

## An Economic Profile of the Great Rivers Region

### Introduction

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The purpose of this section of the COMPASS NOW Report is to give an overview of the economic profile of the Great Rivers Region and give context to the COMPASS NOW 2012 needs assessment. Several organizations and agencies including the Mississippi River Regional Planning Commission (MRRPC), the Office of Economic Advisors (Wisconsin Department of Workforce Development), the Minnesota Department of Employment and Economic Development (MNPro), the Center for Community and Economic Development of the University of Wisconsin-Extension, the University of Wisconsin-La Crosse, and the Seven Rivers Alliance offer a variety of detailed economic analyses on various issues affecting the region. This section is not meant to duplicate what is already available elsewhere; instead, its focus on the impact the economy has on our community.

### Population

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According to the 2010 United States Census, the five counties of the Great Rivers Region (La Crosse, Monroe, Trempealeau, Vernon, and Houston, Minnesota) have a **total population** of 236,927 people.<sup>1</sup> Fifty-three percent of the population is considered urban and 46% is considered rural.<sup>2</sup> Every county in the region is more rural than it is urban (except for La Crosse County which is only 17% rural). Trempealeau County is considered 100% rural and Vernon County is over 85% rural (see **Table 1**). These urban-rural classifications are important because of the impact to the region's planning, economic development, and delivery of services.

**Table 1: Population Distribution**

County	Rural	Urban
La Crosse	17%	83%
Monroe	42%	58%
Trempealeau	100%	0%
Vernon	86%	14%
WI State	27%	73%
Houston, MN	57%	43%
MN State	27%	73%

Source: <http://www.city-data.com>

Over the past decade the population of the Great Rivers Region grew by 6%. Most of the population growth in the region has been from natural population increase (a higher birth rate and lower death rate) rather than from migration into the region.<sup>3</sup> Houston County is the only county in the region that experienced negative population growth this past decade. This reduction is mostly attributed to declining birth rates and a steady death rate. However, the county also had some net outward migration. In the same time period, the population in the state of Wisconsin grew by 5.7% while Minnesota's population grew by 7.2%. **Table 2** shows the population changes for each county in the region over the past decade. Both population growth and decline have

economic, social, educational, and environmental implications on our communities.

**Table 2: Population Change 2000-2010**

County	2000 Census	2010 Census	% Change
La Crosse	107,120	114,638	6.6%
Monroe	40,899	44,673	8.4%
Trempealeau	27,010	28,816	6.3%
Vernon	28,056	29,773	5.8%
Houston, MN	19,718	19,027	-3.6%
Region Total	222,803	236,927	6.0%
WI State	5,363,675	5,686,986	5.7%
MN State	4,919,479	5,303,925	7.2%
US	281,421,906	308,745,538	8.8%

Source: US Census Bureau, <http://www.census.gov>

**In Focus**

Issues facing older adults were discussed by residents who participated in COMPASS NOW Focus Groups. The areas of greatest concern were: transportation, housing, support services, and rehabilitation services.

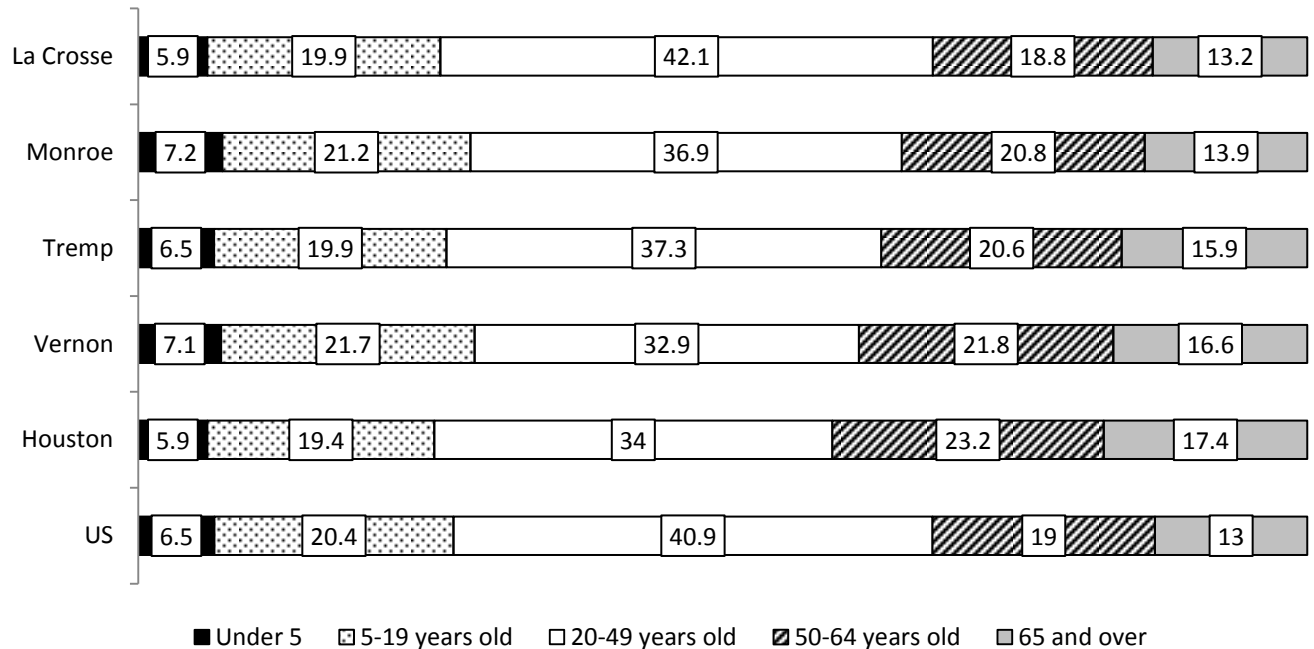
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According to the US Census, the **median age** of the region in 2000 was 37.3 years. In 2010, the median age of the Great Rivers Region was up nearly three years to 40.1, which is higher than the State and National averages (WI= 38.5 years, MN = 37.4 years, US =37.2 years). La Crosse County, influenced by the presence of four post-secondary institutions, has the youngest median age at 35.2 years. However, the overall increase in median age indicates that the population in our region is growing older. This also has important implications for our communities.

To get a better sense of the **age distribution** in each county, we can compare age groups according to recent US Census data. **Figure 1** shows the age distribution for each county and highlights that Monroe and Vernon counties have the largest percentages of children under five, and the highest percentage of residents under the age of 19; 28.4 and 28.8 years respectively. This large segment of the population is dependent on investments that will help make them productive members of our community; namely, education, adequate childcare, and a nurturing family life. The other three counties have an under five year old population at or below 6.5% with 25% of their county population under the age of 19. This is slightly lower than the national average of 26.9%.

Towards the other end of the age scale, the 50-64 age group represents the Baby Boomers in our region. With exception of La Crosse County, the Great Rivers Region has a larger percentage of residents in this age group than the national average. Houston County has the highest percentage of residents both in the 50-64 year and 65 years plus categories. This data accounts for the increase in the median age and draws attention to the challenges and opportunities of

**Figure 1: Percentage of the Population by Age Group**



Source: 2010 US Census, Demographic Data Profiles

aging communities. It is important to keep in mind that in 2018, the first wave of Baby Boomers will turn 75 years old. Low maintenance housing, public transportation, and efficient healthcare are just some of the needs that aging communities are facing and will continue to face as large segments of the population grow older. Despite these increasing challenges, the positive contribution of older adults on our communities should not be overlooked. Older populations can provide rich intergenerational learning opportunities and a source of community volunteers and community action.

The racial make-up of the Great Rivers Region is predominately white with the largest ancestry groups in the region being German, Norwegian, and Irish.<sup>4</sup> The two largest ethnic populations are Hispanic/Latino and Asian. According to the 2010 US Census, 5.8% of the population of Trempealeau County is Latino (up from only .9% a decade ago). The Hmong population increased by nearly 1,000 citizens in La Crosse County making 4.1% of the total population of Hmong descent.

**Summary:** Overall the population in the Great Rivers Region is aging. Communities need to understand and prepare for the needs of an aging population while continuing to invest in the future of our youth.

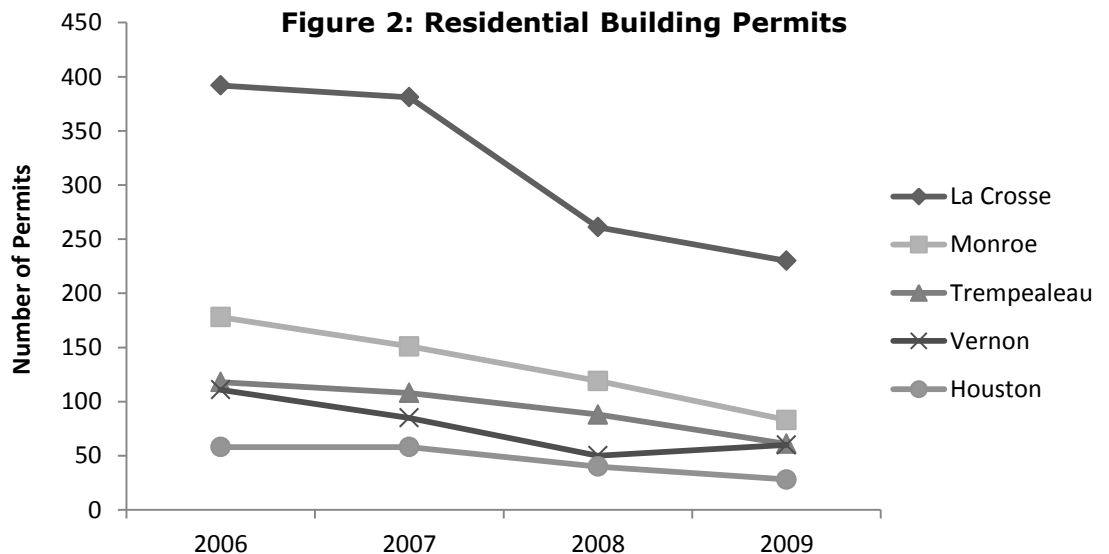
**In their own words**

“People are unable to pay bills. There are limited options in affordable housing. If you don’t have a place to live it is really challenging to try to keep a job and forget trying to get a job without an address.”

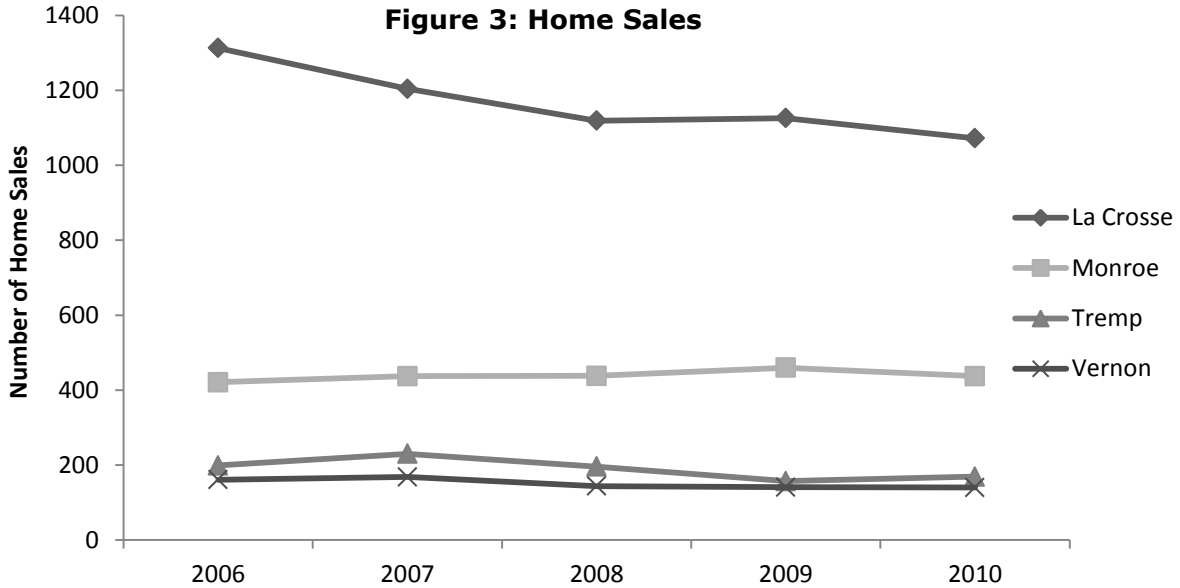
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**Housing**

The majority of residents in the Great Rivers Region own their home. La Crosse County has the highest percentage of renter occupied units and Houston County has the least number of renters. According to housing statistics collected by the Wisconsin Realtor Association, the trend in existing home sales across the state has been in decline over the past four years with some rebound in 2009. This is attributed to the federal tax-credit for first time home buyers and historically low interest rates.<sup>5</sup> The data for the Great Rivers Region mirrors overall state trends; although the decline in existing home sales and median home values has been less severe than in other areas of the state and country. Data from the Wisconsin Builders Association similarly shows a regional decline in new home construction and sales over the past four years (see **Figure 2 and 3**).



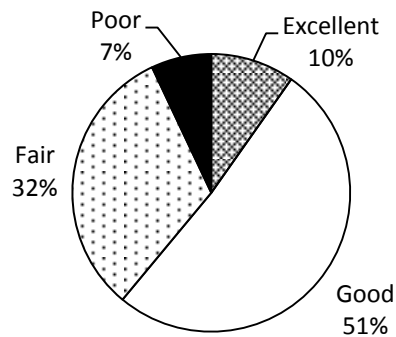
Source: US Census Bureau: Business Quick Links/Building Permits.  
<http://www.census.gov>



Source: Figures provided by MLS sales of existing homes and condos. <http://www.wra.org>, Houston County data not available

Housing is generally considered affordable if the total cost including rent or mortgage, property taxes, insurances and utilities does not exceed 30% of the household income. According to the COMPASS NOW 2012 random household survey, the majority of residents gave a favorable rating (good or excellent) with regards to the availability of affordable, quality housing in their community (see **Figure 4**). These results, however, are in stark contrast to comments made by participants in COMPASS NOW focus groups who expressed concern about a variety of issues related to housing and its affordability. In addition, recently released US Census data show that between 21-30% of the population in the Great Rivers Region spend more than 35% of their income on housing.<sup>6</sup>

**Figure 4: Rating of the availability of affordable, quality housing in your community**



Source: COMPASS NOW 2012 Random Household Survey

The age of a community’s **housing stock** is an indicator of the type and quality of its housing. Older homes can contribute to the preservation of community history; but, can also be difficult to maintain. Older homes can be laden with lead paint, asbestos, and have faulty electrical systems that are costly to upgrade. Older, depreciated homes can also negatively affect the mill rates used to calculate property taxes. **Table 3** shows that almost half of all housing units in the region were built prior to 1970. This signals an aging housing stock throughout the region that may be in disrepair.

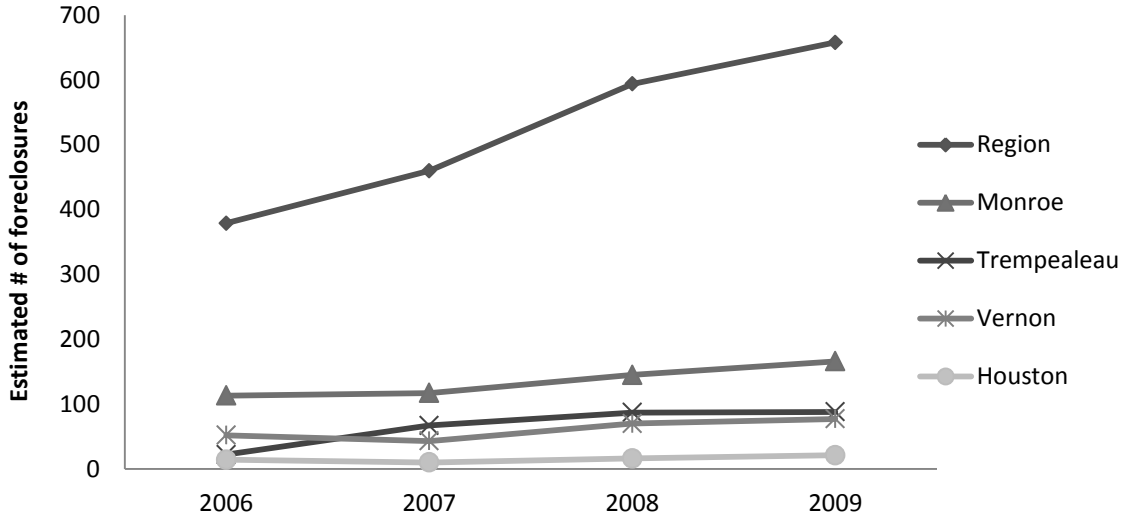
**Table 3: Housing Stock**

<b>County</b>	<b>Total # of Housing units</b>	<b>Units built prior 1970</b>	<b>% of Homes Pre-1970</b>
La Crosse	47,031	21,570	46%
Monroe	18,878	8,700	46%
Trempealeau	12,564	6,627	53%
Vernon	13,651	7,413	54%
Houston	8,645	4,545	53%
Regional Total	100,769	48,855	48%

Source: US Census Bureau, Selected Housing Characteristics, 2005-2009

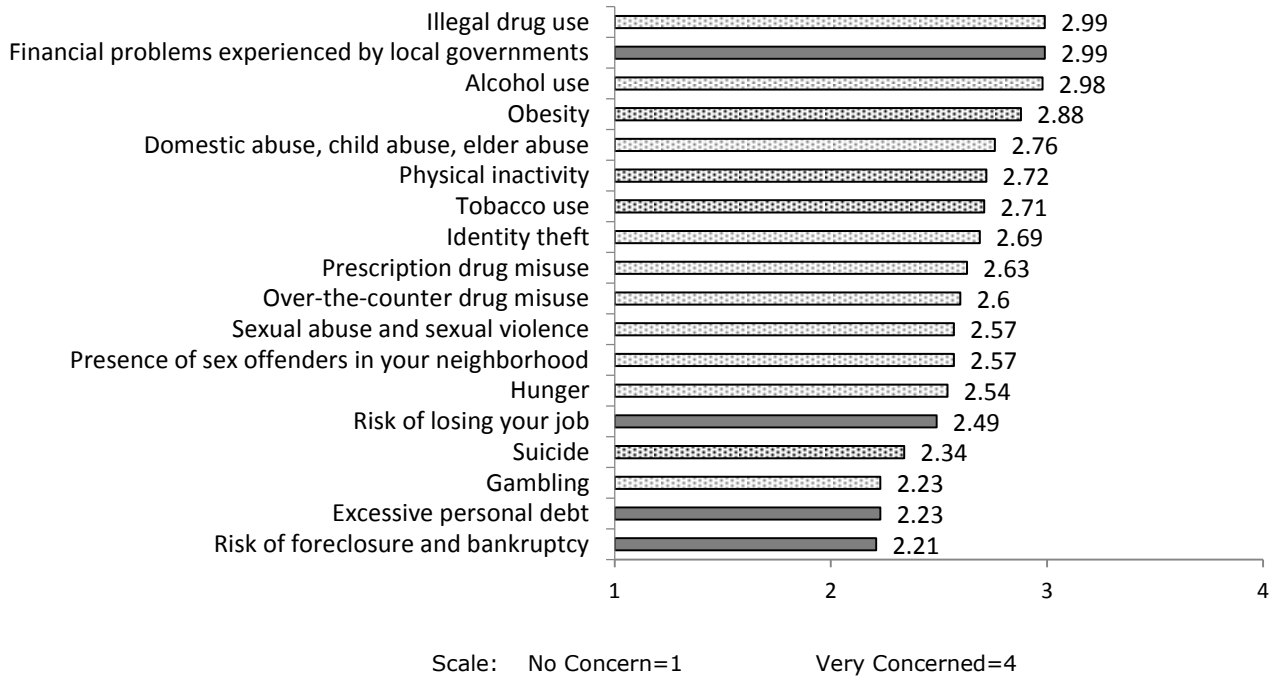
The housing crisis of the last decade has had a detrimental effect on many residents in our region. More residents faced **foreclosure** than any other time in history. Risky subprime mortgages, adjustable rate mortgages, increasing personal debt, unemployment, and underemployment all contribute to more people falling behind on their mortgage payments; which leads to foreclosure. The financial ruin of a foreclosure can have a devastating effect on a family and can even lead to homelessness. **Figure 5** shows a dramatic 150% increase in foreclosures in the region since 2005. Trempealeau County had the greatest increase in the number of foreclosures in this time period. Thirty-five percent of the respondents to the random COMPASS NOW household survey expressed significant concern regarding the risk of foreclosure and bankruptcy in their community.<sup>7</sup> However, in comparison to other issues, the level of concern regarding the risk of foreclosure and bankruptcy was the lowest. (see **Figure 6**).

**Figure 5: Regional Foreclosures**



Source: Data taken from Estimated Foreclosure Cases by Census Tract 2000-2009, UW Extension, Center for Community and Economic Development. <http://www.uwex.edu/ces/cced/ForeclosureCaseDatabyCensusTract-2000to2009.cfm>

**Figure 6: Rating of Community Economic Concerns**



Source: COMPASS NOW 2012 Random Household Survey

**Table 4** shows how survey respondents ranked the five economic issues asked in the COMPASS NOW household survey by county. It is interesting to note that survey respondents expressed a higher level of concern regarding the financial problems experienced by local governments with an overall ranking in the top quarter but the concern regarding their own personal debt issues and the risk of losing employment ranked in the bottom quarter.

During focus group discussions participants identified the lack of **financial literacy** and **life skills** including decision-making skills, employability, and career planning skills were all identified as sorely lacking in both youth and adults in our communities.

**Table 4: Ranking of Economic Concerns by County out of 18 topics.**

Concern	All Counties	La Crosse	Monroe	Tremp	Vernon	Houston
Financial problems experienced by local governments	2	1	4	2	4	3
Risk of losing your job	14	14	16	13	13	13
Hunger	13	12	13	14	14	14
Excessive personal debt	17	16	17	15	15	16
Risk of foreclosure and bankruptcy	18	17	18	17	17	17

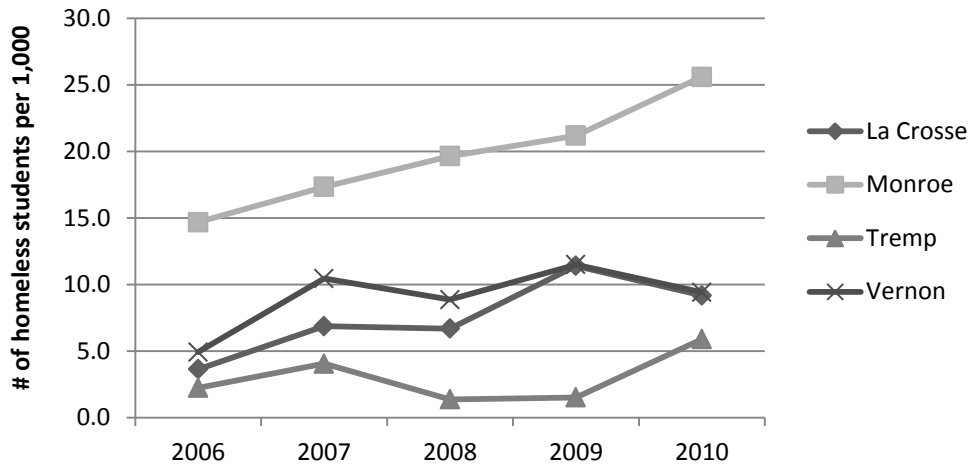
Source: COMPASS NOW 2012 Random Household Survey

**Homelessness** in our community remains largely hidden. It is difficult to accurately count the number of people who are homeless in our communities since many in hardship may rely on families and friends for temporary shelter and assistance. The Wisconsin Department of Public Instruction and the Minnesota Department of Education collects data from each school district on the number of students attending school who are homeless. During this past school year, Monroe County school districts had the highest number of homeless students with a total of 179. La Crosse school districts reported 147 homeless students in the same year. **Figure 7** shows a steady rate of homeless students with the highest rate of homeless students in Monroe County.

Couleecap, a non-profit agency working on a wide range of issues facing low-income individuals conducts a point in time survey twice a year (summer and winter) to get a snapshot of the number of people living in emergency shelters, transitional housing, and on the streets in our communities. (Note: The service area for Couleecap does not include Trempealeau or Houston counties.) In July 2010 and 2011, the number of homeless people counted in La Crosse, Monroe, and Vernon counties in one night was nearly 400.<sup>8</sup>



**Figure 7: Homeless Student Enrollment**



Source: Wisconsin Department of Public Instruction, <http://dpi.wi.gov/>

**Summary:** Although the Great Rivers Region has been less severely affected by the housing crisis, many in our community struggle to find quality affordable housing and stay out of foreclosure. Local shelters and schools are seeing more families with young children becoming homeless. Communities need to take into account the economic and health impact of older housing stock and explore viable development solutions.

**In Focus**

Issues related to housing were discussed by residents who participated in COMPASS NOW Focus Groups. Areas of greatest concern were foreclosures, evictions, high number of houses for sale, and the lack of affordable housing. Participants emphasized an increase in homelessness locally, even commenting about an increased number of people and families living in cars.

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**Industry and employment**

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The Bureau of Economic Analysis (BEA) of the US Department of Commerce present economic accounts in order to enable the government, business leaders, researchers, and the general public to better understand the US economy. The BEA produces detailed data tables on economic activity by region, state, metropolitan area, BEA economic area, and county. According to BEA earnings data tables, the top three economic sectors of the Great Rivers Region are government, healthcare and manufacturing.<sup>9</sup> These sectors also provide the majority of employment for the region. In the past few years however, the region has seen considerable job loss in the manufacturing sector while the region has increased employment and earnings in the public sector and healthcare industry in almost every county.<sup>10</sup>

**Table 5: Top earnings by Industry in Great Rivers Region (based on 2009 reported earnings)**

1. Government
2. Healthcare
3. Manufacturing
4. Retail
5. Transportation and warehousing
6. Finance and Insurance
7. Wholesale Trade
8. Construction
9. Other Services excluding Public Administration
10. Management of companies and enterprises

Source: Rankings are based on data estimates of the North American Industry Classification System (NAICS), Bureau of Economic Analysis [www.bea.gov](http://www.bea.gov)

**Table 5** shows the top ten economic sectors according to reported earnings in 2009 and **Table 6** lists the top employers based on the number of employees for each county in the region based on 2009 and 2010 data. Although not listed, the agricultural industry remains a vital part of the local economy; particularly in relation to the large number of people it employs. Dairy farming, grain, meat, and poultry production are all important facets of the region’s agricultural industry. Tourism is also very important to the local economy and contributes significantly to employment and tax revenue. Tourism dollars spent in the region provide jobs and support local businesses.

The recent economic downturn affected employment in every county of the region. Key stakeholders throughout the region identified unemployment and the economy as the most challenging issue facing the region.<sup>11</sup> Focus group participants also commented on the health effects of unemployment and poor wages; stating that our community was increasingly unhealthy as people were no longer able to afford

healthy food, had to either choose between food and medications, or put off medical care.<sup>12</sup>

**Unemployment** rates measure the population that is unemployed, available for work, and actively seeking work over a four week period. In the Great Rivers Region unemployment increased nearly three percentage points throughout the region reaching its highest level in 2009 for all counties. The greatest increase in unemployment was experienced in Monroe County with a jump from 4.6 to 7.8% in 2009. During the same period, unemployment rose from 4.9 to 8.7% in Wisconsin and from 5.8 to 9.3% nationally.<sup>13</sup> **Figure 8** shows the sharp rise in unemployment suffered in 2008 and shows how far off the regional unemployment rate remains from the low levels of 2006. In 2010, unemployment rates remained over 7% in every county except La Crosse. Although the 2010 unemployment rate shows a slight decline over 2009 unemployment rates, the economic reality for many residents is very challenging and remains a high concern in the community.

**Table 6: Top Employers in the Great Rivers Region**

**La Crosse County**

1. Gundersen Lutheran Medical Center
2. Mayo Clinic Health System
3. Trane Company
4. Kwik Trip
5. County of La Crosse

**Monroe County**

1. Fort Mc Coy
2. Walmart
3. Tomah VA Medical Center
4. Tomah Public Schools
5. Toro Mfg. LLC

**Trempealeau County**

1. Ashley Furniture Industries
2. County of Trempealeau
3. JFC Inc.
4. G-E-T Schools
5. Ashley Distribution Services

**Vernon County**

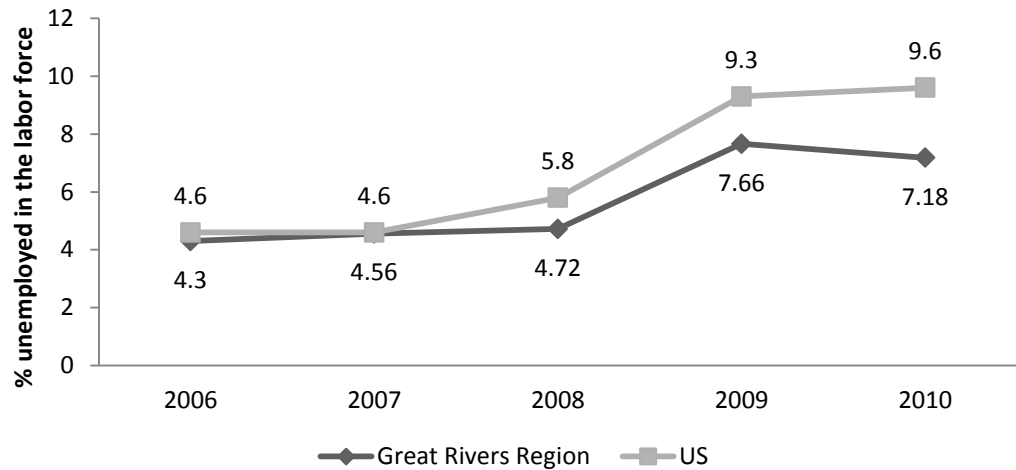
1. Vernon Memorial Healthcare
2. CROPP
3. Viroqua Area Schools
4. Bethel Home and Services, Inc.
5. Westby Area School District

**Houston County**

1. ABLE, Inc.
2. Houston County
3. Caledonia Public Schools
4. Caledonia Haulers
5. Caledonia Care and Rehab

Source: WI Office of Economic Advisors, Department of Workforce Development, June 2010. Minnesota Department of Employment and Economic Development, Maxfield Research, January 2009.

**Figure 8: Average Annual Unemployment**



Source: Wisconsin’s WORKnet, [www.worknet.wisconsin.gov](http://www.worknet.wisconsin.gov), Department of Employment and Economic Development, [www.positivelyminnesota.com](http://www.positivelyminnesota.com)

In the COMPASS NOW random household survey, a majority of respondents rated their community’s efforts to plan for a strong economic future either fair or poor.<sup>14</sup> When discussing employment and the economy during COMPASS NOW focus group discussions, participants called for local investment both on a personal level (by buying local and promoting local businesses) and at the county level as an essential economic development strategy. Many participants mentioned using tax incentives to attract businesses to the area and also discussed the importance of creating a disincentive for companies to leave our area.<sup>15</sup>

**Summary:** Although the Great Rivers Region may be faring better through this recession than some parts of the country, residents are still very concerned about the state of the local economy. Several indicators show the limits of the economic development of the Great Rivers Region such as job losses in the manufacturing sector, unemployment rates, foreclosures, and an aging housing stock.

## Household Income

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Household income makes up a communities economic well-being. **Household income** is affected by employment, job loss, wage freezes, wage cuts, cuts to benefits, rising prices for goods and services, and inflation. The median household income is a common indicator used to describe a population. The median income amount divides income distribution into two equal groups, half of the population having income above the median income and half the population having income below that amount.<sup>16</sup> Comparing median household incomes as opposed to average household income is generally considered more accurate as median household income figures are less affected by outliers on both the high and low end of the wage scale. The median household income for the Great Rivers Region has been consistently lower than the median household income at the state and national level. Vernon County has the lowest median household income in the region (see **Table 7**).

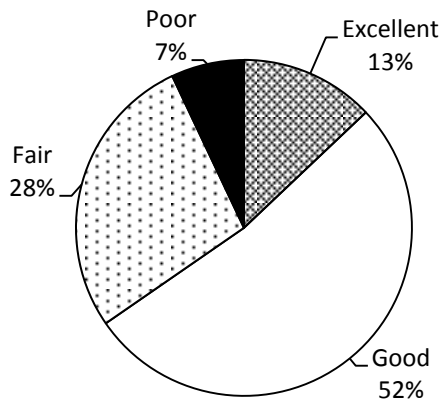
In the COMPASS NOW random household survey, respondents were asked to rate their ability to meet their family's basic needs for food, housing, and clothing. While two-thirds of survey respondents gave a favorable (good or excellent) response to this question, one-third responded that their ability to meet the basic needs of food, housing, and clothing was either fair or poor (see **Figure 9**) signaling a lack of **wage adequacy** in our community. Wage adequacy refers to the degree a given wage is adequate to meet the basic needs of an individual or family.<sup>17</sup> Respondents also gave a less than favorable rating when asked about the availability of jobs that offer a good standard of living in their community. Seventy-five percent of all survey respondents rated the availability of jobs that offer a good standard of living in their community as either fair or poor (see **Figure 10**). Residents of Vernon County rated the availability of jobs in their area the lowest of all counties.<sup>18</sup>

**Table 7:  
Median Household Income**

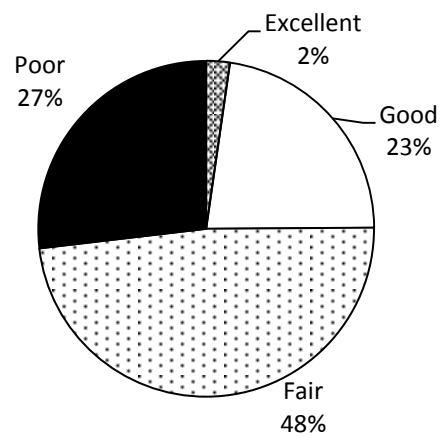
<b>County/State</b>	<b>1999</b>	<b>2009</b>
La Crosse	39,472	49,505
Monroe	37,170	49,473
Trempealeau	37,889	44,997
Vernon	33,178	40,644
Houston	40,680	49,269
Regional Avg.	37,678	46,778
Wisconsin	43,791	49,994
Minnesota	47,111	55,621
United States	41,994	50,221

Source: US Census Bureau

**Figure 9: Rating of ability to meet basic needs for food, housing, and clothing**



**Figure 10: Rating of availability of jobs with wages that offer a good standard of living**

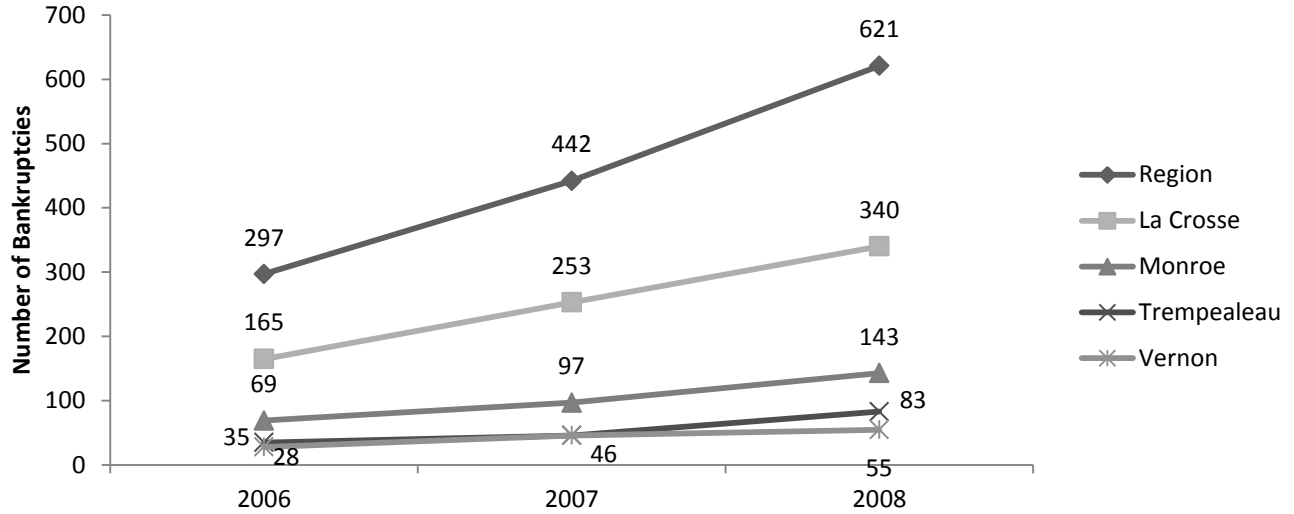


Source: COMPASS NOW 2012 Random Household Survey

During the focus groups discussions, participants in all counties described the challenges of a limited job market and low wages. Comments about the minimum wage not being a living wage were often heard. Participants described many in their community as living pay check to pay check. Participants also expressed that people had to work jobs they were overqualified for. This situation was due to the limited choices of employment and the difficulty of finding jobs with benefits.<sup>19</sup> These issues appear to shed light on a declining standard of living for many residents in the Great Rivers Region.

The number of **bankruptcies** is also a measure of the economic health of a community. Job loss, increased medical bills, and costs associated with divorce and separation are the primary reasons that people file for bankruptcy.<sup>20</sup> The number of bankruptcies filed over the past five years has surged across the country with the Great Rivers Region showing the same trend. According to data compiled by the University of Wisconsin-Whitewater (2006 to 2008) the number of bankruptcies spiked in every county; with Trempealeau County seeing the largest percentage increase (see **Figure 11**).

**Figure 11 : Individual and Business Bankruptcies**



Source: Fiscal and Economic Research Center, UW Whitewater and the Center for Community and Economic Development, UW Extension. Nov. 2009. Houston County data not available.

**Summary:** A lower income level for residents in the Great Rivers Region reduces the standard of living and the quality of life for our residents. Many in our community are struggling to make ends meet.

**In Focus**

During community focus group discussions participants expressed their concerns with regard to unemployment and the state of the economy in their community. Some common themes that were highlighted throughout the region were:

- The poor economy is having a detrimental effect on our communities health
- Area jobs need to pay better wages
- There is a need to find balance between business and community needs
- The rising cost of basic needs is a great burden on families and the elderly
- The local job market is not able to compete with larger metro areas that pay higher wages causing brain drain
- The difficult economy is creating a higher demand for social services
- Our region has fared better than other parts of the country

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## Poverty in our Region

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**Poverty** is a complex concept not only to define; but more importantly, to pinpoint its root causes. Indicators, such as the poverty rate and enrollment in government entitlement programs, are commonly used measures of poverty. However these indicators fall short in describing what poverty is. Author David Shipler defined poverty as, "A constellation of difficulties that magnify one another: not just low wages but also low education, not just dead end jobs but also limited abilities, not just insufficient savings but also unwise spending, not just poor housing but also poor parenting, not just the lack of health insurance but also the lack of healthy households."<sup>21</sup> Poverty affects the physical and mental health of our community, it affects our children's ability to learn, and limits members of our community from participating fully in society and reaching their full potential. As a growing problem in our communities, poverty is affecting the residents of the Great Rivers Region in very profound ways. Living in poverty can have different consequences and meanings. To an individual, poverty can mean: lacking hope and feeling powerless, being isolated from family and friends, lacking information about services available, living in an unsafe neighborhood, living in a place with poor environmental conditions, not being able to buy healthy food or new clothing, being unable to afford medicines or visit the dentist, living from pay check to pay check with no savings for an emergency such as losing a job or falling ill.

### In their own words

"The cost of living is increasing for everyone. I worry about the elderly and others on a limited income."

"There are many jobs that pay about \$7/hour and, after allowing for the basics, there's not much to live on."

"At this point we are forced to choose which bills to pay."

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The traditional US standard for measuring poverty is the **poverty threshold** set by the US Census. Although this measure has been used for more than 40 years, it is widely recognized as being flawed because of its outdated assumptions about family expenses and the inaccurate count of family income.<sup>22</sup> Based solely on food costs, the poverty threshold does not take into account other real costs families have today including such needs as childcare, healthcare, and transportation. The federal poverty line set by the Department of Health and Human Services for a family of four in 2011 is \$22,350. Thus a family of four that earns below that amount is considered "living in poverty."<sup>23</sup> This guideline, however, grossly underestimates how much it truly costs to raise a family. A family of four making \$1, \$100, or \$1000 over this official poverty line is just as poor and unable to afford a healthy living. With the basic costs of gasoline, electricity, and heating growing significantly over the past few years, it is not surprising that more and more families are struggling to make ends meet. The rising cost of food and basic necessities affects lower income families and those on limited incomes the most. According to poverty experts, a more realistic estimation of a minimum income may be at least twice the federal poverty measure.<sup>24</sup>



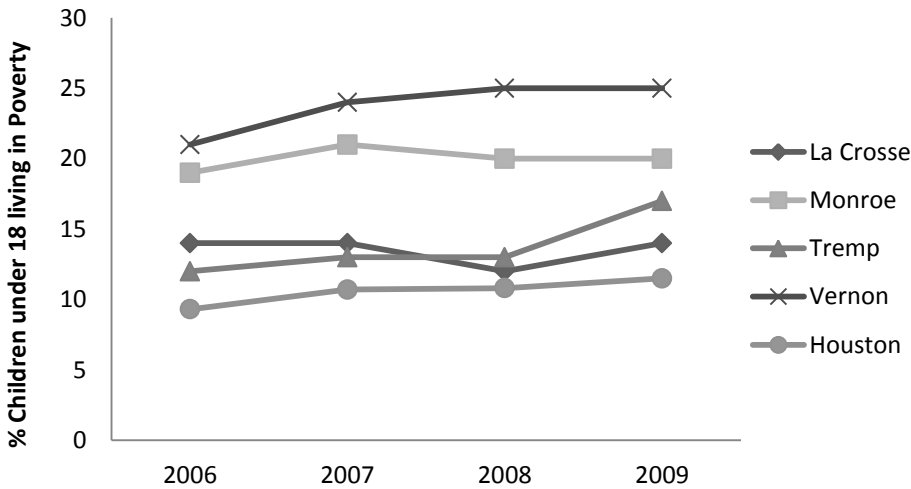
**Table 8** summarizes the population in poverty in each county and shows how poverty has increased over the past decade in every county in the Great Rivers Region. According to the federal definition of poverty, **1 in 8 people** in the Great Rivers Region are poor today. The Kids Count initiative of the Annie E. Casey Foundation tracks hundreds of measures of child well-being and allows for comparisons across states and counties. **Figure 12** shows the percentage of children in the Great Rivers Region, under the age of 18, who live in families with incomes below the federal poverty level. Based on this data we see that quality of life for children in the Great Rivers Region has declined over the past five years; with increasing number of children living in poverty. Children in the Great Rivers Region are faring the worst in Vernon County; where **1 in 4** are living in poverty, and faring best in Houston County where about **1 in 7** are living in poverty.

**Table 8: Percentage of the Population in Poverty**

County/Region	2000	2009
La Crosse	10.7	12.8
Monroe	12.0	12.2
Trempealeau	8.3	11.8
Vernon	14.2	15.6
Houston	6.5	8.6
County Average	10.3	12.2
Wisconsin	8.7	12.4
Minnesota	7.9	10.9
United States	12.4	14.3

Source: 2000 US Census, US Census, QuickFacts

**Figure 12: Children in Poverty**



Source: The Annie E. Casey Foundation, KIDS COUNT Data Center, [www.datacenter.kidscount.org](http://www.datacenter.kidscount.org)

**Table 9: Percentage of households living at the 160% Federal poverty line in 2009 (2 adults / 2 children)**

County / Region	2009
La Crosse	35.9
Monroe	36.5
Trempealeau	35.6
Vernon	41.8
Houston	33.8
County; Average	36.7
Wisconsin	33.4
Minnesota	29.4
United States	34.4

Source: Based on US Census Bureau Income data

However, if we examine an expanded threshold of poverty, a more sobering picture emerges of our communities. **Table 9** shows the percentage of the population living just 160 percent over the federal poverty line or making an income less than \$35,000 (based on 2009 figures). By this measure, **1 in 3 people** in our region are poor or nearly poor.

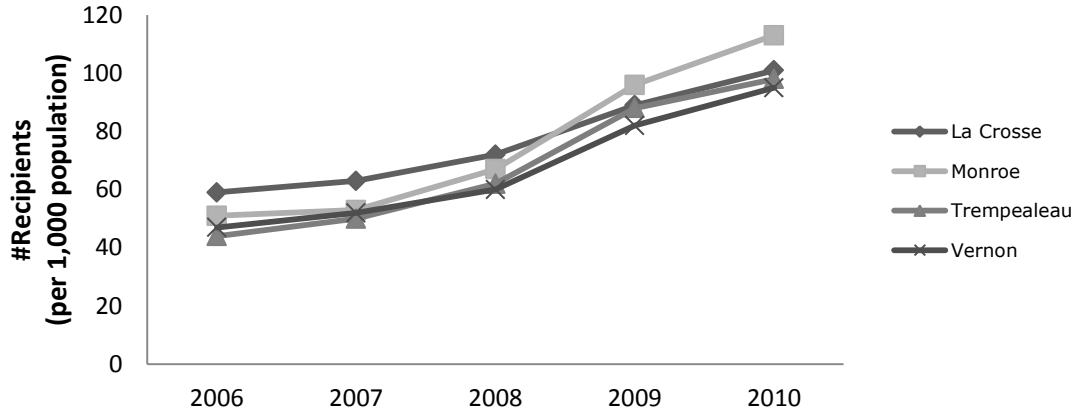
Another important indicator for a community is the measure of **food security**. According to the US Department of Agriculture, "Food security for a household means access by all members at all times to enough food for an active, healthy life." **Food insecurity** is having limited or uncertain availability of nutritionally adequate and safe foods or limited or uncertain ability to acquire acceptable foods in socially acceptable ways." <sup>25</sup>

**Table 10: Percentage of families seeking Food Support in Houston County**

2006	8.0%
2007	8.0%
2008	8.2%
2009	10.8%
2010	11.3%

Source: Houston County Public Health Department

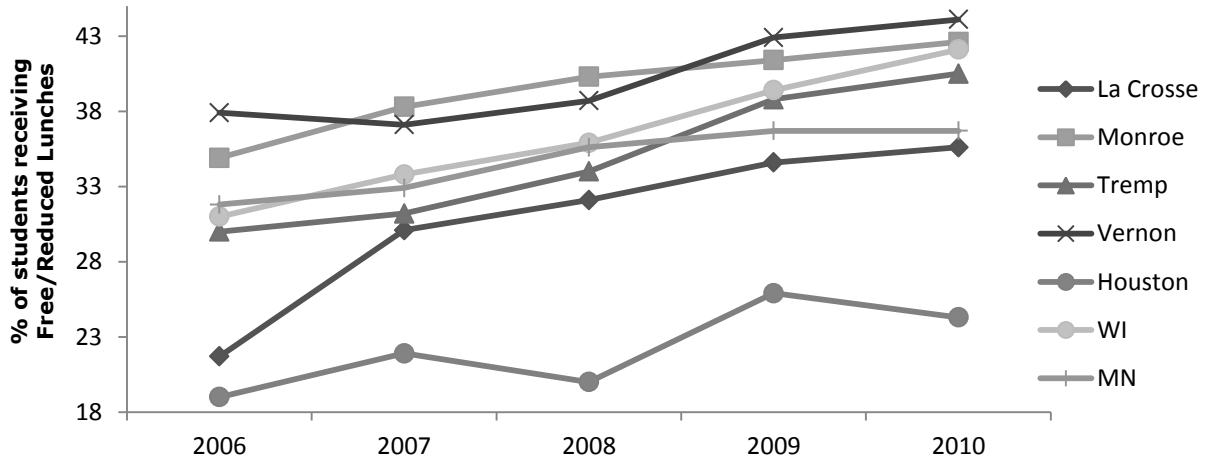
Locally, the closest measure to food insecurity in the community is the participation in food assistance programs such as: Food Share (WI), Food Support (MN), WIC, the National School Lunch Program, and utilization of local food pantries. Although participation in these public assistance programs is often used as proxy measures to poverty, these programs may greatly underestimate the extent of need as not all eligible residents ask for assistance. Nevertheless, the numbers of participants are increasing steadily in every county (see **Figure 13**). Although compared to Wisconsin state data, the Great Rivers Region is doing better than the state averages. However, if these enrollment numbers underestimate the need in our Region, the problem is even greater. Data collection for food stamp use in the state of Minnesota is collected differently than in Wisconsin. At the county level, data is collected for families using food stamps; while data on the general population is not available. **Table 10** shows an increase in the percentage of families with children using the Food Support program in Houston County.

**Figure 13: Food Share Participation**

Source: Wisconsin Department of Health Services, FoodShare Wisconsin

The National School Lunch Program (also known as **Free and Reduced Lunch**), is a federally regulated program that provides nutritious food to low-income students. Families with incomes at or below 130% of the poverty level qualify for free meals and those with incomes below 130 to 185% qualify for reduced-price meals. School lunch eligibility is a good proxy measurement to the percentage of children in poverty in a school district. However, a limitation of this measure is that some families who are eligible for the program may not apply to the program. This may be particularly true of families with older students who fear the stigma of using public support. **Figure 14** shows the average percentage of students participating in the Free and Reduced lunch program in the Great Rivers Region. Overall, the data shows that student enrollment in the program is increasing. At the county level, Vernon and Monroe have the highest percentage of students enrolled in the Free and Reduced Lunch Program; while Houston County has the lowest percentage of students who are enrolled.<sup>26</sup> Nevertheless, at the district level, some schools report having up to 70% of their student population participating in the Free and Reduced Lunch Program. This indicator gives a startling view of the percentage of children in our communities who are living on very limited incomes.

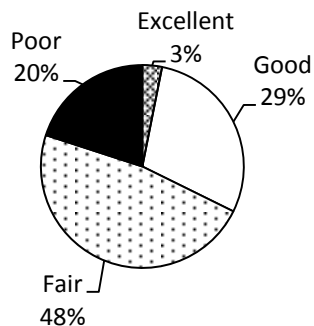
**Figure 14: Free and Reduced Lunches**



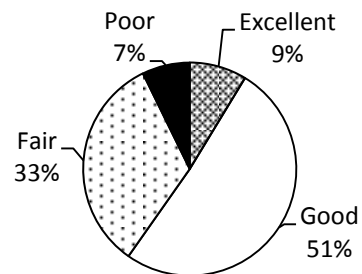
Source: Wisconsin Department of Public Instruction, <http://www.dpi.state.wi.us>, Kids Count Data Center, <http://www.datacenter.kidscount.org>

In the COMPASS NOW random household survey, respondents were asked to rate their community's efforts to reduce poverty and hunger (see **Figures 15 and 16**). Overall, a majority of respondents gave only a fair to poor rating of their community with regard to their efforts to reduce poverty. Yet a majority of respondents had a more favorable opinion of their community's efforts to reduce hunger.<sup>27</sup> There also appears to be a greater awareness of hunger needs in the community; with nearly half of COMPASS NOW random household survey respondents expressing concern over the issue.<sup>28</sup>

**Figure 15: Rating of efforts to reduce poverty in the community**



**Figure 16: Rating of efforts to reduce hunger in the community**



Source: COMPASS NOW 2012 Random Household Survey

The temporary use of public assistance programs for families who are unable to meet their basic needs can provide that bridge to self-sufficiency if opportunities for adequate living wages exist. **Wage adequacy** refers to the degree which a given wage is adequate to meet the basic needs of an individual or family. For example, if wage adequacy is at 100 percent or more, that wage is enough or more than enough to meet 100 percent of the individual or family’s basic needs.<sup>29</sup> The concept of self-sufficiency refers to the state of being able to maintain oneself without outside assistance or; the capability to provide for one’s own needs.<sup>30</sup> The Self-Sufficiency Standard defines the amount of income necessary to meet basic needs (including taxes) without public subsidies (e.g., public housing, food stamps, Medicaid or child care) and without private and/or informal assistance (e.g., free babysitting by a relative or friend, food provided by churches or local food banks, or shared housing).<sup>31</sup> A variety of organizations have developed family budget calculators to better estimate a minimum annual wage needed to meet basic needs. The Economic Policy Institute’s Family Budget Calculator, The Living Wage Calculator<sup>32</sup> (developed at Pennsylvania State University), and the Self-Sufficiency Calculator<sup>33</sup> (developed by the Workforce Development Council of Seattle) can calculate a more realistic estimation of what families need to manage without outside assistance. The EPI calculator, for example, compiles the costs of essential living expenses such as housing, food, child care, transportation, and health care; and estimates minimum income levels for different regions of the country. According to the EPI Family Budget Calculator, a family of four, two adults and two children, in this region would need approximately \$47,808 a year; just to meet their basic needs (see **Table 11**). A significant challenge facing the Great Rivers Region is how to stimulate and support an economic environment that provides wage adequacy for its residents in order for all in our community to have the opportunity to reach their full potential.

**Table 11: Basic Needs for a Family of 4**

	<b>\$US</b>
Monthly Housing w/ basic utilities	645
Monthly Food	676
Child Care	815*
Transportation	492
Health Care	472
Other Necessities	318
Taxes	566
<b>Total</b>	<b>3,984</b>
<b>Minimum Annual Salary</b>	<b>\$47,808</b>

\*Based on local rates for one school-aged child and one toddler

Source: Family Budget Calculator, <http://www.epi.org>

**Summary:** Living in poverty has an adverse effect on our community. Several measures of food insecurity are on the rise; signaling a greater number of people at risk. The concept of a self-sufficiency standard has been used in several states to analyze the impact of policies affecting low-income families and advocate changes to assist families out of poverty.

### **Key issues to address**

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Based on this COMPASS NOW Economic Profile, results of the focus groups and random household survey and socio-economic indicator data, the COMPASS NOW Leadership Team examined and scored the following 7 income issues to determine the issues of greatest concern:

- Low wages
- Limited Economic Development
- Food Insecurity
- Low Financial Literacy
- Unemployment
- Availability of Housing
- Quality of Housing

The COMPASS NOW Leadership Team determined the following 3 issues to be the key income issues facing the Great Rivers Region (in alphabetical order):

- Limited economic development
- Low wages
- Unemployment

The issue that was determined to be emerging or area to watch was:

- Food Insecurity

It is important to note that some of the issues above were important to individual counties, but did not rise to the top when all ratings were examined.

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<sup>30</sup> Merriam-Webster Dictionary, <http://www.m-w.com>

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