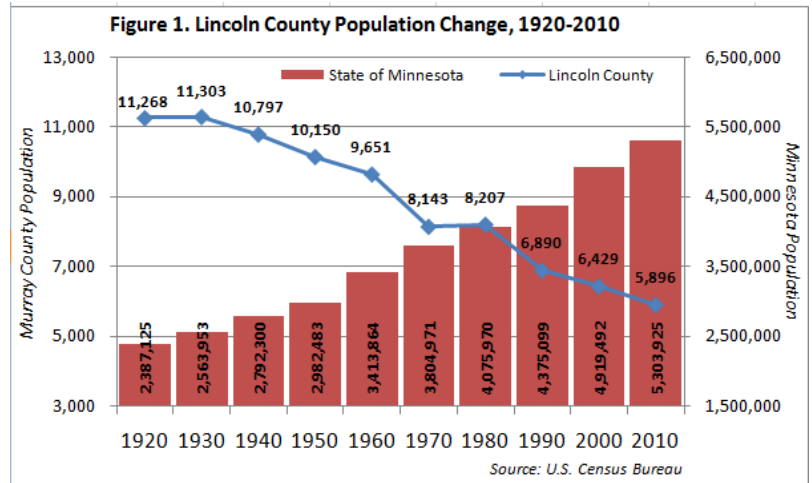


## Lincoln County Demographic & Economic Profile

### Demographic Characteristics

Lincoln County was home to 5,896 people in 2010, making it the 8<sup>th</sup> smallest county in the state of Minnesota. Over the last decade, Lincoln County's population fell by 533 people, an -8.3 percent drop. In comparison, the state of Minnesota gained nearly 385,000 additional people from 2000 to 2010, a 7.8 percent statewide increase.

Lincoln County's recent population decline was part of a long-term trend. In fact, Lincoln County peaked in population at 11,303 people in 1930, and has been declining ever since. The first big change occurred between 1960 and 1970, when Lincoln County lost 1,508 residents; then again from 1980 to 1990, as Lincoln County had a net loss of 1,317 people. In sum, Lincoln County lost almost a third (-32.1%) of its population from 1950 to 1990. From 1990 to 2010, Lincoln County has seen much smaller declines, losing about 500 people each of the last two decades. Still, that made it the 10<sup>th</sup> fastest declining county in the state. (See Figure 1.)



Lincoln County was part of the larger trend in Southwest Minnesota, where all but two of the surrounding counties were also seeing long-term population declines. Most of the counties in the region peaked in population between 1940 and 1960, also losing about a fourth of their population over the last half-century. However, Lincoln County is located next to Lyon County, one of only two counties in the region that are still seeing population growth. Lyon County was closing in on 26,000 people in 2010, after a 1.7 percent increase in the last decade.

Lincoln County is home to 5 cities and 15 townships, ranging in size from Arco to Tyler. Tyler is the largest city in Lincoln County, with 1,143 people in 2010, but just the 340<sup>th</sup> largest city in the state. For context, it was the 26<sup>th</sup> largest city in Southwest Minnesota, similar in size to Cottonwood and Edgerton. But while both of those cities were seeing small gains in population, Tyler lost 75 people from 2000 to 2010. The next largest cities in Lincoln County are Hendricks, Lake Benton, and Ivanhoe, which is the county seat. Those three cities have between 550 and 715 people, after all experiencing small declines in population during the decade. The remaining 15 townships all had fewer than 300 people, while the city of Arco had 75 people in 2010. (See Table 1.)

**Table 1: Lincoln County Population, 2000 to 2010**

City or Township Name	2000 Population	2010 Population	2000-2010	2000-2010 %
Tyler city	1,218	1,143	-75	-6.2%
Hendricks city	725	713	-12	-1.7%
Lake Benton city	703	683	-20	-2.8%
Ivanhoe city	679	559	-120	-17.7%
Hope township	292	272	-20	-6.8%
Marshfield township	231	242	11	4.8%
Lake Benton township	244	241	-3	-1.2%
Diamond Lake township	231	207	-24	-10.4%
Verdi township	240	206	-34	-14.2%
Hendricks township	220	201	-19	-8.6%
Royal township	205	189	-16	-7.8%
Shaokatan township	192	178	-14	-7.3%
Alta Vista township	212	175	-37	-17.5%
Marble township	195	161	-34	-17.4%
Lake Stay township	143	156	13	9.1%
Ash Lake township	177	151	-26	-14.7%
Limestone township	159	136	-23	-14.5%
Drammen township	141	118	-23	-16.3%
Hansonville township	122	90	-32	-26.2%
Arco city	100	75	-25	-25.0%

*Source: U.S. Census Bureau*

Just two townships in the county saw population growth in the last decade – Marshfield township and Lake Stay township; while the other 18 cities and townships all lost population. The city of Ivanhoe had the biggest drop in population, losing 120 residents from 2000 to 2010. The rest of the county followed the trend that is prevalent in Southwest Minnesota, where the smallest cities and townships were seeing the fastest declines. The larger cities and townships were also seeing declines, but not as rapidly as the smaller communities.

Lincoln County’s population was much older than the state’s, which helps explain the population declines described above. About 24.7 percent of residents in Lincoln County were 65 years and over in 2009, which was about double the percent in Minnesota (12.4%). In fact, Lincoln County had the 4<sup>th</sup> highest percentage of people aged 65 years and over in the state, behind just Traverse, Aitkin, and Big Stone Counties. With one in every four people already at retirement age, Lincoln County actually had more people aged 65 years and over than children aged 14 years and younger, which made up 18.4 percent of the county’s population. The smallest age group in the county was from 25 to 34 years, with just 7.9 percent of the population. That was 5.0 percent less than the statewide concentration. (See Table 2.)

**Table 2. Lincoln County Population by Age Group, 2009**

Age Group	Number	Percent	Minnesota
0 to 14 years	1,072	18.4%	20.0%
15 to 24 years	645	11.1%	14.4%
25 to 34 years	461	7.9%	13.0%
35 to 44 years	653	11.2%	14.1%
45 to 54 years	850	14.6%	15.3%
55 to 64 years	710	12.2%	10.7%
65 years & over	1,441	24.7%	12.4%
<b>Total Population</b>	<b>5,832</b>	<b>100.0%</b>	<b>100.0%</b>

*Source: U.S. Census Bureau, American Community Survey*

The largest age group in the county was the Baby Boom generation (between 45 and 64 years of age), which will likely lead to a continued aging of the population in the future. Population projections from the Minnesota State Demographic Center show the effects of that trend in Lincoln County over the next two decades. As life expectancies continue to increase and the Baby Boom generation moves through the population pyramid, the percentage of the population aged 65 years and over living in Lincoln County is projected to reach more than 27 percent by the year 2030 – a 19.1 percent increase from 2010. As many as 1,620 senior citizens may live in the county at that time. In contrast, the number of people in all but two of the younger age groups are expected to decline from 2010 to 2030, creating a significant shift in the population and workforce. Strangely, the projections do show a small increase in the number of children in Lincoln County, which was not the case in most counties in Southwest Minnesota. (See Table 3.)

**Table 3. Lincoln County Population Projections, 2010-2030**

Age Group	2010	2020	2030	2010-2030
0 to 14 years	1,080	1,230	1,150	6.5%
15 to 24 years	540	470	520	-3.7%
25 to 34 years	730	630	570	-21.9%
35 to 44 years	650	780	730	12.3%
45 to 54 years	840	660	740	-11.9%
55 to 64 years	740	840	650	-12.2%
65 years & over	1,360	1,380	1,620	19.1%
<b>Total Population</b>	<b>5,940</b>	<b>5,990</b>	<b>5,980</b>	<b>0.7%</b>

*Source: Minnesota State Demographic Center*

The State Demographic Center projections show the biggest increases in population may occur in the cities of Tyler, Hendricks, and Lake Benton; while smaller gains may be seen in Diamond Lake, Verdi, and Marshfield townships. The biggest declines are expected in Royal township and Ivanhoe, as well as Ash Lake, Hope, Limestone, Drammen, and Lake Stay townships. Between 2010 and 2030, the state projects that 7 cities and townships in Lincoln County will see growth; one city will hold steady, and the other 12 will lose population.

As in Lincoln County, the number of births in the majority of counties in Minnesota was declining at the end of the decade, especially during the recent recession. After increasing about 5 percent from 2003 to 2006, the number of births in the state declined 4.2 percent from 2007 to 2009, according to the Minnesota Department of Health. Like the overall population, the number of births in Lincoln County has been declining over the last 50 years. In the 1950s, which included the bulk of the Baby Boom generation, Lincoln County averaged 235 births per year. By the 1960s, the number of births each year declined to 154; then declined again to 117 per year in the 1970s; before dropping to 99 per year in the 1980s. In both the 1990s and the 2000s, Lincoln County averaged 69 births per year, including an historical low of just 56 births in 2001.

In contrast, the number of deaths in Lincoln County has held remarkably steady over time. Again according to the Minnesota Department of Health, in the 1950s, Lincoln County averaged about 90 deaths per year. In the 1960s and 1970s, the number of deaths increased to about 100 per year, before falling back to 95 in the 1980s. In the 1990s, the death rate exceeded the birth rate, at 105 and 69 per year, respectively. In the 2000s, the death rate has slowed some but still exceeds the birth rate, with the 96 deaths each year outpacing the 69 births. The comparison of those two statistics – birth rate and death rate – has left Lincoln County with a slow but steady natural rate of decrease. However, Lincoln County is not alone in that regard – only two of the counties in Southwest Minnesota have a natural rate of increase: Lyon and Nobles.

In addition to births and deaths, another important component of population change is net migration, which is the comparison of people moving in versus people moving out. From 2000 to 2005, Lincoln County averaged out-migration of 3.0 people for every 100 in population, which was similar to the out-migration experienced in other counties in Southwest Minnesota, including both Lyon and Nobles County, which also suffered net out-migration.

With nearly 98 percent of the population being white, Lincoln County does not have a very diverse population in comparison to the state and nation. However, racial and ethnic diversity is increasing in Lincoln County. In fact, while the number of white people in Lincoln County fell -9.1 percent from 2000 to 2010, the number of people from two or more races tripled (+200.0%). Of course in context, the percent increases

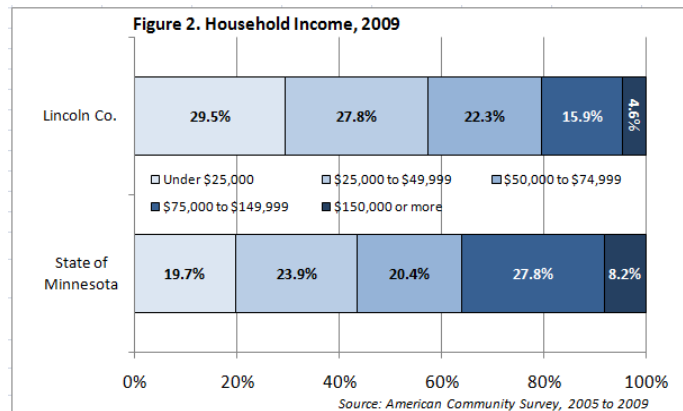
Table 4. Race, 2010	Lincoln Co.		Change, 2000-2010	Minnesota Percent
	Number	Percent		
<b>Total Population:</b>	<b>5,896</b>	<b>100.0%</b>	<b>-8.3%</b>	<b>100.0%</b>
White alone	5,777	98.0%	-9.1%	85.3%
Black or African American alone	8	0.1%	+166.7%	5.2%
American Indian & Alaska alone	9	0.2%	-50.0%	1.1%
Asian alone & Native Hawaiian	14	0.2%	+7.7%	4.1%
Some other race	43	0.7%	+59.3%	1.9%
Two or more races	45	0.8%	+200.0%	2.4%
Hispanic or Latino	72	1.2%	+30.9%	4.7%

*Source: U.S. Census Bureau*

are huge, but the numbers are still relatively small – there were 45 people of two races in Lincoln County in 2010, as compared to 15 in 2000. Likewise, the number of Black or African American people nearly tripled – from 3 in 2000 to 8 in 2010; and the number of people of Hispanic or Latino origin increased more than 30 percent – from 55 to 72 people. (See Table 4.)

### Income and Poverty Statistics

At \$41,730 in 2009, Lincoln County had the 15<sup>th</sup> lowest median household income in the state, according to data from the Census Bureau’s American Community Survey. That was about 73 percent of the state’s median household income, which was \$57,007 in 2009. However, it was mostly in line with the median household income in Lyon County (\$45,842) and other counties in the region. About three in ten (29.5%) households in Lincoln County were earning less than \$25,000 in 2009, and 27.8 percent earned between \$25,000 and \$50,000. Another one-fourth (22.3%) of households were earning between \$50,000 and \$75,000, with the remaining one-fifth (20.5%) earning \$75,000 or more. In comparison to the state, Lincoln County has significantly fewer households earning higher incomes and significantly more households earning lower incomes. Just 4.6 percent of households in Lincoln County earned \$150,000 or more in 2009. (See Figure 2.)



A much larger percentage (42.3%) of households in Lincoln County were receiving Social Security income, as compared to about one-fourth in the state (24.7%). Strangely though, Lincoln County actually had a smaller percentage of households receiving retirement income (13.7%) than the state (15.0%), despite the larger percentage of people aged 65 years and over. Also, Lincoln County had a lower percentage of households (1.3%) receiving public assistance than the state (3.0%).

Despite having lower incomes, Lincoln County households had a slightly lower poverty rate (9.2%) than the state of Minnesota as a whole (9.9%) in 2009. In 2009, approximately 12.7 percent of children under the age of 18 were in poverty in Lincoln County, which was in line with the state (13.9%) and Lyon County (13.5%), but much lower than the United States (20.0%). In contrast to the state and nation, which saw huge increases in poverty from 2000 to 2009, Lincoln County’s poverty rate actually went down slightly. In 2000, about 9.3 percent of Lincoln County residents were in poverty, as compared to 6.9 percent statewide and 11.3 percent in the U.S. For children under the age of 18, poverty increased from 12.0 percent in 2000 to 12.7 percent in 2009 in Lincoln County. The state jumped from 8.7 percent in 2000 to 13.9 percent in 2009.

Lincoln County had a much higher percentage of people who were married (63.9%) than the state (54.9%), as well as a lower percentage of people who were divorced (7.1% vs. 9.3%). Because of the older population, Lincoln County also had twice as many people who were widowed (11.0%) as compared to the state (5.5%). Lincoln County had a higher percentage of married couple families (86.0%) than the state (80.1%), and conversely a lower percentage of single parent families. However, the families in Lincoln County were less likely to have children under the age of 18 (35.9% vs. 47.3%), again pointing to the county’s older demographics. Despite having fewer children, Lincoln County’s children were more likely to be living in married couple families than the state.

Due to lower incomes and population declines, median home sales prices were much lower in Lincoln County than the state, at \$51,500 in 2009, in comparison to \$174,600 statewide. According to data from the Minnesota State Demographic Center, there were 27 home sales in Lincoln County in 2009, with a median home sales price of \$51,500. That was the fifth lowest median sales price in the state, but an increase in the median home sales price recorded in 2008. The number of sales in Lincoln County essentially held steady from 2008 to 2009, despite a -17.7 percent statewide decline in home sales. In contrast, the number of foreclosures in Lincoln County doubled from 2009 to 2010, but only from 5 to 11. According to data from HousingLink, the 11 foreclosures was the 10<sup>th</sup> lowest number of foreclosures of any county in the state.

Even with the jump in the last year, Lincoln County has mostly avoided the foreclosure crisis, because of the 2,215 housing units in Lincoln County in 2009, only 48.1 percent had mortgages (or contracts to purchase or similar debt), as compared to 71.3 percent in Minnesota. Of the 1,066 housing units in the county with a mortgage, just 12.9 percent also had a second mortgage or home equity loan, as compared to 31.6 percent statewide. The other 1,149 housing units in Lincoln County did not have a mortgage. Selected monthly owner costs for housing units with a mortgage topped 25 percent of household income for only 31.5 percent of households in Lincoln County, while nearly half (47.5%) of households were at that level statewide. Housing trends show that number likely accelerated in the state – and particularly the metropolitan areas – over the course of the decade, helping to swell the foreclosure crisis there, but not as much in rural areas like Lincoln County.

**Educational Access and Attainment**

There are four school districts located in Lincoln County – Hendricks, Ivanhoe, and Lake Benton, and Russell-Tyler-Ruthton – as well as small parts of other districts that are headquartered in surrounding counties. According to data from the Minnesota Department of Education, enrollments have been steadily declining in the county, falling from 1,076 students in the 2006-2007 school year to 944 students in the 2010-2011 school year, a -12.3 percent decline. The trend shows faster drops in enrollment in the middle school and high school levels (from 4<sup>th</sup> grade through 12<sup>th</sup> grade), but a surprising jump in kindergarteners, 2<sup>nd</sup> and 3<sup>rd</sup> graders. In contrast to most other counties in the region, Lincoln County’s schools actually had a larger incoming kindergarten class than the outgoing 12<sup>th</sup> grade class. (See Table 5.)

The size of the prekindergarten class increased from 12 kids in 2006 to 21 kids in 2010, while the kindergarten class increased from 81 to 89 kids. The 2<sup>nd</sup> grade class gained 12 students, and the 3<sup>rd</sup> grade class jumped by 15 students. The smallest class in the pipeline was the 7<sup>th</sup> grade class, which had just 49 students in 2010.

Like the overall population, Lincoln County schools were not very diverse, with minority students comprising only 3.3 percent of students. There were just 31 minority students in Lincoln County in 2010, which was down from 38 in 2008 and 35 minority students in 2006. In each of the school districts in the county, less than one percent of students were enrolled in a Limited English Proficiency (LEP) program. The schools in Lincoln County had very high graduation rates – above 95 percent in 2007 – even in comparison to the state, which was very high in comparison to the nation.

	<b>2006/ 2007</b>	<b>2008/ 2009</b>	<b>2010/ 2011</b>	<b>2006- 2011</b>
PreKindergarten (PK)	12	17	21	75.0%
Kindergarten (KG)	81	93	89	9.9%
1 <sup>st</sup> Grade	89	81	81	-9.0%
2 <sup>nd</sup> Grade	69	71	81	17.4%
3 <sup>rd</sup> Grade	61	79	76	24.6%
4 <sup>th</sup> Grade	83	64	69	-16.9%
5 <sup>th</sup> Grade	85	62	73	-14.1%
6 <sup>th</sup> Grade	74	84	59	-20.3%
7 <sup>th</sup> Grade	74	73	49	-33.8%
8 <sup>th</sup> Grade	99	57	67	-32.3%
9 <sup>th</sup> Grade	90	69	76	-15.6%
10 <sup>th</sup> Grade	78	82	58	-25.6%
11 <sup>th</sup> Grade	89	80	69	-22.5%
12 <sup>th</sup> Grade	92	71	76	-17.4%
<b>Total Enrollment</b>	<b>1,076</b>	<b>983</b>	<b>944</b>	<b>-12.3%</b>

*Source: Minnesota Dept. of Education*

Just over half (51.1%) of the adults in Lincoln County had no education past high school, including 11.7 percent who did not have a high school diploma. That was significantly higher than the 37.6 percent of adults in Minnesota who had a high school diploma or less, though much of the gap is due to the county's older population, who did not have access to the same educational opportunities as the generations that followed. Beyond that, about one in four Lincoln County residents (22.2%) had attended some college, but did not earn a degree. Lincoln County does have a competitive percentage of people with associate's degrees as compared to the state, but a significant disadvantage in the percent of people with bachelor's degrees or higher. Just 13.2 percent had bachelor's degrees; and only 3.5 percent had advanced degrees, as compared to 19.7 and 8.7 percent in the state, respectively. (See Table 6.)

Table 6. Educational Attainment for Population Aged 18 Years & Over	Lincoln Co.	Percent	Minnesota
<b>Total:</b>	<b>4,522</b>	<b>100.0%</b>	<b>100.0%</b>
Less than 9th grade	261	5.8%	3.3%
9th to 12th grade, no diploma	267	5.9%	6.1%
High school graduate, GED	1,780	39.4%	28.2%
Some college, no degree	1,002	22.2%	24.7%
Associate's degree	456	10.1%	9.2%
Bachelor's degree	597	13.2%	19.7%
Graduate or professional degree	159	3.5%	8.7%

*Source: American Community Survey, 2005 to 2009*

However, for the younger age groups, a different picture emerges. While Lincoln County still lags the state in higher education attainment, the gaps are smaller for the 18- to 24- and 25- to 34-year-old age groups. From 18 to 24 years of age, the county actually had a much higher percentage of workers with associate's degrees (19.2% vs. 6.9%). The same competitive advantage exists for people aged 25 to 34, where almost 17 percent of adults had associate's degrees, as compared to 12.1 percent statewide; and for 35- to 44-year-olds, where almost 16 percent had associate's degrees as compared to 11.7 percent. More than one-third (36.1%) of people aged 18 to 24 years in Lincoln County have attended some college, but hadn't earned a degree yet; almost equal to the 38 percent who had a high school diploma or less. About one-fourth of people in both the 25- to 34- and 35- to 44-year-old age groups had attended some college, but had not earned a degree yet, which was a slightly higher percentage than the rest of the state.

Also in both the 25- to 34- and 35- to 44-year-old age groups, about one-fifth of Lincoln County's residents had earned a bachelor's degree or higher. While that was high for the county, it was much lower than the state. For both age groups, more than 36 percent of adults in the state had earned bachelor's degrees or higher. (See Table 7.)

Table 7. Educational Attainment by Age Group, 2005 to 2009	Lincoln Co.	Percent	Minnesota
<b>18 to 24 years:</b>	<b>407</b>	<b>9.0%</b>	<b>13.3%</b>
Less than 12 <sup>th</sup> grade, no diploma	60	14.7%	13.2%
High school graduate, GED	95	23.3%	29.3%
Some college, no degree	147	36.1%	40.0%
Associate's degree	78	19.2%	6.9%
Bachelor's degree or higher	27	6.6%	10.6%
<b>25 to 34 years:</b>	<b>461</b>	<b>10.2%</b>	<b>17.2%</b>
Less than 12 <sup>th</sup> grade, no diploma	23	5.0%	7.2%
High school graduate, GED	144	31.2%	20.8%
Some college, no degree	115	24.9%	22.4%
Associate's degree	78	16.9%	12.1%
Bachelor's degree or higher	101	21.9%	37.5%
<b>35 to 44 years:</b>	<b>653</b>	<b>14.4%</b>	<b>18.7%</b>
Less than 12 <sup>th</sup> grade, no diploma	23	3.5%	6.0%
High school graduate, GED	210	32.2%	22.7%
Some college, no degree	186	28.5%	23.4%
Associate's degree	103	15.8%	11.7%
Bachelor's degree or higher	131	20.1%	36.2%
<b>45 to 64 years:</b>	<b>1,560</b>	<b>34.5%</b>	<b>34.4%</b>
Less than 12 <sup>th</sup> grade, no diploma	81	5.2%	5.8%
High school graduate, GED	578	37.1%	29.7%
Some college, no degree	395	25.3%	23.8%
Associate's degree	161	10.3%	9.8%
Bachelor's degree or higher	345	22.1%	30.9%
<b>65 years and over:</b>	<b>1,441</b>	<b>31.9%</b>	<b>16.4%</b>
Less than 12 <sup>th</sup> grade, no diploma	341	23.7%	20.2%
High school graduate, GED	753	52.3%	38.5%
Some college, no degree	159	11.0%	18.1%
Associate's degree	36	2.5%	3.7%
Bachelor's degree or higher	152	10.5%	19.5%

*Source: American Community Survey, 2005 to 2009*

The Baby Boomers in Lincoln County, aged 45 to 64 years, were more likely to have attended college without earning a degree than in the state, and had a slightly higher percentage of people with an associate's degree. About 22.1 percent of Baby Boomers had a bachelor's degree or higher, which was the highest amount of attainment for any age group in Lincoln County, but was still about 9 percent lower than higher educational attainment in the state.

Finally, Lincoln County not only had a much higher percentage of people aged 65 years and over (31.9% vs. 16.4%), they also had a lower amount of educational attainment, with just over 75 percent stopping their education in high school. In comparison, about 58.7 percent of senior citizens in the state had a high school diploma or less. As noted, this higher concentration of lower educated people makes the county's educational attainment gap seem larger than it is.

**Labor Market Information**

In comparison to Minnesota, which has consistently had among the highest labor force participation rates in the nation, labor force participation rates were relatively low in Lincoln County. About 73 percent of males in Lincoln County were in the labor force, as compared to 76 percent of males statewide. Two thirds (66.5%) of females in the state were in the labor force, which was 7 percent higher than the female labor force participation rate in Lincoln County (59.5%). Again, the difference is likely due to the county's older population, many of whom have reached retirement age and are no longer in the labor force, but is also linked to the region's traditional agriculture industry. (See Table 8.)

Table 8. Labor Force Participation Rates	Lincoln Co.		Minnesota
	Number	Percent	Percent
<b>Total</b>	<b>4,685</b>	<b>100.00%</b>	<b>100.0%</b>
<b>In labor force</b>	<b>3,099</b>	<b>66.1%</b>	<b>71.2%</b>
<b>Not in labor force</b>	<b>1,586</b>	<b>33.9%</b>	<b>28.8%</b>
Male	2,302	100.0%	100.0%
In labor force	1,680	73.0%	76.0%
Not in labor force	622	27.0%	24.0%
Female	2,383	100.0%	100.0%
In labor force	1,419	59.5%	66.5%
Not in labor force	964	40.5%	33.5%

*Source: American Community Survey, 2005 to 2009*

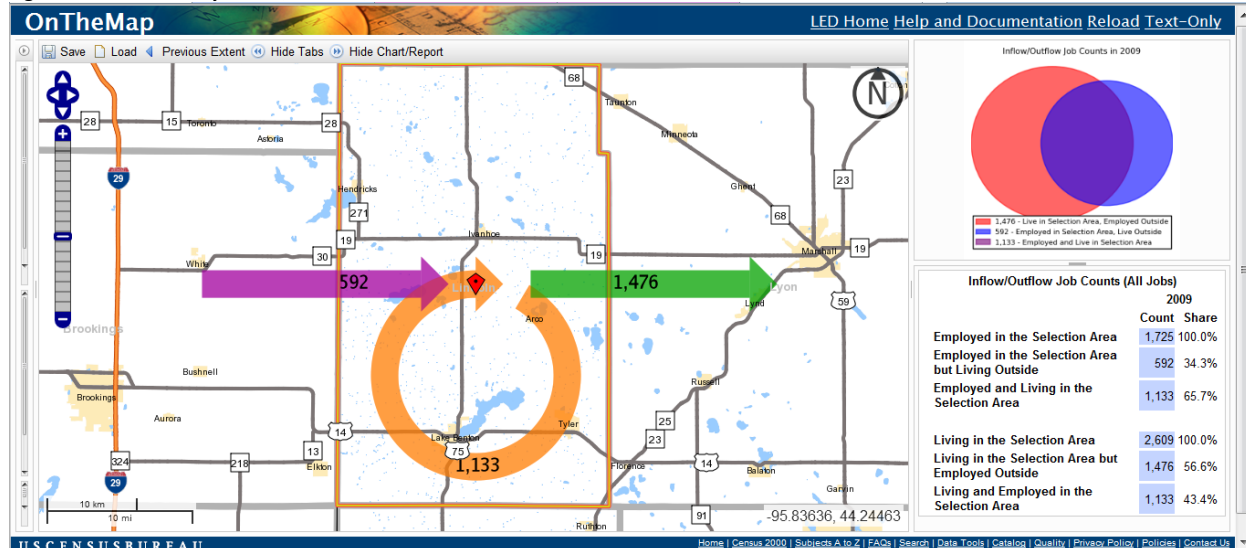
Because of its proximity to the regional employment center of Lyon County, Lincoln County is a net labor exporter, meaning it has more workers than jobs. Nearly 1,500 Lincoln County residents are driving outside the county for work each day, primarily into the city of Marshall in Lyon County, but also into Brookings County, South Dakota, as well as Pipestone and Yellow Medicine County. Lincoln County has a net outflow of 305 workers with Lyon County and 212 workers with Brookings County. (See Table 9.)

About 1,133 residents both live and work in Lincoln County, accounting for almost two-thirds (65.7%) of the 1,725 jobs located in the county. To fill the remaining jobs, employers in Lincoln County also draw workers from Lyon, Pipestone, Murray, and Yellow Medicine County; as well as Deuel and Brookings County in South Dakota. About 600 workers drive into the county for work, as compared to the 1,500 who drive out, leaving a net labor export of 884 workers. (See Figure 3.)

Table 9. Lincoln County Commute Shed and Labor Shed Report, 2009					
Commute Shed: Where Workers who Live in Lincoln Co. are Employed	2009		Labor Shed: Where Workers Live who are Employed in Lincoln Co.	2009	
	Count	Share		Count	Share
<b>Total Primary Jobs</b>	<b>2,609</b>	<b>100%</b>	<b>Total Primary Jobs</b>	<b>1,725</b>	<b>100%</b>
Jobs in Counties Where Workers are Employed	2009		Jobs in Counties Where Workers Live	2009	
	Count	Share		Count	Share
Lincoln County	1,133	43.4%	Lincoln County	1,133	65.7%
Lyon County	441	16.9%	Lyon County	136	7.9%
Brookings County, SD	251	9.6%	Pipestone County	94	5.4%
Pipestone County	158	6.1%	Deuel County, SD	51	3.0%
Yellow Medicine County	101	3.9%	Murray County	39	2.3%
Ramsey County	69	2.6%	Brookings County, SD	39	2.3%
Hennepin County	62	2.4%	Yellow Medicine County	36	2.1%
Blue Earth County	54	2.1%	Olmsted County	20	1.2%
Kittson County	29	1.1%	Hennepin County	14	0.8%
Brown County	26	1.0%	Ramsey County	8	0.5%
All Other Locations	285	10.9%	All Other Locations	155	9.0%

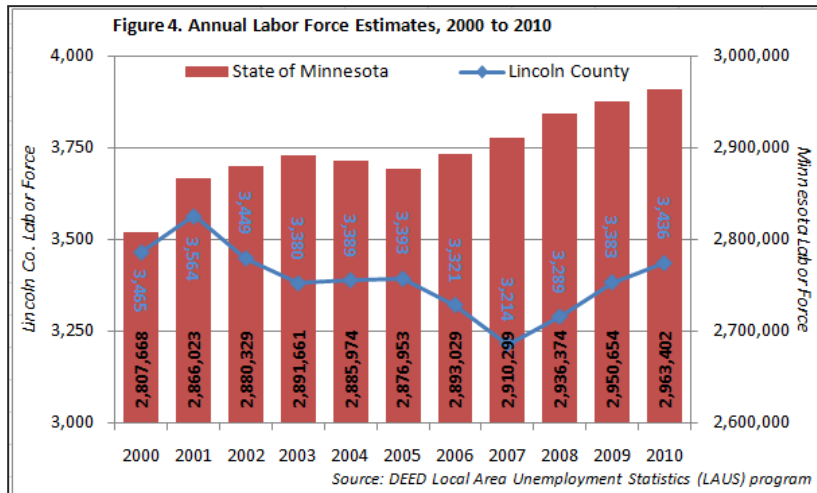
*Source: U.S. Census Bureau, OnTheMap4 Worker-Origin Destination Database*

**Figure 3. Lincoln County Inflow/Outflow, 2009**



Despite the on-going population declines, the size of Lincoln County's labor force has remained remarkably steady most of this decade. Lincoln County averaged as many as 3,564 workers in 2001, and has since dropped to an average of about 3,436 workers in 2010. The county's labor force was smallest in 2007, then saw annual growth for the next three years, before finishing 2010 with approximately the same number of workers as it had in 2000, according to DEED's Local Area Unemployment Statistics (LAUS) program. Lincoln County's labor force hovered between 3,200 and 3,600 workers the entire decade. (See Figure 4.)

Unfortunately, the number of unemployed workers was going up during the decade, from an average of 125 workers in 2000 to an average of 181 workers in 2010. The average number of unemployed workers peaked in 2009, at 207 workers, which was a 25 percent jump over 2008. Because of the decrease in available workers and the increase in unemployed workers, Lincoln County's unemployment rate jumped as high as 6.1 percent in 2009, though that was still 2.0 percent lower than the state rate (8.1%) at the time. In fact, Lincoln County's annual unemployment rate has been below the state rate since 2001, hovering between 3.6 and 4.6 percent through 2007, before climbing to 6.1 percent in 2009 and then falling back to 5.3 percent in 2010.



According to labor force projections from the Minnesota State Demographic Center, Lincoln County's labor force is expected to continue declining into the future. From 2010 to 2030, Lincoln County is projected to lose another 140 workers, a -4.4 percent decline. In addition to population declines, a large reason for the loss of workers is the county's aging demographic profile. Lincoln County is expected to lose workers in every age group under 65 years, with large drops in the 16- to 24-year-old entry level workforce and big shifts in the 45- to 64-year-old age group that is currently comprised of Baby Boomers. However, as these Baby Boomers move into retirement age, projections show they will probably stay in the labor force longer, greatly increasing the size of the senior citizen workforce. Whether they actually remain in the workforce, or in Lincoln County, will have a huge impact on the local economy. (See Table 10.)

Labor Force Type	2010	2020	2030	2010 - 2030
Total labor force	3,190	3,190	3,050	-4.4%
Age 16-24	310	250	270	-12.9%
Age 25-44	1,240	1,270	1,160	-6.5%
Age 45-64	1,350	1,290	1,200	-11.1%
Age 65 plus	290	380	420	44.8%

Source: Minnesota State Demographic Center

Similar to its population composition, Lincoln County's workforce is also skewed older than the state of Minnesota's workforce. Through the first quarter of 2010, about 28.5 percent of Lincoln County workers were 55 years and over, as compared to 18.3 percent statewide. In other words, nearly three in every ten workers in Lincoln County is within ten years of retirement age or is already at retirement age. (See Table 11.)

Strangely, Lincoln County also has a higher percentage of younger workers than the state of Minnesota, with 16.1 percent of workers between 14 and 24 years of age, as compared to 14.6 percent statewide. Instead, Lincoln County lags the state in the number of workers in their prime working years. In the state, more than two-thirds (67.0%) of workers were between 25 and 54 years of age; as compared to just 55.2 percent in Lincoln County.

	Lincoln Co.		Turnover Rate	State of Minnesota		Turnover Rate
	Number	Percent		Number	Percent	
Total	1,755	100.0%	7.8%	2,525,326	100.0%	8.6%
14-24 years	283	16.1%	16.8%	368,899	14.6%	17.3%
25-34 years	306	17.4%	7.5%	558,975	22.1%	9.3%
35-44 years	275	15.7%	6.4%	528,987	20.9%	7.1%
45-54 years	388	22.1%	5.1%	605,985	24.0%	6.0%
55-64 years	333	19.0%	5.0%	368,126	14.6%	6.1%
65 years & over	166	9.5%	9.9%	94,353	3.7%	9.1%
Male	741	42.2%	8.4%	1,222,036	48.4%	8.7%
Female	1,014	57.8%	7.3%	1,303,290	51.6%	8.5%

Source: DEED LED Quarterly Workforce Indicators program

### Industry Employment Statistics

Through the first three quarters of 2010, Lincoln County was home to 218 business establishments with 1,673 covered jobs, with a payroll of \$33.8 million and average annual wages of \$26,929, according to data from DEED's Quarterly Census of Employment & Wages (QCEW) program. All establishments covered under the Unemployment Insurance (UI) Program are required to report wage and employment statistics quarterly to DEED. Federal government establishments are also covered by the QCEW program. (See Table 12.) In addition to covered employment, Lincoln County also had 484 nonemployer establishments in 2008 as well as 784 farms in 2007, according to the U.S. Census Bureau and the 2007 Census of Agriculture.

Industry	1 <sup>st</sup> -3 <sup>rd</sup> Quarter 2010 Data					Qtr. 3 2007 – Qtr. 3 2010			
	Number of Firms	Number of Jobs	Percent of County Jobs	Total Industry Payroll	Avg. Annual Wages	Change in Firms	Numeric Change in Jobs	Percent Change in Jobs	Change in Wages
<b>Total, All Industries</b>	<b>218</b>	<b>1,673</b>	<b>100.0%</b>	<b>\$33,789,077</b>	<b>\$26,929</b>	<b>-10</b>	<b>32</b>	<b>2.0%</b>	<b>10.2%</b>
Agriculture, Fishing & Hunting	8*	66*	4.0%*	\$1,246,180*	\$25,049*	ND	ND	ND	ND
Construction	32	97	5.8%	\$2,018,761	\$27,654	0	-15	-13.4%	-22.9%
Manufacturing	4	14	0.9%	\$277,434	\$25,808	-2	-5	-24.6%	-12.3%
Utilities	5	51	3.0%	\$1,899,343	\$49,983	ND	ND	ND	ND
Wholesale Trade	10	67	4.0%	\$1,788,027	\$35,406	ND	ND	ND	ND
Retail Trade	32	188	11.2%	\$2,108,350	\$14,953	3	-2	-1.2%	20.0%
Transportation & Warehousing	22	111	6.7%	\$2,527,575	\$30,270	0	2	2.3%	0.8%
Information	4	14	0.8%	\$138,628	\$13,692	-3	-3	-19.0%	-4.3%
Finance & Insurance	11	47	2.8%	\$1,095,287	\$31,072	-2	-4	-7.8%	
Real Estate, Rental & Leasing	6	13	0.8%	\$59,738	\$6,127	-1	-2	-13.3%	
Professional & Technical Services	9	40	2.4%	\$910,401	\$30,347	-1	5	14.3%	
Educational Services	4	90	5.4%	\$1,886,481	\$28,052	0	-40	-30.8%	64.8%
Health Care & Social Assistance	14 <sup>^</sup>	489 <sup>^</sup>	29.2% <sup>^</sup>	\$6,818,017 <sup>^</sup>	\$27,886 <sup>^</sup>	1 <sup>^</sup>	-1 <sup>^</sup>	-0.2% <sup>^</sup>	0.2% <sup>^</sup>
Arts, Entertainment, & Recreation	5	23	1.4%	\$206,838	\$12,167	0	4	27.1%	-15.7%
Accommodation & Food Services	10	72	4.3%	\$313,326	\$5,829	-2	-12	-14.3%	2.5%
Other Services, Ex. Public Admin	18	122	7.3%	\$4,038,156	\$44,254	-4	65	114.7%	75.0%
Public Administration	13	140	8.3%	\$2,512,941	\$23,990	ND	ND	ND	ND

\* - data from 1<sup>st</sup> - 3<sup>rd</sup> Quarter 2007; ^ - data from 1<sup>st</sup> - 2<sup>nd</sup> Quarter 2009  
Source: DEED Quarterly Census of Employment & Wages (QCEW) program

Unlike much of the rest of the state and nation, Lincoln County's economy actually enjoyed job gains over the last three years, despite the Great Recession and slow recovery. Lincoln County businesses reported 32 additional jobs through the third quarter of 2010 as compared to 2007, a 2.0 percent increase. In comparison, employment fell 5.0 percent in the state of Minnesota over the last three years.

The largest employing industry in Lincoln County was health care and social assistance, though data from 2010 was not discloseable via the QCEW program. However, in the first two quarters of 2009, Lincoln County had 14 health care and social assistance firms providing 489 covered jobs, which accounted for 29.2 percent of total covered employment in the county. The largest sector in health care was hospitals, which had 400 jobs in 2008. Both ambulatory health care services and social assistance had about 40 jobs apiece, and were essentially holding steady in employment over time.

Retail trade is the next largest sector, with 188 jobs at 32 stores. Even as consumers have cut back during the recession, retail trade has remained remarkably steady in Lincoln County over the last three years, losing just 2 jobs from 2007 to 2010, a -1.2 percent decrease. In comparison, retail trade employment fell 7.4 percent statewide. The largest retail subsector in Lincoln County is gasoline stations; followed by food and beverage stores, building material and garden supply stores, and health and personal care stores.

Lincoln County had a much higher concentration of jobs in public administration, which includes executive, legislative, and general government, than the state. There were 140 jobs at 13 institutions, which was 8.3 percent of total employment, as compared to 5.0 percent statewide. Between 2008 and 2010, Lincoln County gained 6 net new jobs in public administration.



The next largest – and fastest growing – industry in Lincoln County was other services, which primarily includes repair and maintenance. Lincoln County had 57 jobs in 2007, but had jumped to 122 jobs in 2010; with most of the new jobs coming between 2009 and 2010. Just over 7.3 percent of Lincoln County’s jobs were in other services, as compared to 3.2 percent statewide; and while the state lost -4.5 percent of employment in other services from 2007 to 2010; Lincoln County’s employment more than doubled. Other services also had the second highest average annual wages in Lincoln County, at \$44,254 in 2010.

Other important industries in Lincoln County include transportation and warehousing, with 22 firms and 111 jobs; construction, with 97 jobs at 32 firms; educational services with 90 jobs at 4 institutions, despite losing -40 jobs over the last three years; accommodation and food services with 10 firms and 72 jobs; wholesale trade with 67 jobs at 10 firms; and agriculture, which had 8 firms and 66 jobs. Each of those industries accounted for between 4 and 7 percent of total employment in the county, and combined account for about one-third (30.2%) of the county’s jobs. The next tier of industries includes: utilities, with 5 firms and 51 jobs; finance and insurance, which had 11 firms and 47 jobs; and professional and technical services, with 9 small businesses and 40 jobs. Other small industries were arts, entertainment, and recreation; manufacturing, which had only 14 jobs in 2010; information; and real estate, rental and leasing.

Tyler was the largest employment center in Lincoln County, with 64 business establishments providing 621 covered jobs through the third quarter of 2010. That was about 37.1 percent of the county’s jobs, despite Tyler having just 19.4 percent of the county’s population. The other cities with a large number of jobs in Lincoln County were Hendricks, with 394 jobs at 32 firms; Ivanhoe, with 278 jobs at 45 firms; and Lake Benton, with 31 firms and 135 jobs. Both Tyler and Hendricks gained about 40 net new covered jobs from 2007 to 2010.

### Self-Employment

The vast majority of businesses in Lincoln County were small businesses, with two-thirds (66.7%) of businesses reporting 1 to 4 employees in 2008, according to County Business Patterns from the U.S. Census Bureau. Another 30.8 percent had between 5 and 49 employees; with just 5 businesses in the county having 50 or more employees. No businesses in the county had more than 250 employees.

Lincoln County was also home to 484 self-employed businesses or “nonemployers” in 2008, which are defined by the U.S. Census Bureau as “businesses without paid employees that are subject to federal income tax, originating from tax return information of the Internal Revenue Service (IRS).” In response to the start of the recession, Lincoln County lost 8 nonemployers from 2007 to 2008, a -1.6 percent decline. However, Lincoln County has gained nonemployers over time, rising from 440 nonemployers in 2002 to 484 in 2008, a 10.0 percent gain. These nonemployers generated sales receipts of over \$16.9 million in 2008, an average of about \$34,979 in sales receipts per nonemployer. (See Table 13.)

Table 13. Lincoln County Nonemployer Statistics, 2002 to 2008	2008			2007			Change 2007-2008		2002		Change 2002-2008	
	Number	Receipts	Avg.	Number	Receipts	Number			Receipts			
	of Firms	(\$1,000s)	Sales	of Firms	(\$1,000s)	of Firms	(\$1,000s)					
<b>Total for all sectors</b>	<b>484</b>	<b>\$16,930</b>	<b>\$34,979</b>	<b>492</b>	<b>\$14,879</b>	<b>-8</b>	<b>-1.6%</b>	<b>440</b>	<b>\$14,873</b>	<b>44</b>	<b>10.0%</b>	
Agriculture, forestry, fishing & hunting	9	\$485	\$53,889	8	\$369	1	12.5%	D	D	D	D	
Construction	84	\$2,893	\$34,440	94	\$3,259	-10	-10.6%	79	\$2,964	5	6.3%	
Manufacturing	7	\$101	\$14,429	D	D	D	D	D	D	D	D	
Wholesale trade	10	\$519	\$51,900	10	\$547	0	0.0%	10	\$678	0	0.0%	
Retail trade	65	\$1,696	\$26,092	66	\$1,678	-1	-1.5%	68	\$3,031	-3	-4.4%	
Transportation & warehousing	32	\$3,064	\$95,750	26	\$2,536	6	23.1%	24	\$3,019	8	33.3%	
Information	4	\$17	\$4,250	D	D	D	D	D	D	D	D	
Finance & insurance	13	\$214	\$16,462	11	\$221	2	18.2%	13	\$236	0	0.0%	
Real estate, rental & leasing	27	\$3,107	\$115,074	29	\$1,332	-2	-6.9%	23	\$707	4	17.4%	
Professional, scientific & technical svcs.	45	\$678	\$15,067	41	\$687	4	9.8%	33	\$462	12	36.4%	
Admin. support & waste mgmt. svcs.	33	\$252	\$7,636	31	\$449	2	6.5%	18	\$111	15	83.3%	
Educational services	6	\$39	\$6,500	10	\$43	-4	-40.0%	D	D	D	D	
Health care & social assistance	43	\$682	\$15,860	49	\$680	-6	-12.2%	45	\$674	-2	-4.4%	
Arts, entertainment, & recreation	15	\$116	\$7,733	15	\$132	0	0.0%	15	\$119	0	0.0%	
Accommodation & food services	7	\$213	\$30,429	8	\$229	-1	-12.5%	D	D	D	D	
Other services	84	\$2,854	\$33,976	85	\$2,632	-1	-1.2%	83	\$2,500	1	1.2%	

Source: U.S. Census Bureau Nonemployer Statistics program

The industries with the largest amount of self-employment in Lincoln County were other services, which included personal care services (hair, nail, and skin care) and automotive repair and maintenance; and construction, which included specialty trade contractors like building finishing contractors, carpenters, and plumbers; both with 84 nonemployers in 2008. The next largest industry was retail trade – primarily nonstore retailers (like Avon or Mary Kay) – with 65 self-employed firms. Professional, scientific and technical services, which includes accounting, consulting, and computer services; and health care and social assistance – primarily child day care services – and each had just over 40 nonemployers. Transportation and warehousing – including truck transportation, both local and long-distance trucking – was the next largest and second-highest earning self-employing industry, with 32 firms and average annual sales of \$95,750. Six industries saw increases in the number of self-employed firms from 2002 to 2008, while just two industries saw declines. (See Table 13.)

**Agriculture Statistics**

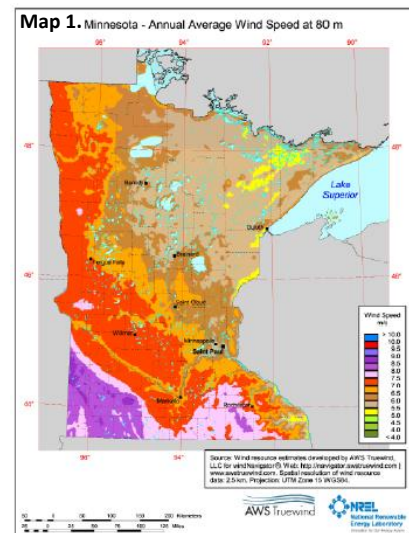
Another important industry for Lincoln County is agriculture, with 784 farms producing more than \$135 million in the market value of products sold in 2007, according to the U.S. Department of Agriculture. That placed Lincoln County 47<sup>th</sup> in the state of Minnesota, including 46<sup>th</sup> in the state for the value of crops and 43<sup>rd</sup> for the value of livestock. Lincoln County ranked 12<sup>th</sup> in the state for the livestock inventory of sheep and lambs, and 14<sup>th</sup> in the state for the value of sales from cattle and calves. Lincoln County also ranked 19<sup>th</sup> in the number of acres of wheat for grain and 23<sup>rd</sup> for the inventory of hogs and pigs in 2007.

Of the 784 farms in Lincoln County, 412 of them reported farming as their primary occupation (52.6%), and 97.4 percent were males. The average age of the principal operator on these farms was 56.3 years in 2007, a steady increase over time. The average net cash income per farm was \$50,344 in 2007, while less than one third (32.9%) of the farms in the county reported sales of more than \$100,000 in 2007. According to the 2007 U.S. Census of Agriculture, the trend in agriculture shows that farms are either getting smaller and producing niche products, or getting bigger and producing commodities.

**Wind Energy**

According to the American Wind Energy Association, “Minnesota has driven investment in the wind industry, becoming one of the largest markets for wind in the US. In addition, the state has been successful in attracting wind energy manufacturing and creating new jobs. Minnesota ranks fourth nationally for most installed wind capacity and added the fifth most new capacity in 2010.”<sup>1</sup> The state had 2,192 megawatts (MW) online at the end of 2010, after adding 396 MW in 2010. Minnesota also had 507 MW under construction, and as many as 20,010.6 MW worth of wind projects in queue, according to the American Wind Energy Association.

Lincoln County has the best availability of wind in the state, based on average annual wind speed. (See Map 1.) Through 2008, Lincoln County had nearly 20 percent of the state’s power capacity from wind farms; including four of the first ten wind power projects in the state and two of the ten largest wind farms in the state. Though the wind energy industry continues to change based on investments and the federal policy, the region will continue to be at the forefront of that change.



**Employers and Job Postings**

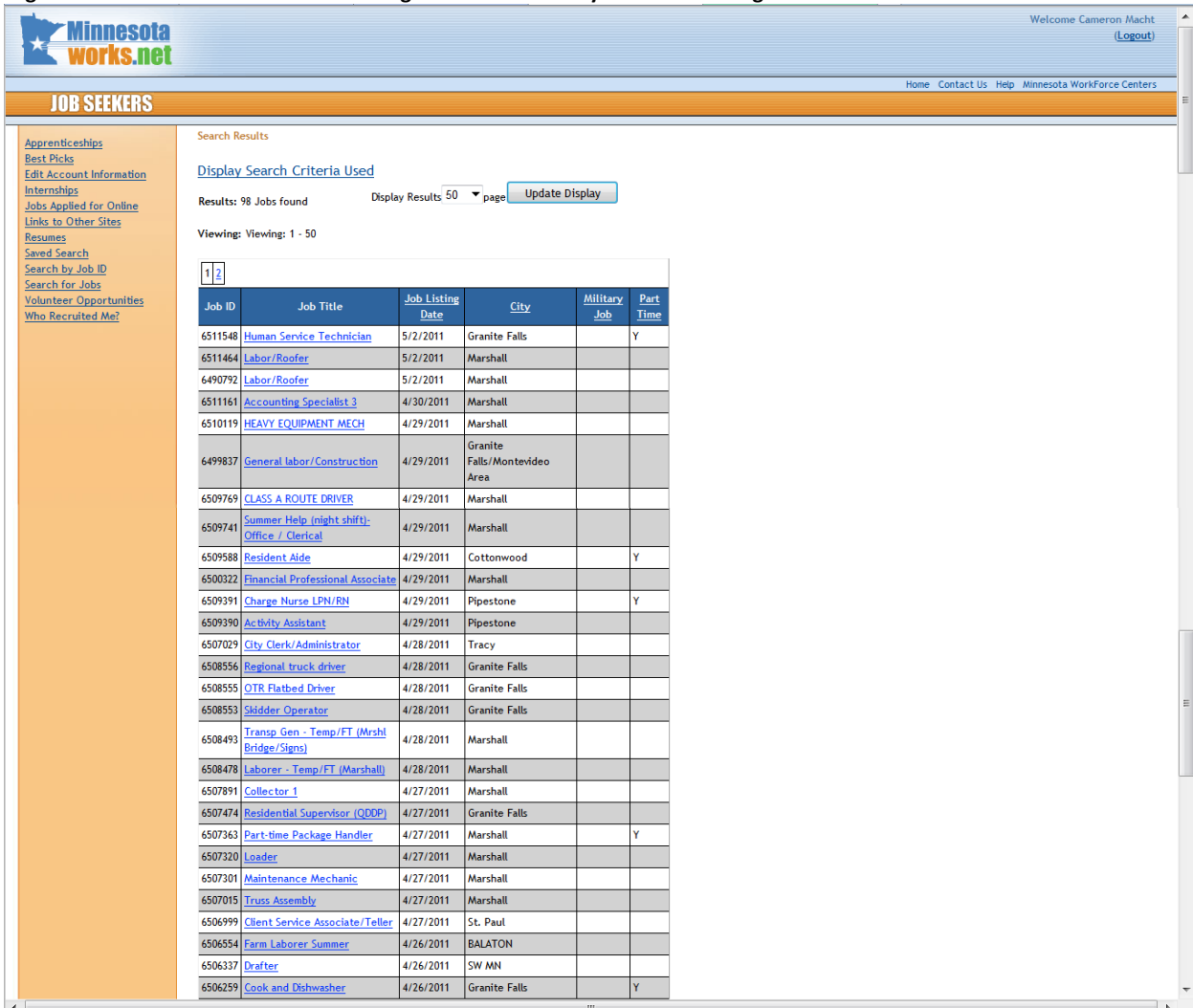
According to ReferenceUSA, the largest employers in Lincoln County are in health care, including the Hendricks Hospital and Nursing Home and Tyler Home Care and Ridgeview, both with 100 to 249 employees. Other large health care and social assistance employers include Sunrise Manor Nursing Home in Tyler, REM Tyler Inc., the Hendricks Clinic, and Tyler Healthcare Center-Avera. Tyler Wholesale Inc. in Tyler and Heartland Colony in Lake Benton both had between 20 and 99 employees, both focusing on food production and distribution. Other large employers include RTR Schools, Lincoln HI Schools, and Lake Benton Schools. Lincoln County has become a location for wind energy, and have locations for Vestas American Wind Technology in Tyler, Trico TCwind in Lake Benton, Community Wind North 3 in Lake Benton, and AES Alternative Energy in Lake Benton.

<sup>1</sup> Wind Energy Facts: Minnesota <http://www.awea.org/learnabout/publications/upload/4Q10-Minnesota.pdf>

Other important employers in Lincoln County includes restaurants like Main Street Co. Bar & Grill in Hendricks, Log Cabin Drive Inn in Tyler, and Kronborg Restaurant & Lounge in Tyler; government services like Tyler City Hall & Police Department, Lincoln County Government, Lyon-Lincoln Electric Co-op, local police departments and local highway maintenance departments; and wholesale and retail trade organizations like Veire BP Station & Mini Mart, Southwest Implement Inc., and N B Golf Cars Inc.

Through the first week of May, there were just 2 jobs listed on MinnesotaWorks.net by employers in Lincoln County. Actually, one of the job listings was located in Marshall, for mental health practitioners at Prairie Community Services. The other posting was for a meat cutter with Ivanhoe Foods in Ivanhoe, cutting meat, unloading trucks and stocking shelves. Expanding the job search to the surrounding counties where Lincoln County workers drive – including Lyon, Pipestone, and Yellow Medicine – yields 98 job postings. These jobs range from health care and social assistance to retail trade to manufacturing to finance to truck transportation. (See Figure 6.)

**Figure 6. MinnesotaWorks.net Job Postings for Lincoln County and Surrounding Counties**



The screenshot shows the MinnesotaWorks.net interface with search results for 98 jobs. The page includes a navigation menu on the left, search filters at the top, and a table of job listings. The table columns are Job ID, Job Title, Job Listing Date, City, Military Job, and Part Time.

Job ID	Job Title	Job Listing Date	City	Military Job	Part Time
6511548	Human Service Technician	5/2/2011	Granite Falls		Y
6511464	Labor/Roofers	5/2/2011	Marshall		
6490792	Labor/Roofers	5/2/2011	Marshall		
6511161	Accounting Specialist 3	4/30/2011	Marshall		
6510119	HEAVY EQUIPMENT MECH	4/29/2011	Marshall		
6499837	General labor/Construction	4/29/2011	Granite Falls/Monteideo Area		
6509769	CLASS A ROUTE DRIVER	4/29/2011	Marshall		
6509741	Summer Help (night shift)- Office / Clerical	4/29/2011	Marshall		
6509588	Resident Aide	4/29/2011	Cottonwood		Y
6500322	Financial Professional Associate	4/29/2011	Marshall		
6509391	Charge Nurse LPN/RN	4/29/2011	Pipestone		Y
6509390	Activity Assistant	4/29/2011	Pipestone		
6507029	City Clerk/Administrator	4/28/2011	Tracy		
6508556	Regional truck driver	4/28/2011	Granite Falls		
6508555	OTR Flatbed Driver	4/28/2011	Granite Falls		
6508553	Skidder Operator	4/28/2011	Granite Falls		
6508493	Transp Gen - Temp/FT (Mrshl Bridge/Signs)	4/28/2011	Marshall		
6508478	Laborer - Temp/FT (Marshall)	4/28/2011	Marshall		
6507891	Collector 1	4/27/2011	Marshall		
6507474	Residential Supervisor (QDDP)	4/27/2011	Granite Falls		
6507363	Part-time Package Handler	4/27/2011	Marshall		Y
6507320	Loader	4/27/2011	Marshall		
6507301	Maintenance Mechanic	4/27/2011	Marshall		
6507015	Truss Assembly	4/27/2011	Marshall		
6506999	Client Service Associate/Teller	4/27/2011	St. Paul		
6506554	Farm Laborer Summer	4/26/2011	BALATON		
6506337	Drafter	4/26/2011	SW MN		
6506259	Cook and Dishwasher	4/26/2011	Granite Falls		Y

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