

TOTAL HOUSEHOLD INCOME HUDSON VALLEY: WITH COUNTY LEVEL DETAIL 2014-2018

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Summary
Total Personal Income:
Hudson Valley with County Level Detail
2018

- Total personal income (TPI) in the Hudson Valley grew 5.1 percent (\$8.7 billion) on the year, which is above 0.7 percent above the five-year trend. (For income distribution by household, see the Marist Bureau of Economic Research publication “Income Tax Analysis 2016, Hudson Valley: with County Level Detail, March 2019.”)
- The principal cause of the above-average TPI growth was the increase in unearned income, which advanced at 9.6 percent (\$3.8 billion) compared to a trend growth rate of 7.0 percent.
- Earned income growth outperformed that of the state, advancing at a rate of 4.6 percent (\$4.9 billion) compared to a 4.1 percent (\$32.5 billion) increase statewide.
- Consistent with previous findings, per-capita earned income in Westchester, Putnam, Rockland, and Dutchess counties ranked in the top 10 statewide.
- Commuter income continues to be the primary driver of earned income growth, rising 8.0 percent (\$2.4 billion) on the year, compared to an increase of 3.2 percent (\$2.5 billion) for non-commuter income.
- Putnam County is the most dependent on commuter income at 55.5 percent, followed by Westchester at 31.8 percent. (For commutation by region and county, see the Marist Bureau of Economic Research publication “Commutation Trends in the Hudson Valley with County Level Detail 2015-2017.”)
- Over the five-year period, commuter income has grown more than twice as fast as non-commuter income.
- The growth in unearned income — interest, dividends, and rents — remained volatile.
- Transfer payments fell 0.1 percent (\$29.8 million), below the five-year growth rate trend of 4.0 percent.
- On the year, Medicaid and Medicare payments fell 9.65 percent and 5.25 percent, respectively. Social Security payments declined 4.20 percent.

Total Personal Income: Year 2018			
Data Source: U.S. Bureau of Economic Analysis, author calculations (in thousands)			
Area	Total Personal Income (TPI)	Trend CAGR TPI 2014-2018	CAGR TPI 2017-2018
Dutchess	\$16,555,300	4.2%	4.6%
Orange	\$19,803,237	3.9%	4.5%
Putnam	\$6,510,366	3.4%	5.0%
Rockland	\$19,692,814	3.5%	4.6%
Sullivan	\$3,495,810	4.4%	4.7%
Ulster	\$9,012,508	3.9%	4.0%
Westchester	\$105,446,410	4.8%	5.4%
Hudson Valley	\$180,516,445	4.4%	5.1%
New York	\$1,341,931,964	4.7%	4.3%



- Consistent with previous findings, Sullivan County recorded the highest per-capita transfer payments, followed by Ulster and Rockland counties, respectively; Putnam County recorded the lowest.



*Total Personal Income
Hudson Valley with County Level Detail
2018*

In 2018, total personal income (TPI)¹ in the Hudson Valley grew 5.1 percent (\$8.7 billion) on the year, outperforming the five-year trend of 4.4 percent. On the year, the increase in earned income — salaries and benefits — remained in line with the five-year trend at 4.6 percent. Unearned income — interest, dividends and rents — and transfer payments remained volatile, growing at 9.6 percent and falling at 0.1 percent, compared to their five-year trend growth rates of 7.0 percent and 4.0 percent, respectively. For the period, earned income increased \$4.9 billion, unearned income increased \$3.8 billion, and transfer payments fell \$0.03 billion (see Tables 1 and 2).

Table 1: CAGR Hudson Valley
Data Source: U.S. Bureau of Economic Analysis,
author calculations

	Trend CAGR 2014-2018	CAGR 2017-2018
TPI	4.4%	5.1%
Earned Income	3.6%	4.6%
Unearned Income	7.0%	9.6%
Transfer Payments	4.0%	-0.1%

Table 2: Total Personal Income: Year 2018
Data Source: U.S. Bureau of Economic Analysis, author calculations (in thousands)

Area	Earned Income:	Unearned Income:	Transfer Payments: Government and Private	Total Personal Income (TPI)	CAGR TPI 2014-2018	CAGR TPI 2017-2018
	Net Wages, Salaries and Benefits	Interest, Dividends and Rents				
Dutchess	\$10,401,875	\$3,201,362	\$2,952,063	\$16,555,300	4.2%	4.6%
Orange	\$13,091,007	\$2,991,291	\$3,720,939	\$19,803,237	3.9%	4.5%
Putnam	\$4,462,987	\$1,155,962	\$891,417	\$6,510,366	3.4%	5.0%
Rockland	\$12,534,081	\$3,700,555	\$3,458,178	\$19,692,814	3.5%	4.6%
Sullivan	\$1,921,459	\$603,246	\$971,105	\$3,495,810	4.4%	4.7%
Ulster	\$5,266,245	\$1,722,034	\$2,024,229	\$9,012,508	3.9%	4.0%
Westchester	\$65,749,509	\$29,723,279	\$9,973,622	\$105,446,410	4.8%	5.4%
Hudson Valley	\$113,427,163	\$43,097,729	\$23,991,553	\$180,516,445	4.4%	5.1%
New York	\$825,168,584	\$294,393,073	\$222,370,307	\$1,341,931,964	4.7%	4.3%

¹ Total personal income is the sum of net wages, salaries and benefits; income on real and financial assets; and transfer payments. It is the most inclusive definition of regional income.



Per-capita and Average Household TPI

A common statistic used to compare county, regional and statewide performance is per capita TPI. For the period, per capita TPI advanced 5.0 percent, rising from \$74,055 in 2017 to \$77,743 in 2018, compared to a 4.6 percent growth rate statewide and the five-year trend growth rate of 4.9 percent (see Table 3). Year-over-year, the population fell less than 0.1 percent, from 2,321,965 in 2017 to 2,320,139 in 2018.

Table 3: Average Household Per-Capita TPI, 2014, 2017, and 2018							
Data Sources: U.S. Bureau of Economic Analysis, author calculations; U.S. Census Bureau							
Area	Per-Capita TPI 2014	Per-Capita TPI 2017	Per-Capita TPI 2018	Average Household size 2014-2018	Average Household TPI 2018*	CAGR 2014-2018	CAGR 2017-2018
Dutchess	\$47,572	\$53,918	\$56,365	2.57	\$144,857	4.3%	4.5%
Orange	\$45,306	\$49,912	\$51,848	2.90	\$150,358	3.4%	3.9%
Putnam	\$57,163	\$62,662	\$65,833	2.77	\$182,358	3.6%	5.1%
Rockland	\$53,434	\$57,966	\$60,464	3.17	\$191,671	3.1%	4.3%
Sullivan	\$38,880	\$44,483	\$46,303	2.56	\$118,537	4.5%	4.1%
Ulster	\$42,913	\$48,508	\$50,462	2.41	\$121,614	4.1%	4.0%
Westchester	\$90,407	\$103,169	\$108,976	2.71	\$295,325	4.8%	5.6%
Hudson Valley	\$65,687	\$74,055	\$77,743	NA	NA	4.3%	5.0%
New York State	\$56,743	\$65,644	\$68,668	2.60	\$178,538	4.9%	4.6%

*Average Household TPI is the level of TPI each household would earn if TPI was equally distributed across all households in the county, region and state.

Earned Income: Net Wages, Salaries and Benefits

Earned income growth advanced 4.6 percent (\$4.9 billion) on the year, higher than the five-year trend rate of 3.6 percent; outperforming the year-over-year statewide increase of 4.1 percent. On the year, Sullivan and Orange counties reported the highest rates of earned income growth at 7.2 and 5.1 percent, respectively; Ulster County the lowest at 4.2 percent followed by Westchester County at 4.3 percent (see Table 4).

There are two sources of earned income²: non-commuter and commuter. Non-commuter income is earned by Hudson Valley residents working within the Hudson

² The earned income data released by the Bureau of Economic Analysis (BEA) is compiled by place of work (the geographical location where the work is performed) and place of residence (where the worker lives). To convert place-of-work data to place-of-residence data, the BEA adds or subtracts commuter income.



Valley; commuter income is earned by Hudson Valley residents working outside of the region.

Consistent with the long-term trend, commuter income earned by Hudson Valley residents continues to grow at a faster pace than non-commuter income. On the year, commuter income advanced 8.0 percent, while non-commuter income advanced 3.2 percent. Over the five-year period, growth in commuter income has outperformed non-commuter income by 1.6 percent per annum (see Tables 5 and 6).

Table 4: Earned Income 2014, 2017, and 2018							
Data Source: U.S. Bureau of Economic Analysis, author calculations							
Area	2014 (in thousands)	2017 (in thousands)	2018 (in thousands)	CAGR 2014- 2018	CAGR 2017- 2018	Per Capita Earned Income	Per-Capita Statewide Rank 2018
Dutchess	\$9,059,280	\$9,944,131	\$10,401,875	3.5%	4.6%	\$35,414	9
Orange	\$11,463,313	\$12,452,403	\$13,091,007	3.4%	5.1%	\$34,274	11
Putnam	\$4,003,594	\$4,268,266	\$4,462,987	2.8%	4.6%	\$45,130	3
Rockland	\$11,261,111	\$11,947,328	\$12,534,081	2.7%	4.9%	\$38,484	7
Sullivan	\$1,614,436	\$1,792,413	\$1,921,459	4.4%	7.2%	\$25,450	40
Ulster	\$4,601,023	\$5,052,939	\$5,266,245	3.4%	4.2%	\$29,486	23
Westchester	\$56,639,996	\$63,020,237	\$65,749,509	3.8%	4.3%	\$67,950	2
Hudson Valley	\$98,642,753	\$108,477,717	\$113,427,163	3.6%	4.6%	\$48,850	NM
New York State	\$701,226,091	\$792,741,220	\$825,168,584	4.2%	4.1%	\$42,225	NM

Table 5: Commuter Income 2014, 2017, and 2018					
Data Source: U.S. Bureau of Economic Analysis, author calculations					
Area	2014 (in thousands)	2017 (in thousands)	2018 (in thousands)	CAGR 2014-2018	CAGR 2017-2018
Dutchess	\$1,832,792	\$2,161,377	\$2,399,992	7.0%	11.0%
Orange	\$3,065,160	\$3,123,811	\$3,360,751	2.3%	7.6%
Putnam	\$2,219,613	\$2,321,858	\$2,479,001	2.8%	6.8%
Rockland	\$2,802,392	\$3,131,871	\$3,355,314	4.6%	7.1%
Sullivan	\$302,007	\$333,005	\$325,502	1.9%	-2.3%
Ulster	\$1,092,701	\$1,217,563	\$1,290,334	4.2%	6.0%
Westchester	\$17,051,473	\$19,327,142	\$20,929,956	5.3%	8.3%
Hudson Valley	\$28,366,138	\$31,616,627	\$34,140,850	4.7%	8.0%
New York State	(\$60,206,914)	(\$68,730,285)	(\$76,915,677)	6.3%	11.9%



Region-wide, Putnam County is the most dependent on commuter income at 55.5 percent of all earned income, followed by Westchester at 31.8 percent. The least dependent is Sullivan County at 16.9 percent (see Tables 6 and 7).

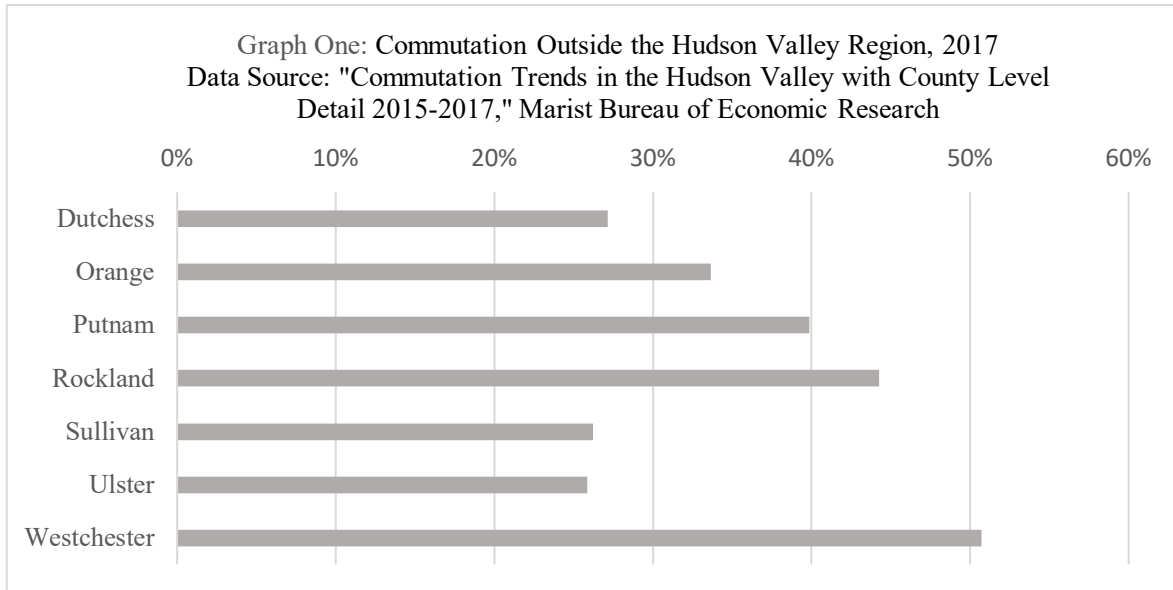
The level of commuter income relative to non-commuter income is dependent on two factors: the number of persons employed outside the region, and the wage gap between regions. As reported in the Marist Bureau of Economic Research publication, “Commutation Trends in the Hudson Valley with County Level Detail 2015-2017,” commutation continues to increase.

Table 6: Non-Commuter Income 2014, 2017, and 2018					
Data Source: U.S. Bureau of Economic Analysis, author calculations					
Area	2014 (in thousands)	2017 (in thousands)	2018 (in thousands)	CAGR 2014-2018	CAGR 2017-2018
Dutchess	\$7,226,488	\$7,782,754	\$8,001,883	2.6%	2.8%
Orange	\$8,398,153	\$9,328,592	\$9,730,256	3.7%	4.3%
Putnam	\$1,783,981	\$1,946,408	\$1,983,986	2.7%	1.9%
Rockland	\$8,458,719	\$8,815,457	\$9,178,767	2.1%	4.1%
Sullivan	\$1,312,429	\$1,459,408	\$1,595,957	5.0%	9.4%
Ulster	\$3,508,322	\$3,835,376	\$3,975,911	3.2%	3.7%
Westchester	\$39,588,523	\$43,693,095	\$44,819,553	3.2%	2.6%
Hudson Valley	\$70,276,615	\$76,861,090	\$79,286,313	3.1%	3.2%
New York State	\$761,433,005	\$861,471,505	\$902,084,261	4.3%	4.7%

Table 7: Commuter Income as a Percentage of Total Earned Income 2014, 2017, and 2018			
Data Source: U.S. Bureau of Economic Analysis, author calculations			
Area	2014	2017	2018
Dutchess	20.2%	21.7%	23.1%
Orange	26.7%	25.1%	25.7%
Putnam	55.4%	54.4%	55.5%
Rockland	24.9%	26.2%	26.8%
Sullivan	18.7%	18.6%	16.9%
Ulster	23.7%	24.1%	24.5%
Westchester	30.1%	30.7%	31.8%
Hudson Valley	28.8%	29.1%	30.1%
New York State	-8.6%	-8.7%	-9.3%

As of 2017, commutation outside the Hudson Valley ranged from a high of 51 percent of all employment in Westchester to a low of 26 percent of all employment in Sullivan and Ulster counties (see Graph 1).





Unearned Income: Interest, Dividends and Rents

Unearned income advanced 9.6 percent (\$3.8 million) on the year, rising from \$39.3 billion to \$43.0 billion and outperforming the region’s five-year trend growth rate by 2.6 percent; the state reported similar results. Region-wide per-capita unearned income continues to outpace that of the state. This outcome is directly attributable to Westchester County, whose residents earned 69.0 percent of the region’s total unearned income and reported a pre-capita unearned income more than twice the state average. Across the region, Orange and Sullivan counties reported the lowest per-capita unearned income (see Table 8).

The distribution of unearned income within the Hudson Valley is highly skewed. According to the Marist Bureau of Economic Research report “Income Tax Analysis 2016 Hudson Valley: with County Level Detail,” released in March 2019, households in the \$75,000-and-above category accounted for 60.9 percent of all tax returns reporting unearned income and 93.4 percent of all unearned income reported. Westchester County was the most unequal county in the region, followed by Dutchess and Rockland counties. For additional details, see the MBER website.



Table 8: Unearned Income 2014, 2017, and 2018							
Data Source: U.S. Bureau of Economic Analysis, author calculations							
Area	2014 (in thousands)	2017 (in thousands)	2018 (in thousands)	CAGR 2014-2018	CAGR 2017-2018	Per-Capita Unearned Income	Per-Capita Statewide Rank 2018
Dutchess	\$2,463,522	\$2,954,115	\$3,201,362	6.8%	8.4%	\$10,899	11
Orange	\$2,373,163	\$2,774,299	\$2,991,291	6.0%	7.8%	\$7,832	26
Putnam	\$927,700	\$1,059,745	\$1,155,962	5.7%	9.1%	\$11,689	9
Rockland	\$2,935,680	\$3,395,268	\$3,700,555	6.0%	9.0%	\$11,362	10
Sullivan	\$499,437	\$560,176	\$603,246	4.8%	7.7%	\$7,990	24
Ulster	\$1,405,362	\$1,593,998	\$1,722,034	5.2%	8.0%	\$9,642	14
Westchester	\$22,240,393	\$26,982,086	\$29,723,279	7.5%	10.2%	\$30,718	2
Hudson Valley	\$32,845,257	\$39,319,687	\$43,097,729	7.0%	9.6%	\$18,561	NM
New York State	\$224,232,769	\$268,241,313	\$294,393,073	7.0%	9.7%	\$15,064	NM

Transfer Payments

Transfer payments include – but are not limited to – old-age, survivor, and disability insurance benefits (Social Security); Medicare benefits; Medicaid benefits; income maintenance benefits (principally temporary assistance, safety net assistance, and food stamps); state unemployment insurance compensation; veterans benefits; and federal training and educational assistance.

Table 9: Transfer Payments 2014-2018							
Data Source: U.S. Bureau of Economic Analysis, Author calculations							
Area	2014 (in thousands)	2017 (in thousands)	2018 (in thousands)	CAGR 2014-2018	CAGR 2017-2018	Per-Capita Transfer Payments	Per-Capita Statewide Rank 2018
Dutchess	\$2,517,858	\$2,924,015	\$2,952,063	4.1%	1.0%	\$10,051	52
Orange	\$3,161,334	\$3,730,150	\$3,720,939	4.2%	-0.2%	\$9,742	54
Putnam	\$754,088	\$873,414	\$891,417	4.3%	2.1%	\$9,014	60
Rockland	\$2,964,948	\$3,486,989	\$3,458,178	3.9%	-0.8%	\$10,618	35
Sullivan	\$827,302	\$987,153	\$971,105	4.1%	-1.6%	\$12,863	4
Ulster	\$1,736,001	\$2,022,563	\$2,024,229	3.9%	0.1%	\$11,334	23
Westchester	\$8,579,771	\$9,997,061	\$9,973,622	3.8%	-0.2%	\$10,307	42
Hudson Valley	\$20,541,302	\$24,021,345	\$23,991,553	4.0%	-0.1%	\$10,332	NM
New York State	\$189,893,332	\$225,040,289	\$222,370,307	4.0%	-1.2%	\$11,379	NM



On the year, total transfer payments fell 0.1 percent (\$0.03 billion) significantly lower than the five-year trend growth rate of 4.0 percent. Statewide transfer payments fell 1.2 percent (\$2.7 billion) on the year. Consistent with trend, Sullivan County recorded the highest per-capita transfer payments at \$12,863, followed by Ulster County at \$11,334. Putnam County recorded the lowest amount at \$9,014.

Statewide, per-capita transfer payments averaged \$11,379, which exceeded the regional average; they ranged from a high of \$13,406 in Herkimer County to a low of \$7,280 in Tompkins County. Relative to state outcomes, Sullivan was the only county in the region to rank in the top 10. Other counties in this group included Nassau, Genesee, and Lewis, along with four of the five New York City counties (Richmond, New York, Bronx, and Queens; see Table 9).

Table 10: Select Transfer Payments as a Percentage of Total Per-Capita TPI

Data Source: U.S. Bureau of Economic Analysis, author calculations

Area	2014		2018		Average 2014-2018	
	Social Security and Medicare	Income Main. and Medicaid	Social Security and Medicare	Income Main. and Medicaid	Social Security and Medicare	Income Main. and Medicaid
Dutchess	11.1%	5.0%	11.0%	5.1%	11.1%	5.2%
Orange	10.0%	6.6%	10.0%	6.8%	10.0%	7.0%
Putnam	9.1%	2.6%	9.4%	2.9%	9.3%	2.9%
Rockland	9.6%	6.2%	9.4%	6.6%	9.5%	6.7%
Sullivan	14.4%	11.6%	14.0%	11.9%	14.3%	12.2%
Ulster	13.1%	7.5%	13.1%	7.7%	13.1%	7.9%
Westchester	5.7%	3.2%	5.4%	3.2%	5.6%	3.3%
Hudson Valley	7.8%	5.4%	7.6%	4.5%	7.7%	4.6%
New York State	8.4%	7.1%	8.0%	7.1%	8.2%	7.4%

The most important components of total transfer payments are Social Security benefits and Medicare, followed by income maintenance payments and Medicaid. In 2018, Social Security benefits and Medicare accounted for 56.9 percent of all transfers region-wide and 7.6 percent of per-capita TPI, compared to 48.3 percent of all transfers and 8.0 percent of per-capita TPI in New York State. Income maintenance payments and Medicaid accounted for 33.9 percent of all regional transfer payments and 4.5 percent of per-capita TPI compared to 42.9 percent and 7.1 percent statewide, respectively (see Table 10).

Across the region and state, 2018 outcomes are consistent with the five-year trend. Social Security, Medicare, income maintenance and Medicaid have increased in



significance, accounting for a larger share of per-capita TPI relative to pre-recession levels. There are three factors at play: the movement of the baby-boomer generation toward retirement, increasing medical costs, and restructuring in the labor markets.

