

QUARTERLY ECONOMIC REPORT

A Statistical Analysis Of The Mason City Regional Economy

The MCEDC QER:
October 2003

www.masoncityedc.com



What's News

- ▶ Mason City unemployment remains lower than similar Iowa cities. Page 2.
- ▶ Passenger traffic at Mason City Municipal Airport up 11.24%. Page 4.
- ▶ Visit www.masoncityedc.com for an updated demographics and community information today.
- ▶ Plan to attend the 2003 Annual Meeting of the MCEDC, Thursday December 4th. More details in your mail soon.

Major QER Contents

- ▶ Cost of Living, Page 1
- ▶ Workforce Characteristics, Page 1 and 2
- ▶ State of Iowa and the Nation - Economic Statistics, Page 2
- ▶ Consumer Price Index, Page 3
- ▶ Building Permits, Page 3
- ▶ Airfare Rate Comparisons and Statistics, Page 3 and 4

Cost of Living Index

American Chamber of Commerce Researchers Association (Second Quarter 2003) reports: Grocery Items, Housing, Utilities, Transportation, Health Care, and Misc. Goods and Services for Mason City all remain below the national average. See how Mason City ranks with neighboring communities below.

Community Cost Comparison Matrix

Urban Area	100% CI	16% G	28% H	8% U	10% T	5% HC	33% MG
Mason City	88.6	84.6	85.7	91.3	88.0	88.9	92.2
Ames	97.9	93.2	105.1	94.5	92.9	97.7	96.1
Cedar Rapids	92.7	89.6	81.6	103.2	94.5	93.5	99.8
Davenport-Moline-Rock Island IA-IL	94.4	98.4	87.8	99.8	94.8	92.5	97.0
Des Moines	95.2	87.6	94.4	106.1	95.1	93.0	96.0
Rochester, MN	99.1	100.2	93.7	102.2	93.8	115.0	102.0
Sioux Falls, SD	95.4	87.4	85.9	125.7	95.5	93.7	98.3
St. Cloud, MN	99.6	101.2	92.7	108.3	97.0	103.4	102.6
Omaha, NE	92.2	88.7	82.6	114.2	100.1	96.7	92.5

American Chamber of Commerce Researchers Associations (ACCRA)
Cost of Living Index - First Quarter 2003

Community Cost Comparison Matrix Area Key:
CI = Composite; G = Grocery's; T = Transport; H = Housing; HC = Health Care;
U = Utilities; MG = Misc. Goods

Workforce Characteristics

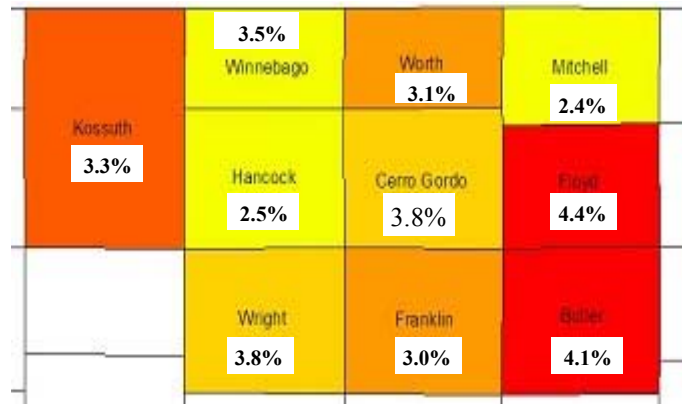
The North Iowa region's (10 counties) average unemployment rate continues to fluctuate when compared from January 2003 to September 2003. One of the 10 counties is greater than the State of Iowa's rate.

Iowa Workforce Development reports that Floyd was the only county above the Iowa unemployment rate of 4.3 percent. But the following counties were below the Iowa unemployment rate: Butler, Cerro Gordo, Franklin, Hancock, Kossuth, Mitchell, Winnebago, Worth and Wright.

The county that showed the greatest increase within the year (January 2003—September 2003) was Winnebago. Butler county had a decrease of 4 percent, Kossuth had a decrease of 3.9 percent, Floyd had a decrease of 2.9 percent, Worth had a decrease of 2.6 percent, Franklin had a decrease of 2.2 percent, Mitchell had a decrease of 1.3 percent, Cerro Gordo had a decrease of .9 percent, Hancock had a decrease of .7 percent and Wright had a decrease of .4 percent.

For a comparative matrix of laborforce, unemployment, total employment numbers and unemployment rates see page 2 for details and below for further illustration. (continued on page 3 column 2)

Unemployment Rates in 10 County Area (September 2003)



Continued on Page 2 (Column 1)

September 2003 Employment and Unemployment

	Labor Force	Unempl.	% Unempl.	Total Empl.
Butler	8070	330	4.1	7730
Cerro Gordo	26920	1020	3.8	25900
Floyd	8060	350	4.4	7700
Franklin	5820	180	3.0	5640
Hancock	7610	190	2.5	7420
Kossuth	8740	290	3.3	8460
Mitchell	5900	140	2.4	5750
Winnebago	6180	220	3.5	5960
Worth	4240	130	3.1	4110
Wright	7260	280	3.8	6980
Total	88800	3130	Avg. 3.4	85650

www.iowaworkforce.org

Iowa Communities and Unemployment Rate Differences 2002 YTD, May 2003, and 2003 YTD

The City of Mason City's 2002 YTD, May 2003, and 2003 YTD unemployment rate is less than most of the *significant* community averages for the state of Iowa. See below for details.

	2002	May 2003	2003 YTD
Ames	3.1	3.4	3.3
Ankeny	1.9	2.2	1.9
Bettendorf	3.1	3.4	2.9
Burlington	6.9	7.9	7.2
Cedar Falls	3.9	4.4	3.8
Cedar Rapids	3.6	5.4	4.6
Clinton	6.6	7.0	5.7
Council Bluffs	4.7	4.9	6.0
Davenport	5.1	5.7	4.9
Des Moines	4.5	5.3	4.6
Dubuque	4.2	5.5	3.7
Fort Dodge	4.2	5.4	4.5
Iowa City	3.2	3.4	3.7
Marion	3.0	3.4	2.9
Marshalltown	4.0	4.8	6.0
Mason City	3.7	4.0	3.4
Ottumwa	6.5	6.2	8.0
Sioux City	4.4	4.9	5.5
Urbandale	2.0	2.4	2.1
Waterloo	5.2	6.2	5.4
West Des Moines	2.5	3.1	2.6
Average	4.1	4.7	4.4

www.iowaworkforce.org

State of Iowa - Economic Statistics in Brief

Unemployment Claims

Unemployment Insurance Claims decreased from September 2002 (12,145) to September 2003 (10,527). However, the number of claims have increased when compared from the month of August 2003 to September 2003 by 1,217.

In the month of September, \$20,878,067 was paid out in unemployment insurance claims. This is an increase from September of 2002, which was \$20,157,777.33.

Employment Situation

The estimate of unemployed persons in the state in September 2003 increased to 74,000, compared to 69,700 in September 2002.

The unemployment rate for September 2003 increased to 4.6 percent, when compared to the 4.2 percent rate for September 2002. Furthermore, the number who are employed has decreased to 1,547,500 in September 2003 down from 1,607,400 September of 2002.

Quick Glance

	Period	Value
Motor Vehicle Sales	July 2002-2003	▲ 1.3%
Housing Permits	August 2002-2003	▲ 2.2%
Existing Home Sales	2nd Qtr. 2003	▲ 9.1%
Factory Jobs	August-September 2003	▼ -1200
Weekly Wage Growth	August-September 2003	▲ 7.0%
Exports of Goods	2nd Qtr. 2003	▲ 8.8%

Iowa Workforce Development News and Trends - Latest Available Statistics, September 2003

The Nation - Economic Statistics in Brief

Quick Glance

	Period	Value
Real GDP	Second Quarter 2003	▲ 3.3%
Unemployment Rate	September 2003	▲ 6.1%
Producer Price Index	September 2003	▲ 0.3%
Employment Cost Index	2nd Quarter 2003	▲ 0.9%
Productivity	2nd Quarter 2003	▲ 6.8 %
U.S Import Price Index	September 2003	▼ -0.5%

U.S. Department of Labor, Bureau of Labor Statistics and Bureau of Economic Analysis

Consumer Price Index for Nation and Region

According to the Bureau of Labor Statistics of the U.S. Department of Labor, the Consumer Price Index for All Urban Consumers (CPI-U) increased 0.3 percent in September, before seasonal adjustment, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The September level of 185.2 (1982-84=100) was 2.3 percent higher than in September 2002.

The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) rose 0.4 percent in September, prior to seasonal adjustment. The September level of 181.0 was 2.3 percent higher than in September 2002.

See tables below for details.

CPI's-For all Urban Consumers

	September 2003	August 2003	Percentage Change from September 2002
U.S. City Average	185.2	184.6	2.3
Midwest Urban	179.5	178.8	1.9
Size A - More than 1,500,000	182.0	181.2	1.8
Size B/C - 50,000 to 1,500,000	113.9	113.6	2.2
Size D - Nonmetropolitan (less than 50,000)	172.3	172.1	1.4
	September 2003	August 2003	Percentage Change from September 2002
All Items	185.2	184.6	2.3
Food and Beverages	181.3	180.9	2.5
Housing	185.8	186.1	2.4
Apparel	122.0	117.2	-2.1
Transportation	159.4	158.3	3.5
Medical Care	299.2	298.4	4.0
Recreation	107.7	107.7	1.4
Education and Communication	110.9	110.1	1.3
Other Goods and Services	299.9	299.6	1.0

CPI's-Urban Wage Earners and Clerical Workers

	September 2003	August 2003	Percentage Change from September 2002
U.S. City Average	181.0	180.3	2.3
Midwest Urban	174.6	174.1	1.7
Size A - More than 1,500,000	176.4	175.5	1.7
Size B/C - 50,000 to 1,500,000	113.2	113.0	1.9
Size D - Nonmetropolitan (less than 50,000)	170.0	169.8	1.3
	September 2003	August 2003	Percentage Change from September 2002
All Items	181.0	180.3	2.3
Food and Beverages	180.7	180.2	2.6
Housing	181.6	181.6	2.6
Apparel	121.0	116.1	-2.0
Transportation	158.1	157.1	3.3
Medical Care	298.3	297.4	4.0
Recreation	105.5	105.7	1.1
Education and Communication	109.7	109.1	0.5
Other Goods and Services	307.9	308.0	0.0

Building Permits for the City of Mason City

Important Note From the Building Inspections Division

It is important to note the number for commercial and industrial buildings may be skewed, since a building permit may be issued for a particular project one month (Phase I), but finished in the next month (Phase II) with additional modifications and permit. In other words, numbers for commercial and industrial buildings may have been double counted.

The tables below display the Number of New Building Permits and Valuations of New Building Permits for single-family dwellings, commercial, and industrial buildings for the month of September and a brief historical analysis.

Number of New Building Permits

	New Dwellings, Single Family	New Commercial Buildings	New Industrial Buildings
YTD Fiscal Year	19	6	0
June 2000	42	17	4
June 1995	47	16	1
June 1990	47	7	3

Fiscal Year (July 2003—June 2004)

City of Mason City's Building Inspection Division - September 2003 (Latest Data Available)

Valuation of New Building Permits

	New Dwellings, Single Family	New Commercial Buildings	New Industrial Buildings
Valuation for September-2003	\$847,223.00	\$0.00	\$0.00
YTD Fiscal Year	\$3,250,751.00	\$1,338,891.29	\$0.00
June 2000	\$6,821,088.00	\$11,061,600.80	\$1,438,336.00
June 1995	\$4,037,229.76	\$2,392,226.00	\$1,100,000.00
June 1990	\$3,331,523.00	\$10,198,036.00	\$360,554.00

Fiscal Year (July 2003—June 2004)

City of Mason City's Building Inspection Division - September 2003 (Latest Data Available)

Workforce Characteristics (cont.)

As for *significant* communities around the State of Iowa, Mason City's unemployment rate is comparable to Iowa's rate of 4 percent in September. Cities such as Burlington, Clinton, Ottumwa, and Waterloo, however, are higher than the state by as much as 2.3 percent in Waterloo and Ottumwa to 2.4 percent in Clinton and Burlington to 2.2 percent. Ames, Ankeny, Bettendorf, Iowa City, Marion, Urbandale, and West Des Moines are all below 4.3 percent. In fact, Ankeny and Urbandale have the lowest unemployment rates in the state with a 1.9 percent and 2.1 percent respectively.

Among the list of *significant* communities (see page 2 for matrix) within the state, all communities average a 4.7 unemployment rate as of September 2003. That is a 0.3 percent increase when compared to 2002 Year to Date statistics of 4.1 percent average.

► **Municipal Airport Traffic**

Commercial Air Fare Comparison

		Sioux City	Fort Dodge	Omaha	Des Moines	Minneapolis	Mason City	Waterloo	Cedar Rapids	Dubuque
Atlanta ATL	Leisure	212	193	212	193	150	193	197	197	242
	Business	782	560	448	410	150	520	924	924	334
	Walk-Up	1,254	1,108	1,138	708	444	1,108	1,228	1,228	524
Chicago/O'hare ORD	Leisure	226	198	98	176	156	208	177	162	193
	Business	466	198	206	178	156	208	528	168	198
	Walk-Up	650	198	660	178	156	208	704	168	198
Dallas/Fort Worth DFW	Leisure	228	222	217	211	214	222	200	200	240
	Business	952	787	217	262	218	787	750	211	240
	Walk-Up	1,266	842	262	262	233	842	1,190	211	240
Denver DEN	Leisure	273	289	150	141	178	289	263	263	272
	Business	378	394	158	141	178	394	480	277	438
	Walk-Up	650	714	178	141	262	714	788	277	748
Las Vegas LAS	Leisure	272	256	218	246	218	248	277	277	268
	Business	312	256	218	246	218	256	277	277	268
	Walk-Up	1,382	256	238	256	218	256	1,094	278	268
Los Angeles LAX	Leisure	289	294	238	241	218	268	268	268	268
	Business	554	294	238	241	218	268	268	268	268
	Walk-Up	1,078	608	238	268	248	548	328	268	268
New York City LGA	Leisure	254	258	229	232	218	258	218	218	256
	Business	556	258	412	232	218	258	218	218	256
	Walk-Up	1,002	258	547	232	282	258	218	218	256
Orlando MCO	Leisure	276	217	235	217	168	217	224	224	270
	Business	725	217	235	217	168	217	224	224	270
	Walk-Up	1,596	217	538	217	238	217	358	224	270
Phoenix PHX	Leisure	267	274	178	238	238	274	268	268	248
	Business	830	274	178	238	238	274	268	268	248
	Walk-Up	1,650	738	238	238	282	668	318	268	248
San Francisco SFO	Leisure	283	268	278	268	218	268	268	268	298
	Business	708	268	278	268	218	268	268	268	298
	Walk-Up	1,078	268	278	268	248	268	268	268	298
Seattle SEA	Leisure	338	238	198	238	228	238	268	268	288
	Business	656	238	198	238	228	238	268	268	288
	Walk-Up	1,060	608	232	238	228	608	318	268	288
Washington DCA	Leisure	228	208	228	178	218	178	208	208	238
	Business	522	208	340	178	218	208	208	208	238
	Walk-Up	950	208	547	178	268	208	208	208	238
Average	Leisure	262	243	207	215	202	238	236	235	260
	Business	620	329	261	237	202	325	390	298	282
	Walk-Up	1,135	502	425	265	259	492	587	324	324

Municipal Airport Traffic
(Enplaned/Deplaned)

According to the 2003 Passenger Activity - Northwest Airlink Report from Pam Osgood, Interim Airport Manager of the Mason City Municipal Airport, passenger traffic and cargo activity is slightly down (1.12%) from last year at this time.

As of YTD 2003 (through September) the total number of passengers (enplaned and deplaned) is 20,509. As of September 2003 the total number of passengers (enplaned and deplaned) is 1,266 compared to a year ago which was 1,138. This would show an increase of 11.24 percent.

In the month of September 2003 statistics show 1,266 passengers enplaned and 1,227 passengers deplaned.

Contact Information



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For additional labor statistics; existing industrial analysis reports; available property and building listings; and PDF files of the ToDate Newsletter, this and previous Quarterly Economic Report editions, visit the MCEDC online at www.masoncityedc.com.

Sources of Information:

- American Chamber of Commerce Researchers Association
- Bureau of Labor Statistics of the U.S. Department of Labor
- City of Mason City's Inspection Services Division
- Iowa Department of Transportation—Office of Aviation
- Iowa Workforce Development
- Mason City Convention and Visitor's Bureau
- Mason City Municipal Airport
- NASDAQ
- U.S. Census Bureau