

# Charting a New Course: Economic Update 2008

## Ten County Budget Conference

September 18, 2008

**Charting a New Course:  
Economic Update  
2008**

Ten County Budget Conference  
September 18, 2008

### National Economic Influences

- ◆ Slower GDP growth, 2.0% in 2007 and 1.5% in 2008
- ◆ Fed Funds rate decreased three times in 2007, four times so far in 2008; currently 2.0%
- ◆ Inflation 2.8% in 2007, 4.1% in 2008
- ◆ Slower job growth, 1.1% in 2007 and 0.2% in 2008
- ◆ Personal income growth 6.1% in 2007, 5% in 2008
- ◆ Real retail sales increased 1.2% in 2007, -1.1% in '08
- ◆ Median home price -1.8% in 2007, -6.4% in 2008

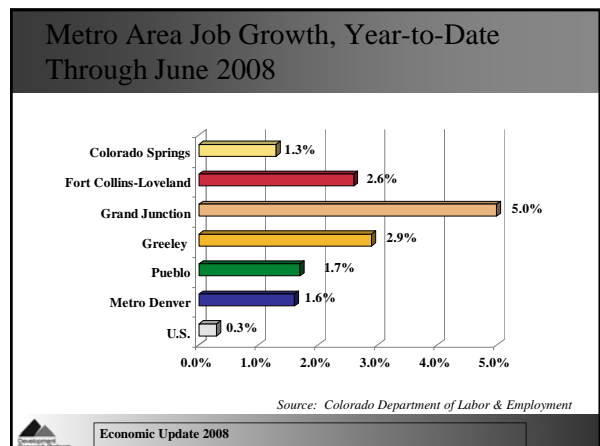
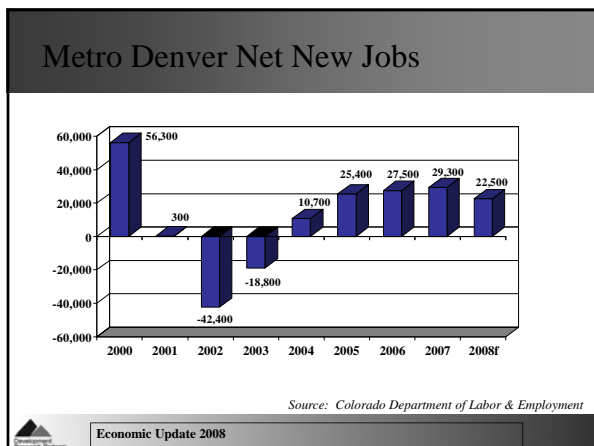
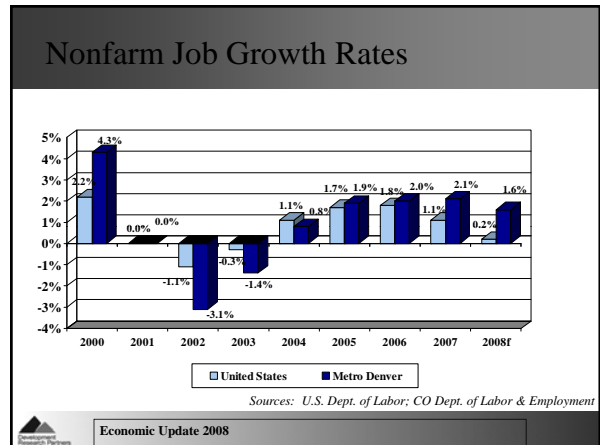
Economic Update 2008

### Colorado vs United States

	Colorado	United States
Employment Growth Rate (2008)	1.6%	0.2%
Unemployment Rate (2008)	4.7%	5.3%
Real Retail Trade Sales Growth (2008)	0.2%	-1.1%
Median Home Price* (2008)	\$233,100	\$204,000
Home Appreciation Rate* (2008)	-5.0%	-6.4%
Inflation Rate* (2008)	3.6%	4.1%
Per Capita Personal Income (2007)	\$41,000	\$38,600
Total Personal Inc Growth Rate (2008)	5.4%	5.0%

\*Data for Metro Denver

Economic Update 2008

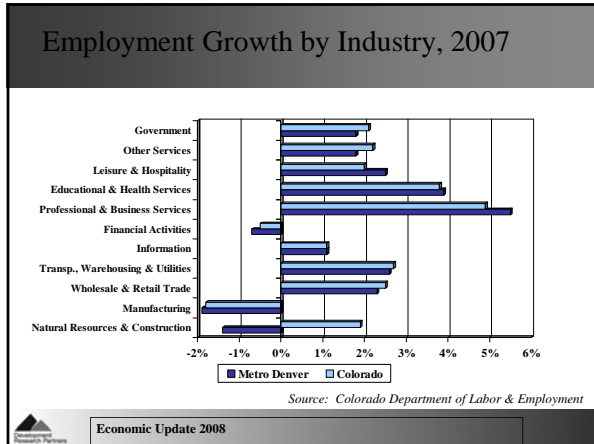


Emily Stuart, Research Economist • Development Research Partners, Inc. •  
Emily@DevelopmentResearch.net

# Charting a New Course: Economic Update 2008

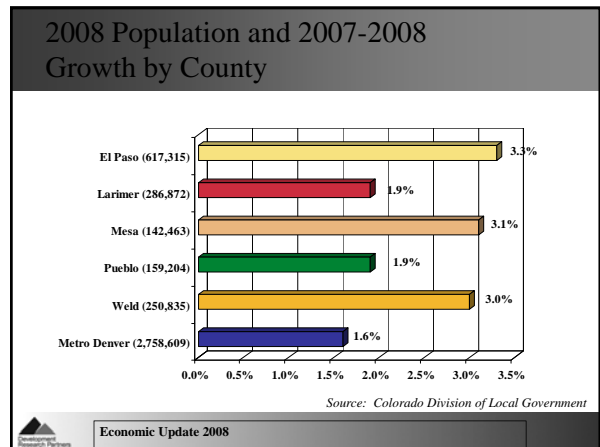
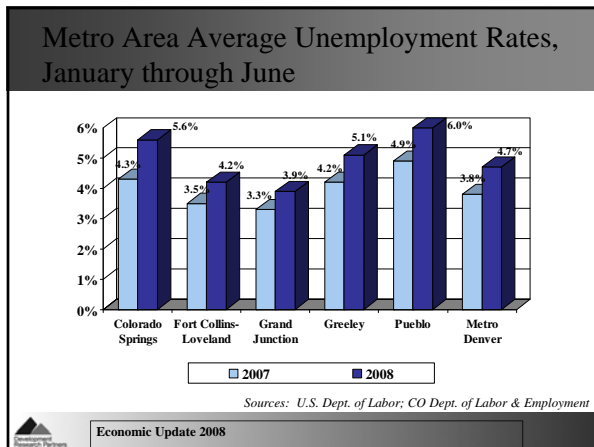
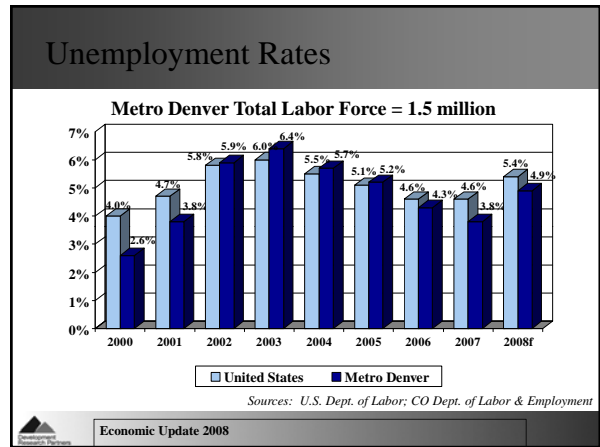
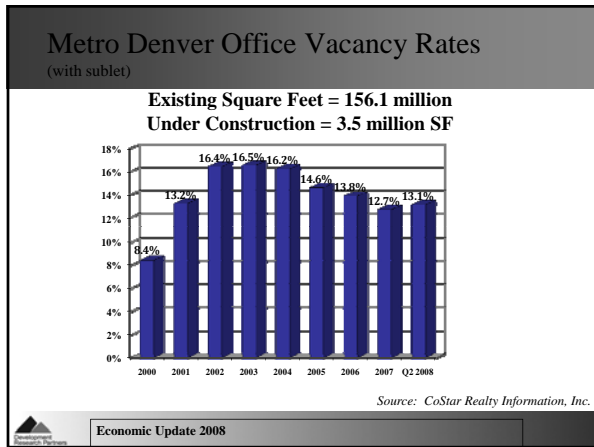
## Ten County Budget Conference

September 18, 2008



### Key Metro Denver Industry Clusters

Industry	Employment	2006-2007 Job Growth	Absolute Ranking (50 largest metros)
Aerospace	20,500	12.6%	1
Bioscience			
Pharmaceuticals and Biotechnology	5,500	2.1%	16
Medical Devices and Instruments	10,000	6.7%	7
Energy			
Fossil Energy	14,600	2.0%	2
Renewable Energy & Energy Research	13,900	3.0%	6
IT/Software	45,800	1.4%	11
Aviation	14,200	1.3%	8
Financial Services			
Banking & Finance	44,500	-0.1%	9
Investments	23,400	-0.9%	10
Insurance	28,000	0.7%	12

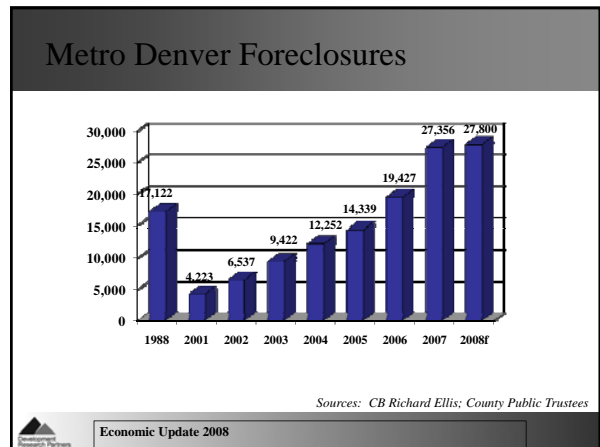
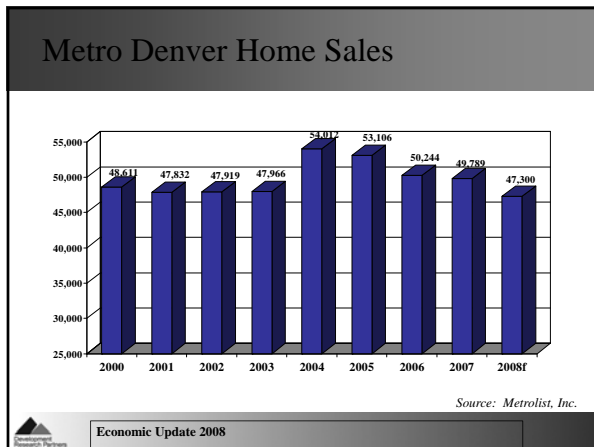
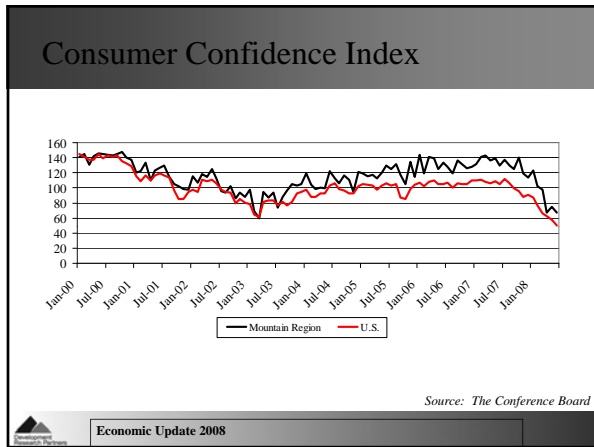
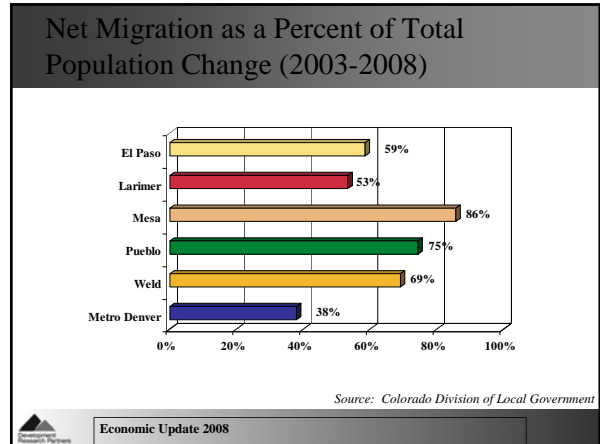
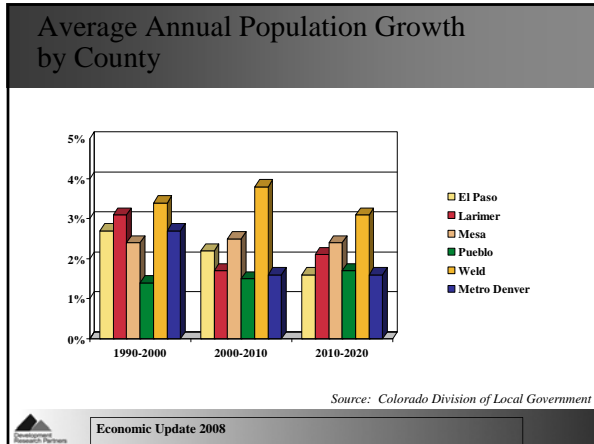


Emily Stuart, Research Economist • Development Research Partners, Inc. •  
Emily@DevelopmentResearch.net

# Charting a New Course: Economic Update 2008

## Ten County Budget Conference

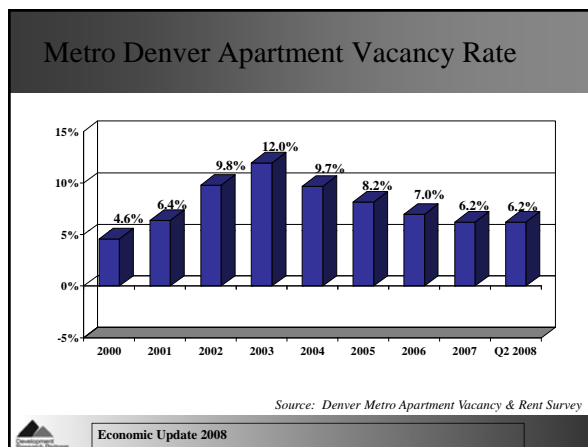
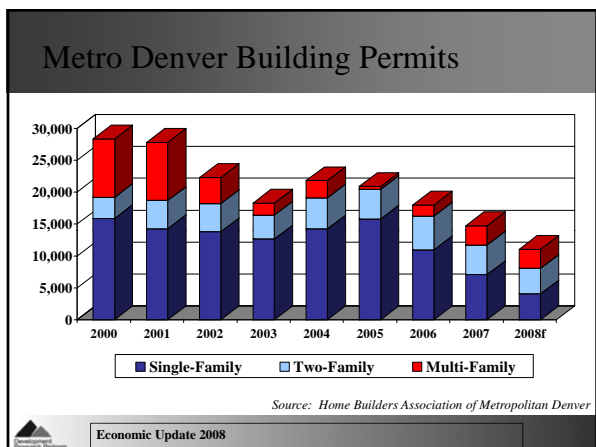
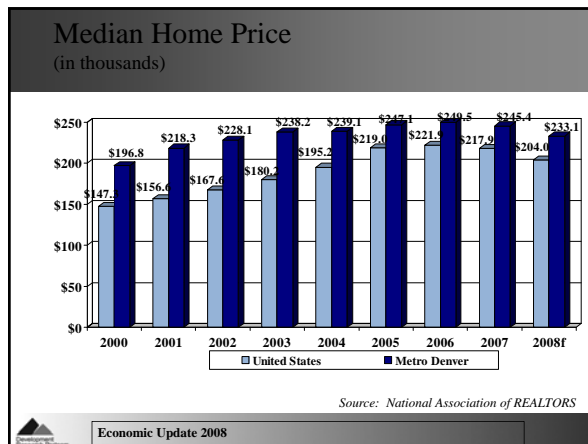
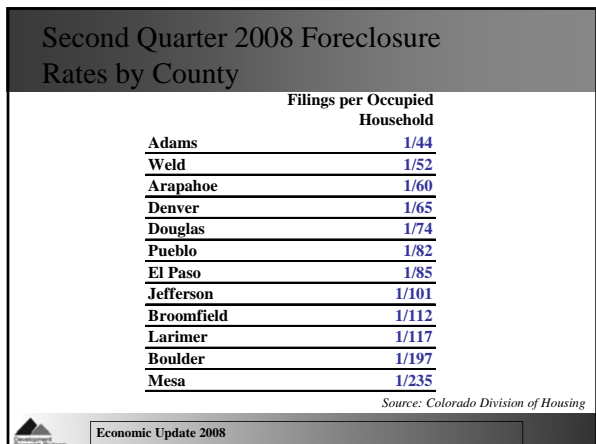
September 18, 2008



# Charting a New Course: Economic Update 2008

## Ten County Budget Conference

September 18, 2008



### Charting a New Course...

- ▲ **Governments face new challenges**
  - Declining tax revenues from auto sales, other retail
  - Declining property tax revenues – lower property values and/or residents unable to pay
- ▲ **Basics matter**
  - Business plans – may change to increase efficiency, profitability
  - Lending practices – new emphasis on sound financial underwriting, but reassessment of risk takes time
  - Household budgets – painful adjustments to new price levels and priorities
- ▲ **The darkest hour is just before dawn**

Economic Update 2008

**Development Research Partners**  
 10184 West Belleview Avenue, Suite 100  
 Littleton, Colorado 80127  
 (303) 991-0070  
[www.DevelopmentResearch.net](http://www.DevelopmentResearch.net)

Emily Stuart, Research Economist  
 Emily@DevelopmentResearch.net

Development Research Partners