

Community Foundation of Tompkins County

The Community Foundation of Tompkins County services this one county and its largest community of Ithaca. Estimated CNW for households in this community is estimated at over \$7.4 billion in 2010. The 10-year TOW opportunity is estimated at nearly \$2.5 billion. Assuming a 5% endowment capture goal is realized about \$127 million could be added to the philanthropic sector with the ability to sustain around \$6.3 million in annual grant making over time. The 50-year potential is massive with an estimated TOW opportunity of nearly \$39 billion. A 5% capture rate would generate nearly \$2 billion in additional endowments with grant making potential of nearly \$97 million annually. All demographic groups have potential for giveback, but we estimate there are presently nearly 2,900 high net-worth households with significant giveback potential.

Two forces are likely to shape the future of this community. First, economic and social renewal driven by Ithaca will be the primary force. Ithaca is home to Cornell University. Cornell is a powerhouse within America's Land Grant Public Universities. This institution provides a cornerstone development asset with respect to creating and growing a "creative" economy. Potential for allied development tied to technology transfer holds potential for significant sustained economic and social development in this corner of New York. The second force is related to this community's association with the Finger Lakes Region of New York. This is a unique and highly desirable landscape. Vacation, recreational and second home development within the Finger Lakes Region could create a second pool of seasonal or new residents with both motivation and capacity for giveback. Capture of TOW opportunities could provide critically important new financial resources necessary for economic and social innovation and renewal.

The following figure provides summaries of key indicators for Tompkins County. *For those seeking additional background on the importance and relevance of these indicators and wealth benchmarks please review the Wealth in America Report located within our electronic library.*

Estimating giveback by America's households is remarkably challenging. American's overall are among the most generous in the world with very strong traditions of charity. However, our field experience supports the view that giveback rates are situational. Where there is strong community philanthropy activities, giveback rates are higher. Today there is an increasing number of communities that are realizing a 5% or higher capture rate of their TOW opportunity.

Figure 14 – Tompkins County

	U.S.	Tompkins County
Results	Current Net-Worth (in Billions)	\$28,065.2
	Per Household (in Thousands)	\$7.4
	10 Year Transfer of Wealth (in Billions)	\$190.2
	Per Household (in Thousands)	\$2.53
	50 Year Transfer of Wealth (in Billions)	\$51.5
	Per Household (in Thousands)	\$64.8
Macro Trends	Population (annual % Δ, 2000-2010)	\$75,089.08
	Employment (annual % Δ, 2000-2010)	\$38.63
	Per Capita Income (annual % Δ, 2000-2010)	\$989.3
	<u>Percent of Employment in Sector (2010)</u>	
	Health Care	13.9%
	Manufacturing	10.7%
	Retail Trade	4.3%
	Educational Services	7.5%
	Professional/Technical	43.7%
	<u>Percent of Employment in Sector (2010)</u>	
	Office/Administration	6.3%
	Sales	10.3%
	Management	7.2%
	Education/Library	9.3%
	Health Practitioners	21.2%
CNW Indicators (2010)	2010 Average Household Income	4.8%
	2010 Median Household Income	\$70,173
	2010 Per Capita Income	\$48,569
	2010 Average Value: Owner Housing Unit	\$26,739
	2010 Median Value: Owner Housing Unit	\$26,078
	Percent of Households with \$200k Income	\$220,131
	Percent of Households with \$500k Income	\$214,472
Key Characteristics (2010)	2010 Total Population	\$177,912
	2010 Total Households	\$157,913
	2010 Median Age	31.5
	<u>Percent of Education Attainment for Pop 25+</u>	
	Less than Associate Degree	64.2%
	Associate Degree	37.6%
	Bachelor's Degree	7.7%
	Graduate Degree	8.6%
	Percent of Vacation Homes in 2009	17.7%
	Percent of Groups Quarters Population	23.4%

Figure 2 provides summary findings for current net-worth (CNW) for 2010 (our base year for analysis) and the 10-Year (2010-2020) transfer of wealth (TOW) opportunities for each of the foundations and the counties included in their service areas. Values include total estimates and a per household value (PHH). PHH values are derived by taking the estimated CNW or TOW value and dividing it by the number of households in the geography in 2010. The PHH values provide a handy comparison tool between and among places we have studied. All values are provided in real dollars. By real dollars we have removed the likely influences of inflation. So a dollar in 2050 has the same purchasing power as a dollar in 2010. Including inflation in our estimates distorts the real potential for community giveback from our TOW findings.

**Figure 2 - Summary Findings of
Current Net-Worth and 10-Year TOW Scenarios¹**
Absolute Values in Real Dollars & Comparative per Household Values

Place	2010 Net-Worth		10 Year	
	(\$ billions)	PHH	(\$ billions)	PHH
U.S.	\$28,065.17	\$235,000	\$6,162.74	\$51,500
Cayuga	\$4.52	\$147,700	\$1.78	\$58,000
Cortland	\$2.48	\$135,100	\$1.15	\$62,700
Madison	\$5.29	\$202,300	\$1.94	\$74,400
Onondaga	\$39.56	\$215,900	\$14.68	\$80,100
Oswego	\$5.64	\$122,400	\$2.40	\$52,100
Central New York				
Community Foundation	\$57.49	\$188,900	\$21.95	\$72,100
Herkimer	\$2.60	\$102,000	\$1.26	\$49,400
Oneida	\$15.00	\$164,500	\$6.44	\$70,700
The Community				
Foundation of Herkimer &				
Oneida Counties	\$17.60	\$150,900	\$7.70	\$66,000
Dutchess	\$37.02	\$349,800	\$11.50	\$108,700
Putnam	\$21.32	\$616,000	\$4.36	\$126,000
Ulster	\$15.88	\$223,400	\$6.14	\$86,400
Community Foundations				
of the Hudson Valley	\$74.22	\$350,900	\$22.00	\$104,000
Community Foundation of				
Tompkins County	\$7.43	\$190,200	\$2.53	\$64,800

Source: RUPRI Center for Rural Entrepreneurship

¹ RUPRI Center for Rural Entrepreneurship estimated 2005 net-worth and 10-Year transfer of wealth values for the State of New York in their *Wealth Transfer in Northeastern New York* study. State of New York's estimated 2005 net-worth was \$1.7 Trillion or \$235,000 per household and 10-Year (2005-2015) transfer of wealth opportunity was \$299 Billion or \$42,000 per household.

Our Center has completed similar TOW Studies for the Albany New York Region, the Greater Rochester New York Region and Brooklyn. These studies, along with other studies the Center has completed can be found at: www.energizingentrepreneurs.org – select TOW icon.

Figure 3 provides similar TOW opportunities for the 50-year timeframe and includes a 5% capture scenario along with a 5% annual payout potential. It should be noted that we are NOT predicting that 5% of the TOW opportunity will materialize into community giveback. These values are presented to illustrate what this could mean in terms of community endowment building and possible enhanced grantmaking potential. We know from experience around the United States that many community foundations have set and are achieving a 5% giveback and capture rate. A 5% annual payout rate is standard for the foundation industry and typically ensures the income generating potential of the endowment over time protecting it from devaluation due to likely inflation.

Figure 3 – Summary Findings of 50-Year TOW Scenario
Absolute Values in Real Dollars & Comparative Per Household Values

Place	50 Year TOW		5% Capture		5% Payout	
	Value (billions)	PHH (thou.)	Value (billions)	PHH (thou.)	Value (billions)	PHH
U.S.	\$75,089.08	\$628.0	\$3,754.45	\$31.4	\$187,722.70	\$1,570
Cayuga	\$21.33	\$697.0	\$1.07	\$34.9	\$53.34	\$1,740
Cortland	\$13.15	\$717.8	\$0.66	\$35.9	\$32.88	\$1,790
Madison	\$23.90	\$914.9	\$1.20	\$45.7	\$59.76	\$2,290
Onondaga	\$152.65	\$833.0	\$7.63	\$41.6	\$381.62	\$2,080
Oswego	\$29.29	\$635.3	\$1.46	\$31.8	\$73.22	\$1,590
Central New York						
Community Foundation	\$240.33	\$789.5	\$12.02	\$39.5	\$600.82	\$1,970
Herkimer	\$13.36	\$524.7	\$0.67	\$26.2	\$33.40	\$1,310
Oneida	\$64.53	\$707.6	\$3.23	\$35.4	\$161.33	\$1,770
The Community Foundation						
of Herkimer & Oneida						
Counties	\$77.89	\$667.7	\$3.89	\$33.4	\$194.73	\$1,670
Dutchess	\$164.53	\$1,554.9	\$8.23	\$77.7	\$411.33	\$3,890
Putnam	\$70.52	\$2,037.3	\$3.53	\$101.9	\$176.31	\$5,090
Ulster	\$82.52	\$1,161.2	\$4.13	\$58.1	\$206.30	\$2,900
Community Foundations of						
the Hudson Valley	\$317.58	\$1,501.6	\$15.88	\$75.1	\$793.94	\$3,750
Community Foundation of						
Tompkins County	\$38.63	\$989.3	\$1.93	\$49.5	\$96.58	\$2,470

Source: RUPRI Center for Rural Entrepreneurship

Figure 20 - Current Net-Worth and 10 Year Estimated Transfer of Wealth Opportunity Scenario – Total and Per Household (PHH) Values

Place	2010 Net-Worth (\$ billions)	PHH	10 Year TOW (\$ billions)	PHH	5% Capture (\$ millions)	PHH	5% Payout (\$ millions)	PHH
U.S.	\$28,065.17	\$235,000	\$6,162.74	\$51,500	\$308,137.21	\$2,600	\$15,406.86	\$130
Cayuga	\$4.52	\$147,700	\$1.78	\$58,000	\$88.80	\$2,900	\$4.44	\$150
Cortland	\$2.48	\$135,100	\$1.15	\$62,700	\$57.43	\$3,100	\$2.87	\$160
Madison	\$5.29	\$202,300	\$1.94	\$74,400	\$97.16	\$3,700	\$4.86	\$190
Onondaga	\$39.56	\$215,900	\$14.68	\$80,100	\$733.94	\$4,000	\$36.70	\$200
Oswego	\$5.64	\$122,400	\$2.40	\$52,100	\$119.97	\$2,600	\$6.00	\$130
Central New York Community Foundation	\$57.49	\$188,900	\$21.95	\$72,100	\$1,097.30	\$3,600	\$54.86	\$180
Herkimer	\$2.60	\$102,000	\$1.26	\$49,400	\$62.91	\$2,500	\$3.15	\$120
Oneida	\$15.00	\$164,500	\$6.44	\$70,700	\$322.15	\$3,500	\$16.11	\$180
The Community Foundation of Herkimer & Oneida Counties	\$17.60	\$150,900	\$7.70	\$66,000	\$385.06	\$3,300	\$19.25	\$170
Dutchess	\$37.02	\$349,800	\$11.50	\$108,700	\$575.07	\$5,400	\$28.75	\$270
Putnam	\$21.32	\$616,000	\$4.36	\$126,000	\$218.17	\$6,300	\$10.91	\$320
Ulster	\$15.88	\$223,400	\$6.14	\$86,400	\$306.86	\$4,300	\$15.34	\$220
Community Foundations of the Hudson Valley	\$74.22	\$350,900	\$22.00	\$104,000	\$1,100.10	\$5,200	\$55.01	\$260
Community Foundation of Tompkins County	\$7.43	\$190,200	\$2.53	\$64,800	\$126.51	\$3,200	\$6.33	\$160

TOW Opportunity Timing

— U.S. — Tompkins

