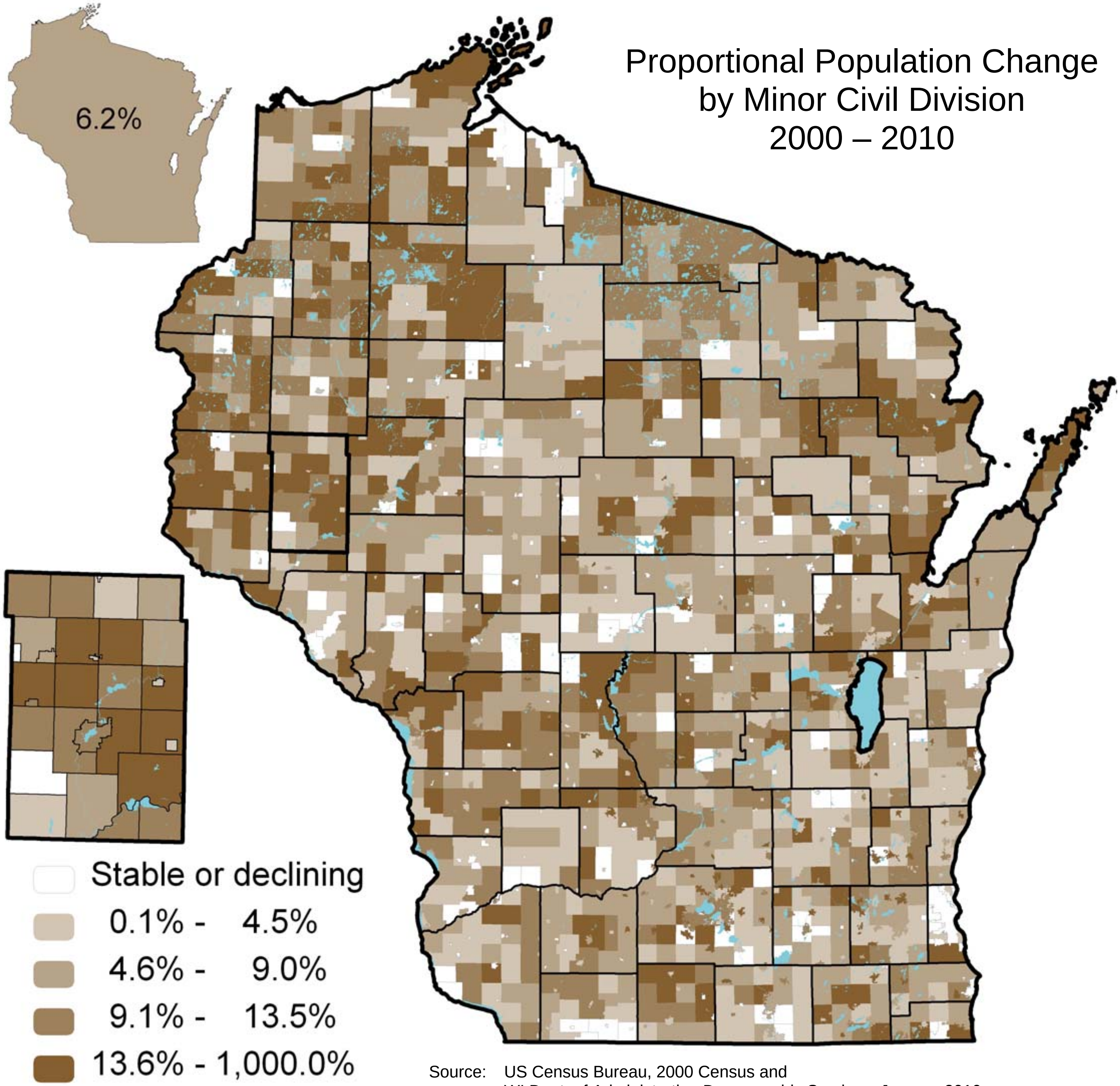
Dunn County Workforce Profile

2011



Source: US Census Bureau, 2000 Census and
WI Dept. of Administration Demographic Services, January 2010

Department of Workforce Development

Office of Economic Advisors

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Dunn County Workforce Profile

2011

Slowly It Grows

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

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.

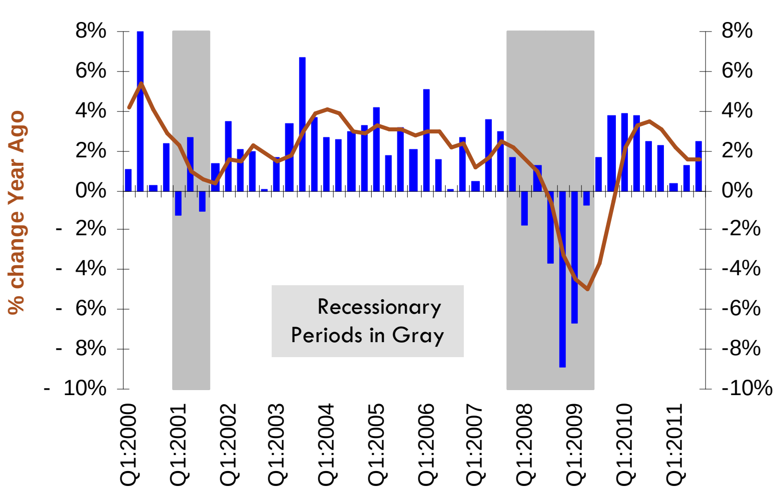
The recovery from this recession has been lethargic. Post-war economic recoveries usually reached new real GDP levels two or three quarters after the trough. The 1981 recovery took five quarters to reach new output levels. The current growth cycle is nine quarters old and GDP has only now reached pre-recession 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 aggregate 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.

Real GDP Change 2000 Q1 - 2011 Q3



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

Slowly It Grows (cont.)

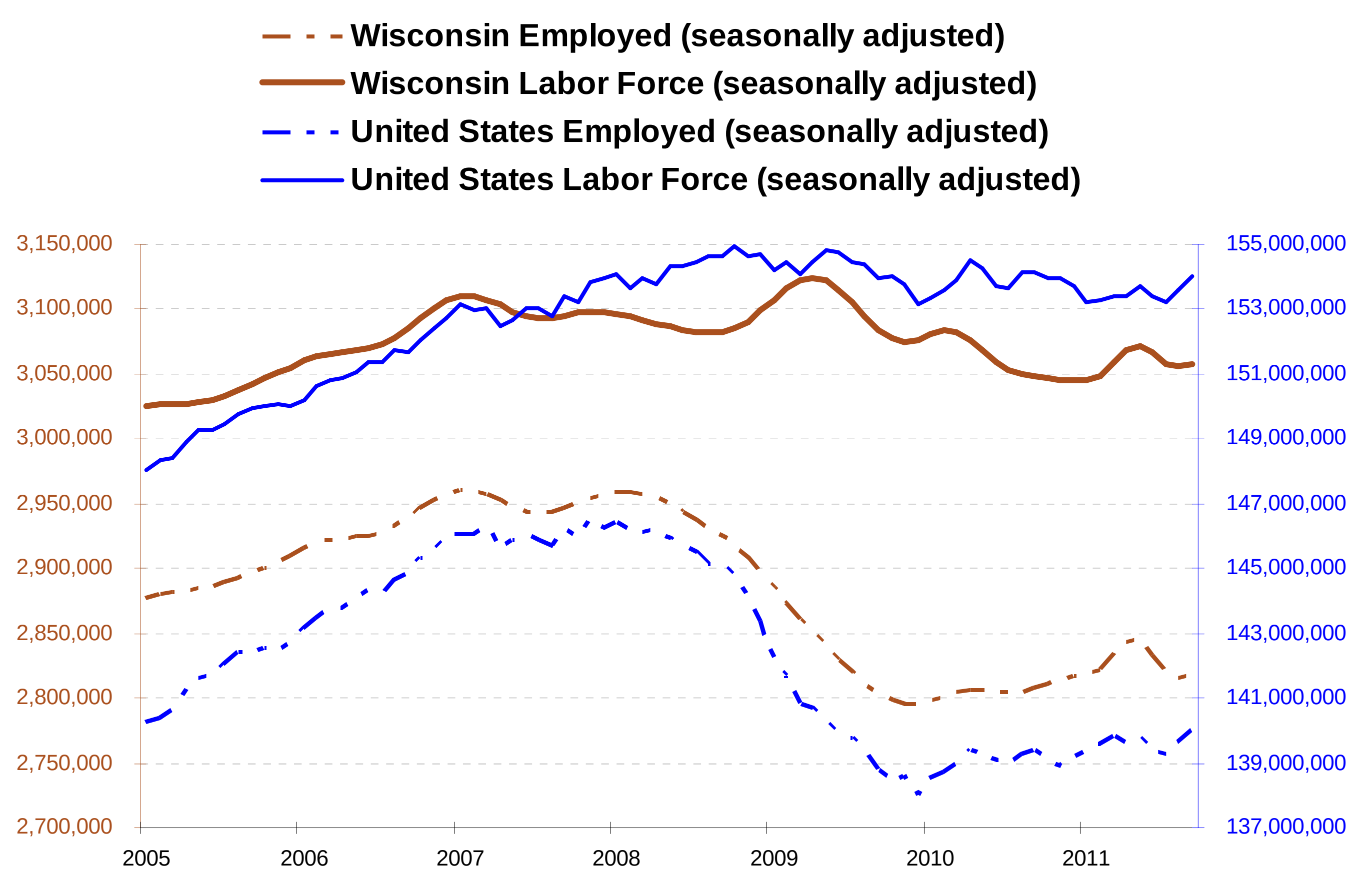
The employment situation mimics the economic path, with some lag. The U.S. unemployment rate peaked at 10.1 percent in October 2009 on a seasonally adjusted basis, after the recession was declared over. Wisconsin's unemployment rate peaked at 9.2 percent in June and July 2009, and matched it again in 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

Dunn County added 4,134 residents from 2000 to 2010, growing at a rate of 10.4 percent. This ranks Dunn as one of the fastest growing counties in the state—18th amongst the state's 72 counties.

Net-migration, which is defined as people moving into the county minus those leaving, accounted for the majority of the population growth, as it does in most Wisconsin counties. About 58 percent of Dunn's growth was from net-migration. Natural increase, or births minus deaths, accounted for the other 42 percent. This is actually a more balanced mix than most counties. Of the two sources of population growth, natural increase tends to be more stable. Birth and death patterns normally don't change quickly over time, however net migration can be more volatile.

Growth due to natural increase (as seen on the graph below) was 4.3% in Dunn County, similar to the statewide proportion, though it still ranked Dunn 19th amongst the state's 72 counties. However, this statistic is a bit misleading in this case. While we might assume that this indicates a high proportion of young families, in fact Dunn's birth rate is relatively low, at 10.4 births per 1,000 residents (2009, WI DHS) ranked 50th highest amongst Wisconsin's 72 counties. As mentioned in the previous paragraph, natural increase is births minus deaths - and Dunn has one of the higher births to deaths ratios in the state, ranked 16th (DOA, 2000-2010). So this is really more of an effect of the low median age in the county. In fact, Dunn County's median age of 33.5 is the third lowest in the state! Much of this is doubtless due to the proportional effects of the University of Wisconsin - Stout's student population.

Growth due to net migration was much higher than the statewide average, at 6.0%, though it was pretty middle of the pack amongst the state's counties, 27th out of 72. However, this still implies a strong trend of people choosing to move to Dunn County.

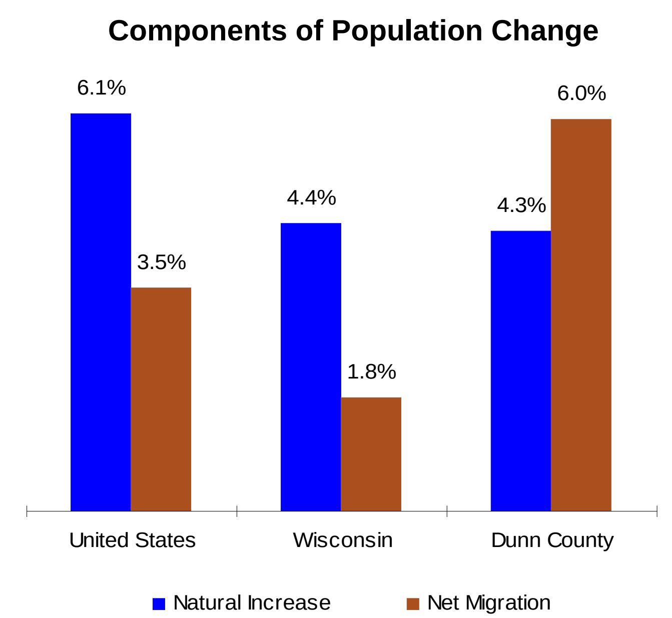
The City of Menomonie is Dunn County's largest population center, at 16,330 residents. Home to the University of Wisconsin - Stout, the city added 1,393 residents from 2000 to 2010, the most of any municipality, accounting for almost one-third of the county's growth. However in terms of growth rates, other municipalities actually grew proportionally faster.

The Town of Elk Mound was the fastest growing municipality of Dunn's ten largest, up almost 29 percent from 2000 to 2010. While that is a gain of only 320 people, it represents significant growth for this sparsely populated township. More people moving into the county are choosing to live in a rural area, with the lifestyle that entails, while still living relatively close to city amenities and job opportunities - a common trend. Elk Mound also benefits from its location, equally close to Menomonie and the much larger City of Eau Claire. Populations in other fast growing townships like Red Cedar, Spring Brook, Colfax and Tainter have also benefitted from this trend.

Dunn County's 10 Most Populous Municipalities

	Apr 1, 2000 Census	Jan 1, 2010 Estimate	Numeric Change	Proportional 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%
Dunn County	39,858	43,992	4,134	10.4%
Menomonie, City	14,937	16,330	1,393	9.3%
Menomonie, Town	3,174	3,473	299	9.4%
Tainter, Town	2,116	2,400	284	13.4%
Red Cedar, Town	1,673	1,987	314	18.8%
Dunn, Town	1,492	1,616	124	8.3%
Spring Brook, Town	1,320	1,547	227	17.2%
Elk Mound, Town	1,121	1,441	320	28.5%
Colfax, Village	1,136	1,158	22	1.9%
Boyceville, Village	1,043	1,093	50	4.8%
Colfax, Town	909	1,083	174	19.1%

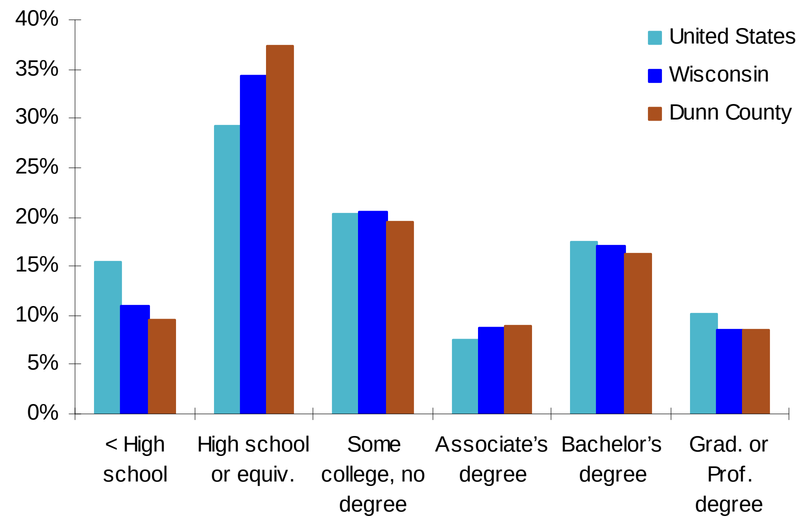
Source: WI Dept. of Administration, Demographic Services, Population Est., 2011



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

Demographics

Educational Attainment of Residents 25 or More Years Old



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

While population statistics give us a broad look at what's going on a county, the 2005-2009, five-year average data from the Census Bureau's American Community Survey allows us to explore the county in more detail. The above table displays a distribution of the highest-attained educational level for the population ages 25 and older in Dunn County, in comparison to the state and nationwide averages.

Dunn County's high school completion category is typical of Wisconsin, much higher than the national average. The education attainment of the population shows a lower than state- and national-average bachelor's completion and a higher than average share of those who ended their formal educational pursuit with a high school diploma. Dunn County somewhat resembles the statewide and national averages in "some college, no degree" attainment category. This educational category can include those currently enrolled in college, those who did not complete college, and those who completed a college curriculum, but may have received technical/vocational certification and not necessarily a degree. Dunn also has a higher percentage of its population holding an associate's degree as their highest level of education attainment. The county's above average level of technical/vocational attainment and associates's degrees is probably reflective of its workforce, as sectors that tend to employ a large occupational base that is trained at technical colleges make up a large proportion of its industry base. Manufacturing, healthcare, and transportation, large industries of employment in Dunn, all exhibit these characteristics.

The other demographic component in this section is the commuting data (tables below) also from the five-year average census file. Over one-third (35%) of Dunn County's residents work outside the county. This is a pretty average level of out-commute. The statewide average indicates 28 percent of workers commute out of the county in which they reside.

Not surprisingly, for those who do commute outside the county, Eau Claire and St. Croix Counties are two of the top destinations. Both are more populous than Dunn, and both are part of metropolitan areas, which tends to make a county more jobs-dense than its more rural counterparts. Eau Claire likely sees the lions share of those commuters, given City of Eau Claire's proximity to the City of Menomonie, and the greater number of jobs located there. As for the numbers of workers that work in Dunn County, yet live elsewhere, the precise estimates are not available from this five-year file. But the names of the counties in descending order by in-commute are supplied from another data source. Eau Claire, Chippewa, and St. Croix Counties send the most workers into Dunn County.

Where do Dunn County residents work?	Where do Dunn County workers live?
Dunn Co., WI	Dunn Co., WI
Eau Claire Co., WI	Eau Claire Co., WI
St. Croix Co., WI	Chippewa Co., WI
Barron Co., WI	St. Croix Co., WI
Chippewa Co., WI	Barron Co., WI
Hennepin Co., MN	Pierce Co., WI

Source: US Census Bureau, Local Employer-Household Dynamics

Commuting Patterns of Dunn County Residents

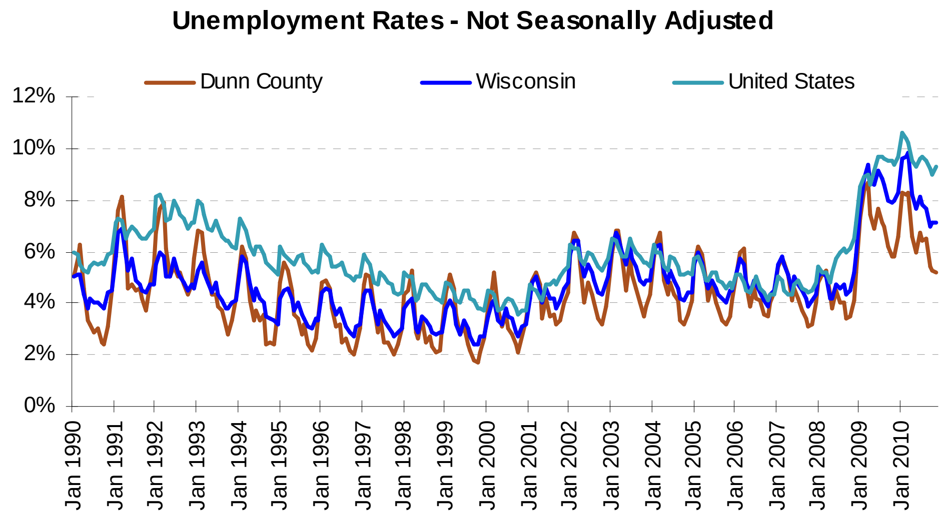
Work in Dunn County:	13,891	65.1%
Work in another Wisconsin County:	6,344	29.7%
Work outside Wisconsin:	1,100	5.2%
Total:	21,335	100.0%

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

Workforce

The graph to the right displays Dunn County's monthly unemployment rate over the last 20 years comparing it to the state and nation.

Unemployment seasonality in Dunn County is more volatile compared to the state as a whole, with higher highs and lower lows than the statewide unadjusted rates. The unemployment rate typically falls as employers add jobs February through June. Rates fall throughout most of the summer to an October low. Afterwards the rate climbs to a typical seasonal peak in February, beginning the yearly cycle again.

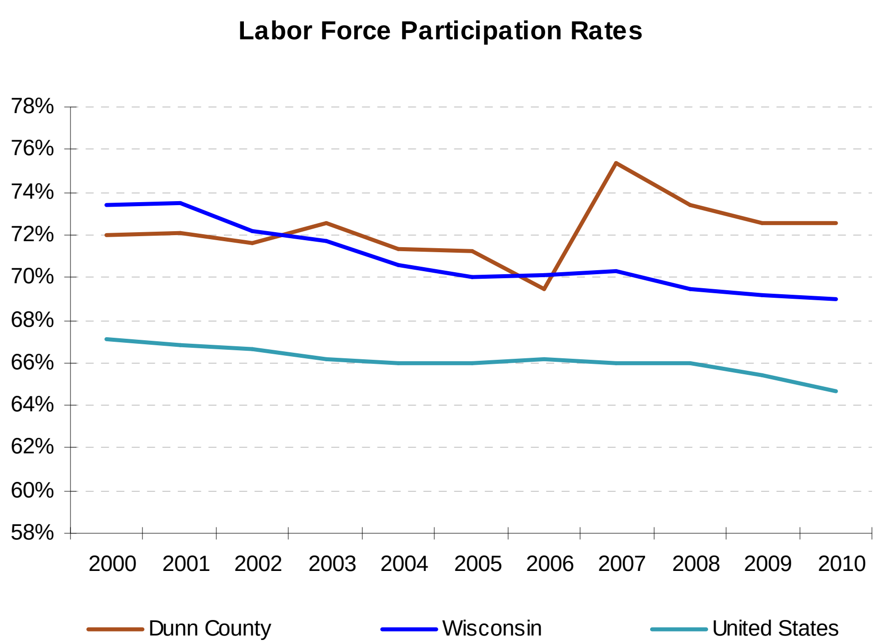


Source: U.S. Bureau of Labor Statistics, CPS, LAUS, 2011

Since the mid-'90s, Dunn's average annual unemployment rates have been lower than the statewide rate, typically less than half a percent-point lower. However, since 2009, Dunn's rate has been much lower than the statewide average - 1.3 percent-points lower in 2009, and 1.5 percent-points lower in 2010. While unemployment rates are still significantly higher than before what's come to be known as the great recession, in general Dunn's unemployment rate is trending significantly below state and nationwide levels.

The graph below is the ten-year trend in labor force participation rate (LFPR). LFPR is defined as the labor force (sum of employed and unemployed) divided by total population ages 16 and older. Dunn County's annual average LFPR stood at 72.6% in 2010, significantly higher than the national (64.7%) and the statewide (69.0%) averages. In Dunn's case this is largely a reflection of its younger population, highly engaged in the labor force.

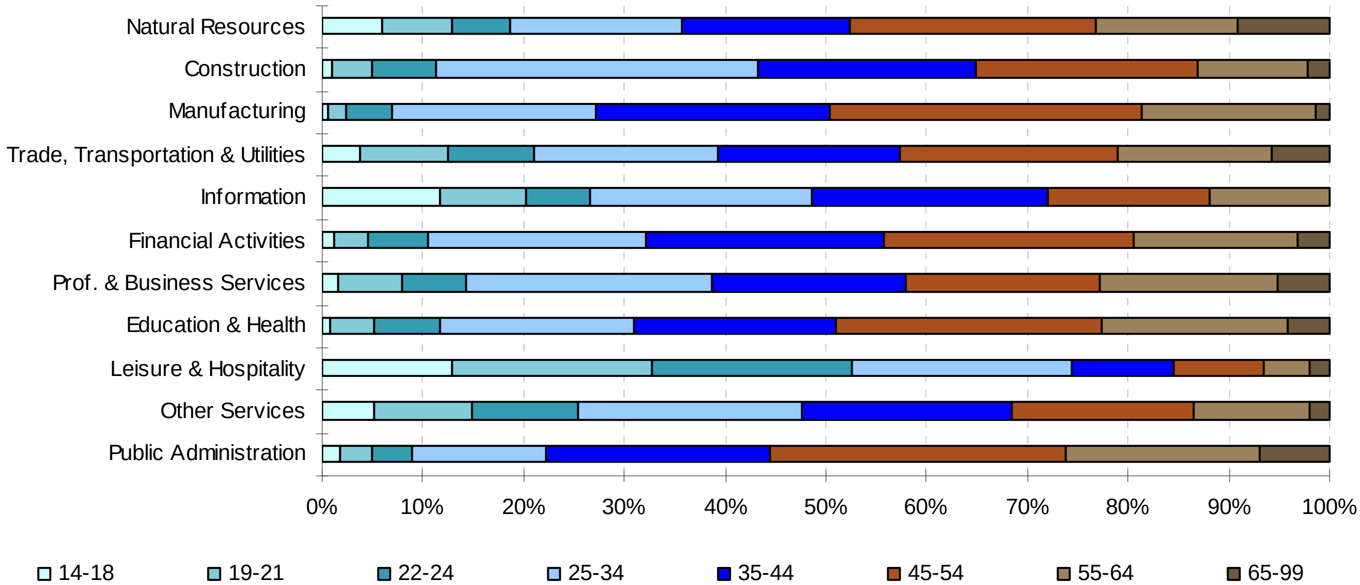
LFPR over the last decade shows a downward trend, and though Dunn's actually rose between 2006 and 2007, the overall trend is probably still downward. Before explaining the why the downward trajectory, one should keep in mind that the economy in 2000 was completely different compared to what it is in 2010. The economy in 2000 was at the end of an unprecedented expansionary period with years of job growth, historically low unemployment rates and labor shortages that were more defined by worker "body counts" rather than the skills shortage experienced currently. In fact, it would be hard to find an LFPR that has maintained early-decade levels because of the deteriorated economy. While the sudden leap in Dunn's LFPR between 2006 and 2007 is probably more due to methodological changes in the way labor force data is produced, Dunn still has a high LFPR, 11th highest in the state. While this may blunt some of the



Source: WI DWD, OEA Special Tabulation

Workforce (cont.)

Dunn County's Age Distribution by Industry



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

impact of the retiring baby boomers on Dunn's labor force, it's important to remember that many of those younger workers are post-secondary students. During school they're likely working the lower skill level jobs, and many leave after graduating. However, having a pool of possible workers available after graduation, if the county has the higher-skill jobs to absorb them, is a much better situation than many counties around the state will experience. Employers will just have to convince them to stay in Dunn County, often an easier prospect for an area than luring in workers from elsewhere.

The graph above displays Dunn County's job base by major industry sector outlining the age distribution of its job holders. The age distributions vary widely from industry to industry, easily observed from the graph. Two factors that shape this composition are labor availability and the occupational composition within the industries. The general age composition of the population and the likelihood of participation in the labor force drive the availability of labor for hire. In Dunn, we've already seen that the county has a young population, with a correspondingly high participation rate. Highest participation occurs between the ages of mid-twenties to early sixties. In theory, the county's labor pool should mirror its population within this age range.

Occupational composition within an area is the more complex factor, influenced by a job holder's life stage, experience, education/training, etc. This tends to correspond to age. For example, younger inexperienced workers, like many of Dunn's students, tend to work in entry-level jobs. These entry jobs are more prominent in some industries such as the leisure and hospitality sector. Other industries require workers to have completed a higher level of formal education or training such the education and health care sector, so they have a relatively low share of the youngest working cohorts. Typically, higher education levels tend to correspond to older age groups, who have invested the time necessary to achieve those advanced educational levels. Often when examining age/labor force issues, we focus too broadly on labor force entry and exit data, to tell us how many workers are available. While useful, this ignores the dynamics *within* the workforce, which is not a homogenous population. Data such as age by industry can give us actionable information like which industry will have the most upcoming retirements, prompting a need for recruitment and succession planning.

The average worker in a Dunn County job is 40.5 years as of 2009. The age group representing the largest share of job holders, independent of industry, is the 45-54 group accounting for 23.5 percent of the county's total job holders. Looking across industries, public administration skews oldest in job holders with an average age of 45 years, a common trend, and implies this industry will see

Jobs & Wages

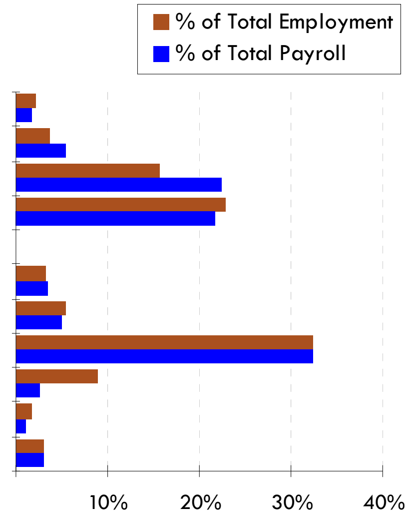
heavy turnover as the baby boomers retire. Leisure and hospitality skews youngest at 29.5. This industry is disproportionately staffed by high school and college age workers.

Manufacturing and natural resources were the second and third eldest sectors, respectively. Manufacturing sector age demographics get particular attention because of skilled worker shortages. These skilled workers may have decades of experience in their professions. As they retire, they take years of knowledge with them that cannot easily be replaced by inexperienced, younger workers, many of whom are in scarce supply with the adequate skills/ training that only time on the job can offer.

Most Wisconsin counties saw little change in the number of jobs from 2009 to 2010. Dunn saw growth of roughly a quarter of a percent (40 jobs), but this actually ranked it 27th amongst the state's 72 counties, in proportional terms. This highlights the lethargic post-recessionary growth detailed in the first couple of pages of this profile, when a county that added only 40 jobs annually can be ranked higher than almost two thirds of the state.

2010 Employment and Wage Distribution by Industry in Dunn County

	Employment: Annual average	Employment: 1-year change	Total Payroll
Natural Resources	331	25	$ 9,606,328
Construction	574	-37	$ 28,548,223
Manufacturing	2,420	51	$ 119,009,296
Trade, Transportation, Utilities	3,535	-228	$ 115,721,818
Information	suppressed	Not avail.	suppressed
Financial Activities	504	-11	$ 18,655,273
Professional & Business Services	836	168	$ 26,231,279
Education & Health	4,992	103	$ 171,636,743
Leisure & Hospitality	1,387	-88	$ 14,354,913
Other services	281	10	$ 5,665,101
Public Administration	467	47	$ 16,580,158
Not assigned	suppressed	Not avail.	suppressed
All industries	15,425	40	$529,955,161



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

Average Annual Wage by Industry Division in 2010

	Wisconsin Average Annual	Dunn County Average Annual Wage	Percent of Wisconsin	1-year % change
All industries	$ 39,985	$ 34,357	85.9%	2.4%
Natural Resources	$ 30,613	$ 29,022	94.8%	3.0%
Construction	$ 49,135	$ 49,736	101.2%	10.9%
Manufacturing	$ 50,183	$ 49,177	98.0%	5.7%
Trade, Transportation & Utilities	$ 34,132	$ 32,736	95.9%	1.6%
Information	$ 51,764	suppressed	Not avail.	Not avail.
Financial Activities	$ 53,332	$ 37,014	69.4%	-2.8%
Professional & Business Services	$ 46,516	$ 31,377	67.5%	-3.5%
Education & Health	$ 42,464	$ 34,382	81.0%	0.1%
Leisure & Hospitality	$ 14,597	$ 10,350	70.9%	5.6%
Other Services	$ 22,682	$ 20,161	88.9%	-1.6%
Public Administration	$ 41,653	$ 35,504	85.2%	-4.8%

Source: WI DWD, Workforce Training, QCEW, June 2011

Education and health, the largest industry super-sector of employment listed in Dunn County, grew slightly from 2009 to 2010. However, it's important to note that this jobs number is somewhat misleading. Aurora Residential Alternatives operates homes for the elderly throughout the state, but doesn't break out employment to each site separately, so Aurora's employment is all listed in Dunn County. As a result the healthcare sector numbers in Dunn are dominated by these nursing facilities jobs. Not only are they low paying relative to the rest of healthcare, the jobs in this sector listed in Dunn only pay about 67 percent of the statewide average. This accounts for the wide difference between healthcare wages in Dunn versus the state, which has a much more balanced mix of healthcare occupations. Also, clinics in smaller rural counties tend to have lower concentrations of highly paid specialists, a factor that normally lowers average healthcare wages there.

Trade, transportation and utilities, the second largest industry super-sector by total employment (though not by payroll) lost 228 jobs from 2009 to 2010. Most of that loss appears to be in merchant wholesalers of nondurable goods (selling items like groceries, farm supplies, etc. to other businesses). Wages in this super-sector are similar to the statewide average, and grew by 1.6% in 2010.

Manufacturing is the third largest super-sector of employment in Dunn County, though it is actually the second largest in terms of total payroll, due to relatively high average wages. In fact, manufac-

Jobs & Wages (cont.)

Prominent Industries in Dunn County

	Average Employment			Average Wages			
	2010 Avg.	5-year Percent Change		2010 Average		5-year Percent Change	
Industry Sub-sectors (3-digit NAICS)	Dunn County	Dunn County	Wisconsin	Dunn County	Wisconsin	Dunn County	Wisconsin
Educational services	2,136	0.5%	5.2%	$ 42,320	$ 42,666	13.1%	13.5%
Nursing and residential care facilities	1,457	4.7%	10.0%	$ 20,674	$ 24,057	8.1%	9.0%
Food services and drinking places	1,080	-13.6%	-1.4%	$ 10,306	$ 11,693	28.0%	16.2%
Warehousing and storage	995	-22.4%	16.2%	$ 46,720	$ 39,640	22.9%	16.9%
Paper manufacturing	suppressed	not avail.	-15.1%	suppressed	$ 57,282	not avail.	6.8%
General merchandise stores	592	-9.3%	-2.0%	$ 21,278	$ 18,740	18.7%	12.7%
Hospitals	suppressed	not avail.	8.1%	suppressed	$ 47,726	not avail.	18.9%
Administrative and support services	441	-15.0%	-0.1%	$ 23,124	$ 24,224	24.2%	15.1%
Food manufacturing	468	not avail.	-0.0%	$ 55,434	$ 41,456	not avail.	13.7%
Social assistance	461	not avail.	15.1%	$ 18,858	$ 20,181	not avail.	10.1%

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

turing has the second highest average wage in the county, second only to construction. Manufacturing gained 51 jobs annually from 2009 to 2010. Too much of this super-sector is suppressed due to confidentiality concerns for us to determine definitively what happened below the super-sector level, unfortunately.

Wages increased slightly faster than the statewide average in Dunn, though it was a mixed bag throughout the industries. Most wage changes are probably still related to the slow post-recessionary growth. Given that these are industry averages, and are not listed by occupation, it's difficult to pinpoint causes. Rising wages can indicate a situation in which the average wage rises because of layoffs amongst lower paid, lower skill positions just as easily as it can an industry that's doing well. The average all-industry wage is nearly 86% percent of the statewide average, slowly rising closer to the statewide level.

The above table of prominent industry sub-sectors highlights the importance of education and health, with three sub-sectors listed. Both the education and health sectors benefit from being somewhat recession resistant. Many healthcare issues are fairly immediate, meaning that regardless of economic conditions, consumers still need to spend on these services. And post-secondary education benefits from jobless workers who decide to retrain, gaining new skills to position themselves better for post-recession employment growth. However, educational services is dependent on government support, and has likely been affected by lower tax revenues recently, as have many government programs.

Four of the county's single largest employers are in the education or health sectors, including the University of Wisconsin—Stout. However, as mentioned earlier, Aurora Residential Care's placement on this list is misleading, as

Prominent Employers in Dunn County

Establishment	Service or Product	Number of Employees (June 2010)
Walmart	General warehousing & storage	1,000 or more employees
University of Wisconsin- Stout	Colleges, universities & professional schools	1,000 or more employees
Aurora Residential Alternatives Inc	Homes for the elderly	500-999 employees
Red Cedar Medical Center	General medical & surgical hospitals	500-999 employees
3M Company	Coated & laminated paper manufacturing	500-999 employees
Menomonie Public Schools	Elementary & secondary schools	500-999 employees
County of Dunn	Nursing care facilities	500-999 employees
Conagra Foods Pkg Foods LLC	Confectionery mfg. from purchased chocolate	250-499 employees
Phillips Plastics Corp	Surgical & medical instrument manufacturing	250-499 employees
City of Menomonie	Fitness & recreational sports centers	100-249 employees

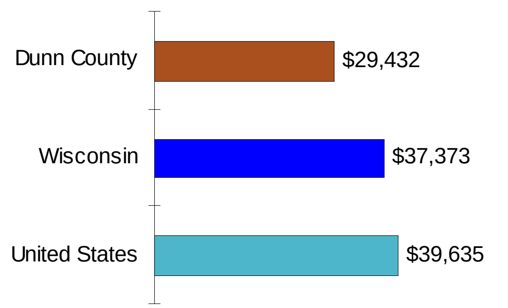
Source: WI DWD, Bureau of Workforce Training, QCEW, OEA special request, Sept. 2011

Income

are the residential care statistics on the table above (see page 4).

Warehousing & storage is another important sub-sector. Menomonie's location along the I-94 corridor between Minneapolis, Milwaukee, and Chicago makes it a good place for a distribution center—Wal-Mart operates one such large site near Menomonie. Wal-Mart is the single largest employer in the county, and while some of those employees work at the store in Menomonie the majority work at Wal-Mart's distribution center nearby, and heavily influence employment and wages in this industry sector.

2009 Per Capita Personal Income



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

Dunn County's total personal income grew slowly in 2009, less than one percent growth from 2008, and far slower than in previous years. The recession affected incomes throughout the nation, and Wisconsin fell the effects as well. Even after adjusting for inflation (deflation in this case, since prices actually fell from 2008 to 2009), almost half of Wisconsin's counties saw total personal income fall.

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 is roughly two-thirds of total personal income. Net earnings fell in all Wisconsin counties in 2009, as the recession impacted residents' employment income, through wage cuts and layoffs, for example. At 63.9 percent in Dunn County, residents' share of income from earnings is lower than that of the state and nation. While this percentage has fallen both statewide and nationwide, Dunn's percentage used to be higher than both. Dividends, interest and rent account for about 15.5 percent (lower than the statewide average) of total income, while transfer payments contributed about 20.6 percent (higher than statewide). The share of transfer receipts has been rising in Dunn County, with most of the gain resulting from increasing total payments in Social Security and medical benefits (like Medicare and public assistance), already the two largest sources of transfer payments, by far. While it is interesting to note that unemployment insurance payments more than doubled from 2008 to 2009, they still only make up about seven percent of total transfer payments.

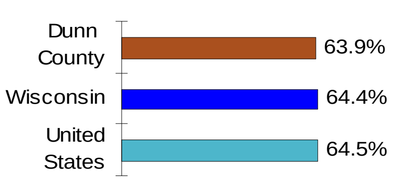
While total personal income (TPI) is the sum of its parts, per capita personal income (PCPI) is derived by dividing total personal income by total population.

In 2009, the PCPI of $29,432 in Dunn County was only 79 percent of Wisconsin's PCPI, though it has been rising against the statewide average in recent years. However, Dunn's PCPI ranked only 62nd among Wisconsin's 72 counties. Dunn's PCPI is about 90 percent of the PCPI for other non-metropolitan counties in the state, a more reasonable comparison than to the statewide average, heavily influenced by higher wages paid in metro areas.

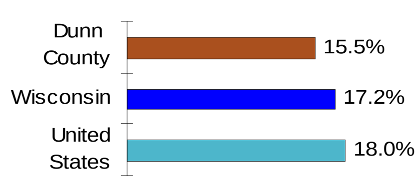
Also, the relatively high concentration of college students tends to lower the PCPI. Of the students that do work, most work in low-paying or part-time jobs.

Income Components - 2009

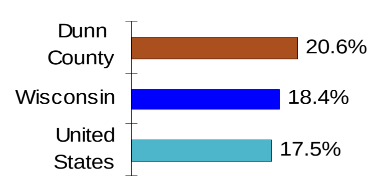
Net earnings by place of residence



Dividends, interest, and rent



Personal current transfer receipts



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