NEWS RELEASE

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Economic recovery advances across counties yet gaps in opportunity remain

New NACo analysis: recovery produces mixed results for county economies

WASHINGTON, D.C. – A new in-depth analysis reveals that economic recovery accelerated on the ground over the past year, but challenges remain. 2015 was a year of strong growth; however, most county economies have not recovered to pre-recession levels on jobs and unemployment. Additionally, between 2009 and 2014, real wage growth has not always kept pace with productivity gains.

County Economies 2015: Opportunities and Challenges, released today by the National Association of Counties (NACo), tracks annual changes in 2015 in four key economic performance indicators across the nation's 3,069 county economies. The performance indicators are: economic output (GDP), employment, unemployment rates and home prices. The new analysis also explores wage dynamics in 2014 and between 2009 and 2014.

"Despite the economic rebound in some areas across the country, the majority of our counties' families are still struggling financially," said NACo President Sallie Clark. "Counties are the foundation and the building blocks of our community, regional, statewide and national economies. Strong county economies help to create healthy, vibrant and safe neighborhoods by providing vital services for our citizens."

Recovery of unemployment and home prices accelerated, but GDP recovery was less pronounced.

- In 2015, two and a half times more — or an additional 462 — county economies returned to their pre-recession unemployment rates than the previous year. In a similar number of county economies home prices recovered to their pre-recession peaks.
- Nearly half of county economies experienced growth across all indicators, but 36 percent saw declines in economic output (GDP).
- More than half of oil and gas county economies experienced economic output declines.

Economic recovery is spreading more rapidly, but most county economies have not fully recovered.

- By 2015, 214 county economies recovered on all four indicators, almost three times more than by 2014.
- County economies fully recovered represent only seven percent of all county economies. The majority of the fully-recovered county economies are concentrated in Texas, Nebraska and Kansas.
- For the first time, 17 of the 126 large county economies — counties with more than 500,000 residents — reached pre-downturn levels on all indicators.
- Almost 16 percent of county economies had not recovered on any indicator.

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The recovery is creating an uneven geography of opportunity.

- Wages increased for about two-thirds of county economies in 2014, the latest year with available data.
- Since 2009, however, growing productivity has not always meant that wages have grown.
- Between 2009 and 2014, 47 percent of county economies experienced increases in productivity and wages — including the majority of counties in Kansas, Nebraska, Oklahoma and Texas.
- Twenty-eight percent of county economies saw real wages decline while productivity increased.

As candidates for president discuss their plans for expanding opportunity for Americans, NACo encouraged them to work with counties.

"We are doing our part, investing in economic development, infrastructure and other services, but we cannot do it alone. Counties urge candidates for president to work with us to create greater opportunity for all Americans," said Matthew Chase, NACo's executive director. "Economic realities on the ground highlight the importance of working closely with our state, federal, non-profit and private-sector partners to deliver essential services to residents across the country."

Emilia Istrate, NACo's director of research, added, "*County Economies 2015* reminds us that the national picture of the U.S. economy can obscure what is happening on the ground. Economic growth is spreading, but most county economies have not recovered to levels seen before the recession."

For the full report and more information, visit www.naco.org/CountyEconomies.

For individual county economic profiles for each of the 3,069 county economies and an interactive map with data related to the report, visit http://explorer.naco.org/.

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The National Association of Counties (NACo) unites America's 3,069 county governments. Founded in 1935, NACo brings county officials to gether to advocate with a collective voice on national policy, exchange ideas and build new leadership skills, pursue transformational county solutions, enrich the public's understanding of county government and exercise exemplary leadership in public service. More information at: www.naco.org.