

ECONOMIC REPORT
of the
HUDSON VALLEY
ANNUAL 2005

MARIST COLLEGE

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June 2006

This report is available on the Bureau of Economic Research homepage at
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The assistance of Nicholas Lombardi and Fred Lauricella is acknowledged and appreciated.

While every effort has been made to ensure that the information in this report is accurate, Marist College cannot be held responsible for any remaining errors.

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HUDSON VALLEY REVIEW

Employment by Place of Residence

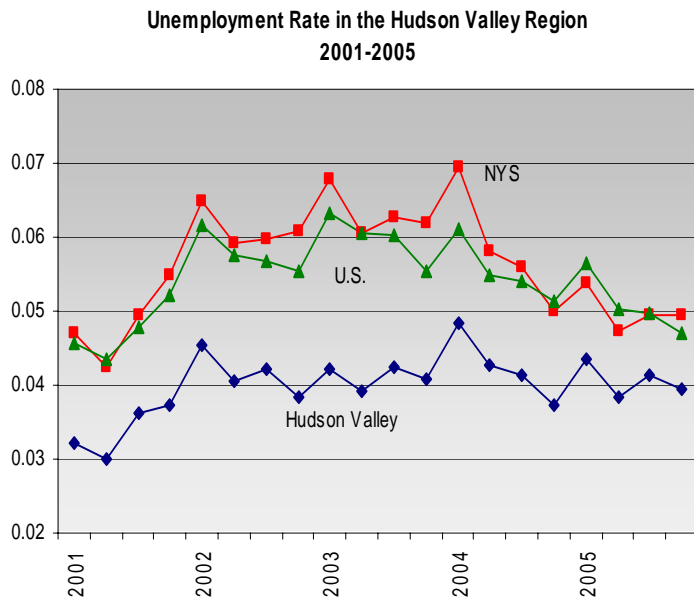
At the end of 2005, the unemployment rate for the Hudson Valley was 4.07%, down from 4.25% in 2004. Employment increased 3.5% relative to 2004; the labor force grew at an annual rate of 3.3%.

Employment in Dutchess and Sullivan Counties recorded double digit advances of 12.9% and 11%, respectively. In both cases, the growth in employment exceeded growth in the labor force, resulting in a reduction in their respective unemployment rates.

Similar employment growth occurred in Greene, Orange, and Ulster. Contrastingly, Columbia, Putman, and Rockland all experienced a reduction in both the number of persons employed and the average number of persons in the labor force.

In Westchester County, the 4.4% increase in employment was identical to the growth in the labor force.

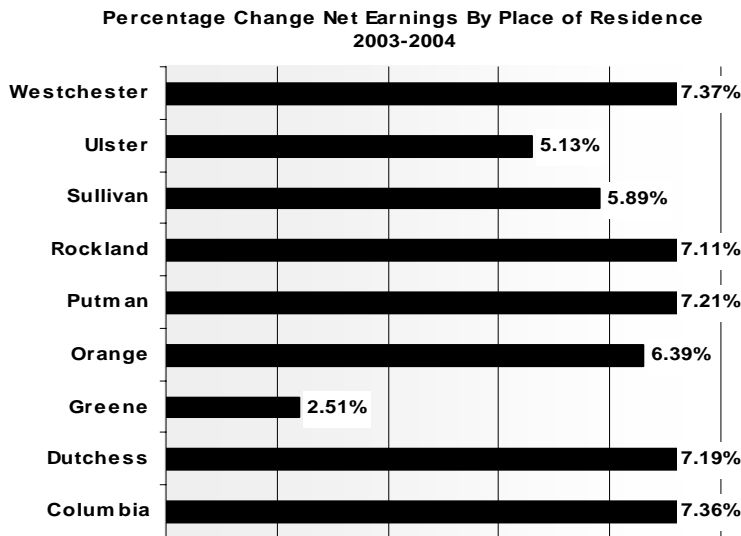
Employment growth in New York State advanced 1.9% in line with the National growth rate of 1.8%. Employment in New York City advanced 2.6%.



Source: NYS Dept. of Labor

Net Earnings by Place of Residence (2004)

Net earnings (wages and salaries) of residents of the Hudson Valley advanced 7.02% from \$68.6 billion in 2003 to \$73.4 billion in 2004. Net earnings grew the fastest in Westchester and Columbia, followed by Putman, Dutchess, and Rockland. Net earnings in Greene County grew the slowest at 2.51%



Source: BLS

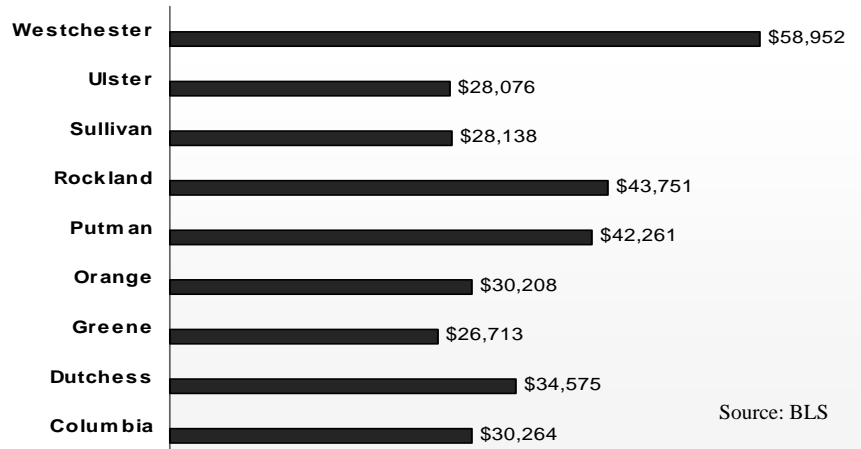
Total Personal Income (TPI) (2004)

Total personal income¹ for residents of the Hudson Valley advanced 6.8% from \$97.7 billion in 2003 to \$104.3 billion in 2004. The increase is explained by a \$4.8 billion advance in earned income, a \$.7 billion increase in income on real and financial assets and a \$1.1 billion rise in transfer payments. The largest increase in total personal income occurred in Rockland at 7.40%; the lowest in Greene at 3.79%. Columbia experienced the greatest increase in income on real and financial assets at 5.63%, Orange, the lowest at 4.08%. Transfer payments increased across the region.

¹ Total personal income is the sum of net earnings by place of residence, income on financial and real assets, and transfer payments. It is a complete picture of the level of income by residence.

Per-Capital Income (2004)

In the year 2004, the per-capita income of Putman, Rockland, and Westchester counties were above both the State and National per-capita incomes of \$38,264



and \$33,050, respectively. The per-capita income in Dutchess County at \$34,575 was 5% above the National level, but fell 10% short of the State level. Per-capital incomes across the remaining counties were below both the State and National level. Across the region, total personal income (TPI) grew at a faster pace than per-capita income.

Earnings Inflow (2004)

When the place of work differs from the place of residence, the place of residence experiences a net inflow of earned income. Each county in the Hudson valley experienced an earnings inflow in 2004. The largest inflows were secured by Westchester County, followed by, Rockland, Putman, and Orange. The smallest inflow occurred in Sullivan County.

Employment by Place of Work

For the full year 2005, nonfarm employment in the region rose .59% relative to 2004. The largest increase in the number of persons employed occurred in the Putman-Rockland-Westchester area and the newly created Poughkeepsie-Newburg-Middletown metropolitan statistical area (MSA). On a percentage basis, Greene County experienced the largest increase in nonfarm employment at 2.14%. Over the same time frame, employment in New York City advanced 1.38%; employment statewide increased .78%.

Over the preceding five years, employment in the region advanced 2.7%, well above both the National and State averages of 1.23%, and .74%, respectively.

Across the region, the number of jobs in manufacturing continues to decline, however, the rate of job loss is beginning to lessen. In all cases, the reduction in manufacturing employment has been met by a sizeable increase in the number of jobs in the service providing industries.

In 2004 (the last date data is available) average weekly earnings in the service providing industries was 61% of comparable manufacturing jobs; in 2001 the relationship was .64 to 1. Hourly wages in the manufacturing sector increased 14% between the years 2001 and 2004, while wages in the service-providing industries advanced 9%, on average. Similarly, there is a stronger tendency for manufacturing jobs to keep pace with inflation.

On an average wage basis, the region, in 2004, needed to create 1.651 new service sector jobs for each manufacturing job lost. In that year, the service sector created 8.9 jobs for each manufacturing job lost. For the four year period, beginning in 2001, the required job creation job ratio was 1.63 to 1; during this time frame, 4.39 service sector jobs were created for each job lost in the manufacturing sector. Distributional effects withstanding, job creation by the service providing industries have more than compensated for the shift away from high paying manufacturing jobs.

Regional Inflation

Prices of goods and services in the New York/New Jersey metropolitan statistical area (MSA) continues to increase at a faster pace than the U.S. City Average at 3.88% for the full year 2005, compared to 3.39% for all U.S. Cities.

The rate of change has declined from 15% between 2003 and 2004, to 10% between 2004 and 2005. This deceleration is a

CPI-U (MSA)	U.S. City Average		New York/ New Jersey MSA	
	2005	Jan-Apr 2006	2005	Jan-Apr 2006
All	3.39%	2.39%	3.88%	2.80%
Food	2.41%	0.40%	2.83%	0.20%
Fuels and utilities	10.56%	0.42%	14.76%	-4.50%
Gasoline	35.00%	48.20%	20.57%	24.19%
Housing owner occupied	2.36%	1.29%	2.33%	3.71%
Housing rental	2.90%	1.09%	5.26%	1.87%
Medical Care	4.22%	1.92%	3.00%	2.13%
Services less medical	3.12%	1.60%	4.13%	2.50%

Source BLS

preliminary indication that Fed tightening is beginning to influence the markets for goods and services.

As of April 2006, the inflation rate for the New York/New Jersey MSA was 2.8%. Of this total, gasoline prices advanced 24.19%, well below the U.S. City Average of 48.2%. Owner occupied housing costs increased 3.71%, 27% above the U.S. City Average.²

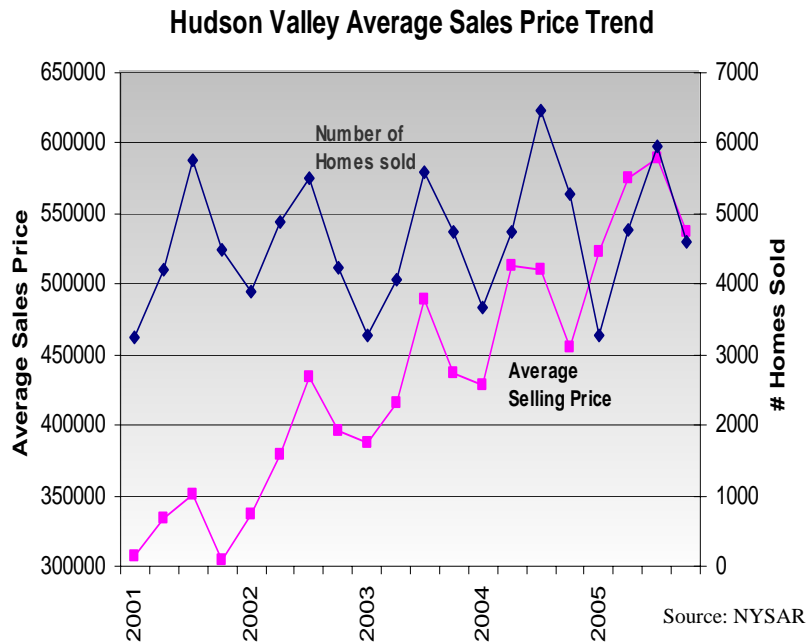
By category, food and housing has the largest impact on the average household budget at 30% of total personal expenditures, followed by medical costs at 20%. Gasoline, fuels and utilities, and other services account for 2.8%, 3%, and 7%, respectively.

Home Sales, Prices, and Permits

The number of homes sold in the region declined 7.9% in 2005 compared to a 14.2% advance in 2004. Nation wide home sales fell 8.9%. Home sales in New York State advanced 2.2% for the year. The only counties in the region that experienced positive sales growth were Columbia, Dutchess, and Sullivan, at 4.1%, 3.6%, and 14.2%, respectively. The largest

decline in home sales occurred in Orange at 18.9% and Rockland at 29.9%.

Across the region, sale prices continue to advance, increasing 16.5% for the year, in line with the State increase of 15.8%. Well above the National average of 9%. All



² Month to month economic data tends to be very erratic and is subject to numerous revisions.

counties within the region experienced an increase in the average selling price. Westchester was the lowest at 6.4%; Rockland and Orange were the highest at 49.2% and 32.1%, respectively.

Currently, the average selling price of a single family home in the Hudson Valley is \$560,894. This is 218.6% above the National average and 164.8% above the State average. Greene and Sullivan are the only counties in which the average selling price is below the National average. Home prices in Dutchess, Orange, Putman, Rockland, and Westchester exceed both the National and State average. Since 2001, the average selling price of a single family home in the Hudson valley has advanced 71.59%.

Construction spending, on single family homes, continues to increase across the region; advancing 18.9% relative to the full year 2004. The largest increases in spending occurred in Columbia and Greene counties at 289.4% and 257.9%, respectively. Construction spending on single family homes fell in Orange, Putman, and Westchester counties.

For the full year 2005, construction permits for single family homes increased 17.8% across the region. The largest number of permits was issued by Orange County at 1301 or 23.3% of all permits issued in the region. The greatest percentage increases occurred in Greene and Columbia counties; construction permits fell in Dutchess, Putman, and Westchester.

The average cost of a new single family home in 2005 increased 1% relative to 2004. The largest cost increases occurred in Columbia, Putman, and Sullivan counties at 41.1%, 22.3% and 14.5%, respectively. In Rockland County, construction costs fell 4.1% relative to the full year 2004.

Sales Tax Collection

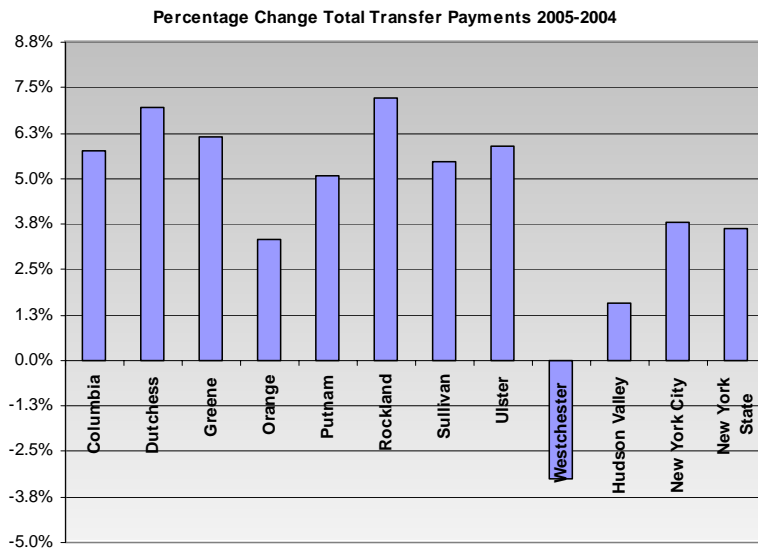
One indicator of retail sales is sales tax collection. Across the region, total sales tax collection advanced 7.95% in 2005 compared to a 12.43% increase in 2004. Greene and Orange counties recorded the largest increases at 11.31% and 16.75%, respectively; Ulster the lowest at 3.18%.

Transfer Payments

Across the region, expenditures on transfer payments advanced 1.6% in 2005 compared to a 5.4% increase in 2004 and a 6.5% increase in 2003. Statewide, expenditures on transfer payments increased 3.6% for the full year 2005. The largest percentage increases, in expenditures on transfer payments, occurred in Rockland, Dutchess, and Greene counties. In Westchester County, expenditures declined 3.3%.

By category, expenditures on temporary assistance fell 9.2% across the region, while the number of recipients fell 6.4%. The largest expenditure decrease occurred in Westchester County at

16.1%. The largest reduction in the number of recipients occurred in Putnam County at 14.7%. Across the region, expenditures on food stamps and supplemental social security increased 13.06% and 3.2%, respectively.



Source: NYS Office of Temporary and Disability Assistance

Bankruptcies

For the full year 2005, total bankruptcies in the Southern and Northern districts advanced 29.6% and 38%, respectively. In line with the 30.13% increase in National bankruptcies and the 37% increase in bankruptcy filings in New York State. Total business bankruptcies, in New York State, fell 48.16%. Statewide, non-business bankruptcies advanced 41.6%. Of this total, Chapter 7 filings increased 52.8% from 61281 in 2004 to 93645 for the full year 2005. The large advance in Chapter 7 filings is directly attributable to the *Bankruptcy Abuse Prevention and Consumer Protection Act of 2005*. The act, which became effective October 17, 2005, places substantial limits on the ability to “wipe the slate clean” through bankruptcy protection.

Regional Airports

For the full year 2005, passenger traffic declined at both Stewart and Westchester airports. Enplaned cargo traffic at Westchester advanced 23.88%; deplaned increased 2.78%.

National Review

Real Gross Domestic Product

Real gross domestic product (GDP) in 2005 grew at an annual rate of 3.5% compared to a 4.2% increase in 2004. Real consumer spending fell .4% while its overall contribution to GDP growth advanced from 64.52% in 2004 to 70.86% in 2005. Spending on consumer durables fell 1.5%, nondurables and services decreased .3% and .1%, respectively. The demand for business investment and residential housing decreased 5.8%: residential investment retrenched 3.2%. For the year, the demand for investment goods (business plus residential) explained 28.57% of the growth in real GDP. This is down 14.76% from 2004. Real investment in residential properties explained 11.7% of real GDP growth, compared to 13% in 2004. Government purchases of goods and services declined by .4%; the government's contribution to the growth in real GDP remained flat at 9.7%. Net exports of goods and services ended the year less negative, falling from -.73% of real GDP in 2004 to -.29% in 2005.

Consumer Spending in Current Dollars

In 2005, personal disposable income (household income after net taxes) increased 4.33% from \$8664.2 billion in 2004 to \$9039.6 billion.¹ Consumer spending on goods and services advanced 6.47% from \$8214.3 billion to \$8745.7 billion. Energy expenditures increased 20.3% or \$86.5 billion in current dollars. For the year, energy

¹ Within this category; wages, salaries and benefits rose \$437.7 billion from \$6687.6 billion in 2004 to \$71285.3 billion in 2005; rental income fell \$61.3 billion from \$134.2 billion to \$72.9 billion in 2005; interest and dividend income rose \$60.9 billion from \$1396.5 billion in 2004 to \$1457.4 billion in 2005; and personal taxes increased from \$1,049.1 billion in 2004 to \$1209.7 billion in 2005.

costs were 6% of the average household budget². Interest payments and transfer payments to the government and the rest of the world were \$205.9 and \$120.4 billion, respectively. For the year, total current expenditures exceeded current income receipts by \$33.5 billion. The net result was a negative saving rate of .4% of personal disposable income.

In 1993, saving as a percentage of personal disposable income reached a near term high of 5.78%. Since that date, growth in consumer spending has increased faster than the growth in personal disposable income. As a direct consequence, both the absolute level of saving and the saving rate have declined.

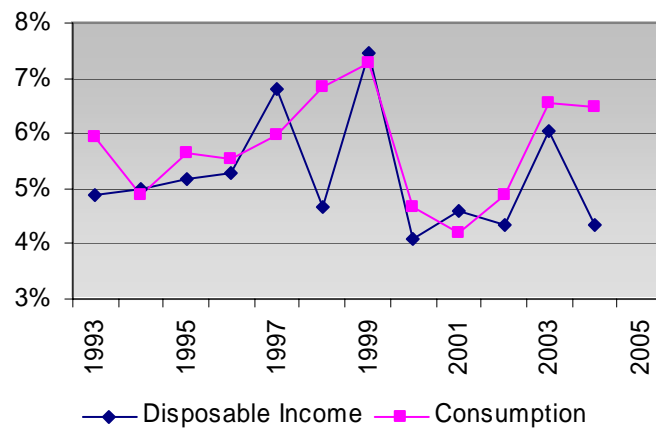
One explanation for the shift in behavior away from saving toward current expenditures is wealth effects. Studies have shown that for every one dollar permanent increase in wealth, consumption

expenditures increase between 2 and 5 cents. These additional expenditures are funded through a combination of current income and borrowing.

During the period 2001 through 2005, it is estimated that between \$1.9-\$2.1 trillion dollars in home equity loans were used to fund current expenditures and the purchase of “other assets.” Using this matrix, approximately 75% of the growth in consumer spending between 2004 and 2005 is explained by the conversion of owner equity into ready cash.

At the end of 2005, total household debt was \$11.9 trillion; this is a one year increase of 11% and a five year advance of 50.65%. Of this total, mortgage and other secured debt was \$8.6 trillion. For a more in-depth examination of the household sector see, *Household Finances* in the current report.

Percentage Change in Consumption and Disposable Income



Source: BEA

² Economic Report of the President 2005

Business Sector in Current Dollars

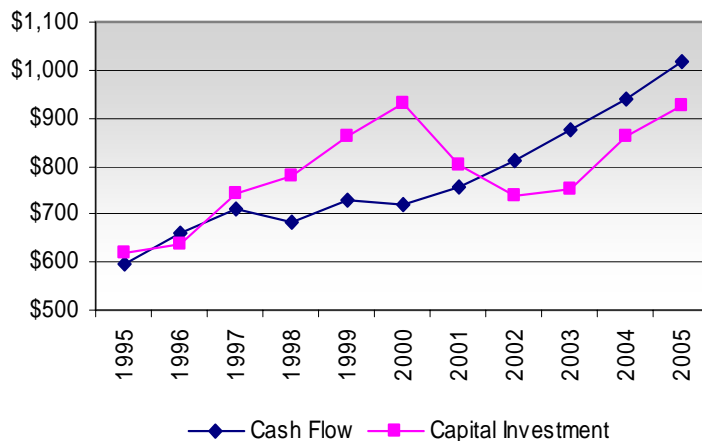
Total profits in 2005 increased 16.4% compared to a 12.6% advance in 2004. Of this total, domestic profits increased 17.4% compared to 14.1% in 2004; rest of world profits increased 1.2% compared to a 5.1% advance in 2004. The sector paid taxes of \$378.1 billion and distributed \$514.2 billion in dividends to its shareholders. For the year, undistributed corporate and non-corporate profits were \$459.6 billion³.

Cash flow⁴ advanced 8.9% from \$1196.9 billion in 2004 to \$1303.3 billion in 2005. Net investment equaled \$1063.2 billion in current dollars; surplus internal funds equaled \$240.1 billion.

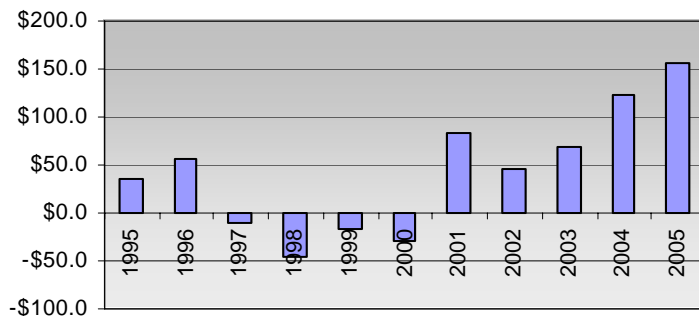
In each of the last four full years, cash flow has exceeded capital investment.⁵ The surplus funds have been directed toward the acquisition of liquid financial assets. Currently, total business investment in financial assets is well above the preceding fifteen year trend.

The consequence to the real economy is a reduction in the stock of productive assets and thereby economic growth.

Nonfinancial Business Cash Flow and Capital Investment (billions of dollars)



Non-financial Business Net Financial Investment (billions of dollars)



Source: Federal Reserve

³ This is a retention rate of 47.2%.

⁴ undistributed profits plus non-cash charges

⁵ Historically, net investment by the business sector has exceeded cash flow by 21%.

At the end of the period, total debt in the nonfinancial business sector was \$8337.5 billion. This is a year to year advance of 7.8% and a five year increase of 20.7%. Total debt in the financial business sector advanced 8.2% and 39%, respectively.

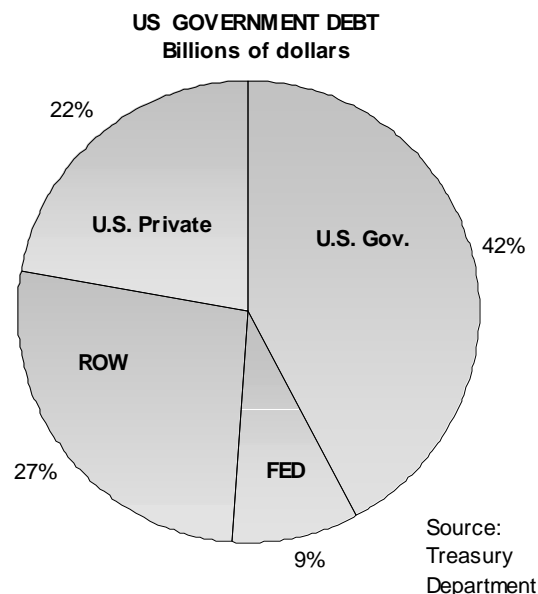
Government Sector in Current Dollars

In 2005, the current and capital expenditures of the Federal Government exceeded current receipts by \$474.8 or 3.8% of current dollar GDP. Current expenditures increased at a yearly rate of 7.08%: 2% above the preceding five year average. Current tax receipts grew at an annual pace of 14.58%.

According to the Congressional Budget Office, the deficit of the Federal Government as of April 2006 was \$183 billion dollars. The CBO estimates the 2006 deficit at \$350-\$300 Billion.⁶

At year-end 2005, the debt of the U.S. Government was \$8194.3 billion. Of this total, the U.S. Government held \$3455.8 billion, \$732.7 billion was held in the Open Market Portfolio of the Federal Reserve Bank, \$2180 billion was held by the rest of the world (ROW) and the balance, \$1801.7 billion, was held by domestic investors.

Currently, foreign investors (ROW) hold 27% of the total debt and 54.8% of all privately held debt. The three largest foreign creditors were; Japan (\$684.9 billion), China (\$256.7 billion), and the United Kingdom (\$234.4 billion). For the year, total interest payments were \$341.3 billion; \$225.4 billion or 66% was paid to domestic creditors; \$115.9 billion or 34% was paid to foreign creditors.



⁶ Report date May 4, 2006.

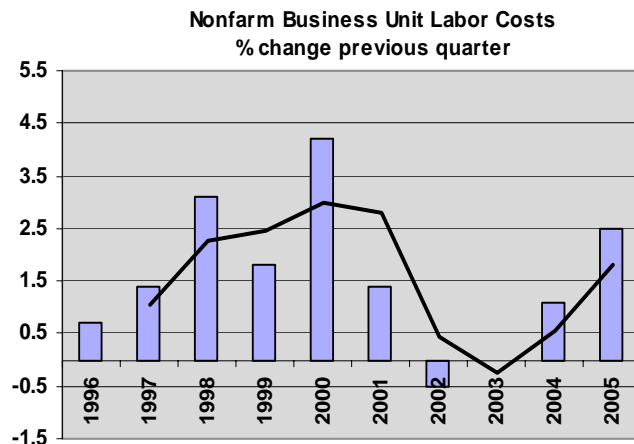
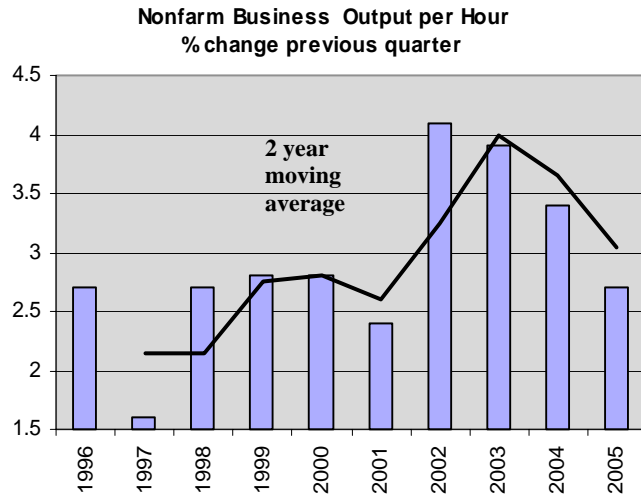
Productivity and Capacity Utilization

An important indicator of economic growth and price stability is labor productivity, defined as output per hour worked. Productivity is positively related to real output growth and is (generally) inversely related to inflation.

Over the previous ten year period, labor productivity in the nonfarm business sector grew at an annual rate of 2.6% per year, well above the preceding twenty year trend. Capital deepening and advancements in production and information technology help to explain this phenomenon.

Near term, productivity growth has dampened. In 2005, nonfarm business productivity advanced 2.7% down from 3.4% in 2004 and 3.9% in 2003.⁷ The current slowdown in productivity is consistent with the reduction in the National unemployment rate from 5.2% in January of 2005 to 4.9% at year's end.⁸

Coincident with the slow down in productivity growth is increasing unit labor costs. Unit labor costs increase when the growth rate in hourly compensation increases



Source: BLS

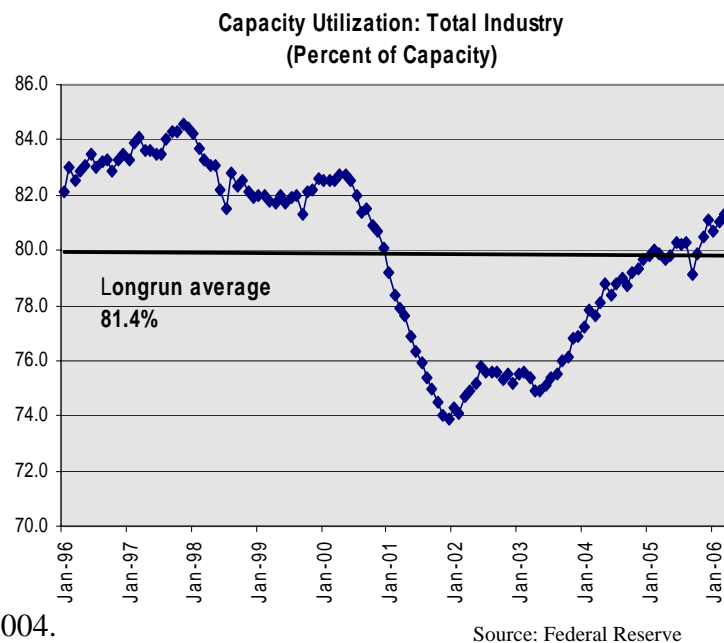
⁷ According to the Economic Report of the President 2005, the Administration is projecting that productivity will grow at an annual rate of 2.6% over the next six years. This forecast is consistent with the ten year average.

⁸ The U.S. civilian labor force grew by 2,197,000 persons and 2,545,000 new jobs were created.

more rapidly than the growth in productivity. Annual unit labor costs for the nonfarm business sector have been increasing since 2003. In 2005, unit labor costs advanced 2.5% compared to a 1.1% advance in 2004 and a 0% advance in 2003.

In the manufacturing sector, productivity advanced 5% in 2005 relative to 5.5% in 2004. Compensation advanced 7% for the year resulting in a 1.9% increase in manufacturing unit labor costs. Unit labor costs fell 3.1% in 2004 and advanced 2.5% in 2003.

For the year, industrial production advanced 2.8% relative to 2004 and 11% relative to the beginning of the current economic expansion. Year-end, total capacity utilization at 80.7% was unchanged from year-end 2004.



Prices

The CPI-U advanced 3.39% for the full year 2005. Of that total, fuels and utilities increased 10.56%, gasoline increased 35%. The all commodities Producer Price index (PPI) increased 7.3% relative to a 6.2% advance in 2004. The preliminary estimate for the PPI as of April 2006 is an annual cost increase of 6.75%.

Foreign Sector

In 2005, the current account deficit of the U.S. exceeded 6% of gross domestic product (GDP). The balance on current goods and services was a negative \$726.5 billion; the balance on capital income was a positive \$33.6 billion. For a detailed analysis, see the section on the *U.S. Balance of Payments* in the current report.

Current Economic Conditions

In the first quarter of 2006, real gross domestic product (GDP) grew at an annual rate of 5.3%, according to preliminary estimates, released by the Bureau of Economic Analysis.⁹ Real personal consumption advanced at an annual rate of 5.2% compared to an increase of .9% in the fourth quarter of 2005. Of this total, spending on durable goods advanced 20.5% compared to a negative 16.6% rate of growth in the fourth quarter of 2005. Personal consumption expenditures explained 68.50% of the growth in first quarter GDP; this is down from 70.86% for the full year 2005. As of the first quarter 2006, current dollar personal disposable income was \$9.3 trillion annualized; personal saving was negative \$119.6 billion. Saving as a percentage of disposable income was negative 1.3% down from negative .4% for the full year 2005.

Real nonresidential fixed investment rose 13.1% compared with a 4.5% increase in the fourth quarter. Of this total, equipment and software advanced 13.8%; investment in nonresidential structures increased 11.3%. Investment by the business sector, which has been weak since 2001, is being supported by high rates of profitability¹⁰ and capacity utilization. Residential investment grew at an annual rate of 3.1% in the first quarter of 2006. The contribution of residential housing to real GDP growth has fallen from 11.7% for the full year 2005 to an annual rate of 3.6% in the current year. Weaker sales of existing homes, a deceleration of price increases, a 72% increase in foreclosure activity, and increased mortgage rates explain this trend.

Government expenditures rose 10.5% compared to a 2.6% decrease in the fourth quarter. Spending on national defense advanced 9.6%; non-defense spending increased 12.2% for the period. Growth of real exports of goods and services at 14.7% was greater than the first quarter growth in real imports at 12.8%, resulting in a relative reduction in the first quarter current account deficit.

According to the Bureau of Labor Statistics, the civilian labor force increased by 865,000 persons between January and May of 2006. As of the first quarter, 529,000 nonfarm jobs were created. The preliminary estimates for nonfarm job creation in April

⁹ Report date May 4, 2006

¹⁰ Increased labor productivity coupled with insignificant increases in current dollar compensation has held down unit labor costs.

and May are 126,000 and 75,000, respectively. With job creation growing at a faster pace than the labor force, the National unemployment rate fell from 4.9% at year-end 2005 to 4.6% as of May 2006.

Industrial production grew at an annual rate of 5.4% in the first quarter of 2006. In the month of April, industrial production advanced .8%. As of May 2006, total capacity utilization had increased 1.5% relative to December 2005. Currently, total capacity utilization is .4% above the 1972-2005 average.

During the first quarter, labor productivity in the nonfarm business sector advanced 3.7% relative to the fourth quarter 2005; current dollar compensation per hour advanced 5.3%; real compensation increased 3.2%. Unit labor costs for the period advanced 1.6% relative to the fourth quarter 2005. In the manufacturing sector, productivity growth at 4% exceeded the growth in current dollar compensation (2.1%), resulting in a net decrease in unit labor costs of 1.8% relative to the fourth quarter 2005. Real compensation in the manufacturing sector fell 1.5% during the period.

Core inflation —prices of goods and services less energy and food—has accelerated in the current period. On an annualized basis, core inflation was up 3.2% over the last three months compared to a 2.8% increase over the previous six month period. The current price trend is at the upper bound of “price stability.” Moreover, long-term inflation expectations as measured by the spread between the ten year Treasury bond and the TIPS (Treasury inflation-protected securities) are beginning to expand.

The U.S. Balance of Payment Accounts

Transactions between the U.S. and the Rest of the World (ROW) are recorded in the Balance of Payments accounts. The balance of payment accounts consists of the current account and the capital account. The current account tracks the export and import of current goods and services, income earned on capital assets, and unilateral transfers. The capital account records transactions in financial assets and net foreign investment (NFI). When the current account is in deficit the capital account is in surplus. By definition the current and capital accounts sum to zero

The U.S. became a net debtor nation in 1989. Since that time the U.S. balance of payments has become progressively more negative: the trend began to accelerate in the years 2000 and 2001. As of 2004, the net international position of the U.S. was a -\$2.5 trillion dollars. In that year, the U.S. owned \$10 trillion dollars in foreign assets and the rest of the world (ROW) owned \$12.5 trillion dollars in U.S. assets. In 2004, the negative international position was equal to 21.67% of GDP. This is a 10% increase relative to 2003 and a 40% increase relative to 1999.

Table: Components of Changes in the Net International Investment Position with Direct Investment at Market Value, 1999-2004 *Millions of Dollars*

	Beginning Value	Valuation adjustments				Total (a+b+c+d)	Ending Value
		Financial flows (a)	Price changes (b)	Exchange-rate changes (c)	Other changes (d)		
1999	-1,070,769	-236,148	329,672	-125,970	65,778	33,332	-1,037,437
2000	-1,037,437	-486,373	133,716	-270,594	79,681	-543,570	-1,581,007
2001	-1,581,007	-400,243	-224,184	-151,685	17,671	-758,441	-2,339,448
2002	-2,339,448	-500,316	-59,582	231,247	212,985	-115,666	-2,455,114
2003	-2,455,114	-560,646	-1,716	415,507	229,599	82,744	-2,372,370
2004	-2,372,370	-584,597	146,514	272,278	-4,070	-169,875	-2,542,245

Complied by: Federal Reserve Bank of St. Louis.

Economic theory predicts that the U.S. balance of payment position cannot continue to rise relative to the level of domestic output. At some future point the trend will reverse itself and the U.S. will move toward international balance. The catalyst will be a falling dollar: the only uncertainty is when and at what cost to the domestic economy.

The relationship between the U.S. and the ROW is unique. On the one hand we are trading partners: we export and import current goods and services to and from the ROW. On the other hand, we are the country of choice for international diversification in both real and financial assets. Investors from around the world willingly purchase and hold our non-bank debt, bank deposit liabilities, equity, capital assets, and real estate in their wealth portfolios. Moreover, the U.S. dollar is the preferred medium of exchange for international trade and investment. To accommodate this demand the U.S. permits unfettered access to our domestic markets. It is interesting to note that over 50% of the currency outstanding¹ is held abroad.

Open access to our markets coupled with the demand to acquire the U.S. dollar is one of the principal determinants of our current account deficits. On average, nations trade with the U.S. with a single purpose in mind: the accumulation of surplus U.S. dollars². These surplus dollars are used to purchase dollar denominated financial assets- debt and equity- and real assets in the U.S. Essentially, the world community is substituting away from our current goods and services in favor of our financial and real assets. The unintended consequence of these factors is an overvalued dollar, rising asset values, an unprecedented increase in domestic debt, and a falling domestic saving rate.

The current U.S. domestic saving rate at 13% of GDP is the lowest among advanced economies: our consumption and investment rates are among the highest. As a direct consequence, we have become increasingly reliant on net capital exporters to close the gap between domestic saving and domestic investment. A nation is classified as a net capital exporter if their domestic saving exceeds their domestic investment. The excess

¹ Currency outstanding is currency issued by the Federal Reserve in the form of Federal Reserve notes. The magnitude includes cash held by the banking system and cash held by the non-bank public.

² As a general matter, surplus dollars arise whenever our imports exceed our exports.

supply of saving generated by these economies is the “capital” which the nation exports or “offers” into the world financial markets. In the year 2004, the supply of excess saving offered by net capital exporters was \$954.3 billion. Of this total, the U.S. received 70% or \$668 billion³. The largest net capital exporters were China, Germany, Japan, Russia, and Saudi Arabia.

A Note on Saving and Investment

In national income accounting, domestic saving is identical to domestic investment plus the government surplus (deficit) plus exports minus imports:

$$S = I + (G - T) + NX$$

In a market economy, the relationship of these variables one to another is a direct function of individual choice. In the current economy, both the government and foreign sectors are in deficit. When the government is in deficit it must borrow funds to close the budget gap. When the foreign sector is in deficit the ROW offers funds into the U.S. financial markets.

$$S + NX = I + (G - T)$$

The funds offered by the ROW are our domestic income: the income, which the ROW earned through the sale of goods and services to the U.S. That said, the U.S. is dependent on the ROW to finance our demand for public and private consumption and investment.

One explanation for the decline in the U.S. domestic saving rate is the rapid advance in the market value of domestic assets. As the market value of domestic assets has increased there has been a reduced propensity to save out of current income and an increase in the willingness to carry debt. This tendency has been supported by the aforementioned excess saving by net capital exporters coupled with accommodative monetary policy by the G-3 nations (U.S., Euro-Area, Japan).⁴

³ Economic Report of the President 2005

⁴ The Bank of International Settlements in its 2003 *Annual Report* stated that the G-3 monetary authorities had failed to properly respond to the shift in inflationary pressures away from the markets for goods and services toward the market for assets. In its 2004 *Annual Report* the BIS reported a direct link between excess global liquidity, the increase in financial debt, and the rapid rise in the market value of U.S. and foreign assets.

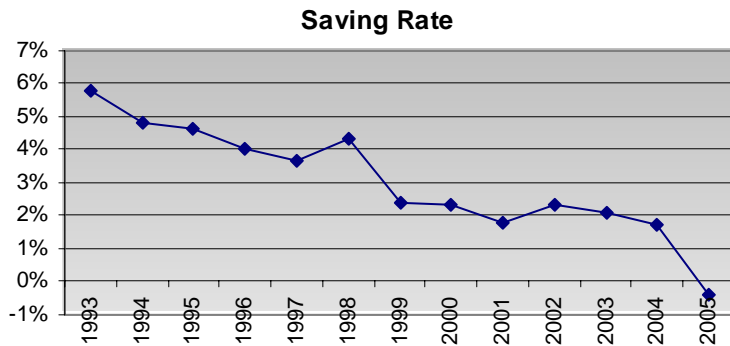
In the months and years to come the current account and the balance of payments will begin to reverse. The catalyst for this change will be a falling foreign dollar exchange rate. Whether the transition from deficit to balance will be orderly or destabilizing is a direct function of fiscal and monetary policy. The greatest risk to the current U.S. economy is a loss of confidence by international investors in dollar denominated financial and real assets. If policy can forestall a crisis of confidence, then the adjustment path will be orderly.

HOUSEHOLD FINANCES

The balance sheet of the household sector is a supplemental report, published by the Federal Reserve Board in the quarterly Flow of Funds Report (Z1). The flow of funds, documents all financial and non-financial uses and sources of funds over a specified period of time. Its financial accounting counterpart is the Statement of Changes in Financial Position. The balance sheet of the household sector reports the market value of household assets, liabilities, and net worth as of a specific point in time.¹

Household net worth is increased by personal saving, debt repayment, and increases in the market value of assets; it is reduced by negative saving, increases in the level of indebtedness, and reductions in the market value of assets. Accordingly, the three main factors which influence the financial health of the sector are the ability and willingness to save out of current income, the relationship of debt service to current disposable income (income less taxes) and marketable assets, and the market value of real and financial assets.

In the year 2005, personal expenditures exceeded disposable income by \$33.9 billion. The result was a negative saving rate equal to .04% of disposable income. This is the first full year in which



Source: BEA

the household sector did not directly contribute to the accumulation of real and financial assets. However, while both the saving rate and the absolute level of dollars saved has been trending downward, the aggregate net worth of the household sector has been rising.

Demographics supplied by the Federal Reserve Board's *Survey of Consumer Finances (2001-2004)*, indicate that the number of households that saved in the year 2004

¹ By convention the household sector includes nonprofit institutions.

(last year data is available) fell 3.1% relative to 2001.² In 2004, 40.8% of all families systematically save; 36.1% saved “left over income”, 16.1% reported that their income and spending were about equal; while 7% stated that their current expenditures exceeded their current income. The primary reasons given for saving were retirement, liquidity, and education. By income level, households located in the lowest and second highest income brackets increased their savings by 13.33% and 3.87%, respectively. Saving in the mid range (annual median income between \$26 thousand and \$69 thousand) fell 11.18% while saving by households in the top income bracket fell 4.39%.

Table: Before-tax family income, percentage of families that saved, distribution of families by income. Source: *The Federal Reserve Board, Survey of Consumer Finances 2001-2004.*

percentile of income	2001 Median (1000's of Dollars)	2001 Mean (1000's of Dollars)	Percentage of families that saved	2004 Median (1000's of Dollars)	2004 Mean (1000's of Dollars)	Percentage of families that saved	Percentage change
less than 20	10.9	10.7	30.00%	11.1	10.8	34.00%	13.33%
20-39.9	26.0	25.7	53.40%	25.7	26.1	43.50%	-18.54%
40-59.9	42.5	42.9	61.30%	43.2	43.4	54.40%	-11.26%
60-79.9	69.0	69.4	72.00%	68.1	69.1	69.30%	-3.75%
80-89.9	105.1	104.4	74.90%	104.7	106.5	77.80%	3.87%
90-100	180.6	322.4	84.30%	184.8	302.1	80.60%	-4.39%

The ability to save is dependent on the level of disposable income and the prices of goods and services: the willingness to save is not. The decision to save is closely correlated to expectations of the future and current net worth. On average, when wealth increases agents substitute away from saving in favor of current consumption. This tendency formally called the consumption-wealth effect³ is clearly documented in the current data. Between the years 2001 and 2004 the net worth of the household sector increased 28.2%, while the percentage of households that saved fell from 59.2% in 2001 to 56.1% in 2004.

² In the year 2001 the percentage of families that saved was 59.2%. In 2004, the percentage of families that saved was 56.1%.

³ Studies have shown that for each additional dollar of net wealth there is a permanent rise in the level of household consumption of between 2 and 5 cents.

The Fed reported that, the number of households who saved in the top 25% of the wealth distribution fell 7.86% between 2001 and 2004. During the same period, the number of households who saved in the mid-range of the wealth distribution (median net worth between \$43.6 thousand and \$170.7 thousand in 2004) declined by 4.9%, and in the lowest wealth class, the number of households that saved increased .87%.

Table: Net worth, Percentage of Families that saved, distribution of families by wealth.
Source: *Federal Reserve Board, Survey of Consumer Finances 2001-2004*

percentile of net worth	2001 Median (1000's of dollars)	2001 Mean (1000's of dollars)	Percentage of families that saved	2004 Median(1000's of dollars)	2001 Mean (1000's of dollars)	Percentage of families that saved	Percentage change	Percentage change in net wealth
less than 25	1.2	0	34.50%	1.7	-1.4	34.80%	0.87%	41.67%
25-49.9	43.4	47.0	54.30%	43.6	47.1	53.60%	-1.29%	0.46%
50-74.9	166.8	176.6	68.00%	170.7	185.4	62.20%	-8.53%	2.34%
75-89.9	458.2	478.6	77.70%	506.8	526.7	72.40%	-6.82%	10.61%
90-100	1386.2	2936.1	83.90%	1430.1	3114.2	76.00%	-9.42%	3.17%

It should be noted that whereas negative aggregate saving is alarming as is the reduction in the number of households who save, this does not imply that the household sector taken as a whole is at risk. What it does tell us is that there is a subsection of the population whose current expenditures exceed their disposable income by a large measure. However, whether this behavior is a function of increased wealth, poor financial planning, a family crisis, or trading-up cannot be determined from the current data.

Asset Allocation

The household sector has reduced their exposure to equity markets; experienced a marked increase in the number of homeowners; and have benefited from a robust housing market.

Financial Assets

Between the years 2001 and 2005, the percentage of net worth held in financial assets declined 4.87%. Within this category, the level of net worth held in corporate

equities fell 9.4%⁴, investment in credit market instruments increased 25.73%, and there was a 23.58% advance in the household sector's investment in bank deposit liabilities. Within monetary assets, there was a clear shift away from currency and demand deposits toward time and savings deposits and foreign deposits. The largest increase occurred in time and savings deposits. Between 2001 and 2005 investment in this category increased \$1403.9 billion or 43.20%. The movement toward time and savings deposits is consistent with the household sector's goal of securing liquidity.

Real Estate

Real estate as a percentage of net worth increased from 33.73% in 2001 to 41.41% in 2005. This is a five year increase of 22.77% and a year to year advance of 6.42%. Three factors have contributed to this trend, investment in new housing, increased homeownership,⁵ and rising market values. Over the period, net investment in new housing increased \$1868.5 billion and housing prices advanced \$6549.9 billion.

Mortgage and Other Secured Debt

In 2004, 76.4% of all households were in debt, of that group, 47.9% had debt secured by their primary residence. Between the years 2001 and 2004, the median level of secured debt rose 27.3%, from \$74.6 thousand in 2001 to \$95 thousand in 2004. In 2005, total secured debt was \$8660.1 billion: this is a 14.05% increase relative to 2004. Over the same time frame, the market value of the household sector's primary residence increased 15.07% from \$17221.3 billion to \$19817.5 billion.

Concomitant with the increase in the percentage of net worth held in real estate and the increase in secured debt was a reduction in owner's equity. Owner's equity fell from 58.2% in 2001 to 55.3% in 2005. This 3.26% decline in owner's equity was caused by a growth rate in debt, which exceeded the growth rate of the net investment in new housing plus the within period changes in the market value of the housing stock.

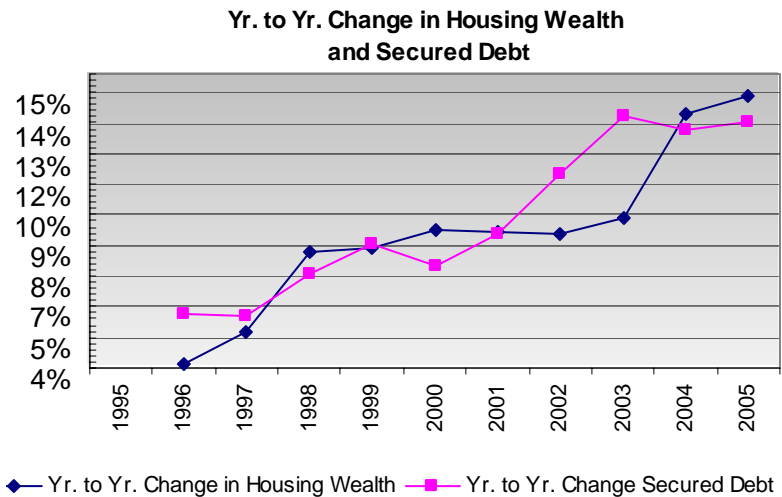
⁴ Between 2001 and 2005 the Dow increased 3.5% and the NASDAQ increased 3.1%.

⁵ The rate of home ownership increased 1.4% over the period 2001-2004. As of 2004, 69.1% of all households owned their own home.

There are two causative factors, interest only mortgages and the use of refinancing and home equity loans⁶ to convert increases in the market value of the housing stock into ready cash.

The conversion of owner equity into transaction balances is frequently cited as one of the primary causes for the rapid expansion in consumer spending.

Home equity has also been tapped for debt consolidation and to fund the purchase of “other assets.” The aggregate data, however, does not reveal the absolute magnitude of this liquidation. In each of the last five years, the change in the level of secured



Source: Federal Reserve

debt has been greater than the change in new residential housing; however, it cannot be inferred that the excess funds were removed from the sector. The transfer of existing homes and the relationship of those sales to the change in secured debt must also be considered.

A plausible proxy for the sale of existing homes is the turnover rate of the existing housing stock⁷ times the beginning market value of that stock times (1+ the within period percentage change in the market value). The net change in mortgage debt attributed to these sales should approximate 90% of this total.⁸

Using these estimates, approximately \$1.9 trillion dollars or 29% of the increase in the market value of the housing stock has been liquidated over the past five years.

⁶ The Tax Reform Act of 1986 created an incentive for homeowners to borrow against their primary residence.

⁷ According to the NAR the turnover rate of the nation’s housing stock is approximately 5%.

⁸ It is assumed that the average down payment is 10% of the purchase price.

Table: Residential Housing 2001-2005 (billion's of dollars) Sources: Federal Reserve Board and Bureau of Economic Analysis

YEAR	2001	% of Yr. End Total	2002	% of Yr. End Total	2003	% of Yr. End Total	2004	% of Yr. End Total	2005	% of Yr. End Total
Beginning Value	11399.1	91.26%	12490.4	91.34%	13674.1	90.79%	15061.1	87.46%	17221.3	86.90%
Net Investment	285.9	2.29%	314	2.30%	373.0	2.48%	431.5	2.51%	464.1	2.34%
Change in Market Value	805.4	6.45%	869.7	6.36%	1014	6.73%	1728.7	10.04%	2132.1	10.76%
Ending Value	12490.4	100.00%	13674.1	100.00%	15061.1	100.00%	17221.3	100.00%	19817.5	100.00%
Change in Secured Debt	451.3		622.6		835.5		913.5		1067.1	
Total Debt	5221.4		5844		6679.5		7593		8660.1	
Owner's Equity	58.20%		57.30%		55.70%		55.90%		56.30%	

According to a study conducted by Greenspan and Kennedy,⁹ home equity generated, on average, \$425 billion dollars in ready cash in the years 2001 through 2004. Using this matrix, between 2001 and 2005, \$2.125 trillion dollars in home equity was removed from the housing sector.

Finally, while the five year trend in owner equity is down, in 2004 owner's equity began trending upward. Specifically, between January 2003 and December 2005 there was a 31.6% advance in the value of residential housing, while the increase in secured debt rose 29.65%. The net result was a slight advance in the level of owner's equity.

Credit Card Debt

The level of credit card debt is increasing. In 2004, 46.2% of all households who held credit cards carried balances on these cards; this represents a 4.05% increase relative to 2001. Further, the mean balance advanced from \$4,400 in 2001 to \$5,100 in 2004. According to the Federal Reserve Board, the 2004 mean balance is equivalent to 5% of the typical household's annual income.

⁹ Greenspan A., and J Kennedy. 2005. "Estimates of Home Mortgage Originations, Repayments, and Debt on One-to-Four Family Residences." Federal Reserve Board, Finance and Economics Discussion Series Papers 2005-41.

Debt Service

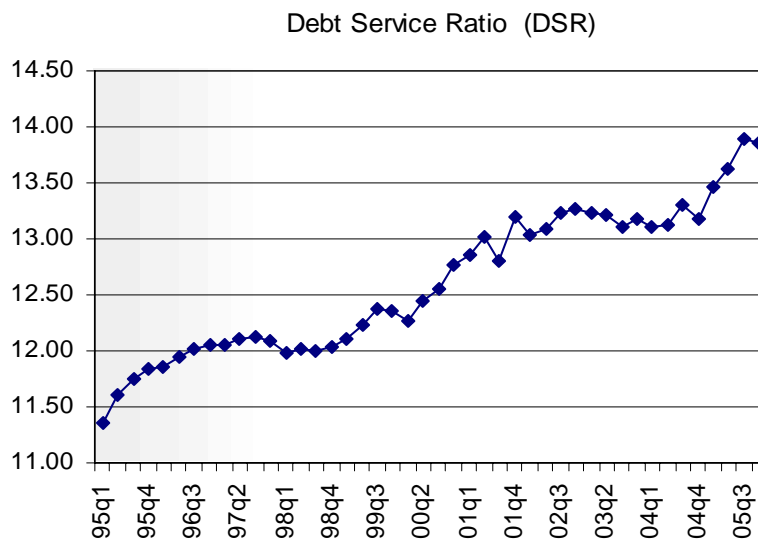
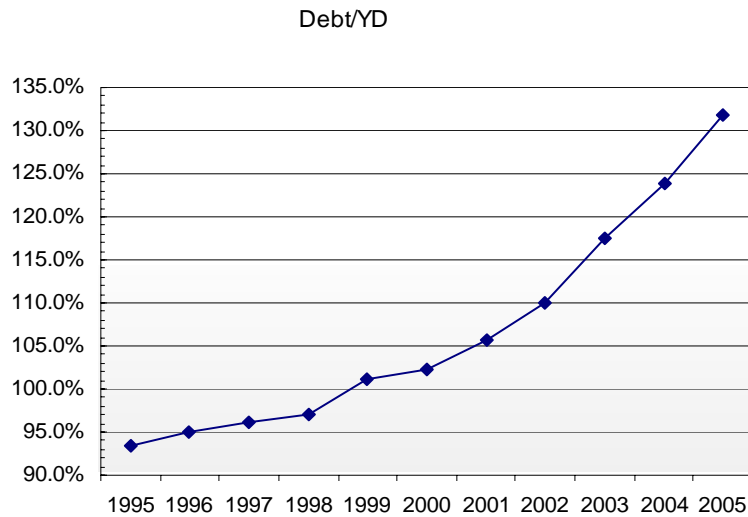
The ability of the household sector to service their debt obligations is dependent on three factors: loan payments, disposable income, and access to marketable assets. Financial health is measured through a series of statistical indicators. The first indicator is the total debt to disposable income ratio (Debt/YD). In the year 2005, for every one

dollar of disposable income the household sector held debt equal to \$131.82. This is a 6.4% increase relative to 2004 and a 24.77% increase compared to 2001.

Debt coverage is examined through the quarterly household debt service ratio (DSR).

The DSR is an estimate of disposable income to required mortgage and consumer debt payments. In the fourth quarter of 2005, the DSR was 13.86, that is, for every one dollar of loan repayments the average household earned \$13.86 in

disposable income. This translates into a mean debt burden of 7.2% of disposable income. The DSR in the fourth quarter of 2004 and 2001 were 13.17 and 13.20, respectively.



Source: Federal Reserve

What effect the increase in debt will have on the health of the household sector or future consumption behavior cannot be determined a priori. Areas that need to be watched very closely are interest rates, the dollar exchange rate, housing prices, and minimum credit card payments. Currently, interest rates are trending upward; housing prices are stabilizing in most markets and have begun falling in some, and minimum credit card payment have begun to rise;¹⁰ any one of these factors could be the tipping point for the marginal household.

¹⁰ The Office of the Controller of the Currency currently requires credit card issuers to charge at least 1% of the principal owed plus all outstanding fees and finance charges.

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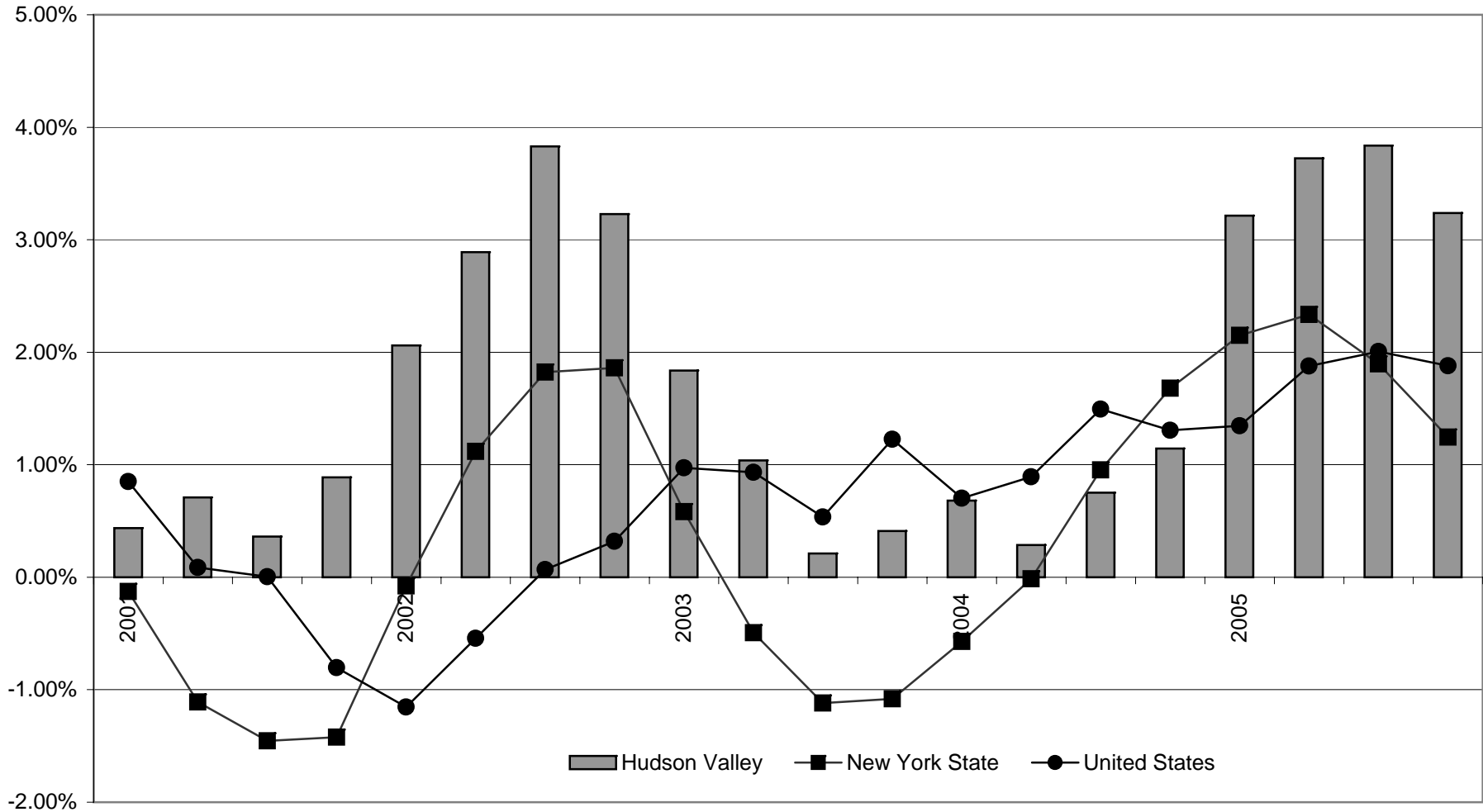
**Average Annual Labor Force for Mid-Hudson Counties
2001-2005**

County	2005	2004	2003	2002	2001	% Change 2001-2005	Peak (Year)	% Change From Peak
Columbia	32,651	34,750	34,692	34,533	34,225	-4.60%	34,783	-6.13%
% Change from Previous Yr.	-6.0%	0.2%	0.5%	0.9%	-1.6%		2000	
Dutchess	148,713	131,950	130,450	129,567	124,992	18.98%	148,713	0.00%
% Change from Previous Yr.	12.7%	1.1%	0.7%	3.7%	3.1%		2005	
Greene	23,848	22,858	23,367	23,142	21,408	11.40%	23,848	0.00%
% Change from Previous Yr.	4.3%	-2.2%	1.0%	8.1%	-0.4%		2005	
Orange	177,393	171,875	169,908	166,558	159,192	11.43%	177,393	0.00%
% Change from Previous Yr.	3.2%	1.2%	2.0%	4.6%	0.9%		2005	
Putnam	56,286	61,992	59,850	59,033	56,275	0.02%	61,992	-9.20%
% Change from Previous Yr.	-9.2%	3.6%	1.4%	4.9%	3.4%		2004	
Rockland	153,545	160,025	158,142	155,908	147,725	3.94%	160,025	-4.05%
% Change from Previous Yr.	-4.0%	1.2%	1.4%	5.5%	1.0%		2004	
Sullivan	37,030	33,625	32,700	32,592	31,350	18.12%	37,030	0.00%
% Change from Previous Yr.	10.1%	2.8%	0.3%	4.0%	0.6%		2005	
Ulster	93,535	87,675	86,467	85,942	82,642	13.18%	93,535	0.00%
% Change from Previous Yr.	6.7%	1.4%	0.6%	4.0%	-0.4%		2005	
Westchester	489,073	468,483	467,750	466,550	453,542	7.83%	489,073	0.00%
% Change from Previous Yr.	4.4%	0.2%	0.3%	2.9%	0.4%		2005	
Total Hudson Valley	1,212,075	1,173,233	1,163,325	1,153,825	1,111,350	9.06%	1,212,075	0.00%
% Change from Previous Yr.	3.3%	0.9%	0.8%	3.8%	0.9%		2005	
Albany-Schenectady-Troy MSA	458,800	469,458	469,025	468,525	455,525	0.72%	469,458	-2.27%
% Change from Previous Yr.	-2.3%	0.1%	0.1%	2.9%	0.5%		2004	
New York City	3,726,849	3,687,192	3,682,967	3,726,858	3,653,900	2.00%	3,727,692	-0.02%
% Change from Previous Yr.	1.1%	0.1%	-1.2%	2.0%	-2.0%		2000	
New York State	9,408,919	9,315,000	9,315,250	9,345,000	9,112,583	3.25%	9,408,919	0.00%
% Change from Previous Yr.	1.0%	0.0%	-0.3%	2.6%	-0.7%		2005	
U.S.	149,320,333	147,401,167	146,510,000	144,863,000	143,734,000	3.89%	149,320,333	0.00%
% Change from Previous Yr.	1.3%	0.6%	1.1%	0.8%	0.8%		2005	

**Average Annual Employment for Mid-Hudson Counties
2001-2005**

County	2005	2004	2003	2002	2001	% Change 2001-2005	Peak (Year)	% Change From Peak
Columbia	31,433	33,458	33,475	33,317	33,300	-5.61%	33,742	-6.84%
% Change from Previous Yr.	-6.1%	0.0%	0.5%	0.1%	-1.3%		2000	
Dutchess	142,954	126,675	125,517	124,225	121,008	18.14%	142,954	0.00%
% Change from Previous Yr.	12.9%	0.9%	1.0%	2.7%	2.9%		2005	
Greene	22,716	21,683	22,242	22,050	20,433	11.17%	22,716	0.00%
% Change from Previous Yr.	4.8%	-2.5%	0.9%	7.9%	0.2%		2005	
Orange	169,926	163,425	161,900	159,350	153,333	11.52%	169,926	0.00%
% Change from Previous Yr.	4.0%	0.9%	1.6%	3.9%	0.6%		#N/A	
Putnam	54,210	59,933	57,850	57,008	54,783	-1.05%	59,933	-9.55%
% Change from Previous Yr.	-9.5%	3.6%	1.5%	4.1%	3.2%		2004	
Rockland	147,257	153,558	151,633	149,850	143,183	2.85%	153,558	-4.10%
% Change from Previous Yr.	-4.1%	1.3%	1.2%	4.7%	0.9%		2004	
Sullivan	35,304	31,817	31,017	30,950	29,825	18.37%	35,304	0.00%
% Change from Previous Yr.	11.0%	2.6%	0.2%	3.8%	0.6%		2005	
Ulster	89,656	83,450	82,767	82,333	79,717	12.47%	89,656	0.00%
% Change from Previous Yr.	7.4%	0.8%	0.5%	3.3%	-0.5%		2005	
Westchester	469,345	449,425	449,042	446,800	438,008	7.15%	469,345	0.00%
% Change from Previous Yr.	4.4%	0.1%	0.5%	2.0%	-0.1%		2005	
Total Hudson Valley	1,162,801	1,123,425	1,115,442	1,105,883	1,073,592	8.31%	1,162,801	0.00%
% Change from Previous Yr.	3.5%	0.7%	0.9%	3.0%	0.6%		2005	
Albany-Schenectady-Troy MSA	440,859	450,550	450,392	450,700	441,183	-0.07%	450,700	-2.18%
% Change from Previous Yr.	-2.2%	0.0%	-0.1%	2.2%	0.8%		2002	
New York City	3,512,160	3,424,225	3,374,900	3,432,950	3,433,183	2.30%	3,515,958	-0.11%
% Change from Previous Yr.	2.6%	1.5%	-1.7%	0.0%	-2.4%		2000	
New York State	8,938,139	8,771,167	8,726,417	8,773,333	8,670,750	3.08%	8,938,139	0.00%
% Change from Previous Yr.	1.9%	0.5%	-0.5%	1.2%	-1.0%		2005	
U.S.	141,729,750	139,251,917	137,736,000	136,485,000	136,933,000	3.50%	141,729,750	0.00%
% Change from Previous Yr.	1.8%	1.1%	0.9%	-0.3%	0.0%		2005	

Quarter-to-Quarter % Change (from Previous Year) in Employment for the Hudson Valley 2001-2005

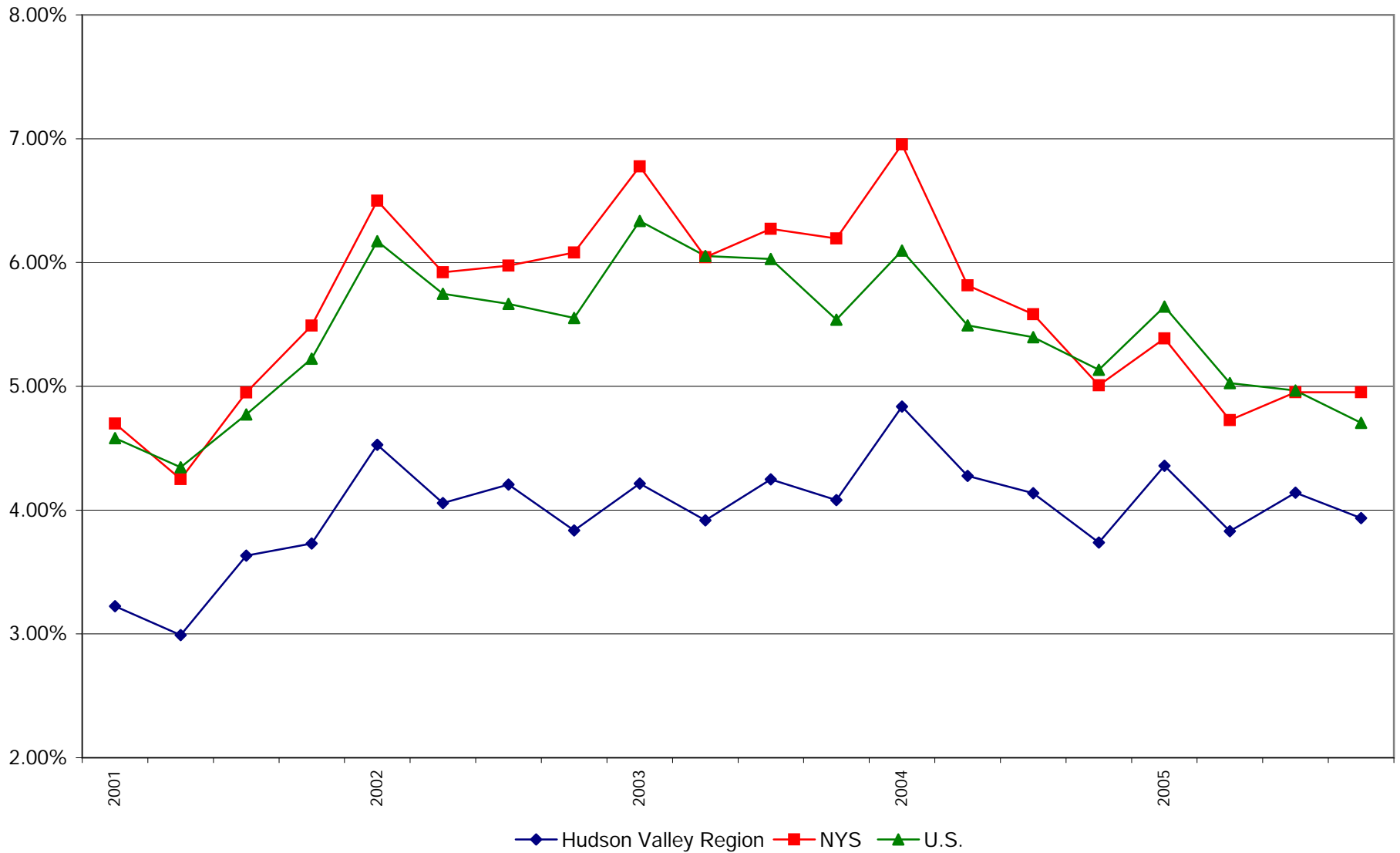


*Note: Numbers from 2000 and later reflect the 2002 Benchmark.
 Source: NYS Department of Labor Place of Residence Series
 Compiled by Bureau of Economic Research, School of Management, Marist College

**Average Annual Unemployment for Mid-Hudson Counties
2001-2005**

County	2005	2004	2003	2002	2001	% Change 2001-2005	Peak (Year)	% Change From Peak
Columbia	3.73%	3.72%	3.51%	3.52%	2.70%	38.05%	3.74%	-0.11%
% Change from Previous Yr.	0.4%	6.0%	-0.5%	30.4%	-9.8%		2005	
Dutchess	3.87%	4.00%	3.78%	4.12%	3.19%	21.52%	4.13%	-6.12%
% Change from Previous Yr.	-3.1%	5.7%	-8.3%	29.4%	4.7%		2002	
Greene	4.75%	5.14%	4.81%	4.72%	4.55%	4.23%	5.14%	-7.65%
% Change from Previous Yr.	-7.7%	6.8%	2.1%	3.6%	-10.3%		2004	
Orange	4.21%	4.92%	4.71%	4.33%	3.68%	14.39%	4.92%	-14.40%
% Change from Previous Yr.	-14.4%	4.3%	8.9%	17.6%	7.8%		2004	
Putnam	3.69%	3.32%	3.34%	3.43%	2.65%	39.16%	3.69%	-0.01%
% Change from Previous Yr.	11.1%	-0.6%	-2.6%	29.4%	7.5%		2005	
Rockland	4.10%	4.04%	4.12%	3.89%	3.07%	33.20%	4.11%	-0.35%
% Change from Previous Yr.	1.3%	-1.8%	5.9%	26.4%	3.0%		2003	
Sullivan	4.66%	5.38%	5.15%	5.04%	4.86%	-4.17%	5.42%	-13.91%
% Change from Previous Yr.	-13.3%	4.5%	2.2%	3.5%	-1.6%		2004	
Ulster	4.15%	4.82%	4.28%	4.20%	3.54%	17.16%	4.82%	-13.97%
% Change from Previous Yr.	-13.9%	12.6%	1.9%	18.6%	4.5%		2004	
Westchester	4.03%	4.07%	4.00%	4.23%	3.42%	17.78%	4.23%	-4.71%
% Change from Previous Yr.	-0.8%	1.7%	-5.5%	23.6%	15.1%		2002	
Total Hudson Valley	4.07%	4.25%	4.12%	4.16%	3.40%	19.65%	4.25%	-4.27%
% Change from Previous Yr.	-4.2%	3.1%	-0.9%	22.3%	7.9%		2004	
Albany-Schenectady-Troy MSA	3.91%	4.03%	3.97%	3.80%	3.15%	24.21%	4.03%	-2.96%
% Change from Previous Yr.	-2.9%	1.4%	4.4%	20.8%	-7.6%		2004	
New York City	5.76%	7.13%	8.36%	7.89%	6.04%	-4.64%	8.36%	-31.13%
% Change from Previous Yr.	-19.2%	-14.7%	6.1%	30.6%	6.3%		2003	
New York State	5.00%	5.84%	6.32%	6.12%	4.85%	3.20%	6.32%	-20.84%
% Change from Previous Yr.	-14.3%	-7.6%	3.3%	26.2%	6.4%		2003	
U.S.	5.08%	5.53%	5.99%	5.78%	4.73%	7.43%	5.99%	-15.11%
% Change from Previous Yr.	-8.1%	-7.7%	3.5%	22.2%	18.5%		2003	

Unemployment Rate in the Hudson Valley Region 2001-2005



*Note: Numbers from 2000 and later reflect the 2002 Benchmark.
 Source: NYS Department of Labor Place of Residence Series
 Compiled by Bureau of Economic Research, School of Management, Marist College

Total Personal Income (TPI) by Type of Income (thousands of dollars)

County and Metropolitan Statistical Area	Net Earnings by Place of Residence			Income on financial and real assets			Transfer payments		
			% change			% change			% change
	2004	2003	2003-2004	2004	2003	2003-2004	2004	2003	2003-2004
Columbia	\$1,210,420	\$1,127,431	7.36%	\$334,838	\$316,977	5.63%	\$379,098	\$356,600	6.31%
Dutchess	\$7,271,542	\$6,783,946	7.19%	\$1,389,402	\$1,328,325	4.60%	\$1,480,677	\$1,375,765	7.63%
Greene	\$841,045	\$820,479	2.51%	\$186,607	\$177,264	5.27%	\$286,481	\$268,428	6.73%
Orange	\$8,003,162	\$7,522,622	6.39%	\$1,339,441	\$1,286,902	4.08%	\$1,819,408	\$1,653,093	10.06%
Putman	\$3,211,214	\$2,995,255	7.21%	\$589,642	\$563,346	4.67%	\$441,171	\$408,624	7.96%
Rockland	\$9,449,159	\$8,821,571	7.11%	\$1,602,639	\$1,527,958	4.89%	\$1,769,313	\$1,587,644	11.44%
Sullivan	\$1,294,356	\$1,222,375	5.89%	\$307,570	\$294,014	4.61%	\$533,975	\$497,408	7.35%
Ulster	\$3,369,196	\$3,204,839	5.13%	\$735,097	\$699,238	5.13%	\$1,000,549	\$946,884	5.67%
Westchester	\$38,791,816	\$36,128,763	7.37%	\$10,766,255	\$10,329,919	4.22%	\$5,938,089	\$5,450,460	8.95%
Kingston, NY (MSA)	\$3,369,196	\$3,204,839	5.13%	\$735,097	\$699,238	5.13%	\$995,444	\$946,884	5.13%
Poughkeepsie-Newburg-Middletown, NY (MSA)	\$15,274,703	\$14,304,619	6.78%	\$2,726,865	\$2,613,536	4.34%	\$3,302,063	\$3,032,499	8.89%
County totals	\$73,441,910	\$68,627,281	7.02%	\$17,251,491	\$16,523,944	4.40%	\$13,648,761	\$12,544,907	8.80%

Total Personal Income (TPI) 2003-2004

County and Metropolitan Statistical Area	Total Personal Income (TPI) (thousands of dollars)		% change TPI	% of State Total	Per Capita (TPI)	% change (current dollars)	% change (real dollars)	State Rank (TPI)	% of State Per-Capita	% of National Per-Capita
	2004	2003	2003-2004	2004	2004	2003-2004	2003-2004	2004	2004	2004
Columbia	\$1,924,356	\$1,801,008	6.85%	0.30%	\$30,264	6.30%	2.77%	18	79%	92%
Dutchess	\$10,141,620	\$9,488,037	6.89%	1.40%	\$34,575	6.10%	2.57%	9	90%	105%
Greene	\$1,314,133	\$1,266,172	3.79%	0.20%	\$26,713	2.90%	-0.63%	35	70%	81%
Orange	\$11,162,011	\$10,462,617	6.68%	1.50%	\$30,208	5.20%	1.67%	19	79%	91%
Putnam	\$4,242,027	\$3,967,225	6.93%	0.60%	\$42,261	6.20%	2.67%	5	110%	128%
Rockland	\$12,821,111	\$11,937,173	7.40%	1.70%	\$43,751	7.40%	3.87%	4	114%	132%
Sullivan	\$2,135,901	\$2,013,797	6.06%	0.30%	\$28,138	4.90%	1.37%	22	74%	85%
Ulster	\$5,104,843	\$4,855,817	5.13%	0.70%	\$28,076	4.70%	1.17%	20	73%	85%
Westchester	\$55,496,160	\$51,909,142	6.91%	7.50%	\$58,952	6.70%	3.17%	2	154%	178%
Kingston, NY (MSA)	\$5,104,843	\$4,855,817	5.13%	NA	\$28,076	4.70%	1.17%	NA	73%	85%
Poughkeepsie-Newburg- Middletown, NY (MSA)	\$21,303,631	\$19,950,654	6.78%	NA	\$32,140	5.60%	2.07%	NA	84%	97%

Earnings Inflow 2003-2004

County and Metropolitan Statistical Area	Net Earnings by Place of Residence		% change 2003-2004	Earnings by Place of Work (2)		% change 2003-2004	Earnings inflow into the County	
	2004	2003		2004	2003		2003	2004
Columbia	\$1,210,420	\$1,127,431	7.36%	\$987,994	\$897,547	10.08%	\$222,426	\$229,884
Dutchess	\$7,271,542	\$6,783,946	7.19%	\$6,472,618	\$6,182,763	4.69%	\$798,924	\$601,183
Greene	\$841,045	\$820,479	2.51%	\$614,444	\$612,915	0.25%	\$226,601	\$207,564
Orange	\$8,003,162	\$7,522,622	6.39%	\$6,493,020	\$6,089,502	6.63%	\$1,510,142	\$1,433,120
Putman	\$3,211,214	\$2,995,255	7.21%	\$1,363,383	\$1,263,309	7.92%	\$1,847,831	\$1,731,946
Rockland	\$9,449,159	\$8,821,571	7.11%	\$7,121,296	\$6,741,817	5.63%	\$2,327,863	\$2,079,754
Sullivan	\$1,294,356	\$1,222,375	5.89%	\$1,146,298	\$1,083,161	5.83%	\$148,058	\$139,214
Ulster	\$3,369,196	\$3,204,839	5.13%	\$2,656,743	\$2,552,962	4.07%	\$712,453	\$651,877
Westchester	\$38,791,816	\$36,128,763	7.37%	\$32,956,448	\$30,335,913	8.64%	\$5,835,368	\$5,792,850
Kingston, NY (MSA)	\$3,369,196	\$3,204,839	5.13%	\$2,656,743	\$2,552,962	4.07%	\$712,453	\$651,877
Poughkeepsie-Newburg-Middletown, NY (MSA)	\$15,274,703	\$14,304,619	6.78%	\$12,965,638	\$12,272,265	5.65%	\$2,309,065	\$2,032,354

(2) Persons employed in the County or MSA

Annual Nonagricultural Employment (Not Seasonally Adjusted)

County or Region	NAICS Industry Classification	2005	2004	2003	2002	2001
Columbia	Total Nonfarm	21,300	21,500	21,000	21,000	21,500
	Total Private	16,300	16,500	16,000	16,100	16,800
	Goods Producing	3,000	3,100	3,000	3,100	3,300
	Natural Resources, Mining and Construction	900	900	900	900	900
	Manufacturing	2,100	2,200	2,100	2,200	2,400
	Service-Providing	18,300	18,500	18,000	17,900	18,200
	Trade, Transportation, and Utilities	3,900	4,000	3,900	4,000	4,000
	Information	400	400	400	500	800
	Financial Activities	600	600	600	600	600
	Professional and Business Services	1,400	1,500	1,500	1,400	1,500
	Educational and Health Services	4,400	4,300	4,200	4,300	4,100
	Leisure and Hospitality	1,600	1,600	1,500	1,500	1,600
	Other Services	1,000	1,000	900	900	900
	Government	5,000	5,100	5,000	4,900	4,700
Greene	Total Nonfarm	14,300	14,000	14,500	14,600	13,800
	Total Private	10,000	9,700	10,100	10,300	9,600
	Goods Producing	1,600	1,600	2,000	2,300	1,700
	Natural Resources, Mining and Construction	800	700	1,200	1,400	900
	Manufacturing	900	900	800	900	900
	Service-Providing	12,700	12,400	12,500	12,300	12,100
	Trade, Transportation, and Utilities	3,300	3,000	2,900	3,000	2,900
	Information	200	200	200	200	300
	Financial Activities	400	400	400	400	400
	Professional and Business Services	600	600	600	600	600
	Educational and Health Services	1,100	1,100	1,200	1,100	1,000
	Leisure and Hospitality	2,300	2,300	2,400	2,400	2,400
	Other Services	400	400	400	300	400
	Government	4,300	4,300	4,400	4,300	4,200
Sullivan	Total Nonfarm	26,500	26,400	26,000	26,100	25,800
	Total Private	20,100	20,000	19,600	19,600	19,500
	Goods Producing	2,400	2,300	2,100	2,000	2,000
	Natural Resources, Mining and Construction	1,300	1,200	1,100	1,000	1,100
	Manufacturing	1,100	1,100	1,000	1,000	1,000
	Service-Providing	24,100	24,200	23,900	24,100	23,700
	Trade, Transportation, and Utilities	4,900	4,800	4,700	4,800	4,600
	Information	200	200	200	300	300
	Financial Activities	1,400	1,400	1,500	1,500	1,600
	Professional and Business Services	1,300	1,200	1,200	1,200	1,200
	Educational and Health Services	5,100	5,200	5,300	5,200	5,000
	Leisure and Hospitality	3,600	3,700	3,300	3,300	3,300
	Other Services	1,200	1,300	1,300	1,400	1,400
	Government	6,400	6,400	6,400	6,500	6,300
New York City	Total Nonfarm	3,599,400	3,550,300	3,531,700	3,583,500	3,692,100
	Total Private	3,044,400	2,995,400	2,974,500	3,015,000	3,126,700
	Goods Producing	227,300	232,600	239,300	255,200	277,600
	Natural Resources, Mining and Construction	112,900	111,800	112,700	115,800	122,100
	Manufacturing	114,300	120,800	126,600	139,400	155,500
	Service-Providing	3,372,100	3,317,700	3,292,500	3,328,300	3,414,500
	Trade, Transportation, and Utilities	545,200	539,300	533,600	536,500	557,400
	Information	162,900	160,200	163,900	176,900	200,400
	Financial Activities	446,200	435,900	433,600	445,100	473,600
	Professional and Business Services	554,100	541,500	536,600	550,400	581,900
	Educational and Health Services	678,600	665,300	658,200	646,000	627,100
	Leisure and Hospitality	276,800	270,100	260,300	255,300	260,100
	Other Services	153,300	150,500	149,100	149,700	148,700
	Government	554,900	555,000	557,200	568,600	565,400
New York State	Total Nonfarm	8,528,300	8,461,900	8,407,000	8,459,000	8,591,700
	Total Private	7,040,500	6,977,700	6,919,200	6,966,400	7,123,900
	Goods Producing	910,100	924,900	937,900	979,200	1,044,100
	Construction	324,200	322,200	319,100	321,900	330,500
	Natural Resources, Mining and Construction	5,900	5,700	5,300	5,100	5,300
	Manufacturing	580,100	597,000	613,400	652,200	708,200
	Service-Providing	7,618,200	7,537,000	7,469,100	7,479,800	7,547,600
	Trade, Transportation, and Utilities	1,500,000	1,486,800	1,474,700	1,479,100	1,514,800
	Information	269,800	269,100	276,200	296,400	324,800
	Financial Activities	713,800	701,900	696,500	704,800	731,700
	Professional and Business Services	1,080,600	1,058,700	1,042,700	1,054,000	1,098,100
	Educational and Health Services	1,540,900	1,519,900	1,494,900	1,465,700	1,429,200
	Leisure and Hospitality	669,300	663,500	647,100	639,800	637,200
	Other Services	356,000	352,900	349,300	347,400	344,100
Government	1,487,800	1,484,200	1,487,800	1,492,600	1,467,800	

Source: NYS Dept of Labor, Current Employment by Industry
 Compiled by The Bureau of Economic Research, School of Management, Marist College

6/3/2006

Annual Nonagricultural Employment (Not Seasonally Adjusted)

County or Region	NAICS Industry Classification	2005	2004	2003	2002	2001
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Albany-Schenectady-	Total Nonfarm	446,500	444,200	439,800	440,600	442,300
Troy, NY Metropolitan Statistical Area	Total Private	338,900	336,200	331,500	331,200	333,700
	Goods Producing	41,200	40,700	40,400	42,200	45,400
	Natural Resources, Mining and Construction	18,100	17,900	17,700	17,500	17,900
	Manufacturing	23,100	22,800	22,700	24,700	27,400
	Service-Providing	405,300	403,500	399,400	398,400	396,900
	Trade, Transportation, and Utilities	80,100	79,600	78,400	77,400	78,200
	Information	10,800	10,900	11,200	12,000	12,100
	Financial Activities	26,400	26,100	25,900	25,000	24,800
	Professional and Business Services	52,200	50,900	49,500	49,900	52,700
	Educational and Health Services	78,200	77,900	76,800	75,600	73,100
	Leisure and Hospitality	31,800	31,800	31,100	31,400	30,100
	Other Services	18,200	18,400	18,300	17,900	17,400
	Government	107,600	108,000	108,300	109,400	108,600
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Kingston, NY	Total Nonfarm	64,200	64,300	65,000	64,900	64,500
Metropolitan Statistical Area	Total Private	48,700	48,700	49,500	49,500	49,300
	Goods Producing	7,200	7,500	7,800	8,100	8,600
	Natural Resources, Mining and Construction	2,800	2,800	2,600	2,400	2,400
	Manufacturing	4,500	4,800	5,200	5,700	6,200
	Service-Providing	57,000	56,800	57,200	56,800	55,900
	Trade, Transportation, and Utilities	12,400	12,300	12,200	12,500	12,600
	Information	1,800	1,900	2,700	2,200	2,300
	Financial Activities	2,800	2,700	2,600	2,500	2,500
	Professional and Business Services	4,800	4,400	4,300	4,200	4,100
	Educational and Health Services	10,000	10,200	10,300	10,500	10,200
	Leisure and Hospitality	6,900	6,900	6,900	7,000	6,600
	Other Services	2,800	2,800	2,700	2,600	2,500
	Government	15,500	15,600	15,500	15,400	15,200
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Poughkeepsie-Newburgh-	Total Nonfarm	254,300	252,000	248,000	245,000	243,500
Middletown, NY Metropolitan Statistics	Total Private	202,400	200,900	196,800	193,800	193,700
	Goods Producing	35,200	35,400	36,200	36,700	38,600
	Natural Resources, Mining and Construction	12,000	11,300	11,100	10,800	11,100
	Manufacturing	23,200	24,100	25,100	25,800	27,500
	Service-Providing	219,000	216,600	211,900	208,400	204,900
	Trade, Transportation, and Utilities	55,400	55,200	53,600	53,200	52,600
	Information	4,400	4,600	4,700	4,700	5,200
	Financial Activities	10,400	10,300	10,300	10,000	10,200
	Professional and Business Services	21,200	20,500	19,600	18,600	18,700
	Educational and Health Services	46,000	45,700	43,900	43,300	41,700
	Leisure and Hospitality	20,000	19,600	19,300	18,400	17,700
	Other Services	9,700	9,600	9,300	9,100	9,000
	Government	51,800	51,100	51,200	51,200	49,800
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Putnam-Rockland-Westchester	Total Nonfarm	566,400	563,200	555,100	552,900	553,000
	Total Private	471,800	468,800	461,100	460,100	463,600
	Goods Producing	66,100	65,800	66,100	66,700	68,900
	Natural Resources, Mining and Construction	33,800	33,300	33,300	32,400	33,100
	Manufacturing	32,300	32,500	32,900	34,400	35,800
	Service-Providing	500,300	497,400	489,000	486,100	484,100
	Trade, Transportation, and Utilities	110,300	108,600	107,300	107,900	108,600
	Information	17,200	18,100	18,400	19,500	20,800
	Financial Activities	37,200	35,300	33,900	33,800	34,200
	Professional and Business Services	71,200	71,900	69,200	68,000	69,000
	Educational and Health Services	106,000	104,500	102,700	101,200	101,200

**Total U.S. NonFarm Employees
(Seasonally Adjusted in Thousands)**

Month	2005	2004	2003	2002	2001
Jan	132,471	130,372	130,247	130,581	132,454
Feb	132,736	130,466	130,125	130,478	132,546
Mar	132,876	130,786	129,907	130,441	132,511
Apr	133,104	131,123	129,853	130,335	132,214
May	133,210	131,373	129,827	130,326	132,187
Jun	133,376	131,479	129,854	130,377	132,029
Jul	133,617	131,562	129,857	130,277	131,941
Aug	133,792	131,750	129,859	130,295	131,803
Sep	133,840	131,880	129,953	130,250	131,549
Oct	133,877	132,162	130,076	130,309	131,172
Nov	134,231	132,294	130,172	130,315	130,879
Dec	134,376	132,449	130,255	130,161	130,705
Average	133,459	131,475	129,999	130,345	131,833
% Change	1.51%	1.14%	-0.27%	-1.13%	0.03%

**Monthly Changes in LABSTAT Series Report
(in Thousands)**

Period	2005	2004	2003	2002	2001
Jan-Feb	265	94	(122)	(103)	92
Feb-Mar	140	320	(218)	(37)	(35)
Mar-Apr	228	337	(54)	(106)	(297)
Apr-May	106	250	(26)	(9)	(27)
May-Jun	166	106	27	51	(158)
Jun-Jul	241	83	3	(100)	(88)
Jul-Aug	175	188	2	18	(138)
Aug-Sep	48	130	94	(45)	(254)
Sep-Oct	37	282	123	59	(377)
Oct-Nov	354	132	96	6	(293)
Nov-Dec	145	155	83	(154)	(174)
Dec-Jan		22	117	86	(124)
Total	1,905	2,099	125	(334)	(1,873)
Average	173	175	10	(28)	(156)

Wage and hours data for Manufacturing workers (NAICS 30)

Average Weekly Hours					
New York City**	2005	2004	2003	2002	2001
January	37.70	35.70	38.40	36.60	38.50
February	37.70	35.60	37.40	36.80	38.20
March	38.00	36.40	37.00	37.30	38.20
April	38.70	34.60	36.30	36.80	36.50
May	38.40	36.40	36.90	36.70	36.80
June	37.30	36.00	36.90	37.60	37.00
July	35.80	34.60	36.00	38.00	35.80
August	38.90	36.20	34.60	37.80	36.20
September	34.90	35.70	36.40	37.60	36.00
October	35.10	37.60	36.30	36.50	37.30
November	35.40	38.10	36.40	37.30	38.10
December	36.50	37.60	36.10	38.70	38.20

New York State**	2005	2004	2003	2002	2001
January	39.30	39.60	40.30	39.80	40.30
February	39.40	39.60	40.30	40.30	39.90
March	39.20	39.70	40.30	40.60	40.00
April	39.60	39.10	39.90	40.20	38.20
May	39.40	39.90	40.10	40.50	39.80
June	39.10	39.60	40.00	40.30	39.60
July	38.50	38.90	39.00	39.60	39.10
August	39.20	39.70	38.90	40.00	39.60
September	39.90	39.50	40.20	40.60	39.60
October	40.50	39.70	40.10	40.40	39.90
November	40.20	40.20	40.20	40.60	40.40
December	40.40	40.50	40.40	41.10	40.90

United States*	2005	2004	2003	2002	2001
January	40.70	41.00	40.30	40.20	40.70
February	40.60	41.00	40.40	40.30	40.50
March	40.40	40.90	40.40	40.60	40.50
April	40.50	40.80	40.10	40.50	40.50
May	40.40	40.40	40.20	40.60	40.40
June	40.40	40.70	40.30	40.70	40.30
July	40.50	40.80	40.10	40.40	40.60
August	40.60	40.90	40.20	40.50	40.30
September	40.70	40.80	40.80	40.50	40.20
October	41.00	40.70	40.70	40.30	40.10
November	40.80	40.50	41.20	40.40	40.10
December	40.80	40.50	41.30	40.50	40.20

Seasonally Adjusted*
Not Seasonally Adjusted**

Average Hourly Earnings					
New York City	2005	2004	2003	2002	2001
January	\$15.15	\$13.99	\$13.52	\$13.00	\$12.51
February	\$15.11	\$13.96	\$12.94	\$12.74	\$12.07
March	\$14.92	\$13.93	\$13.68	\$12.92	\$12.04
April	\$15.35	\$14.04	\$13.84	\$13.43	\$12.27
May	\$15.88	\$13.92	\$13.67	\$13.32	\$12.27
June	\$15.92	\$14.51	\$13.66	\$12.74	\$12.04
July	\$15.32	\$14.77	\$14.34	\$12.73	\$12.62
August	\$14.92	\$14.24	\$14.22	\$13.00	\$12.59
September	\$15.25	\$14.26	\$14.37	\$12.97	\$12.40
October	\$15.04	\$14.04	\$13.49	\$13.41	\$13.03
November	\$15.89	\$14.63	\$13.99	\$13.32	\$12.95
December	\$15.36	\$15.06	\$14.08	\$13.26	\$13.15

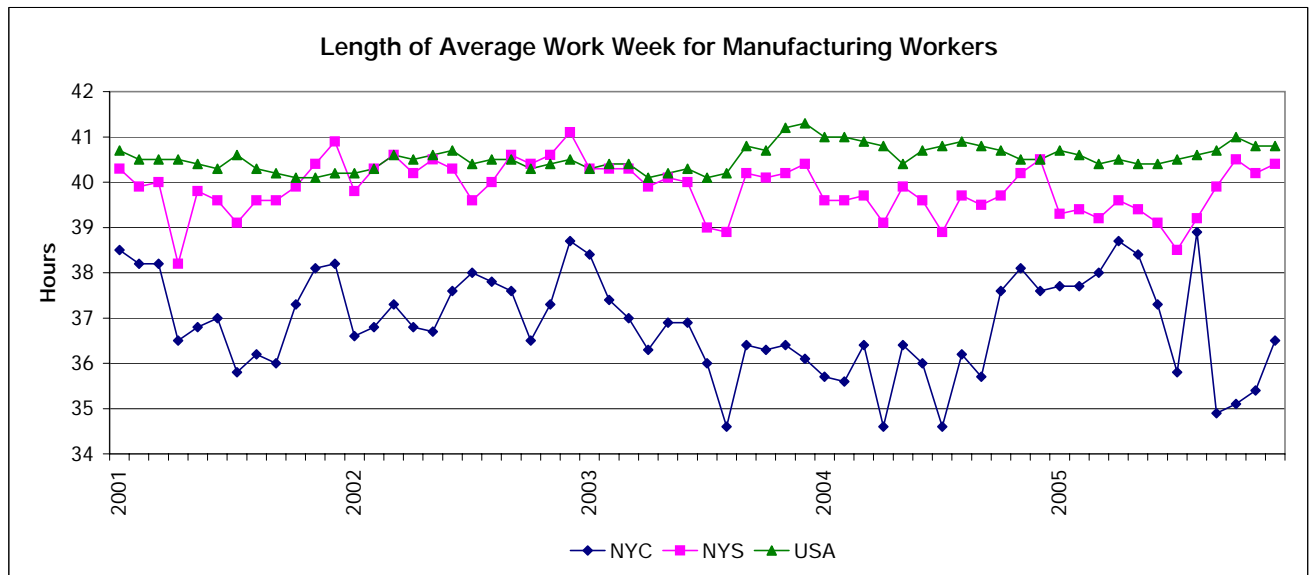
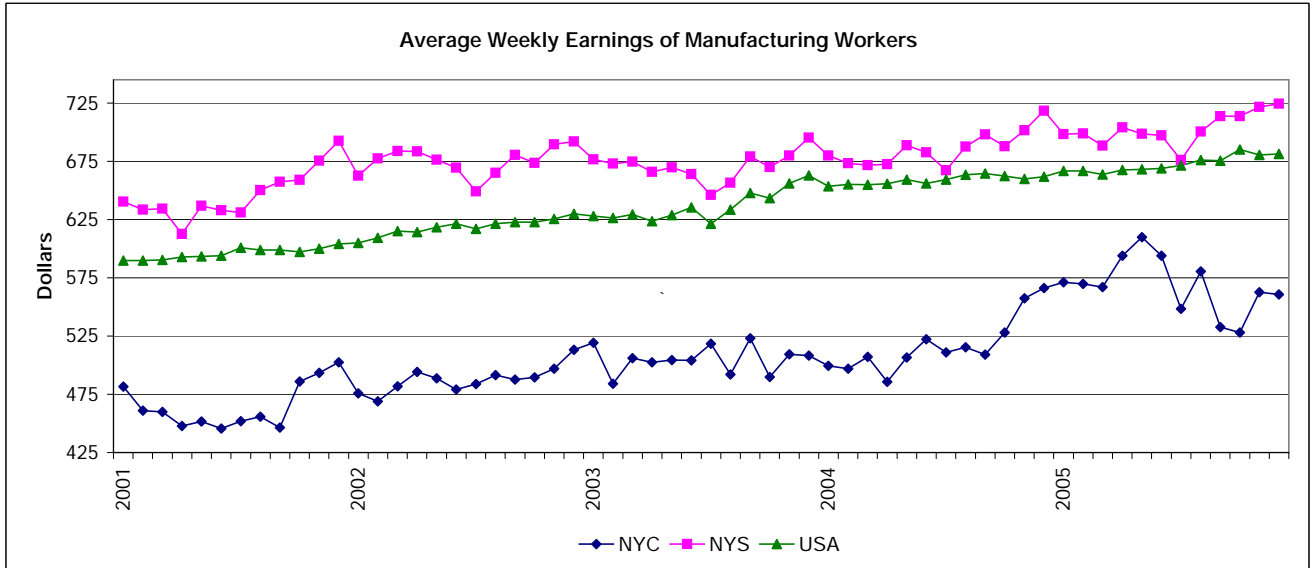
New York State	2005	2004	2003	2002	2001
January	\$17.77	\$17.17	\$16.78	\$16.65	\$15.89
February	\$17.74	\$17.00	\$16.69	\$16.81	\$15.88
March	\$17.56	\$16.92	\$16.73	\$16.84	\$15.86
April	\$17.78	\$17.20	\$16.69	\$17.00	\$16.03
May	\$17.73	\$17.26	\$16.70	\$16.70	\$16.00
June	\$17.83	\$17.24	\$16.60	\$16.61	\$15.98
July	\$17.56	\$17.15	\$16.57	\$16.39	\$16.14
August	\$17.87	\$17.32	\$16.88	\$16.64	\$16.42
September	\$17.90	\$17.67	\$16.89	\$16.76	\$16.60
October	\$17.62	\$17.33	\$16.71	\$16.67	\$16.52
November	\$17.95	\$17.45	\$16.91	\$16.98	\$16.72
December	\$17.93	\$17.74	\$17.21	\$16.84	\$16.93

United States	2005	2004	2003	2002	2001
January	\$16.38	\$15.94	\$15.58	\$15.05	\$14.49
February	\$16.42	\$15.98	\$15.62	\$15.12	\$14.56
March	\$16.43	\$16.01	\$15.62	\$15.15	\$14.58
April	\$16.48	\$16.07	\$15.63	\$15.17	\$14.64
May	\$16.54	\$16.08	\$15.64	\$15.23	\$14.69
June	\$16.56	\$16.12	\$15.69	\$15.27	\$14.74
July	\$16.58	\$16.16	\$15.69	\$15.27	\$14.80
August	\$16.65	\$16.22	\$15.76	\$15.34	\$14.86
September	\$16.60	\$16.29	\$15.88	\$15.38	\$14.90
October	\$16.71	\$16.27	\$15.81	\$15.45	\$14.89
November	\$16.68	\$16.29	\$15.92	\$15.48	\$14.96
December	\$16.70	\$16.34	\$16.05	\$15.55	\$15.03

Average Weekly Earnings					
New York City	2005	2004	2003	2002	2001
January	\$571.16	\$499.44	\$519.17	\$475.80	\$481.64
February	\$569.65	\$496.98	\$483.96	\$468.83	\$461.07
March	\$566.96	\$507.05	\$506.16	\$481.92	\$459.93
April	\$594.05	\$485.78	\$502.39	\$494.22	\$447.86
May	\$609.79	\$506.69	\$504.42	\$488.84	\$451.54
June	\$593.82	\$522.36	\$504.05	\$479.02	\$445.48
July	\$548.46	\$511.04	\$518.40	\$483.74	\$451.80
August	\$580.39	\$515.49	\$492.01	\$491.40	\$455.76
September	\$532.57	\$509.08	\$523.07	\$487.67	\$446.40
October	\$527.90	\$527.90	\$489.69	\$489.47	\$486.02
November	\$562.51	\$557.40	\$509.24	\$496.84	\$493.40
December	\$560.64	\$566.26	\$508.29	\$513.16	\$502.33

New York State	2005	2004	2003	2002	2001
January	\$698.36	\$679.93	\$676.64	\$662.67	\$640.37
February	\$698.96	\$673.20	\$673.01	\$677.44	\$633.61
March	\$688.35	\$671.72	\$674.62	\$683.70	\$634.40
April	\$704.09	\$672.52	\$665.93	\$683.40	\$612.53
May	\$698.56	\$688.67	\$669.67	\$676.35	\$636.80
June	\$697.15	\$682.70	\$664.00	\$669.38	\$632.81
July	\$676.06	\$667.14	\$646.23	\$649.04	\$631.07
August	\$700.50	\$687.60	\$656.63	\$665.04	\$650.23
September	\$713.81	\$697.97	\$678.98	\$680.46	\$657.36
October	\$713.61	\$688.00	\$670.07	\$673.47	\$659.13
November	\$721.59	\$701.49	\$679.78	\$689.39	\$675.49
December	\$724.37	\$718.47	\$695.28	\$692.12	\$692.44

United States	2005	2004	2003	2002	2001
January	\$666.67	\$653.54	\$627.87	\$605.01	\$589.74
February	\$666.65	\$655.18	\$626.36	\$609.34	\$589.68
March	\$663.77	\$654.81	\$629.49	\$615.09	\$590.49
April	\$667.44	\$655.66	\$623.64	\$614.39	\$592.92
May	\$668.22	\$659.28	\$628.73	\$618.34	\$593.48
June	\$669.02	\$656.08	\$635.45	\$621.49	\$594.02
July	\$671.49	\$659.33	\$621.32	\$616.91	\$600.88
August	\$675.99	\$663.40	\$633.55	\$621.27	\$598.86
September	\$675.62	\$664.63	\$647.90	\$622.89	\$598.98
October	\$685.11	\$662.19	\$643.47	\$622.64	\$597.09
November	\$680.54	\$659.75	\$655.90	\$625.39	\$599.90
December	\$681.36	\$661.77	\$662.87	\$629.78	\$604.21



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Average Weekly Wage (Place of Work)

2001-2004

	2004	2003	2002	2001	% change 2004-2003 (current dollars)	% change 2004-2003 (real dollars)
Columbia						
All	\$604	\$563	\$552	\$537	7.28%	3.75%
Total Private	\$597	\$553	\$527	\$510	7.96%	4.43%
Goods Producing	\$660	\$654	\$615	\$590	0.92%	-2.61%
Construction	\$622	\$634	\$592	\$584	-1.89%	-5.42%
Manufacturing	\$725	\$701	\$662	\$634	3.42%	-0.11%
Service- Providing	\$576	\$521	\$499	\$482	10.56%	7.03%
Dutchess						
All	\$767	\$750	\$735	\$745	2.27%	-1.26%
Total Private	\$762	\$749	\$736	\$756	1.74%	-1.79%
Goods Producing	\$1,310	\$1,266	\$1,251	\$1,091	3.48%	-0.05%
construction	\$792	\$768	\$750	\$798	3.13%	-0.41%
Manufacturing	\$1,522	\$1,467	\$1,434	\$1,265	3.75%	0.22%
Service- Providing	\$596	\$582	\$567	\$678	2.41%	-1.12%
Greene						
All	\$608	\$593	\$543	\$517	2.53%	-1.00%
Total Private	\$498	\$514	\$457	\$439	-3.11%	-6.64%
Goods Producing	\$708	\$740	\$688	\$645	-4.32%	-7.85%
construction	\$638	\$718	\$657	\$572	-11.14%	-14.67%
Manufacturing	\$797	\$795	\$733	\$721	0.25%	-3.28%
Service- Providing	\$454	\$471	\$407	\$396	-3.61%	-7.14%
Orange						
All	\$653	\$628	\$603	\$581	3.98%	0.45%
Total Private	\$605	\$585	\$561	\$543	3.42%	-0.11%
Goods Producing	\$750	\$729	\$720	\$687	2.88%	-0.65%
construction	\$768	\$765	\$791	\$728	0.39%	-3.14%
Manufacturing	\$772	\$741	\$711	\$692	4.18%	0.65%
Service- Providing	\$581	\$560	\$531	\$515	3.75%	0.22%
Putnam						
All	\$755	\$728	\$705	\$675	3.71%	0.18%
Total Private	\$714	\$682	\$660	\$644	4.69%	1.16%
Goods Producing	\$908	\$848	\$839	\$800	7.08%	3.55%
construction	\$876	\$804	\$788	\$740	8.96%	5.43%
Manufacturing	\$977	\$933	\$942	\$911	4.72%	1.19%
Service- Providing	\$667	\$644	\$618	\$605	3.57%	0.04%
Rockland						
All	\$809	\$780	\$760	\$745	3.72%	0.19%
Total Private	\$792	\$763	\$741	\$722	3.80%	0.27%
Goods Producing	\$1,181	\$1,146	\$1,102	\$1,046	3.05%	-0.48%
construction	\$980	\$959	nd	nd	2.19%	-1.34%
Manufacturing	\$1,277	\$1,232	\$1,155	\$1,107	3.65%	0.12%
Service- Providing	\$702	\$675	\$656	\$644	4.00%	0.47%

Source: U.S. Bureau of Labor Statistics

Compiled by The Bureau of Economic Research, School of Management, Marist College

6/3/2006

Average Weekly Wage (Place of Work)

2001-2004

	2004	2003	2002	2001	% change 2004-2003 (current dollars)	% change 2004-2003 (real dollars)
Sullivan						
All	\$599	\$579	\$550	\$521	3.45%	-0.08%
Total Private	\$509	\$488	\$470	\$452	4.30%	0.77%
Goods Producing	\$604	\$542	\$521	\$499	11.44%	7.91%
Construction	\$682	\$588	\$560	\$509	15.99%	12.46%
Manufacturing	\$542	\$508	\$490	\$483	6.69%	3.16%
Service- Providing	\$495	\$480	\$463	\$446	3.13%	-0.41%
Ulster						
All	\$567	\$548	\$533	\$520	3.47%	-0.06%
Total Private	\$540	\$511	\$489	\$472	5.68%	2.15%
Goods Producing	\$682	\$663	\$623	\$618	2.87%	-0.66%
Construction	\$678	\$660	\$622	\$618	2.73%	-0.80%
Manufacturing	\$738	\$699	\$655	\$650	5.58%	2.05%
Service -Providing	\$510	\$479	\$460	\$436	6.47%	2.94%
Westchester						
All	\$1,026	\$961	\$938	\$937	6.76%	3.23%
Total Private	\$1,029	\$962	\$939	\$933	6.96%	3.43%
Goods Producing	\$1,325	\$1,269	\$1,186	\$1,224	4.41%	0.88%
Construction	\$1,075	\$1,051	\$1,014	\$970	2.28%	-1.25%
Manufacturing	\$1,646	\$1,547	\$1,395	\$1,518	6.40%	2.87%
Service- Providing	\$986	\$915	\$901	\$886	7.76%	4.23%
Poughkeepsie- Newburgh- Middletown, NY						
All	\$707	\$687	\$666	\$660	2.91%	-0.62%
Total Private	\$681	\$665	\$647	\$647	2.41%	-1.12%
Goods Producing	\$1,089	\$1,056	\$1,039	\$898	3.13%	-0.41%
Construction	\$780	\$766	\$770	\$765	1.83%	-1.70%
Manufacturing	\$1,267	\$1,216	\$1,180	\$997	4.19%	0.66%
Service- Providing	\$588	\$570	\$548	\$593	3.16%	-0.37%
Kingston, NY						
All	\$567	\$548	\$533	\$520	3.47%	-0.06%
Total Private	\$540	\$511	\$489	\$472	5.68%	2.15%
Goods Producing	\$682	\$663	\$623	\$618	2.87%	-0.66%
Construction	\$678	\$660	\$622	\$618	2.73%	-0.80%
Manufacturing	\$738	\$699	\$655	\$650	5.58%	2.05%
Service- Providing	\$510	\$479	\$460	\$436	6.47%	2.94%

Source: U.S. Bureau of Labor Statistics

Compiled by The Bureau of Economic Research, School of Management, Marist College

6/3/2006

The Rate of Inflation
Year-to-Year Percent Change in CPI-U
2001 to December 2005

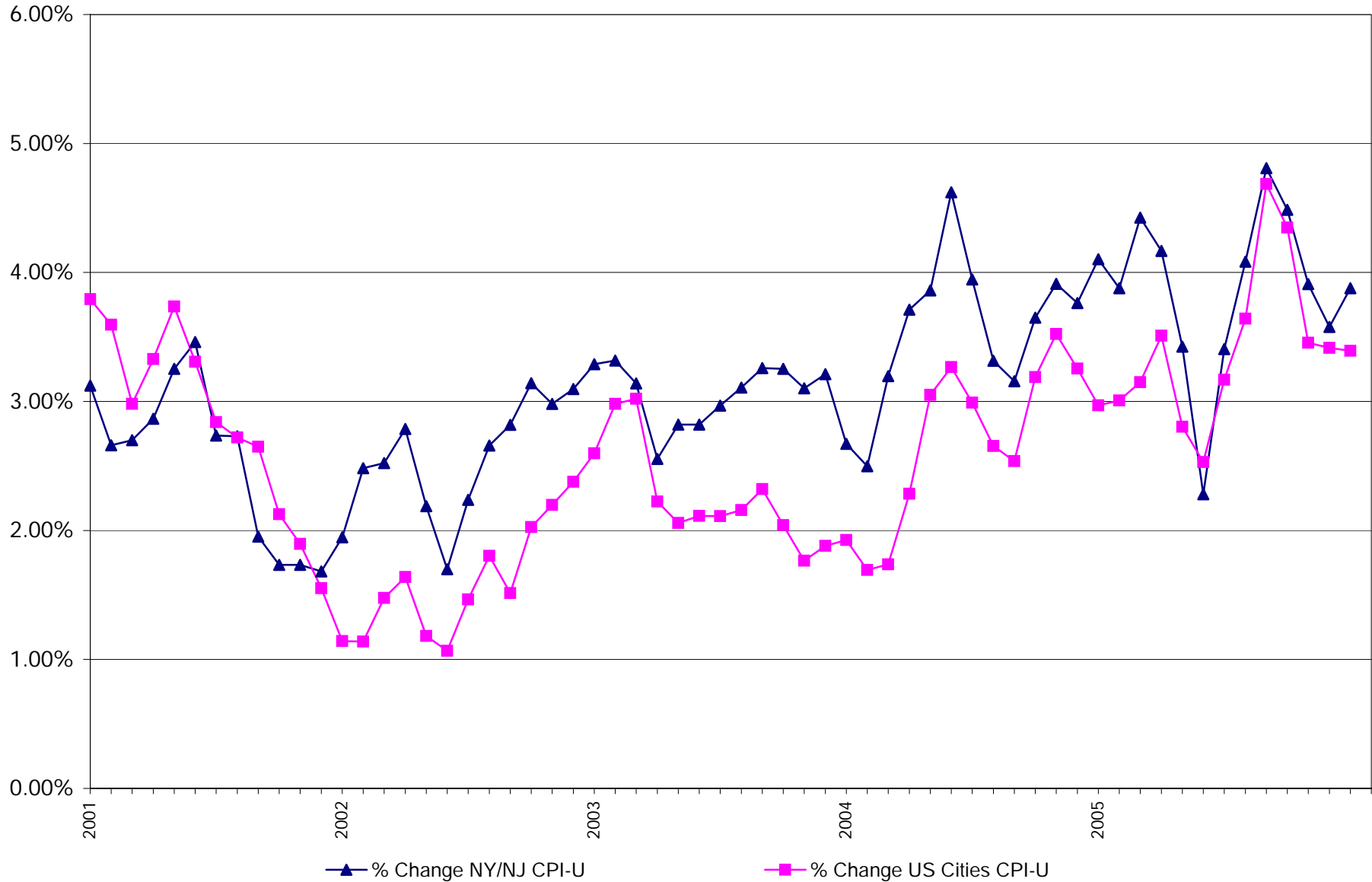
Consumer Price Index (CPI-U) NY, NY -Northeastern NJ

	2005	2004	2003	2002	2001
Jan	4.10%	2.67%	3.29%	1.95%	3.12%
Feb	3.88%	2.50%	3.32%	2.48%	2.66%
Mar	4.42%	3.20%	3.14%	2.52%	2.70%
Apr	4.17%	3.71%	2.55%	2.79%	2.87%
May	3.42%	3.86%	2.82%	2.19%	3.25%
Jun	2.28%	4.62%	2.82%	1.70%	3.46%
Jul	3.41%	3.95%	2.97%	2.24%	2.74%
Aug	4.08%	3.31%	3.11%	2.66%	2.73%
Sep	4.81%	3.16%	3.26%	2.82%	1.95%
Oct	4.49%	3.65%	3.25%	3.14%	1.73%
Nov	3.91%	3.91%	3.10%	2.98%	1.73%
Dec	3.58%	3.76%	3.21%	3.10%	1.68%
Average	3.88%	3.53%	3.07%	2.55%	2.55%

Consumer Price Index (CPI-U) US City Average

	2005	2004	2003	2002	2001
Jan	2.97%	1.93%	2.60%	1.14%	3.79%
Feb	3.01%	1.69%	2.98%	1.14%	3.59%
Mar	3.15%	1.74%	3.02%	1.48%	2.98%
Apr	3.51%	2.29%	2.22%	1.64%	3.33%
May	2.80%	3.05%	2.06%	1.18%	3.74%
Jun	2.53%	3.27%	2.11%	1.07%	3.31%
Jul	3.17%	2.99%	2.11%	1.46%	2.84%
Aug	3.64%	2.65%	2.16%	1.80%	2.72%
Sep	4.69%	2.54%	2.32%	1.51%	2.65%
Oct	4.35%	3.19%	2.04%	2.03%	2.13%
Nov	3.46%	3.52%	1.77%	2.20%	1.90%
Dec	3.42%	3.26%	1.88%	2.38%	1.55%
Average	3.39%	2.68%	2.27%	1.59%	2.88%

The Rate of Inflation Year-to-Year Change - 2001 to 2005 (All Urban Consumers)



Source: U.S. Bureau of Labor Statistics
 Compiled by Bureau of Economic Research, School of Management, Marist College

6/3/2006

**Number of Homes Sold Per Year in the Hudson Valley Region
2001-2005**

County	2005	2004	2003	2002	2001	% Change 2001-2005	% Change 2004-2005
Columbia	631	606	581	620	578	9.17%	4.1%
Dutchess	2,985	2,880	2,284	2,413	2,036	46.61%	3.6%
Greene	345	346	346	665	349	-1.15%	-0.3%
Orange	3,555	4,384	3,613	3,921	4,026	-11.70%	-18.9%
Putnam	1,088	1,122	1,154	1,131	1,054	3.23%	-3.0%
Rockland	1,760	2,509	2,257	2,025	2,385	-26.21%	-29.9%
Sullivan	708	620	562	711	578	22.49%	14.2%
Ulster	1,494	1,560	1,322	1,319	1,229	21.56%	-4.2%
Westchester	6,019	6,118	5,537	5,728	5,446	10.52%	-1.6%
Hudson Valley Total	18,584	20,169	17,656	18,533	17,681	5.11%	-7.9%
New York State	104,949	102,726	94,196	96,210	87,952	19.33%	2.2%
**U.S.	6,178,000	6,781,000	6,101,000	5,567,000	5,295,000	16.68%	-8.9%

**Average Selling Price (in Dollars)
2001-2005**

County	2005	2004	2003	2002	2001	% Change 2001-2005	% Change 2004-2005
Columbia	\$309,609	\$282,693	\$219,760	\$191,274	\$189,878	63.06%	9.5%
Dutchess	391,454	346,544	306,366	262,385	228,078	71.63%	13.0%
Greene	187,074	151,569	132,488	106,670	90,237	107.31%	23.4%
Orange	392,637	297,172	274,250	242,215	181,283	116.59%	32.1%
Putnam	469,137	424,026	391,032	345,514	284,680	64.79%	10.6%
Rockland	690,697	462,966	448,580	397,728	287,081	140.59%	49.2%
Sullivan	188,826	154,245	133,212	116,445	96,428	95.82%	22.4%
Ulster	296,342	250,669	221,532	189,585	158,265	87.24%	18.2%
Westchester	879,976	826,799	733,464	685,552	589,269	49.33%	6.4%
Hudson Valley	560,894	481,492	439,340	390,031	326,881	71.59%	16.5%
New York State	340,286	293,959	270,100	239,146	207,769	63.78%	15.8%
U.S.	256,550	235,419	216,523	201,194	185,112	38.59%	9.0%

Note: NYSAR Revised Data Starting in 2000

Source: NYSAR, (**NAR)

Compiled by: Bureau of Economic Research, School of Management, Marist College

6/9/2006

2001-2005 Hudson Valley Region

Annual Dollar Cost of Construction - Single Family Homes

Counties	2005	2004	2003	2002	2001	% Change	
						2004-2005	2001-2005
Columbia	\$77,598,684	\$19,925,675	\$11,627,634	\$10,206,140	\$8,347,674	289.4%	829.6%
Dutchess	\$212,834,165	\$207,898,500	\$201,597,563	\$177,231,780	\$173,122,990	2.4%	22.9%
Greene	\$57,823,605	\$16,156,157	\$7,022,479	\$5,301,501	\$3,597,679	257.9%	1507.2%
Orange	\$224,102,923	\$246,866,692	\$214,986,585	\$247,843,298	\$220,425,152	-9.2%	1.7%
Putnam	\$42,503,964	\$50,781,492	\$55,236,442	\$60,929,144	\$49,991,205	-16.3%	-15.0%
Rockland	\$68,443,950	\$48,672,414	\$43,423,114	\$45,855,185	\$50,126,730	40.6%	36.5%
Sullivan	\$114,756,913	\$52,802,002	\$24,548,895	\$21,456,750	\$15,399,835	117.3%	645.2%
Ulster	\$153,153,240	\$82,205,080	\$35,817,203	\$40,024,432	\$26,201,426	86.3%	484.5%
Westchester	\$263,772,800	\$296,289,502	\$250,023,711	\$310,786,042	\$315,777,946	-11.0%	-16.5%
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Hudson Valley Total	\$1,214,990,244	\$1,021,597,514	\$844,283,626	\$919,634,272	\$862,990,637	18.9%	40.8%

Annual Dollar Cost of Construction - All Residential Construction

Counties	2005	2004	2003	2002	2001	% Change	
						2004-2005	2001-2005
Columbia	\$78,401,684	\$19,925,675	\$12,109,634	\$10,206,140	\$8,822,874	293.5%	788.6%
Dutchess	\$225,730,165	\$221,325,439	\$210,956,785	\$197,968,764	\$176,723,295	2.0%	27.7%
Greene	\$60,873,605	\$17,666,884	\$7,022,479	\$5,421,501	\$7,398,541	244.6%	722.8%
Orange	\$268,403,561	\$273,253,352	\$246,871,656	\$271,652,816	\$244,820,565	-1.8%	9.6%
Putnam	\$42,503,964	\$51,478,674	\$62,530,042	\$61,290,014	\$51,434,685	-17.4%	-17.4%
Rockland	\$85,254,584	\$67,419,788	\$58,184,679	\$51,090,865	\$58,458,106	26.5%	45.8%
Sullivan	\$129,162,213	\$60,321,970	\$25,878,750	\$24,548,543	\$16,522,835	114.1%	681.7%
Ulster	\$164,526,059	\$88,193,425	\$36,653,203	\$44,348,688	\$26,343,032	86.6%	524.6%
Westchester	\$300,981,571	\$441,150,329	\$363,453,426	\$441,972,443	\$364,623,156	-31.8%	-17.5%
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Hudson Valley Total	\$1,355,837,406	\$1,240,735,536	\$1,023,660,654	\$1,108,499,774	\$955,147,089	9.3%	42.0%

2001-2005 Hudson Valley Region

Annual Number of Construction Permits Single Family Homes

Counties	2005	2004	2003	2002	2001	% Change		CAGAR*
						2004-2005	2001-2005	
Columbia	323	117	67	54	46	176.1%	602.2%	47.7%
Dutchess	858	872	1,026	868	931	-1.6%	-7.8%	-1.6%
Greene	337	105	54	41	25	221.0%	1248.0%	68.2%
Orange	1,301	1,445	1,405	1,673	1,608	-10.0%	-19.1%	-4.1%
Putnam	141	206	286	331	306	-31.6%	-53.9%	-14.4%
Rockland	308	210	197	235	285	46.7%	8.1%	1.6%
Sullivan	761	401	219	231	146	89.8%	421.2%	39.1%
Ulster	767	443	228	247	178	73.1%	330.9%	33.9%
Westchester	780	934	876	1,037	1,102	-16.5%	-29.2%	-6.7%
Hudson Valley Total	5,576	4,733	4,358	4,717	4,627	17.8%	20.5%	3.8%

Annual Number of Construction Permits All Residential Construction

Counties	2005	2004	2003	2002	2001	% Change		CAGAR*
						2004-2005	2001-2005	
Columbia	335	117	69	54	46	186.3%	628.3%	48.8%
Dutchess	1,012	904	1,045	909	941	11.9%	7.5%	1.5%
Greene	375	112	54	42	25	234.8%	1400.0%	71.9%
Orange	1,830	1,498	1,518	1,747	1,660	22.2%	10.2%	2.0%
Putnam	141	207	290	332	309	-31.9%	-54.4%	-14.5%
Rockland	476	269	248	263	324	77.0%	46.9%	8.0%
Sullivan	975	441	220	240	149	121.1%	554.4%	45.6%
Ulster	910	459	233	256	179	98.3%	408.4%	38.4%
Westchester	1,226	1,083	984	1,184	1,233	13.2%	-0.6%	-0.1%
Hudson Valley Total	7,280	5,090	4,661	5,027	4,866	43.0%	49.6%	8.4%

* Compound annual Growth Rate (CAGAR)

2001-2005 Hudson Valley Region

Annual Average Cost of Construction per Permit - Single Family Homes

Counties	2005	2004	2003	2002	2001	% Change	
						2004-2005	2001-2005
Columbia	\$240,244	\$170,305	\$173,547	\$189,003	\$181,471	41.1%	32.4%
Dutchess	\$248,058	\$238,416	\$196,489	\$204,184	\$185,954	4.0%	33.4%
Greene	\$171,583	\$153,868	\$130,046	\$129,305	\$143,907	11.5%	19.2%
Orange	\$172,254	\$170,842	\$153,015	\$148,143	\$137,080	0.8%	25.7%
Putnam	\$301,447	\$246,512	\$193,134	\$184,076	\$163,370	22.3%	84.5%
Rockland	\$222,221	\$231,773	\$220,422	\$195,128	\$175,883	-4.1%	26.3%
Sullivan	\$150,798	\$131,676	\$112,095	\$92,886	\$105,478	14.5%	43.0%
Ulster	\$199,678	\$185,565	\$157,093	\$162,042	\$147,199	7.6%	35.7%
Westchester	\$338,170	\$317,226	\$285,415	\$299,697	\$286,550	6.6%	18.0%
Hudson Valley Total	\$217,896	\$215,846	\$193,732	\$194,962	\$186,512	1.0%	16.8%

Annual Average Cost of Construction per Permit - All Residential Construction

Counties	2005	2004	2003	2002	2001	% Change	
						2004-2005	2001-2005
Columbia	\$234,035	\$170,305	\$175,502	\$189,003	\$191,802	37.4%	22.0%
Dutchess	\$223,054	\$244,829	\$201,873	\$217,787	\$187,804	-8.9%	18.8%
Greene	\$162,330	\$157,740	\$130,046	\$129,083	\$295,942	2.9%	-45.1%
Orange	\$146,669	\$182,412	\$162,630	\$155,497	\$147,482	-19.6%	-0.6%
Putnam	\$301,447	\$248,689	\$215,621	\$184,608	\$166,455	21.2%	81.1%
Rockland	\$179,106	\$250,631	\$234,616	\$194,262	\$180,426	-28.5%	-0.7%
Sullivan	\$132,474	\$136,785	\$117,631	\$102,286	\$110,892	-3.2%	19.5%
Ulster	\$180,798	\$192,143	\$157,310	\$173,237	\$147,168	-5.9%	22.9%
Westchester	\$245,499	\$407,341	\$369,363	\$373,288	\$295,720	-39.7%	-17.0%
Hudson Valley Total	\$186,241	\$243,759	\$219,623	\$220,509	\$196,290	-23.6%	-5.1%

Total Sales Tax Collection (2001-2005)

County	2005	2004	2003	2002	2001
Columbia	\$30,387,155	\$28,615,352	\$26,996,809	\$25,092,772	\$22,958,784
Dutchess	\$153,789,345	\$147,933,116	\$128,831,444	\$111,217,081	\$106,667,656
Greene	\$25,203,780	\$22,642,246	\$20,820,638	\$19,692,787	\$18,500,605
Orange	\$212,411,769	\$181,933,402	\$151,534,021	\$146,555,138	\$131,573,561
Putnam	\$37,989,168	\$36,605,169	\$34,211,919	\$32,699,867	\$26,836,901
Rockland	\$155,461,881	\$147,829,373	\$146,248,414	\$123,231,352	\$101,287,132
Sullivan	\$31,543,725	\$30,014,631	\$24,932,819	\$22,520,587	\$19,036,033
Ulster	\$94,371,372	\$91,463,759	\$89,649,405	\$83,010,457	\$75,966,282
Westchester	\$430,238,671	\$398,111,009	\$341,975,798	\$336,452,635	\$318,665,763
Hudson Valley	\$1,171,396,866	\$1,085,148,057	\$965,201,267	\$900,472,676	\$821,492,719

Yearly Percentage Change

County	2005-2004	2004-2003	2003-2002	2002-2001	2005-2001
Columbia	6.19%	6.00%	7.59%	9.29%	32.36%
Dutchess	3.96%	14.83%	15.84%	4.27%	44.18%
Greene	11.31%	8.75%	5.73%	6.44%	36.23%
Orange	16.75%	20.06%	3.40%	11.39%	61.44%
Putnam	3.78%	7.00%	4.62%	21.85%	41.56%
Rockland	5.16%	1.08%	18.68%	21.67%	53.49%
Sullivan	5.09%	20.38%	10.71%	18.31%	65.71%
Ulster	3.18%	2.02%	8.00%	9.27%	24.23%
Westchester	8.07%	16.41%	1.64%	5.58%	35.01%
Hudson Valley	7.95%	12.43%	7.19%	9.61%	42.59%

Total Transfer Payment - Expenditures
Annual: Monthly Average

Counties	2005	2004	2003	2002	2001
Columbia	\$1,155,570	\$1,092,486	\$1,011,710	\$944,189	\$952,498
Dutchess	\$3,953,620	\$3,697,104	\$3,292,412	\$3,024,082	\$2,978,896
Greene	\$1,053,224	\$992,130	\$924,490	\$816,577	\$790,445
Orange	\$6,522,531	\$6,311,445	\$5,981,138	\$5,652,978	\$5,736,727
Putnam	\$518,072	\$493,008	\$466,129	\$447,153	\$441,061
Rockland	\$4,487,391	\$4,185,748	\$3,895,930	\$3,767,766	\$3,781,110
Sullivan	\$2,113,196	\$2,003,474	\$1,849,606	\$1,670,530	\$1,609,911
Ulster	\$3,274,569	\$3,092,776	\$2,981,162	\$2,784,172	\$2,766,941
Westchester	\$17,271,742	\$17,853,885	\$17,267,565	\$16,272,265	\$16,308,104
Hudson Valley	\$4,483,324	\$4,413,562	\$4,185,571	\$3,931,079	\$3,929,522
New York City	\$422,255,558	\$406,860,304	\$376,104,930	\$368,482,255	\$363,874,660
New York State	\$647,423,962	\$624,765,911	\$576,279,092	\$546,254,759	\$547,722,245

Annual Percentage Change: Monthly Average

Counties	2005	2004	2003	2002	2001
Columbia	5.8%	8.0%	7.2%	-0.9%	—
Dutchess	6.9%	12.3%	8.9%	1.5%	—
Greene	6.2%	7.3%	13.2%	3.3%	—
Orange	3.3%	5.5%	5.8%	-1.5%	—
Putnam	5.1%	5.8%	4.2%	1.4%	—
Rockland	7.2%	7.4%	3.4%	-0.4%	—
Sullivan	5.5%	8.3%	10.7%	3.8%	—
Ulster	5.9%	3.7%	7.1%	0.6%	—
Westchester	-3.3%	3.4%	6.1%	-0.2%	—
Hudson Valley	1.6%	5.4%	6.5%	0.0%	—
New York City	3.8%	8.2%	2.1%	1.3%	—
New York State	3.6%	8.4%	5.5%	0.0%	—

**Total Temporary Assistance - Expenditures
Annual: Monthly Average**

Counties	2005	2004	2003	2002	2001
Columbia	\$ 193,047	\$ 188,473	\$ 168,530	\$ 158,036	\$ 158,930
Dutchess	\$949,048	\$921,589	\$840,599	\$746,934	\$693,009
Greene	\$220,340	\$209,167	\$199,805	\$182,718	\$180,791
Orange	\$1,705,412	\$1,745,647	\$1,635,837	\$1,546,454	\$1,713,923
Putnam	\$85,965	\$73,661	\$88,099	\$92,684	\$84,278
Rockland	\$662,113	\$661,481	\$620,265	\$641,864	\$661,771
Sullivan	\$432,479	\$417,362	\$372,086	\$305,040	\$260,149
Ulster	\$684,837	\$663,898	\$711,952	\$662,574	\$625,415
Westchester	\$6,353,062	\$7,569,137	\$7,739,408	\$7,317,673	\$7,565,163
Hudson Valley	\$11,286,301	\$12,427,596	\$12,376,581	\$11,654,579	\$11,943,429
New York City	\$101,521,500	\$101,819,583	\$93,519,583	\$92,249,167	\$99,899,500
New York State	\$154,261,676	\$156,739,338	\$145,078,963	\$140,622,173	\$147,941,751

Annual Percentage Change: Monthly Average

Counties	2005	2004	2003	2002	2001
Columbia	2.4%	11.8%	6.6%	-0.6%	—
Dutchess	3.0%	9.6%	12.5%	7.8%	—
Greene	5.3%	4.7%	9.4%	1.1%	—
Orange	-2.3%	6.7%	5.8%	-9.8%	—
Putnam	16.7%	-16.4%	-4.9%	10.0%	—
Rockland	0.1%	6.6%	-3.4%	-3.0%	—
Sullivan	3.6%	12.2%	22.0%	17.3%	—
Ulster	3.2%	-6.7%	7.5%	5.9%	—
Westchester	-16.1%	-2.2%	5.8%	-3.3%	—
Hudson Valley	-9.2%	0.4%	6.2%	-2.4%	—
New York City	-0.3%	8.9%	1.4%	-7.7%	—
New York State	-1.6%	8.0%	3.2%	-4.9%	—

**Total Temporary Assistance - Recipients
Annual: Monthly Average**

Counties	2005	2004	2003	2002	2001
Columbia	664	687	664	675	707
Dutchess	2,459	2,464	2,312	2,347	2,476
Greene	923	899	828	814	810
Orange	5,032	5,304	5,656	5,996	7,433
Putnam	163	191	196	198	188
Rockland	2,478	2,525	2,587	2,854	3,297
Sullivan	1,560	1,477	1,390	1,263	1,130
Ulster	2,337	2,289	2,511	2,492	2,423
Westchester	15,112	17,030	18,010	17,675	19,851
Hudson Valley	30,717	32,808	34,152	34,310	38,315
New York City	416,012	433,928	423,945	431,944	491,908
New York State	604,922	629,062	612,423	619,686	688,547

Annual Percentage Change: Monthly Average

Counties	2005	2004	2003	2002	2001
Columbia	-3.4%	3.6%	-1.7%	-4.5%	—
Dutchess	-0.2%	6.6%	-1.5%	-5.2%	—
Greene	2.6%	8.6%	1.7%	0.5%	—
Orange	-5.1%	-6.2%	-5.7%	-19.3%	—
Putnam	-14.7%	-2.3%	-0.9%	5.2%	—
Rockland	-1.9%	-2.4%	-9.3%	-13.4%	—
Sullivan	5.6%	6.2%	10.1%	11.7%	—
Ulster	2.1%	-8.8%	0.8%	2.8%	—
Westchester	-11.3%	-5.4%	1.9%	-11.0%	—
Hudson Valley	-6.4%	-3.9%	-0.5%	-10.5%	—
New York City	-4.1%	2.4%	-1.9%	-12.2%	—
New York State	-3.8%	2.7%	-1.2%	-10.0%	—

Food Stamps - Expenditures
Annual: Monthly Average

Counties	2005	2004	2003	2002	2001
Columbia	\$279,731	\$253,759	\$231,816	\$199,790	\$180,279
Dutchess	\$921,553	\$766,541	\$620,346	\$513,618	\$463,777
Greene	\$296,391	\$277,808	\$249,595	\$216,383	\$189,241
Orange	\$2,090,600	\$1,918,185	\$1,832,239	\$1,658,041	\$1,507,142
Putnam	\$70,811	\$64,206	\$55,237	\$47,831	\$41,051
Rockland	\$1,828,164	\$1,572,947	\$1,438,235	\$1,291,872	\$1,226,857
Sullivan	\$521,859	\$449,937	\$392,239	\$337,016	\$276,391
Ulster	\$722,271	\$629,456	\$582,959	\$497,211	\$456,096
Westchester	\$3,803,788	\$3,385,590	\$3,069,341	\$2,735,831	\$2,493,993
Hudson Valley Total	\$10,535,167	\$9,318,428	\$8,472,007	\$7,497,594	\$6,834,825
New York City	\$119,248,814	\$107,362,677	\$94,857,515	\$83,297,776	\$79,357,550
New York State	\$182,366,739	\$163,776,695	\$145,168,998	\$126,735,299	\$116,985,796

Annual Percentage Change: Monthly Average

Counties	2005	2004	2003	2002	2001
Columbia	10.24%	9.47%	16.03%	10.82%	—
Dutchess	20.22%	23.57%	20.78%	10.75%	—
Greene	6.69%	11.30%	15.35%	14.34%	—
Orange	8.99%	4.69%	10.51%	10.01%	—
Putnam	10.29%	16.24%	15.48%	16.52%	—
Rockland	16.23%	9.37%	11.33%	5.30%	—
Sullivan	15.98%	14.71%	16.39%	21.93%	—
Ulster	14.75%	7.98%	17.25%	9.01%	—
Westchester	12.35%	10.30%	12.19%	9.70%	—
Hudson Valley Total	13.06%	9.99%	13.00%	9.70%	—
New York City	11.07%	13.18%	13.88%	4.97%	—
New York State	11.35%	12.82%	14.55%	8.33%	—

Food Stamps - Recipients
Annual: Monthly Average

Counties	2005	2004	2003	2002	2001
Columbia	3,121	2,982	2,721	2,522	2,387
Dutchess	10,111	8,772	7,353	6,477	6,084
Greene	3,250	3,125	2,922	2,662	2,478
Orange	21,807	20,733	19,863	18,843	18,434
Putnam	929	866	806	713	647
Rockland	19,680	17,828	16,630	15,591	14,814
Sullivan	6,067	5,553	5,032	4,514	3,963
Ulster	8,416	7,733	7,269	6,569	6,324
Westchester	39,745	36,733	33,949	31,799	30,836
Hudson Valley	113,126	104,324	96,545	89,690	85,965
New York City	1,084,739	1,006,928	884,909	821,630	826,189
New York State	1,767,780	1,646,075	1,469,563	1,355,479	1,317,462

Annual Percentage Change: Monthly Average

Counties	2005	2004	2003	2002	2001
Columbia	4.65%	9.59%	7.87%	5.68%	—
Dutchess	15.26%	19.31%	13.51%	6.47%	—
Greene	4.00%	6.94%	9.75%	7.45%	—
Orange	5.18%	4.38%	5.41%	2.22%	—
Putnam	7.33%	7.38%	13.04%	10.35%	—
Rockland	10.39%	7.20%	6.67%	5.24%	—
Sullivan	9.27%	10.35%	11.48%	13.89%	—
Ulster	8.83%	6.39%	10.65%	3.87%	—
Westchester	8.20%	8.20%	6.76%	3.12%	—
Hudson Valley	8.44%	8.06%	7.64%	4.33%	—
New York City	7.73%	13.79%	7.70%	-0.55%	—
New York State	7.39%	12.01%	8.42%	2.89%	—

**Supplemental Security Income: Expenditures
Annual: Monthly Average**

Counties	2005	2004	2003	2002	2001
Columbia	\$682,793	\$650,254	\$611,363	\$586,362	\$613,289
Dutchess	\$2,083,020	\$2,008,974	\$1,831,467	\$1,763,530	\$1,822,110
Greene	\$536,494	\$505,155	\$475,090	\$417,476	\$420,413
Orange	\$2,726,519	\$2,647,612	\$2,513,063	\$2,448,483	\$2,515,663
Putnam	\$361,296	\$355,141	\$322,794	\$306,638	\$315,733
Rockland	\$1,997,114	\$1,951,320	\$1,837,430	\$1,834,030	\$1,892,482
Sullivan	\$1,158,859	\$1,136,175	\$1,085,281	\$1,028,474	\$1,073,371
Ulster	\$1,867,461	\$1,799,423	\$1,686,251	\$1,624,387	\$1,685,431
Westchester	\$7,114,892	\$6,899,158	\$6,458,815	\$6,218,761	\$6,248,948
Hudson Valley	\$18,528,448	\$17,953,212	\$16,821,554	\$16,215,799	\$16,587,439
New York City	\$201,485,244	\$197,678,044	\$187,727,833	\$192,935,312	\$184,617,609
New York State	\$310,795,547	\$304,249,878	\$286,031,132	\$278,897,287	\$282,794,698

Annual Percentage Change: Monthly Average

Counties	2005	2004	2003	2002	2001
Columbia	5.00%	6.36%	4.26%	-4.39%	—
Dutchess	3.69%	9.69%	3.85%	-3.21%	—
Greene	6.20%	6.33%	13.80%	-0.70%	—
Orange	2.98%	5.35%	2.64%	-2.67%	—
Putnam	1.73%	10.02%	5.27%	-2.88%	—
Rockland	2.35%	6.20%	0.19%	-3.09%	—
Sullivan	2.00%	4.69%	5.52%	-4.18%	—
Ulster	3.78%	6.71%	3.81%	-3.62%	—
Westchester	3.13%	6.82%	3.86%	-0.48%	—
Hudson Valley	3.20%	6.73%	3.74%	-2.24%	—
New York City	1.93%	5.30%	-2.70%	4.51%	—
New York State	2.15%	6.37%	2.56%	-1.38%	—

**Supplemental Security Income: Recipients
Annual: Monthly Average**

Counties	2005	2004	2003	2002	2001
Columbia	1,499	1,481	1,483	1,478	1,499
Dutchess	4,471	4,419	4,356	4,330	4,333
Greene	1,172	1,157	1,101	1,075	1,068
Orange	5,884	5,899	5,893	5,959	5,955
Putnam	770	783	771	732	742
Rockland	4,364	4,301	4,315	4,408	4,401
Sullivan	2,491	2,531	2,537	2,528	2,521
Ulster	4,017	3,982	3,957	3,952	3,980
Westchester	15,391	15,206	14,981	14,814	14,626
Hudson Valley	40,060	39,758	39,391	39,275	39,123
New York City	400,470	398,504	397,940	398,698	396,125
New York State	634,231	630,097	627,083	626,244	624,971

Annual Percentage Change: Monthly Average

Counties	2005	2004	2003	2002	2001
Columbia	1.23%	-0.13%	0.34%	-1.41%	—
Dutchess	1.18%	1.43%	0.61%	-0.06%	—
Greene	1.35%	5.04%	2.47%	0.66%	—
Orange	-0.25%	0.11%	-1.11%	0.07%	—
Putnam	-1.57%	1.56%	5.26%	-1.36%	—
Rockland	1.46%	-0.32%	-2.11%	0.14%	—
Sullivan	-1.57%	-0.24%	0.34%	0.30%	—
Ulster	0.86%	0.64%	0.12%	-0.69%	—
Westchester	1.22%	1.50%	1.13%	1.29%	—
Hudson Valley	0.76%	0.93%	0.29%	0.39%	—
New York City	0.49%	0.14%	-0.19%	0.65%	—
New York State	0.66%	0.48%	0.13%	0.20%	—

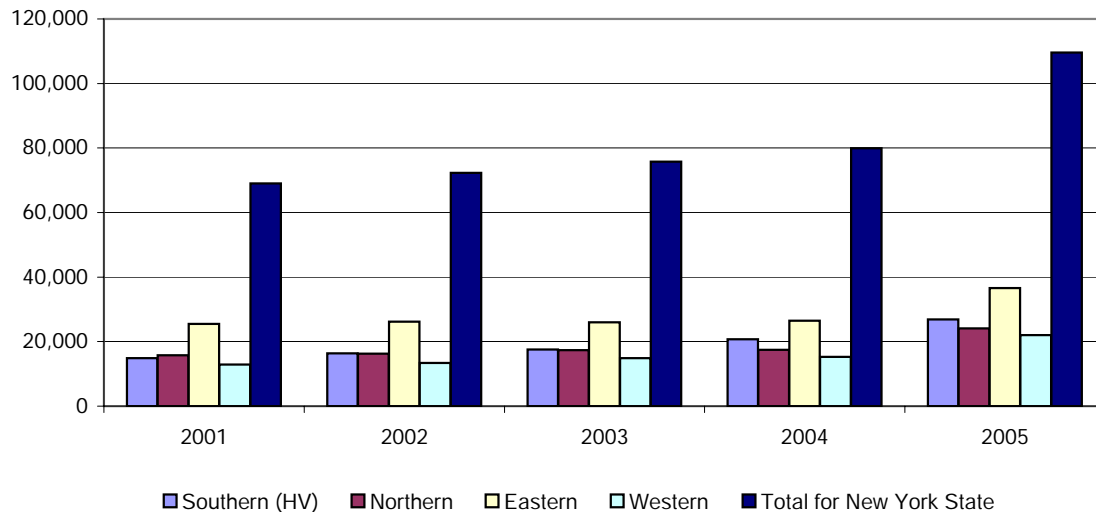
Bankruptcies by Court District 2001-2005

District	2001	2002	2003	2004	2005
Southern (HV)	14,899	16,407	17,548	20,729	26,856
Northern	15,758	16,309	17,399	17,501	24,148
Eastern	25,487	26,216	25,949	26,445	36,589
Western	12,901	13,347	14,894	15,285	21,979
Total for New York State	69,045	72,279	75,790	79,960	109,572

Change From Prior Year

District	2001	2002	2003	2004	2005
Southern (HV)	—	10.1%	7.0%	18.1%	29.6%
Northern	—	3.5%	6.7%	0.6%	38.0%
Eastern	—	2.9%	-1.0%	1.9%	38.4%
Western	—	3.5%	11.6%	2.6%	43.8%
Total for New York State	—	4.7%	4.9%	5.5%	37.0%

Bankruptcies within New York State by District 2001-2005



Total Bankruptcy Filings By Chapter

	Total Filings	Chapter 7	Chapter 11	Chapter 12	Chapter 13
2001	69,045	54,923	1,427	10	12,659
2002	72,279	56,134	1,754	14	14,342
2003	75,790	59,704	1,180	28	14,836
2004	79,960	61,938	3,174	5	14,733
2005	109,572	94,576	1,049	19	13,876

	Total Business	Chapter 7	Chapter 11	Chapter 12	Chapter 13
2001	2,429	853	1,368	10	172
2002	2,582	717	1,679	14	139
2003	1,945	634	1,119	28	122
2004	4,063	657	3,139	5	152
2005	2,106	931	985	19	128

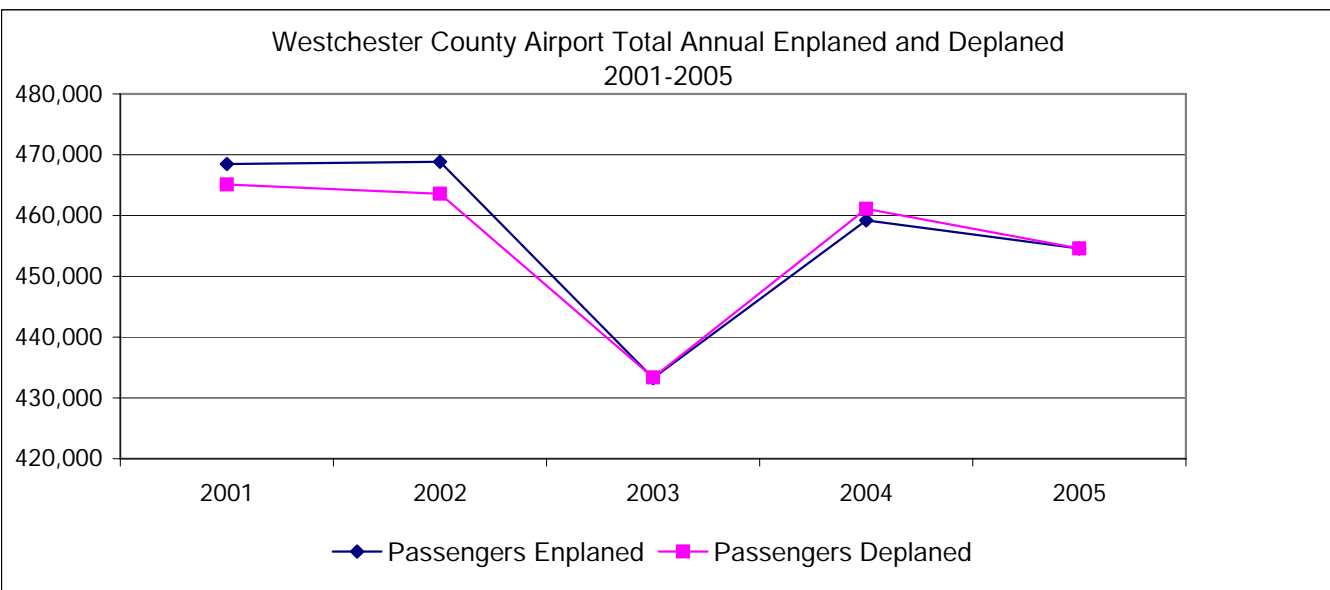
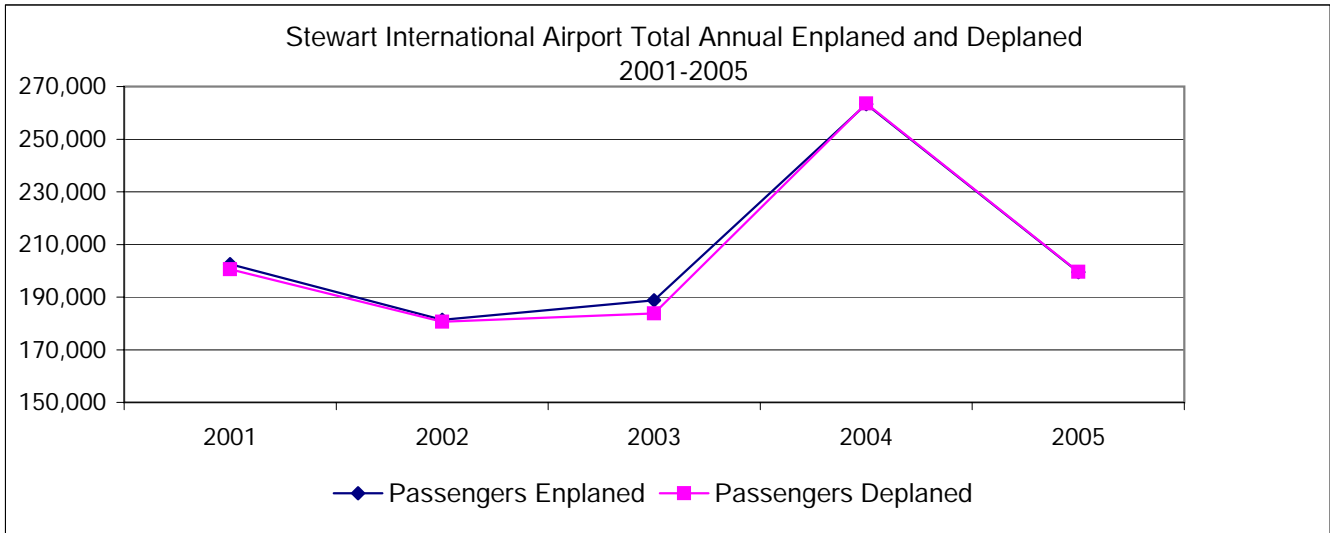
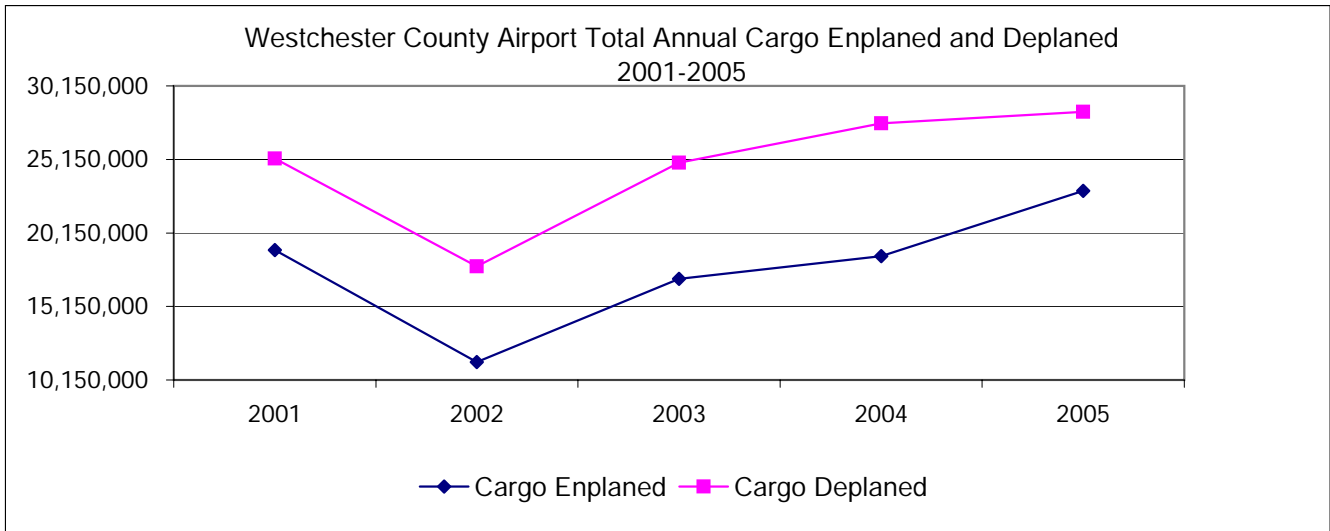
	Total Non-Business	Chapter 7	Chapter 11	Chapter 12	Chapter 13
2001	66,616	54,070	59	-	12,487
2002	69,697	55,417	75	-	14,203
2003	73,845	59,070	61	-	14,714
2004	75,897	61,281	35	-	14,581
2005	107,466	93,645	64	-	13,748

Total Annual Passengers Enplaned & Deplaned at Stewart and Westchester Airports

Stewart	2005	2004	2003	2002	2001
Passengers Enplaned	199,425	263,291	188,791	181,399	202,498
Passengers Deplaned	199,663	263,544	183,820	180,618	200,627
Annual Percent Change - Enplaned	-24.26%	39.46%	4.07%	-10.42%	
Annual Percent Change - Deplaned	-24.24%	43.37%	1.77%	-9.97%	

Westchester	2005	2004	2003	2002	2001
Passengers Enplaned	454,593	459,225	433,263	468,835	468,458
Passengers Deplaned	454,599	461,121	433,392	463,577	465,103
Annual Percent Change - Enplaned	-1.01%	5.99%	-7.59%	0.08%	
Annual Percent Change - Deplaned	-1.41%	6.40%	-6.51%	-0.33%	

Westchester	2005	2004	2003	2002	2001
Cargo Enplaned	23,001,753	18,567,065	17,032,843	11,358,259	18,984,252
Cargo Deplaned	28,382,262	27,614,549	24,923,531	17,874,902	25,205,192
Annual Percent Change- Enplaned	23.88%	9.01%	49.96%	-40.17%	
Annual Percent Change - Deplaned	2.78%	10.80%	39.43%	-29.08%	



Visitation (Tours and Grounds) at Roosevelt-Vanderbilt National Historic Sites 2001 - 2005							
Roosevelt-Vanderbilt NHS	Number of Visitors					% Change	% Change
	2005	2004	2003	2002	2001	2001-2005	2004-2005
Roosevelt NHS	108,611	103,671	105,026	125,949	127,624	-14.9%	4.8%
Vanderbilt NHS	372,517	405,264	339,234	397,431	384,995	-3.2%	-8.1%
Eleanor Roosevelt NHS^	52,690	53,765	57,634	71,189	86,012	-38.7%	-2.0%
Total	533,818	562,700	501,894	594,569	598,631	-10.8%	-5.1%

Visitors Taking Tours - Roosevelt-Vanderbilt National Historic Sites 2001 - 2005							
Roosevelt-Vanderbilt NHS	Number of Visitors					% Change	% Change
	2005	2004	2003	2002	2001	2001-2005	2004-2005
Roosevelt NHS	86,887	82,935	84,020	100,461	100,558	-13.6%	4.8%
Vanderbilt NHS	65,621	67,005	76,415	84,527	85,569	-23.3%	-2.1%
Eleanor Roosevelt NHS^	19,854	22,276	25,155	28,426	28,996	-31.5%	-10.9%
Total	172,362	172,216	185,590	213,414	215,123	-19.9%	0.1%

Visitors Taking Tours - Martin VanBuren Historic Site 2001 - 2005							
Martin VanBuren	Number of Visitors					% Change	% Change
	2005	2004	2003	2002	2001	2001-2005	2004-2005
Martin VanBuren	11,165	13,866	14,594	16,036	16,004	-30.2%	-19.5%

Total Visitors Taking Tours at: Roosevelt, Vanderbilt, VanBuren Sites							
Summary	Number of Visitors					% Change	% Change
	2005	2004	2003	2002	2001	2001-2005	2004-2005
Total	183,527	186,082	200,184	229,450	231,127	-20.6%	-1.4%