

## Introduction

This report from Strategic Development Group (SDG) provides an in-depth look at the Washington County demographic makeup. It explores important topics such as employment, education, age, and poverty. Each section is comparative, meaning that Washington County is examined side-by-side state, and sometimes regional, trends. Additional insights are frequently provided to give the reader a complete and accurate picture of Washington County today, and reveal where they are headed in the future.

Most of the demographic data available for Washington County in December 2009 is based on the U.S. Census data from 2000. The most recent survey was taken in April 2000. While the Census Bureau conducts smaller scale surveys between decennial years, the Bureau does not analyze geographic areas with a population of 65,000 or less based on the Census Bureau population estimates.

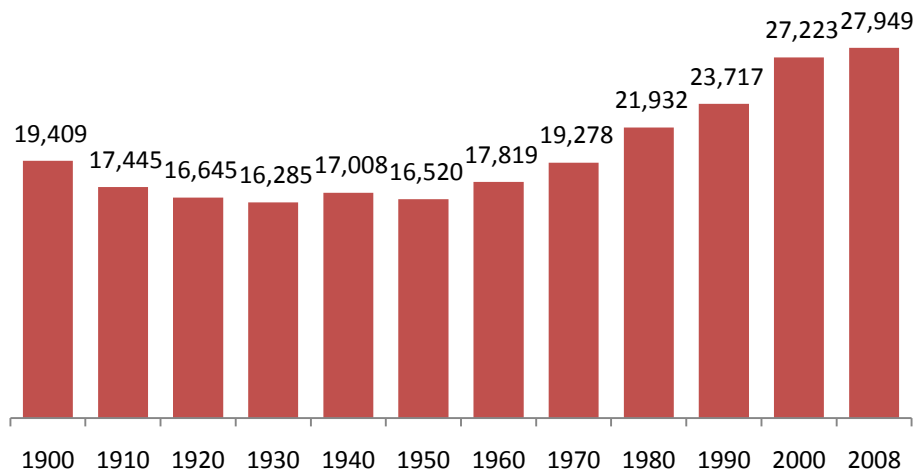
According to the U.S. Census Bureau, data was made available for all areas of 20,000 or more in 2008. Beginning in 2010, and every year thereafter, the nation will have a five-year period estimate available, a resource that will show change over time, even for neighborhoods and rural areas.

This data came from sources such as the Indiana Department of Education, the Indiana Department of Revenue, and the National Low Income Housing Coalition. Additionally, demographic information for Washington County was frequently used because estimates provided by the U.S. Census are available for 2007.

## Population

The population in Washington County has fluctuated since 1900. As **Figure 1** shows, the recorded population in 1930 was the low point for the past century. Since 1950, the overall population has been steadily growing and in 2008 the census was 27,949 ranking it 57<sup>th</sup> out of 92 Indiana counties, which is up from 61 in 1990. The total population for the state of Indiana in 2008 was 6,376,792 meaning that Washington County consisted of .4 percent of the statewide population. From 1990 to 2000, Washington County saw the largest percentage growth rate for a decade at 14.8 percent which ranked 19<sup>th</sup> in the state of Indiana.

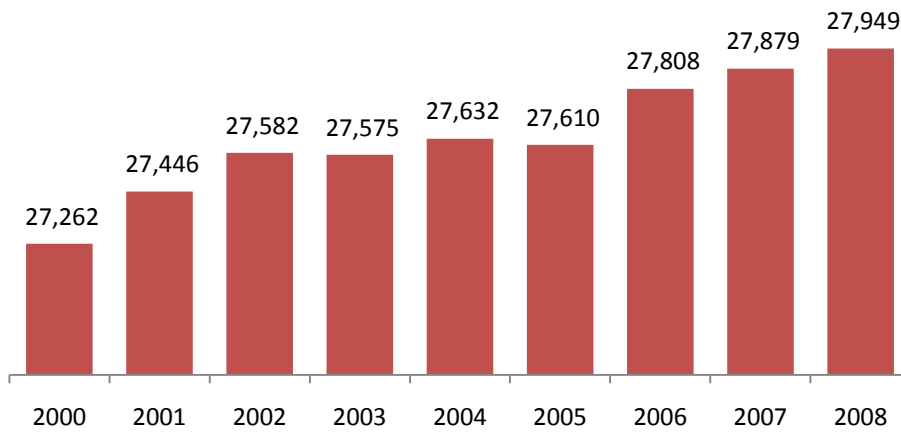
**FIGURE 1. Population by Decade and Current Year Estimate**



Source: STATS Indiana

**Figure 2** illustrates the population estimate by year for Washington County from 2000 to 2008. The county as a whole saw the population decrease in a one year span twice. The 2003 and 2005 reported census showed that there were slight losses in total population, however, from 2005 to 2006 Washington County saw its largest rate of growth with .7% and the population has continued to grow since. Out of Indiana's 92 counties, Washington County ranked 58<sup>th</sup> in the year 2000.

**FIGURE 2. Population Estimates by Year**

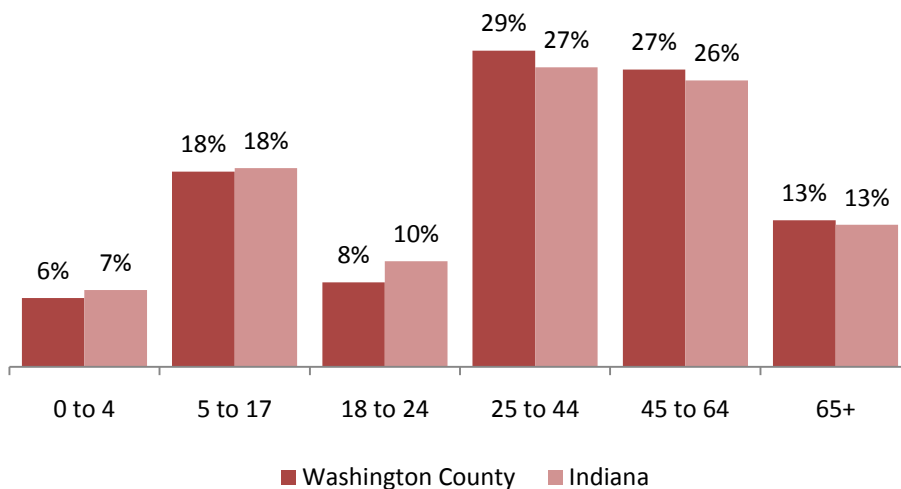


Source: STATS Indiana

## Age

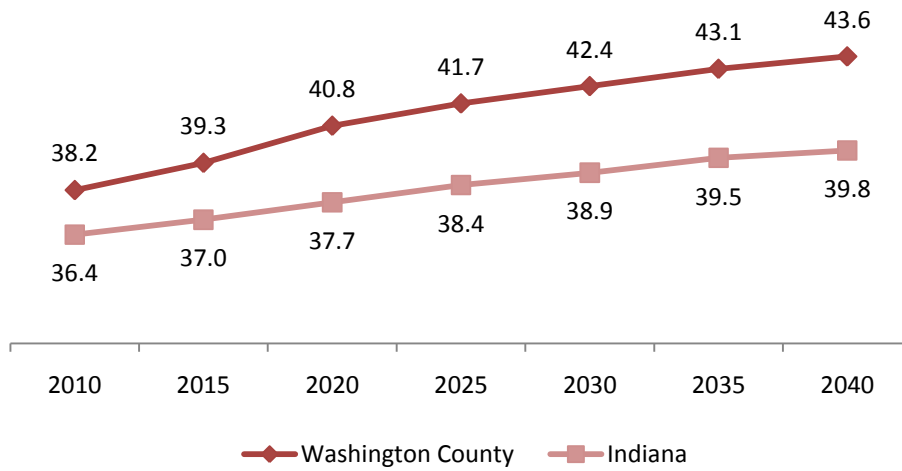
**Figure 3** shows age distribution estimates for both Washington County and Indiana in 2008. Washington County’s age distribution differs slightly from the state average. From the age of 25 and up, Washington County is shown to be above the state average. For the ages of 24 and under, Washington County is mostly below the state average except for the age group of 5 to 17. **Figure 4** shows the median projected age for Washington County. The age gap for Washington County and Indiana is shown to increase from 2010 to 2040. The gap is measured at 1.8 in 2010 and it is estimated to increase to about 3.8 years in 2040.

**FIGURE 3. Age Distribution (2008 Estimates)**



Source: Indiana Business Research Center, STATS Indiana

**FIGURE 4. Median Projected Age**

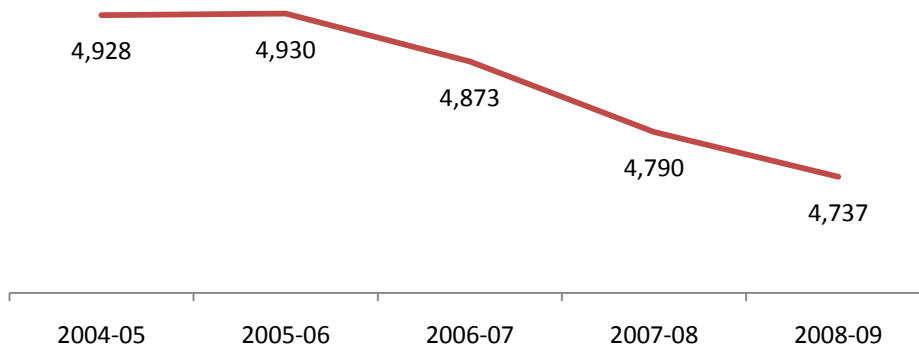


Source: Indiana Business Research Center, STATS Indiana

## Educational Attainment

**Figure 5** shows the school enrollment for Washington County. Total enrollment has been recorded to be steadily decreasing since the five year peak during the 2005-06 school year. School enrollment in Washington County has decreased by 3.9 percent since the 2004-05 academic year.

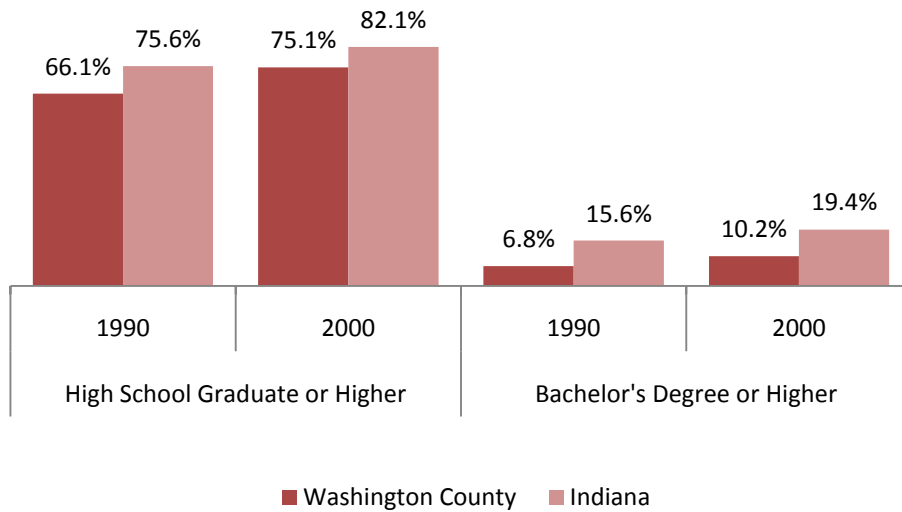
**FIGURE 5. Washington County School Enrollment**



Source: Indiana Department of Education

**Figure 6** below shows the educational attainment from 1990 to 2000 for both Washington County and Indiana. Washington County is slightly lower when compared to Indiana as a whole in attaining both a high school degree and a bachelor’s degree. Washington County was able to close the gap with the state average in high school graduates from 1990 to 2000. Out of the 92 counties in Indiana, Washington County ranked 81<sup>st</sup> in the percentage of those with a high school diploma in the year 2000. All figures have increased for both Washington County and Indiana during the ten year time span.

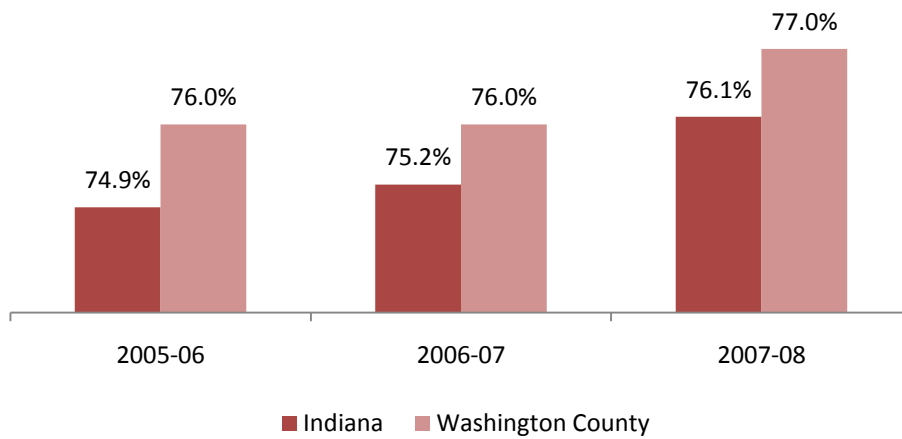
**FIGURE 6. Educational Attainment, 1990-2000**



Source: STATS Indiana

**Figure 7** illustrates the percent of graduates pursuing college for Indiana compared to Washington County. Indiana is slightly lower as a state compared to the Washington County rates for the three years listed. The state trends were increasing at a slow, but steady, pace in comparison to the Washington County Schools which show that for the three years listed roughly over 75 percent of graduates will be pursuing college.

**FIGURE 7. Percent of Graduates Pursuing College**

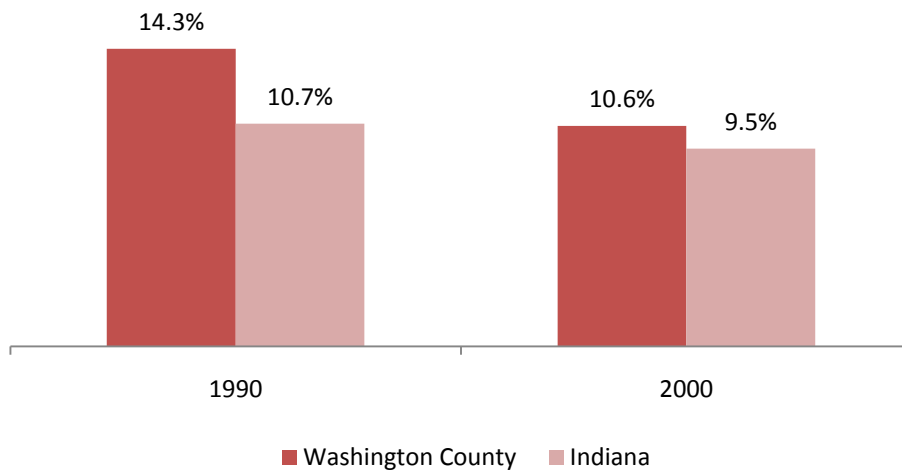


Source: Indiana Department of Education

## Poverty

The poverty rate tracks the percentage of individuals who are below the poverty threshold. Poverty thresholds are the dollar amounts used to determine poverty status, and vary according to the size and age of family members. The same thresholds are used throughout the United States and do not vary geographically. **Figure 8** shows the poverty rates in 1990 and 2000 for Indiana and Washington County. Washington County has moved to within 1.1 percent of the state average for Indiana. Both poverty rates have decreased since 1990, especially the rate for Washington County which saw a decrease of 3.7 percent.

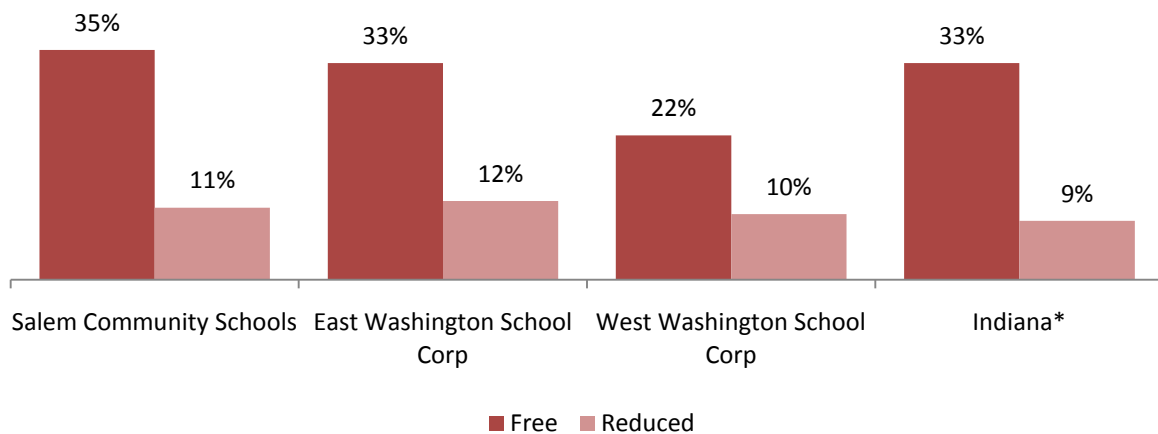
**FIGURE 8. Poverty Rates 1990-2000**



Source: U.S. Census Bureau

The percent of free lunches served is another indicator of economic distress. As shown in **Figure 9**, the Salem Elementary schools are both above the state average as well as the averages for the other two school districts in Washington County for free lunches. The percentage of reduced lunches for the Washington County schools does not vary by more than 2 percentage points off the state average. The West Washington Schools show the lowest rate of free lunches at 22 percent which is well below the averages for the other two districts and the state of Indiana.

**FIGURE 9. Percent Free and Reduced Lunch, 2008-09**



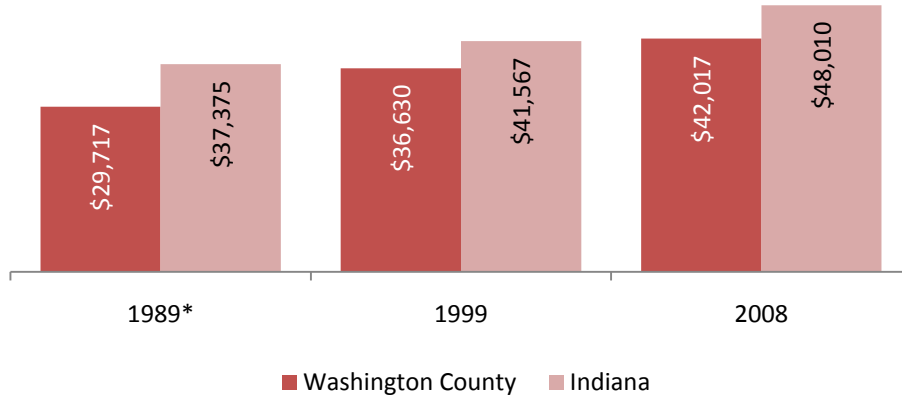
Source: Indiana Department of Education  
 \* = Public Schools Only

## Income

Income is generally the aggregate of wages and salaries, net farm and non-farm self-employment income, interest, dividends, net rental and royalty income, Social Security and railroad retirement income, other retirement and disability income, public assistance income, unemployment compensation, Veterans Administration payments, alimony and child support, military family allotments, net winnings from gambling, and other periodic income. The median divides the income distribution into two equal parts, one having incomes above the median and the other having incomes below the median. For households and families, the median income is based on the distribution of the total number of units, including those with no income.

As shown in **Figure 10**, the Washington County median household income increased by 23.3 percent from 1989 to 1999 which was the largest growth for the two sets of data. The median annual income for Washington County continues to lag behind the state average for Indiana, even after this increase in annual household income.

FIGURE 10. Median Annual Household Income

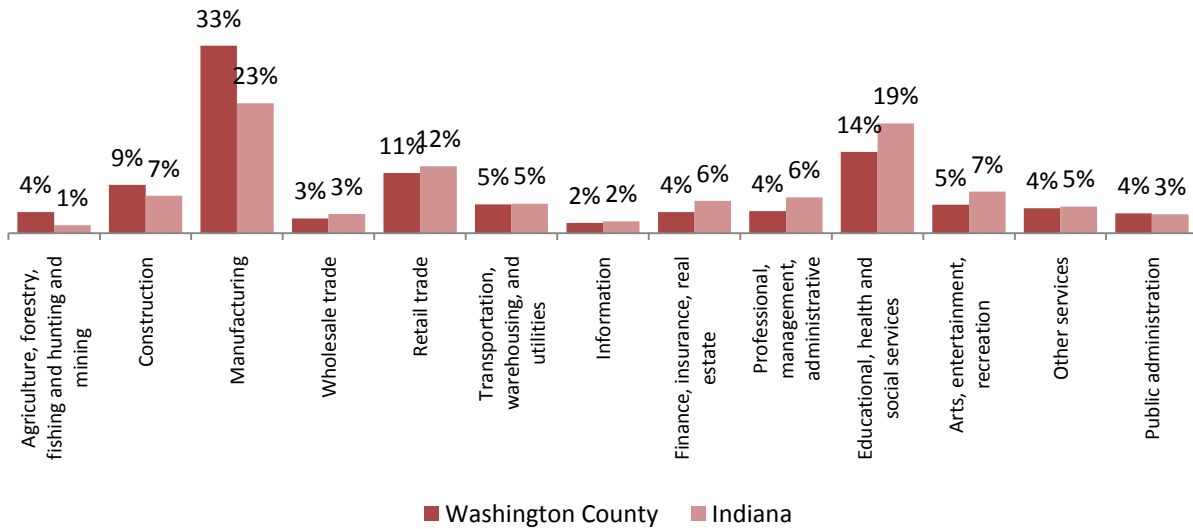


Source: STATS Indiana, U.S. Census American Community Surveys

## Employment

**Figure 11** depicts employment by industry in 2000. Washington County's largest industries were (1) manufacturing, (2) educational, health, and social services, and (3) retail trade. Washington County's employment by industry is not consistent with the state average in many employment categories, primarily because the county's manufacturing sector takes up 10 percent more of its employment than the state average and 5 percent less in the educational, health, and social services sector. Washington County was ahead of the Indiana average by 3 percent for agriculture, forestry, fishing, hunting, and mining. They also showed a 2 percent greater rate in construction when compared to the state average. **Figure 12** lists the major employers in Washington County with the exception of school corporations.

**FIGURE 11. Percent Employment by Industry, 2000**



Source: STATS Indiana

**FIGURE 12. Major Employers of Washington County (2009)**

Company	# of Employees
Flexcell d/b/a Kimball Office – Salem	327
Washington County Memorial Hospital	290
Tecumseh Power Company	239
GKN Sinter Metals, Inc.	223
NetShape f/k/a Hawk	210
Kroger Food Stores	117
Jeans Extrusions	115
Speedflex	72
The Fabri-Form Company	72

Source: Washington County Economic Growth Partnership, Inc.

## Employment (continued)

More recent industry data is available at the county level from the U.S. Bureau of Economic Analysis. **Figure 13** shows the percent distribution of employment and average earnings for Washington County and Indiana. Washington County has a higher percent of manufacturing jobs than in the state as a whole. The average earnings per job are higher in every industry for Indiana when compared to those in Washington County, which correlates with the median household incomes from **Figure 10**. Washington County has a higher average than the state of Indiana in the farm, construction, manufacturing, and government industries.

FIGURE 13. Employment and Earnings by Industry 2007 (NAICS)				
Industry	Pct. Dist. in Indiana	Pct. Dist. in Washington County	Average Earnings per Job (Indiana)	Average Earnings per Job (Washington County)
Farm	1.9%	10.4%	\$18,286	\$12,923
Accommodation, Food Serv.	6.8%	4.7%	\$15,484	\$14,346
Arts, Ent., Recreation	1.9%	0.9%	\$26,713	\$5,011
Construction	6.1%	7.8%	\$44,166	\$19,190
Health Care, Social Serv.	10.1%	D	\$44,379	N/A
Information	1.3%	1.1%	\$52,484	\$35,196
Manufacturing	15.1%	18.3%	\$70,827	\$44,572
Professional, Tech. Serv.	4.2%	3.0%	\$54,412	\$27,231
Retail Trade	11.0%	10.1%	\$24,039	\$19,080
Trans., Warehousing	4.0%	2.6%	\$44,997	\$30,970
Wholesale Trade	3.7%	2.2%	\$60,531	\$27,900
Other Private (not above)	21.9%	12.3%*	\$33,076	\$28,864*
Government	12.0%	16.0%	\$48,569	\$45,349

\*These totals do not include county data that are not available due to BEA non-disclosure requirements

D = not shown to avoid disclosure of confidential information

Source: U.S. Bureau of Economic Analysis

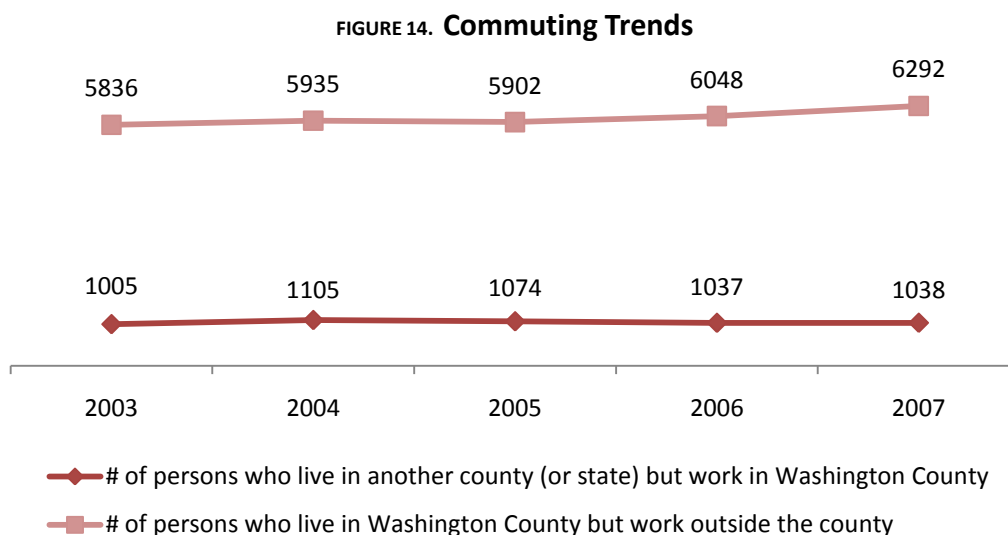
## Commuting

County workers are classified into two groups when discussing commuting trends: the *work force* and the *resident labor force*. The Washington County *work force* is defined as the number of people who work in Washington County regardless of residence – meaning that they live either in Washington County or elsewhere. The Washington County *resident labor force* is the number of people who live in Washington County and work (in the county or elsewhere). If the size of the work force exceeds the size of the resident labor force, a county is a net importer of workers. Otherwise, the county is a net exporter.

**Figure 14** shows that Washington County is a net exporter of workers because the number of people who commute into the county to work is less than the number of people who live in Washington County but are employed elsewhere.

Washington County is a net exporter of workers and the gap between those entering the county for work and those leaving is growing each year. In 2003, the gap was 4,831 but the gap has increased to 5,254 in 2007. The type of jobs available in Washington County and the pay associated with those jobs could be playing a major factor in the commuting trends for the county residents.

Washington County receives most of its workers from Orange, Lawrence, and Clark counties with a good number also coming from Scott and Floyd counties. Residents who commute out of Washington County most frequently head to Clark County and the nearby state of Kentucky. Floyd, Scott, and Jackson counties also receive a large portion of workers from Washington County.



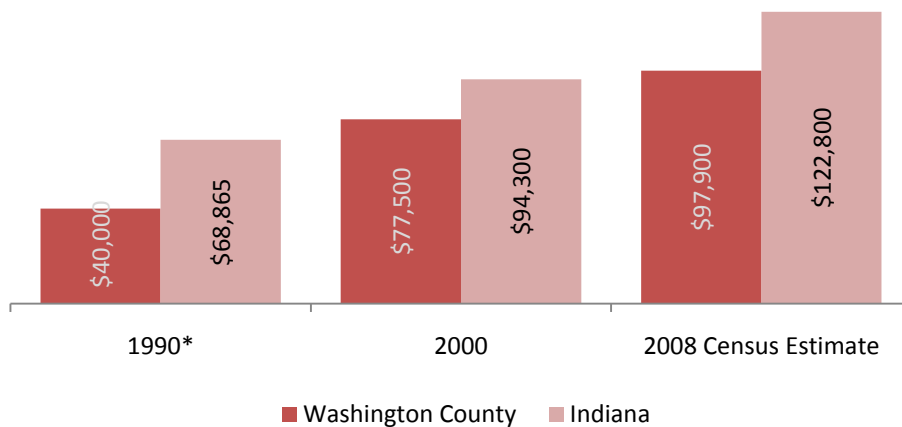
Source: Indiana Department of Revenue, *STATS Indiana*

## Housing

In 2000, Washington County had 10,658 housing units which was an occupied rate of 88.3 percent. This rate was less than 1 percent below the state average of 88.7 percent. About 77 percent of housing was owner occupied which was 5 points ahead of the Indiana average of 72 percent. Washington County's renter occupied rate was about 23 percent which is lower than the Indiana average of 28 percent. Both the Indiana and Washington County vacant units rate were about 11 percent.

As shown in **Figure 15**, the largest increase in median home values was between 1990 and 2000 for Washington County. This period saw a 94 percent increase in median home values. The values for Washington County continue to lag behind those for the state of Indiana. Estimates released for 2008 by the U.S. Census reveal that Washington County has significantly lower median home values than the state, which is in large part due to the fact that Indiana saw a 30 percent increase in median home values.

**FIGURE 15. Median Home Values**



Source: U.S. Census, STATS Indiana

\*Adjusted for inflation to year 2000 dollars

## Housing (continued)

While affordable housing covers many different income levels and price ranges, what makes housing “affordable” is the ratio of housing costs to household income. To determine the affordability, a comparison of the fair market rent (FMR) and median family income is made at different burden levels. FMR is considered to be 30 percent of the monthly income of a family earning 80 percent of the median family income.

The National Low Income Housing Coalition (NLIHC) provides research and data on affordable housing. NLIHC’s report, *Out of Reach 2007-2008*, provides the following information specific to Washington County and other nearby counties.

Each year, the federal government calculates the median income for communities across the country to use as guidelines for federal housing programs. Area median incomes (AMI) are set according to family size. Low and moderate income households earn between 50 percent to 120 percent of the AMI, and often pay half of their income toward housing. The area median income for Washington County was \$42,017 in 2008, according to the U.S. Department of Housing and Urban Development.

In Washington County, the FMR for a two-bedroom apartment is \$577. In order to afford this level of rent and utilities, without paying more than 30 percent of income on housing, a household must earn \$23,080 annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into a Housing Wage of \$11.10 (53 percent higher than the current federal minimum wage of \$7.25 per hour).

The Housing Wage in Indiana is \$13.41. This is the amount a full time (40 hours per week) worker must earn per hour in order to afford a two-bedroom unit at the area’s FMR. The Housing Wages for selected areas are shown in **Figure 16**.

FIGURE 16. Housing Wages, 2008	
County	Housing Wage
Crawford	10.67
Scott	11.37
<i>Washington</i>	<i>10.67</i>
Floyd	12.75
Orange	10.67
Clark	12.75
Jackson	12.12
Harrison	12.75
Lawrence	11.88
<i>Indiana Average</i>	<i>12.95</i>

Source: National Low Income Housing Coalition

## Housing (continued)

According to the NLIHC, which uses 2008 minimum wage data (the minimum wage has since increased from \$5.85 to \$7.25):

*In Washington County, a minimum wage worker earns an hourly wage of \$6.55. In order to afford the FMR for a two-bedroom apartment, a minimum wage earner must work 68 hours per week, 52 weeks per year. Or, a household must include 1.7 minimum wage earner(s) working 68 hours per week year-round in order to make the two bedroom FMR affordable.*

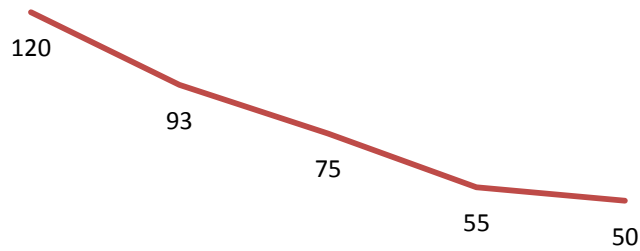
*In Washington County, the estimated mean (average) wage for a renter is \$8.74 an hour. In order to afford the FMR for a two-bedroom apartment at this wage, a renter must work 51 hours per week, 52 weeks per year. Or, working 51 hours per week year-round, a household must include 1.3 worker(s) earning the mean renter wage in order to make the two-bedroom FMR affordable.*

*Monthly Supplemental Security Income (SSI) payments for an individual are \$674 in Washington County. If SSI represents an individual's sole source of income, \$202 in monthly rent is affordable, while the FMR for a one-bedroom is \$491*

The county's estimated median renter income is \$28,279 (2009), meaning that a renter earning the median renter income can afford rent of no more than \$707. This leaves 41 percent of renters unable to afford the Fair Market Rent for a 2-bedroom unit. A renter earning the minimum wage must work 68 hours per week to afford a 2-bedroom unit at the Fair Market Rent.

Building permits are another indicator of growth in communities. As **Figure 17** shows, Washington County has slowed significantly in issuing building permits since 2004. There is a 58 percent decrease in building permits overall from 2004 to 2008, however, the decrease does appear to be leveling off compared to years past.

FIGURE 17. Residential Building Permits, 2004-2008



	2004	2005	2006	2007	2008
# of Permits	120	93	75	55	50

Source: U.S. Census Bureau

## Other Highlights

This section discusses other indicators relevant to this demographic report, including details on the American Recovery and Reinvestment Act (ARRA) and the Index of Relative Rurality (IRR).

### American Recovery and Reinvestment Act (ARRA) Funding

Recovery.org tracks money spent by government agencies through money allocated in the American Recovery and Reinvestment Act (ARRA), the federal economic stimulus bill passed in 2008. According to the website, there were **11 projects** funded by the ARRA in Washington County valued at almost **\$5 million** as of December 2009. These projects are primarily categorized as local transportation enhancement, which is being completed by the Indiana Department of Transportation, and educational enhancement, which is being overseen by the Indiana Department of Education.

The funds allocated to Washington County account for less than .01 percent of the more than \$2.3 billion given to 1,240 projects throughout Indiana as of December 2009. The majority of ARRA money allocated to Indiana is being used for projects in Marion County and surrounding areas.

### Index of Relative Rurality (IRR)

The IRR measures to what degree a county is rural based on its population, population density, extent of urbanized area, and distance to nearest metropolitan area. All U.S. counties receive a score that falls on a scale between 0 and 1, with 0 representing the most urban place and 1 representing the most rural.

The most recent figures, released in 2000 and analyzed by the Indiana Business Research Center (IBRC), show Washington County to have an IRR score of .533, ranking it 19<sup>th</sup> in Indiana. Counties surrounding Washington tended to be less rural, except for Harrison and Crawford counties. Crawford county is listed to have the highest IRR score in Indiana. The other six surrounding counties had lower IRR scores, meaning that Washington County is one of the area's most rural counties.