TEN REASONS TO BE OPTIMISTIC ABOUT 2010!

We are not going to revisit last year's REASONS TO BE OPTIMISTIC ABOUT 2009, feeling it is always better to focus on the future...not the near future since we have many really tough decisions on the 2010 and 2011 budgets. But looking a little further out and sorting through the sometimes dismal facts that obscure the positive things thus far unnoticed, here is a list of TEN REASONS TO BE OPTIMISTIC ABOUT 2010.

REASON NO. 1-- Well, it's not last year... in beginning 2009, we had no idea how bad things were going to get and did not realize we were entering the deep recession we find ourselves in right now. Fortunately Georgia is entering not the first of the recession nor the middle of the recession, but undoubtedly we are entering the end of the recession. Street preachers holding up the sign "The End is Near," now probably mean the end of the recession is near.

REASON NO. 2-- The recovery of the stock market has been amazing and if you left everything alone in your 401 (k) or 457 plan, you may be near where you were before the Federal Reserve started "saving us." In fact, the market, at 10,500 as of this writing, is doing so well that the really informed experts are predicting a fall because the market is doing so well. Thinking back a year we were hopeful that maybe 7500 was the bottom. Seeing rapper Snoop Dog ring the bell at the New York Stock Exchange might make you re-think wealth redistribution.

REASON NO. 3-- State Retirement Plans, TRS and ERS mainly, have done an about-face due to REASON NO. 2 above. In fact between the two, they have regained over $6 BILLION of the market value of their assets just this past year alone. Not a complete recovery since they also lost the expected earnings during the last two years, but all the same outstanding news. The first thing the bond underwriters mentioned in the evaluation of Georgia's bond offering was the soundness of our retirement systems. Not true around the country but a tribute to the leadership of this state over the years.

REASON NO. 4-- Probably only "by the hair of our chinny chin chin" did Georgia retain its AAA bond rating this year which resulted in some of the lowest interest rates in state financial history. In fact the savings, some $47 million, helped to start rebuilding our depleted "Rainy Day Reserve." The AAA rating is a vote of confidence in the way Georgia has faced this freefall in revenues and shows faith that the state will move to refill its reserve fund before any new spending takes place.

REASON NO. 5-- Georgia has actually had a rather good year in economic development and there are a number of positive developments around the state even in light of some closures and job losses. Kia beginning production, a 6,000 job impact, the NCR corporate relocation and factory project, the Mitsubishi announcement in Savannah, Efacec production beginning in Effingham, the military build-up and related construction at Fort Benning, just to name a few, are positive developments that point to a bright future for our state. And there are projects being discussed and presented all around the state even in these times.
REASON NO. 6-- Motion pictures have had a record year which is astounding considering the competition for entertainment today from TV, cable and other mediums. And this is good for Georgia. Our increased tax credits passed two years ago have paid big dividends in the growth of the entertainment industry locating and filming in Georgia. Total investment in all filming doubled to $591 million in 2009. Economic impact is conservatively pegged at twice that amount. This year saw 26 feature films, 93 TV series segments, movies and specials as well as 250 commercials produced in Georgia. Sandra Bullock, Miley Cyrus and Robert Redford all made movies in Georgia this year.

REASON NO. 7-- Agriculture has had a record year in production coupled with pretty good commodity prices. Cotton production set a record this year some 24 pounds over the previous 2005 record yield per acre. And due to a fall of 5% in world production, prices have hovered in the 70 cents per pound range. China is our biggest cotton consumer. Peanut production set a new record by some 50 pounds to the acre over the previous record. Corn, at 140 bushels per acre tied last year's record year.

REASON NO. 8-- Georgia's ports, even in a year which saw container traffic fall off, was still less affected than many ports and refrigerated exports were actually up for the year. Vessel calls increased for the year as well as the Savannah Port's share of East Coast shipping. Increasing vessel calls in lean times point to the confidence in the profitability of doing business with Georgia's ports.. As the world economy begins to recover and U.S. consumption starts to rise, Georgia ports will be the first to feel the recovery. And with the widening of the Panama Canal in just 4 years, the outlook for increased trade and traffic through the Port of Savannah is expected to dramatically increase. By the way, Kia and related companies will ship and receive some 16,000 container units through Georgia's ports the first year.

REASON NO. 9-- The drought is over....who remembers those who said that Lake Lanier would never refill again....think how much harder all that needs to happen in water agreements and other actions would be if the state was still in a drought. If global warming was blamed for the drought, does that mean it is now to blame for the wettest on record?

REASON NO. 10-- It takes a little work to find encouraging economic indicators out there...those pesky little realities get in the way, but believe it or not, they are out there. Here's a final partial list of Economic REASONS TO BE OPTIMISTIC ABOUT 2010: Survey shows 7% of Atlanta employers plan to add staff in 1st Qtr, 2010, Augusta survey shows 15% of companies responding plan to increase payroll in 1st Qtr., 2010 (71% see no change), Transmerica reports that the percentage of Georgia mortgage borrowers at least 60 days behind will decrease from 73% to 68% by end of 2010, new job loss claims are running 14% behind last year (but 43% over two years ago), Kennesaw State's Coles College of Business & Economic Development survey in October found 47.8% expect production to increase in next 3-6 months, Dr. Albert Niemi, Dean of Business School at SMU (formerly at UGA) sees Georgia in a handful of states having the majority of growth in U.S. in next 20 years, and population growth while slowing 18%, still showed an increase of 131,373 this past fiscal year. Georgia has grown 1.7 million people in the last ten years alone.