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Inter-Departmental Memo

To: Hon. Howard J. Kopel, Chairman Budget Review Committee
All Members of the Nassau County Legislature

From: Maurice Chalmers, Director
Office of Legislative Budget Review

Date: May 27, 2015

Re: May 2015 Economic Report

Attached is a copy of the Office of Legislative Budget Review's (OLBR) May 2015 economic report. It utilizes Moody's Analytics current forecast and incorporates OLBR's insights. This report is being circulated to assist the Legislature in making policy decisions and in assessing budgetary or planning forecasts. The data included is the most current as of the date of issuance. Additionally, the data is the most geographically relevant.



OFFICE OF LEGISLATIVE BUDGET REVIEW

The Regional and National Economic and Fiscal Forecast for 2015 to 2019

(Based on Moody's Analytics Current Forecast)

May 2015

The Office of Legislative Budget Review, OLBR, has received Moody's Analytics first quarter 2015 forecast of significant Nassau County economic variables. OLBR has compiled, analyzed and depicted Moody's current economic forecast for informational purposes. Throughout the report, OLBR presents the forecast and provides its insights.

The pace of national economic growth slowed in the first quarter of 2015. National economic growth as measured by real US Gross Domestic Product (GDP) registered positive 0.2% growth in the first quarter of 2015. This was lower than the fourth quarter 2014 2.2% growth rate and below economist forecast of 1.0% growth. The slowdown in the speed of national economic growth was attributed to the harsh winter weather, energy companies struggling with low prices, a strong dollar, and labor disputes at west coast ports. The reduced pace of economic growth has caused many economists to believe that the Federal Reserve Bank will not start raising rates until September 2015.¹

Recent indicators suggest that the economy may have picked up steam in April 2015. The US Bureau of Labor Statistics found that 223,000 jobs were added nationwide in April 2015. That is above the 220,000 expected by economists and was 162.4% above March 2015's 85,000

job growth figure.² Locally in April 2015, pending Long Island homes sales increased 5.6% from the prior year.³

Nassau's economy has moved forward in 2015. According to Moody's Analytics, Nassau's Gross County Product (GCP) grew 0.7% in the fourth quarter of 2014 and 0.8% in the first quarter of 2015. Much of the positive economic growth may be attributed to the strong housing market, consumer confidence, job and wage growth.

Table 1 details the actual year to date changes in several regional and local economic variables.

Comparing the current year to date annual growth to the forecast reveals the challenges that lie ahead.

¹ Mutikani, Lucia, "Economy Stalls in First Quarter as Weather, Lower Energy Prices Bite", [Reuters.com](#), April 29, 2015.

² Gillespie, Patrick, "Good News: US Economy Adds 223,000 Jobs", [CNN/Money.com](#), May 8, 2015.

³ Winzelberg, David, "LI Home Sales on the Rise in April", [Long Island Business News](#), May 6, 2015.

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Table 1

2015 Nassau County Economic Indicators Actuals, Forecast, and Growth Required to Reach Forecast						
	Mar-15	Feb-15	Mar-14	Mthly %	Yrly %	Moody's Forecast
NYS Private Wages, Avg. Wkly Earnings	\$978	\$978	\$955	-0.1%	2.3%	5.1%
Nassau Employed Residents, in thousands	648	639	648	1.4%	-0.1%	0.6%
Nassau Labor Force, in thousands	677	671	684	0.9%	-0.9%	0.1%
Regional CPI, Index	260	259	260	0.2%	-0.1%	1.0%
NY Metro Consumer Confidence Index**	89	88	78	0.9%	14.5%	NA
Non Farm Jobs, in thousands	1,277	1,264	1,263	1.0%	1.1%	1.1%
Median Home Sale Price	419,000	408,500	380,000	2.6%	10.3%	4.6%
# of Real Estate Sales (New Mortgages)	705	678	620	4.0%	13.7%	36.2%
*Growth to forecast equals forecast growth % minus yearly growth %						
**Consumer Confidence Index is quarterly, current is March 2015, prior quarter is November 2014 and prior year is March 2014						
Sources: NYS Department of Labor, Siena Research Institute, & Multiple Listing Service of Long Island						

Table 2 details the current Moody's Analytics forecast for Nassau County's major economic indices.

Table 2

2015 to 2019 Nassau County Economic Forecast Forecast Annual Growth Rates*					
	2015	2016	2017	2018	2019
GCP	2.9%	3.0%	2.2%	1.9%	1.4%
Personal Income	5.1%	6.1%	5.6%	4.6%	3.5%
Employed Residents	0.6%	1.1%	0.7%	0.3%	0.2%
Unemployed Residents	-11.3%	-2.1%	-3.5%	-1.8%	0.4%
Unemployment %	4.2%	4.1%	3.9%	3.9%	3.9%
Non Farm Jobs	1.1%	1.7%	1.1%	0.6%	0.4%
New Mortgages	36.2%	15.1%	-13.5%	-0.4%	12.0%
Mortgage Refinances	10.1%	-20.4%	-50.6%	-33.1%	37.8%
Retail Sales	3.4%	4.1%	3.4%	3.1%	2.9%
Median Home Sale Price	4.6%	1.5%	0.2%	0.3%	2.1%
Regional CPI	1.0%	3.3%	3.4%	3.4%	3.2%

Source: Moody's Economy.com

Looking forward, Moody's Analytics currently expects the local economy to move in a positive direction for all years surveyed. Moody's current forecast has Nassau's Gross County Product (GCP) growing 2.9% in 2015, 3.0% in

2016, 2.2% in 2017, 1.9% in 2018, and 1.4% in 2019.

The housing market is expected to be a source of strength in 2015 with new mortgages increasing 36.2% and median prices rising 4.6%. Some positive growth is expected, however OLBR believes the projections to be very aggressive.

According to Moody's Analytics, mortgage refinancing nationally is expected to increase substantially in early 2015, before tapering off towards the end of the year when many expect the Fed to raise rates. This trend is also expected to occur locally with County refinancing activity increasing early in the year, before slowing later in the year. OLBR believes Moody's mortgage refinancing forecast may be optimistic.

Resident employment growth is forecast to be marginal and positive from 2015 through 2019. In 2015 non-farm job growth is projected to grow at 1.1%.

In 2015, personal income growth is expected to exceed consumer price growth by 4.1 percentage points. Hence, on a real basis individuals will have more income available and greater buying power. However, this may not translate into additional purchases as individuals have been increasing their savings and paying off debt.⁴

The major areas of concern for 2015 are resident employment and wage growth. New York State Department of Labor figures reveal that using figures through March 2015, over the past 12 months, the number of Nassau employed residents has fallen 0.5% on average each month and the County's labor force has declined 1.5% on average each month.

⁴ "Wal-Mart Same-Store Sales Miss Estimates as Shoppers Cut Spending", Reuters.com, May 19, 2015.

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Additionally, New York State Department of Labor figures recorded a monthly decline in total private all worker weekly earnings throughout the State.

If the current estimates for Nassau resident employment and personal income growth are not achieved, County sales tax collections and economic activity will be negatively impacted. Having fewer individuals employed, fewer individuals in the labor force, and declining wages will put downward pressure on economic activity and County sales tax collections.

Consumption

Real GDP is a measure of the goods and services provided within an economy. When it increases, it indicates that more goods and services are being provided and therefore, more jobs and personal income are being generated.

Nationally, according to the Commerce Department’s advance monthly sales report, March 2015 retail sales rose 0.9% from the previous month and 1.3% from the prior year. From a quarterly perspective, US retail sales grew 2.2% compared to the first quarter 2014. The gains were broad based with only gasoline stations and department stores recording quarter versus quarter declines.⁵

The Moody’s Analytics May 2015 forecast shows retail sales are expected to be positive throughout 2015 and 2016. Table 3 details Moody’s current forecast for Nassau County personal income, GCP and retail sales. All variables forecast are expected to register positive growth rates in 2015 and 2016.

⁵ Bucchioni, Paul, and Karla Allen, “Advance Monthly Sales for Retail and Food Services”, US Census Bureau, March 2015.

Table 3

Nassau County Consumption Growth by Quarter				
	2015			
	Q1	Q2	Q3	Q4
GCP	0.81%	0.86%	0.85%	0.80%
Total Personal Income	1.22%	1.29%	1.41%	1.51%
Retail Sales	0.80%	0.86%	0.95%	1.04%
	2016			
	Q1	Q2	Q3	Q4
GCP	0.74%	0.67%	0.62%	0.57%
Total Personal Income	1.54%	1.53%	1.49%	1.43%
Retail Sales	1.06%	1.03%	0.96%	0.88%

Source: Moody's Economy.com

It should be mentioned that Table 3’s retail sales quarterly forecast translates to an annual growth rate of 3.4% in 2015. That is 2.6 percentage points lower than the 6.0% sales tax growth required to make the 2015 Adopted Sales Tax Budget.

According to the most recent Siena Research Institute’s (SRI) Consumer Sentiment Report, in March 2015 the metro NYC consumer confidence overall index was up 0.9% from November 2014 and 14.5% March 2014. The March 2015 figure was the highest recorded since April 2013. According to Dr. Lonnstrom, the founding director of SRI, “Despite trailing national numbers by close to seven points, consumer sentiment increased across New York and is now firmly in the optimistic camp. Current sentiment, the measure of how consumers are feeling about their economic present as well as their buying power, hit an eight year high.”⁶

The strong regional March 2015 consumer confidence was echoed nationally. The Conference Board reported that in March 2015, national consumer confidence climbed to 101.4, from 98.8 in February. The March 2015 reading

⁶ “Consumer Sentiment Strengthens; Current Confidence Hits 8-Year High”, Siena Research Institute, April 8, 2015.

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was greater than analyst’s expectation of 96.0.⁷ However, the positive trend recorded through March 2015 may not continue since nationwide consumer confidence fell in April 2015, erasing the year to date gains.⁸

Labor Market

According to NYS Department of Labor figures, Nassau County’s unemployment rate fell to 4.3% in March 2015, down from February 2015’s 4.8% rate and March 2014’s 5.2% rate. Factored into the monthly drop in the unemployment rate, was a monthly increase in employed residents. Compared to the prior month, 9,100 more residents were employed.

The labor news was not all positive. From an annual perspective, much of the decline in the unemployment rate could be attributed to workers choosing to leave the labor force. The labor force declines when discouraged, unemployed workers give up looking for work and when individuals choose to retire. From an annual viewpoint, there are 400 less employed residents and 6,400 fewer individuals in the workforce.

Table 4 reveals that the labor market conditions are expected to improve through 2019, with positive increases in the number of employed residents. The number of unemployed residents is expected to decline through 2018. Moody’s is forecasting the number of employed residents to increase by 0.6% in 2015, 1.1% in 2016, 0.7% in 2017, 0.3% in 2018, and 0.2% in 2019. Nassau’s unemployment rate is expected to decline through 2017 and then level off. The current forecast has the average annual County unemployment rate falling to 4.2% in 2015, 4.1% in 2016, and 3.9% from 2017 to 2019.

Table 4

Nassau Labor Market Projected Annual Growth Rates					
	2015	2016	2017	2018	2019
Total Employed	0.6%	1.1%	0.7%	0.3%	0.2%
Total Unemployed	-11.3%	-2.1%	-3.5%	-1.8%	0.4%
Average Unemploy					
%	4.2%	4.1%	3.9%	3.9%	3.9%
Source: Moody's Economy.com					

Non-Farm Jobs

Both monthly and annual Long Island job growth was positive in March 2015. As of March 2015, there were 13,400 more non-farm jobs than in the prior year and 12,700 more than in the prior month. The annual job growth was widespread with only the information and financial activities sectors recording annual losses. The largest annual increases were in the education and health services and the leisure and hospitality sectors.

Analyst noted that the rate of job creation was good, although it was slower than that experienced in 2011 and 2012.⁹

Nassau County is similarly expected to generate positive total non-farm job growth from 2015 to 2019. Table 5 details projected Nassau County job growth by sector. In 2015, only the construction and financial activities sectors are forecast to register job losses. From a five year perspective, Nassau is forecast to record non-farm job growth of 4.9%. Over the next five years only the retail trade sector is expected to see a decline in jobs.

⁷ “US Consumer Confidence Surges in March”, Reuters.com, March 31, 2015.

⁸ “The Conference Board Consumer Confidence Index Retreats in April”, Conference-Board.org, April 28, 2015.

⁹ Solnik, Claude, “Long Island Adds Jobs, but Rate Slows”, Long Island Business News, April 16, 2015.

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Table 5

Nassau County Annual Job Growth By Sector, 2015 to 2019						
	2015	2016	2017	2018	2019	5 Yr.
Construction	-1.7%	5.6%	3.1%	0.7%	-0.2%	7.5%
Education & Health	2.3%	2.1%	1.4%	1.2%	1.0%	8.0%
Financial Activities	-1.0%	0.8%	0.5%	0.3%	0.2%	0.9%
Government	0.1%	0.6%	0.2%	0.1%	0.2%	1.2%
High Tech	0.6%	2.5%	1.8%	1.1%	0.8%	6.8%
Leisure and Hospitality	2.2%	2.3%	1.6%	1.0%	0.8%	7.9%
Professional & Business Svs.	3.0%	3.9%	2.7%	1.8%	1.2%	12.7%
Retail Trade	0.0%	-0.3%	-0.5%	-0.6%	-0.6%	-1.9%
Non-Farm Jobs	1.1%	1.7%	1.1%	0.6%	0.4%	4.9%

On a year to date basis, NYS Department of Labor figures show a 1.2% drop in natural resources, mining and construction. The decline in Long Island construction jobs was also noted in a report from the Associated General Contractors of America. They found that the number of construction jobs on Long Island dropped 2.0% in March 2015 from the prior year.¹⁰

According to Moody’s Analytics, the forecast does account for the upcoming renovations to the Nassau Coliseum. They expect a bump to construction employment in the latter half of 2015. However, the upswing in the end of 2015 will not be enough to offset the weakness from earlier in the year when struggling homebuilding and severe winter weather contributed to subpar performance in the first half of 2015. Moreover, OLBR opines that the completion of many Sandy related renovations also contributed to the current construction job decline.

Housing

The Nassau County housing market recorded strong growth in March 2015. Multiple Listing Service of Long Island (MLSIL) figures show that in March 2015 median home prices

¹⁰ Winzelberg, David, “LI Construction Employment Declines”, Long Island Business News, April 30, 2015.

increased 10.3% from the prior year and 2.6% compared to the prior month. Demand was robust enough that the monthly and annual growth in the number of homes sold exceeded the median home sale price inflation. Table 6 details the actual MLSIL figures.

Table 6

Nassau County Housing Actuals					
Current	Mar-14	Feb-15	Mar-15	Mthly %	Yrly %
	Closed Sales	620	678	705	4.0%
Median Sale Price	380,000	408,500	419,000	2.6%	10.3%
Pending	Mar-14	Feb-15	Mar-15	Mthly %	Yrly %
	Contract Sales	900	830	962	15.9%
Median Contract Price	420,000	420,000	428,225	2.0%	2.0%

Source: Multiple Listing Service of Long Island, Zone Activity Report

Looking forward, using MLSIL’s pending sales data as an indicator of future market conditions reveals that the current strong home price and transaction growth will continue over the remainder of 2015.

Table 7 depicts Moody’s current Nassau County housing market forecast by quarter. Moody’s forecast mirrors MLSIL’s strong contract sales data, in that Moody’s envisions robust growth, above 5.0% in all quarters in 2015.

However, Moody’s forecast may be a bit optimistic. As Table 1 details, Moody’s expects 36.2% growth in new mortgages in 2015. Comparing that forecast to the current year to date annual closed sale growth of 13.7%, implies that homes sales would have to grow by 22.5 percentage points to reach the forecast level. Additionally, the annual growth of pending sales is 6.9%, 29.3 percentage points below the current forecast.

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Table 7

Nassau County Housing Forecast by Quarter				
	2015			
	Q1	Q2	Q3	Q4
New Mortgages	9.68%	9.38%	8.19%	6.33%
Refinances	11.36%	11.13%	5.17%	-1.84%
Median Sale Price	1.42%	1.28%	0.93%	0.53%
	2016			
	Q1	Q2	Q3	Q4
New Mortgages	4.10%	1.58%	-1.25%	-3.76%
Refinances	-7.05%	-10.91%	-13.74%	-15.84%
Median Sale Price	0.24%	0.08%	0.05%	0.07%

Source: Moody's Economy.com

The Elliman report parses the Nassau MLSLI data into several regions, Nassau's north shore (NNS), Nassau's south shore (NSS) and the middle of Nassau (NMI). Table 8 reveals the number of home sales, average median sale prices and number of pending sales by region.

Table 8

Nassau Home Statistics by Region				
Location	1st Qtr	Sold #	Median Sale	Pending
NMI	2014	999	375,000	1,291
	2015	995	389,777	1,388
Annual Change		-0.4%	3.9%	7.5%
NNS	2014	442	697,944	535
	2015	460	748,250	606
Annual Change		4.1%	7.2%	13.3%
NSS	2014	571	372,000	719
	2015	715	390,000	789
Annual Change		25.2%	4.8%	9.7%

Drilling down on the Nassau data by region reveals that year to date, the south shore has been the main driver of housing market transactions. However, all sections are expected to record strong future growth as indicated by the pending sales data.

The south shore is the only region that recorded a double digit increase in the number of closed sales. Moreover, the precipitous closed sale increase occurred in tandem with a 4.8% increase in median sale price. Future growth on the south shore is expected to moderate but remain positive in that annual pending sales growth is 9.7%. Experts stated that much of the south shore price growth may be attributed to storm-damaged homes being repaired, expanded and sold. They also took it as a sign that the trauma of what happened was over, that “at the end of the day, people like water, people like beaches.”¹¹

The North Shore similarly saw positive sales growth coupled with higher prices. Pending sales indicate that over the next six months, the North Shore will see the greatest growth in housing transactions.

The Middle Island region saw a marginal decline in housing transactions from an annual perspective. However, pending sales data reveal that the negative is expected to turn positive over the next six months.

In the rental market, a study by the National Association of Realtors found that the gap between rental costs and household income is widening to unsustainable levels in many parts of the US. In the NY metro area, rents have increased 50.7% over the last five years while income has grown 8.0% for those 25 to 44 years old. This makes it harder for renters to become homeowners and thus puts downward pressure on home sales.¹²

¹¹ McDermott, Maura, “Long Island Home Prices Up, Inventory Down in First Quarter, Report Says”, *Newsday*, April 23, 2015.

¹² Winzelberg, David, “NAR: NY Rental Costs Unsustainable”, *Long Island Business News*, March 16, 2015.

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In the commercial office market, the first quarter of 2015 saw positive growth. A report by Jones Land LaSalle found that on Long Island, 16 leases were signed for 619,000 square feet. That is up from the first quarter 2014 when nine leases were signed for 400,000 square feet.¹³ A report by Cushman & Wakefield found that the first quarter 2015 office vacancy rate in Nassau was 12.8%, a decrease compared to the prior year.¹⁴

Prices

The Consumer Price Index (CPI) is a measure of the average change in the prices of goods and services purchased by households over time. According to the U.S. Bureau of Labor Statistics, U.S. consumer prices rose 0.2% in March. March's growth was fueled by increased gasoline and housing costs. The Core Index, which excludes volatile energy prices, also grew 0.2% this March¹⁵.

Regionally, consumer prices were up 0.2% from the prior month and down 0.1% from the prior year. Decreased food and energy prices were the primary force behind the annual decline in regional consumer prices. The regional all items index excluding food and energy prices increased 1.6% from the prior year.

Looking forward, regional consumer prices are expected to increase for the remainder of 2015 through 2019. The quarterly forecast for regional consumer prices for this period is shown in Table 9. The annual growth rates may be seen on Table 1.

¹³ Ocasio, Victor, "Tech Industry drives Long Island Office Market in First Quarter", Newsday, April 14, 2015.

¹⁴ Winzelberg, David, "Office Market Poised for Expansion", Long Island Business News, April 21, 2015.

¹⁵ Lucia Mutikani, "U.S. Consumer Prices Edge Up, Supporting Fed Rate Rise", Reuters, April 17, 2015.

Table 9

Regional Consumer Price Forecast by Quarter				
	Q1	Q2	Q3	Q4
2015	-0.40%	0.72%	0.89%	0.99%
2016	0.72%	0.76%	0.76%	0.84%
2017	0.84%	0.85%	0.85%	0.86%
2018	0.84%	0.84%	0.83%	0.81%
2019	0.79%	0.76%	0.74%	0.72%

Source: Moody's Economy.com

Price growth has been an enduring challenge to Nassau's economic prosperity. U.S. Census Bureau figures reveal that over the past 10 years, regional consumer prices have increased 9.9% more on average annually than prices across the rest of the nation. Included in the regional index is New York, Northern New Jersey, Long Island, Connecticut and Pennsylvania. The continual growth in prices has led to Nassau County's being tied with Suffolk as the most expensive place to live in America. Both counties are 55% more expensive than the average American City¹⁶. However, the growth in prices should be offset by growth in personal income. As seen in Table 2.0, Moody's expects personal income to outpace the regional CPI growth rate in each year from 2015 to 2019.

Sales Tax Predictors

In the Adopted 2015 Budget, excluding inter-fund revenues, sales tax revenue accounts for approximately 38.4% of the County's five major funds revenue, making it an important trend to monitor and forecast. Common predictors that help project sales tax growth are personal income, consumer price growth, and resident employment levels. The current Moody's regional forecast is positive for all of these variables. Moreover, the forecast for personal income growth exceeds the forecast for

¹⁶ Phil Noble, "Nassau, Suffolk are the Most Expensive Places to Live in the U.S.", Newsday, February 23, 2015.

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consumer prices, resulting in increased consumer purchasing power. These forecasts should positively impact County sales tax collections.

However, there are several threats to positive forecasts.

New York State Department of Labor figures reveal that throughout the State total private industry, all worker weekly earnings fell 0.1% in March 2015 from the prior month and rose 2.3% from an annual perspective.

Moreover, although the forecast for resident employment is positive, it is not robust in that a marginal 0.6% growth rate is expected.

Lastly, Long Island residents are carrying above average debt which is expected to put downward pressure on consumer purchases. According to the Federal Reserve Bank of New York, Long Islanders with home loans are twice as likely as homeowners throughout the nation to fall behind on their mortgage payments. Additionally, average LI home equity balances are \$36,500 more than the US average and average LI student loan and credit card debt levels are slightly more than state and national levels.¹⁷

If the monthly fall in NYS wages continues and resident employment growth does not reach the forecast amount, County sales tax collections would be negatively impacted.

Lodging Industry

Table 10 illustrates average hotel/motel occupancy and daily rental rates in Nassau for the First Quarter of 2011 to 2015. As Table 10 demonstrates, the lodging industry registered

nominal growth in the first quarter of 2015 when compared to the first quarter of 2014. Average occupancy rate grew 1.5 percentage points in the first quarter of 2015, while average daily rental rates were up 0.7% during this time.

Table 10

Year	First Quarter Average Occupancy Rate	First Quarter Average Daily Rate
2011	59.10%	\$121.47
2012	61.67%	\$124.50
2013	81.60%	\$141.31
2014	66.07%	\$134.04
2015	67.60%	\$134.92

Source: Long Island Convention & Visitors' Bureau

As OLBR reported in the Year End 2014 Economic Review, the County's lodging industry is resurgent. The average occupancy rate is up 8.1 percentage points since 2010. The average daily rental rate has grown 13.2% during this time. While the most recent returns are important, the first quarter isn't traditionally strong for the County's lodging industry. Therefore, even though the growth registered in the first quarter of 2015 is nominal, it indicates that the County's lodging industry continues on its upward trajectory.

The incremental gain registered in the first quarter supports Moody's forecast for 2.2% employment growth in Nassau's hospitality and leisure sector. If this trend holds up over the rest of the year, the County could realize a \$500,000 surplus in hotel/ motel tax revenue.

Conclusion

Both the national and local economies moved forward at a slow but positive pace during the first quarter of 2015. The growth was broad based with the job, housing, office, rental, and tourism markets all registering positive economic activity. The momentum was felt by consumers whose confidence levels throughout

¹⁷ McDermott, Maura, "LIers Fall Behind on Mortgages at Twice National Rate: Fed", Newsday.com, April 13, 2015.

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the metropolitan area were up 14.5% from the prior year. Moreover, recent indicators suggest that growth may have increased in April 2015 and Moody's Analytics is currently projecting continued positive growth throughout 2015.

In OLBR's perspective, the economy is moving forward and is expected to show positive annual gains. However, Moody's projections are seen as optimistic.

The major risks to the forecast include the following.

Resident employment and NYS wage growth have been sluggish. If the current estimates for Nassau resident employment and personal income growth are not achieved, County sales tax collections and economic activity will be negatively impacted. Currently, 6.0% sales tax growth is needed to achieve the 2015 budget.

The current job forecast assumes that construction begins in August 2015 on a new coliseum. If this is delayed, County sales tax collections and economic activity will be negatively impacted.

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