



Trends & Indicators Dashboard

A project of the
Citizens' Finance
Advisory Commission



FED FUNDS

▲ 0.25%
1.00-1.25%

Fed funds rate moved to **1.75 to 2.00%** in June 2018. And will likely move again in September!



City of Loveland
Updated by Alan Krcmarik
Executive Fiscal Advisor
Draft for the
August 8, 2018
CFAC Meeting











unfinished automobiles in a car plant

Photo by Getty Images/Stockphoto



Indicators Definitions

	Status		Projections
	Green – This indicator is performing within the fiscal range needed to meet (or exceed) its COL Budget expectations. Projection should be monitored if it is a declining trend.		Expected trend will meet to exceed COL Budget requirements.
	Amber – This indicator is performing below the fiscal range needed to meet its COL Budget expectations, but is not critical. Projection is important.		Expected trend will meet COL Budget requirements. No changes expected.
	Red – This indicator is performing well below the fiscal range needed to meet its COL Budget expectations. Positive projection is desired, otherwise corrective actions are warranted.		Expected trend is at risk to fall below COL Budget requirements. Corrective actions may be needed to prevent further adverse impact.
			Expected trend is to fall below COL Budget requirements. There is no indication of positive correction.
			Expected trend is to fall significantly below COL Budget requirements. Corrective action is beyond COL ability to effect.

Trends & Indicators Dashboard

Leading Indicators	Status	Proje- ction	Lagging Indicators	Status	Proje- ction
US Unemployment	●	↗	GEO Area Sales Taxes	●	↔
US Personal Income	●	↔	Use Tax on Building Materials	●	↔
Colorado Sales Tax	●	↗	Building Permits	●	↔
Colorado Unemployment	●	↗	Property Tax Projections	●	↗
Loveland Foreclosures	●	↗	Loveland Employment Outlook	●	↗
Loveland Sales Tax Licenses	●	↔			

Indicators: Most U.S. economic indicators are still positive. Colorado housing market still strong. Foreclosures in Loveland very low, nearly non-existent. Loveland job market past full employment. Recession more than a year away.

The imposition of tariffs is likely to have negative short-term impacts. Several areas of the global economy have hit a soft patch. Labor markets even tighter, many businesses looking for more workers. City sales tax collections on a weaker than budget growth path. Larimer County Temporary Assistance to Needy Families and Food Stamps programs seeing growing demand. Data on these two indicators will no longer be provided by the County.

Brief Look at Global Market Performance at Mid-year

Global growth is projected to reach 3.9 percent in 2018 and 2019, in line with the forecast of the April 2018 World Economic Outlook (WEO), but the expansion is becoming less even, and risks to the outlook are mounting.

WORLD ECONOMIC OUTLOOK UPDATE • JULY 16, 2018

GROWTH PROJECTIONS

Less Even Growth, Rising Trade Tensions



Brief Look at Global Market Performance at Mid-year



Quarterly Market Performance

2nd Quarter Ending June 30, 2018

Global Stock Market	US Stock Market	Developed ex US Stocks	Emerging Markets Stocks	Global Real Estate	US Bond Market	Global Bond Market ex US	Commodities
STOCKS					BONDS		
0.72%	3.89%	-0.77%	-8.02%	6.05%	-0.16%	0.48%	0.40%

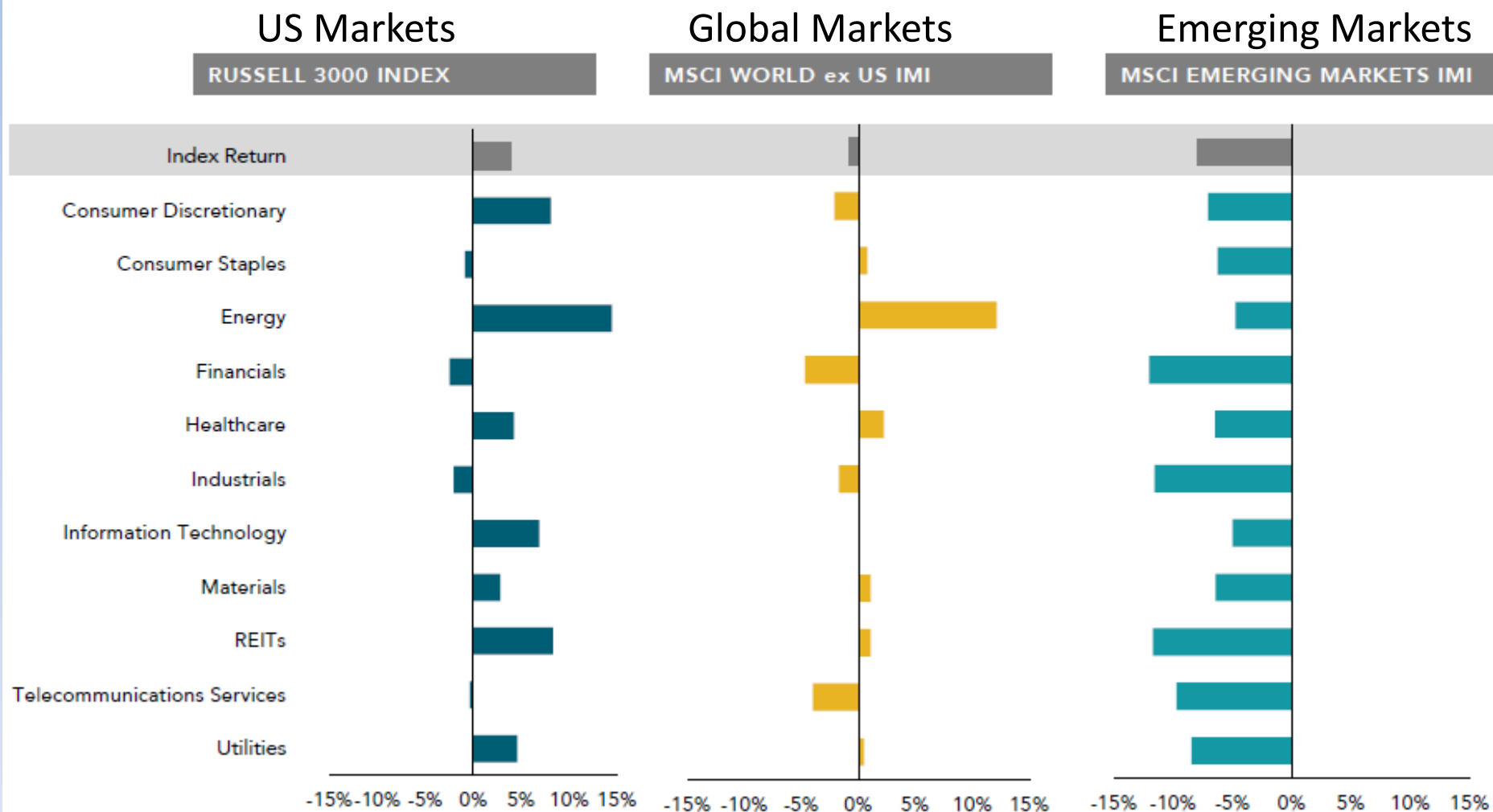
- Global Stock Markets, Developed and Emerging, trial US Stock performance.
- Total return on Global Bonds higher than US Bonds.
- Commodities and up, reversing a general downward trend.

Brief Look at Global Market Performance at Mid-year



Sector Returns by Region (%)

2nd Quarter Ending June 30, 2018



Derived by Dimensional using index data from Russell and MSCI.

Indices are shown in USD net dividends. Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. Past performance is not a guarantee of future results. Frank Russell Company is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. MSCI data copyright MSCI 2018 all rights reserved.

Brief Look at Global Market Performance at Mid-year

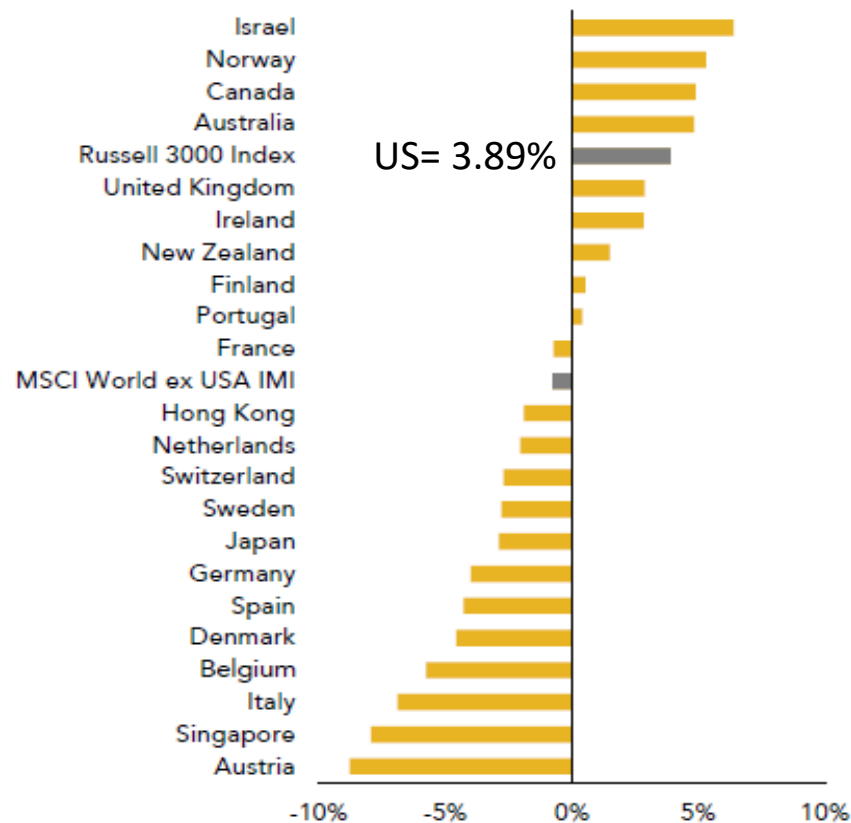


Developed Country and Currency Returns

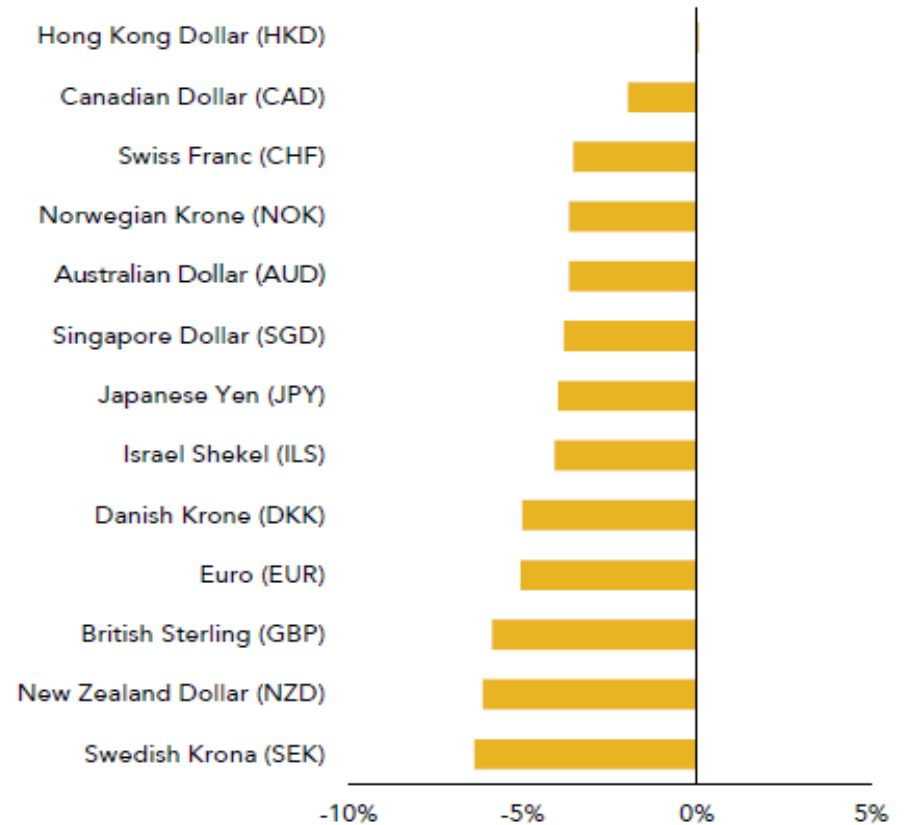
2nd Quarter Ending June 30, 2018

Compared to US Markets

COUNTRY RETURNS (%)



MAJOR CURRENCY RETURNS RELATIVE TO US DOLLAR (%)



MSCI Index returns are in USD net of dividend withholding taxes. Country returns are the country component indices of the MSCI World IMI index. Frank Russell Company is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. MSCI data copyright MSCI 2018 all rights reserved. Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. Past performance is not a guarantee of future results.

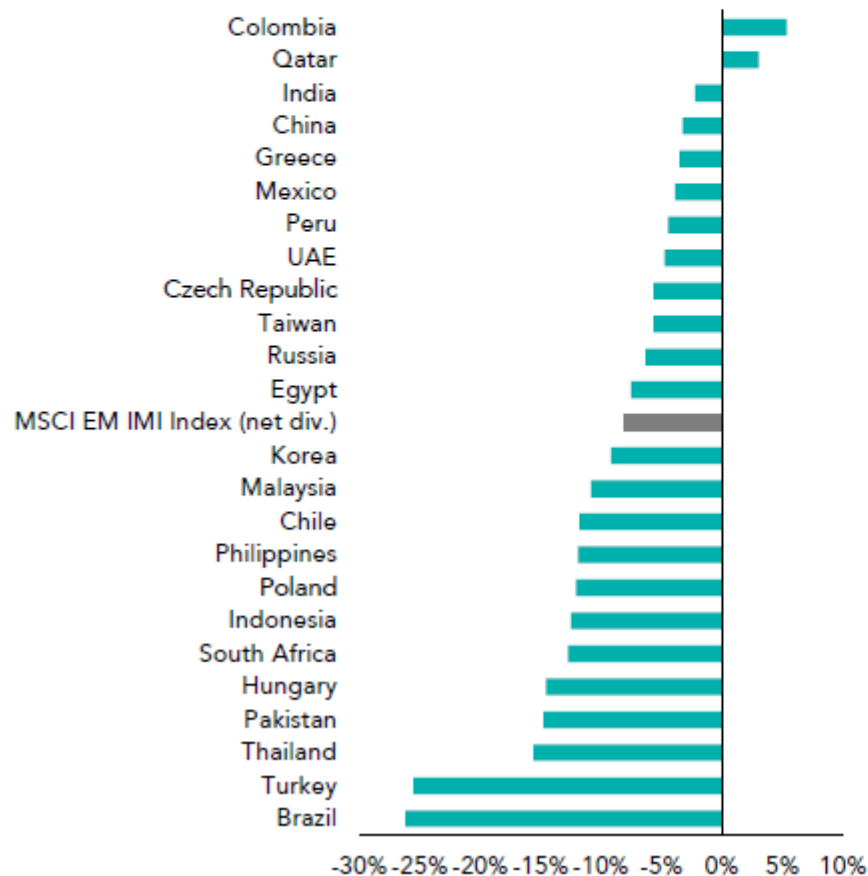
Brief Look at Global Market Performance at Mid-year



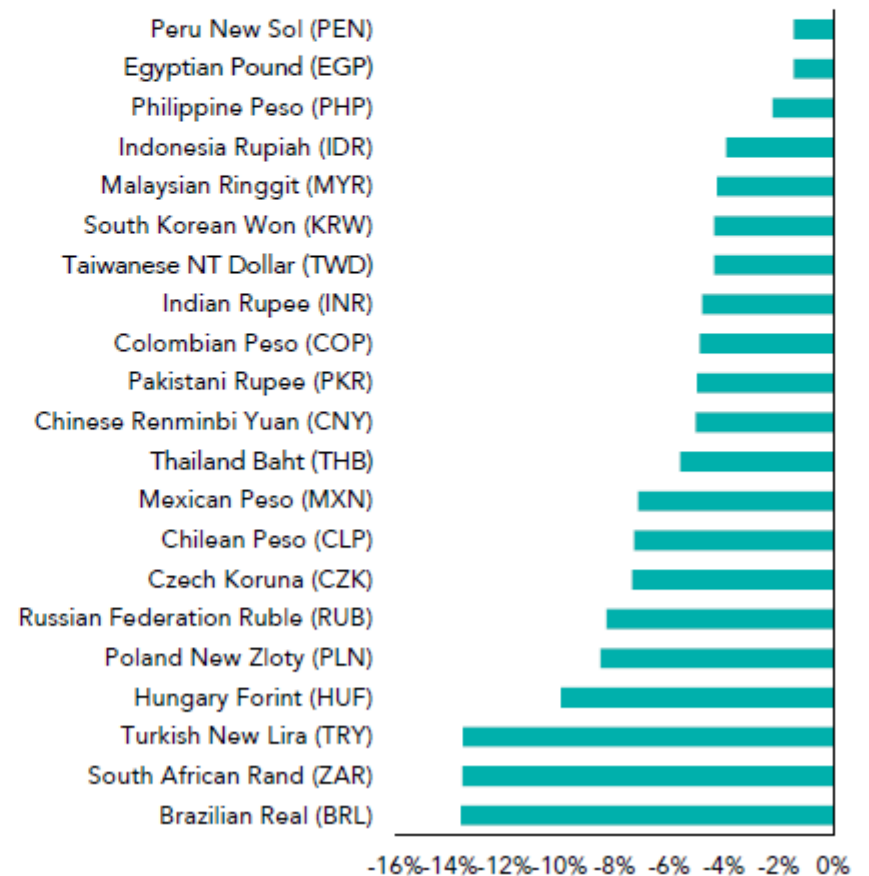
Emerging Country and Currency Returns

2nd Quarter Ending June 30, 2018

COUNTRY RETURNS (%)



MAJOR CURRENCY RETURNS RELATIVE TO US DOLLAR (%)



Brief Look at Global Market Performance at Mid-year

Fixed Income - Bonds



US and Global Term Premiums

As of June 30, 2018

US TERM PREMIUM (%)

Maturity 1-3 Yr 3-7 Yr 7-10 Yr 10-20 Yr 20+ Yr



GLOBAL EX US TERM PREMIUM (%)

Maturity 1-3 Yr 3-5 Yr 5-7 Yr 7-10 Yr 10+ Yr



Q2 -0.21 -0.45 -0.52 -0.58 -0.07

1 Year -1.26 -2.42 -3.05 -2.95 -1.24

3 Years -0.19 0.14 0.46 0.94 3.05

5 Years 0.21 0.95 1.62 2.55 4.47

10 Years 0.99 2.75 3.89 4.80 5.92

Q2 0.00 -0.18 -0.31 -0.07 -0.31

1 Year 0.54 0.80 1.37 2.33 4.18

3 Years 0.84 1.48 2.21 3.39 5.81

5 Years 0.96 1.90 3.09 4.39 7.06

10 Years 1.55 2.68 3.80 4.83 6.74

Brief Look at Global Market Performance at Mid-year



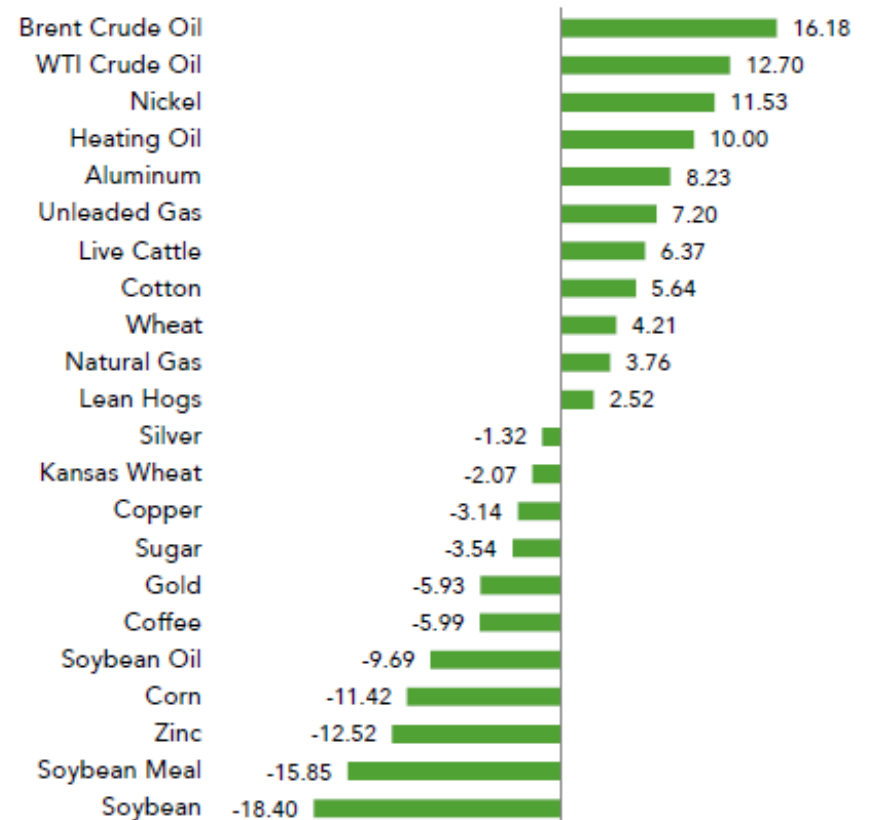
Commodities

As of June 30, 2018

PERIODIC RETURNS¹ (%)

Asset Class	2nd Quarter				
	2018	1 Year	3 Years	5 Years	10 Years
Commodities	0.40	7.35	-4.54	-6.40	-9.04

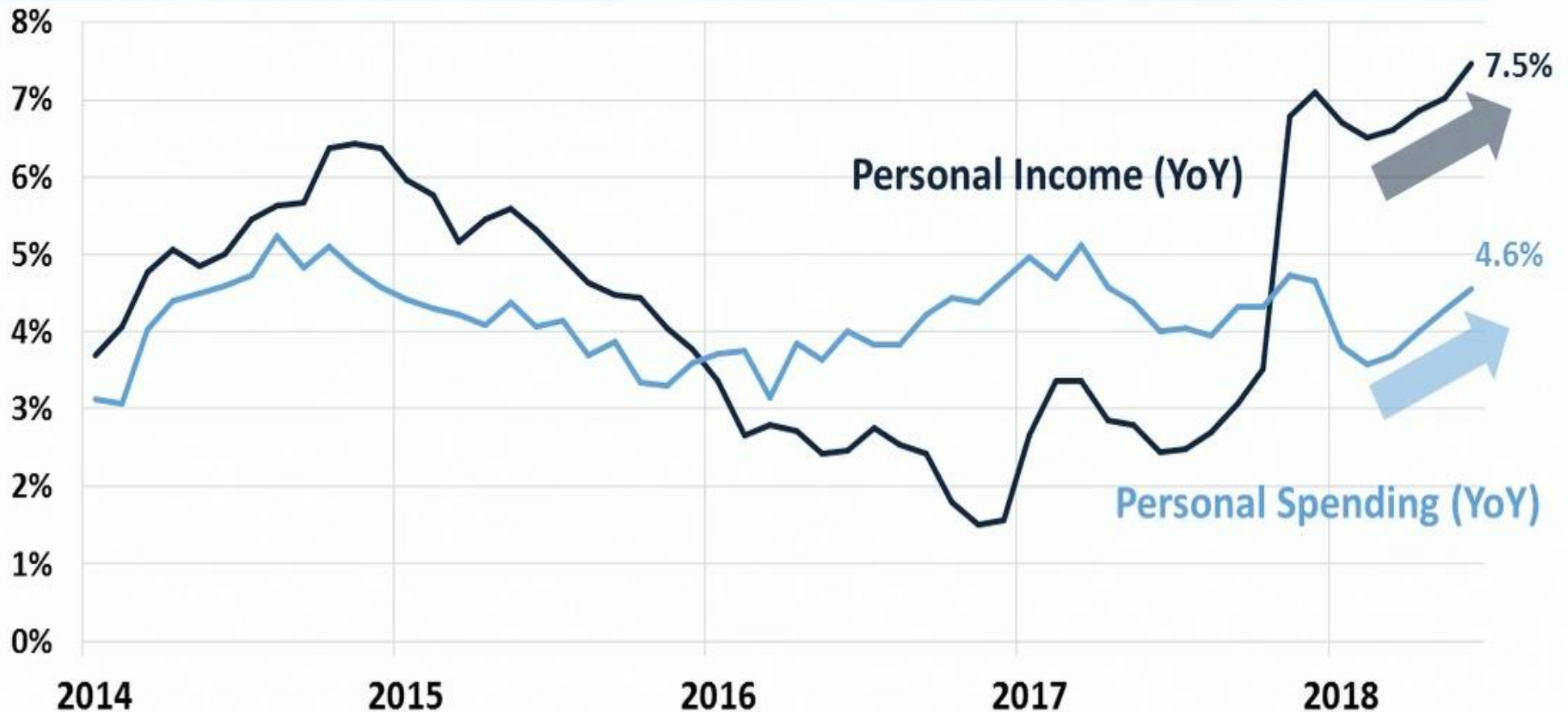
RANKED RETURNS FOR INDIVIDUAL COMMODITIES (%)



Trends for Income and Spending moving up

INCOME AND SPENDING ▲

▶ Personal Income and Spending Rise 0.4% in June, Continued Traction



Manufacturing and Services Indexes Down, but still well above contraction levels

ISM INDICES ▼

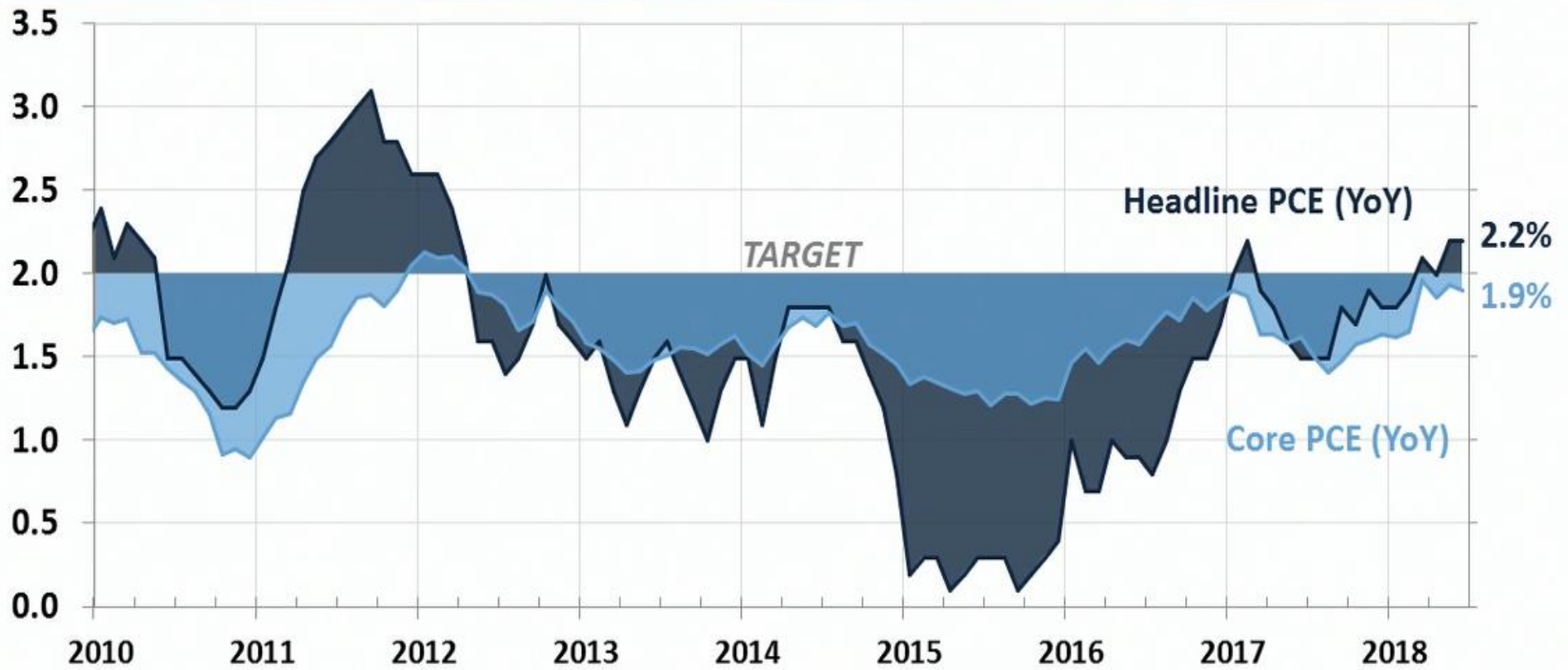
▶ Business Investment Indicators Remain Positive in June Data



The Fed's preferred inflation number still soft and in the 2.0% range

PCE INFLATION ▼ 1.9%

▶ Core PCE Inflation Weaker than Expected Pulling Back below Fed's Target 2.0%



Sources: BLS, Vining Sparks

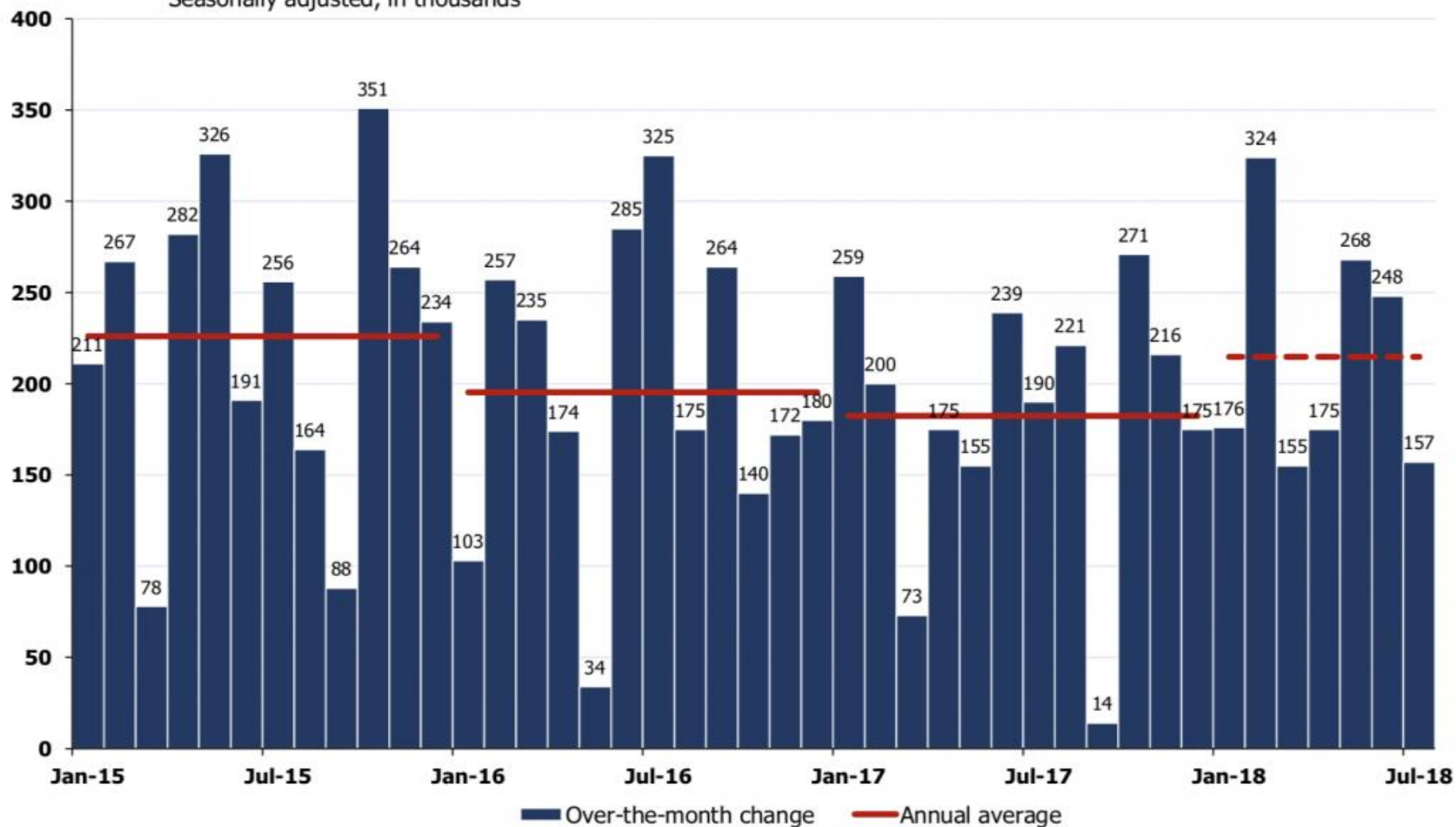
VINING SPARKS

Nonfarm payroll employment increased by 157,000 in July, lower than expected; 3 month average above 224K

Employment in total nonfarm

Over-the-month change, January 2015–July 2018

Seasonally adjusted, in thousands



Bureau of Labor Statistics, Current Employment Statistics, August 03, 2018.
Most recent 2 months of data are preliminary.

If you're looking at where the slowdown this month came from, education & health services had a big slowdown, but also transportation, government, financial activities, , other services, and mining and logging. --Martha Gimbal tweet

Job growth by industry

Average, in thousands	Jan-June 2018	Jul-18	Difference
Total Nonfarm	224	157	-67
Mining and logging	7	-4	-11
Construction	25	19	-6
Manufacturing	26	37	11
Wholesale trade	5	12	8
Retail trade	13	7	-6
Transportation	15	-1	-16
Utilities	0	-3	-3
Information	-1	0	1
Financial activities	10	-5	-15
Professional and business services	49	51	3
Education and health services	43	22	-21
Leisure and hospitality	21	40	19
Other Services	9	-5	-14
Government	3	-13	-16

Note: numbers may not sum due to rounding

Less slack, full employment

UNEMPLOYMENT RATE ▼

► Unemployment Rate Falls to 3.87% as Slack Continues to Tighten



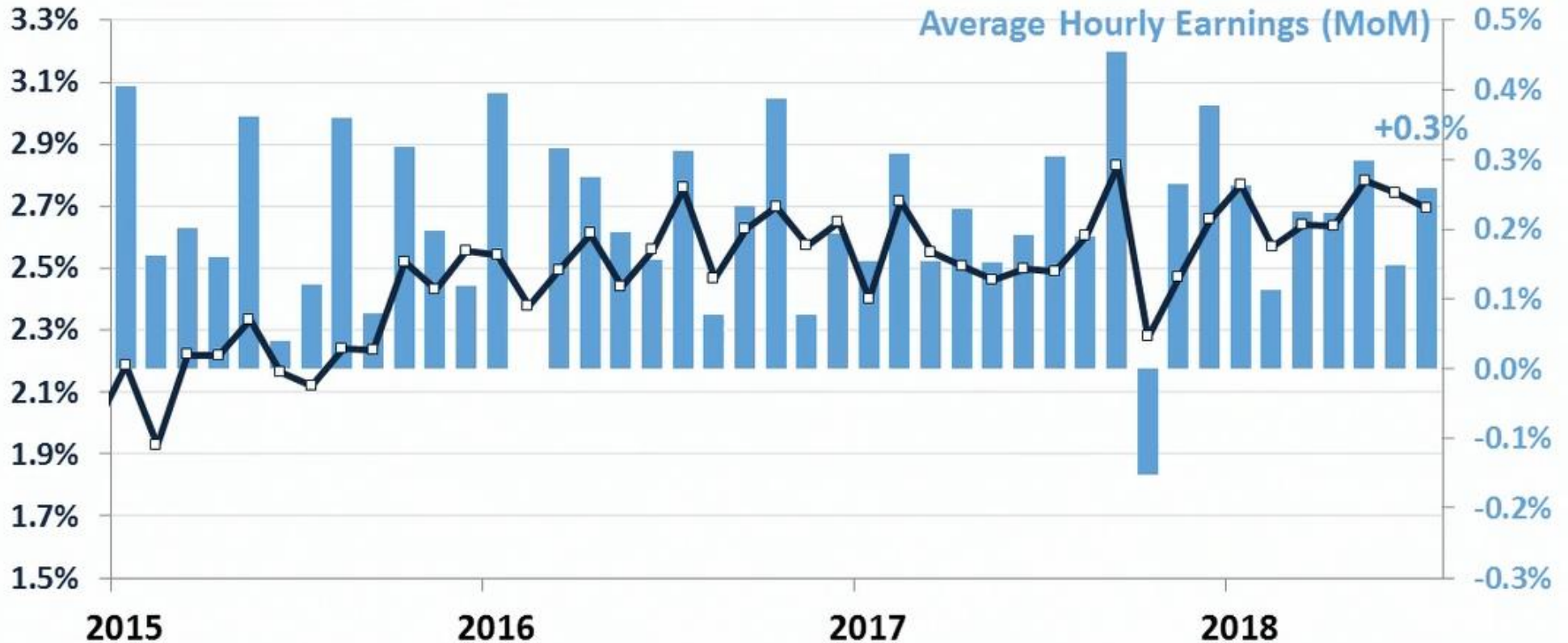
Sources: BLS, Vining Sparks

VINING  SPARKS

Earnings still trending up, but softly

EARNINGS GROWTH

▶ Average Hourly Earnings Grow +0.3% in July; June Revised Down to +0.1%



Sources: BLS, Vining Sparks

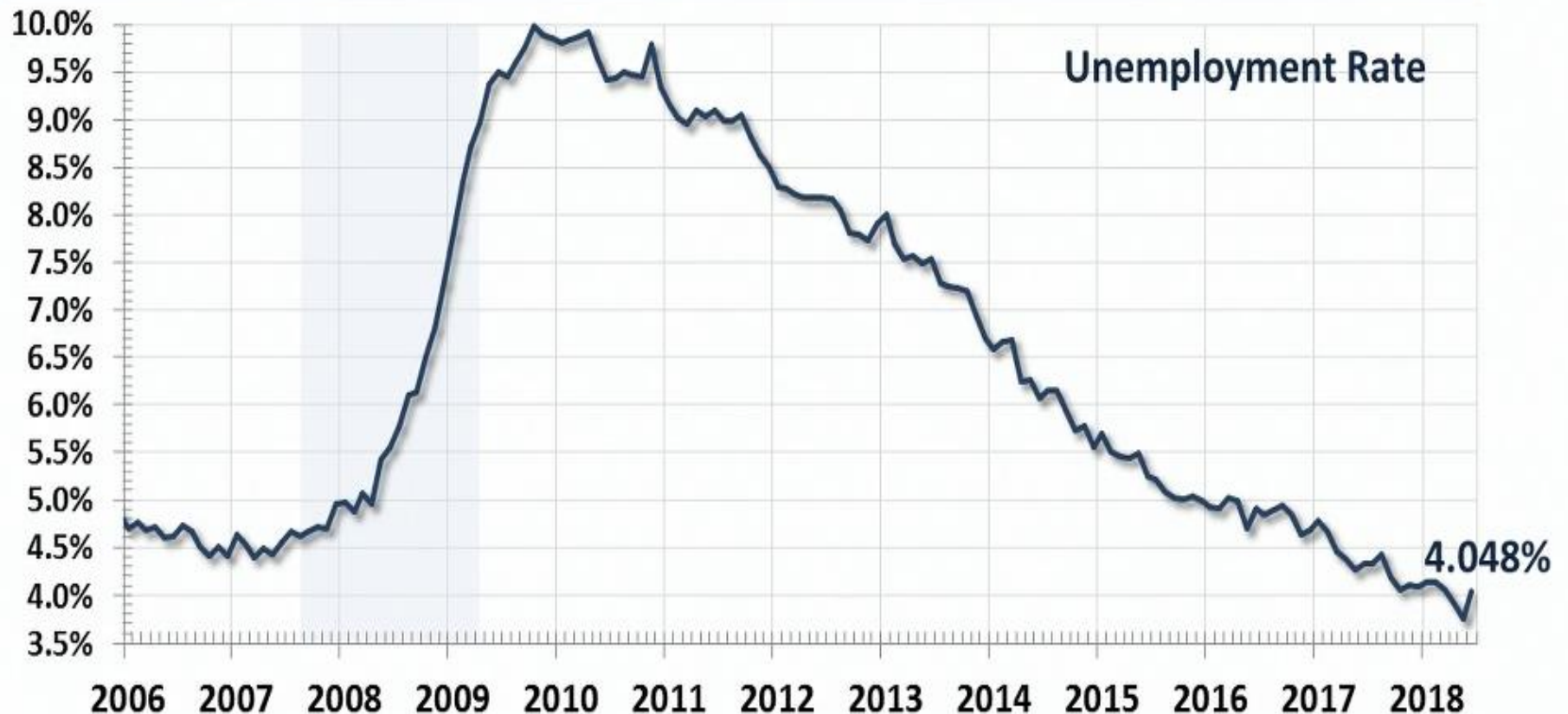
VINING  SPARKS

With more people back in the work force, the unemployment rate bumped back up by 3/10ths%

July 9, 2018

UNEMPLOYMENT RATE ▲

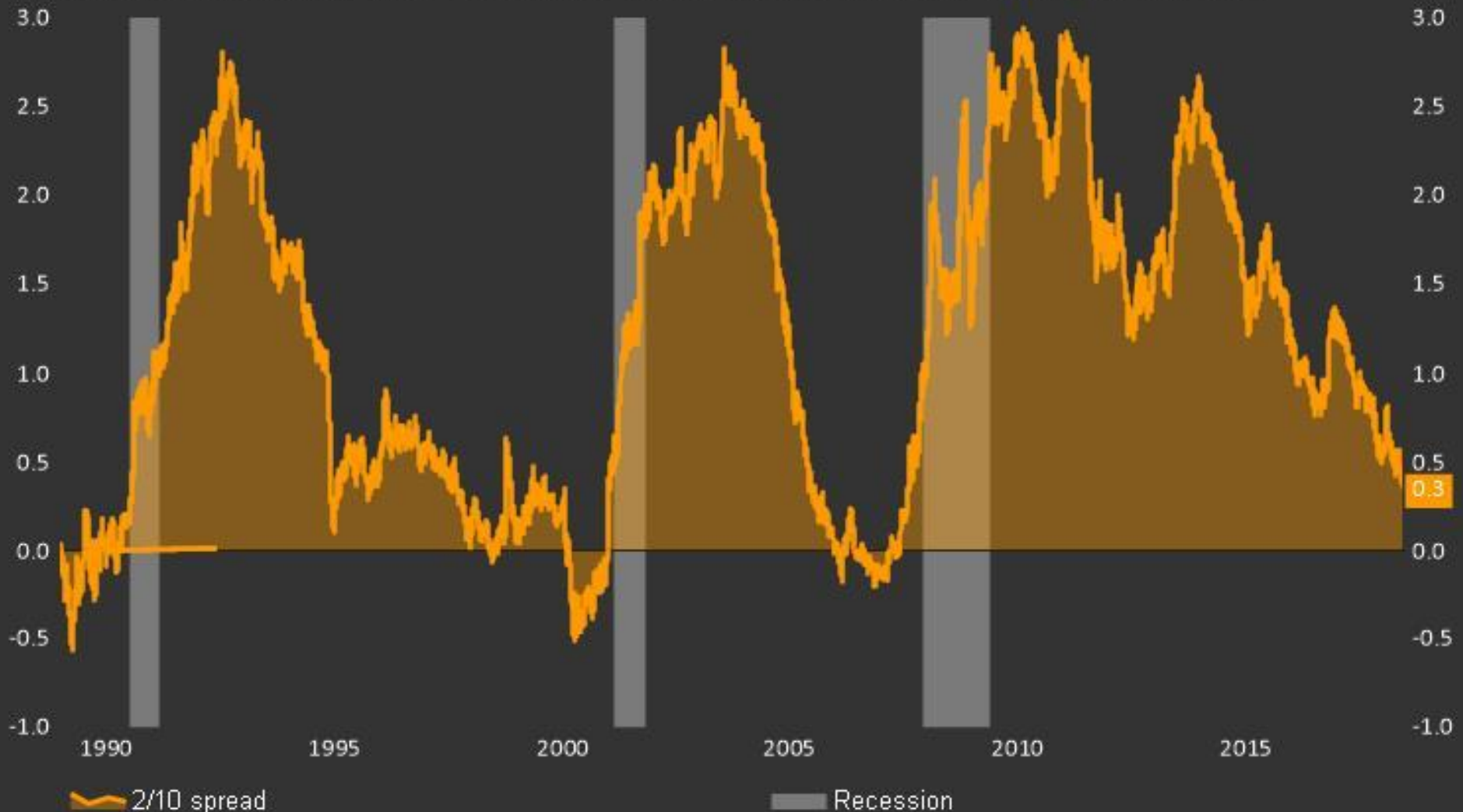
▶ Unemployment Rate Jumps 3/10ths on Prime-Age Females Entering Labor Force



The spread between two-year and 10-year notes is typically used when discussing yield curve inversion. The gap between long- and short-dated yields turning negative has been a reliable predictor of recessions. The yield curve has been flattening in recent months.

The yield curve has been a predictor of recessions

The yield curve has inverted - seen by the spread dipping below zero - prior to the last three



Source: Thomson Reuters Datastream/

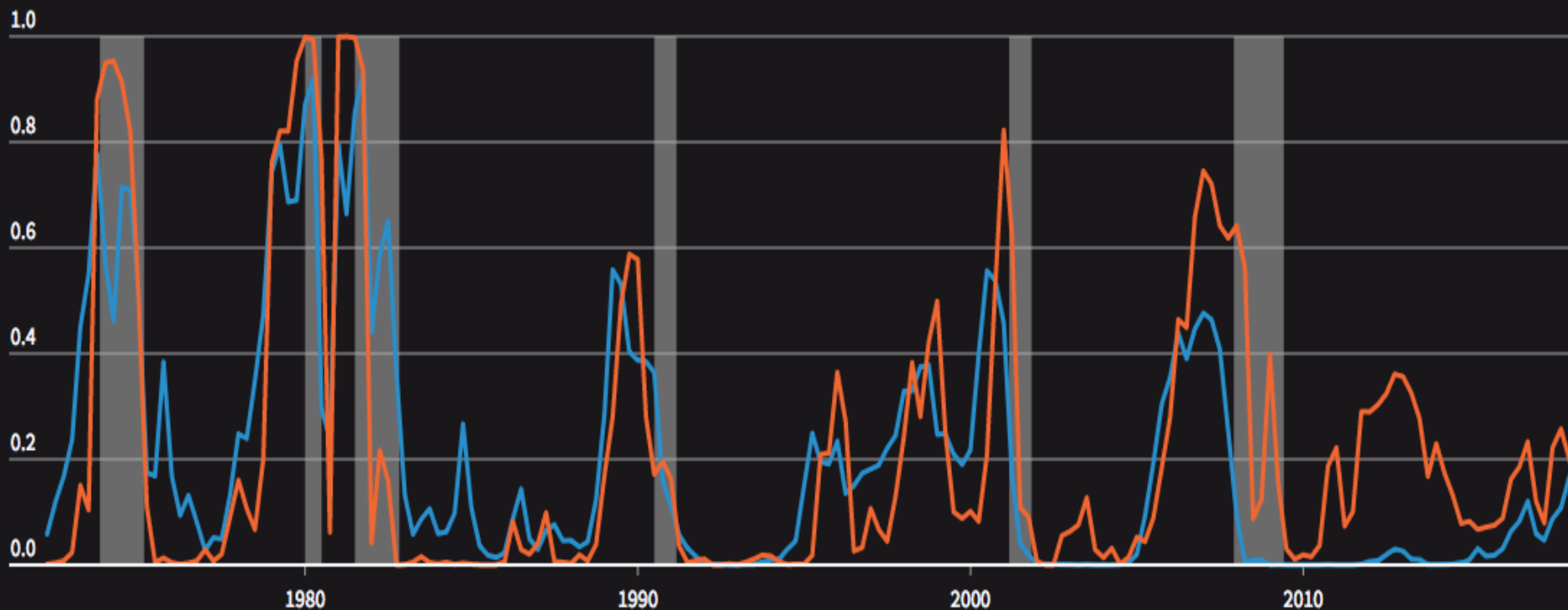
Reuters graphic/Megan Davies

An alternative yield curve measures the difference in the current interest rate on 3-month Treasury bills and expectations for the yields 18 months from now. Federal Reserve officials have found this measure is a stronger predictor of recession in the coming year. The measure currently suggests little recession risk.

Recession risks: All clear?

Short spreads gave a better recession warning last time, and now show low risk.

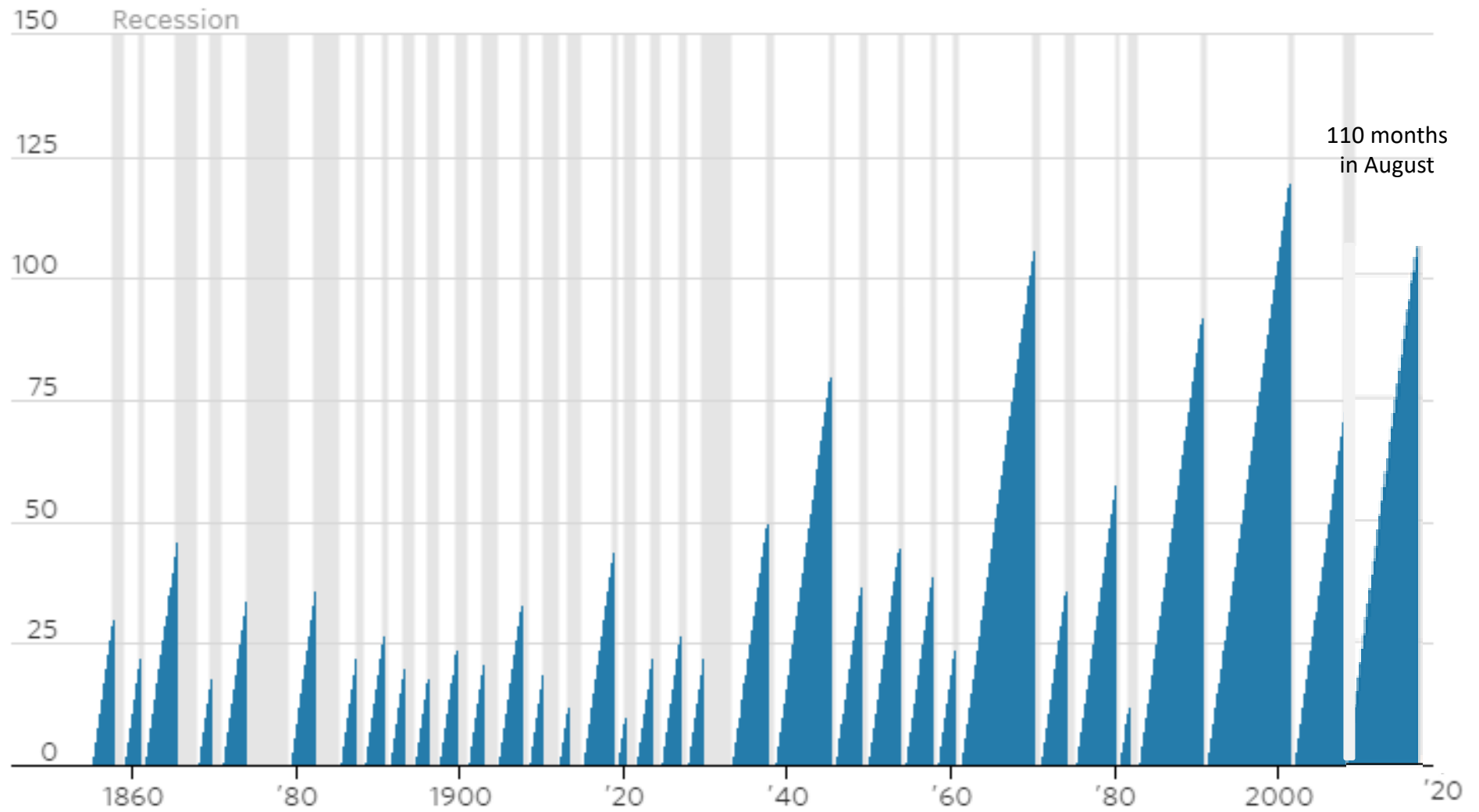
— Recession probability using near term spreads — Recession probability using long term spreads



Source: St. Louis Federal Reserve
By Ashlyn Still | REUTERS GRAPHICS

U.S. Economy is now in the 2nd Longest Expansion on Record

Number of months the economy has been in expansion



Source: National Bureau of Economic Research

THE WALL STREET JOURNAL

Market signals show no sign of recession

Trading conditions highly favorable - Technical Health "Strongly Bullish" (Table from July 21, 2018 blog)

Risk Indicator	Current	Last Week	Last Month	Last Quarter	Interpretation
Valuation					
Ten-year note yield	2.90%	2.83%	2.90%	2.96%	
S&P 500	2802	2801	2755	2670	
S&P Forward Earnings	168	168	164	162	
S&P Earnings yield	6.01%	6.01%	5.95%	6.07%	
Equity Risk Premium	3.11%	3.18%	3.06%	3.11%	Very High
Economy					
C-Score	270	276	290	368	9 MoRecession Prob about 24%
Leading SuperIndex*	1.22%	1.00%	0.86%	0.70%	3-4 MoRecession Prob
BCIp	100.0	100.0	99.5	86.8	No recession indicated
SLFSI	-1.181	-1.118	-1.149	-0.970	Very Low Risk
Anticipated Inflation	2.09%	2.11%	2.11%	2.17%	
VIX	12.87%	12.58%	14.64%	15.96%	
Historical S&P Volatility					
Last Five Days	4.89%	11.87%	5.70%	13.27%	
Last Twenty Days	9.83%	10.39%	9.34%	22.08%	
Technical Health					
Short-term	2	2	1	3.5	Bullish
Long-term	1	1	1	1	Strongly Bullish
Overall Outlook	Str. Bull	Str. Bull	Str. Bull	Str. Bull	

Sources: Stlouisfed.org, RecessionAlert.com, iMarket Signals, fundamentalis.com, and NewArc Investments, Inc. ©2018

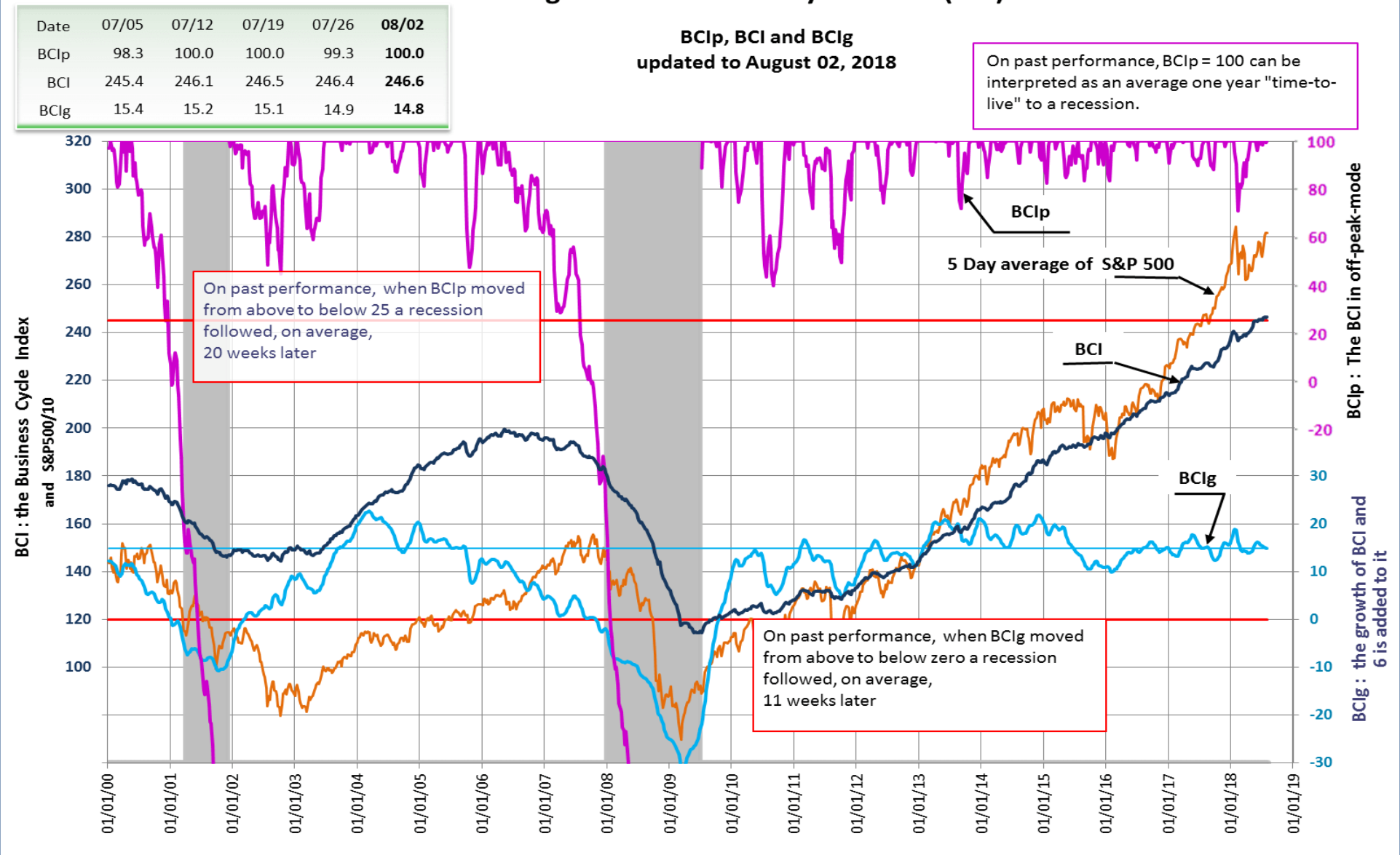
*SuperIndex is the public value, delayed one month

No Sight of Next Recession - iM's Business

Updated to August 2, 2018

iM imarketsignals.com

Fig 1: iM's Business Cycle Index (BCI)



The Unemployment Rate us Not Signaling a Recession: Update July 6, 2018

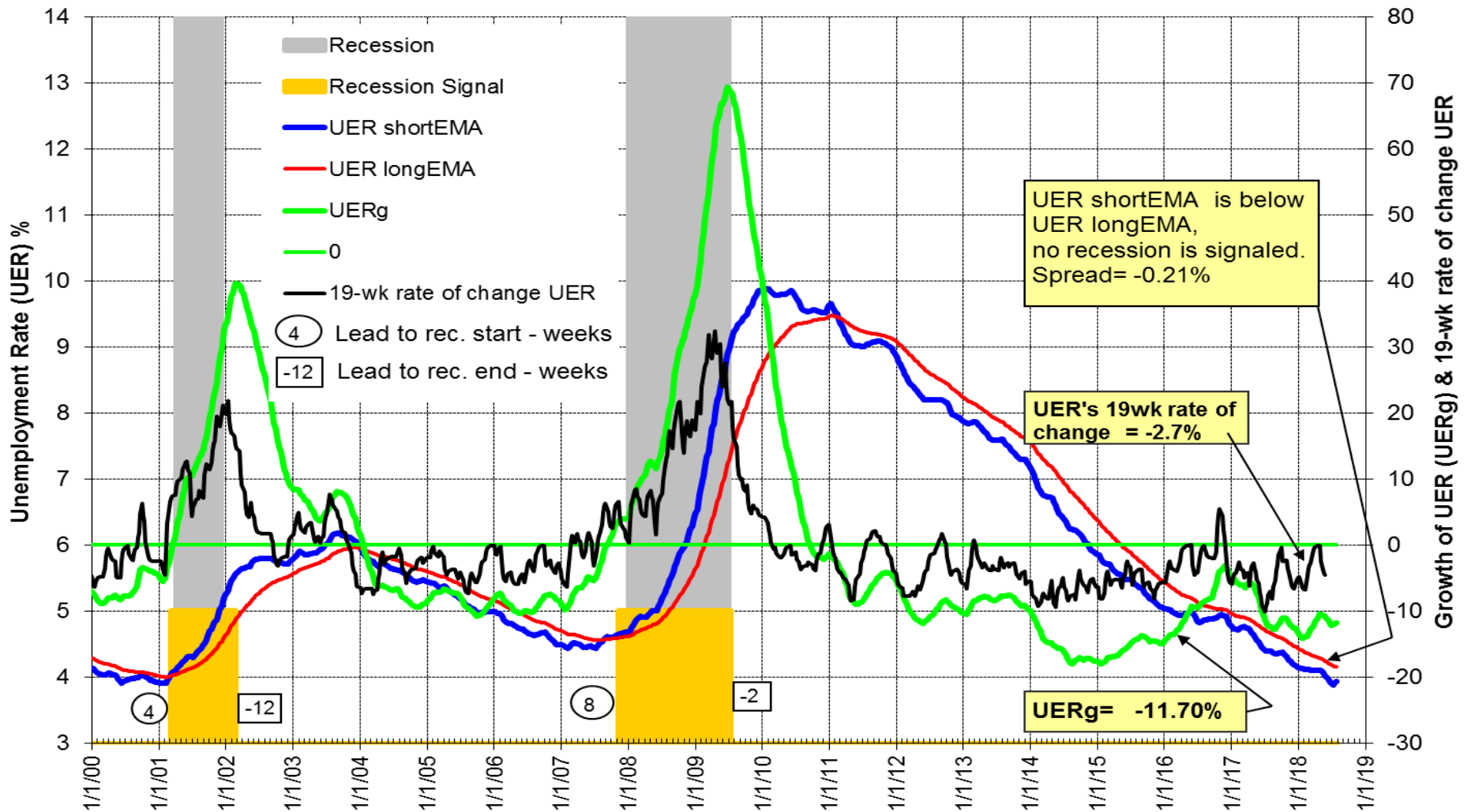
Updated to July 27, 2018

iM imarketsignals.com

Fig-8 Unemployment Rate and Recessions (real-time) 2000-2018

Leads to recession starts and to recession ends are positive numbers in weeks, lags are negative numbers.

updated to 7-27-2018 with June UER= 4.0%



June 2018 Report: Small Business Optimism Index

Small Business Optimism Remains Historically High as Sales and Profits Maintain Strength

“The Small Business Optimism Index posted its sixth highest reading in survey history for the month of June, at 107.2, down 0.6 from May. Since December 2016, the Index has averaged an unprecedented 105.4, well above the 45-year average of 98 and rivaling the all-time high of 108.0 in July 1983.”

“Small business owners continue to report astounding optimism as they celebrate strong sales, the creation of jobs, and more profits,” said NFIB President and CEO Juanita Duggan. “The first six months of the year have been very good to small business thanks to tax cuts, regulatory reform, and policies that help them grow.”

Highlights from the June report include:

- Owners reported some of the strongest nominal sales in years.
- Plans to invest in additional inventories advanced solidly.
- Plans to create new jobs posted a solid gain and the percent of owners with open positions tied the record high.
- Reports of compensation increases remained historically high and finding qualified workers easily held on to the top spot in the “single most important business problem” list.

Small Business Optimism

Remains Historically High in June

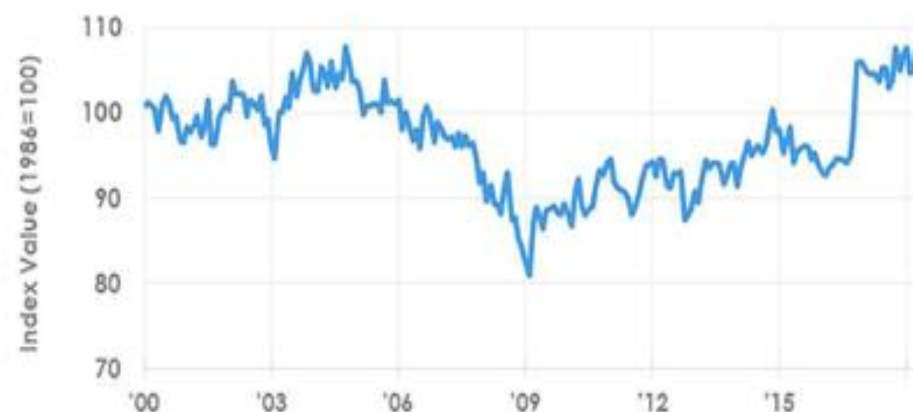
Index Component	Net %	Change From May
Plans to Increase Employment	20%	▲ 2
Plans to Make Capital Outlays	29%	▼ -1
Plans to Increase Inventories	6%	▲ 2
Expect Economy to Improve	33%	▼ -4
Expect Real Sales Higher	26%	▼ -5
Current Inventory	0%	▲ 4
Current Job Openings	36%	▲ 3
Expected Credit Conditions	-4%	▲ 1
Now a Good Time to Expand	29%	▼ -5
Earnings Trends	-1%	▼ -4



NFIB.com/sboi

Small Business Optimism Index Maintains at 107.2

Based on 10 survey indicators, seasonally adjusted, Jan. '00 – June, '18

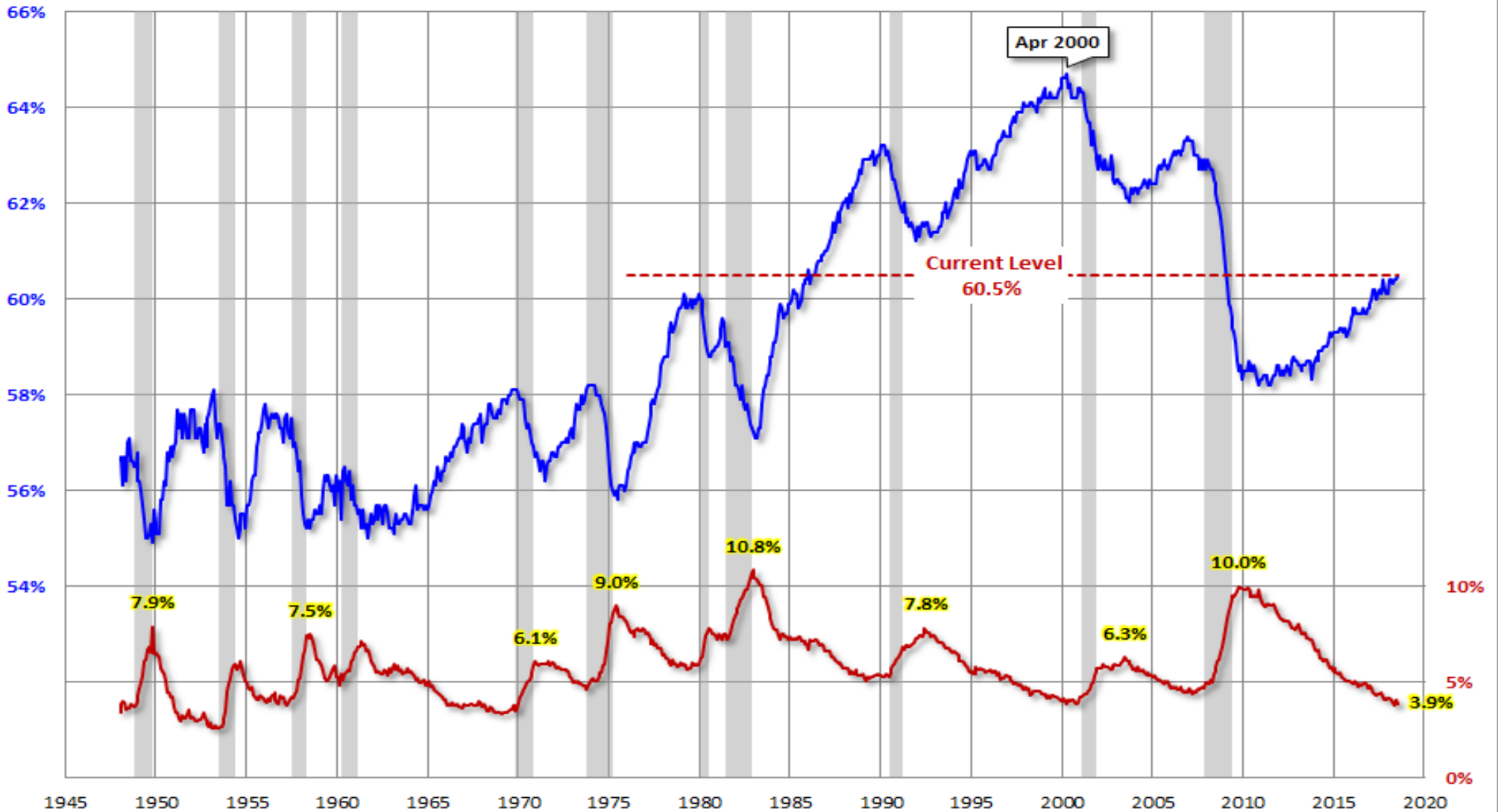


NFIB.com/sboi

Employment to Population Ratio showing slow recovery – the current level remained at 60.4%

Employment to Population Ratio

Recessions Employment-Population Ratio Unemployment Rate



What is U-6 unemployment rate? The U-6 unemployment rate counts not only people without work seeking full-time employment (the more familiar U-3 rate), but also counts "marginally attached workers and those working part-time for economic reasons." Note that some of these part-time workers counted as employed by U-3 could be working as little as an hour a week. And the "marginally attached workers" include those who have gotten discouraged and stopped looking, but still want to work. The age considered for this calculation is 16 years and over.

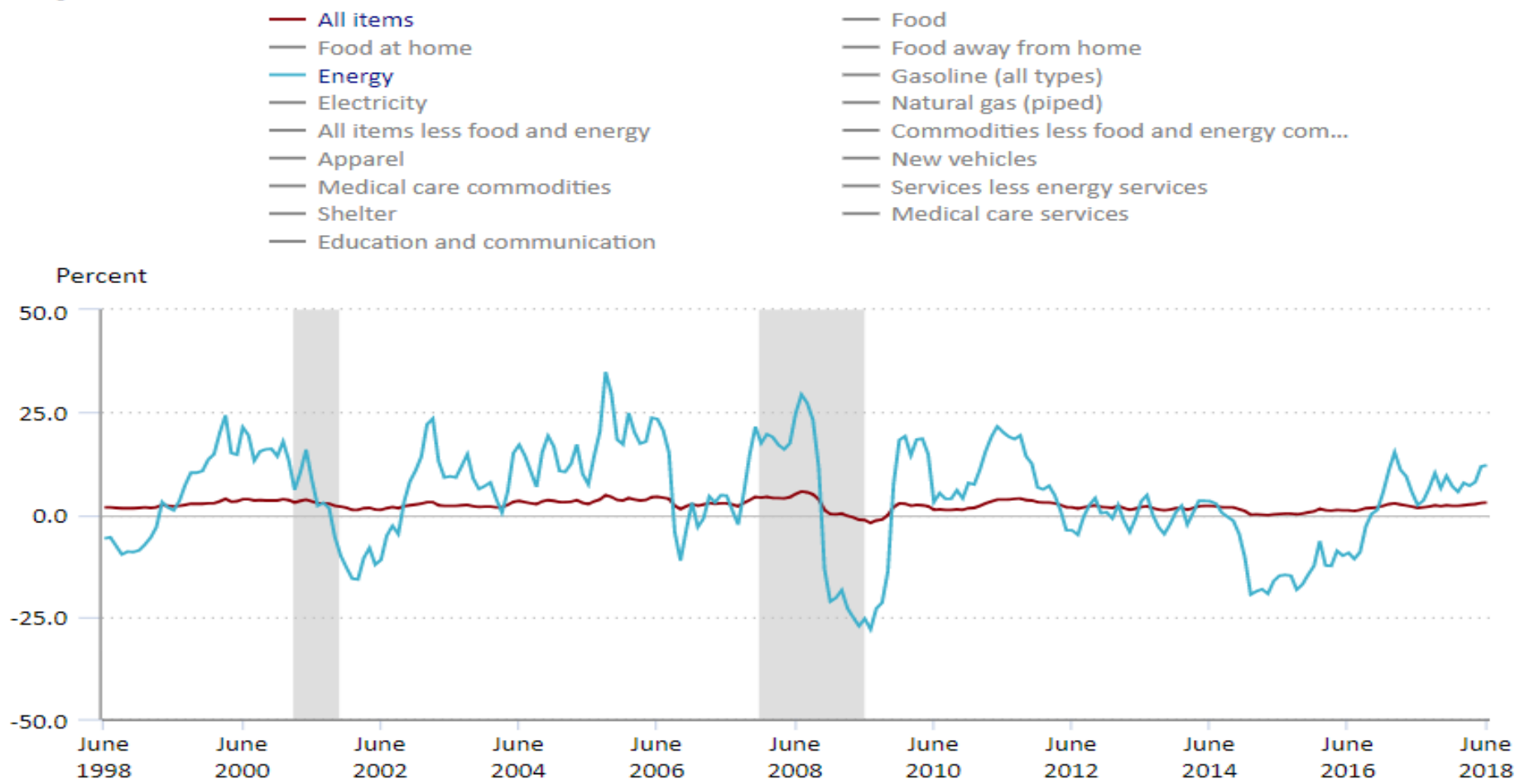
PORTAL SEVEN

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2000	7.1	7.2	7.1	6.9	7.1	7.0	7.0	7.1	7.0	6.8	7.1	6.9	2000
2001	7.3	7.4	7.3	7.4	7.5	7.9	7.8	8.1	8.7	9.3	9.4	9.6	2001
2002	9.5	9.5	9.4	9.7	9.5	9.5	9.6	9.6	9.6	9.6	9.7	9.8	2002
2003	10.0	10.2	10.0	10.2	10.1	10.3	10.3	10.1	10.4	10.2	10.0	9.8	2003
2004	9.9	9.7	10.0	9.6	9.6	9.5	9.5	9.4	9.4	9.7	9.4	9.2	2004
2005	9.3	9.3	9.1	8.9	8.9	9.0	8.8	8.9	9.0	8.7	8.7	8.6	2005
2006	8.4	8.4	8.2	8.1	8.2	8.4	8.5	8.4	8.0	8.2	8.1	7.9	2006
2007	8.4	8.2	8.0	8.2	8.2	8.3	8.4	8.4	8.4	8.4	8.4	8.8	2007
2008	9.2	9.0	9.1	9.2	9.7	10.1	10.5	10.8	11.0	11.8	12.6	13.6	2008
2009	14.2	15.1	15.7	15.9	16.4	16.5	16.5	16.7	16.7	17.1	17.1	17.1	2009
2010	16.7	17.0	17.0	17.1	16.6	16.5	16.5	16.5	16.8	16.7	16.9	16.6	2010
2011	16.2	16.0	15.8	16.0	15.8	16.1	16.0	16.1	16.3	16.0	15.5	15.2	2011
2012	15.1	15.0	14.5	14.5	14.8	14.8	14.9	14.7	14.7	14.5	14.4	14.4	2012
2013	14.4	14.3	13.8	13.9	13.8	14.3	14.0	13.6	13.6	13.7	13.1	13.1	2013
2014	12.7	12.6	12.7	12.3	12.2	12.1	12.2	12.0	11.7	11.5	11.4	11.2	2014
2015	11.3	11.0	10.9	10.8	10.8	10.5	10.4	10.3	10.0	9.8	9.9	9.9	2015
2016	9.9	9.7	9.8	9.7	9.7	9.6	9.7	9.7	9.7	9.5	9.3	9.2	2016
2017	9.4	9.2	8.9	8.6	8.4	8.6	8.6	8.6	8.3	7.9	8.0	8.1	2017
2018	8.2	8.2	8.0	7.8	7.6	7.8	7.5						2018

US Inflation: the trend is up, finally above the 2% target

For June 2018, All-Items up 2.9 year-over-year and energy up 12.0 year-over-year

12-month percentage change, Consumer Price Index, selected categories, not seasonally adjusted



Hover over chart to view data.

Note: Shaded area represents recession, as determined by the National Bureau of Economic Research.

Source: U.S. Bureau of Labor Statistics.



Key factors to watch for recession – All growing now

Are the Big Four Rolling Over? No, monthly employment grow was a little soft.

• Employment numbers	(Jul)	+ 0.11%
• Industrial Production	(Jun)	+ 0.62%
• Real Retail Sales	(Jun)	+ 0.36%
• Real Household Income	(Jun)	+ 0.32%

Industrial Production negative four of the last 11 months.

Real Retail Sales negative four of the last 11 months.

Real Household Income negative two of the last 11 months.

Source: The Big Four Economic Indicators from Advisor Perspectives, August 3, 2018. <https://www.advisorperspectives.com/dshort>

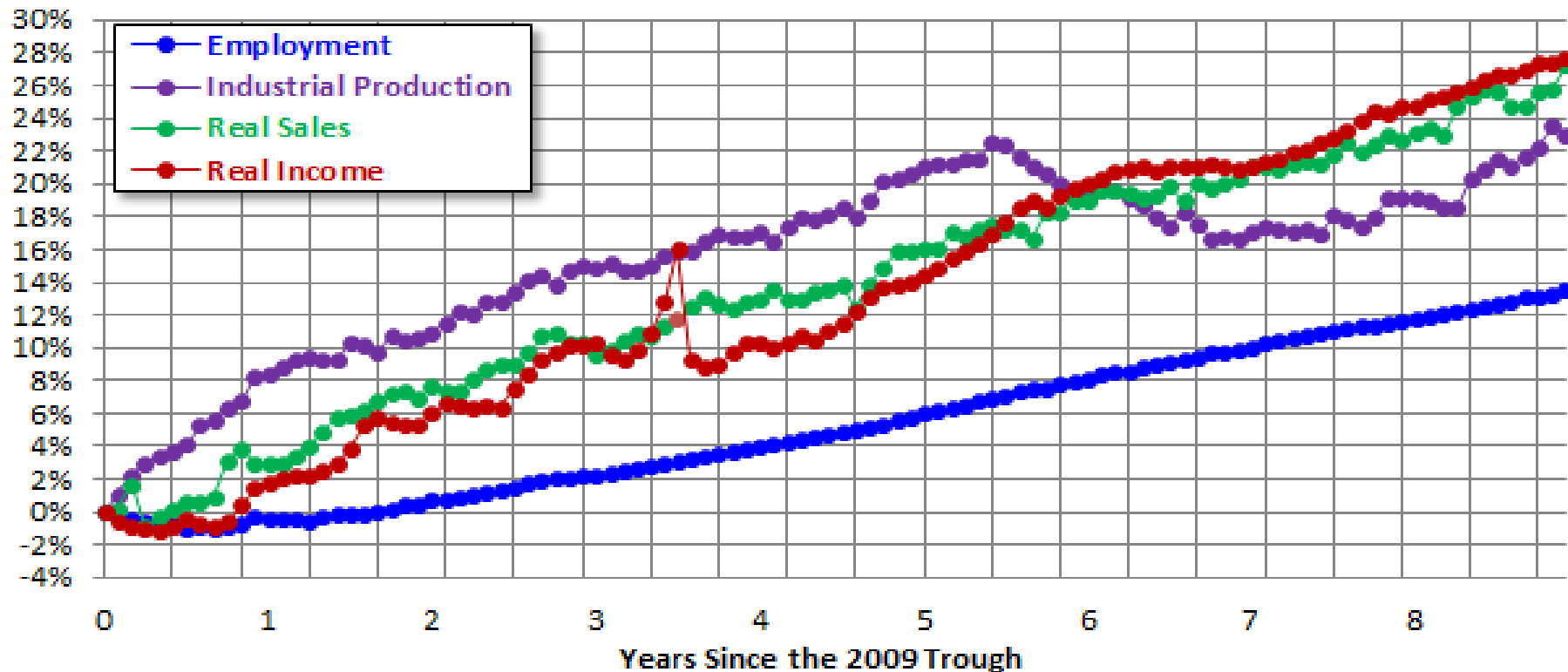
Key factors to watch for recession

Indicators mostly positive to the positive



dshort.com
August 2018

Big Four Indicators Since the End of the Last Recession



Big Four Indicators Month-over-Month

Indicator	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Employment	0.15%	0.01%	0.18%	0.15%	0.12%	0.12%	0.22%	0.10%	0.12%	0.18%	0.17%	0.11%
Industrial Production	-0.41%	-0.02%	1.54%	0.51%	0.45%	-0.31%	0.41%	0.51%	1.10%	-0.50%	0.62%	
Real Sales	-0.39%	1.41%	0.48%	0.43%	-0.20%	-0.66%	-0.05%	0.78%	0.12%	1.11%	0.36%	
Real Income	0.19%	0.16%	0.24%	0.34%	0.24%	0.04%	0.23%	0.32%	0.05%	0.23%	0.34%	

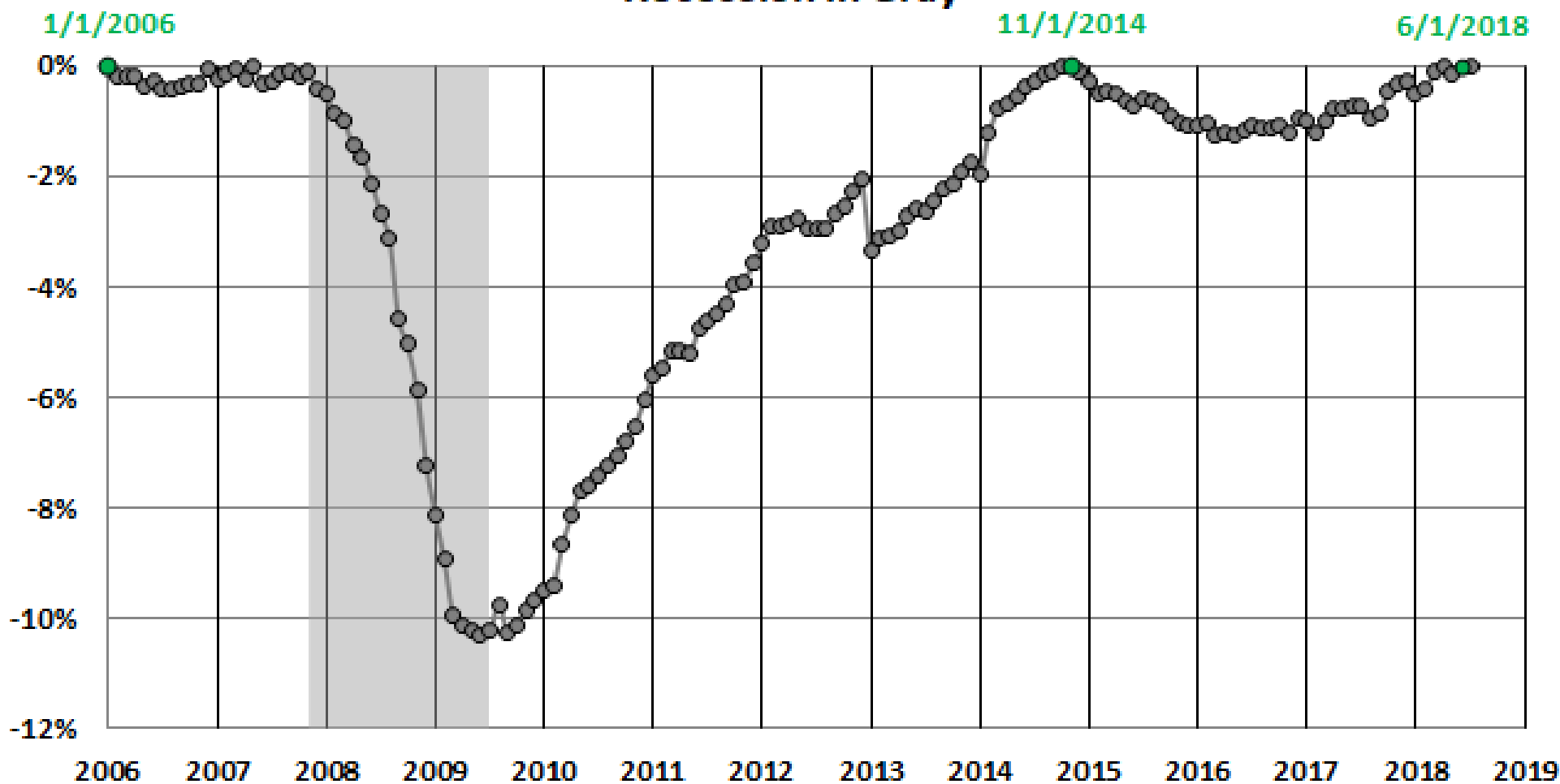
Employment is released the first week of the month, Income the last week, Industrial Production and Sales mid-month.

This is a percent-off-high chart based on an average of the Big Four. The average of the four set a new all-time high in April 2018, previously set in November 2014. July may be a new high.



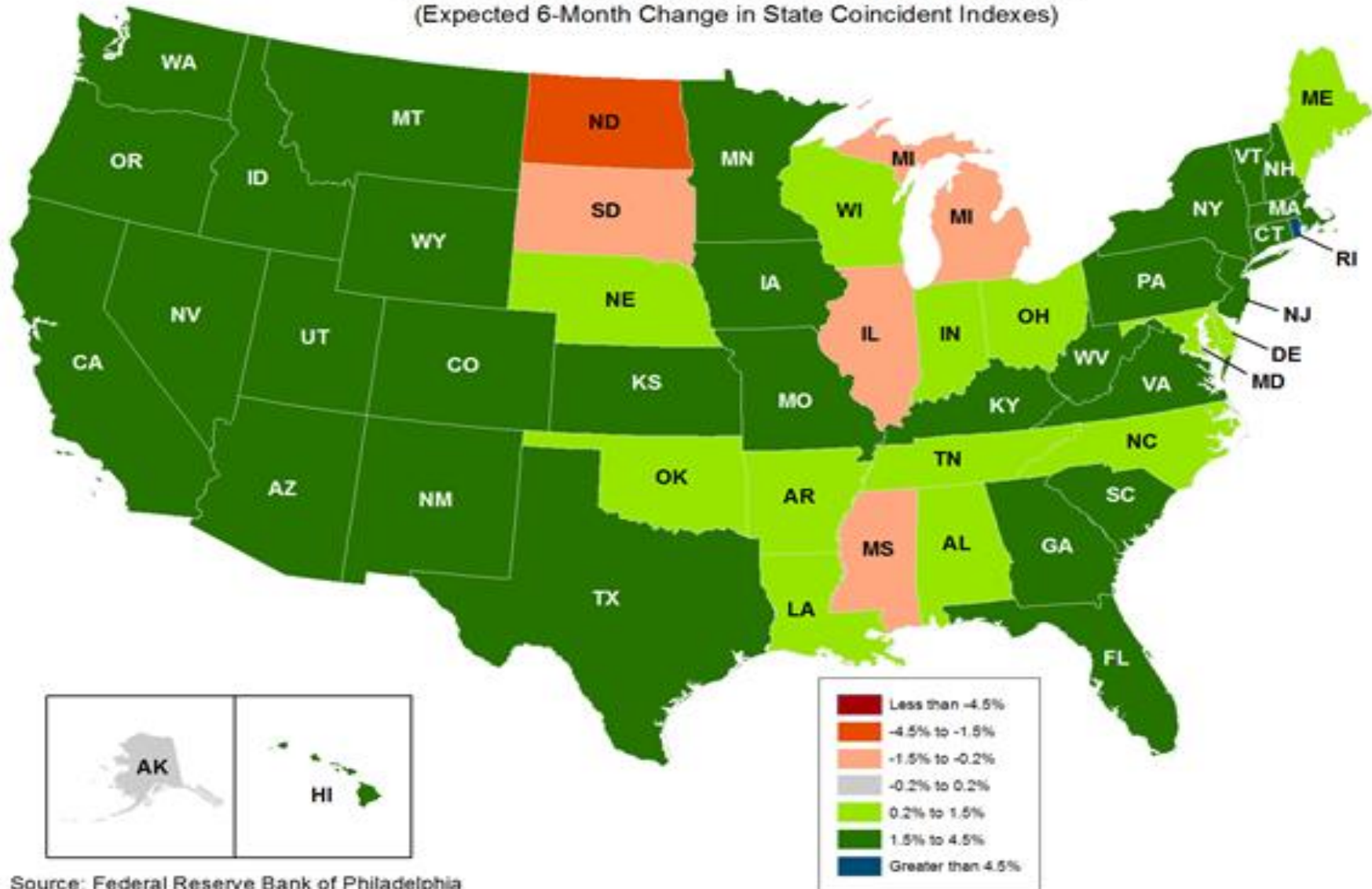
Average of the Percent Off High for Each of the Big Four Recession in Gray

dshort.com
August 2018



31 States Now in Dark Green or Blue

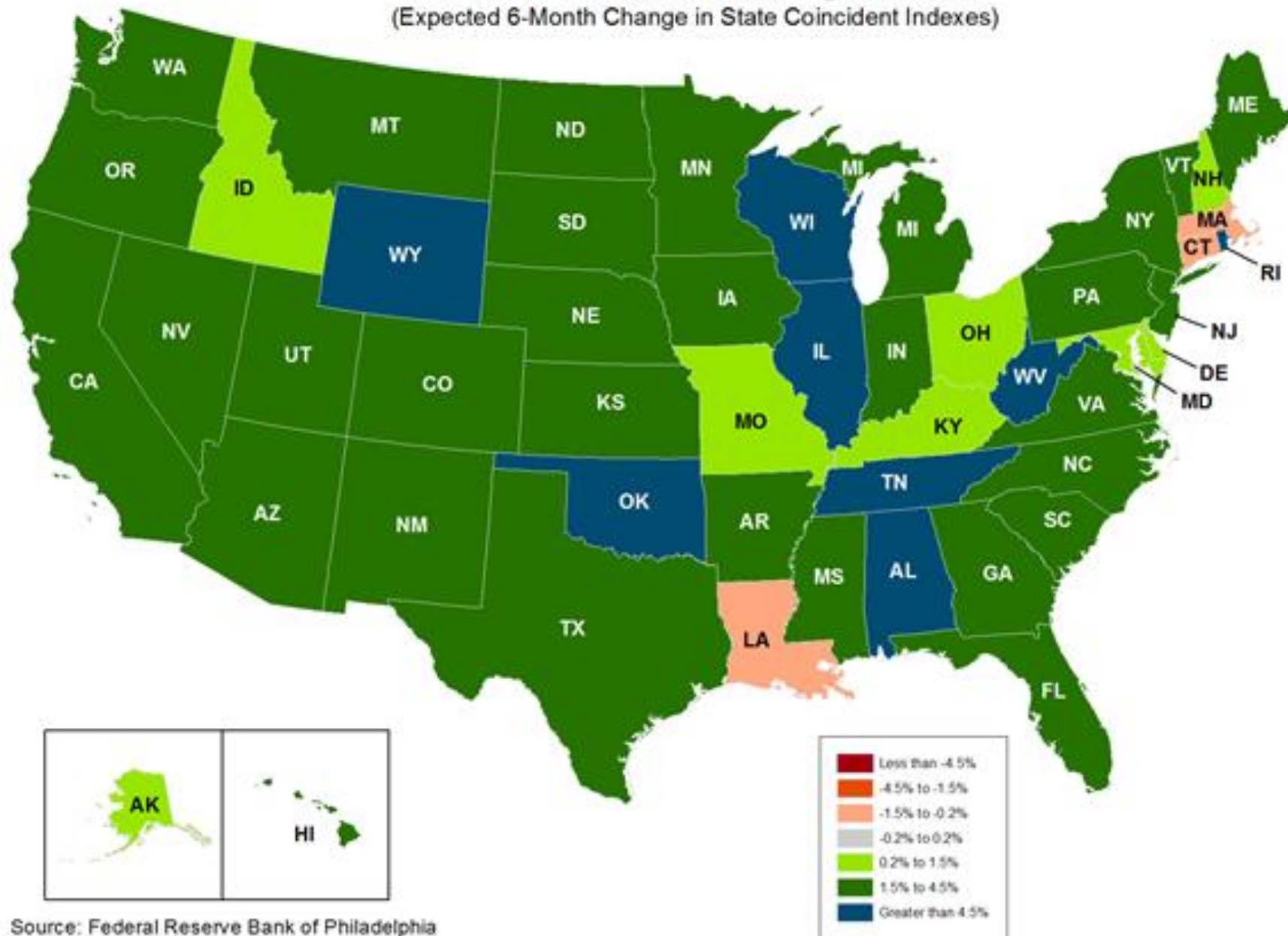
December 2016 State Leading Indexes
(Expected 6-Month Change in State Coincident Indexes)



Source: Federal Reserve Bank of Philadelphia

8 States Dark Blue (the highest growth category) and 31 States Now in Dark Green

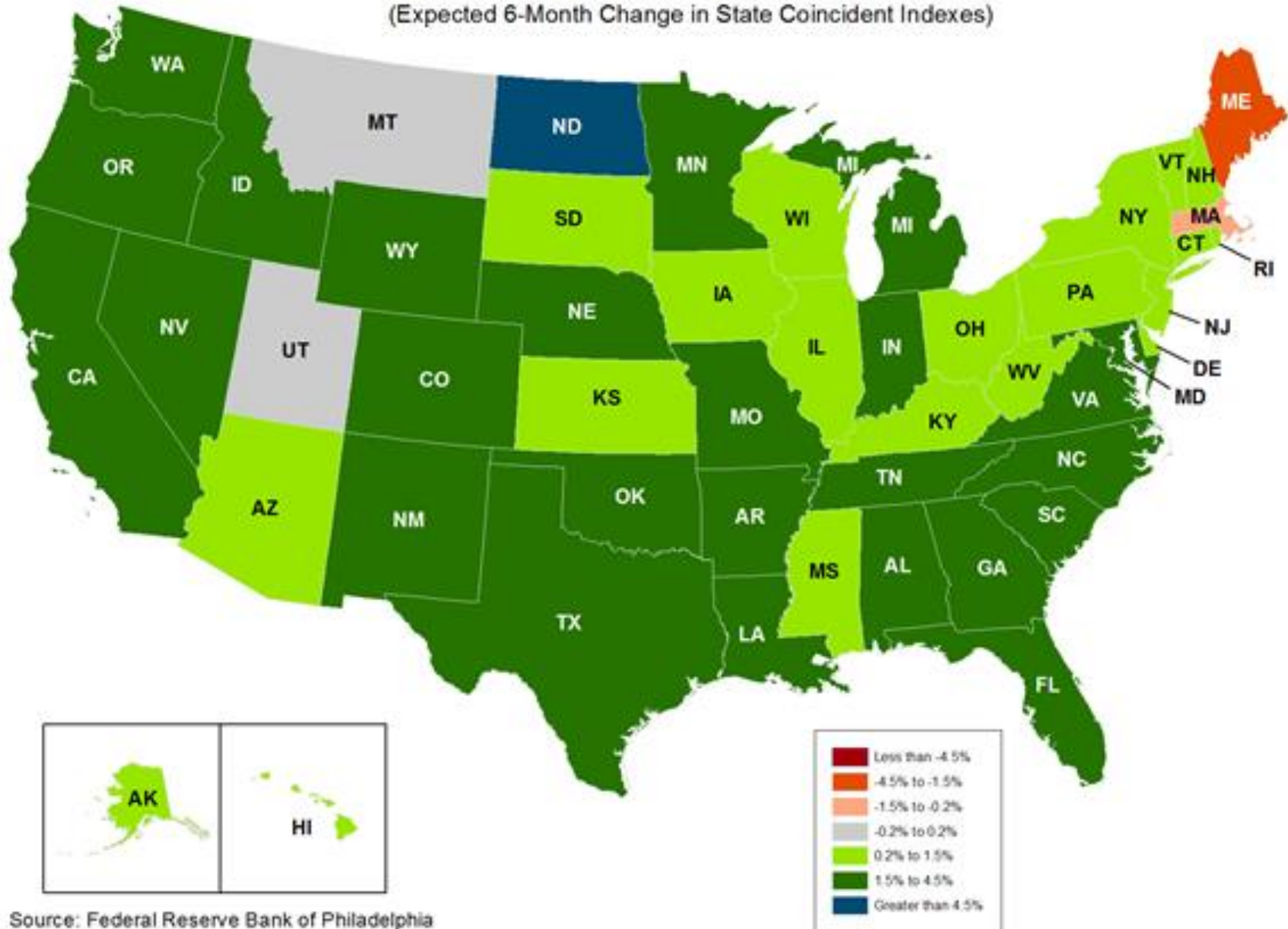
March 2017 State Leading Indexes
(Expected 6-Month Change in State Coincident Indexes)



Source: Federal Reserve Bank of Philadelphia

Only Five States not in Green or better

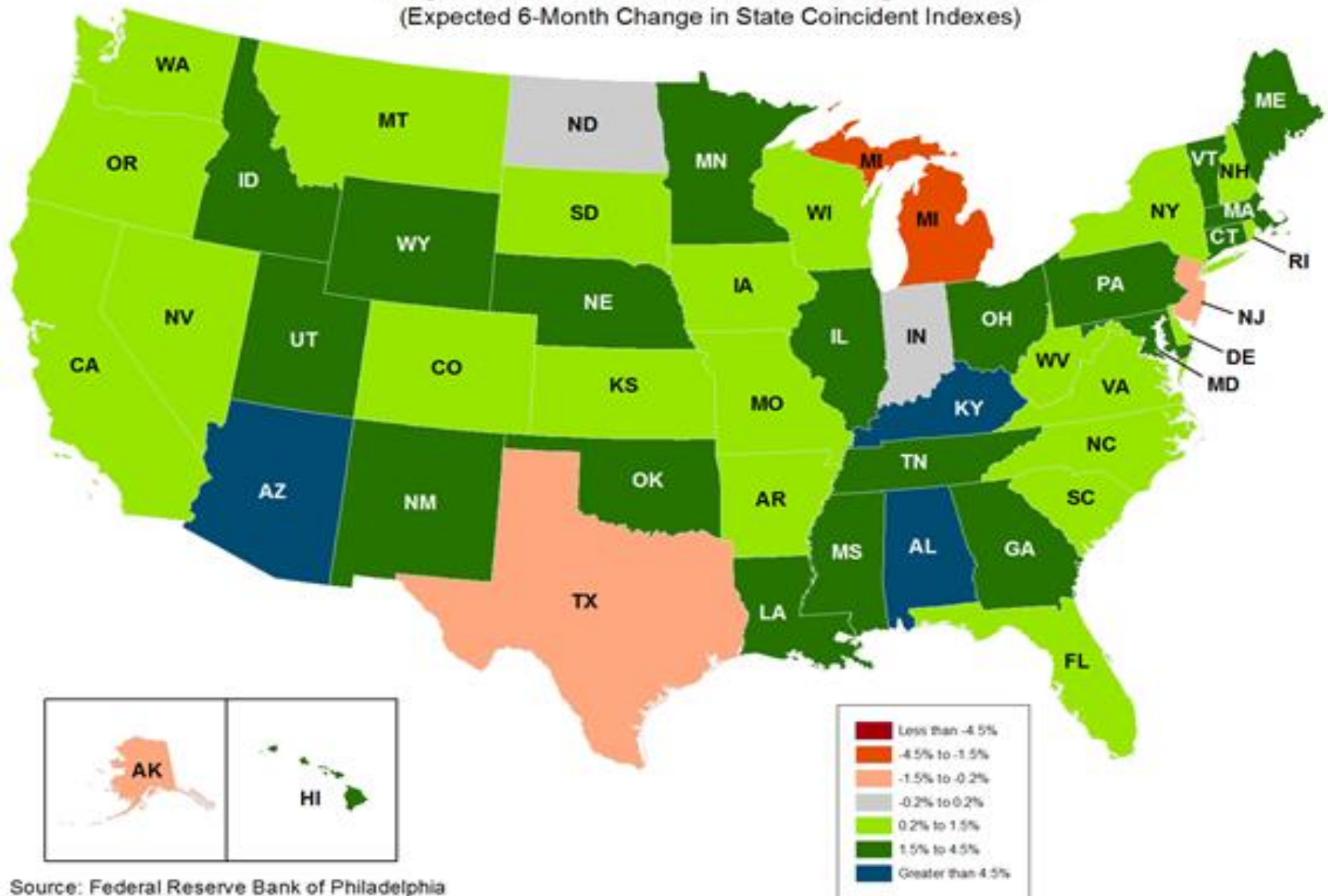
June 2017 State Leading Indexes
(Expected 6-Month Change in State Coincident Indexes)



Source: Federal Reserve Bank of Philadelphia

September 2017 State Leading Indexes

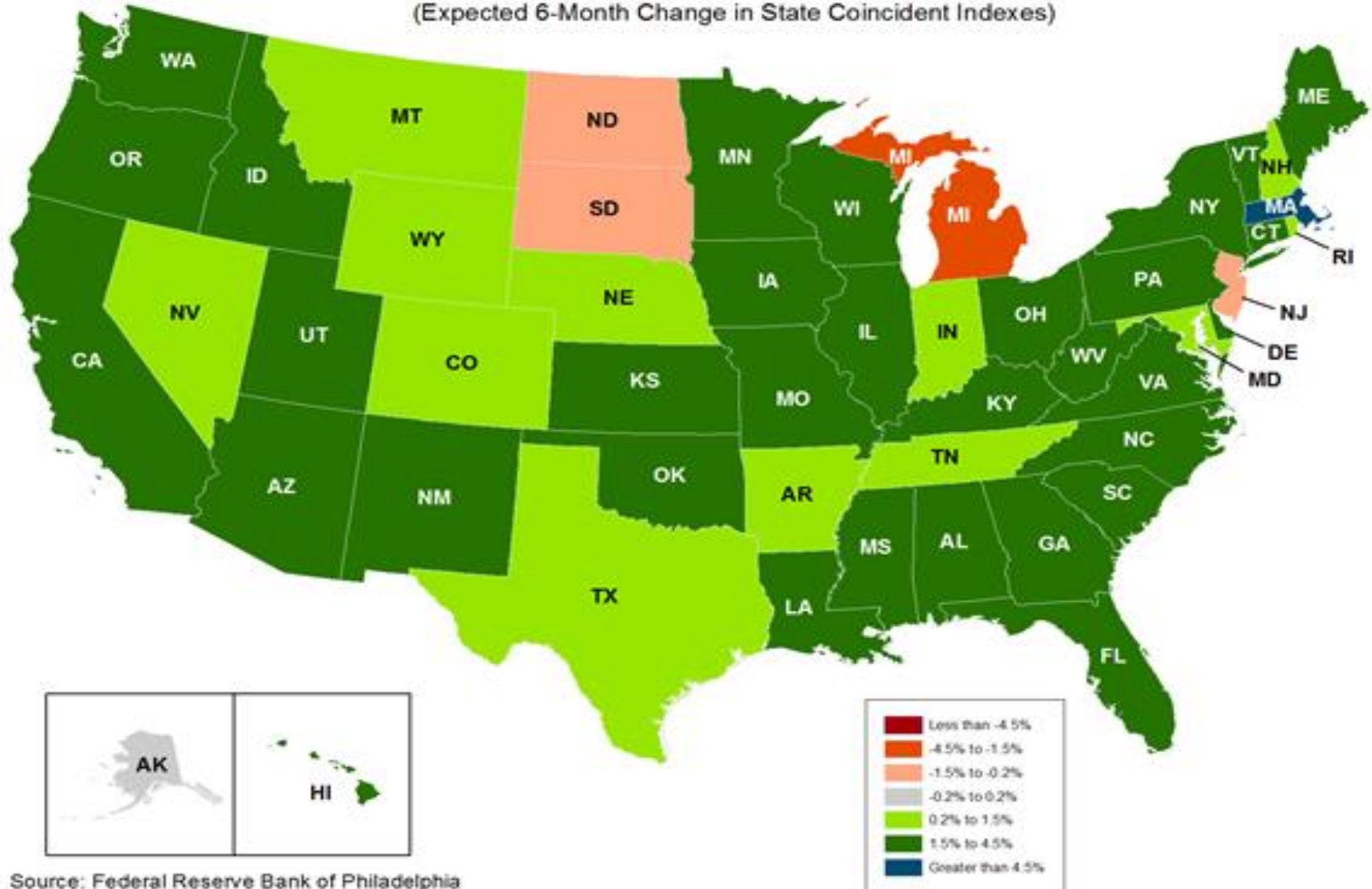
(Expected 6-Month Change in State Coincident Indexes)



Source: Federal Reserve Bank of Philadelphia

30 States Back to Dark Green or Better — Only a few slipping lower

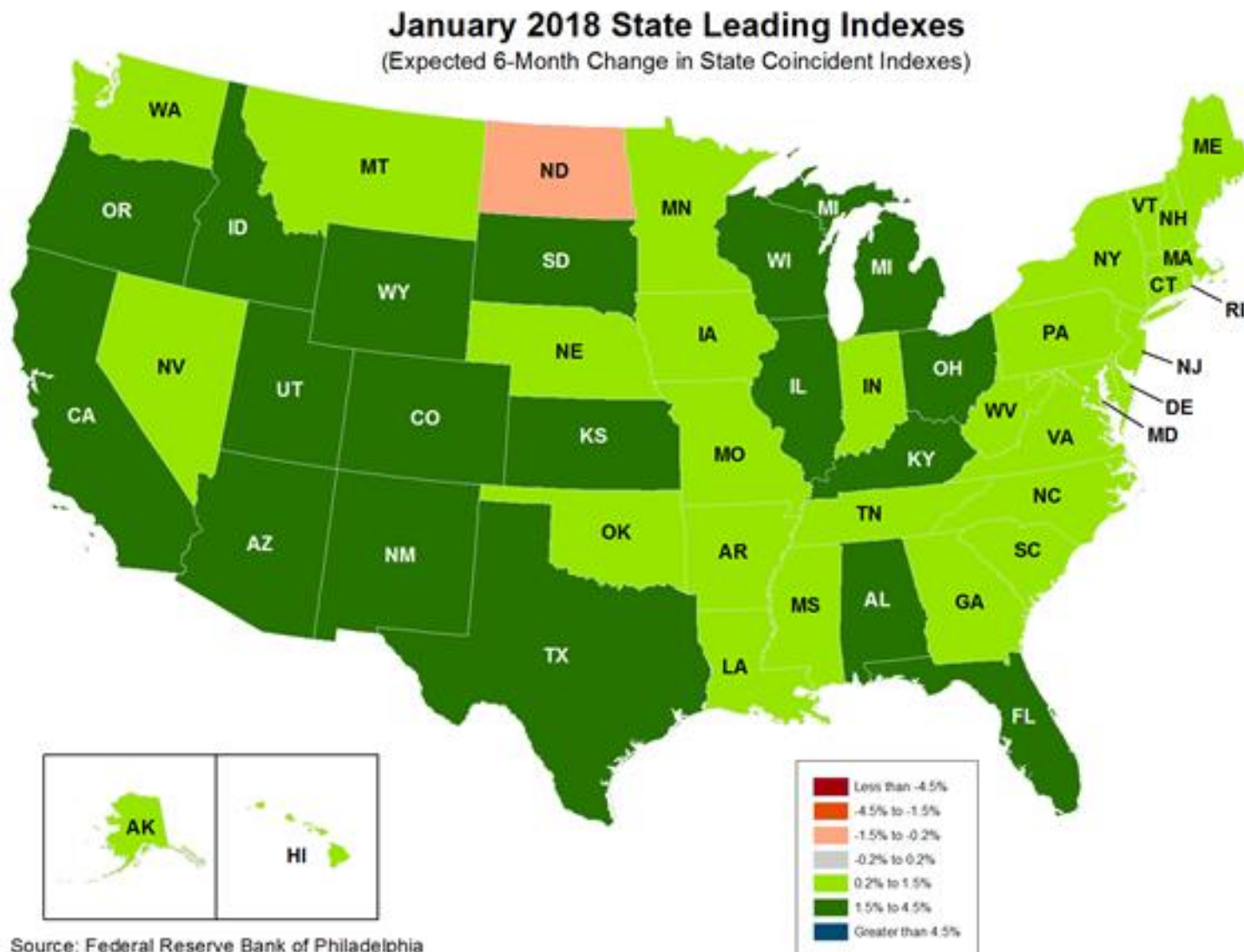
October 2017 State Leading Indexes
(Expected 6-Month Change in State Coincident Indexes)



States now dark Green or Blue drops to 21 – A little weaker than last month

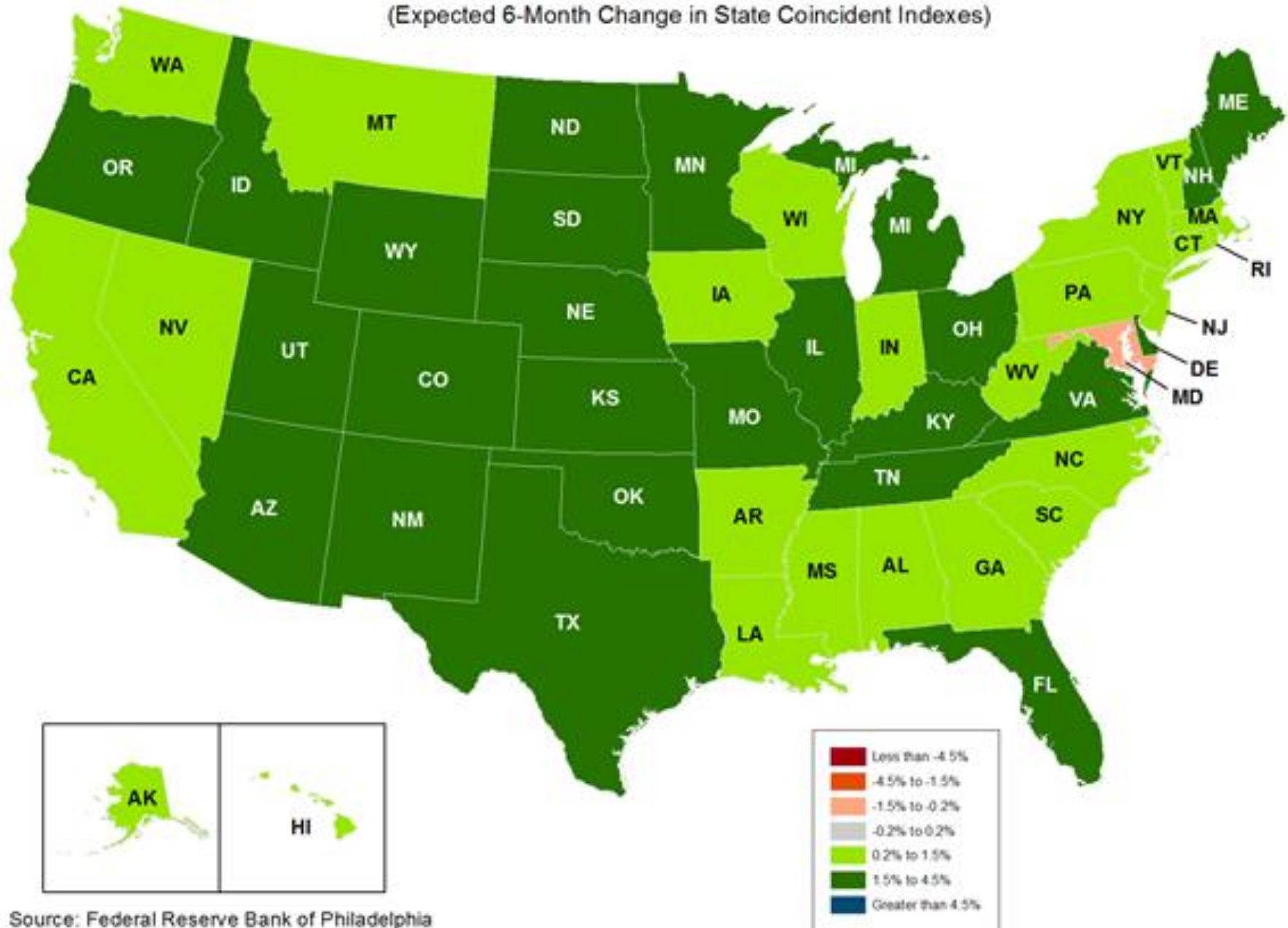


States now dark Green or Blue drops to 18 – A little weaker, but only one state negative



Strong Shift to Stronger Growth for most States e

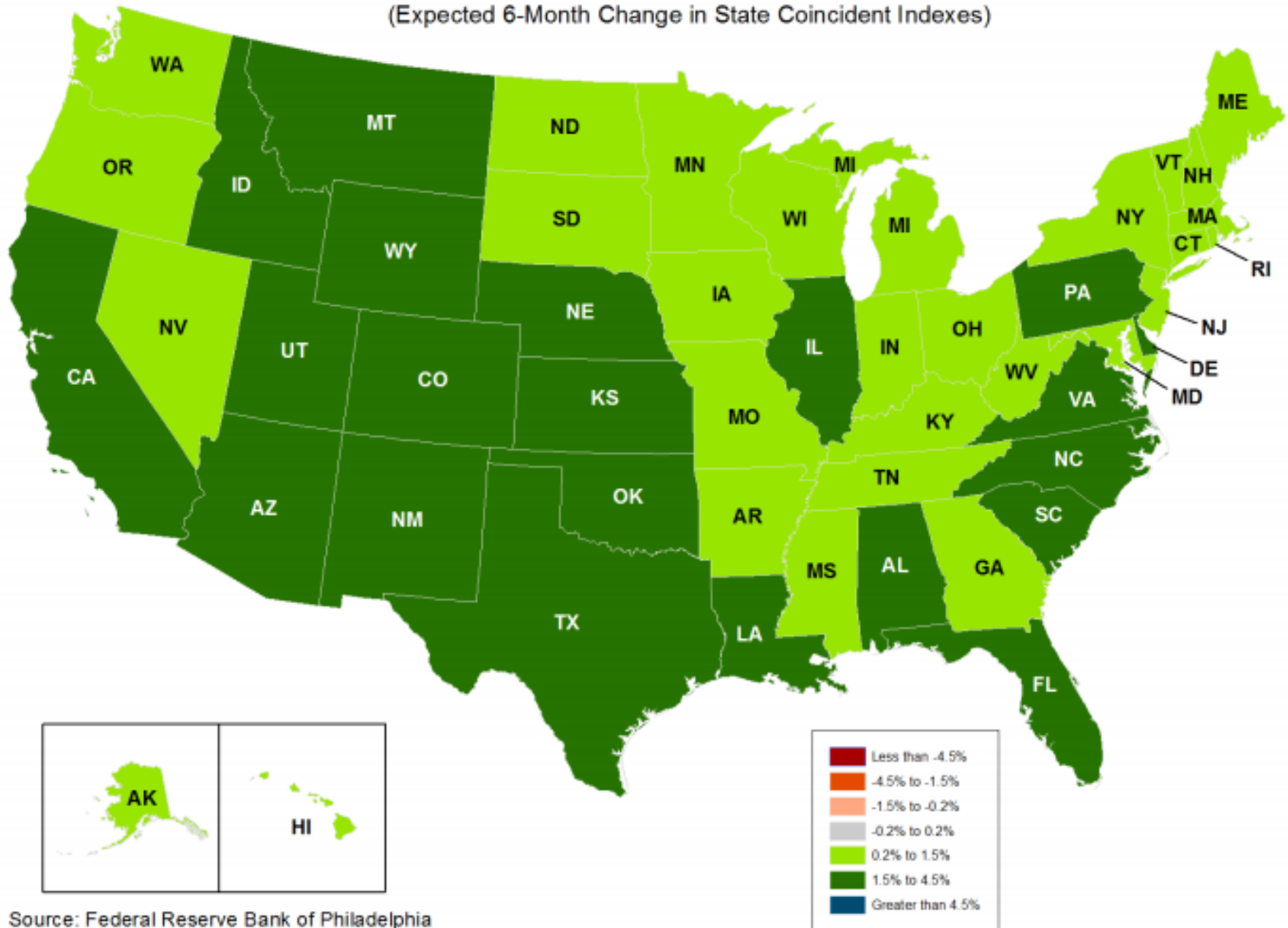
March 2018 State Leading Indexes
(Expected 6-Month Change in State Coincident Indexes)



Source: Federal Reserve Bank of Philadelphia

All 50 states projected in increase over the next 6 months

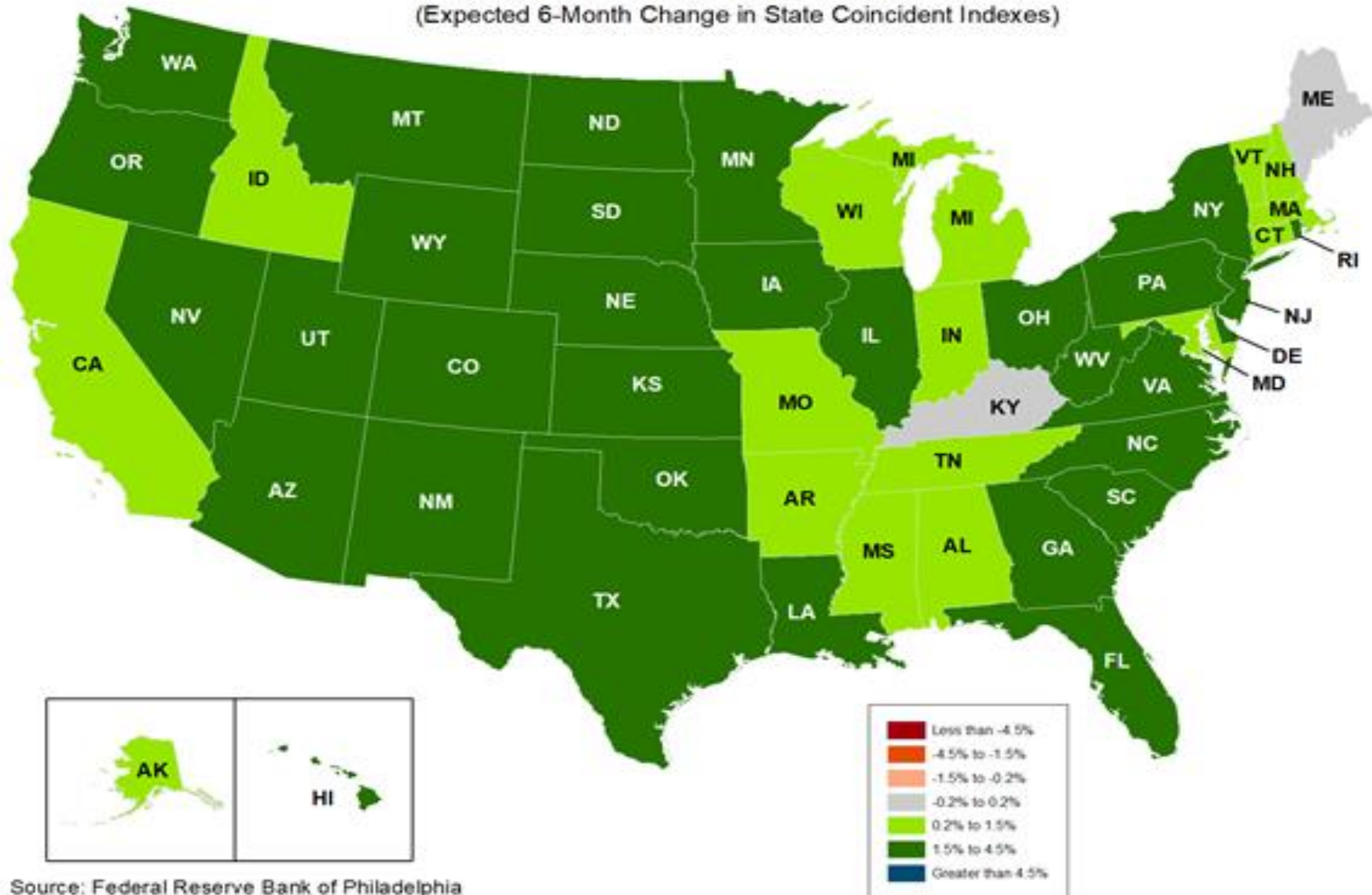
April 2018 State Leading Indexes
(Expected 6-Month Change in State Coincident Indexes)



Source: Federal Reserve Bank of Philadelphia

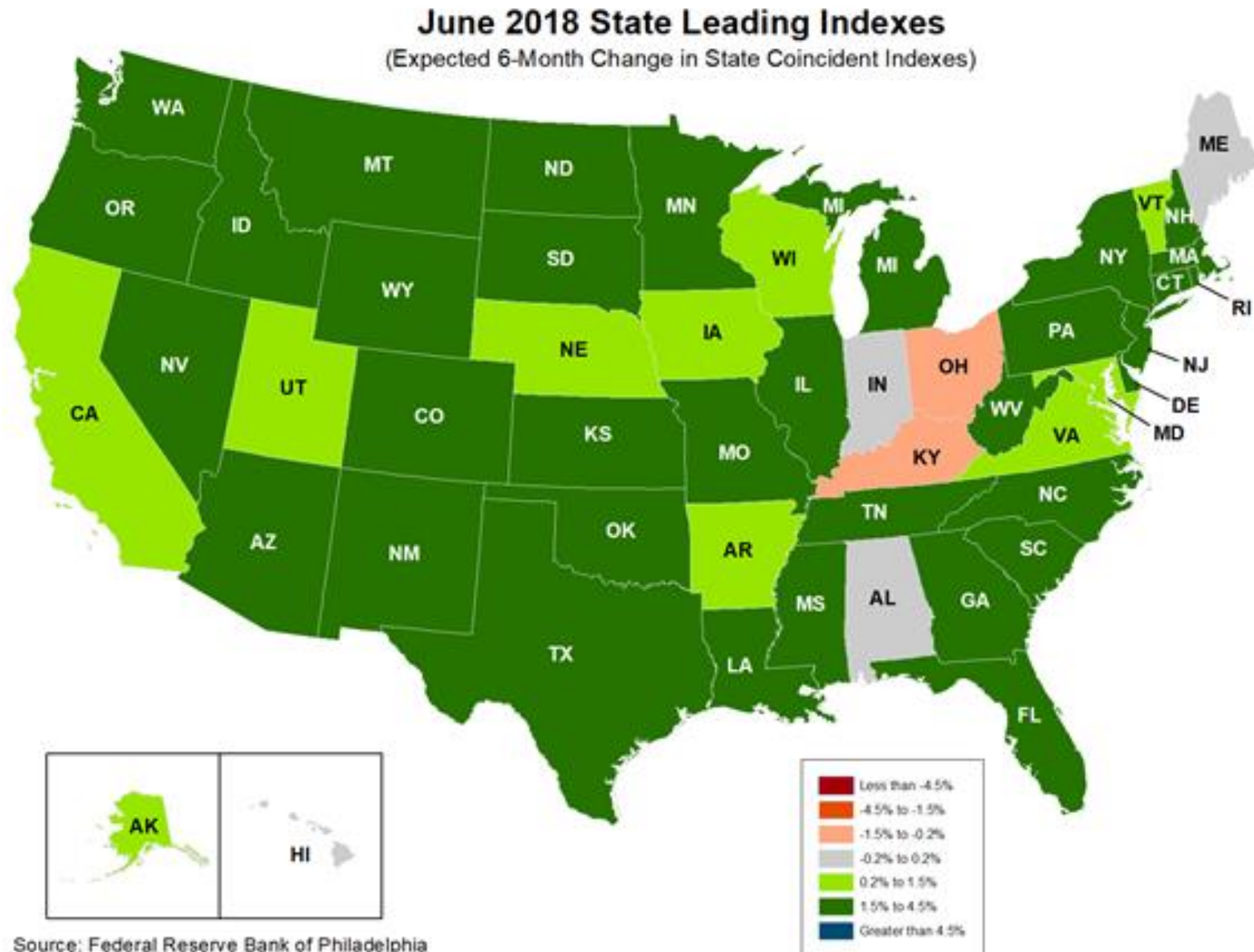
48 of the 50 states projected in increase over the next 6 months. Maine and Kentucky near flat.

May 2018 State Leading Indexes
(Expected 6-Month Change in State Coincident Indexes)



Source: Federal Reserve Bank of Philadelphia

44 of the 50 states projected in increase over the next 6 months. Alabama, Indiana, Hawaii, and Maine nearly flat. Kentucky and Ohio are negative.

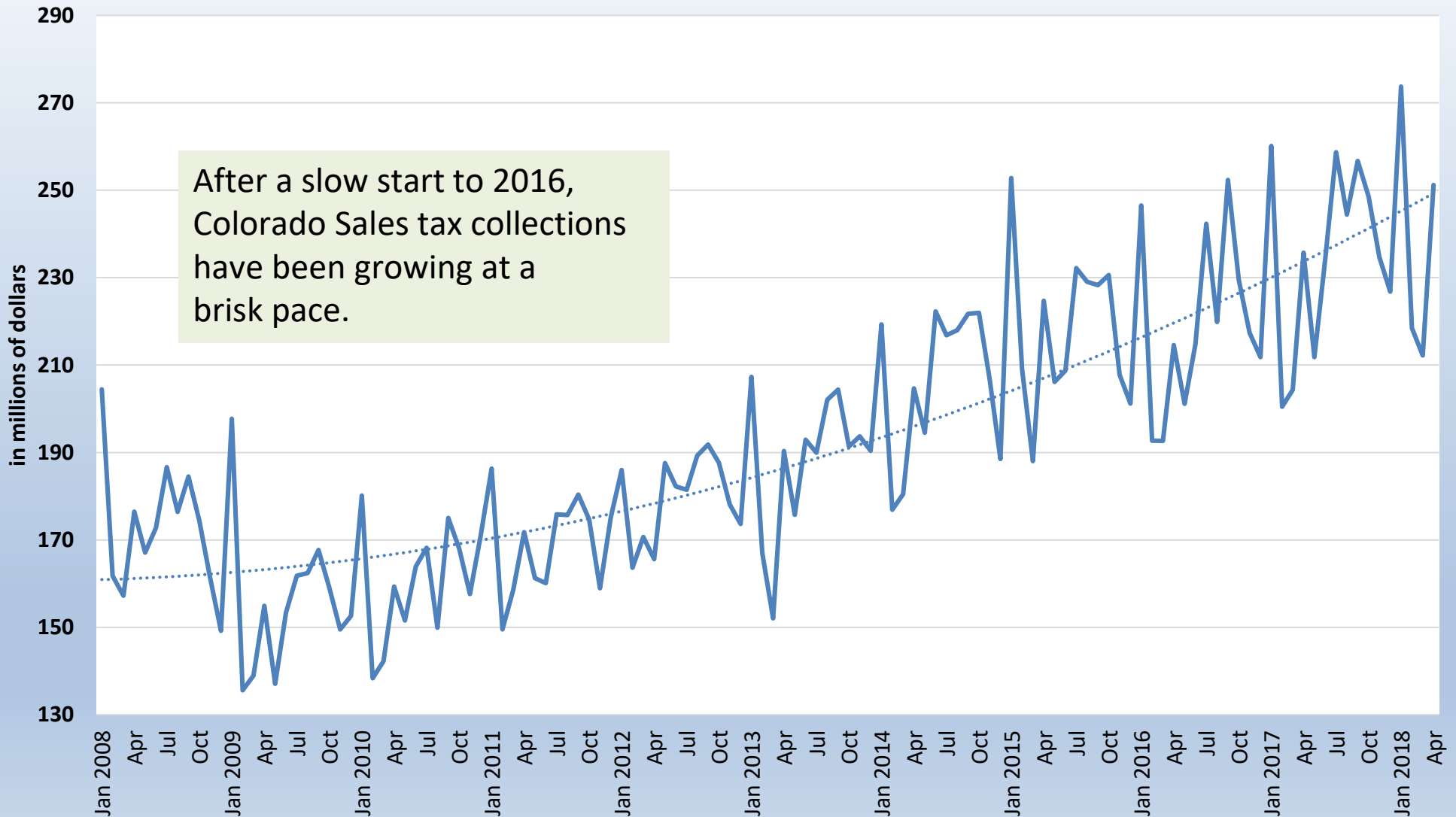


Colorado Sales Tax still doing well at FY 2017/2018 eleven months

Fiscal Year 2017/18 higher than 2016/17 by 6.9%

2018 year-to-date higher than 2017 by 6.7%

Colorado Sales Tax Collections by Month January 2008 to April 2018



RISE IN HOME PRICES REMAINS STEADY AT 6.4% ACCORDING TO S&P CORELOGIC CASE-SHILLER HOME PRICE INDEX

April data released July 31, 2018

“The S&P CoreLogic Case-Shiller U.S. National Home Price NSA Index, covering all nine U.S. census divisions, reported a 6.4% annual gain in May, remaining the same as in the previous month. The 10- City Composite annual increase came in at 6.1%, down from 6.4% in the previous month. The 20-City Composite posted a 6.5% year-over-year gain, down from 6.7% in the previous month.

Seattle, Las Vegas, and San Francisco continued to report the highest year-over-year gains among the 20 cities. In May, Seattle led the way with a 13.6% year-over-year price increase, followed by Las Vegas with a 12.6% increase and San Francisco with a 10.9% increase. Seven of the 20 cities reported greater price increases in the year ending May 2018 versus the year ending April 2018.

“Home prices continue to rack up gains two to three times greater than the inflation rate,’ says David M. Blitzer, Managing Director & Chairman of the Index Committee at S&P Dow Jones Indices. ‘The yearover-year increases in the S&P CoreLogic Case-Shiller National Index have topped 5% every month since August 2016. Unlike the boom-bust period surrounding the financial crisis, price gains are consistent across the 20 cities tracked in the release; currently, the range of the largest to smallest price change is 10 percentage points compared to a 20 percentage point range since 2001, and a 25 percentage point range between 2006 and 2009. Not only are prices rising consistently, they are doing so across the country.’”

Source: Index Committee at S&P Dow Jones Indices. Data released on July 31, 2018.

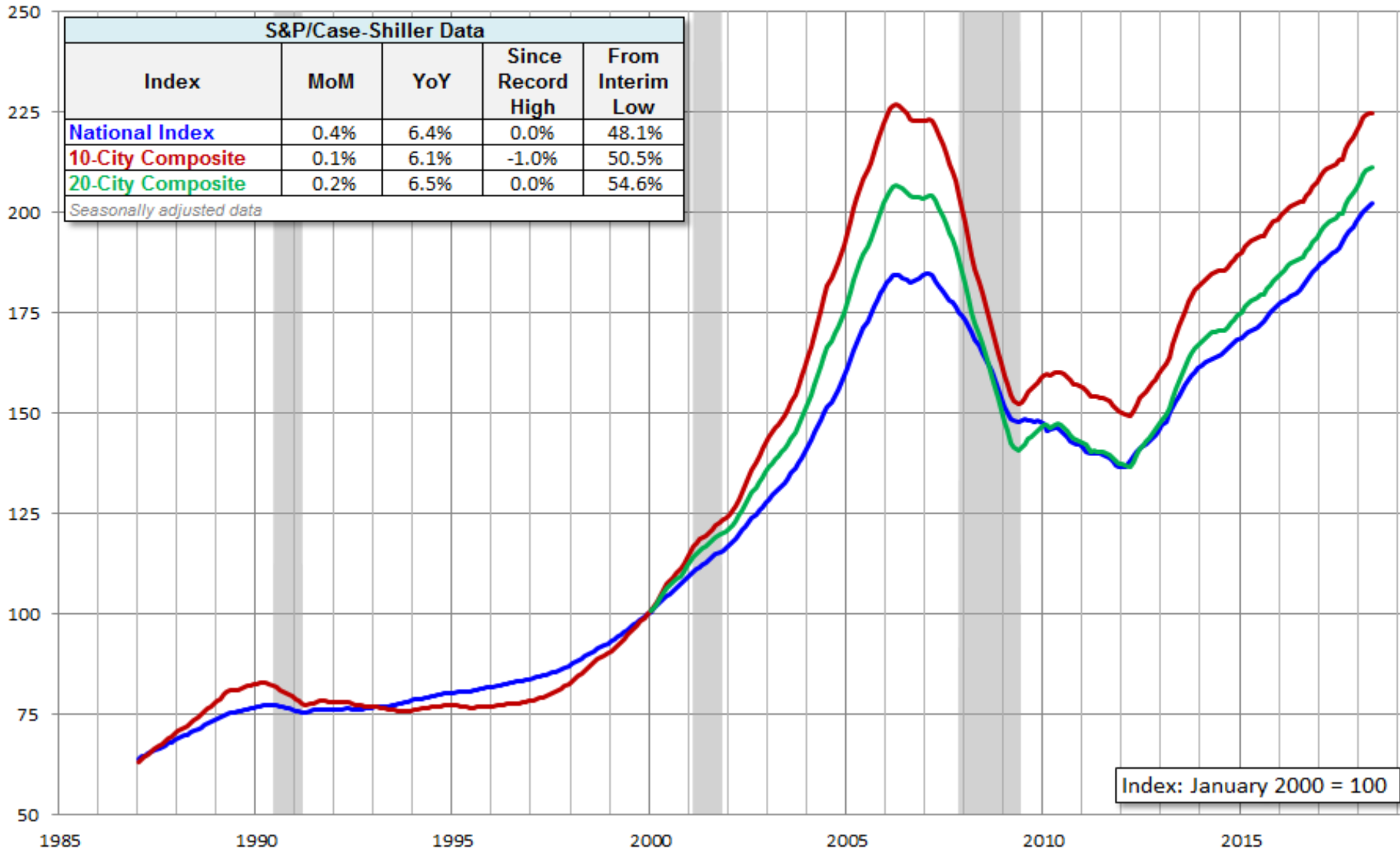
The National Index & 20-city have reached Pre-recession levels; 10-city still not quite yet there



S&P/Case-Shiller Home Price Indexes

dshort.com
July 2018
As of May

Recessions National Index 10-City Composite 20-City Composite



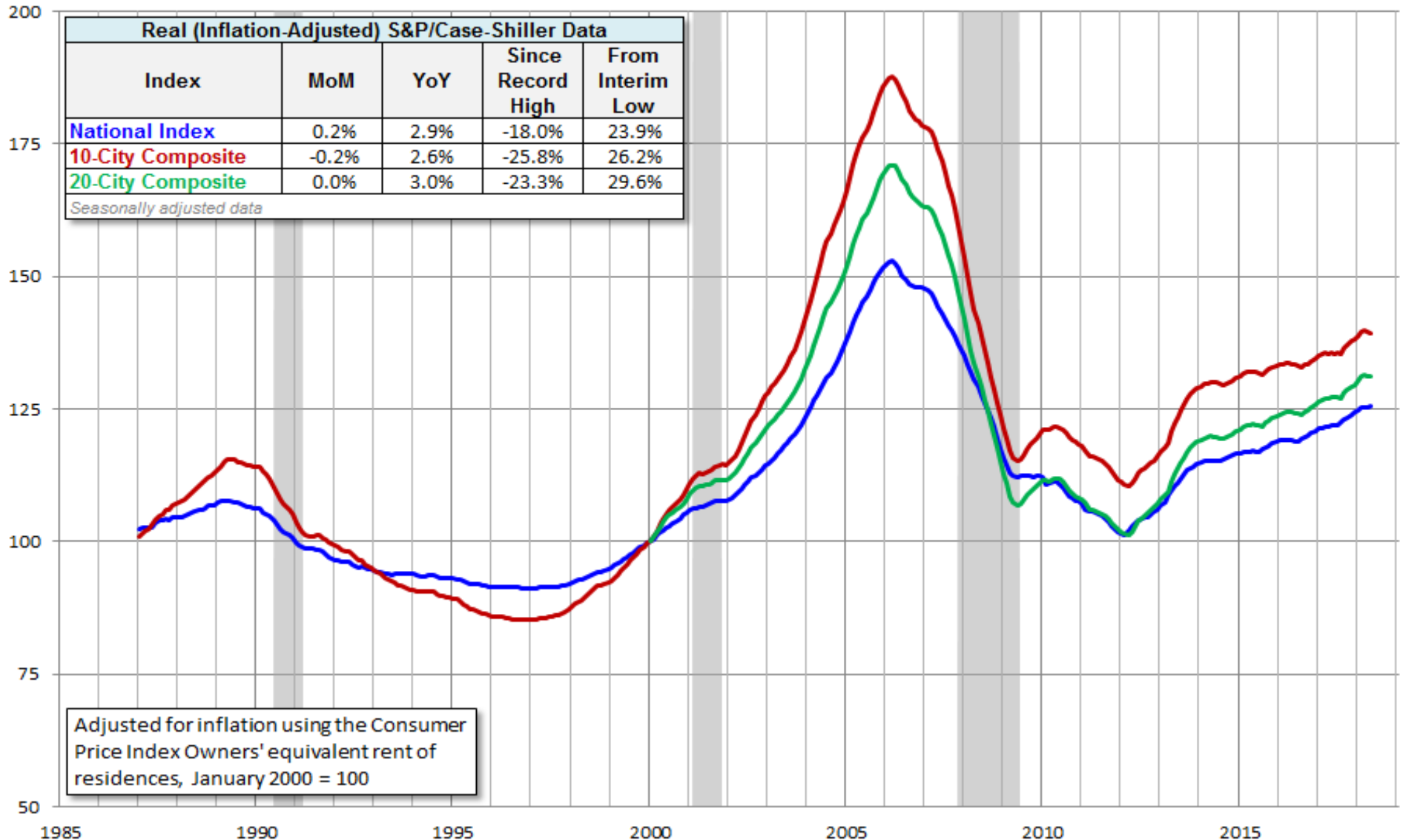
Real (adjusted for inflation) Home Price Indexes show a different story – still well below the highs



Real S&P/Case-Shiller Home Price Indexes

dshort.com
July 2018
As of May

Recessions National Index 10-City Composite 20-City Composite



Comparing the change in the seasonally-adjusted Case-Shiller Index and the Consumer Price Index since 1953



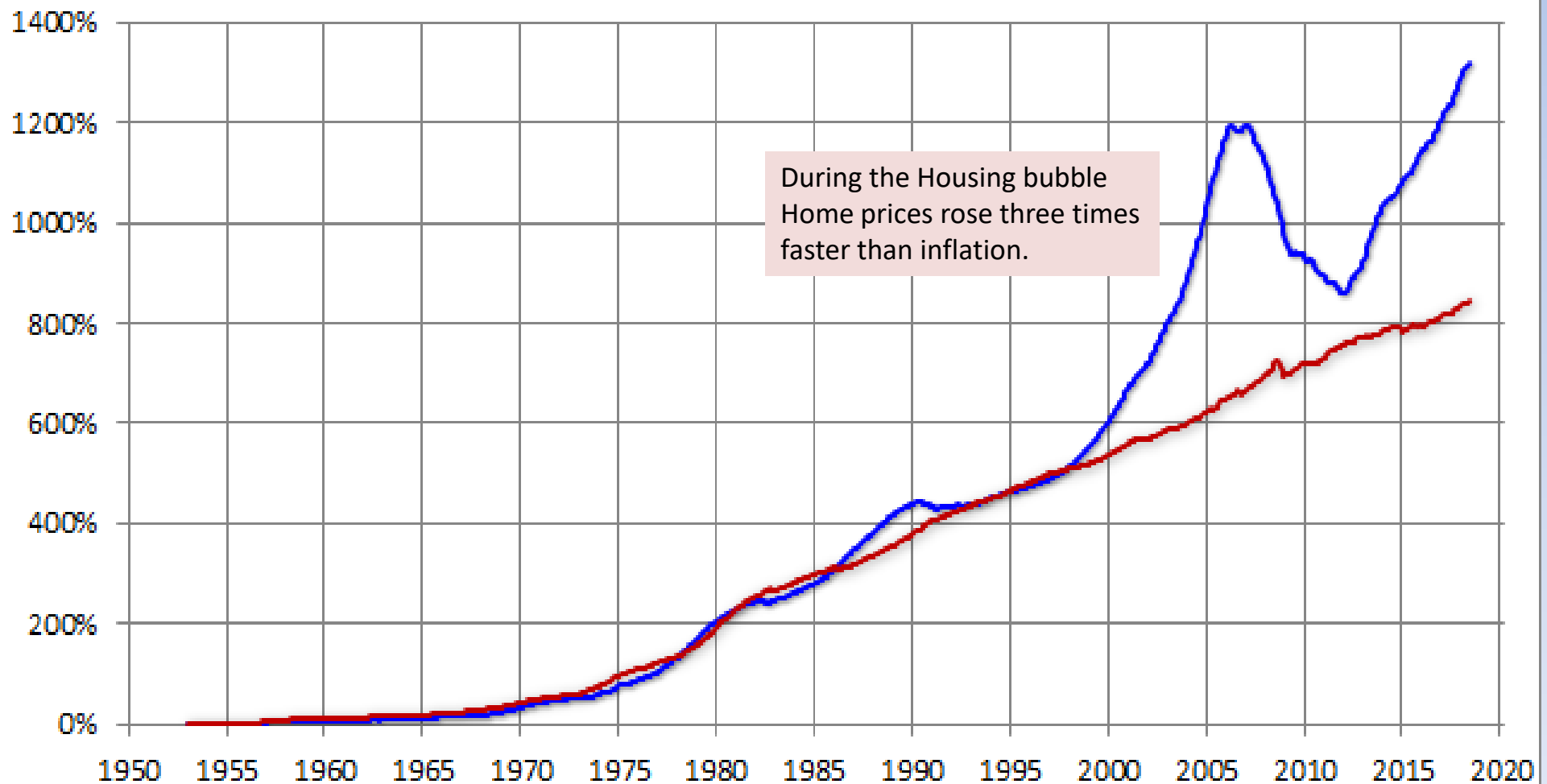
Home Prices and the Consumer Price Index

dshort.com

July 2018

As of May

— Case-Shiller Home Price Index — Consumer Price Index



S&P/Case-Shiller National Index for April 2018

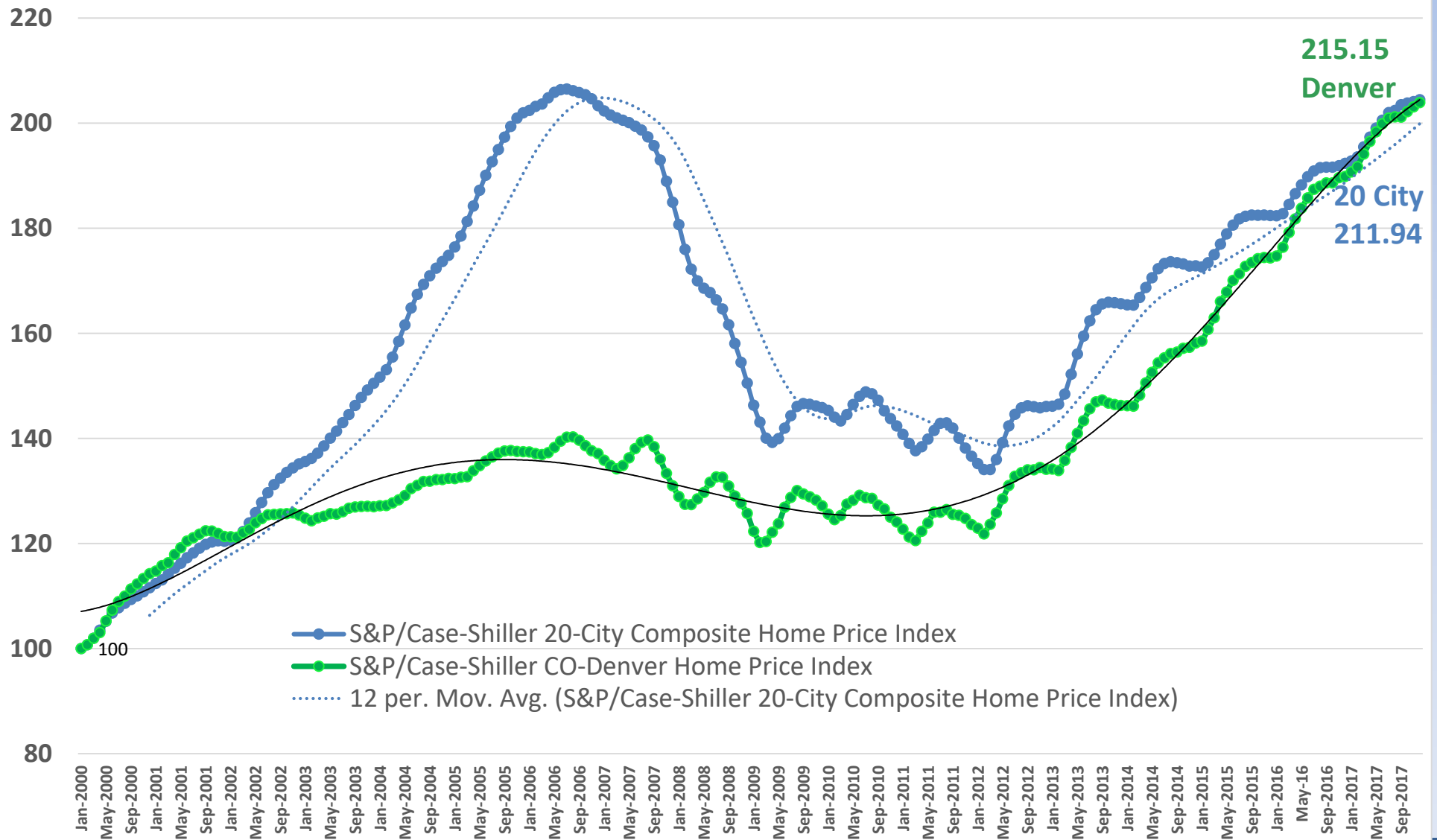
Denver's 8.5% 1-Year Change (%) is 4th place of the 20 cities



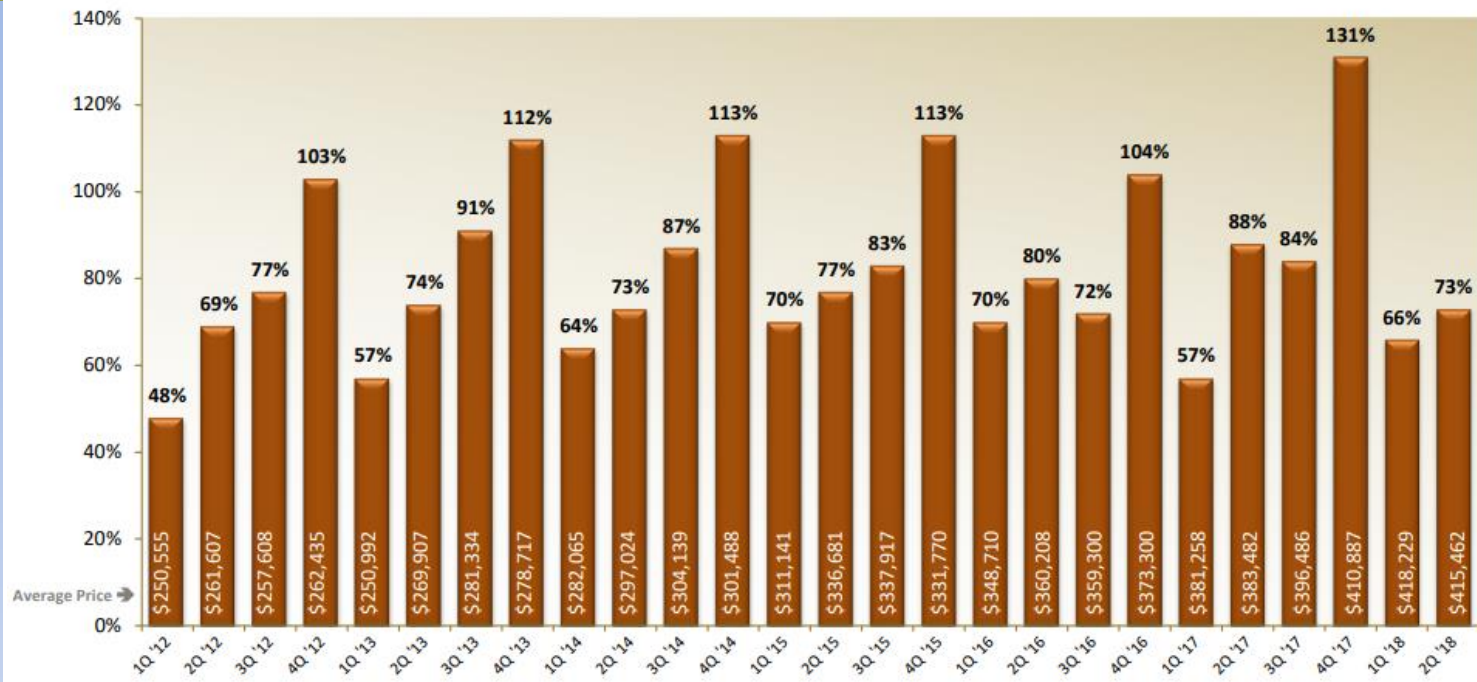
	Denver Home Prices	National Composite (20 cities)
Monthly Change:	+ 1.2 percent	+ 0.7 percent
Yearly Change:	+ 8.5 percent	+ 6.5 percent

*The Denver housing market index sets another new all time high in May 2018; 8.5% increase over the prior year.
The national 20-City price composite rose 6.5%*

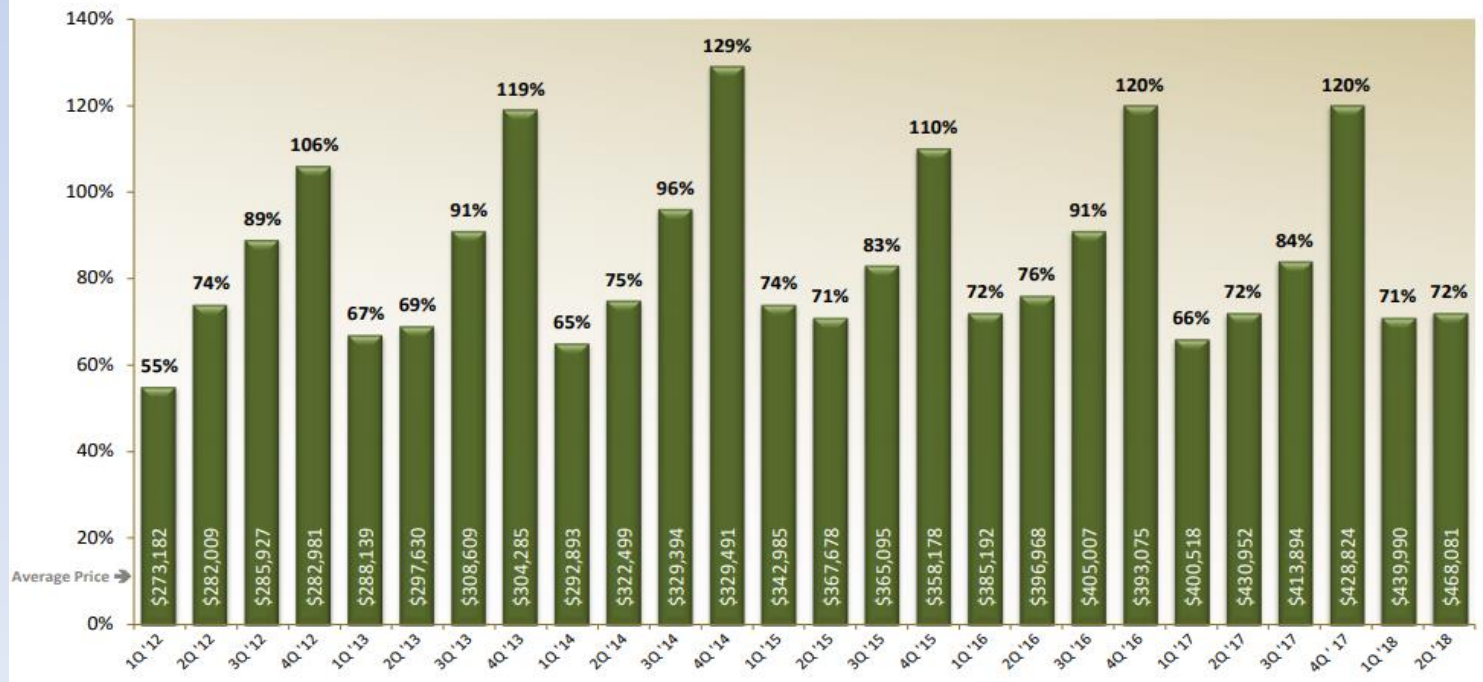
Case Shiller 20 City Index compared to the Denver Index



Single Family Homes Sold ÷ Listed Loveland Area



Fort Collins Area



Larimer County Home Price Rise Linked to Supply

2nd Quarter 2018

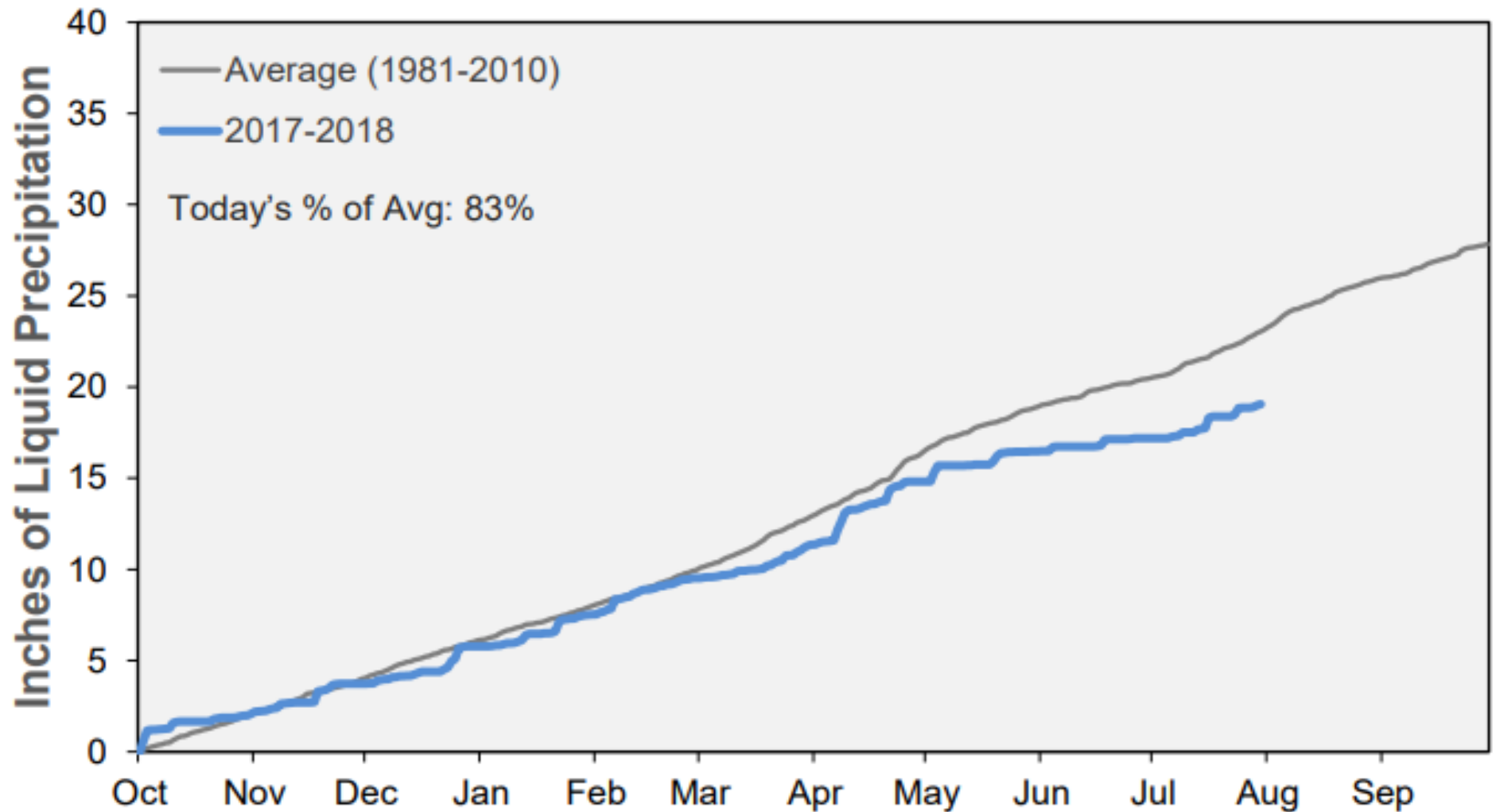
Loveland: Year over year average sales price of \$415,462 is an increase of **6.9%** from the 2nd quarter of 2017.

Fort Collins: Year over year average sales price of \$439,990 is an increase of **10.9%** from the 2nd quarter of 2017.

Cumulative Precipitation in the South Platte River Watershed well under the median

July 30, 2018

Cumulative Precipitation: South Platte River Watershed



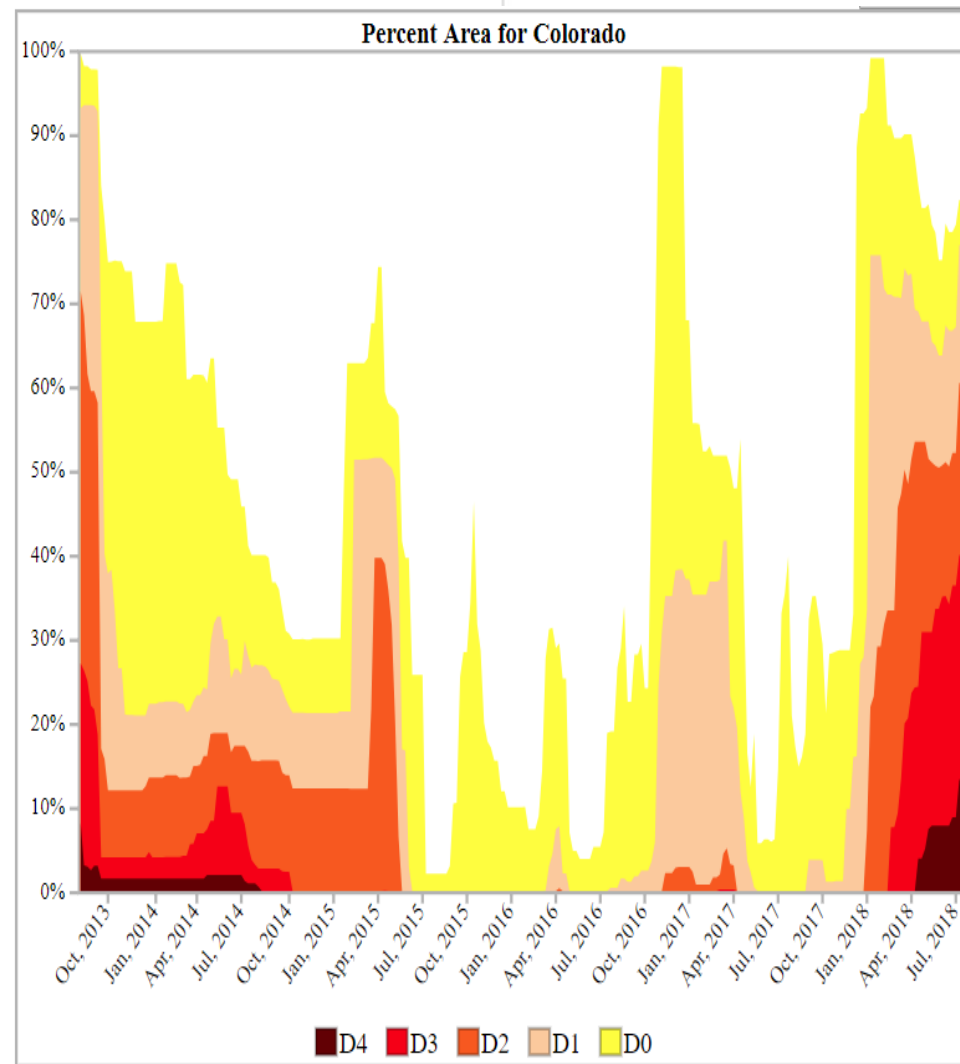
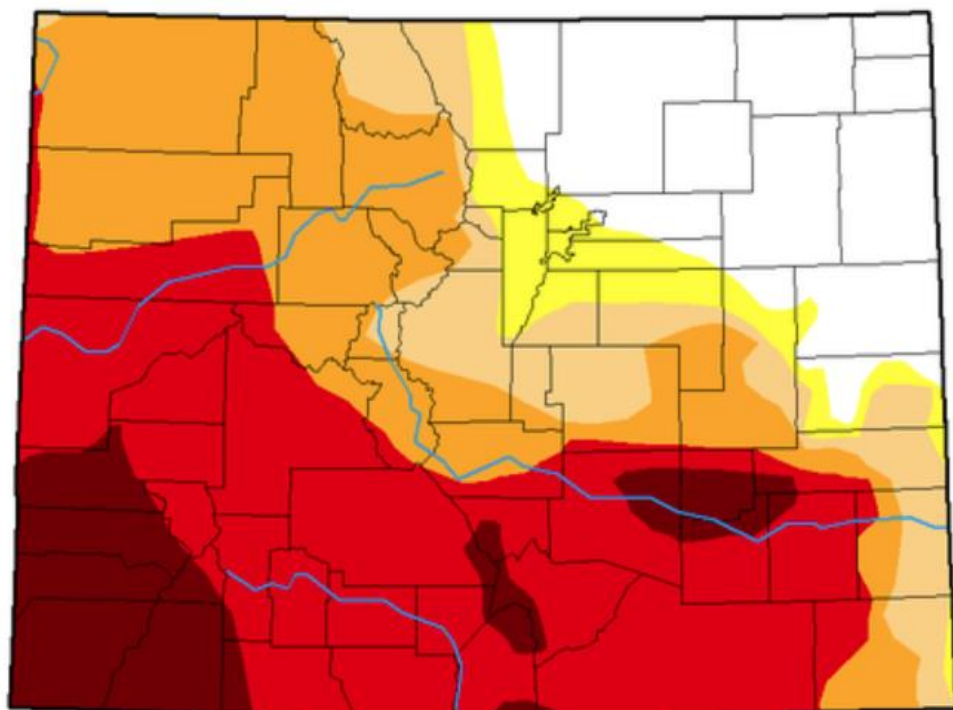
Data are from the 7 SNOTEL stations above Denver Water's Upper South Platte diversion facilities.

Northeast Colorado not yet in Drought

Rest of State is experiencing higher impacts

As of July 31, 2018

Author: Chris Fenimore, NCEI/NESDIS/NOAA



Drought Conditions (Percent Area)

Updated Colorado Labor Data (June 2018)

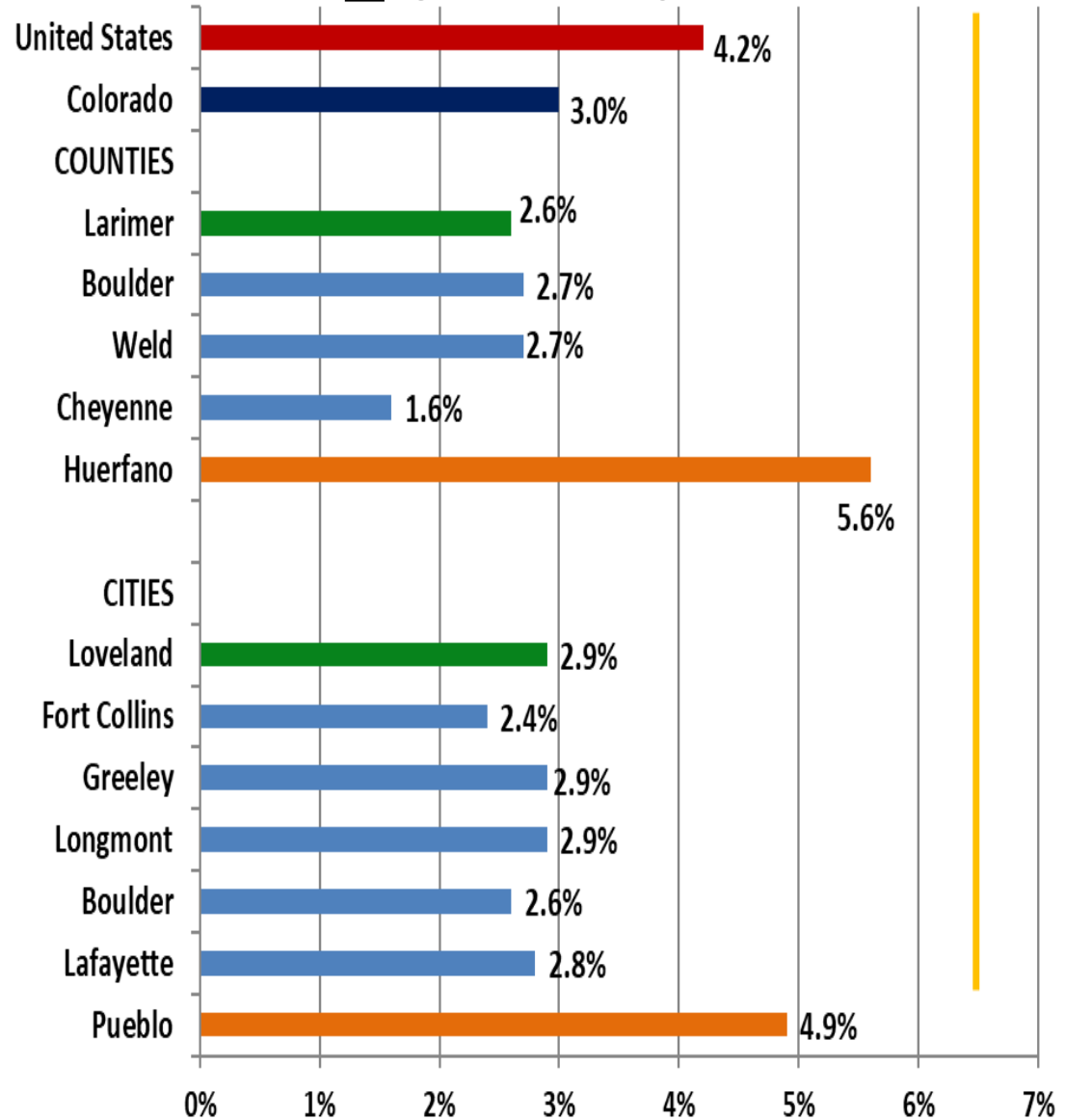
- ❑ Loveland's employed labor force contracted in June, down by 218 jobs, compared to May.
- ❑ Compared to June 2017, there are now **1,778 more** jobs reported by Loveland residents.

For most of the cities and counties in Colorado, the rate of people unemployed was higher than a month ago. Compared to a year ago, most areas are about the same as they were then.

Next report expected to be released on August 17, 2018.

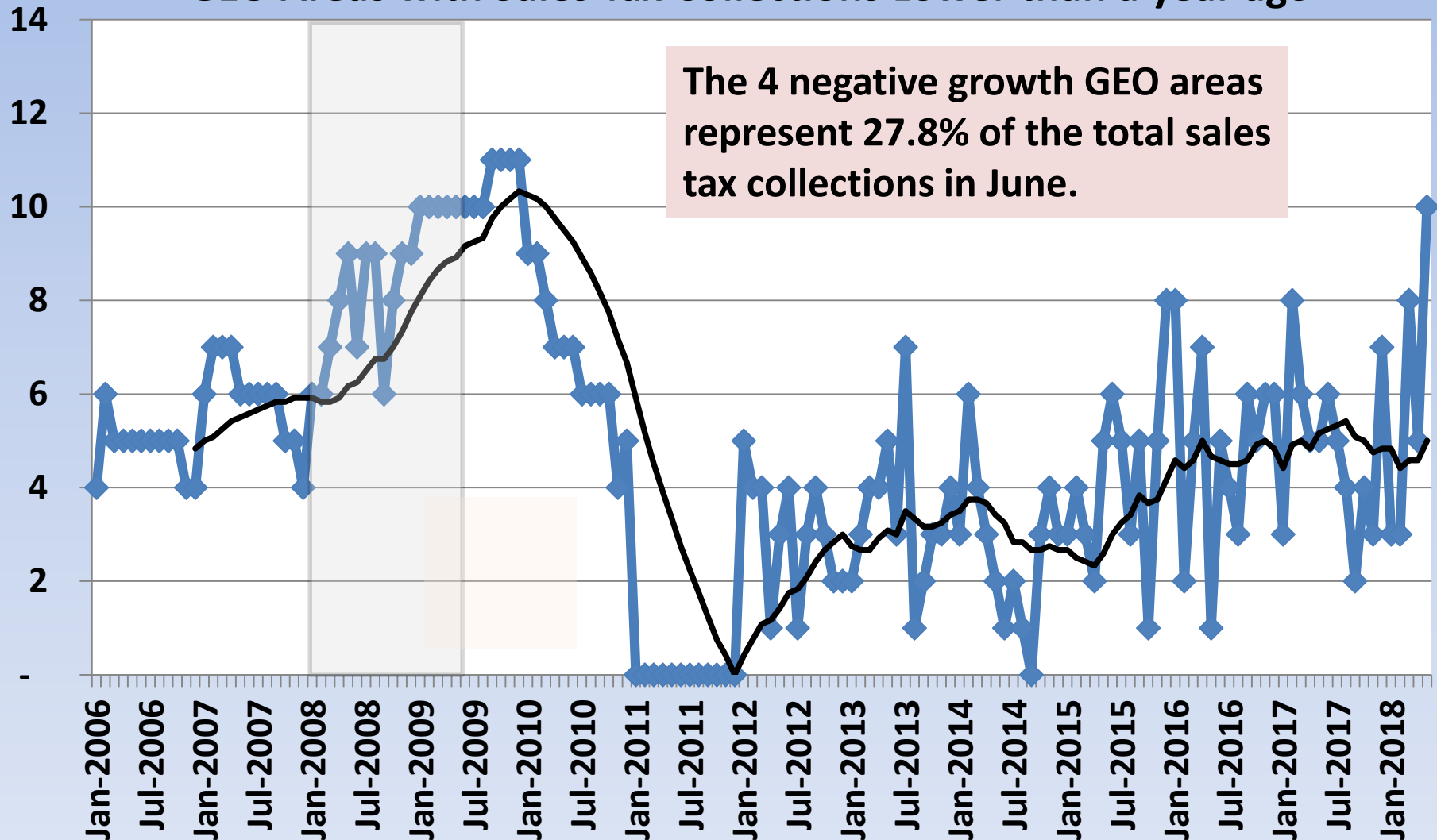
Unemployment Rates

Data *not* adjusted for seasonality



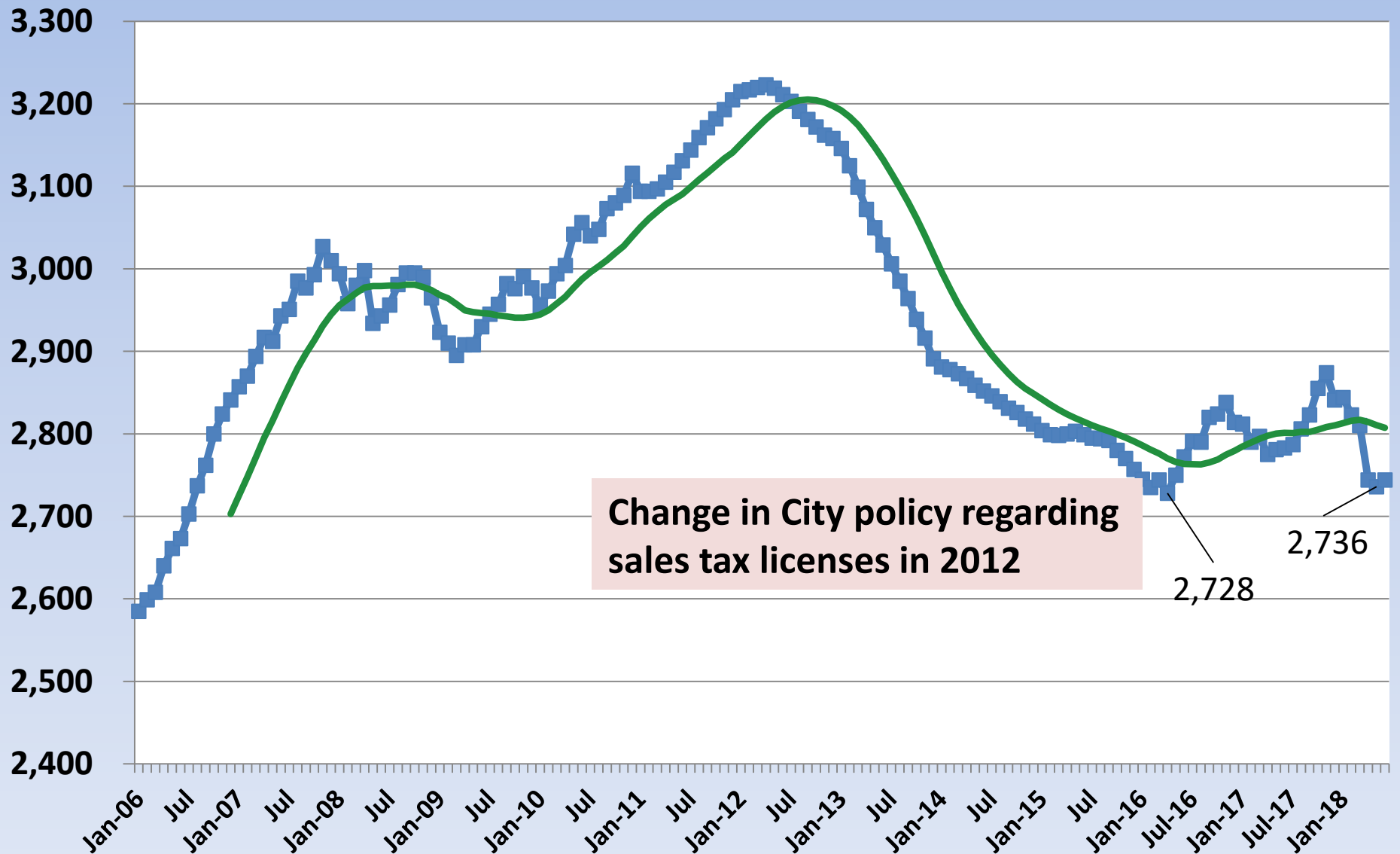
Sales Tax Geo Area Indicator backs down to 4 after being at 10 in May

GEO Areas with Sales Tax Collections Lower than a year ago



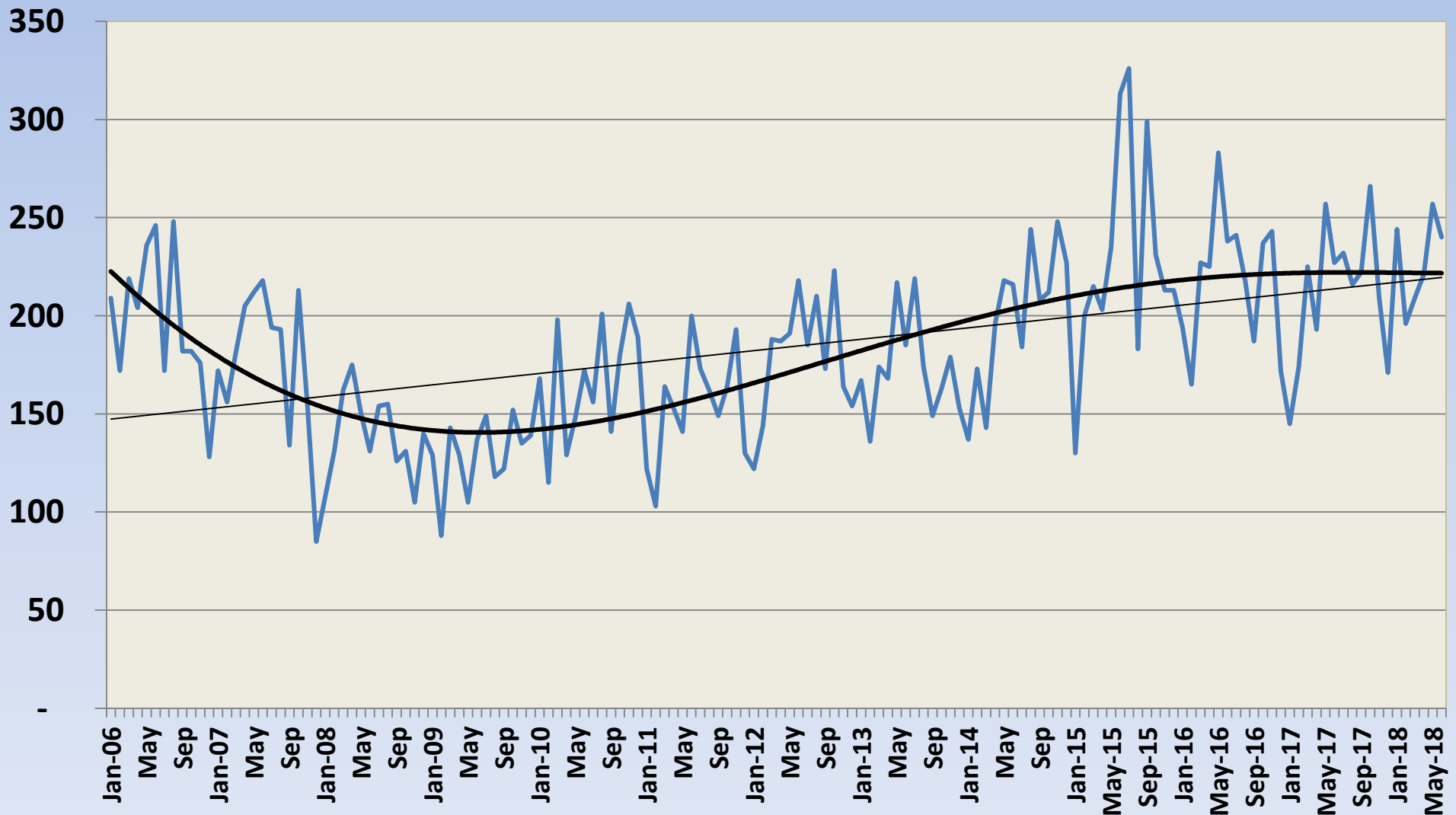
Sales Tax Licenses up by 8 in June

Active licenses now very close to the post-recession low

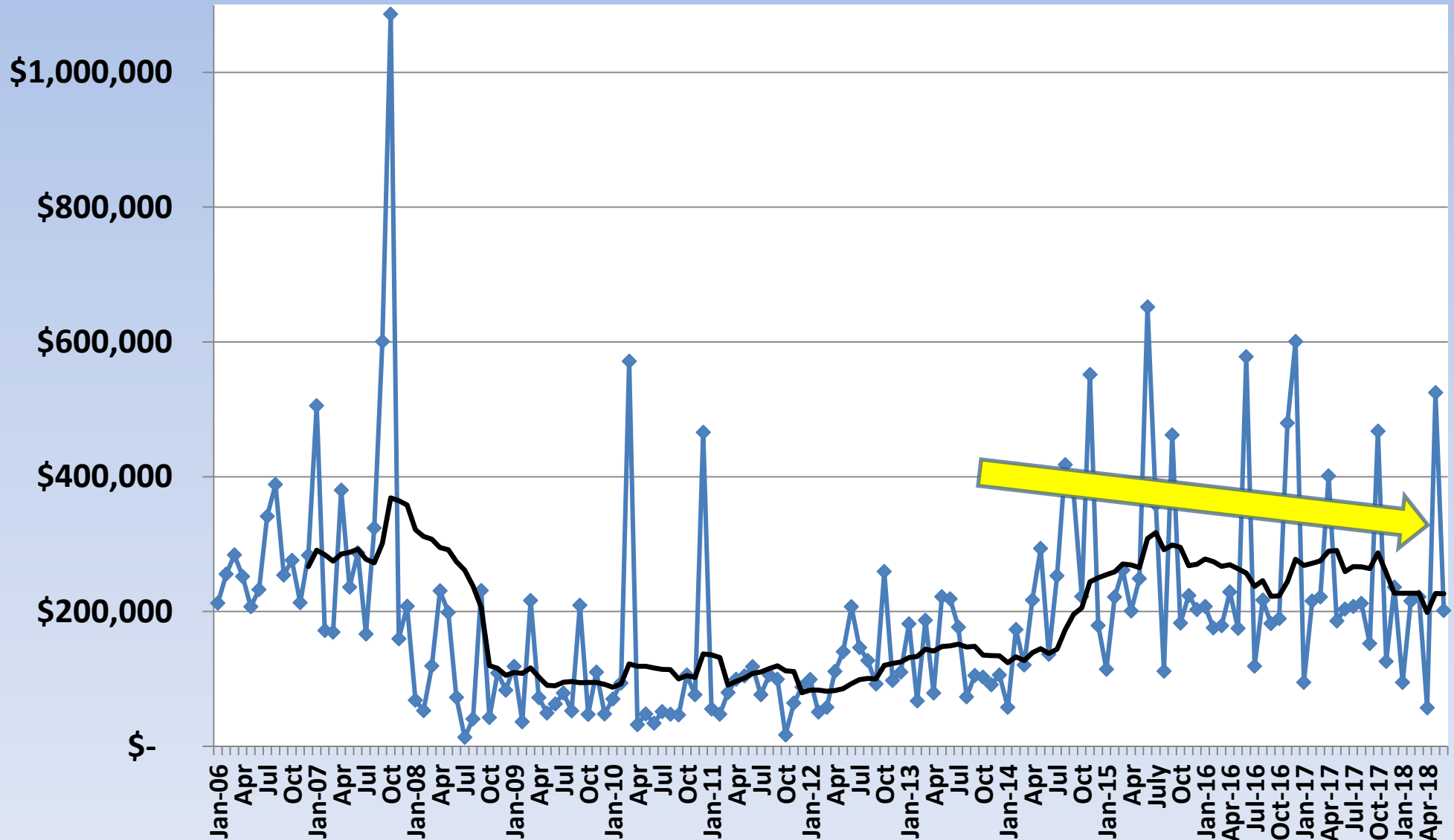


*Monthly Permits Up in First Six Months of 2018 after
being down in December 2017
year-to-date 2018 is 12.0% higher than 2017*

Building Permits since January 2006

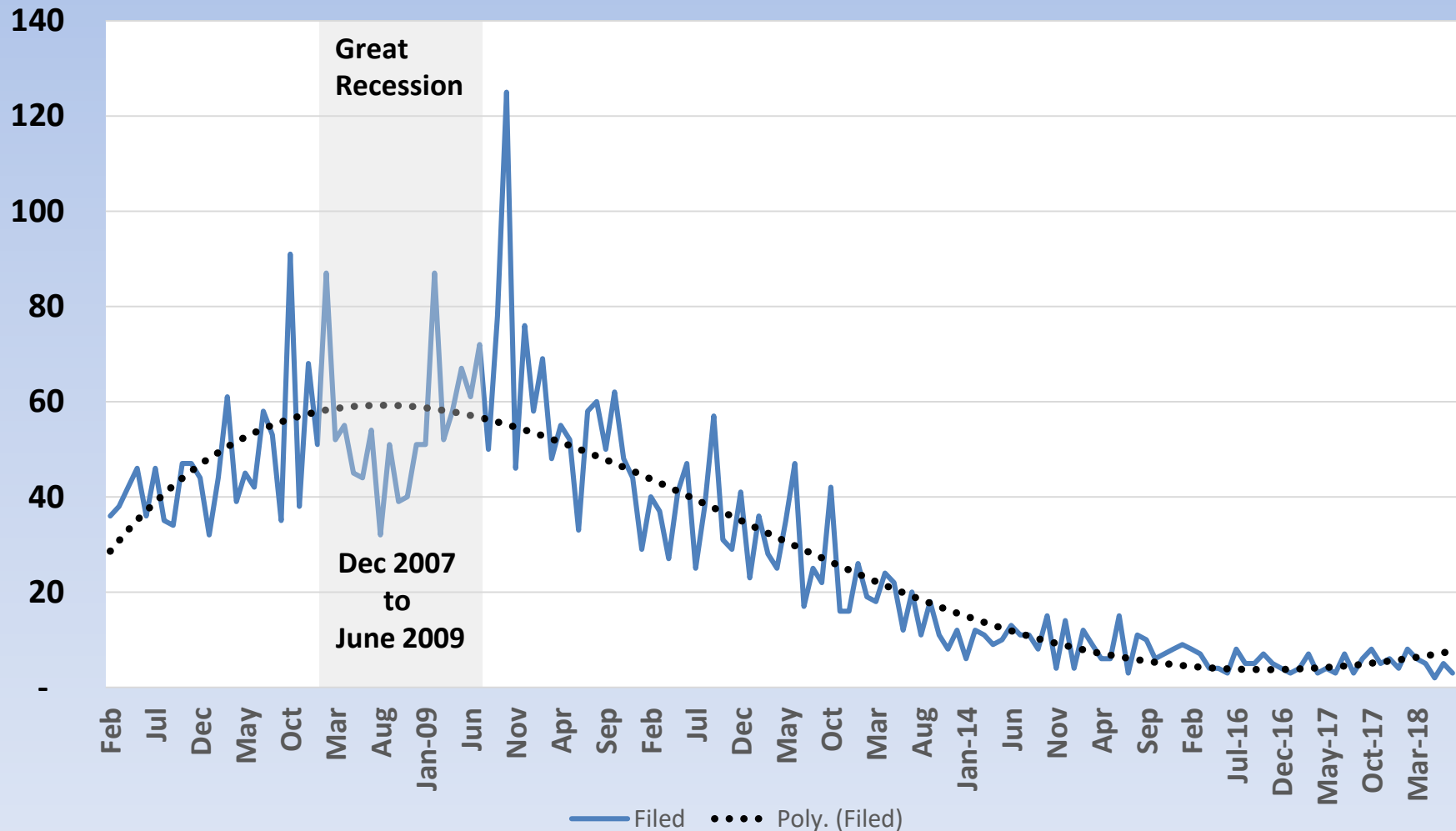


***June Building Use Tax Collections slip 1% under last year
January-June 2018 now 2.8% higher than January-June 2017
2015 was the best showing since the pre-recession boom of 2006 & 2007***

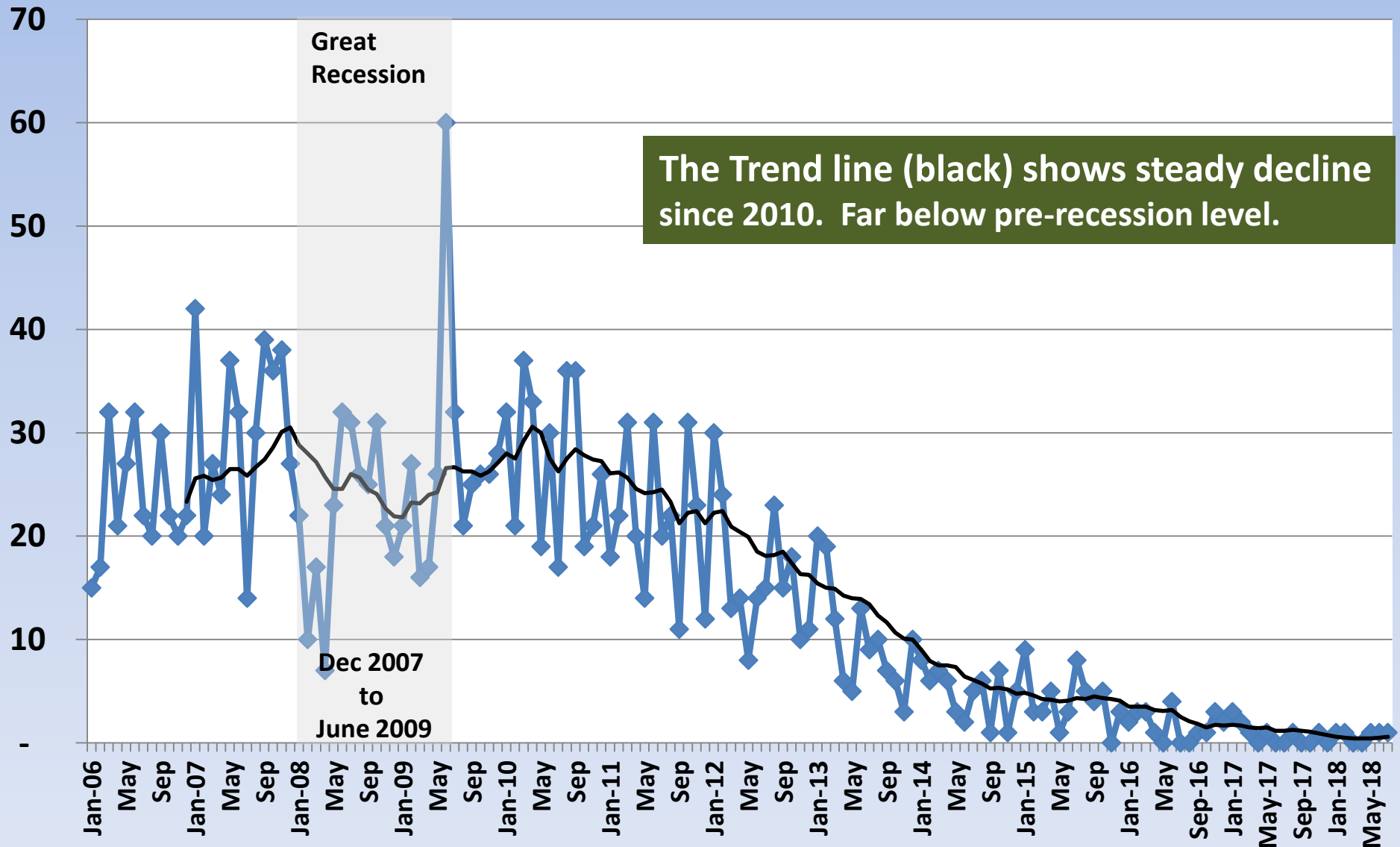


Loveland foreclosures filed still at a very low level in the series – at 3 in July

Foreclosures Filed

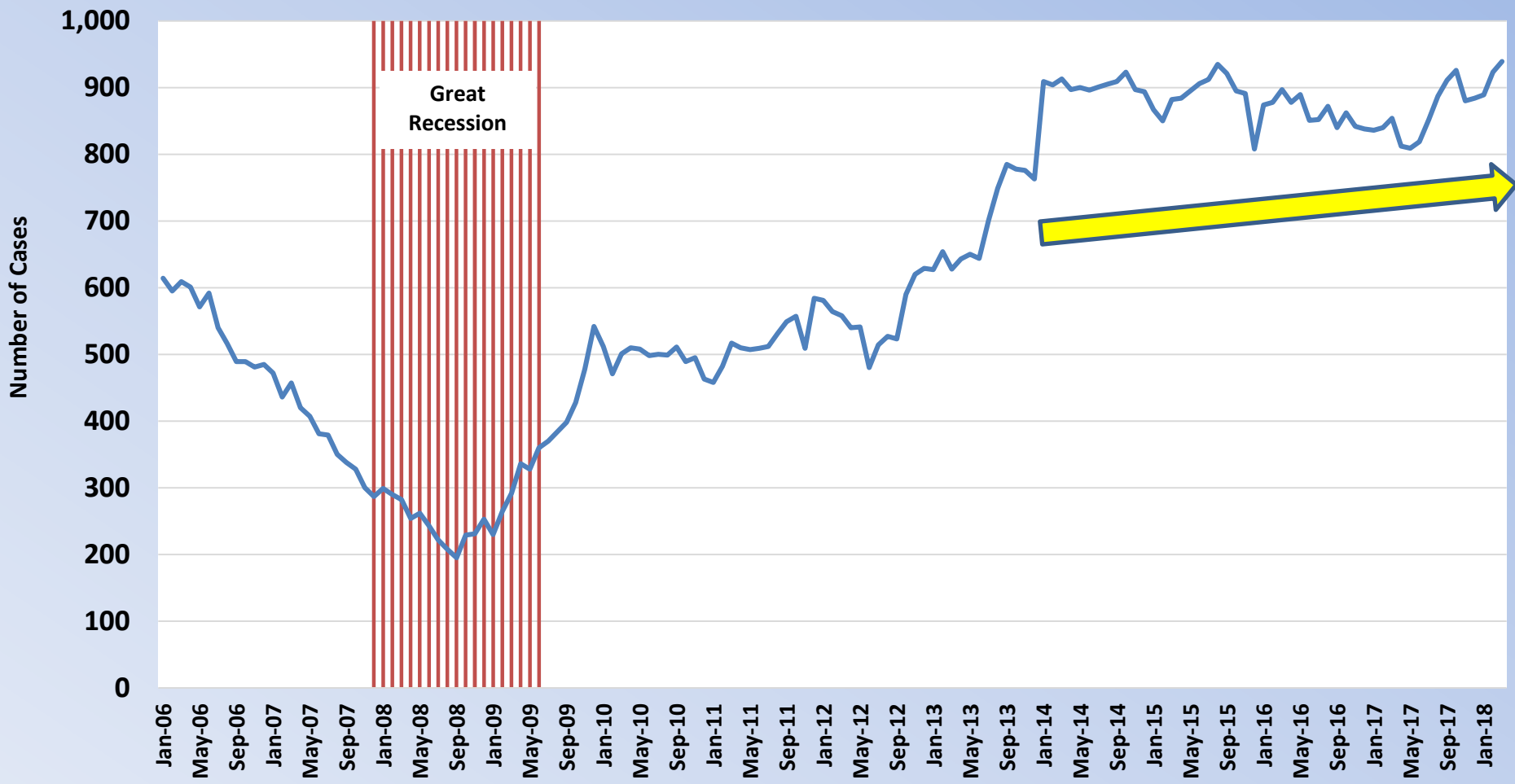


The Trend in Foreclosures completed continues at a very low level. One more in July.



County Temporary Assistance to Needy Families Set a Monthly Record in 2014 Trending higher in recent months

Larimer County Temporary Assistance to Needy Families
Annual Record High Set in 2014
Q1 2018 8.7% higher than Q1 2017

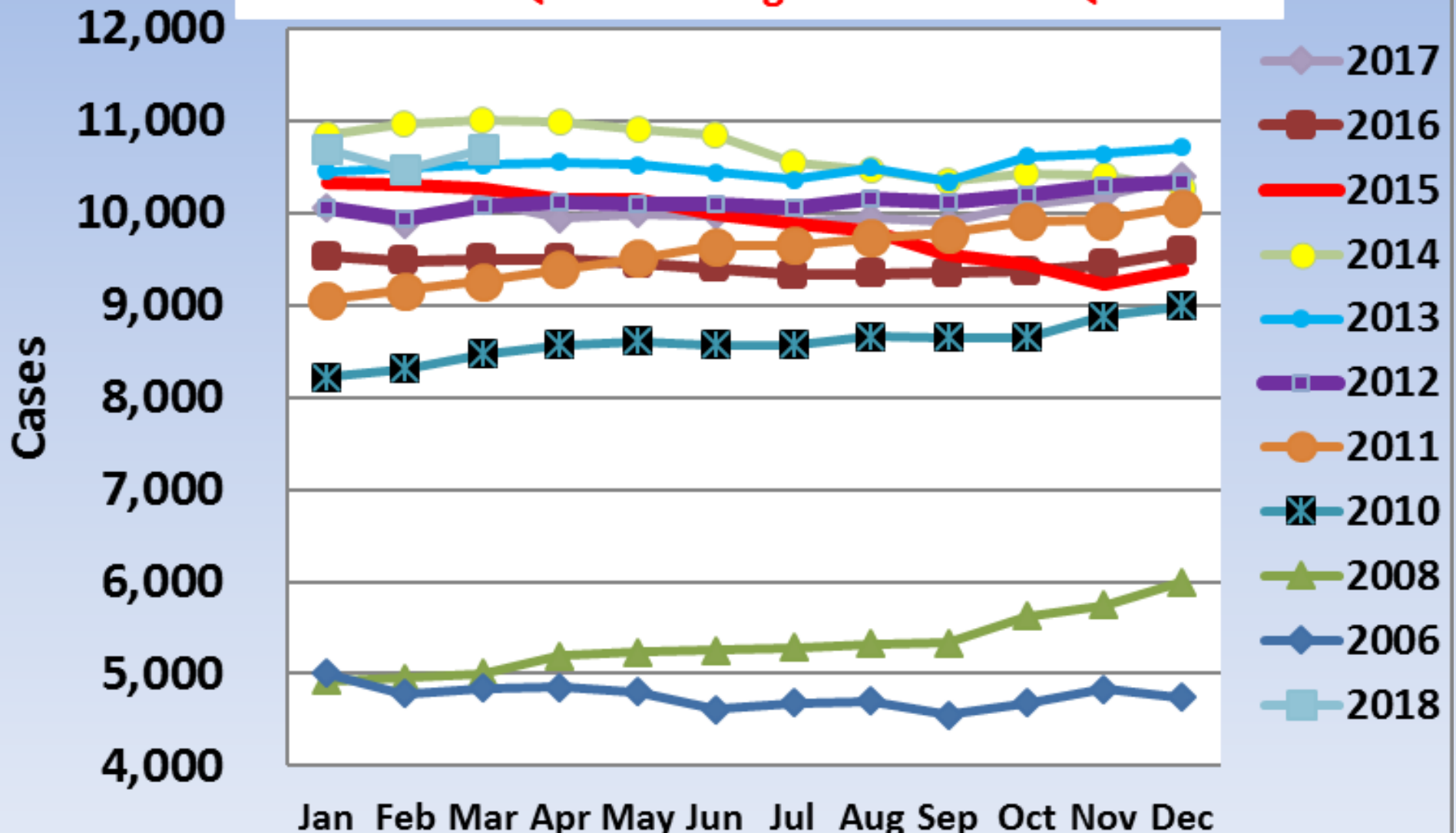


Total Food Stamp cases peaked in 2014

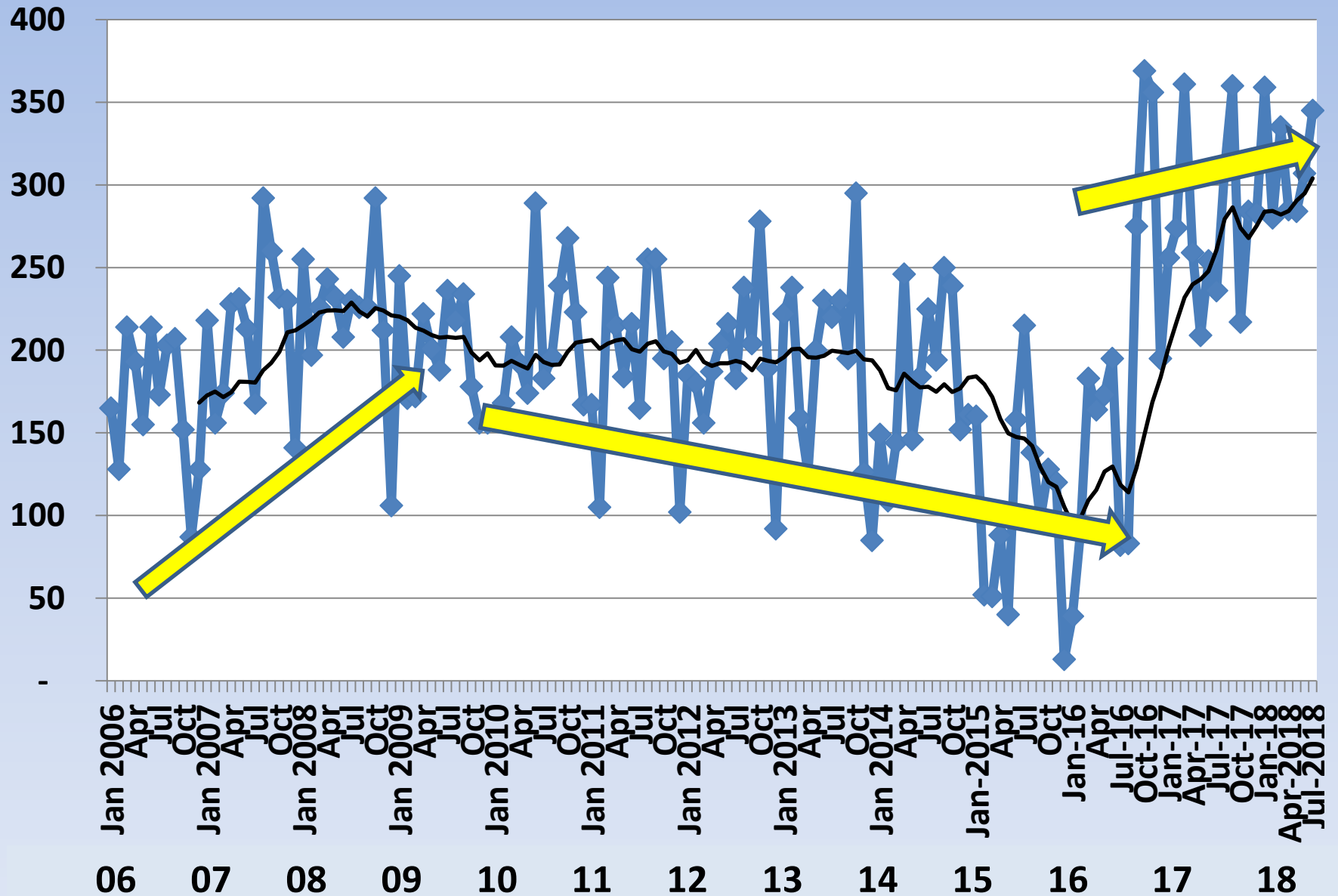
Down in 2015 and 2016, but rising in 2017 & 2018

Food Stamp Cases - Larimer County

Annual Record Set in 2014 2017 up 6.3% from 2016
2018 Q1 is 5.9% Higher than 2017 Q1



Disconnects at 345 in July compared to 307 in June and to in 236 last July



Time for Questions, Comments, Discussion

282