

ECONOMIC FORECAST

2017

CEO

FOR CENTERSTATE NEW YORK



CenterState CEO is pleased to present its 2017 Economic Forecast Report for CenterState New York. The Economic Forecast Report is a source of strategic insight on regional, state and national economic trends. This robust report is developed annually with the input and expertise collected from CenterState CEO members through detailed surveys and moderated focus sessions with support from Research & Marketing Strategies, Inc. (RMS), a third-party market research firm. It also includes data from Manpower, Inc. on industry, occupation, employment, and earnings expectations through 2020. Collectively this information provides a unique tool you can use throughout the year as a source of strategic information across industries.

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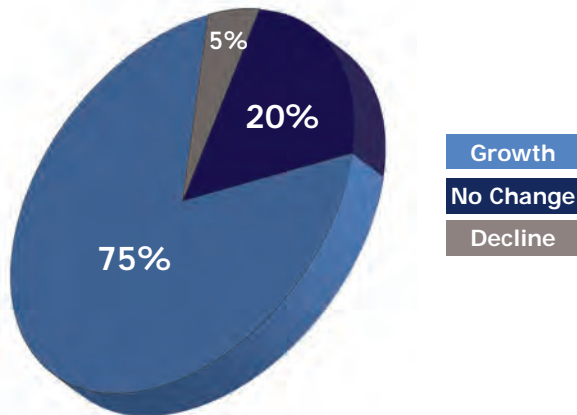
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Participants were asked to describe the Central New York Economy in one word or phrase.

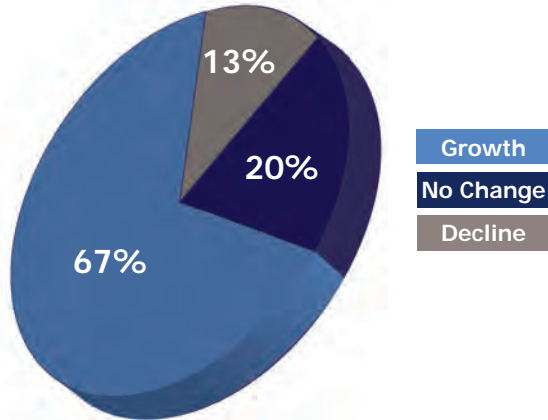


2016 Perspective

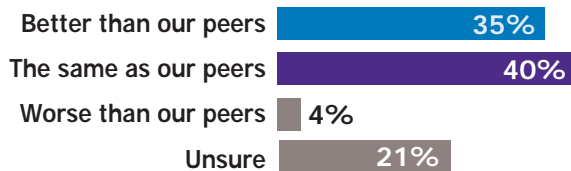
What were your business projections for 2016?



How did your business actually fare in 2016?



Compared to your industry sector peers in 2016, how is your business performing?



2016 Trends & Pressures

What were the major trends and/or pressures that dominated your industry sector this year?

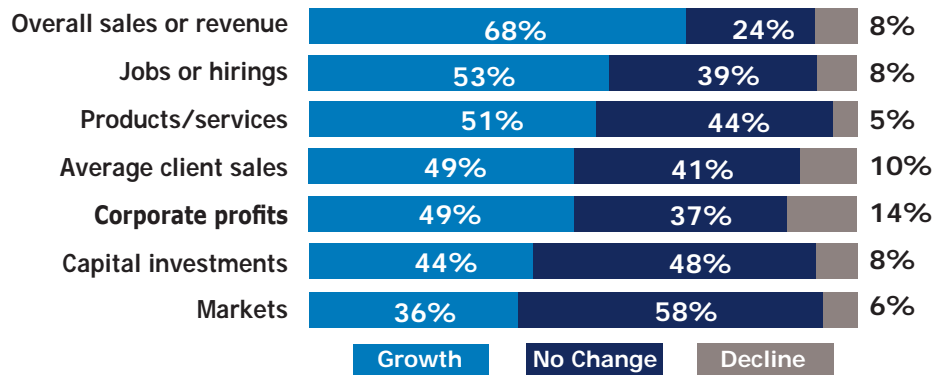
Major Trends/Pressures



Note: Respondents each selected multiple trends and/or pressures.

2017 Outlook

What are your projections for 2017?



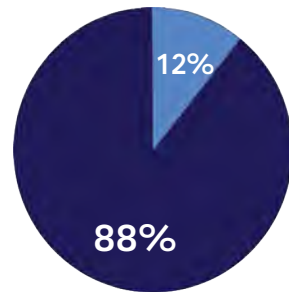
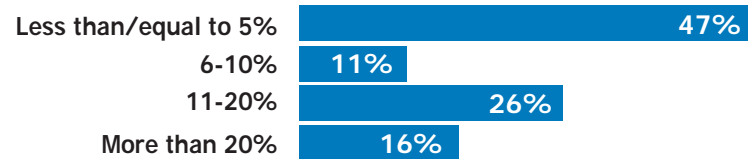
2017 Environmental Factors

To what extent do you expect the following environmental factors will impact your company/business in 2017?

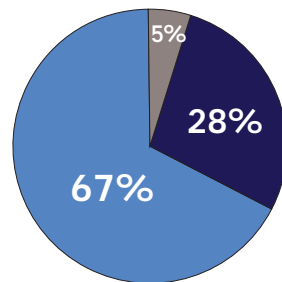
	No Extent	Modest	Significant Impact		
	1	2	3	4	5
Governmental policies and structures - existing laws, government procedures, or the current political environment.	6%	7%	21%	26%	40%
Workforce and talent - the ability to attract and retain the right people in the right positions, and/or invest in and develop the skills of the existing workforce.	8%	8%	25%	31%	28%
Demographic factors - the characteristics of the community such as age, gender, racial and ethnic diversity, marital status, family size, etc.	21%	19%	28%	20%	12%
Competition - the number of similar competitive product/service brands available.	9%	13%	35%	26%	17%
Innovation and technological changes - innovations within an industry and the advancement of technology as it applies to business operations.	8%	17%	36%	27%	12%
Social and cultural forces - the structure and dynamics of behaviors, beliefs, lifestyles, etc.	18%	15%	34%	23%	10%
Transportation and logistics - the ability to effectively and efficiently move people and goods to markets, locally, domestically, and abroad.	38%	23%	19%	14%	6%
Natural forces/resources - the physical environment, and access and availability of natural resources.	51%	22%	17%	8%	2%

Exporters were asked for feedback on their exporting experiences and export trends they see within their industry.

What percentage of your business is currently in exports?



Do you currently export a product or service?



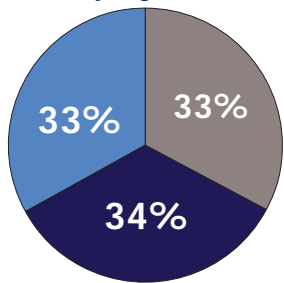
How do you expect your export business will fare in 2017?



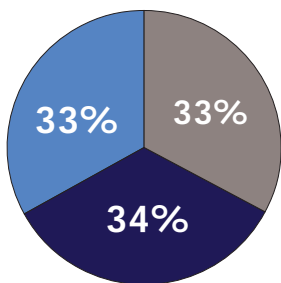
Agribusiness

2016 Year in Review

What were your 2016 projections?



How did your business fare?



Top Pressures/Trends

- Regulatory requirements/changes
- Stagnant/declining markets
- Employee benefits and costs
- Domestic competition
- Developing new products/services/markets
- Materials/supplies/equipment

2017 Outlook

- Jobs or Hirings ◀▶
- Capital Investments ▼
- Overall Sales or Revenue ▲
- Average Client Sales ◀▶
- Corporate Profits ▲
- Products/Services ▲
- Markets ▲



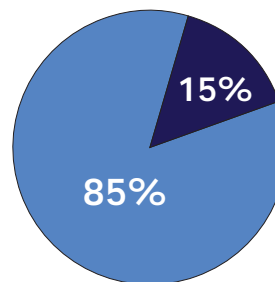
2017 Outlook

- Jobs or Hirings ▲
- Capital Investments ◀▶
- Overall Sales or Revenue ▲
- Average Client Sales ▲
- Corporate Profits ▲
- Products/Services ▲
- Markets ◀▶

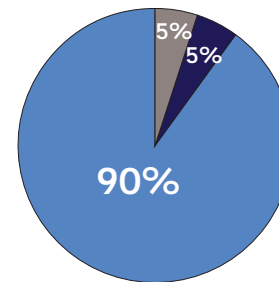
Banking, Finance, & Insurance

2016 Year in Review

What were your 2016 projections?



How did your business fare?



Top Pressures/Trends

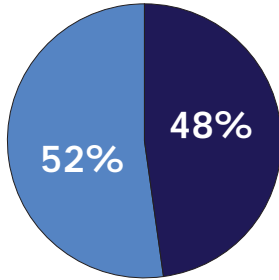
- Regulatory requirements/changes
- Domestic economic conditions
- Employee benefits and costs
- Keeping pace with evolving technologies

Forecasters' Industry Outlook

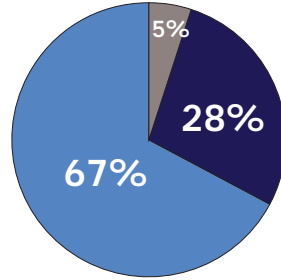
Construction & Real Estate

2016 Year in Review

What were your 2016 projections?



How did your business fare?



Top Pressures/Trends

- Regulatory requirements/changes
- Domestic economic conditions
- Stagnant/declining markets
- Availability of skilled personnel/workforce development

2017 Outlook

- Jobs or Hirings ◀
- Capital Investments ◀
- Overall Sales or Revenue ▲
- Average Client Sales ◀
- Corporate Profits ◀
- Products/Services ◀
- Markets ◀



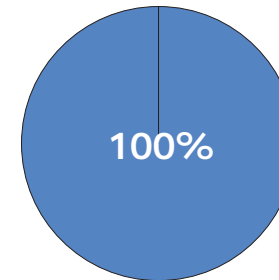
2017 Outlook

- Jobs or Hirings ▲
- Capital Investments ▼
- Overall Sales or Revenue ▲
- Average Client Sales ▲
- Corporate Profits ◀
- Products/Services ◀
- Markets ◀

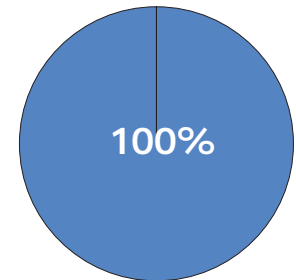
Energy or Environmental Systems/Services

2016 Year in Review

What were your 2016 projections?



How did your business fare?



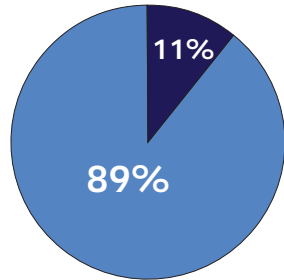
Top Pressures/Trends

- Domestic economic conditions
- Domestic competition
- Regulatory requirements/changes
- Stagnant/declining markets
- Developing new products/services/markets
- Keeping pace with evolving technologies

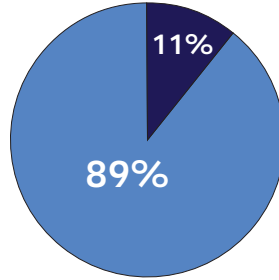
Government & Economic Development

2016 Year in Review

What were your 2016 projections?



How did your business fare?



Top Pressures/Trends

- Employee benefits and costs
- Domestic economic conditions
- Organizational realignment

2017 Outlook

- Jobs or Hirings ◀
- Capital Investments ▲
- Overall Sales or Revenue ▲
- Average Client Sales ◀
- Corporate Profits ◀
- Products/Services ◀
- Markets ▲



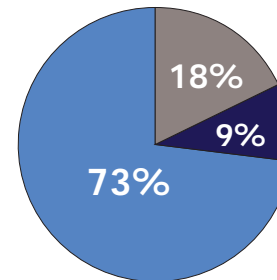
2017 Outlook

- Jobs or Hirings ◀
- Capital Investments ▲
- Overall Sales or Revenue ▲
- Average Client Sales ◀
- Corporate Profits ◀
- Products/Services ▲
- Markets ◀

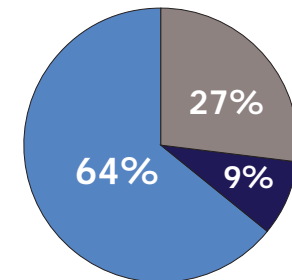
Health Care

2016 Year in Review

What were your 2016 projections?



How did your business fare?



Top Pressures/Trends

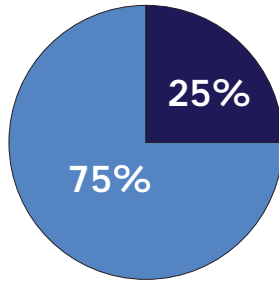
- Availability of skilled personnel/workforce development
- Regulatory requirements/changes
- Employee benefits and costs

Forecasters' Industry Outlook

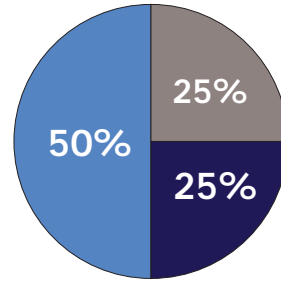
Higher Education

2016 Year in Review

What were your 2016 projections?



How did your business fare?



Top Pressures/Trends

- Keeping pace with evolving technologies
- Regulatory requirements/changes
- Stagnant/declining markets
- Availability of skilled personnel/workforce development
- Developing new products/services/markets
- Changing customer preferences

2017 Outlook

- Jobs or Hirings ◀
- Capital Investments ◀
- Overall Sales or Revenue ◀
- Average Client Sales ◀
- Corporate Profits ◀
- Products/Services ▲
- Markets ◀



Credit: Syracuse University



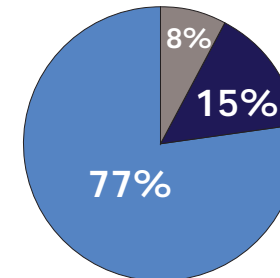
2017 Outlook

- Jobs or Hirings ▲
- Capital Investments ◀
- Overall Sales or Revenue ▲
- Average Client Sales ◀
- Corporate Profits ▲
- Products/Services ▲
- Markets ◀

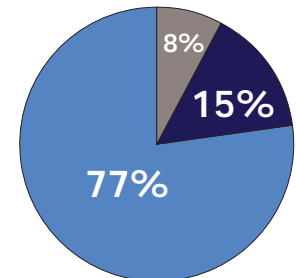
Human Services & Not-For-Profit

2016 Year in Review

What were your 2016 projections?



How did your business fare?



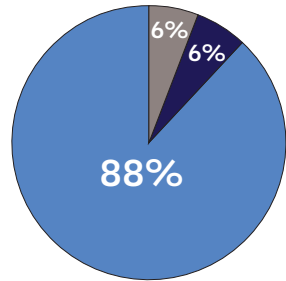
Top Pressures/Trends

- Employee benefits and costs
- Keeping pace with evolving technologies
- Organizational realignment

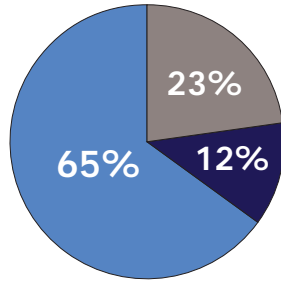
Manufacturing

2016 Year in Review

What were your 2016 projections?



How did your business fare?



Top Pressures/Trends

- Employee benefits and costs
- Stagnant/declining markets
- Availability of skilled personnel/workforce development

2017 Outlook

- Jobs or Hirings ▲
- Capital Investments ▲
- Overall Sales or Revenue ▲
- Average Client Sales ▲
- Corporate Profits ▲
- Products/Services ▲
- Markets ▲



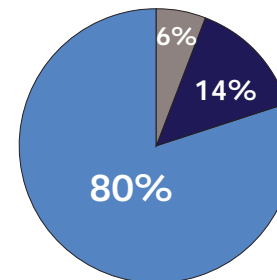
2017 Outlook

- Jobs or Hirings ▲
- Capital Investments ◀▶
- Overall Sales or Revenue ▲
- Average Client Sales ▲
- Corporate Profits ▲
- Products/Services ▲
- Markets ◀▶

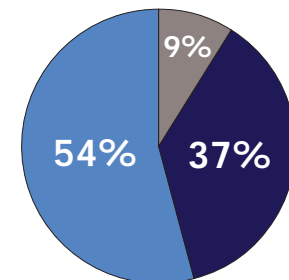
Small Business & Professional Services

2016 Year in Review

What were your 2016 projections?



How did your business fare?



Top Pressures/Trends

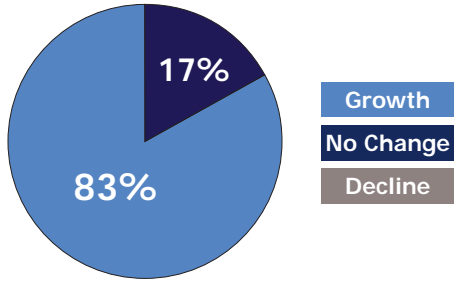
- Employee benefits and costs
- Keeping pace with evolving technologies
- Availability of skilled personnel/workforce development
- Developing new products/services/markets

Forecasters' Industry Outlook

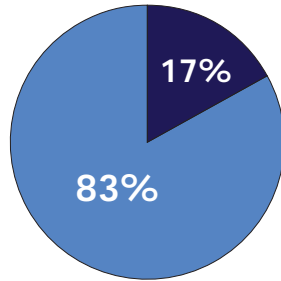
Retail

2016 Year in Review

What were your 2016 projections?



How did your business fare?



Top Pressures/Trends

- Changing customer preferences
- Domestic economic conditions
- Employee benefits and costs
- Availability of skilled personnel/workforce development

2017 Outlook

- Jobs or Hirings ▲
- Capital Investments ▲
- Overall Sales or Revenue ▲
- Average Client Sales ▲
- Corporate Profits ▲
- Products/Services ▲
- Markets ◀▶



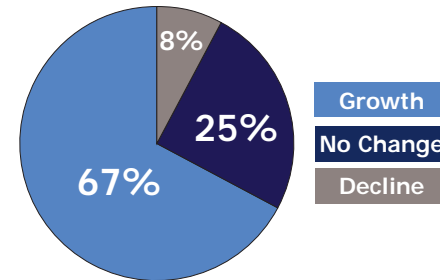
2017 Outlook

- Jobs or Hirings ▲
- Capital Investments ▲
- Overall Sales or Revenue ▲
- Average Client Sales ▲
- Corporate Profits ▲
- Products/Services ▲
- Markets ◀▶

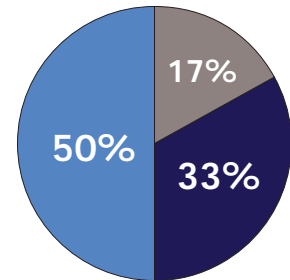
Technology, Utilities & Telecommunications

2016 Year in Review

What were your 2016 projections?



How did your business fare?



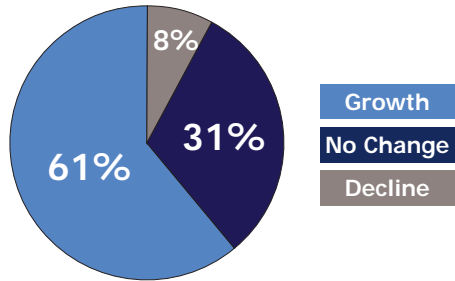
Top Pressures/Trends

- Availability of skilled personnel/workforce development
- Developing new products/services/markets
- Regulatory requirements/changes
- Employee benefits and costs

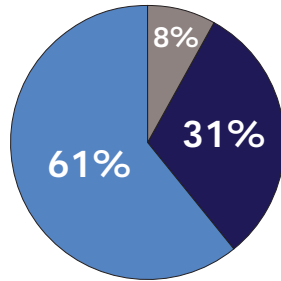
Tourism & The Arts

2016 Year in Review

What were your 2016 projections?



How did your business fare?



Top Pressures/Trends

- Changing customer preferences
- Domestic competition
- Stagnant/declining markets
- Employee benefits and costs
- Developing new products/services/markets

2017 Outlook

- Jobs or Hirings ◀
- Capital Investments ▲
- Overall Sales or Revenue ▲
- Average Client Sales ◀
- Corporate Profits ▲
- Products/Services ▲
- Markets ◀



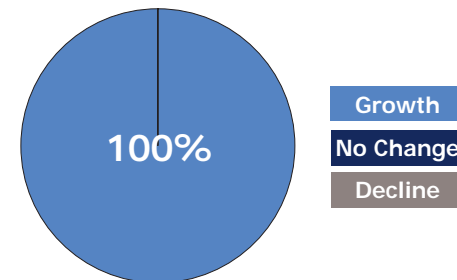
2017 Outlook

- Jobs or Hirings ▲
- Capital Investments ◀
- Overall Sales or Revenue ▲
- Average Client Sales ◀
- Corporate Profits ◀
- Products/Services ◀
- Markets ◀

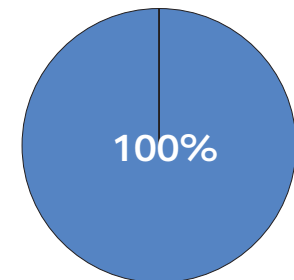
Transportation

2016 Year in Review

What were your 2016 projections?



How did your business fare?



Top Pressures/Trends

- Regulatory requirements/changes
- Stagnant/declining markets
- Employee benefits and costs



"We will invest significantly in training of our workforce to keep up with changing manufacturing technologies."

"Technology is a key factor for growth, it is necessary for better efficiencies and data analysis."

"New technology and mediums like social media help expand awareness of our services; digital marketing changes every day and we need to evolve with it to stay relevant."

Innovation & Technology

- Organizations stressed the importance of staying on top of new technology to compete in the market place. Failure to adopt technology results in a competitive disadvantage.
- Most organizations have added a new product and/or service as a result of new technology. However, in many cases, these new offerings don't always replace old products/services, thereby requiring management of more products and/or services.
- Many organizations hoped that technology would lower costs; however some report that any cost savings are offset by the additional costs of ongoing employee training and/or technology purchase/maintenance.
- With the growing use of technology and cloud storage, data security is becoming more of a concern.
- There was an overall belief that new technology is creating opportunities for organizations to improve customer experience.
- Technology has increased exposure for many small businesses, opening up new and broader marketplaces and allowing them to grow.
- Organizations feel that more needs to be done by the government to attract venture capitalists and business investments in the area.



Credit: CNY Biotech Accelerator (Virtual Autopsy Table)

"Our business is based on knowledge from skilled workers. The lack of skilled workers will slow growth."

"If we have a trained workforce in CNY, then companies will relocate and expand here."

"Finding talented staff to fill positions has become a challenge."

Workforce & Talent

- Organizations indicated that skilled employees are the most significant asset for a business, yet the availability of skilled personnel is a main concern.
- There is concern from organizations about the availability of all types of workers, from entry-level to highly skilled.
- Organizations continue to face difficulty recruiting skilled workers in the current marketplace, which can hinder growth; some businesses are unable to take on additional work available to them.
- There is a perception that the pool of skilled trade personnel is shrinking in the area.
- While organizations are often able to fill entry level positions, there is a concern that those workers will then move out of the area after gaining experience and becoming more qualified.
- A lack of qualified workers results in increased overtime expenses, as well as higher stress and fatigue among workers.
- Maintaining a talented workforce within Central New York will encourage local businesses to grow, as well as attract outside businesses to the region. Organizations feel that more work can be done to ensure talented workers stay in Central New York.
- Some participants discussed collaborative initiatives with area colleges for particular workforce skills, however they indicated there may be additional opportunities for the region's colleges to develop programs around the needs of the local workforce.



Market Conditions & Business Climate

New Products/Services

- Organizations have prioritized the development of new products and services in order to sustain business growth.
- New offerings will allow organizations to differentiate themselves from competition.
- Many organizations reported finding drone applications relevant to their business.
- The shift in health care services to have a stronger focus on quality and patient-centric care is presenting an opportunity for several organizations and industry segments.

Collaboration, Re-alignment and Consolidation Opportunities

- Business leaders stressed that organizations need to take initiative to find collaboration opportunities and can't wait to be approached.
- Organizations indicated that more collaboration within the local economy could reduce competition in some cases, allowing businesses to benefit.
- While state mandated collaboration can be a burden for some organizations, it ultimately forces organizations to work together to improve.
- Some participants' collaborative efforts ultimately improved the customer's end product (e.g. design/build construction and creative print collateral production).
- Some organizations regularly conduct organizational realignment to ensure business efficiency.

"Value added services are necessary to maintain client relationships and challenge staff to develop both personally and professionally. The more services we can provide, the more profitable we will become."

"The technology industry is changing more rapidly than ever before. New product development is critical to staying relevant."





"Growth in health care, manufacturing, and service industries will spur new business opportunities."

"When the economy thrives, there is more opportunity; companies are willing to invest."

"Here in Central New York 'slow and steady' is the mantra. Our 'highs' are never too high nor are our 'lows' ever too low."

Regional Economy

- In general, organizations have a positive outlook on the future of the Central New York economy.
- Local leaders noted the variety of large business and industries that have left the area over the past few decades, and stressed the importance of ensuring that current businesses and industries remain viable in Central New York.
- High energy costs may prevent some businesses from investing in the region.
- Organizations noted the impact that job availability has on the local economy, and that the stability of the job market increases consumer confidence and spending.
- Participants acknowledged that most do not know how to "sell Central New York," and suggested that more could be done to present the local economy and our readily available natural resources in a positive light.

Poverty

- All recognized that the Central New York region has a significant issue with regard to poverty.
- Many feel businesses have a responsibility to play a role in finding a solution.
- Participants spoke of the need for businesses to make a concerted effort to hire the disadvantaged and provide flexibility around the additional challenges poverty creates for individuals (e.g. transportation, education, and childcare).

Competition

- Organizations feel that competition continues to grow in the market, resulting in a negative impact on profit margins.
- With many companies switching and/or augmenting a bricks and mortar presence to one that is internet-based, competition is now coming in different forms from all over the world.
- The internet has increased costs and competitors for many, yet has brought new opportunities as well.



"Our cost for benefits as a whole is staggering for a small business. We try to offer employees competitive packages to compete with larger employers, and the cost to us is way too expensive."

"Pay increases provided by employers are negated by the cost of health and dental insurance."

Employee Benefits

- Organizations continue to report that annual, double-digit percentage increases in employee benefit costs, particularly health insurance, has a negative impact on their business.
- Increased health insurance costs are difficult to keep up with, resulting in costs being passed along to employees, and creating a negative impact on businesses' ability to attract and retain employees.
- Small businesses indicated that it is difficult to attract skilled individuals due to the cost of benefits that prospective employees anticipate. These businesses have trouble competing with the benefits offered by larger companies.



Government Policy & Regulatory Issues

Political Landscape

- While there is concern and feelings of uncertainty about the Presidential transition, some expressed hopeful optimism from some that the new administration will create a more positive environment for businesses.
- Organizations feel that Regional Council grants to Central New York will have a positive impact on the economy in serving as catalysts for growth.
- The cooperation of local governments was a concern for some organizations. Many feel that city, county, and state governments can do a better job of collaborating and “leading by example.”
- Several noted that the government sector in Central New York does not work together and shows a dysfunctional attitude toward collaboration.
- Some felt the tax burden in New York State prevents companies and individuals from investing in the area.

Regulatory Requirements/Changes

- Most organizations feel the growing number of regulations has a negative impact on area businesses.
- Regulation compliance results in an increase in ongoing employee training and general labor costs.
- In some instances, government regulation creates business opportunities for organizations that support other businesses.
- Particular reference was made to the salaried overtime requirement as being an added burden to local employers. Organizations expressed concern that the new overtime rule would have a negative impact on employers and feel the salary threshold to receive overtime is too high.
- There is significant concern among organizations about the cost impact of the proposed minimum wage increases.
- The finance industry indicates that the State Department of Labor’s new fiduciary rule will significantly impact the way business is done.
- Building code regulations have increased the cost of housing. Compliance with regulations accounts for a significant portion of the final costs.

“Uncertainty following U.S. elections is likely to slow economic activity as businesses take a ‘wait and see’ approach.”

“Regulatory pressures will continue to drive significant costs for our industry in 2017 and beyond.”

“Governmental oversight continues to deepen in the financial services sector, making it difficult to manage overhead expenses due to compliance.”

Introduction

Every market is unique in terms of its occupations and industries. Each plays into determining the overall growth of a market, among many other factors. The information in this analysis of the extended Syracuse Market should be utilized as part of a broader discussion on how to expand skill sets within the Syracuse area.

Region Info

For this analysis, the CenterState New York region is defined as the twelve counties surrounding the extended Syracuse market:

- Cayuga
- Cortland
- Herkimer
- Jefferson
- Lewis
- Madison
- Oneida
- Onondaga
- Oswego
- St. Lawrence
- Seneca
- Tompkins



Industry Summary		Occupational Summary	
2016 Industry Jobs	603,379	2015 Occupational Jobs	604,674
2020 Industry Jobs	610,843	2019 Occupational Jobs	612,060
Total Change	7,464	Total Change	7,386
Total % Change	1.2%	Total % Change	1.2%
2016 Average Earnings per Worker	\$58,475	Openings	74,623
		2015 Median Hourly Earnings	20.61

The difference between the occupational jobs and the industry jobs are the jobs which are not classified within an industry, which makes up 1,295 jobs in 2016 in the market.

Upbeat Job Market Expected for Syracuse, NY MSA

According to the ManpowerGroup Employment Outlook Survey, Syracuse MSA employers expect to hire at a steady pace during Q1 2017. Of those surveyed, 19 percent plan to hire more employees from January through March. This number is offset by the 4 percent that plan to reduce payrolls, while 74 percent of employers expect to maintain current staff levels and 3 percent indicate they are not sure of their hiring plans. This yields a Net Employment Outlook* of 15 percent.

Local employers anticipate a steady hiring pace compared to Q4 2016 when the Net Employment Outlook was 15 percent. Last year at this time, employers expected less hiring activity when the Outlook was 7 percent.

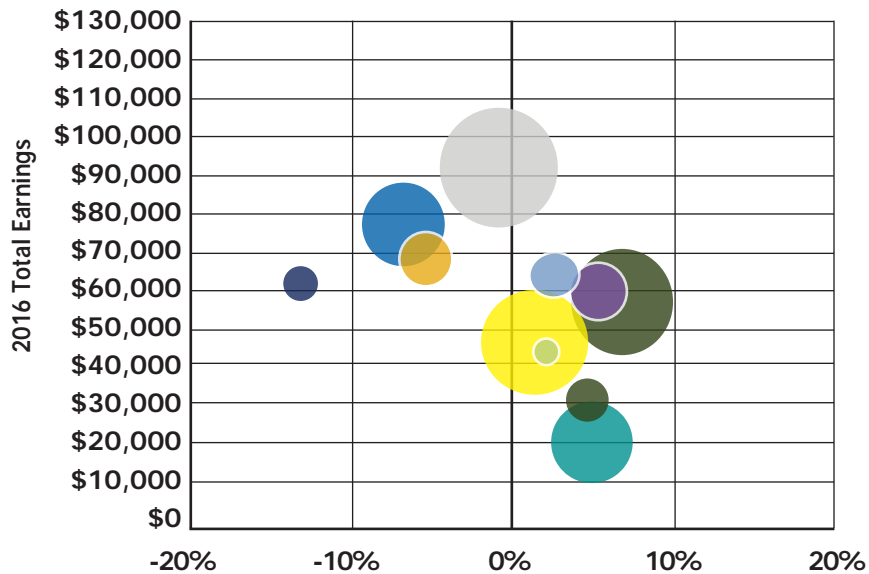
Observations

- For the coming quarter, job prospects appear best in durable goods manufacturing, transportation and utilities, wholesale and retail trade, information, professional and business services, education and health services, leisure and hospitality, and government.
- Employers in nondurable goods manufacturing plan to reduce staffing levels.
- Hiring in construction, financial activities and other services is expected to remain unchanged.

	Increase Staff Levels	Decrease Staff Levels	Maintain Staff Levels	Don't Know	Net Employment Outlook
Q1 2017	19%	4%	74%	3%	15%
Q4 2016	20%	5%	73%	2%	15%
Q1 2016	16%	9%	75%	0%	7%

**The Net Employment Outlook is derived by taking the percentage of employers anticipating an increase in hiring activity and subtracting from this the percentage of employers expecting a decrease in hiring activity.*

2016-2020 CenterState NY Industry Size and Growth



2016 - 2020 % Growth
Bubble size represents 2016 jobs in each supersector.

- Agriculture, natural resources, and mining
- Construction
- Education and health services
- Financial activities
- Government
- Information
- Leisure and hospitality
- Manufacturing
- Other services
- Professional and business services
- Trade, transportation, and utilities

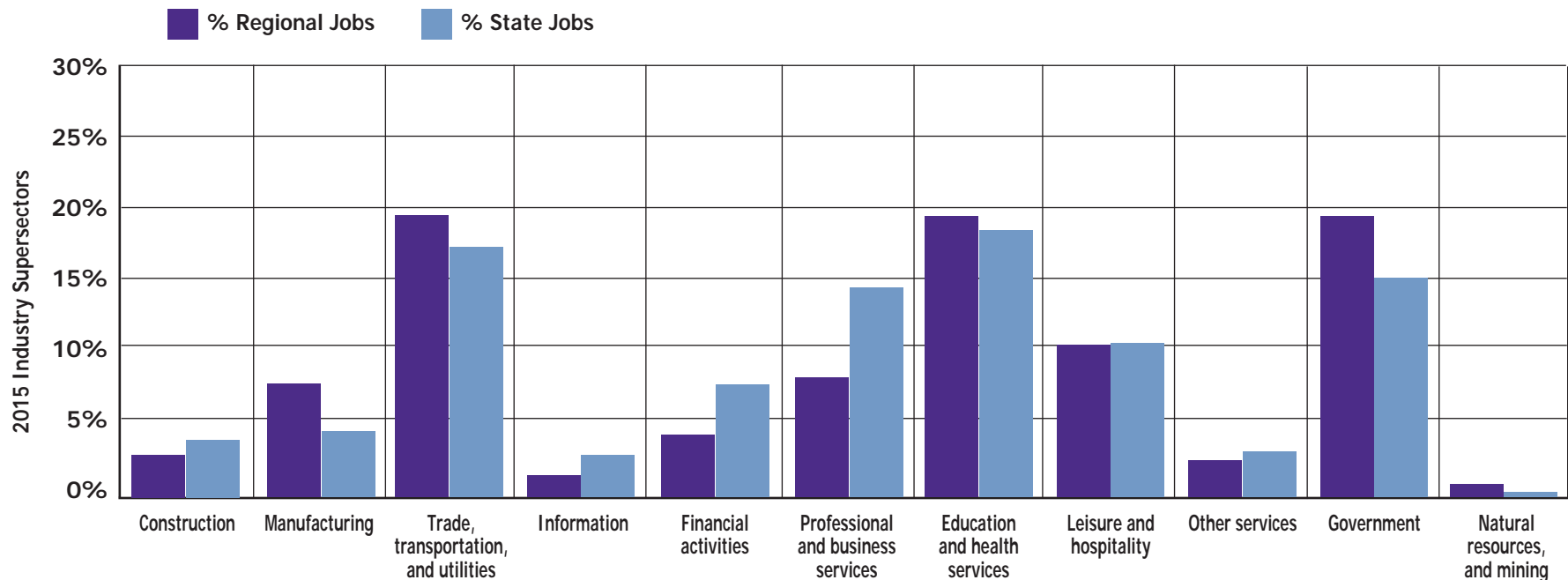
	2016 Jobs	2020 Jobs	Growth	% Growth	2016 Total Earnings
Construction	20,254	20,655	402	2%	\$63,014
Manufacturing	52,612	48,838	- 3,774	-7%	\$79,262
Trade, transportation, and utilities	117,493	118,476	983	1%	\$46,192
Information	7,773	6,893	- 880	-11%	\$61,538
Financial activities	26,996	25,553	- 1,443	-5%	\$68,055
Professional and business services	48,364	50,914	2,550	5%	\$61,135
Education and health services	121,917	128,937	7,021	6%	\$56,935
Leisure and hospitality	59,645	62,320	2,675	4%	\$19,894
Other services	19,641	20,441	800	4%	\$31,284
Government	123,163	122,173	- 990	-1%	\$82,453
Natural resources, mining	5,521	5,642	122	2%	\$43,335
Total	603,379	610,843	7,465	1%	\$58,475

Observations

- The largest industry super sector in the CenterState New York region is government.
- Other large industry super sectors include education and health care and trades, transportation and utilities. This is overall consistent with data reported in 2014 and 2015 at the broader industry super sector level (1 digit NAICS).
- The super sector with the largest total earnings per worker on average is government (\$82K) followed by manufacturing (\$79K), both of which saw increases from last year.
- There are four industry super sectors that will not see employment growth in the next four years, including manufacturing (-7.2%), information (-11.3%), and financial activities (-5.3%).
- The largest growth is in education and health services (5.8%) and professional and business services (5.3%).

Source: EMSI Covered Employment - 2016.4

2016 CenterState NY Industrial Makeup



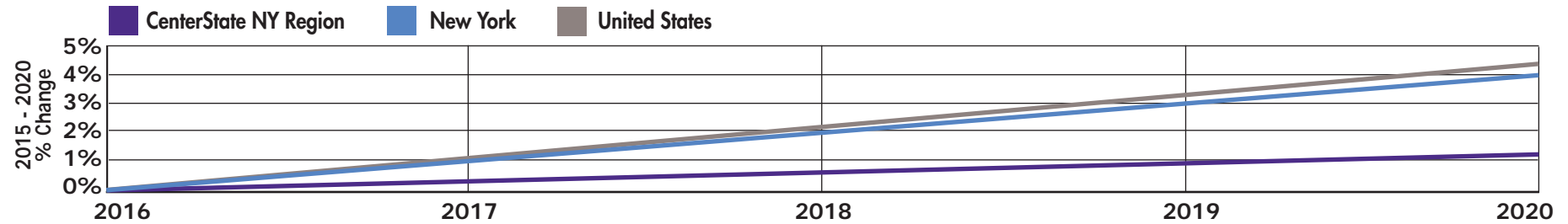
Source: EMSI Covered Employment- 2016.4

	2016 Regional Jobs	% Regional Jobs	2016 State Jobs	% State Jobs
Construction	20,254	3.4%	368,431	4.1%
Manufacturing	52,612	8.7%	448,197	4.9%
Trade, transportation, and utilities	117,493	19.5%	1,562,920	17.2%
Information	7,773	1.3%	271,082	3.0%
Financial activities	26,996	4.5%	700,363	7.7%
Professional and business services	48,364	8.0%	1,276,272	14.1%
Education and health services	121,917	20.2%	1,786,032	19.7%
Leisure and hospitality	59,645	9.9%	908,041	10.0%
Other services	19,641	3.3%	363,577	4.0%
Government	123,163	20.4%	1,367,480	15.1%
Natural resources and mining	5,521	0.9%	30,143	0.3%

Observations

- Compared to state industry jobs overall, the CenterState New York region area has a higher percentage of government, trade, transportation & utilities, and manufacturing jobs but less professional services, financial activities, and information industry jobs.

2016-2020 Industry Sector Change Summary (at 2-digit NAICS)



	2016 Jobs	2020 Jobs	Change	% Change	2016 Avg. Earnings Per Job EPJ	2016 Establishments
CenterState Region	603,379	610,843	7,464	1.2%	\$58,475	34,324
New York	9,082,537	9,446,334	363,797	4.0%	\$84,502	584,439
United States	141,632,483	147,750,780	6,118,297	4.3%	\$65,158	9,377,286

Industry Breakdown (at 2 digit NAICS)

Source: EMSI Covered Employment - 2016.4

NAICS	Industry	2016	2020 Jobs	2016 Jobs Earnings	2016 Establishments	2016 Location Quotient
11	Crop and Animal Production	4,780	4,944	\$40,001	480	0.90
21	Mining, Quarrying, and Oil and Gas Extraction	740	698	\$64,864	54	0.28
22	Utilities	4,681	4,736	\$146,522	96	1.96
23	Construction	20,254	20,655	\$63,014	3,283	0.72
31	Manufacturing	52,612	48,838	\$79,2626	1,353	1.01
42	Wholesale Trade	19,808	20,174	\$71,991	1,543	0.79
44	Retail Trade	76,448	76,901	\$32,514	4,914	1.12
48	Transportation and Warehousing	16,556	16,664	\$50,113	771	0.83
51	Information	7,773	6,893	\$61,538	444	0.66
52	Finance and Insurance	20,879	19,583	\$75,437	1,753	0.84
53	Real Estate and Rental and Leasing	6,117	5,969	\$42,858	1,251	0.67
54	Professional, Scientific, and Technical Services	23,788	25,382	\$75,548	2,780	0.63
55	Management of Companies and Enterprises	5,067	4,983	\$84,077	208	0.53
56	Administrative and Support Services	19,509	20,550	\$37,602	1,706	0.51
61	Educational Services	31,456	32,143	\$70,602	370	2.66
62	Health Care and Social Assistance	90,460	96,794	\$52,182	3,547	1.12
71	Arts, Entertainment, and Recreation	7,234	7,912	\$22,305	720	0.76
72	Accommodation and Food Services	52,411	54,408	\$19,561	3,523	0.93
81	Other Services (except Public Administration)	19,641	20,441	\$31,284	3,491	1.06
90	Government	123,163	122,173	\$82,453	2,041	1.36
	Total	603,379	610,843	\$58,475	34,324	

Observations

- The CenterState New York area is projected to grow slower than the nation overall, based on all industry jobs at the 2 digit NAICS level. The region is expected to grow at 1.2% in the next four years while jobs are expected to grow 4.3% nationally. This is slightly slower than reported last year for the 2015-2019 timeframe (2% growth reported) indicating that the market growth may be seeing a slowdown.
- There are an estimated 34,324 establishments in the area. This is slightly less than the establishments reported in 2015 (34,528) as well as those reported in 2014, indicating a possible slowdown. The establishments within the region make up 6% of the state, similar to last year's analysis.

Global Center for Unmanned Systems and Cross-Connected Platforms

The stature of Central New York and the Mohawk Valley continues to grow as a global leader in the development of sense-and-avoid technologies and unmanned air traffic management (UTM) for unmanned aircraft systems (UAS). After hosting the international UTM convention in Syracuse in late 2016, the NUAIR Alliance will work closely with the State to lead the next phase of testing to safely integrate commercial UAS into the national airspace. So far the state has awarded \$35 million for the advancement of this program including a 50 mile corridor between Syracuse and Rome to advance Beyond Visual Line of Sight technologies. The CNY Regional Council and CenterState CEO continue to field leads from a number of companies interested in taking advantage of these opportunities.



New York-Grown, New York-Certified—Safe and Market-Ready

In 2017 the CNY Regional Council expects to launch a series of controlled environment agriculture projects throughout Central New York. These projects offer the potential of hundreds of jobs working in hundreds of thousands of square feet of controlled environment agriculture space and growing leafy greens, vegetables and other high value agriculture products. The CNY Regional Council also expects the continued growth of local dairy producers and the expansion of local dairy products through an expanded global customer base for products coming from companies like Chobani and Cayuga Milk Ingredients. Finally, the global demand for soy beans and related products continues to rise. The Port of Oswego has been a key asset for local firms in bringing these products to market and the deployment of an inland port is expected to further remove challenges for local agriculture firms in getting goods to foreign and domestic markets.



Global Manufacturing & Logistics Hub

Anticipated new cargo flows at the Port of New York/New Jersey due to the expanded Panama Canal will increase market demand for projects like the Central New York Intermodal Commerce Center (inland port). This project could create benefits for regional manufacturers and agricultural producers by significantly reducing logistics costs. New York state is conducting a freight rail assessment for its entire rail network, which includes an analysis of the freight needs for Central New York and will inform the future development and siting of the hub. As the state has conducted this further analysis, the CNY Regional Council has engaged with three projects that may directly locate warehousing and distribution facilities adjacent to an inland port.



National Veterans Resource Complex

With more than one million active duty members of the military transitioning to veterans status in the coming years, Syracuse University's Institute for Veterans and Military Families is building on its capabilities and reputation as a national leader as an educational, research and service leader for the veterans community. Site work is underway for the \$12.5 million National Veterans Resource Complex, and SU has selected a world-renowned architect for the facility.



Credit: Syracuse University

Consensus Commission on Government Modernization

Consensus, the commission on local government modernization in Onondaga County, plans to release its full report to the community in early 2017. The commission is making recommendations to help the community achieve three core goals: effective and efficient governance, economic growth, and inclusive and responsive representation. This report features recommendations to enhance services and structures across five areas: infrastructure, public safety, municipal operations, economic development and governance. It's anticipated that the public will have the opportunity to participate in a potential referendum on the creation of a new city-county governance structure next fall.



Alliance for Economic Inclusion

Progress continues to build out the Alliance to accelerate training for well-paying, in demand jobs; reinvest in distressed communities; enhance entrepreneurship opportunities for residents of those communities and support educational enhancements for non-traditional students. Action on this is expected in the first two quarters of 2017. Additionally, the state's significant investment in Say Yes to Education in 2016 makes permanent its endowment and ensures that the program is fully funded so that any student who graduates from high school in the city of Syracuse is guaranteed funding for their college tuition.



Credit: Say Yes to Education Syracuse

Thank You Forecasters

Mary Allen
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