



# Gulf Coast Chapter

Florida Government Finance Officers Association

## Economic Update for Local Governments

March 13, 2025

**Presenter:**

David Jang, CTP

Chairman

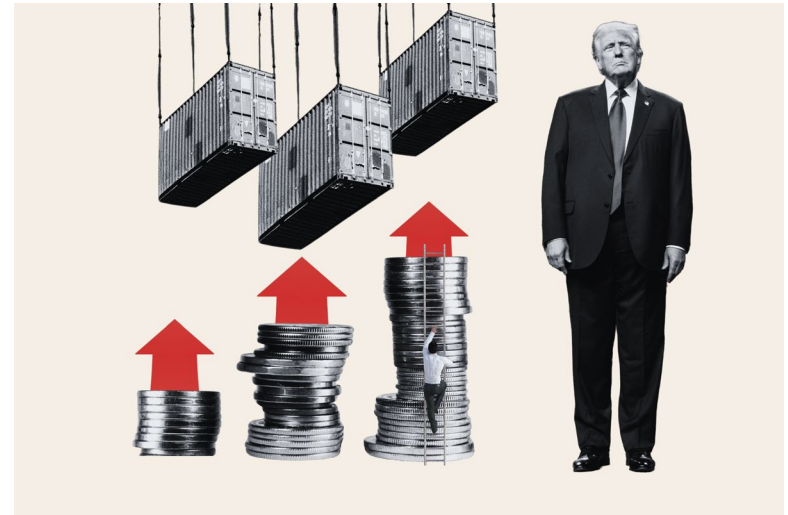
# Today's Objectives

- Analyze how the economy is performing
- Assess the direction of interest rates in 2025
- Determine how the above factors may affect your budget



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# President Trump's Agenda

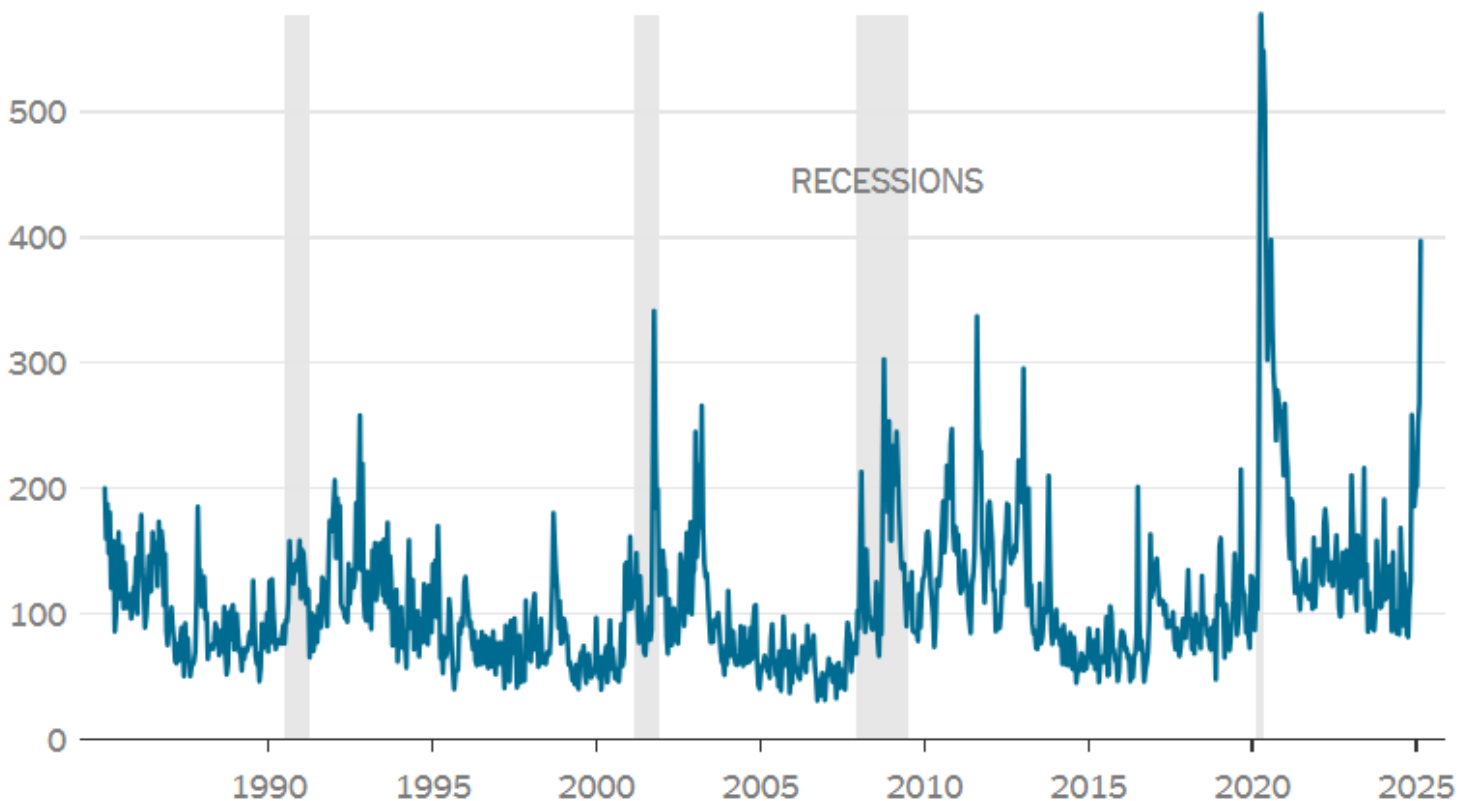


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# Volatile Times

## Economic policy uncertainty index



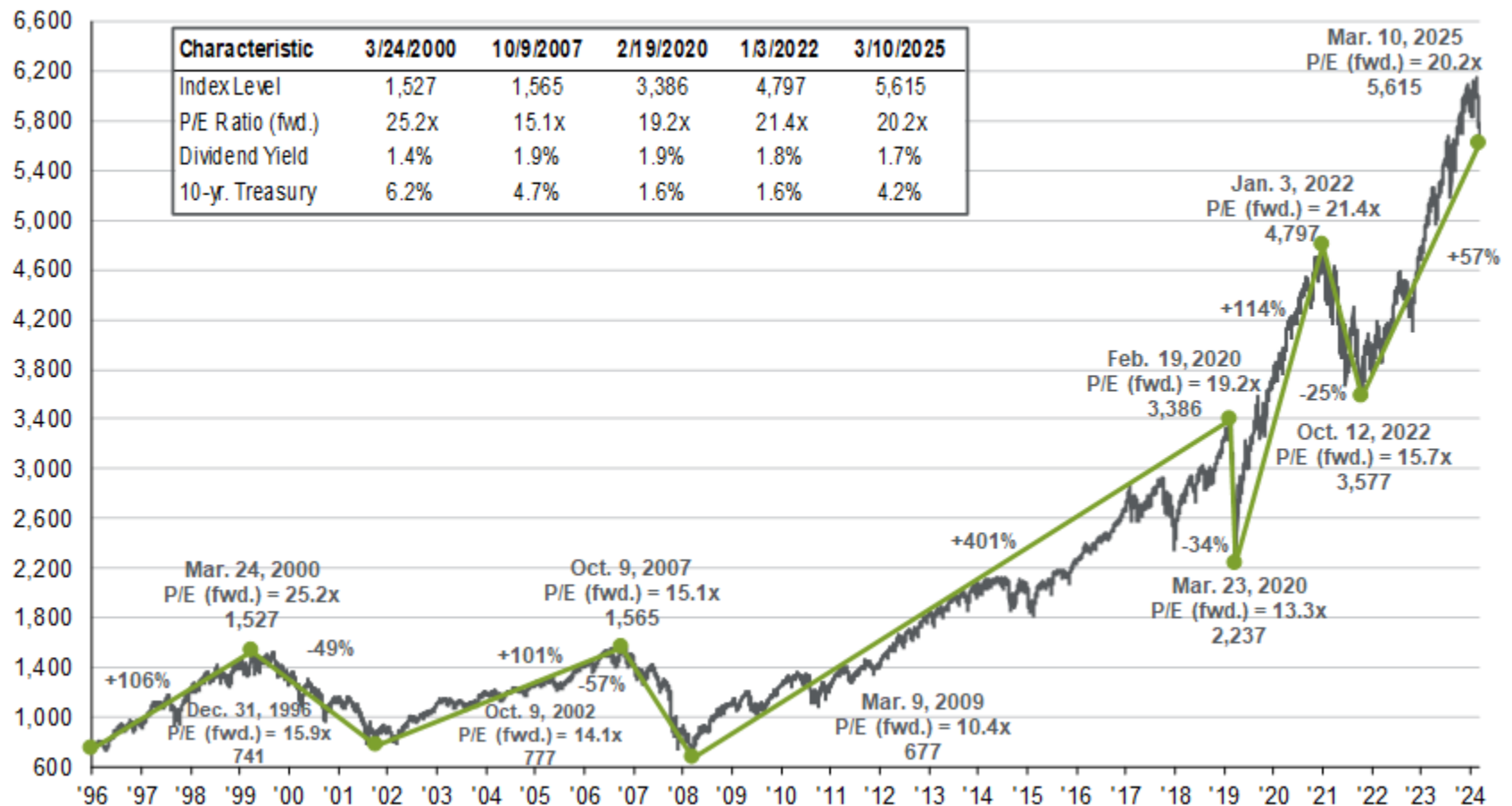
Note: Daily data, shown as biweekly average. • Source: Federal Reserve Bank of St. Louis • By The New York Times

NY Times 2/13/25

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# Equities Market

## S&P 500 Price Index



Source: Compustat, FactSet, Federal Reserve, Refinitiv Datastream, Standard & Poor's, J.P. Morgan Asset Management.  
 Dividend yield is calculated as consensus estimates of dividends for the next 12 months, divided by most recent price, as provided by Compustat. Forward price-to-earnings ratio is a bottom-up calculation based on IBES estimates and FactSet estimates since January 2022. Returns are cumulative and based on S&P 500 Index price movement only, and do not include the reinvestment of dividends. Past performance is not indicative of future returns.  
 Guide to the Markets—U.S. Data are as of March 10, 2025.

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# Stock Market This Week (Wall Street Journal)

U.S. stock indexes, past three sessions



As of March 11, 2:35 p.m. ET

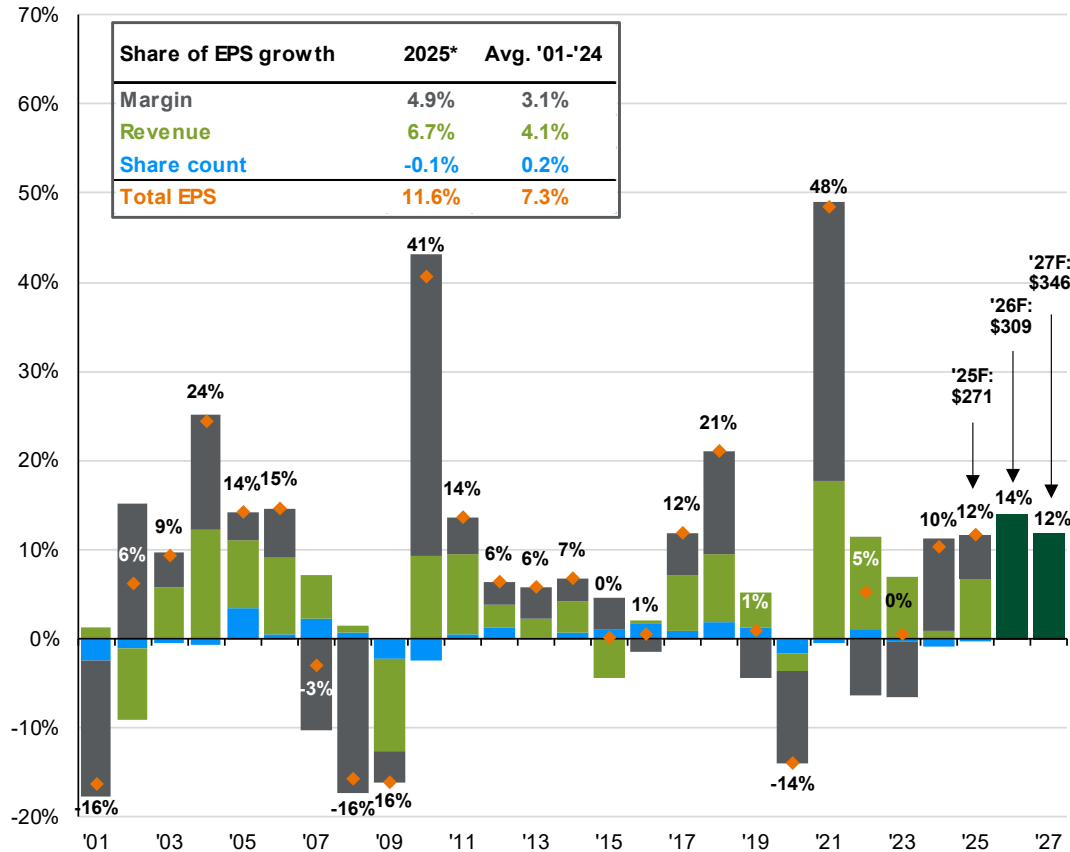
Source: FactSet

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# Healthy Corporate Profits

## S&P 500 year-over-year pro forma EPS growth

Annual growth broken into changes in revenue, profit margin and share count



Source: Compustat, FactSet, Standard & Poor's, J.P. Morgan Asset Management.

Historical EPS levels are based on annual pro forma earnings per share. \*2025, 2026 and 2027 EPS growth numbers are based on consensus analyst estimates for each calendar year. Past performance is not indicative of future returns.

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## S&P 500 profit margins

Quarterly earnings/sales



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# Expected Gains for Many Sectors

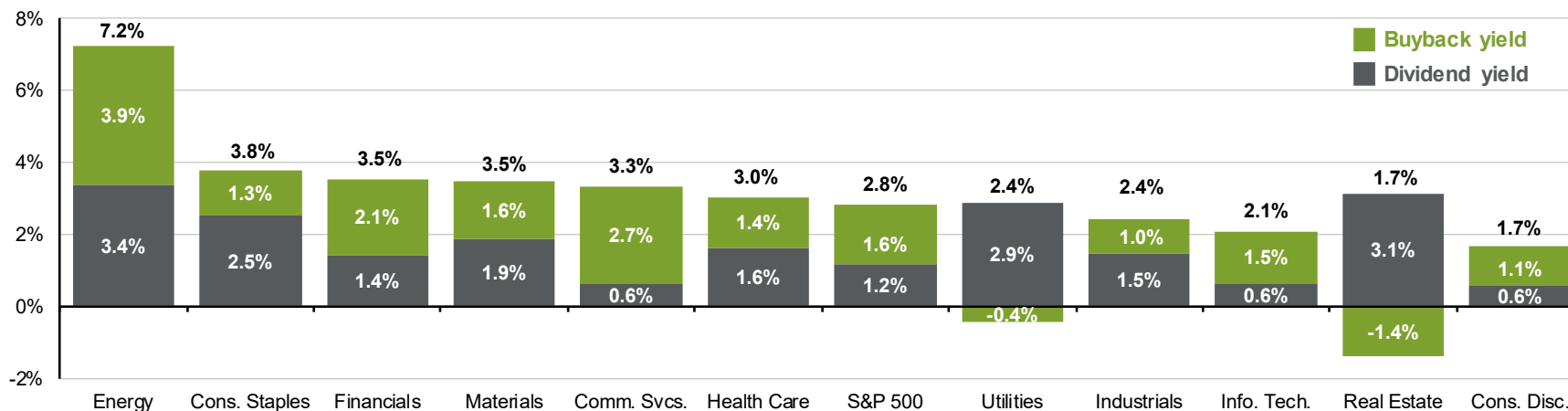
## S&P 500 sector pro forma EPS growth

Year-over-year

	Weight*	2022				2023				2024				2025			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1QF	2QF	3QF	4QF
Tech.	30%	14%	1%	-1%	-9%	-8%	4%	14%	23%	25%	20%	19%	20%	16%	19%	19%	18%
Financials	14%	-19%	-21%	-18%	-13%	-5%	-2%	12%	-21%	9%	17%	7%	58%	2%	4%	10%	5%
Health Care	11%	15%	8%	0%	-4%	-15%	-27%	-18%	-15%	-25%	19%	14%	15%	38%	11%	14%	17%
Cons. Disc.	10%	-29%	-16%	7%	-19%	38%	48%	38%	27%	21%	10%	8%	25%	0%	3%	7%	7%
Comm. Services	9%	-1%	-21%	-23%	-26%	-14%	20%	44%	44%	42%	8%	26%	31%	5%	31%	4%	7%
Industrials	9%	38%	33%	20%	40%	24%	12%	9%	4%	2%	-3%	-11%	4%	4%	6%	27%	10%
Cons. Staples	6%	8%	2%	1%	1%	3%	8%	7%	6%	6%	4%	4%	2%	-6%	2%	3%	7%
Energy	3%	282%	301%	140%	58%	19%	-49%	-34%	-23%	-24%	0%	-28%	-30%	-17%	-8%	14%	23%
Utilities	2%	27%	-4%	-8%	10%	-23%	-3%	10%	32%	28%	21%	-2%	2%	9%	3%	15%	7%
Materials	2%	47%	17%	-12%	-18%	-20%	-24%	-16%	-21%	-21%	-8%	-11%	5%	-11%	0%	21%	15%
Real Estate	2%	19%	6%	11%	8%	-1%	5%	-1%	3%	6%	0%	3%	3%	-1%	2%	4%	5%
S&P 500		10%	7%	3%	-3%	-1%	-4%	6%	4%	6%	11%	7%	18%	7%	9%	13%	12%

## Total shareholder yield by sector

Last 12-months dividends and buybacks minus issuance divided by market cap



Source: FactSet, J.P. Morgan Asset Management. Forecasts reflect analyst expectations. Heatmap shading applies a range of -20% (deep red), 0% (yellow) and +20% (deep green). \*% of S&P 500 market capitalization.

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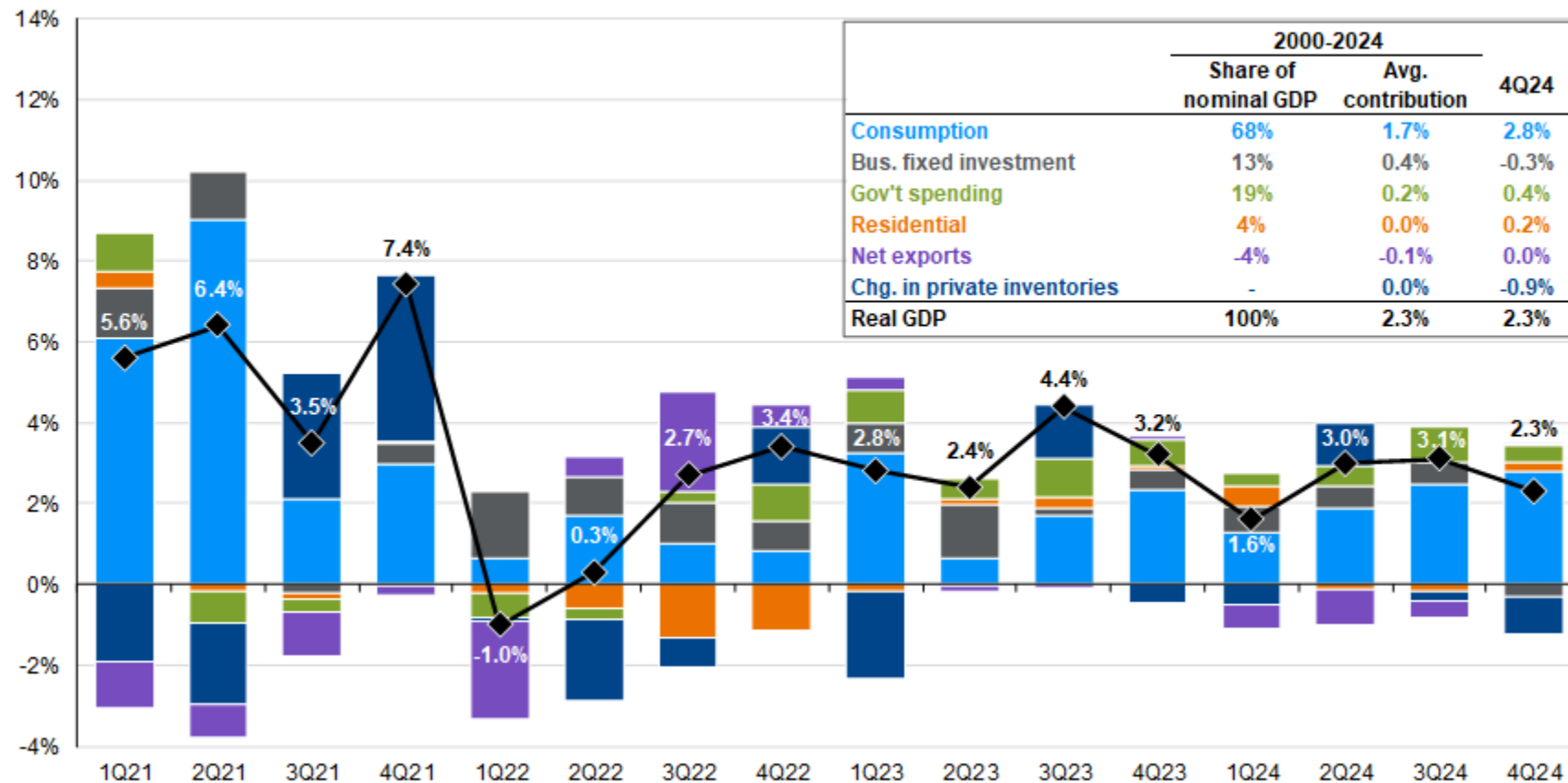
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# Solid Economic Growth

## Contributors to real GDP growth

Quarter-over-quarter, seasonally adjusted annualized rate



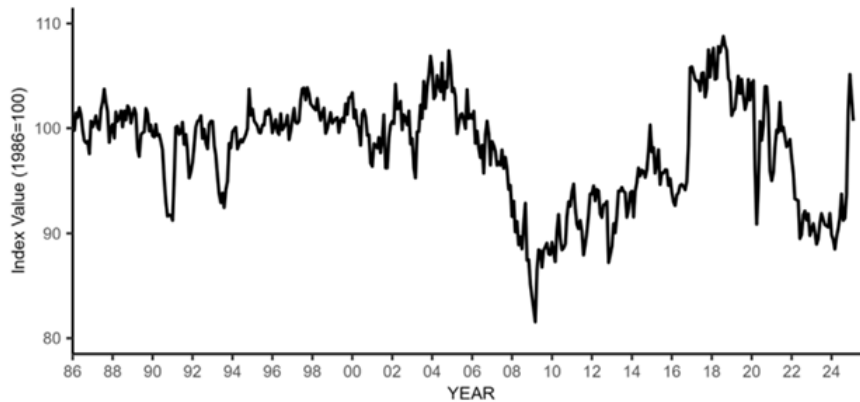
Source: BEA, FactSet, J.P. Morgan Asset Management.  
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# Small Business Optimism

## OPTIMISM INDEX

Based on Ten Survey Indicators  
(Seasonally Adjusted 1986=100)



## OPTIMISM INDEX

Based on Ten Survey Indicators  
(Seasonally Adjusted 1986=100)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	104.3	104.5	96.4	90.9	94.4	100.6	98.8	100.2	104.0	104.0	101.4	95.9
2021	95.0	95.8	98.2	99.8	99.6	102.5	99.7	100.1	99.1	98.2	98.4	98.9
2022	97.1	95.7	93.2	93.2	93.1	89.5	89.9	91.8	92.1	91.3	91.9	89.8
2023	90.3	90.9	90.1	89.0	89.4	91.0	91.9	91.3	90.8	90.7	90.6	91.9
2024	89.9	89.4	88.5	89.7	90.5	91.5	93.7	91.2	91.5	93.7	101.7	105.1
2025	102.8	100.7										

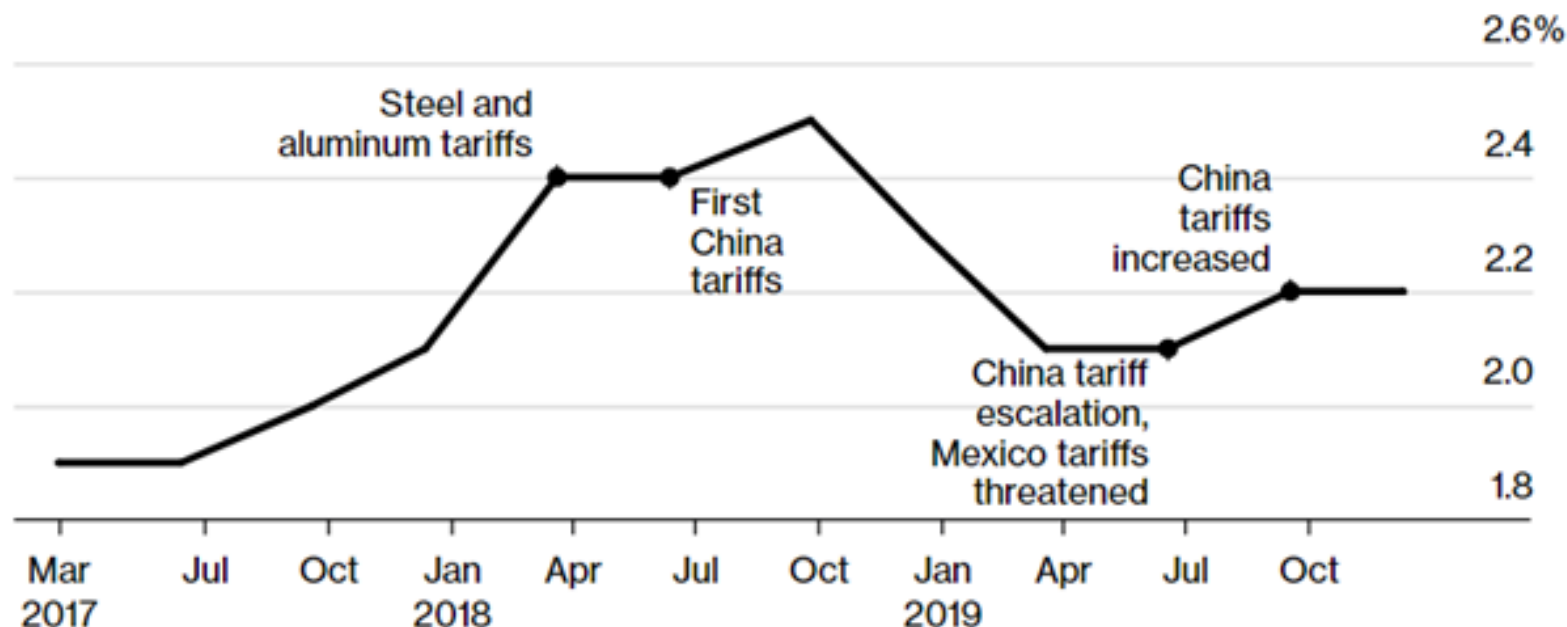
Index Component	Seasonally Adjusted Level	Change from Last Month
Plans to Increase Employment	15%	-3
Plans to Make Capital Outlays	19%	-1
Plans to Increase Inventories	-1%	-1
Expect Economy to Improve	37%	-10
Expect Real Sales Higher	14%	-6
Current Inventory (too low)	-5%	-4
Current Job Openings	38%	3
Expected Credit Conditions	-3%	1
Now a Good Time to Expand	12%	-5
Earnings Trends	-24%	1
Total Change		-25

Based on a Survey of Small and Independent Business Owners

# Will Tariffs Hurt the Economy?

Fed officials revised down 2019 forecasts as tariffs were implemented

✓ Fed officials' 2019 GDP forecast



Source: Federal Reserve's Summary of Economic Projections.

Note: Median estimate for percent change from the fourth quarter of 2018 to the fourth quarter of 2019.

Bloomberg 1/29/25

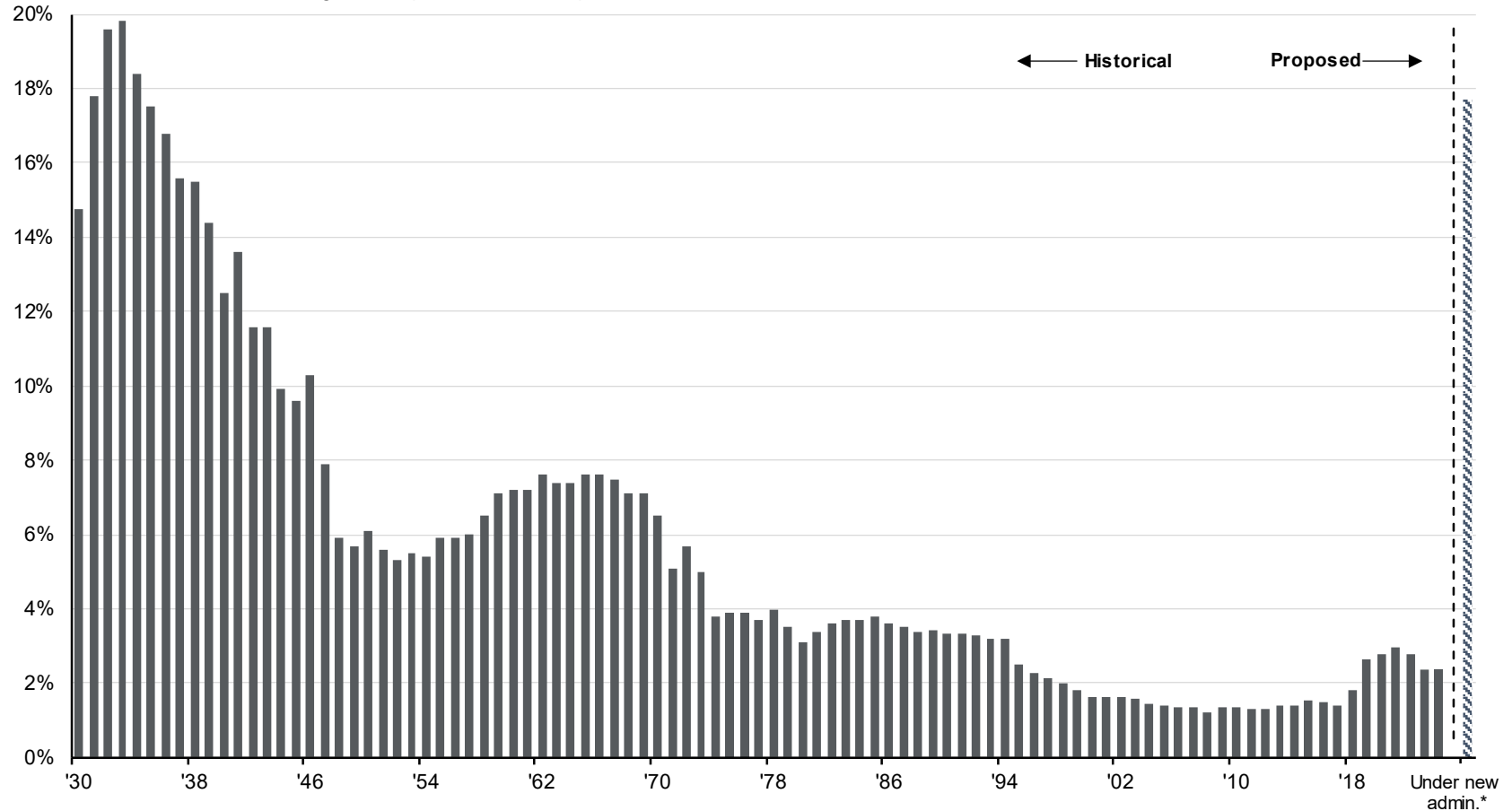
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# Tariffs on U.S. Imports

## Average tariff rate on U.S. goods imports for consumption

Duties collected / value of total goods imports for consumption



# Oil Markets

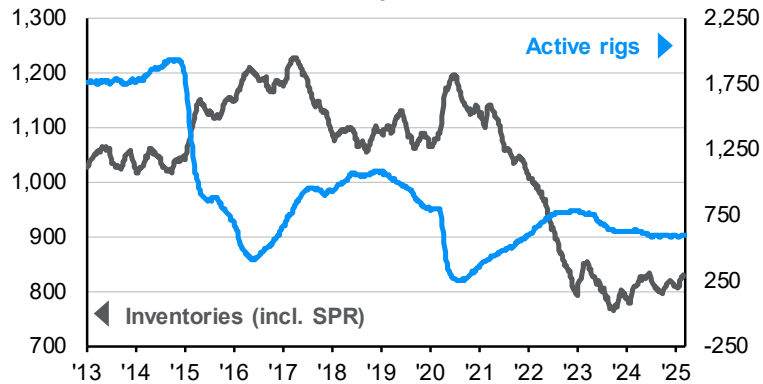
## Change in production and consumption of liquid fuels

Production, consumption and inventories, millions of barrels per day

Production	'19	'20	'21	'22	'23	'24*	'25*	'19-'25
U.S.	19.5	18.6	19.0	20.4	22.0	22.7	23.3	19.2%
OPEC	33.1	29.4	30.4	32.9	32.4	32.4	32.7	-1.3%
Russia	11.5	10.5	10.8	11.0	10.9	10.5	10.5	-8.9%
<b>Global</b>	<b>100.2</b>	<b>93.8</b>	<b>95.7</b>	<b>100.2</b>	<b>102.3</b>	<b>102.8</b>	<b>104.6</b>	<b>4.3%</b>
Consumption								
U.S.	20.5	18.2	19.9	20.0	20.3	20.3	20.6	0.0%
China	14.0	14.1	15.1	15.1	16.2	16.3	16.5	18.3%
India	4.9	4.5	4.7	5.1	5.3	5.5	5.8	17.9%
<b>Global</b>	<b>100.6</b>	<b>91.0</b>	<b>96.7</b>	<b>99.5</b>	<b>101.8</b>	<b>102.8</b>	<b>104.1</b>	<b>3.5%</b>
Inventory Change								
	-0.4	2.8	-0.9	0.7	0.4	0.1	0.4	

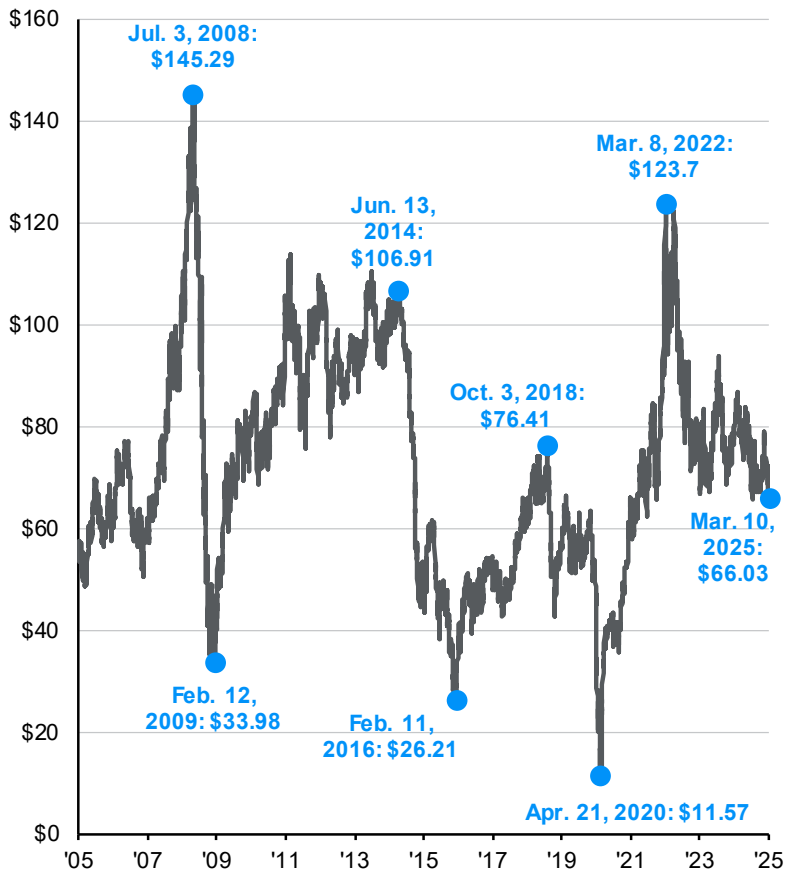
## U.S. crude oil inventories and rig count\*\*

Million barrels, number of active rigs



## Price of oil

WTI crude, nominal prices, USD/barrel



Source: J.P. Morgan Asset Management; (Top and bottom left) EIA; (Right) FactSet; (Bottom left) Baker Hughes.

\*Forecasts are from the February 2025 EIA Short-Term Energy Outlook and start in 2024. \*\*U.S. crude oil inventories include the Strategic Petroleum Reserve (SPR).

Liquid fuels include crude oil, natural gas, biodiesel and fuel ethanol. Active rig count includes both natural gas and oil rigs. WTI crude prices are continuous contract NYM prices in USD.

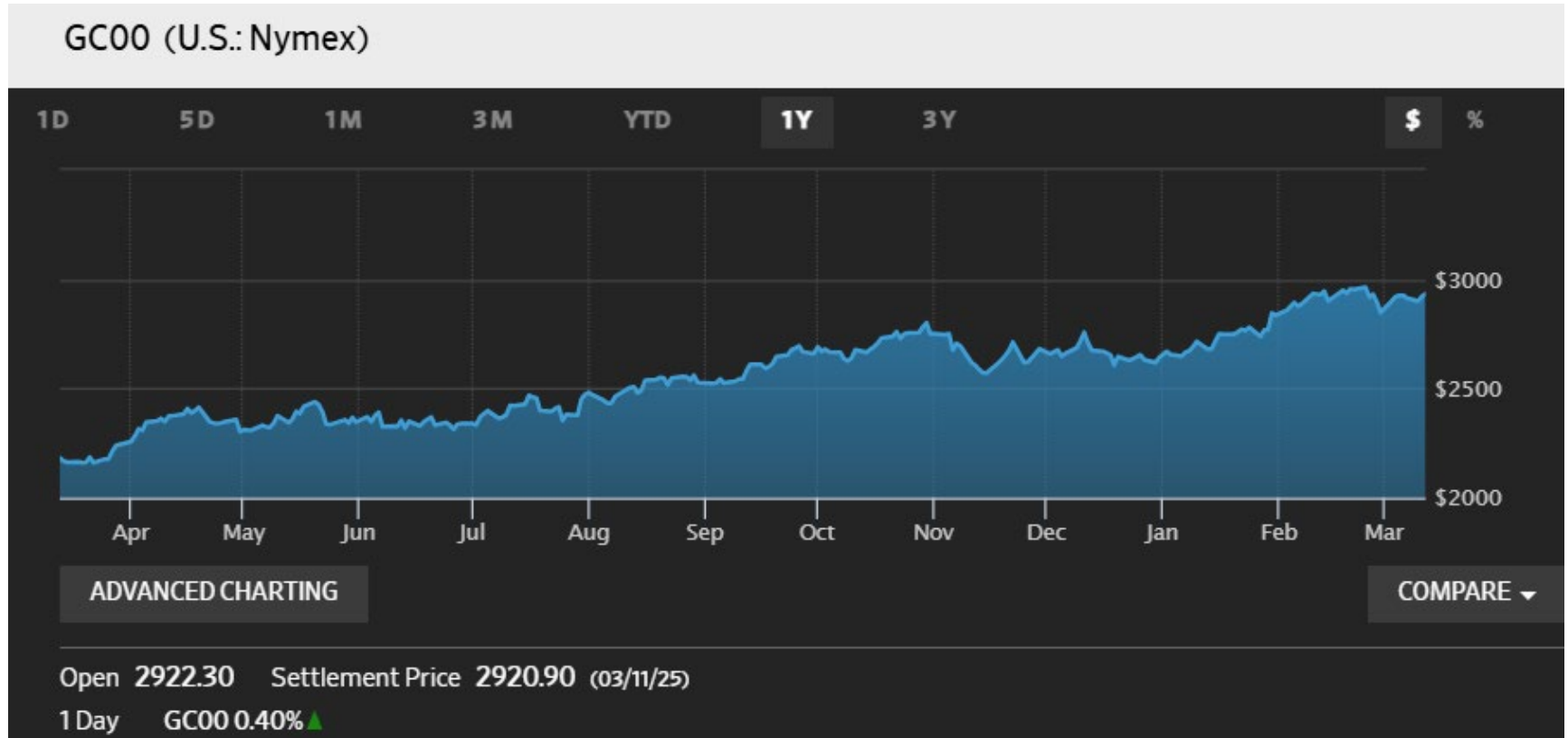
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# Gold Prices



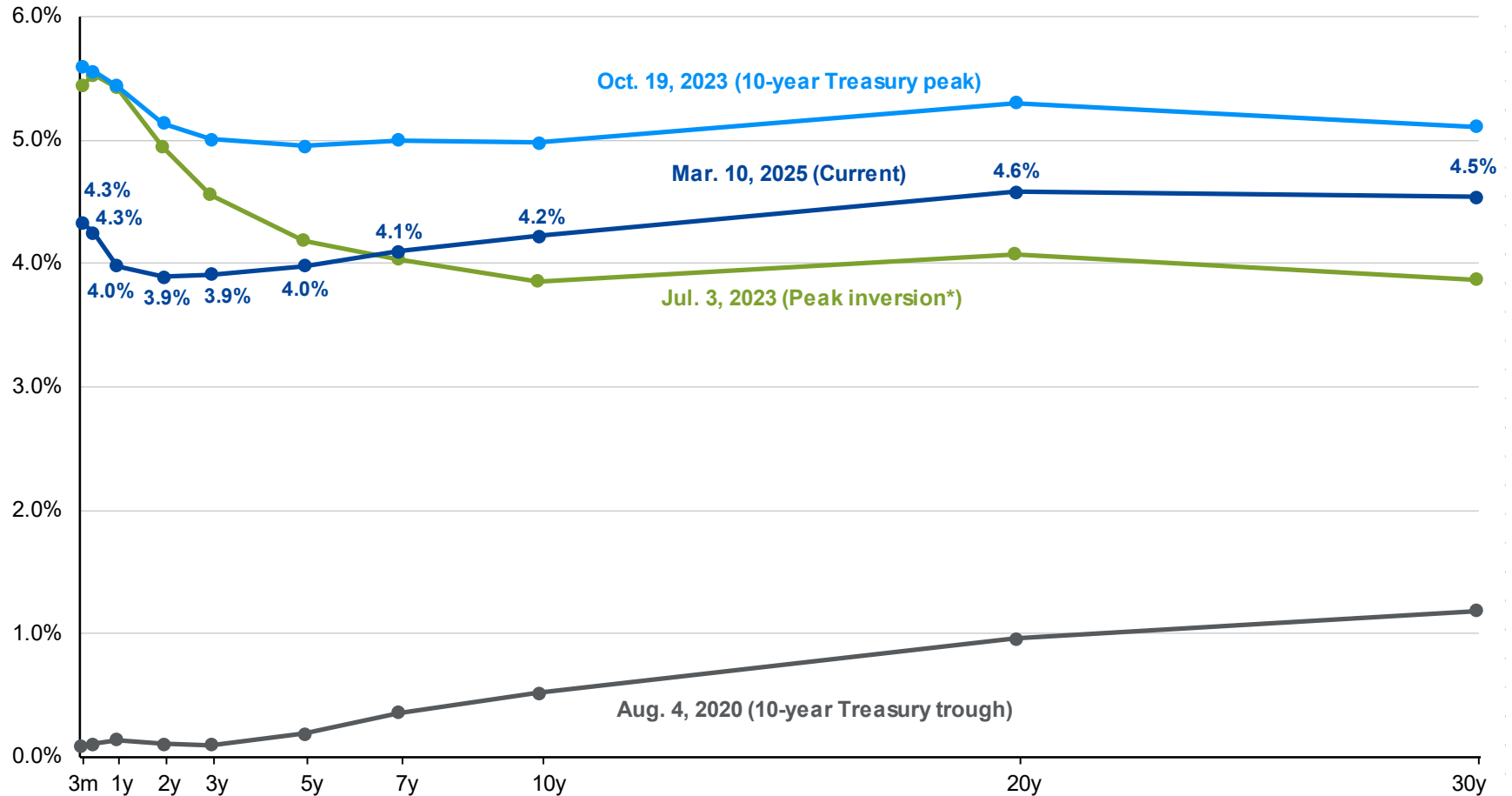
Wall Street Journal 3/11/25

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# Yield Curve Inverts Again

U.S. Treasury yield curve



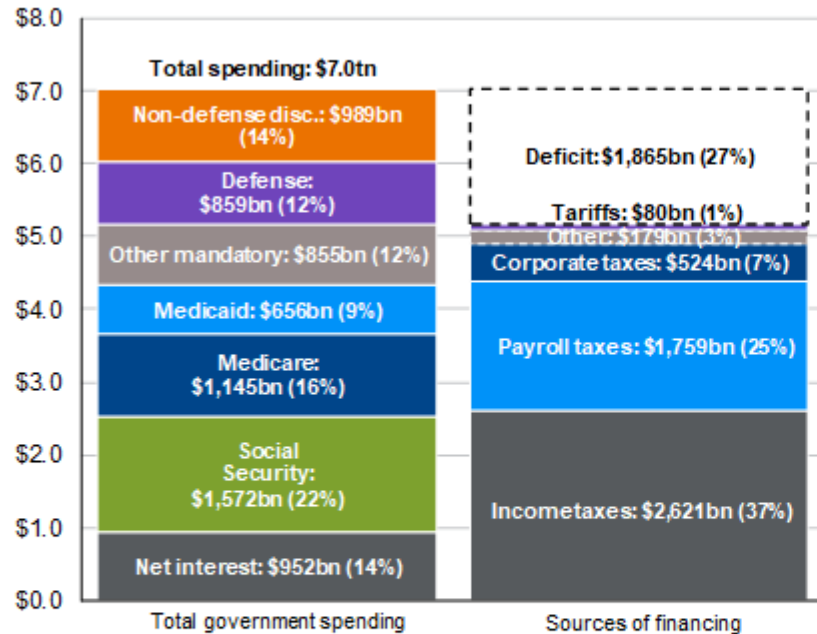
Source: FactSet, Federal Reserve, J.P. Morgan Asset Management. Analysis references data back to 2020. \*Peak inversion is measured by the spread between the yield on a 10-year Treasury and 2-year Treasury.  
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# Federal Finances

## The 2025 federal budget

USD trillions



## CBO's Baseline economic assumptions

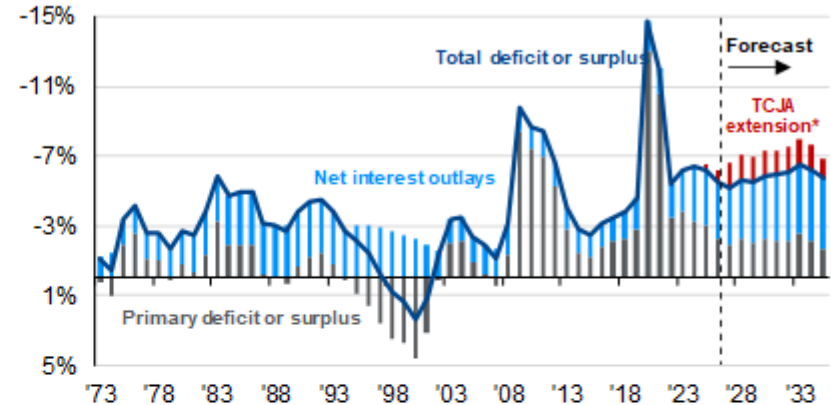
	2025	'26-'27	'28-'29	'30-'35
Real GDP growth	2.2%	1.8%	1.8%	1.8%
10-year Treasury	4.1%	3.9%	3.9%	3.8%
Headline inflation (CPI)	2.3%	2.4%	2.3%	2.2%
Unemployment	4.2%	4.4%	4.4%	4.4%

Source: CBO, J.P. Morgan Asset Management; (Left) Numbers may not sum to 100% due to rounding; (Top and bottom right) BEA, Treasury Department. Estimates are from the Congressional Budget Office (CBO) January 2025 An Update to the Budget Outlook: 2025 to 2035. "Other" spending includes, but is not limited to, health insurance subsidies, income security and federal civilian and military retirement. Years shown are fiscal years. All CBO estimates are adjusted by JPMAM to reflect GDP revisions resulting from the 2024 annual update of the National Economic Accounts. \*Adjusted by JPMAM to include estimates from the CBO May 2024 report "Budgetary Outcomes Under Alternative Assumptions About Spending and Revenues" on the extension of TCJA provisions. Forecasts are not a reliable indicator of future performance. Forecasts, projections and other forward-looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecasts, projections or other forward-looking statements, actual events, results or performance may differ materially from those reflected or contemplated.

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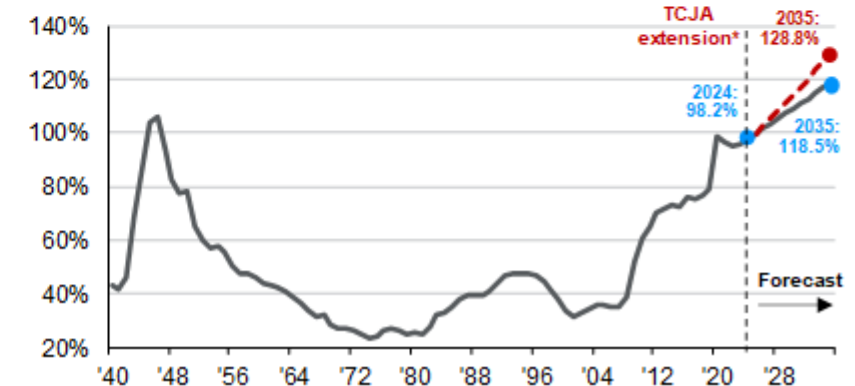
## Federal deficit and net interest outlays

% of GDP, 1973-2035, CBO Baseline Forecast



## Federal net debt (accumulated deficits)

% of GDP, 1940-2035, CBO Baseline Forecast, end of fiscal year

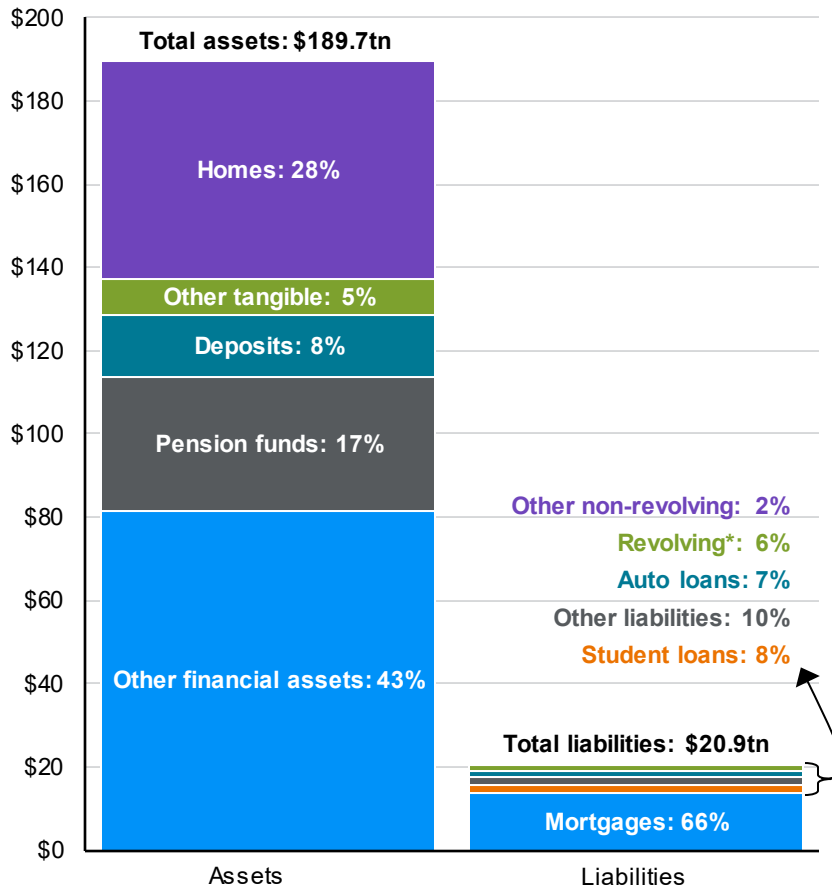


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# Overall Consumer Finances Strong But...

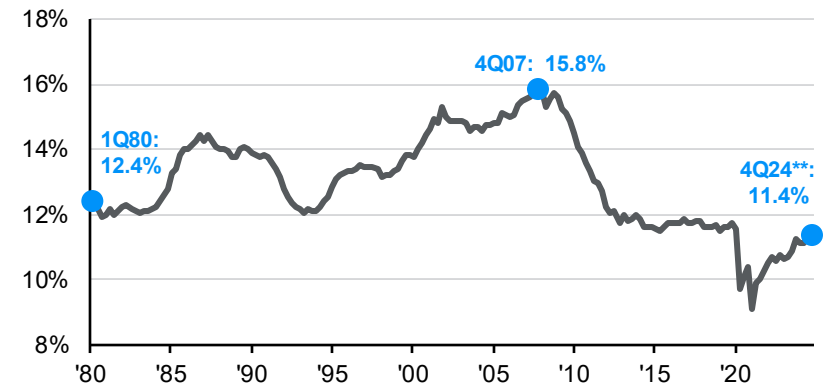
## Consumer balance sheet

3Q24, USD trillions, not seasonally adjusted



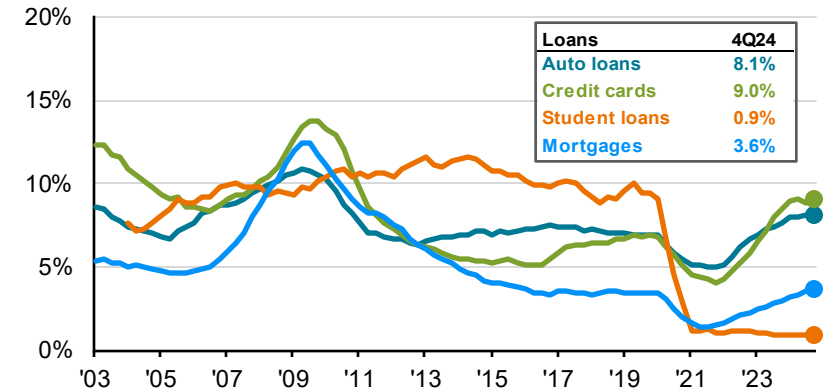
## Household debt service ratio

Debt payments as % of disposable personal income, SA



## Flows into early delinquencies

% of balance delinquent 30+ days



Source: FactSet, FRB, J.P. Morgan Asset Management; (Top and bottom right) BEA.

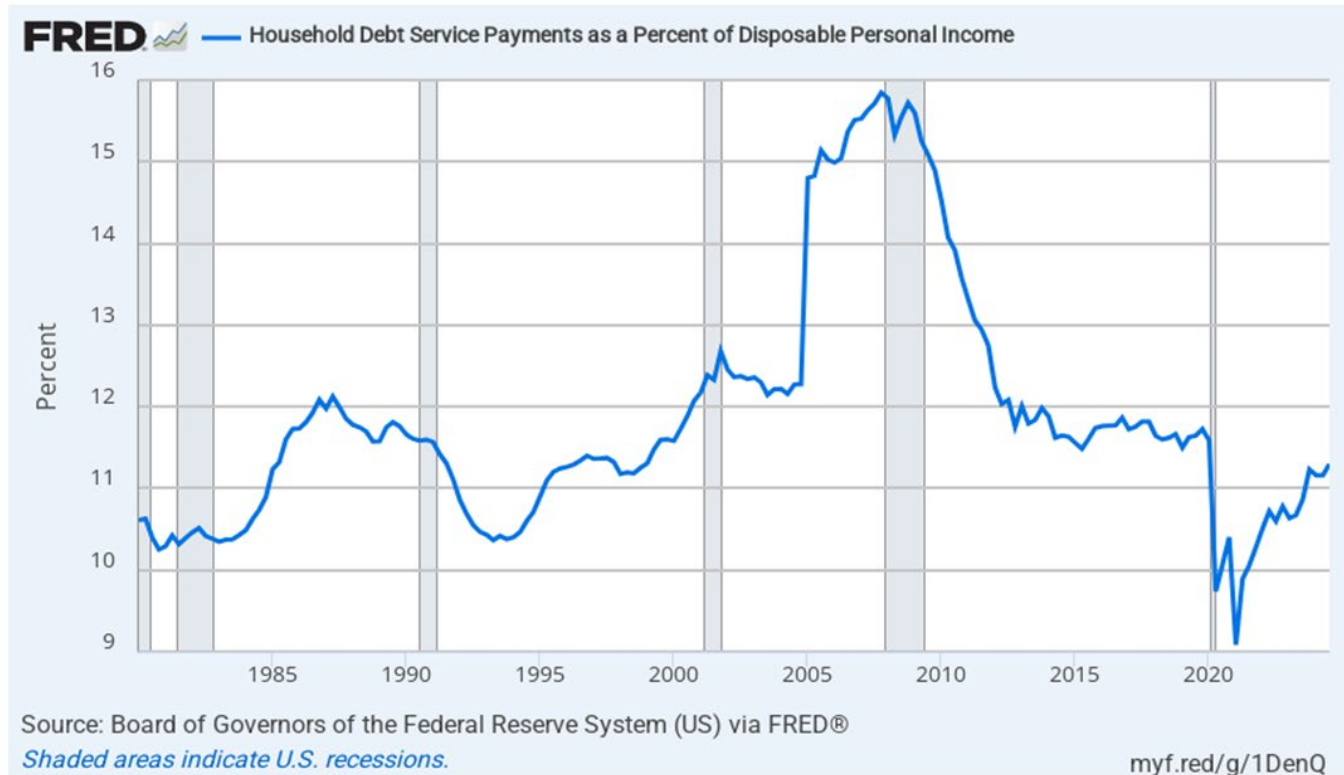
Data include households and nonprofit organizations. SA – seasonally adjusted. \*Revolving includes credit cards. Values may not sum to 100% due to rounding. \*\*4Q24 figures for debt service ratio are J.P. Morgan Asset Management estimates. Household debt service ratio data from 1Q80 to 4Q04 are J.P. Morgan Asset Management estimates. Due to the moratorium on delinquent student loan payments being reported to credit bureaus, missed federal student loan payments were not reported until 4Q24.

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# Debt Ratio Going Back to 1980 (3/12/25)

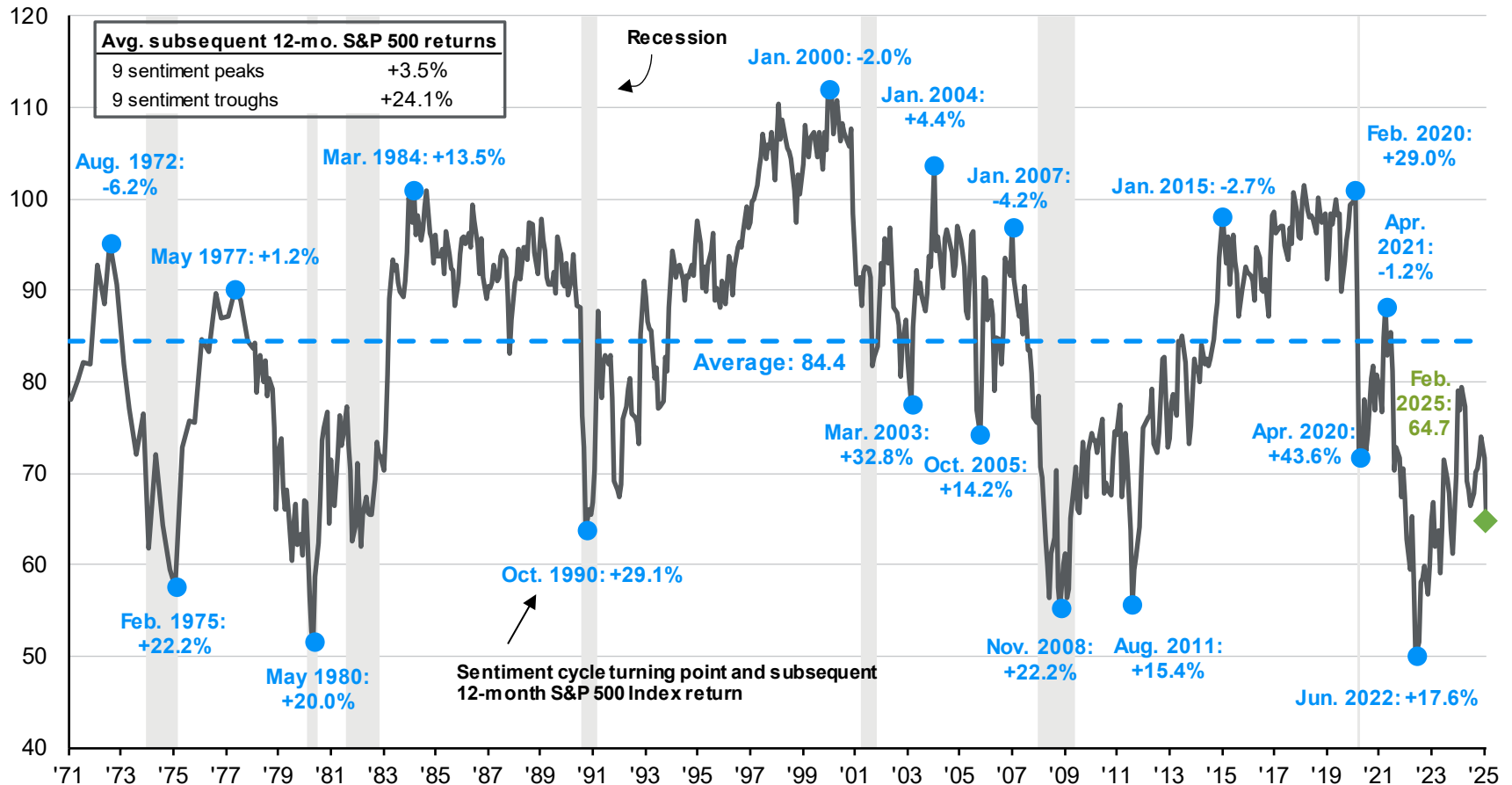


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# Consumer Confidence Lags

## Consumer Sentiment Index and subsequent 12-month S&P 500 returns



Source: FactSet, Standard & Poor's, University of Michigan, J.P. Morgan Asset Management.

Peak is defined as the highest index value before a series of lower lows, while a trough is defined as the lowest index value before a series of higher highs. Subsequent 12-month S&P 500 returns are price returns only starting from the end of the month and excluding dividends. Past performance is not a reliable indicator of current and future results.

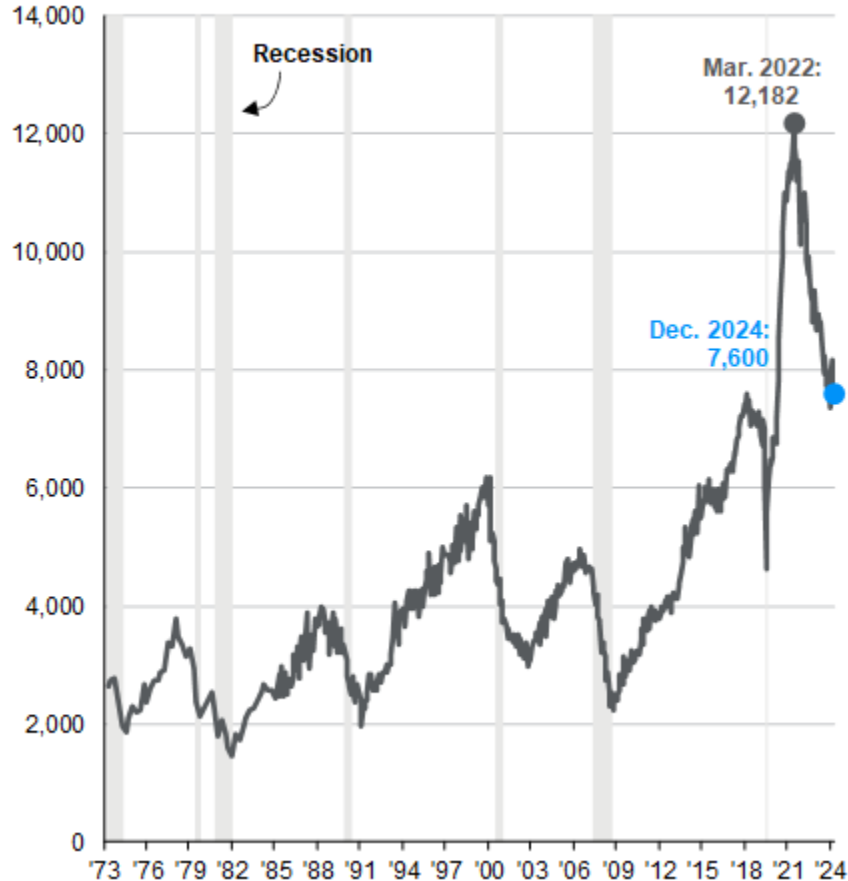
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# Labor Demand Softening

## JOLTS job openings\*

Total job openings, thousands, seasonally adjusted



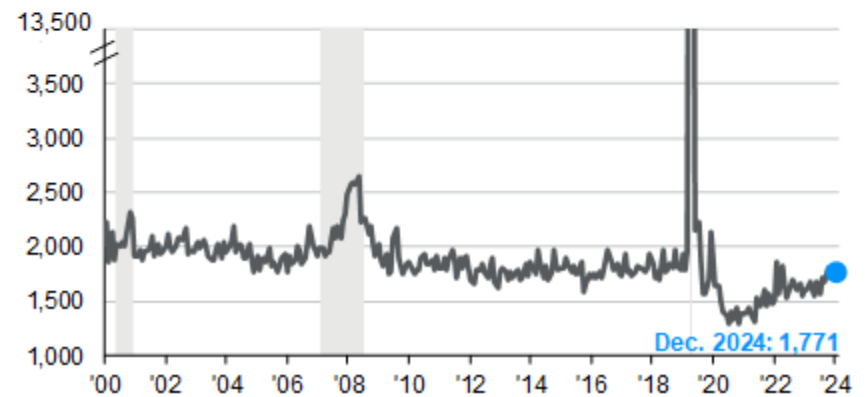
## JOLTS quits

Total nonfarm quits, thousands, seasonally adjusted



## JOLTS layoffs

Total nonfarm layoffs, thousands, seasonally adjusted



Source: U.S. Department of Labor, J.P. Morgan Asset Management. \*JOLTS job openings from February 1974 to November 2000 are J.P. Morgan Asset Management estimates.

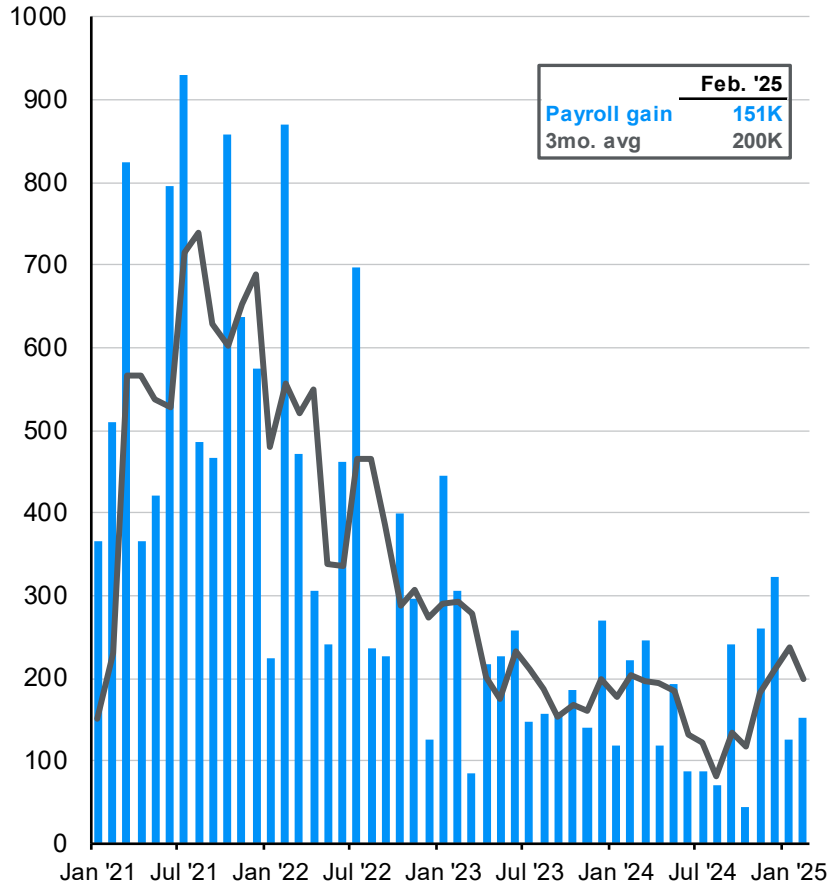
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# Labor Supply

## Nonfarm payroll gains

Month-over-month change and 3mo. moving average, SA



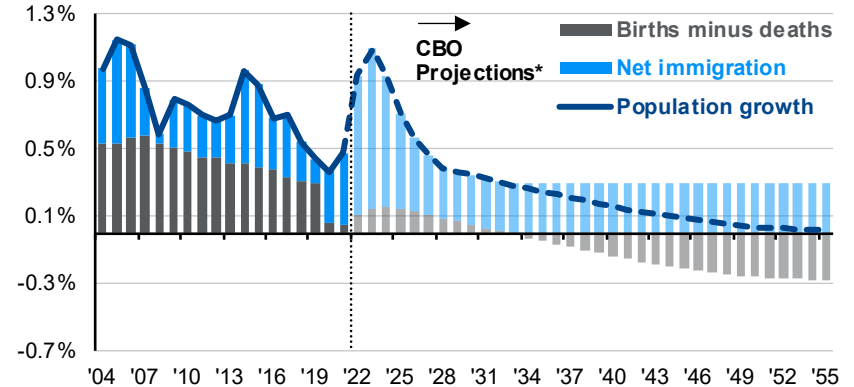
Source: BLS, CBO, FactSet, J.P. Morgan Asset Management.

\*Projections are from the Congressional Budget Office (CBO) Demographic Outlook: 2025 to 2055.

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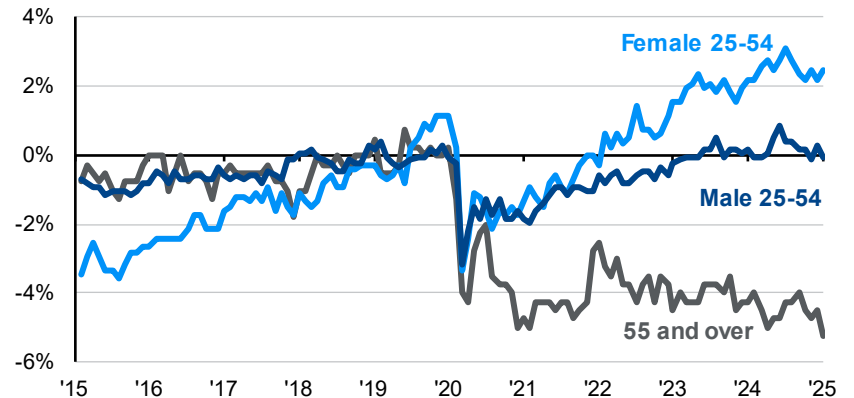
## Sources of population growth

Contribution to annual percentage change



## Labor force participation rate changes

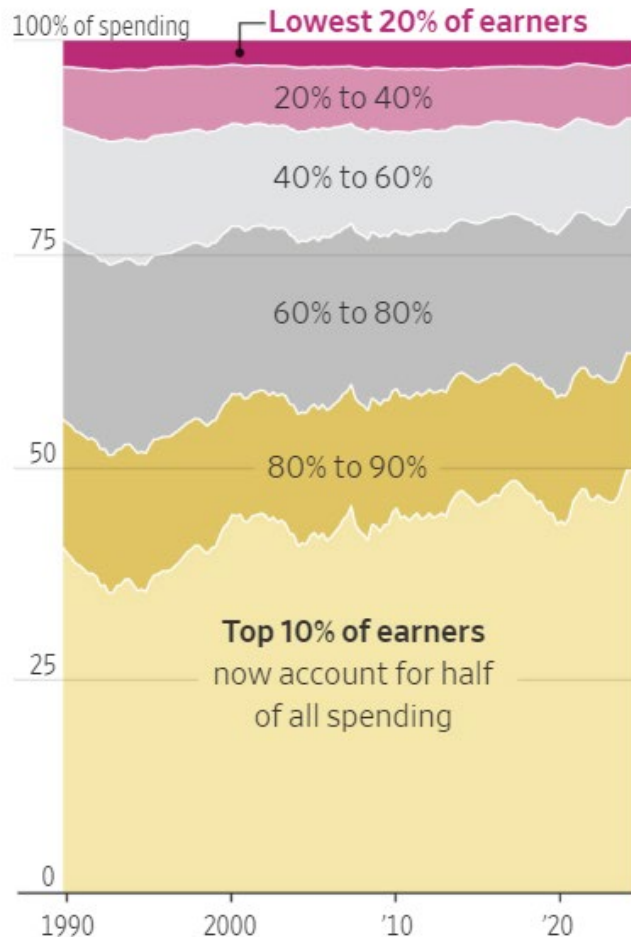
% change since 2019 average, SA



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# The Wealthy Keep On Spending

Share of spending, by income group



Source: Moody's Analytics

WSJ 2/23/25

Mean Household Income (Neilsberg Research)

Dataset for Income Distribution by Quintile: Mean Household Income in United States

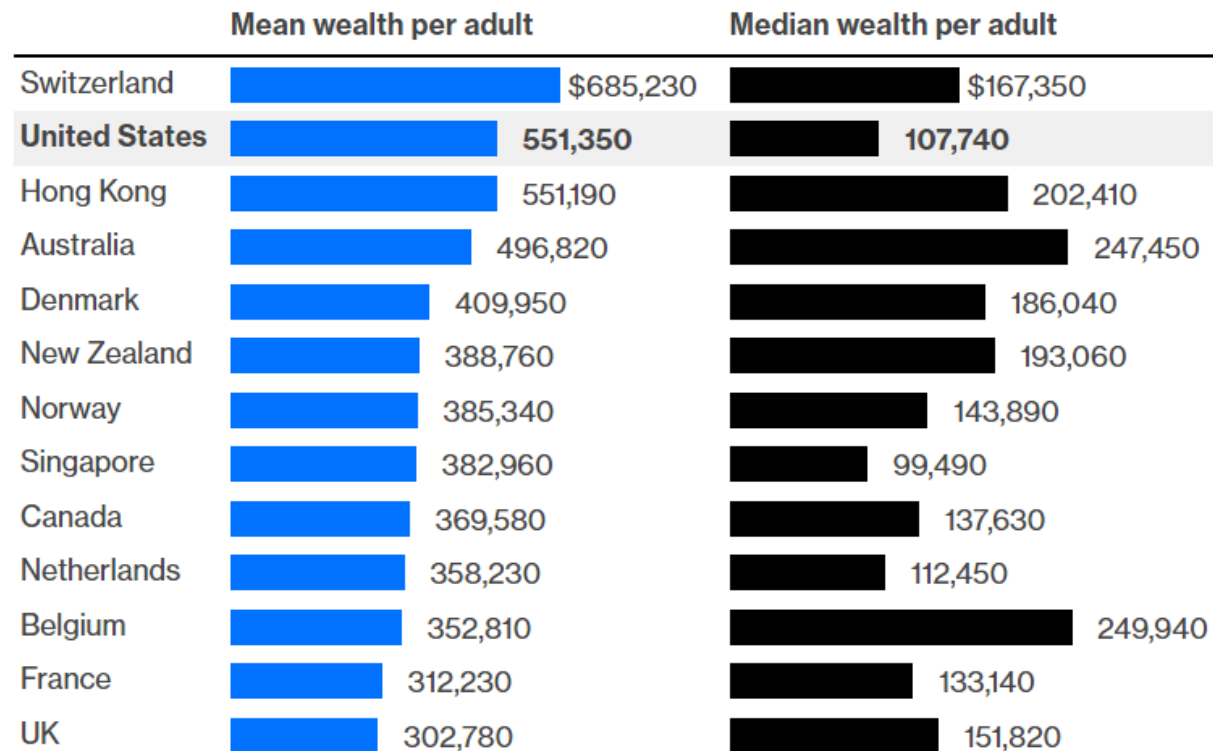
Top 5%	\$ 498,167
Highest Quintile	\$ 274,279
Fourth Quintile	\$ 118,415
Third Quintile	\$ 75,121
Second Quintile	\$ 44,436
Lowest Quintile	\$ 15,614

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# Concentration of Wealth

On average American adults each have more than \$550,000 of wealth, however the median US adult has less than in many European countries.



Source: UBS Global Wealth Report 2023

Bloomberg 6/26/24

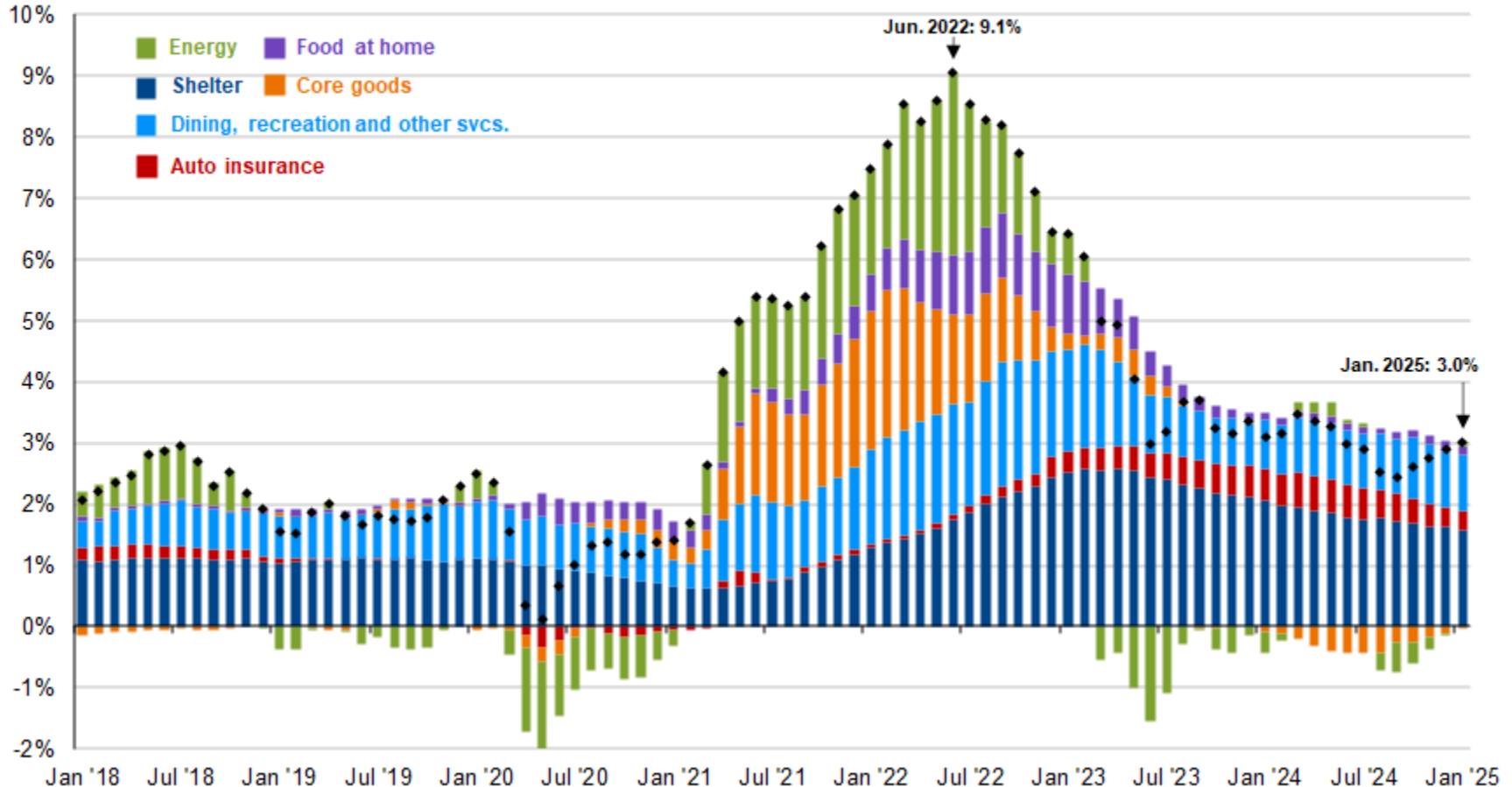
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# Inflation Above Fed Target

## Contributors to headline CPI inflation

Contribution to y/y % change in CPI, non-seasonally adjusted



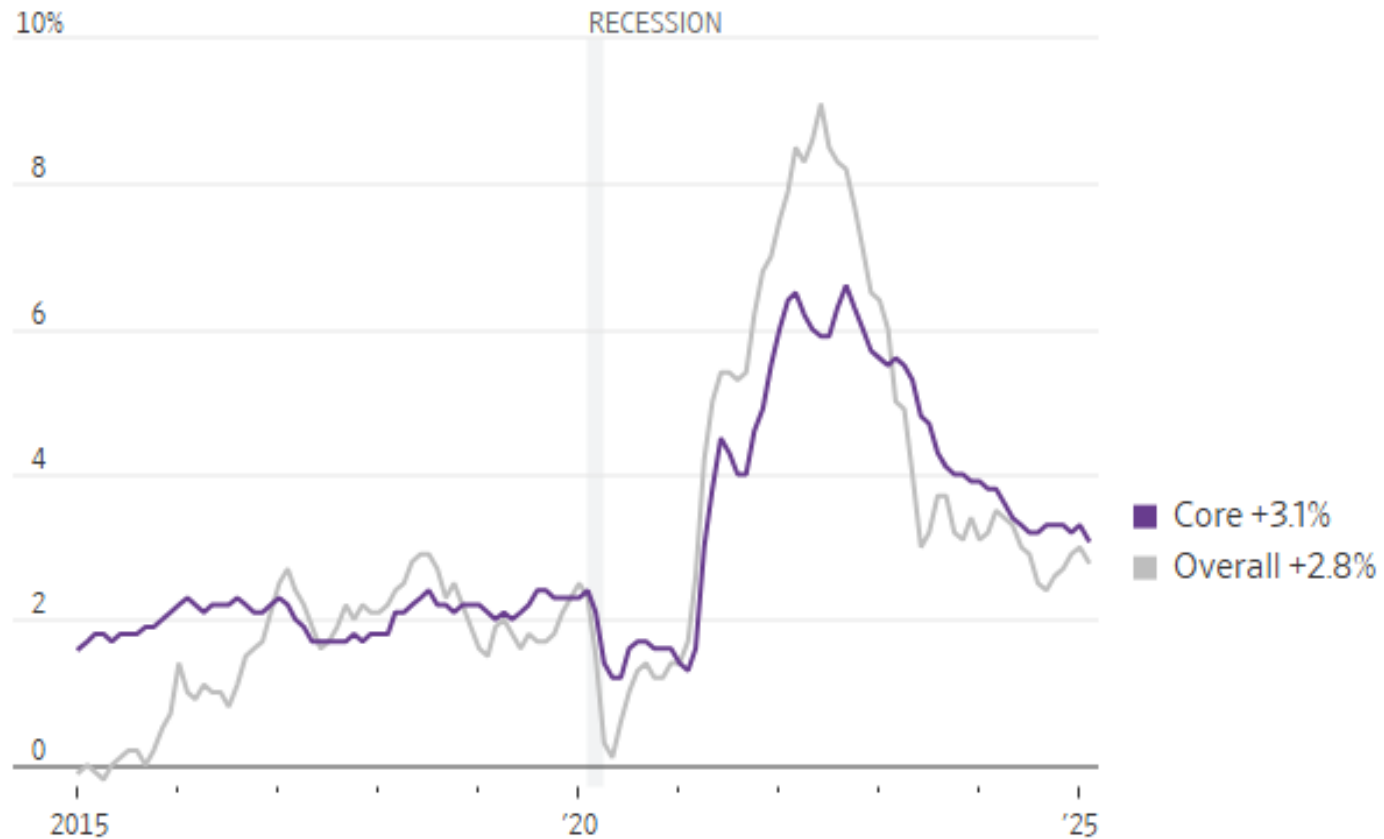
Source: BLS, FactSet, J.P. Morgan Asset Management. Contributions mirror the BLS methodology on Table 7 of the CPI report. Values may not sum to headline CPI figures due to rounding and underlying calculations. "Shelter" includes owners' equivalent rent, rent of primary residence and home insurance. "Food at home" includes alcoholic beverages.

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# February Inflation Numbers

Consumer price index, 12-month change



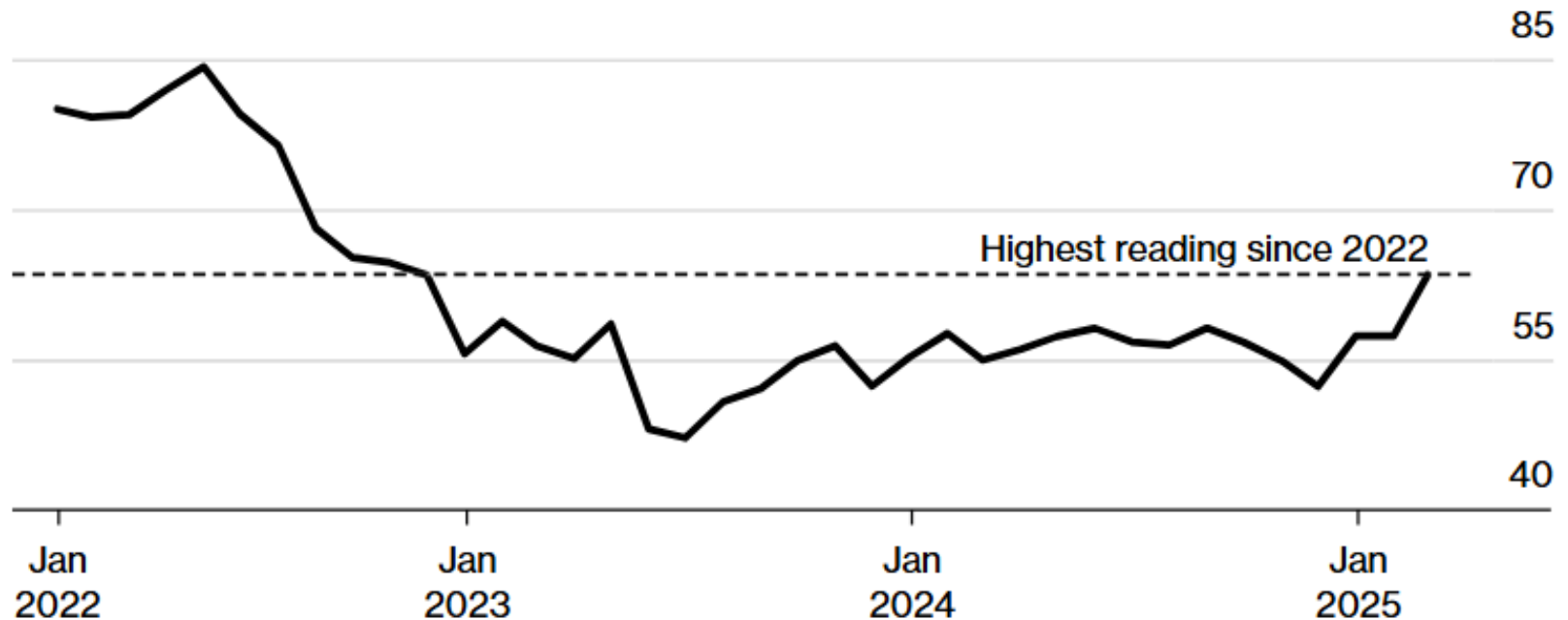
Wall Street Journal 3/12/25

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# U.S. Factory Input Costs Highest in 2 Years

Inflationary pressures are increasing at American factories

✓ Input cost index at manufacturers



Source: S&P Global PMI

Bloomberg 2/27/25

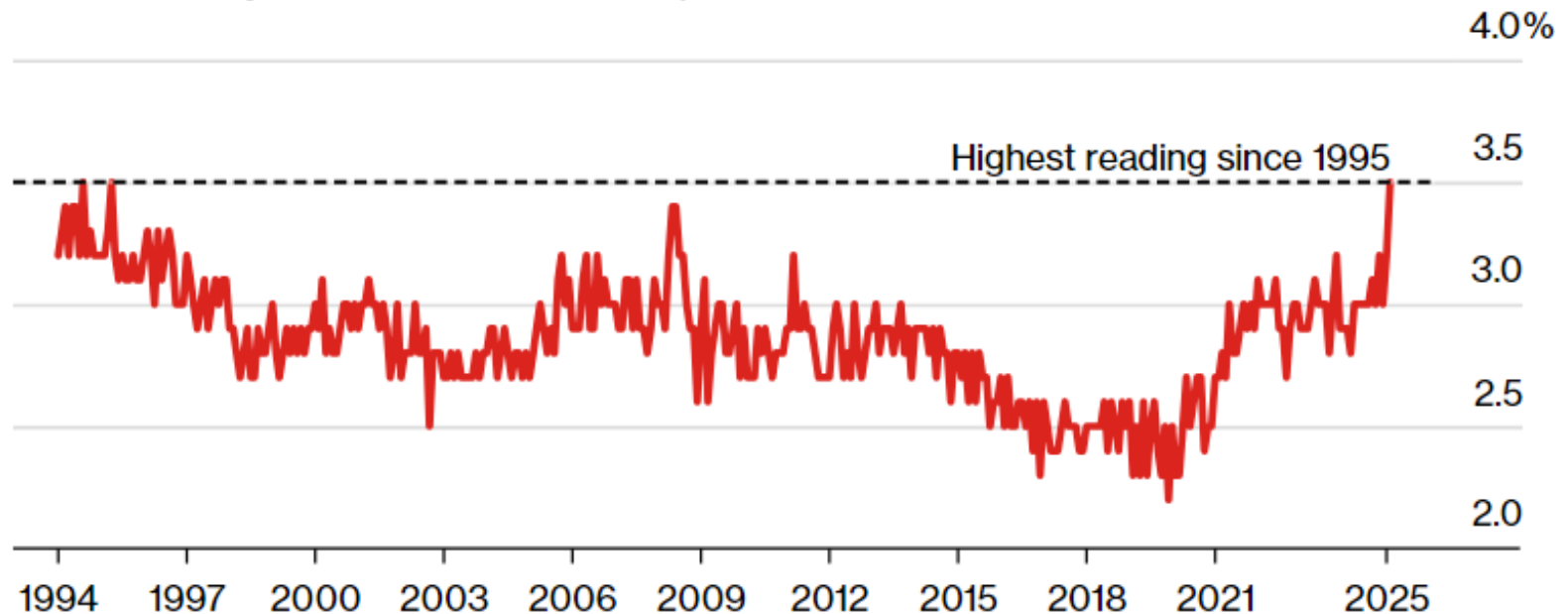
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# Americans Expect Higher Prices

## US Long-Term Inflation Views Jump to Nearly 30-Year High

Americans expect higher prices as Trump pushes forward with tariffs

／ Five- to 10-year consumer inflation expectations



Source: University of Michigan

Bloomberg 2/27/25

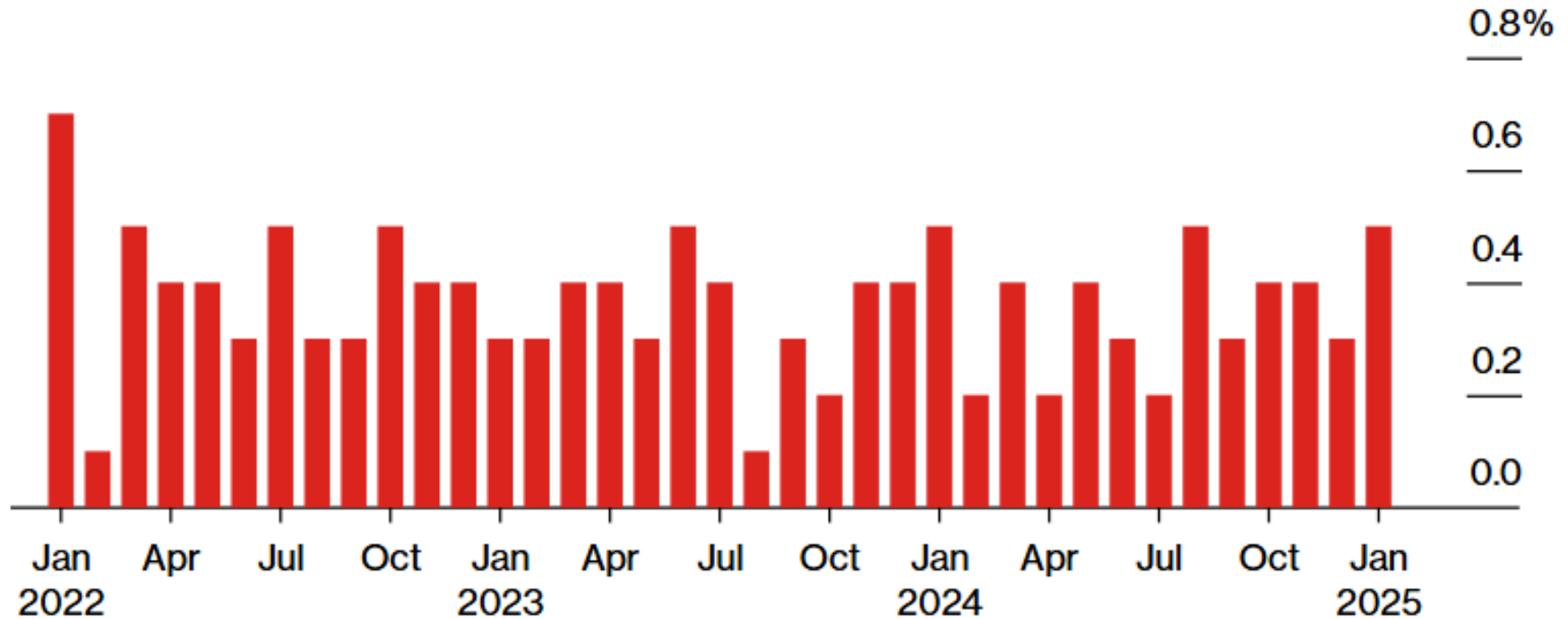
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# U.S. Hourly Wages

January advance matched the largest increase since early 2022

■ Change in average hourly earnings (MoM)



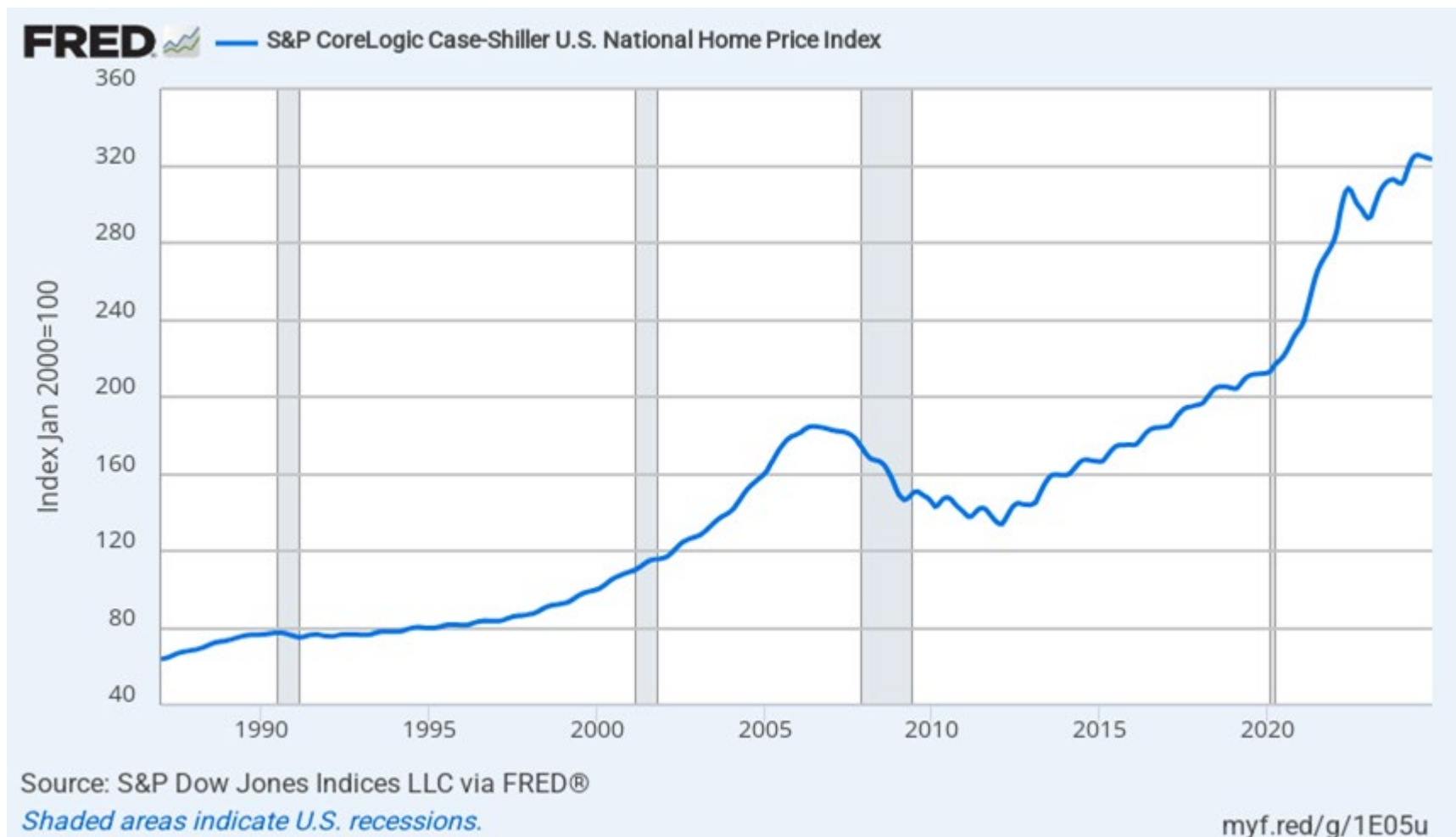
Source: US Bureau of Labor Statistics

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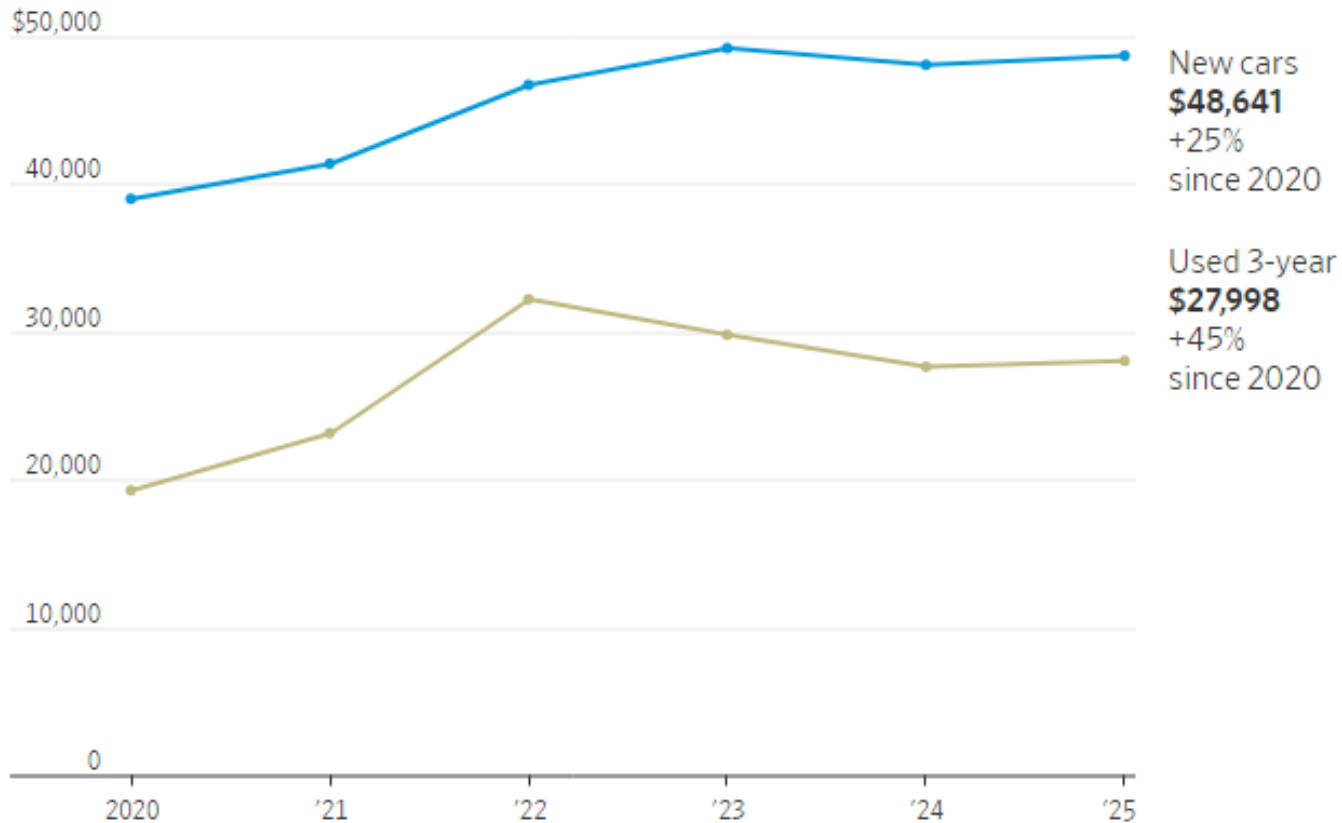
# Home Price Index



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# Inflation in New & Used Cars

Used cars have experienced more inflation over the previous five years than new



Note: Average transaction price for new cars, January of each year; Average wholesale price of 3-year-old cars, week 6 of each year

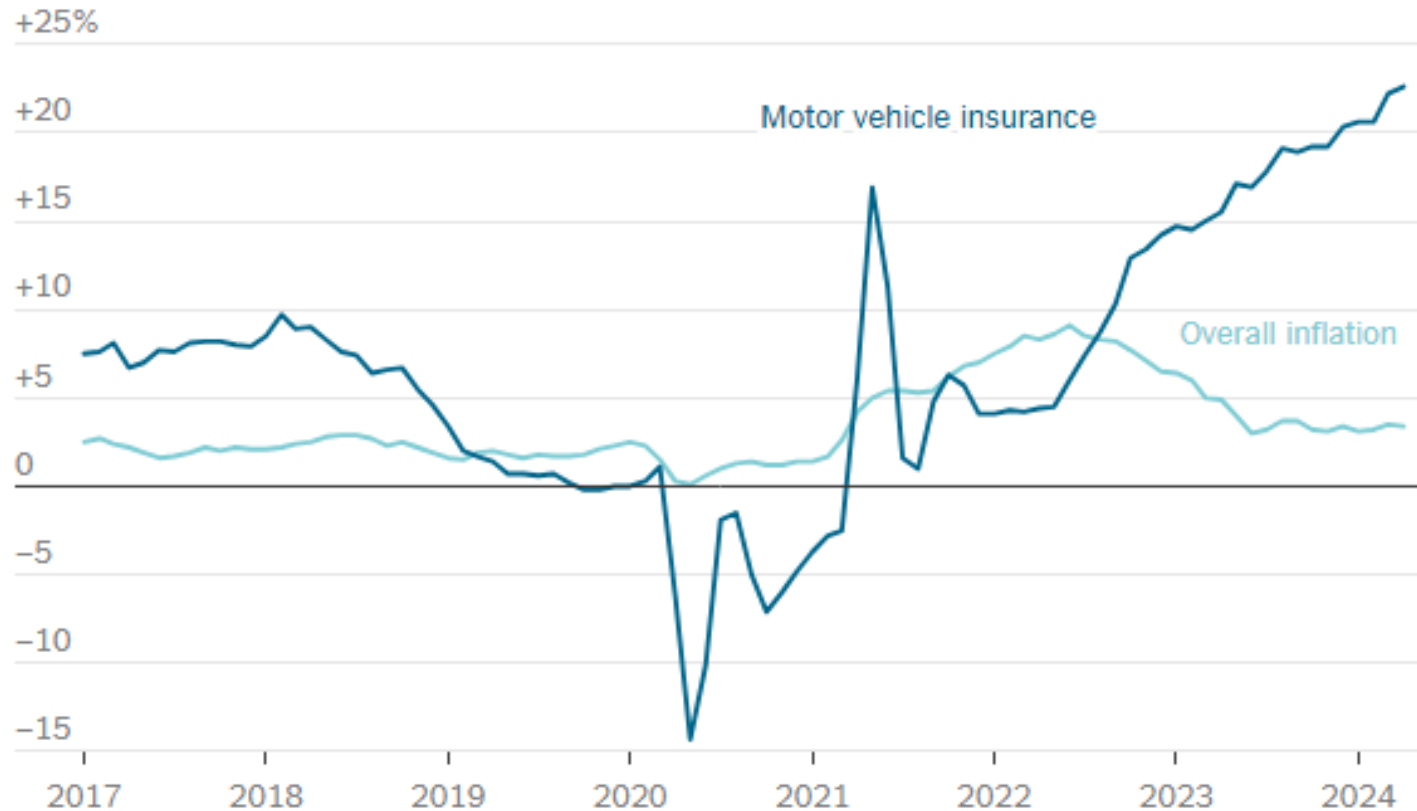
Source: Cox Automotive

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# Motor Vehicle Insurance Costs

Year-over-year change in Consumer Price Index measures

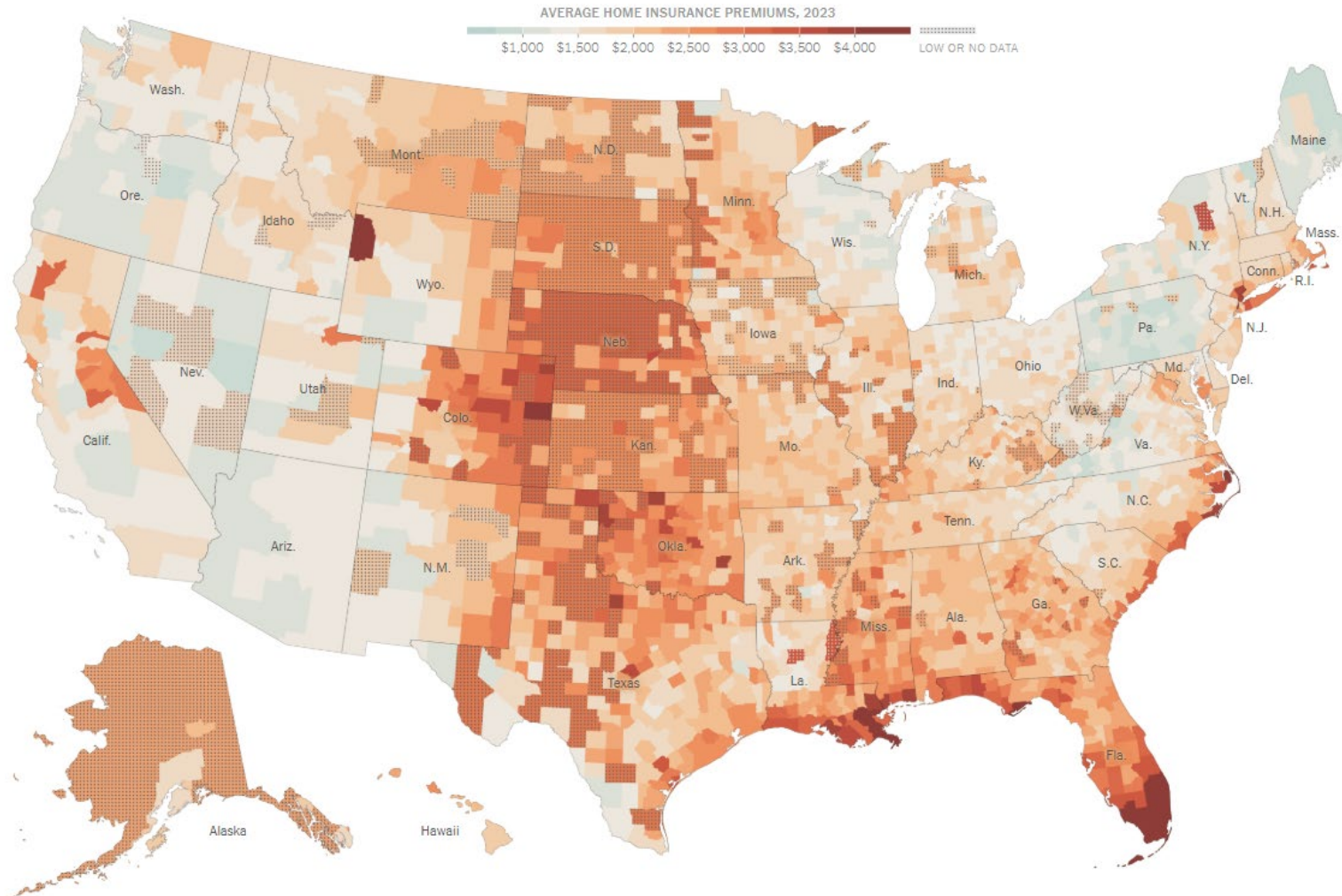


Source: Bureau of Labor Statistics • By The New York Times

NYT 5/15/2024

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# Average U.S. Home Insurance Rates (2023)



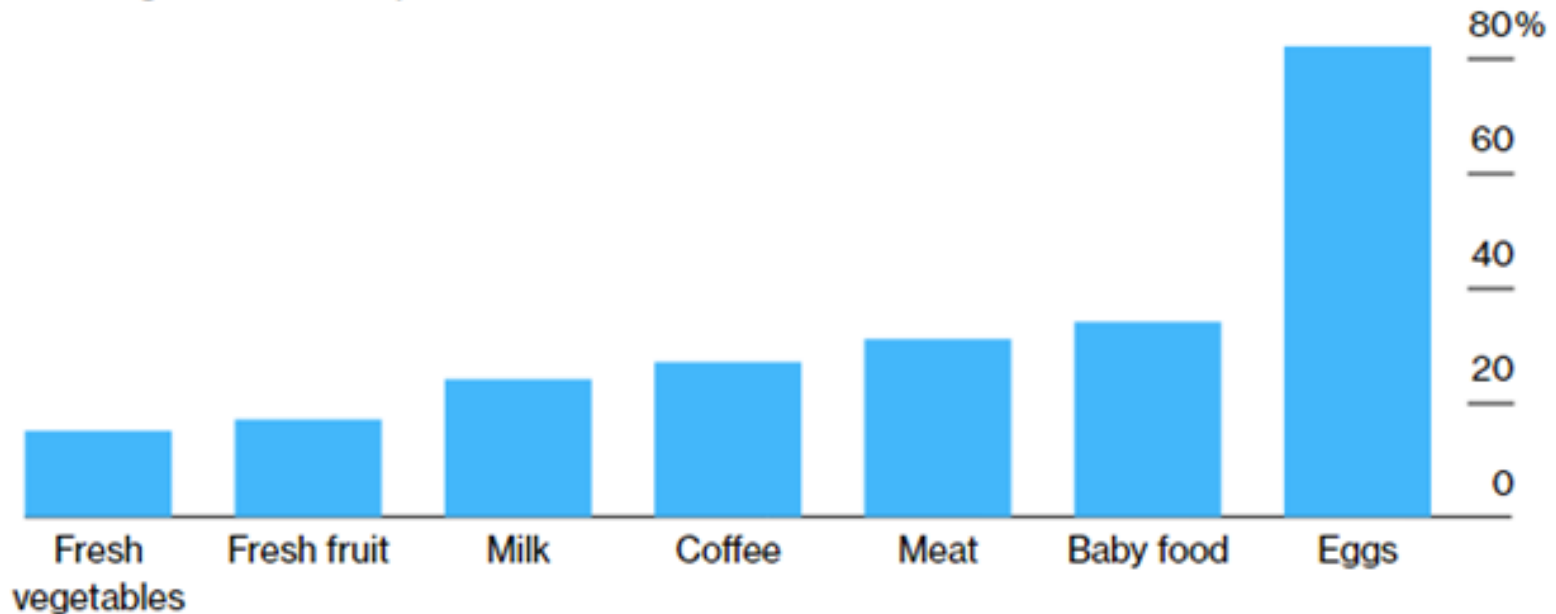
Source: Keys and Mulder, National Bureau of Economic Research (2024) · Note: State average is shown in counties with few or no observations.

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# Higher Grocery Bills

Costs of common household staples have swelled in recent years

■ Change in consumer price index since Dec. 2019



Source: Bureau of Labor Statistics

Note: Chart shows percent change between Dec. 2019 and Dec. 2024

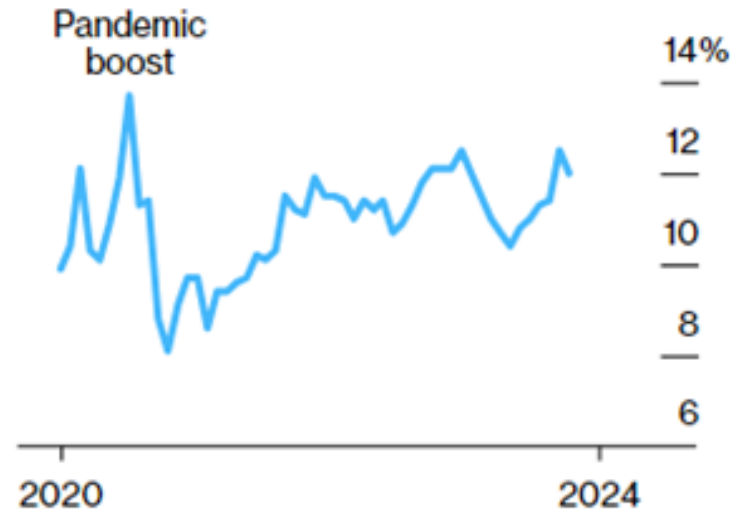
Bloomberg 1/28/25

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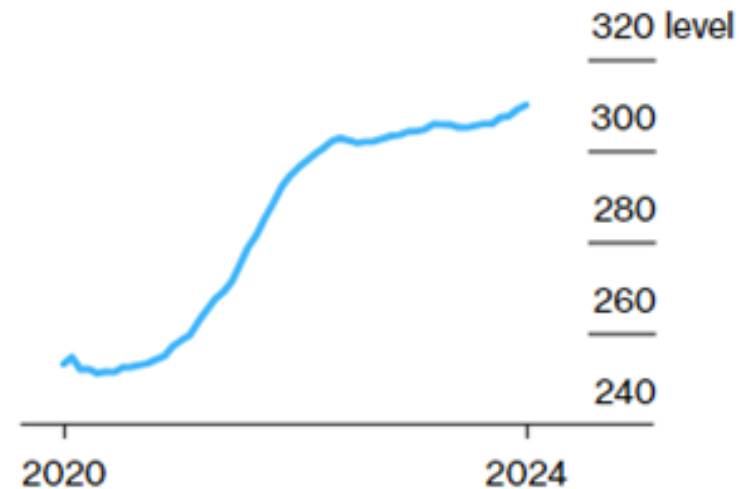
# More Hunger

A surge in grocery prices helped drive a food sufficiency problem

**Share without enough to eat**



**Food at home consumer price index**



Source: US Census Bureau Household Pulse Survey, Bureau of Labor Statistics

Note: Share of adults reporting they sometimes or often didn't have enough to eat in the last 7 days

Bloomberg 1/28/25

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# Signs of a Slowing Economy

## Delta Cuts Guidance, Stock Falls More Than 10%

By *Alison Sider*, Reporter



Delta said domestic travel has been more heavily affected as it cut its financial outlook Monday. (Charly Triballeau/AFP/Getty Images)

Economic anxiety is starting to hit travel demand.

Delta Air Lines on Monday lowered its first-quarter outlook, citing reduced consumer and corporate confidence and economic uncertainty. The airline previously expected to report adjusted earnings between 70 cents and \$1 per share for the first three months of the year, and now expects profits of 30 to 50 cents per share.

Wall Street Journal 3/10/25

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# Signs of a Slowing Economy

## Target Warns That Tariffs and Consumer Uncertainty Will Hurt Profit

Retailer says sales fell in February and profit will be pressured in current quarter

By [Sarah Nassauer](#) [Follow](#)

March 4, 2025 6:30 am ET

### Key Points

What's This? ⓘ

- Target warned of profit pressure due to consumer uncertainty and tariffs, with flat sales expected this year.
- February sales decline attributed to low consumer confidence and cold weather, but Easter holiday might boost sales.
- Target's comparable sales rose 1.5% in Q4, driven by beauty products and holiday sales, but overall sales declined for the year ended Feb. 1.

Wall Street Journal 3/4/25

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# 2024 Taxable Value Pinellas County

NAME	2023 Just Value Real Property	2024 Just Value Real Property	% Change in Just Value of Real Property	2023 Taxable Value Real Property	2024 Taxable Value Real Property	2024 Net Taxable Value New Construction	2024 Net Taxable Value Annexation	2023 Taxable Value Tangible Personal Property	2024 Taxable Value Tangible Personal Property	2023 Total Taxable Value	2024 Total Taxable Value	% Change Real Property Tax Val	% Change TPP Tax Val	% Change in Total Taxable Value
BELLEAIR	2,059,157,243	2,217,881,559	7.71%	1,177,793,246	1,282,148,939	9,330,784	-	12,730,434	14,114,740	1,190,523,680	1,296,263,679	8.86%	10.87%	8.88%
BELLEAIR BEACH	1,372,823,095	1,476,260,698	7.53%	807,684,800	892,309,923	3,396,385	-	2,112,635	2,281,970	809,797,435	894,591,893	10.48%	8.02%	10.47%
BELLEAIR BLUFFS	554,188,765	587,097,010	5.94%	339,642,510	376,387,418	1,603,001	-	8,947,832	9,087,465	348,590,342	385,474,883	10.82%	1.56%	10.58%
BELLEAIR SHORE	318,660,842	344,972,288	8.26%	238,744,167	256,053,302	(59,696)	-	214,375	226,749	238,958,542	256,280,051	7.25%	5.77%	7.25%
CLEARWATER	26,636,579,872	28,292,243,859	6.22%	16,265,878,785	17,842,304,593	411,184,661	2,233,710	585,130,421	612,971,688	16,851,009,206	18,455,276,281	9.69%	4.76%	9.52%
DUNEDIN	7,788,759,206	8,434,643,739	8.29%	4,052,682,344	4,476,128,519	34,704,577	12,163,256	117,828,986	119,098,883	4,170,511,330	4,595,227,402	10.45%	1.08%	10.18%
GULFPORT	2,962,281,860	3,097,097,293	4.55%	1,554,815,082	1,705,125,131	7,093,193	-	14,896,776	16,564,082	1,569,711,858	1,721,689,213	9.67%	11.19%	9.68%
INDIAN ROCKS BEACH	3,010,060,547	3,200,970,110	6.34%	1,885,887,712	2,103,953,757	10,978,788	-	8,604,386	9,824,204	1,894,492,098	2,113,777,961	11.56%	14.18%	11.57%
INDIAN SHORES	1,987,912,686	2,172,556,445	9.29%	1,469,258,795	1,620,385,191	2,490,050	-	6,442,626	7,749,947	1,475,701,421	1,628,135,138	10.29%	20.29%	10.33%
KENNETH CITY	500,737,853	565,008,606	12.84%	255,412,141	289,902,145	5,056,443	-	10,226,245	13,329,419	265,638,386	303,231,564	13.50%	30.35%	14.15%
LARGO	11,343,027,424	12,058,183,165	6.30%	7,025,189,806	7,563,439,876	48,919,011	4,685,803	485,556,224	473,331,412	7,510,746,030	8,036,771,288	7.66%	-2.52%	7.00%
MADEIRA BEACH	3,048,054,310	3,197,983,062	4.92%	2,006,939,856	2,192,575,891	8,507,177	-	20,818,866	20,304,917	2,027,758,722	2,212,880,808	9.25%	-2.47%	9.13%
N REDINGTON BEACH	1,178,975,857	1,250,850,072	6.10%	778,747,107	850,447,574	4,549,850	-	4,575,662	4,670,497	783,322,769	855,118,071	9.21%	2.07%	9.17%
OLDSMAR	2,841,330,881	3,001,098,138	5.62%	1,726,366,603	1,851,630,713	7,620,552	-	268,208,015	239,961,018	1,994,574,618	2,091,591,731	7.26%	-10.53%	4.86%
PINELLAS PARK	8,341,112,902	8,975,860,888	7.61%	5,154,548,299	5,618,047,065	42,999,779	1,439,086	583,150,797	621,316,714	5,737,699,096	6,239,363,779	8.99%	6.54%	8.74%
REDINGTON BEACH	1,183,604,828	1,212,405,630	2.43%	705,688,395	786,324,309	10,851,649	-	39,111,806	41,407,009	744,800,201	827,731,318	11.43%	5.87%	11.13%
REDINGTON SHORES	1,648,200,233	1,694,860,161	2.83%	1,063,311,811	1,161,012,936	6,317,118	-	12,014,750	12,693,052	1,075,326,561	1,173,705,988	9.19%	5.65%	9.15%
SAFETY HARBOR	3,782,355,015	4,064,602,156	7.46%	1,863,323,173	2,012,277,538	7,775,926	835,087	59,845,888	58,880,401	1,923,169,061	2,071,157,939	7.99%	-1.61%	7.70%
SEMINOLE	3,614,497,322	3,821,046,730	5.71%	2,081,299,118	2,214,624,312	6,770,551	742,296	74,049,980	79,974,575	2,155,349,098	2,294,598,887	6.41%	8.00%	6.46%
SOUTH PASADENA	1,319,177,903	1,346,880,574	2.10%	870,379,616	929,159,913	1,645,509	-	36,439,780	43,349,954	906,819,396	972,509,867	6.75%	18.96%	7.24%
ST PETE BEACH	7,127,834,472	7,546,245,058	5.87%	4,682,956,418	5,105,367,588	13,304,352	-	109,401,203	109,850,419	4,792,357,621	5,215,218,007	9.02%	0.41%	8.82%
ST PETERSBURG	56,341,169,165	60,682,272,889	7.71%	30,566,771,497	33,849,397,811	890,521,422	-	1,263,734,305	1,375,434,728	31,830,505,802	35,224,832,539	10.74%	8.84%	10.66%
TARPON SPRINGS	4,946,693,188	5,304,081,713	7.22%	2,670,221,283	2,917,243,770	34,139,487	815,464	103,831,628	108,067,514	2,774,052,911	3,025,311,284	9.25%	4.08%	9.06%
TREASURE ISLAND	4,390,965,746	4,713,964,738	7.36%	2,808,532,119	3,130,708,267	42,753,757	-	21,819,801	22,315,022	2,830,351,920	3,153,023,289	11.47%	2.27%	11.40%

NOTE: This tax roll summary is provided in the same format as the annual June 1 tax roll estimates at the request of the taxing authorities, but is not the official tax roll recap.

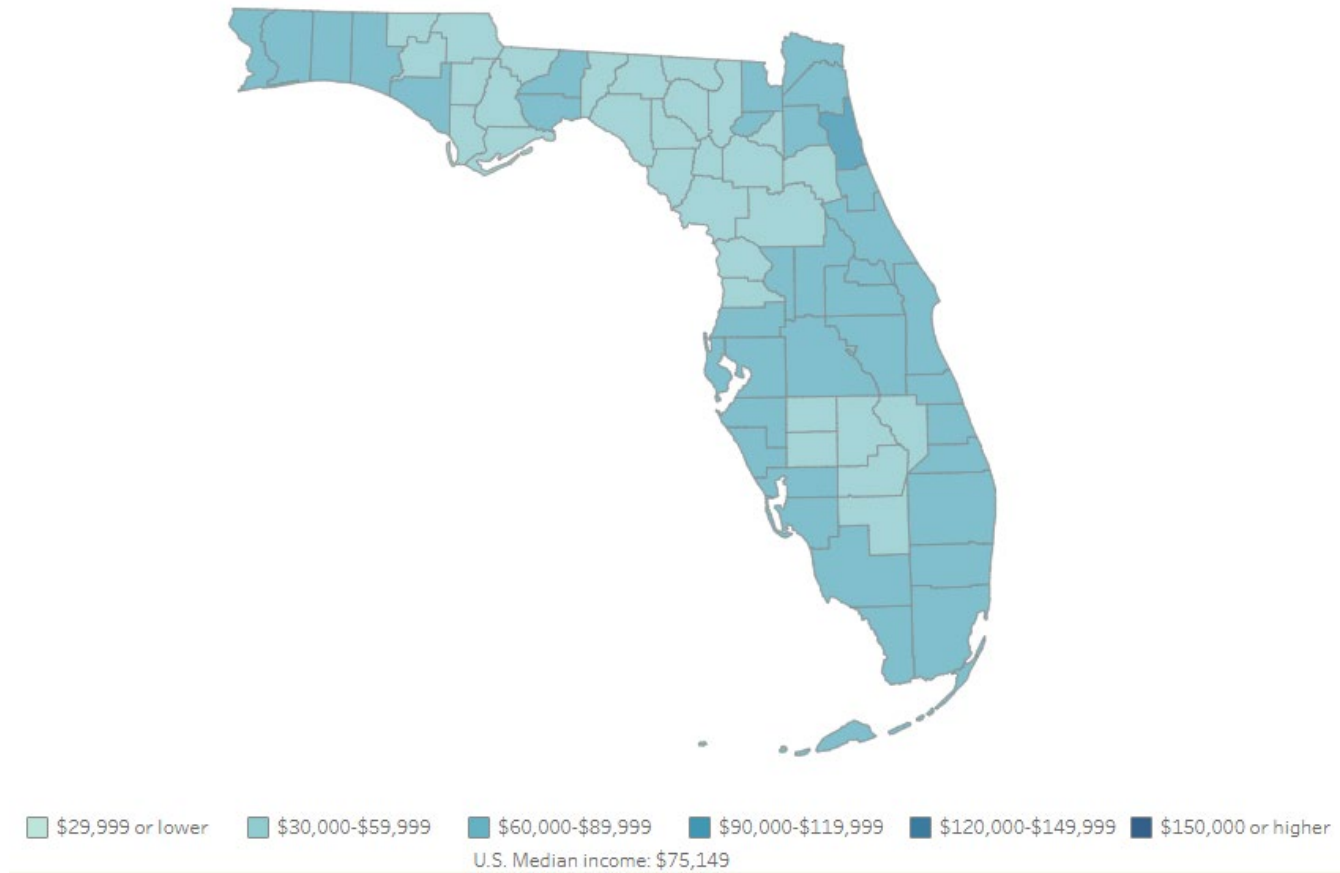
Some values on this report may not balance against the annual Tax Roll Value Data, Parcels & Accounts (DR-489/DR-403) recap forms due to centrally assessed property and lands available for taxes.

This report may reflect changes to the tax roll from certification to the report date.

Pinellas County Property Appraiser

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# 2023 Median Household Income in Florida



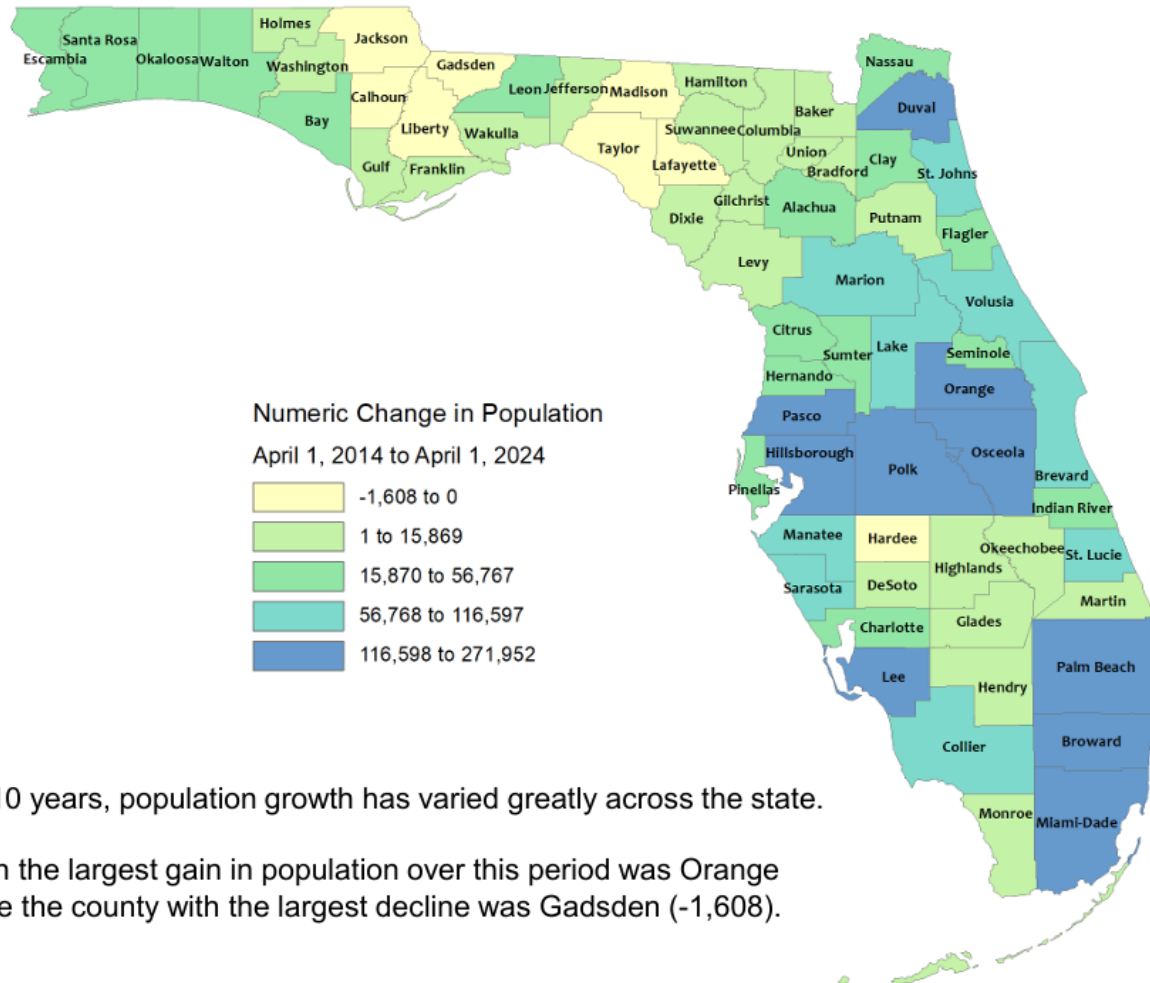
U.S. Department of Commerce  
U.S. CENSUS BUREAU  
[census.gov](https://www.census.gov)

Note: All estimates are based on a sample survey and are subject to sample variability and nonsampling error. Go to <https://www.census.gov/acs> for more information on confidentiality protection, sampling error, nonsampling error, and definitions.

Source: 2018–2022 American Community Survey, 5-year estimates

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# Florida Change in Population



Over the past 10 years, population growth has varied greatly across the state.

The county with the largest gain in population over this period was Orange (271,952), while the county with the largest decline was Gadsden (-1,608).

Florida EDR 12/10/2024

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# General Revenue Forecast

Fiscal Year	Jan 2024 Adj Forecast	August 2024 Forecast	Difference	Incremental YOY Growth \$	% Growth
2005-06	27074.8				8.4%
2006-07	26404.1				-2.5%
2007-08	24112.1				-8.7%
2008-09	21025.6				-12.8%
2009-10	21523.1				2.4%
2010-11	22551.6				4.8%
2011-12	23618.8				4.7%
2012-13	25314.6				7.2%
2013-14	26198.0				3.5%
2014-15	27681.1				5.7%
2015-16	28325.4				2.3%
2016-17	29594.5				4.5%
2017-18	31218.2				5.5%
2018-19	33413.8				7.0%
2019-20	31366.2				-6.1%
2020-21	36280.9				15.7%
2021-22	44035.7				21.4%
2022-23	47327.8				7.5%
2023-24	48342.0				2.1%
2024-25	47,581.6	48,515.9	934.3	173.9	0.4%
2025-26	48,596.9	49,697.1	1,100.2	1,181.2	2.4%
2026-27	50,405.0	51,829.0	1,424.0	2,131.9	4.3%
2027-28	51,797.9	53,000.5	1,202.6	1,171.5	2.3%
2028-29	53,253.2	54,336.2	1,083.0	1,335.7	2.5%
2029-30	n/a	55,754.4	n/a	1,418.2	2.6%

Adj = Incorporating Measures Affecting Revenues

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# January 2025 Monthly Revenue Report

Month	August	September	October	November	December	January	February
Monthly Overage (millions)	149.5	28.4	161.8	47.7	191.8	-31.4	
Year to Date Overage (millions - cumulative)	197.5	225.9	387.7	435.3	627.1	595.7	
Percent of Monthly Estimate Collected	104.3%	100.7%	104.9%	101.3%	104.5%	99.3%	
Percent of Total Year Estimate Collected	14.6%	23.2%	30.3%	38.2%	47.3%	55.9%	

JANUARY 2025 GENERAL REVENUE COLLECTIONS (\$ MILLIONS) BASED ON THE AUGUST 2024 REVENUE ESTIMATING CONFERENCE								
	MONTH			FISCAL YEAR TO DATE				
	ACTUAL CURRENT MONTH	ESTIMATE CURRENT MONTH	OVER/ UNDER ESTIMATE	ACTUAL CURRENT YEAR	ESTIMATE CURRENT YEAR	OVER/ UNDER ESTIMATE	PRIOR YEAR ACTUAL	PERCENT INCREASE/ DECREASE
SALES TAX COLLECTIONS	3,565.4	3,575.7	(10.3)	21,091.8	20,741.5	350.3	20,606.5	2.4%
CORPORATE INCOME TAX	181.3	200.1	(18.8)	2,741.5	2,765.1	(23.6)	2,802.7	-2.2%
INSURANCE TAXES	29.9	34.7	(4.8)	703.9	709.0	(5.1)	693.5	1.5%
DOCUMENTARY STAMP TAX	116.4	114.7	1.7	690.6	703.9	(13.3)	647.4	6.7%
EARNINGS ON INVESTMENTS	111.7	85.9	25.8	894.4	601.3	293.1	604.6	47.9%
CORPORATE FILING FEES	38.2	60.0	(21.8)	126.1	155.8	(29.7)	146.9	-14.2%
INTANGIBLES TAXES	39.0	40.6	(1.6)	290.0	273.0	17.0	253.1	14.6%
HIGHWAY SAFETY FEES	32.0	28.9	3.1	216.0	217.0	(1.0)	195.9	10.3%
COUNTIES' MEDICAID SHARE	33.4	30.6	2.8	216.5	214.3	2.2	179.2	20.8%
SERVICE CHARGES	24.9	35.7	(10.8)	219.3	225.1	(5.7)	220.9	-0.7%
BEVERAGE TAXES	27.8	20.9	6.9	165.4	141.8	23.6	204.7	-19.2%
OTHER NONOPERATING REVENUES	6.6	10.7	(4.1)	134.1	114.8	19.3	72.9	84.1%
TOBACCO TAX	11.3	9.9	1.4	67.5	66.5	1.0	72.1	-6.4%
ARTICLE V FEES AND TRANSFERS	4.0	22.3	(18.3)	29.1	50.9	(21.8)	48.1	-39.5%
OTHER TAXES LICENSES AND FEES	9.6	11.5	(1.9)	23.2	27.8	(4.6)	29.8	-22.0%
INDIAN GAMING	2.8	2.5	0.3	18.3	17.5	0.8	57.8	-68.3%
PARIMUTUEL TAXES	0.9	0.9	0.0	6.3	6.5	(0.2)	6.4	-1.5%
SEVERANCE TAXES	0.9	1.2	(0.3)	4.7	5.0	(0.4)	5.1	-8.3%
TOTAL REVENUE	4,236.1	4,286.8	(50.6)	27,638.8	27,036.9	601.9	26,847.5	2.9%
LESS REFUNDS	51.6	70.9	(19.3)	509.0	502.8	6.1	467.6	8.8%
NET REVENUE	4,184.5	4,215.9	(31.4)	27,129.8	26,534.1	595.7	26,379.9	2.8%

Florida EDR

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# Issues Affecting Floridians



Construction is underway on the exterior of Howard and Sheila Konetz's condominium complex in Aventura, Fla. Scott McIntyre for The New York Times



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# Session Summary

## More Volatility in the Markets

- Uncertainty breeds inaction
- Stagflation
  - Rates stay elevated due to inflation concerns from tariffs
- Economy slows down as the middle and lower wage earners only spend on necessities and higher wage earners pull back due to the negative side of “wealth effect”

## Effect on Floridians

- No longer an “affordable” place to retire
- Population growth maybe the key to future prosperity
  - Locals forced to move out

## Impact on Local Government Budgets

- Revenue
  - Florida FY 24/25 Sales Tax flat to slightly versus FY23/24
  - Interest income will be slightly lower than 2024 but higher than 2022
- Expenses
  - Everything is more expensive especially services
  - Capital projects are taking longer and coming in over budget

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# Questions/Comments



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## David Jang, CTP

*Chairman*

35 Years Investment Experience

David Jang is the Chairman of Deep Blue Investment Advisors and directs the firm's strategic growth. David's investment advisory experience, client-focused approach and understanding of the multiple components affecting local governments enables him to provide valuable insight to treasury management, investment management and consulting clients. David routinely speaks at Florida's Government associations, chapters, conferences and CPE seminars which address local, current economic conditions and challenges facing Florida's entities. He serves on the firm's credit and investment committees and is the President of the US Fixed Income Trust.

Prior to joining Deep Blue Investment Advisors, David spent 12 years working with Florida local government clients and 35 years overall in investment advisory services.

David earned his Bachelor's degree in Economics from the Wharton School, University of Pennsylvania. He earned the Association of Financial Professionals (AFP) designation of Certified Treasury Professional (CTP). David is a Registered Investment Advisor with the Florida Department of Financial Regulation.

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### PRESENTERS' BIO

# David Jang

## Brent Wertz

*President & CEO*

24 Years Investment Experience



### PRESENTERS' BIO

# Brent Wertz

Brent Wertz is the President & CEO of Deep Blue Investment Advisors. Brent provides strategic leadership for the company and is responsible for overseeing all aspects of the firm's investment process. He heads implementation of the firm's investment strategies and portfolio risk management. He serves on the firm's investment and credit committees.

Brent started Deep Blue based on his experience serving as a consultant to special taxing districts throughout the State of Florida assisting these districts in bond offerings, assessment allocation, and collections as well as assisting District Managers with treasury management.

Brent is a graduate of Virginia Military Institute with a Bachelor of Arts in economics. Brent received his master's degree in business administration from the University of Tampa.

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## Benjamin Streed, CFA

*Chief Investment Officer*

17 Years Investment Experience



### PRESENTERS' BIO

# Benjamin Streed

Benjamin Streed is the Chief Investment Officer. As CIO, he is an integral component of our firmwide commitment to attract and retain industry leaders who will better service our clients and local communities. His focused efforts to build out our front, middle, and back office will position us for continued growth.

Before becoming CIO, he served as CFA Director of Fixed Income for several years. In this role he worked with investment professionals to deliver comprehensive, custom, diversified portfolio management strategies for separately managed accounts, consulting clients, and the U.S. Fixed Income Trust local government investment pools. Benjamin will continue directing the Portfolio Management team and serving on the firm's investment and credit committees. He will further develop as a thought leader in the investment space — attending industry seminars and speaking engagements to educate our clients and prospects.

Prior to joining Deep Blue, Benjamin served as a fixed income portfolio strategist with Wells Fargo Private Bank. There, he was a member of the investment strategy committee and the strategic and tactical asset allocation sub-committees. He has also served as an investment analyst and portfolio manager where he focused on providing unique investment solutions for high-net-worth families.

Benjamin earned a Bachelor of Science degree in business administration with a focus on finance from Emory University and a Master of Science in finance (MSF) from Georgetown University where he graduated as class valedictorian. He is a CFA® charter holder and frequently volunteers his time with the CFA curriculum advisory committee and the Georgetown MSF alumni council.

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## **Dominick Cristofaro**

*Director, Client Advisory Services*

31 Years Investment Experience

Dominick Cristofaro is a Director, Client Advisory Services. Dominick is responsible for developing and servicing client relationships, including cities, counties, special districts, and other public entities.

Prior to joining Deep Blue Investment Advisors, Dominick spent 8 years with the District School Board of Pasco County where he served as Treasurer and Director of Finance Services. Prior to Pasco County, he has a wide array of investment experience including financial advising, managing institutional portfolios, and trading.

Dominick received his Master's in Business Administration from the University of Hartford and his Bachelors of Science in Business Administration from the University of Connecticut in Storrs, CT. He currently holds a FINRA Series 65 license.

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### **PRESENTERS' BIO**

# Dominick Cristofaro

## John Scott

*Client Advisory Associate*

2 Years Investment Experience

John Scott is a Client Advisory Associate at Deep Blue Investment Advisors. John plays a key role in supporting the Client Advisory team, specializing in cultivating new and existing client investment relationships with an emphasis on separately managed accounts and Florida Fixed Income Trust (FL-FIT) investment pools.

Before joining Deep Blue, John dedicated fourteen years to teaching mathematics. He transitioned into the wealth management sector as an Operations Analyst at Members Trust Company, where he honed his account management and client service acumen. His background in education paired with these skills makes him a valuable and dynamic asset to our team

John holds a Bachelor of Science degree in secondary mathematics education from St. Petersburg College. He currently holds a FINRA Series 65 license.

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### PRESENTERS' BIO

# John Scott

## Frederick Berretta

*Managing Director of Business Development*

36 Years Investment Experience

Frederick Berretta is Managing Director of Business Development at Deep Blue Investment Advisors. He has thirty years of global asset management experience, with twenty-five years at Bank of America Merrill Lynch. While there, he led the strategic launch, product development, and sales for the institutional short-term fixed income and money market business, leading it to become one of the most successful liquidity investment platforms in the industry with more than \$250 billion in assets under management, serving corporate, government, municipal, educational, and non-profit clients.

Following his career at Bank of America Merrill Lynch, Frederick led global sales and strategy for an institutional liquidity investment Fintech subsidiary of BlackRock.

Frederick is a graduate of Wake Forest University with a Bachelor of Science in business and finance.

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## PRESENTERS' BIO Frederick Berretta



## Fritz Curtis

*Director of Business Development*

35 Years Investment Experience

Fritz Curtis is the Director of Florida Business Development at Deep Blue Investment Advisors. He has thirty-five years of asset management experience including both on the investment side as well as the distribution side. Most recently, he served as Executive Director for Morgan Stanley Investment Management for 17 years distributing liquidity, fixed income and equity products to clients.

Prior to his various sales distribution roles, he served as Senior Portfolio Manager for AMR Investments and Fidelity Investments, respectively. He managed short-term liquidity funds, state specific funds as well as separately managed accounts.

Fritz is a graduate of Baylor University with a BBA in Finance and Information Systems and an honors graduate of the University of Dallas with an MBA in International Management. He is a CSRIC charter holder, a CFA Investment Foundations certificate holder as well as a CAIA Fundamentals of Alternative Investments certificate holder.

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### PRESENTERS' BIO

# Fritz Curtis

# Disclosures

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