

# Quarterly Indicators Report: July 2009

## Tompkins County, New York

**Overview and Commentary:** The Quarterly Indicators Report uses the most recent data available to provide insights into the major social, economic, and fiscal trends that impact Tompkins County and its budget.

The deep global recession continues to dominate the County's fiscal and social environment. The second quarter saw sustained levels of general economic distress in the form of high unemployment, low consumer confidence, and price deflation. The effects of the recession on the County's fiscal health became even more apparent in the second quarter as welfare cases rose sharply while sales tax and investment income continued to deteriorate.

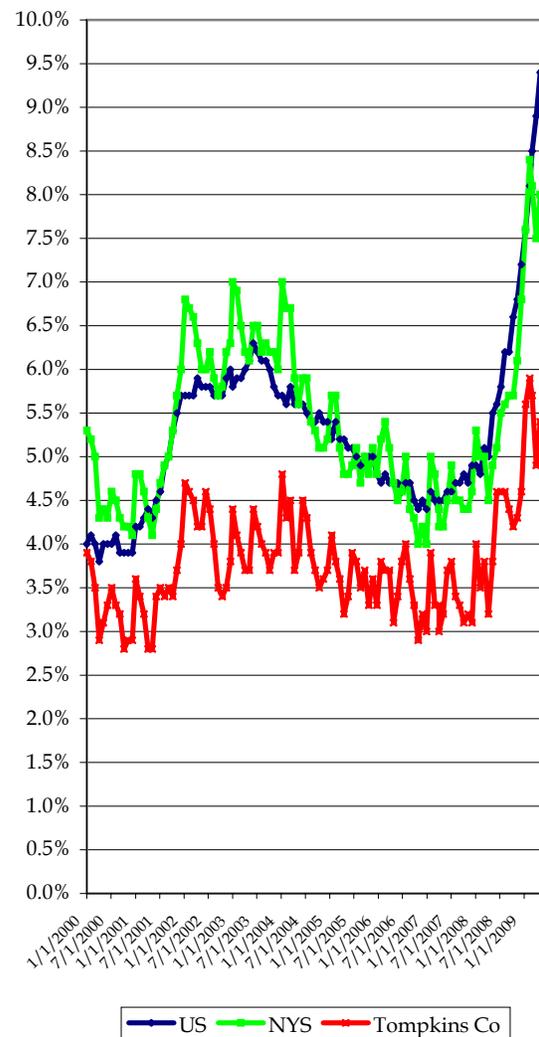
### Areas of concern:

- While still well below the state and national rates, the County's *unemployment rate* stood at 5.4% in May—the County's highest May jobless rate since at least 1990.
- *Welfare cases* rose rapidly between December and April, with overall caseloads in April 15% higher than the year before.
- *Food stamp* caseloads in April were up by 18% from the year before and by 26% from April 2007.
- Countywide *sales tax collections* through May were down 9% from the same period last year.
- The number of children in *Foster Care* in June was up 14% over a year ago.
- *Interest rates* on County deposits averaged 0.9% in May compared to 2.2%. In May 2008.
- *Fuel costs* are again on the rise, with the price of regular gasoline up 81% since the beginning of the year, and diesel up 43%.

### Positive areas:

- *Overtime costs* through June were down 24% from the year before.
- *Airline activity* remains very strong, with year-to-date enplanements through June up 21% over 2008.

Unemployment Rate, US, NYS,  
Tompkins County, January 2000-  
May/June 2009

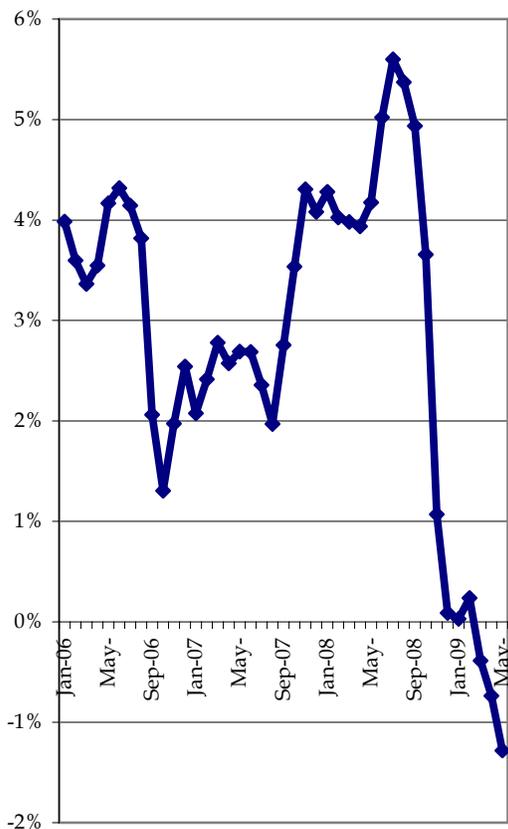


# Economic Indicators

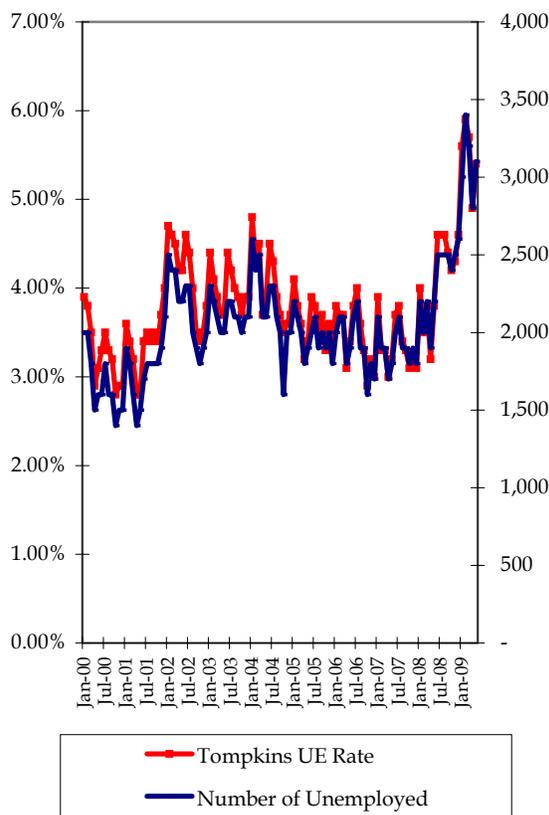
**Inflation:** Annual inflation, as measured by the CPI (U.S. All Items, All Urban Consumers), fell by 1.3% from May 2008 to May 2009 as the Price Index fell from 216.6 to 213.9. After five consecutive months of decline at the end of 2008, prices have been essentially flat in 2009.

**Unemployment:** The County's May unemployment rate of 5.4% is the highest May jobless rate since at least 1990, although still well below state and national levels. In May, the number of unemployed individuals in Tompkins County stood at 3,100, or 900 more than the year before. The national unemployment rate of 9.5% is the highest June rate since 1983, and the third highest June reading since 1948.

Inflation (Year to Year). January 2006-May 2009



Unemployment Rate and Number Unemployed, Tompkins County, January 2000-May 2009



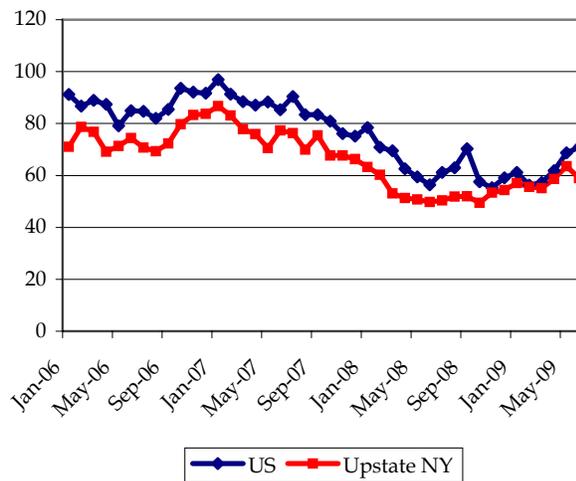
# Economic Indicators

**Consumer Confidence:** According to polls conducted by Sienna College, consumer confidence in Upstate New York is 18% higher than a year ago, but still down by 24% since June 2007. After a slow but steady rise in Upstate confidence levels, there was a sharp drop off in June.

Based on a University of Michigan poll, the gap between consumer confidence on a national level and Upstate virtually disappeared over the past three years, although national and Upstate trends diverged in June.

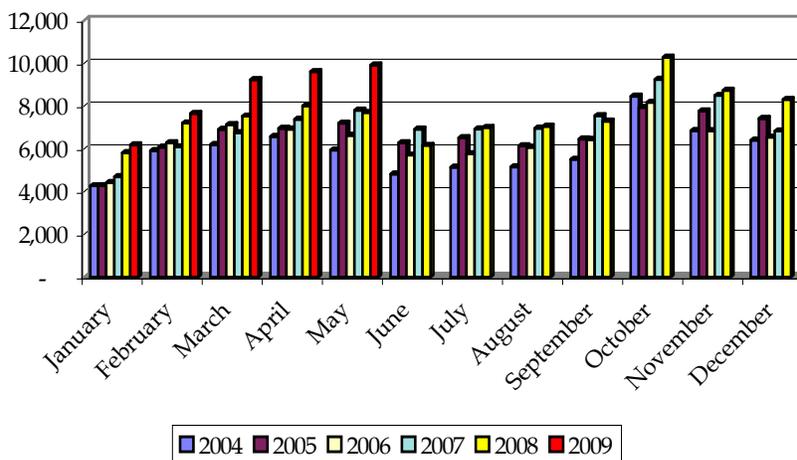
Improving consumer confidence is critical to renewed consumer spending.

Consumer Confidence, US and Upstate NY, January 2006-June 2009



**Airline Enplanements:** In spite of the economic downturn, airline enplanements at the Tompkins County airport continue to show strong growth. June May, 51,255 passengers had departed from the County airport, an increase of 21% over the same period last year and 29% over the level of two years ago. The addition (and, recently, retention) of Continental Airlines has had a marked impact on passenger volume at the airport.

Airline Enplanements, January 2004-June 2009



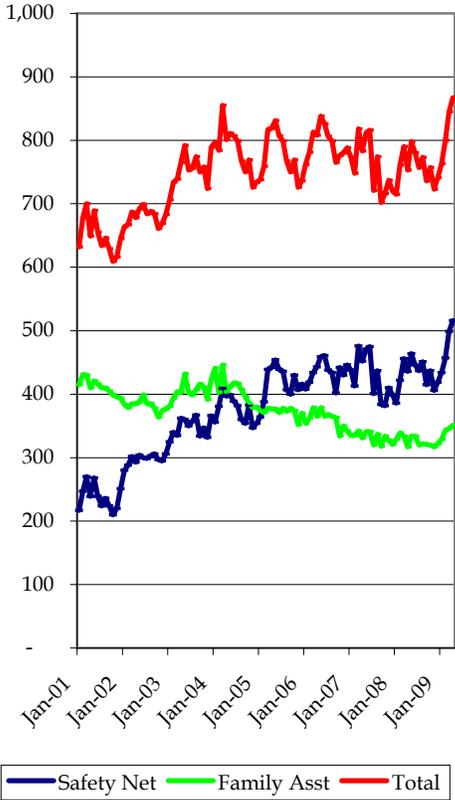
# Human Service Indicators

**Temporary Assistance:** In April (the most recent statewide monthly data available from the State) the County managed an average of 867 temporary assistance cases, an increase of 15% over the year before. Virtually all of that growth occurred during the first four months of 2009, a period that saw the addition of 126 welfare cases.

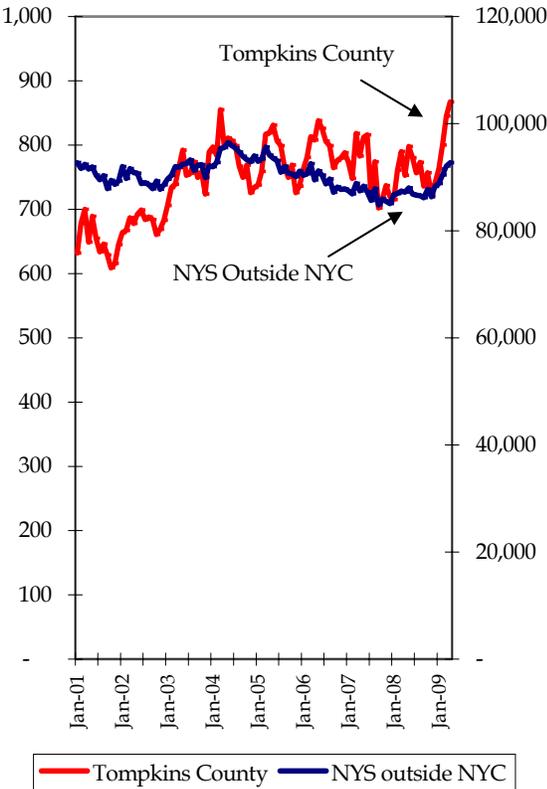
*Safety Net* cases—generally single individuals or families that have exceeded the five year limit on federal benefits provided through the Family Assistance program—are up by 18% over April 2008. After a long period of generally steady decline, *Family Assistance* caseloads increased by 11% from April 2008 to April 2009—all of which has occurred since the beginning of the year.

As shown in the graph below (right), welfare caseloads in Tompkins County since 2001 have not seen the declines generally realized in Upstate New York (particularly the larger Upstate counties) and are now growing at a faster rate than the rest of Upstate. Caseloads in Upstate have grown by 6% from April 2008 to April 2009 compared to 15% in Tompkins County.

Temporary Assistance  
Caseloads, Tompkins County,  
January 2001-April 2009



Temporary Assistance Caseload Trend,  
Tompkins County and NYS Outside  
NYC, January 2001-April 2009



# Human Service Indicators

**Food stamps:** Through April, Food Stamp caseloads were rising by an average of 2% per month in 2009. The 3,711 cases in April 2009 represented an 18% increase over April 2008.

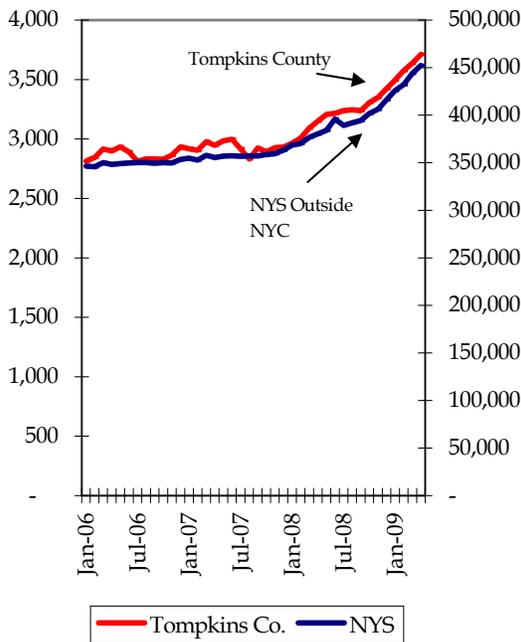
Food Stamp cases are an early indicator of both economic distress in the community and future demand for additional public services. While the County administers the food stamp program, the program relies solely on federal and state funds.

Increasing caseloads also reflects a State initiative to ensure those entitled to food stamps receive them. The State has designated Tompkins County as a pilot community in the campaign to expand the utilization of this entitlement program.

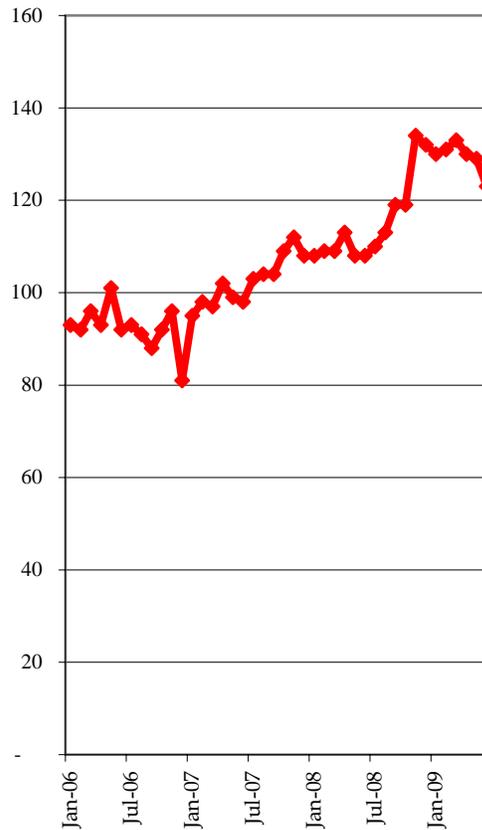
**Foster Care:** The number of children in foster care has risen rapidly over the past two years, with the 123 children in placement in June representing a 14% increase from a year before and 26% more than two years ago. However, since peaking at 134 in November, placements have on a general downward trend.

The number of children in placement has been impacted by abuse and neglect situations in 2008 which resulted in 19 children from six homes being placed in foster care—a higher than normal level of multi-child placements.

Foodstamp Cases (Households), Tompkins County and NYS Outside NYC, January 2006-April 2009

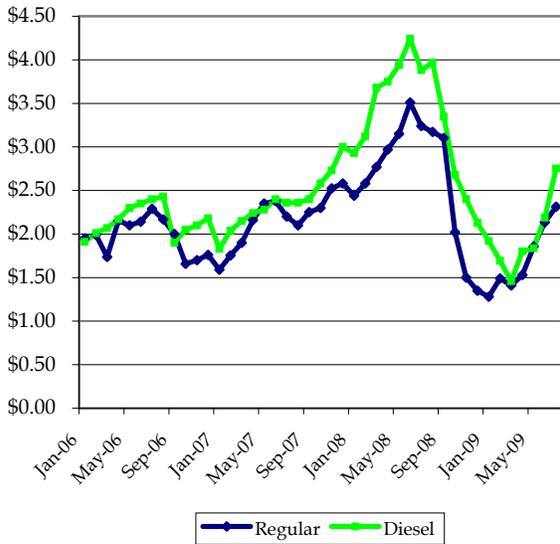


Children in Placement, January 2008-June 2009



# Budget Indicators: Energy Costs

Vehicle Fuel Costs (County Prices),  
January 2006-July 2009



**Fuel and Energy Costs:** After a period of steep increases and subsequent declines, fuel costs are again on the rise. While prices remain well below this time last year, the County's cost for regular gas has jumped by 81% and diesel by 43% over the past six months.

The County's average electricity rate has remained relatively stable over the past two years, although rates rose by 5% in the second quarter. After a period of significant price increases paralleling the rise of all petroleum products, natural gas prices paid by the County have declined, with the price per Therm in May down by 8% from the year before.

Electricity Rate (\$/Kwh), January  
2006-May 2009



Natural Gas Rates (\$/Therm), January  
2006-May 2009

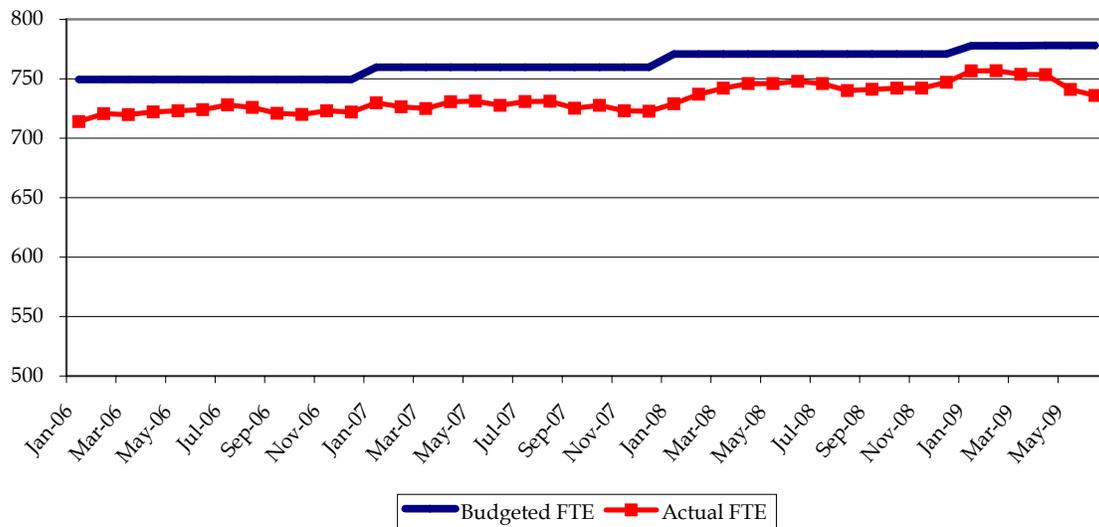


# Budget Indicators: Personnel

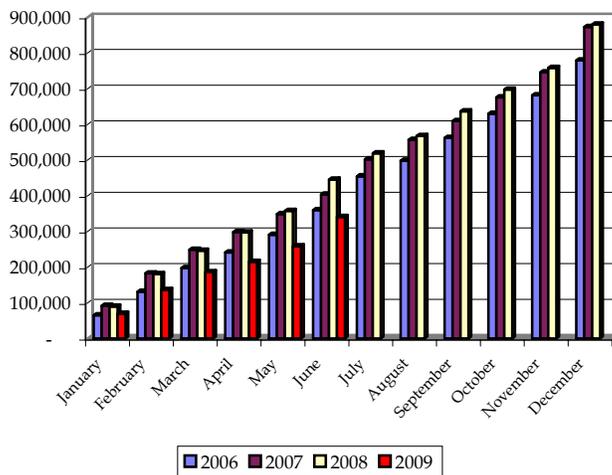
**Workforce:** In June, the County had 736 full-time equivalent positions on its payroll, down by 12 from the year before, although 8 more than in June 2007. The payroll roster includes positions that are fully and partially funded by grants and reimbursements.

The 736 filled positions are 42 fewer than the 778 FTEs authorized in the 2009 budget.

Labor Force: Budgeted and Actual FTE, January 2006-June 2009



Year to Date Overtime, All Departments, 2006- June 2009



**Overtime:** Total County overtime costs (the 1/2 time premium expense) for all departments through June totaled \$340,723. That is 24% less than cumulative overtime spending in June 2008 and 16% less than June 2007.

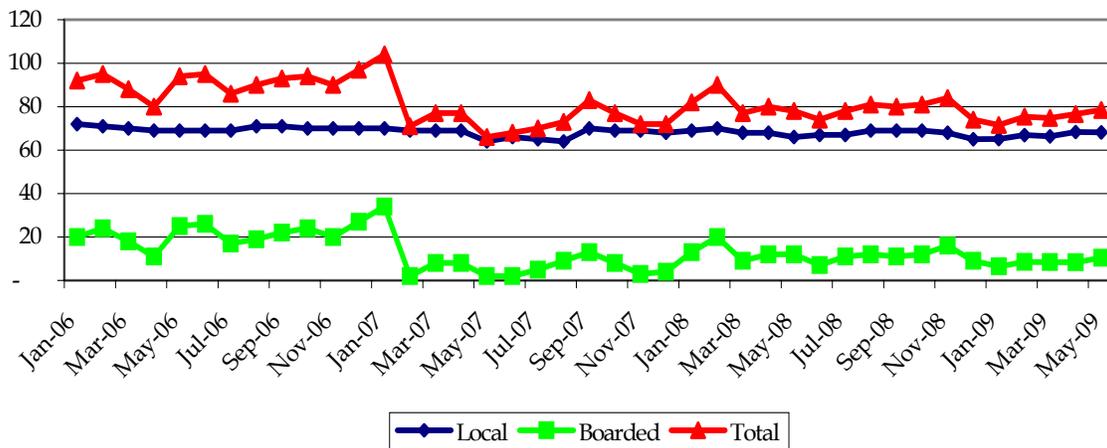
Over the past two years, total annual overtime costs have amounted to slightly less than \$900,000.

# Budget Indicators: Miscellaneous

**Inmate Population:** Since February 2007, the County's inmate population has been relatively stable, averaging 76 total inmates (68 in the County Jail and 8 board-outs.)

In May 2009, there were an average of 78 inmates and detainees in the Sheriff's custody (68 in the Jail and 10 board-outs). Each board-out costs the County approximately \$80-85 per day, exclusive of the cost to transport the inmate.

Inmate Population, Local and Boarded, January 2006-May 2009

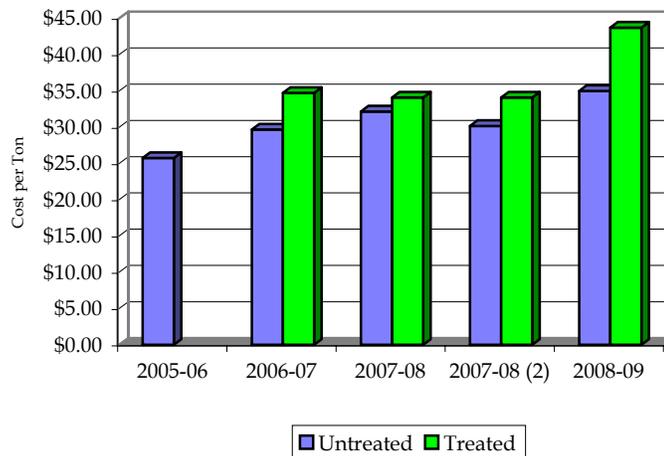


**Road Salt:** The cost of road salt has a strong influence on the Highways Division budget.

Over the past three years, the cost per ton of untreated salt has risen by 40%, from \$25/ton to \$35/ton.

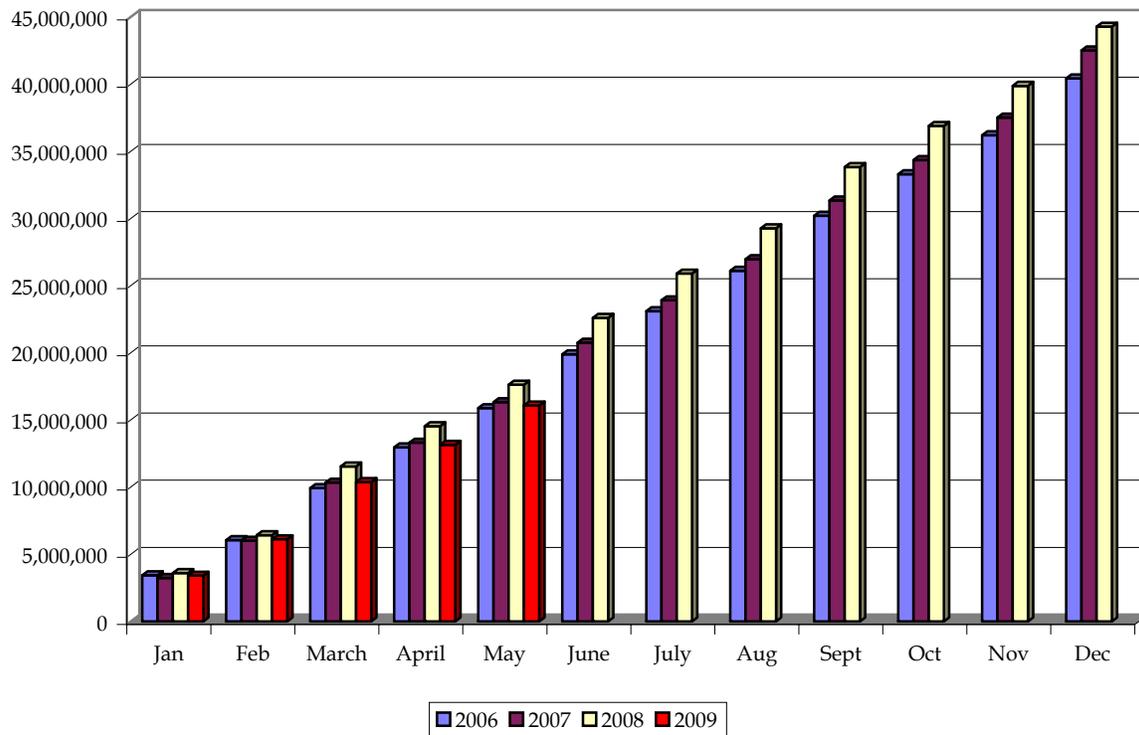
The cost of treated salt, which is used to reduce the total volume of salt used, has increased from \$35/ton in 2006 to almost \$43 today.

Road Salt Costs, Treated and Untreated, 2005-2009



# Budget Indicators: Sales Tax

Cumulative Year to Date Sales Tax Receipts, January 2006-May 2009



**Sales Tax:** The sales tax is the County’s major source of growth-responsive revenue. Historically, sales tax revenue has increased by over 3% annually, providing non-property tax support for inflationary budget growth.

Through May, however, *countywide* sales tax collections are down by nearly 9% from the same period a year ago. The County’s share of those collections is down by a slightly smaller percent. Preliminary reports from the State indicate that statewide collections are down by over 7% from last year.

Total countywide collections through May 2009 total \$16.1 million compared to \$17.6 million collected during the same period last year. If the trend continues, the County’s share of overall sales tax revenues will fall \$1.5-\$2.0 million short of the 2009 budget target.

The decline reflects an underlying reduction in baseline sales as well as a \$500,000 audit adjustment that inflated 2008 revenue.

Because the sales tax is shared with all municipalities in the County, many of which receive their share of the tax in cash, a sales tax shortfall would have an affect on most municipal budgets.

# Budget Indicators: Other Revenue

**County Clerk Revenue:** The County Clerk generates revenue through fees assessed by the Department of Motor Vehicles activity and by the Clerk for processing legal documents, particularly mortgage documents. Both represent important sources of income to the County and also provide an indication of economic activity in the County.

Through May, DMV income is nearly identical to last year's level. Despite the economic and fiscal crises, revenues from legal documents, primarily mortgage and property transactions, are up 9% over a year ago and 18% over 2007.

**Interest Rates on County Deposits:** The County deposits all balances in interest bearing accounts that are restricted, by law, to the safest investments.

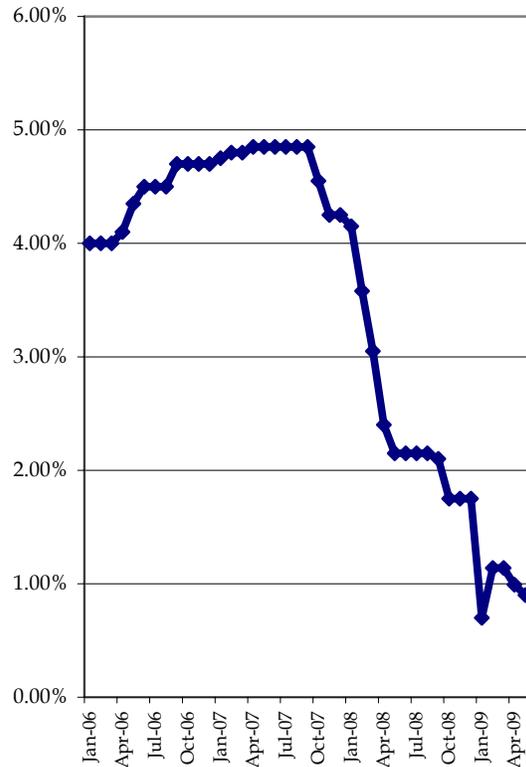
Paralleling the decline in the economy, interest rates paid to the County reached a 3-year peak of 4.9% in May 2007, remained at that plateau through September 2007, and then began a period of rapid, steep decline.

Interest rates averaged 0.9% in May 2009. That compares to rates of 2.2% a year ago and 4.9% in June 2007.

Clerk Revenue: DMV and Legal Documents



Average Interest Rate on Investments, January 2006-May 2009

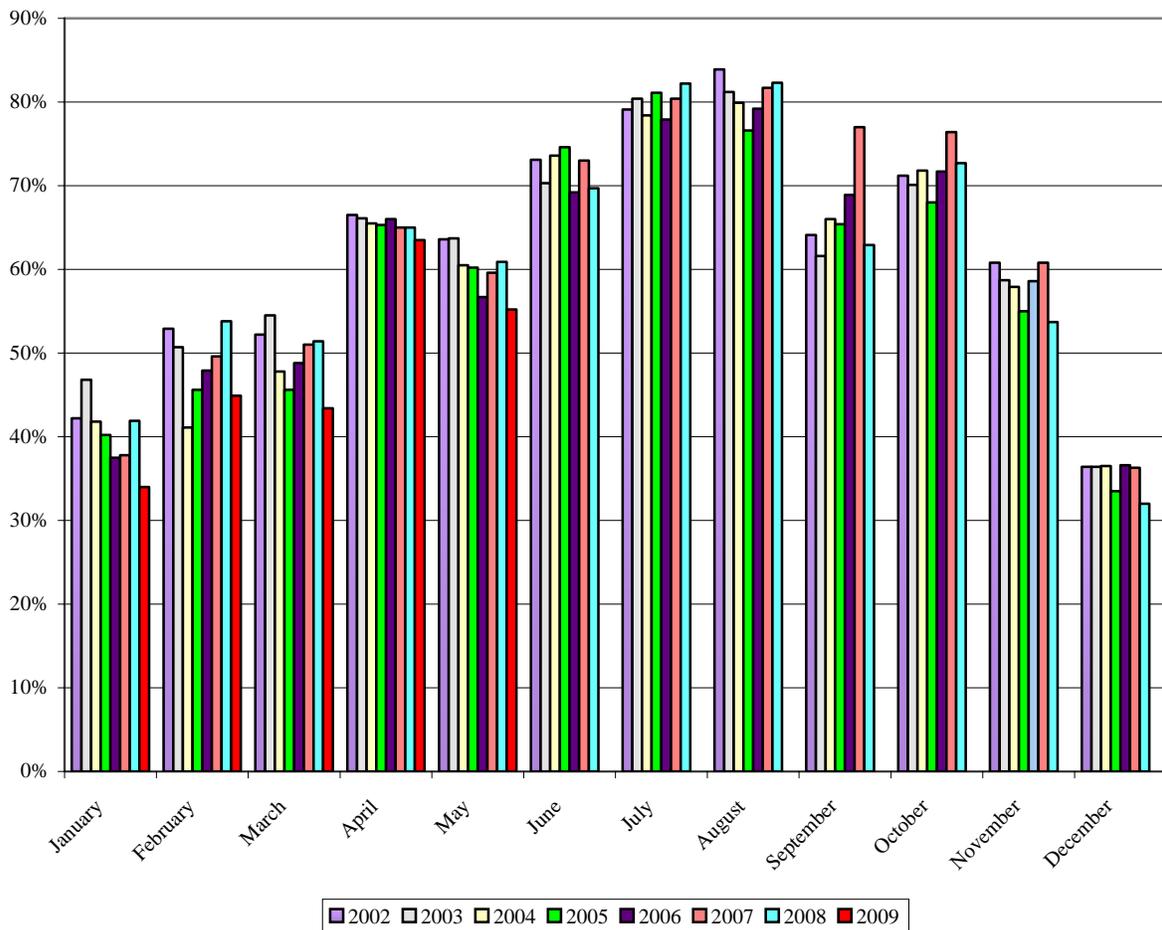


# Budget Indicators: Lodging Activity

**Hotel/Motel Occupancy Rates:** Lodging activity is both an indicator of the underlying economic activity and the County’s fiscal condition. Personal and business travel ebbs and flows with the economy. Because the County receives both a 4% sales tax and 5% room occupancy tax on hotel/motel room sales, the strength of the hospitality industry has a direct impact on the County budget and the activities it supports.

After a period of strong growth, occupancy levels began to decline in September 2008. Although the rate of year-to-year decline slowed in the second quarter, occupancy rates through May were averaging 48% in 2009 compared to 55% in 2008. Among the hotels and motels surveyed by Smith Travel Research, revenue from room sales through May was down 9% from May 2008, but remains 5% above the same period in 2007.

Hotel/Motel Occupancy Rates, January 2002-May 2009



**Major Budget and Fiscal Indicators Summary**

This "dashboard" provides a snapshot of the trends that can have an effect on the County's programs and budget. It presents the most current data available to the County, and compares where we are today compared to one month, one year, and two years ago.

**Report Prepared on: July 8, 2009**

Indicator	Month	2 Years Ago	1 Year Ago	Last Quarter	Current	Prior Quarter	Current Quarter	Current Compared To:		
								2 Years Ago	1 Year Ago	Last Quarter
Filled Positions	June	728	748	748	736			1%	-2%	-2%
Temporary Asst Cases	April	783	753	763	867			11%	15%	14%
Safety Net	April	452	436	434	516			14%	18%	19%
Family Assistance	April	331	317	329	351			6%	11%	7%
Foodstamp Cases	April	2,947	3,150	3,495	3,711			26%	18%	6%
Children in Placement	June	98	108	131	123			26%	14%	-6%
Jail Population (Avg)	May	66	78	75	79			19%	1%	5%
In the Jail	May	64	66	67	68			6%	3%	2%
Boarded Out	May	2	12	9	10			421%	-13%	16%
Interest Rate on Invest.	May	4.9%	2.2%	0.7%	0.9%			-4.0%	-1.3%	0.2%
Energy Unit Costs										
Average KWH	May	\$0.126	\$0.121	\$0.118	\$0.123			-2%	1%	5%
Average Therms	May	\$1.27	\$1.31	\$1.31	\$1.21			-4%	-8%	-8%
Road Salt										
Untreated	May	\$29.68	\$30.17	\$35.00	\$35.00			18%	16%	0%
Treated	May	\$34.72	\$34.08	\$43.72	\$43.72			26%	28%	0%
Fuel Costs (Country)										
Regular	July	\$2.20	\$3.24	\$1.41	\$2.31			5%	-29%	64%
Diesel	July	\$2.36	\$3.88	\$1.46	\$2.75			17%	-29%	88%
Biodiesel	April	\$0.00	\$0.00	\$2.01	\$2.20			N/A	N/A	9%
U.S. Unemployment Rate	June	4.6%	5.6%	9.4%	9.5%			4.9%	3.9%	0.1%
County Unemployment Rate	May	3.2%	3.8%	5.9%	5.4%			2.2%	1.6%	-0.5%
CPI (Year-to-Year)	May	2.7%	4.2%	0.2%	-1.3%			-4.0%	-5.5%	-1.5%
Consumer Confidence (Upstate)	June	77.3	49.8	55.1	59.0			-24%	18%	7%

Report Prepared on: July 8, 2009

Indicator	Month	2 Years Ago	1 Year Ago	Last Quarter	Current	Prior Quarter	Current Quarter	Current Compared To:		
								2 Years Ago	1 Year Ago	Last Quarter
<i>Cumulative Year To Date</i>										
Overtime	June	\$403,743	\$445,749		\$340,723				-16%	-24%
Sales Tax (Countywide)	May	\$16,321,825	\$17,624,832		\$16,069,413				-2%	-9%
Airline Enplanements	June	39,638	42,425		51,255				29%	21%
Clerk Revenue	May	\$625,050	\$667,269		\$703,850				13%	5%
DMV	May	\$235,615	\$243,654		\$243,515				3%	0%
Legal Documents	May	\$389,434	\$423,616		\$460,335				18%	9%
Lodging Revenue (Smith Travel)	May	\$3,940,877	\$4,501,472		\$4,118,373				5%	-9%

Status Key:

Trending favorably

Trending uncertain or somewhat unfavorably

Trending unfavorably



# Notes and Sources :

- Most trend information begins with data from January 2006, which will continue to be the anchor point for trend assessment in future Indicators Reports. Where possible, data prior to 2006 has been compiled and will continue to be a part of the on-going reporting.
- Unemployment data: U.S. Bureau of Labor Statistics and the New York Department of Labor.
- Inflation Data: U.S. Bureau of Labor Statistics, (all urban consumers, all items). The posted inflation rate is determined by dividing the CPI in the reviewed month with the same month the year before (I.e., May 2009 CPI/May 2008 CPI).
- Consumer Confidence: Sienna College Consumer Confidence Survey (web page). The Sienna report cites national poll data from the University of Michigan's consumer confidence survey.
- Airline Enplanements: Tompkins County Airport
- Temporary Assistance Caseloads, state and local: New York State Office of Temporary and Disability Assistance web page.
- Food Stamp Caseloads: New York State Office of Temporary and Disability Assistance.
- Children in Placement: Tompkins County Department of Social Services
- Vehicle Fuel Costs: NYS Office of General Services
- Electricity and Natural Gas Rates: Tompkins County Facilities Division
- Personnel: Tompkins County Personnel Data Base
- Overtime: Tompkins County Finance Department
- Inmate Population: Tompkins County Sheriff's Office
- Road Salt Costs: Tompkins County Highway Department
- Sales Tax Receipts: Tompkins County Finance Department
- Clerk's Revenue: Tompkins County Clerk's Office
- Interest Rates: Tompkins County Finance Department
- Hotel/Motel Activity: Smith Travel Research (supplied by the Tompkins County Chamber of Commerce)

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