



Center for Economic & Community Development

The Center for Economic and Community Development at Rogers State University publishes quarterly reports of economic indicators for Claremore and the surrounding region. The Center is an affiliate agency with the Oklahoma Department of Commerce's State Data Center Program and provides economic and demographic data. Available resources include a computer center with high-speed Internet access, a library of electronic and printed materials, and on-site professional staff. The Center was established in 2002 to promote the region's economic development by utilizing the University's resources in partnership with local business, industry, and entrepreneurs. The professional staff at the Center provides assistance with business plans, financial planning, management, marketing, production, and workforce training. Most services are provided free of charge. For more information, call (918) 343-7533.

Population Estimates

Table 1: Population Estimates, 2000 - 2002

Location	2000 Census	2002 Estimate	% Change
U.S.	281,421,906	288,368,700	2.5%
Oklahoma	3,450,654	3,493,700	1.3%
Rogers Co.	70,641	75,600	7.0%
Catoosa	5,460	5,800	6.2%
Chelsea	2,136	2,210	3.5%
Claremore	15,870	16,580	4.5%
Inola	1,589	1,660	4.7%
Oologah	883	970	9.6%
Mayes Co.	38,369	38,900	1.3%
Chouteau	1,931	1,950	0.8%
Locus Grove	1,412	1,410	0.0%
Pryor Creek	8,833	9,120	3.2%
Salina	1,422	1,430	0.7%
Nowata Co.	10,569	10,700	1.7%
Nowata	3,971	4,010	1.0%
Washington Co.	48,996	49,200	0.4%
Bartlesville	34,748	34,770	0.1%
Dewey	3,179	3,170	-0.4%

Source: US Census Bureau

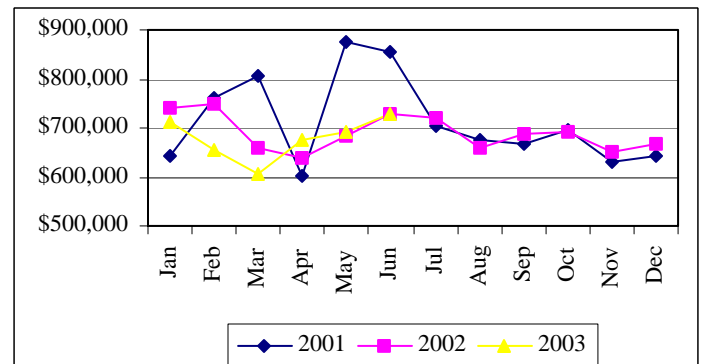
The Population Estimates Branch of the Census Bureau has just released the 2002 estimates for the population of counties and cities. Table 1 shows that

the population of Oklahoma grew at 1.3 percent between 2000 and 2002 compared to 2.5 percent for the national rate. In contrast, Rogers County continues to grow more rapidly than either the state or the nation. All of the cities in Rogers County grew by 3.5 to 9.6 percent. Most of the cities in the remaining counties grew at rates slower than the national average with the exception of Pryor Creek. The rapid growth of population appears to be limited to places near Tulsa.

Sales Tax Collections

Retail sales tax collections measure consumer spending in the local economy. They indicate short-run cyclical fluctuations and long-run trends. Seasonal factors explain a large part of the short-run while economic growth and levels of taxation explain the long-run. Figure 1 indicates a reoccurring cyclical upturn during the second quarters of the previous three years. While consumer spending increased in the second quarter of 2003, the levels of spending are almost identical to those observed during the second quarter of 2002.

Figure 1: Sales Tax Collections – Claremore



Source: City of Claremore

Taking a longer view, fiscal year to date sales tax collections (see Table 2) are slightly less than in the previous year. The sales tax collection for the 2003 fiscal year starting July 1, 2002 and ending June 30, 2003 fell 0.8 percent when compared to the previous fiscal year.

Table 2: Sales Tax Collections – Claremore

	2002	2003	% Change
Fiscal YTD	\$8,211,199	\$8,141,669	-0.80%

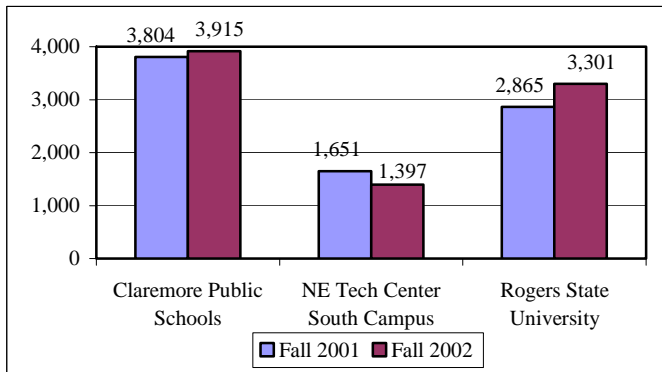
Source: City of Claremore

Improving employment levels are not yet producing increased consumer spending in the local economy. Relatively high sales tax rates may have the effect of slowing consumer spending in the short-run and in constraining the rate of business expansion in the longer-run.

Education

Educational enrollment data is provided in Figure 2. Over the time periods indicated, Claremore public schools and Rogers State University indicate upward trends in enrollment. Increases in enrollment at Rogers State University and associated student spending are expected to significantly enhance the local economy. Enrollment growth results in larger educational institutions, increased capital expenditures and operating budgets, additional employment, and increased economic activity in the local community.

Figure 2: Educational Enrollment



Source: CPS, RSU, and NTC

During periods of high unemployment, workers frequently return to higher educational institutions to improve their skills. Given the current rates of unemployment, enrollment increases for the Fall 2003 semester should be expected.

Real Estate Sales

Table 3: Real Estate Sales

		Properties Sold		Total Sales \$	
		Claremore	Rogers Co.*	Claremore	Rogers Co.*
Quarter 1	2002	51	170	\$5,603,321	\$21,115,940
	2003	61	145	\$5,692,450	\$16,780,776
Quarter 2	2002	57	201	\$5,126,285	\$22,851,892
	2003	62	206	\$7,504,426	\$25,099,242

*Includes Claremore Source: Rogers County Real Estate Association

Compared to the first quarter of 2003, the second quarter value of real estate sales in Claremore and Rogers County indicates substantial improvement. The level of improvement is much less significant when compared with the second quarter of the previous year. Lower interest rates and improving levels of employment explain the quarter-to-quarter improvement during 2003.

Lodging Tax Collections

Tourism expenditures are an important part of the Claremore economy. Total dollar expenditure on tourism has a partial or "first-round" economic impact because dollars spent by tourists become income (as wages and profits) and a large part of that income becomes subsequent expenditures. An initial dollar spent on tourism may circulate an average of two or three times through the local economy. Thus, tourism expenditures have a multiplicative impact on the economy. Income that is not spent or that is spent outside the community will stop this iterative process.

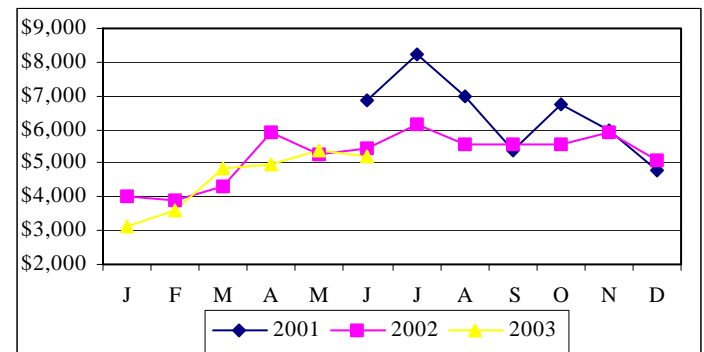
Figure 3 indicates that tax collections for lodging have increased in the second quarter of 2003 relative to the first quarter. However, tax collections for the fiscal year beginning July 1, 2002 and ending June 30, 2003 are down by 9 percent when compared to the prior year as shown in Table 4.

Table 4: Tourism Economic Impact – Claremore

	2002	2003	% Change
Lodging Tax Collections YTD	\$67,009	\$60,928	-9.10%

Source: City of Claremore

Figure 3: Lodging Tax Collections



*Collections began June 2001 Source: City of Claremore

Tourism dropped significantly in September, 2001, and has not yet recovered to the level experienced prior to the September 11, 2001 terrorist acts.

Electric & Water Meters

Changes in the number of electric and water meters within a given area are indicators of new demand for services. Frequently, the new demand is attributed to new construction although meters may also increase

due to an expansion of services to existing buildings. Table 5 indicates an increase of electric and water meters from the second quarter of 2002 to the second quarter of 2003. The growth in meters over the last year is approximately 5 percent with the exception for water meters to commercial establishments located outside the city, which increased by almost 14 percent.

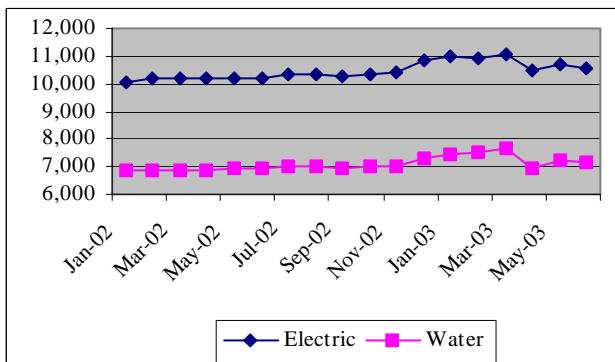
Table 5: Residential & Commercial – Electric & Water Meters – Claremore

Quarter 2 – Monthly Average								
City Limits	Electric Meters				Water Meters			
	2002		2003		2002		2003	
	Res.	Com.	Res.	Com.	Res.	Com.	Res.	Com.
Inside	7,057	1,083	7,467	1,139	5,960	799	6,260	909
Outside	1,898	146	2,026	160	118	14	130	19

Source: City of Claremore

In Figure 4 below, data indicate small decreases in the number of electric and water meters during April, May, and June of 2003. The number of meters was relatively constant until November 2002, when the number began to rise reaching a peak in March 2003.

Figure 4: Electric Meters & Water Meters



Source: City of Claremore

Building Permits

Table 6: Total Value of Permits

Type	Total Value			
	2002 - Quarter 2		2003 - Quarter 2	
	Claremore	Rogers Co.	Claremore	Rogers Co.
Res	\$3,100,911	\$14,661,535	\$1,782,790	\$11,299,405
Com	\$2,450,450	\$1,150,000	\$5,336,000	\$468,014
Ind	\$0	\$300,000	\$355,000	\$520,000

Source: Claremore Planning Commission & Rogers County Planning Commission

The comparison of economic indicators in Tables 6 and 7 reveals a mixed picture of the local economy. The value of building permits in the second quarter of 2003 doubled for commercial applications in Claremore and in industrial applications throughout the county.

However, Table 7 shows residential permits in Claremore and Rogers County decreased notably from the second quarter of 2002 to the second quarter in 2003.

Comparisons between these periods in Table 7 indicate decreases in the number of residential building permits corresponding to the decreases in permit values. For Claremore, the number of commercial permits decreases but industrial permits increased. The number of commercial permits, however, was not consistent with the values of the permits. While the number of commercial permits declined in Claremore, the value of the permits doubled, probably indicating the construction of one or more large commercial projects. In contrast, the number of commercial permits in Rogers County increased slightly while the value of permits decreased by half. In Rogers County, the number of industrial and commercial permits remained about the same. Although there are signs of improvement with some construction indicators, the improvement is not uniform

Table 7: Total Number of Permits

Type	Total Number			
	2002 - Quarter 2		2003 - Quarter 2	
	Claremore	Rogers Co.	Claremore	Rogers Co.
Res	46	190	33	148
Com	18	5	7	6
Ind	0	1	3	1

Source: Claremore Planning Commission & Rogers County Planning Commission

Labor Market

Table 8 indicates increasing levels of employment during the second quarter of 2003. After minimal growth in jobs during the first quarter, the economy grew by approximately 2,500 jobs in Rogers County during the second quarter. All four of the counties shown here experienced some job growth in the second quarter. As the labor market improves, additional job seekers enter the labor market thereby increasing the number of unemployed. Thus, Figure 5 (Second Quarter Unemployment Rates) indicates an upward trend in unemployment rates for all areas during this same period of job growth. Unemployment rates are a lagging indicator of economic conditions. Once they begin to decline, the economic expansion indicated by increasing employment will be confirmed.

As illustrated in Figure 6, unemployment in Nowata has risen consistently in 2003 while unemployment in Rogers County began to rise in the second quarter after

falling slightly in the first quarter. Beginning in January 2002, Mayes County has had the highest unemployment rate among the four counties. The unemployment

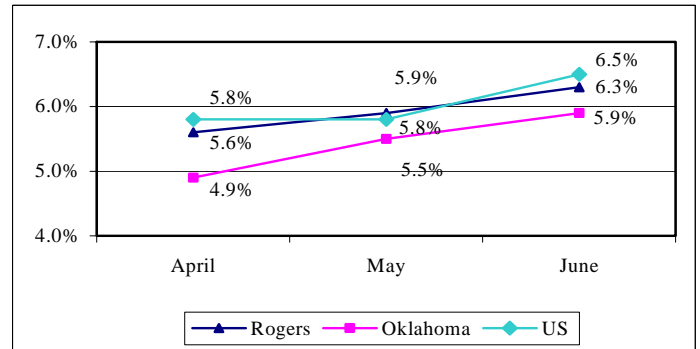
rate for Nowata and Mayes Counties exceed local, state, and national levels.

Table 8: Labor Market Information

Area	Number Employed		
	April 2003	May 2003	June 2003
Rogers	35,340	37,326	37,984
Nowata	3,450	4,011	4,001
Washington	17,240	20,202	20,487
Mayes	13,520	15,728	15,650
Oklahoma	1,613,400	1,704,066	1,718,852
USA	137,424,000	142,253,000	143,669,000

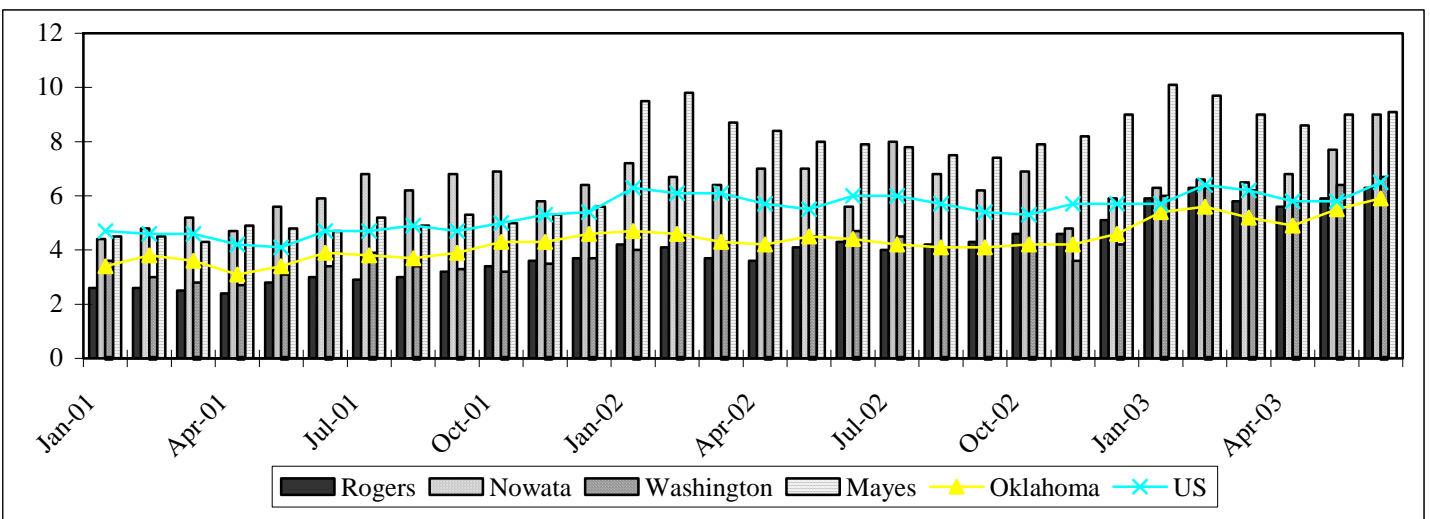
Source: Oklahoma Employment Security Commission & The Department of Labor, The Bureau of Labor Statistics

Figure 5: Second Quarter Unemployment Rates



Source: Oklahoma Employment Security Commission & The Department of Labor, The Bureau of Labor Statistics

Figure 6: Unemployment Rates



Source: Oklahoma Employment Security Commission & The Department of Labor, The Bureau of Labor Statistics

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Center for Economic & Community Development
1701 W. Will Rogers Blvd.
Claremore, OK 74017

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