

**REGIONAL ADVISORY COMMITTEE ON
POPULATION AND ECONOMIC FORECASTS**

MEETING MINUTES

DATE: March 4, 2013
TIME: 9:30 a.m.
PLACE: SEWRPC Office
W239 N 1812 Rockwood Drive
Pewaukee, Wisconsin

Members Present

Andrew T. Struck
Chairman.....Director, Planning and Parks Department, Ozaukee County
Julie A. Anderson.....Director, Public Works and Development Services Department, Racine County
Andy M. Buehler Director of Planning Operations, Kenosha County
Laura A. Catherman.....Planner, Waukesha-Ozaukee-Washington Workforce Development, Inc.
(representing Francisco Sanchez)
Michael P. CotterDirector, Walworth County Land Use and Resource Management Department
Joel E. Dietl..... Planning Manager, City of Franklin
David Egan-Robertson..... Demographer, Applied Population Laboratory
University of Wisconsin-Madison
Cavalier Johnson..... Contract Monitor, Milwaukee Area Workforce Investment Board, Inc.
(representing Donald Sykes)
Gordon Kacala Executive Director, Racine County Economic Development Corporation
Susan E. Morrison.....Urban and Regional Planner, Bureau of Planning and Economic Development
(representing Sandra A. Beaupre) Wisconsin Department of Transportation
Paul E. Mueller Administrator, Planning and Parks Department, Washington County
John M. Schmid Project Specialist, WE Energies
Dale R. ShaverDirector, Waukesha County Parks and Land Use Department
Ron Snead Vice-President, Systems Planning, American Transmission Company
(representing John Flynn)
Dennis Winters.....Chief Economist, Wisconsin Department of Workforce Development
(representing Reggie Newson)
Nolan Zaroff..... Senior Planner, City of Milwaukee, Department of City Development
(representing Richard Marcoux)

Guests and Staff Present

Vicki S. Haskill.....Urban and Regional Planner, Wisconsin Department of Transportation
Kathryn E. Sobottke Principal Specialist, SEWRPC
William J. Stauber..... Chief Land Use Planner, SEWRPC
Monica WauckUrban and Regional Planner, Wisconsin Department of Transportation
Kenneth R. Yunker Executive Director, SEWRPC

CALL TO ORDER

Mr. Struck called the meeting of the Regional Advisory Committee on Population and Employment Forecasts to order at 9:30 a.m., welcoming those in attendance. Roll call was taking by circulating a sign-in sheet.

During self-introductions by the Committee members, Mr. Egan-Robertson noted that, under a contract between SEWRPC and the University of Wisconsin Applied Population Laboratory, he had assisted the Commission staff in analyzing demographic trends and in projecting future trends in some of the factors, such as birth rates and survival rates, that were considered in developing the population projections.

ROLE OF THE COMMITTEE

Mr. Yunker provided an overview of the Commission's efforts to project population and employment in the Region since the 1960s, noting that the Commission's projections are now being updated and extended further into the future, to the year 2050. Mr. Yunker indicated that sound long-range projections are essential to the work of the Commission, noting that they provide a basis for updating and extending the regional land use and transportation plans and other elements of the regional plan.

Mr. Yunker explained the role of the Committee in assisting the staff in the preparation of the new projections, emphasizing the importance of careful review of the preliminary draft materials by the members of the Committee, who bring a broad range of expertise and knowledge to this work.

REVIEW AND CONSIDERATION OF THE PRELIMINARY DRAFT OF SEWRPC TECHNICAL REPORT NO. 11 (5TH EDITION), *THE POPULATION OF SOUTHEASTERN WISCONSIN*

At Mr. Struck's request, Mr. Stauber initiated a review of the preliminary draft of the population report, drawing attention to key tables and graphs in the report. Mr. Yunker invited the Committee members to raise questions or comments at any time during the review process. The following discussion points and comments were made:

1. Mr. Winters asked to what extent the increase in the senior population may have contributed to the increase in single-person households evident in Table II-16. He noted that public infrastructure and public service needs likely differ for senior households. Mr. Stauber indicated that seniors are indeed partly responsible for the increase in single-person households, adding that the increasing senior population was taken into account in the projections of households and household size for the Region presented in Chapter IV. Mr. Yunker said that, if available, data on the age of persons in single-person households would be added to Chapter II.

[Secretary's Note: A new table (Table II-16a) showing the trend in elderly single-person households in the Region for the past 20 years will be added to Chapter II (see Attachment A). In addition, the following paragraph will be added after the fourth paragraph on Page II-8:

“Of the total of 232,800 single-person households in the Region in 2010, about 34 percent consisted of elderly persons 65 years of age and over—about the same percentage as in 2000 and somewhat lower than in 1990 (see Table II-16a). About 31 percent of the Region's population age 65 and over lived alone, as single-person households, in 2010.”]

2. Mr. Dietl indicated that the information regarding population migration relative to Northern Illinois is of particular interest to his community, the City of Franklin, and suggested that additional geographic detail for the data presented in Table III-10 might be useful. He also suggested expanding the text to indicate migration patterns for other counties in the Region, in addition to Kenosha and Walworth.

[Secretary's Note: The last sentence of the third full paragraph on Page III-6 has been replaced with the following:

“In addition, the migration data indicate the net movement from Northern Illinois of about 2,400 people to Milwaukee County, 1,800 people to Racine County, 1,100 people to Waukesha County, and 300 people to Ozaukee and Washington Counties combined, during the 2000s. This generally represents a continuation of migration patterns between the Region's counties and Northern Illinois observed during the 1990s (See Table III-10a).”

A new table (III-10a) presenting county-to-county migration data for the period 1990-2000—similar to the data presented in Table III-10 for the period 2000-2010—will be included in the final report. A copy of the table is included as Attachment B to these minutes.

It should be noted that the population migration data presented in this section was developed jointly by the Internal Revenue Service and the U.S. Bureau of the Census on a county-to-county basis. The migration data is not available on a community-to-community basis.]

3. Mr. Dietl asked whether population and household projections are available at the community level. Mr. Stauber indicated that, to this point, only county-level projections have been prepared and that projections for urban service areas will be prepared as part of the next regional land use plan, noting that the county-level projections being reviewed by the Committee would serve as a basis for updating and extending the regional land use plan.
4. Mr. Winters asked why the population projections assume a net in-migration of population for the Region in the years ahead, following decades of out-migration. Mr. Stauber noted that, under the intermediate projection, the pattern of migration for the Region is projected to change from a modest net out-migration during the 2000s to a modest net in-migration during the later part of the projection period. A key consideration in this regard, he noted, is the expected reduced growth in the labor force—in large measure, resulting from the retirement of the baby-boom generation—and the attendant need for workers to support even modest growth in employment in the Region. He added that, for the six of the seven counties in the Region, the projected migration is generally consistent with that which occurred during the 1990s and 2000s, and that the projected migration for Milwaukee County represents the continuation of a general overall decline in the level of net out-migration that has occurred over the past several decades. Mr. Yunker indicated that without at least a small net migration into the Region, the labor force in the Region would not be able to support even a modest future increase in jobs.
5. Mr. Schmid asked how the migration assumptions for the high-and low-growth population projections compared to the intermediate projections. Mr. Stauber responded that under the high

projection, net in-migration would average about 55,000 persons per decade over the 40-year projection period, compared to about 6,000 persons per decade under the intermediate projection. Under the low projection, net out-migration would average about 35,000 persons per decade, he noted. Mr. Egan-Robertson suggested that additional documentation of assumed future migration levels be provided in the report. He noted that some users of the report may be interested in the extent to which the projected change in population is attributable to migration, births, and deaths. Mr. Shaver commented that migration is an increasingly important component of population change. Mr. Yunker responded that the staff would provide additional documentation in this regard in the report, through additional tables or graphs as appropriate.

[Secretary's Note: Figure IV-2 of Chapter IV, which shows the projected net migration for the Region by decade between 2010 and 2050 under the intermediate-growth scenario will be revised to include the same information for the high-growth and low-growth scenarios. The revised Figure IV-2 is included as Attachment C.

An appendix will be added to the report providing tabular data regarding projected births, deaths, and net migration under the intermediate-growth scenario by five year-period between 2010 and 2050 for the Region. That appendix is included as Attachment D.]

6. In reviewing Figure IV-7, Mr. Stauber noted that the current population projection for the Region prepared by the Wisconsin Department of Administration is somewhat lower than the other population projections—including projections by Woods & Poole and Moody's Analytics—shown on that figure. He noted that the Department of Administration projection had been prepared prior to the 2010 Federal census. Mr. Egan-Robertson said that those projections considered year 2005 population estimates which indicated a decrease in Milwaukee County's population between 2000 and 2005. After brief discussion, it was agreed to that a note should be added to Figure IV-7, indicating that the Department's projections were prepared prior to the census.

[Secretary's Note: The following note has been added to Figure IV-7:

“The population projection of the Wisconsin Department of Administration shown on this figure was prepared prior to the year 2010 census.”]

Following the review of the preliminary draft of the population report, the report was approved by the Committee—subject to the agreed-upon amendments—on a motion by Mr. Shaver, seconded by Mr. Cotter, and carried unanimously.

Mr. Yunker indicated that all of the amendments to the preliminary draft report suggested at today's meeting would be fully documented in the meeting minutes. He noted that Committee approval of the minutes would constitute approval of the amendments to the report as set forth in the minutes.

REVIEW AND CONSIDERATION OF THE PRELIMINARY DRAFT OF SEWRPC TECHNICAL REPORT NO. 10 (5TH EDITION), *THE ECONOMY OF SOUTHEASTERN WISCONSIN*

Mr. Stauber initiated a review of the preliminary draft of the economic report drawing attention to key tables and graphs in the report. The following discussion points and comments were made during the review of the report:

1. Mr. Cotter noted that the increase in the labor force for Walworth County between 1990 and 2000 reported in Table II-4 seems unusually large compared to other ten-year increases for the County reported in that table. Mr. Stauber said that the staff would check that data.

[Secretary's Note: The Commission staff checked the labor force data for Walworth County as presented on Table II-4, and found that the table accurately presents the labor force levels for Walworth County as reported by the U.S. Census Bureau, the source of the labor force data in this table. It should be noted that another source of labor force data ("Local Area Unemployment Statistics") reports a similarly large increase in the Walworth County labor force between 1990 and 2000.]

2. During the review of the information on employment levels by industry, Ms. Catherman asked whether trend data for the service sector could be presented for subsectors, such as health care services and other types of services. Mr. Stauber said that a major change in the industry classification system—from the SIC system to NAICS—has made it very difficult to assemble consistent, long-term trend data regarding employment by industry. He said that for that reason, the 40-year historic trend data in the draft report was limited to the categories presented in Table II-11. He said that the long-term projections of employment, presented later in the report, were also limited to these categories. He noted that employment data is presented for certain components of the service sector, including health care and social assistance, for a more limited time period for which consistent NAICS data is available—the years 2001 and 2010—in Table II-12.
3. Also during the review of the employment-by-industry data, Mr. Kacala expressed concern about the potential effects on the data resulting from the increased reliance by companies on workers provided through staffing agencies and or other out-sourcing arrangements. He noted that such workers are likely to be reported as service sector workers—since they are employees of a staffing agency—regardless of the industry in which the workers actually function. Mr. Yunker indicated that, while the impact of such arrangements on the data may not be quantifiable, the staff would prepare text drawing attention to the problem, for inclusion in the report.

[Secretary's Note: The following paragraph will be added after the sentence which ends at the top of Page II-7:

“It should be recognized that the data regarding employment by industry may be affected by changing hiring and staffing arrangements. Of growing concern in this regard are companies that rely upon workers who are provided through staffing agencies and through other out-sourcing arrangements. Employees provided through staffing agencies

and other outsourcing agencies are likely to be classified as service workers, even though they may actually work in a manufacturing, retail, wholesale, or other environment.”]

4. Mr. Shaver asked whether the economic report presented information regarding salaries by industry and related projections. Mr. Stauber indicated that, while it does not provide data on salaries by industry, the report does present current and historic trend data on personal income, both in terms of per capita and median family income. He said that the personal income data is presented on Tables II-13 to II-15. Mr. Stauber indicated that it is anticipated that projections of personal income will be prepared by the Commission staff as part of the upcoming regional land use and transportation planning efforts.
5. Mr. Egan-Robertson commented that the graphs of projected job levels by major industry as shown on Figure III-2 indicate that it will be a long time before some industries recover from the depressed levels of 2010 to the pre-recession levels of 2007. Mr. Stauber said that, in these projections, the focus is on long-term growth paths and that the regional land use and transportation plans would be designed to accommodate job levels projected for the year 2050. He noted that there is much uncertainty regarding the rate of recovery in jobs over the next three, five, or seven years, noting that short-term jobs projections prepared by other agencies are frequently revised in response to changing conditions. Mr. Yunker noted that job growth over the next few years may turn out to be lower or higher than indicated on the graphs, but that differences in the short run would not undermine the validity of the long-term projections.
6. During the review of Tables III-7 and III-8, Mr. Egan-Robertson asked whether the multiple job-holding factor presented on those tables takes into account individuals who commute into or out of the Region, to their place of work. Mr. Stauber said that, for purposes of this analysis, the multiple job-holding factor was calculated as the total number of jobs in the Region divided by the total employed labor force living in the Region, at given points in time. He noted that, calculated in this manner, the multiple job-holding factor does not explicitly consider the commuting of workers into or from the Region. Mr. Yunker said that the staff would review available data on commuting to work and determine to what extent commuting-to-work patterns may affect the analysis.

[Secretary’s Note: As indicated by the staff at the Committee meeting, the multiple job holding rates presented in Table III-7 are calculated as the total number of jobs in the Region divided by the employed resident labor force of the Region at given points in time. As part of the analysis, a range of multiple job-holding rates (the high and low rates from Table III-7) were applied to the projected employed resident labor force of the Region to provide an estimate of the number of jobs which would be able to be accommodated in the Region. If historic multiple job-holding rates were to be calculated in a way that takes into account the commuting of workers into and out of the Region, those rates would have to be applied to a projected labor force that also takes into account the future commuting of workers into and out of the Region.

The 2006-2010 American Community Survey indicates that about 53,700 residents of the Region commute to jobs outside the Region, while 58,700 nonresidents commute to jobs in the Region. On balance, the number of people who commute into the Region for work is thus

about 5,000 more than the number who commute from the Region. This would indicate that the total labor force—resident and nonresident—employed at jobs in the Region in 2010 is only 0.5 percent greater than the employed resident labor force of the Region that was used in the analysis.

The analysis summarized on Pages III-8 and III-9 of Chapter III implicitly assumes that the balance between the number of residents of the Region who commute to jobs outside the Region and the number of nonresidents who commute to jobs inside the Region will not change substantially over the projection period. It is proposed that this assumption be explicitly noted in the text by inserting the following sentence after the first sentence of the second full paragraph on Page III-9:

“This analysis assumes that the balance between the number of residents of the Region who commute to jobs outside the Region and the number of nonresidents who commute to jobs inside the Region will not change substantially over the projection period.”]

7. Mr. Winters indicated that the Wisconsin Department of Workforce Development will be updating its employment projections, likely completing that work in June of this year, and suggested that they be included in the final economic report, time permitting. Mr. Yunker said that the Commission staff would watch for the Department’s updated projections for possible inclusion in the report, noting, however, that publication work on the final report is expected to be well along by June.

Following the review of the preliminary draft of the economic report, the report was approved by the Committee—subject to the agreed-upon amendments—on a motion by Mr. Shaver, seconded by Ms. Catherman, and carried unanimously.

WRITTEN COMMENTS SUBMITTED FOR THE MEETING

It should be noted that Mr. Bret Mayborne, who was unable to attend today’s meeting as the representative of the Metropolitan Milwaukee Association of Commerce, provided written comments on the draft population and economic reports to the Commission staff. Mr. Mayborne commented that overall the reports are well done and that he would support their conclusions. In his comments, Mr. Mayborne questioned why the population projections for the Region prepared by the Wisconsin Department of Administration as presented on Figure IV-7 of the population report are notably lower than the other projections shown on that figure. He also indicated that he would like to see employment projections for components of the service sector, particularly health services. Both of these matters were discussed during the course of today’s meeting, as indicated in these minutes.

CONCLUSION

Mr. Yunker indicated that, having reviewed and tentatively approved the draft reports on the Region’s population and economy, the work of the Forecast Committee was essentially completed. Mr. Yunker said that the Commission believes that it is very important that its long-range projections be closely

reviewed by individuals with the requisite knowledge and expertise, as represented on the Committee. He thanked the Committee for its service in support of the work of the Commission.

Mr. Struck declared the meeting adjourned at 11:40 a.m.

Respectfully submitted,

Kenneth R. Yunker
Secretary

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KRY/WJS/lgh
forecast committee mtg minutes: 05/08/13 (00210254).DOC

Table II-16a

SINGLE-PERSON HOUSEHOLDS BY AGE IN THE REGION: 1990, 2000, AND 2010

Age of Householder	1990		2000		2010		Change: 1990-2000		Change: 2000-2010	
	Number	Percent of Total	Number	Percent of Total	Number	Percent of Total	Number	Percent	Number	Percent
Under 65 years	102,069	60.5	136,465	65.4	153,133	65.8	34,396	33.7	16,668	12.2
65 Years and over	66,690	39.5	72,081	34.6	79,685	34.2	5,391	8.1	7,604	10.5
Total	168,759	100.0	208,546	100.0	232,818	100.0	39,787	23.6	24,272	11.6

Source: U.S. Bureau of the Census and SEWRPC.

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3/27/2013

Table III-10a

**COUNTY-TO-COUNTY MIGRATION DATA FOR 1990-2000
BETWEEN REGION COUNTIES AND SELECTED ILLINOIS COUNTIES**

Geographic Area	In-Migration (person moves)							
	To Kenosha County	To Milwaukee County	To Ozaukee County	To Racine County	To Walworth County	To Washington County	To Waukesha County	To Region
From Cook, Lake, and McHenry Counties combined	28,360	16,330	1210 ^a	5,190	9,510	740 ^a	5,240	66,580

Geographic Area	Out-Migration (person moves)							
	From Kenosha County	From Milwaukee County	From Ozaukee County	From Racine County	From Walworth County	From Washington County	From Waukesha County	From Region
To Cook, Lake, and McHenry Counties combined	11,500	13,390	760 ^a	3,240	3,440	440 ^a	3,670	36,440

Geographic Area	Net Migration (person moves)							
	To Kenosha County	To Milwaukee County	To Ozaukee County	To Racine County	To Walworth County	To Washington County	To Waukesha County	To Region
From Cook, Lake, and McHenry Counties combined	16,860	2,940	450 ^a	1,950	6,070	300 ^a	1,570	30,140

NOTE: The information presented in this table is drawn from "County-to-County Migration Data," the result of a joint effort between the U.S. Internal Revenue Service and the U.S. Census Bureau. In this data set, migratory moves between counties are identified based upon year-to-year changes in addresses entered on Federal income tax returns filed by individual tax payers.

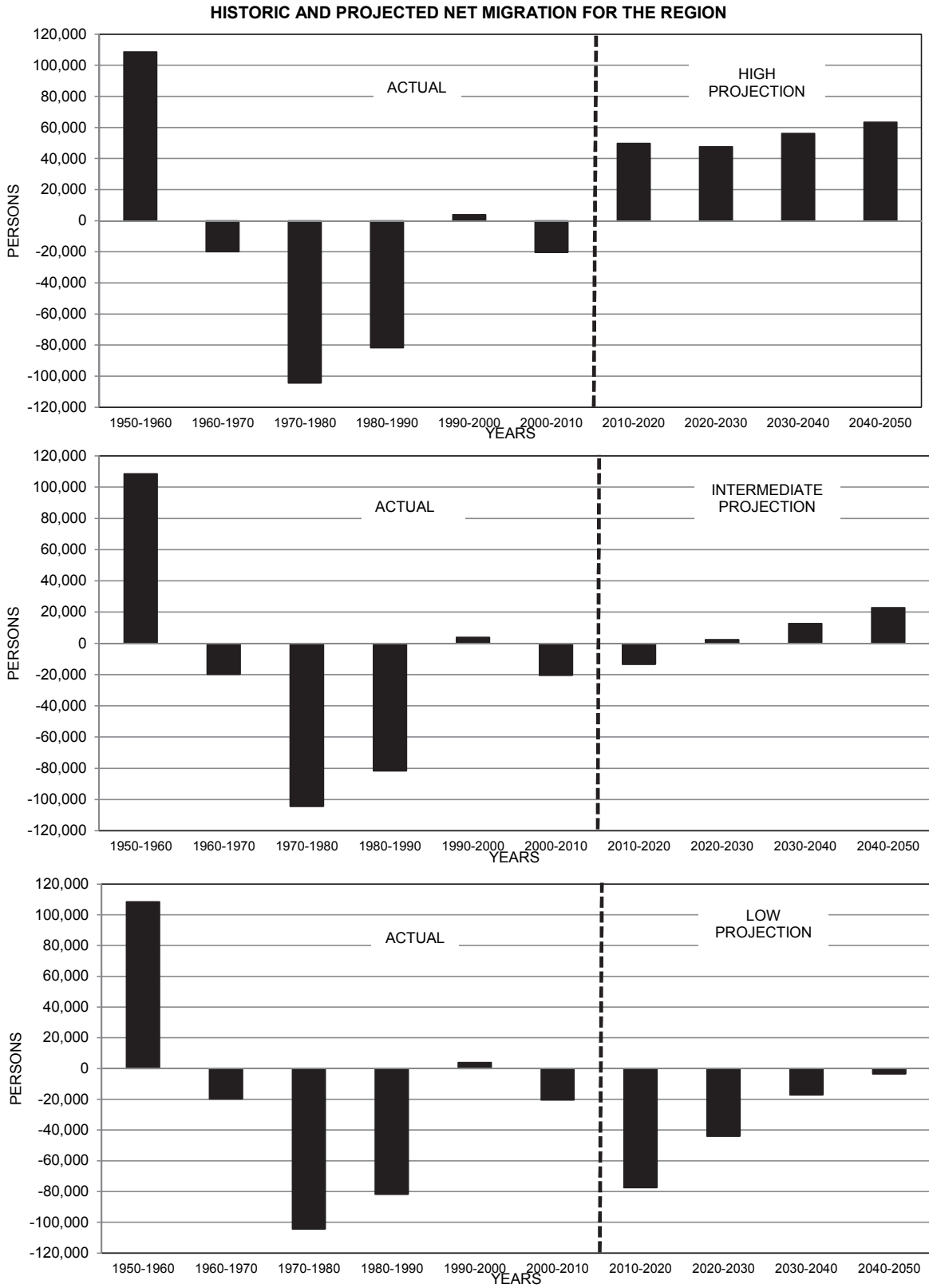
^aData are unavailable for years with relatively small amounts of data due to suppression of data to protect the privacy of individuals.

Source: "County-to-County Migration Data" from the U.S. Internal Revenue Service and U.S. Bureau of the Census; and SEWRPC.

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3/19/2013

Figure IV-2 (Revised)



Source: U.S. Bureau of the Census, Wisconsin Department of Health Services, and SEWRPC.

ATTACHMENT D

Appendix C

PROJECTED COMPONENTS OF POPULATION CHANGE IN THE REGION: 2010-2050 (Intermediate Projection)

Region

Time Period	Births	Deaths	Natural Increase	Net Migration	Total Population Change
2010-2015	134,375	84,251	50,124	-9,299	40,825
2015-2020	138,410	85,979	52,431	-4,221	48,210
2020-2025	140,775	90,010	50,765	-33	50,732
2025-2030	142,405	96,823	45,582	2,509	48,091
2030-2035	142,720	105,828	36,892	5,040	41,932
2035-2040	142,225	113,798	28,427	7,579	36,006
2040-2045	142,575	119,773	22,802	10,127	32,929
2045-2050	144,970	122,295	22,675	12,670	35,345
2010-2050	1,128,455	818,757	309,698	24,372	334,070

Source: SEWRPC.

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