Economic Update Analysis of the Cheaha Economic Activity Zone

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Economic Update of the
Cheaha Economic Activity Zone

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Economic Update of the Cheaha Economic Activity Zone

Executive Summary

The purpose of this analysis is to demonstrate the economic vitality and growth capacity of the Cheaha Economic Activity Zone (CEAZ) in northeast Alabama (also identified as Cheaha Zone). The Cheaha Zone encompasses Calhoun, Clay, Cleburne, and Talladega Counties.

- **Population:** The population trend for the Cheaha Zone area is upward. Sharp increases in population from 2004 - 2008 have leveled, but current population trends and expected future population projections are encouraging.

- **Income:** Median household and per capita income are stable in the CEAZ. Trends are increasing for both measures of income and the Cheaha Zone has experienced comparable growth relative to Alabama and U.S. averages.

- **Labor Force:** The labor force in the CEAZ has been negatively impacted by state and national economic conditions over the last few years, after experiencing historic growth in employment and labor force participation in 2006 and 2007. Recent data indicate that moderate increases in hiring outlook and employment are forthcoming.

- **Housing:** Recent data suggest that housing is experiencing a remarkable turnaround over the last few months. Total number of houses sold, days on the market and average selling price are all positive, and in some instances exceeding statewide averages.

- **Economic Trends:** Economic trends have been positive with hiring strong within the CEAZ. Sales tax collections suffered during 2009 but are now experiencing an upward trend. The CEAZ compares very favorably with the State of Alabama when analyzing selected industries and exceeds state performance in growth of establishments and employment in several economic sectors.

- **Infrastructure:** An expanding and ongoing transportation network is further strengthening the infrastructure in the area. The financial sector of the study area remains strong, vibrant, and financial deposits reflect an improving economy. A host of industrial sites enhance the economic appeal of the CEAZ.

In summary, the Cheaha Economic Activity Zone continues to demonstrate a thriving area of economic activity in northeast Alabama. The population base, workforce, and economy are strong and stable and have withstood a sharp nationwide economic downturn to remain vibrant. Projected future trends are encouraging for continuing commercial and industrial development.

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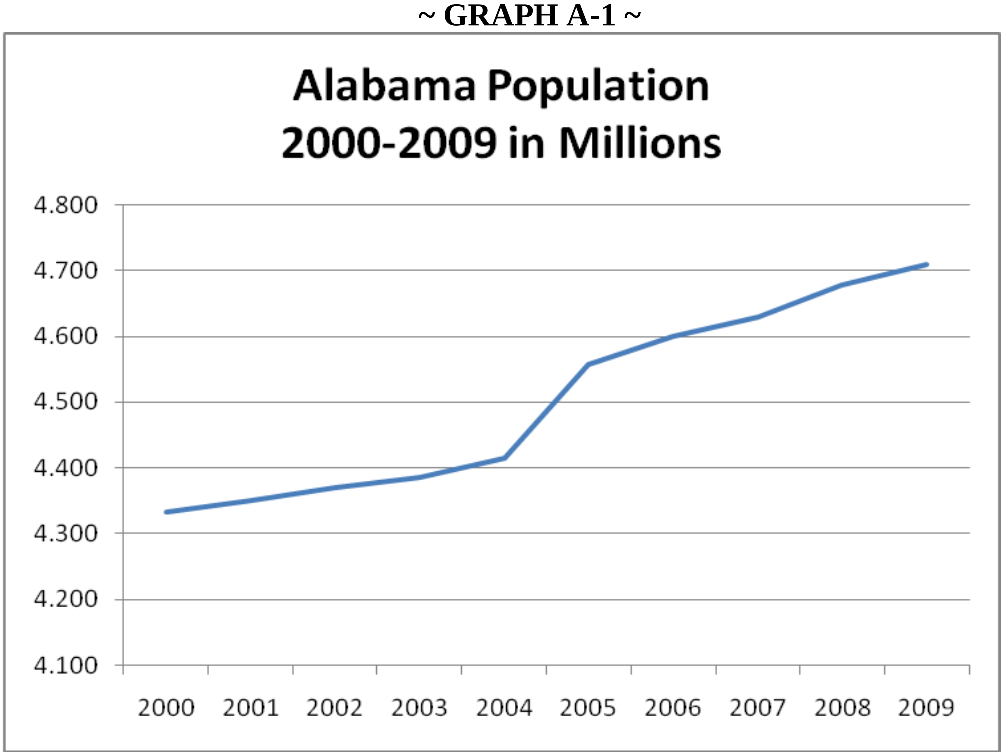
A. Population Trends

The population trend of a geographical area is a good barometer of the desirability of an area from not only a residential perspective, but also as an economic basis for commerce. Economic developers are generally happy to see upward trends in population numbers for any particular jurisdiction. An increase in population generally correlates to a growing community with increasing demand for goods, services, and other amenities. Higher population numbers, either in absolute terms or relative to the overall state population, form a basis for increased commerce, which stimulates economic activity.

The State of Alabama has experienced a consistently growing population, with an overall population in 2009 of over 4.7 million people. Referring to Graph A-1, after a steep increase in population in 2004-2005, the trend has remained upward and constant. United Vann Lines Migration Study validates this trend in overall increases in state population through their analysis of population migration nationwide. Alabama is consistently a high inbound state, often at the expense of population declines in the industrial Midwest and Northeast.

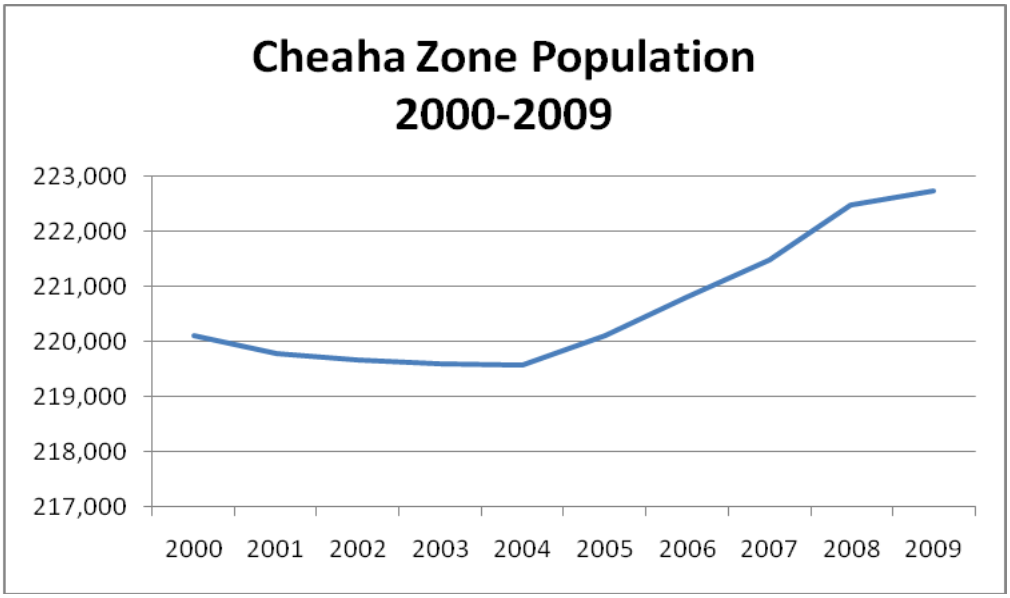
~ GRAPH A-1 ~



Source: US Census Bureau

An upward trend in population growth is also observed in the Cheaha Zone as well. An increase in population is especially pronounced in the Cheaha Zone since 2004. The population has grown from approximately 219,600 in 2004 to 222,700 in 2009, a 1.41 percent increase over that time period. Graph A-2 depicts these population trends for the Cheaha Zone.

~ GRAPH A-2 ~

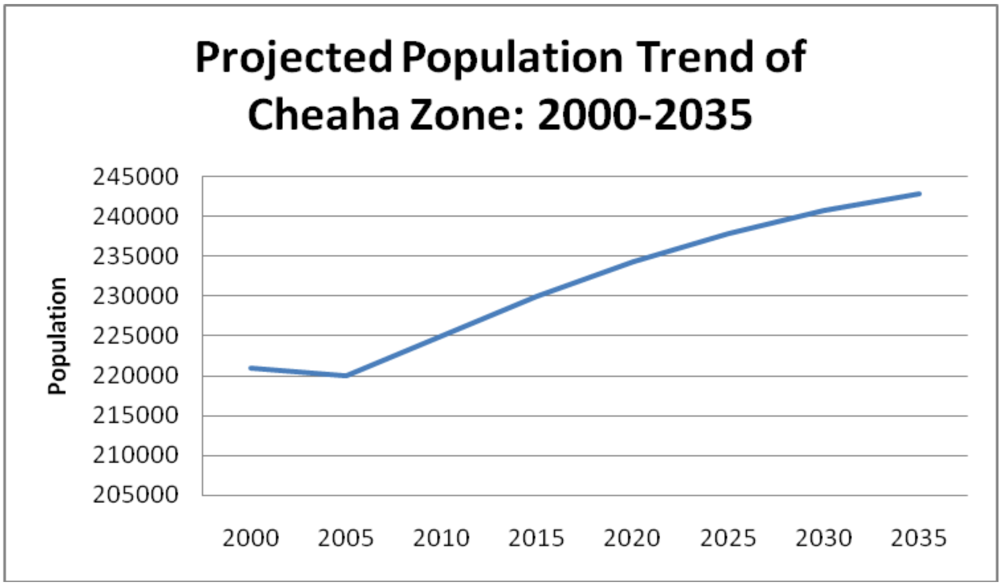


Source: US Census Bureau

From this growing population base women consistently outnumber men. The ethnic mix within the area is generally steady and the population density of residents per square mile is increasing. These trends are indicative of an area becoming more urbanized within a more demographically diverse population.

Going forward, population growth in the Cheaha Zone is expected to be steady over the forthcoming decades. From a population in the CEAZ area of 220,947 tallied from the 2000 Census, the population is expected to grow to 242,840 in 2035. This is an increase of 21,893 residents over a time period of 35 years with an overall percent increase in population of 9.91 percent. Refer to Graph A-3 for a depiction of this trend.

~ GRAPH A-3 ~



Sources: US Census Bureau; Center for Business and Economic Research, The University of Alabama

With the Cheaha Zone encompassing 2,513.24 square miles of land area, this projected increase in population is consistent with a more urbanized economic activity region. Referring to Table A-1, the population density increases from 87.91 people per square mile in 2000 to almost 97 people per square mile in 2035. These data compare very favorably with State of Alabama and U.S. data. In 2000, Alabama population density was 87.6 individuals per square, while the U.S. overall was less densely populated with 79.6 individuals represented per square mile.

~ TABLE A-1 ~

Current and Projected Population Density of Cheaha Zone: 2000-2035				
Cheaha Zone	**Square miles**	**Population Per Square Mile**		
		2000	2010*	2035*
	2,513.24	87.91	89.52	96.62

Source: US Census Bureau
***Projected data for 2010 and 2035**

B. Income Trends

Examining income in a region offers a good indication of economic vitality of the geographic area. Higher levels of income portend greater available means for purchasing goods and services. In fact, a direct correlation exists between a geographic area's income levels and the demand for goods, services, and amenities. Income levels impact an area's revenue base and the ability of a jurisdiction, especially local or county governments, to provide the necessary infrastructure and amenities to support a population base. From this demand for goods, services, and amenities economic growth occurs.

Measuring income levels is best considered in terms of both median household income and per capita personal income. Median household income reflects the midpoint of a range of household income, where one half of household units have incomes above that level of income and one half have incomes below that level of income. Considering Table B-1, increases in median household income within the Cheaha Zone are healthy and approach averages for the State of Alabama and U.S. When comparing 2000 to 2008, median household income advanced by $5,776 or 18.76 percent in the Cheaha Zone.

~ TABLE B-1 ~

Median Household Income
(In Dollars)

	2000	2004	2008	Percent Change 00-08
Cheaha Zone	30,789	33,638	36,565	18.76%
Alabama	34,923	37,062	42,586	21.94%
U.S.	41,990	44,334	52,029	23.91%

Source: US Census Bureau

Household units consist of the number of persons living in the household. The number of individuals might be as few as one but are usually more than one. A different and perhaps better measure of income considers an individual's personal income relative to the population. Measuring income on this per capita basis reflects the income of one individual as a gauge for spending on goods, services, and amenities. Per capita personal income is found by dividing total personal income within a jurisdiction by the population of that jurisdiction.

Growth in income is a function of supply and demand forces within labor markets that affect wage rates. With the recent economic problems adversely impacting labor markets, firms are reluctant to increase compensation for its workforce. Increases in pay over the near term are less certain within both the CEAZ and statewide. According to the 2010 Calhoun County

Chamber of Commerce Membership Survey and the Alabama Business Leaders Confidence Index, most businesses are approaching compensation cautiously in an attempt to better gauge the demand for labor and per unit labor costs. Immediate increases in compensation are not very likely to occur based on these uncertain expectations. The number of firms that are very likely to increase compensation is significantly less for 2010 than 2009 according to these surveys.

Referencing Table B-2, per capita income in the Cheaha Zone grew from a level of $21,617 in 2002 to $29,207 in 2008. This 35.11 percent increase in per capita income over the entire time period reflects healthy dollar increases in income per person that is available for spending. Upward trends in per capita income are indicative of a wealthier area with higher levels of potential consumption for each person.

~ TABLE B-2 ~

Per Capita Income of Cheaha Zone: 2002-2008
(In Dollars)

Per Capita Income	2002	2003	2004	2005	2006	2007	2008
Cheaha Zone	21,617	22,856	24,535	25,967	27,125	28,584	29,207
Alabama	25,548	26,338	27,795	29,623	31,295	32,404	33,655

Source: Bureau of Economic Analysis

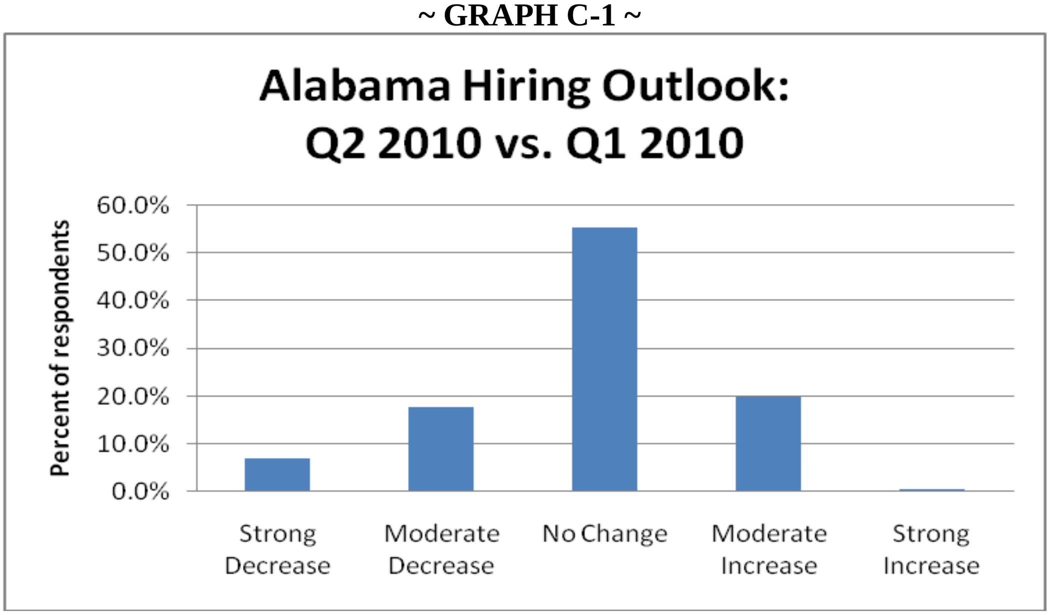
When comparing the Cheaha Zone to the State of Alabama, the trend in per capita income growth is very favorable. Per capita income in the state increased from $25,548 in 2002 to $33,655 in 2008 for an increase of 31.7 percent over the time period. Higher per capita income growth within the Cheaha Zone indicates potentially higher future consumption trends within the population and thus a greater demand for goods, services, and amenities. A trend of higher per capita income within the CEAZ is an important element for greater increases in future consumption within the CEAZ population vis-à-vis the State of Alabama. Whether in absolute or relative terms, economic developers are especially interested in income trends within a jurisdiction. Higher per capita income is indicative of greater wherewithal for individuals to purchase goods and services of firms locating to an area.

C. Labor Force

The labor force can be one of the greatest assets an area possesses. The number of persons within the labor force and the number employed and unemployed are important barometers of not only current and future economic trends, but also offer a basis for potential commercial and industrial development within a jurisdiction. Trends in labor force participation and unemployment may or may not mirror statewide trends, but positive comparisons are characteristics of a resilient economy.

The recent economic downturn has affected labor force participation and unemployment in all areas of the State of Alabama. The Cheaha Zone is no exception. Labor markets have been adversely impacted and unemployment has increased. The fragile economy is in early stages of improvement with business leaders showing slightly more confidence in employment and labor force needs. According to Graph C-1, the consensus appears to show the current outlook for hiring is relatively flat, with over one-half of the respondents anticipating no change in hiring. However, 20 percent of respondents foresee a moderate increase in hiring in the immediate future, an encouraging sign for a more robust labor market.

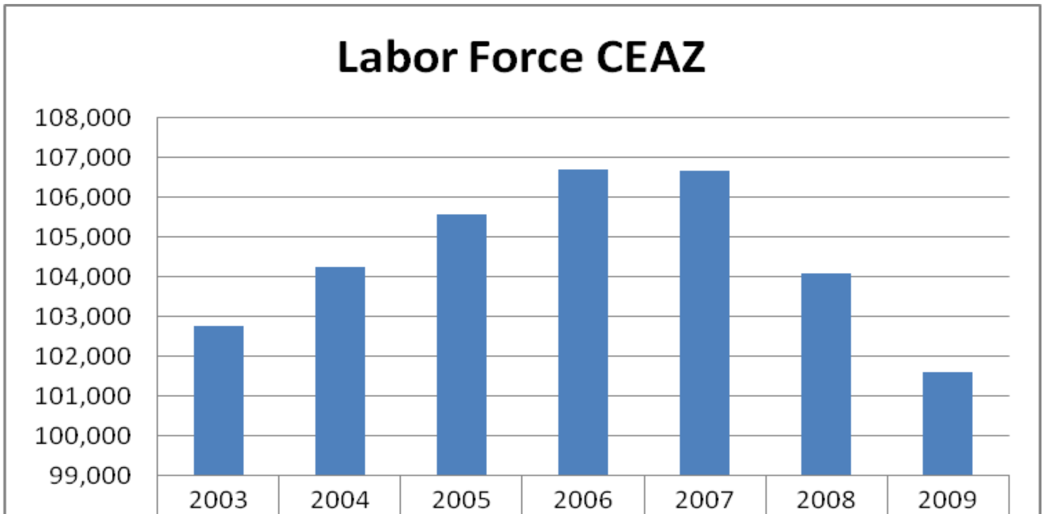
~ GRAPH C-1 ~



Source: Alabama Business Leaders Confidence Index

The labor force is comprised of those individuals actively in the labor market and is the sum of the total employed and unemployed. The labor force in the Cheaha Zone has been very strong over most of the last decade with participation increasing from 102,762 in 2003 to a high of 106,704 in 2006. After reaching a plateau level in 2007 of 106,668, the economic downturn beginning in 2008 impacted the number of labor force participants in 2008 and 2009. The labor force declined from 106,668 in 2007 to 104,081 and 101,604 in 2008 and 2009, respectively. See Graph C-2 for illustration.

~ GRAPH C-2 ~

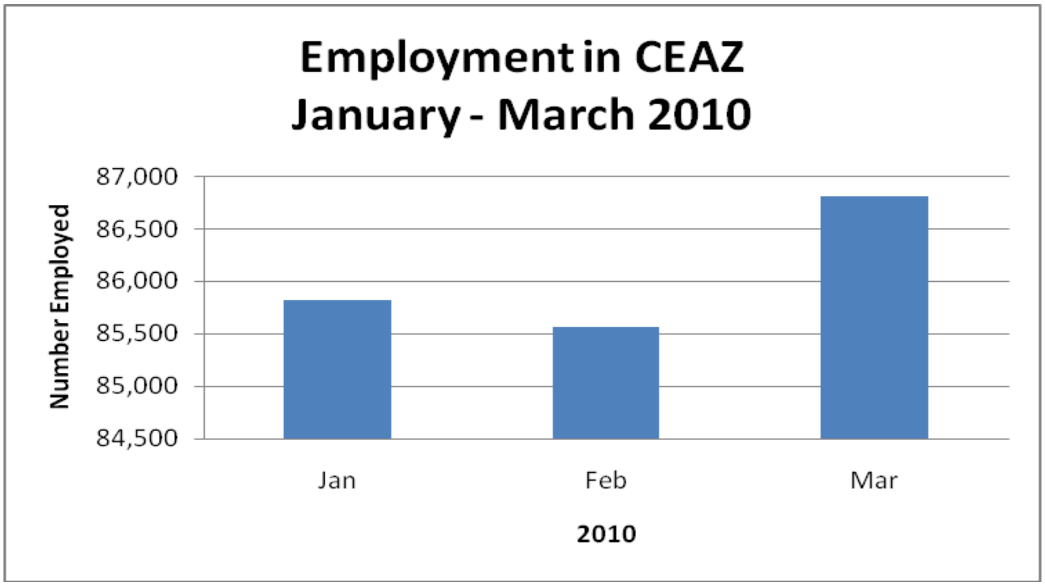


	2003	2004	2005	2006	2007	2008	2009
CEAZ	102,762	104,260	105,590	106,704	106,668	104,081	101,604

Source: AL Dept of Industrial Relations

While the labor force within the Cheaha Zone has declined from historic highs in 2006 and 2007, the decline in employment appears to be abating. Referring to Graph C-3, employment increased from 85,811 to 86,801 from January – March 2010, an encouraging upward trend during a time period when fewer and fewer individuals were active participants in the labor force as economic conditions impacted the number that actively sought employment. Higher levels of employment correlate with higher economic activity now and in the future.

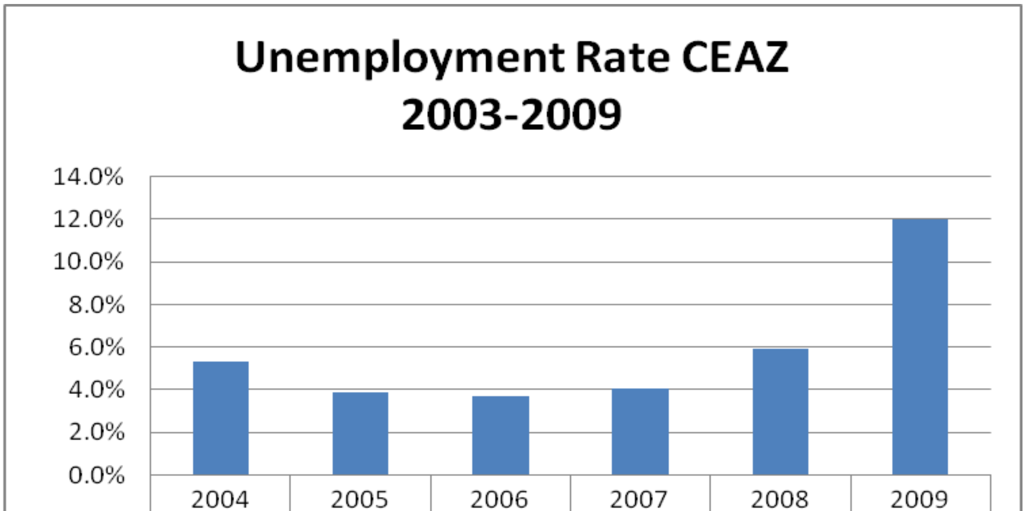
~ GRAPH C-3 ~



Source: AL Dept of Industrial Relations

The unemployment rate in the Cheaha Zone has been declining throughout most of the last decade as not only were greater numbers of individuals active participants in the labor force, but employers were hiring those workers in greater numbers as a vibrant economy sustained that work force. As Graph C-4 shows, the unemployment rate in the CEAZ dropped to a historic low of 3.7 percent in 2006 and maintained a low level during the middle part of the decade.

~ GRAPH C-4 ~

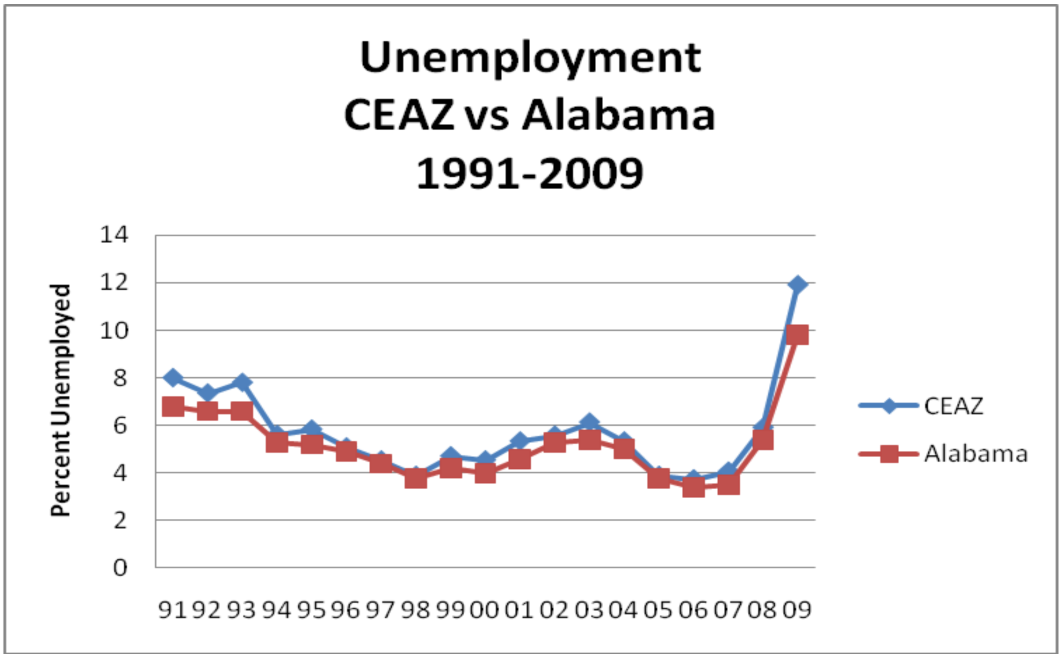


	2004	2005	2006	2007	2008	2009
CEAZ	5.3%	3.9%	3.7%	4.1%	5.9%	12.0%

Source: AL Dept of Industrial Relations

While the labor force in the Cheaha Zone has suffered during the economic downturn, a better analysis of labor force vitality comes from comparisons with overall labor conditions within the State of Alabama. Referring to Graph C-5, historically unemployment in the Cheaha Zone compares very favorably with unemployment for the State of Alabama. Historic lows in unemployment experienced from 2005 to 2007 are evidence of a strong and vibrant CEAZ economy.

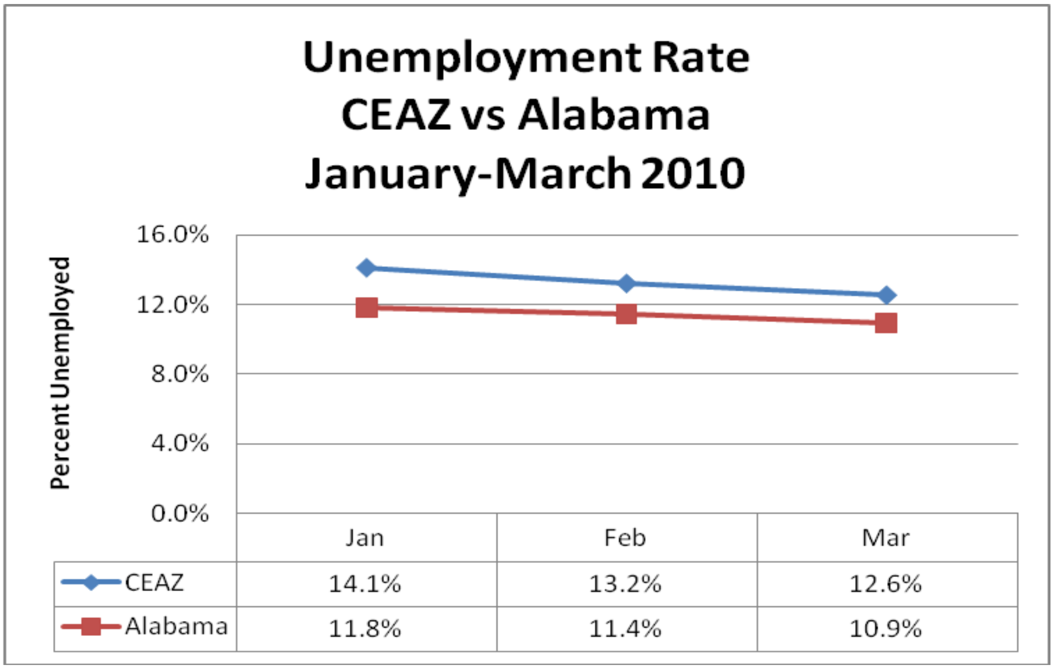
~ GRAPH C-5 ~



Source: AL Dept of Industrial Relations

For the time period of January – March 2010, the unemployment rate in the CEAZ declined from 14.1 percent to 12.6 percent, while the overall unemployment rate for the State of Alabama declined from 11.8 percent to 10.9 percent. The decrease in the unemployment rate in the Cheaha Zone versus the decrease in the State of Alabama over this period is very favorable. In fact, the improvement in unemployment in the CEAZ exceeds the improvement experienced statewide. The unemployment rate in the CEAZ fell by 1.5 percent, while only 0.9 percent for the state overall. This relatively larger decline in unemployment vis-à-vis the state supports more vibrant economic conditions. These findings are expressed in Graph C-6.

~ GRAPH C-6 ~



Source: AL Dept of Industrial Relations

Overall, the significance of the decline in unemployment in the CEAZ is worth noting. The ability to attract industry and develop a labor force is a function of myriad forces within an economy. The relative health of the CEAZ labor market is an indication of stronger economic growth in this region, although the overall unemployment rate is higher than the state average of 10.9 percent. From the standpoint of economic developers, historical evidence of a close association with CEAZ unemployment and state unemployment averages is positive. When considering the relative strength of labor market conditions, however, in light of recent dire economic conditions throughout the state and nation, larger declines in the percentage out of work bodes well for continued economic strength of the region.

D. Housing Trends

The housing market in the Cheaha Zone in absolute terms and relative to the State of Alabama overall is very robust. Referring to Table D-1, the housing market in the CEAZ is healthy and growing. When comparing the first three months of 2009 and 2010, more homes were sold at a higher average selling price. Averaging the listings for each of the three month time periods finds that total listings increased, but of the homes sold, they were on the market for a fewer number of days. Each of these trends is very positive.

~ TABLE D-1 ~

Housing Statistics
CEAZ vs. Alabama
January-March 2009-2010

	CEAZ		
	January-March 2009	January-March 2010	% change
Total Sold	201	231	+ 14.93%
Total Listing (ave. by month)	1254	1360	+ 8.45%
Average Selling Price	$106,023	$111,760	+ 5.41%
Average Days on Market	166	156	- 6.02%
	Alabama		
	January-March 2009	January-March 2010	
Total Sold	7483	7988	+ 6.75%
Total Listing (ave. by month)	38601	39360	+ 1.97%
Average Selling Price	$134,998	$138,833	+ 2.84%
Average Days on Market	149	149	no change

Source: US Census Bureau and Center for Business and Economic Research, The University of Alabama

The health of the CEAZ housing market exceeds state averages in each of the categories listed. From 2009 to 2010, a relatively higher percentage of houses were sold, with selling prices increasing at a faster rate. Houses in the CEAZ market were on the market for a shorter period of time between the two periods of time analyzed, while for the state as a whole, no improvement occurred. With housing a barometer of the overall economic health of an area, the strength in this segment is a very encouraging sign for economic strength of the CEAZ region.

F. Economic Strength & Vitality

The Cheaha Economic Activity Zone's economy has exhibited resilience over approximately the last decade. Worsening state and national economic conditions adversely affected the economy of the CEAZ in the latter part of the decade. Results from the 2010 Calhoun County Chamber of Commerce Membership Survey and Alabama Business Leaders Confidence Index indicate that a cautious sentiment permeates the business community. More business persons are more optimistic overall, however, especially when compared to 2008 lows. Demand for products is expected to be better and many firms are marginally more likely to add new products, expand the number of outlets for their products, and increase their advertising budget within the coming months, according to results of each survey.

The following industries were analyzed from the time period of 2002-2007 for the CEAZ and compared to the State of Alabama: Construction; Wholesale; Retail; Health Care; Accommodations and Food Service; Manufacturing; and Professional, Scientific and Technical Services. Each industry is evaluated within Tables F-1 through F-7, respectively, in terms of number of establishments and employees. Percent change data are in absolute terms from 2002 to 2007. Graphs F-1 and F-2 depict state and CEAZ sales tax collections as a proxy for retail trade health.

1. Construction Trends:

A sustained growth in construction was observed in both the CEAZ and State of Alabama from the time period of 2002 to 2007. While the State of Alabama experienced a larger percent increase in number of establishments, the CEAZ experienced a larger percent increase in number of employees working in those establishments.

~ TABLE F-1 ~

Construction
CEAZ vs. Alabama
2002-2007

	Establishments			Employees		
	2002	2007	% change	2002	2007	% change
CEAZ	402	420	+ 4.48%	2886	3241	+12.30%
Alabama	11130	12406	+11.46	100738	112751	+11.92%

Source: AL Dept of Industrial Relations

2. **Wholesale Trade Trends:**

The CEAZ demonstrated a healthy growth in the number of wholesale establishments in absolute terms and relative to the State of Alabama. However, the number of employees exploded by over 60 percent over the five year time period of the analysis and is a strong indication of the strength of this industry and the economy within the CEAZ.

~ TABLE F-2 ~

Wholesale CEAZ vs. Alabama 2002-2007						
	Establishments			Employees		
	2002	2007	% change	2002	2007	% change
CEAZ	204	213	+ 4.41%	2424	3898	+60.81%
Alabama	9055	9266	+ 2.33%	78049	82492	+ 5.69%

Source: AL Dept of Industrial Relations

3. **Retail Trade Trends:**

The number of retail establishments grew by 5.15 percent in the CEAZ and 4.55 percent in the State of Alabama overall. The relative strength of this sector was also observed in the number of employees within the retail sector in the CEAZ. Number of employees increased by 6.42 percent in the CEAZ, but only by 5.72 percent in Alabama overall.

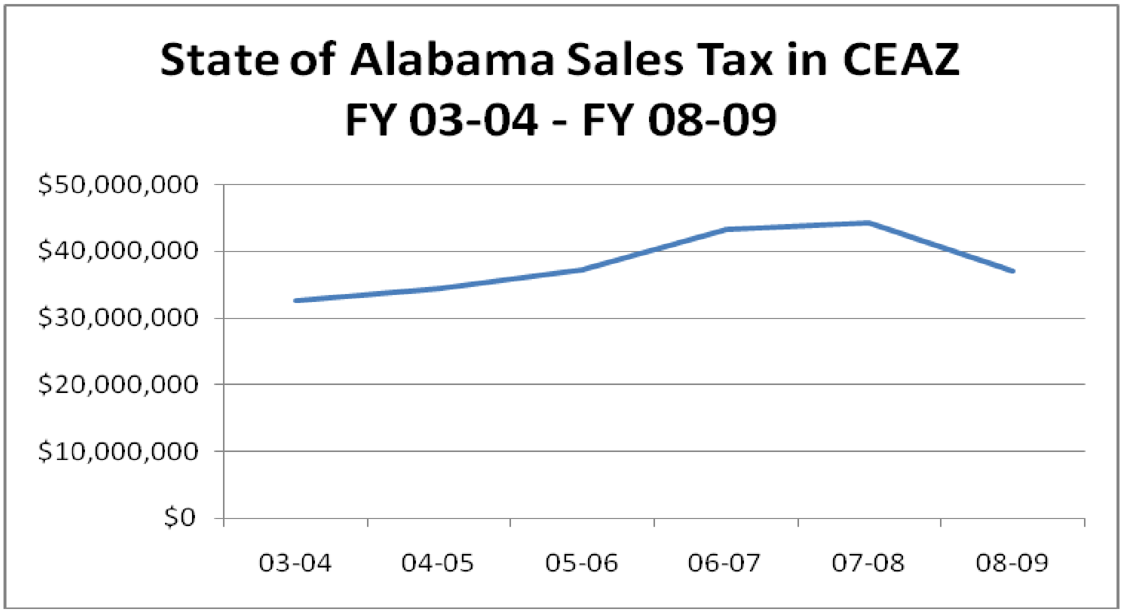
~ TABLE F-3 ~

Retail CEAZ vs. Alabama 2002-2007						
	Establishments			Employees		
	2002	2007	% change	2002	2007	% change
CEAZ	874	919	+ 5.15%	9408	10012	+ 6.42%
Alabama	18702	19553	+ 4.55%	229871	243030	+ 5.72%

Source: AL Dept of Industrial Relations

Historically, sales tax collections are a good proxy for retail activity. Graph F-1 shows that Alabama Sales Tax collections were increasing within the CEAZ until late 2008. The decline in sales tax collections in 2008 and 2009 is evidence of the economic downturn gripping the economy in recent years.

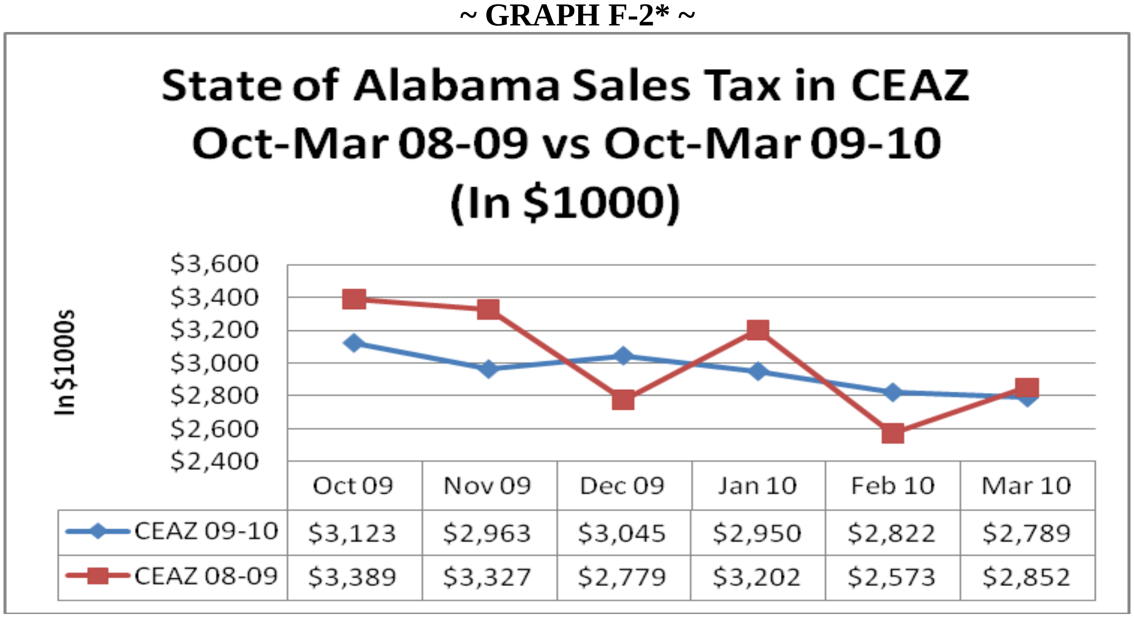
~ GRAPH F-1* ~



Source: Alabama Department of Revenue

When comparing FY 09-10 October – March with the same time period in FY 08-09, sales tax collections indicate a downward trend in retail activity. However, encouraging signs are beginning to emerge that retail trade trends are increasing in February and March 2010 when compared to February and March 2009. Higher sales tax collections in 2010 are evidence of recovery in the retail sector of the economy. Graph F-2 depicts this analysis.

~ GRAPH F-2* ~



	Oct 09	Nov 09	Dec 09	Jan 10	Feb 10	Mar 10
CEAZ 09-10	$3,123	$2,963	$3,045	$2,950	$2,822	$2,789
CEAZ 08-09	$3,389	$3,327	$2,779	$3,202	$2,573	$2,852

Source: Alabama Department of Revenue

*State of Alabama sales tax data reflect sales taxes remitted by firms with a physical presence within the state. Firms that are out of state and doing business in Alabama or otherwise do not have a physical presence in Alabama are not included in this data. The relative number of out of state firms doing business in the CEAZ may skew the analysis when compared to state averages.

4. **Health Care Trends:**

The CEAZ lagged the State of Alabama averages in the number of establishments over the 2002-2007 period of time. Although positive, the number of establishments increased at a less rapid pace. The number of employees working within the health care sector increased by approximately the same percentage within the CEAZ as in the State of Alabama.

~ TABLE F-4 ~

Health Care CEAZ vs. Alabama 2002-2007						
	Establishments			Employees		
	2002	2007	% change	2002	2007	% change
CEAZ	447	483	+ 8.05%	8959	9998	+11.60%
Alabama	8889	10289	+15.75%	213666	238718	+11.72%

Source: AL Dept of Industrial Relations

5. **Accommodations and Food Service Trends:**

The State of Alabama showed greater overall growth in this industry in terms of establishments and employees. Employment growth in the CEAZ was strong and only slightly below averages for the State of Alabama as each establishment hired larger numbers of employees in the CEAZ.

~ TABLE F-5 ~

Accommodations and Food Service CEAZ vs. Alabama 2002-2007						
	Establishments			Employees		
	2002	2007	% change	2002	2007	% change
CEAZ	351	372	+ 5.98%	6355	7209	+ 13.44%
Alabama	7204	8337	+ 15.72%	137884	158572	+ 15.01%

Source: AL Dept of Industrial Relations

6. **Manufacturing Trends:**

Manufacturing suffered with the State of Alabama and the CEAZ from 2002-2007. An overall greater percentage decline in employees occurred within the CEAZ. However, a relatively smaller number of manufacturing firms disappeared, an encouraging trend.

~ TABLE F-6 ~

Manufacturing CEAZ vs. Alabama 2002-2007						
	Establishments			Employees		
	2002	2007	% change	2002	2007	% change
CEAZ	317	307	- 3.15%	25045	20191	- 19.38%
Alabama	5888	5652	- 4.01%	310621	296143	- 4.66%

Source: AL Dept of Industrial Relations

7. Professional, Scientific, & Technical Trends:

The number of establishments within this industry increased at a brisk pace from 2002-2007, although lagging overall State of Alabama trends. The CEAZ again shows its resilience in adding jobs within industries where the number of establishments increases at a lower rate.

~ TABLE F-7 ~

Professional, Scientific, & Technical CEAZ vs. Alabama 2002-2007						
	Establishments			Employees		
	2002	2007	% change	2002	2007	% change
CEAZ	295	308	+ 4.41%	1730	2168	+ 25.32%
Alabama	10355	12349	+ 19.26%	84386	98576	+ 16.82%

Source: AL Dept of Industrial Relations

The overall trend in economic strength and vitality for the CEAZ is very good in both absolute numbers and relative to the State of Alabama. The strong increases in employment in most industries are consistent with the historic lows in unemployment within the CEAZ during this time period.

G. Infrastructure

The infrastructure within a region is an important factor in attracting both commercial and industrial development. The number of available properties is an important gauge of the economic capacity within an area, but development of those sites is a function of transportation available to those firms and strong financial institutions to support access to credit.

1. Industrial Sites:

A very significant factor which contributes to an area's economic growth is the availability of industrial sites. For any city, county, or region to improve its chances of increasing industrial growth, it must have suitable sites for industry to relocate or expand.

In the Cheaha Economic Activity Zone, there are twenty seven industrial sites which are publicly owned, or under option to a public organization. Each offers a range of services available to industries located in or locating to these sites. Most of the sites are established and have utility services in place. Several newer sites are in the development or expansion stage and may not have completed their entire infrastructure.

The potential for expansion of industry within the CEAZ remains positive due to continued growth within the industrial sector, particularly for those firms related to the automobile industry. With over 5500 acres available within the aforementioned industrial sites, ample space is available to developers. The proximity to major roads and the numerous road projects that are ongoing only enhances the appeal of this region. Table G-1 lists the industrial sites available within the CEAZ.

~ TABLE G-1 ~

CEAZ Industrial Sites			
Site	**City**	**Total Acres**	**Zone**
Carl Pace Industrial Park	Oxford	60	Light Industrial
Hillyer Robinson Property	Anniston	59	Light Industrial
Interstate Properties	Oxford	380	Light Industrial
Jacksonville Industrial Park	Jacksonville	50	Light Industrial
McIntosh Road Industrial Park	Oxford	162	Heavy Industrial
Ohatchee Industrial Park	Ohatchee	106	Light Industrial
Piedmont Industrial Park	Piedmont	137	Light Industrial
Billingsley Property	Sylacauga	69	Light Industrial
Childersburg Industrial Park	Childersburg	2195	Heavy Industrial
Coosa Valley Industrial Park	Talladega	128	Light Industrial
Jackson Trace Industrial Park	Talladega	80	Light Industrial
Lincoln Industrial Park	Lincoln	159	None
Lincoln On The Green	Lincoln	330	None
Lincoln Industrial Park Center	Talladega	80	None
Michaels Property	Lincoln	136	Light Industrial
Powe Property	Sylacauga	241	None
Smelley Property	Talladega	200	None
Stemley Road Property	Lincoln	29	Light Industrial
Sylacauga Industrial Park	Sylacauga	340	Heavy Industrial
Wallis Lumber	Talladega	47	None
White Property	Talladega	215	None
City of Heflin Industrial Development Park	Heflin	212	Light Industrial
Heflin County Road 66 Site	Heflin	39	None
Heflin Industrial Area	Heflin	76	Light Industrial
Max Payne and Others Site	Heflin	180	Business & Commercial
Nixon Creek Properties	Heflin	347	Agricultural
Lineville Industrial Park	Lineville	55	Light Industrial

Source: Economic Development Partnership of Alabama (www.edpa.org)

2. Transportation:

Transportation projects within the CEAZ are ongoing and adding to the infrastructure of the region. A stronger system of roads, bridges and other means of supporting transportation is important in attracting new development and retaining existing entities. Table G-2 provides an overview of the scope of transportation projects ongoing in the CEAZ and the approximate cost associated with these projects.

~ TABLE G-2 ~

CEAZ Transportation Projects 10/01/2007 – 09/30/2011			
SCOPE OF WORK	**Cost in $1000s**		
	FEDERAL	**STATE**	**TOTAL**
UTILITIES	7,045	572	7,617
RIGHT OF WAY	5,336	90	5,426
CONSTRUCTION	213,601	30,801	244,402
PRELIMINARY ENGINEERING	5,149	405	5,554
FEDERAL MAINTENANCE	5,669	0	5,669
TOTALS	236,800	31,868	268,668

Source: Alabama Department of Transportation

3. Financial Institutions

Growth in bank deposits is a measure of the economic health of the CEAZ region. Upon review of the FDIC web site, the CEAZ displays healthy growth both in deposits and in the number of offices.

During the period 2005 to 2009, FDIC insured commercial bank deposits have grown by over 400 million dollars, or just over 17 percent, while the number of offices during the period has grown by 6 offices or just over 10 percent. Table G-3 summarizes CEAZ financial institution activity.

~ TABLE G-3 ~

CEAZ FDIC Commercial Bank Deposits and Number of Offices		
Year	Number of Offices	Deposits in Thousand $
2005	58	2,432,758
2006	60	2,594,230
2007	60	2,735,054
2008	63	2,842,645
2009	64	2,862,072

Source: www.fdic.gov