

# Quarterly Indicators Report: April 2009

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.

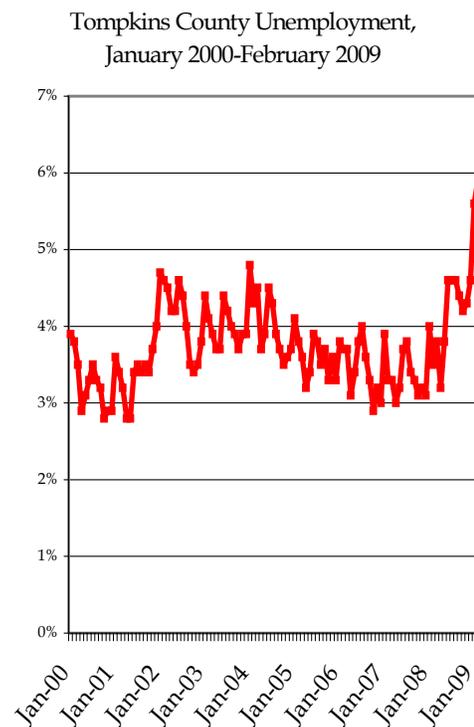
The global economic crises dominates our current environment, causing rising local unemployment rates, price deflation, and substantial belt-tightening by the area's largest employers. The deepening recession is eroding the County's revenue base, particularly in projected State Aid, sales tax and investment earnings. Expenditure growth has not been markedly affected by the downturn, although early indicators of dependence on public assistance, such as food stamp caseloads, are rising rapidly. Commodity prices, including energy, are relatively stable.

## Areas of concern:

- Following rapid increases over the past three months, the County's February *unemployment rate* rose to 5.9%, the highest jobless rate in at least 19 years. A year ago, local unemployment stood at 3.5%. U.S. unemployment in March reached 8.5%, a 26-year high.
- The number of households receiving *Food Stamp benefits* grew by 2% between December 2008 and January 2009, and is 18% higher than a year ago.
- *Welfare cases* grew for the third consecutive month in January, with overall caseloads up 7% over January 2008.
- Countywide year-to-date *sales tax collections* through February were down 5% from the same period last year. A new statewide report indicates first quarter County receipts will fall 10% below the first quarter of last year, reflecting both declining baseline revenues and a one-time audit adjustment last year.
- The number of children currently in *Foster Care* in February was up 20% over a year ago.
- *Interest rates* on County deposits averaged 0.7% in January, far less than the 4.2% the year before.

## Positive areas:

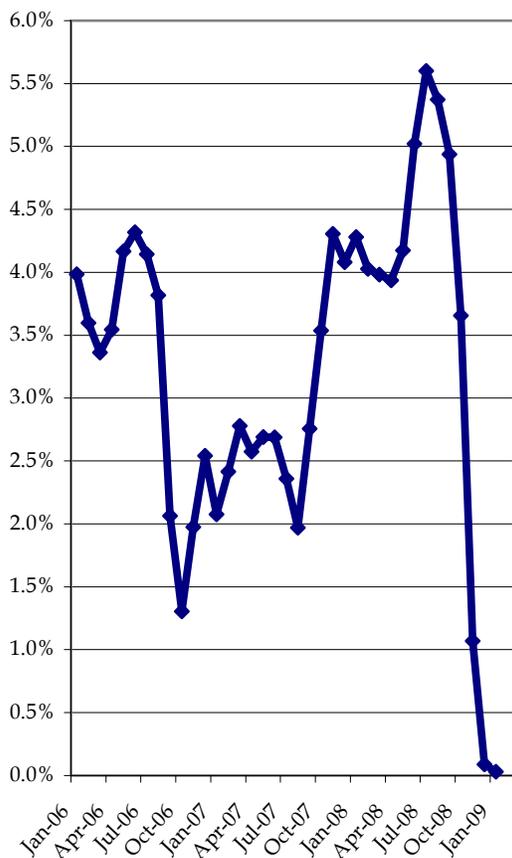
- The County's average *jail population* (including board outs) in February was down by 15 from the year before. Generally, populations are down appreciably since 2006, resulting in fewer board-outs.
- *Overtime costs* through March are down 24% from last year and 25% from the year before.
- *Gasoline prices* paid by the County are relatively stable and fully 42% less than last year.



# Economic Indicators

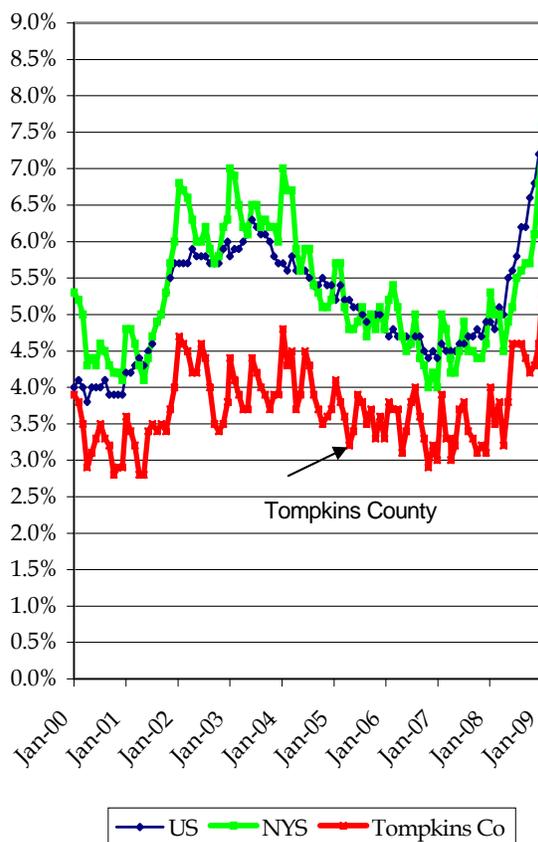
**Inflation:** Annual inflation, as measured by the CPI (U.S. All Items, All Urban Consumers), rose by just 0.2% from February 2008 to February 2009. Although prices increased slightly between January and February, the nation experienced a rare and extended period of deflation in 2008, as the CPI declined in five consecutive months at the end of the year.

Inflation (Year to Year), January 2006-February 2009



**Unemployment:** While unemployment in Tompkins County remains lower than the State and nation, it is rising at roughly the same rate as other areas. Local unemployment stood at 5.9% in February—the highest in at least 19 years. State unemployment rose to 8.6% in February. The March 8.5% national unemployment rate is the highest since 1983.

Unemployment Rate, US, NYS, Tompkins County, January 2000-February/March 2009



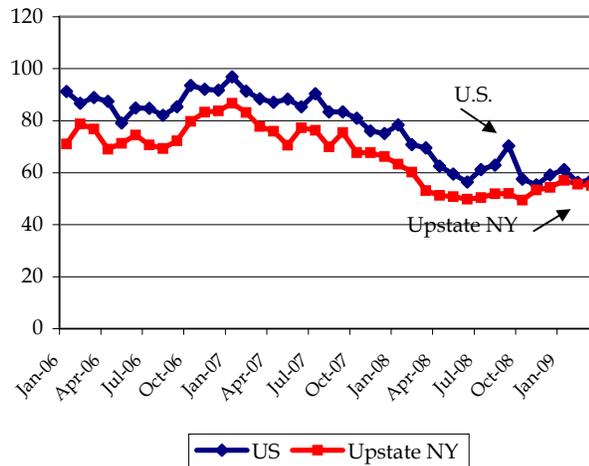
# Economic Indicators

**Consumer Confidence:** According to polls conducted by Sienna College, consumer confidence in Upstate New York remains at a very low level, but has improved slightly since mid-summer. The Sienna poll shows March 2008 confidence levels up 4% from a year ago, but down by 29% since March 2007.

Based on a University of Michigan poll, The gap between consumer confidence on a national level and Upstate has virtually disappeared over the past three years. National consumer confidence has fallen by 18% over the past year.

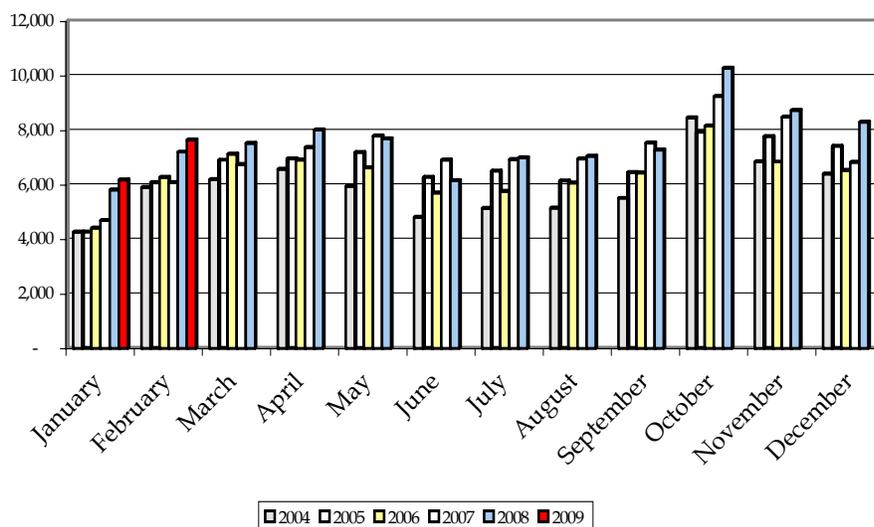
Improving consumer confidence is critical to renewed consumer spending.

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



**Airline Enplanements:** In spite of the economic downturn, airline enplanements at the Tompkins County airport continue to show strong growth. In February, 13,831 passengers departed from the County airport, an increase of 6% over last February and 28% more than February 2007. The addition of Continental Airlines has had a marked impact on passenger volume at the airport.

Tompkins County Airport, Airline Enplanements, January 2004-February 2009



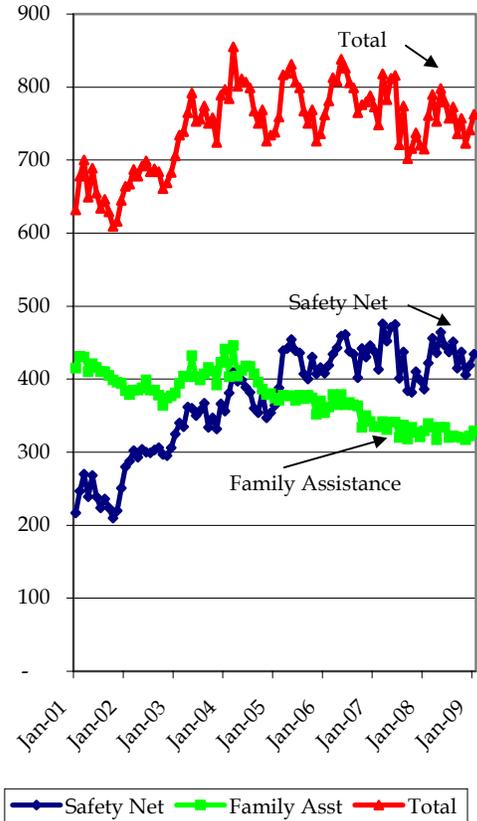
# Human Service Indicators

**Temporary Assistance:** In January (the most recent monthly data available from the State) the County’s welfare caseloads grew for the third consecutive month. Caseloads rose by 3% between December and January and were up by fully 7% from a year ago.

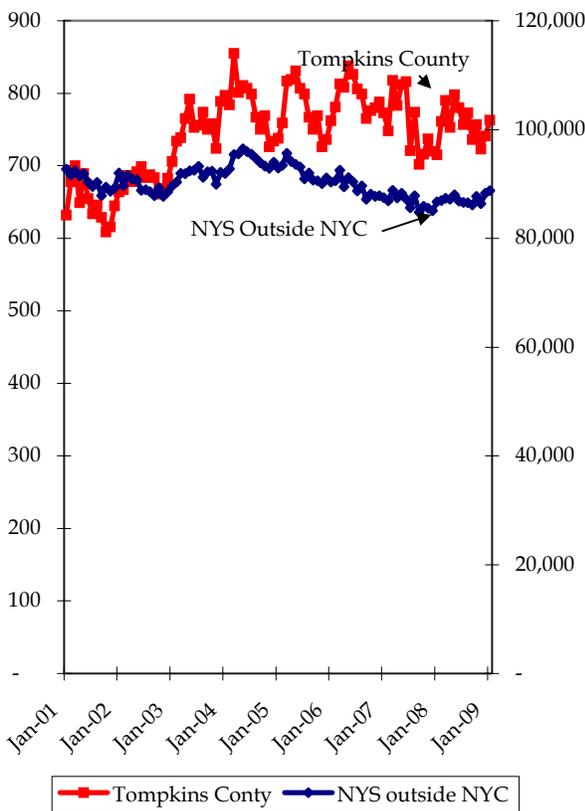
Safety Net cases—generally single individuals or families that have exceeded the five year limit on federal benefits provided through the Family Assistance program, are up by 12% over January 2008. Family Assistance cases are unchanged from a year ago.

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. Since January 2001, caseloads have increased by 21% in Tompkins County while decreasing by 4% in New York State counties outside New York City. Over that time, the largest declines in caseloads have been concentrated in the most populous Upstate counties (Westchester, Erie, Albany, Monroe, and Onondaga)

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



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



# Human Service Indicators

**Food stamps:** Food stamp cases in January rose by 2% from the month before and are up by 18% from a year ago, paralleling the 16% growth rate in Upstate.

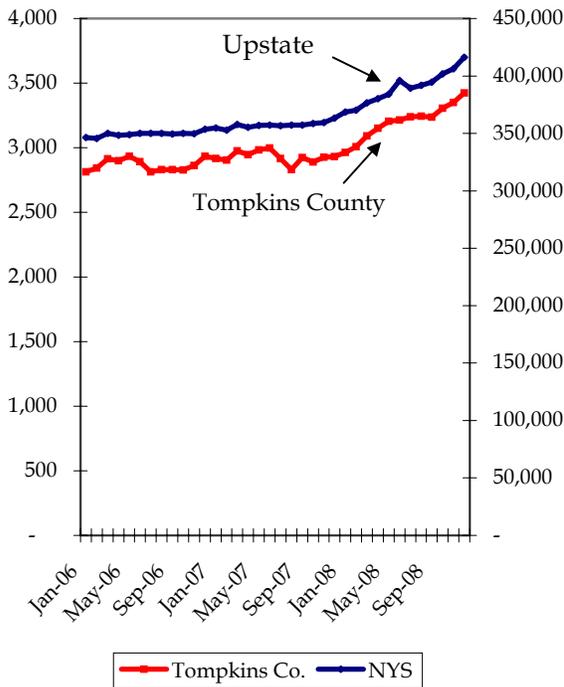
Food stamp cases are an early indicator of both economic distress in the community and future demand for additional public services. While the County administers the food stamp program, the program relies solely on federal and state funds.

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.

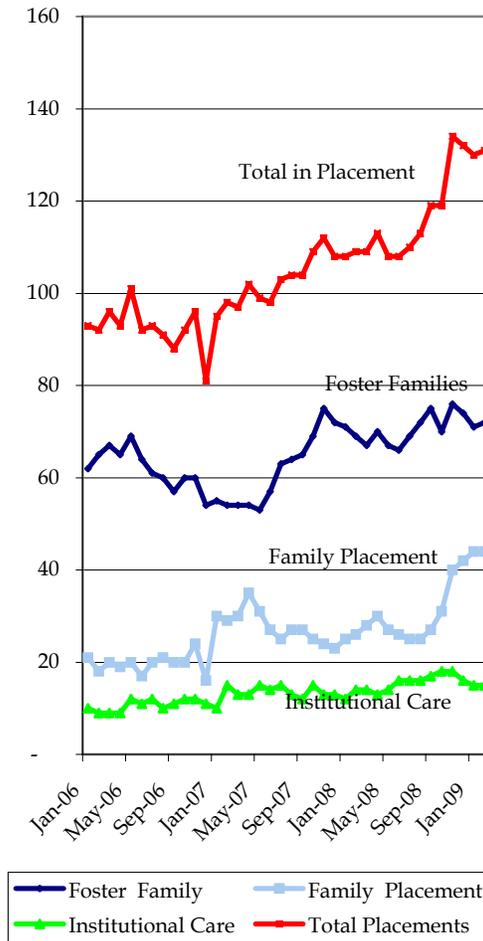
**Foster Care:** The number of children in foster care has risen rapidly over the past two years, with the 131 children in placement representing a 20% increase from a year before and 34% more than two years ago.

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.

Food Stamp Cases (Households), Tompkins County and NYS Outside NYC, January 2006-January 2009

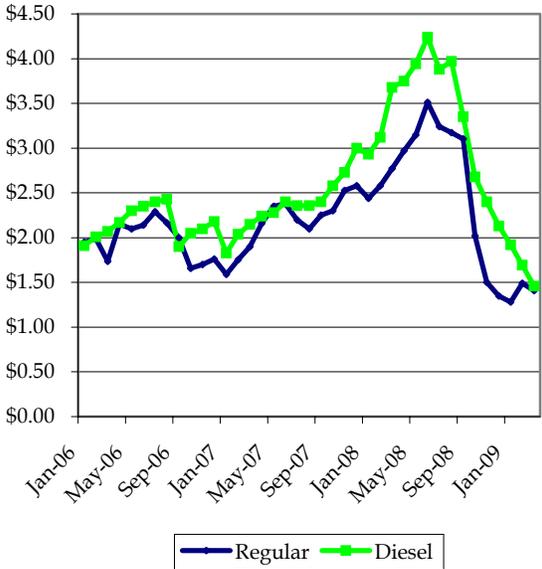


Children in Placement, January 2006-February 2009



# Budget Indicators: Energy Costs

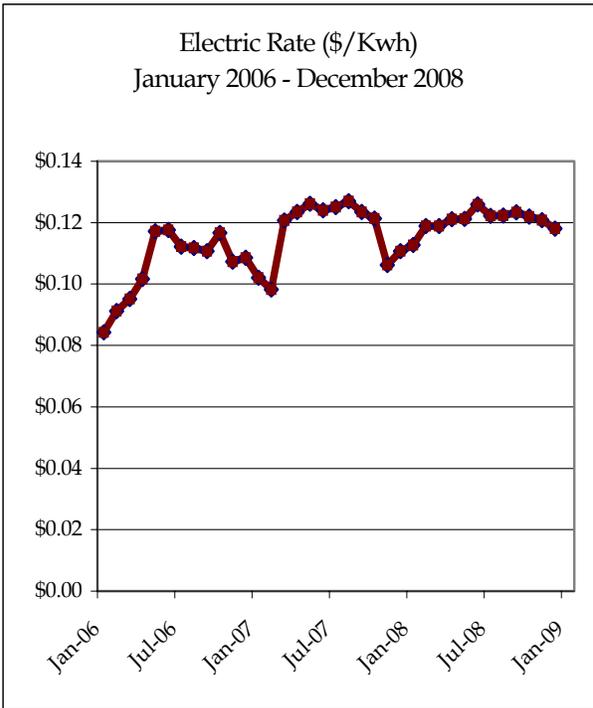
Vehicle Fuel Costs (County Prices),  
January 2006-March 2008



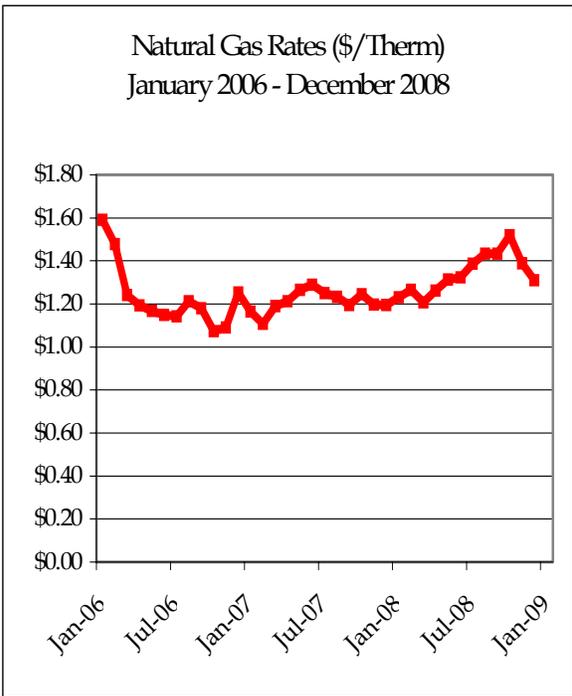
**Fuel and Energy Costs:** After climbing steadily from 2007 through mid-2008, petroleum costs have declined sharply, with March prices at \$1.41 per gallon for regular gasoline and \$1.46/gallon for diesel. In March 2008, prices were \$2.77/gallon for regular and \$3.68/gallon for diesel. Rising retail prices at the pump likely signal higher prices for the County in the near future.

The County's average electricity rate has remained relatively stable over the past eight months, but December's rate is still 7% higher than a year ago. Natural gas prices paid by the county are 10% higher than a year before, but fell by 6% between November and December.

Electric Rate (\$/Kwh)  
January 2006 - December 2008



Natural Gas Rates (\$/Therm)  
January 2006 - December 2008

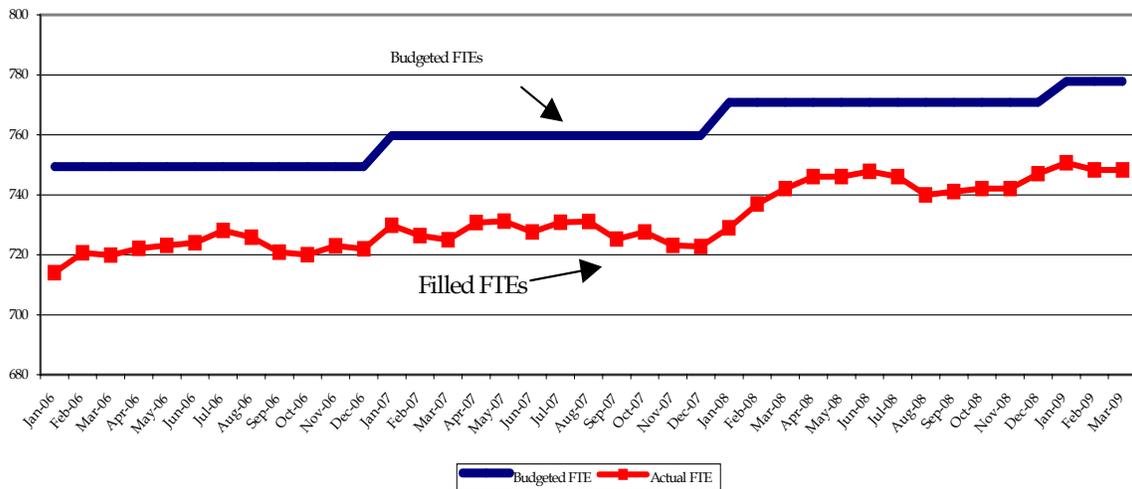


# Budget Indicators: Personnel

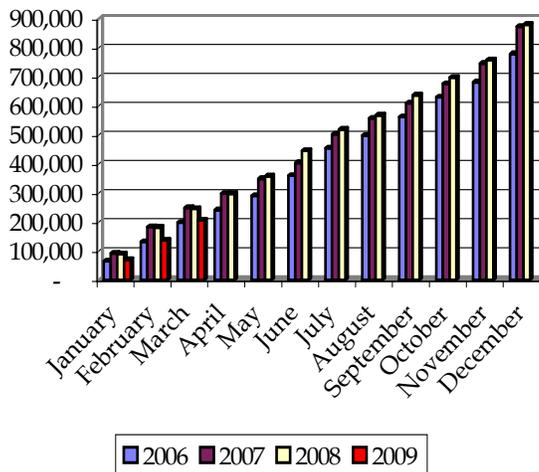
**Workforce:** In March, the County had 748 full-time equivalent positions on its payroll, up by 6 from the year before and 23 from March 2006. The payroll roster includes positions that are fully and partially funded by grants and reimbursements.

The 748 filled positions are 30 fewer than the 778 FTEs authorized in the 2009 budget.

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



Year to Date (Cumulative) Overtime, All Departments, 2006-March 2009



**Overtime:** Total County overtime costs (the 1/2 time premium expense) for all departments through March totaled \$186,149. That is 24% less than cumulative overtime spending in March 2008 and 25% less than March 2007.

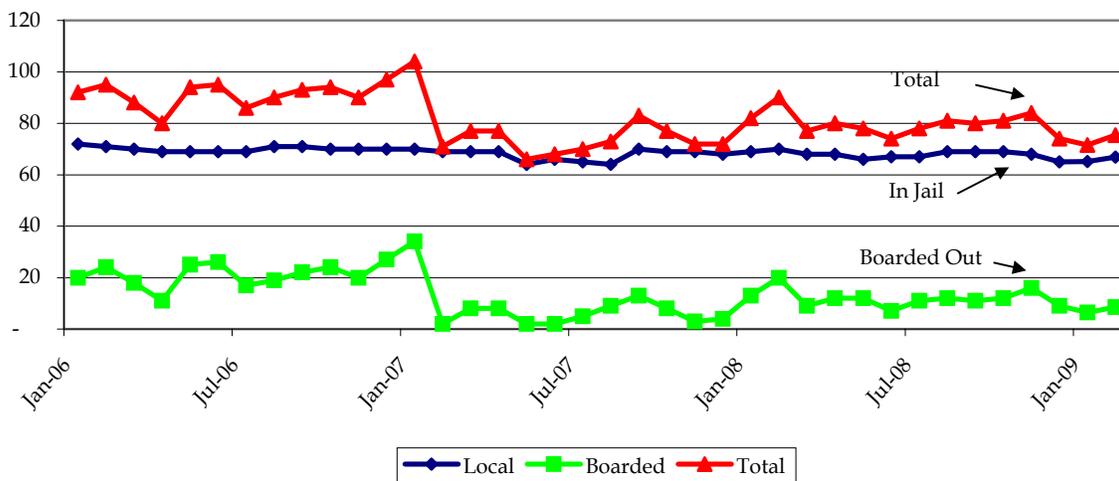
Over the past two years, total annual overtime costs have amounted to slightly less than \$900,000.

# Budget Indicators: Miscellaneous

**Inmate Population:** Since February 2007, the County's inmate population has been relatively stable, averaging 77 total inmates (68 in the County Jail and 9 board-outs.)

In February 2009, the average census stood at 75 (66 in the Jail and 9 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-February 2009

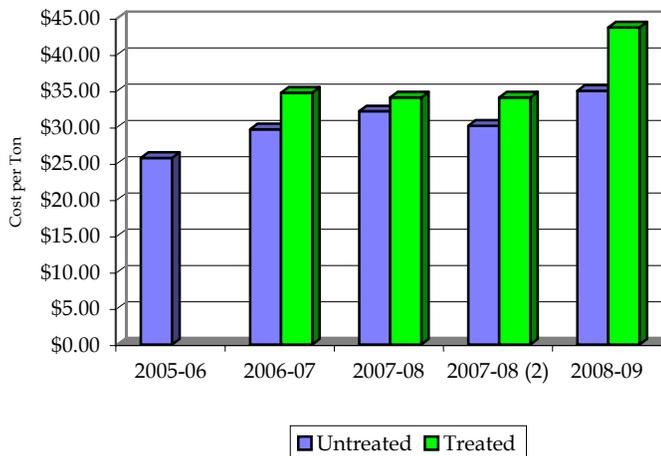


**Road Salt:** The cost of road salt has a strong influence on the Highways Division budget.

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

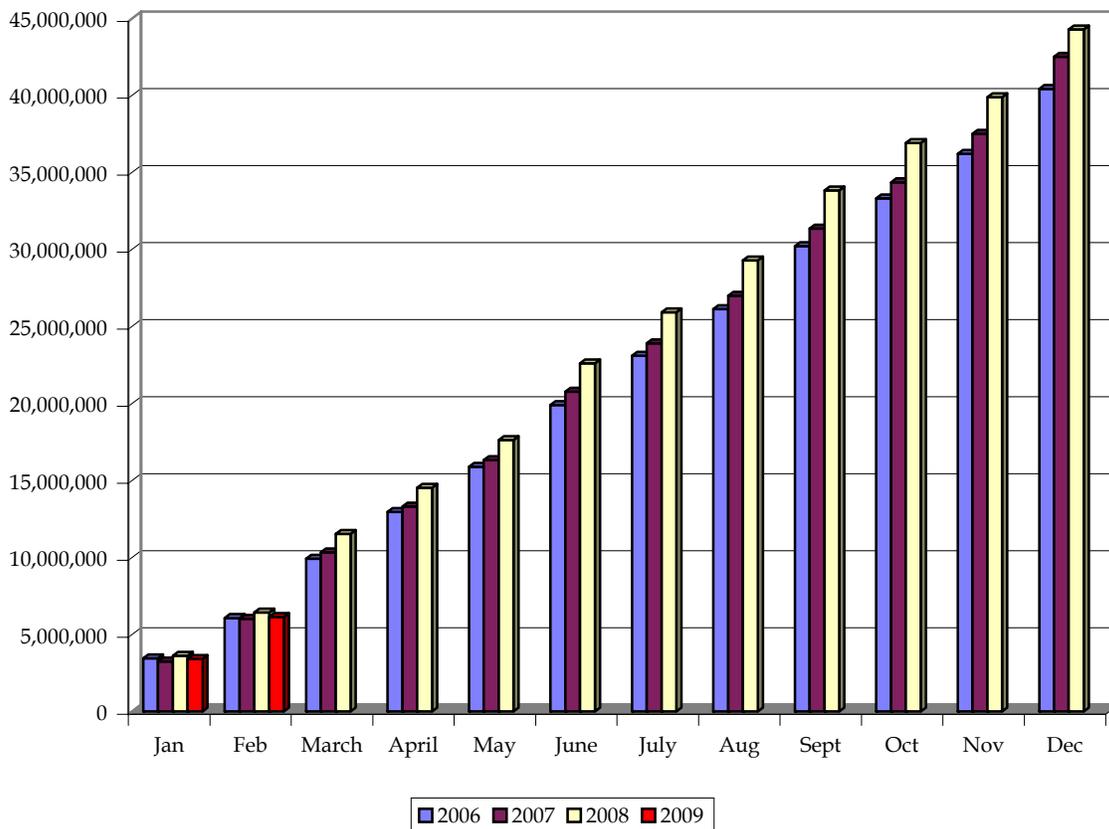
The cost of treated salt, which is used to reduce the total volume of salt used, has increased from \$35/ton in 2006 to almost \$43 today.

Road Salt Costs, Treated and Untreated, 2005-2009



# Budget Indicators: Sales Tax

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



**Sales Tax:** The sales tax is the County’s major source of growth-responsive revenue. Historically, sales tax revenue has increased by 2-3%, providing non-property tax support for inflationary budget growth.

Through February, however, countywide sales tax collections are down by 5% from the same period a year ago. The County’s share of revenues is down by a slightly smaller percent. If the trend continues, sales tax revenues will fall approximately \$1 million short of the 2009 budget target.

A 1st Quarter sales tax report released by the State on April 9 indicates the County’s share of sales tax revenue will be down 10% from last year. The decline reflects underlying reduction in baseline sales as well as a \$500,000 audit adjustment that inflated the 2008 quarterly payment.

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

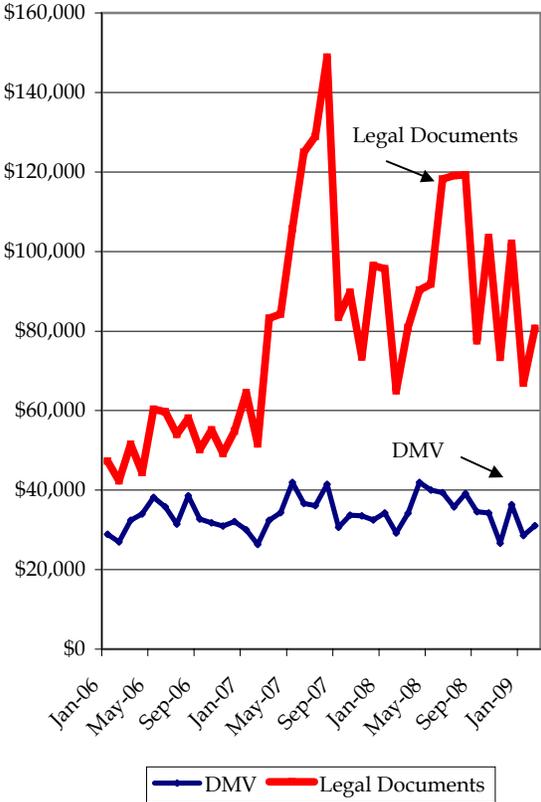
**County Clerk Revenue:** The County Clerk generates revenue through fees assessed by the Department of Motor Vehicles activity and by the Clerk for processing legal documents, particularly mortgage documents. Both represent important sources of income to the County and also provide an indication of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

Through February, DMV income is down by 6% from a year ago; legal document recording and processing fees are down by 8%. However, preliminary figures from March are showing gains over March 2008.

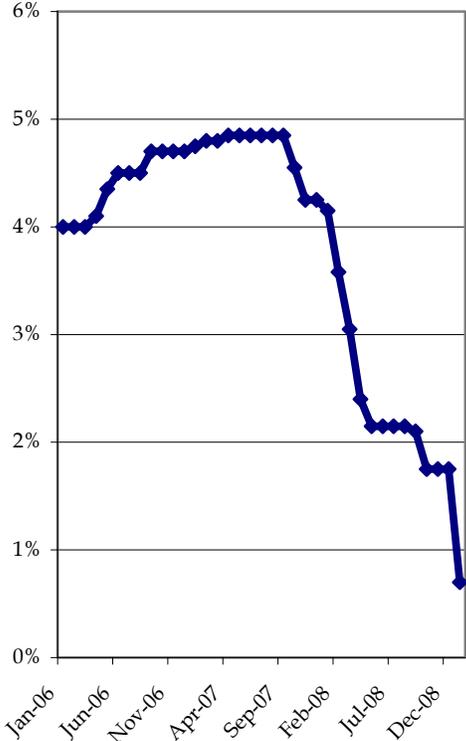
**Interest Rates on County Deposits:** The County deposits all balances in interest bearing accounts that are restricted, by law, to the safest investments.

Over the past year, the average interest rate paid on those deposits has fallen from 3.6% to 0.7%, resulting in a significant reduction in interest income to the County. Rates are expected to remain low throughout the year.

Clerk's Revenue, January 2006-February 2009



Average Interest Rate on Investments, January 2006-February 2009



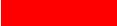
**Major Budget and Fiscal Indicators Summary**

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: **April 4, 2009**

| Indicator                      | Month    | Current     | 1 Month Ago | 1 Year Ago  | 2 Years Ago | Status | Current Compared To: |            |             |
|--------------------------------|----------|-------------|-------------|-------------|-------------|--------|----------------------|------------|-------------|
|                                |          |             |             |             |             |        | 1 Month Ago          | 1 Year Ago | 2 Years Ago |
| Filled Positions               | March    | 748         | 748         | 742         | 725         | Yellow | 0%                   | 1%         | 3%          |
| Temporary Asst Cases           | January  | 763         | 741         | 715         | 773         | Yellow | 3%                   | 7%         | -1%         |
| Safety Net                     | January  | 434         | 419         | 386         | 438         | Red    | 4%                   | 12%        | -1%         |
| Family Assistance              | January  | 329         | 322         | 329         | 335         | Green  | 2%                   | 0%         | -2%         |
| Foodstamp Cases                | January  | 3,495       | 3,423       | 2,964       | 2,917       | Red    | 2%                   | 18%        | 20%         |
| Children in Placement          | February | 131         | 130         | 109         | 98          | Red    | 1%                   | 20%        | 34%         |
| Foster Homes                   | February | 72          | 71          | 69          | 54          | Yellow | 1%                   | 4%         | 33%         |
| Family Placement               | February | 44          | 44          | 26          | 29          | Yellow | 0%                   | 69%        | 52%         |
| Institutions                   | February | 15          | 15          | 14          | 15          | Red    | 0%                   | 7%         | 0%          |
| Jail Population (Avg)          | February | 75          | 72          | 90          | 71          | Green  | 5%                   | -16%       | 6%          |
| In the Jail                    | February | 67          | 65          | 70          | 69          | Green  | 3%                   | -4%        | -3%         |
| Boarded Out                    | February | 9           | 6           | 20          | 2           | Yellow | 31%                  | -58%       | 325%        |
| Interest Rate on Invest.       | January  | 0.7%        | 1.8%        | 4.2%        | 4.8%        | Red    | -1.1%                | -3.5%      | -4.1%       |
| Energy Unit Costs              |          |             |             |             |             |        |                      |            |             |
| Average KWH                    | December | \$0.118     | \$0.121     | \$0.111     | \$0.109     | Yellow | -2%                  | 7%         | 9%          |
| Average Therms                 | December | \$1.31      | \$1.39      | \$1.19      | \$1.25      | Yellow | -6%                  | 10%        | 5%          |
| Road Salt                      |          |             |             |             |             |        |                      |            |             |
| Untreated                      | March    | \$35.00     | \$35.00     | \$30.17     | \$29.68     | Yellow | 0%                   | 16%        | 18%         |
| Treated                        | March    | \$43.72     | \$43.72     | \$34.08     | \$34.72     | Yellow | 0%                   | 28%        | 26%         |
| Fuel Costs (County)            |          |             |             |             |             |        |                      |            |             |
| Regular                        | March    | \$1.41      | \$1.49      | \$2.77      | \$1.90      | Green  | -5%                  | -49%       | -26%        |
| Diesel                         | March    | \$1.46      | \$1.69      | \$3.68      | \$2.15      | Green  | -14%                 | -60%       | -32%        |
| Biodiesel                      | March    | \$2.01      | \$2.61      | \$4.20      | N/A         | Green  | -23%                 | -52%       | N/A         |
| County Unempl. Rate            | February | 5.9%        | 5.6%        | 3.5%        | 3.3%        | Red    | 0.3%                 | 2.4%       | 2.6%        |
| CPI (Year-to-Year)             | February | 0.2%        | 0.0%        | 4.0%        | 2.4%        | Green  | 0.2%                 | -3.8%      | -2.2%       |
| Consumer Confidence (Upstate)  | March    | 55.1        | 55.6        | 53.1        | 77.8        | Red    | -1%                  | 4%         | -29%        |
|                                |          |             |             |             |             |        |                      |            |             |
| <i>Cumulative Year To Date</i> |          |             |             |             |             |        |                      |            |             |
| Overtime                       | March    | \$186,149   |             | \$246,012   | \$248,883   | Green  |                      | -24%       | -25%        |
| Sales Tax (Countywide)         | February | \$6,122,934 |             | \$6,421,607 | \$6,012,440 | Red    |                      | -5%        | 2%          |
| Airline Enplanements           | February | 13,831      |             | 13,026      | 10,783      | Green  |                      | 6%         | 28%         |
| Clerk Revenue                  | February | \$207,279   |             | \$224,120   | \$172,508   | Yellow |                      | -8%        | 20%         |
| DMV                            | February | \$59,626    |             | \$63,522    | \$56,366    | Yellow |                      | -6%        | 6%          |
| Legal Documents                | February | \$147,652   |             | \$160,598   | \$116,142   | Yellow |                      | -8%        | 27%         |

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 (e.g., February) with the same month the year before.
- 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

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