LEADING EMPLOYEES THROUGH TODAY'S ECONOMY

By Marlene A. Pontrelli, Esq.
Mariscal, Weeks, McIntyre & Friedlander, P.A.
Phoenix, Arizona

INTRODUCTION

There is no question that there have been drastic changes in municipal government over the past several years due to the economy. One of the challenges for municipal governments has been to find innovative ways to cut costs, while at the same time keeping a workforce employed, motivated and without any sacrifices in municipal services. This paper explores the current economic situation facing municipalities, a survey of ways municipalities have addressed these issues with their personnel, and ways to keep employees engaged as we continue to ask them to do more with less. At the end of this paper are a number of charts and graphs that perhaps help to depict the current situation better than words can possibly explain. While detailing problem, they do not give us the solution. Those solutions are left therefore to each individual city, with help of their legal counsel, to find ways to lead their municipalities through this unprecedented economic crisis. The suggestions contained herein are, just that, suggestions and examples of how municipalities across the country are addressing these very difficult issues.

I. The Prelude: Facing the Facts

John Adams: "Facts are stubborn things; they cannot alter the state of facts and evidence"

1. November, 2008, Moody's.com studied economic activity within 381 metropolitan areas, and 302 were already in deep recession. No doubt the numbers are now higher.
2. State revenue picture is the worst in 20 years
3. State aid, from the Feds is the largest single revenue source for states and likely to decline even more
4. The Federal government can borrow its way to a balanced budget, cities and states cannot do the same.
5. In many states, too much of the economy is based on real estate, construction and tourism
6. New homes, home equity loans for home improvements, placed huge demand for retail good and low-level services. Cities grew, tax coffers filled, budgets ballooned, spending continued as more people arrived.

7. The bubble never resulted in the development of sustainable, scalable, or highly productive industries or services. With housing being the primary product, many cities and regions became a giant Ponzi scheme…our bubble burst.

8. National League of Cities surveyed 300 cities and 4 out of 5 finance officers said their cities would be less able to meet needs in 2009, with no signs of improving in 2010. Cities tend to lag behind National recovery by almost two years.

9. For the first time in 25 years, all three major tax sources have all declined at the same time. Nationally, property taxes dropped3.6, sales tax down 4.2 and income tax declined 3.3. But this survey was done over 10 months ago, so these figures are probably much higher, especially in Arizona.

10. 92% of municipalities expect to have trouble meeting their needs into 2010.

11. 69% have instituted hiring freezes or layoffs

12. 42% are delaying or canceling infrastructure projects and another 22% have instituted across the board cuts

13. Half of the cities and towns are increasing charges for services, while 29% are increasing the number of fees

14. 15% of cities have increased property taxes, while 6% have hiked sales taxes.

15. Home starts are off by 81% from their peak in early 2006 and multifamily starts are down by 74%.

16. For the first time in 25 years, all three major tax sources have all declined at the same time. Nationally, property taxes dropped 3.6%, sales tax down 4.2% and income tax declined 3.3%. But this survey was done over 10 months ago, so these figures are probably much higher, especially in Arizona.

17. What happens when the stimulus money runs out by 2012? Have your cities planned ahead?

II. Turbulent Forces At Work

To some extent what we do and how we do it is greatly influenced by the global economy. Thus, while we can try to engage in activities that we hope will bring stability to our local governments, there is little we can do given that we are so tied into the global economy. Now, more than ever before, we see the linkage of the global economy. There has been an unprecedented rapid fall in global demand for manufactured goods to export. Investment activity fell by almost 5% in 27 of the 30 high income countries. Other factors include:

- ✓ Precautionary savings led to sharp decline in global investment, production, trade and gross domestic product (GDP) in the first quarter of 2009
- ✓ Demand for durable goods fell 20% in Europe, and 22% in the U.S.
- ✓ Many countries are drawing down on the international currency reserves they built up in good times.
- ✓ Devalued dollar worldwide
- ✓ Large wealthier countries withdrawing capital from developing countries
- ✓ Stock markets all over the world lost between 40 to 60 percent of their dollar values and were depreciated against the U.S. dollar, implying massive loss in global wealth. Global economy at risk from rising oil prices
- ✓ Collapse in demand for exports of manufactured, agriculture and mining products

While there are global forces at work, there are also national forces. The federal government has cut dollars to states and municipalities for education, crime and Medicaid. The municipal bond market has downgraded AAA ratings, requiring cities to pay more for bond money, Wall Street losses have caused public pensions to decline (resulting in people going out and spending less and trying to save more), Other National forces include:

- ✓ GASB (Government Accounting Standards Board) looking at placing fiscal restraints on states and municipalities
- ✓ Companies relying on exporting are seeing the pipeline due to poor global economy
- ✓ Results of the American Recovery and Reinvestment Act, not big enough or fast enough
- ✓ Manufacturing slows, level of back stock low, and new orders for durable goods are few
- ✓ We now know that the U.S. officially entered into a recession in December of 2007
- ✓ Stimulus money not getting out fast enough
- ✓ Banks are not assisting homeowners sufficiently to refinance and stay in their homes
- ✓ Commercial real estate is now experiencing high foreclosure rates
- ✓ The first wave of home foreclosures was due to the sub-prime mess. The second wave are now the higher priced homes or second homes for people who lost their

jobs. Now they expect a third wave of foreclosures from those who live pay check to pay check.

Finally, we have local forces at work. While the federal government can borrow its way to balance budgets, local and state governments cannot do the same. We see many more "see through buildings", empty malls, stores and office buildings. Local businesses are experiencing unprecedented bankruptcies, or in some cases simply walking way. We have entered an areas of empty sprawl with miles of unoccupied housing, while at the same time we also see in our communities unfinished private projects sitting. In some cases the land is scraped clean with no development because the developer is unable to access funding. Other local forces at work include:

- ✓ Dipping into rainy-day funds/drawing down fund balances to deal with fiscal challenges
- ✓ Having to pay higher interest in the municipal bond market
- ✓ Voter resistance to tax increases, yet citizens do not want feel impacts to education, medical care or public safety
- ✓ OPEB costs projected to be much larger than cities currently pay to cover retirees
- ✓ Honoring MOU's with unions, causing additional burdens to city budgets
- ✓ Due to market losses, employer contributions to employee pension might be reality
- ✓ Decreases in property, sales and income taxes all at the same time
- ✓ Empty, foreclosed homes can result in public health issues, crime and other social issues
- ✓ Few dollars mean fewer services and fewer people providing them to residents
- ✓ Push to go eco-friendly (Green) is expensive, but saves money in the long run
- ✓ Bond ratings going down due to lack of "rainy day funds", OPEB factors, etc.
- ✓ Problems with getting revenues to match expenses
- ✓ Revenues are down, costs are up, cuts are inevitable and often painful
- ✓ More homeless, more unemployed, more depending on all types of assistance; fewer donations to non-profits just when they need them most

III. "Recession Is The Mother Of Invention"

Municipalities have become very creative in ways to address the result of all these various factors at work. Unfortunately, most of the changes are impacts directly on personnel since

personnel contributes to the greatest percentage of operating costs. What follows is a listing of what municipalities across the country have considered in trying to address their budget issues. While not all of the solutions are right for every municipality, the list provides food for thought in terms of what may work at any given time and hopefully stipulates discussion when faced with the question of what can be done to cut costs. The most important factor to remember, however, is that while streamlining may be good, that streamlining needs to be something that can be sustained into the long term. Quick fixes will only produce future problems. The goal is to not just postpone the problem but to eliminate problems and put our governments back on the right track for sustainable economic recovery.

1. Salary steps modified or suspended. Salary freezes across the Board, including reopening union MOU's.

2. Cut staff. While this appears to be an easy fix, the result is that it furthers the local and national economic crisis by contributing the rise in unemployment.

3. Reduce full time, and consider part time staffing, job sharing, reduced workweek, reduced hours. (Going from 8 hour days to 7.5 hours a day saves 2.5 hours of salary per employee per week with minimum impact on the employee).

4. Eliminate 401 (k) matching program

5. Require larger health coverage contribution especially for dependents and spouses

6. Don't lease office space for city offices. Better to have employees who can telecommute do so and consolidate office space.

7. Voluntary separation program (early retirement)

8. Shortened hours for libraries, recreation venues, community centers etc.

9. Suspend recycling programs unless under contract

10. Numbers of community events, buying city give-a-ways, awards, memberships, department parties, etc.

11. Cut back on cemetery and park maintenance

12. Use retirees to help reduce employee costs. Make retiree health insurance contingent on giving back 5 hours a month to city service (or give a reduction in health care premiums if retiree is able to contribute).

13. Consider use of consultants wisely. While consultants can be an expensive proposition, consider when hiring whether it may be more economical to fill the position temporarily

with a consultant to come in and do the project, rather than adding another person to the payroll.

14. Furlough days, 4-day work weeks, job sharing.

15. Consider competitive management for tasks such as IT functions, printing, graphics, and other projects where the marketplace may be able to perform the same functions. No position should be filled until there is at least some consideration given to whether outsourcing that function can produce the same result at less cost. While competitive management (or privatization) has negative connotations, if the process is used as a result of natural attrition then minimal fallout can occur. This takes planning ahead. A complete review of your organization structure, job functions, duties, and ability to obtain like services, needs to be done ahead of time so that when people leave positions, the job can be considered for replacement or outsourcing. Caution: highly recommended that this is done by an outside consultant to avoid any criticism that some positions were saved from future elimination because of the person serving the position currently, or the person likely to obtain the position if there is a vacancy. The organizational review needs to be position based not person based and an outside review can eliminate that perception.

16. Move some full-time employees to part-time (ask for volunteers or look at their work load to make determination)

IV. The Human Factor.

How to keep employee's motivated, engaged, and doing more with less.

As a preliminary matter, consider today's workforce. We now have six generations working together:

- **Radio Babies:** Born 1930-1945 -May be retiring daily, but 63 million still are employed.
- **Baby Boomers:** Born 1946-1964 - Total 78 million in the workforce. They understand technology and although they may no longer want advancement, they want challenging assignments, lateral moves and respect for "their dues paid."
- **Generation Xers:** Born 1965-1976 – 43 million in the workforce. They are independent, but can be loyal to the organization.
- **Generation Yers:** Born 1977-1991 – 80 million. They ask why and do not know a life before technology.
- **Millennials:** Born 1991 and later. Harder to find jobs now, for this working group. Just graduation from high school and college.

So, how are municipalities developing strategies to make the generational divide manageable and workable? Still important for people to find passion in what they do. Probably more important now because often times asked to take on greater rolls and pick up the work of someone else who may have retired or had their job eliminated. Some suggestions include:

1. Asking employees to be part of the solution. Giving people ownership in the outcome.

2. Cross-training. Allows employees to expand their knowledge and skills.

3. Having a cadre of temps so that someone is available to step in and reduce workloads in unexpected emergencies or when someone is out long-term or their job has been eliminated.

4. Examine/re-organization of workloads. Problems arise when jobs are eliminated and someone else picks up the workload. The result is that there may be uneven workload responsibilities resulting, eventually, in poor morale among the workgroup.

5. Changing and/or expansion of job descriptions. When is the last time that job descriptions were reviewed? Consider a review of job descriptions to meet today's reality.

6. Address employee attitude and morale before it becomes a problem. Requires supervisors to be aware of needs and issues of the workforce.

7. If they love what they're doing they'll love their job. Talk with employees and find out ways that the supervisor can make the work load better. The "Suck It Up Buttercup" attitude does not work in today's economy.

8. Believe in your team. The most important relationship in the office is still between the supervisor and employee. Encourage supervisors to celebrate the success of each team member.

9. Make sure everybody is on the same page. Team meetings more important now than ever.

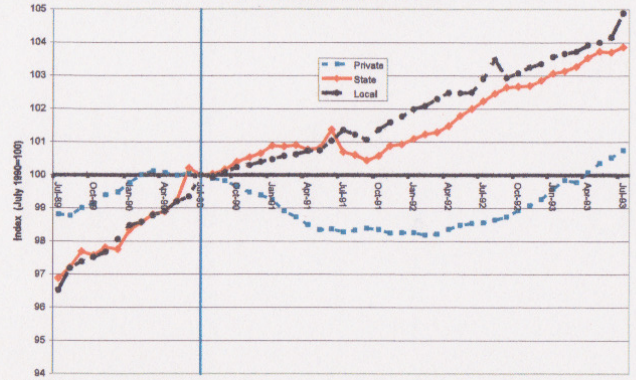
10. Make choices based on what is best for residents.

V. Conclusion

This unprecedented financial crisis is a huge challenge for cities and towns across the nation. However, it is also an opportunity for communities to systematically address the issue of fiscal sustainability. Many of the cuts are going to be in the area of personnel. However, with advance planning and consideration the impacts can be lessen and will contribute to healthier and leaner city government.

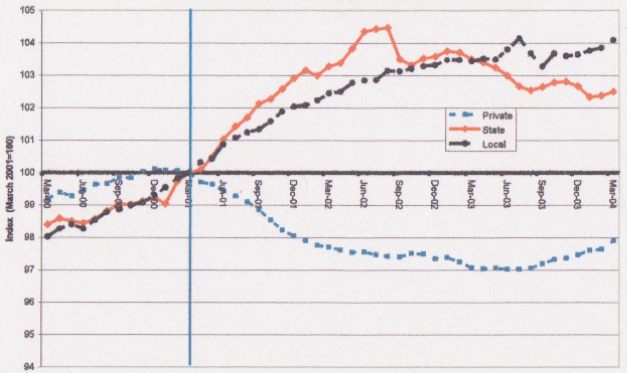
Gov't employment more stable than private, and lagged. Local likely worse than prior recessions.

Monthly Employment By Sector Indexed to Start of 1990 Recession
1 Year Before Peak, Through 3 Years After



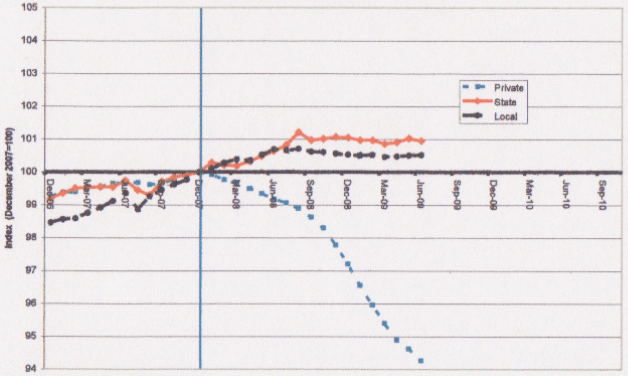
Source: BLS Current Employment Statistics

Monthly Employment By Sector Indexed to Start of 2001 Recession
1 Year Before Peak, Through 3 Years After



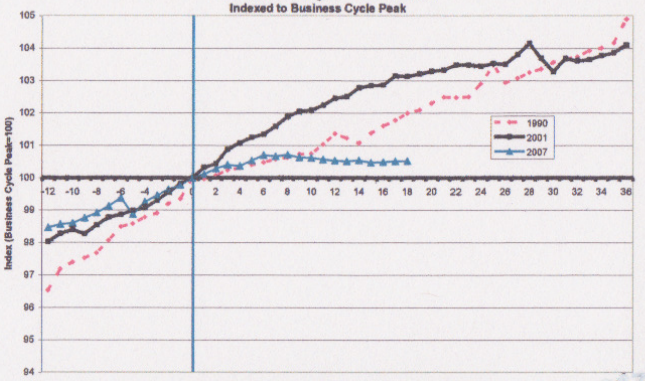
Source: BLS Current Employment Statistics

Monthly Employment By Sector Indexed to Start of 2007 Recession
One Year Before Peak, Through Latest Month



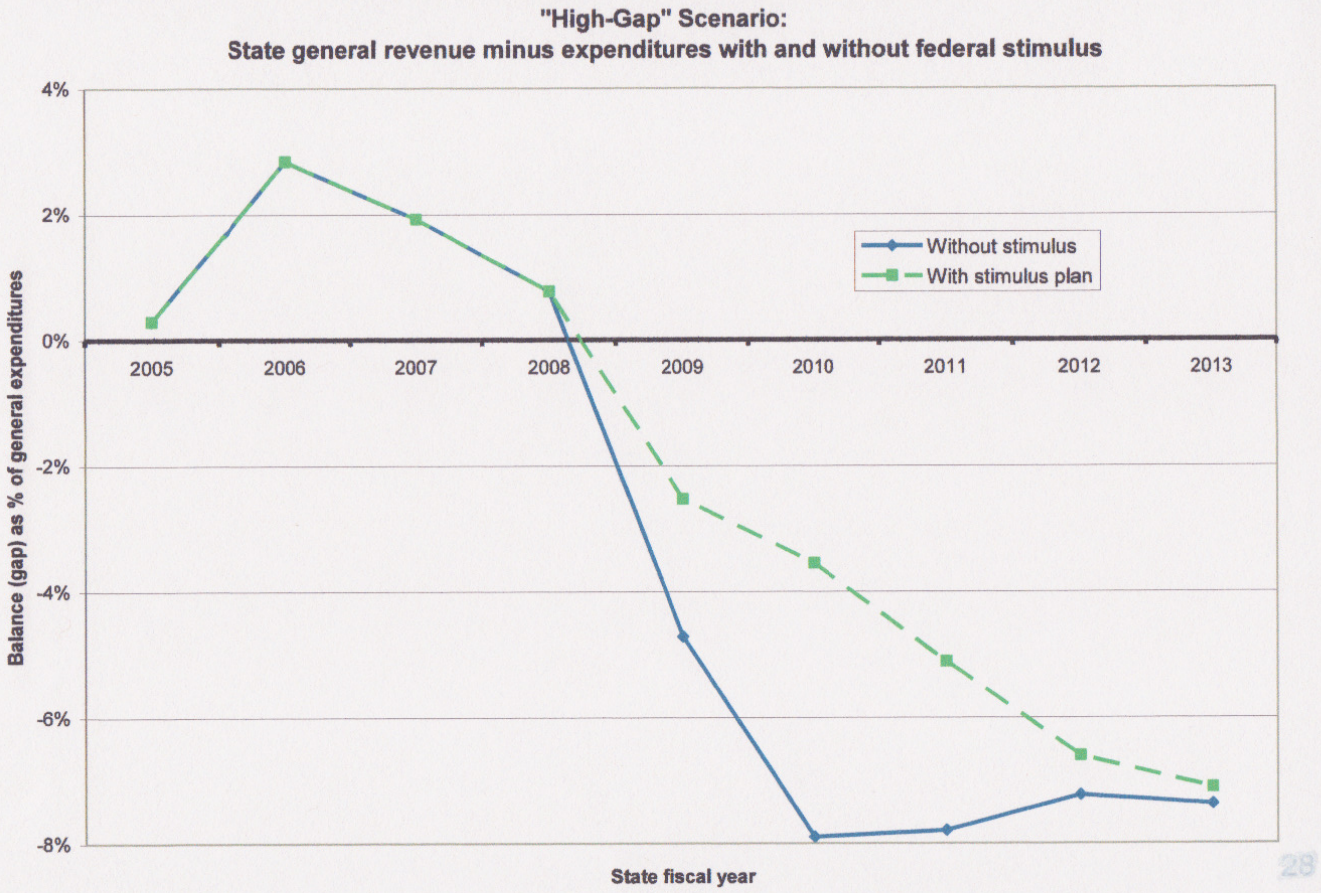
Source: BLS Current Employment Statistics

Monthly Local Government Employment in Recent Recessions
1 Year Before Through 3 Years After Start
Indexed to Business Cycle Peak



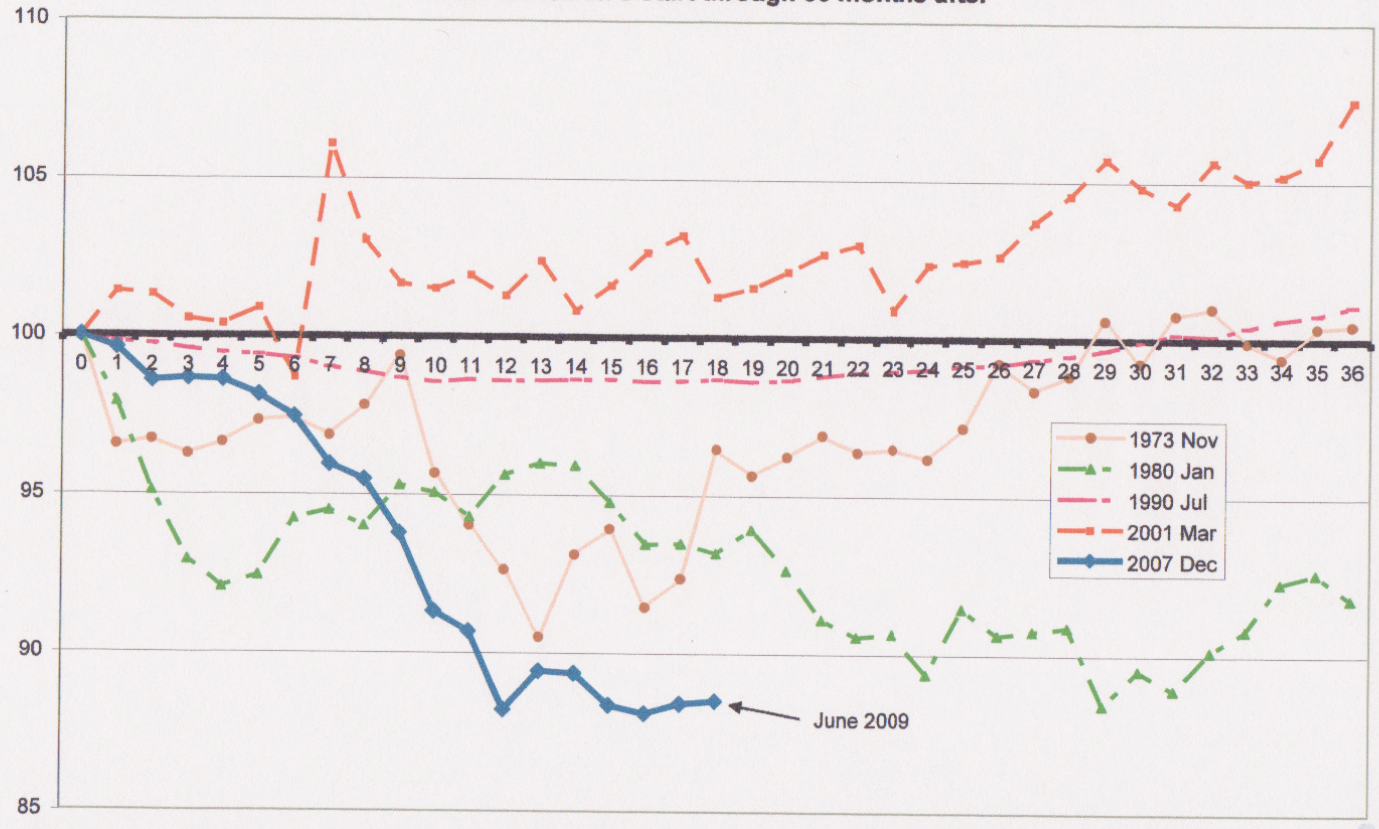
Source: Bureau of Labor Statistics, Current Employment Statistics

Gaps of >$100b annually re-emerge under "high-gap" assumptions



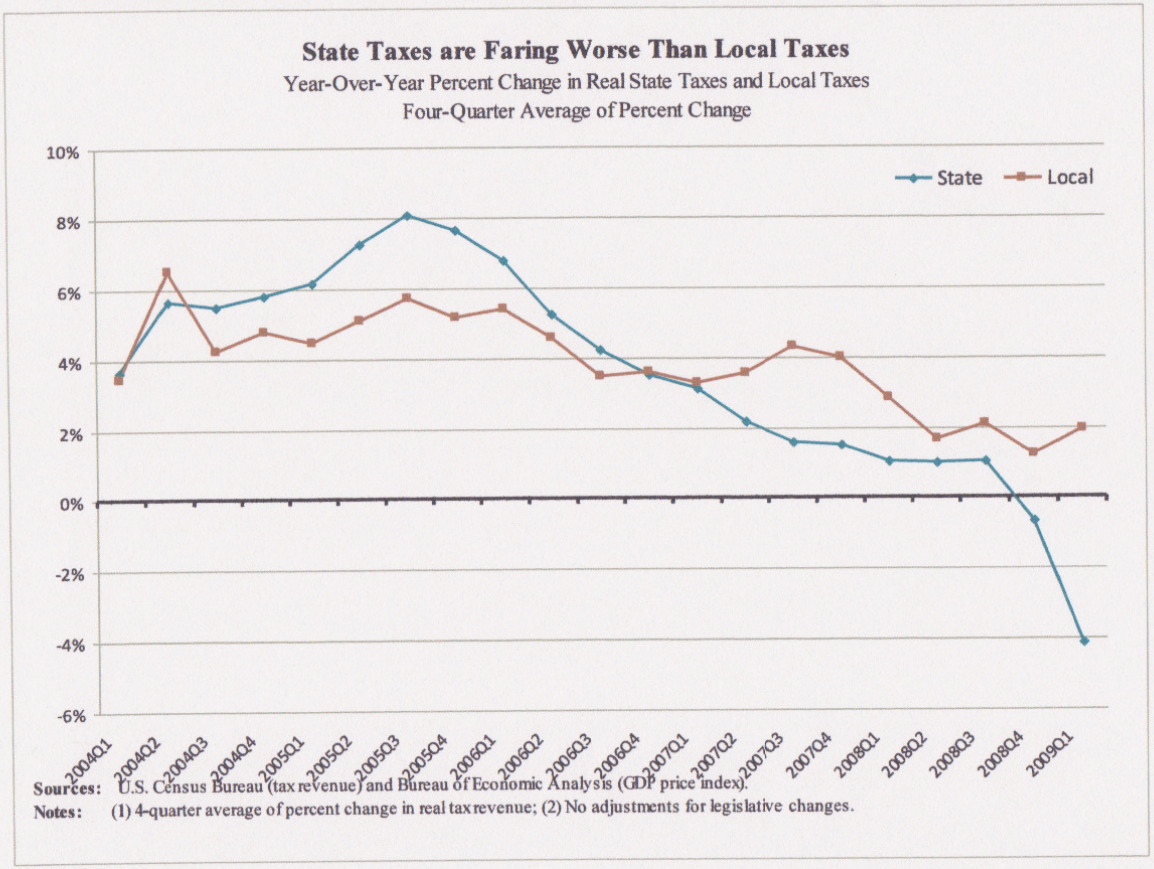
Sales tax: Real retail sales worse than past recessions
Bad for most state governments and some locals

Real monthly retail sales indexed to start of recession, selected recessions
From recession's start through 36 months after

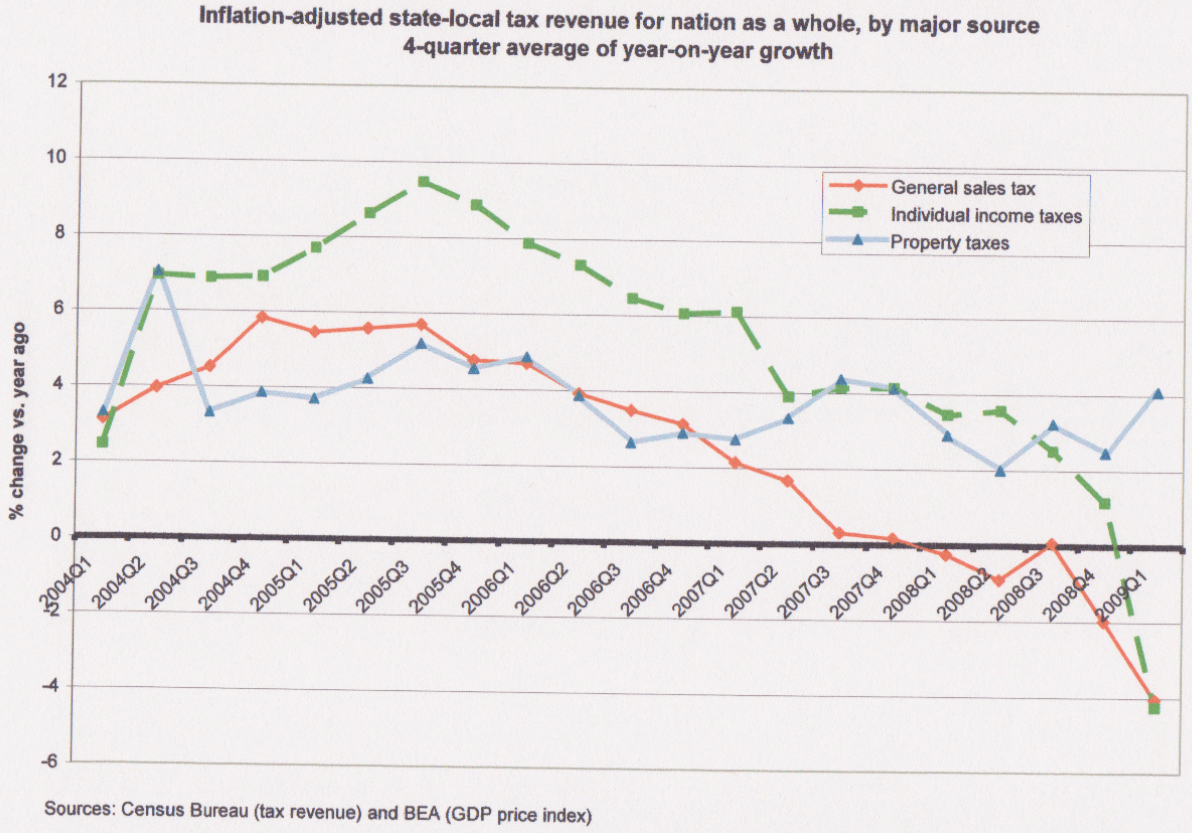


Sources: Retail sales: St. Louis Federal Reserve Bank and Census Bureau; CPI-U (for price adjustment): Bureau of Labor Statistics

Despite housing price declines, property tax has kept local revenue more stable than state



Sales tax hit first, income tax recently doing even worse, property tax still stable (US as a whole)



Sources: Census Bureau (tax revenue) and BEA (GDP price index)

State-local property tax reliance

State-local property tax as percentage of total taxes, 2006

United States	30.0

New Hampshire	61.6	Georgia	28.8
New Jersey	43.4	Arizona	27.7
Texas	42.9	Idaho	27.5
Vermont	41.7	Washington	27.5
Rhode Island	40.3	Missouri	27.2
Maine	38.1	North Dakota	26.8
Connecticut	38.1	District of Columbia	26.7
Michigan	37.6	Alaska	26.4
Illinois	37.5	Nevada	25.7
Indiana	36.6	Mississippi	25.4
Wisconsin	36.0	Tennessee	23.9
Massachusetts	35.3	Minnesota	23.7
Montana	35.1	North Carolina	23.3
Florida	34.6	Maryland	23.1
South Dakota	34.2	California	22.7
Iowa	33.1	Utah	22.7
Nebraska	32.5	West Virginia	18.0
South Carolina	31.8	Kentucky	17.9
Wyoming	31.4	Oklahoma	16.0
Kansas	31.3	Hawaii	15.9
Virginia	30.7	Louisiana	15.7
Colorado	30.6	Arkansas	15.1
Oregon	29.7	Alabama	15.1
New York	29.5	Delaware	14.7
Ohio	29.1	New Mexico	13.7
Pennsylvania	29.0		

Source: Census Bureau

Why do state-local finances seem to lag economic recovery?

- Sales taxes & withholding nearly contemporaneous with underlying economic activity so payment lags for these major sources are NOT the source of a fiscal lag
- Employment can lag GDP recovery; so can non-wage income
- Capital gains, after a crash, can recover sharply and still be far below their prior peak. And some (not all) tax payments on capital gains and other nonwage income can lag the income – e.g., in April-June 2011 taxpayers will settle up on gains earned in 2010
- Pension contributions can be increasing as the economy is recovering, creating fiscal pressure
- Fiscal lag, in part, is perception and policy choice - spending rarely declines along with tax revenue, and states patch the gaps. Even after tax revenue starts growing from its trough, it can take years to reach its prior peak. So when tax revenue resumes growth it does not feel like fiscal recovery.

Cuts in aid to local gov'ts

- In aggregate, states cut or slowed real per-capita aid in each of last 3 recessions
  - declined 1.2% and 2.6% in 1982 and 1983, after the 1980-82 double-dip recessions
  - slowed substantially to 0.8% and 1.8% in 1990 and 1991, from faster rates in surrounding years
  - declined 1.8% and 0.7% in 2004 and 2005, in lagged response to the 2001 recession
- Early evidence suggests states are cutting aid to locals in this recession – e.g., AZ, CA, NY, WI
- Federal stimulus package will mitigate some cuts

Local gov't employment down slightly for US as a whole, but declines are small in most states

Local government employment % change, June 2008 to June 2009

United States	(0.2)		
Nevada	(3.6)	North Dakota	0.9
Rhode Island	(2.5)	Indiana	0.9
Maine	(2.4)	Minnesota	0.9
South Carolina	(2.1)	Alaska	1.0
Michigan	(1.6)	Missouri	1.1
California	(1.5)	Hawaii	1.1
Florida	(1.1)	New Jersey	1.3
Kansas	(1.0)	South Dakota	1.5
Arizona	(0.9)	Louisiana	1.6
Connecticut	(0.8)	Nebraska	1.6
West Virginia	(0.7)	Vermont	1.7
Kentucky	(0.6)	New Mexico	1.7
Alabama	(0.5)	Colorado	1.9
Massachusetts	(0.5)	Texas	2.0
Ohio	(0.4)	Wisconsin	2.0
Virginia	(0.4)	Mississippi	2.9
Oregon	(0.3)	Wyoming	3.0
Georgia	(0.1)	Delaware	3.7
Pennsylvania	(0.1)	Utah	4.0
Iowa	(0.0)	Idaho	4.9
Maryland	0.2	Tennessee	5.0
Arkansas	0.3	Oklahoma	5.1
New York	0.3	North Carolina	5.6
Washington	0.4	New Hampshire	5.8
Illinois	0.8	Montana	10.6

Source: Bureau of Labor Statistics, Current Employment Statistics

State gov't employment still up from year ago for US as a whole, but down in 24 states

State government employment % change, June 2008 to June 2009

United States	0.3		
Arizona	(12.3)	Iowa	0.3
Indiana	(6.5)	Minnesota	0.4
Ohio	(5.8)	Missouri	0.5
Rhode Island	(5.3)	Washington	0.6
New Jersey	(4.6)	Georgia	0.6
North Carolina	(4.4)	California	0.7
Kentucky	(4.1)	Maryland	1.1
South Carolina	(3.6)	Hawaii	1.3
Delaware	(3.3)	South Dakota	1.4
New York	(2.9)	Wisconsin	1.6
Alabama	(2.6)	Oregon	1.7
Illinois	(2.5)	Pennsylvania	2.3
Nevada	(2.1)	Alaska	2.5
Vermont	(1.8)	Louisiana	2.7
Massachusetts	(1.5)	West Virginia	2.9
Connecticut	(1.2)	Utah	2.9
Maine	(1.0)	Colorado	3.3
Montana	(0.9)	Texas	3.4
Kansas	(0.8)	Mississippi	3.7
New Mexico	(0.7)	Oklahoma	3.8
Tennessee	(0.7)	New Hampshire	4.0
Virginia	(0.6)	Michigan	4.2
Idaho	(0.4)	Nebraska	4.6
Florida	(0.1)	Arkansas	6.8
Wyoming	0.2	North Dakota	7.5

Source: Bureau of Labor Statistics, Current Employment Statistics

Large variation in housing price declines

Percent change in housing values, 2007q1 to 2009q1

United States (3.7)

Nevada	(28.4)	Utah	0.7
California	(25.9)	Pennsylvania	0.7
Florida	(22.1)	Missouri	0.8
Arizona	(18.8)	Georgia	1.0
Rhode Island	(10.8)	Alaska	1.3
Maryland	(9.4)	Nebraska	1.7
Michigan	(7.5)	Indiana	2.0
New Jersey	(7.1)	Colorado	2.2
District of Columbia	(6.3)	Arkansas	2.3
Hawaii	(6.1)	West Virginia	2.3
Massachusetts	(6.1)	Mississippi	2.5
New Hampshire	(5.5)	Kansas	3.4
Connecticut	(5.0)	Iowa	3.4
Virginia	(4.8)	Kentucky	3.4
Minnesota	(4.4)	South Carolina	3.8
Oregon	(3.8)	Tennessee	3.8
New York	(3.2)	Louisiana	4.2
Illinois	(2.7)	North Carolina	4.4
Delaware	(2.6)	Montana	4.6
Washington	(2.5)	Alabama	5.3
Maine	(0.9)	Oklahoma	6.3
Idaho	(0.6)	Wyoming	6.4
Ohio	(0.3)	South Dakota	6.8
Wisconsin	0.1	North Dakota	6.8
New Mexico	0.3	Texas	6.9
Vermont	0.6		

Source: Federal Housing Finance Agency (all-transactions index)

Sales tax reliance

State government sales tax as percentage of total taxes, 2006

United States 31.9

Washington	61.2	Iowa	29.4
Tennessee	60.6	Maine	28.9
South Dakota	57.1	Pennsylvania	28.9
Florida	55.9	California	28.9
Nevada	51.4	Kentucky	27.6
Mississippi	50.9	Illinois	27.6
Texas	49.9	North Dakota	26.4
Hawaii	47.9	New Jersey	26.1
Arizona	45.1	Alabama	26.0
South Carolina	41.1	Minnesota	25.6
Arkansas	39.5	Connecticut	25.1
Indiana	39.1	Colorado	24.7
Nebraska	35.6	West Virginia	24.7
Louisiana	35.5	North Carolina	24.4
Utah	34.6	Oklahoma	23.2
Idaho	34.3	Maryland	23.1
New Mexico	34.1	Massachusetts	20.7
Michigan	34.1	New York	19.6
Georgia	34.1	Virginia	19.0
Kansas	33.9	Vermont	13.5
Ohio	31.5	Alaska	-
Rhode Island	31.2	Delaware	-
Missouri	30.5	Montana	-
Wisconsin	29.9	New Hampshire	-
Wyoming	29.4	Oregon	-

Source: Census Bureau

Income tax reliance

State government income tax as percentage of total taxes, 2006

United States	34.6

Oregon	71.4	South Carolina	35.1
Massachusetts	54.1	Alabama	32.4
New York	53.7	Indiana	32.2
Virginia	52.8	Hawaii	31.5
Colorado	50.0	Pennsylvania	31.1
Connecticut	47.6	Illinois	30.7
Georgia	47.2	Kentucky	29.3
California	46.0	Arkansas	28.7
North Carolina	46.0	West Virginia	28.5
Missouri	44.1	Arizona	27.4
Wisconsin	42.8	Michigan	26.3
Maryland	42.1	Louisiana	25.9
Utah	41.7	Vermont	22.5
Ohio	40.2	New Mexico	22.0
New Jersey	40.0	Mississippi	20.9
Minnesota	39.6	North Dakota	17.0
Iowa	39.4	New Hampshire	3.9
Nebraska	39.0	Tennessee	1.8
Idaho	38.9	Alaska	-
Kansas	38.3	Florida	-
Maine	38.0	Nevada	-
Rhode Island	37.2	South Dakota	-
Montana	36.2	Texas	-
Delaware	35.6	Washington	-
Oklahoma	35.3	Wyoming	-

Source: Census Bureau

Real per-capita tax revenue since crisis began

Percent change in real per-capita state tax revenue

4 quarters ended 2007q1 to 4 quarters ended 2009q1

United States	(4.4)		
Florida	(21.1)	Mississippi	(3.3)
South Carolina	(13.2)	New Jersey	(3.0)
Georgia	(13.1)	Louisiana	(2.9)
Arizona	(13.0)	Connecticut	(2.8)
Virginia	(12.0)	New York	(2.6)
Nevada	(10.9)	Missouri	(2.4)
Utah	(10.5)	Arkansas	(2.3)
California	(10.3)	Wisconsin	(2.2)
Washington	(9.4)	Pennsylvania	(2.1)
Tennessee	(8.4)	Oklahoma	(1.4)
North Carolina	(8.1)	Massachusetts	(1.3)
New Hampshire	(7.6)	West Virginia	(1.2)
Idaho	(7.2)	Kansas	(0.8)
Hawaii	(6.8)	Oregon	(0.8)
Delaware	(6.4)	Ohio	(0.1)
Maine	(6.2)	South Dakota	0.8
Rhode Island	(6.2)	Michigan	1.0
Vermont	(5.4)	Indiana	3.6
New Mexico	(4.9)	Texas	6.0
Minnesota	(4.6)	Maryland	8.1
Nebraska	(4.3)	Montana	8.2
Kentucky	(4.1)	Iowa	10.0
Illinois	(3.8)	Wyoming	11.7
Alabama	(3.4)	North Dakota	39.5
Colorado	(3.3)	Alaska	239.6

Source: Census Bureau, BEA (GDP price index)

A few states have made significant cuts, but declines are much smaller than private job loss

Percent change in employment, June 2008 to June 2009

	Private	State & local		Private	State & local
Michigan	(9.4)	(0.1)	Washington	(4.4)	0.4
Arizona	(8.5)	(3.8)	New Mexico	(4.4)	0.9
Nevada	(7.1)	(3.3)	Connecticut	(4.3)	(0.9)
Oregon	(6.8)	0.3	Mississippi	(4.2)	3.1
Idaho	(6.4)	3.3	New Jersey	(4.2)	(0.2)
North Carolina	(6.1)	2.5	Wyoming	(3.9)	2.2
Indiana	(6.1)	(1.2)	West Virginia	(3.8)	0.4
Georgia	(6.1)	0.0	Virginia	(3.7)	(0.5)
California	(6.0)	(1.0)	Missouri	(3.7)	0.9
Tennessee	(5.9)	3.4	Maine	(3.6)	(2.1)
Florida	(5.9)	(1.0)	Massachusetts	(3.6)	(0.8)
Ohio	(5.8)	(1.6)	Pennsylvania	(3.6)	0.4
Delaware	(5.7)	(0.2)	Oklahoma	(3.6)	4.7
Colorado	(5.6)	2.2	Texas	(3.5)	2.3
Alabama	(5.6)	(1.2)	Iowa	(3.4)	0.0
Illinois	(5.4)	0.1	New Hampshire	(3.2)	5.4
South Carolina	(5.4)	(2.5)	Arkansas	(3.2)	2.6
Kentucky	(5.3)	(1.8)	Maryland	(2.9)	0.4
Wisconsin	(5.2)	1.9	New York	(2.8)	(0.3)
Utah	(5.0)	3.6	Montana	(2.5)	6.7
Vermont	(4.9)	0.4	Nebraska	(2.5)	2.3
Minnesota	(4.8)	0.8	South Dakota	(2.2)	1.4
Hawaii	(4.6)	1.2	Louisiana	(1.3)	1.9
Kansas	(4.5)	(1.1)	Alaska	(0.7)	1.5
Rhode Island	(4.5)	(3.5)	North Dakota	1.1	3.1

Source: Bureau of Labor Statistics, Current Employment Statistics
Note: Seasonally adjusted by Rockefeller Institute (X11)