

3.0 COMMUNITY PROFILE

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Introduction

Unlike the narrative descriptions included in *Chapter 1: Introduction*, this section of the plan attempts to describe the town of Three Lakes through demographic data. The population, housing, education, employment and economic information included herein was collected from a variety of sources including the U.S. Census Bureau, Wisconsin Department of Administration (DOA), North Central Wisconsin Regional Planning Commission, Oneida County and the Town of Three Lakes, among others. The chapter provides a snapshot image of the community during a particular place in time, in this instance, following the 2000 U.S. Census. Updated information is provided when available. It is important to note, however, that the information included in this chapter is not intended to describe the community *as it is today*, but identify trends and patterns that can be compared with neighboring communities to better understand the planning context. Additional demographic information can be found in later plan chapters.

Demographic Profile

The planning process for the town of Three Lakes begins with a profile of the people who live, work, recreate and own property in the community. This chapter examines population size, composition and trends in the community, as well as information regarding the work force, educational attainment, housing value and other demographic factors. This information is critical to forecasting future needs related to development, housing and community facilities, among others. Community demographics will play a crucial role in determining the direction the comprehensive plan takes in preparing for the future of Three Lakes.

POPULATION TRENDS AND PROJECTIONS

The town of Three Lakes grew by nearly 17% between 1990 and 2000 (see Table 1 below). Three Lakes is not alone in this regard. As the table data demonstrates, neighboring communities in Oneida, Forest and Vilas counties experienced similar levels of growth between the last two censuses.

Table 1: Historic Population Trends for Town of Three Lakes and Select Communities, 1990-2000

Location	1990	2000	Change Number	Change Percentage
T. Three Lakes	2,004	2,339	335	16.7%
T. Hiles	312	404	92	29.5%
T. Lincoln	2,310	2,579	269	11.6%
T. Piehl	66	93	27	40.9%
T. Stella	525	633	108	20.6%
T. Sugar Camp	1,375	1,781	406	29.5%
T. Washington	1,189	1,577	388	32.6%
C. Eagle River	1,374	1,443	69	5.0%
Forest County	8,776	10,024	1,248	14.2%
Oneida County	31,679	36,776	5,097	16.1%
Vilas County	17,707	21,033	3,326	18.8%
State of Wisconsin	4,891,769	5,363,675	471,906	9.6%

Source: WDOA Demographic Services Center and 2000 U.S. Census, 2008.

Three Lakes 2030

Chapter 3: Community Profile

Table 2 (below) projects the population of Three Lakes through 2030. As with Table 1, the projections for surrounding communities are provided for the purposes of comparison. According to information provided by the Wisconsin Department of Administration (WDOA), which develops population projections based upon a formula that includes historic population, regional demographics trends and economic forecasts, the town will experience a steady, gradual increase in population over the next 20 years.

Table 2: Population Projections for Town of Three Lakes and Select Communities, 2005-2030.

Location	2005	2010	2015	2020	2025	2030	Change Number 2005-30	Change Percent 2005-30
T. Three Lakes	2,395	2,430	2,480	2,529	2,567	2,588	193	8.1%
T. Hiles	404	415	427	439	448	454	50	12.4%
T. Lincoln	2,579	2,718	2,769	2,841	2,906	2,953	374	14.5%
T. Piehl	93	94	95	97	98	100	7	7.5%
T. Stella	633	671	694	721	747	770	137	21.6%
T. Sugar Camp	1,781	1,874	1,946	2,028	2,107	2,178	397	22.3%
T. Washington	1,577	1,621	1,673	1,741	1,802	1,852	275	17.4%
C. Eagle River	1,443	1,506	1,511	1,533	1,552	1,563	120	8.3%
Forest County	10,229	10,326	10,420	10,463	10,433	10,323	94	0.9%
Oneida County	38,130	38,949	40,003	41,029	41,876	42,423	4,293	11.3%
Vilas County	22,265	22,953	23,829	24,645	25,295	25,720	3,455	15.5%
Wisconsin	5,589,920	5,772,370	5,988,420	6,202,810	6,390,900	6,541,180	951,260	17.0%

Source: WDOA Demographic Services Center and 2000 U.S. Census, 2008.

Increases in population can have positive and negative effects upon a community. Benefits may include an increased tax base, additional consumer spending at local businesses, construction work related to new home construction (which may also be seen as a negative) and additional students in the school district (with increased state/federal funding). Potential challenges arising from more residents may consist of strains on the current housing supply, harmful effects to the natural environment resulting from unplanned or misguided development, and the loss of agricultural lands, among others. The addition of more than 200 new residents during the next two and one-half decades may also affect the local culture, positively or negatively, by a change in community demographics.

It is important to note that U.S. Census population figures and WDOA projections do not account for seasonal populations. A considerable portion of the community's current housing supply is comprised of second and vacation homes owned by nonresidents. In addition, some of the remaining housing stock may be available as seasonal rentals, potentially precluding its availability for year-round residents. Additional information related to this subject can be found in *Chapter 4: Housing*.

POPULATION DENSITY

The town of Three Lakes covers approximately 99 total square miles. Just over 32 square miles are surface waters and 24 square miles are public forested lands, leaving approximately 43 square miles of potentially buildable land. With an estimated 2005 population of 2,339 people, the town has a density of 54.4 people per square mile. As the population increases, additional areas will be developed for residential, commercial, transportation and infrastructure uses. It is anticipated that new residential development will primarily entail single-family and seasonal homes concentrated around the lakes, while commercial development will be focused near the business district of Three Lakes.

POPULATION CHARACTERISTICS

Table 3 (below) compares the 1990 and 2000 population of Three Lakes by various age groups. The number of residents younger than the age of 5 declined in total number and as a percentage of the total population between 1990 and 2000, while the other age groups experienced increases in total numbers although remaining relatively unchanged as a factor of the overall population. The key demographic group to monitor during coming years will be the age 64 and older category. Like many communities across Wisconsin, Three Lakes will be affected by changing national demographics particularly with respect to the average age of residents. As the *baby boom generation* (those born between 1946 and 1964) moves through retirement age, the town of Three Lakes can expect continuing increases in the number of senior residents and potential decreases in the number younger than the age of 20.

Table 3: Population by Age Group for Town of Three Lakes, 2000.

Age	1990		2000		% Population Change 1990-2000
	Number	Percent of Population	Number	Percent of Population	
Under 5	138	6.7%	84	3.6%	-39.1%
5 to 14	263	12.9%	309	13.2%	-17.5%
15 to 19	119	5.8%	154	6.6%	29.4%
20 to 64	1,044	51.3%	1,208	51.6%	15.7%
65 and Older	469	23.0%	584	25.0%	24.5%
All Ages	2,033	100.0%	2,339	100%	15.1%

Source: WDOA Demographic Services Center and 200 U.S. Census, 2008.

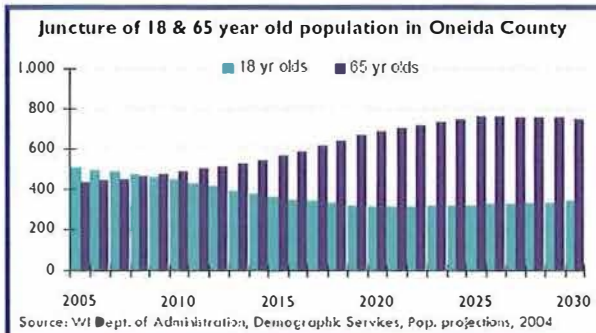
In 2000, there were 1,202 males (51.4%) and 1,137 females (48.6) living in the town. Most residents (98.2%) reported their race as white in the 2000 U.S. Census. This information is consistent with the data from the 1990 Census. The median age of residents in 2000 was 46.4. This is higher than the median age reported for residents of Oneida County (42.4) and the state of Wisconsin (36.0).

As the baby boom generation reaches retirement age, communities around the country, including the town of Three Lakes, will have to address the needs of an aging population. Figure 1 (right) shows the juncture in projected population for 18- and 65-year-old residents in Oneida County. Sometime during 2009, projections suggest that the number of residents age 65 will be higher than those age 18 for the first time in the county's history.

Figure 2 (right) compares the projected 2010 and 2030 population of Oneida County by various age groups.

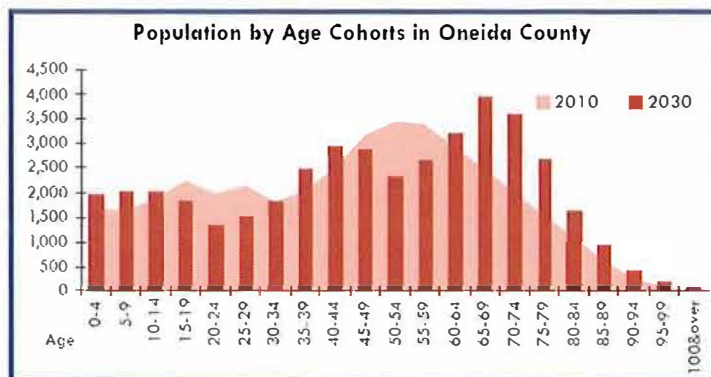
The county faces a future that includes meeting the needs of an elderly population and a shortage of workers to replace those retiring. While it is true that many baby boomers don't plan to fully retire, most will move into other positions. Studies show that only 5% of retirement-age workers remain full time in their preretirement positions. Additionally, health-care demands increase as the population ages, and Oneida County will face this demand in the near future.¹

Figure 1: Juncture of 18 and 65 year old Population in Oneida County, 2004.



Source: Wisconsin Department of Workforce Development, 2006.

Figure 2: Population by Age Cohorts in Oneida County, 2007.



Source: Wisconsin Department of Workforce Development, 2008.

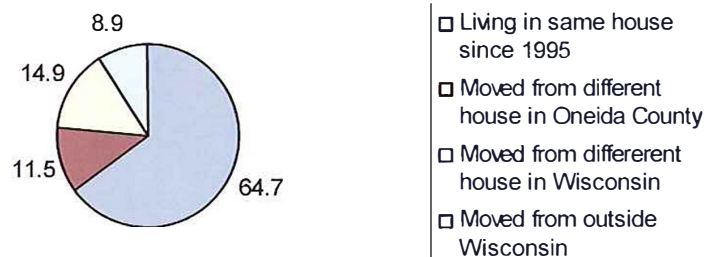
¹ Excerpted from Oneida County Workforce Profile, Wisconsin Department of Workforce Development, 2008.

WHERE ARE RESIDENTS COMING FROM?

As the population projections provided on previous pages imply, increases in future population are likely to be disproportionately comprised of net migration as opposed to a birth-death cycle.

Figure 3 (below) provides a breakdown of residency patterns between 1995 and 2000. Of the people currently residing in the town, nearly 65% live in the same residence they occupied in 1995. Of the remainder, 12% moved to Three Lakes from another community in Oneida County, 15% moved from another Wisconsin county and 9% moved from outside of the state.

Figure 3: Residency Patterns in Town of Three Lakes, 1995-2000



Source: Wisconsin Department of Administration and 2000 U.S. Census, 2008.

GENERAL HOUSEHOLD TRENDS

National, regional and state trends have all shifted toward an increase in the number of households with a corresponding decrease in the average number of persons per household. The main reasons for this decrease in household size include:

- a decrease in birth rate;
- people waiting longer to get married;
- an increased divorce rate; and
- an increase in the average life span (resulting in more elderly people living either alone or with another family member).

What Is A Household?

A household can be described as an individual or a group of people living together in a single dwelling unit. This could include a family, a single person or a group of unrelated individuals sharing a house or an apartment, but excludes those persons living in group quarters (i.e., nursing homes, halfway houses, dormitories, etc.).

Although the average household size in Three Lakes is slightly higher than that of Oneida County as a whole, the trends described above are consistent with demographic data for the town. The number of persons per household in the community is decreasing (see Table 4 below). This is significant since a decrease in household size means that more housing units will be needed to support the population, *even if the overall population remains the same*. While the population of Three Lakes is projected to increase by 8.1% by 2030, projected total households may increase by as much as 25.2% during the same time if current projections prove accurate.

Please refer to *Chapter 4: Housing* for additional information on current and future housing needs in the Town of Three Lakes.

Table 4: Total Households and Average Household Size for Town of the Three Lakes and Oneida County

	1990	2000	2005	2010	2015	2020	2025	2030
Town of Three Lakes*								
Total Population	2,004	2,339	2,395	2,430	2,480	2,529	2,567	2,588
Total Households	852	1,031	932	990	1,051	1,104	1,142	1,167
Average Household Size	2.35	2.27	2.57	2.45	2.36	2.29	2.25	2.22
Oneida County								
Total Population	31,679	36,776	38,130	38,949	40,003	41,029	41,876	42,423
Total Households	12,666	15,333	16,724	17,624	18,606	19,353	19,846	20,201
Average Household Size	2.44	2.34	2.28	2.21	2.15	2.12	2.11	2.10

* The projected decline in total households between 2000 and 2005 is most likely attributed to a reporting and/or projection error.
Source: Wisconsin Department of Administration and 2000 U.S. Census, 2008.

Of the 1,031 households in the town of Three Lakes in 2000, the majority were family households (692, or 67.1%) with married-couple households dominating (591, or 57.3% of all households). Female householders accounted for 5.6% (58 total) of the remainder. There were 339 non-family households in 2000 (32.9% of total households) with 167 of those (16.2%) being age 65 and older.

Economic Profile

Economic conditions have a direct impact on the supply, demand and costs for housing, infrastructure and services within a community. Therefore, it is necessary to examine the economic situation in the town to anticipate future housing, infrastructure and service needs. This section profiles the local economic environment by examining factors including per-capita income, poverty rate and unemployment rate.

To understand and appreciate the local economic picture in Three Lakes, one must look beyond the town and examine characteristics of Oneida County and the Wisconsin North Woods. These comparisons provide additional information about the local economic situation beyond that

which can be provided by looking exclusively at Three Lakes. Given that the economy of the town depends, to a degree, on the regional economy (i.e., Eagle River, Rhinelander, Wausau, etc.), an understanding of the relationship between these communities and Three Lakes is beneficial. Strong fluctuations in the regional economy will have a direct effect upon the town of Three Lakes. Due to a lack of detailed local economic data, much of the remainder of this chapter focuses upon Oneida County. Specific information available for the town of Three Lakes is incorporated where available and appropriate.

Additional economic data and information can be found in *Chapter 8: Economic Development*.

LABOR FORCE

The labor force is the sum of employed and unemployed persons who are 16 years of age and older (see box at right). Table 5 (below) presents employment data for the town of Three Lakes following the 2000 Census. The generally held belief that the job market in the North Woods is more challenging than elsewhere in the state is demonstrated by the data. Unemployment in Three Lakes was considerably lower than Oneida County as a whole, but 50% higher than the state of Wisconsin rate. It should be assumed that the current recession has increased the number of unemployed in Wisconsin, Oneida County and Three Lakes.

Are You In The Labor Force?

The labor force is the sum of employed and unemployed persons who are 16 years of age and older and who are willing and actively seeking work. Institutionalized populations are not included in

Table 5: Labor Force Comparison Between Town of Three Lakes and Select Communities, 2000.

Location	Labor Force	Employed	Unemployed	Unemployment Rate
T. Three Lakes	945	889	46	4.9%
T. Hiles	122	115	7	5.7%
T. Lincoln	1,413	1,311	102	7.2%
T. Piehl	45	40	5	11.1%
T. Stella	302	275	27	8.9%
T. Sugar Camp	887	832	55	6.2%
T. Washington	711	674	37	5.2%
C. Eagle River	586	534	52	4.4%
Forest County	4,381	4,044	335	7.7%
Oneida County	18,327	17,199	1,112	6.1%
Vilas County	9,869	9,268	601	6.1%
Wisconsin	2,872,104	2,734,925	134,311	3.2%

Source: Wisconsin Department of Administration and 2000 U.S. Census, 2008.

The term used to describe the relationship between the labor force and population is participation rate. At 61.9%, Oneida County has a lower participation rate than the state of Wisconsin (70%) and the United States (67%). By comparison, Three Lakes' participation rate in 2000 was 48.6%, significantly lower than the three higher levels of government. Participation rates are the result of both economic and demographic conditions in a community, area or

region. Relatively low job growth in Oneida County in concert with a higher-than-average number of retirees has resulted in a lower participation rate than other regions within the state.

EMPLOYMENT OPPORTUNITIES

The town of Three Lakes, like many rural communities, possesses a more limited inventory of commercial and industrial development than more urbanized areas. Most residents in the work force tend to find employment outside of the town, within Oneida County or elsewhere in the region. According to census data, there were 889 employed residents of Three Lakes in 2000. Table 6 (below) provides a description of employment by industry sector for Three Lakes residents in 2000. As the table shows, the largest employers of residents by industry sector for Three Lakes in 2000 were:

- Arts, entertainment, recreation, accommodation and food services (17.0%)
- Educational, health and social services (16.4%)
- Retail trade (15.0%)
- Construction (11.0%)

By comparison, in 1990 the largest employers of residents by industry sector were:

- Retail trade (23.4%)
- Educational, health and social services (14.6%)
- Construction (14.6%)
- Manufacturing (11.7%)

Table 6: Employment by Industry Sector for Town of Three Lakes, 2000.

Industry Sector	Number	Percent
Agriculture, forestry, fishing, hunting and mining	36	4.0%
Construction	98	11.0%
Manufacturing	41	4.6%
Wholesale trade	11	1.2%
Retail trade	133	15.0%
Transportation warehousing and utilities	36	4.0%
Information	20	2.2%
Finance, insurance, real estate, and rental and leasing	27	3.0%
Professional, scientific, management, administrative and waste management services	76	8.5%
Educational, health and social services	146	16.4%
Arts, entertainment, recreation, accommodation and food services	151	17.0%
Other services (except public administration)	40	4.5%
Public administration	74	8.3%

Source: Wisconsin Department of Administration and 2000 U.S. Census, 2008.

One of the largest declines occurred in the manufacturing sector which fell from 93 employed residents in 1990 (11.7% of all employed) to 41 in 2000 (4.6%). The largest increase occurred in the arts, entertainment, recreation, accommodation and food services which grew by 140%,

from 63 in 1990 (8.0% of all employed) to 151 in 2000 (17.0%). These figures are consistent with an economy transitioning from production to tourism-based service.

LOCAL EMPLOYERS

The previous section in this chapter described the type of employment available to residents following the 2000 U.S. Census. Table 7 (below) provides a listing of the top 10 private employers in Oneida County. Although census data does not identify actual workplaces, it can be assumed that many residents of Three Lakes are employed by one of the firms included in this table.

Table 7: Top 10 Employers in Oneida County, January 2004.

Rank	Employer	Industry Type	Employee Size Range
1	Sacred Heart – Saint. Mary’s Hospitals	General medical and surgical hospitals	500-999
2	Howard Young Medical Group	General medical and surgical hospitals	500-999
3	Foster & Smith, Inc.	Mail order houses	500-999
4	WalMart	Discount department stores	500-999
5	Wausau Paper Specialty Products	Paper, except newsprint, mills	500-999
6	School District of Rhinelander	Elementary and secondary schools	250-499
7	Trig’s	Supermarkets and other grocery stores	250-499
8	County of Oneida	Executive and legislative offices, combined	250-499
9	Nicolet Area Technical College	Junior colleges	250-499
10	Ministry Medical Group, Inc.	Offices, physicians, except mental health	250-499

Source: Oneida County Workforce Profile, Wisconsin Department of Workforce Development, 2008.

COMMUTING PATTERNS

American workers are becoming increasingly mobile. The national average drive-to-work time is approaching 30 minutes (17.9 minutes in Three Lakes, Table 8 at right). Telecommuting and working from home are becoming a more acceptable and desired employment option.

Table 8: Average Daily Commute Times, 2000.

Town of Three Lakes	17.9 minutes
Oneida County	17.8 minutes
Wisconsin	20.8 minutes
United States	24.4 minutes

Source: WDOA Demographic Services Center and 2000 U.S. Census, 2008

Table 9 (page 3-10) shows the commuting patterns of Oneida County. Of the total employed workforce of Oneida County, 34,058 (or 92.6% of the total) reside and work in the county. This is an uncommonly large number when compared with other communities around that state that average approximately 60%, but typical of a relatively isolated county. The number of workers who commute outside the county for work (2,781) is nearly 1,000 workers lower than those who live outside the county and commute in (3,772).

Not surprisingly, the largest importers and exporters of workers are the nearby counties of Vilas and Lincoln. Considering the distance involved, it is interesting to note that 36 Oneida County residents commute (or telecommute) to jobs in Cook County, Illinois, home to the city of Chicago.

Table 9: Oneida County Commuting Patterns, 2000.

	Residents of Oneida County Commuting to Other County	Residents of Listed County Commuting into Oneida County	Net Commute
Vilas County	1,106	2,051	945
Lincoln County	759	672	-87
Marathon County	243	98	-145
Forest County	129	343	214
Langlade County	103	220	117
Price County	62	85	23
Cook County, IL	36	7	-29
Brown County	31	3	-28
Milwaukee Cnty	24	--	--
Waukesha Cnty	21	--	--
Elsewhere	267	293	26
Total	2,781	3,772	991
Live and Work in Oneida County	92.6% or 34,058		

Source: Oneida County Workforce Profile, Wisconsin Department of Workforce Development, Office of Economic Advisors, January 2004.

INCOME AND WAGES

There are numerous ways in which planners and demographers categorize income. The three most common are *per capita*, *median household* and *median family income*:

- **Per capita income** is total income divided by the total number of residents, including children and other groups of individuals who do not actually earn income.
- **Median household income** is the middle point of household incomes reported in a community (households include families, married-couple households and individual households).
- **Median family income** is the middle income reported by families in the 2000 U.S. Census.

Median Income v. Average Income

The U.S. Census Bureau data related to income is reported as a "median" figure. This represents the middle point of all incomes reported. It is not the same as an "average" income. For example, if four people reported their income at \$30,000 and one person reported income at \$100,000, the median income for these five people would be \$30,000. In the same scenario, the average income would be \$44,000, which does not accurately depict where the majority (i.e., four people vs. only one) reported their income.

The U.S. Census does not provide an average income figure. Moreover, it is not possible to calculate an average without access to every individual census form from Three Lakes where an income was reported. The U.S. Census Bureau privacy policies prohibit this level of access. It is anticipated that Three Lakes' average income figures would be higher than the median income.

Table 10: Income Comparison for Three Lakes and Select Communities, 2000.

Location	2000 Per Capita Income	2000 Median Household Income	2000 Median Family Income
T. Three Lakes	\$17,758.00	\$32,798.00	\$38,098.00
T. Hiles	\$17,830.00	\$26,806.00	\$37,083.00
T. Lincoln	\$18,579.00	\$39,196.00	\$45,552.00
T. Piehl	\$13,102.00	\$31,500.00	\$36,250.00
T. Stella	\$16,712.00	\$40,909.00	\$46,375.00
T. Sugar Camp	\$18,135.00	\$37,118.00	\$44,635.00
T. Washington	\$18,544.00	\$34,961.00	\$39,211.00
C. Eagle River	\$15,876.00	\$23,611.00	\$36,339.00
Forest County	\$16,451.00	\$32,023.00	\$38,978.00
Oneida County	\$19,746.00	\$37,619.00	\$44,293.00
Vilas County	\$18,361.00	\$33,795.00	\$40,876.00
Wisconsin	\$21,271.00	\$43,791.00	\$52,911.00

Source: WDOA Demographic Services Center and 2000 U.S. Census

Income for residents in Oneida County has been consistently lower than state averages, as illustrated in Table 10 (above). Again, this is typical of a relatively isolated rural county.

POVERTY STATUS

The federal government evaluates national poverty levels using two similar measures: poverty thresholds and poverty guidelines (see Table 11 at right). The poverty thresholds are the original (and more complex) version of the federal poverty measure. They are updated each year by the Census Bureau and are used mainly for statistical purposes. Poverty guidelines, the other version, are issued each year by the Department of Health and Human Services (HHS) and are a simplification of the poverty thresholds used for administrative purposes.² Planners typically utilize poverty guidelines when developing comprehensive plans.

Table 11: Department of Health and Human Services Poverty Guidelines, 2007.

Size of Family Unit	48 Contiguous States and D.C.	Alaska	Hawaii
1	\$10,210	\$12,770	\$11,750
2	\$13,690	\$17,120	\$15,750
3	\$17,170	\$21,470	\$19,750
4	\$20,650	\$25,820	\$23,750
5	\$24,130	\$30,170	\$27,750
6	\$27,610	\$34,520	\$31,750
7	\$31,090	\$38,870	\$35,750
8	\$34,570	\$43,220	\$39,750
Each Additional	\$3,480	\$4,350	\$4,000

Source: 2007 Health and Human Services Poverty Guidelines, One Version of the Federal Poverty Measure, Federal Register, Vol. 71, No. 15, January 24, 2007, and pp. 3848-3849.

² Source: 2003 Health and Human Services Poverty Guidelines, *One Version of the Federal Poverty Measure*, Federal Register, Vol. 68, No. 26, February 2, 2003, pp. 5456-6458.

According to the 2000 U.S. Census:

- One-hundred fifty-three individuals in Three Lakes were living below the poverty line in 2000.
- Forty-three of these individuals were age 65 or older.
- Thirty-seven families were living below the poverty line.

In total, 6.7% of the town's population was living in poverty in 2000. This figure compares favorably with Oneida County (7.4%) and the state of Wisconsin (8.7%). It is important to note, however, that the current recession may have increased, or potentially will increase, the percentage of Three Lakes residents living below the national poverty line. It is also important to consider that poverty guidelines are a base-level figure (see Table 11, page 3-11). They do not take into account, at the local level, the costs of housing, transportation, goods, services and other expenses. Although the HHS poverty level for a family of four in Chicago is the same as that of a family of four in Three Lakes, the cost-of-living differences between the two communities would indicate a greater ability to "make ends meet" in the rural community.

Education Profile

EDUCATIONAL ATTAINMENT

The level of educational attainment in a community serves as a good indicator of the quality of life. Generally, a high level of educational attainment reflects a skilled population with higher earnings potential. Figure 4 (on following page) illustrates the level of educational attainment for persons age 25 and older in Three Lakes and surrounding communities in 2000. Each of the bars in the chart represents the percentage of the community that has reached its highest level of educational attainment within a given category. For example, the educational attainment for 40.6% of the residents of Three Lakes older than the age of 25 climaxed at a high school diploma or equivalency, whereas 88.6% of residents achieved *at least* a high school diploma. The additional 48% received some college education (23.4%), an associate degree (5.6%), a bachelor's degree (12.6%), or a graduate degree (6.4%).

The bulleted list below provides a comparison of the select communities with respect to the percentage of their residents over the age of 25 that have achieved high school graduation or higher. The source for data included within Figure 3.0 and the list below was the Wisconsin Department of Administration and 2000 U.S. Census.

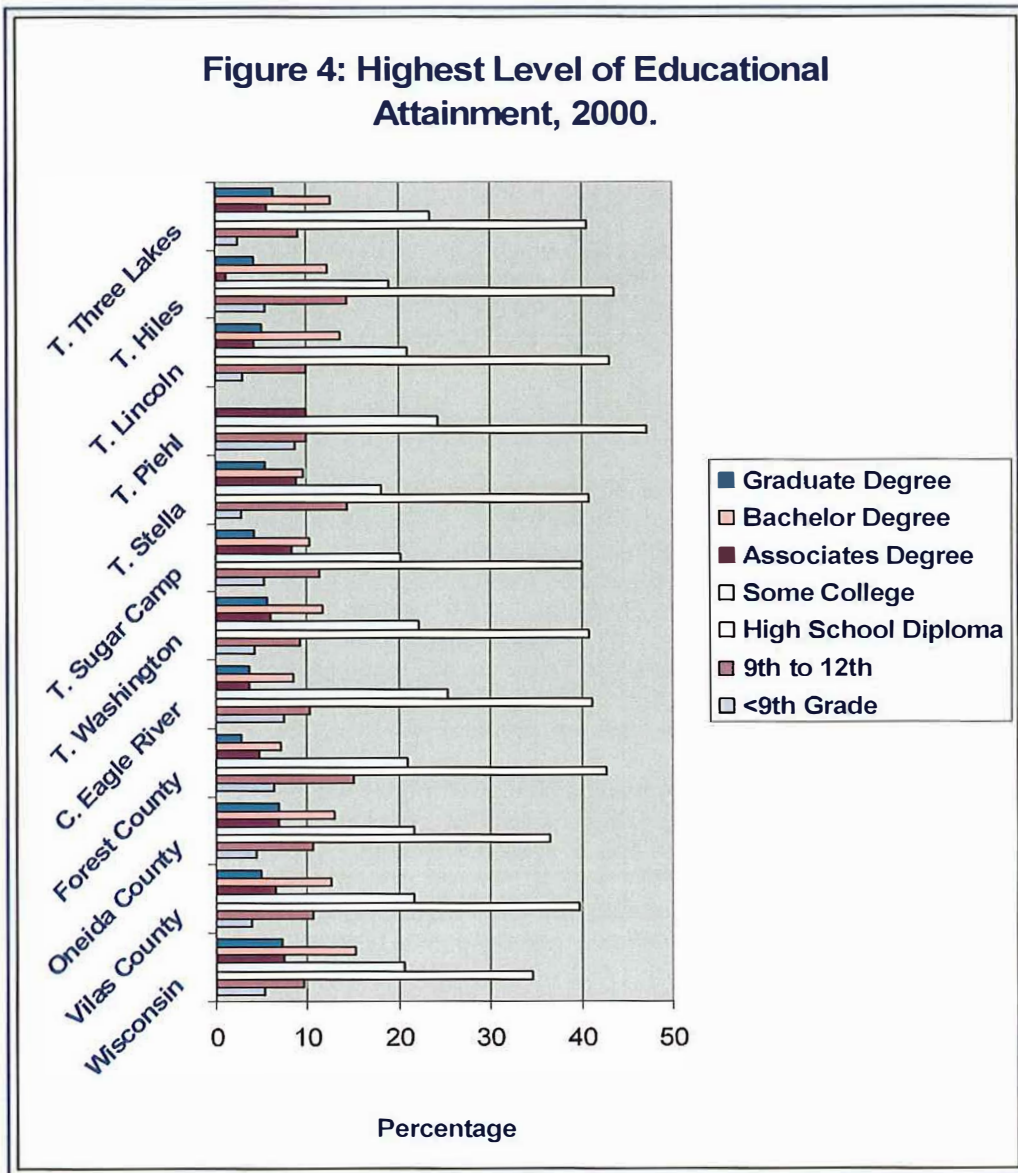
Percentage of Population Older than Age 25 with High School Diploma or Higher

▪ T. Three Lakes	88.6%	▪ T. Washington	86.5%
▪ T. Hiles	80.2%	▪ C. Eagle River	82.4%
▪ T. Lincoln	86.9%	▪ Forest County	78.5%
▪ T. Piehl	81.4%	▪ Oneida County	85.1%
▪ T. Stella	82.8%	▪ Vilas County	85.4%
▪ T. Sugar Camp	83.3%	▪ Wisconsin	85.1%

Percentage of Population Older than Age 25 with Bachelor's Degree or Higher

▪ T. Three Lakes	19.0%	▪ T. Washington	17.4%
▪ T. Hiles	16.5%	▪ C. Eagle River	12.2%
▪ T. Lincoln	18.7%	▪ Forest County	10.0%
▪ T. Piehl	--	▪ Oneida County	20.0%
▪ T. Stella	15.0%	▪ Vilas County	17.6%
▪ T. Sugar Camp	14.7%	▪ Wisconsin	22.4%

Figure 4: Highest Level of Educational Attainment, 2000.



General Economic Forecasts³

Demographic factors are a key driving force in developing long-term economic projections. The growth rate of the population and changes in its composition have considerable impacts on the labor force, the unemployment rate, housing demand and other spending categories. The population projections used in the U.S. economic forecast comes from the Census Bureau's "middle" projection for the U.S. population. This projection is based on specific assumptions about immigration, fertility and mortality rates. The national fertility rate (the average number of births per woman upon completion of childbearing) is expected to rise from its current level of 2.0 to about 2.2 in 2025. Life expectancy for men and women will rise steadily from 74.1 and 79.8 years in 1999 to 77.6 and 83.6 years in 2025, respectively. Net immigration (including undocumented immigration) is estimated to fall from 960,000 persons in 1999 to 918,000 in 2025.

AGE DISTRIBUTION

The age distribution of the population is also an important part of the long-term outlook. As baby boomers begin to retire, the share of the U.S. population age 65 and older will jump from 13% in 2010 to nearly 19% by 2025, pushing outlays for Social Security, Medicare and Medicaid higher. In addition, the growth rate of the working-age population will slow by more than that of the overall population.

STATE POPULATION TRENDS

Wisconsin's total population growth is expected to average 0.4% annually from 2001 to 2025, a rate slightly below the 0.6% average from 1975 to 2000. Compared to the U.S. projected growth of 0.8% over the same period, Wisconsin is expected to continue the long-term trend of slower population growth than the nation as a whole. The adult population (those older than the age of 17) in Wisconsin grew at an average annual rate of 1% over the past 25 years, but is expected to grow by 0.5% per year from 2001 to 2025. Also, similar to U.S. demographic trends, the aging population in Wisconsin (those 65 and older) is projected to grow at an average annual rate of 2% for the next 25 years, including 3% per year after 2010. The aging population in Wisconsin grew at an annual rate of 1.3% per year from 1975 to 2000.

A key feature of the population projection problematic for growth of the Wisconsin economy and the local economy in Oneida County is the prospect for a decline in the working age population after 2011. Statewide, the population age 16 to 64 is projected to grow at an annual rate of 0.6% from 2000 to 2011, but will then decline at an annual rate of 0.4% from 2012 to 2025. The working age population grew at an annual rate of 0.9% from 1974 to 1999. The growth of the working age population has a profound effect on the growth of the labor force and employment.

Due to demographic shifts that will play out as baby boomers age and reach retirement, labor-force growth is expected to slow sharply over the next 20 years. First, increases in female participation will taper off, if only because the participation rates for many female age groups are approaching those of males. Also, over time, a growing share of the population will reach retirement age, when the participation rate falls to about 12%. As a result, the Wisconsin labor force is expected to expand by 1.3% per year between 2000 and 2005, 0.8% per year from 2005 to 2014, and by only 0.4% per year from 2015 to 2025. Overall labor-force participation is

³ Much of the text in this section was excerpted from the Wisconsin Department of Revenue Long-Term Economic Forecast, 2001.

expected to fall as the population progressively moves into age groups with lower participation rates.

DEPENDENCY RATIO

The overall dependency ratio (the ratio of those not in the labor force to those who are) will continue to decline for most of the next quarter-century, falling from 1.00 in 1989 to 0.91 by 2010, before rising to 1.01 by 2025. This ratio peaked at 1.65 in 1962, just after the crest of the baby boom. Clearly, the working population will not have to support proportionately more non-workers in the next 25 years than it has in the past. However, this assessment does not account for workers who support elderly parents and other retired workers.

There will be a change in the mix of non-workers, however, especially toward 2025. While the share of the population age 65 and older has risen dramatically over the last two decades, the ratio of the number of elderly to the number of workers has so far remained stable. There were 24.4 persons age 65 and older for every 100 persons in the labor force in 1971, versus 24.8 in 2000. This ratio should decline to 24.3 by 2006, but then jump to 27.9 in 2014 and to 37.6 by 2025, by which time most baby boomers will be of retirement age.

SUMMARY

In summary, the United States, Wisconsin and Oneida County are expected to post markedly slower economic growth over the next 25 years than during the past quarter-century. The prime causal factors for this slowdown are already in place: labor force growth constrained by demographic forces that cannot be quickly reversed and relatively moderate growth of the capital stock.

For the town of Three Lakes, these indicators provide important guides for future planning as it relates to the quality of life for residents living in the area. Furthermore, these key economic indicators provide a gauge for the town's ability to support additional commercial and industrial development over the next 20 years.

