with finding ways to make revenue, more employee development, and more leadership development were needed for businesses. Community leaders indicated that business location, expansion, and relocation projects were either not affected or have resumed work.

Impact Assessment

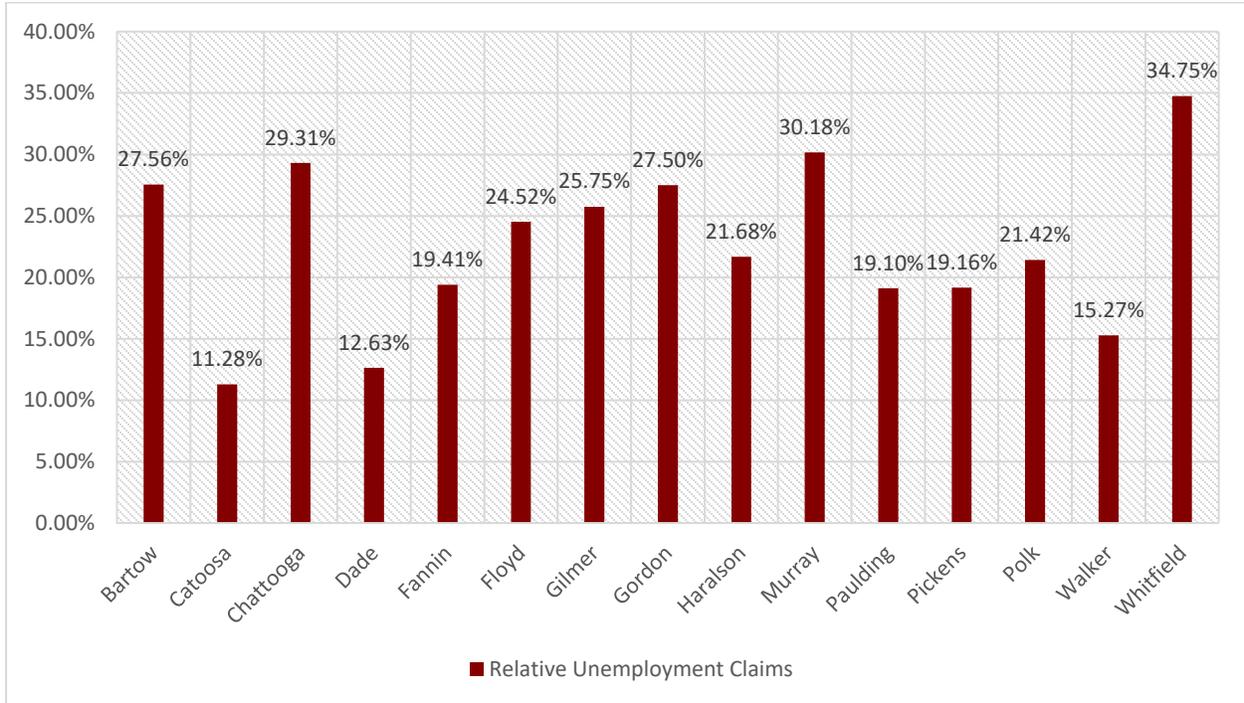
Unemployment and Industry Impact

A significant amount of unemployment was experienced regionwide, with a monthly peak of over 12%. Whitfield had the most unemployment claims during the March 7 – June 13 peak of the pandemic, with a total number of claims equal to 35% of its population. Manufacturing had by far the most unemployment claims of any industry sector.

Weekly Unemployment Claims

Chart 1: Weekly Relative Unemployment Claims by County details the weekly unemployment claims relative to the county's population from March 7 – June 13, 2020. These dates were selected because this was when the region felt the largest impact from the stay-at-home orders. Bartow, Chattooga, Gordon, Murray, and Whitfield experienced the most unemployment claims relative to the population during this time. Loss of manufacturing jobs is the likely reason why these counties were the highest in the region. The reason for this conclusion is that they lost more jobs from Manufacturing than any other sector, and all of them had a higher percentage of civilian employment in Manufacturing than in any other sector, according to the Demographic Statistical Atlas of the United States.

Chart 1: Weekly Relative Unemployment Claims by County

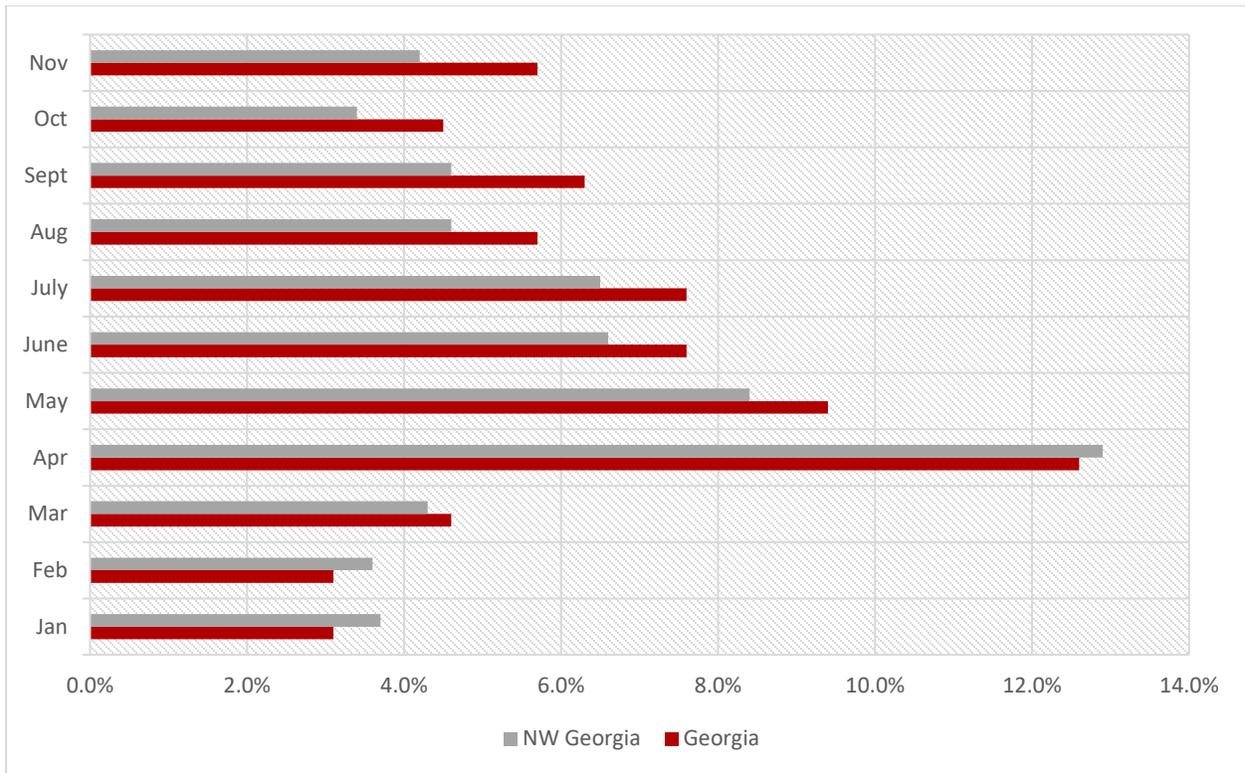


Source: Georgia Department of Labor 2-digit NAICS Codes

Monthly Unemployment Rate

Chart 2: *Monthly Unemployment Rate, NWGA and Georgia* details the Northwest Georgia region's monthly unemployment rate compared to Georgia's statewide rate from January to November of 2020. Please note that April saw the highest unemployment rate in both the region and the state, which is in line with Governor Brian Kemp's stay-at-home orders. While Northwest Georgia experienced a higher unemployment rate early in 2020, in May through November the region's unemployment rate drops below the state's rate. The lower rates starting in May reveal that the region has been able to recover faster than the state as a whole.

Chart 2: 2020 Monthly Unemployment Rate, NWGA and Georgia



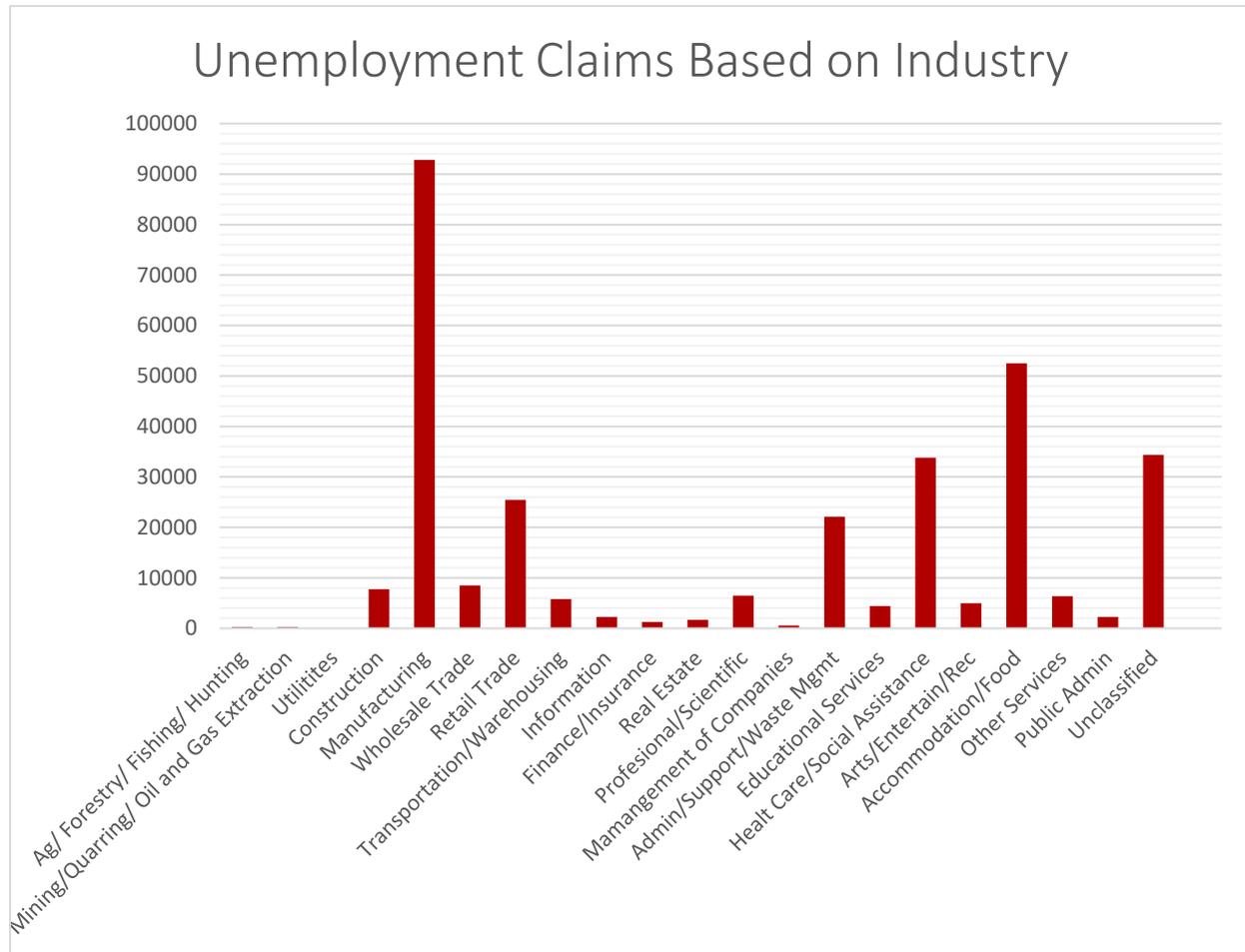
Source: Georgia Department of Labor, Monthly GA Unemployment Rates



Weekly Unemployment Claims By Industry

Chart 3: *Unemployment Claims Based on Industry Regionwide* details the number of weekly unemployment claims in NWGRC's region, based on the 2-digit NAICS Code industry sector. Manufacturing saw the largest amount of weekly unemployment claims of any industry sector, followed by Accommodation/Food Services.

Chart 3: *Unemployment Claims Based on Industry Regionwide*



Source: *Georgia Department of Labor 2-Digit NAICS Code*

Manufacturing is the most common employment sector in the region at more than 57,000 workers as of Q2 2020, according to the Georgia Department of Labor Area Labor Profile for Northwest Georgia Regional Commission, significantly more than the next highest employer, Retail, at 35,958. These numbers imply that the region's economy was greatly impacted by COVID-19 hitting its largest sector hard. More evidence that the large number of Manufacturing claims negatively impacted the region's economy comes from the fact that Whitfield, the county most dependent on Manufacturing, was also the hardest hit by the recession.

Table 2: Number of Jobs, Number of Jobs Lost, and Percentage of Jobs Lost by Industry examines which industries lost a significant percentage of the region's total jobs. There are two possible reasons why percentages of jobs lost went beyond 100% in some cases. The first is that the Number of Jobs Lost column is the sum of all jobs lost between March 7 and November 14, meaning that double counting of the same position that was lost multiple times throughout that period due to businesses repeatedly closing and reopening is likely. The second is that the definition of industries is likely not the same between the Georgia Department of Labor's Industry Mix and its Weekly Unemployment Claims, particularly Unclassified. The results confirm that Accommodation and Food Services was devastated by the pandemic, with job losses just under 200% of the original number of jobs. The results also indicate that Manufacturing losses were severe but less severe than shown by just looking at the number of jobs lost.

Table 2: Number of Jobs, Number of Jobs Lost, and Percentage of Jobs Lost by Industry

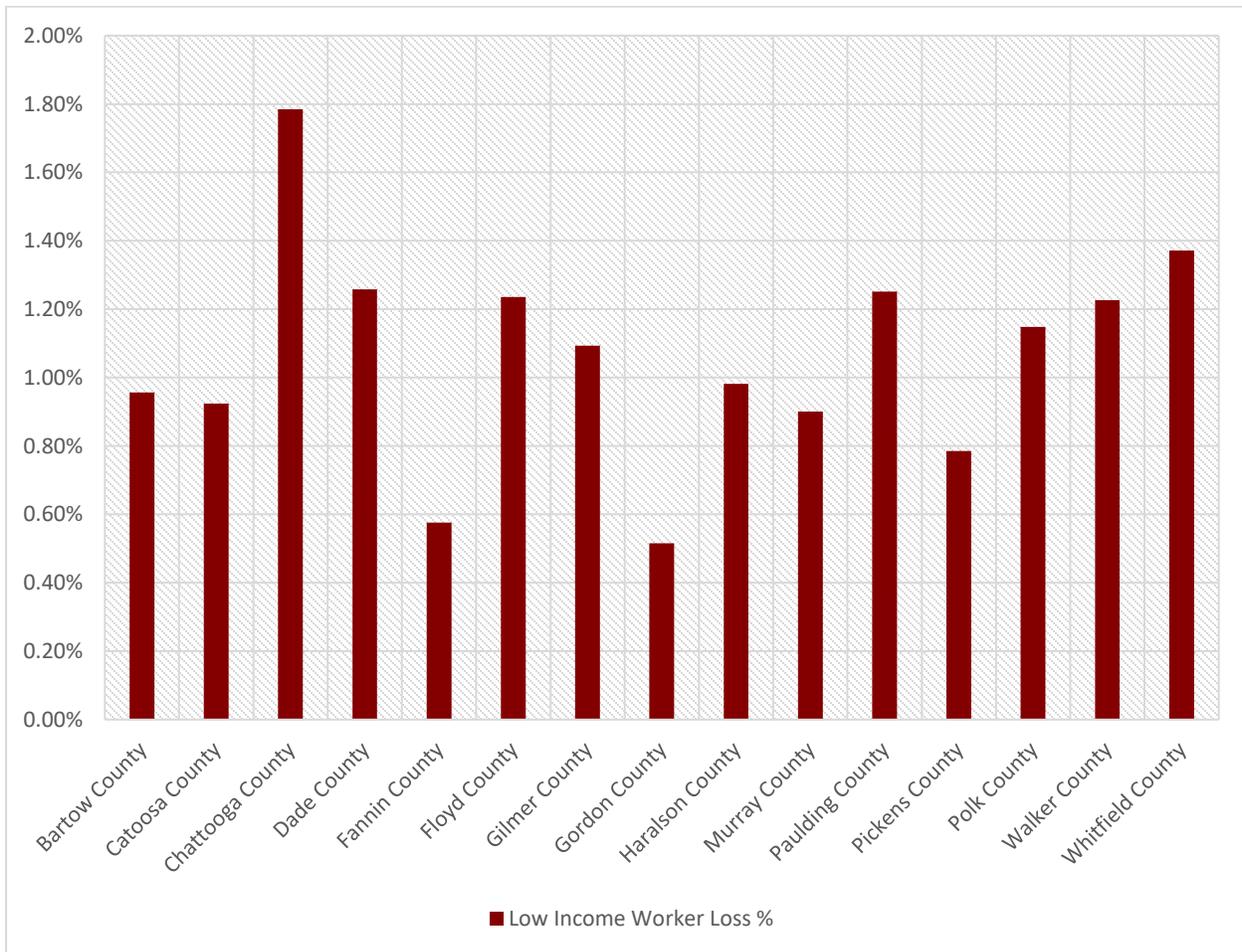
Sector	Industry	Number of Jobs	Number of Jobs Lost	Percentage of Jobs Lost
Goods Producing	Agriculture and Related	26,738	52,483	196.29%
	Mining and Extraction	562	234	41.64%
	Construction	10,017	7,753	77.40%
	Manufacturing	66,806	92,792	138.90%
Service-Providing	Utilities	1,231	45	3.66%
	Wholesale Trade	11,141	8,496	76.26%
	Retail Trade	35,201	25,406	72.17%
	Transportation	9,438	5,770	61.14%
	Information	1,487	2,233	150.81%
	Finance and Insurance	5,055	1,254	24.81%
	Real Estate and Rental	2,214	1,689	76.29%
	Professional	7,603	6,493	85.40%
	Management	754	550	72.94%
	Administrative and Waste	11,297	22,118	195.79%
	Educational Services	2,293	4,494	191.76%
	Health and Assistance	31,701	33,802	106.63%
	Entertain and Recreation	2,438	4,994	204.84%
	Accommodate and Food	26,738	52,483	196.29%
	Other Services	5,636	6,337	112.44%
Unclassified	Unclassified	589	34,358	5833.28%
Government	Public Administration	40,203	2,311	5.75%

Source: Georgia Department of Labor Industry Mix 4th Quarter 2019, Georgia Department of Labor 2-Digit NAICS Code Weekly Unemployment Claims

Low-Income Job Loss

As shown in *Chart 4: Percentage of Low-Income Workers that Lost Their Jobs by County*, the percentage of low-income jobs lost within Northwest Georgia due to COVID-19 varied between 0.5% and 1.8%. Chattooga County experienced the highest percentage of low-income jobs lost at 1.79%, while Fannin and Gordon Counties experienced the lowest percentage of lost low-income jobs at 0.58% and 0.52%, respectively.

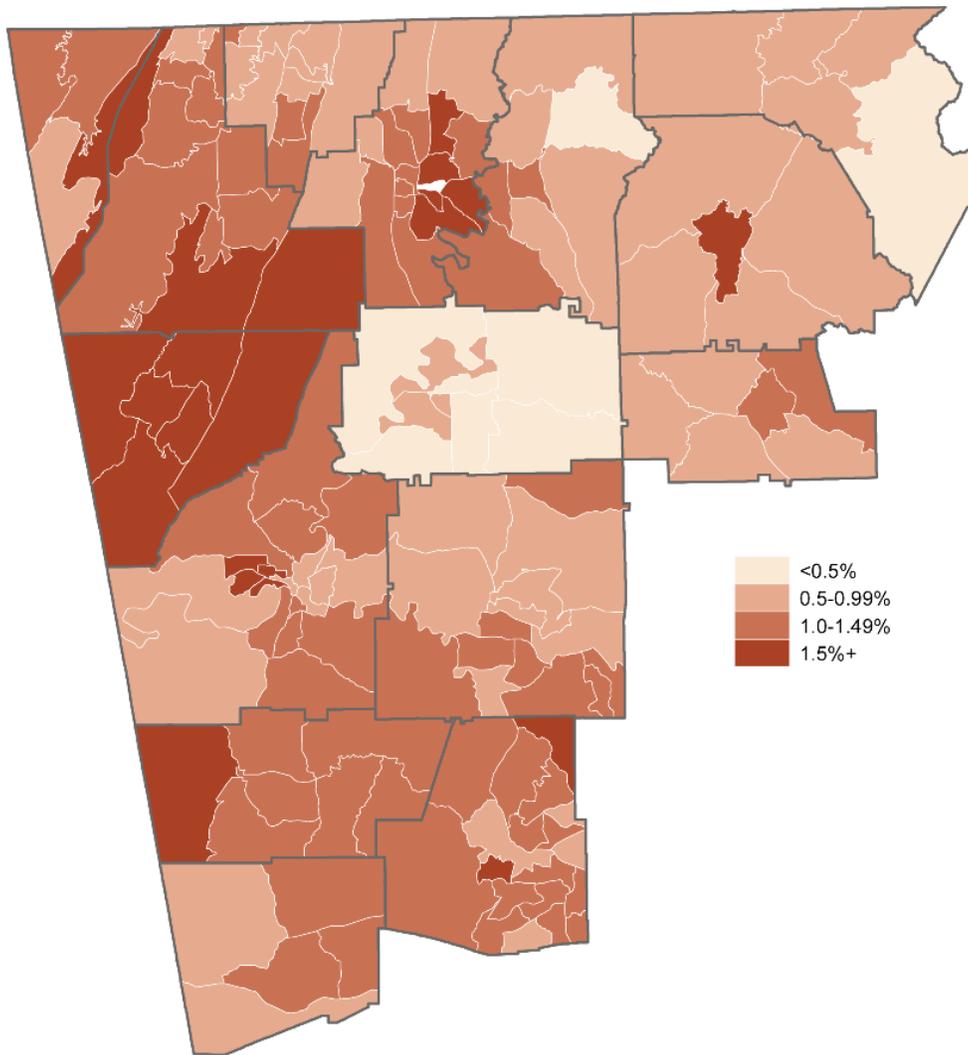
Chart 4: Percentage of Low-Income Workers that Lost Their Jobs by County



Source: Urban Institute, Low-Income Jobs Lost Due to COVID-19

The low rates imply that low-income workers were relatively unaffected in the region, given that even in Chattooga, the rates were under two percent. The countrywide data support the argument that low-income workers were relatively untouched. Chattooga County had the 2,773rd highest rate of low-income worker job loss out of 3,142 counties nationwide, and the nation's average was slightly more than 5.46%, much higher than Chattooga County's 1.79%.

Figure 3: Map of Low-Income Job Losses by Census Tract



Source: Urban Institute, *Low-Income Jobs Lost Due to COVID-19*

Figure 3: *Map of Low-Income Job Losses by Census Tract* is a map that shows the low-income jobs lost due to COVID-19 by the census tract. As can be seen, the greatest percentage losses came from Chattooga County and parts of Dade, Floyd, Gilmer, Polk, Paulding, Whitfield, and Walker Counties. Most of Gordon County and parts of Fannin County and Murray County experienced the lowest losses of low-income jobs. These results reinforce that low-income workers in Chattooga County were the hardest hit of the region. Therefore, any efforts to address low-income workers' needs would be best served to emphasize that county.

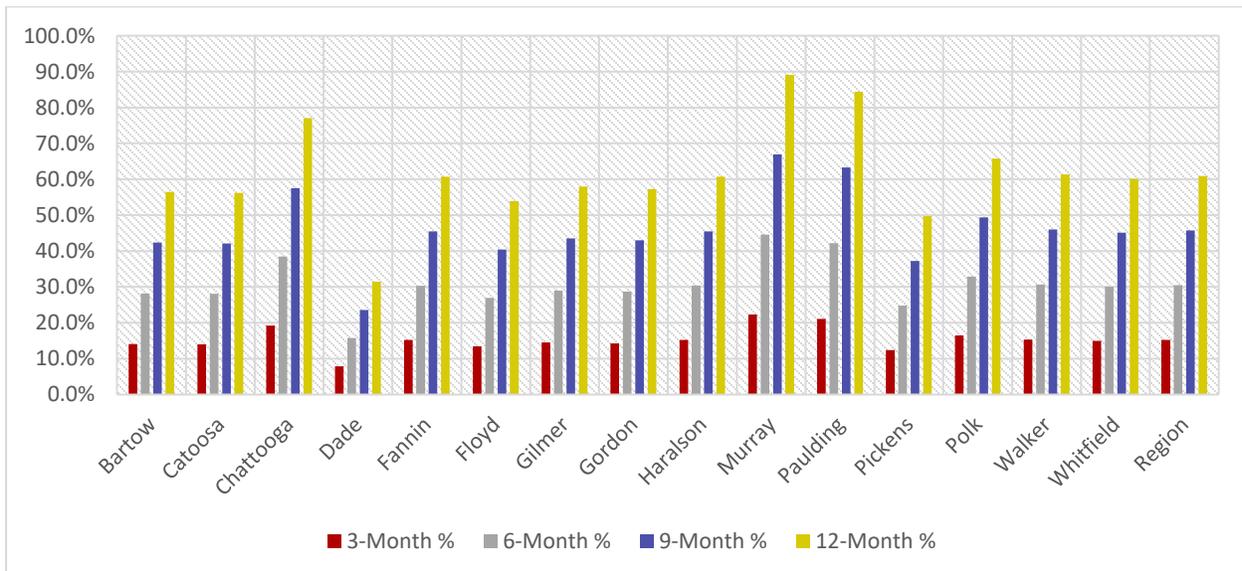


12-Month Effect of COVID-19 on Employee Compensation and Economic Loss

The **Carl Vinson Institute of Government at the University of Georgia** kindly provided Northwest Georgia Regional Commission with an economic model estimating the impacts the jobs lost between March 7 and June 13, 2020 would have if those losses were for three, six, nine, or twelve months. The model examined the estimated effects on employee compensation and economic loss.

As can be seen in *Chart 5: Percentage of Employee Compensation That Would Be Lost if the Jobs Remained Lost by County*, the model's estimation of the effects of the job losses from COVID-19 during the period between March 7 and June 13 would have on employee compensation if they lasted for three, six, nine, or twelve months. It is worth noting that the job market recovered before three months, meaning that these assumptions were not true in reality. The model indicates that the largest losses in employee compensation would be felt by Murray, Paulding, and Chattooga counties. Each of these counties would lose more than 15% of the compensation received by employees if the jobs remained lost for three months, more than 35% if the jobs remained lost for six months, more than 55% if the jobs remained lost for nine months, and more than 75% if the jobs remained lost for the full year. The model also implies that the impact would be felt the least by Dade. Dade would experience less than 10% of employee compensation being lost if the jobs remained lost for three months, just over 15% if the jobs remained lost for six months, under 25% if the jobs remained lost for nine months, and less than 35% if the jobs remained lost for the full year. In total, the model estimates that 60.9% of employee compensation would be lost if the jobs remained lost for the full year region-wide.

Chart 5: Percentage of Employee Compensation That Would Be Lost if the Jobs Remained Lost by County

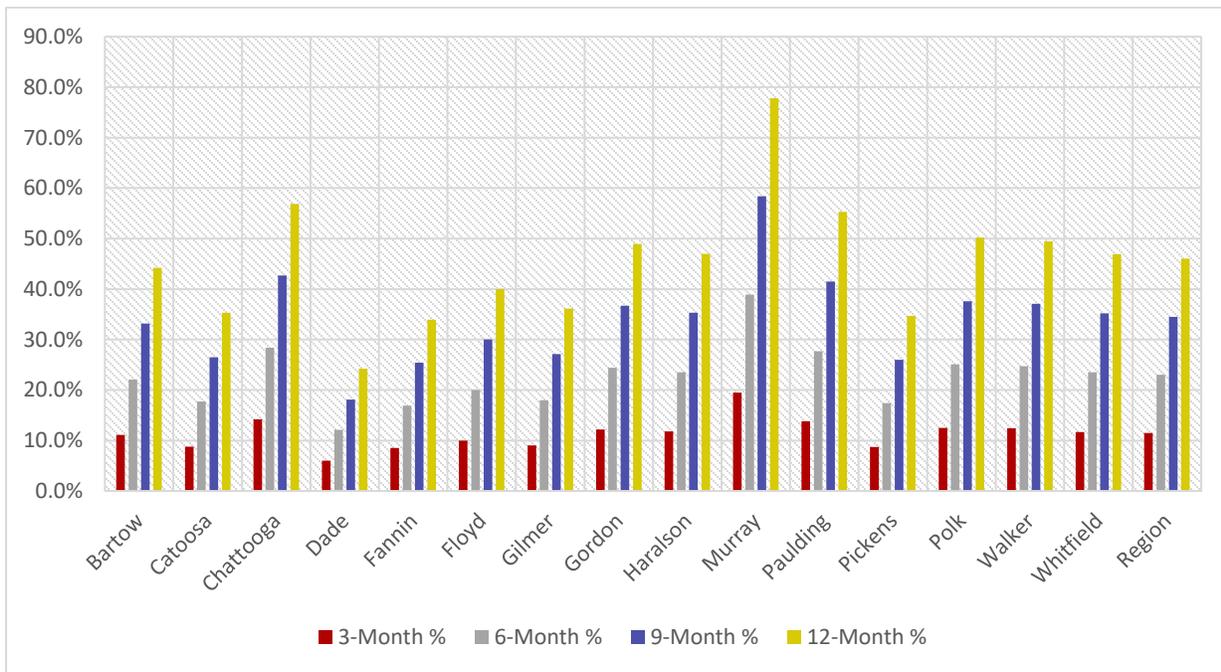


Source: University of Georgia model based on data provided from Georgia Department of Labor

Chart 6: Percentage of GRP That Would Be Lost if the Jobs Remained Lost, located below shows the effects of the job losses on the gross regional product (GRP), which is the total value of all goods and services produced in the region (in this case, the county) if they last for three, six, nine, or twelve months respectively. The region as a whole would lose 11.5% of its GRP if the jobs remained lost for three months, 23% if the jobs remained lost for six months, 34.5% if the jobs remained lost for nine months, and 46% if the jobs remained lost. Similar to the impact on employee compensation, the greatest losses are felt by Murray, Paulding, and Chattooga. Each would lose more than 10% of their GRP if the jobs remained lost for three months, more than 20% if they remained lost for more than six months, more than 40% if they remained lost for nine months, and more than 50% if they remained lost for the full year.



Chart 6: Percentage of GRP That Would Be Lost if the Jobs Remained Lost

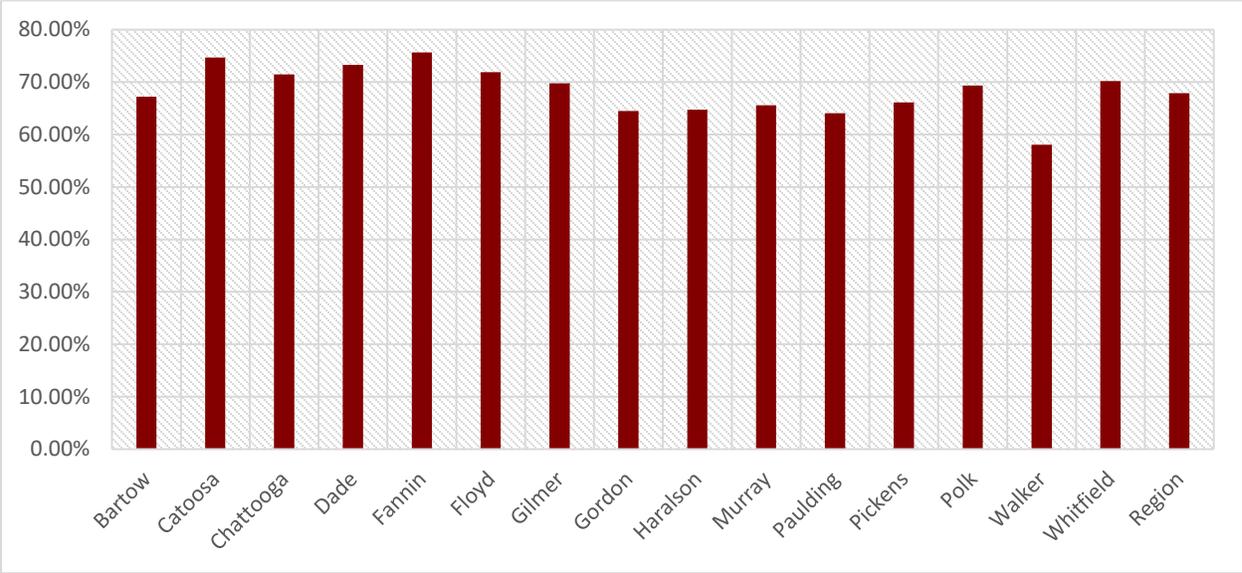


Source: University of Georgia model based on data provided from Georgia Department of Labor

The results of the model heavily indicate that a sustained recession of the magnitude caused by COVID-19 greatly harms the economy of the region, with almost all counties losing 30% of their gross regional product (GRP) within a year, several losing more than 40%, and a few even losing more than 50%. It also further implies that Murray is the most vulnerable county to such a recession, as it would only take six months to lose more than 30% of its GRP and only nine months to lose more than 50% of its GRP.

Chart 7: Percentage of GRP That Would Be Lost Over 12 Months if the Jobs Remain Lost That Comes from Employee Compensation by County, located below, shows the estimated percentage of the lost gross regional product (GRP) over twelve months that comes from a loss of employee compensation. As can be seen, most lost GRP comes from employee compensation for every county in the region, and the region would experience 67.88% of lost GRP coming from employee compensation. Fannin receives the highest percentage of GRP loss from employee compensation at 75.68%, followed by Catoosa at 74.69% and Dade at 73.31%. Walker experiences the lowest GRP loss percentage coming from employee compensation at 58.07%, the only county whose employee compensation loss is less than 60% of GRP loss.

Chart 7: Percentage of GRP That Would Be Lost Over 12 Months if the Jobs Remained Lost That Comes from Employee Compensation by County



Source: University of Georgia model based on data provided from Georgia Department of Labor

The big conclusion to draw from this chart is that employee compensation makes up a significant proportion of the region's economy. Therefore, a substantial proportion of the damage to the region's economy comes from the loss of compensation. These facts indicate that returning to full employment should be a priority. It also potentially implies that reductions in compensation would also harm the region's economy since employee compensation is a significant percentage of gross revenue product.



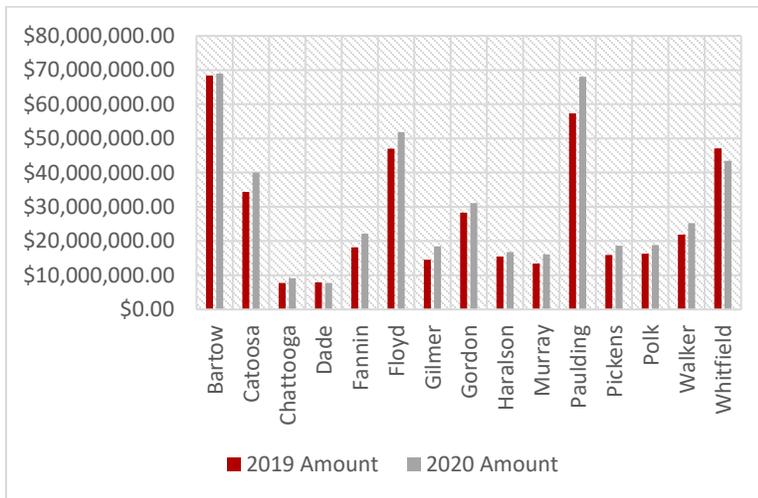
Sales Tax

This analysis compares the sales tax data of 2019 and 2020 to understand the impacts of COVID-19 on sales tax revenue. In Georgia, local governments receive sales tax revenue through various forms of local option sales tax or LOST.

All Forms of LOST

Chart 8: Intake from All Types of LOST in 2019 vs. 2020 by County shows the intake of all types of local option sales tax, or LOST, utilized by at least one county in the region in 2019 compared to 2020. As can be seen, Paulding experienced the largest increase, going from more than \$57,000,000 to more than \$68,000,000. Whitfield experienced the largest decrease, going from more than \$47,000,000 to more than \$43,000,000.

Chart 8: Intake from All Types of LOST in 2019 vs. 2020 by County



Source: Georgia Tax Center, Monthly Distribution Search Results

As shown by *Chart 9: Percentage of All Types of LOST Increase or Decrease in 2020 Relative to 2019 by County*, the only two counties that experienced a decrease in overall sales tax revenue from the various types of LOST were Dade and Whitfield, which received 3.11% and 7.70% less LOST tax revenue in 2020 than in 2019, respectively. The decrease Dade experienced has no obvious explanation, as it received a reduction in tax revenue in every type of LOST it utilizes (ELOST, LOST, and SPLOST). Whitfield's decrease in tax revenue comes primarily from a voter

LOCAL OPTION SALES TAX

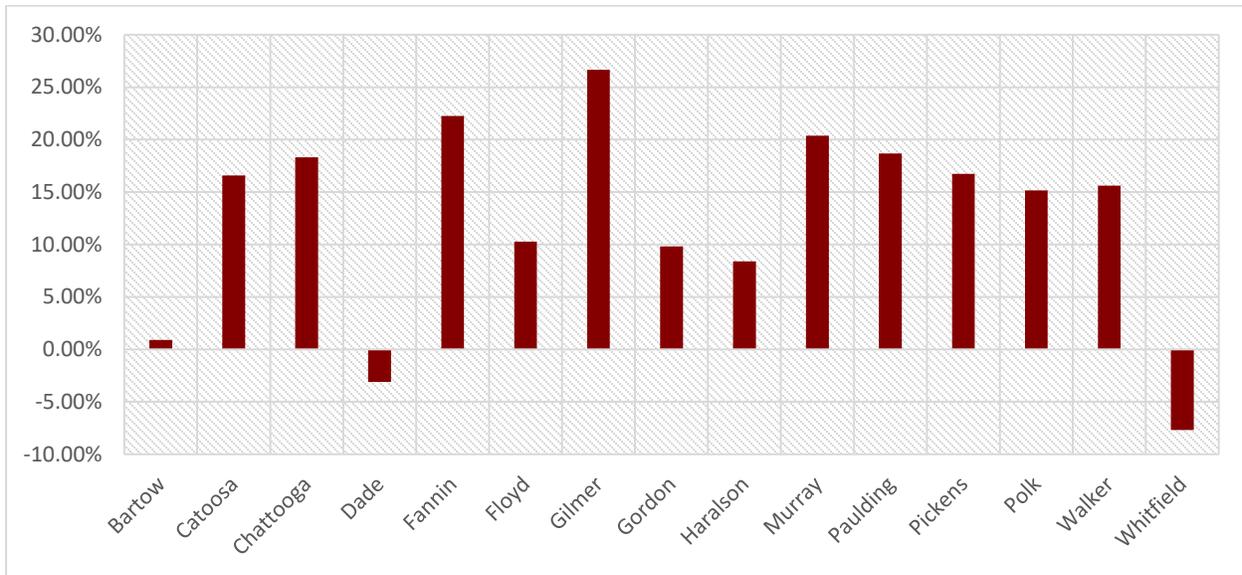
There are four types of LOST used in the region: Educational Local Option Sales Tax (ELOST), Local Option Sales Tax (LOST), Special Purpose Local Option Sales Tax (SPLOST), and Single-County Transportation Special Purpose Local Option Sales Tax (TSPLOST2).

1. **ELOST** is used to fund general educational operations.
2. **LOST** is used to fund general government operations.
3. **SPLOST** is a general-purpose sales tax used to fund large-scale projects intended to last several years, such as buildings.
4. **TSPLOST2** is a general-purpose sales tax within a single county used to fund large-scale transportation projects intended to last several years (including maintenance).

All types of LOST require approval from a public referendum before the counties can receive the funding from the state.

rejection of a renewal of SPLOST in June 2019, resulting in minimal SPLOST from June 2019 until a new SPLOST came into effect last October. The extended period with no SPLOST revenue resulted in a 59.75% decrease in SPLOST revenue in 2020 compared to 2019. Every other county received more LOST tax revenue, indicating that the pandemic did not negatively affect most of the region's sales tax revenue. The most likely reason why the pandemic had minimal effect on sales tax revenue is that online shopping compensated for reduced in-person shopping.

Chart 9: Percentage of All Types of LOST Increase or Decrease in 2020 Relative to 2019 by County

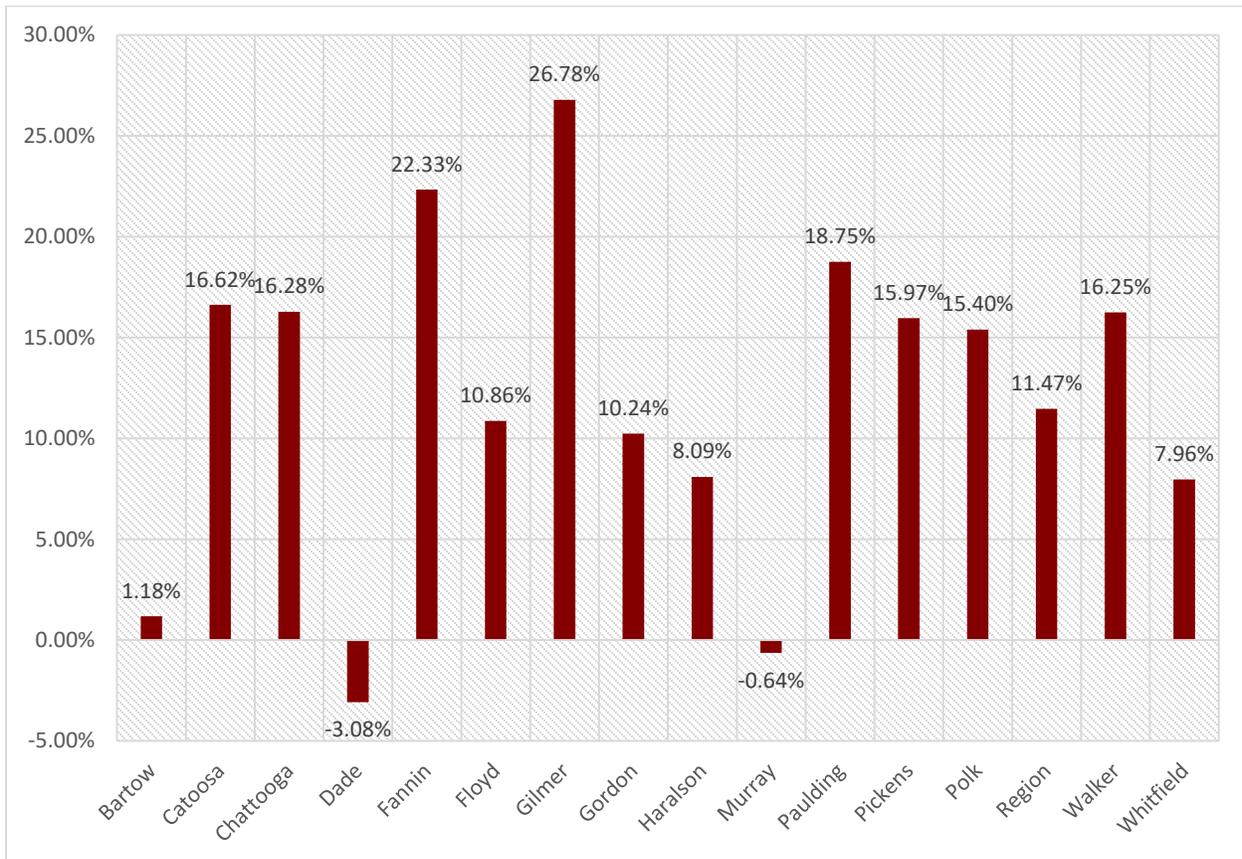


Source: Georgia Tax Center, Monthly Distribution Search Results

1% LOST

1% LOST sales tax data is analyzed in addition to the sales tax data that includes all forms of LOST to understand better how COVID-19 affected sales tax revenue. Another reason for its use is that it was the only source of data that discusses sales tax revenue by type of sales tax. As shown in *Chart 10: Percentage of 1% LOST Increase or Decrease in 2020 Relative to 2019 by County* and *Chart 11: 1% LOST Intake in 2019 vs. 2020 by County*, most of the region experienced growth in the 1% local option sales tax (LOST) in 2020 compared to 2019. The two exceptions are Dade County and Murray County, whose 1% LOST tax revenue was reduced by \$81,919.21, a 3.08% decrease, and \$28,261.44, a 0.64% decrease, respectively. Eight counties (Catoosa, Chattooga, Fannin, Gilmer, Paulding, Pickens, Polk, and Walker) experienced at least a fifteen percent growth in sales tax revenue. The region increased its sales tax intake by 11.47%. Based on the results, the pandemic did not negatively affect sales tax revenue received by the counties.

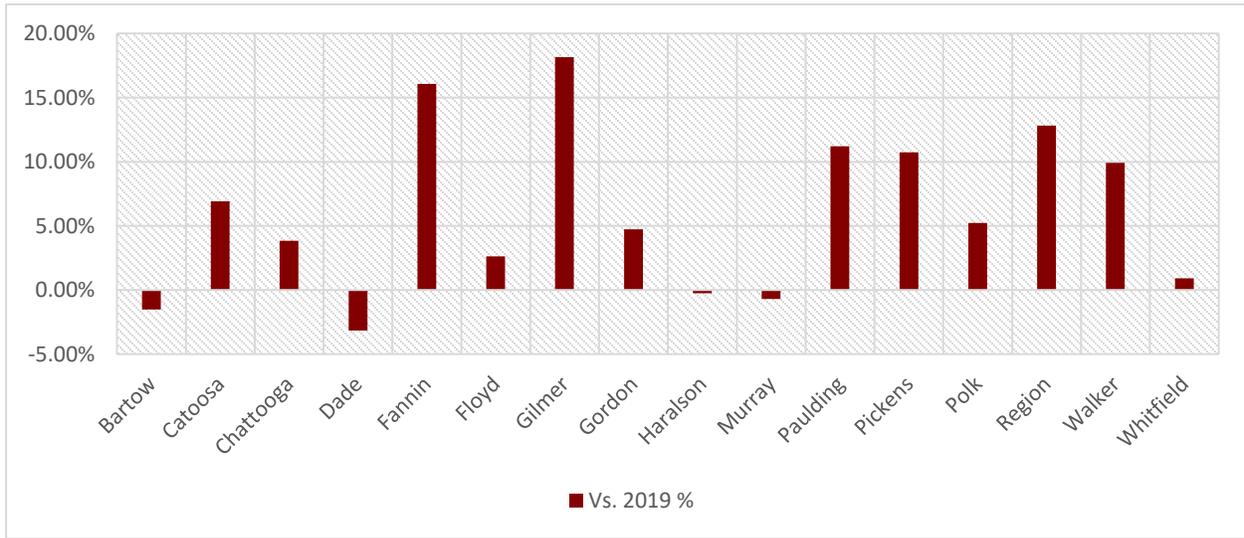
Chart 10: Percentage of 1% LOST Increase or Decrease in 2020 Relative to 2019 by County



Source: Georgia Department of Revenue, LGS_2019_Community_Report_0 and LGS_2020_Commodity_Report

Chart 11: Percentage of 1% LOST Increase or Decrease in 2020 Ignoring September General Merchandise Relative to 2019 by County shows the same information as Chart 10, shows the same information as Chart 10, except it excludes September General Merchandise for both years. This is because September 2020 had a disproportionately high General Merchandise 1% LOST intake, causing the data to be skewed. According to a Governor Kemp press release posted on the Georgia Department of Revenue website, a one-time adjustment in September 2020 resulted from a series of audits by the DOR to assist taxpayers in correcting incorrect Sales Tax allocations. This adjustment resulted in local governments statewide receiving \$768.3 million, a 45.4% increase from 2019. This increase is the likely explanation for the abnormally high General Merchandise intake in September 2020. As can be seen, after making this correction to unskew the data, Bartow and Haralson join Dade and Murray in having a lower 1% LOST sales tax intake in 2020 than in 2019. The fact that only four counties experienced lower 1% LOST revenue even after this adjustment provides further evidence to the conclusion that 1% LOST sales tax intake was generally not negatively affected by the pandemic.

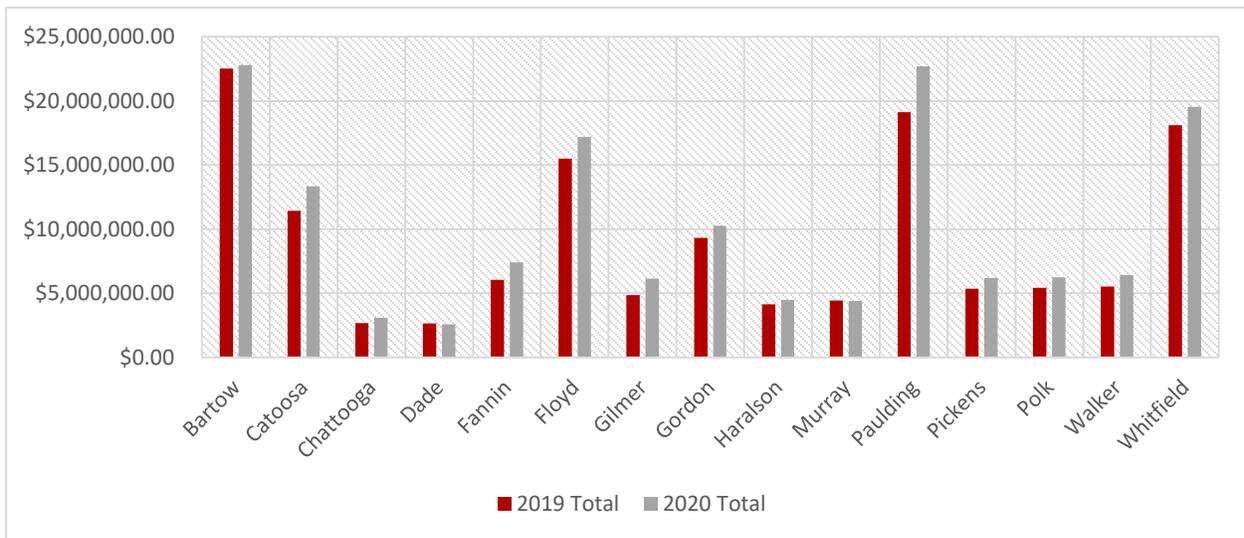
Chart 11: Percentage of 1% LOST Increase or Decrease in 2020 Ignoring September General Merchandise Relative to 2019 by County



Source: Georgia Department of Revenue, LGS_2019_Community_Report_0 and LGS_2020_Commodity_Report

Chart 12: 1% LOST Intake in 2019 vs. 2020 by County compares the 1% LOST revenue for each county in 2019 vs. 2020. The chart results indicate that Paulding had the largest raw increase, going from over \$19 million in 2019 to over \$22 million in 2020.

Chart 12: 1% LOST Intake in 2019 vs. 2020 by County

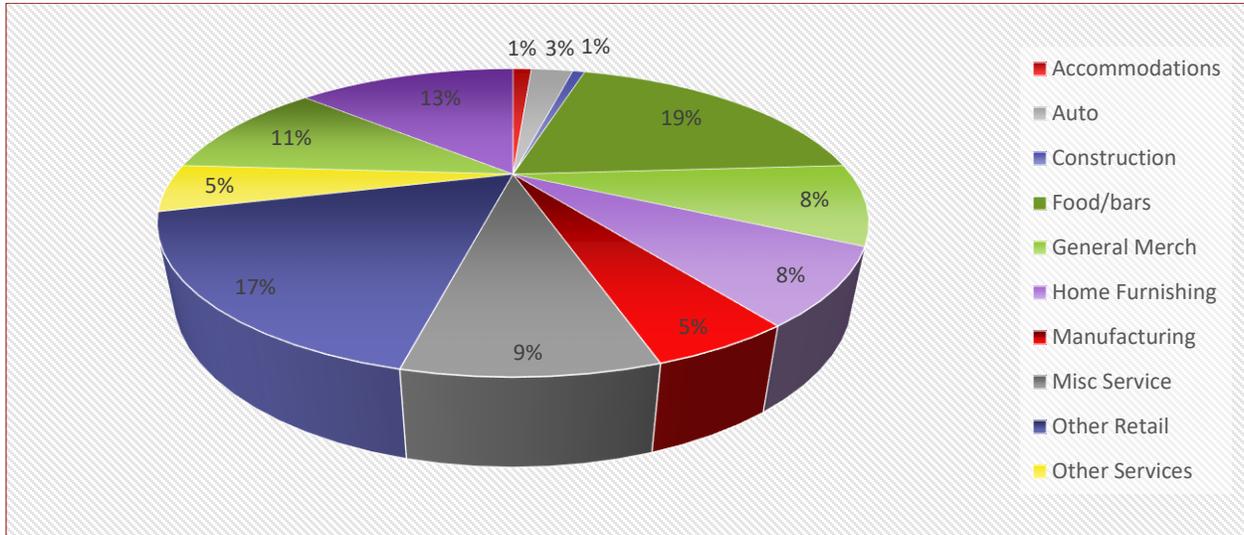


Source: Georgia Department of Revenue, LGS_2019_Community_Report_0 and LGS_2020_Commodity_Report

Chart 13: Percent of 1% LOST from Each Type of Sales Tax included in LOST Regionwide, 2019 and **Chart 14: Percent of 1% LOST from Each Type of Sales Tax included in LOST Regionwide,**

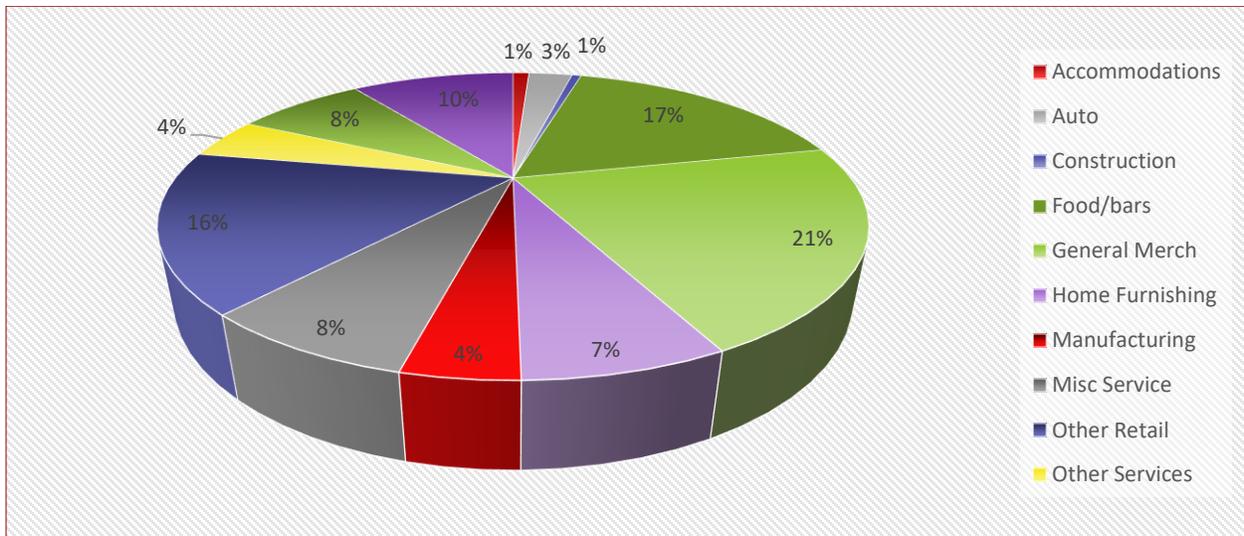
2020 show the 1% LOST by type of sales tax for the region in 2019 and 2020, respectively. Food/bars was the highest percentage of the region's 1% LOST tax revenue in 2019 at 18%, followed by Other Retail at 16% and General Merchandise at 15%. In contrast, General Merchandise was the biggest contributor to the region's sales tax revenue in 2020 at 21%, followed by Food/bars at 17% and Other Retail at 16%. These results occurred because General Merchandise grew at such a large rate that it caused Food/bars to shrink as a percentage of the total 1% LOST intake in 2020 even though the sales tax intake from Food/bars grew in 2020.

Chart 13: Percent of 1% LOST from Each Type of Sales Tax included in LOST Regionwide, 2019



Source: Georgia Department of Revenue, LGS_2019_Community_Report

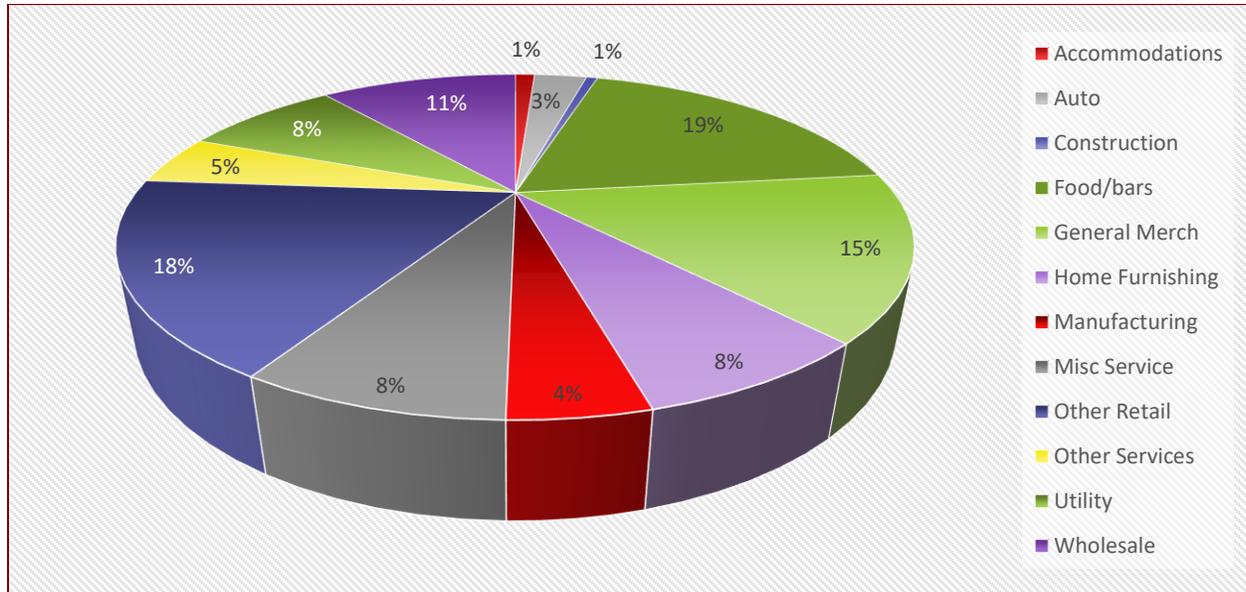
Chart 14: Percent of 1% LOST from Each Type of Sales Tax included in LOST Regionwide, 2020



Source: Georgia Department of Revenue, LGS_2020_Commodity_Report

Chart 15: Percent of 1% LOST from Each Type of Sales Tax included in LOST Regionwide, 2020 with General Merchandise September 2020 Removed shows the same data as Chart 14 except that September 2020 General Merchandise is removed, which makes it clear that without the adjustment made by the Department of Revenue, Food/bars would have been the highest percentage of sales tax revenue in 2020 at 19%, followed by Other Retail at 18% and General Merch at 15%.

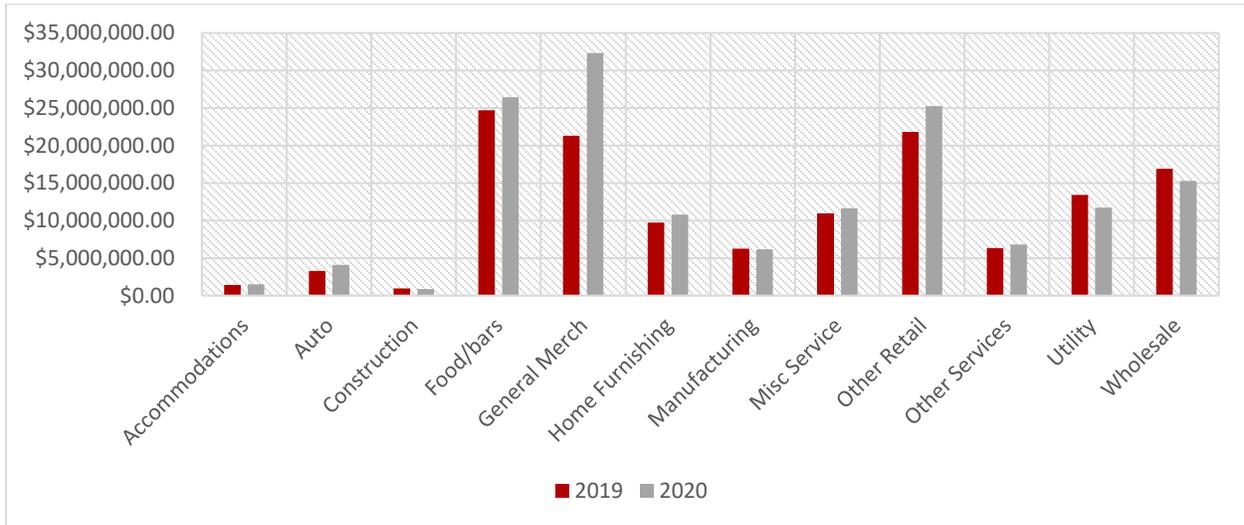
Chart 15: Percent of 1% LOST from Each Type of Sales Tax included in LOST Regionwide, 2020 with General Merchandise September 2020 Removed



Source: Georgia Department of Revenue, LGS_2020_Commodity_Report

As shown by Chart 16: Amount of 1% LOST from Each Type of Sales Tax Regionwide, 2019 vs. 2020, most types of sales tax experienced an increase between 2019 and 2020 in Northwest Georgia. The four exceptions were Construction, Manufacturing, Utility, and Wholesale, which lost \$77,173.24; \$98,876.60; \$1,699,120.61; and \$1,633,063.63, respectively. The largest increase came from General Merchandise, which gained \$10,995,744.54. The reductions to Construction likely came from projects delayed or canceled due to the pandemic. The reductions to Manufacturing likely came from the pandemic causing manufacturing plants to close temporarily. The reductions to Utilities could come from one of two sources: temporary or permanent cessation of mining facilities reducing utility tax payments from mining or from loss of income or revenue preventing people from paying their utility bills. The reduction of Wholesale likely represents the struggle of in-person retail to remain in business. The fact that General Merchandise increased while Wholesale decreased implies that retail moved online in 2020 due to the pandemic.

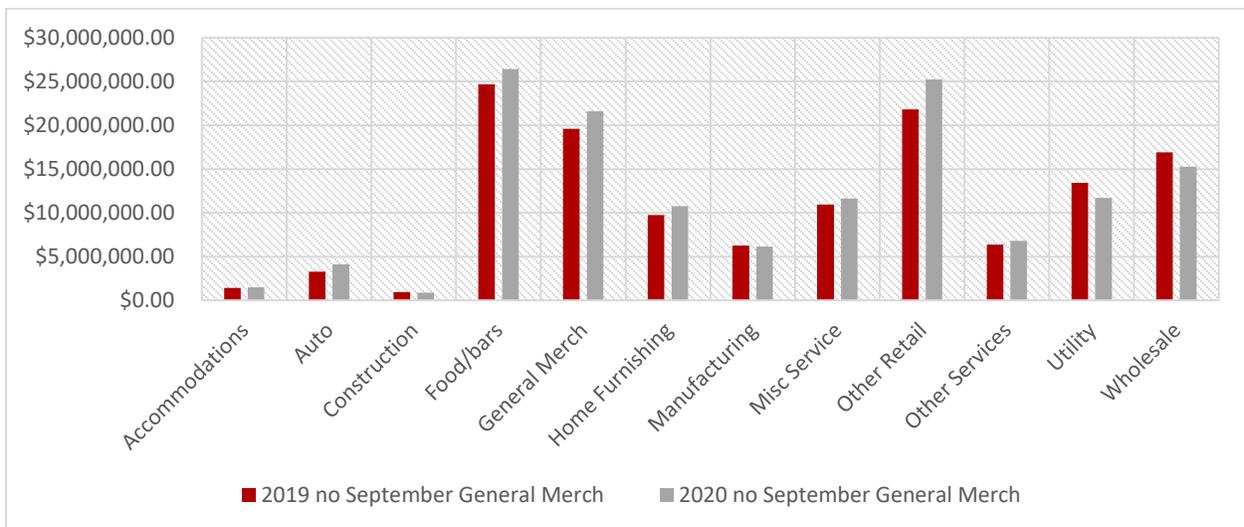
Chart 16: Amount of 1% LOST from Each Type of Sales Tax Regionwide, 2019 vs. 2020



Source: Georgia Department of Revenue, LGS_2019_Community_Report_0 and LGS_2020_Commodity_Report

As shown by Chart 17: Amount of 1% LOST from Each Type of Sales Tax Regionwide, 2019 vs. 2020 if September General Merchandise is Excluded from Both Years, even after the September General Merchandise tax revenue is excluded to avoid the previously mentioned skew, General Merchandise still experienced a smaller increase in 2020. It increases from \$19,603,484.21 to \$21,616,540.71, an 10.27% increase, compared to 2019 but is no longer the largest type of 1% LOST sales tax revenue. As was the case in 2019, Food/bars were the largest sales tax type under this assumption.

Chart 17: Amount of 1% LOST from Each Type of Sales Tax Regionwide, 2019 vs. 2020 if September General Merchandise is Excluded from Both Years



Source: Georgia Department of Revenue, LGS_2019_Community_Report_0 and LGS_2020_Commodity_Report

Survey of Local Businesses Leaders

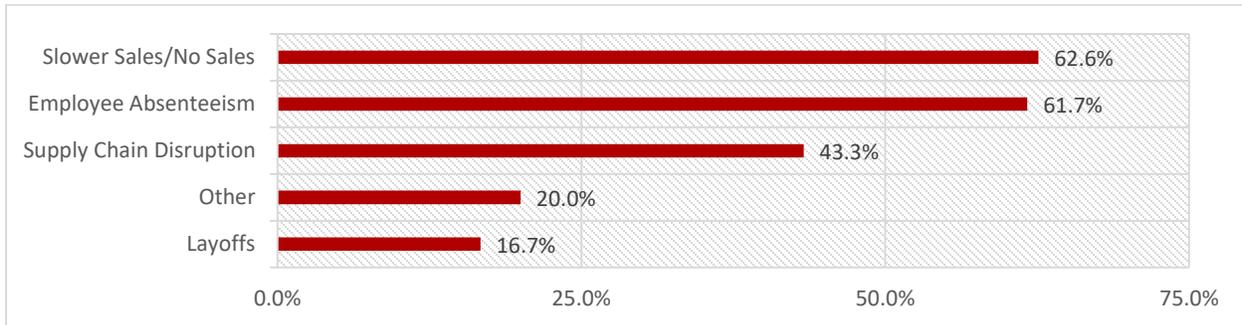
Georgia Tech’s EDA University Center conducted a survey of businesses and community leaders in Northwest Georgia in partnership with Northwest Georgia Regional Commission to assess the economic impact of COVID-19 on the region. The full report on survey results, titled “Impact of COVID-19 in Northwest Georgia Businesses,” can be found at the following web address.

www.nwgrc.org/publications/impact-of-covid-19-in-northwest-georgia-businesses/

Key takeaways from the survey:

- As shown by *Chart 18: If said that experienced losses from COVID-19 please describe the loss your business is experiencing due to COVID-19 (check all that apply)*, a majority of businesses that experienced losses experienced slower or no sales and employee absenteeism.

Chart 18: If said that experienced losses from COVID-19 please describe the loss your business is experiencing due to COVID-19 (check all that apply)



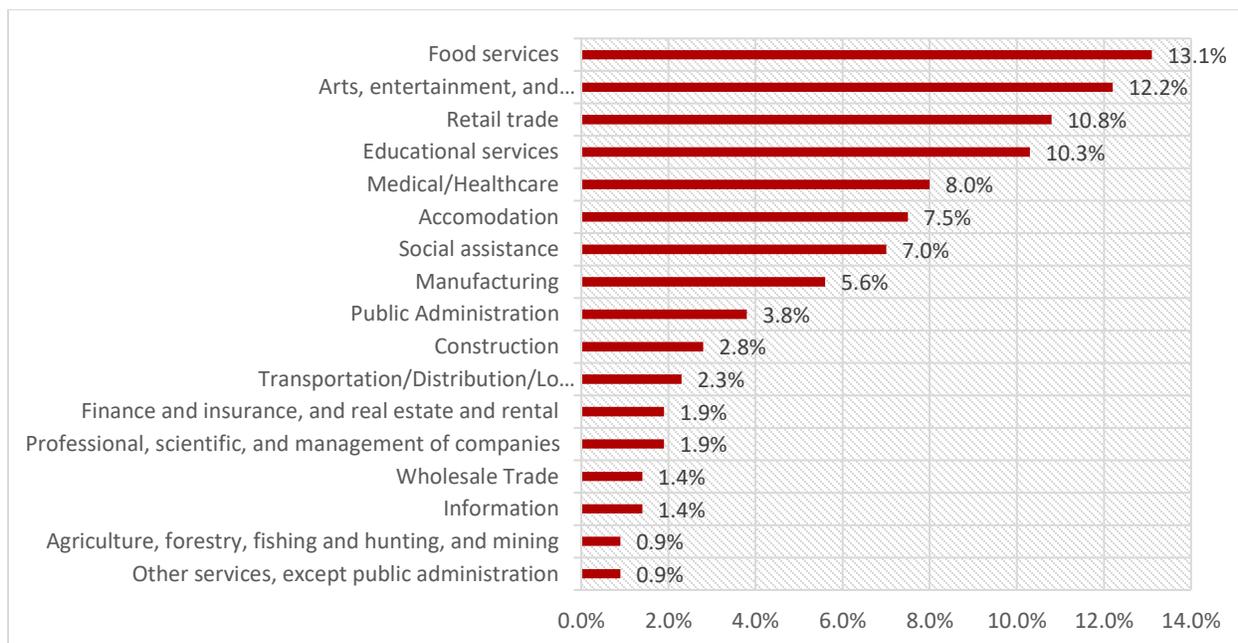
Source: Georgia Tech EDA University Center Survey

- The most common steps taken in response to COVID-19, according to business respondents, were scaling back hours or shifts at 47.89%, employees teleworking at 47.37%, and modifying product or service offered at 42.11%. 11.58% have found new vendors, and 10.00% have found new buyers.
- A clear majority of business respondents indicated that revenue decreased from 2019 to 2020, and less than 20% indicated that revenue increased during that time. The clear pattern of reduced revenue indicates that the region's businesses would benefit from support to regain lost revenue.
- Most business respondents indicated that none of their employees were at risk of being laid off, and most of the rest stated that 1 to 5 were at risk. This implies that most of the layoffs due to the pandemic have already occurred.
- The most common answers from business respondents about what their business expected to occur over the next six months were insufficient staffing to accomplish critical work due to insufficient workforce capacity, higher demand for employee protections, and temporary

furloughs, at 30.8%, 25.5%, and 15.4%, respectively. This indicates that workforce training is necessary, may indicate that a plan to help businesses with protecting employees would be appreciated, and indicates that support for employees temporarily laid off will likely be necessary.

- As shown by *Chart 19: What types of businesses have been most affected by COVID-19 in your community?*, community leaders believe that hardest hit industries in the long term by the pandemic were Food Services, Arts, Entertainment, and Recreation, Retail Trade, and Educational Services. These results could indicate that Food Services have remained greatly impacted by the pandemic while Manufacturing has largely recovered.

Chart 19: What types of businesses have been most affected by COVID-19 in your community?



Source: Georgia Tech EDA University Center Survey

- Most community leader respondents indicated that projects have either continued as planned or were delayed but since resumed. Furthermore, only 7% have indicated that projects were canceled outright because of the COVID-19 pandemic.
- Two questions, one to business respondents and one to community leader respondents, about what types of assistance would be helpful to the business or businesses in the community, respectively, indicated that both agreed that the most helpful forms of assistance were help with identifying new revenue models, skill development and workforce training programs, advice on identifying new customer segments, professional and leadership development, and advice on identifying potential new partners to expand capacity. These answers indicate that advice is desired and support arguments to emphasize leadership development and workforce development.

County Specifics

The following pages detail each county with weekly unemployment claims, monthly unemployment rate, impacted industries, and analysis. Data below was obtained from the Georgia Department of Labor based on 2-digit and 3-digit NAICS Codes, the Federal Reserve Economic Data FRED, and the University of Georgia's Carl Vinson Institute of Government.

NAICS Codes are classification systems based on industry sectors. A specific industry sector, such as 23- *Construction*, is classified with a 2-digit NAICS Code. The 3-digit NAICS Code is a subsector of the industry. To keep in line with the Construction example, the subsectors of Construction include 236-*Construction of Buildings*, 237-*Heavy and Civil Engineering Construction*, and 238-*Specialty Trade Contractors*. With that, the first chart details the top ten weekly unemployment claims based on 3-digit NAICS codes from the period of March 7 – June 13, 2020. The pie chart details weekly unemployment claims based on 2-digit NAICS Codes from March 7 – November 14, 2020. The piechart combined all sectors with the same first digit to keep it readable. For example, sector 21 *Mining, Quarrying, and Oil and Gas Extraction*, sector 22 *Utilities*, and sector 23 *Construction* were combined as Construction, Utilities, and Mining in the pie charts. Note that in all 15 counties, the industry most impacted is either *Manufacturing* or *Entertainment, Accommodation, or Food Services*.

The *Monthly Unemployment Rate* provides monthly percentages of the unemployment rate from January to November of 2020. This data was obtained from the Federal Reserve Economic Data (FRED). Each county peaked monthly unemployment percentages during April when Governor Brian Kemp issued his stay-at-home orders. Beginning in May, the monthly rate begins to take a downward trend. Some counties, especially those that rely heavily on Manufacturing, may hit a slight peak later in the year, which could be due to plant closures due to COVID-19 or disruptions in the supply chain due to the pandemic.



North American Industry
Classification System

Bartow County

Bartow County is located approximately 45 minutes from Atlanta and sits along I-75, and includes Adairsville, Cartersville, Emerson, Euharlee, Kingston, White, and parts of Taylorsville. According to Census Reporter, the county's estimated population in 2019 was 107,738, with 52% of that population being female. 83.6% of the population has at least a high-school diploma, and 18.6% have at least a bachelor's degree. The median household income is \$57,423.

Bartow's monthly unemployment rate peaked in April at 14.3% and steadily declined afterward, reaching 4.6% in November.

The 3-digit NAICS industry subsector that experienced the most unemployment claims between March 7 and June 13 was Food Services and Drinking Places, with 5668 claims in total. The other industry subsectors that experienced more than 1,000 claims were Textile Mills, Unclassified, Administrative and Support Services, Ambulatory and Support Services, Plastics & Rubber Products Manufacturing, and Motor Vehicles and Parts Dealers.

The 2-digit NAICS industry sectors most heavily impacted by these layoffs were the Manufacturing sector at 26% and the combined Entertainment, Accommodation, & Food Services sector at 21%. Manufacturing is a broad category that includes three of the industry subsectors with a large number of layoffs, explaining why it was the industry sector with the largest percentage of workers laid off. The Entertainment, Accommodation, & Food Services industry sector includes Food Services and Drinking Places, which, along with the loss of business from laid-off manufacturing workers, explains why it experienced a large loss.

List of Top Ten Weekly Unemployment Claims during March 7 – June 13, 2020 (3-Digit NAICS Code)

Food Services and Drinking Places	5668
Textile Mills	3507
Unclassified	2467
Administrative and Support Services	2145
Ambulatory Care Services	1983
Plastics & Rubber Products Manufact	1230
Motor Vehicles and Parts Dealers	1035
Transportation Equipment Manufacturing	899
Educational Services	774
Social Assistance	636



Chart 20: Bartow Monthly Unemployment Rate

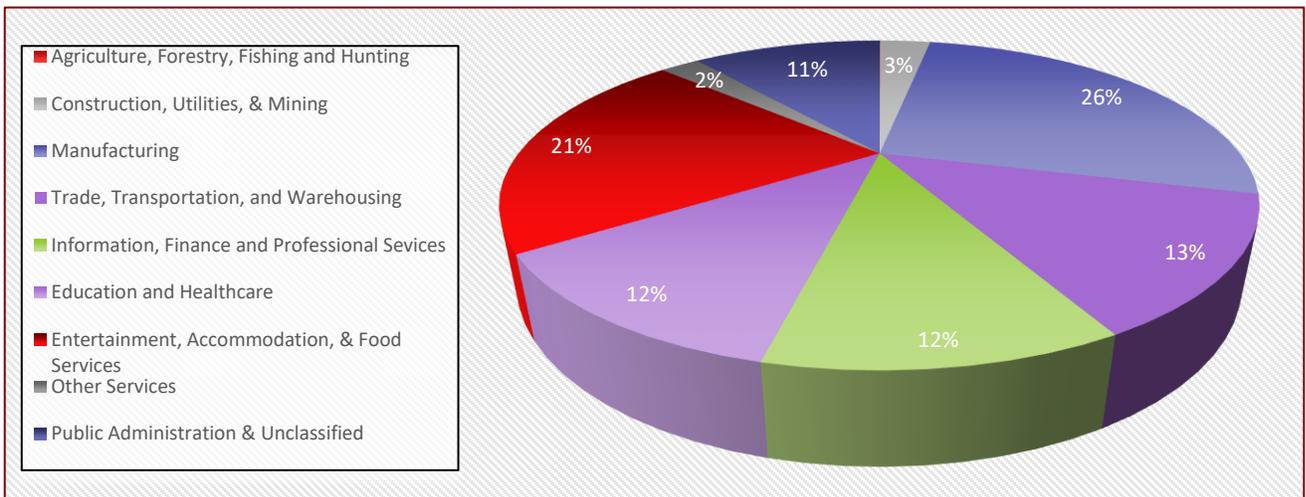


Chart 21: Bartow Impacted Industries

Catoosa County

According to Census Reporter, Catoosa County’s estimated population in 2019 was 67,580, with 52% of that population being female. The county has an educational attainment of 90.3% of the population that have obtained a high school diploma or equivalent, and 23.4% of the population received a bachelor's degree. The median household income for the county is \$61,487. The county includes the Ringgold and parts of Fort Oglethorpe.

Catoosa County peaked at an unemployment rate of just under 10% before declining to levels similar to those experienced pre-pandemic.

Food Services & Drinking Places experienced the largest unemployment claims from March to June, followed by Unclassified based on 3-digit NAICS code industry subsectors.

Given the large number of jobs lost in Food Services and Drinking Places, it is no surprise that Entertainment, Accommodation, & Food Services was the 2-digit NAICS code industry sector with the largest percentage of the jobs lost at 22%. The combined Public Administration & Unclassified industry sectors received the second-highest percentage of the jobs lost at 19%. The Public Administration & Unclassified combined industry sector being the second-highest was not surprising given the many jobs in the *Unclassified* subsector lost.

Top Ten Unemployment Claims during March 7 – June 13, 2020 (3-Digit NAICS Code)

Food Services and Drinking Places	1595
Unclassified.....	1301
Textile Mills.....	792
Ambulatory Health Care Services.....	368
Administrative Services	359
Clothing/Clothing Accessories Stores.....	342
Social Assistance.....	225
Professional, Scientific, and Technical Services	147
Electrical Equipment, Appliance, and Component Manufacturing.....	140
Transportation Equipment Manufacturing.....	124



Chart 22: Catoosa Monthly Unemployment Rate

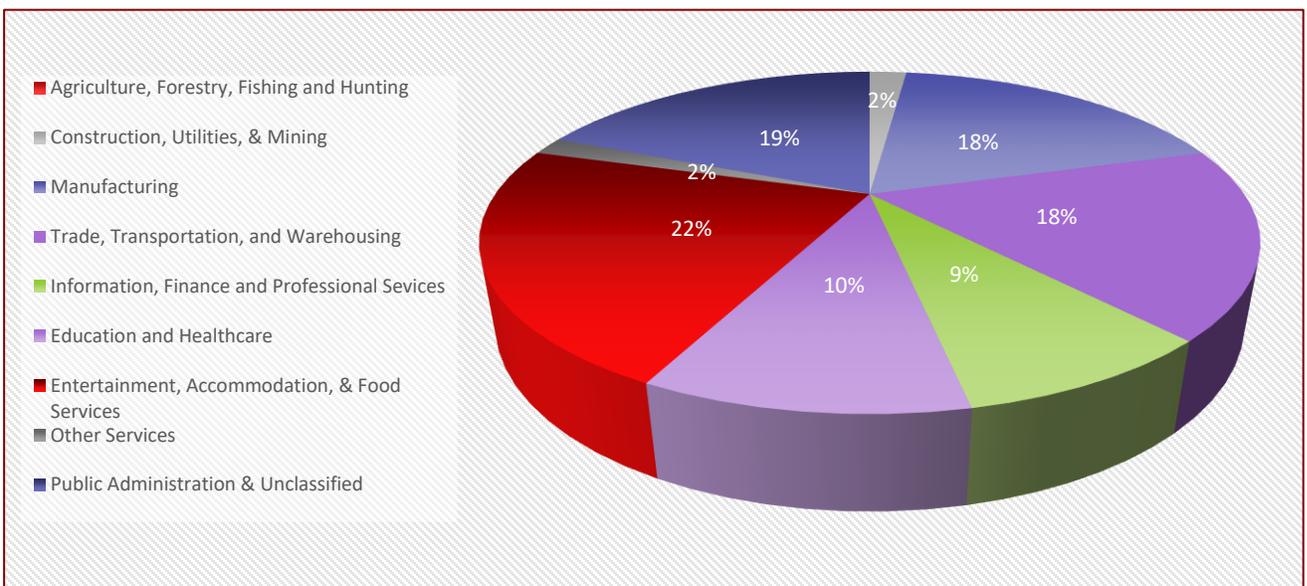


Chart 23: Catoosa Impacted Industries

Chattooga County

According to Census Reporter, Chattooga County's estimated population in 2019 was 24,817, with 52% of that population being male. 73.8% of the population has at least a high school degree, and 8.9% have a bachelor's degree. The median household income for the county is \$36,107. The county includes Lyerly, Menlo, Summerville, and Trion.

The *Monthly Unemployment Rate* for Chattooga hits its peak in April at just over 17% and steadily declining afterward.

The big takeaway from the data is that the Manufacturing sector experienced the biggest job losses in Chattooga County. 3-digit NAICS code industry subsectors Textile Mills and Electrical Equipment, Appliance, and Component Manufacturing each experienced over 1,000 unemployment claims between March 7 and June 13, 2020, the two largest unemployment claims by industry subsector. The argument that Manufacturing was the sector with the most job losses is reinforced by the fact that 58% of the jobs lost in Chattooga County were in the 2-digit NAICS code industry sector Manufacturing.

Top Ten Unemployment Claims during March 7 – June 13, 2020 (3-Digit NAICS Code)

Textile Mills	2674
Electrical Equipment, Appliance, and Component Manufacturing.....	1491
Food Services and Drinking Places.....	510
Ambulatory Health Care Services.....	430
Unclassified	400
Administrative and Support Services	237
Specialty Trade Contractors	135
Transportation Equipment Manufacturing	109
Social Assistance.....	108
Miscellaneous Manufacturing.....	89

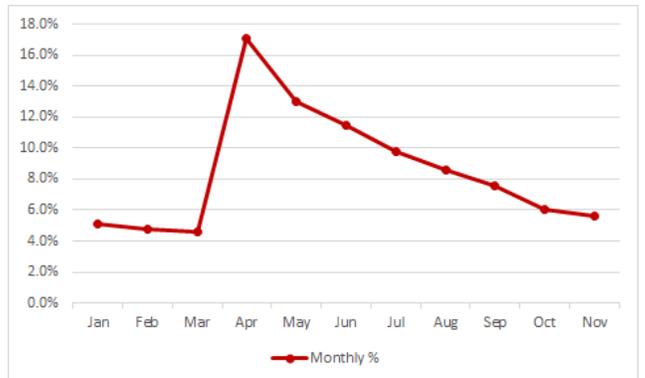


Chart 24: Chattooga Monthly Unemployment Rate

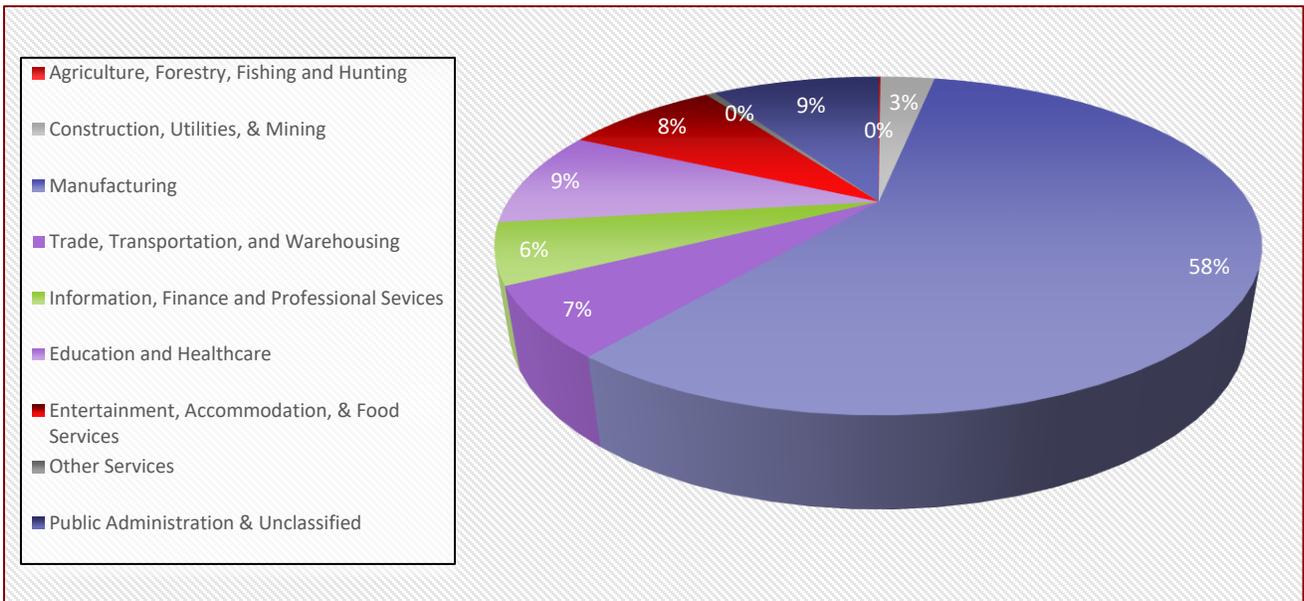


Chart 25: Chattooga Impacted Industries

Dade County

According to Census Reporter, Dade County’s estimated population in 2019 was 16,227, with 51% of that population being female. 79.1% of the population have obtained a high school diploma or equivalent, and 13.9% have obtained a bachelor's degree. The median household income for the county is \$44,471. The county includes Trenton.

Dade County hit its *Monthly Unemployment Rate* peak at just under 8% in April and takes a downward trend from May to October, leveling out at 2.9%.

Food and Drinking Places had the most unemployment claims of the 3-digit NAICS code sectors at 512. Entertainment, Accommodation, & Food Services had the second-highest percentage of employees dismissed of the two-digit sectors at 25%. These two facts indicate that, like with Bartow and Catoosa, the decision of workers to stay home caused many businesses providing food to shut down. Similarly, the fact that Manufacturing had multiple spots on the top ten unemployment claims, including Transportation Equipment Manufacturing with 136 and Primary Metal Manufacturing with 41, and had the highest percentage of unemployment claims at 27%, indicates that the pandemic badly hurt the Manufacturing sector.

Top Ten Unemployment Claims during March 7 – June 13, 2020 (3-Digit NAICS Code)

Food and Drinking Places	512
Unclassified	216
Educational Services.....	150
Transportation Equipment Manufacturing	136
Air Transportation	106
Administrative and Support Services / Fabricated Metal Production	73
Museums, Historical Sites, and Similar Institutions ..	71
Social Assistance.....	67
Clothing and Clothing Accessories Stores.....	50
Primary Metal Manufacturing	41



Chart 26: Dade Monthly Unemployment Rate

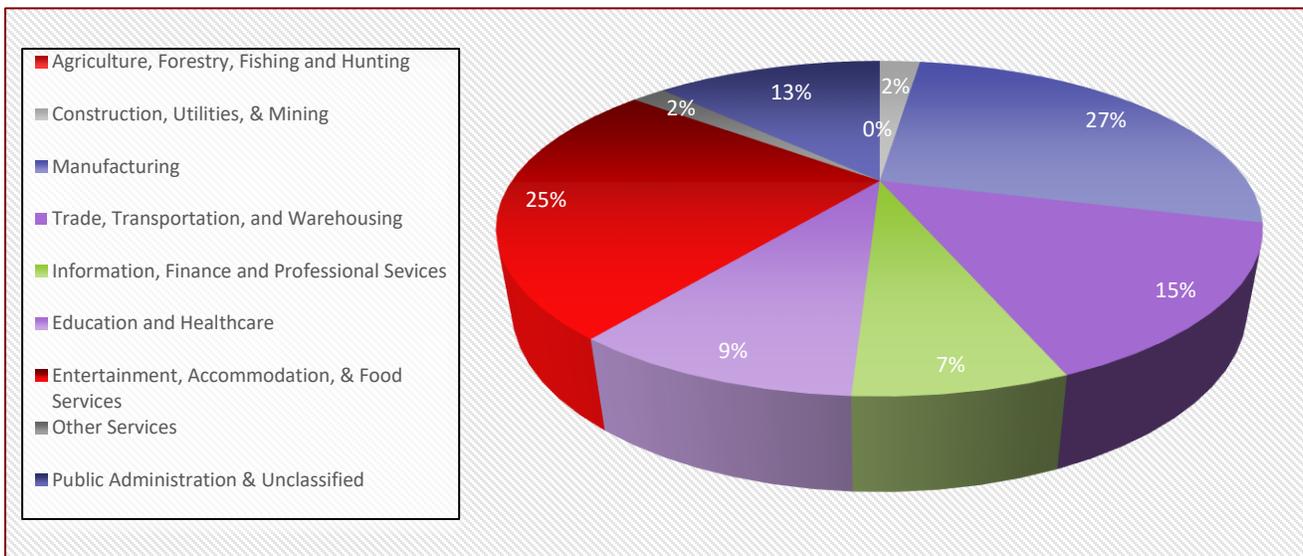


Chart 27: Dade Impacted Industries

Fannin County

According to Census Reporter, Fannin County’s estimated population in 2019 was 24,925, 52% of which is female. The county has an educational attainment of 86.7% of the population who have obtained a high school diploma or equivalent, and 21.3% of the population have obtained a bachelor's degree. The median household income for the county is \$45,647. Fannin County includes Blue Ridge, McCaysville, and Morganton.

Fannin’s unemployment rate peaked at 10.8% in April before declining to 3.2% in October, below pre-pandemic levels.

Fannin experienced heavy job losses in the combined "Entertainment, Accommodation, & Food Services 2-digit NAICS code industry sectors, which experienced 26% of all unemployment claims. It also experienced heavy losses in the Food Services & Drinking Places 3-digit NAICS code industry subsector, which experienced 1,231 unemployment claims. These heavy losses are a potential sign of harm to Fannin County's tourism-based economy. The loss of income from tourism likely explains why these sectors experienced significant job losses.

The other industry (combined) sectors that experienced at least 15% of the total job losses were the combined Education and Healthcare sectors at 17% and the Manufacturing sector at 16%.

Top Ten Unemployment Claims during March 7 – June 13, 2020 (3-Digit NAICS Code)

Food Services & Drinking Places	1231
Unclassified	670
Hospitals	267
Educational Services	226
Ambulatory Health Care Services	210
Transportation Equipment Manufacturing	205
Accommodation	203
Administrative and Support Services	200
Clothing and Clothing Accessories Stores	170
Social Assistance	146

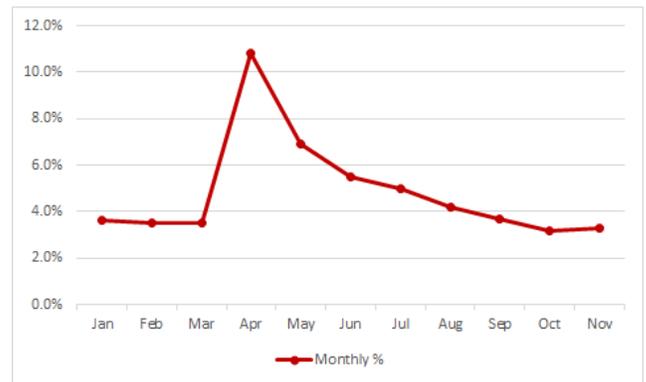


Chart 28: Fannin Monthly Unemployment Rate

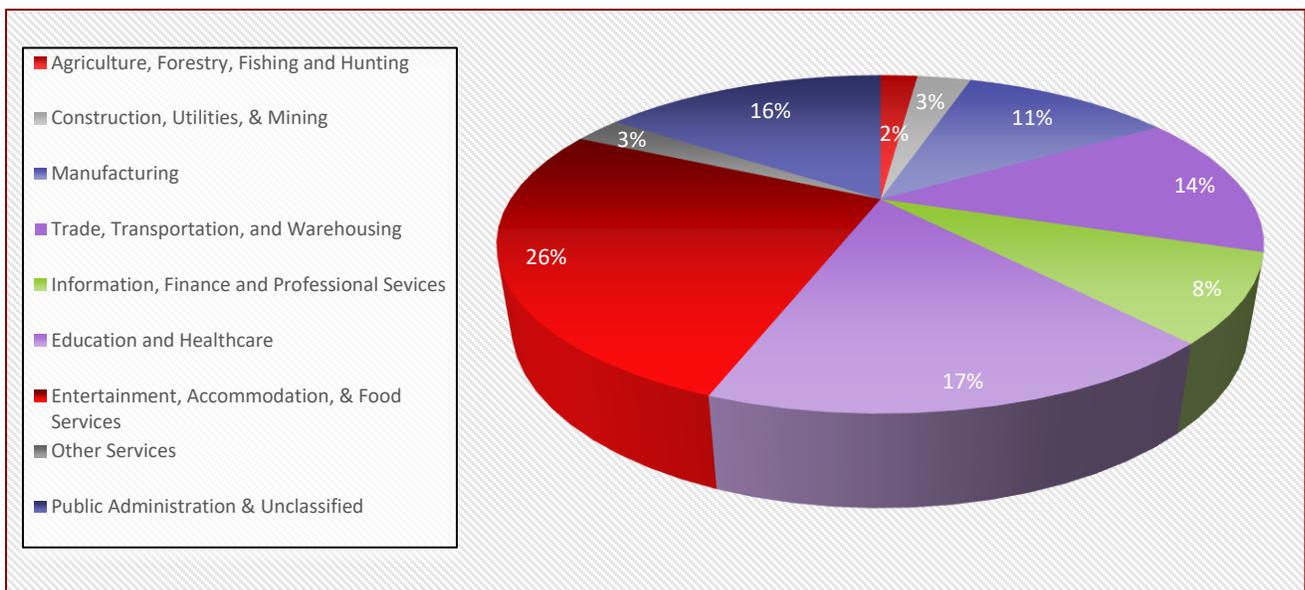


Chart 29: Fannin Impacted Industries

Floyd County

According to Census Reporter, Floyd County’s estimated population in 2019 was 98,498, with 51% of that population being female. The county has an educational attainment of 85.5% of the population with a high school diploma or equivalent and 17.7% of the population with a bachelor’s degree. The median household income for the county is \$50,880. The county includes Cave Springs and Rome.

Unemployment peaked at roughly 13% in April before declining to 4.5% in November.

The Manufacturing sector was the hardest hit, at 24% of the jobs lost by 2-digit NAICS Code industry sectors and two of the highest unemployment claims by 3-digit NAICS Code industry subsectors with 2,150 Textile Mills and 635 Plastics and Rubber Products Manufacturing unemployment claims.

The other industry sectors hit hard were the combined Entertainment, Accommodation, & Food Services industry sectors, with 21% of jobs lost and almost 5,000 unemployment claims from the industry subsector Food Services and Drinking Places.

Top Ten Unemployment Claims during March 7 – June 13, 2020 (3-Digit NAICS Code)

Food Services and Drinking Places.....	4872
Ambulatory Health Care Services.....	2454
Textile Mills	2150
Administrative & Support Services.....	2005
Unclassified	1918
Social Assistance.....	1156
Executive, Legislative, and Other General Gov't Support.....	692
Plastics and Rubber Products Manufacturing.....	635
Merchant Wholesalers, Durable Goods.....	548
Hospitals.....	622



Chart 30: Floyd Monthly Unemployment Rate

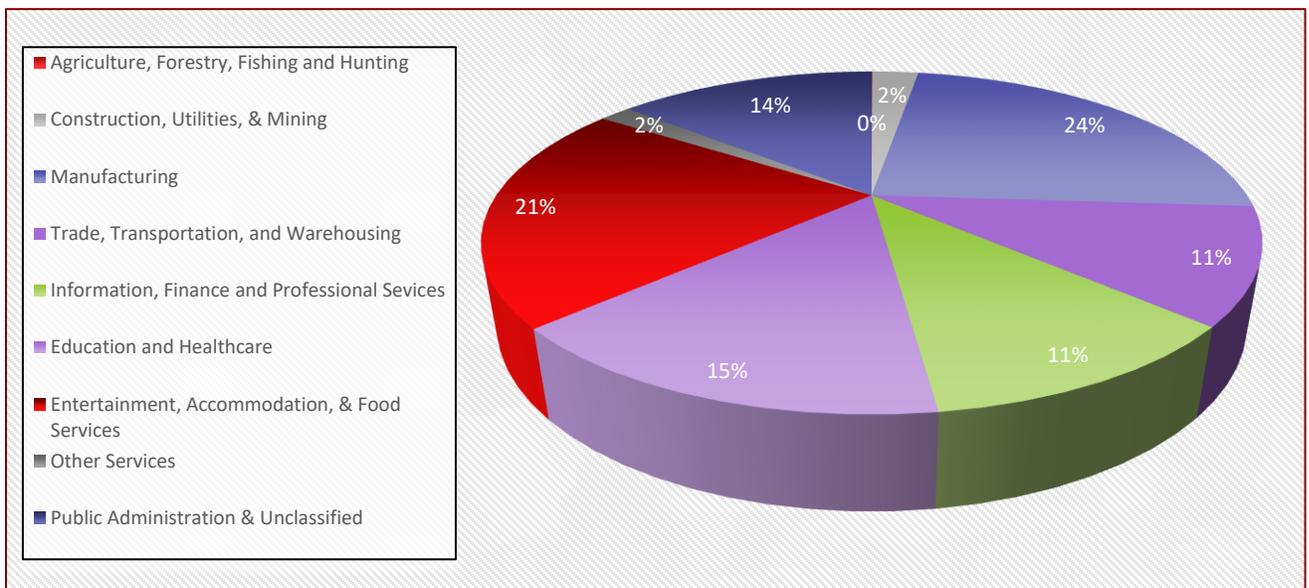


Chart 31: Floyd Impacted Industries

Gilmer County

According to Census Reporter, Gilmer County’s estimated population in 2019 was 29,922, with 50% of that population being male. The county has an educational attainment of 81.9% of the population that have obtained a high school diploma or equivalent, and 20.1% of the population has obtained a bachelor's degree. The median household income for the county is \$49,389. The county includes East Ellijay and Ellijay.

Gilmer County peaked at more than 10% unemployment in April before declining to 3.5% in November, similar to pre-pandemic levels.

Gilmer County has been attractive to tourists due to the same abundance of natural resources as adjacent Fannin County. A large number of tourists has led to Retail and Hospitality being major sectors of its economy, employing 14.9% and 9.9% of the civilian population, respectively, according to the Demographic Statistical Atlas of the United States.

Judging from the job loss and unemployment claims data, Food Services is the sector of the economy hardest hit by the pandemic. Food Services and Drinking Places had by far the most unemployment claims of any 3-digit NAICS code industry subsector at 1,511 and Entertainment, Accommodation, & Food Services made up 28% of job losses, more than any other 2-digit NAICS Code industry sector.

The other industry sectors with at least 10% of the jobs lost were Education and Healthcare at 17%, Manufacturing at 14%, Public Administration and Unclassified at 13%, and Trade, Transportation, and Warehousing at 11%.

Top Ten Unemployment Claims during March 7 – June 13, 2020 (3-Digit NAICS Code)

Food Services and Drinking Places	1511
Unclassified.....	655
Educational Services.....	337
Ambulatory Health Care Services.....	302
Plastics and Rubber Products Manufacturing	197
Textile Mills.....	191
Administrative and Support Services.....	189
Hospitals	161
Accommodation.....	145
Social Assistance	139

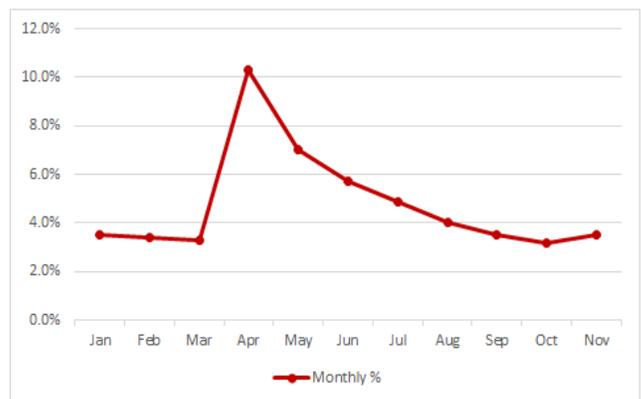


Chart 32: Gilmer Monthly Unemployment Rate

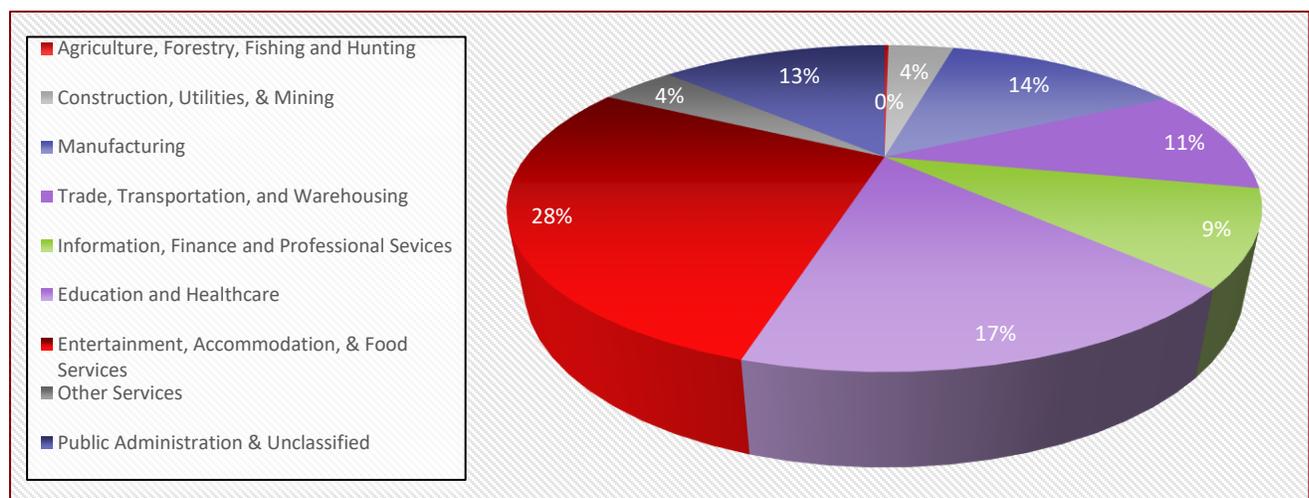


Chart 33: Gilmer Impacted Industries

Gordon County

According to Census Reporter, Gordon County’s estimated population in 2019 was 56,790, 51% of which was female. The county has an educational attainment of 77.7% of the population who have obtained a high school diploma or equivalent, and 14.4% of the population have obtained a bachelor's degree. The median household income for the county is \$44,313. The county includes Calhoun, Fairmount, Plainville, Ranger, and Resaca.

Like much of the country, Gordon County's unemployment peaked in April before steadily declining throughout most of the rest of the year.

Manufacturing job losses were extremely common in Gordon County, making up 43% of the jobs lost by 2-digit NAICS code industry sector and more than 6,000 of the unemployment claims between the 3-digit NAICS code industry subsectors Textile Mills (3,747), Textile Product Mills (1,512), and Plastics & Rubber Products Manufacturing (1,026).

Given the large number of Manufacturing jobs lost, it is not surprising that the industry sectors Trade, Transportation, and Warehousing and Entertainment, Accommodation, & Food Services were the combined industry sectors with the second and third most jobs lost at 15% and 12%, respectively. Both sectors rely heavily on manufacturing workers utilizing their services, which obviously could not happen if they were laid off.

Top Ten Unemployment Claims during March 7 – June 13, 2020 (3-Digit NAICS Code)

Textile Mills.....	3747
Food Services and Drinking Places	1792
Textile Product Mills.....	1512
Unclassified.....	1154
Plastics & Rubber Products Manufact.....	1026
Administrative and Support Services.....	1006
Clothing and Clothing Accessories Stores	677
Merchant Wholesalers, Durable Goods	556
Professional, Scientific, & Tech Services	341
Social Assistance	223

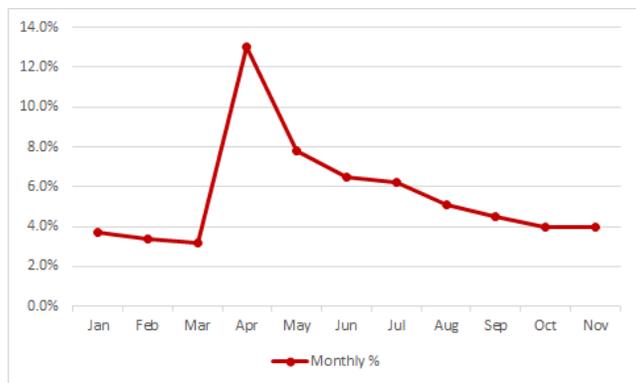


Chart 34: Gordon Monthly Unemployment Rate

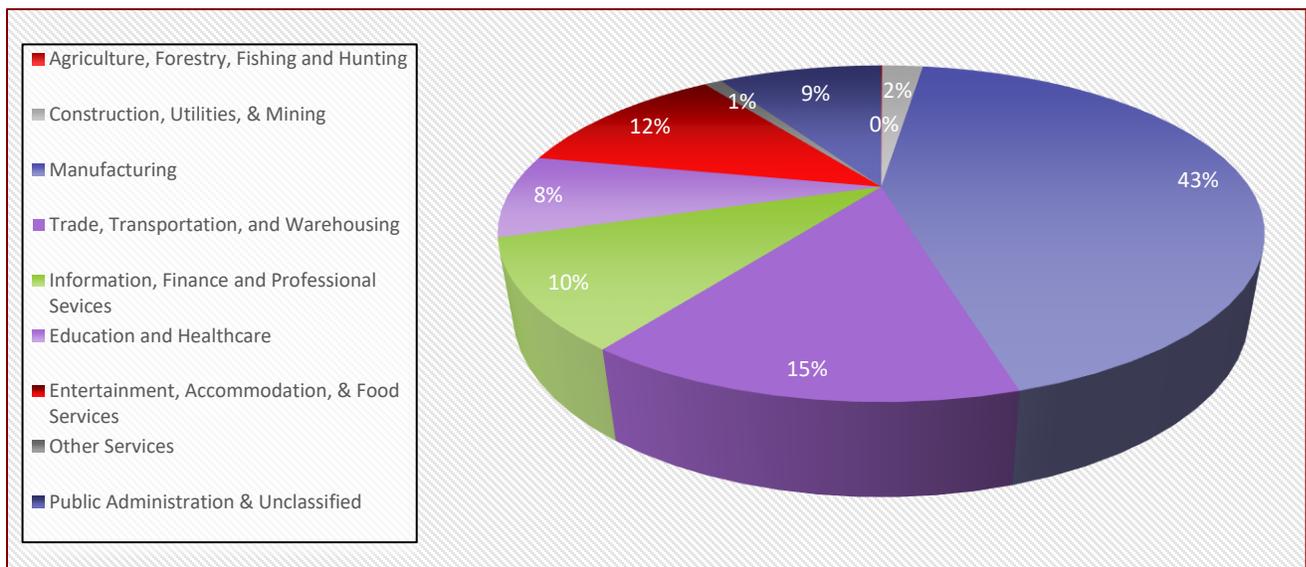


Chart 35: Gordon Impacted Industries

Haralson County

According to US Census data, the estimated 2019 population for Haralson County was 29,227, 52% of whom were female. Some 81.2% hold a high school diploma or equivalent, and 14.8% have a bachelor's degree or higher. The median household income was \$48,550. The county includes most of Bremen and all of Buchanan, Tallapoosa, and Waco.

The pandemic's effects caused Haralson County's unemployment to skyrocket to 12.1% in April before declining to around 4-5% unemployment between August and November, more in line with its pre-April numbers.

Haralson County had the largest portion of its unemployment claims in the combined Entertainment, Accommodation, & Food Services 2-digit NAICS code industry sectors at 23%, with 1,685 unemployment claims in the Food Services & Drinking Places 3-digit NAICS Code industry subsector. Manufacturing was the second-largest portion of the unemployment at 19% and more than 700 unemployment claims between the Transportation Equipment Manufacturing, Food Manufacturing, Primary Metal Manufacturing, and Plastics & Rubber Products Manufacturing industry subsectors.

Education and Healthcare was the third-largest unemployment portion at 15%, with just under 700 unemployment claims between the Hospitals and Ambulatory Health Care Services industry subsectors.

Top Ten Unemployment Claims during March 7 – June 13, 2020 (3-Digit NAICS Code)

Food Services & Drinking Places.....	1685
Unclassified.....	644
Administrative & Support Services	592
Transportation Equipment Manufacturing	461
Hospitals	361
Ambulatory Health Care Services.....	331
Social Assistance.....	196
Specialty Trade Contractors	159
Food Manufacturing / Primary Metal Manufacturing	109
Plastics & Rubber Products Manufacturing	100

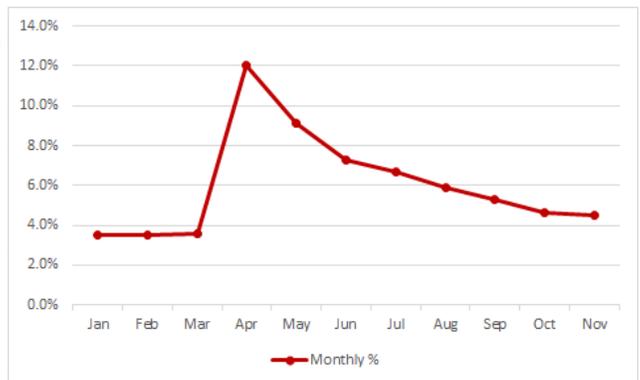


Chart 36: Haralson Monthly Unemployment Rate

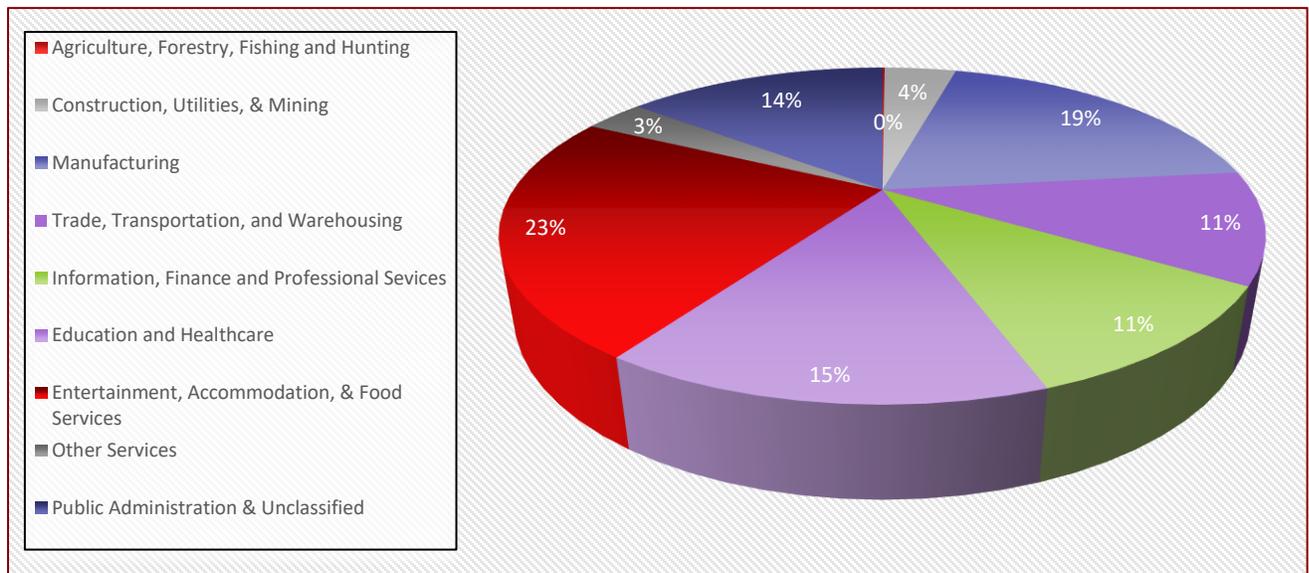


Chart 37: Haralson Impacted Industries

Murray County

The census estimated 2019 population of Murray County was 39,724, of whom 60% were female. Approximately 70.7% hold a high school diploma, and 10.1% have a bachelor's degree or higher. The median family income is \$48,033. The county includes Chatsworth and Eton.

The monthly unemployment rate spiked just under 20% in April before falling to the roughly 5% that had been more typical earlier in the year by August.

According to the Demographic Atlas of the United States, Murray County is highly dependent on Manufacturing, having the second-highest percentage of Manufacturing employment in the region at 38.5%. Only neighboring Whitfield County, whose carpet manufacturing industry spilled over, has a higher rate. Manufacturing jobs have by far the most losses of any 2-digit NAICS code industry sector at 50% of unemployment claims. This conclusion is reinforced by Textile Mills and Textile Product Mills's highest and second-highest unemployment claims of any 3-digit NAICS code industry subsectors, respectively.

The county's dependence on carpet manufacturing is likely part of why Trade, Transportation, and Warehousing (which includes Retail) had the second most job losses at 13% and why the Furniture & Home Furnishing Stores industry subsector made up the sixth-highest unemployment claims at 432. These retail stores likely depended on the manufacturing companies' products, which reduced production due to the pandemic.

Top Ten Unemployment Claims during March 7 – June 13, 2020 (3-Digit NAICS Code)

Textile Mills	4407
Textile Product Mills	1132
Administrative & Support Services	1016
Food Services & Drinking Places	856
Unclassified	771
Merchant Wholesalers, Durable Goods	510
Furniture & Home Furnishing Stores	432
Ambulatory Health Care Services	391
Professional, Scientific, & Tech Services	312
Printing & Related Support Activities	215



Chart 38: Murray Monthly Unemployment Rate

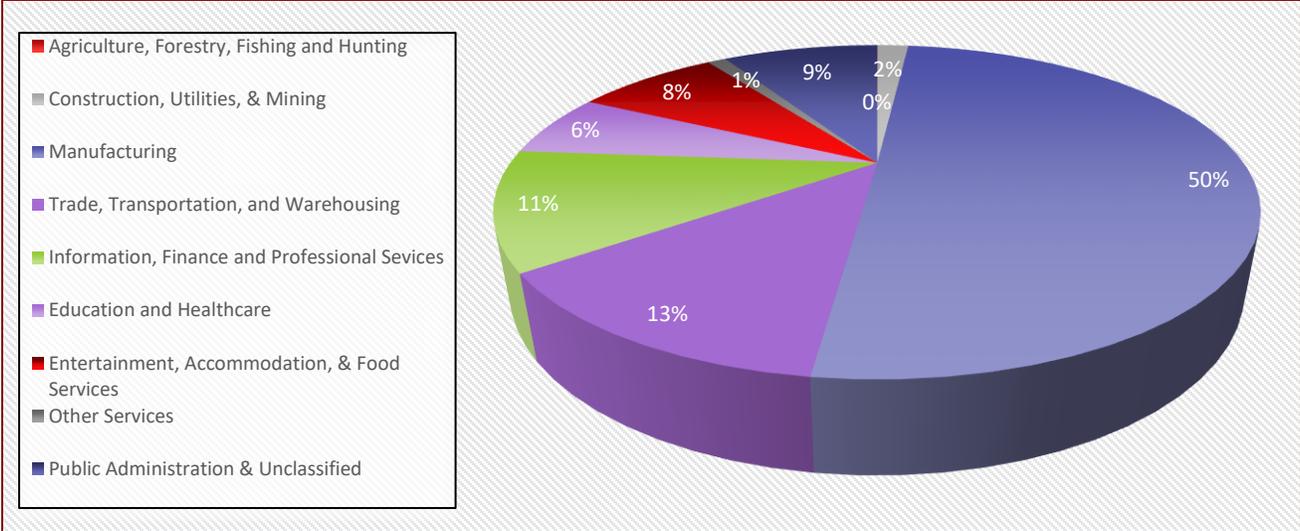


Chart 39: Murray Impacted Industries

Paulding County

According to Census Reporter, Paulding County’s estimated population in 2019 was 168,667, with 51% of that population being female. The county has an educational attainment of 87.8% of the population with a high school diploma or equivalent and 22.1% of the population with a bachelor’s degree. The median household income for the county is \$75,800. Paulding County includes Dallas, Hiram, and parts of Braswell.

Paulding peaked in terms of unemployment at 11.1% in April and has since recovered to 4.1%.

The pandemic most heavily hit the Entertainment, Accommodation, & Food Services 2-digit NAICS combined industry sectors at 24% of all job losses. Like much of the region, Food Services & Drinking Places experienced the most unemployment claims of any 3-digit NAICS industry subsector at 6,647. The many claims from this sector imply that restaurants, bars, and other such businesses experienced significant job losses due to the pandemic forcing them to close.

The industry sector that experienced the second most job losses was the combined Education and Healthcare sectors at 19%, with Ambulatory Health Care Services, Social Assistance, and Hospitals in third, fifth, and seventh place in terms of unemployment claims by industry subsector at 2,495, 1,642, and 1,089 claims, respectively.

Top Ten Unemployment Claims during March 7 – June 13, 2020 (3-Digit NAICS Code)

Food Services & Drinking Places.....	6647
Unclassified	3668
Ambulatory Health Care Services	2495
Administrative & Support Services.....	2075
Social Assistance	1642
Amusement, Gambling, & Recreation Industries...	1196
Hospitals.....	1089
Motor Vehicles & Parts Dealers.....	936
Specialty Trade Contractors.....	914
Personal & Laundry Services	785



Chart 40: Paulding Monthly Unemployment Rate

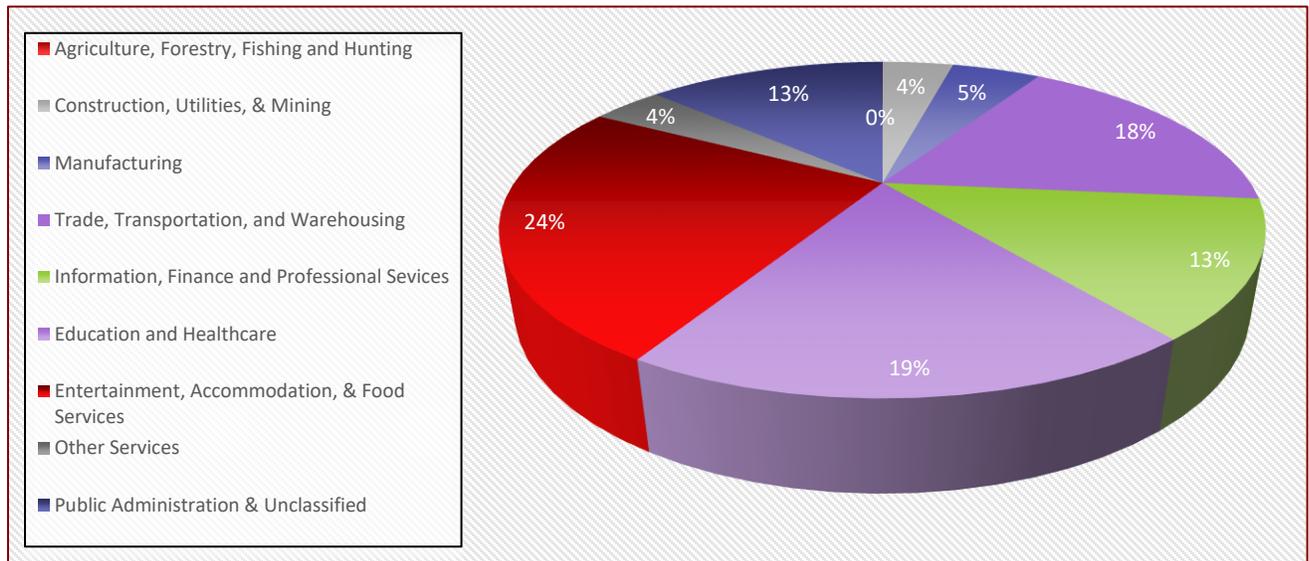


Chart 41: Paulding Impacted Industries

Pickens County

According to the Census, the 2019 population of Pickens County was 31,387, of whom 50% were female. Some 85.3% have a high school education or equivalent, and 23.2% hold a bachelor's degree or higher. The median household income is \$67,631. The county includes Jasper, Talking Rock, and parts of Nelson.

Pickens's monthly unemployment rate rose to 10.2% in April before falling to 3.5% in November.

Like some of the other counties in the region, Entertainment, Accommodation, & Food Services was the 2-digit NAICS code industry sector that experienced the greatest jobs lost in Pickens County at 24%. Furthermore, Food Services & Drinking Places had the most unemployment claims of any 3-digit NAICS code industry subsector at 1,295.

Education & Healthcare was the combined industry sector hit second-hardest at 21% of jobs lost, with Social Assistance, Ambulatory Health Care Services, and Hospitals the second, fourth, and seventh-largest number of unemployment claims of the industry subsectors at 635, 414, and 224, respectively.

Top Ten Job Loss during March 7 – June 13, 2020 (3-Digit NAICS Code)

Food Services & Drinking Places	1295
Social Assistance	635
Unclassified	599
Ambulatory Health Care Services	414
Plastics & Rubber Products Manufact	393
Administrative & Support Services	337
Hospitals	224
Fabricated Metal Product Manufact	138
Specialty Trade Contractors	125
Professional, Scientific, & Tech Services / Amusement, Gambling, & Rec Industries	120



Chart 42: Pickens Monthly Unemployment Rate

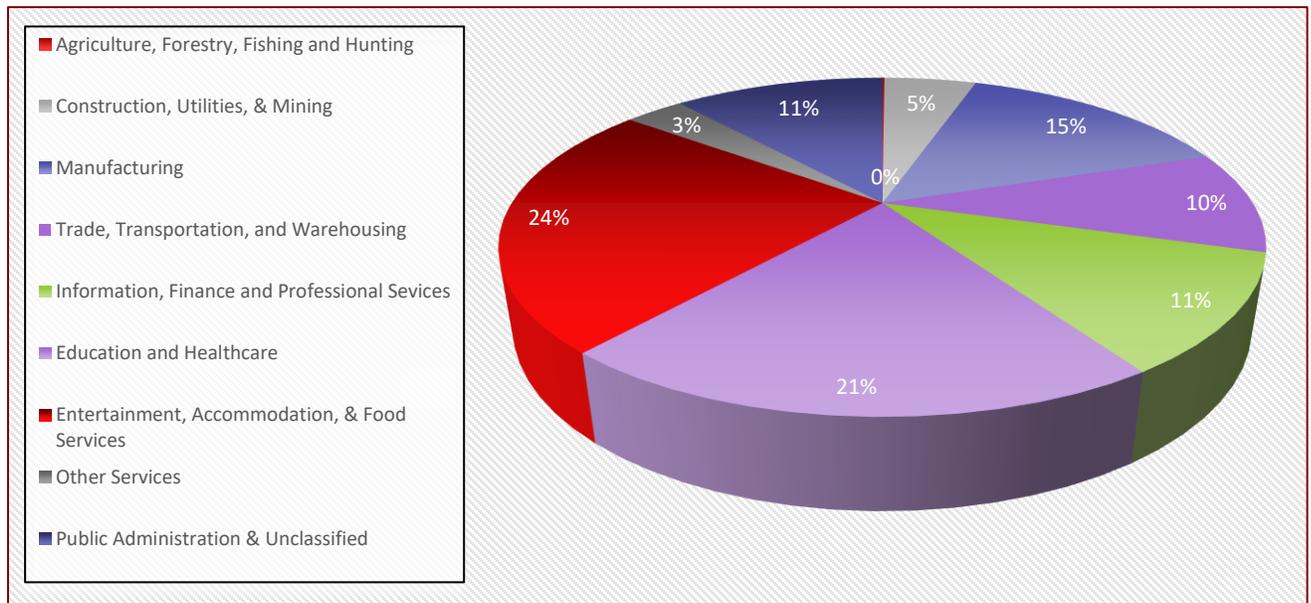


Chart 43: Pickens Impacted Industries

Polk County

According to Census Reporter, Polk County’s estimated population in 2019 was 41,621, with 51% of that population being female. The county has an educational attainment of 79.1% with a high school diploma or equivalent, and 12.2% of the population with a bachelor’s degree or higher. The median household income for the county is \$43,491. The county includes Aragon, Cedartown, Rockmart, and parts of Braswell and Taylorsville.

Polk County's unemployment spiked at 12.0% in April and dropped down to 4.6% in October and November. The reduction indicates that the jobs lost in April have mostly returned since then.

Manufacturing, the greatest civilian employer of Polk County at 23.9% according to the Demographic Statistical Atlas of the United States, also experienced the largest job loss of any 2-digit NAICS industry sector at 30% of unemployment claims. Further evidence of Manufacturing being the hardest hit is the more than 2,800 unemployment claims between the 3-digit NAICS code industry subsectors Textile Mills, Furniture & Related Products Manufacturing, Transportation Equipment Manufacturing, and Plastics & Rubber Products Manufacturing, the fifth, sixth, seventh, and ninth most unemployment claims, respectively.

The combined Entertainment, Accommodation, and Food Services industry sectors were the highest percentage of job losses of any industry sector at 19% of unemployment claims, with 1,926 unemployment claims by the Food Services & Drinking Places industry subsector, by far the most of any industry subsector.

Top Ten Job Loss during March 7 – June 13, 2020 (3-Digit NAICS Code)

Food Services & Drinking Places	1926
Administrative & Support Services	891
Ambulatory Health Care Services	711
Unclassified	692
Textile Mills	682
Furniture & Related Product Manufact	640
Transportation Equipment Manufact	619
Social Assistance	259
Plastics & Rubber Products Manufact	238
Hospitals	216



Chart 44: Polk Monthly Unemployment Rate

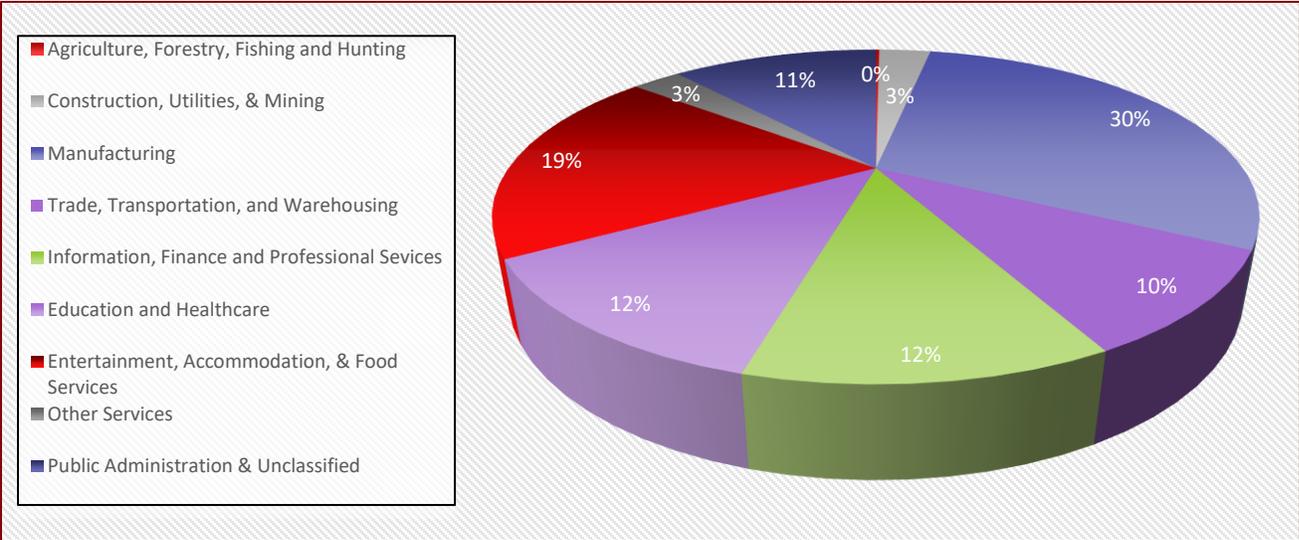


Chart 45: Polk Impacted Industries

Walker County

According to Census Reporter, Walker County’s estimated population in 2019 was 69,761, 51% of which was male. 80.3% of the county’s population have obtained a high school diploma or equivalent, and 16.7% have obtained a bachelor's degree or higher. The median household income for the county is \$47,856. The county includes Chickamunga, LaFayette, Lookout Mountain, Rossville, and parts of Fort Oglethorpe.

The unemployment rate peaked in April at 10.5% and has since gone down to a more typical 3.4%.

Like several other counties in the region, the largest share of unemployment claims in Walker County came from the Manufacturing 2-digit NAICS code industry sector, which makes up 19.6% of all civilian employment according to the Demographic Statistical Atlas of the United States. A further indication that the pandemic hit the Manufacturing sector hardest comes from the fact that Electrical Equipment, Appliance, & Component Manufacturing, Textile Mills, Transportation & Equipment Manufacturing, and Miscellaneous Manufacturing were among the ten 3-digit NAICS code industry subsectors with the largest number of unemployment claims.

The other two (combined) industry sectors with at least 15% of unemployment claims were the combined Public Administration & Unclassified sectors at 16% and the combined Entertainment, Accommodations, & Food Services sectors at 15%.

Top Ten Job Loss during March 7 – June 13, 2020 (3-Digit NAICS Code)

Electrical Equip, Appliance, & Component Manufacturing.....	1703
Textile Mills.....	1262
Unclassified.....	1243
Food Services & Drinking Places.....	1228
Transportation & Equipment Manufact.....	639
Social Assistance.....	459
Ambulatory Health Care Services.....	387
Administrative & Support Services.....	370
Miscellaneous Manufacturing.....	304
Clothing & Clothing Accessories Stores.....	264

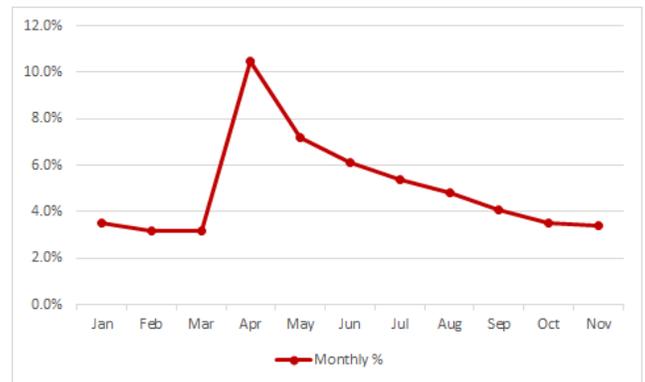


Chart 46: Walker Monthly Unemployment Rate

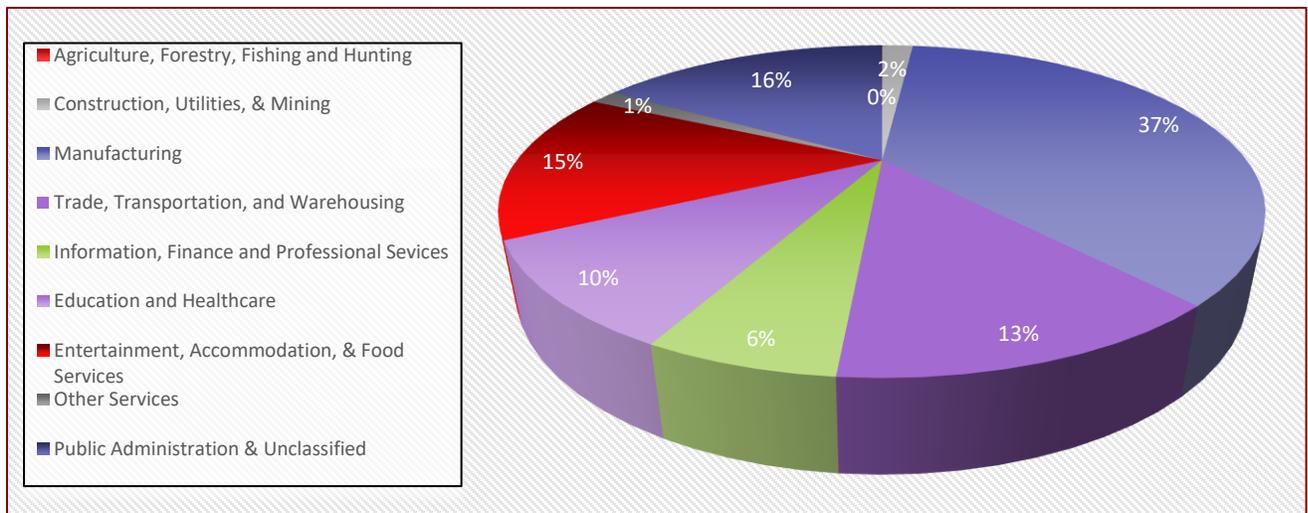


Chart 47: Walker Impacted Industries

Whitfield County

According to Census Reporter, Whitfield County’s estimated population in 2019 was 104,628, with 51% of that population being female. 71.8% of the county’s population have obtained a high school diploma or equivalent, and 16.6% have obtained a bachelor’s degree or higher. The median household income for the county is \$52,198. The county includes Cohutta, Dalton, Tunnel Hill, and Varnell.

The county’s monthly unemployment rate skyrocketed to 19.9% in April, the highest in the region, before steadily declining to 4.9%.

According to the Demographic Statistical Atlas of the United States, Whitfield has the highest percentage of its civilian employed population employed in Manufacturing in the region at 39.2%. 49% of all unemployment claims come from the Manufacturing 2-digit NAICS code industry sector. This fact indicates that the Manufacturing industry sector the county depends on was hit hard. This conclusion is reinforced by the fact that almost 14,000 unemployment claims came from the Textile Mills 3-digit NAICS code industry subsector, presumably including the carpet manufacturing on which the county depends. A large amount of unemployment in this sector likely helps explain why the related Trade, Transportation, and Warehousing and Entertainment, Accommodation, and Food Services combined industry sectors experienced 12 and 10% of all unemployment claims, respectively. These sectors depend on manufacturing workers.

Top Ten Unemployment Claims during March 7 – June 13, 2020 (3-Digit NAICS Code)

Textile Mills.....	13,934
Food Services & Drinking Places.....	3959
Administrative & Support Services	3261
Textile Product Mills.....	2672
Unclassified.....	2108
Merchant Wholesalers, Durable Goods.....	1236
Ambulatory Health Care Services.....	1167
Professional, Scientific, & Tech Services.....	1137
Social Assistance.....	727
Furniture & Home Furnishing Stores	449

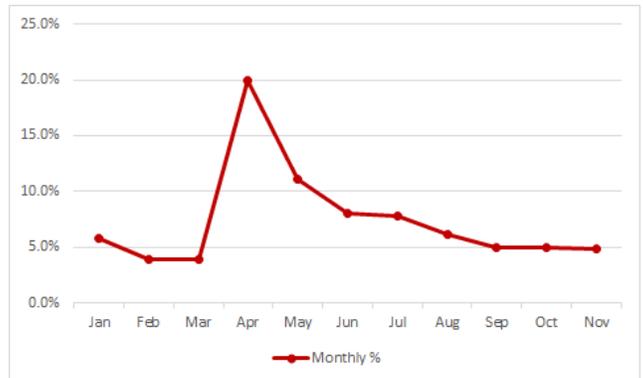


Chart 48: Whitfield Monthly Unemployment Rate

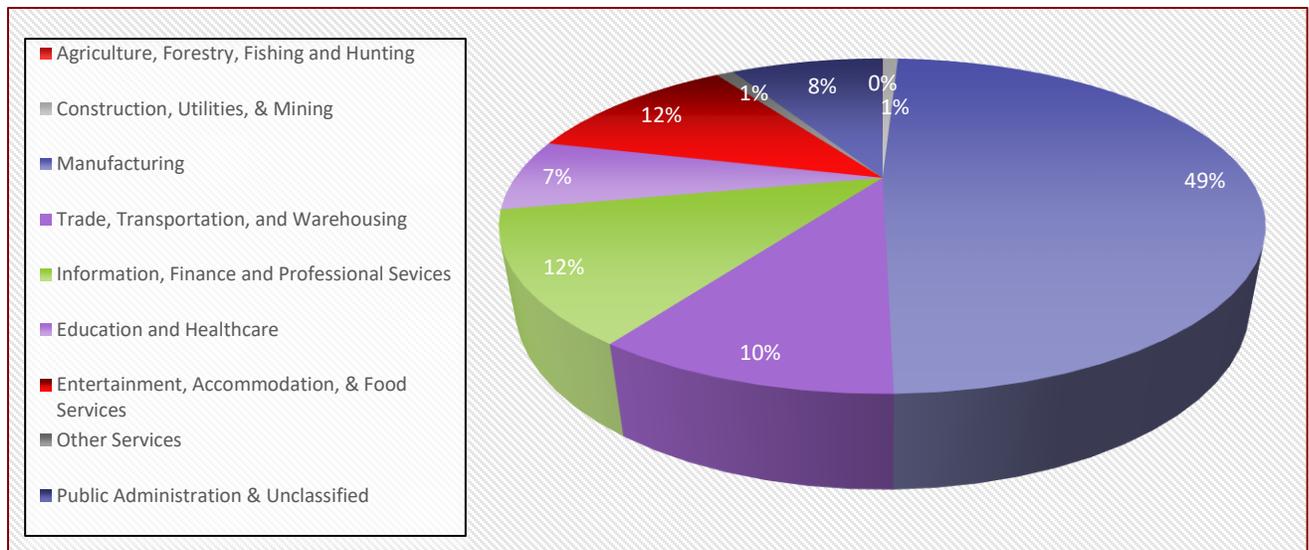


Chart 49: Whitfield Impacted Industries