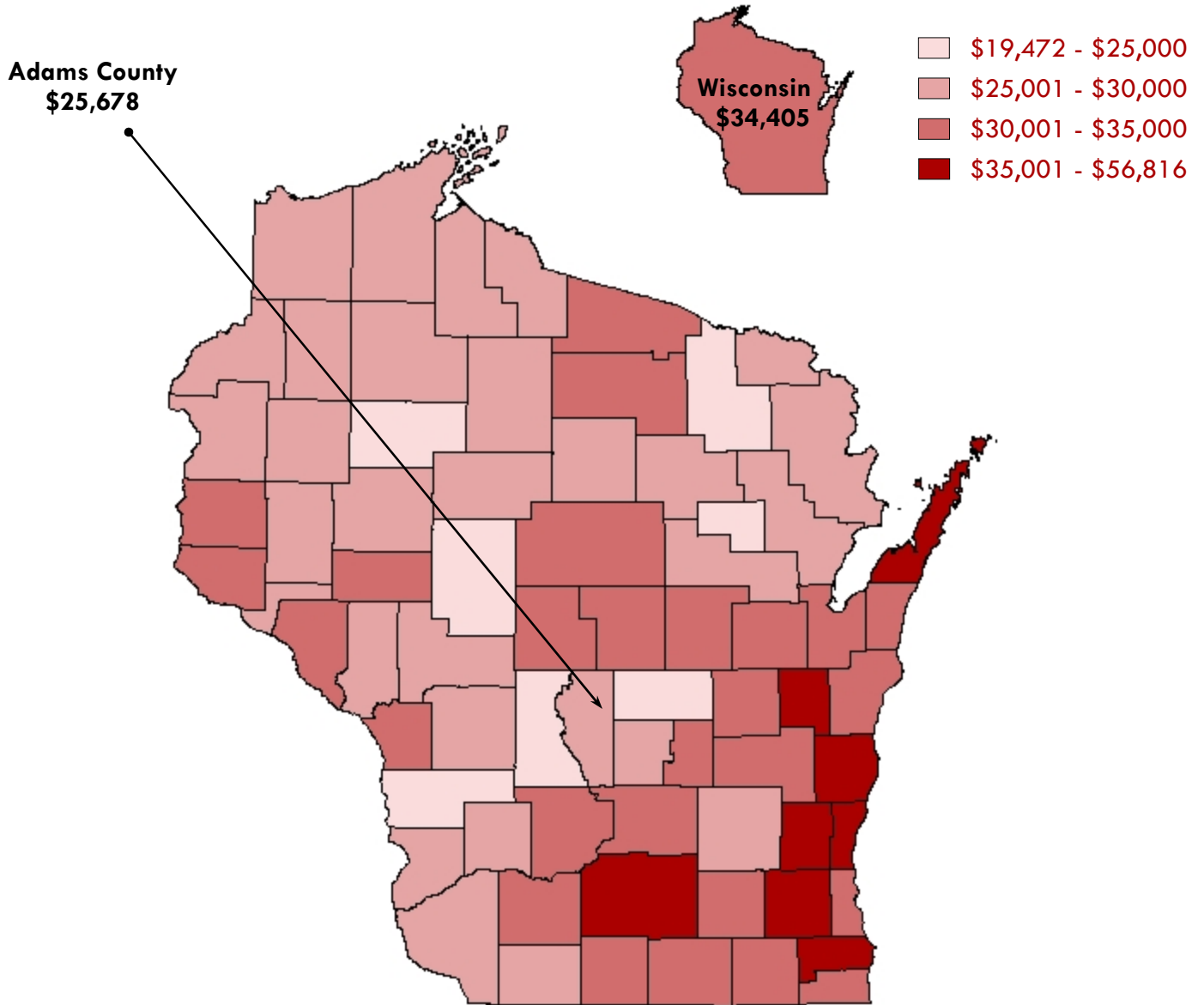


# Adams County Workforce Profile

## Per Capita Personal Income in 2006



2008

**Office of Economic Advisors**  
Wisconsin Department of Workforce Development  
OEA-10593-P

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### Population

Adams County added 1,725 residents over the past seven years to settle at a total population of 21,645. The county's population increased 8.7 percent since 2000, more than the state increase of 5.3 percentage points or the nation's 6.9 percent increase. In 2007 Adams County was the 50th largest county in Wisconsin.

Even through the pace of new residents moving into the county has slowed since the early 2000s, people moving in are the only source of population growth in Adams.

Since 2000 the county population increased by 2,164 residents from net migration (the difference between those moving into and out of the county), far exceeding the reduction in population due to natural decrease of 439, the difference between births (1,099) and deaths (1,538).

All of the larger metropolitan areas in the county saw an increase in population. The largest metro area, the Town of Rome, added 504 residents, an increase of 19.0 percent, which gave Rome both the largest increase in the number of residents and the largest percent increase.

A rural population adding residents from net migration may see an increase in the average age of its residents, since in-migrants are almost always adults and often retirees. This is the case in Adams County where the average age was 45.8 years in 2000. By 2020 it is anticipated that the average age of county residents will be 49.1 years, and by 2030 it will be 51.7 years. This puts the county's average age substantially above the

#### Adams County's Ten Most Populous Municipalities

	April 2000 Census	Jan.1, 2007 Estimate	Numeric Change	Percent Change
<b>United States</b>	281,421,906	300,888,812	19,466,906	6.9%
<b>Wisconsin</b>	5,363,715	5,647,000	283,285	5.3%
<b>Adams County</b>	19,920	21,645	1,725	8.7%
Rome, Town	2,656	3,160	504	19.0%
New Chester, Town	2,141	2,190	49	2.3%
Adams, City	1,831	1,882	51	2.8%
Dell Prairie, Town	1,415	1,555	140	9.9%
Preston, Town	1,360	1,487	127	9.3%
Quincy, Town	1,181	1,323	142	12.0%
Adams, Town	1,267	1,314	47	3.7%
Easton, Town	1,194	1,285	91	7.6%
Springville, Town	1,167	1,278	111	9.5%
Strongs Prairie, Town	1,115	1,206	91	8.2%

Source: WI Dept. of Administration, Demographic Services, Population Est., July 2008

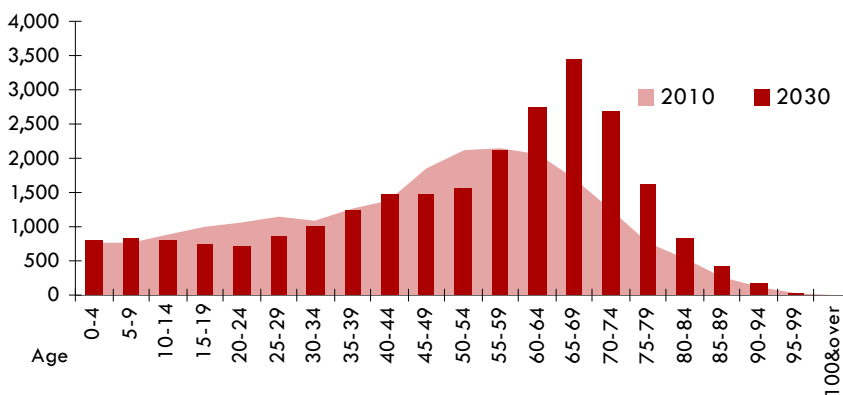
state mean of 38.1 years of age in 2000, and the gap only widens with time as the state average age increases to 39.6 years in 2020, and 41.0 years in 2030.

Between 2010 and 2030, the population is projected to increase by 3,280 residents, about 15 percent. Those 16 and older are projected to increase by more than 3,350 or 17.1 percent. Those 65 and older are projected to increase by almost 4,600 or 100 percent. Clearly the population is aging which may have serious repercussions for employers in the future.

The graph on the left not only demonstrates the 'weight' of this older population in Adams County, but also reflects the low birth rate and the loss of young people who leave the area seeking more enticing opportunities or more excitement away from their "home town". Without attractive job prospects, young people move in pursuit of more education and better jobs.

The county faces a future that includes meeting the needs of an elderly population and a shortage of workers to replace those retiring. While it is true that many baby boomers don't plan to fully retire, most will move into other positions. Studies show that only five percent of retirement-age workers remain full-time in their pre-retirement positions. Additionally, health care demands increase as the population ages, so the county could face both a declining workforce and a greater demand for services.

**Population by Age Cohorts in Adams County**



In 2010, the average Adams County resident will be 45.8 years old.  
 In 2020, the average Adams County resident will be 49.1 years old.  
 In 2030, the average Adams County resident will be 51.7 years old.

Source: WI Dept. of Administration, Demographic Services, & WI DWD, OEA

### Population & Labor Force

Population Projections for Adams County						
Age Group:	0-15	16-34	35-54	55+	Labor-Force-Aged Population	Total Population
Years	Population					
2010	2,632	4,104	6,640	8,799	19,543	22,175
2020	2,523	3,765	5,764	12,207	21,736	24,259
2030	2,562	3,155	5,717	14,021	22,893	25,455
Distribution of Labor-Force-Aged Population						
2010		21.0%	34.0%	45.0%	100.0%	
2020		17.3%	26.5%	56.2%	100.0%	
2030		13.8%	25.0%	61.2%	100.0%	

Source: WI Dept. of Administration, Demographic Services

The graph on page one is indicative of the significance that baby boomers have on the overall age distribution. Population growth in Adams County is dominated by an older generation that will be less likely to participate in the workforce.

The relationship between the population and the labor force has entered a new era. The previous era was defined by the large size of the Baby Boomer generation (those born from 1946 to 1964) plus the propensity of women to enter the workforce. This combination immensely swelled the workforce beginning in the late 1960s. Forty years later, that workforce expansion is on the cusp of deflating. The first Baby Boomers entered the workforce around 1964 and the rest followed *en masse*. The first Boomers are now eligible for reduced Social Security benefits (the '46ers turned 62 years of age in 2008).

The above table delineates the population by selected age groups over the next three decade years. Total population is projected to increase by about 3,300 from 2010 to 2030. The only age group projected to increase is the 55 and older group. That group should add 5,222 an increase of about 59 percent. The other groups show a decrease of 1,942 or about 15 percent.

The labor force includes only those that are 16 years old or older and are engaged in either working or actively looking for work. Beginning near age 55 the rate at which people participate in the labor force begins to drastically decline. As more of the labor-force-aged population reaches 55 years, the number of departures from the labor force increases. These departures seriously impede workforce growth. This decrease in participation can be shown for each time period. For example, in 2010, the number of residents 35-54 is 6,640. Of those, 5,184 are in the labor force for a participation rate of 78.0 percent. In 2010 there are 8,799 resident 55 and older, 2,702 of which are working. The participation rate for this group is

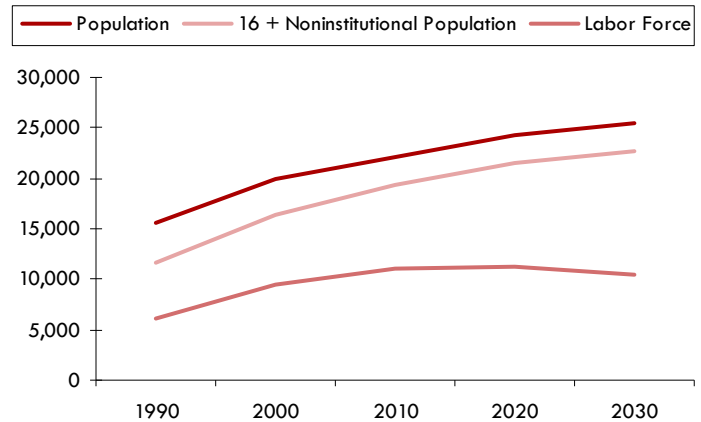
30.7 percent.

The population table and the labor force table are combined in the Adams County Historic and Projected Population and Labor Force graph.

From 1990 to 2030, total population is projected to increase by 9,773 or 62.3 percent. Those 16 and older should increase by 11,080 or 95.5 percent while the labor force is projected to increase by 4,251 or 69.2 percent.

The increase of those 16 and older coupled with the smaller increase in the labor force is another indication of an aging population.

Adams County Historic and Projected Population and Labor Force



Source: WI DWD, OEA

Labor Force Projections for Adams County				
Age Group:	16-34	35-54	55+	Total Labor Force
Years	Labor Force			
2010	3,194	5,184	2,702	11,080
2020	2,924	4,542	3,812	11,279
2030	2,429	4,499	3,464	10,391
Distribution of Labor Force				
2010	28.8%	46.8%	24.4%	100.0%
2020	25.9%	40.3%	33.8%	100.0%
2030	23.4%	43.3%	33.3%	100.0%

Source: WI DWD, OEA

**Labor Force**

Adams County's older population is increasing at a much faster rate than the rest of the population. While the total population of 16 and older is expected to increase by only about 30 percent between 2000 and 2030, those 60 and older are expected to increase by about 97 percent, an increase substantially higher than that of the general population.

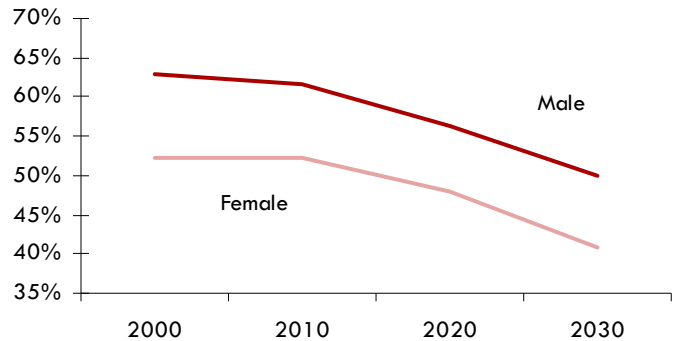
Adams County is aging and the impact on the labor force will be widespread. Why the aging population has such an impact on the labor force is demonstrated graphically by the Labor Force Participation Rates chart on this page. Labor force participation tends to peak around age 54 and then declines with age. At 45 to 54, the participation rate is about 85 percent. By the time the population moves into the 64 to 74 year old bracket, the participation rate has dropped to about 20 percent and for those 75 and older, the participation rate is only 8.3 percent. Noting the participation rate by age and the aging population helps explain the decreasing participation rate from 2000 to 2030.

Historically, women in Adams County have about a 10 percent lower labor force participation rate than men. This is illustrated by the Labor Force Participation Rates by Sex chart on this page. Reasons for this may include women being full-time caretakers and living longer than men, increasing women in the older, non-working group.

In addition to the labor force issues involved in the aging population, there are other issues such as providing health care and other senior services that must be addressed by the community. The aging population will not only put a strain on employers but also on communities coping with this increasing population segment.

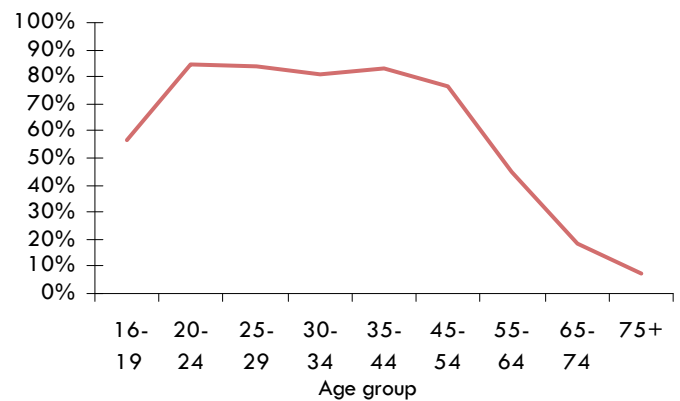
Employment in Adams County has remain fairly consistent over the past five years. While there has been movement up and down over the years, the unemployment rate has varied by less than one percentage point. From 2003 to 2007, the unemployment rate increased by 0.5 of a percentage point. The good news in this decline is that the decrease came about by an increase in employment not by a decrease in the labor force.

**Labor Force Participation Rates by Sex: 2000-2030**



Source: WI DWD, OEA

**Labor Force Participation Rates by Age in 2000**



Source: Census 2000, SF-3

Changes in the unemployment rate are affected by changes in the number employed and the labor force. If there is a decrease in the labor force without a change in those employed, the unemployment rate will go down. While a decrease in the unemployment rate is normally a good thing, one that comes about because less people are in the labor force can signal an increase in discouraged workers, more retirees or others not available to work. Whatever the reason, a decrease in the labor force could

signal problems for employers trying to hire people to grow their companies.

Adams County's labor force increased by 1,307. At the same time, the number employed increased by 1,176 which left 131 more resident unemployed in 2007 than there had been in 2003. The addition to both the labor force and the number employed led to the 0.5 percent increase in the unemployment rate.

**Adams County Civilian Labor Force Data**

	2003	2004	2005	2006	2007
Labor Force	9,224	9,436	9,713	9,936	10,531
Employed	8,683	8,782	9,028	9,275	9,859
Unemployed	541	654	685	661	672
Unemployment Rate	5.9%	6.9%	7.1%	6.7%	6.4%

Source: WI DWD, Bur. of Workforce Training, Local Area Unemployment Statistics, 2008

### Jobs & Wages

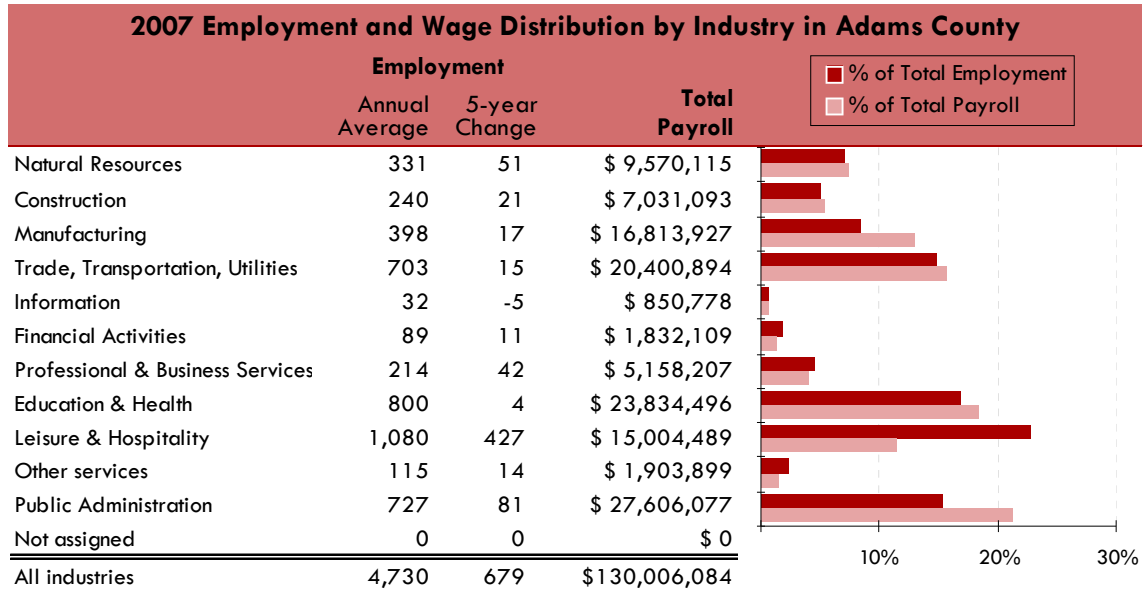
Jobs and wages are the lifeblood of any economy. The more good-paying jobs in a region, the better the prospects for its economy; and the more diverse the county's industry sectors the more insulated it is from major losses. In Adams County, 23 percent of county jobs are in the industry super-sector of leisure and hospitality; and another 16 percent in the super-sector of trade, transportation, and utilities. Both of these super-sectors depend on seasonal tourism and consumer spending. Annual average wages are usually low in these two sectors, as many jobs are entry level and often part-time. In 2007, the average annual wage of \$27,485 in Adams County was only 72 percent of the statewide average.

The above chart shows that leisure and hospitality industry's 22.8 percent share of total employment is substantially greater than the industry's 11.5 percent

share of total payroll. This means that leisure and hospitality jobs in the county pay relatively low wages. Yet, for this industry, the county's average wage (\$13,893) tops the state's annual wage (\$13,589).

Trade, transportation, and utilities includes industries such as gasoline stations, wholesale food suppliers, and novelty shops that can also depend on seasonal tourism. Shares of total for this super-sector are slightly larger for employment than for payroll. The resulting annual average wage of \$29,020 in the county is lower than the state average in this industry, but exceeds the county's total industry average.

The education and health services sector makes a substantial contribution to Adams County's total employment with 18.3 percent of jobs and an equally large contribution to the county's total payroll at 16.9 percent. This sector's average wage is higher than the county's all-industries average wage, but below the statewide average wage for education and health services.



Source: WI DWD, Bureau of Workforce Training, Quarterly Census Employment and Wages, June 2008

### Average Annual Wage by Industry Division in 2007

	Average Annual Wage		Adams County as a Share of Wisconsin	Adams County 5-year % Change	Wisconsin 5-year % Change
	Adams County	Wisconsin			
All industries	\$27,485	\$38,070	72.2%	4.7%	17.4%
Natural Resources	\$28,913	\$29,235	98.9%	17.9%	14.7%
Construction	\$29,296	\$47,489	61.7%	14.2%	19.8%
Manufacturing	\$42,246	\$47,106	89.7%	-5.3%	16.1%
Trade, Transportation & Utilities	\$29,020	\$32,762	88.6%	22.0%	15.3%
Information	\$26,587	\$48,483	54.8%	0.1%	24.7%
Financial Activities	\$20,585	\$50,749	40.6%	10.2%	25.8%
Professional & Business Services	\$24,104	\$44,328	54.4%	3.9%	22.0%
Education & Health	\$29,793	\$39,606	75.2%	12.9%	17.3%
Leisure & Hospitality	\$13,893	\$13,589	102.2%	19.8%	14.8%
Other Services	\$16,556	\$22,073	75.0%	3.9%	13.2%
Public Administration	\$37,973	\$39,879	95.2%	2.9%	18.1%

Source: WI DWD, Workforce Training, QCEW, June 2008

### Jobs & Wages

Prominent Industries in Adams County							
Industry Sub-sectors (3-digit NAICS)	Average Employment			Average Wages			
	2007 Avg.	5-year Percent Change		2007 Average		5-year Percent Change	
	Adams County	Adams County	Wisconsin	Adams County	Wisconsin	Adams County	Wisconsin
Accommodation	547	106.4%	5.6%	\$ 16,885	\$ 15,941	19.9%	15.9%
Educational services	*	not avail.	2.0%	*	\$ 39,753	not avail.	15.0%
Justice, public order, & safety activity	373	-3.6%	12.4%	\$ 55,568	\$ 45,710	13.0%	18.7%
Food services & drinking places	298	23.1%	9.1%	\$ 8,880	\$ 10,859	11.8%	14.5%
Crop production	284	21.4%	-1.0%	\$ 29,480	\$ 26,476	16.2%	20.0%
Paper manufacturing	*	not avail.	-23.2%	*	\$ 55,837	not avail.	9.9%
Executive, legislative, & gen government	204	23.6%	-4.7%	\$ 16,033	\$ 36,340	14.7%	16.4%
Nursing & residential care facilities	139	4.5%	3.6%	\$ 21,306	\$ 23,295	9.3%	12.0%
Hospitals	*	not avail.	12.6%	*	\$ 43,750	not avail.	24.1%
Amusement, gambling & recreation ind	*	not avail.	7.2%	*	\$ 15,962	not avail.	11.3%

Note: \* data suppressed for confidentiality and not available for calculations

Source: WI DWD, Bureau of Workforce Training, QCEW, OEA special request, June 2008

As mentioned on the previous page, leisure and hospitality is big business in Adams County, and three of the industry's sub-sectors, accommodations; food service & drinking places; and amusement, gambling and recreation, are included on the prominent-industries list above. With miles of lakes, and recreation land, Adams County is a popular tourist destination, creating more demand for restaurants, bars and hotels. Ironically, the wages in the food service, and food and beverage stores sub-sectors are the lowest on the list. Wages are also lower than these sub-sectors statewide.

Educational services is a large source of employment in Adams County. This is not surprising, given that the Adams-Friendship Public School is listed as one of the largest employers in the county. With the exception of the

Adams-Friendship school district we know little else of note. Most data in this industry is suppressed to protect the confidentiality of individual businesses.

The large number of employees, between 250 and 499, in the justice, public order and safety activity sub-sector is largely a result of the Oxford Federal Correctional Institution, one of the employers on the Prominent Public and Private Sector Employer list.

There are two health care facilities in the county that made the top ten list: Moundview Memorial Hospital and Clinic, and Villa Pines Living Center, each with between 100 to 249 employees. The effect of these two groups shows up in the industry sub-sector. Nursing and residential care is the eighth largest industry sub-sector in the county followed by hospitals. Wages in the nursing

and residential care facilities is almost \$2,000 less than the state average. Since hospital wages are suppressed in the county a comparison with the state can not be made.

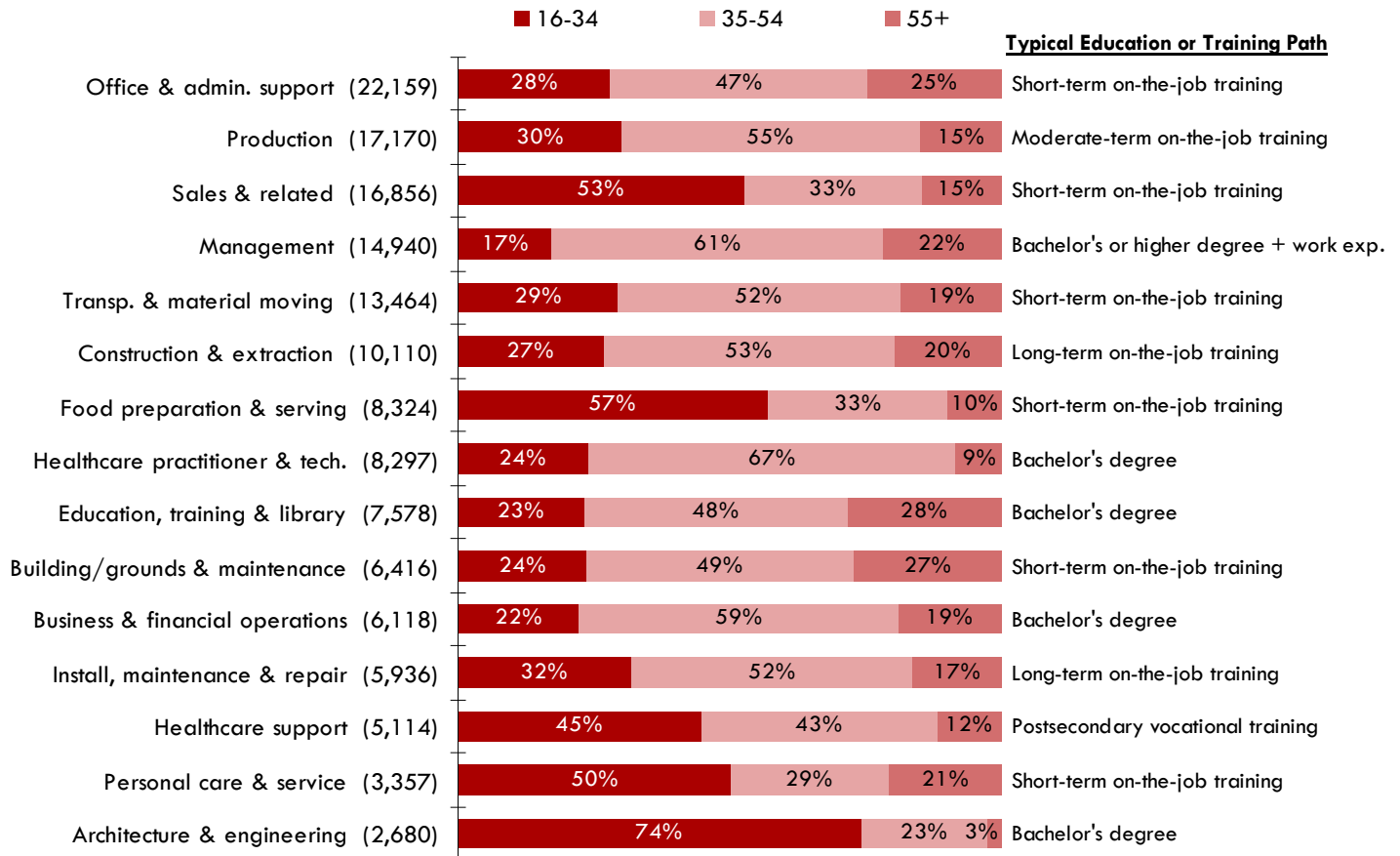
Prominent Public and Private Sector Employers in Adams County		
Establishment	Service or Product	Number of Employees (March 2007)
Adams-Friendship Public School	Elementary & secondary schools	250-499 employees
Chula Vista Resort	Hotels & motels, except casino hotels	250-499 employees
Oxford Federal Correctional Institution	Correctional institutions	250-499 employees
County of Adams	Executive & legislative offices, combined	250-499 employees
Smurfit-Stone Container Enterprises	Corrugated & solid fiber box manufacturing	100-249 employees
Moundview Memorial Hospital & Clinics	General medical & surgical hospitals	100-249 employees
Villa Pines Living Center	Nursing care facilities	100-249 employees
Adams-Columbia Electric Coop	Electric power distribution	50-99 employees
Spencer IGA	Supermarkets & other grocery stores	50-99 employees
Heartland Farms	Potato farming	50-99 employees

Source: WI DWD, Bureau of Workforce Training, QCEW, OEA special request, April 2008

### Occupations & Typical Education or Training

#### Age Distribution of Workers in Selected Occupational Groups

Data includes residents of Adams, Forest, Juneau, Langlade, Lincoln, Oneida, Portage, Vilas, and Wood counties.



Note: Occupation groups are in descending order based on the number of workers in each.

Source: 2006 U.S. Census, PUMS 5% file, & WI DWD, OEA

Information on jobs by industry (pages 4-5) is readily available because the data is collected from employers' quarterly reports on total payroll and jobs. However, industry reports lack information on the occupations and the training required of the workers who fill those jobs. One source of occupational information is the American Community Survey conducted by the U.S. Census Bureau. Unfortunately this information is not available for small population areas, like Adams County. In order to meet a minimum population standard, the data is grouped with eight neighboring counties listed in the above chart's title.

The chart includes the 15 largest occupational groups, listed in descending order by employment (number of workers in parenthesis), and shows the age demographics of area workers in each group. The three age categories represent all workers in each occupation group while the

typical training path represents the dominant path for the occupations within the group. This does **not** mean that every occupation within that group requires that education or training path.

Many of the occupation groups listed are heavily weighted with workers in the prime working years (35-54 years old). Others have obvious deviations. For example, the two groups of food preparation and sales are skewed to younger workers. It's not surprising that these occupation groups, with many part-time and seasonal jobs, low wages, and low training requirements, employ a high proportion of young workers. This kind of work is also popular with students, both high school and post secondary, because of the large number of frequent job openings and low training requirements. Many of the occupations in these groups are with employers in the

### Occupations & Typical Education or Training

industry sectors of leisure and hospitality or the retail trade segment of the trade, transportation, and utilities sector.

Another group, architects and engineering, also has a preponderance of young workers. Most of the young workers in this group are in mechanical engineering, drafting and engineering technician occupations, jobs not readily found in Adams County.

Of particular interest are the occupation groups with more than one-fifth of the workers aged 55 years or more. These workers are now within normal retirement age. For at least one of the groups - education, training, and library occupations - replacements for retiring workers will be critical and difficult. These occupations more often than not require post-secondary education; and workers benefit from years of on-the-job experience and knowledge.

A similar scenario is playing out in management occupations. Management occupations naturally tend to have a preponderance of older age workers simply because many of these occupations typically require work experience in addition to post-secondary education. This is reflected in the typical education path, bachelor's degree

or higher plus work experience, and explains the high wages paid in this group. But the higher barriers to entry, coupled with 22 percent of this group being over the age of 55, means that there could be significant problems filling all the positions vacated by the upcoming boomer retirees.

Skilled healthcare occupations also have a low proportion of younger workers. High education and work experience requirements for doctors and nurses play a major role here. With more and more new openings due to demand from aging baby boomers, and a high number of upcoming retirements, healthcare (already a field with a high number of job openings) will need a tremendous number of new workers of all skill levels in the near future.

Older workers also fill one in four building/grounds and maintenance occupations. Even closer scrutiny of the data shows that over half of these workers are over the age of sixty. Many of the job characteristics in this group are similar to those of jobs dominated by young workers and for those reasons attract "retirees".

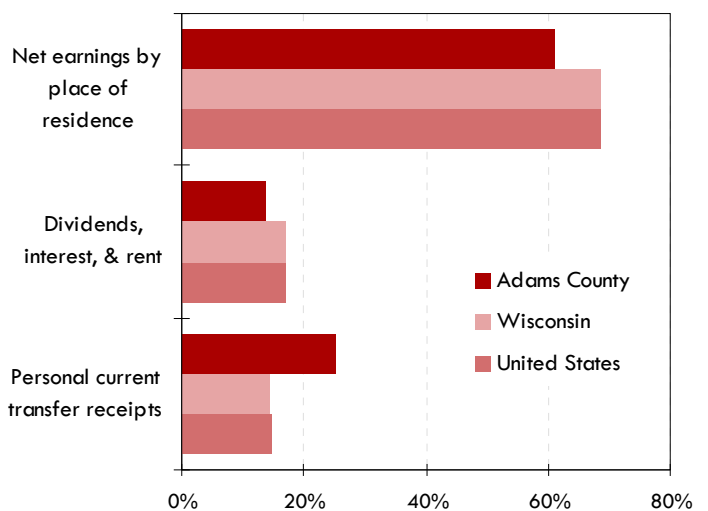
### Income

Total personal income, the broadest collection of income data, includes income from three main sources: net earnings; dividends, interest and rent; and transfer receipts. Net earnings come from employment, whether self-employed or employed by someone else. Dividends, interest and rents come from investments, savings accounts, dividends, retirement payments from company pensions, or 401(k) plans. Transfer receipts come from state and federal governments, primarily in the form of Social Security, Medicare payments, unemployment insurance, veterans benefits, welfare, and other payments received from public agencies.

Net earnings make up the vast majority of income, with the remaining percentage divided between the other two components. In most Wisconsin counties, and in the state and nation, income from net earnings contributes more than half of total personal income. However, at 61.0 percent in Adams County, residents' share of income from earnings is lower than that of the state and the nation. There are two primary reasons for the lower share. First, the county's residents are older on the whole than the state and depend to a greater degree on unearned income. Second, many local jobs are seasonal which

generate less annual income, forcing workers to turn to other assistance in the off season (increasing transfer payments), and to seek jobs that pay on average 28

**Components of 2006 Total Personal Income**



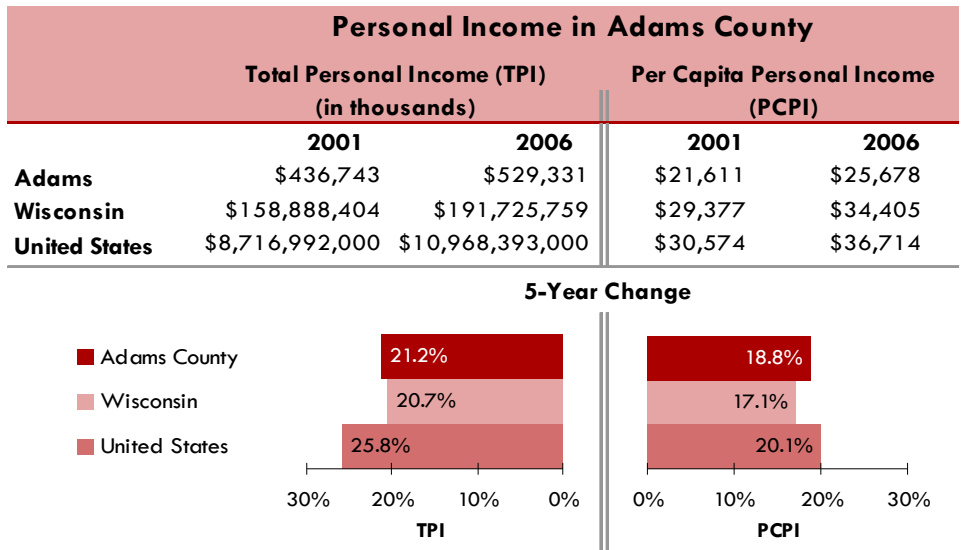
Source: US Dept. of Commerce, Bur. of Economic Analysis, 2008

### Income

percent less than similar statewide jobs (see page four). Net earnings also includes an adjustment for wages earned by residents working beyond the county's borders (inflow) and a similar adjustment for non-residents working for county employers (outflow).

The bottom chart shows that in 2006 residents working in jobs outside the county added \$151.9 million to Adams County's total personal income while non-resident workers were paid \$41.5 million dollars in wages that left the county. The total residency adjustment netted \$110.3 million in residents' earnings. Commuting patterns from Census 2000 show that most outbound workers are traveling to jobs in Sauk and Wood counties while inbound workers arrive from Wood and Juneau counties. Since 2001, the dollars from residency adjustment increased by about 21 percent.

While total personal income (TPI) is the sum of its parts, per capita personal income (PCPI) is derived by dividing total personal income by total population. Thus, PCPI can be affected by the county residents' demographics. For example, if there is a large number of young residents that don't work, PCPI would be less because it is



Source: US Dept. of Commerce, Bureau of Economic Analysis, April 2007

calculated using the entire population. Also, a large number of retiring residents in an area would lower PCPI, since the amount received from pensions and/or social security is usually less than wages. This lesser income would decrease the amount of TPI while keeping the same population denominator when calculating PCPI.

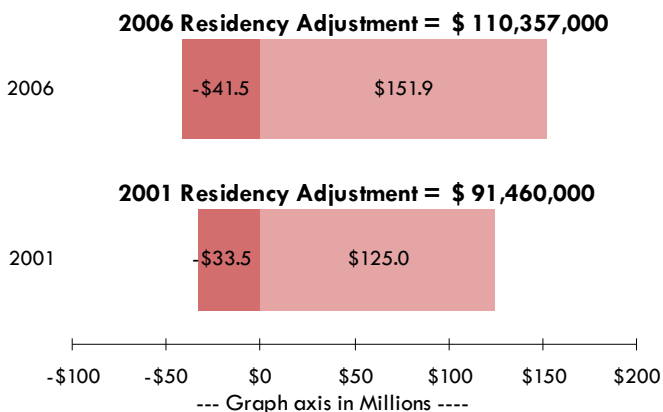
Adams County, with about one-fifth of its residents over 65 years of age, has a higher proportion of transfer receipts (25 percent) compared with the state and nation (14 percent). This contributes to both lower TPI and PCPI. In 2006, the PCPI of \$25,678 in Adams County was only 75 percent of the Wisconsin PCPI, ranking Adams' 58<sup>th</sup> lowest among Wisconsin's seventy-two counties.

The major component of TPI, net earnings, is a significant factor in the lower PCPI. As mentioned earlier, the lower wages have a major impact on net earnings in Adams County. While planners and developers strive to increase wages through better paying jobs it is much more difficult to change overall occupational composition in the county. Large metropolitan areas often attract the higher-paying occupations found in large corporate offices, specialized research facilities, and financial institutions.

PCPI in Wisconsin's metropolitan counties in 2006 was \$36,430 compared to \$29,022 in nonmetropolitan counties. At \$25,678, Adams County's PCPI was 89 percent of the average nonmetropolitan PCPI in Wisconsin. Perhaps this is a better target to work towards instead of the entire state average annual wage.

### Adams County Commuting Impact

- Earnings of workers living in another county (outflow)
- Earnings of residents working in other counties (inflow)



Source: US Dept. of Commerce, Bureau of Economic Analysis, April 2007