



**2007**  
**Annual Utah**  
**Economic Review**



# Overview

- **Contributors**
- **Special Thanks**
- **Key Indicators**
- **Important Factors**
- **Outlook**



# Contributors

- Governor's Office of Planning and Budget
- Bureau of Economic and Business Research
- Center for Public Policy & Administration
- Salt Lake Chamber of Commerce
- Utah Foundation
- Utah State University
- Wikstrom Economic & Planning Consultants, Inc.
- State Government Agencies
  - GOED Office of Tourism
  - State Tax Commission
  - Department of Workforce Services
  - Department of Natural Resources
  - Office of the Legislative Fiscal Analyst
  - System of Higher Education
  - State Office of Education



# **Special Thanks**

- **John Nixon**
- **Robert Spendlove**
- **Walt Busse**
- **Peter Donner**
- **Doug DeVore**
- **Effie Johnson**
- **Mindy Powers**
- **Lance Rovig**
- **David Stringfellow**



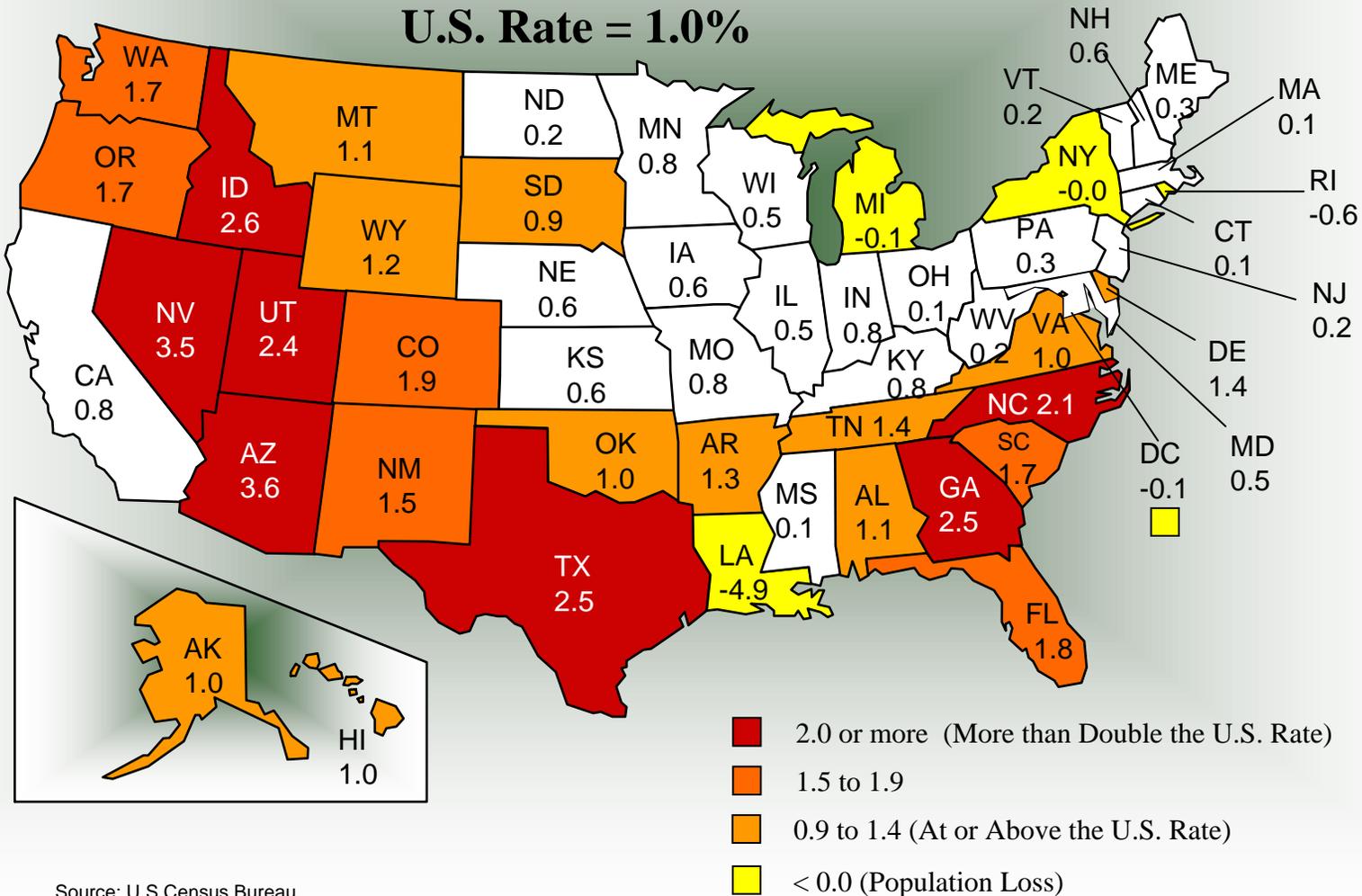
# Key Indicators

- **Population**
- **Job Growth**
- **Income**
- **Tax Revenues**

# Utah is in the Center of the Fastest Growing Region in the Country

## Percent Change in Population for States : 2005 to 2006

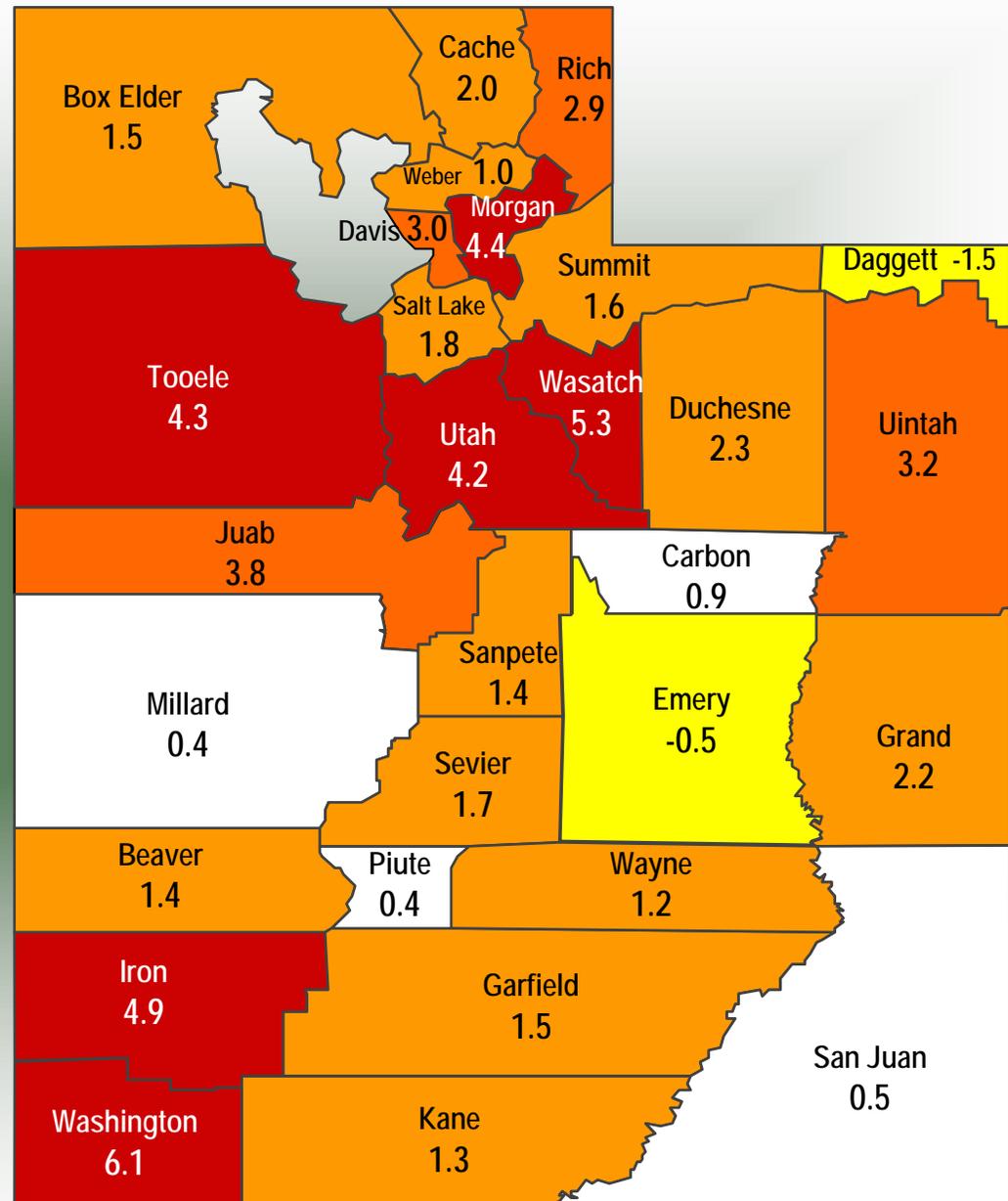
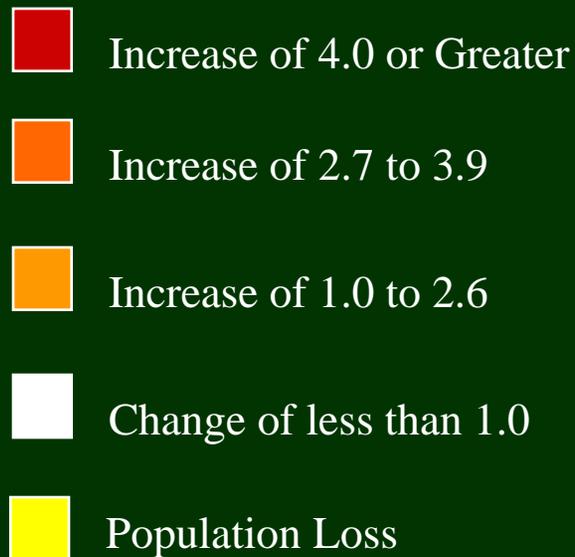
U.S. Rate = 1.0%



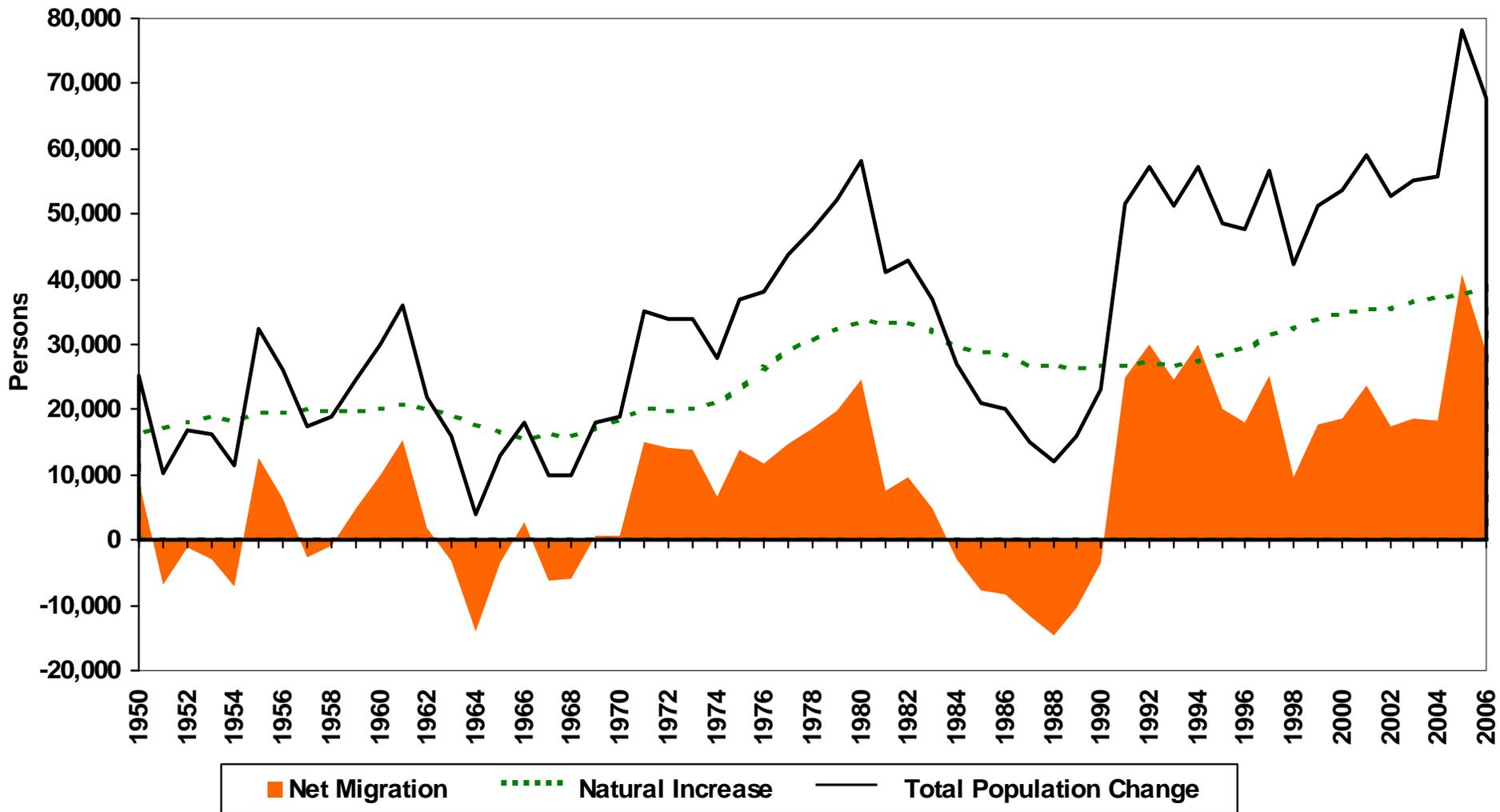
Source: U.S Census Bureau

# Utah Population Growth Rates By County 2005 to 2006

State Average = 2.7%



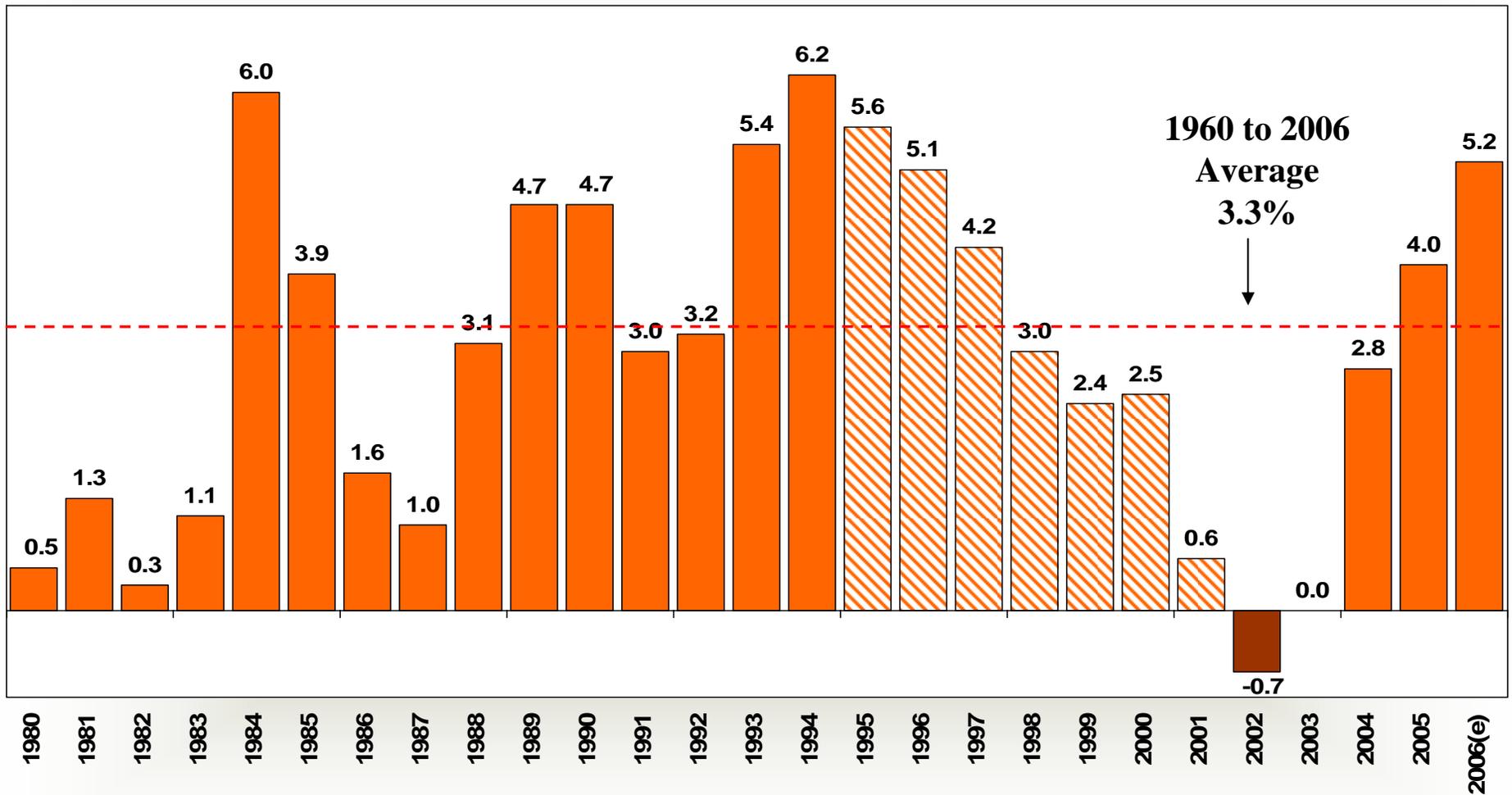
# Utah Components of Population Change



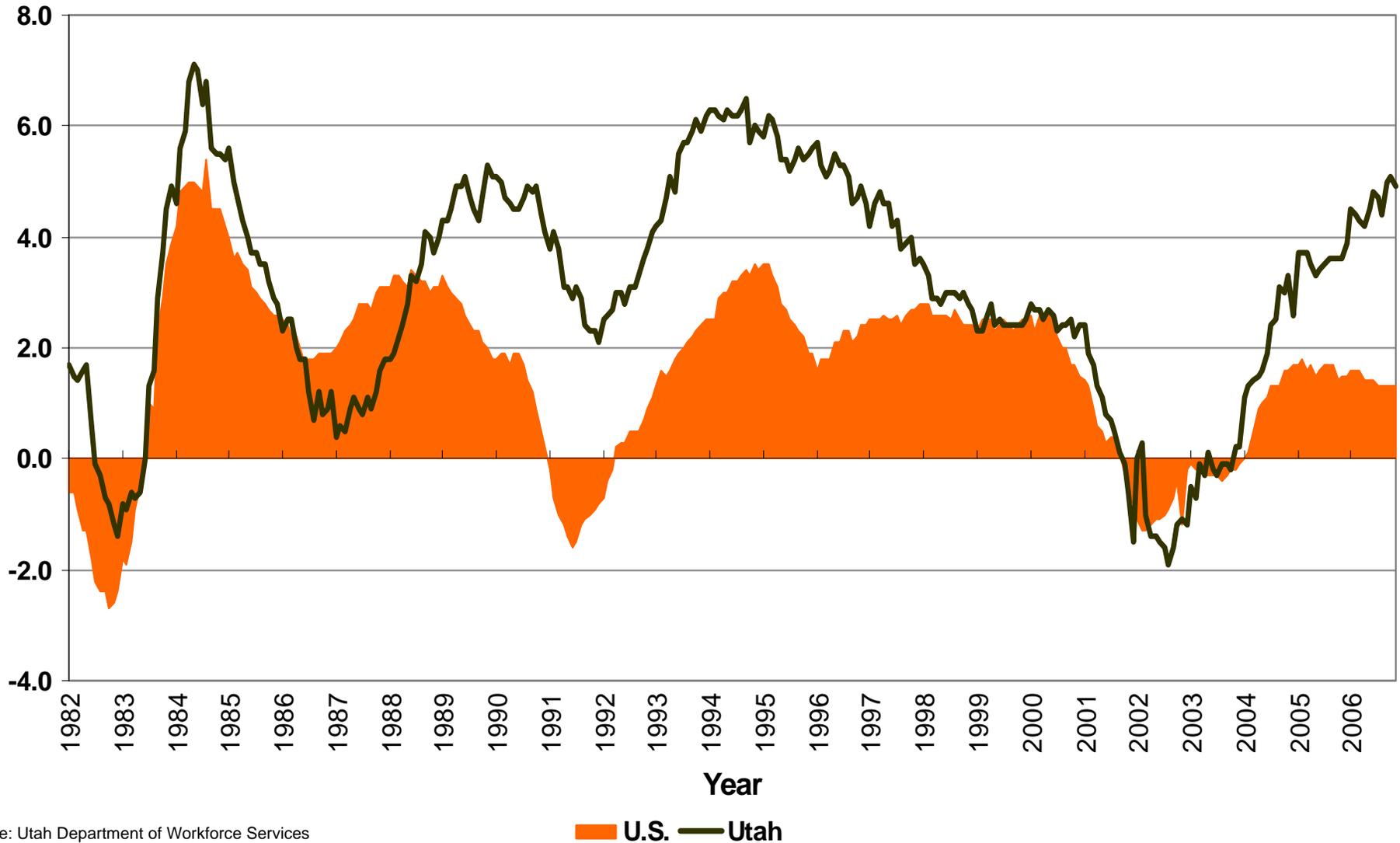
Source: Utah Population Estimates Committee

# Strong Job Growth in Utah

Year Over Rate of Job Growth

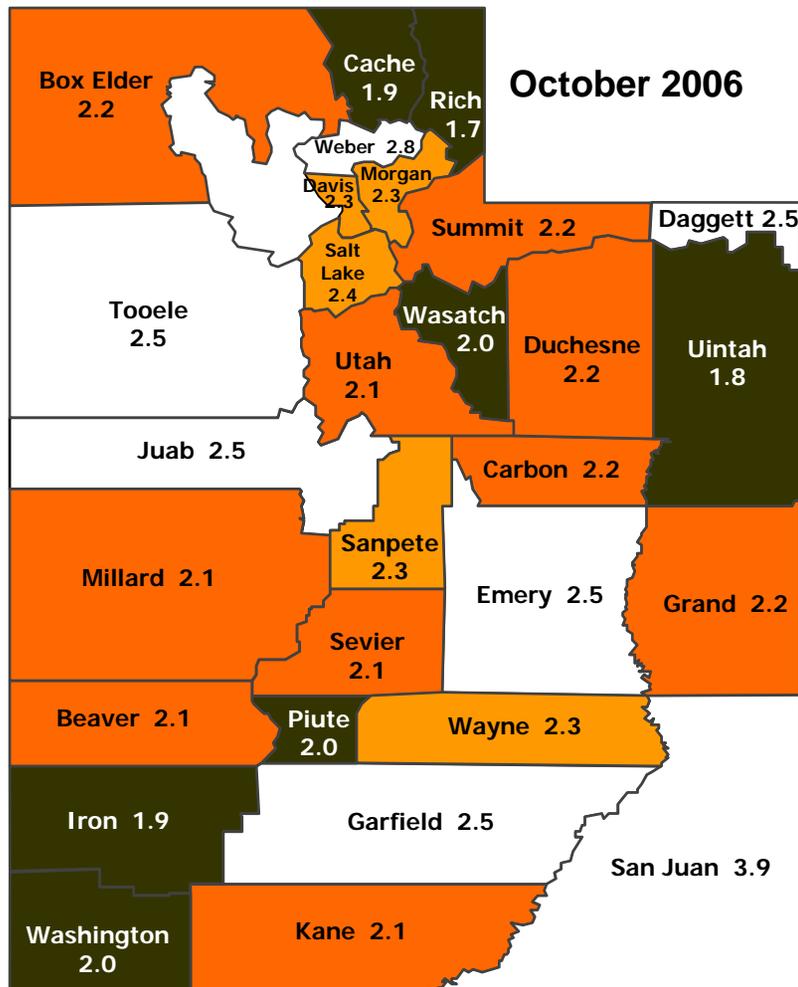


# Utah Job Growth is Over Three Times the National Average



Source: Utah Department of Workforce Services

# Unemployment Rates Continue to Drop

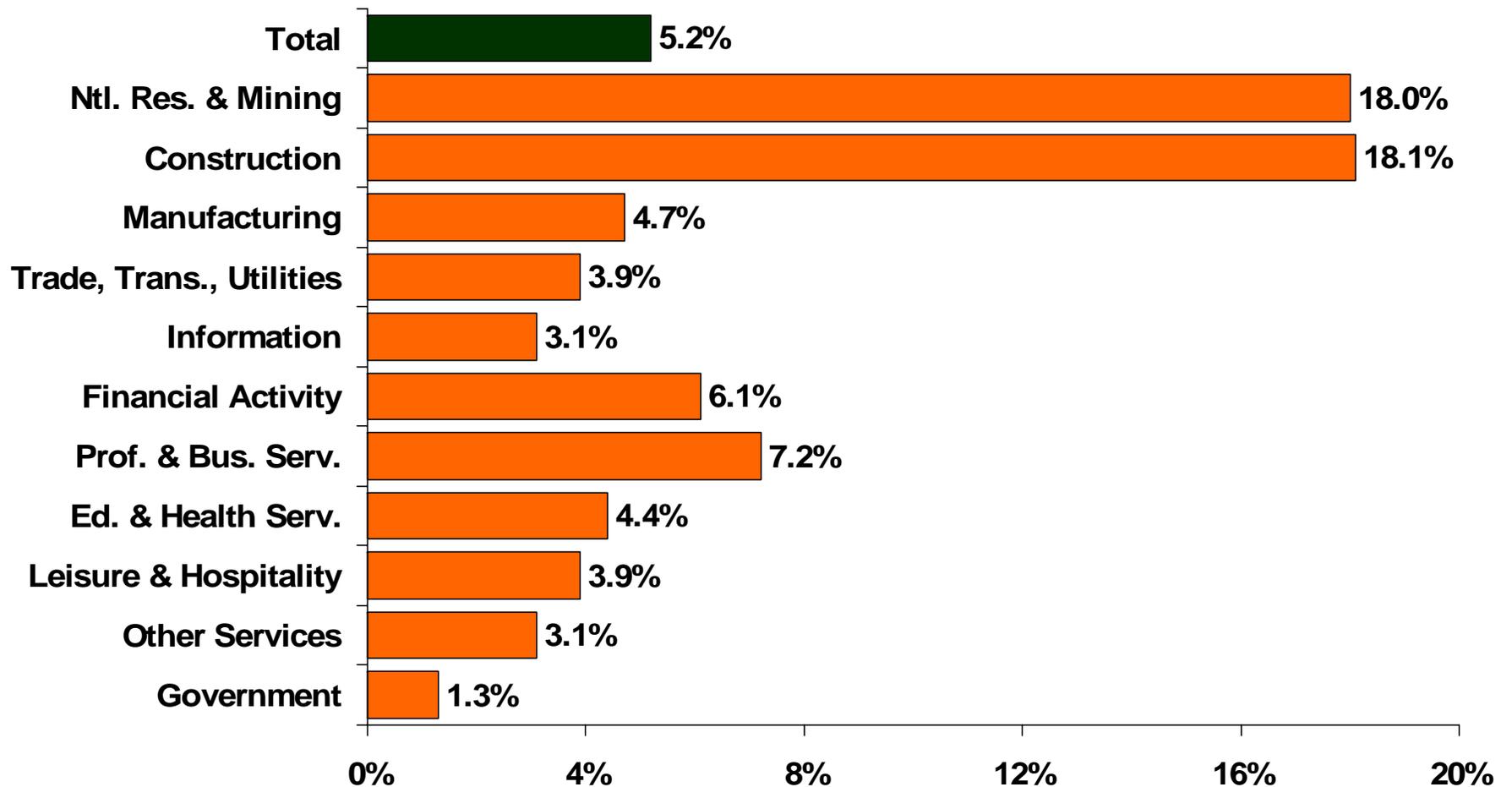


**State Unemployment Rate of 2.5%**

- 2.0% and below Unemployment Rate
- 2.1 to 2.2% Unemployment Rate
- 2.3% to 2.4% Unemployment Rate
- 2.5% and above Unemployment Rate

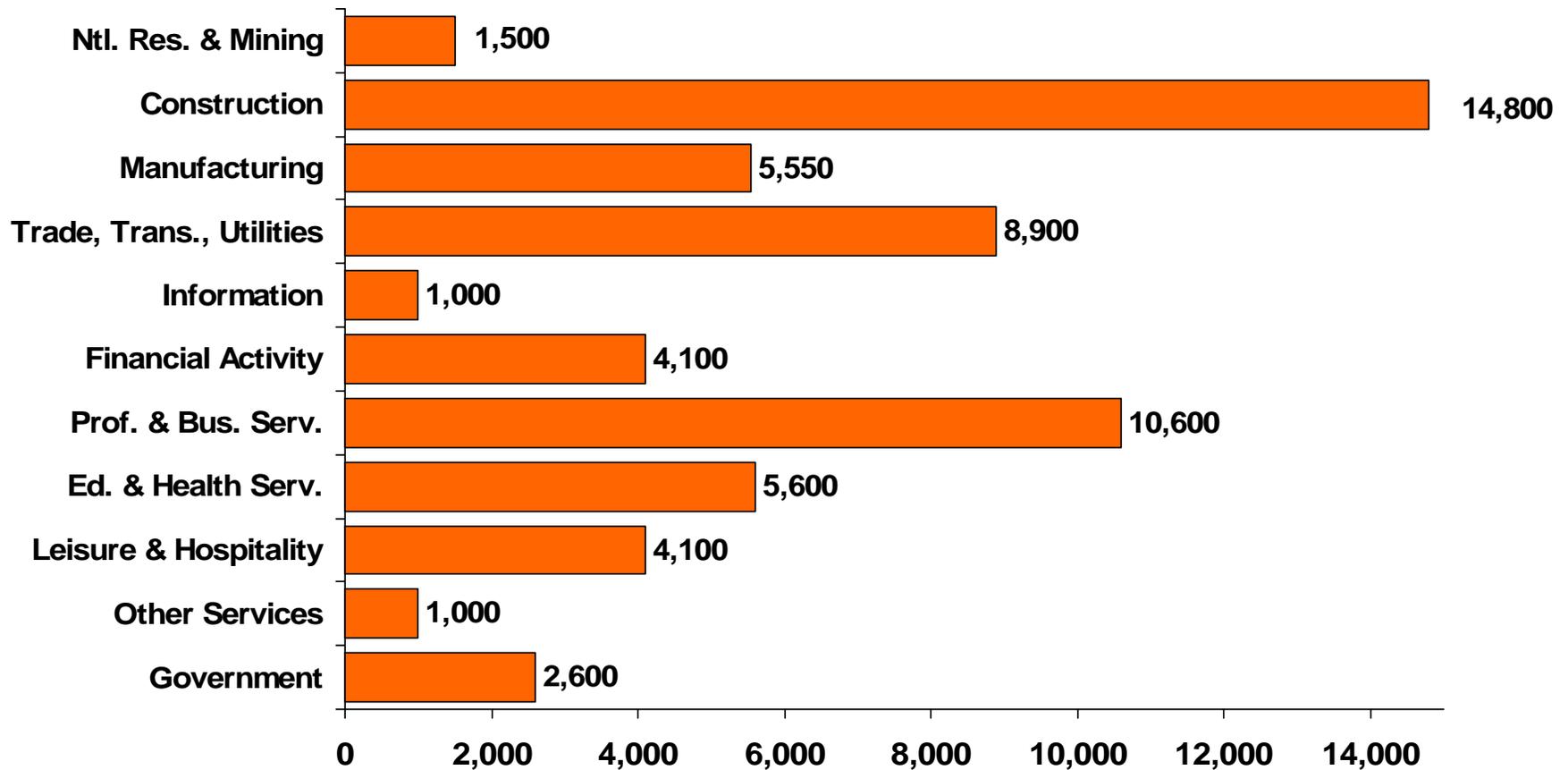
# All Utah Industries Growing

Percent Change in Utah Employment by Industry: 2005 to 2006

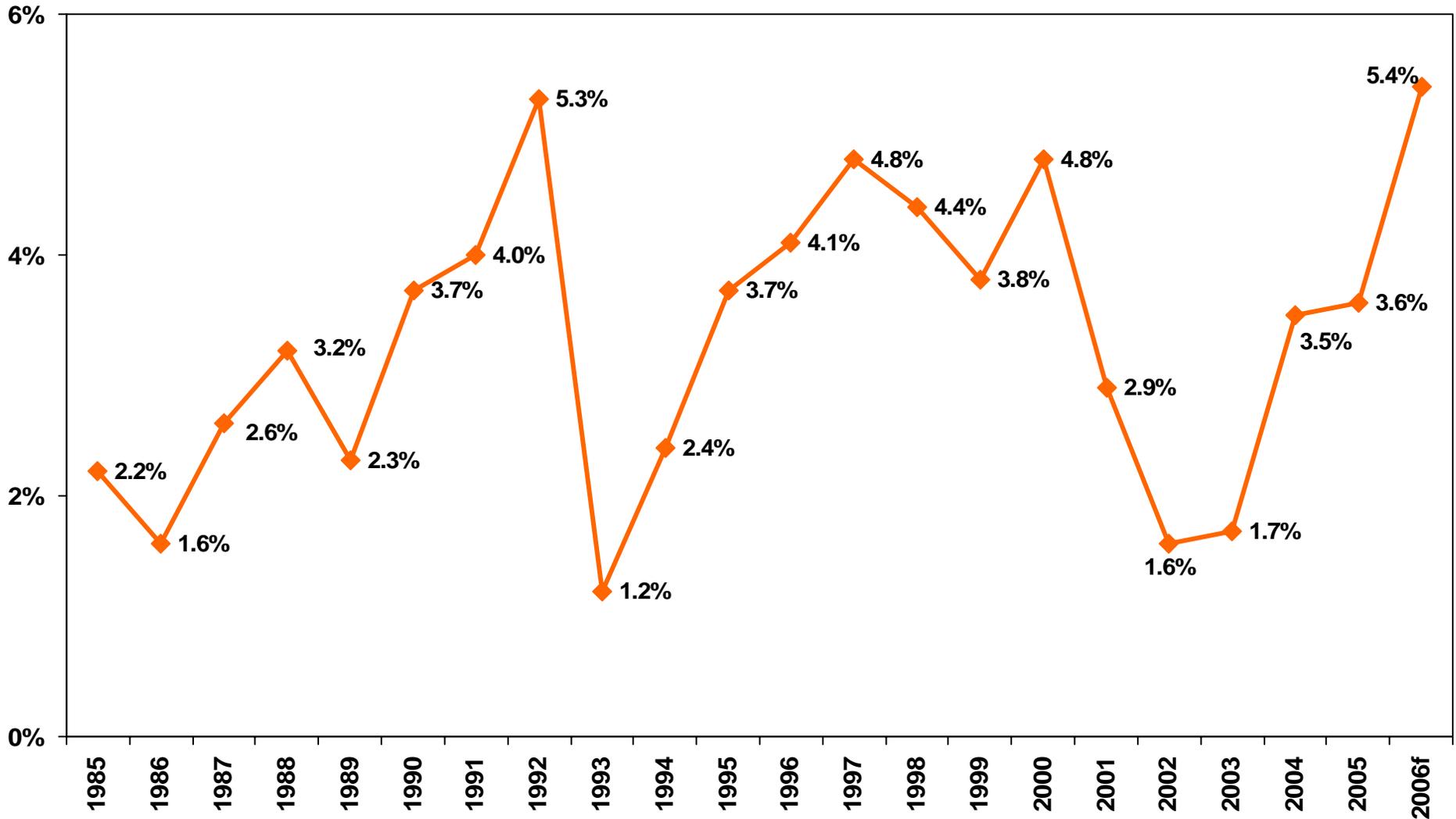


# All Utah Industries Growing

## Numerical Change in Utah Employment by Industry: 2005 to 2006 Total State Employment Grew by nearly 60,000 Jobs

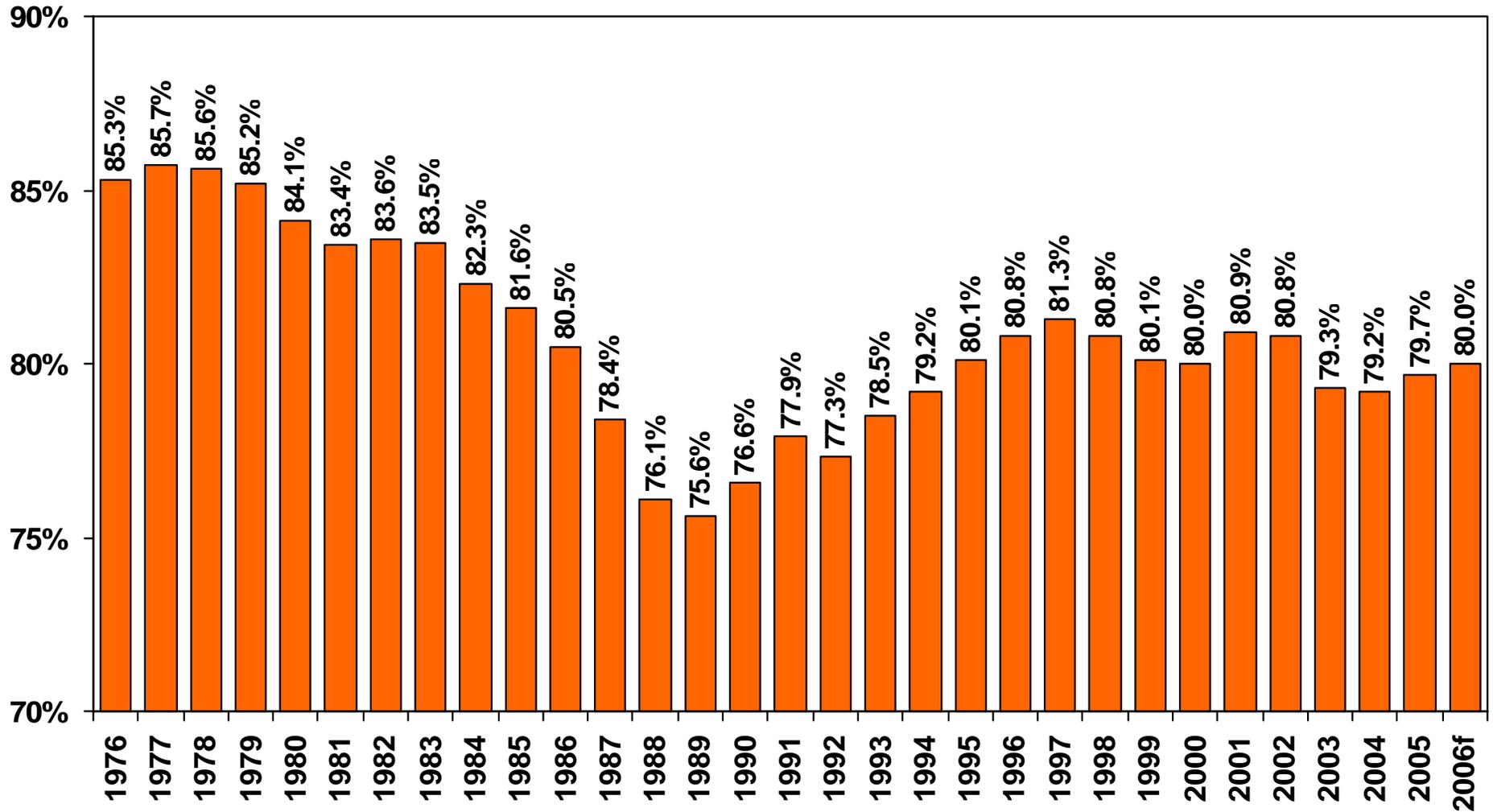


# Growth Rates for Utah Average Annual Pay



Sources: Utah Department of Workforce Services, Council of Economic Advisors f = forecast

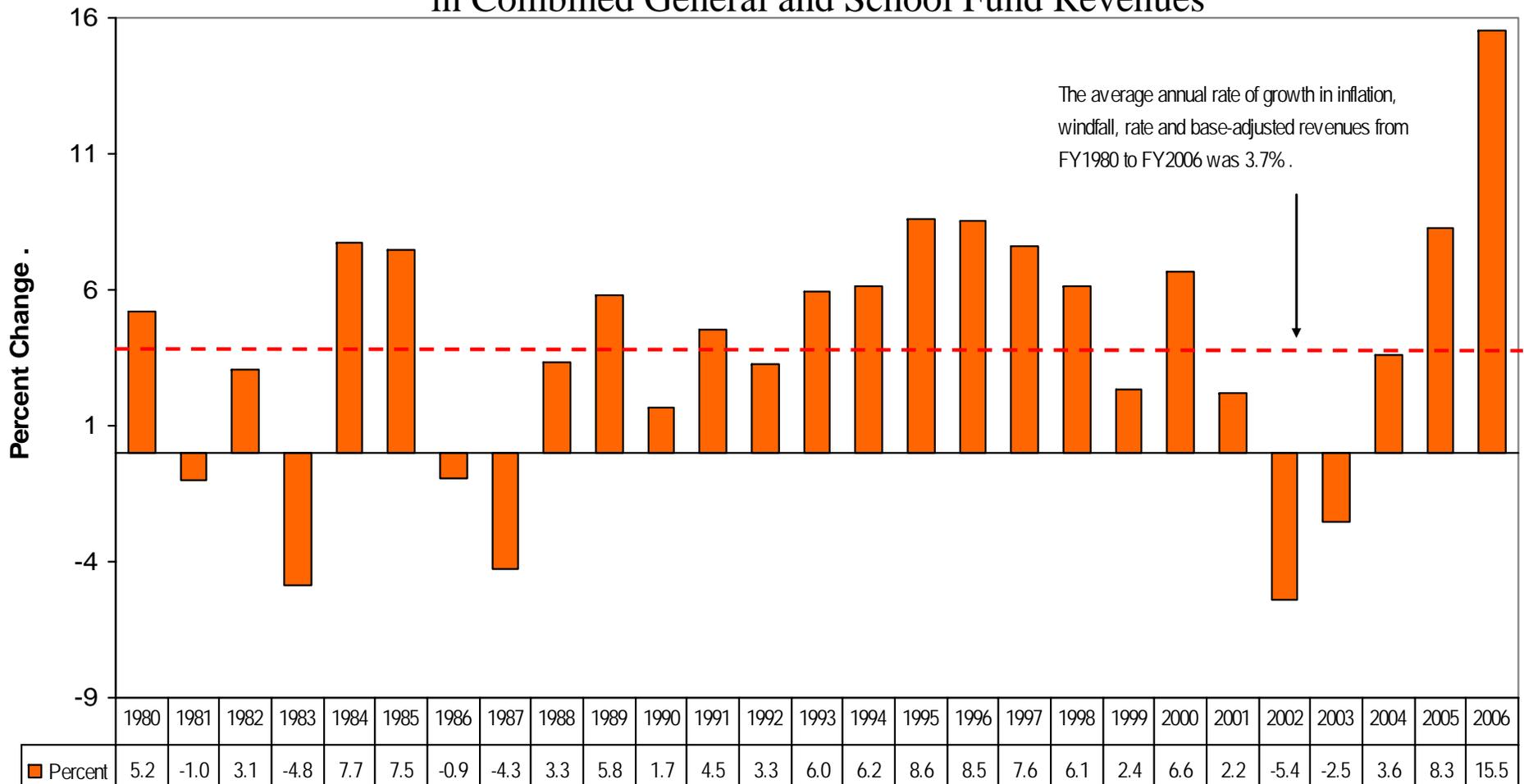
# Utah Per Capita Personal Income as a Percent of the United States



Source: U.S. Department of Commerce, Bureau of Economic Analysis; Governor's Office of Planning and Budget

# Utah Tax Revenues Have Increased Dramatically

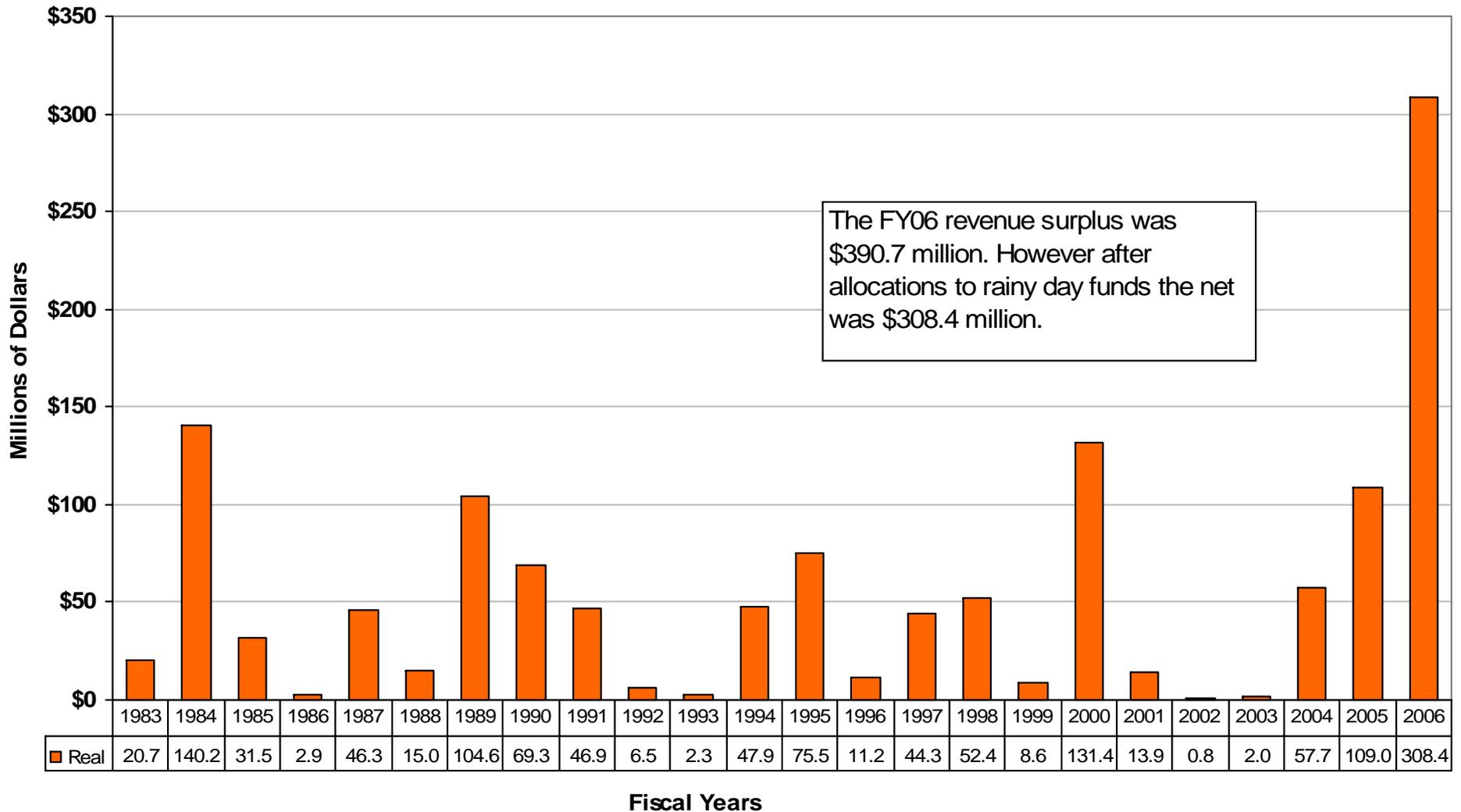
Inflation, Windfall, Rate and Base-Adjusted Percentage Change  
in Combined General and School Fund Revenues



Source: Governor's Office of Planning and Budget

Fiscal Years

# Utah is Experiencing Record Budget Surpluses



Source: Governor's Office of Planning and Budget

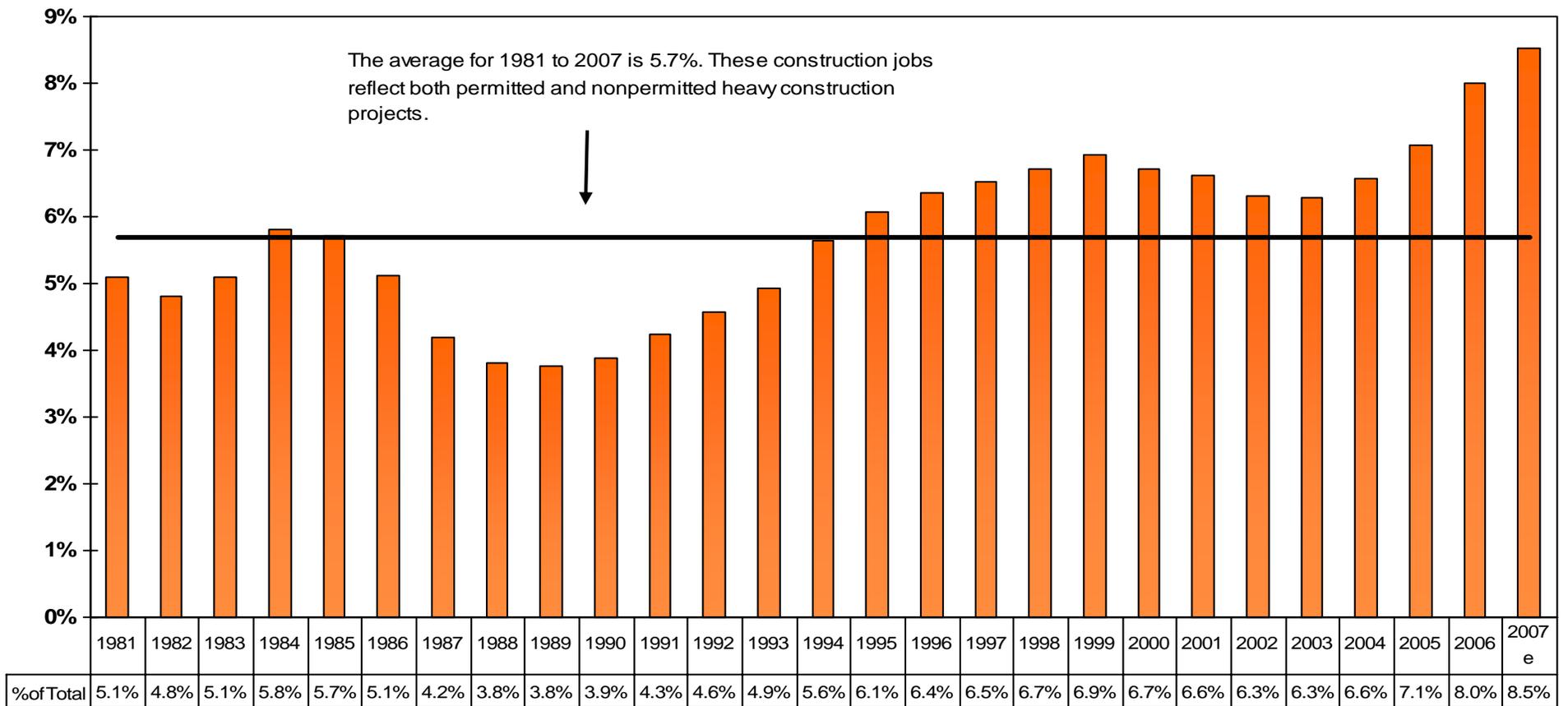


# **Important Factors**

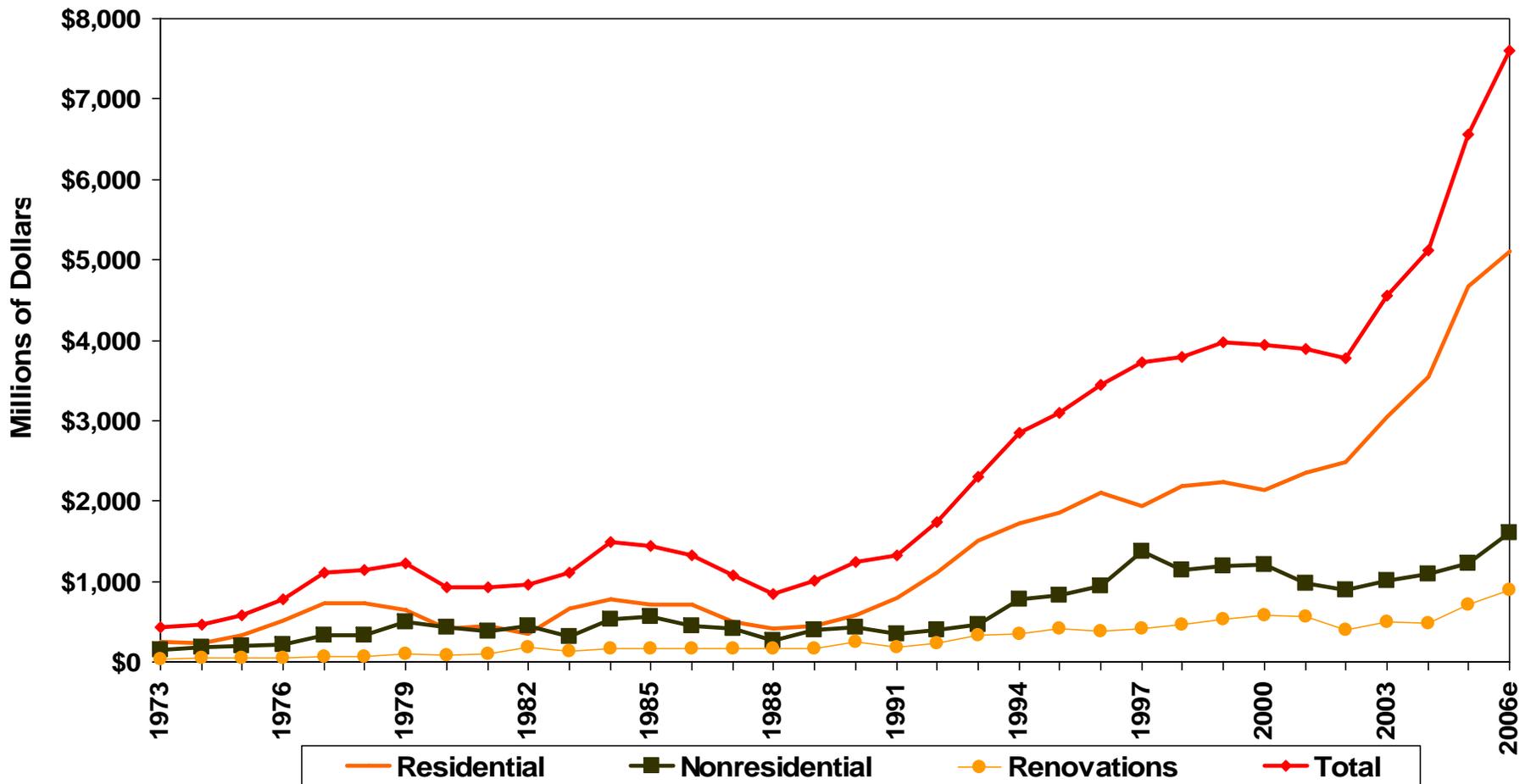
- **Construction and Housing Appreciation**
- **Exports**
- **Mineral Production**
- **Defense Spending**
- **Visitor Spending**
- **Income and Education Levels**

# Strong Construction Employment Growth Continues

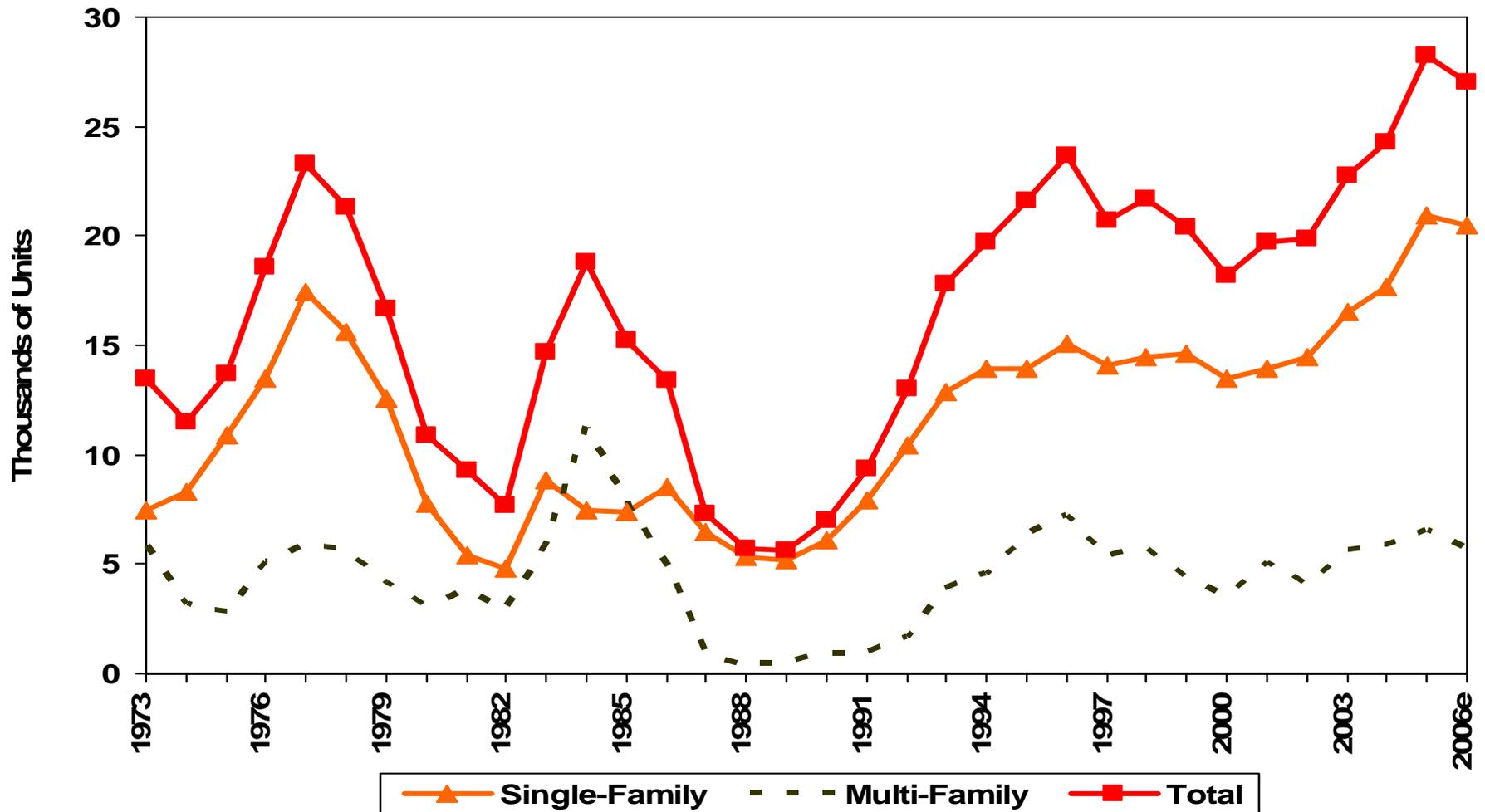
## Construction Employment as a Percent of Total Employment



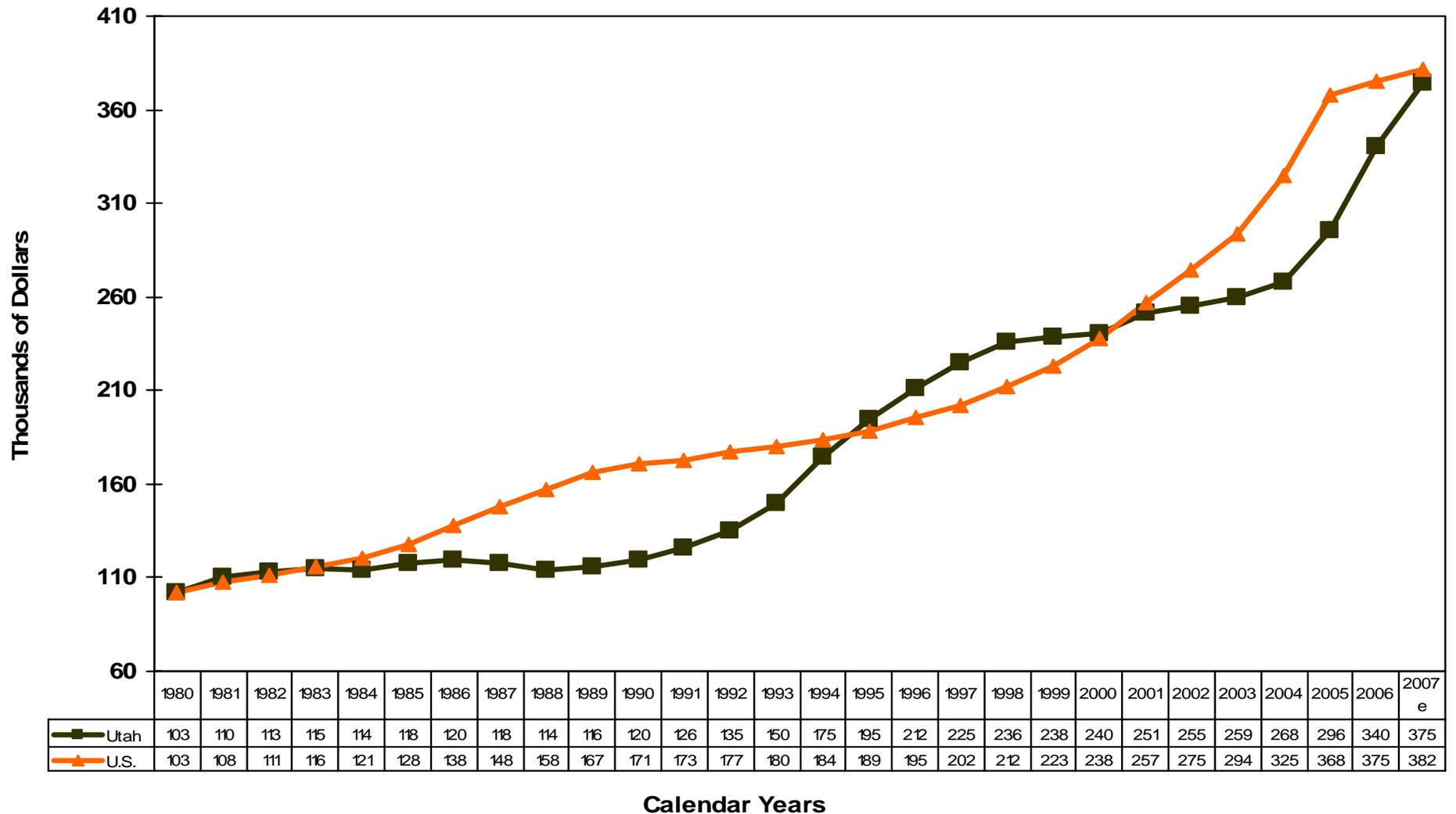
# Construction Valuation at Record Highs



# Residential Construction Continues to Hold Strong

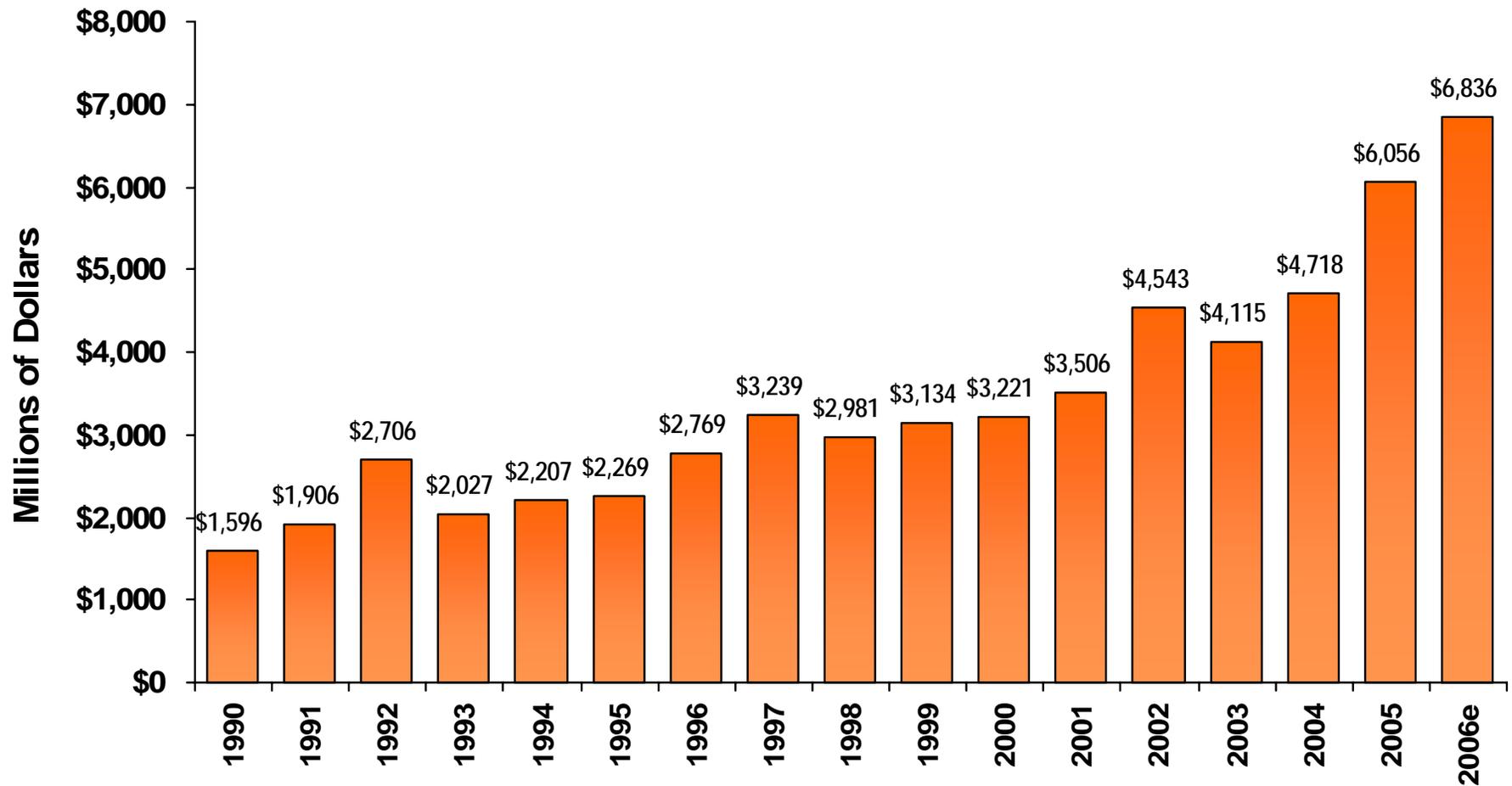


# Housing Price Appreciation is Accelerating

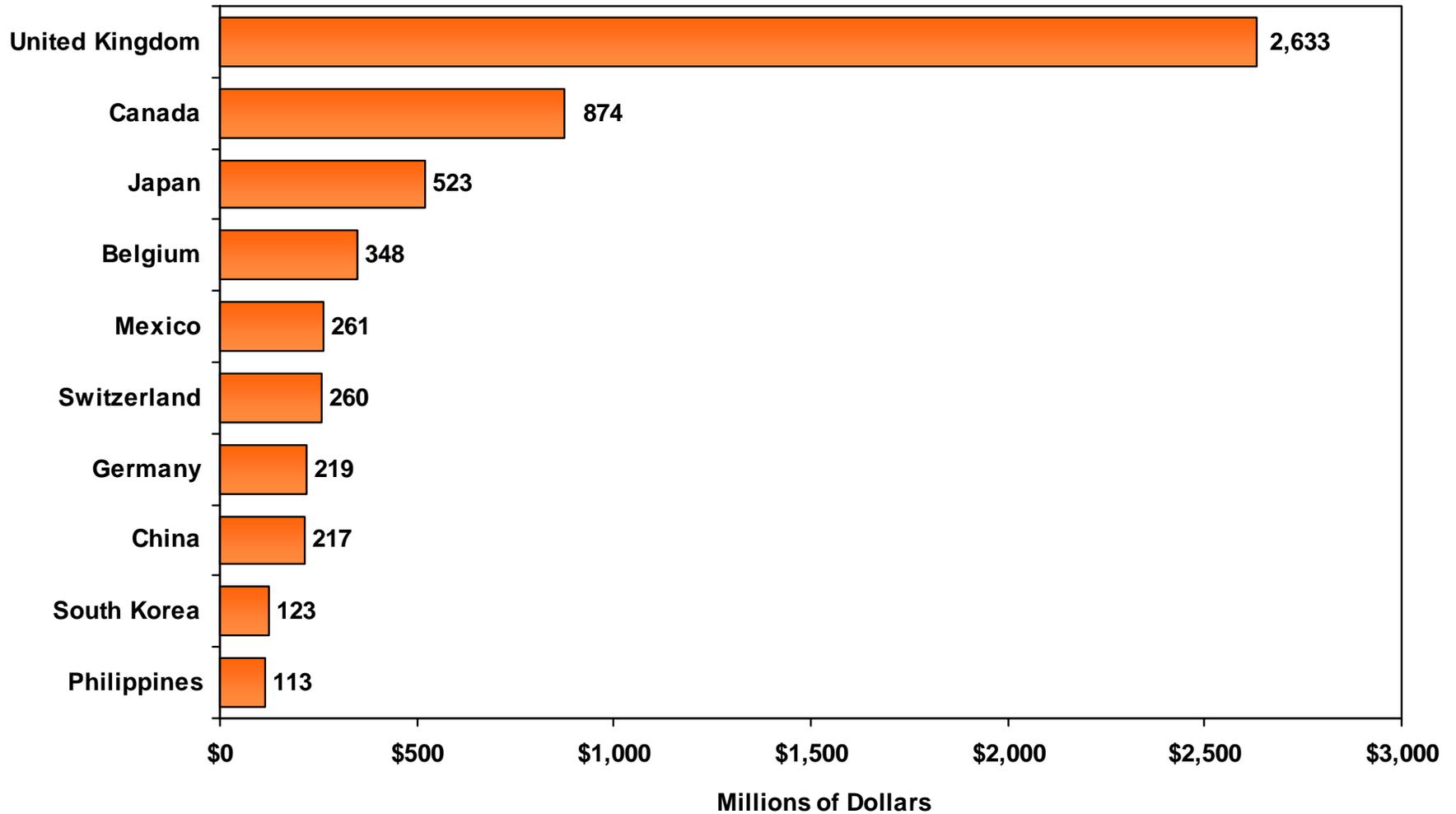


# Utah Exports Increased by 13% in 2006

## Utah Merchandise Exports

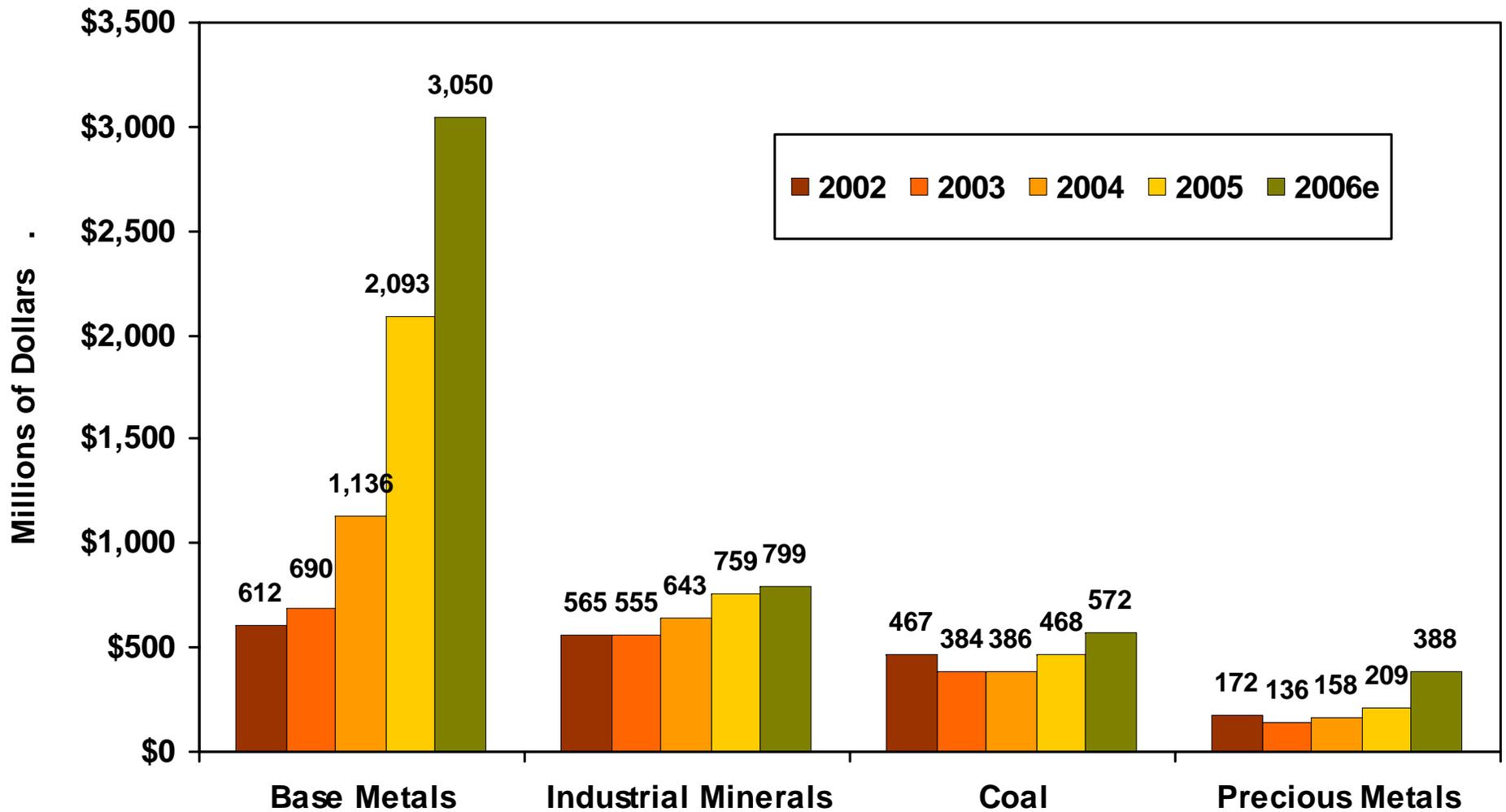


# Utah Merchandise Exports to Top Ten Purchasing Countries: 2006



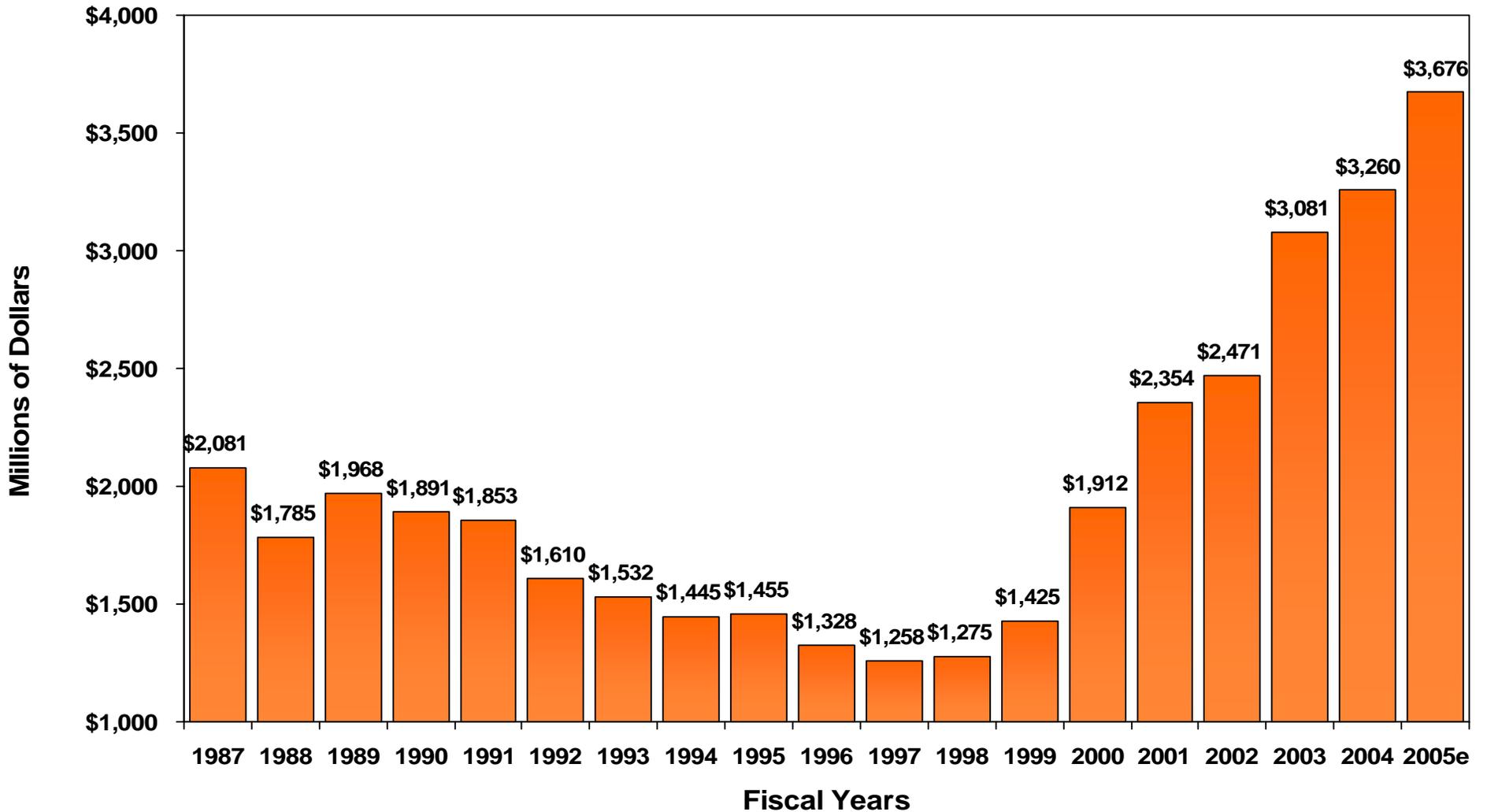
Note: Exports for 2006 are estimated based on first three quarters.  
Source: U.S. Census Bureau

# Value of Utah's Mineral Production from 2002 to 2006



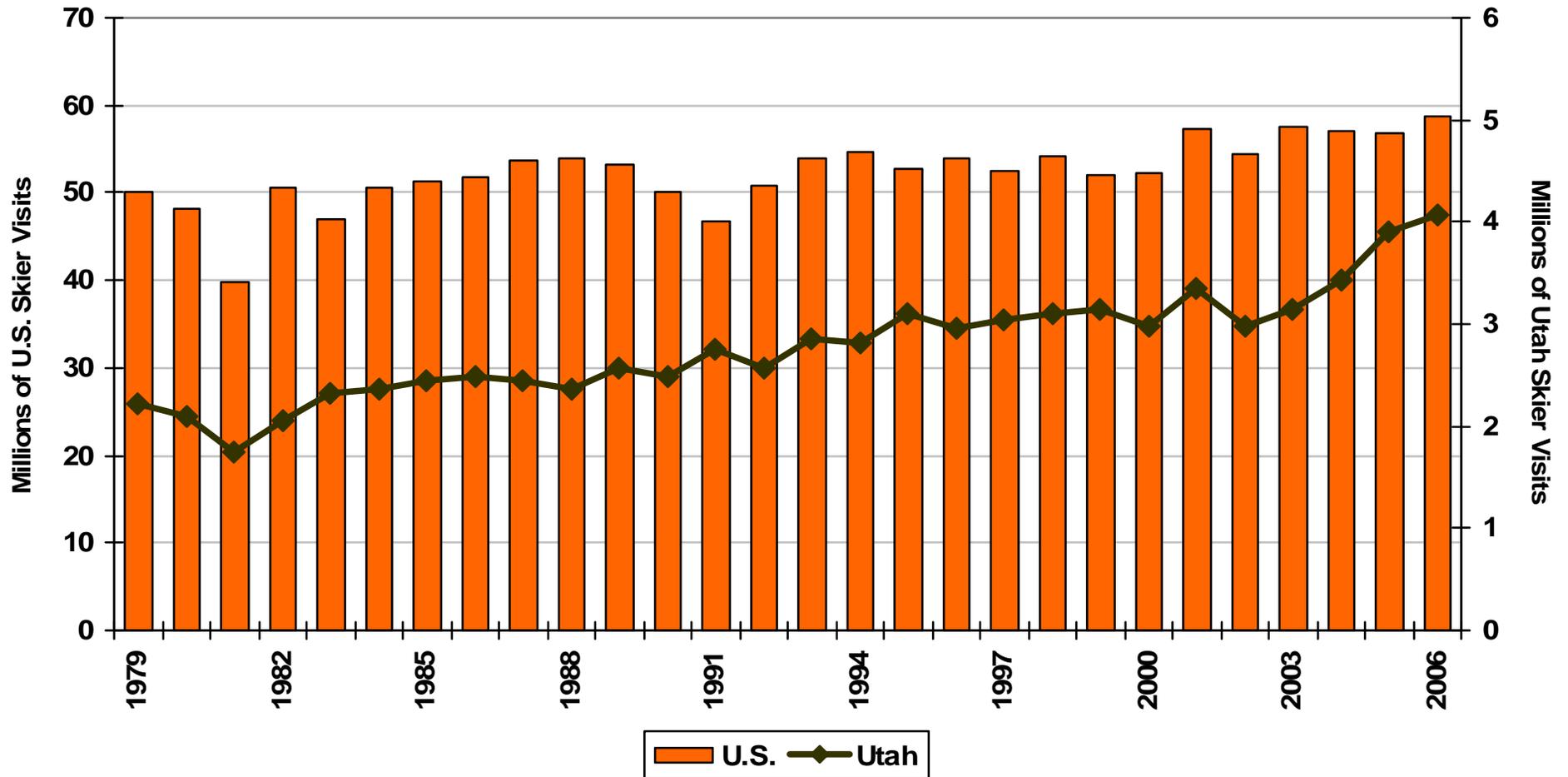
Source: Utah Geological Survey

# Defense Spending Increased 12.8% in 2005



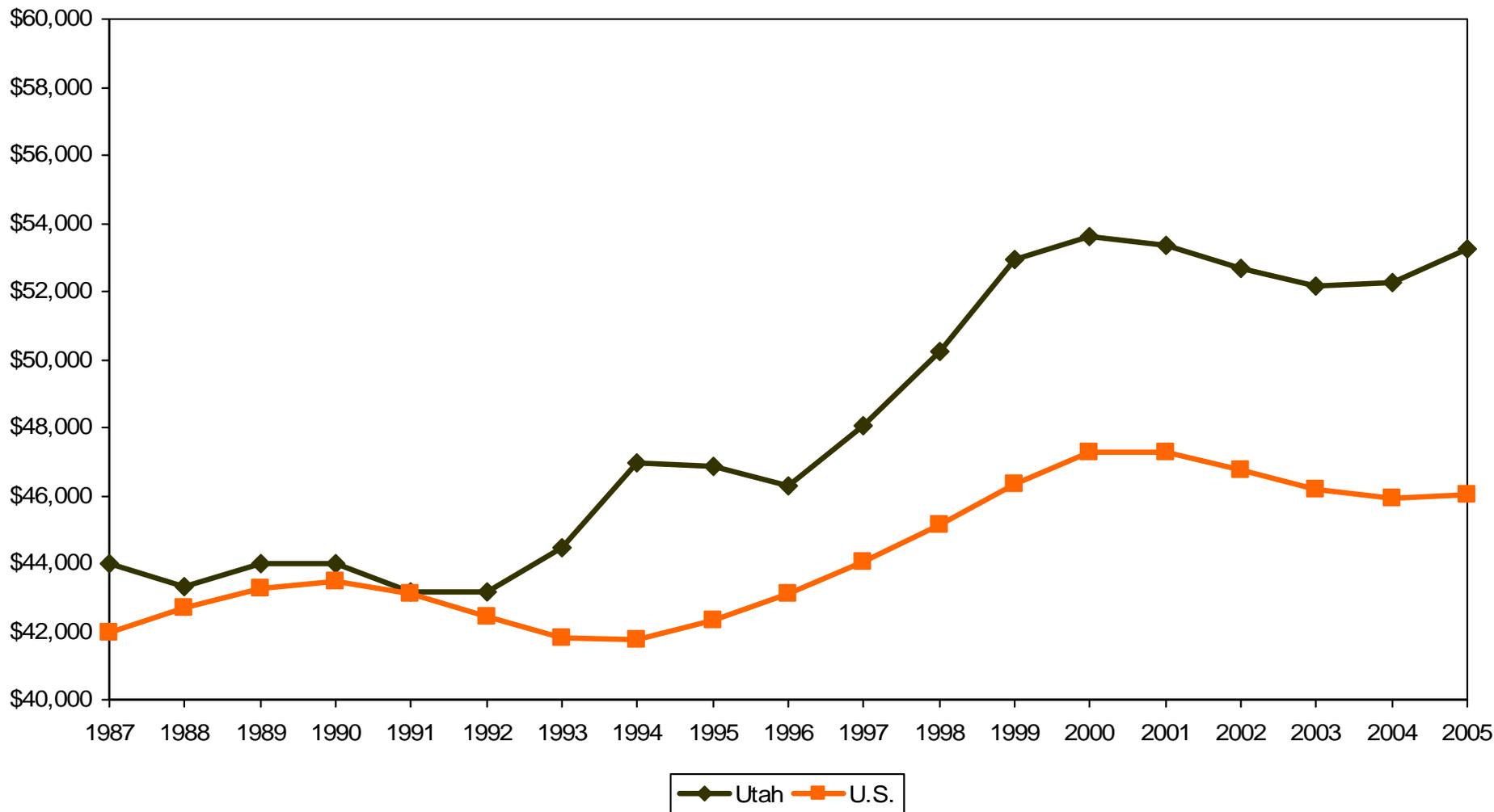
# Utah Skier Visits Topped 4 Million in 2006

Utah and U.S. Skier Visits (In Millions)



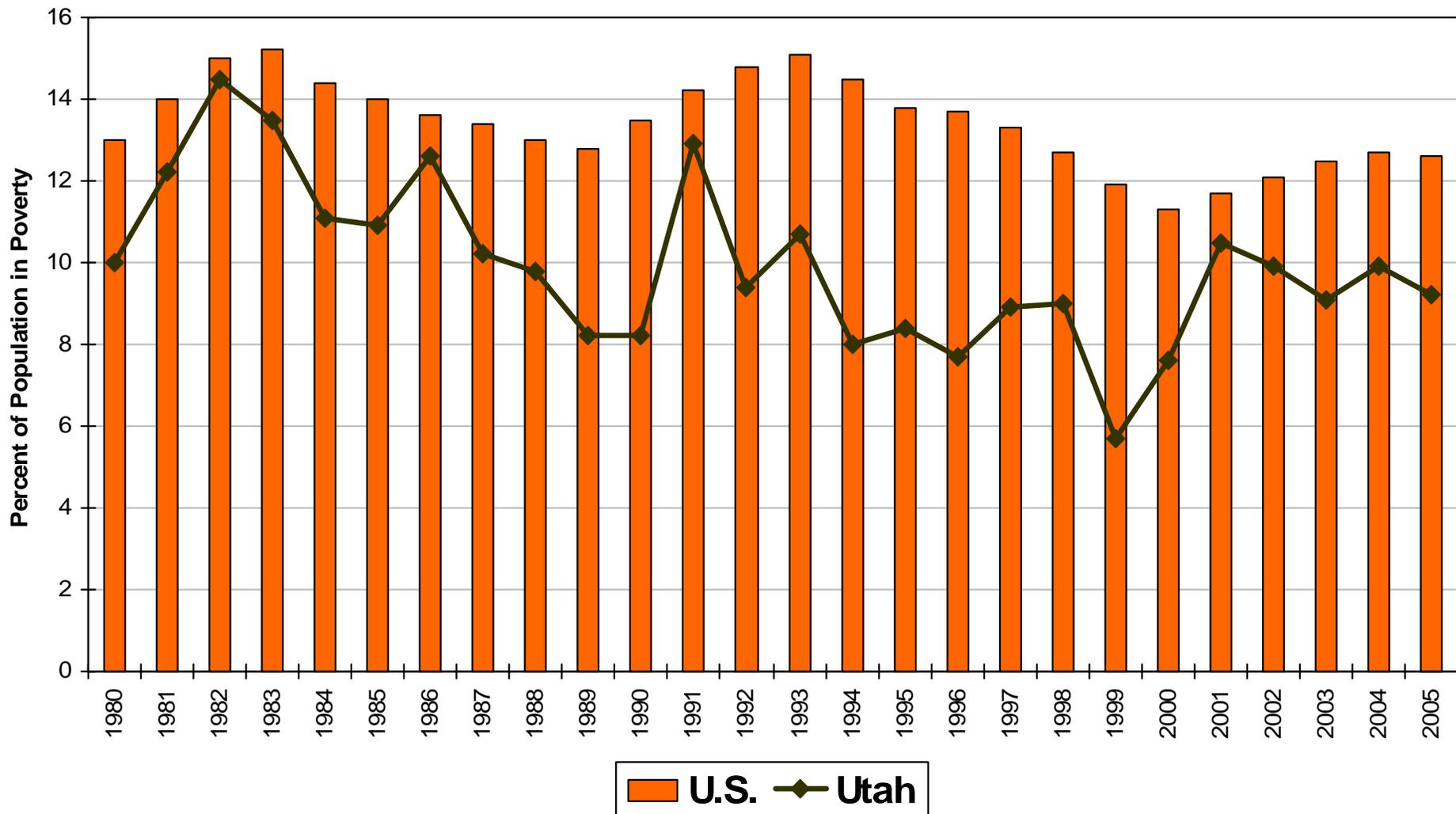
Source: 2006 Utah Ski Database

# Utah Median Household Income is Higher than the National Average



Source: U.S. Census Bureau, Current Population Survey (adjusted to 2005 dollars)

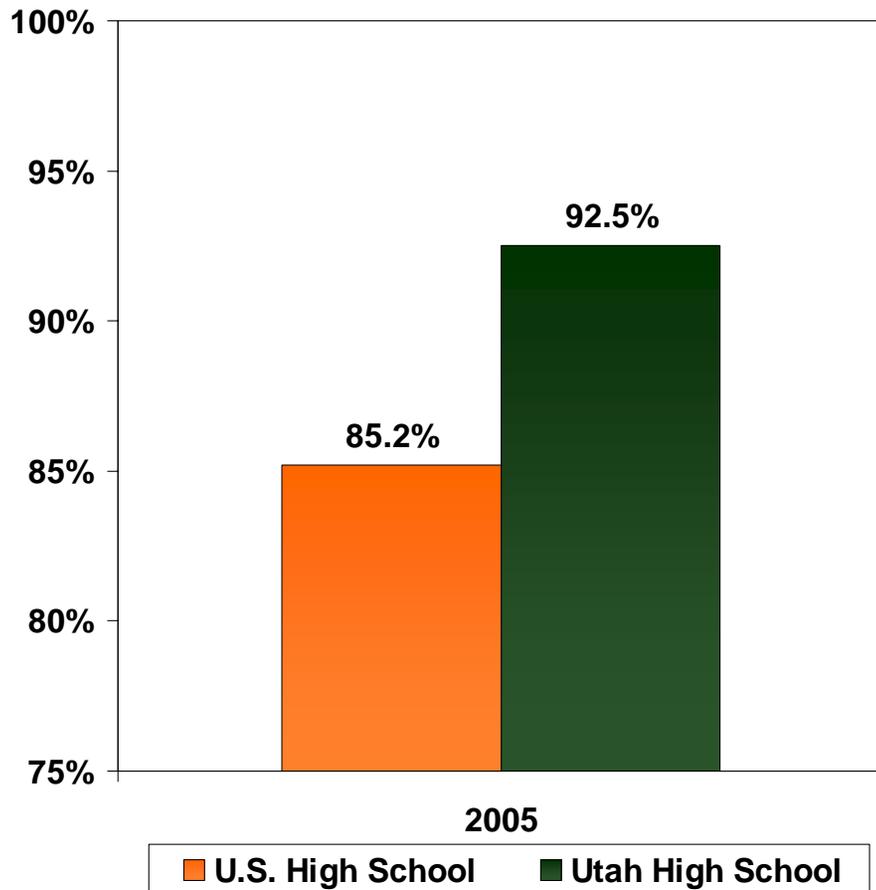
# Utah Poverty Rates Are Much Lower than the Nation



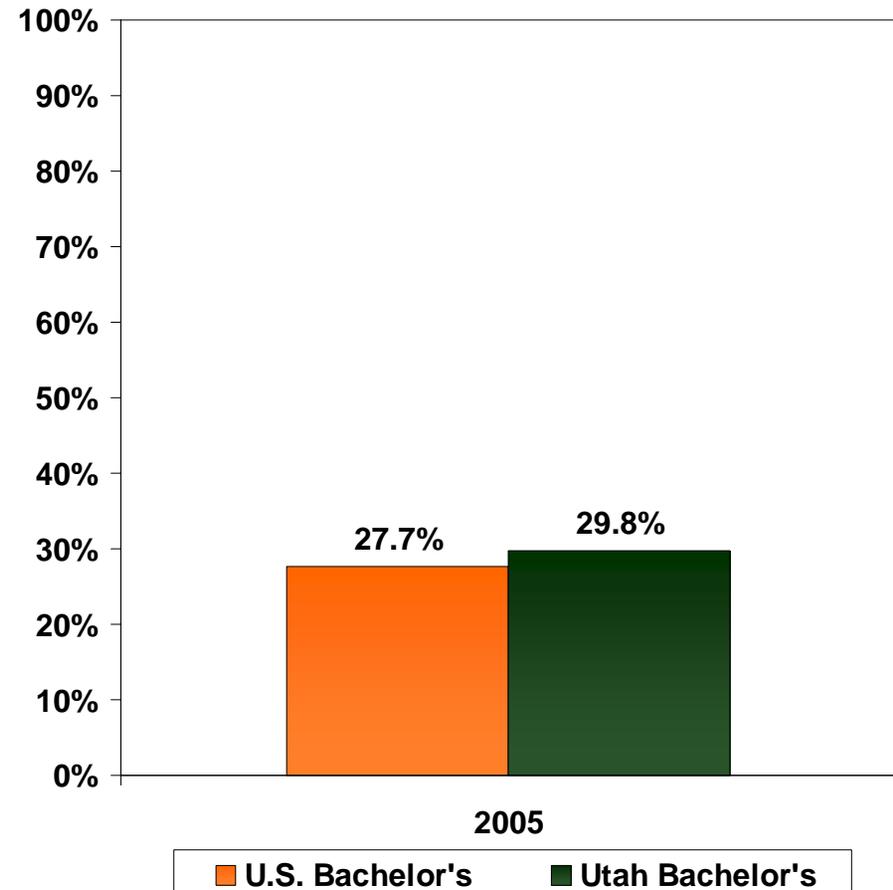
Source: U.S. Census Bureau, Current Population Survey

# Utah Remains an Education Minded State

High School Diploma or Higher



Bachelor's Degree or Higher

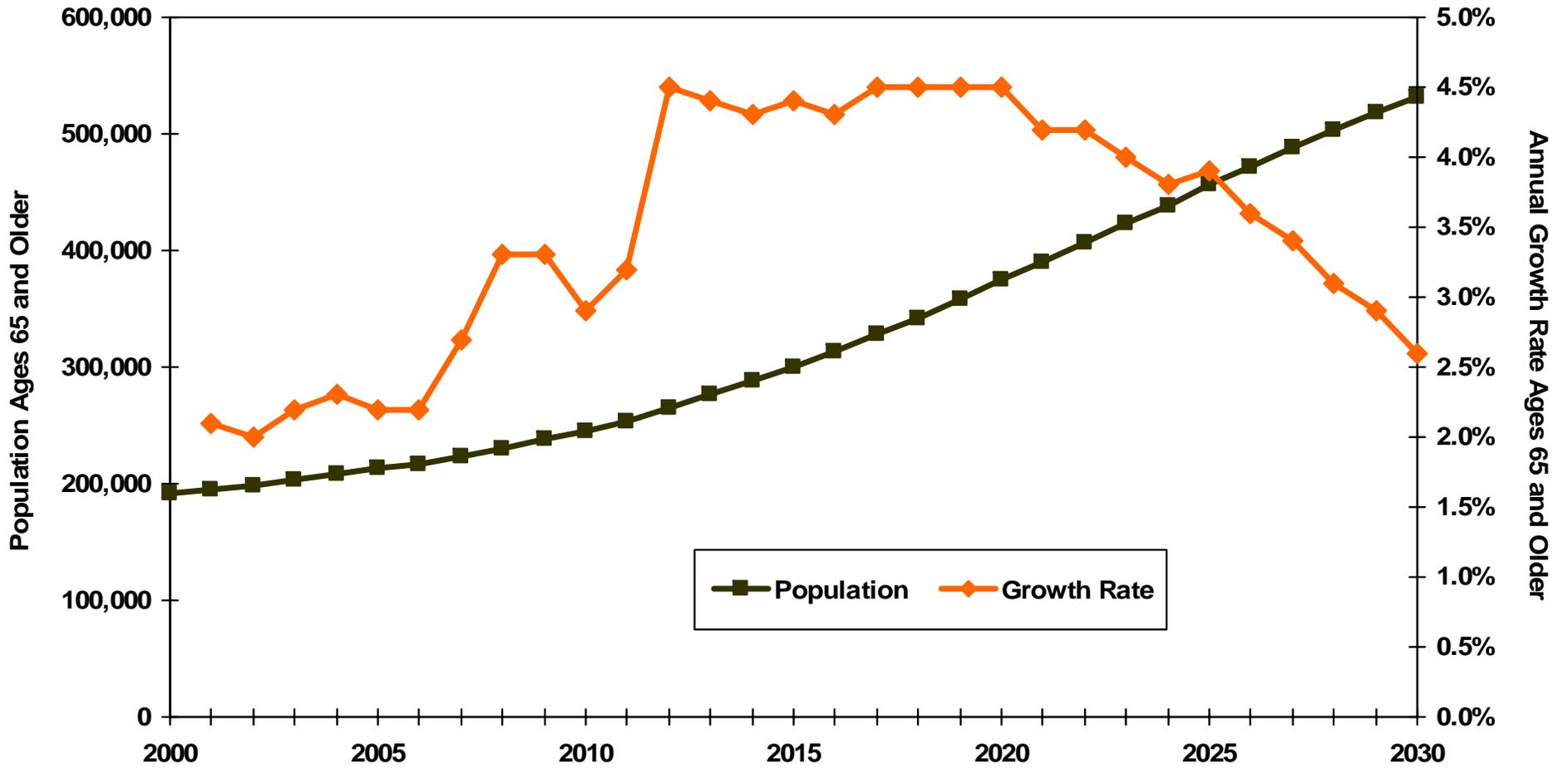




# Outlook

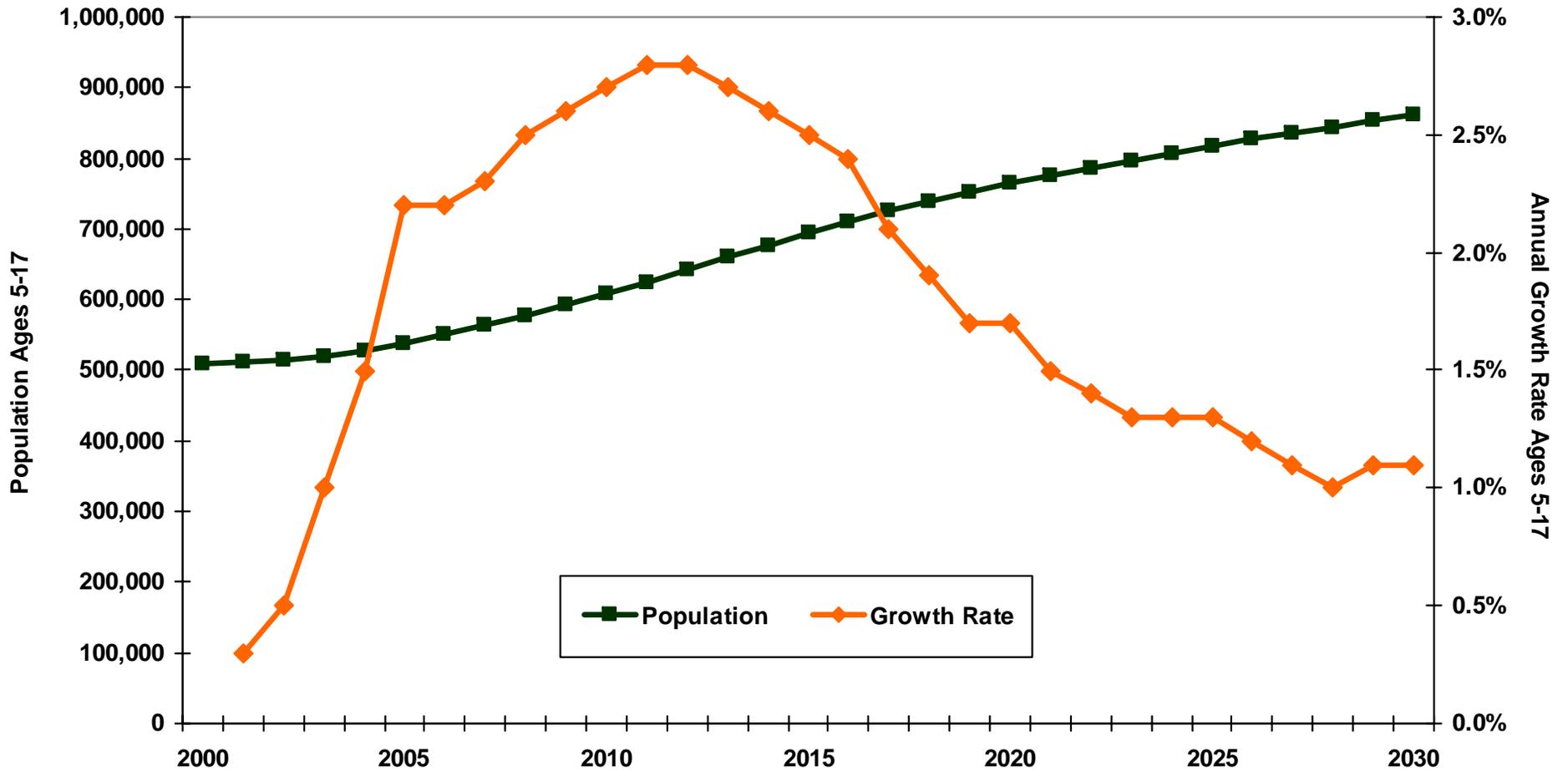
- **Growth Issues**
- **Downtown Rising**
- **Employment Projections**
- **Mega-Projects**

# Growth of 65 and Older Age Group



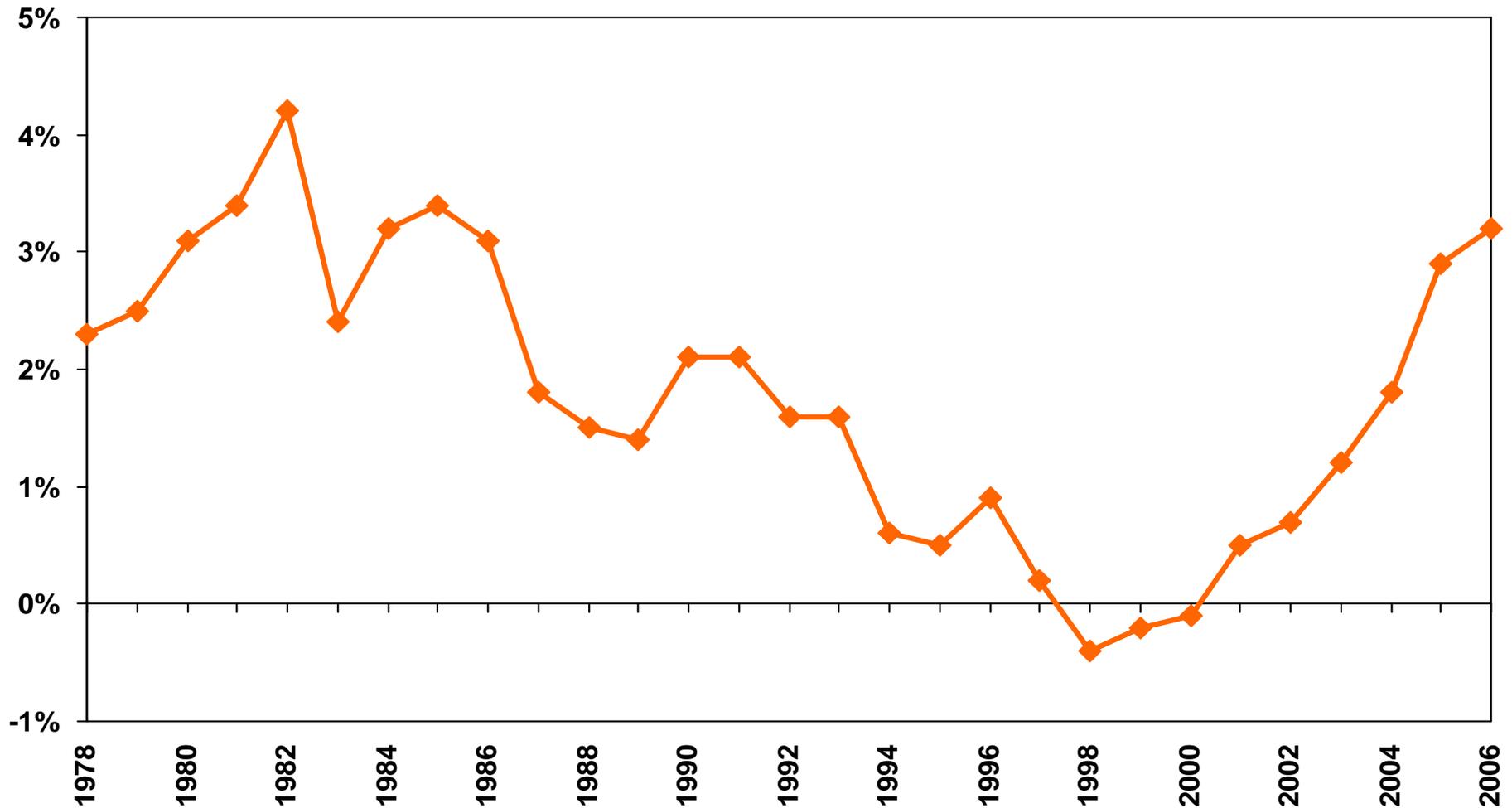
Source: 2005 Baseline Projections, Governor's Office of Planning and Budget

# Growth of School Age Population



Source: 2005 Baseline Projections, Governor's Office of Planning and Budget

# Utah Public School Enrollment Growth Accelerating



Source: State Office of Education, Finance and Statistics

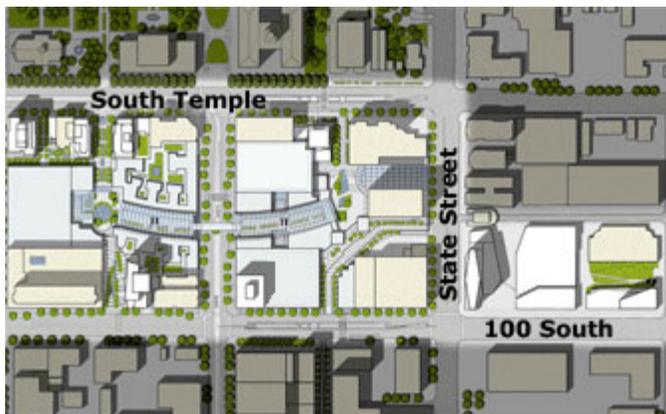


# The Challenges Created by Growth

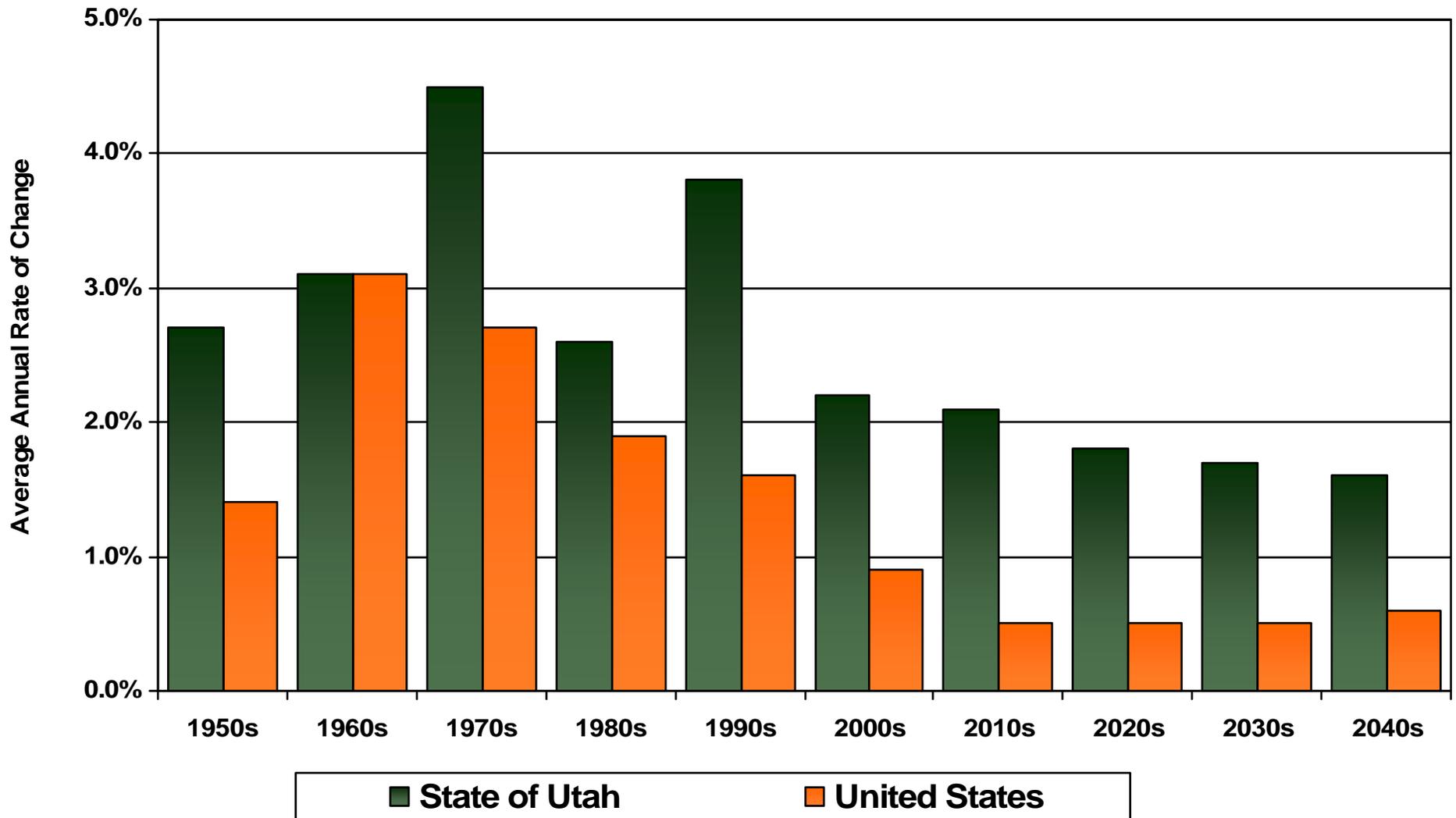
- Public Education
- Transportation
- Water
- Infrastructure
  
- Growth also results in opportunities

# Downtown Rising

- Investment in the Central Business District will approach \$2 billion in the next five years
  - Anchored by key developments
    - City Creek Center—mixed-use development
    - 222 South Main—21-story skyscraper
    - TRAX light rail—two new stops west end of downtown
- Investments will provide a catalyst for dramatic improvements to downtown Salt Lake City and serve as the foundation for a broader, business-led, regional visioning effort



# Total Employment Growth by Decade for Utah and the U.S.

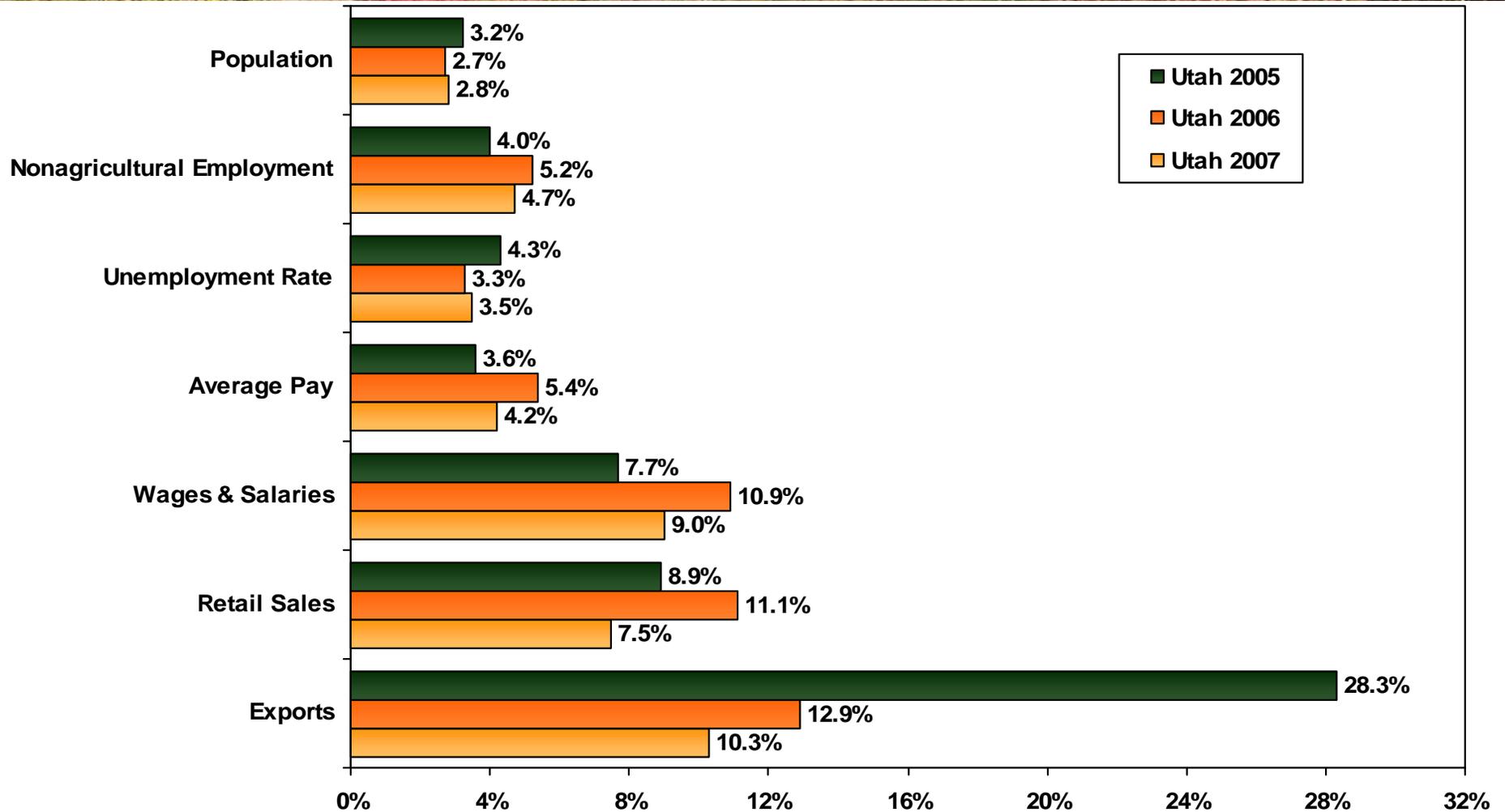




# Mega-Projects

- **IPA coal-fired power plant expansion - \$2.1 billion**
- **City Creek Center – \$1.5 billion**
- **Daybreak by Kennecott Land - \$1.3 billion**
- **Legacy Highway - \$680m**
- **Traverse Mountain Mixed Use - \$650m**
- **FrontRunner Commuter Rail - \$581m**
- **Jordan Bluffs Mixed Use - \$500m**
- **Intermountain Medical Center - \$387m**
- **Currant Creek Power Plant - \$350m**
- **Lake Side Gas Power Plant - \$300m**
- **Amangiri Resort & Spa - \$200m**

# Utah Economic Indicators: 2005-2007



Source: State of Utah Revenue Assumptions Committee



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