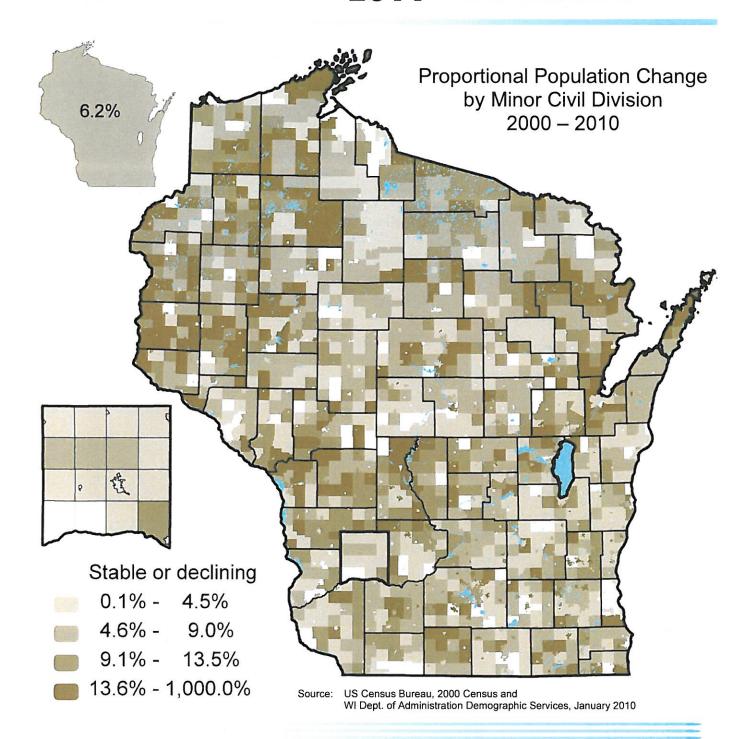
Richland County Workforce Profile

2011



WISCONSIN



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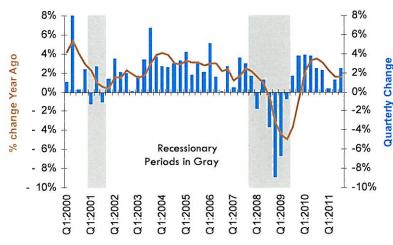
Slowly It Grows

As this is written in November 2011, the economic recovery is officially more than two years old. The National Bureau of Economic Research, the organization that defines U.S. recessions, stated that the recession began in December 2007 and ended in June 2009. Mapping economic activity and employment changes through this business cycle has charted new territory.

This "Great Recession" has discovered new latitudes on a number of fronts. It is the first time since World War II that GDP registered declines four quarters in a row. GDP dropped 5.4 percent from the fourth quarter of 2007 peak, to the second quarter of 2009 trough. The previous worst post-war recession GDP decline was 3.7 percent in the 1957 recession. The severe recessions of 1973 and 1981 saw GDP fall by 2.8 percent and 2.9 percent respectively. In most recessions, the trough occurred in the second or third quarter following the peak. This recession's trough occurred six quarters after the peak. Suffice it to say that the Great Recession set new records in depth and duration for post-war recessions.

The recovery from this recession has been lethargic. Post-war economic recoveries usually reached new real GDP levels two or three quarters after the trough. The

Real GDP Change 2000 Q1 - 2011 Q3



Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, May 2011

1981 recovery took five quarters to reach new output levels. The current growth cycle is nine quarters old and

Note: All data appearing in this profile are subject to revision.

GDP has only now reached pre-recession levels.

The primary drags on the recovery have been: 1) housing markets, 2) deleveraging, and 3) high unemployment. New home construction is running at about a quarter of the previous peak and about one million units per year below long-run demand rates of 1.5 million units per year. Consumers, companies, banks, and governments are all deleveraging — paying down debt and recalibrating cash flows. Companies are reluctant to hire new workers in this uncertain economic environment.

Concerning the housing market, relatively few new homes being built generate little demand for new carpet, doors, windows, appliances, etc. Also, and more importantly for economic demand, the trillions of dollars that evaporated from home equity balances have disappeared from the economy. With that loss, consumers now must pay for purchases out of cash flow, primarily earnings, instead of unrealized capital gains. The six trillion dollars of lost home and investment equity has revalued baby boomers' retirement portfolios and induced higher savings. In addition, high unemployment is retarding ag-

gregate earnings growth. It is difficult to increase consumption while paying down debt and increasing savings with stagnant income.

The exiguous demand growth offers no incentive to expand production. Non-residential investment has been increasing in equipment and software — labor saving investment. Structures investment — production expansion — has been flat. Limited demand coupled with productivity investments yields little need to increase payroll. The economic feedback loops follow that no new hiring leads to no new earnings leads to no new demand leads to no new production capacity leads to no new hiring; hence slow economic recovery.



Slowly It Goes (cont.)

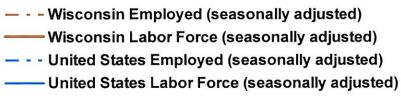
The employment situation mimics the economic path, with some lag. The U.S. unemployment rate peaked at 10.1 percent in October 2009 on a seasonally adjusted basis, after the recession was declared over. Wisconsin's unemployment rate peaked at 9.2 percent in June and July 2009, and matched it again in January 2010. The unemployment rate didn't get as elevated as it had in the past. The U.S. unemployment rate reached 10.8 percent in November and December of 1982. Wisconsin's unemployment rate peaked at 11.5 percent in January of 1983. Wisconsin's unemployment rate has remained below the nation through this business cycle. This is due to the fact that Wisconsin's residential construction sector didn't collapse to as great a degree as did some other states, such as Arizona, California, and Florida. Also, Wisconsin's diversified industry alleviates it from large impacts to a single industry, such as the automobile industry concentrations in Michigan, Ohio, and Indiana.

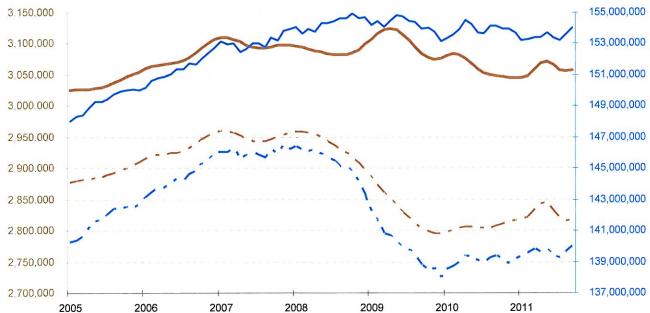
Job loss in the state was more severe than past recessions. Wisconsin displaced almost six percent of its job base during this recession. The state displaced just over five percent of its job base in the 1981 recession.

To a large extent, this has been a "jobless" recovery. Wisconsin's job level is still more than four percent below pre-recession levels twenty-three months after the employment bottom. Job recovery in the 1981 economic recovery was relatively rapid, reaching pre-recession job levels thirteen months after the bottom.

Illustrated below are the workforce and employment dynamics for the state and the nation through the last two business cycles. What is evident is the loss of employment during the recessions. What has changed over the period is that the workforce actually turned negative. Wisconsin's workforce declined 0.6 percent through the 2001 recession. The jobs recovery then took over four years to reach pre-recession levels. This time, Wisconsin's workforce decreased 1.7 percent at the lowest point, and the U.S. workforce turned lower for the first time.

Due to the way the unemployment rate is calculated, the state and national unemployment rates would be higher than the current (September 2011) 7.8 percent and 9.1 percent for Wisconsin and the U.S., respectively, if the workforce had remained steady or increased over the period.





Source: WI DWD, Bureau of Workforce Training, LAUS, 2011



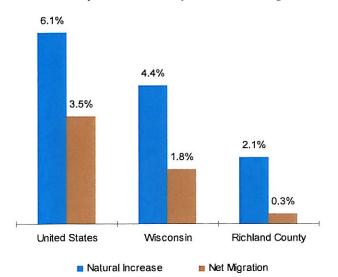
Population

Richland County added 442 residents since 2000, ranking as the 56th largest county in the state. The rate of increase of 2.5 percent is well below the state and national rates of increase of 6.2 percent and 9.6 percent, respectively.

Population growth in the 2000s was expected to slow relative to the fast-growing 1990s. This general projection proved to be correct in the case of Wisconsin, since the population of 80 percent of the counties increased at a slower rate in the 2000s relative to the 1990s. However, Richland County's population growth in 2000-2010 does not confirm the projection, standing two-tenths of a percentage point above the 1990-2000 rate of 2.3 percent.

Population change is driven by two factors: natural change and migration. A natural increase of the population occurs when there are more births than deaths. Migration affects net employment change in an area positively when the number of people moving into the area is larger than the number of people moving out. In the case of Richland County, growth come from both natural increase and migration. As shown on the chart below, Richland's natural increase is 2.1 percent while migration is 0.3 percent. Richland County's natural increase was lower than the state's 4.4 percent, and significantly lower than the nation's 6.1 percent. The county's migration rate is also

Components of Population Change



Source: WI DOA, Demographic Services, Population Est., 2011

Richland C	County's 10 Most	Populous Mur	ricipalities	
	Apr 1, 2000	Jan 1, 2010	Numeric	Proportional
	Census	Estimate	Change	Change
United States	281,421,906	308,400,408	26,978,502	9.6%
Wisconsin	5,363,715	5,695,950	332,235	6.2%
Richland County	17,924	18,366	442	2.5%
Richland Center, City	5,114	5,165	51	1.0%
Buena Vista, Town	1,575	1,725	150	9.5%
Richland, Town	1,364	1,377	13	1.0%
Lone Rock, Village	929	915	-14	-1.5%
Rockbridge, Town	721	778	57	7.9%
Dayton, Town	723	753	30	4.1%
Ithaca, Town	648	670	22	3.4%
Orion, Town	628	651	23	3.7%
Marshall, Town	600	637	37	6.2%
Richwood, Town	618	614	-4	-0.6%

Source: WI Dept. of Administration, Demographic Services, Population Est., 2011

below both the state's rate of 1.8 percent and nation's 3.5 percent.

A complementary measure to gauge the nature of population change is the ratio of the rate of natural increase relative to the rate of net migration. Richland County's ratio of 7.0 is well above the state ratio of 2.4 and the national measure of 1.7. This comparison indicates that the weight of the natural increase of the population relative to net migration in Richland County is significantly above both the state and national averages.

Richland County's average birth rate of 12.4 births per is 1,000 residents (2009, WI DHS) is associated with a relatively older population vis-à-vis the state. Richland County's median age in 2010 stands at 43 years, above both the state and the nation (38.5 and 37.2, respectively), placing the county in the 27th position in Wisconsin's ranking of counties by median age, from "oldest" to "youngest."

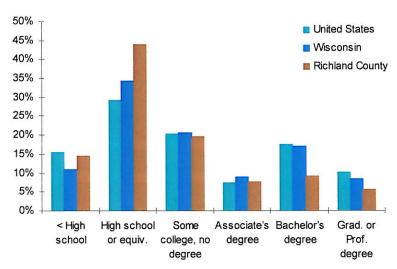
The table above lists Richland County's ten most populous municipalities as of 2010. Eight of the top ten municipalities in the county saw an increase in population. Richland Center added 51 residents for an increase of 1.0 percent. The Town of Buena Vista had the largest percent increase in the county, with an addition of 150 that represents an increase of 9.5 percent. The largest decrease was posted by the Village of Lone Rock, with a decline of 14, or 1.2 percent.

Population change is concentrated in few municipalities. The four top growing municipalities account for more than 65 percent of the county's decennial population change.



Demographics

Educational Attainment of Residents 25 or More Years Old



Source: US Census Bureau, American Community Survey, Table B15002, 2005-2009

The five-year estimates of the American Community Survey (ACS) are the main source of demographic data for every county in Wisconsin since the 2000 Decennial Census. The chart above displays a distribution of the highest-attained educational level for the population ages 25 and older for Richland County and compares it to Wisconsin and the nation.

The distribution of educational attainment in Richland County reproduces Wisconsin's patterns relative to the U.S. in general, with a relatively higher rate of high school completion. This higher rate, in turn, is mostly concentrated on the high school category, at the expense of the college and post-college categories. This pattern is amplified in Richland County, where the estimated proportion of individuals with a high school diploma or equivalent as their maximum schooling attainment reaches 44 percent, almost 10 percentage points above the state rate and 15 percentage points above the national measure.

This relatively high rate of high school attainment contrasts with a comparatively low rate of college degree attainment. With a rate 9 percent, Richland County stands 8 percentage points below the state level and around 8.5 percentage points below the nation. Richland County's lower share of college graduates may be partly explained by the county's industrial mix relatively biased away from the professional and business services, financial activities, and information sectors.

The five-year estimates of the ACS also provide basic data on commuting patterns by county, as shown in the table at the very bottom. A third of Richland County's employed residents work in another county. This is an average level of out-commute. The statewide average indicates that 28 percent of workers commute out of the county in which they reside. Being a non-metropolitan and rural county, Richland County's commuting pattern is shaped by its relative proximity to Sauk County and by the attraction of the Madison metro area.

In effect, for those who do commute out of Richland County for work, Sauk and Dane counties are the two primary destinations. The importance of Sauk County is explained by the proximity of Baraboo and Reedsburg, while Dane's role is dictated by the attraction of the Madison metro area as the region's largest economic hub. A rank order of the specific location of residents and workers by county are shown below, in descending order. Most out-of-county residents

working in Richland County come from Vernon, Grant and Sauk counties. Most out-of-county workers residing in Richland County work in Sauk, Dane, and Iowa counties.

Where do Richland County residents work?

Richland Co., WI Sauk Co., WI Dane Co., WI Iowa Co., WI Vernon Co., WI Grant Co., WI

Where do Richland County workers live?

Richland Co., WI Vernon Co., WI Grant Co., WI Sauk Co., WI Crawford Co., WI Milwaukee Co., WI

Source: US Census Bureau, Local Employer-Household Dynamics

Commuting Patterns of Richland County Residents

Work in Richland County:	6,245	69.2%
Work in another Wisconsin County:	2,709	30.0%
Work outside Wisconsin:	70	0.8%
Total:	9,024	100.0%

Source: US Census Bureau, American Community Survey, Table B08007, 2005-2009



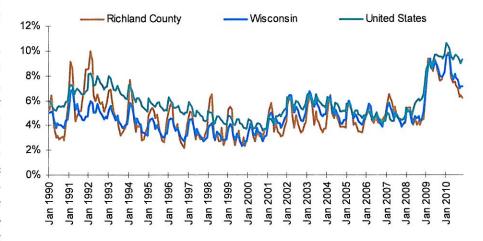
Workforce

ade.

The chart to the right plots the monthly rates of unemployment for Richland County, Wisconsin and the U.S. over the last two decades.

A first approximation to the dynamics of unemployment in Richland County, Wisconsin and the U.S. since the early 1990s indicates that unemployment in Richland County followed the state and national trends in general, although fluctuating more intensely in the 1990s. As in the state and the nation, the unemployment rate in Richland County declined in the second half of the 1990s, reaching a historical low level towards the end of the dec-

Unemployment Rates - Not Seasonally Adjusted



level towards the end of the dec- Source: U.S. Bureau of Labor Statistics, CPS, LAUS, 2011

The rate of unemployment climbed up again in the early 2000s recession, to levels that were, on average, lower for the nation and higher for the state, always relative to the previous recession. An important difference with the 1990s is that the recovery after the early 2000s recession was a relatively weak recovery in terms of job creation. As the chart shows, the employment recovery between 2003 and 2007 did not result in a significant decline in the unemployment rate. This is explained by an unprecedented low rate of job creation in the early phase of the last employment upturn. The subsequent increase in job

creation was interrupted by the Great Recession, which was characterized by a rapid and massive destruction of jobs across regions, industrial sectors and demographic groups.

The labor force participation rate (LFPR) is the labor force (sum of employed and unemployed) divided by the population ages 16 and older. Richland County's annual average LFPR stood at 68.6 percent in 2010, almost matching the state rate (69.0 percent) and almost 4 percentage points above the national rate (64.7 percent)

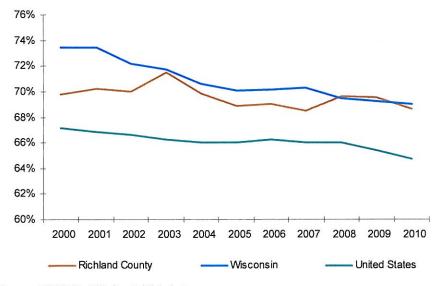
The LFPR is a composite indicator that reflects or summa-

rizes changes in both the economy and the population. These changes are either secular, in the sense that they encompass several economic cycles, or cyclical, insofar as they follow the ups and downs of the economy.

The chart to the left shows the yearly rates of labor force participation in Richland County, Wisconsin and the U.S. over the last decade. The chart to the left shows the yearly rates of labor force participation in Richland County, Wisconsin and the U.S. over the last decade. Three aspects are salient, namely, (i) the persistently high LFPR of Richland County and Wisconsin relative to the U.S.; (ii) the downward trend of state and national LFPR; and (iii) the virtual stagnation of Richland's LFPR.

A longer view would reveal that the

Labor Force Participation Rates

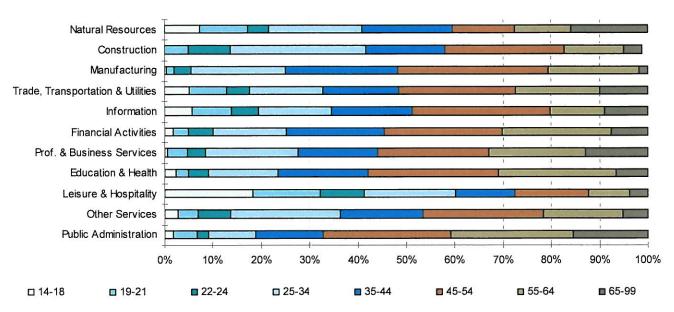


Source: WI DWD, OEA Special Tabulation



Workforce (cont.)

Richland County's Age Distribution by Industry



Source: U.S. Dept. of Commerce, Census Bureau, Local Employment Dynamics, 2009 Annual

early 2000s marked a secular turning point for the LFPR: it reached a historical maximum by the end of the booming 1990s, after having grown steadily since the 1960s. A relatively weak labor market certainly plays an important role in this story. Another important factor is the aging of the population. Following a national and state trend, Richland County's workforce has been aging sustainably, driven by the aging of the baby boomers. In the 2000s, this process manifests itself across counties in the rise of the 45-54 age group of employed individuals, from the second to the most populous age group, at the expense of the 35-44 age group. This was, in fact, observed in Richland County, where the share of the 45-54 group rose from the second to the first place over the decade, from 23.7 in 2000 to average of 25.2 percent in 2006-2010.

The chart above shows the age profile of job holders by major industries in Richland County. The age profile of job holders varies across industries, and does so quite sharply in some cases. The two main factors that determine or shape an industry's age profile are (i) the supply or availability of labor; and (ii) the occupational mix within each industry. The supply of labor is determined by the age of the population and the labor force participation rate. A relatively young population is more likely to report relatively high rates of labor force participation, resulting in relatively large pools of labor vis-à-vis an oth-

erwise comparable relatively old population.

The occupational mix within industries reflects the industry's specific division of labor, which is the sum total of the specific divisions of labor within the establishments composing each industry. This division of labor within establishments consists of a structure of tasks, each of which corresponds to a definite set of skills, knowledge and abilities. The composition of tasks in each establishment or industry is expressed in a definite composition of occupations, which is in turn shaped by specific technical requirements. Some industries, like leisure and hospitality, are biased toward relatively low-skills jobs, which tend to be filled by younger workers and suffer from relatively high rates of turnover. Other industries, like manufacturing, are biased toward medium- and high-skills jobs, which tend to be filled by older workers and show relatively low turnover rates.

In Richland County, the age group with the largest share of job holders, independent of industry, is the 45-54 age group, accounting for 26 percent of the county's total job holders. Looking across industries, manufacturing and public administration skew eldest, while leisure and hospitality skews youngest. Manufacturing and government employment is typically comprised of workers with long tenures and seniority. As mentioned above, leisure and hospitality tends to be comprised of relatively young workers.



Jobs & Wages

The chart to the right shows the distribution of average annual employment and total payroll by in Richland sector County, including the annual change in the level of average annual employment. The information in the table tells us, for instance, that leisure and hospitality accounts for 6.6 percent of the county's job base, ranking as its fourth largest employment sector. Its

2010 Employment and Wage Distribution by Industry in Richland County

	Emplo	yment			■% of To	tal Employ	ment
	Annual average	1-year change	Total Payroll		■% of To	tal Payroll	
Natural Resources	124	14	\$ 2,568,556				
Construction	183	-8	\$ 6,998,190				
Manufacturing	1,496	-10	\$ 61,206,874				
Trade, Transportation, Utilities	1,234	-26	\$ 28,807,232				
Information	suppressed	Not avail.	suppressed				
Financial Activities	181	4	\$ 4,678,428				
Professional & Business Services	153	22	\$ 4,1 20,261				
Education & Health	1,435	-20	\$ 47,556,953				
Leisure & Hospitality	379	12	\$ 3,889,028				
Other services	124	13	\$ 2,043,981	15			
Public Administration	328	38	\$ 9,306,000		1		
Not assigned	suppressed	Not avail.	suppressed	10%	20%	30%	40%
All industries	5,713	47	\$172,549,355	1078	2070	5070	407

Source: WI DWD, Bureau of Workforce Training, Quarterly Census Employment and Wages, June 2011

aggregate wage share, however, accounts for only 2.3 percent of the total payroll, ranking as its eighth largest sector in terms of aggregate payroll. This sharp divergence between employment and payroll shares reflects the sector's relatively low average wage.

The largest industry sectors in Richland County are the manufacturing and the education and health sectors, with employment shares of 26.2 and 25.1 percent, and payroll shares of 35.5 and 27.6 percent, respectively. As in the case of the leisure and hospitality sector, the relationship between employment and payroll shares shows that average annual wages are just above-average in the education and health sectors and are well above average, or relatively high, in the manufacturing sector.

wages by sector in Richland County and Wisconsin, including the annual change in Richland County and the county's share of annual wages by industry relative to the state.

Richland County's annual average wage was \$30,203

The table at the bottom shows the average annual

Richland County's annual average wage was \$30,203 in 2010, which represents a 75.5 percent of the statewide average of \$39,985. Its overall average ranked 49th highest among Wisconsin's 72 counties. Compared with the state-wide averages, all the non-suppressed sectors in Richland County reported lower average annual wages.

Richland County's highest-paying sector in 2010 was manufacturing, with an average wage of \$40,914, or 81.5 percent of the statewide average annual wage in manufacturing. Manufacturing is followed closely by con-

struction, with an average annual wage of \$38,241, and more distantly by education and health (\$33,141), and public administration (\$28,372). The top three highest paying sectors posted annual employment contractions in 2010. Public administration, however, posted the largest employment addition in Richland County in 2010.

Richland County's lowest-paying sector in 2010 was leisure and hospitality, with an average annual wage of \$10,261, or 70 percent of the statewide average, followed by the "other services" sector, with \$16,484, and by the natural resources sector, with \$20,714. All these top three lowest-paying sectors posted annual job gains in 2010, contrasting with the annual job losses observed in the top three highest-paying sector.

Average Annual Wage by Industry Division in 2010

Wisconsin Average Annual	Richland County Average	Percent of Wisconsin	1-year % change
\$ 39,985	\$ 30,203	75.5%	-1.6%
\$ 30,613	\$ 20,714	67.7%	-0.7%
\$ 49,135	\$ 38,241	77.8%	-4.8%
\$ 50,183	\$ 40,914	81.5%	-5.1%
\$ 34,132	\$ 23,345	68.4%	4.2%
\$ 51,764	suppressed	Not avail.	Not avail.
\$ 53,332	\$ 25,848	48.5%	-1.3%
\$ 46,516	\$ 26,930	57.9%	5.2%
\$ 42,464	\$ 33,141	78.0%	1.2%
\$ 14,597	\$ 10,261	70.3%	4.0%
\$ 22,682	\$ 16,484	72.7%	-11.5%
\$ 41,653	\$ 28,372	68.1%	-0.6%
	Average Annual \$ 39,985 \$ 30,613 \$ 49,135 \$ 50,183 \$ 34,132 \$ 51,764 \$ 53,332 \$ 46,516 \$ 42,464 \$ 14,597 \$ 22,682	Average Annual County Average \$ 39,985 \$ 30,203 \$ 30,613 \$ 20,714 \$ 49,135 \$ 38,241 \$ 50,183 \$ 40,914 \$ 34,132 \$ 23,345 \$ 51,764 suppressed \$ 53,332 \$ 25,848 \$ 46,516 \$ 26,930 \$ 42,464 \$ 33,141 \$ 14,597 \$ 10,261 \$ 22,682 \$ 16,484	Average Annual Average Wisconsin Average \$ 39,985 \$ 30,203 75.5% \$ 30,613 \$ 20,714 67.7% \$ 49,135 \$ 38,241 77.8% \$ 50,183 \$ 40,914 81.5% \$ 34,132 \$ 23,345 68.4% \$ 51,764 suppressed Not avail. \$ 53,332 \$ 25,848 48.5% \$ 46,516 \$ 26,930 57.9% \$ 42,464 \$ 33,141 78.0% \$ 14,597 \$ 10,261 70.3% \$ 22,682 \$ 16,484 72.7%



Jobs & Wages (cont.)

Prominent Industries in Richland County

	Average Employment			Average Wages			
	2010 Avg.	5-year Perc	ent Change	2010 A	verage	5-year Perc	ent Change
Industry Sub-sectors (3-digit NAICS)	Richland County	Richland County	Wisconsin	Richland County	Wisconsin	Richland County	Wisconsin
Food manufacturing	611	not avail.	-0.0%	\$ 43,241	\$ 41,456	not avail.	13.7%
Educational services	402	-4.3%	5.2%	\$ 30,909	\$ 42,666	8.5%	13.5%
Nursing and residential care facilities	453	17.4%	10.0%	\$ 19,011	\$ 24,057	5.9%	9.0%
Electrical equipment and appliance mfg.	suppressed	not avail.	-14.9%	suppressed	\$ 59,960	not avail.	21.1%
General merchandise stores	suppressed	not avail.	-2.0%	suppressed	\$ 18,740	not avail.	12.7%
Hospitals	suppressed	not avail.	8.1%	suppressed	\$ 47,726	not avail.	18.9%
Food services and drinking places	suppressed	not avail.	-1.4%	suppressed	\$ 11,693	not avail.	16.2%
Executive, legislative and general government	201	6.9%	-1.6%	\$ 19,808	\$ 38,155	4.3%	11.4%
Transportation equipment manufacturing	suppressed	not avail.	-30.8%	suppressed	\$ 58,079	not avail.	10.6%
Ambulatory health care services	150	0.7%	6.8%	\$ 57,975	\$ 62,533	20.7%	15.4%

Note: * data suppressed for confidentiality and not available for calculations
Source: WI DWD, Bureau of Workforce Training, QCEW, OEA special request, 2011

The table above offers a closer look at the structure and dynamics of employment and wages in Richland County, focusing on the largest 3-digit industries that compose the 2-digit sectors examined in the previous page.

The largest employing industries in Richland County are dominated by goods producers and by services providers in the private and public sector. The three largest industries, which account for 25.7 of total employment, are associated with the two largest sectors in terms of employment identified in the previous page. Manufacturing is represented by the top industry "food manufacturing," while the educational and health services sector is represented by "educational services" and "nursing and residential care facilities."

The suppression of data aimed at protecting the confidentiality of employers impedes an in-depth and detailed analysis of the ten most prominent 3-digit industries. How-

ever, the available data let us infer three important characteristics of these prominent industries, namely, (i) the top ten industries account, roughly, for at least half and at most two-thirds of total employment; (ii) the top industries associated with the manufacturing sector account, roughly, for around 20 percent of total employment; and (iii) the top industries associated with the education and health sectors account, roughly, for around 20 percent of total employment.

The table below identifies the county's largest employers. The group is dominated, as expected, by large manufacturing firms, like Rockwell Automation and Shreiber Foods, and by employers within the education and health sector, like the Richland School District, Richland County's nursing care facilities and The Richland Hospital.

Prominent Employers in Richland County					
Establishment	Service or Product	Number of Employees (June 2010)			
Rockwell Automation Inc	Relay & industrial control manufacturing	250-499 employees			
County of Richland	Nursing care facilities	250-499 employees			
Schreiber Foods Inc	Fluid milk manufacturing	250-499 employees			
The Richland Hospital Inc	General medical & surgical hospitals	250-499 employees			
Richland School District	Elementary & secondary schools	250-499 employees			
Walmart	Warehouse clubs & supercenters	250-499 employees			
S & S Cycle Inc	Motorcycle, bicycle, & parts manufacturing	100-249 employees			
Morningstar Foods LLC	Dry, condensed, & evap. dairy products mfg.	100-249 employees			
Foremost Farms USA Co-Op	Cheese manufacturing	100-249 employees			
Schmitt Woodland Hills Inc	Continuing care retirement communities	100-249 employees			

Source: WI DWD, Bureau of Workforce Training, QCEW, OEA special request, Sept. 2011



Income

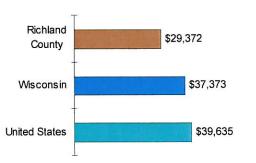
Total Personal Income (TPI) is the sum of three components, namely (i) employment earnings; (ii) property income (dividends, interest and rental income); and (iii) personal current transfers receipts (government payments like social security, medicare, medicaid and unemployment insurance). Richland County's TPI in 2009 was \$524 hundred thousand, or around 0.2 percent of the state's \$211 billion total. Its 10-year nominal TPI growth was

45 percent, slightly faster than the state rate of 43.3 percent and slower than the national rate of 53.9 percent.

Per Capita Personal Income (PCPI) is TPI divided by the total population. This average income figure is often used as a measure of economic development and standard of living. In 2009, Richland County's PCPI was \$29,372, a much lower figure than state's \$37,373 and the nation's \$39,635. Richland County's PCPI ranks 10th lowest in Wisconsin, being the lowest county PCPI of the Wisconsin's Southwest Workforce Development Area. However, Richland County's PCPI is in line with other eminently rural counties in the region, like Lafayette (\$30,486) and Grant (\$30,861), and even with the eminently urban Rock County (\$31,294). Richland County's relatively low PCPI is the expression of three main factors, namely, a relatively low average wage, a relatively low concentration of high-wage employers and wealthy individuals, and a relatively high concentration of recipients of government transfers.

Employment earnings are the major source of total personal income at the national, state and county levels. Nationally, 64.5 percent of personal income was employment earnings, most of this being wage and salary or proprietor (self-employment) earnings. The left chart among the three at the bottom of this page shows the percent share that employment earnings comprises of TPI in Richland

2009 Per Capita Personal Income



the state's \$211 billion total. Its Source: US Dept. of Commerce, Bureau of Economic Analysis, 2011

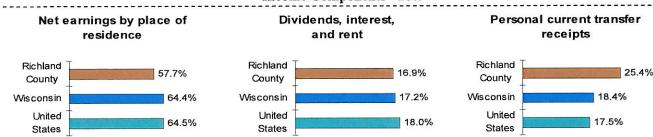
County relative to the state and the nation. At 57.7 percent, Richland County's earning share of TPI is significantly lower than state and national levels, which hover around 64.5 percent. Being significantly below average, Richland County's earning share of TPI ranks 51st largest among Wisconsin's 72 counties

The lower share of total income of net earnings in Rich-

land County is associated with a county's share of personal current transfers that is significantly higher than the state and national rates. More specifically, the share of personal current transfer receipts stands at 25.4 percent, 7.0 and 7.8 percentage points above the state and the national rates, respectively. This bias towards personal current transfers is consistent with the county's relatively low PCPI, since the presence of a relatively high proportion of income recipients receiving government transfers corresponds, in general, with the presence of a relatively high proportion of individuals receiving comparatively low incomes. In the case of Richland County, it can be inferred that this higher share is driven by a relatively older population and a cyclically high rate of unemployment.

Richland County's TPI share of dividends, interests and rent is in line with Wisconsin's rate of 17.2, standing at 16.9 percent, and was somewhat lower than the national rate of 18 percent. The difference between the TPI shares of government payments and property income indicates how the mass of non-earnings income is divided between a relatively narrow and a relatively broad population base, respectively. The county's difference of 8.5 percentage points significantly amplifies the difference also observed at the state level (1.2 percentage points), both of which reverse the U.S. pattern, which shows a negative difference of five-tenths of a percentage point.

Income Components - 2009



Source: US Dept. of Commerce, Bureau of Economic Analysis, 2011

