

May 2014

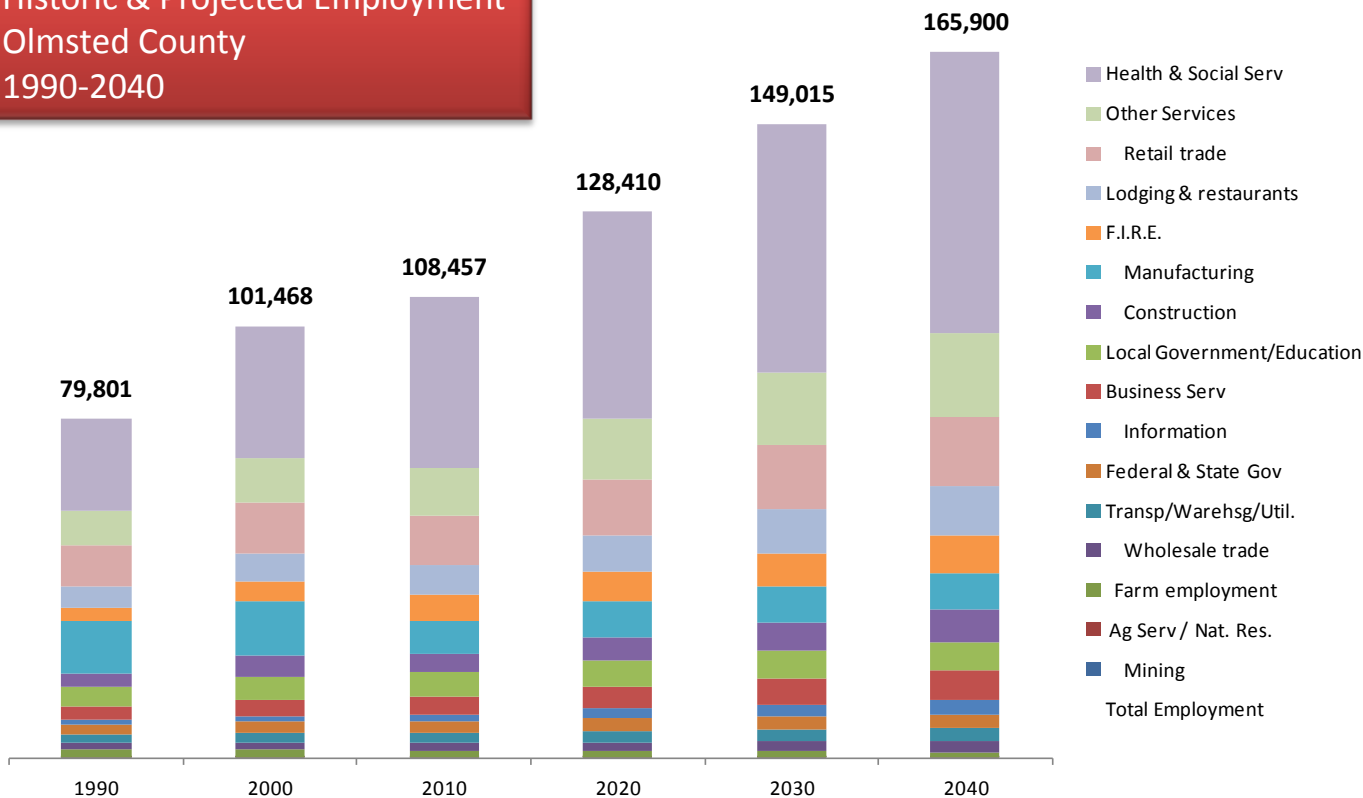
# Employment & Population Projections

Looking Ahead through 2040

Rochester-Olmsted Council of Governments  
Planning & Analysis Division

# Employment Forecasts

## Historic & Projected Employment Olmsted County 1990-2040



	1990	2000	2010	2020	2030	2040
Health & Social Serv	21,622	30,739	40,373	48,780	58,190	65,980
Other Services	8,076	10,800	11,190	14,030	17,180	19,750
Retail trade	9,750	11,850	11,613	13,400	15,100	16,160
Lodging & restaurants	4,750	6,433	6,912	8,525	10,390	11,790
F.I.R.E.	3,319	4,683	5,939	6,850	7,850	8,750
Manufacturing	12,147	12,780	7,889	8,300	8,500	8,650
Construction	3,183	5,034	4,162	5,450	6,500	7,400
Local Government/Education	4,901	5,488	5,749	6,200	6,550	6,800
Business Serv	3,082	3,924	4,219	5,200	6,010	6,750
Information	800	1,050	1,632	2,275	2,850	3,550
Federal & State Gov	2,628	2,697	2,849	2,950	3,100	3,245
Transp/Warehsg/Util.	1,654	2,311	2,402	2,650	2,900	3,150
Wholesale trade	1,540	1,713	1,815	2,130	2,325	2,480
Farm employment	2,078	1,804	1,458	1,375	1,250	1,100
Ag Serv / Nat. Res.	101	101	196	230	250	270
Mining	100	61	59	65	70	75
<b>Total Employment</b>	<b>79,801</b>	<b>101,468</b>	<b>108,457</b>	<b>128,410</b>	<b>149,015</b>	<b>165,900</b>

# DMC Job Impact Info (*for reference*)



## Destination Medical Center Jobs Impacts

The DMC initiative will create thousands of permanent, well-paying jobs in Minnesota over a 20-year period.

### FORECAST OF DMC JOB GROWTH - DIRECT JOBS

It is estimated that **26,800 to 32,200 direct jobs (inclusive of construction jobs)** will be created by the expansion of Mayo Clinic's workforce in Minnesota and by the associated economic activity related to the DMC initiative.

Estimated Mayo Clinic and DMC Related Jobs	Jobs		Salary Range in 2011 \$'s <sup>(1)</sup>		Est. Avg. / MidPoint <sup>(2)</sup>
	2011	2020	Low	High	
Mayo Clinic Jobs <sup>(3)</sup>					
Physicians & Scientists	911	1,041	-	-	-
Allied Health Professionals	12,226	13,973	-	-	-
Other	863	986	-	-	-
Subtotal – Mayo Clinic	14,000	16,000	-	-	\$70,000
Commercial/Professional <sup>(4)</sup>	5,000	5,500	\$35,000	\$116,000	\$45,000
Restaurant/Retail	1,500	2,500	\$18,000	\$25,000	\$21,500
Hotel / Hospitality	1,000	1,500	\$18,000	\$25,000	\$21,500
Construction Related <sup>(5)</sup>	1,800	2,200	\$34,500	\$62,000	\$39,700
Other <sup>(6)</sup>					
Trade, Transportation and Utilities	1,063	1,367	\$20,000	\$46,500	\$33,200
Education and Non Mayo Health Services <sup>(7)</sup>	1,496	1,924	\$27,500	\$78,500	\$37,100
Other Services	941	1,210	\$19,000	\$38,000	\$28,500
Subtotal – Other	3,500	4,500	-	-	\$33,600
Permanent Jobs and Salary Range	26,800	32,200	-	-	\$53,000
Annual Avg. Wage/Salary (BLS) Rochester, MN					\$48,860
Annual Avg. Wage/Salary (BLS) State of Minnesota					\$46,150
Annual Avg. Wage/Salary (BLS) United States					\$45,230

(1) Based on 2011 Bureau of Labor Statistics Data (BLS) for the Rochester, MN market.

(2) The est. average/midpoint is based on data from Mayo Clinic and the estimated midpoint of the BLS range of salaries unless otherwise noted.

(3) The breakdown of Mayo Clinic jobs is based on the proportion of jobs system wide stated in Mayo Clinic's 2011 annual report.

(4) The mid-point of commercial / professional salaries is based on an industry standard estimate of average salaries for office workers.

(5) Construction related jobs are estimated based on IMPLAN modeling. The average salary is stated below the mid-point to adjust for the cyclical nature of construction related jobs.

(6) Other jobs are estimated based on projected types of additional employment in the market as estimated by the BLS data for the proportion of jobs in the market.

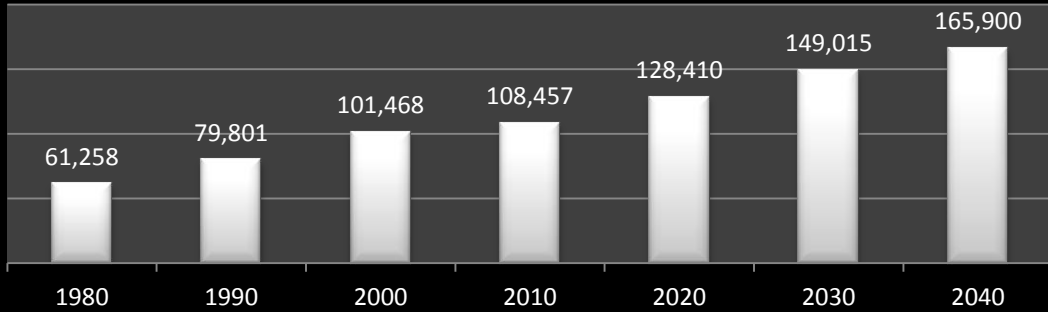
(7) An adjustment is made to the BLS estimate for the proportion of education and health services jobs to recognize the impact of Mayo Clinic employees in the market.

### FORECAST OF DMC JOB GROWTH - INDIRECT JOBS

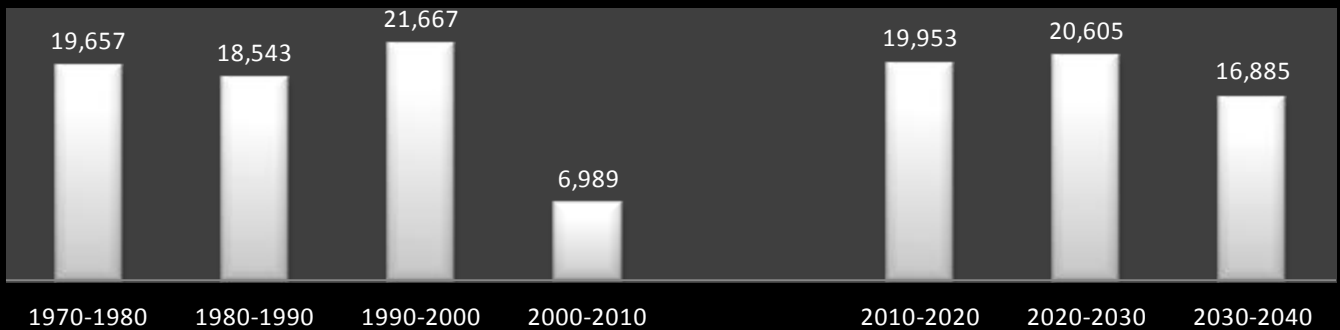
It is estimated that an additional **10,000 to 15,000 indirect new jobs** will be created as a result of the re-spending of direct expenditures related to the Mayo Clinic and DMC projects.

# Employment Change

## Historic & Projected Employment Olmsted County



## Historic / Projected Change in Total Employment by Decade 1970-2040

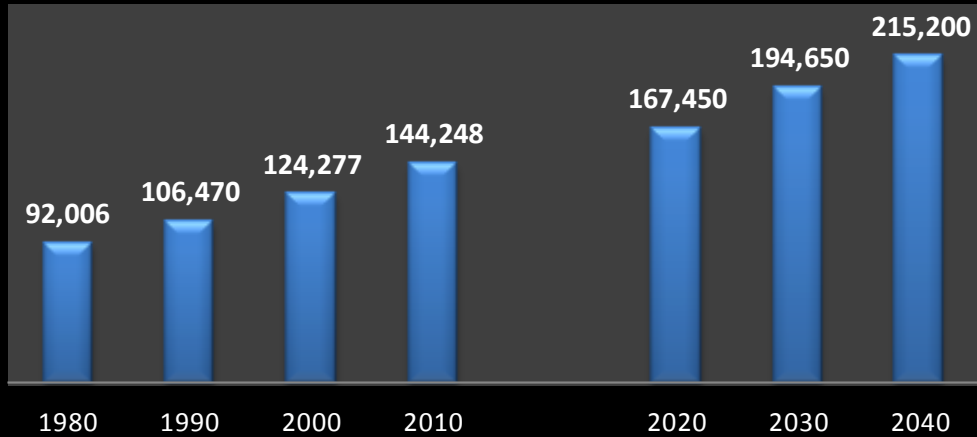


## Impact of Recession on Total Non-Farm Employment



# Population Projection - 2040

## Historic and Projected Population Olmsted County



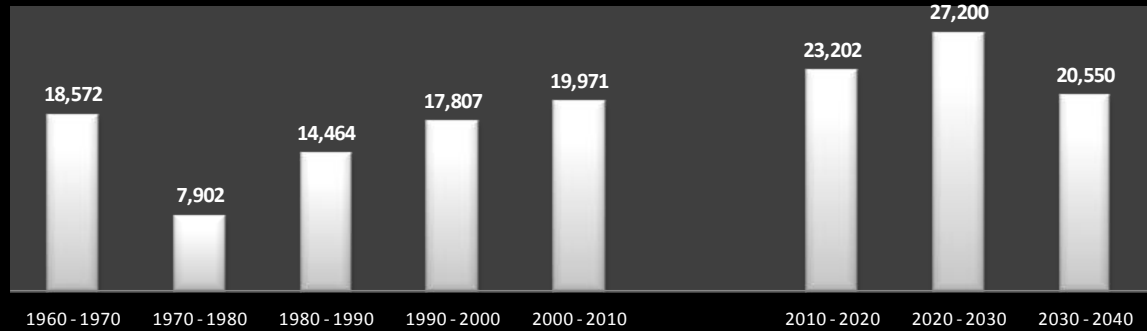
Age Group	2010 Census			2040 Projection			Age Group Change		
	Total	Males	Females	Total	Males	Females	Total	Males	Females
	144,248	70,485	73,763	215,200	103,732	111,468	70,952	33,247	37,705
0 to 4	10,783	5,554	5,229	14,599	7,487	7,112	3,816	1,933	1,883
5 to 9	10,337	5,237	5,100	13,649	7,001	6,648	3,312	1,764	1,548
10 to 14	9,562	4,865	4,697	13,306	6,803	6,503	3,744	1,938	1,806
15 to 19	8,826	4,531	4,295	12,151	6,287	5,864	3,325	1,756	1,569
20 to 24	8,239	3,898	4,341	11,060	5,379	5,681	2,821	1,481	1,340
25 to 29	11,456	5,514	5,942	14,117	6,834	7,283	2,661	1,320	1,341
30 to 34	10,562	5,360	5,202	13,573	6,711	6,862	3,011	1,351	1,660
35 to 39	9,090	4,570	4,520	13,322	6,438	6,884	4,232	1,868	2,364
40 to 44	9,092	4,528	4,564	11,723	5,613	6,110	2,631	1,085	1,546
45 to 49	10,976	5,407	5,569	11,251	5,349	5,902	275	-58	333
50 to 54	11,190	5,380	5,810	10,966	5,029	5,938	-224	-351	128
55 to 59	9,098	4,457	4,641	12,074	5,603	6,472	2,976	1,146	1,831
60 to 64	6,904	3,269	3,635	11,075	5,328	5,747	4,171	2,059	2,112
65 to 69	5,400	2,528	2,872	9,804	4,467	5,337	4,404	1,939	2,465
70 to 74	4,187	1,946	2,241	9,900	4,599	5,300	5,713	2,653	3,059
75 to 79	3,207	1,470	1,737	11,647	5,318	6,329	8,440	3,848	4,592
80 to 84	2,588	1,092	1,496	11,350	5,135	6,215	8,762	4,043	4,719
85+	2,751	879	1,872	9,631	4,351	5,281	6,880	3,472	3,409

# Projected Population by Place

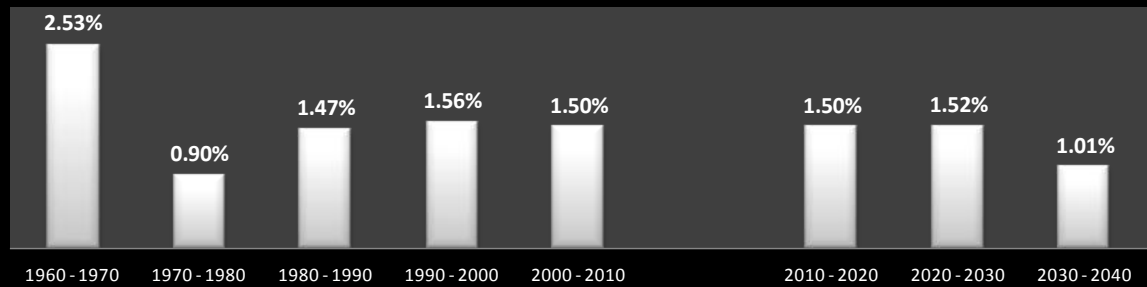
	Historic / Census Count				ROCOG Projection			Change by Decade		
	1980	1990	2000	2010	2020	2030	2040	2010-2020	2020-2030	2030-2040
<b>Cities</b>										
Rochester	57,890	71,590	85,806	106,769	125,776	148,046	164,633	19,007	22,270	16,587
Byron	1,715	2,495	3,500	4,914	6,064	7,270	8,851	1,150	1,206	1,581
Chatfield (Olm)	895	1,012	1,137	1,206	1,435	1,711	1,921	229	276	211
Dover (city)	312	396	438	735	897	1,099	1,274	162	202	175
Eyota (city)	1,244	1,492	1,644	1,977	2,258	2,582	2,849	281	325	267
Oronoco (city)	574	761	883	1,300	1,711	2,244	2,612	411	533	368
Pine Island (Olm)	9	3	118	703	1,139	1,637	2,040	436	498	403
Stewartville	3,925	4,563	5,411	5,916	6,896	8,030	9,067	980	1,134	1,037
<b>Townships</b>										
Cascade	2,384	2,644	3,183	2,815	2,831	2,924	2,936	16	93	12
Dover	491	533	440	389	377	370	356	-12	-7	-14
Elmira	408	289	352	354	354	341	335	0	-14	-6
Eyota	523	442	448	464	469	468	432	5	-1	-36
Farmington	626	539	516	444	433	416	410	-11	-16	-6
Haverhill	1,295	1,366	1,601	1,495	1,575	1,676	1,749	80	102	72
High Forest	1,545	973	1,085	976	1,039	1,111	1,144	63	72	33
Kalmar	1,209	1,281	1,196	1,046	1,055	1,072	1,015	9	17	-57
Marion	5,299	5,933	6,159	3,653	3,936	4,483	4,879	283	546	396
New Haven	1,122	1,190	1,205	1,184	1,173	1,169	1,123	-12	-3	-47
Orion	602	611	614	592	586	604	583	-6	18	-21
Oronoco	1,696	2,031	2,239	2,220	2,305	2,406	2,483	85	102	76
Pleasant Grove	776	709	787	806	812	819	777	6	6	-41
Quincy	435	363	356	339	326	308	281	-13	-19	-27
Rochester	4,598	2,987	2,916	1,629	1,781	1,871	1,943	152	90	72
Rock Dell	706	641	627	647	642	624	604	-5	-18	-19
Salem	1,153	984	1,061	1,086	1,072	1,091	1,079	-14	19	-12
Viola	574	642	555	589	553	526	497	-36	-27	-30
<b>Township total</b>	<b>25,442</b>	<b>24,158</b>	<b>25,340</b>	<b>20,728</b>	<b>21,318</b>	<b>22,279</b>	<b>22,623</b>	<b>590</b>	<b>960</b>	<b>344</b>
<b>City Total</b>	<b>66,564</b>	<b>82,312</b>	<b>98,937</b>	<b>123,520</b>	<b>146,175</b>	<b>172,619</b>	<b>193,247</b>	<b>22,655</b>	<b>26,444</b>	<b>20,628</b>
<b>Township %</b>	<b>28%</b>	<b>23%</b>	<b>20%</b>	<b>14%</b>	<b>13%</b>	<b>11%</b>	<b>10%</b>			
<b>City %</b>	<b>72%</b>	<b>77%</b>	<b>80%</b>	<b>86%</b>	<b>87%</b>	<b>89%</b>	<b>90%</b>			
<b>Rochester %</b>	<b>63%</b>	<b>67%</b>	<b>69%</b>	<b>74%</b>	<b>75%</b>	<b>76%</b>	<b>76%</b>			
Pine Island (Good)	1,977	2,129	2,271	2,560	2,760	2,980	3,190			
Chatfield (Fill)	1,160	1,403	1,258	1,573	1,600	1,670	1,740			
Pine Island (total)	1,986	2,132	2,389	3,263	3,899	4,617	5,230			
Chatfield (total)	2,055	2,415	2,395	2,779	3,035	3,381	3,661			
<b>Total with Adj Cities</b>	<b>95,143</b>	<b>110,002</b>	<b>127,806</b>	<b>148,381</b>	<b>171,854</b>	<b>199,548</b>	<b>220,800</b>			

# Population Change

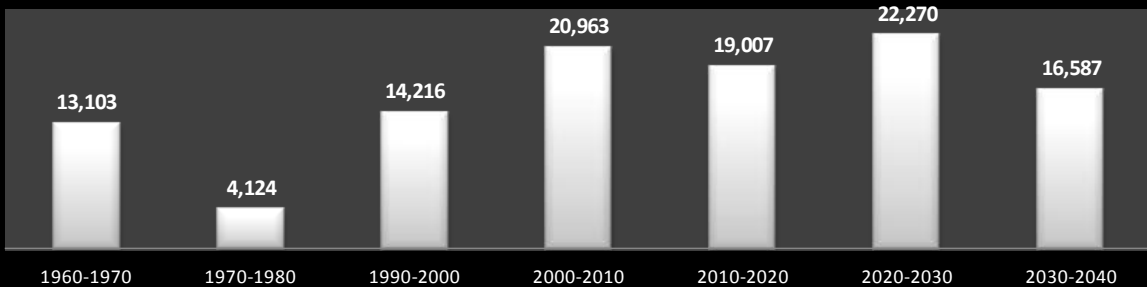
## Population Change by Decade - Olmsted County



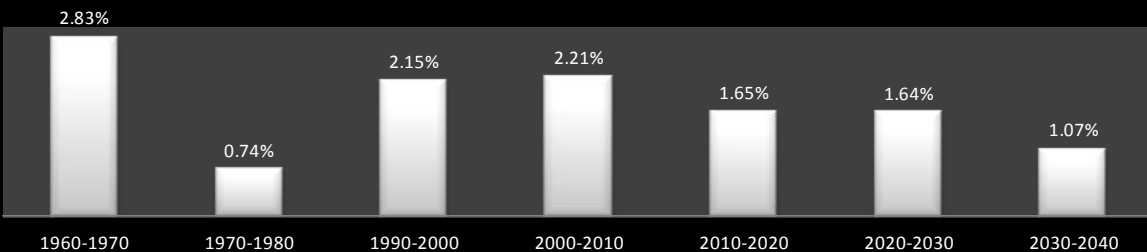
## Annual Population Growth Rate - Olmsted County



## Population Change by Decade - Rochester



## Annual Population Growth Rate - Rochester



Key Takeaway: One of the main challenges employers in Olmsted County / Rochester will face in future is finding enough workers to fill job replacement needs due to retirement of Baby Boomers + new job openings that will be created

# **LABOR FORCE INFORMATION**



# Olmsted County Labor Force Gap

Age Group	2010	2030	Growth	LFPR	Labor Force Growth
0 to 19	39,508	49,529	10,021	10%	1,002
20-59	79,703	90,656	10,953	90%	7,104
60+	25,037	52,178	27,141	24%	6,378
total	144,248	192,364	48,116	36%	17,238
labor force growth need					37,000
labor force gap					19,762

# Current Regional Labor Force Info

Source: CTPP-ACS

## Source of Olmsted County workers

	Olmsted	Commuter	Rest of MN	Wis.	Iowa	Other
	County	Counties				
1990	53,630	10,900	871	227	223	187
2000	62,262	15,805	1,291	269	397	231
2010	69,909	17,495	1,736	433	536	290

*\*\*Commuter Counties include 7 Adjacent counties of Dodge, Goodhue, Wabasha, Winona Fillmore, Mower, Freeborn, which account for 85% of all commuters (in 2010)*

## % of Olmsted and "Commuter Counties" Employed Residents working in Olmsted County

	Olmsted	Dodge	Fillmore	Freeborn	Goodhue	Mower	Wabasha	Winona
1990	89.2%	37.8%	16.5%	0.4%	7.1%	8.9%	24.2%	4.2%
2000	88.1%	38.5%	23.0%	0.9%	8.9%	10.3%	26.3%	6.8%
2010	91.7%	44.3%	26.7%	0.8%	10.1%	10.7%	29.9%	6.5%

## COMMUTING TO ROCHESTER within Olmsted County

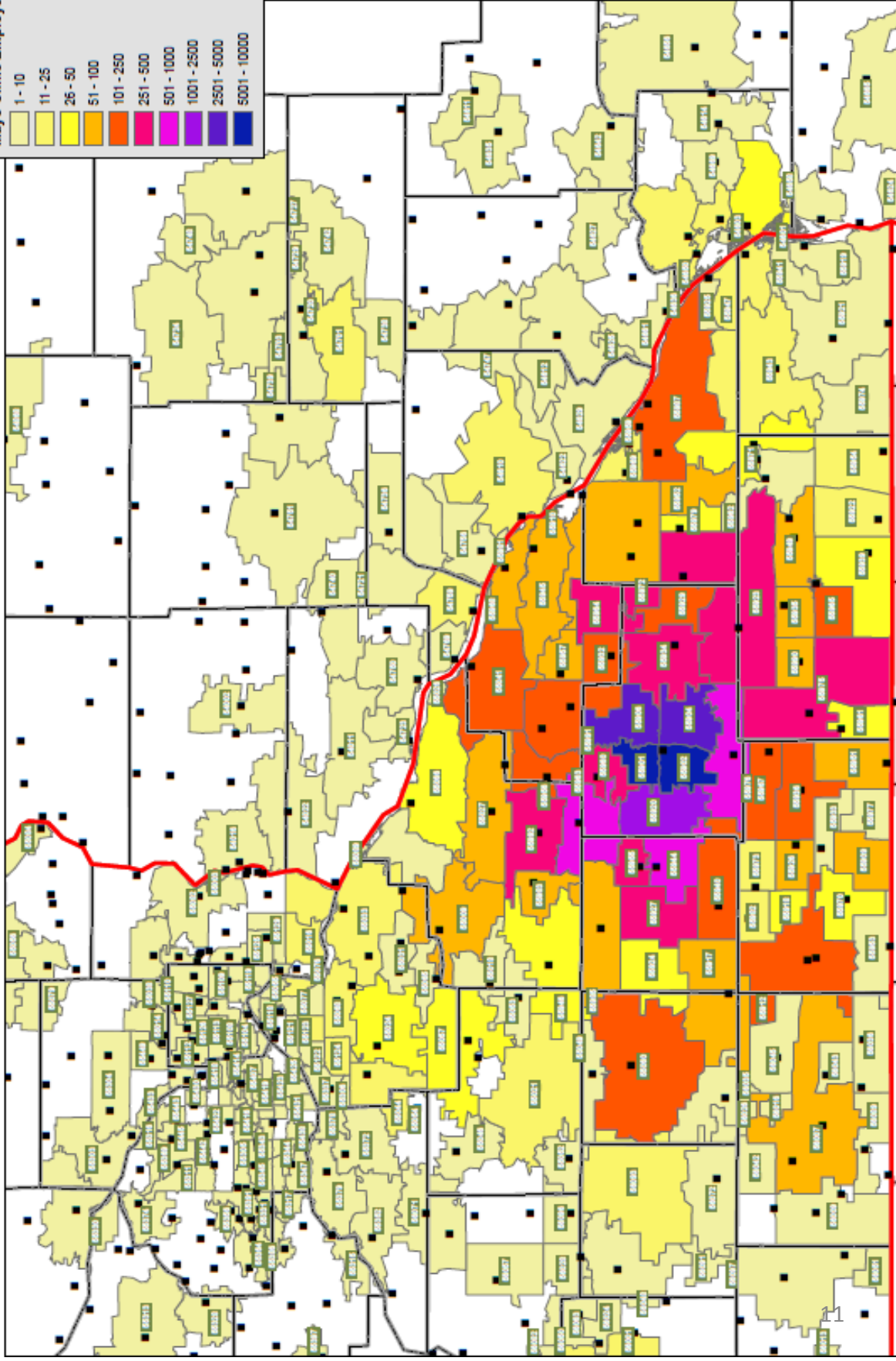
	Number of Commuters to Rochester			Percentage of Local Labor Force Working in Rochester	
	1990	2000	2010	2000	2010
	BYRON	645	1,396	1,850	71%
Cascade Township		1,392	1,300	82%	81%
CHATFIELD	133	301	365	25%	55%
DOVER	81	148	255	64%	70%
DOVER TWP	44	105	80	38%	42%
ELMIRA TWP	54	86	90	42%	48%
EYOTA	319	618	845	69%	70%
EYOTA TWP	92	149	205	63%	72%
FARMINGTON	109	159	165	56%	62%
Haverhill Twp		736	720	80%	81%
HIGH FOREST TWP	56	395	110	66%	21%
KALMAR TWP	346	493	350	70%	62%
Marion Twp		3,029	1,675	79%	80%
New Haven Twp	404	421	480	62%	65%
ORION TWP	149	173	180	54%	61%
ORONOCO	244	387	435		78%
ORONOCO TWP	620	976	935	81%	75%
PLEASANT GROVE TWP	190	333	280	73%	69%
QUINCY TWP	39	61	90	32%	46%
Rochester Twp		1,228	755	82%	79%
ROCK DELL TWP	245	231	175	60%	58%
SALEM TWP	281	388	385	65%	65%
STEWARTVILLE	1,102	1,824	1,960	65%	64%
VIOLA TWP	132	180	175	54%	57%
<b>Total* *</b>	5,285	15,244	14,705	67%	67%
<b>w/o 4 townships</b>	5,285	8,859	10,255	59%	63%
<b>4 Townships</b>	0	6,385	4,450	80%	80%

# Mayo Employee / Residence ZipCode

## Legend

Home Residence / by Zip Code

Mayo Clinic Employees

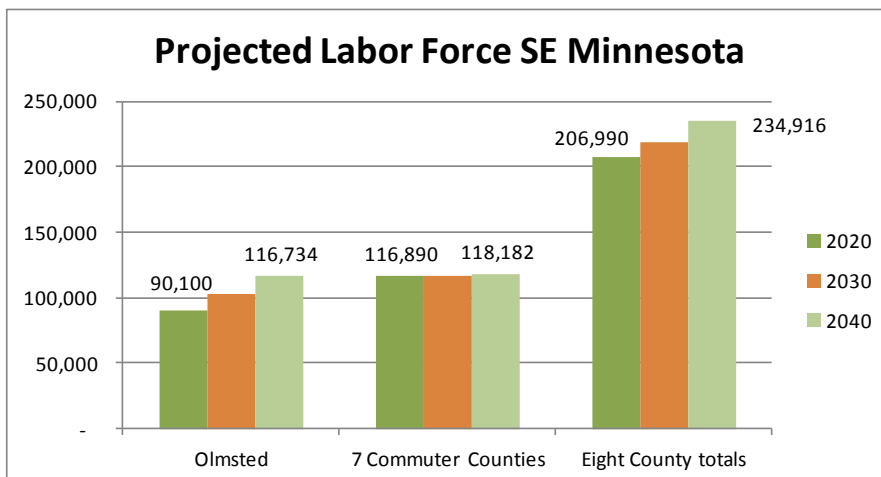
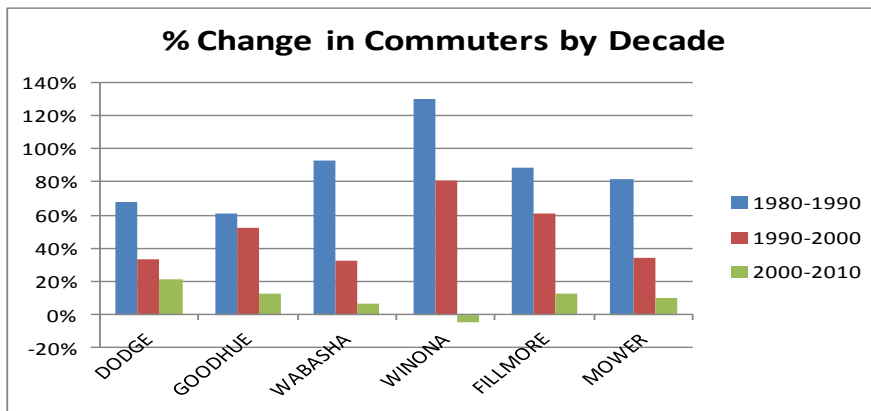


# Commuters

*Key Takeaway: To help fill Labor Force Gap ROCOG estimates Share of resident labor force in Commuter Counties working in Olmsted County & # of Workers from Areas beyond Commuter Counties will increase*

	Share of Resident Labor Force working in Olmsted County							Share of Jobs Filled by Workers from..			
	Dodge	Fillmore	Freeborn	Goodhue	Mower	Wabasha	Winona	Rest of MN	Wisc	Iowa	Other
1990	37.8%	16.5%	0.4%	7.1%	8.9%	24.2%	4.2%	1.32%	0.34%	0.34%	0.28%
2000	38.5%	23.0%	0.9%	8.9%	10.3%	26.3%	6.8%	1.61%	0.34%	0.49%	0.29%
2010	44.3%	26.7%	0.8%	10.1%	10.7%	29.9%	6.5%	1.92%	0.48%	0.59%	0.32%
2020	46.7%	32.3%	1.1%	11.7%	11.7%	32.5%	8.2%	2.22%	0.52%	0.73%	0.33%
2030	49.96%	37.44%	1.26%	13.25%	12.59%	35.37%	9.36%	2.52%	0.59%	0.86%	0.35%
2040	53.21%	42.55%	1.44%	14.76%	13.47%	38.23%	10.53%	2.82%	0.66%	0.99%	0.37%

*Key Concern: In 2000's the growth in commuters slowed dramatically from the Commuter Counties (1<sup>st</sup> chart), and State Demographer projects limited growth in Labor Force in these counties going forward (2<sup>nd</sup> chart)*



# Commuters

*Key Takeaway: ROCOG assumes the labor force participation rates will increase among older workers in particular to help close some of the labor force gap.*

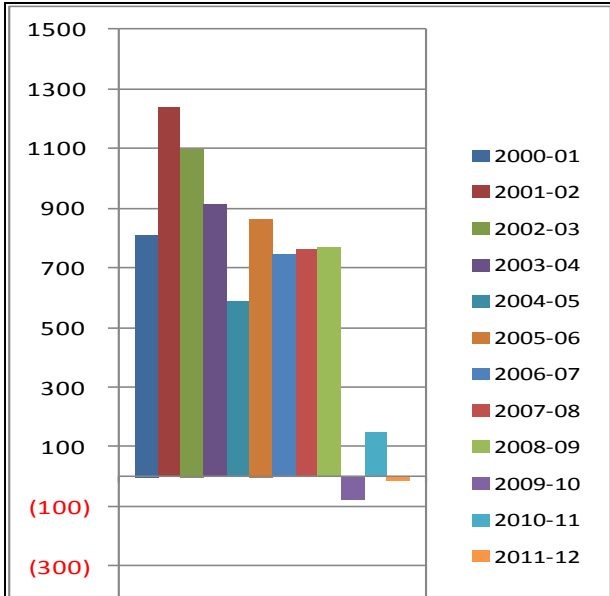
*\*\*Labor Force Participation Rates assumptions provided by State Demographer's Office*

Assumed Labor Force Participation Rates									
Male	2010	2020	2030	2040	Female	2010	2020	2030	2040
Age16 to 19	48.50%	44.36%	40.57%	37.11%	Age16 to 19	53.63%	49.66%	45.99%	42.59%
Age20 to 21	73.89%	71.81%	69.79%	67.83%	Age20 to 21	79.94%	78.27%	76.63%	75.02%
Age22 to 24	84.96%	83.62%	82.31%	81.01%	Age22 to 24	83.87%	85.07%	86.26%	87.45%
Age25 to 29	89.97%	89.26%	88.91%	88.94%	Age25 to 29	85.39%	86.78%	88.18%	89.58%
Age30 to 34	91.83%	91.55%	91.26%	90.98%	Age30 to 34	83.43%	85.20%	86.97%	88.74%
Age35 to 44	92.76%	92.29%	91.83%	91.36%	Age35 to 44	82.71%	82.94%	83.18%	83.41%
Age45 to 54	91.16%	91.54%	91.93%	92.31%	Age45 to 54	84.88%	85.90%	86.92%	87.97%
Age55 to 59	83.61%	85.37%	87.17%	89.01%	Age55 to 59	77.34%	82.92%	87.05%	89.73%
Age60 to 61	73.89%	74.48%	75.07%	75.66%	Age60 to 61	67.20%	76.81%	83.33%	86.75%
Age62 to 64	57.49%	59.83%	62.26%	64.79%	Age62 to 64	51.14%	58.11%	65.08%	72.04%
Age65 to 69	35.37%	38.56%	41.76%	44.95%	Age65 to 69	28.86%	33.16%	37.47%	41.78%
Age70 to 74	22.44%	24.27%	26.26%	28.40%	Age70 to 74	15.50%	18.24%	20.99%	23.73%
Age 75 plus	9.03%	8.69%	8.37%	8.05%	Age 75 plus	3.70%	4.07%	4.43%	4.80%

# Labor Force Factors / Migration Trends

*Key Takeaway: ROCOG estimates that Net Migration needs to increase by a factor of 2x-3x above historic level to meet labor force needs*

## Olmsted County Net Migration 2000-2012



## Contribution of Migration to Population Change 2000-2012

	Olmsted County
Births	26,627
Deaths	10,406
Natural Increase	16,221
International net migration (97% of net migration)	6,258
Domestic net migration	178
<b>Total Net Migration</b>	<b>6,436</b>

## Net Migration to Olmsted County by Geographic Region

