In an era of constant change and limited resources, good data is critical in making sound, informed decisions.

In June 2010, Incourage Community Foundation introduced Vital Signs, a series of economic indicators that track the economic health of greater south Wood County. Now, we are pleased to partner with Central Wisconsin Economic Research Bureau, led by Dr. Randy Cray, to provide an in-depth analysis of this research. Using this, area groups and organizations can make informed decisions about whether their time and financial resources are being utilized to provide the greatest impact.

The difficult economic environment that our community has faced during the past decade is reflected in the data. It tracks items such as homelessness, foreclosures, and unemployment figures. It would be easy to become disheartened by it. But we must understand where we come from in order to make changes and necessary progress. This data will provide a baseline that we can work from to create future growth.

Making positive change on any one of these indicators requires collaboration between organizations. In fact, many organizations played a role in this report by contributing data and information. Additionally, our Workforce Central project is a local partnership of employers, philanthropy, government, education and service provider organizations that are working together to strengthen our region’s economy. This project is one example of how we are influencing positive change through partnerships.

State and Federal budget cuts will impact our community’s ability to support individuals and families in need. However, by using Vital Signs data, we know where the areas of critical need are, so we can work to address them most efficiently and effectively.

We live in a community of engaged, committed, and savvy individuals and organizations that work every day toward a vision of a vibrant and prosperous community. I am confident that greater south Wood County’s Vital Signs will continue to improve as we move forward together.

Sincerely,

Kelly Lucas
CEO
Incourage Community Foundation
ABOUT
VITAL SIGNS

Information is as vital to a healthy community as clean air, safe streets, good schools and public health. Access to relevant and credible information along with the necessary tools to be involved and engaged is essential for our community. Vital Signs is one tool for individuals and organizations to gain better access to important information about their community. Using a series of indicators to look at the economic health of greater south Wood County, Vital Signs provides a micro-county focus to support sound decision making with good information.

Vital Signs is a project of Incourage Community Foundation. Through our focus on community improvement and strategic philanthropy, Community Foundation meets local needs by connecting resources and people – working together, learning together and sparking new solutions. Collaboration is critical to creating an informed community. One way that we’re doing this is through partnerships with several local and national organizations, including UW-Stevens Point, Mid-State Technical College and Massachusetts Institute of Technology.

In addition to this report, the Community Foundation will host community forums to present Vital Signs research to the public. For upcoming reports, work is underway to incorporate indicators from our entire service area of greater south Wood County including Rome in Adams County, which is part of Nekoosa School District.

The Community Foundation is pleased to partner with Central Wisconsin Economic Research Bureau (CWERB) to provide in-depth analysis on our Vital Signs research, which is reflected in this report. CWERB is a part of University of Wisconsin – Stevens Point’s School of Business and Economics. CWERB’s mission is to bring timely economic analysis and information to the UW-Stevens Point service area (Portage, Marathon and Wood counties) and to help foster economic development in our region. As part of its mission, CWERB publishes Economic Indicator Reports, which address and analyze local economic conditions. Recent papers published in the Economic Indicators series have dealt with: tourism in central Wisconsin; health care in the region; migration into and out of the counties of Portage, Marathon, and Wood; the high tech industry base of Central Wisconsin; and the economic significance of small business to the region.

Funding for Vital Signs is provided by Incourage Community Foundation and the John S. and James L. Knight Foundation. Special thanks to the following organizations and agencies for providing data for this report: Wood County Human Services and South Wood County Homelessness Initiative Committee.

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Central Wisconsin Economic Research Bureau

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Foreclosure data is an important indicator of local family financial distress. The inability to pay off a debt obligation is strongly tied to one’s employment and income. South Wood County (SWC) foreclosure filings have been trending upward since the year 2000. The deterioration of employment in the paper products industry and the recession of the early to mid-part of the decade played a key role in driving the numbers upward. In 2008, the number of housing foreclosures shot up to 128 from the previous year’s total of 84. This is directly related to the Great Recession and the fallout that ensued. In 2010, the number of foreclosures declined to 135. In 2009, the number of foreclosures was 147. So a slight improvement took place in 2010.

However, when comparing 2010 to 2000, the number of foreclosures has risen by over three-fold. Also, note that the 2010 foreclosure rate graph shows that for south Wood County, one out of every 130 housing units was in foreclosure. This does compare favorably to the state rate in which one out of 64 homes were in foreclosure and to the U.S. rate of one out of 45 homes. How does south Wood County compare to Wood County in terms of foreclosure activity?

The graph of Wood County filings shows that at the beginning of the decade, about 70% of the foreclosure filings were from SWC. Over the course of the decade, this percentage trended lower, reaching a plateau of 55% in 2010. The graph clearly shows that over the past decade, year in and year out, the majority of foreclosures have originated from the southern part of Wood County.
Population trends give important insight into the economic vibrancy of an area. The Population Trends graph indicates that SWC population expanded from about 38,500 in 1970 to approximately 44,500 in 1985. The population level changed little from 1985 to 1990. The recession of the early 1990s saw people leaving the area with the population trending lower to 42,300. By 1999, the population of SWC recovered to 44,300. If we just look at 1989 to 2010 we see that the SWC population has not grown. Over the entire 40-year period, the SWC population grew by just 15.4% from 1970 to 2010. During the same period, the state of Wisconsin’s population grew by nearly 30%. Thus SWC grew by approximately half the state rate. This outcome is indicative of the economic circumstances facing the SWC area. Moreover, the demographic structure of the population shows that the fastest growing segments are above 50 years in age. The average age of the population of SWC is increasing. If this trend continues, there will be ramifications for the workforce, the demand for age-related services, and the SWC economy in general.
POPULATION CHANGE FOR SOUTH WOOD COUNTY VS STATE OF WISCONSIN
(FROM 2002 TO 2010)

Source: Economic Modeling Specialists Inc. (EMSI)
Another indicator of the health and vitality of greater south Wood County is school enrollment. Over the 2000 to 2010 time period, the number of children enrolled in school has dropped from 9,008 to 8,039; a decline of approximately 11%. In comparison, the school enrollment numbers for the state of Wisconsin remained constant over the period.

More troubling than the decline in enrollment has been the huge increase in the number of students coming from economically disadvantaged backgrounds. The number of these students rose from 1,976 to 3,128 over the 2000 to 2010 time period, a 63% increase. Moreover, 3,128 out of the 8,039 students enrolled in the greater south Wood County area qualify for free or reduced price lunches. Specifically, 39% of the children meet the National School Lunch Program criteria for assistance because of evidence showing that students’ family income is below federal guidelines. Children in households with incomes at or below 130% of the federal poverty rate, or $28,665 annual income for a family of four, receive free meals.
The number of south Wood County students identified as being homeless has fluctuated over the 2003 to 2009 time period. However, the trend has been unmistakably upwards over the past six years. In 2003-04 the number of children defined as being homeless by the McKinney-Vento Act was 172. By the 2008-09 academic years the number was 243.

As it turns out almost all of the homeless children in SWC attend school in the Wisconsin Rapids school district. SWC has a higher percent of its student body classified as being homeless than that of the state of Wisconsin as a whole. This holds true for every academic year from 2003-04 to 2008-09. In most of these years, the rate of homelessness in SWC is more than double that of the state. For example, in 2008-09 the SWC rate for student homelessness was 3.0% compared to that of 1.3% at the state level. Moreover, the number of children classified as lacking a fixed, regular, or adequate night-time residence seems to be growing.

### STUDENTS IDENTIFIED AS HOMELESS REPORTED BY SCHOOL DISTRICT

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Nekoosa</td>
<td>4</td>
<td>8</td>
<td>5</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Pittsville</td>
<td>8</td>
<td>4</td>
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<td>0</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Port Edwards</td>
<td>3</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Wisconsin Rapids</td>
<td>228</td>
<td>273</td>
<td>105</td>
<td>170</td>
<td>178</td>
<td>168</td>
</tr>
<tr>
<td><strong>Total SWC</strong></td>
<td><strong>243</strong></td>
<td><strong>289</strong></td>
<td><strong>114</strong></td>
<td><strong>174</strong></td>
<td><strong>178</strong></td>
<td><strong>172</strong></td>
</tr>
<tr>
<td>% chg from prev yr</td>
<td>-16%</td>
<td>154%</td>
<td>-34%</td>
<td>-2%</td>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>Total State (WI)</td>
<td>10,955</td>
<td>9,331</td>
<td>8,108</td>
<td>7,864</td>
<td>6,384</td>
<td>5,358</td>
</tr>
<tr>
<td>% chg from prev yr</td>
<td>17%</td>
<td>15%</td>
<td>3%</td>
<td>23%</td>
<td>19%</td>
<td></td>
</tr>
</tbody>
</table>

| SWC Enrollment        | 8,095   | 8,266   | 8,437   | 8,571   | 8,454   | 8,462   |
| State (WI) Enroll     | 872,311 | 873,690 | 875,543 | 874,098 | 863,495 | 878,217 |

### % OF STUDENT BODY HOMELESS (ALL GRADES)

<table>
<thead>
<tr>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>South Wood County</td>
<td>3.0%</td>
<td>3.5%</td>
<td>1.4%</td>
<td>2.0%</td>
<td>2.1%</td>
<td>2.0%</td>
</tr>
<tr>
<td>State (WI)</td>
<td>1.3%</td>
<td>1.1%</td>
<td>0.9%</td>
<td>0.9%</td>
<td>0.7%</td>
<td>0.6%</td>
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</tbody>
</table>

Source: [http://dpi.wi.gov/homeless/data.html](http://dpi.wi.gov/homeless/data.html)

The McKinney-Vento Act defines homeless children and youth as individuals who lack a fixed, regular, and adequate nighttime residence. The term includes children and youth who are:

- sharing the housing of other persons due to loss of housing, economic hardship, or similar reasons;
- living in motels, hotels, trailer parks, or campgrounds;
- living in emergency or transitional shelters;
- abandoned in hospitals;
- awaiting foster-care placement;
- living in a primary nighttime residence not used as a regular sleeping accommodation;
- living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings; and/or
- migratory children living in any of the circumstances described above.
SOUTH WOOD COUNTY
HOMELESS INITIATIVE
2009 DATA (3/24/10)

<table>
<thead>
<tr>
<th>Organization Name</th>
<th>Impending Homeless</th>
<th>Actual Homeless</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>South Wood County</td>
<td>Wood County</td>
</tr>
<tr>
<td>North Central Community Action Program</td>
<td>30</td>
<td>252</td>
</tr>
<tr>
<td>Wood County Department of Social Services</td>
<td>39</td>
<td>99</td>
</tr>
<tr>
<td>Total</td>
<td>69 cases</td>
<td>351 cases</td>
</tr>
</tbody>
</table>

Source: South Wood County Homeless Initiative Committee, September 2010
(Fluctuation of numbers may be due to improved tracking mechanisms and temporary ARRA funding sources.)

Impending homelessness refers to individuals who are at risk of losing their current place of residence. Impending homeless figures for SWC show the number to be 69 in 2004. By 2009, homeless figures reached 351. Please note that each case represents a SWC household. The actual number of homeless cases rose from 60 in 2004 to 77 in 2009. If the impending homeless data from the North Central Community Action Program and Wood County Department of Social Services are correct, then the actual homeless cases will most likely take a sharp upward turn when the 2010 data becomes available.
WAGES NEEDED TO PAY FOR BASIC NEEDS
(APRIL 2010)

The table shows the estimated expenses for a one adult household, one adult, one child household, and two adult, two child household. The table also gives a number of possible work hour and wage rate combination scenarios. The results show that a single adult household would have to have a wage rate of $10.49 to $11.98 per hour, depending on the hours worked, to earn the $21,812 needed to cover the basic needs of living in SWC. A one adult, one child household would need to earn $34,472 and have a wage rate of $16.57 to $18.94, depending on the hours worked. Lastly, a family with two adults and two children would need $45,462 to cover the basic needs of living in SWC. To earn this amount, a household would have to have a wage rate of $21.86 to $24.98 per hour. Of course, it is also true that a two adult household could have two breadwinners in the family, which could reduce the wage range to $10.93 to $12.49 with doubling the number of hours worked by the family.

The main thrust of the table is that minimum wage level jobs, paying $7.25 per hour, are not adequate in providing the basic needs of a household. At the very least a two-adult household with two children would have to have an average wage rate of $10.93 per hour and require each adult to work 2,080 hours during the year (or 40 hours times 52 weeks). If each adult was paid the equivalent of 35 hours per week for 52 weeks, the average wage rate needed would be $12.50 per hour.

| Line 14 | 2,080 hours | $10.49 | $16.57 | $24.98 |
| Line 14 + 2,028 hours | $10.76 | $17.00 | $22.42 |
| Line 14 + 1,976 hours | $11.04 | $17.45 | $23.01 |
| Line 14 + 1,924 hours | $11.34 | $17.92 | $23.63 |
| Line 14 + 1,872 hours | $11.65 | $18.41 | $24.29 |
| Line 14 + 1,820 hours | $11.98 | $18.94 | $24.98 |

Key
1. Based on 2009 HUD 50 percentile median rent in Wood County (heat not included in rent)
2. Based on Food Share Limited Utility Allowance
3. Based on Food Share 2010 allotment estimates
4. Based on www.health-insurance-2008.org/ Wisconsin average single health insurance premium of $859 with the employee paying 20% of the premium on an after-tax basis (Head of Household + 1 @35% higher) (Family @ 50% higher)
5. Average 2009 child care costs in South Wood County per CCRRCW website (Two adult and two children based on one child 3+ full time care and one child 6+ part time care (each costing at least $3,000)
7. Estimate
8. Estimate
9. Self-explanatory
10. Self-explanatory
11. Line 14 times 7.65%
12. Calculated on Line 14 wages using 2009 tax rules (excluding the 2009 only Making Work Pay Credit)
13. Calculated on Line 14 wages using 2009 tax rules (for the two adult family assumed one adult earned $20,000 and the other the remainder)
14. $7.25 is the minimum wage in Wisconsin
15. Based on 35-40 hours worked per week

Source: South Wood County Homelessness Initiative Committee, September 2010
WOOD COUNTY
UNEMPLOYMENT
(THROUGH NOVEMBER 2010)

Generally speaking, the Wood County unemployment rate has been above the state of Wisconsin’s unemployment rate during the years 2000-2010. The graph on the Wood County unemployment rate shows that matters took a sharp turn for the worst in mid-2008. From the start of the Great Recession until mid-2010, the unemployment rate has been at historically high levels. Only recently has there been some downward movement in the unemployment rate.

Moreover, the bar chart on Current Unemployment Percentage: Wood County shows that from June to November the 2010 unemployment rate is below its 2009 counterparts. Thus, improvement has taken place in the unemployment rate level. However, the unemployment rate still remains at an unacceptably high level.

CURRENT UNEMPLOYMENT PERCENTAGE: WOOD COUNTY
Compared to a year ago

Source: http://data.bls.gov ©
Bureau of Labor Statistics (BLS)
WOOD COUNTY INITIAL UNEMPLOYMENT INSURANCE CLAIMS

The unemployment insurance claims data for 2007-08, 2008-09, and 2009-10 give tentative indication of the development of a trend. For the most part, the December 2008 to November 2009 time period was the highest in recent memory in the number of initial unemployment claims. This of course corresponds to the deepest part of the recession. The December 2009 to November 2010 period shows a general decline taking place in the claims data. However, these figures are for the most part still well above the 2007-08 numbers for Wood County.

The second bar chart shows in detail the September-November movements in unemployment insurance recipiency rates for Wood County for 2003-2010. This histogram clearly shows the sharp progression of the unemployment recipiency rate over the years. The recipiency rate measures the percentage of unemployed who are covered by unemployment insurance. For example, in November 2010, 81.2% of the unemployed were covered by unemployment insurance and approximately 18.8% were not covered. In other words, about one out of every five unemployed people in Wood County was not covered by unemployment insurance. Several extensions made by the federal government to the number of weeks a person could receive unemployment insurance helped to raise the coverage ratio.

Source: Wisconsin Department of Workforce Development
WOOD COUNTY
ECONOMIC SUPPORT
(WOOD COUNTY - HUMAN SERVICES)

The Economic Support Snapshot graph shows that FoodShare and Medicaid assistance has grown dramatically over years 2005-2010. The food assistance program has surged upwards by 79% over the period. Likewise, the medical assistance program has increased by 32%. Both programs have experienced large increases which underscore the contention that local family financial distress in SWC has been growing at an alarming rate. Childcare assistance during the same period has remained flat. This can be partly explained by the population decline of younger families. It is also speculated that since childcare assistance eligibility includes employment, and with historically high unemployment levels now existing in the area, fewer families than ever would qualify for childcare assistance.

Emergency Assistance in SWC accounted for 88% of the Wood County total. The graphs below help to remind us that the north Wood County area economy is dominated by a robust health care industry, while south Wood County economy has been dominated by a financially troubled paper manufacturing sector and its related industries.

EMERGENCY ASSISTANCE
(Defined as families must have current emergency of impending homelessness, energy crisis, fire, flood or natural disaster.)

% of application by Wood County area as of November 2010

Source: Wood County Human Services 10

VITAL SIGNS
The Vital Signs Indicators show that south Wood County has experienced a marked deterioration in the well being of its citizens. South Wood County has been hit hard by the recession and by the structural changes taking place in the manufacturing sector. For examples, increasing foreign competition in paper manufacturing industry and the decline of the traditional paper media have played major roles in the economic decline of south Wood County. The ripple effects of the changes have permeated the local area economy. Data on foreclosure filings, population trends, school enrollments, economic disadvantaged students, homeless students, unemployment numbers, initial unemployment claims, families needing economic support and other measures of social well being for the area all show that there has been an increase in the level of family financial distress. The Indicators also show that this problem, while exacerbated by the recent recession, is more than just a cyclical phenomenon. The problems facing south Wood County are structural in nature and while some improvement will take place when the economy eventually rebounds to pre-recession levels, the systemic part of the problem will remain unless the community continues to redevelop and reinvent itself.

This report is available online at incouragecf.org
SOURCES AND CREDENTIALS
FOR THE VITAL SIGNS REPORT MARCH 2011


South Wood County includes the following areas:
Biron; Grand Rapids; Nekoosa; Pittsville; Port Edwards; Rudolph; Vesper and Wisconsin Rapids, Wisconsin

Greater South Wood County includes:
All of the above plus Rome, Wisconsin

Special thanks to all the local individuals and organizations that helped us collect this data.