

Six Disruptive Demographics That Will Change the U.S. & North Carolina Forever



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OVERVIEW

- Demographic Trends
- Challenges & Opportunities
- Keys to Maintaining & Enhancing Competitiveness
- Discussion

what CENSUS 2010 will REVEAL



February 2018

American Community Survey

Information Guide



U.S. Department of Commerce
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6 DISRUPTIVE TRENDS

- The South Rises – Again
- The Browning of America
- Marrying Out is “In”
- The Silver Tsunami is About to Hit
- The End of Men?
- Cooling Water from Grandma’s Well...
and Grandpa’s Too!

People on the Move

The South Rises—Again!

A map of the United States where the Southern states are highlighted in red, and the rest of the country is in gray. The red states include Texas, Oklahoma, Arkansas, Louisiana, Mississippi, Alabama, Georgia, South Carolina, North Carolina, Virginia, West Virginia, Kentucky, Tennessee, and Florida. The gray states include Washington, Oregon, California, Nevada, Idaho, Utah, Arizona, New Mexico, Colorado, Wyoming, Montana, North Dakota, South Dakota, Nebraska, Kansas, Minnesota, Iowa, Missouri, Illinois, Indiana, Michigan, Ohio, Pennsylvania, New York, Vermont, New Hampshire, Maine, Connecticut, Rhode Island, Massachusetts, New Jersey, Delaware, Maryland, and Washington D.C.

The South

Continues To Rise

...Again!

SOUTH'S SHARE OF U.S. NET POPULATION GROWTH, SELECTED YEARS, 1910-2016

| Years | U.S. Absolute Population Change | South's Absolute Population Change | South's Share of Change |
|--------------|--|---|------------------------------------|
| 1910-1930 | 30,974,129 | 8,468,303 | 27% |
| 1930-1950 | 28,123,138 | 9,339,455 | 33% |
| 1950-1970 | 51,886,128 | 15,598,279 | 30% |
| 1970-1990 | 45,497,947 | 22,650,563 | 50% |
| 1990-2010 | 60,035,665 | 29,104,814 | 49% |
| 2010-2016 | 14,381,975 | 7,763,830 | 54% |

U.S. POPULATION CHANGE BY REGION, 2000-2010

| Region | 2010 Population | Absolute Population Change, 2000-2010 | Percent Population Change, 2000-2010 |
|-----------|--------------------|--|---|
| U.S. | 309,050,816 | 26,884,972 | 9.5% |
| Northeast | 55,417,311 | 1,753,978 | 3.3% |
| Midwest | 66,972,887 | 2,480,998 | 3.0% |
| South | 114,555,744 | 14,318,924 | 14.3% |
| West | 72,256,183 | 8,774,852 | 13.8% |

SHARES OF NET POPULATION GROWTH BY REGION, 2000-2010

| Region | Absolute Population Change | Percent of Total |
|---------------|-------------------------------|------------------|
| UNITED STATES | 26,884,972 | 100.0 |
| NORTHEAST | 1,753,978 | 6.0 |
| MIDWEST | 2,480,998 | 9.0 |
| SOUTH | 14,318,924 | 53.0 |
| WEST | 8,774,852 | 32.0 |

NET MIGRATION TRENDS, 2000-2008

| | Northeast | Midwest | South | West |
|--------------|-----------|---------|--------|------|
| Total | -1,032 | -2,008 | +2,287 | +46 |
| Black | -346 | -71 | +376 | +41 |
| Hispanic | -292 | -109 | +520 | -117 |
| Elderly | -115 | +42 | +97 | -27 |
| Foreign born | -147 | -3 | +145 | +3 |



= Net Import



= Net Export

STATE SHARE OF SOUTH'S NET GROWTH, 2000-2010

| Region/State | Absolute Change | State's Share |
|-----------------------|-----------------|---------------|
| The South | 14,318,924 | 100.0% |
| Texas | 4,293,741 | 30.0% |
| Florida | 2,818,932 | 19.7% |
| Georgia | 1,501,200 | 10.5% |
| North Carolina | 1,486,170 | 10.4% |
| Other Southern States | 4,218,881 | 29.4% |

GROSS AND NET MIGRATION FOR THE SOUTH, 2004-2010

The Region

| Years | Domestic | | | Foreign | | |
|-----------|-----------|-----------|---------|---------|---------|---------|
| | In | Out | Net | In | Out | Net |
| 2004-2007 | 4,125,096 | 3,470,431 | 654,665 | 268,619 | 132,382 | 136,237 |
| 2007-2010 | 3,874,414 | 3,477,899 | 396,525 | 232,501 | 132,201 | 100,300 |

Florida

| Years | Domestic | | | Foreign | | |
|-----------|----------|---------|---------|---------|--------|--------|
| | In | Out | Net | In | Out | Net |
| 2004-2007 | 812,053 | 630,051 | 182,002 | 41,745 | 24,108 | 17,637 |
| 2007-2010 | 654,931 | 668,087 | -13,156 | 33,095 | 32,094 | 1,001 |

U.S. POPULATION CHANGE BY REGION, 2010-2016

| Region | 2016 Population | Absolute Population Change, 2010-2016 | Percent Population Change, 2010-2016 |
|-----------|--------------------|--|---|
| U.S. | 323,127,513 | 14,381,975 | 4.7% |
| Northeast | 56,209,510 | 892,264 | 1.6% |
| Midwest | 67,941,429 | 1,014,428 | 1.5% |
| South | 122,319,574 | 7,763,830 | 6.8% |
| West | 76,657,000 | 4,711,947 | 6.5% |

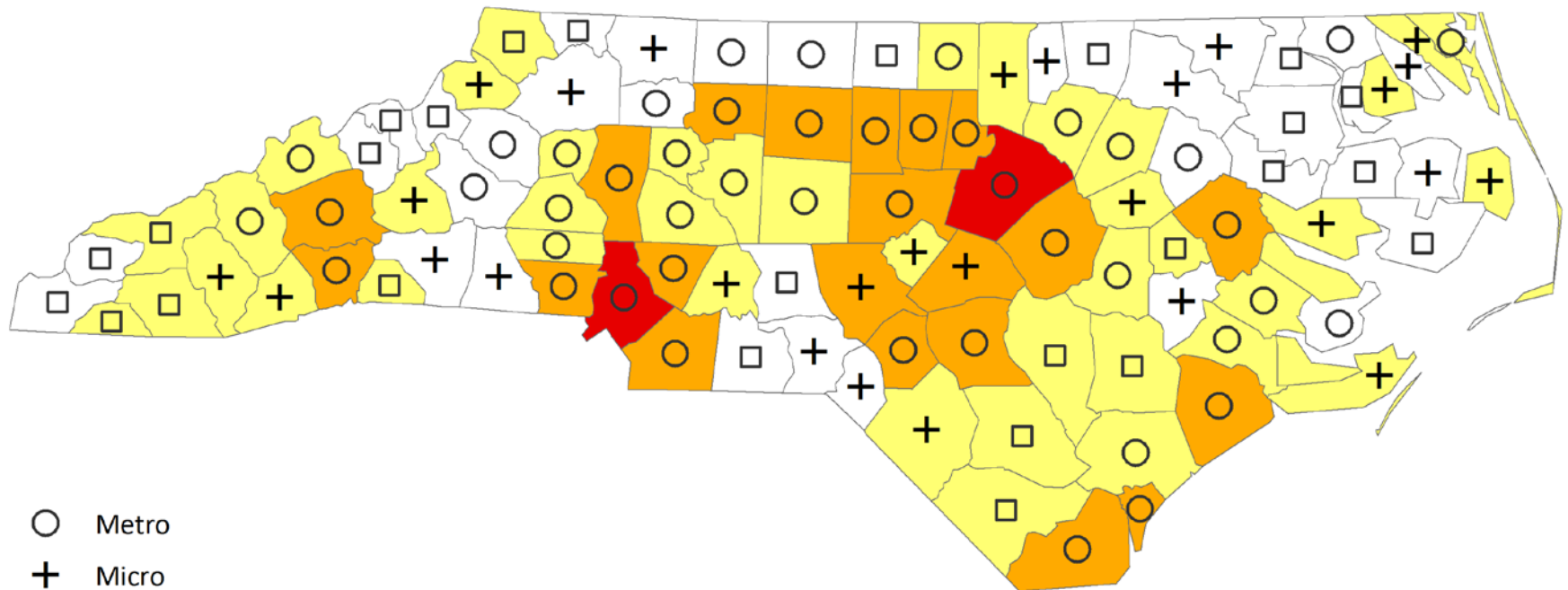
SHARES OF NET POPULATION GROWTH BY REGION, 2010-2016

| Region | Absolute Population Change | Percent of Total |
|---------------|----------------------------------|------------------|
| UNITED STATES | 14,381,975 | 100.0 |
| NORTHEAST | 892,264 | 6.2 |
| MIDWEST | 1,014,428 | 7.1 |
| SOUTH | 7,763,830 | 54.0 |
| WEST | 4,711,447 | 32.7 |

STATE SHARES OF SOUTH'S NET GROWTH, 2010-2016

| Region/State | Absolute Change | State's Share |
|-----------------------|-----------------|---------------|
| The South | 7,763,830 | 100.0% |
| Texas | 2,717,035 | 35.0% |
| Florida | 1,811,129 | 23.3% |
| Georgia | 622,718 | 8.0% |
| North Carolina | 611,305 | 7.9% |
| Virginia | 410,784 | 5.3% |
| Other Southern States | 1,590,859 | 20.5% |

Shares of Total Net Growth, NC, 2010-2015



○ Metro

+ Micro

□ Rural

Primary Magnet (18% - 22%)

Secondary Magnet (1.01% - 6%)

Tertiary Magnet (0.01% - 1%)

Population Decline (-.33% - 0%)

A map of North Carolina showing its counties, each colored according to its population change category. The legend indicates six categories: Balance Growth (white), Natural Growth (lightest blue), Migration Magnet (light blue), Emptying Out (medium blue), Biologically Declining (dark purple), and Dying (darkest purple).

Legend:

- Balance Growth
- Natural Growth
- Migration Magnet
- Emptying Out
- Biologically Declining
- Dying

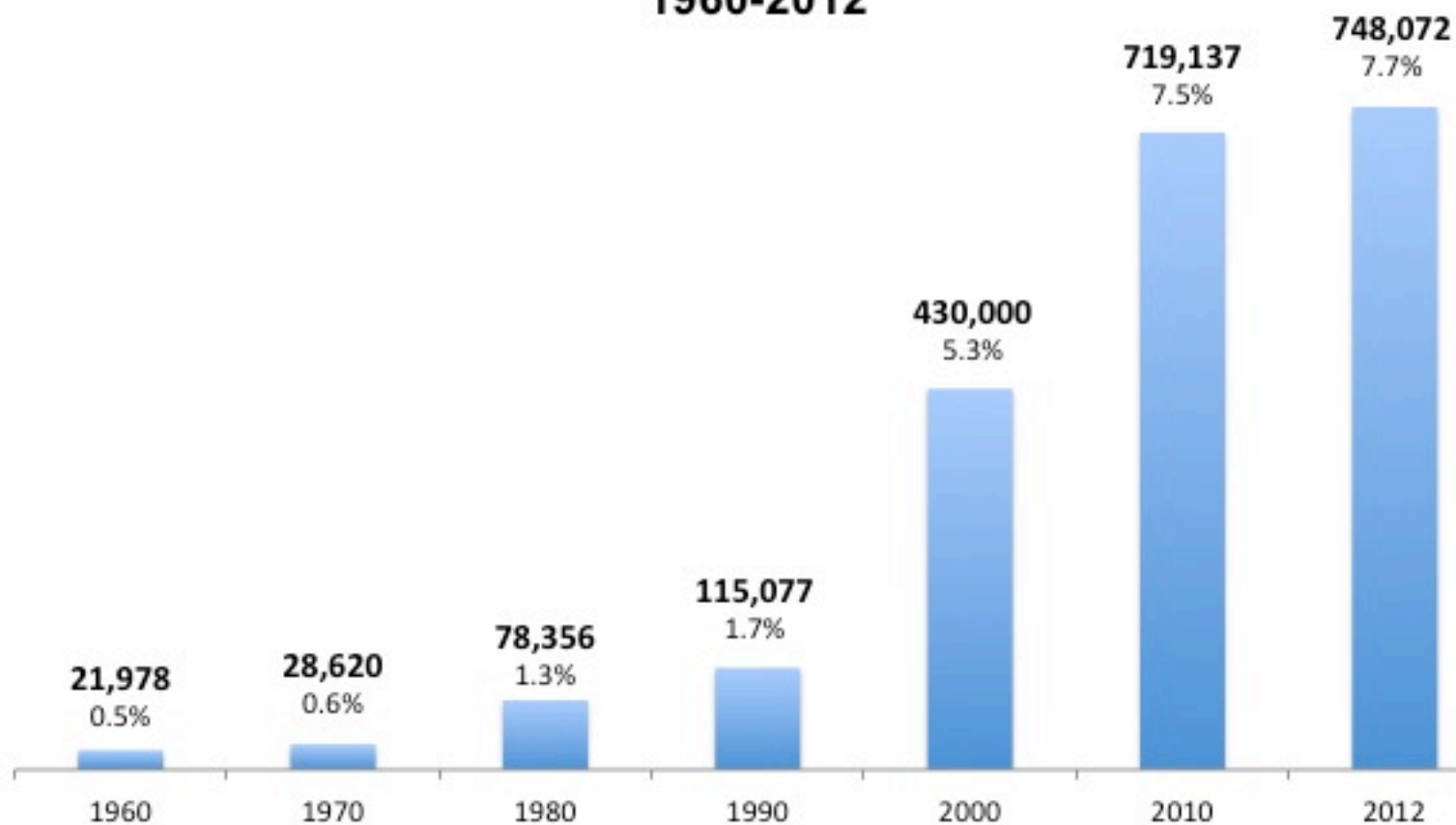
County Data:

| County | Category |
|--------------|------------------------|
| Ashe | Biologically Declining |
| Alleghany | Biologically Declining |
| Surry | Biologically Declining |
| Stokes | Biologically Declining |
| Rockingham | Biologically Declining |
| Caswell | Biologically Declining |
| Person | Biologically Declining |
| Granville | Biologically Declining |
| Vance | Emptying Out |
| Warren | Emptying Out |
| Northampton | Biologically Declining |
| Gates | Biologically Declining |
| Camden | Emptying Out |
| Currituck | Emptying Out |
| Watauga | Biologically Declining |
| Wilkes | Biologically Declining |
| Yadkin | Biologically Declining |
| Forsyth | Balance Growth |
| Guilford | Balance Growth |
| Orange | Balance Growth |
| Durham | Balance Growth |
| Franklin | Emptying Out |
| Nash | Emptying Out |
| Edgecombe | Emptying Out |
| Halifax | Biologically Declining |
| Hertford | Biologically Declining |
| Bertie | Biologically Declining |
| Perquimans | Biologically Declining |
| Crowder | Biologically Declining |
| Pasquotank | Emptying Out |
| Washington | Emptying Out |
| Tyrrell | Emptying Out |
| Dare | Emptying Out |
| Madison | Migration Magnet |
| Yancey | Biologically Declining |
| Mitchell | Biologically Declining |
| Avery | Biologically Declining |
| Caldwell | Biologically Declining |
| Alexander | Balance Growth |
| Iredell | Balance Growth |
| Davie | Balance Growth |
| Davidson | Balance Growth |
| Alamance | Balance Growth |
| Randolph | Balance Growth |
| Chatham | Emptying Out |
| Wake | Balance Growth |
| Johnston | Balance Growth |
| Lee | Emptying Out |
| Moore | Emptying Out |
| Harnett | Balance Growth |
| Wayne | Emptying Out |
| Greene | Emptying Out |
| Pitt | Balance Growth |
| Beaufort | Biologically Declining |
| Martin | Biologically Declining |
| Washington | Emptying Out |
| Hyde | Biologically Declining |
| Graham | Biologically Declining |
| Swain | Balance Growth |
| Haywood | Migration Magnet |
| Buncombe | Migration Magnet |
| McDowell | Biologically Declining |
| Burke | Biologically Declining |
| Catawba | Balance Growth |
| Lincoln | Balance Growth |
| Rutherford | Biologically Declining |
| Polk | Biologically Declining |
| Cleveland | Biologically Declining |
| Gaston | Balance Growth |
| Mecklenburg | Balance Growth |
| Cabarrus | Balance Growth |
| Stanly | Emptying Out |
| Montgomery | Emptying Out |
| Richmond | Biologically Declining |
| Anson | Emptying Out |
| Scotland | Emptying Out |
| Hoke | Emptying Out |
| Cumberland | Emptying Out |
| Sampson | Emptying Out |
| Duplin | Emptying Out |
| Onslow | Emptying Out |
| Carteret | Emptying Out |
| Pamlico | Biologically Declining |
| Craven | Biologically Declining |
| Jones | Biologically Declining |
| Lenoir | Biologically Declining |
| Wayne | Emptying Out |
| Bladen | Biologically Declining |
| Columbus | Biologically Declining |
| Robeson | Emptying Out |
| Scotland | Emptying Out |
| Union | Balance Growth |
| Mecklenburg | Balance Growth |
| Clay | Migration Magnet |
| Macon | Migration Magnet |
| Jackson | Migration Magnet |
| Transylvania | Migration Magnet |
| Henderson | Migration Magnet |
| Polk | Biologically Declining |
| Cleveland | Biologically Declining |
| Gaston | Balance Growth |
| Mecklenburg | Balance Growth |
| Cabarrus | Balance Growth |
| Stanly | Emptying Out |
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| Mecklenburg | Balance Growth |
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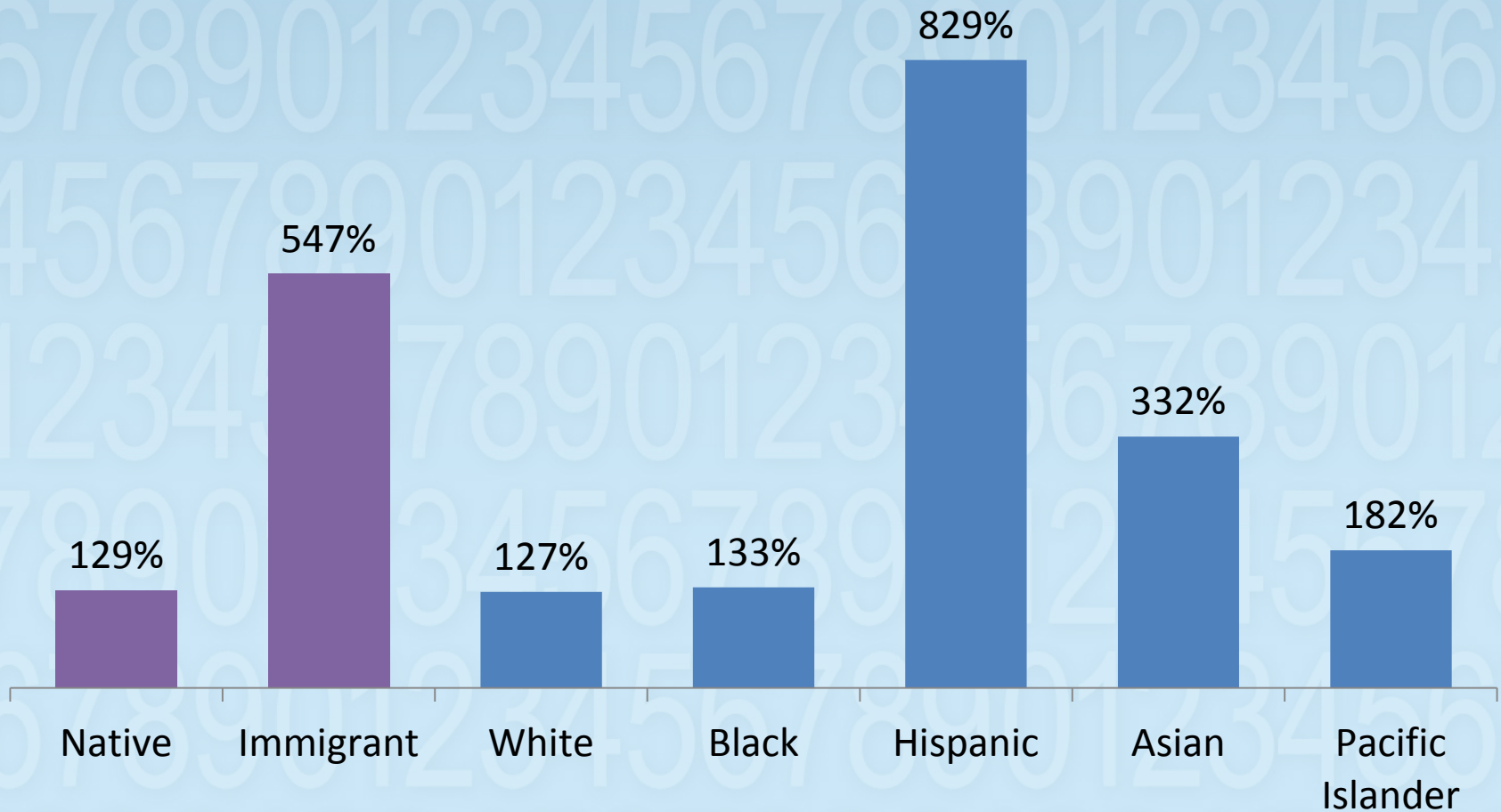
Absolute and Percent Population Change, 2000-2010

| Area | 2010 Population | Absolute Change 2000-2010 | Percent Change 2000-2010 |
|----------------|-----------------|---------------------------|--------------------------|
| U.S. | 308,745,538 | 27,323,632 | 9.7% |
| South | 114,555,744 | 14,318,924 | 14.3% |
| North Carolina | 9,335,483 | 1,46,120 | 18.5% |
| Durham County | 267,587 | 44,282 | 19.8% |

North Carolina Foreign Born Population Growth, 1960-2012



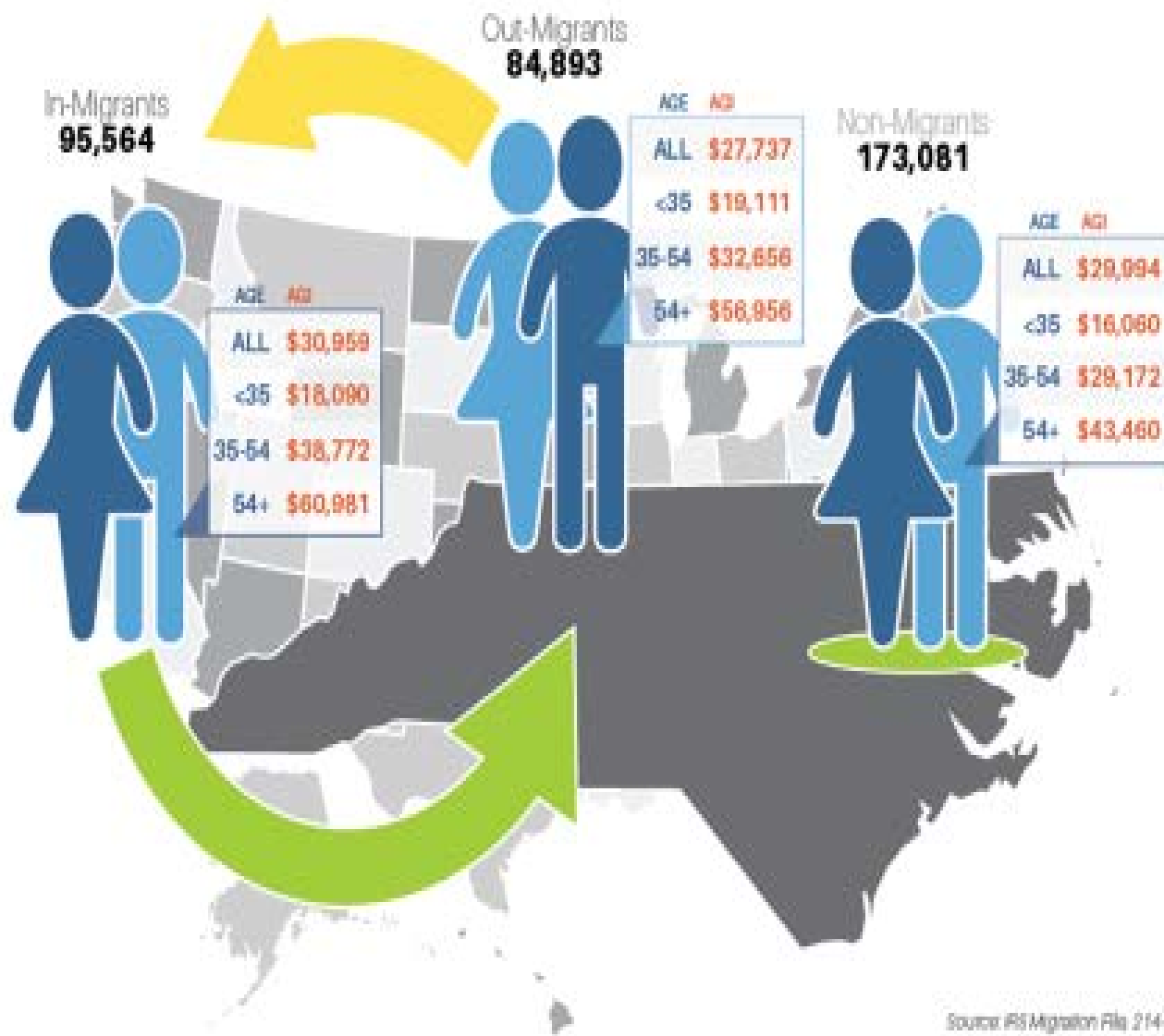
NORTH CAROLINA POPULATION GROWTH BY NATIVITY, RACE, AND ETHNICITY, 1990-2007



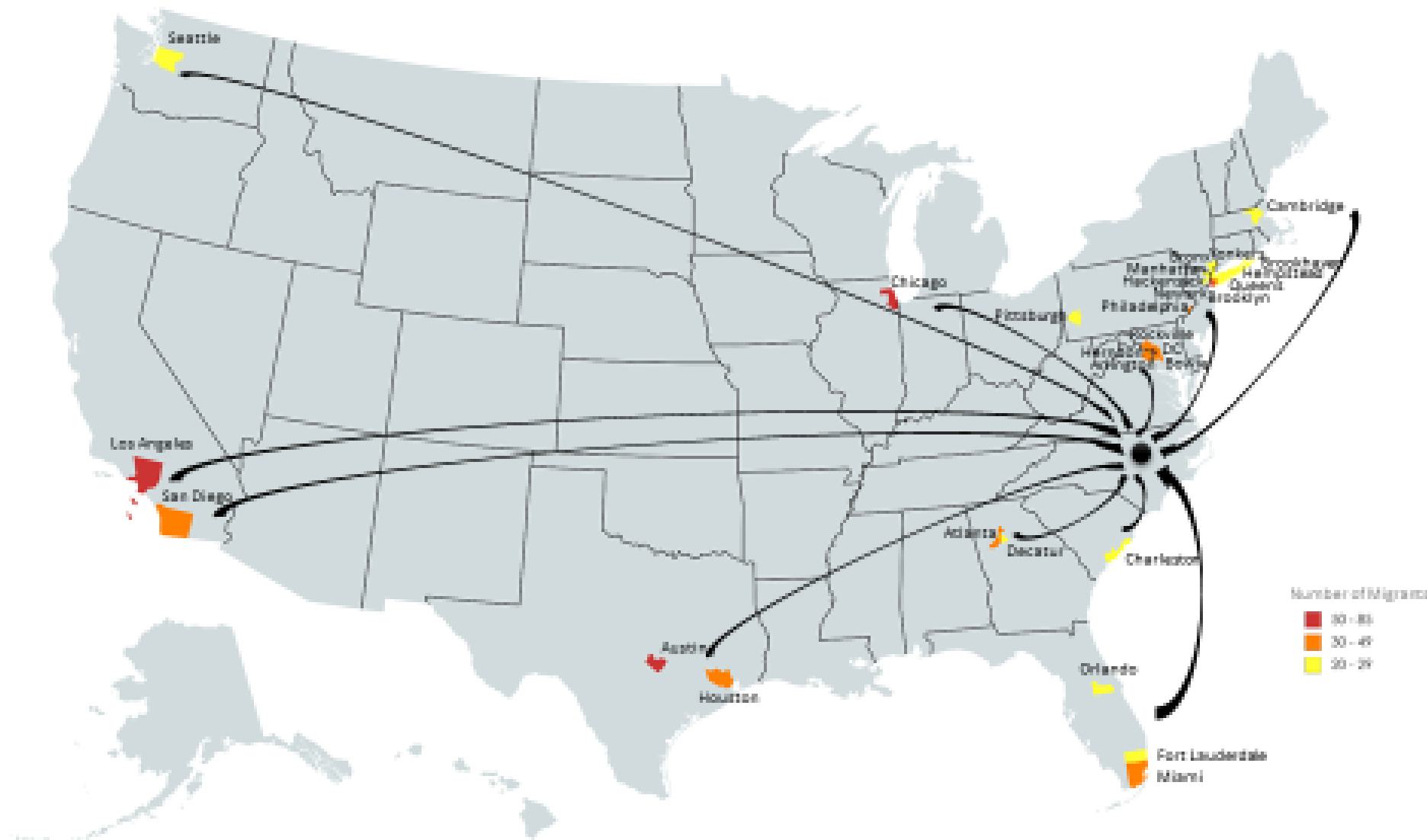
Absolute and Percent Population Change, 2010-2016

| Area | 2016 Population | Absolute Change 2010-2016 | Percent Change 2010-2016 |
|----------------|-----------------|---------------------------|--------------------------|
| U.S. | 323,127,513 | 14,381,975 | 4.7% |
| South | 122,319,574 | 7,763,830 | 6.8% |
| North Carolina | 10,146,788 | 611,305 | 6.4% |
| Durham County | 294,618 | 27,031 | 10.1% |

Per Capita Adjusted Gross Income (AGI) of North Carolina In-Migrants, Out-Migrants and Non-Migrants by Age, 2014-2015

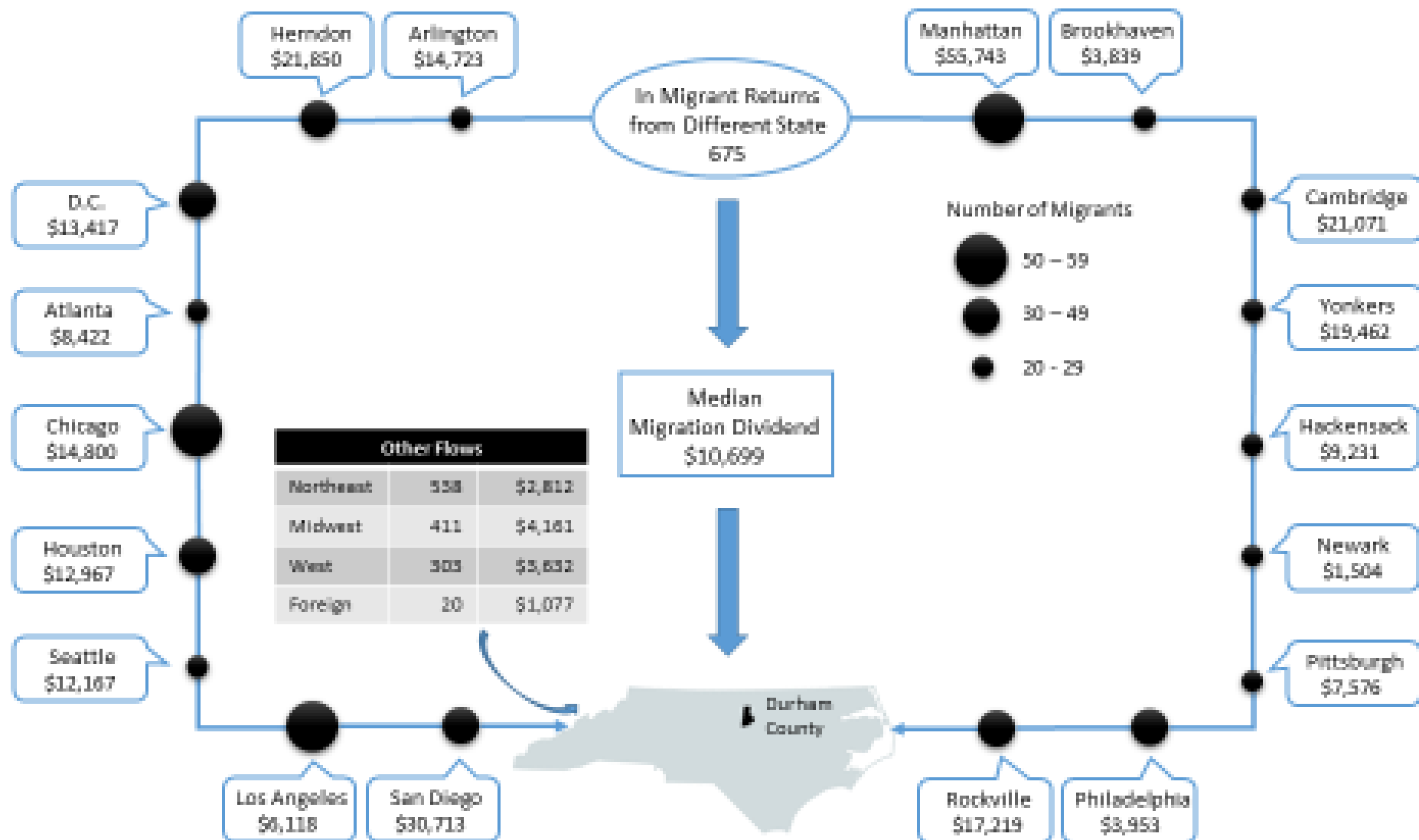


Durham County, NC In Migration Fields, 2014-2015



Source: IRS Migration File

Geographic Origins of Migration Dividends Durham County, NC, 2014-2015*



*Compared to Non-migrant Per Capita AGI (\$32,333) in 2013.

**Two 'colorful' demographic
processes are drivers of change**

Browning & Graying of America

The “Browning” of America

Immigration-driven population
change

Legal Immigration to United States

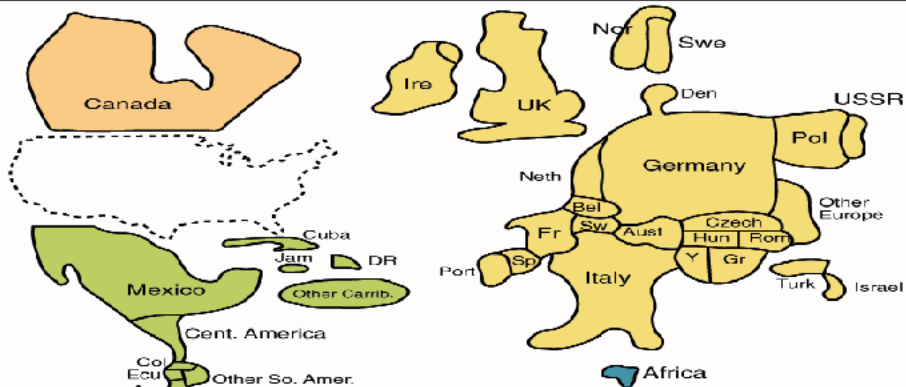
1921-1960

40 years

Area Proportional to
Number of Immigrants

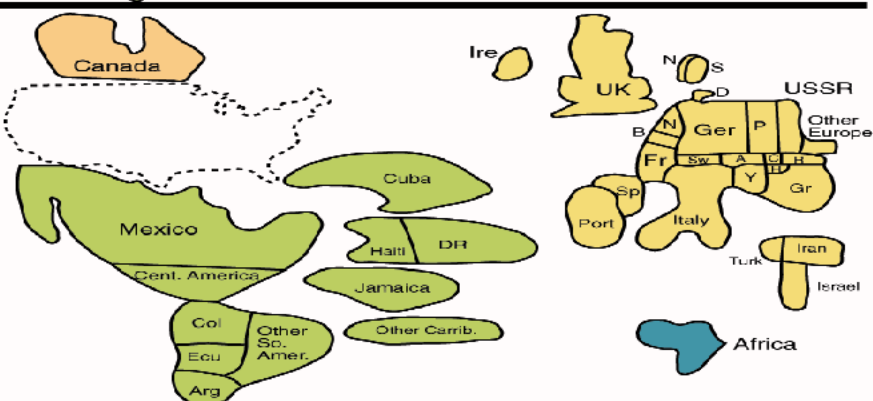
■ 10,000

□ 100,000



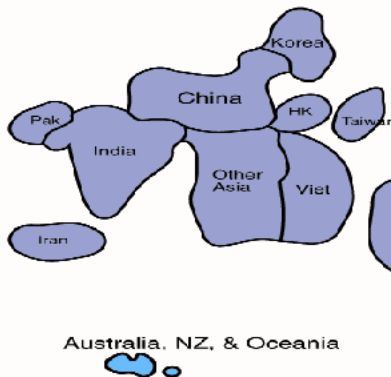
1961-1986

16 years



1987-1998

12 years



Canada

11,477,016
Immigrants to U.S.

11,477,016
Immigrants to U.S.

11,477,016
Immigrants to U.S.

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Immigrants to U.S.

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Immigrants to U.S.

The Numbers

Legal Immigrants

| Year | Annual Flow |
|-----------|-------------|
| 1920-1961 | 206,000 |
| 1961-1992 | 561,000 |
| 1993-1998 | 800,654 |
| 1999-2004 | 879,400 |
| 2005-2008 | 1,137,000 |
| 2009-2012 | 1,067,000 |

Refugees, Parolees, Asylees

| Year | Annual Flow |
|-----------|-------------|
| 1961-1993 | 65,000 |
| 1994-1998 | 107,000 |
| 1999-2004 | 85,500 |
| 2005-2008 | 75,000 |
| 2009-2012 | 92,500 |

The Numbers Cont'd

• Illegal Immigrants

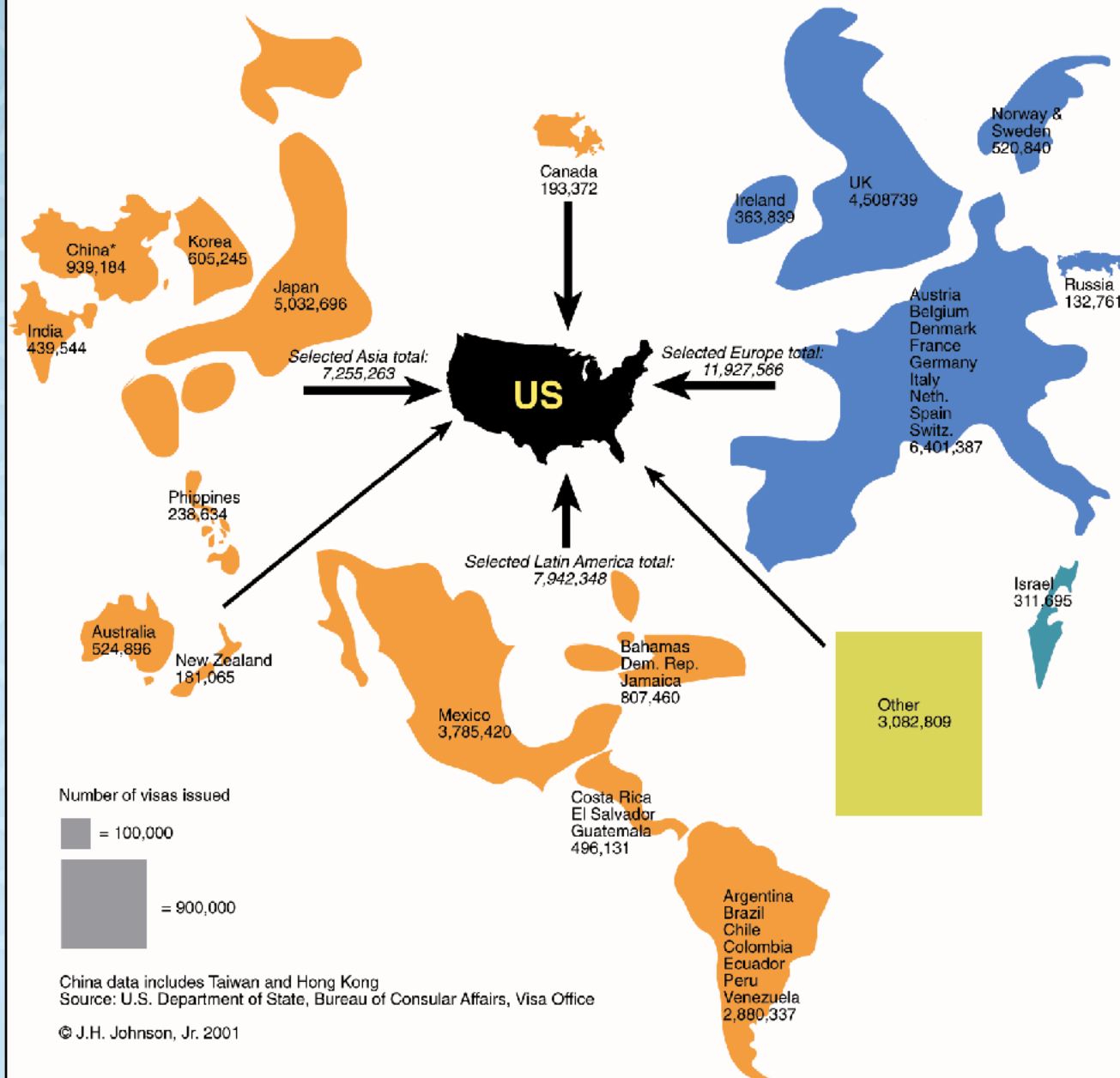
- 300,000 to 400,000 annually over the past two decades
- Three million granted amnesty in 1986
- 2.7 million illegal immigrants remained after 1986 reforms
- October 1996: INS estimated there were 5 million illegal immigrants in U.S.
- Since August 2005: Estimates of illegal population have ranged between 7 million and 15 million
- Today: An estimated 11.0 million unauthorized immigrants reside in U.S.

NON-IMMIGRANTS ADMITTED TO UNITED STATES, SELECTED YEARS, 1981-2011

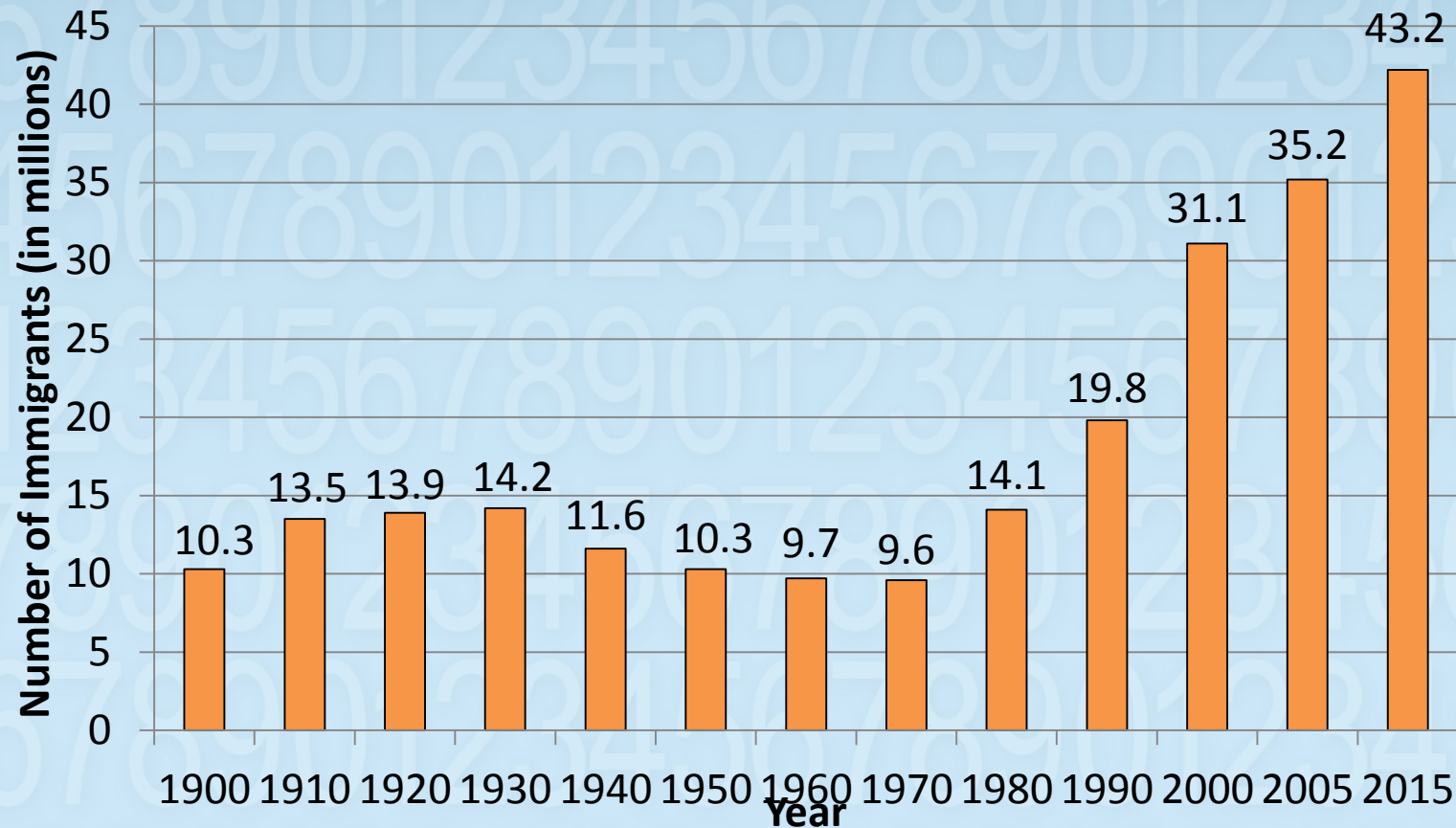
| Year | All Classes | Exchange Visitors | Academic & Vocational Students |
|------|-------------|-------------------|--------------------------------|
| 1981 | 11,756,903 | 108,023 (1%) | 271,861 (2%) |
| 1985 | 9,539,880 | 141,213 (1%) | 285,496 (3%) |
| 1990 | 17,574,055 | 214,644 (1%) | 355,207 (2%) |
| 1995 | 22,640,540 | 241,364 (1%) | 395,480 (2%) |
| 2000 | 33,690,082 | 351,743 (1%) | 699,953 (2%) |
| 2001 | 32,824,088 | 389,435 (1%) | 741,921 (2%) |
| 2002 | 27,907,139 | 370,176 (1%) | 687,506 (2%) |
| 2008 | 39,381,928 | 506,138 (1%) | 917,373 (2%) |
| 2011 | 53,082,286 | 526,931 (1%) | 1,702,730 (3%) |

Non-Immigrants Arriving in United States by County of Citizenship, 1999

(Issuance of Non-residence visas, fiscal year 1999)



U.S. Immigrant Population, 1900-2015



U.S. Foreign Born Population by Race/Ethnicity, 2014

| Race/Ethnicity | Foreign Population | Share of Total (%) |
|---------------------------|--------------------|--------------------|
| Total | 42,235,749 | 100.0 |
| Hispanic | 19,300,947 | 45.7 |
| White Alone, not Hispanic | 7,655,008 | 18.1 |
| Black Alone, not Hispanic | 3,377,733 | 8.0 |
| Asian Alone, not Hispanic | 11,036,059 | 26.1 |
| Other Alone, not Hispanic | 866,002 | 2.1 |

U.S. POPULATION CHANGE BY RACE & ETHNICITY, 2000-2010

| Race | 2010 Population | Absolute Change 2000 – 2010 | Percentage Change 2000 - 2010 |
|-----------------|-----------------|--------------------------------|-------------------------------------|
| Total | 308,745,538 | 27,323,632 | 9.7% |
| Non-Hispanic | 258,267,944 | 12,151,856 | 4.9% |
| White | 196,817,552 | 2,264,778 | 1.2% |
| Black | 37,685,848 | 3,738,011 | 11.0% |
| AI/AN | 2,247,098 | 178,215 | 8.6% |
| Asian | 14,465,124 | 4,341,955 | 42.9% |
| NH/PI | 481,576 | 128,067 | 36.2% |
| 2 or More Races | 5,966,481 | 1,364,335 | 29.6% |
| Hispanic | 50,477,594 | 15,171,776 | 43.0% |

NON-WHITE AND HISPANIC SHARES OF POPULATION GROWTH, 2000-2010

| Area | Absolute Population Change | Non-White Share | Hispanic Share |
|----------------|----------------------------------|--------------------|-------------------|
| US | 27,323,632 | 91.7 | 55.5 |
| South | 14,318,924 | 79.6 | 46.4 |
| Texas | 4,293,741 | 89.2 | 65.0 |
| Florida | 2,818,932 | 84.9 | 54.7 |
| Georgia | 1,501,206 | 81.0 | 27.9 |
| North Carolina | 1,486,170 | 61.2 | 28.3 |
| Durham County | 44,282 | 88.0 | 43.0 |

NON-WHITE AND HISPANIC SHARES OF POPULATION GROWTH, 2010-2016

| Area | Absolute Population Change | Non-White Share | Hispanic Share |
|---------------|----------------------------------|--------------------|-------------------|
| US | 14,381,975 | 92.1 | 51.1 |
| South | 6,502,887 | 81.9 | 43.3* |
| Texas | 3,550,705 | 82.8 | 55.7 |
| Florida | 2,100,819 | 81.7 | 54.1 |
| Georgia | 841,556 | 85.3 | 21.9 |
| NC | 875,410 | 64.1 | 24.0 |
| VA | 357,206 | 82.8 | 33.4 |
| Durham County | 27,039 | 58.8 | 11.8 |

Percent Change in Population, Durham County, 2000-2016

| Race/Ethnicity | 2000-2010 | 2010-2016 | 2000-2016 |
|---------------------|-----------|-----------|-----------|
| All | 19.8 | 10.1 | 31.9 |
| White, Non-Hispanic | 5.0 | 9.9 | 15.3 |
| Black, Non-Hispanic | 16.0 | 7.2 | 24.4 |
| Hispanic | 111.7 | 8.8 | 130.4 |

MEDIAN AGE OF U.S. POPULATION BY RACE, HISPANIC ORIGIN & GENDER, 2014

| Race | Total | Male | Female |
|---------------------|-------|------|--------|
| United States | 37.7 | 36.3 | 39.0 |
| White Alone | 40.4 | 39.0 | 39.6 |
| White, Non-Hispanic | 43.1 | 41.7 | 41.8 |
| Black Alone | 33.4 | 31.6 | 35.1 |
| AI/AN Alone | 32.5 | 31.1 | 33.6 |
| Asian Alone | 36.5 | 35.3 | 37.7 |
| NH/PI Alone | 30.8 | 30.3 | 31.6 |
| Two or More Races | 19.6 | 19.1 | 20.2 |
| Hispanic | 28.4 | 27.9 | 29.1 |

Median Age and Fertility Rates for Females in Durham County, 2011-2016

| Demographic Group | Median Age | Fertility/1000 women* |
|------------------------------------|------------|-----------------------|
| All Females | 35.6 | 52 |
| White, Not Hispanic | 41.3 | 49 |
| Black | 35.4 | 54 |
| American Indian & Alaskan Native | 38.6 | 62 |
| Asian | 31.6 | 53 |
| Native Hawaiian & Pacific Islander | 29.2 | 67 |
| Some other race | 27.5 | 61 |
| Two or more races | 18.8 | 53 |
| Hispanic | 24.9 | 61 |
| Native Born | 35.3 | 50 |
| Foreign Born | 36.3 | 63 |

Source: www.census.gov

*Women 15 to 50 with births in past
12 months.

RELATIVE DISTRIBUTION OF U.S. BIRTHS BY RACE / ETHNICITY

| Race/Ethnicity | 1990 | 2008 | 2011 |
|----------------|------|------|-------|
| White | 66% | 50% | 49.6% |
| Blacks | 17% | 16% | 15.0% |
| Hispanics | 15% | 26% | 26.0% |
| Other | 2% | 8% | 9.4% |

Source: Johnson and Lichter (2010); Tavernise (2011).

RELATIVE DISTRIBUTION OF U.S. POPULATION BY RACE / ETHNICITY

| Race/Ethnicity | 2005 | 2050 |
|----------------|-------|------|
| White | 67% | 47% |
| Blacks | 12.8% | 13% |
| Hispanics | 14% | 29% |
| Asian | 5% | 9% |

Source: Pew Research Center, 2008 *projected.

The “Graying” of America

The Silver Tsunami is about to hit

Key Drivers

- **Changes in Longevity**
- **Declining Fertility**
- **Aging of Boomer Cohort**

U.S. LIFE EXPECTANCY AT BIRTH

| YEAR | AGE |
|-------------|--------------|
| 1900 | 47.3 |
| 1930 | 59.7 |
| 1960 | 69.7 |
| 1997 | 76.5 |
| 2007 | 77.9 |
| 2010 | 78.3 |
| 2030 | 101.0 |

Centenarians in the U.S.

| Year | Number |
|------|---------|
| 1950 | 2,300 |
| 2010 | 79,000 |
| 2050 | 601,000 |

COMPLETED FERTILITY FOR WOMEN 40 - 44 YEARS OLD

| Year | Percent Childless | Avg. Number of Children | Percent Higher Order Births* |
|------|----------------------|-------------------------------|---------------------------------------|
| 2006 | 20 | 1.9 | 28 |
| 1976 | 10 | 3.1 | 59 |

*Three or more Children

TOTAL FERTILITY RATES FOR U.S. WOMEN BY RACE/ETHNICITY, 2012

| Race/Ethnicity | Total Fertility Rate |
|--------------------|----------------------|
| All Races | 1.88 |
| Hispanic | 2.18 |
| Non-Hispanic White | 1.76 |
| Blacks | 1.90 |
| Asian | 1.77 |
| Native American | 1.35 |

U.S. POPULATION CHANGE BY AGE, 2000-2010

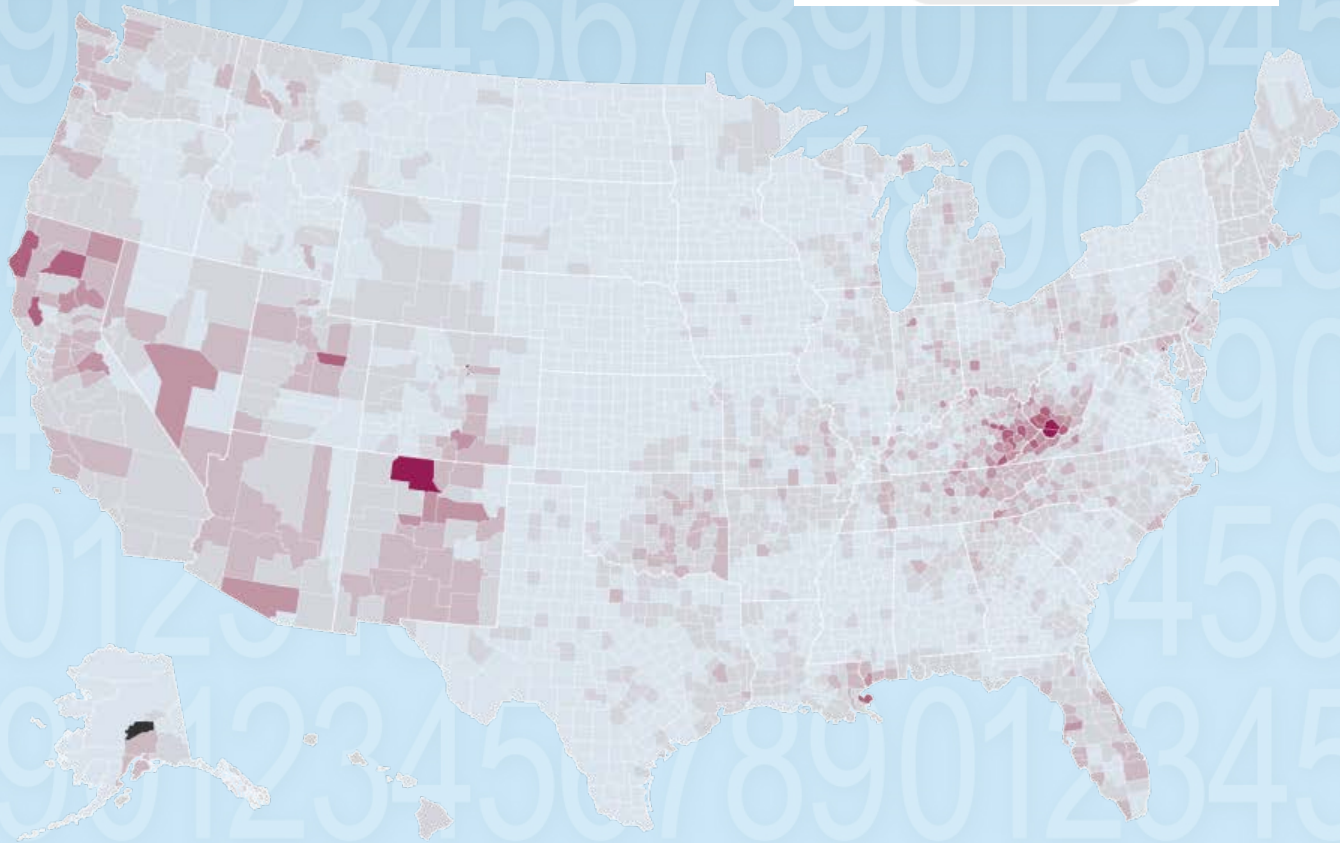
| Age | 2010 | Absolute Change 2000 - 2010 | Percentage Change 2000 - 2010 |
|-------|-------------|-----------------------------------|-------------------------------------|
| <25 | 104,853,555 | 5,416,289 | 5.4% |
| 25-44 | 82,134,554 | -2,905,697 | -3.4% |
| 45-64 | 81,489,445 | 19,536,809 | 31.5% |
| 65+ | 40,267,984 | 5,276,231 | 15.1% |
| TOTAL | 308,745,538 | 27,323,632 | 9.7% |

The Drug Overdose Crisis in 1999

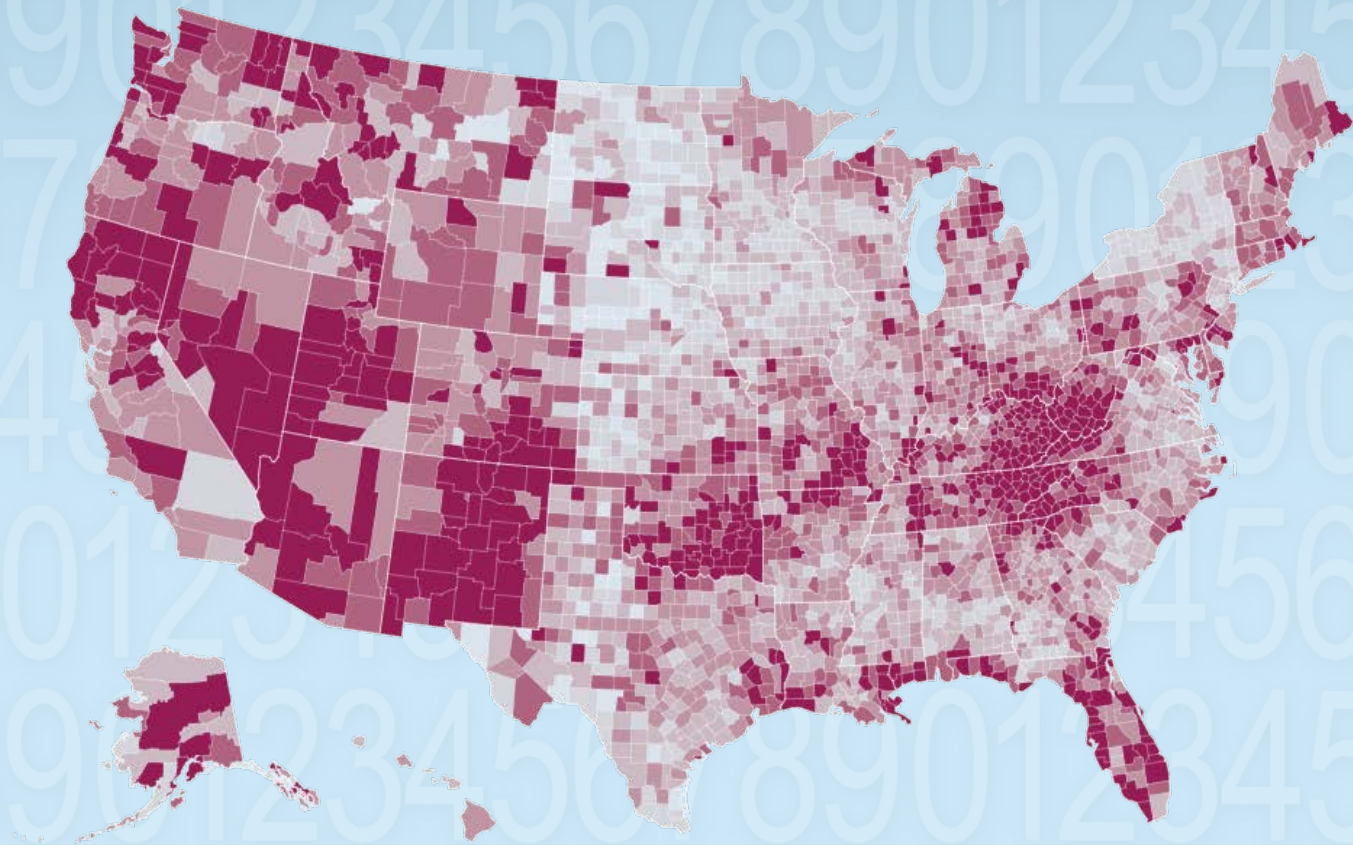
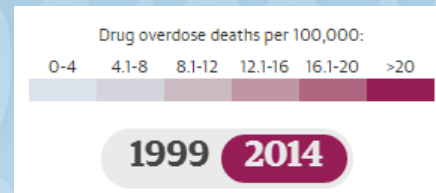
Drug overdose deaths per 100,000:

0-4 4.1-8 8.1-12 12.1-16 16.1-20 >20

1999 2014



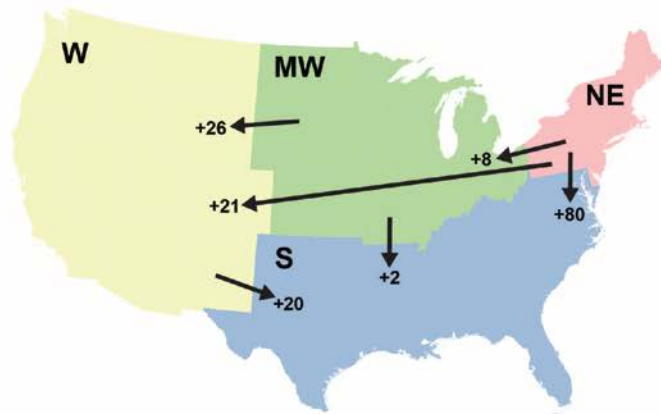
The Drug Overdose Crisis in 2014



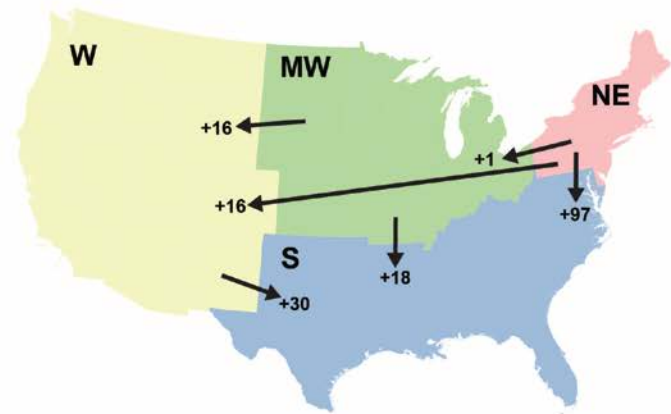
U.S. POPULATION TURNING 50, 55, 62, AND 65 YEARS OF AGE, (2007-2015)

| | Age 50 | Age 55 | Age 62 | Age 65 |
|-----------------------|-----------|-----------|-----------|-----------|
| Average Number/Day | 12,344 | 11,541 | 9,221 | 8,032 |
| Average Number/Minute | 8.6 | 8.0 | 6.4 | 5.6 |

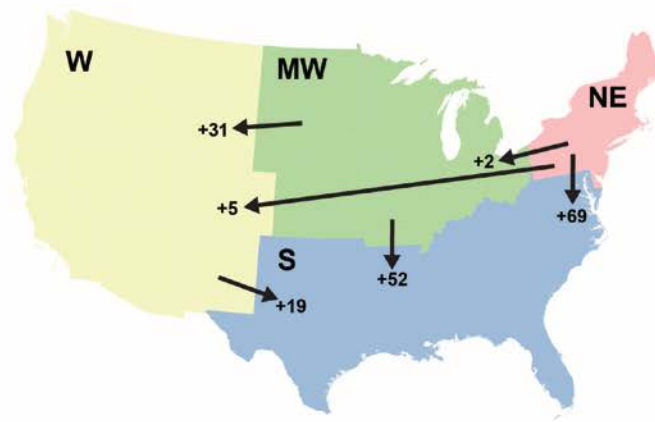
Net Regional Migration Flows of Elderly Populations



2000-2005

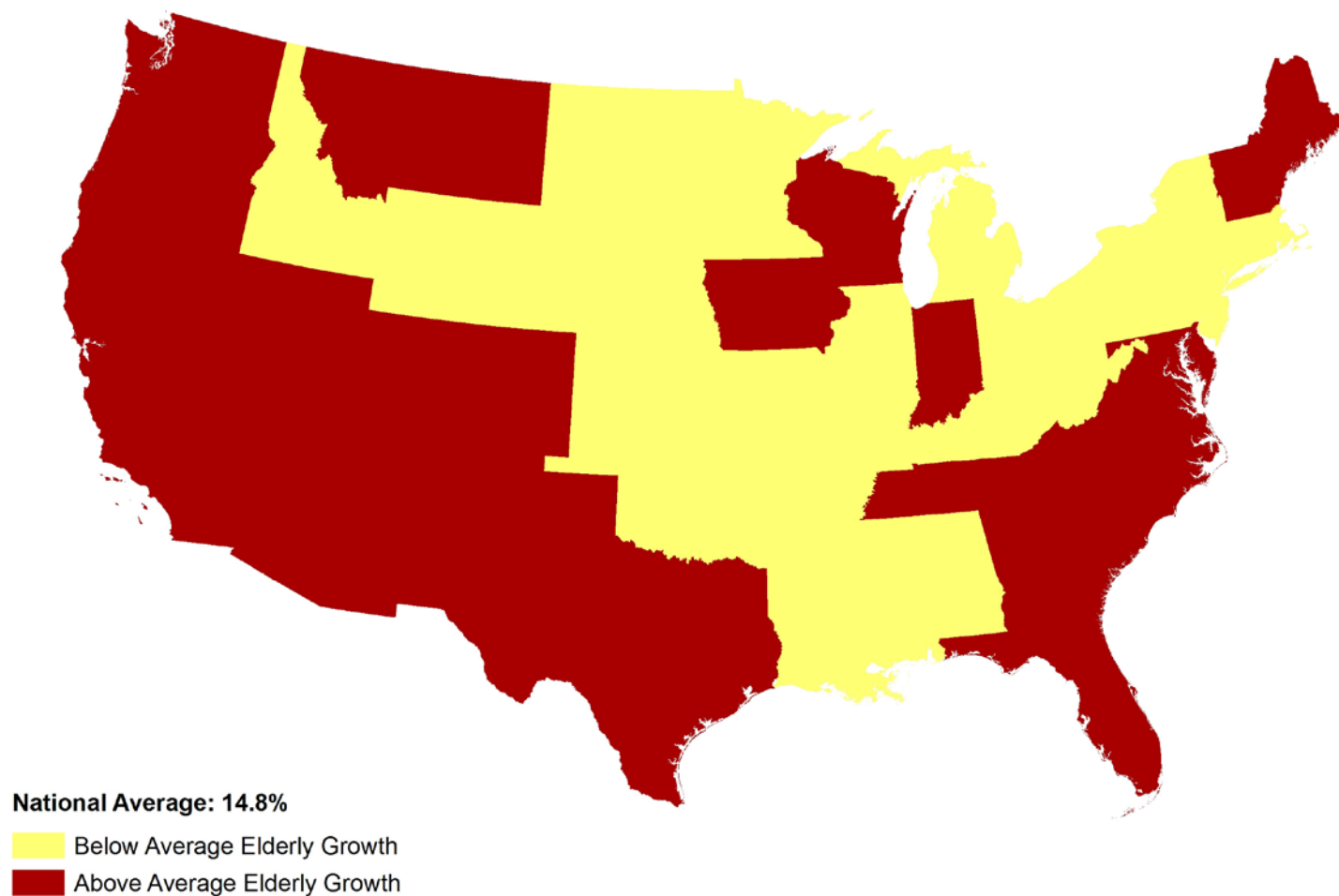


2005-2010



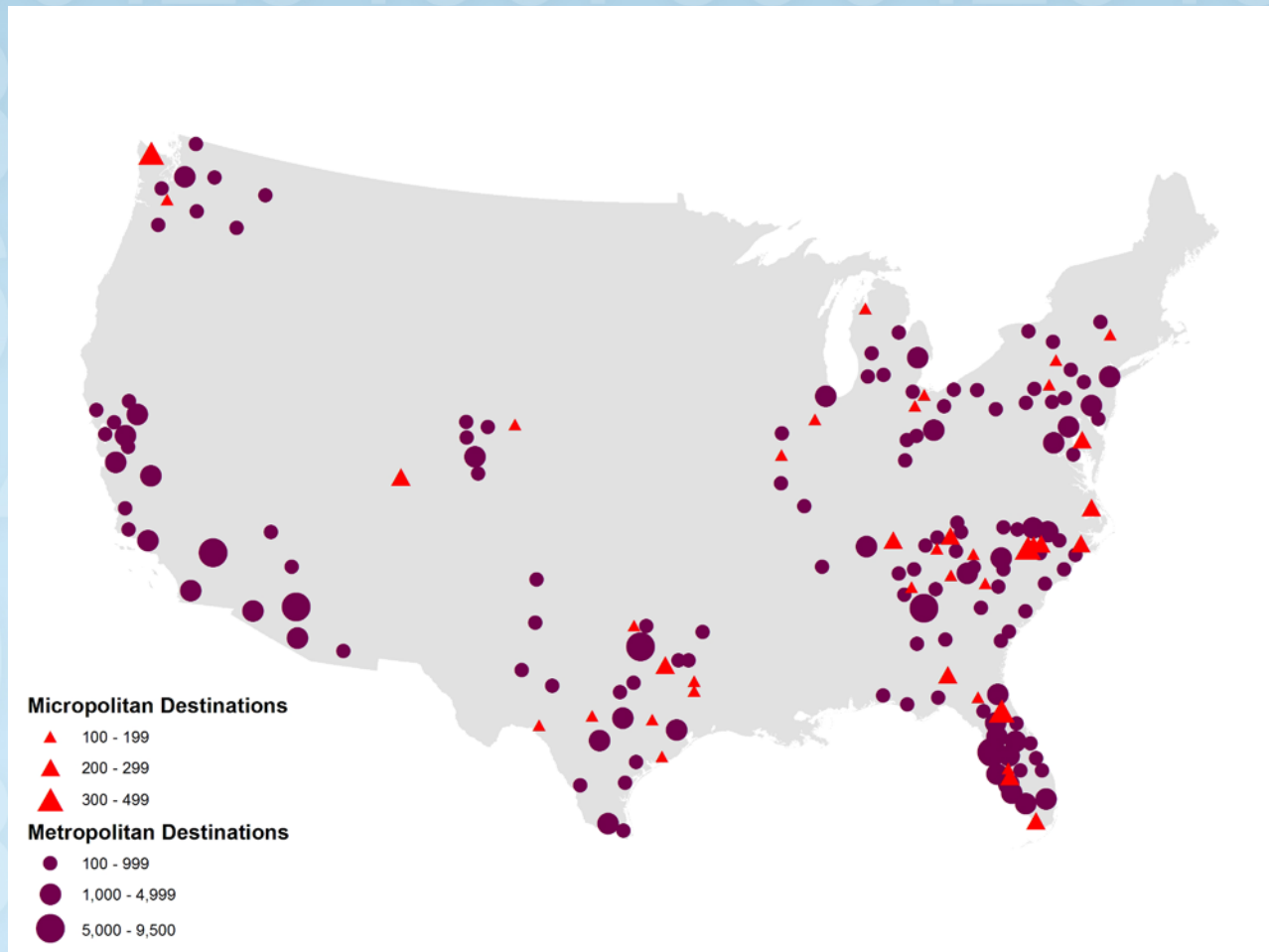
2010-2015

States Where Elderly Population Growth Was Above and Below National Average, 2010 - 2014

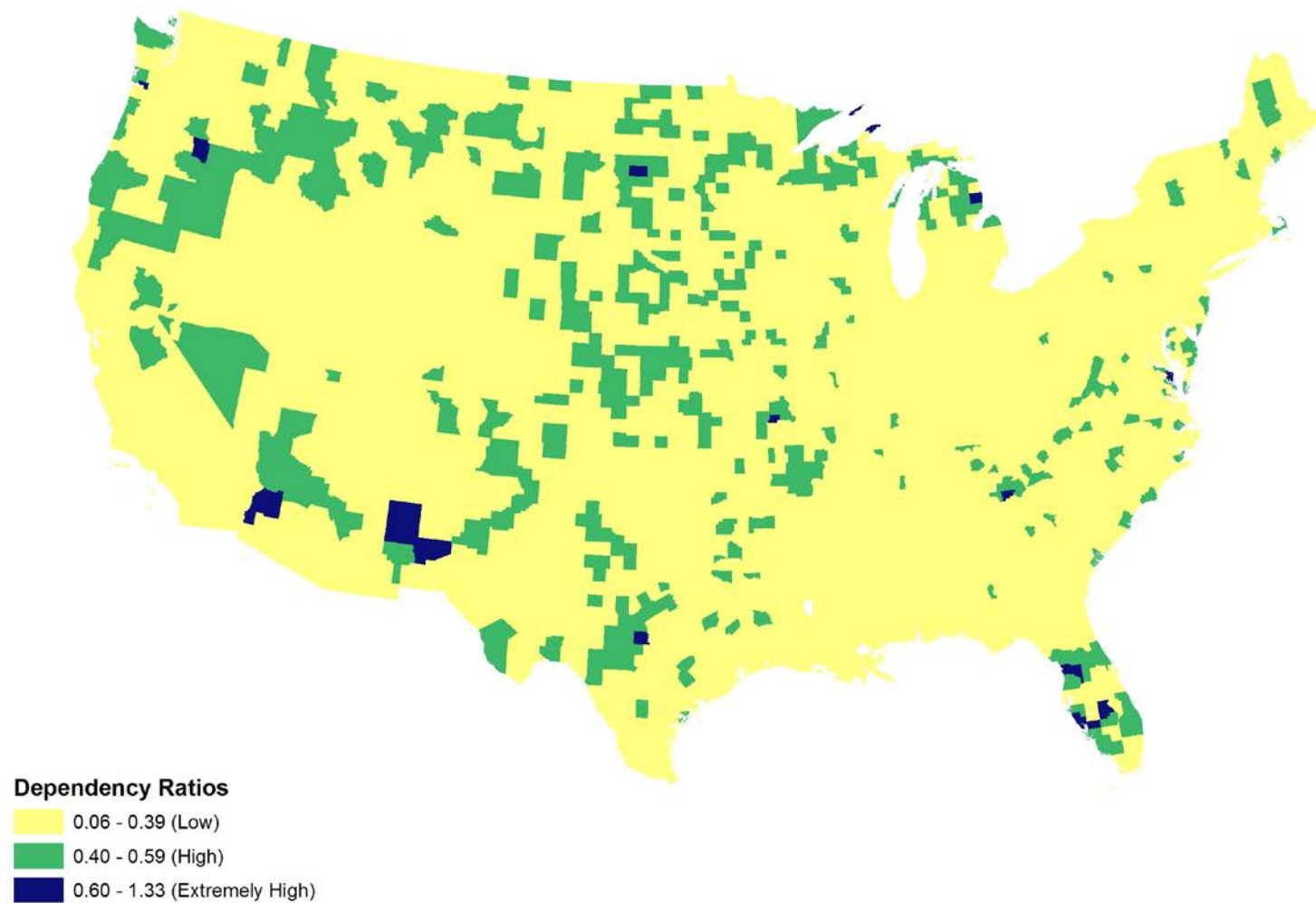


Source: ACS, 2014.

Metropolitan and Micropolitan Destinations of Elderly Migrants, 2006-2010

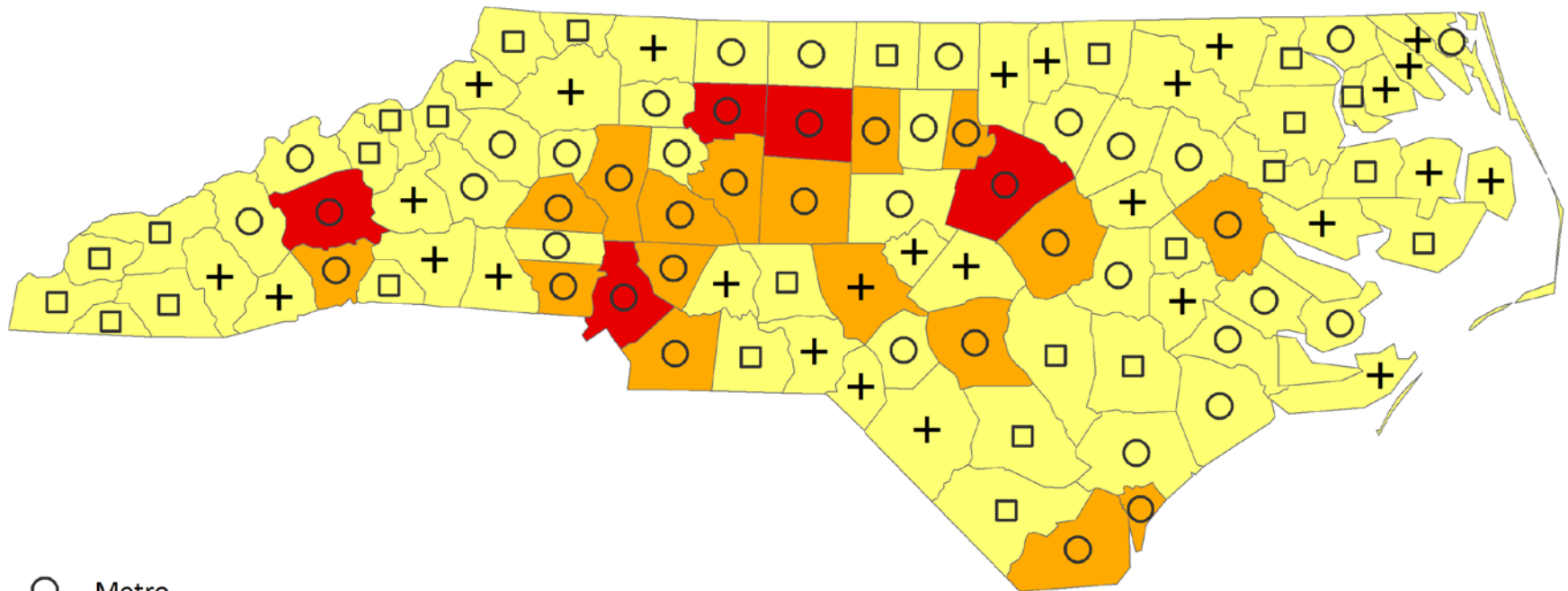


Old Age Dependency Ratios for U.S. Counties, 2014



Source: ACS, 2014.

Absolute Number of Elderly by County, NC, 2015



○ Metro

+ Micro

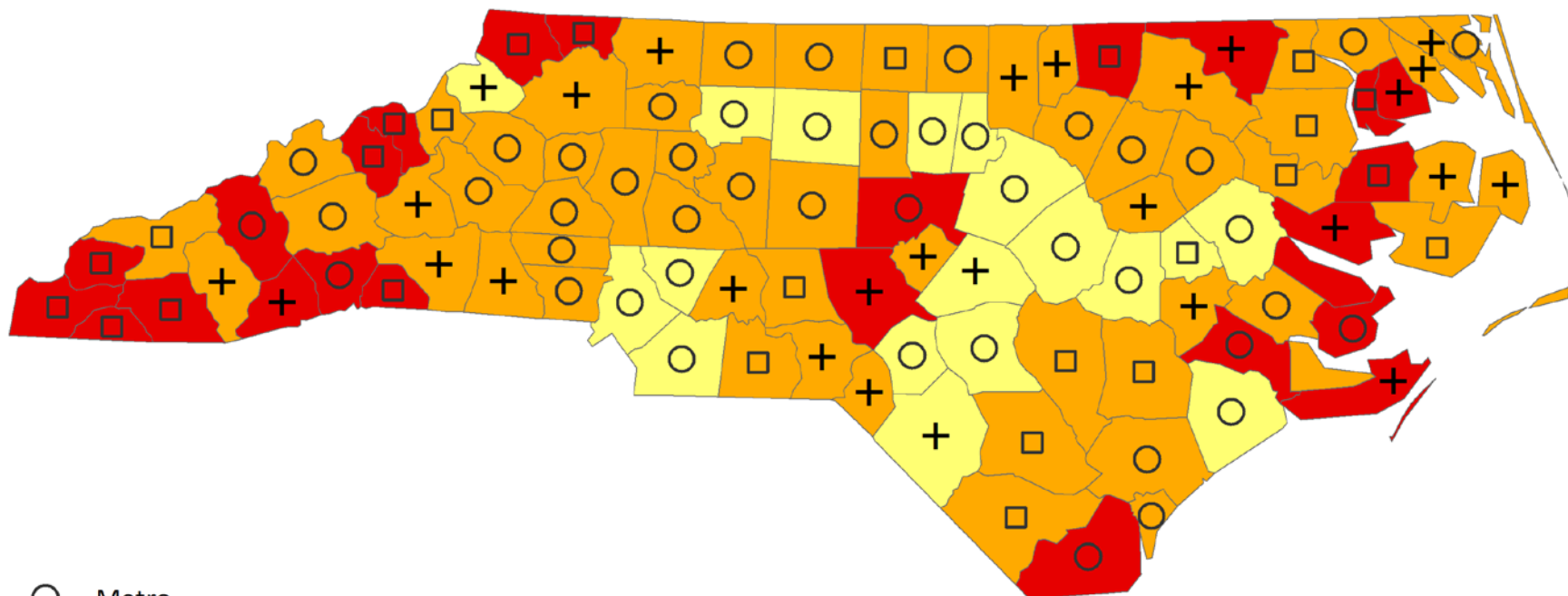
□ Rural

Primary Elderly Concentration (43138 - 96111)

Secondary Elderly Concentration (19105 - 33937)

Tertiary Elderly Concentration (804 - 17343)

Percent Elderly by County, NC, 2015



○ Metro

⊕ Micro

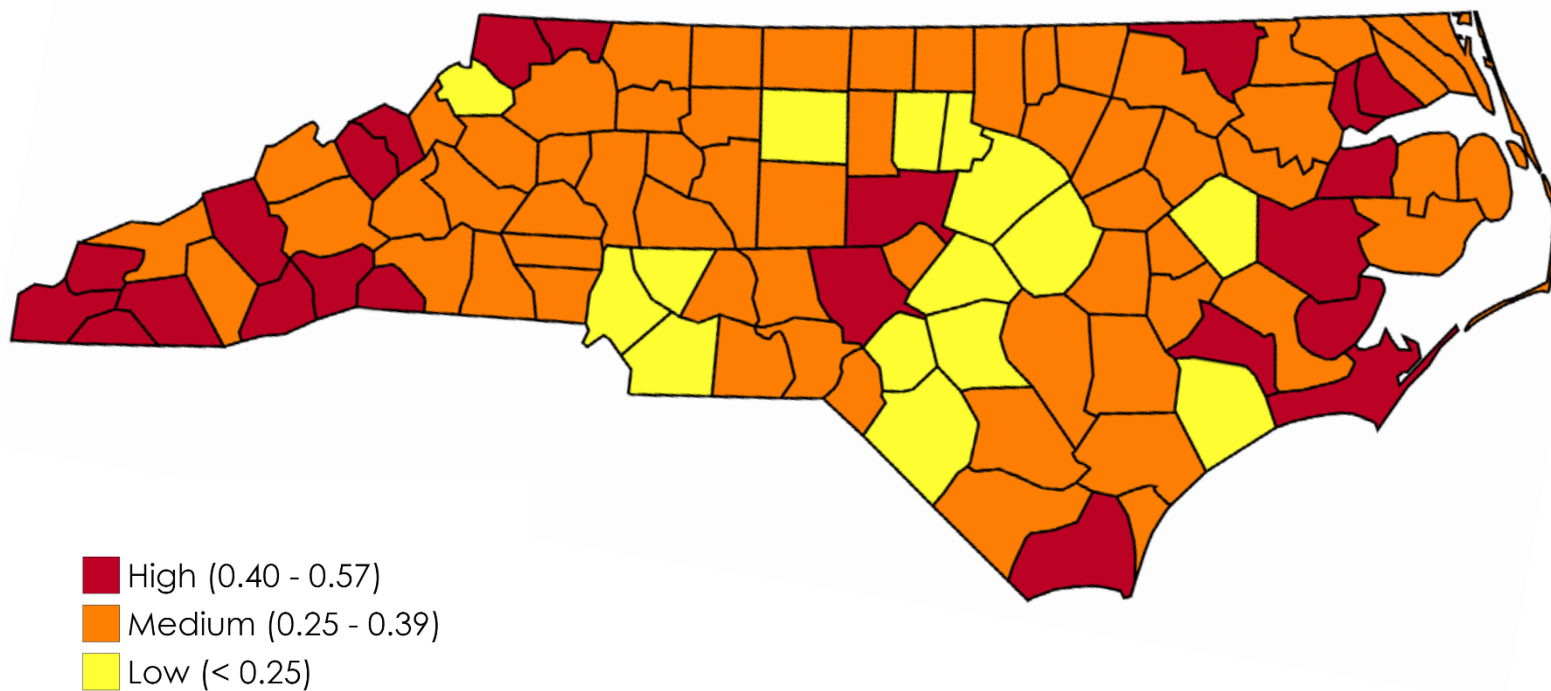
□ Rural

High (>20%)

Above Average (14% - 20%)

Below Average (<14%)

Old Age Dependency Ratios by County, NC, 2016



Absolute and Percent Population Change by Age, 2010-2016

| Age | United States | Durham County |
|----------|----------------------|--------------------|
| All Ages | 14,381,977 (4.7%) | 35,250 (13.0%) |
| <25 | -201,520 (-0.2%) | 4,064 4.9%) |
| 25-44 | 2,911,286 (3.5%) | 10,233 (11.6%) |
| 45-64 | 2,725,030 (3.3%) | 10,314 (16.2%) |
| 65+ | 8,947,181 (22.2%) | 10,085 (38.1%) |

The Multigenerational Workforce

Multi-Generational Diversity

| Generation | Birth Years | Current Ages | Est. Workforce Participation in 2013* |
|---|-------------|--------------|---------------------------------------|
| Veterans Traditionalists WWII Generation Silent Generation | 1922-1945 | 70-93 | 5% (7M) |
| Baby Boomers "Boomers" | 1946-1964 | 51-69 | 38% (60M) |
| Generation X Baby Busters | 1965-1980 | 35-50 | 32% (51M) |
| Generation Y Millennials | 1981-2000 | 15-34 | 25% (40M) |

Succession Planning & Accommodations for Elder Care

Organizational Game Changers!

Family Life is Changing

**Ozzie and Harriet are no longer
the norm!**

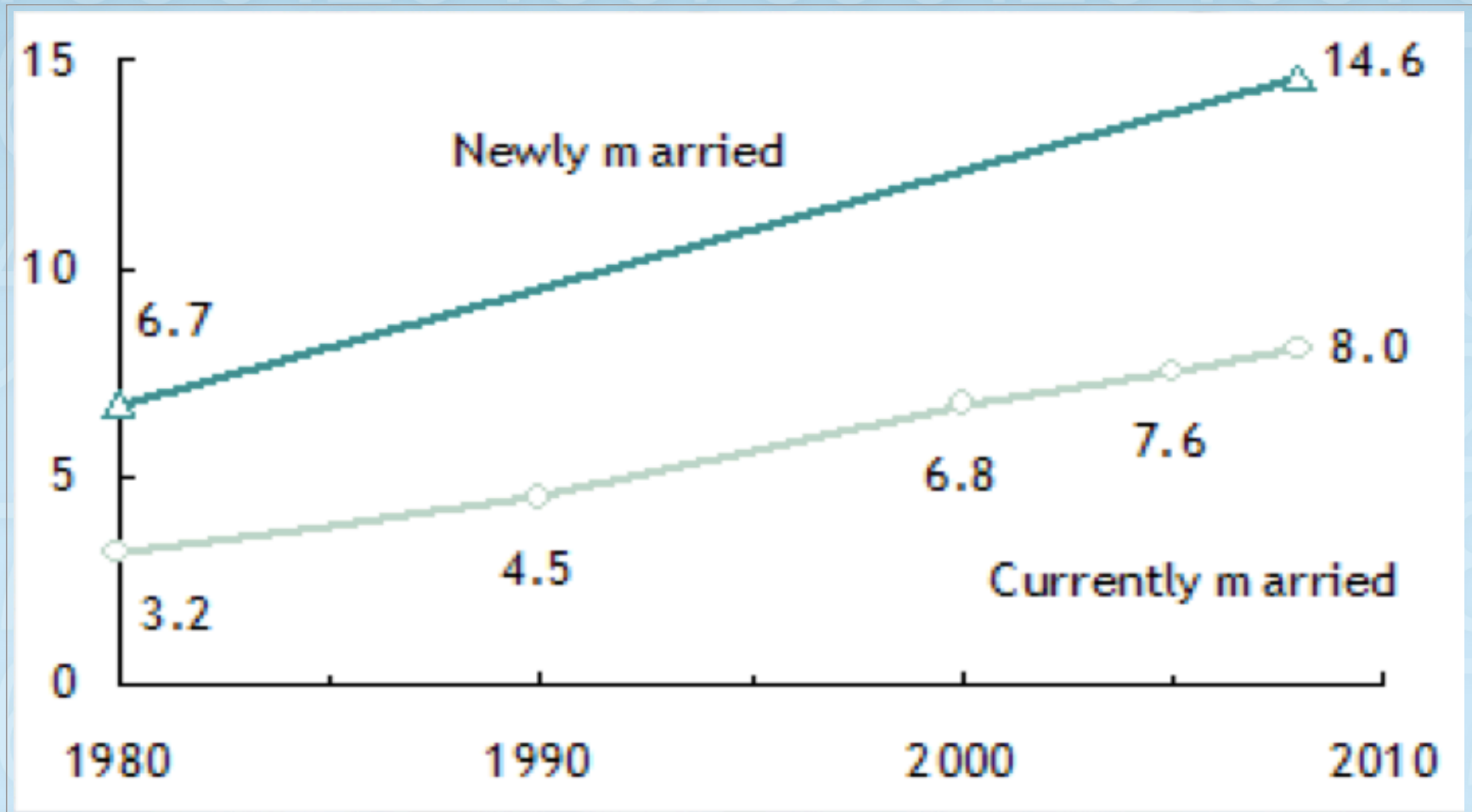
Marrying Out



is “In”

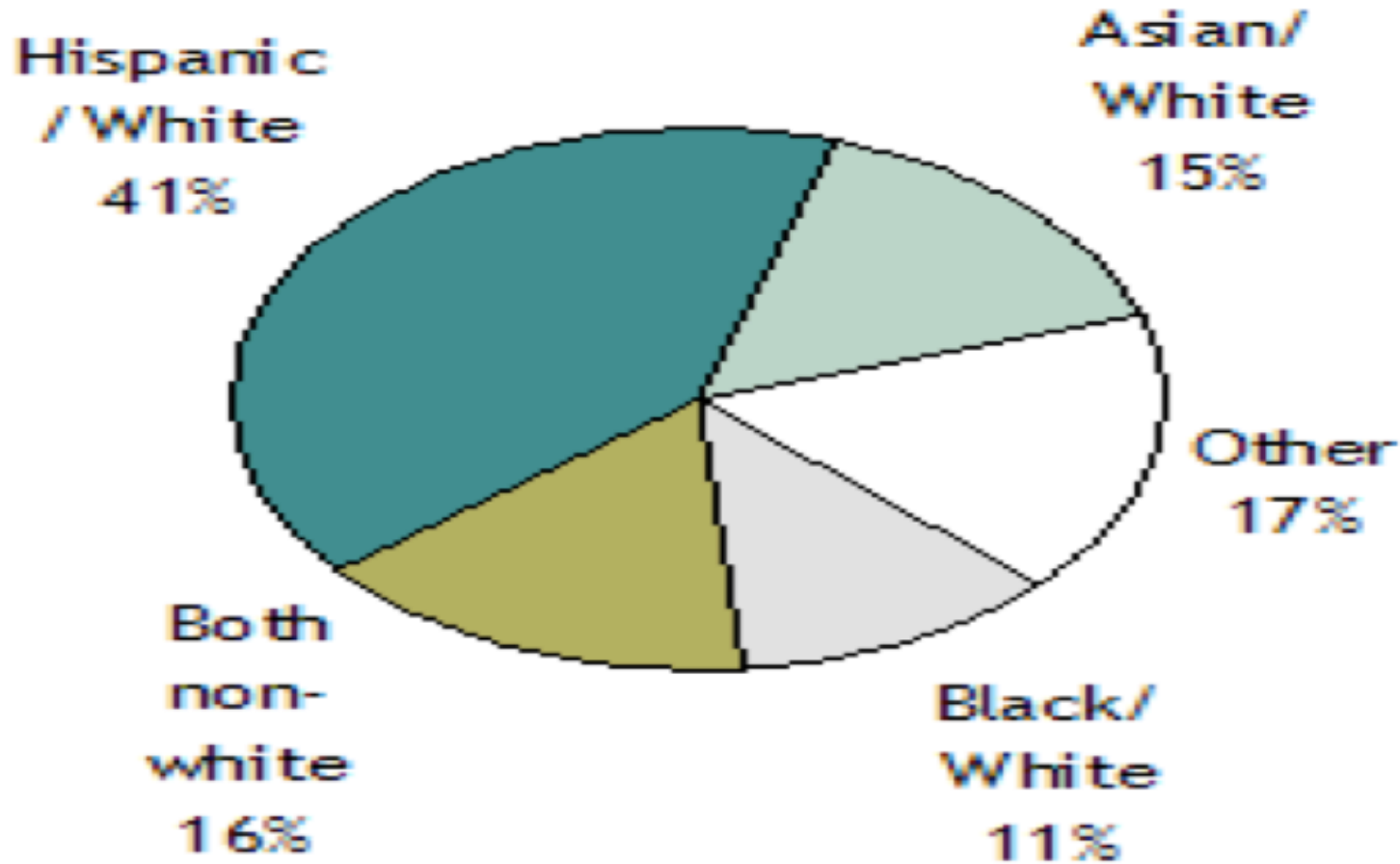
INTERMARRIAGE TREND, 1980-2008

% Married Someone of a Different Race/Ethnicity



INTERMARRIAGE TYPES

Newly Married Couples in 2008



**Living Arrangements
are more diverse ...**

And Interesting!

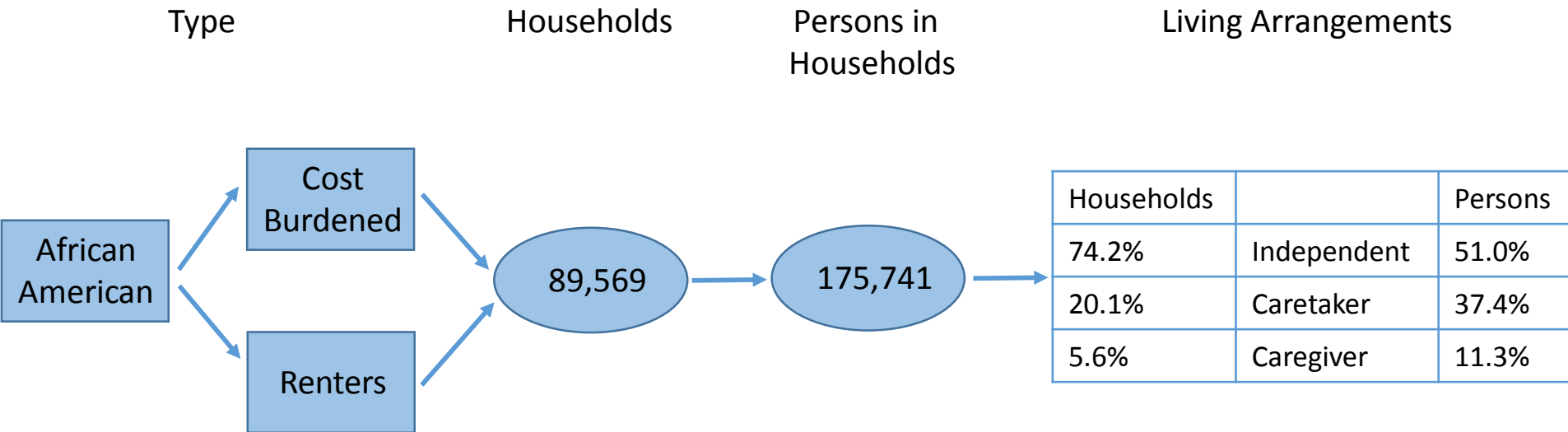
COOLING WATERS FROM GRANDMA'S WELL

And Grandpa's Too!

Children Living in Non-Grandparent and Grandparent Households, 2001-2010

| Household Type | Absolute Number 2010 | Absolute Change 2001-2010 | Percent Change 2001-2010 |
|----------------------|-------------------------|------------------------------|-----------------------------|
| All | 74,718 | 2,712 | 3.8 |
| No Grandparents | 67,209 | 917 | 1.4 |
| Both Grandparents | 2,610 | 771 | 41.9 |
| Grandmother Only | 1,922 | 164 | 9.3 |
| Grandfather Only | 318 | 71 | 28.7 |

Households with Greatest Barriers to Aging in Place, North Carolina, 2011-2015

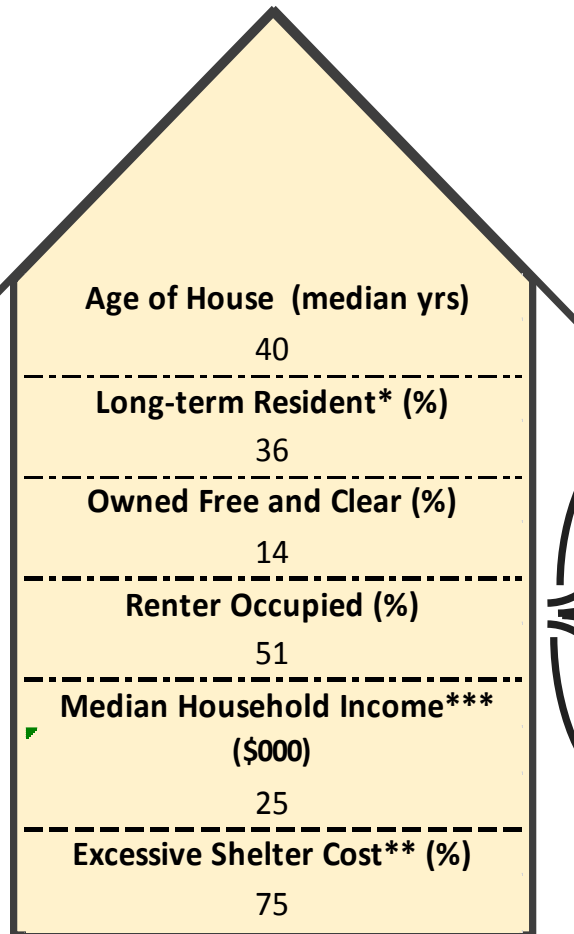


Source: American Community Survey, PUMS, 2011-2015

Vulnerable Older Adults in Caretaker Living Arrangements

Number of Households: 18,026

Population in Households: 65,770



| | White (%) | Median Age | Female (%) | Disability Count | Personal Income*** (\$000) | Medical Insurance (%) | Medicaid Coverage (%) |
|-----------------------|--------------|---------------|---------------|---------------------|----------------------------------|-----------------------------|-----------------------------|
| Householder (27%) | 0 | 70 | 75 | 1.1 | 13 | 98 | 32 |
| Spouse (7.3%) | 0 | 67 | 59 | 1.0 | 12 | 94 | 22 |
| Child (34%) | 0 | 45 | 46 | 0.6 | 6 | 65 | 34 |
| Grandchild (25%) | 0 | 18 | 47 | 0.2 | 0 | 73 | 52 |
| Other Relative (3.1%) | 0 | 23 | 62 | 0.7 | 0.5 | 89 | 66 |
| Non-Family (0.7%) | 0 | 44 | 45 | 1.0 | 8 | 73 | 40 |
| Roomer (0.5%) | 0 | 64 | 38 | 0.9 | 8 | 61 | 30 |

Data source: ACS, PUMS, 2011-2015

*Lived in house 20+ years

**More than 30% of household income spent on selected monthly owner costs

***2015 dollars



DIVERSITY RULES

but Challenges Abound

September 2012

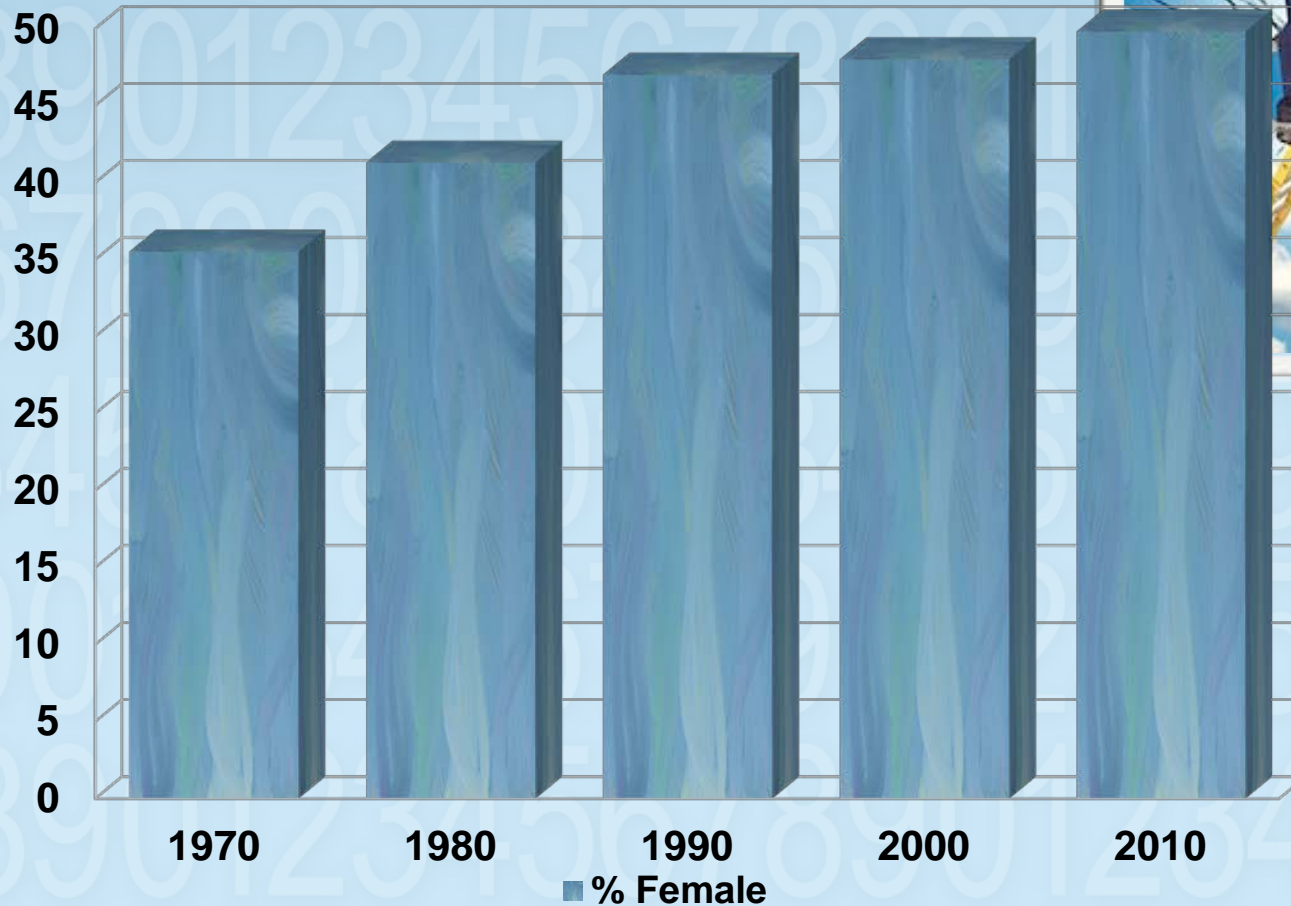
Workforce Planning and Development Challenges

- The End of Men?
- The Triple Whammy of Geographic Disadvantage
- Education necessary, but not sufficient

The End of Men?



FEMALE WORKFORCE REPRESENTATION



THE PLIGHT OF MEN

- Today, three times as many men of working age do not work at all compared to 1969.
- Selective male withdrawal from labor market—rising non-employment due largely to skills mismatches, disabilities & incarceration.
- The percentage of prime-aged men receiving disability insurance doubled between 1970 (2.4%) and 2009 (4.8%).
- Since 1969 median wage of the American male has declined by almost \$13,000 after accounting for inflation.
- After peaking in 1977, male college completion rates have barely changed over the past 35 years.

COLLEGE CLASS OF 2010

| DEGREE | MALE | FEMALE | DIFFERENCE |
|--------------|-----------|-----------|------------|
| Associate's | 293,000 | 486,000 | 193,000 |
| Bachelor's | 702,000 | 946,000 | 244,000 |
| Master's | 257,000 | 391,000 | 134,000 |
| Professional | 46,800 | 46,400 | -400 |
| Doctor's | 31,500 | 32,900 | 1,400 |
| TOTAL | 1,330,300 | 1,902,300 | 572,000 |

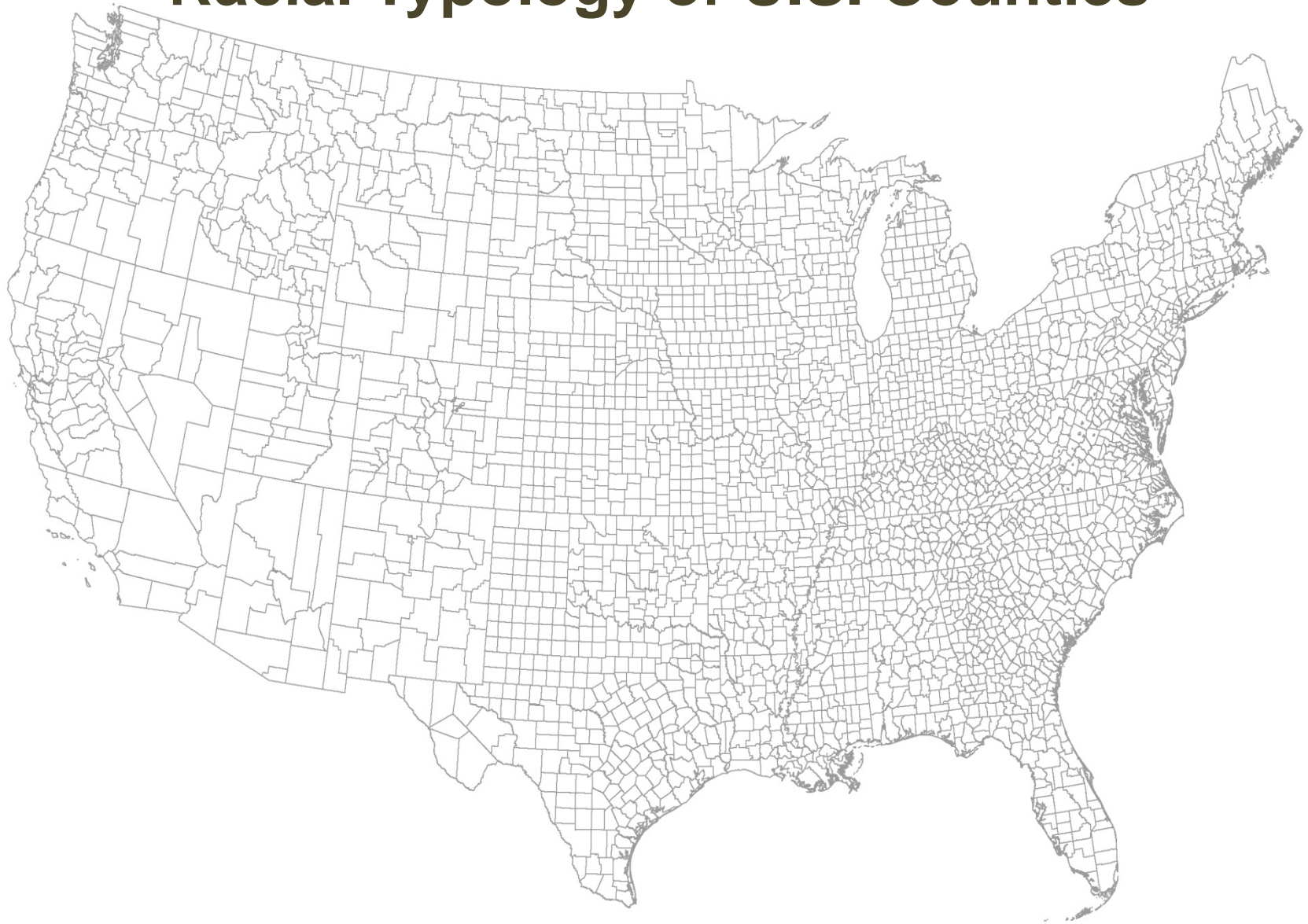
Gender Composition of Student Head Count Enrollment in NC Colleges & Universities, Fall 2014

| Type of Institution | Total Enrollment | Male Enrollment | Percent Male Enrollment |
|--------------------------------|------------------|-----------------|-------------------------|
| All Institutions | 554,505 | 230,672 | 41.6 |
| Bible Colleges | 3,880 | 2,720 | 70.1 |
| Public Institutions | 459,651 | 189,749 | 41.3 |
| UNC System | 220,121 | 95,435 | 43.3 |
| PWIs | 181,246 | 81,304 | 44.9 |
| MSIs | 38,875 | 14,131 | 36.3 |
| HBU's | 32,653 | 11,835 | 36.2 |
| Community Colleges | 239,530 | 104,313 | 43.5 |
| Private Institutions | 90,974 | 38,204 | 42.0 |
| Senior Colleges & Universities | 90,296 | 37,755 | 41.8 |
| Junior Colleges | 678 | 449 | 66.2 |

The Triple Whammy of Geographical Disadvantage

The Human Capital Challenge

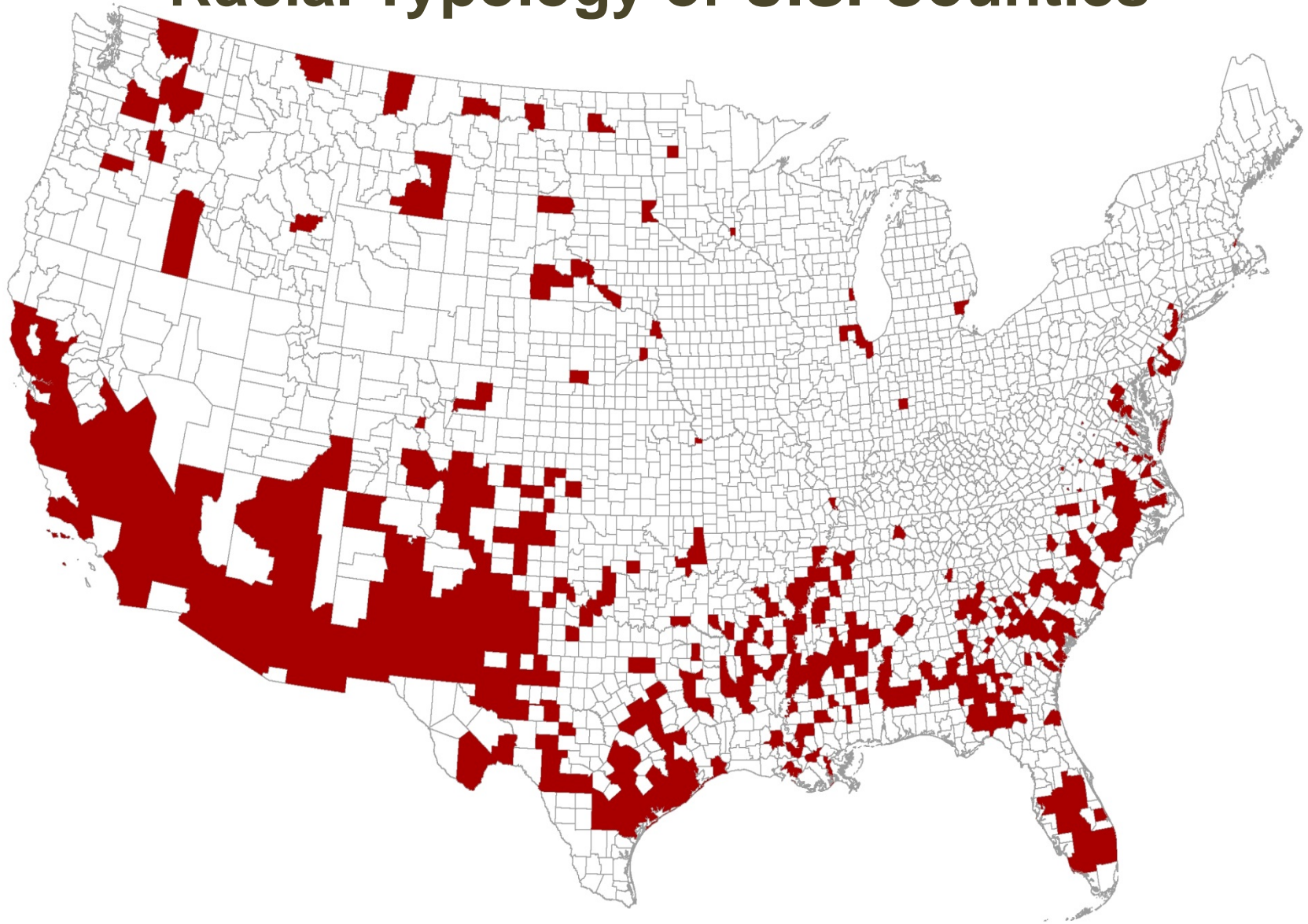
Racial Typology of U.S. Counties




 Counties

Source: U.S. Decennial Census, 2010

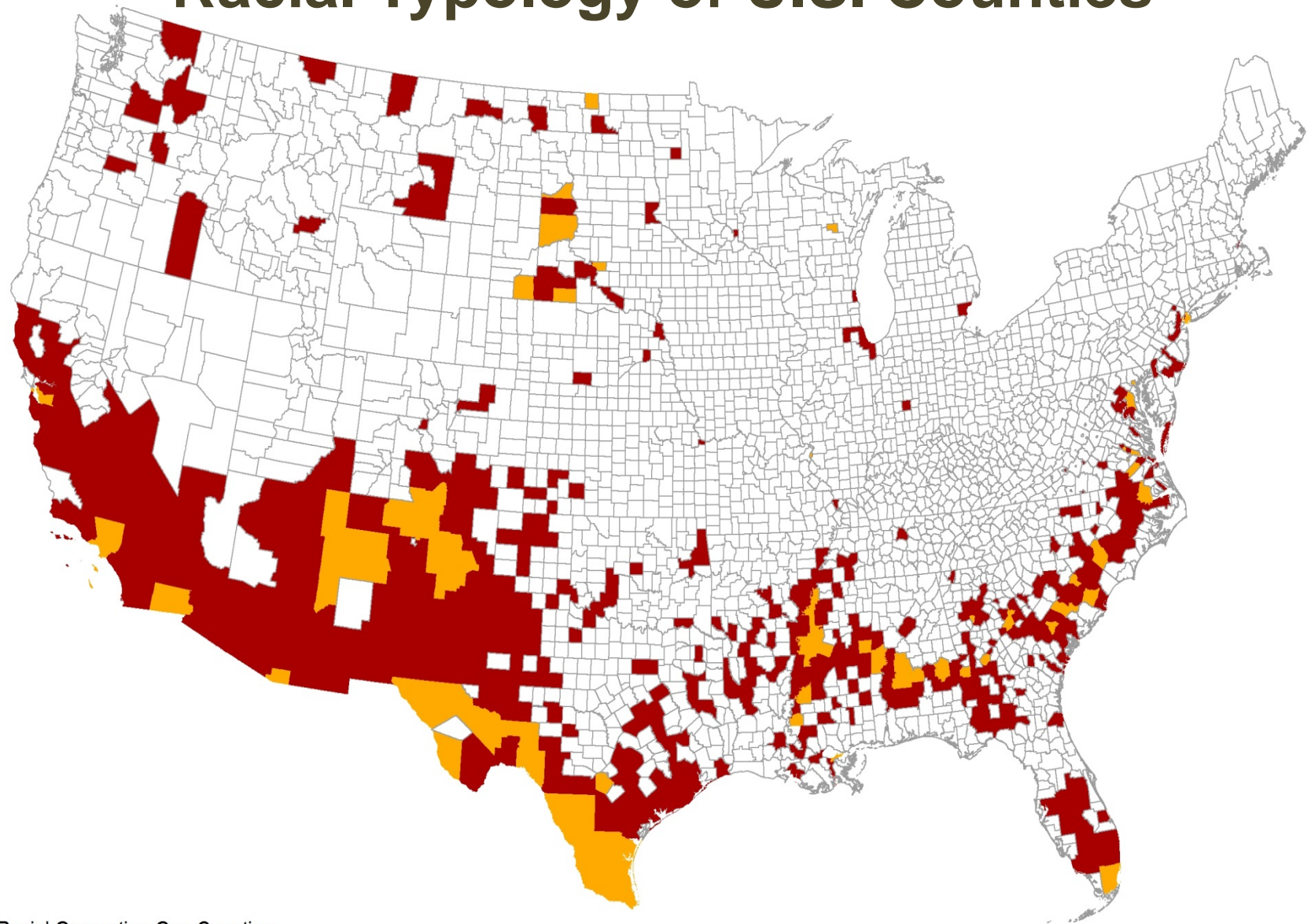
Racial Typology of U.S. Counties



 Racial Generation Gap Counties

Source: U.S. Decennial Census, 2010

Racial Typology of U.S. Counties

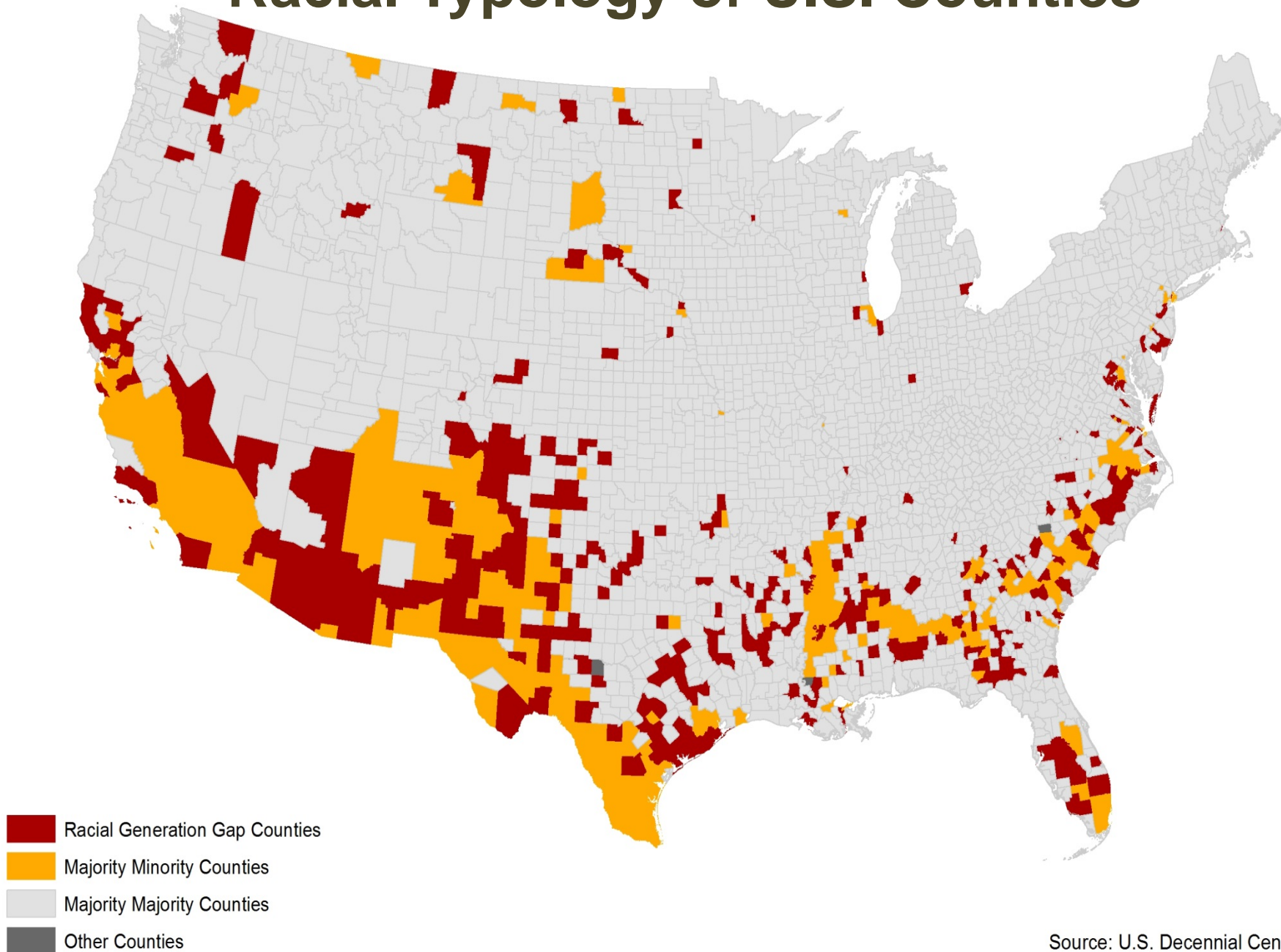


 Racial Generation Gap Counties

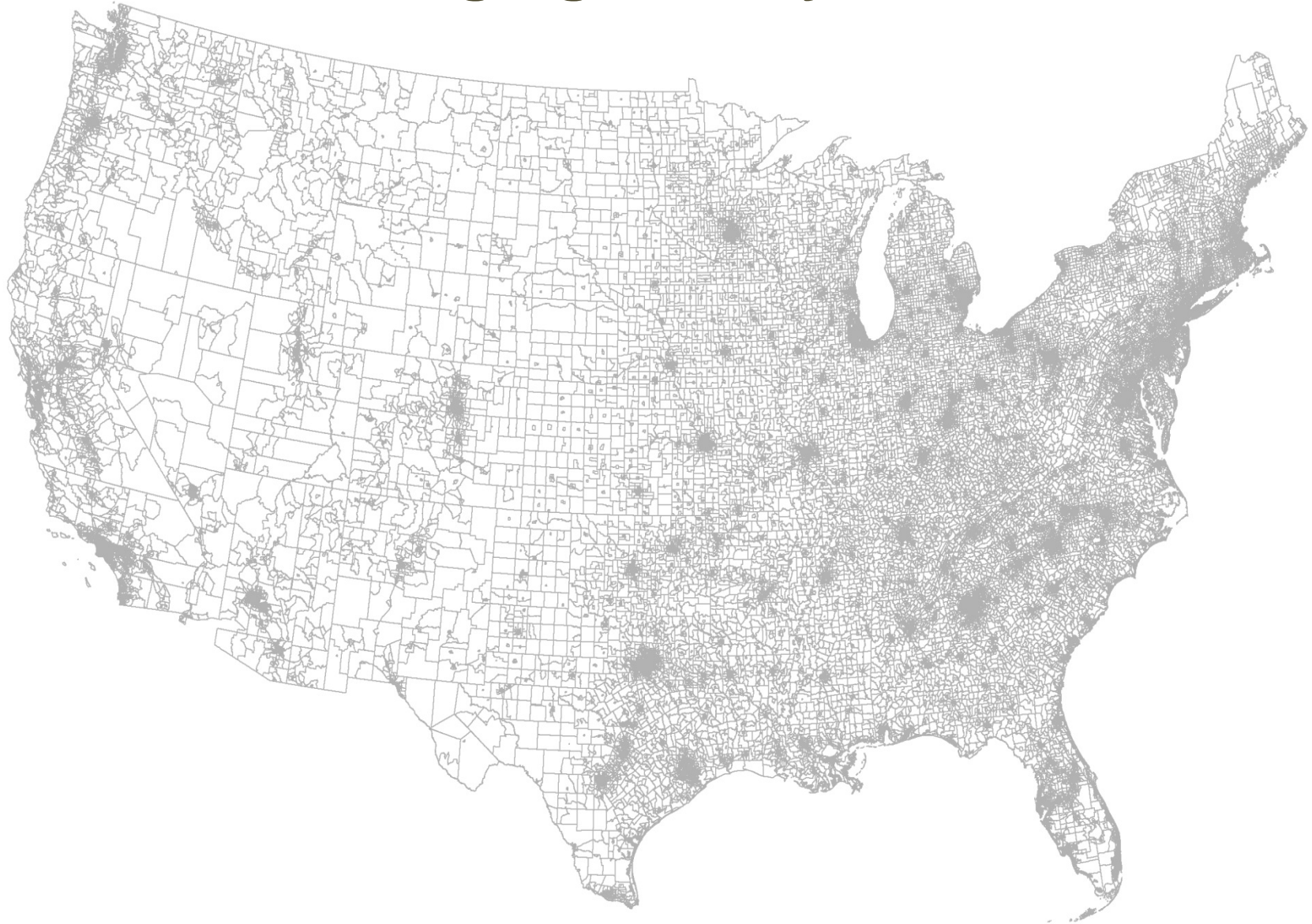
 Majority Minority Counties


Source: U.S. Decennial Census, 2010

Racial Typology of U.S. Counties



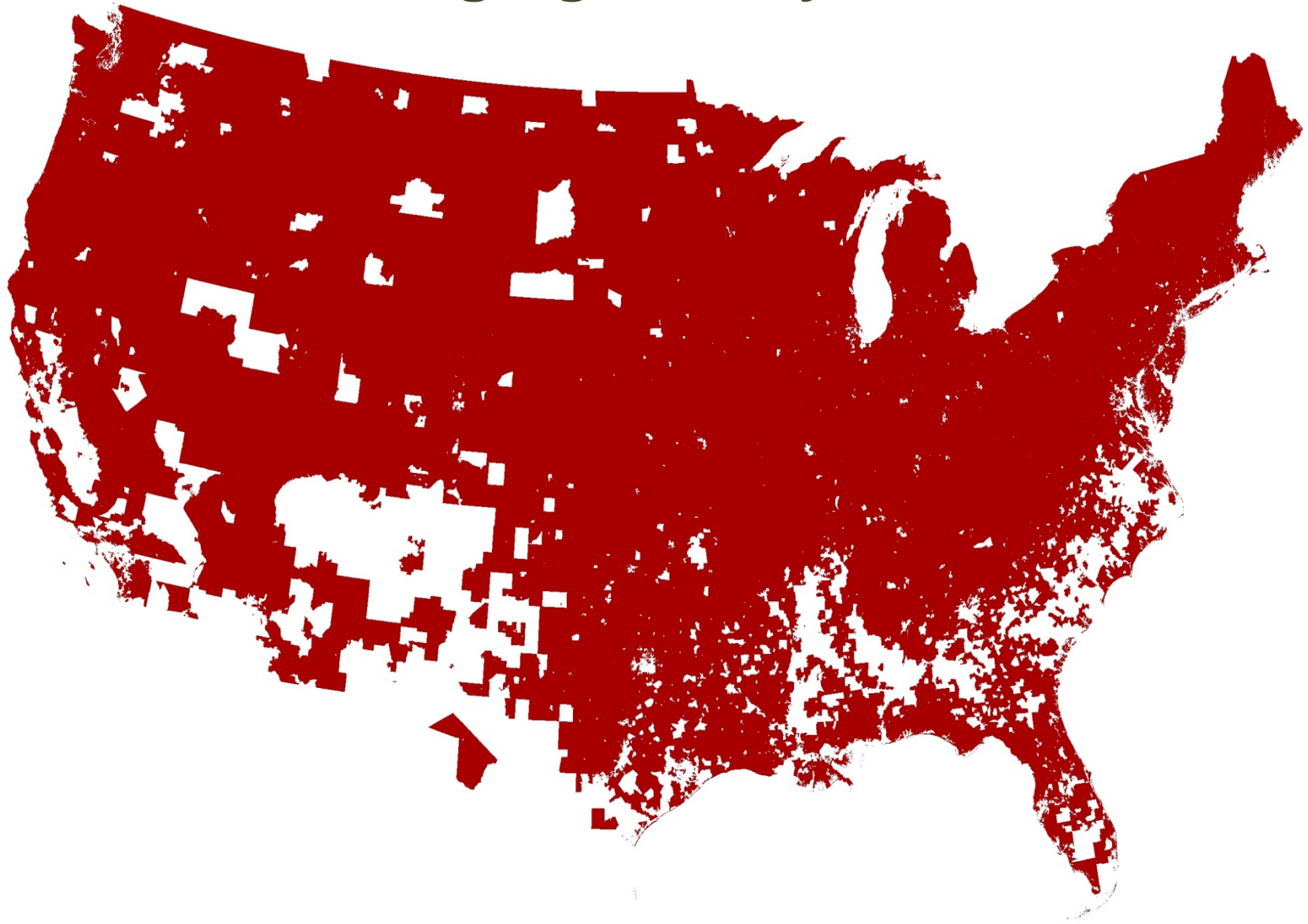
U.S. Racial Segregation by Census Tract




 Census Tracts

Source: U.S. Decennial Census, 2010

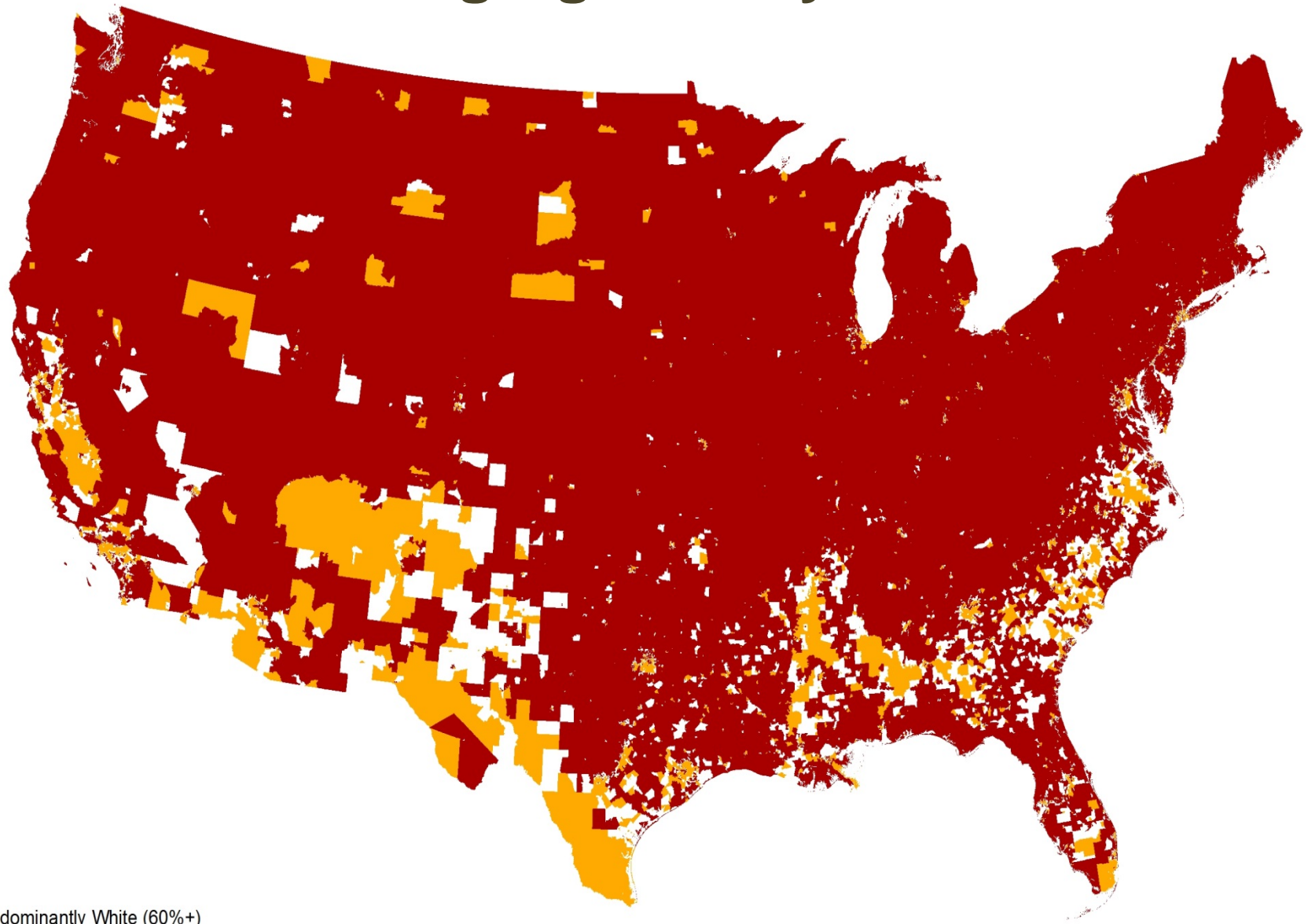
U.S. Racial Segregation by Census Tract



 Predominantly White (60%+)

Source: U.S. Decennial Census, 2010

U.S. Racial Segregation by Census Tract

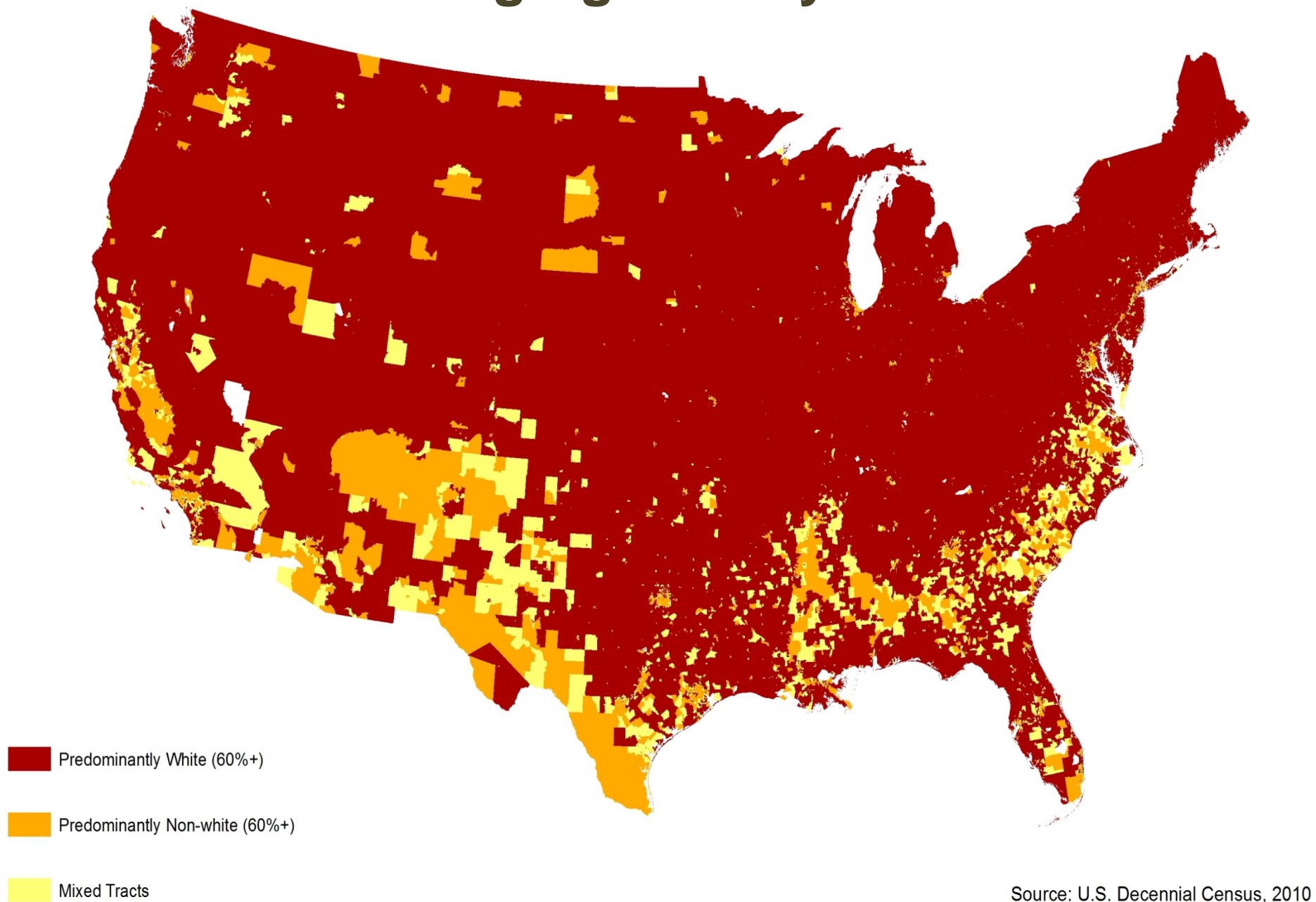


Predominantly White (60%+)

Predominantly Non-white (60%+)

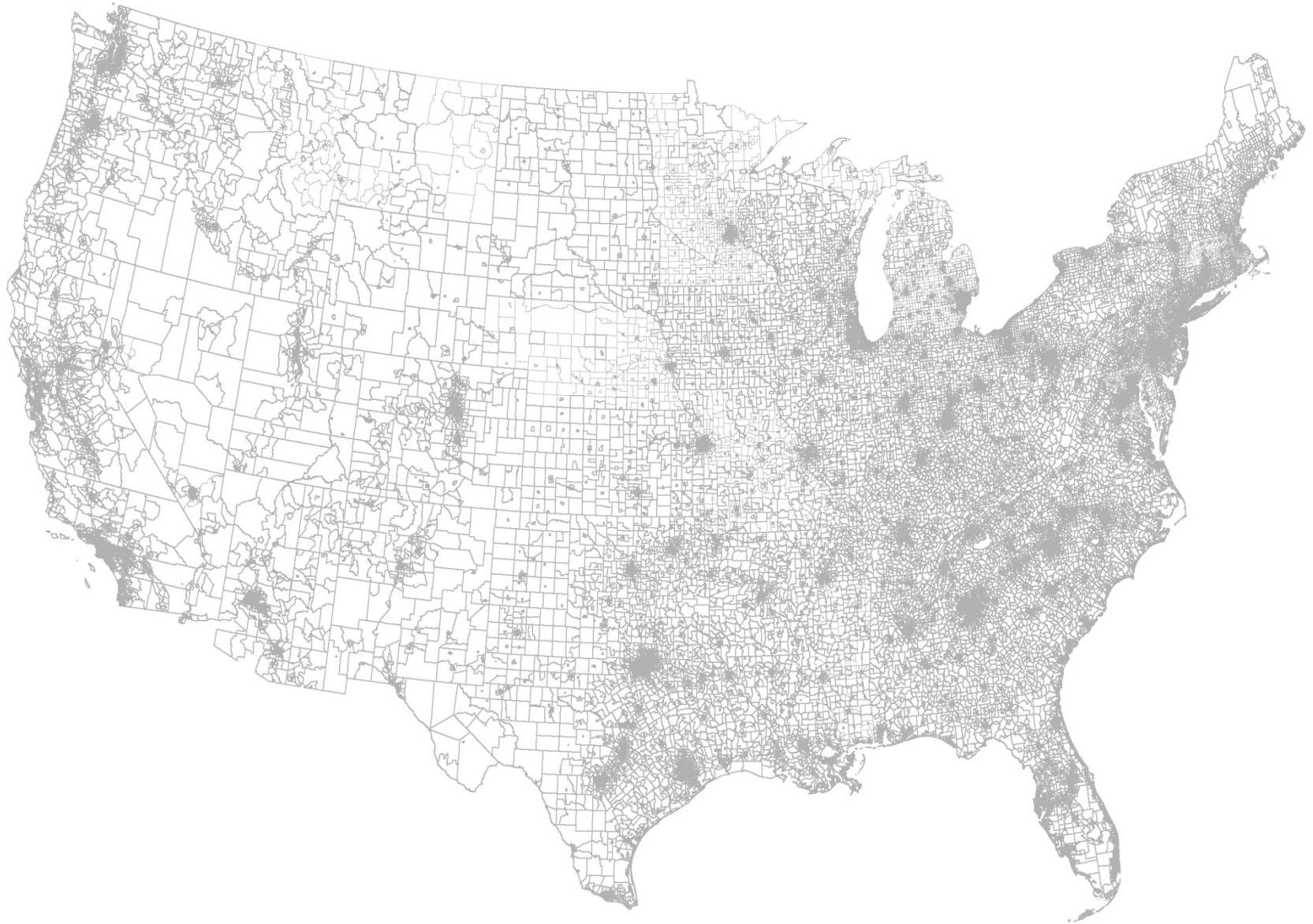
Source: U.S. Decennial Census, 2010


U.S. Racial Segregation by Census Tract



Source: U.S. Decennial Census, 2010

U.S. School Age Poverty by Census Tract



 Census Tracts

Source: U.S. Decennial Census, 2010

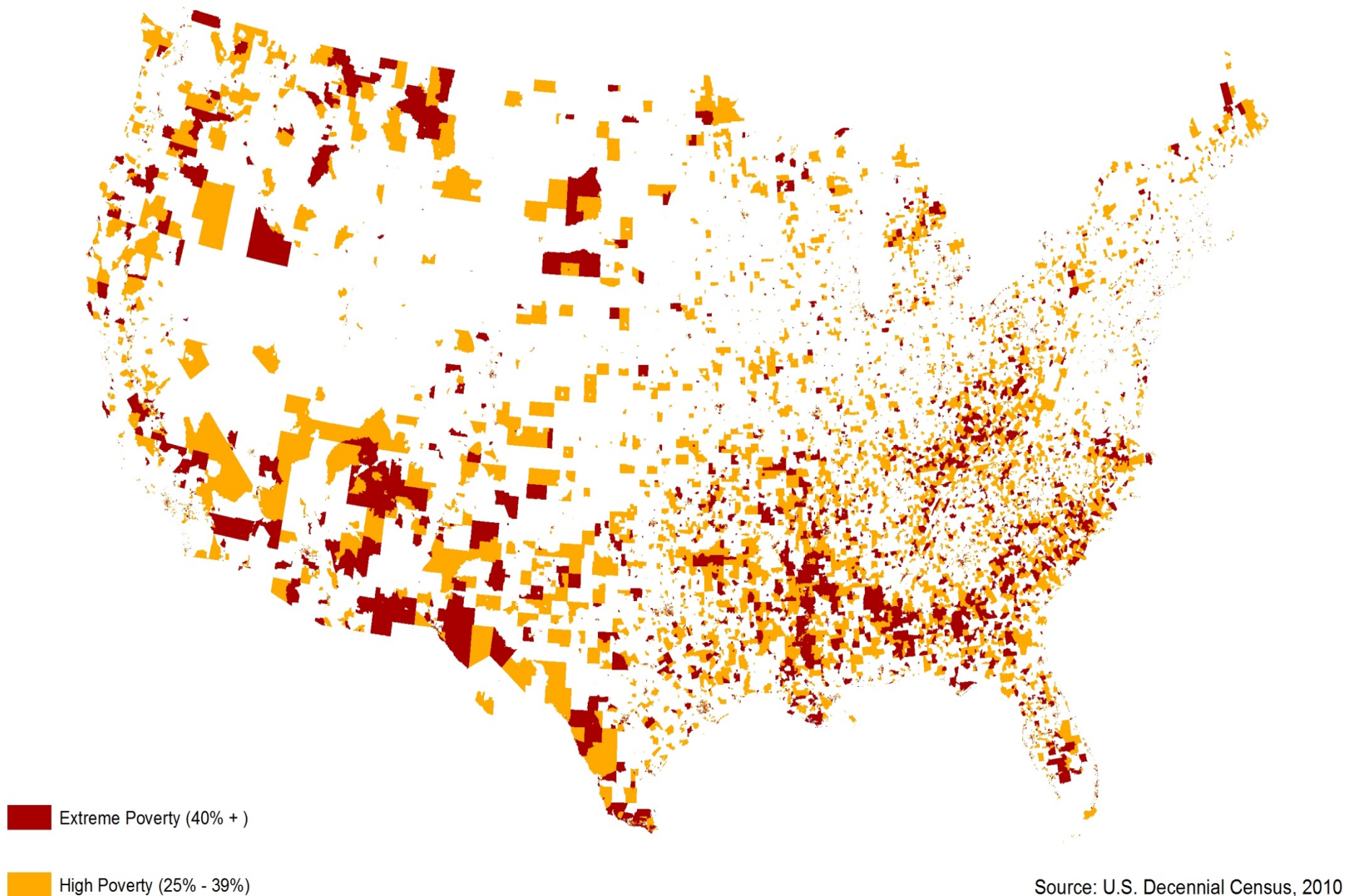
U.S. School Age Poverty by Census Tract



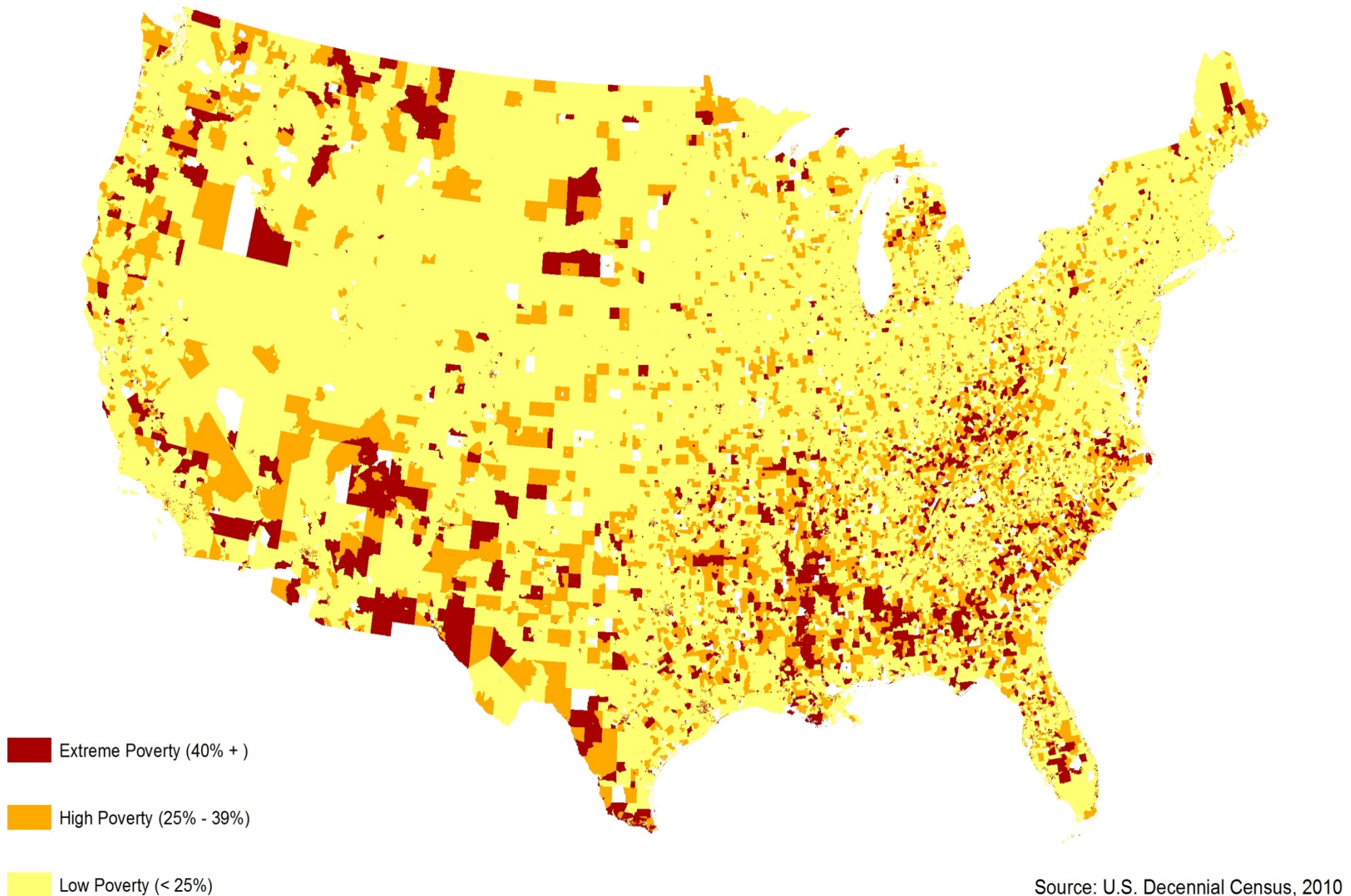
Extreme Poverty (40% +)

Source: U.S. Decennial Census, 2010

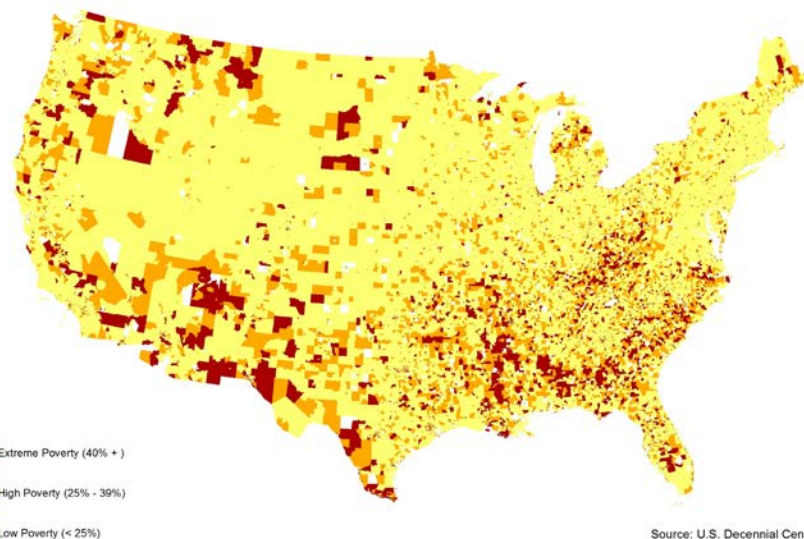
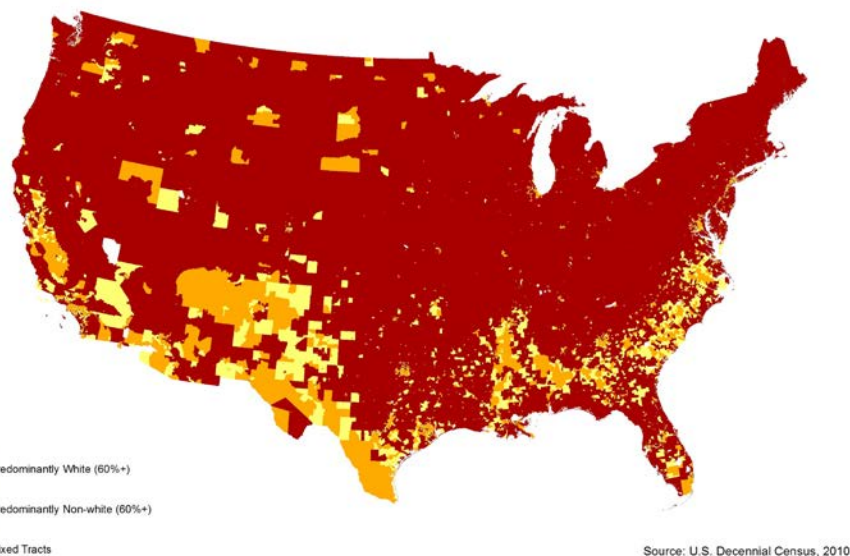
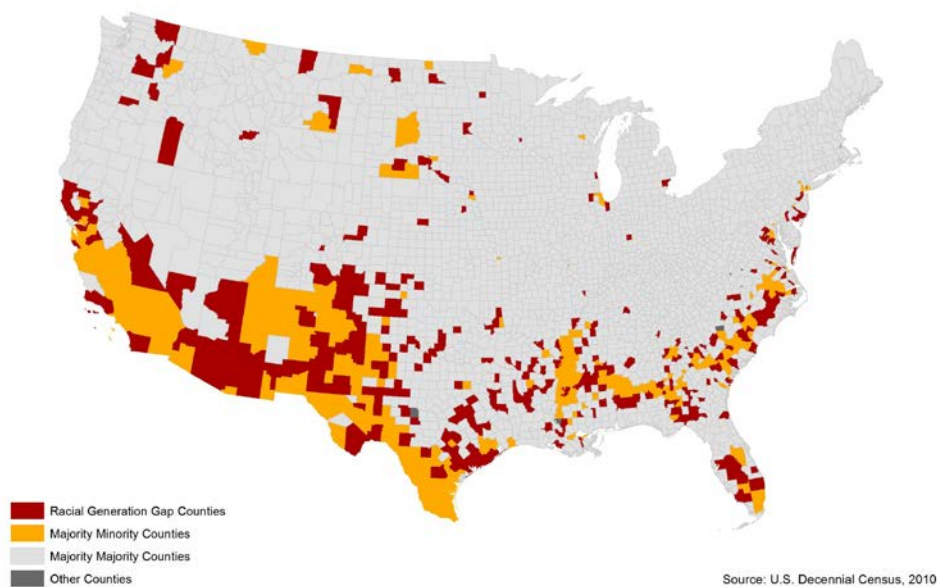
U.S. School Age Poverty by Census Tract



U.S. School Age Poverty by Census Tract



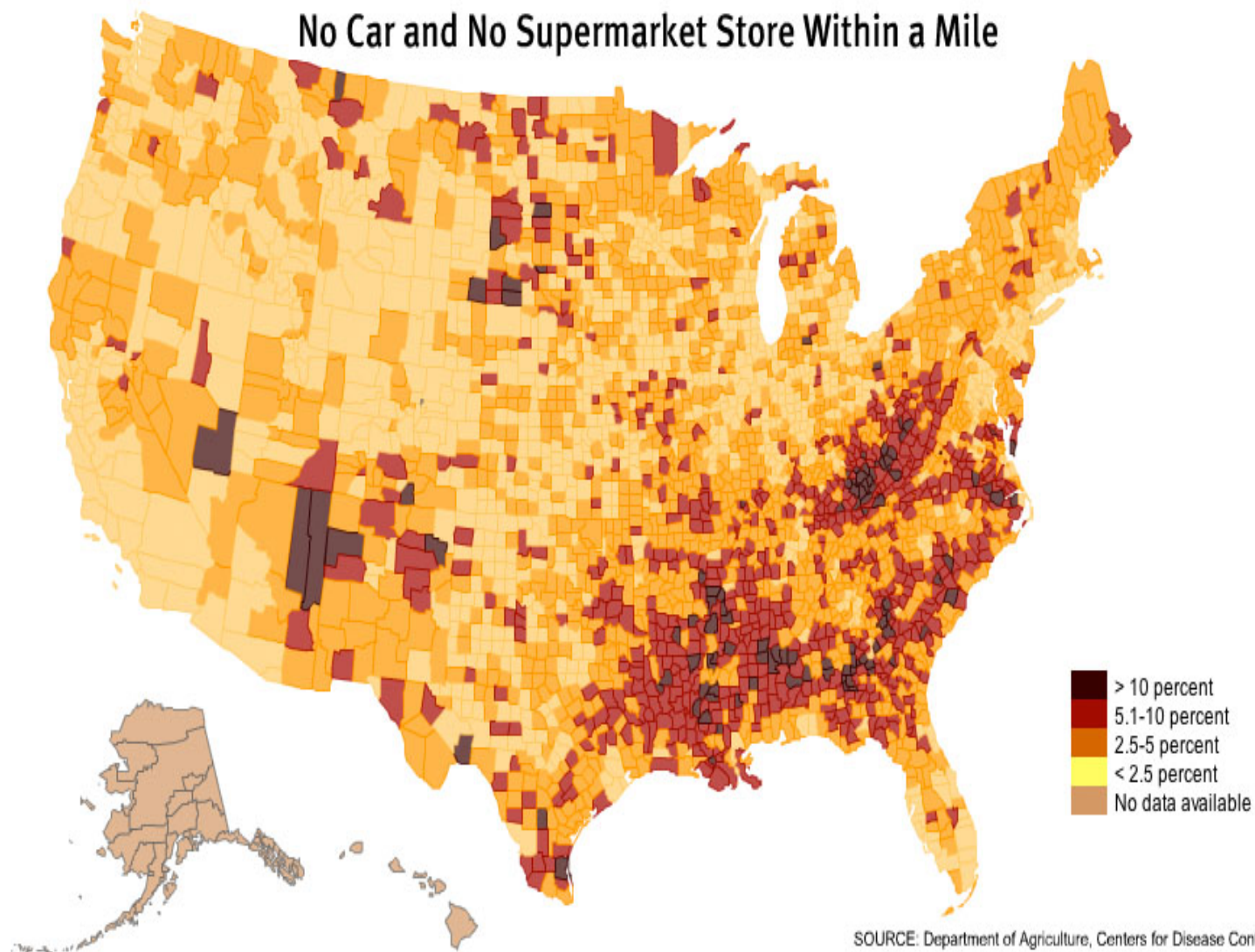
The Triple Whammy of Geographic Disadvantage



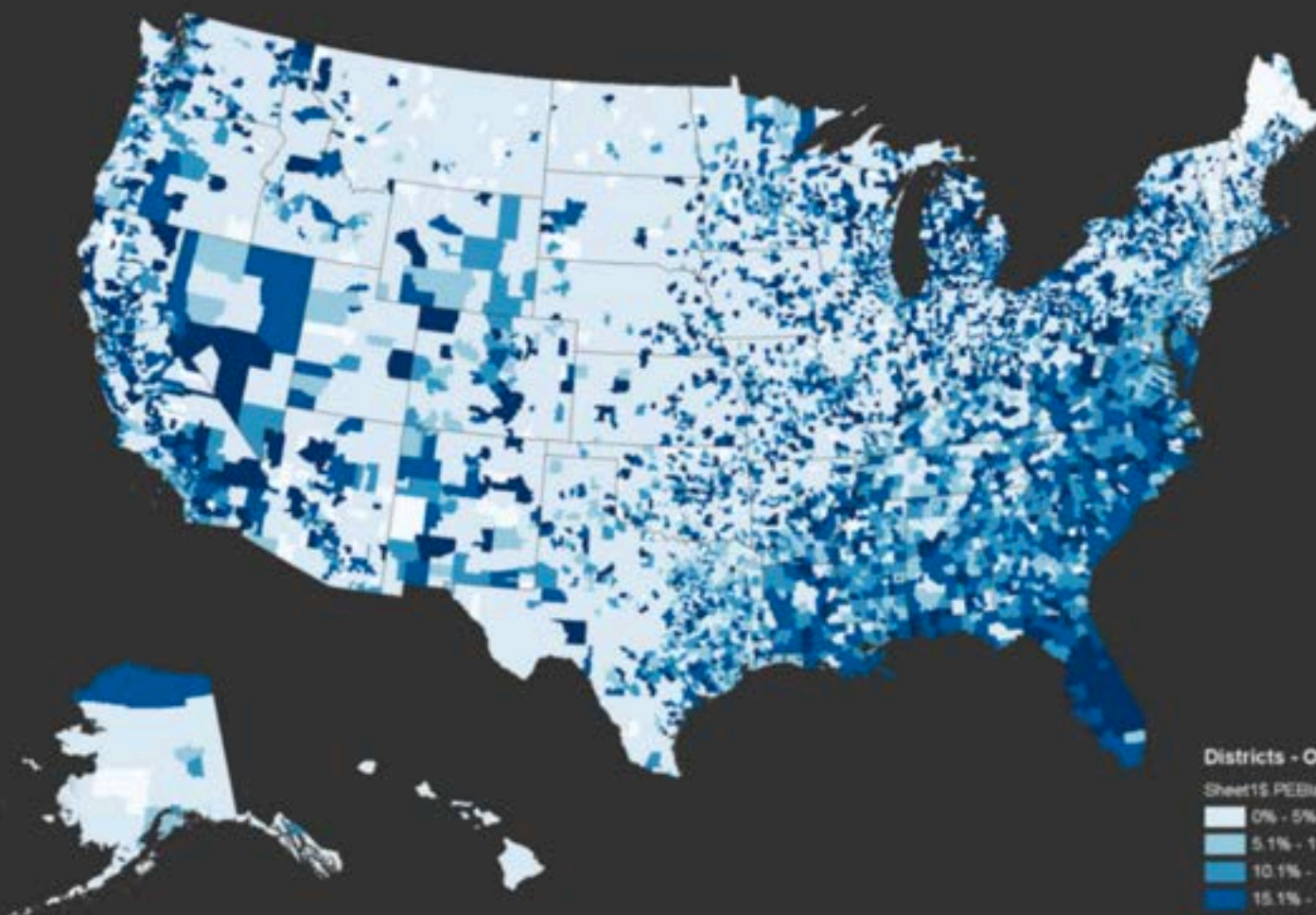
Summary Indicators of Exposure

| Level of Vulnerability | Number of Youth | Percent Non-White |
|------------------------|-----------------|-------------------|
| Triple Whammy | 9.8 million | 93 |
| Double Whammy | 12.2 million | 81 |
| Single Whammy | 20.0 million | 39 |
| No Whammy | 32.1 million | 24 |

No Car and No Supermarket Store Within a Mile



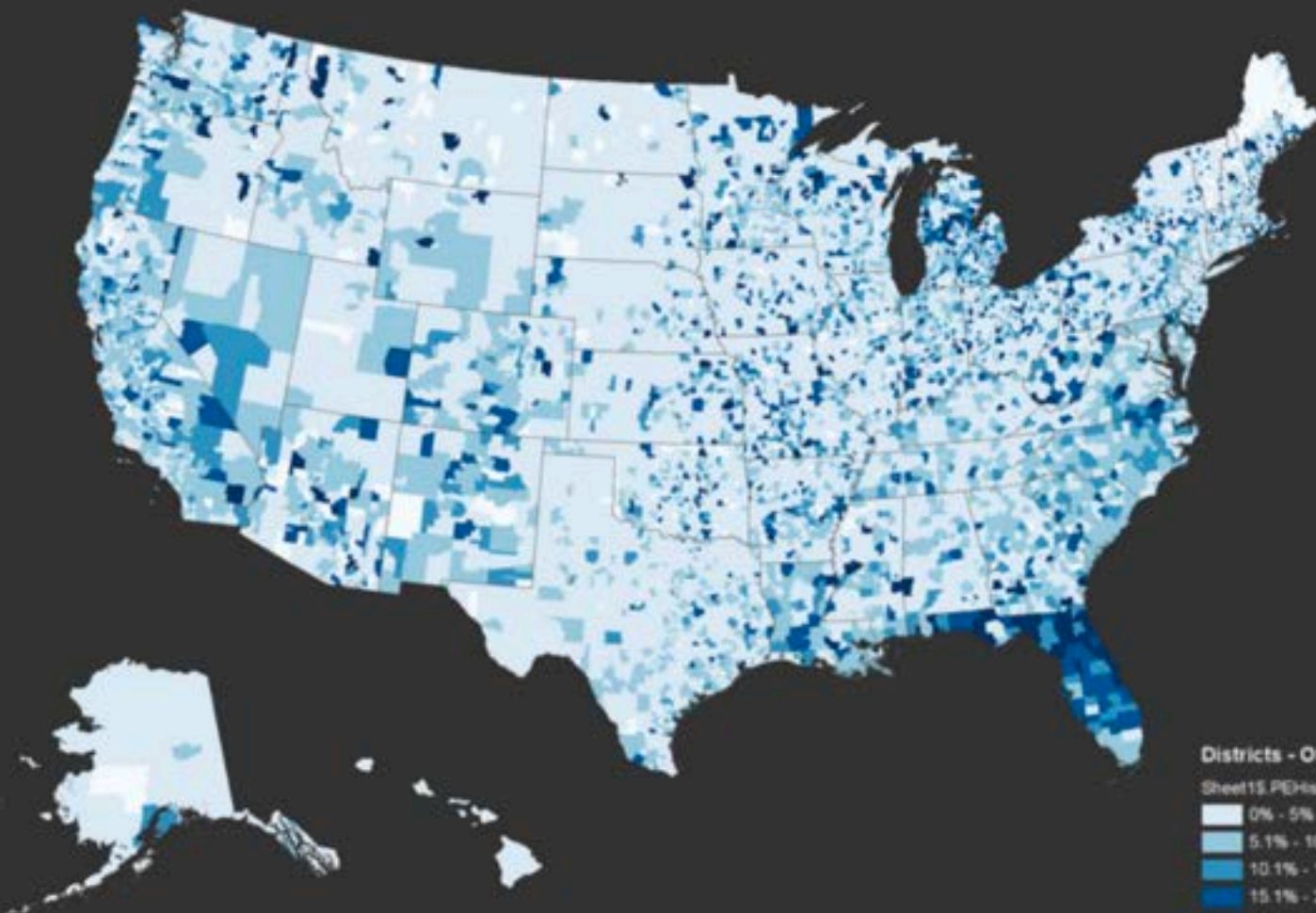
Percent of Black Students who Have Received One or More Out of School Suspensions by District (2011-12)



Civil Rights Data Collection 2011-12
District Geography: U.S. Census Bureau, School District Review Program, 2011

NOTE: For each school district, the percent of students receiving one or more out of school suspensions (OSS) is calculated by dividing the district's cumulative number of students receiving one or more out-of-school suspensions for the entire 2011-2012 school year, by the district's student enrollment based on a count of students taken on a single day between September 27 and December 31. Because race/ethnicity details on OSS are not available for students receiving services under 504, the OSS percentages reported for students with disabilities are restricted to data for students receiving services under IDEA.

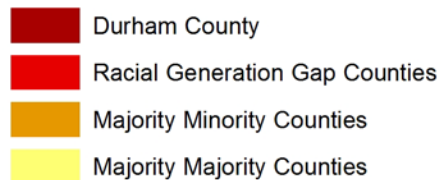
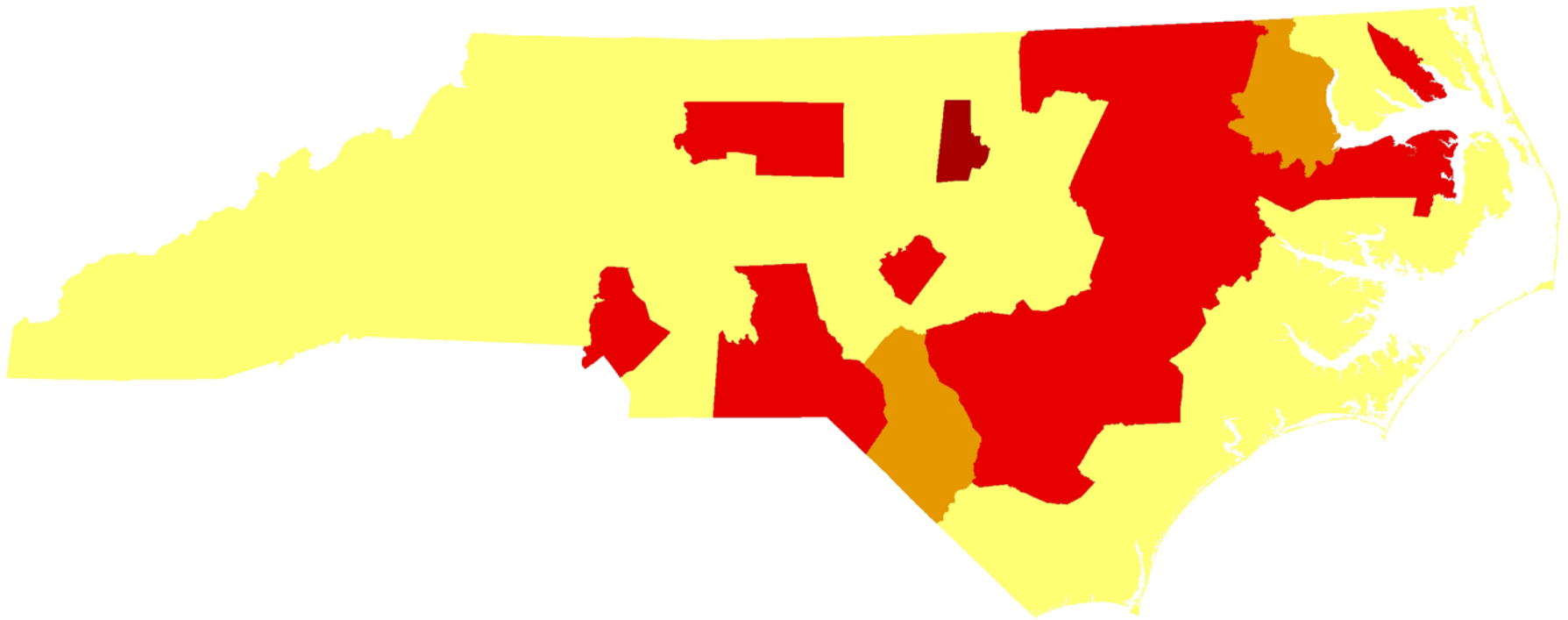
Percent of Hispanic Students who Have Received One or More Out of School Suspensions by District (2011-12)



Civil Rights Data Collection 2011-12
District Geography: U.S. Census Bureau, School District Review Program, 2011

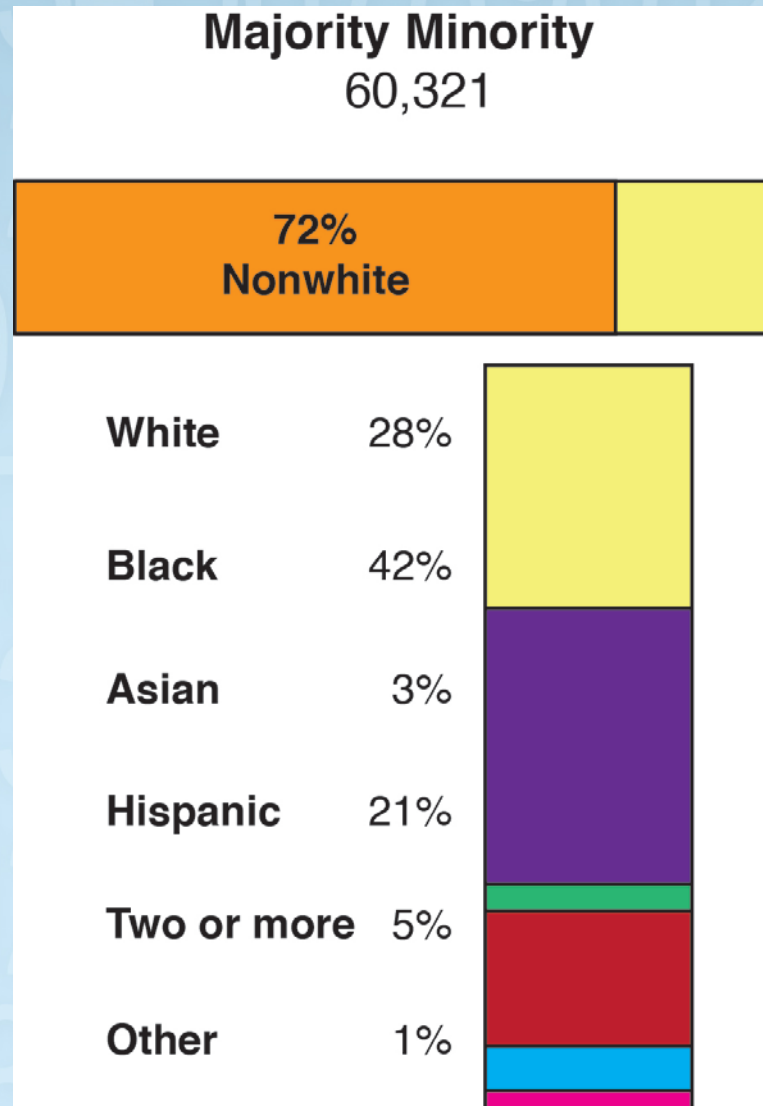
NOTE: For each school district, the percent of students receiving one or more out of school suspensions (OSS) is calculated by dividing the district's cumulative number of students receiving one or more out-of-school suspensions for the entire 2011-2012 school year, by the district's student enrollment based on a count of students taken on a single day between September 27 and December 31. Because race/ethnicity details on OSS are not available for students receiving services under 504, the OSS percentages reported for students with disabilities are restricted to data for students receiving services under IDEA.

Racial Typology of Durham County, North Carolina

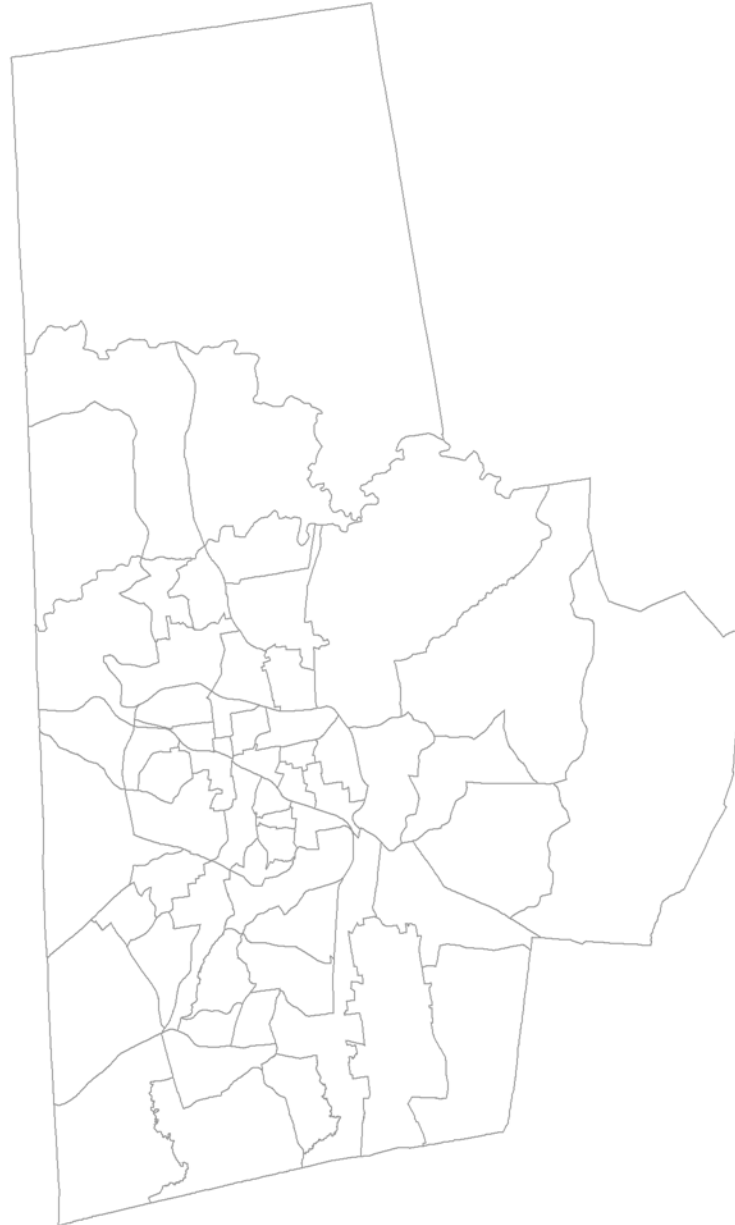



Source: U.S. Decennial Census, 2010

Distribution of School Age Population



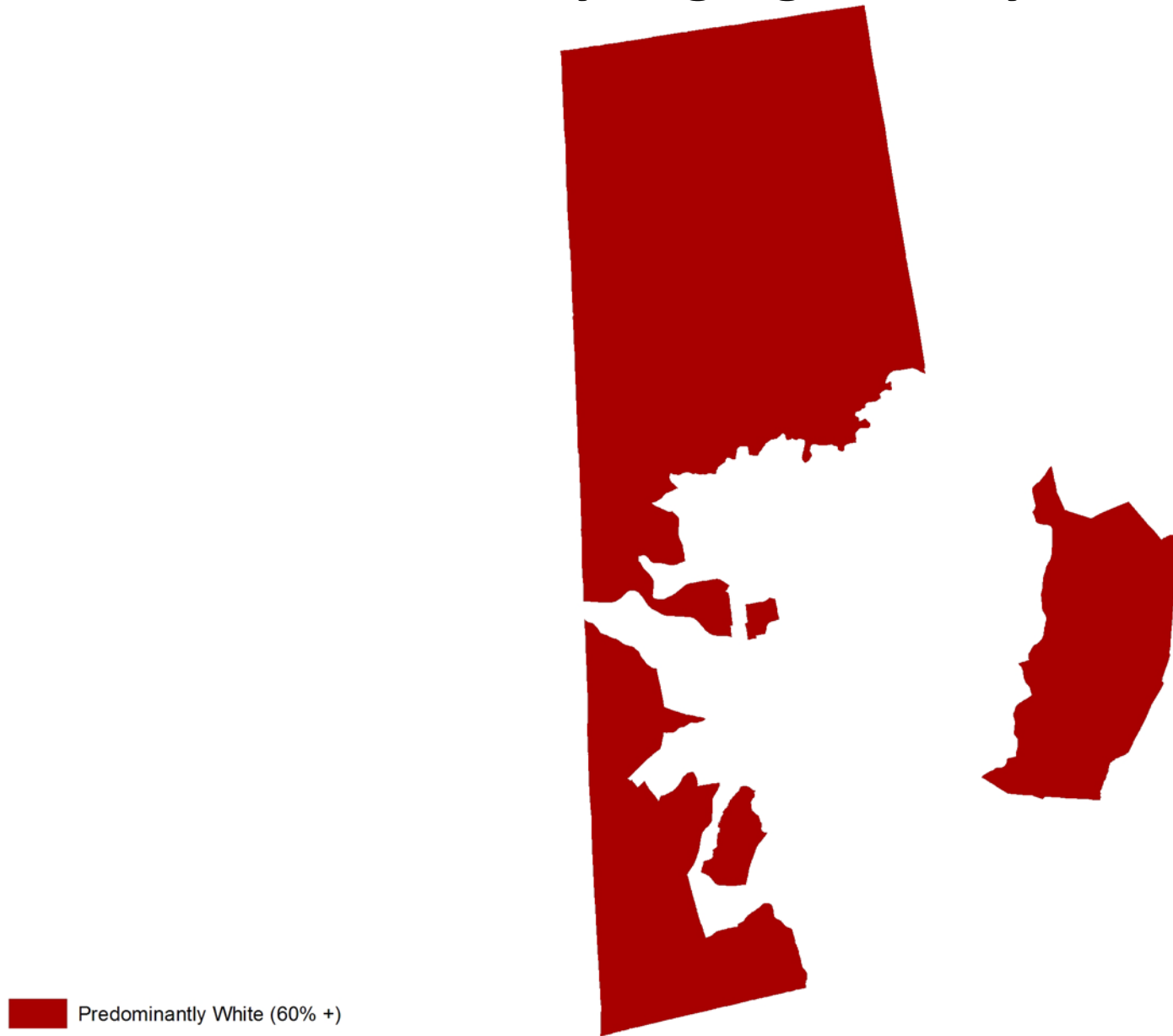
Durham County Segregation by Census Tract



 Census Tracts

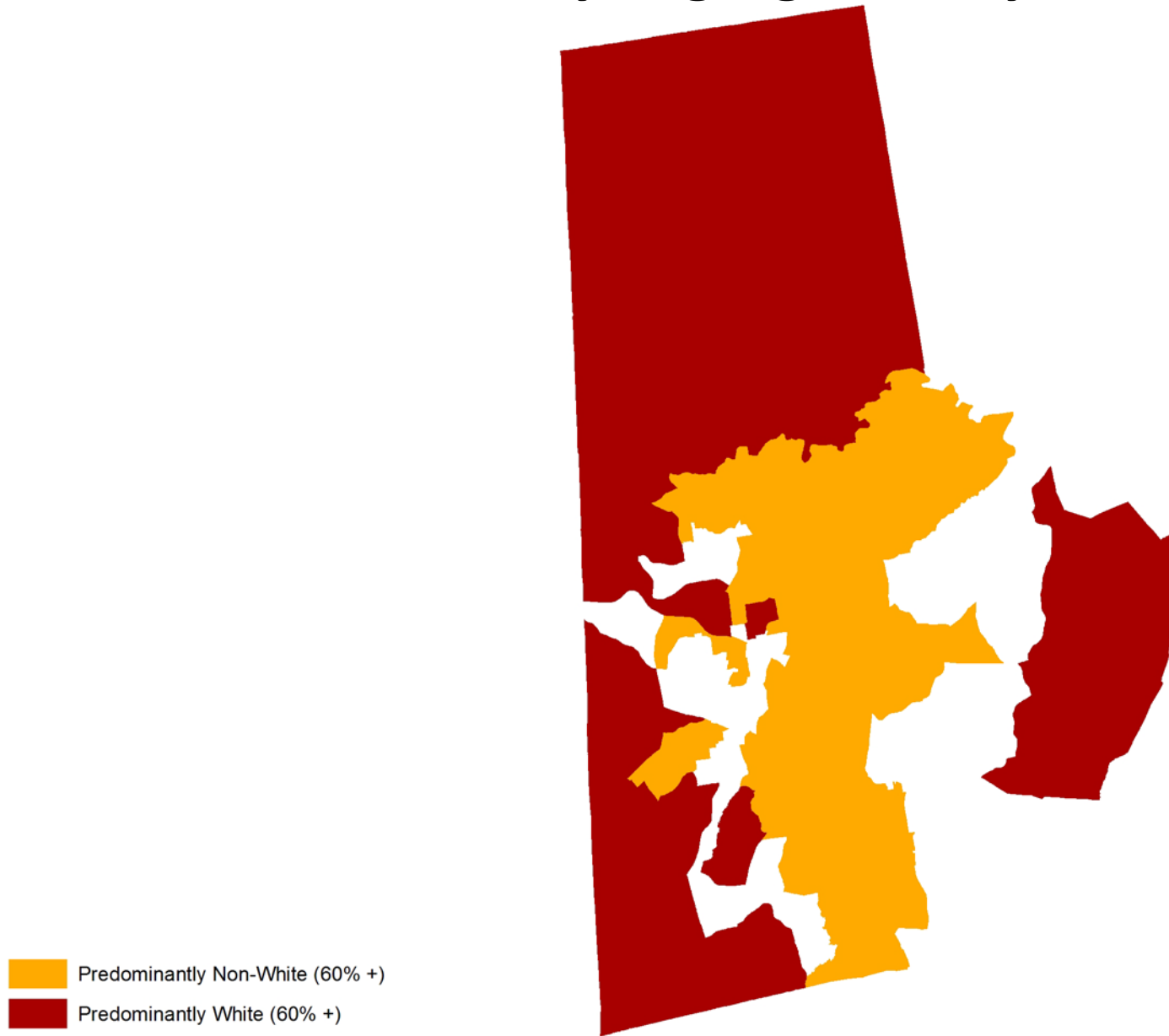
Source: U.S. Decennial Census, 2010

Durham County Segregation by Census Tract



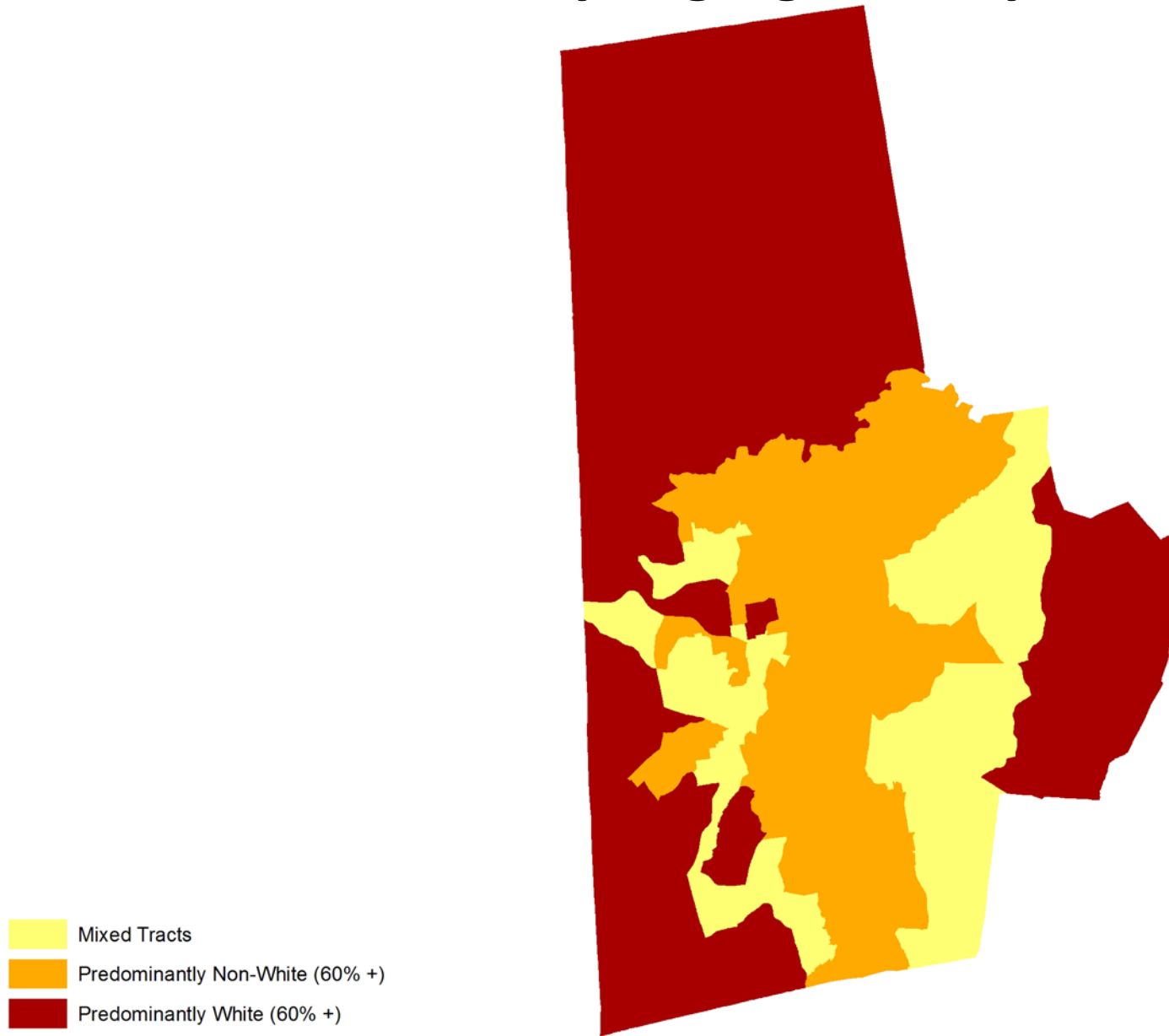
Source: U.S. Decennial Census, 2010

Durham County Segregation by Census Tract



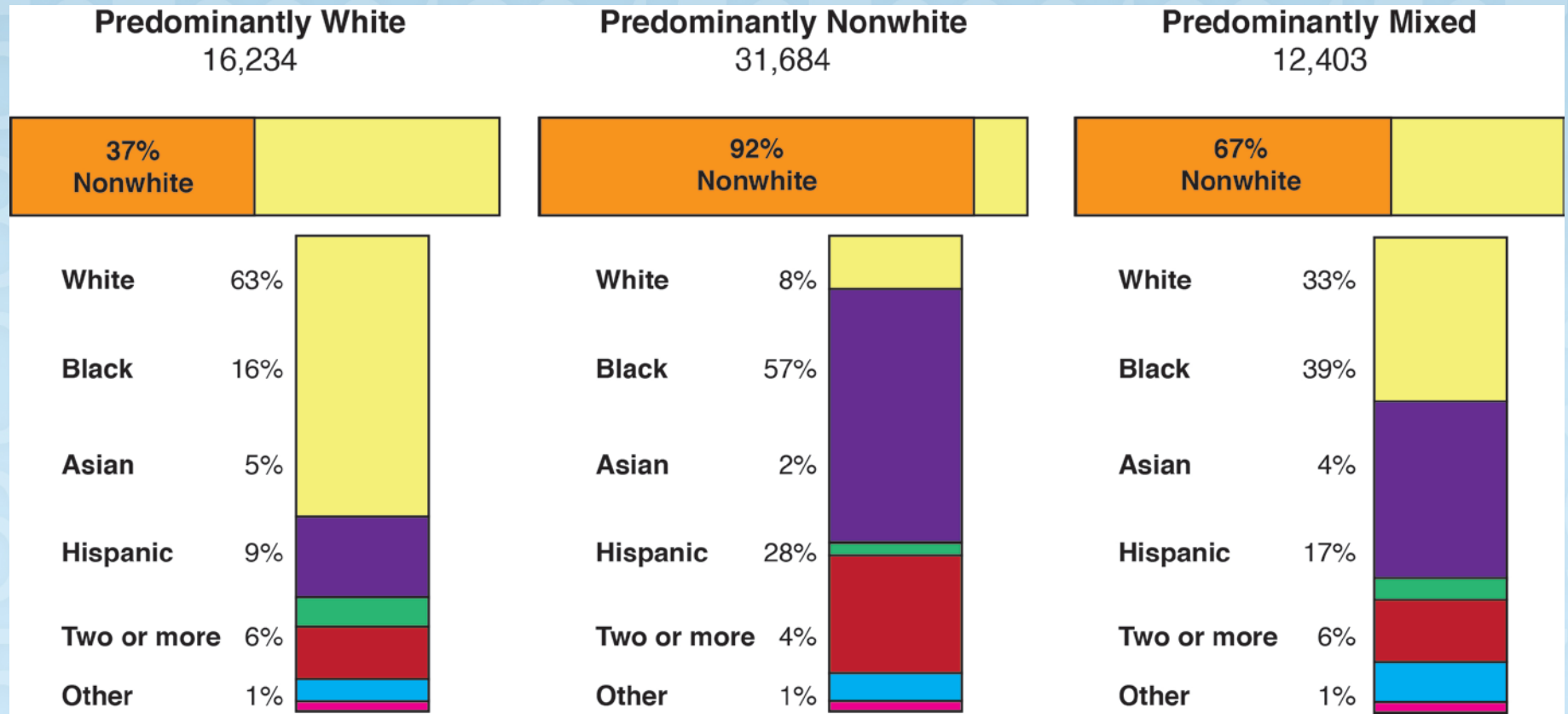
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Durham County Segregation by Census Tract

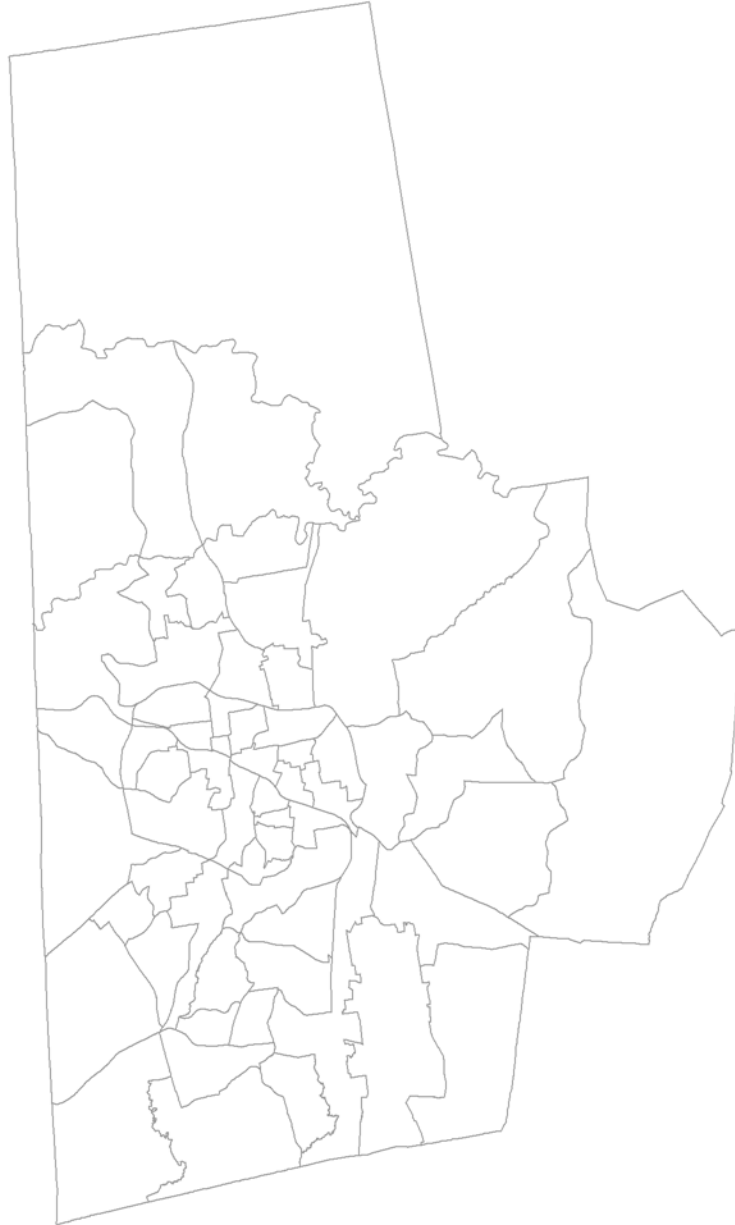



Source: U.S. Decennial Census, 2010

Distribution of School Age Population by Race and Level of Neighborhood Segregation



Durham County Poverty by Census Tract



 Census Tracts

Source: U.S. Decennial Census, 2010

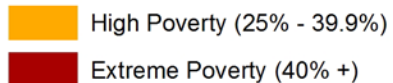
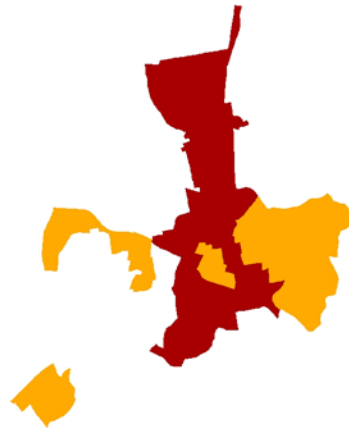
Durham County Poverty by Census Tract



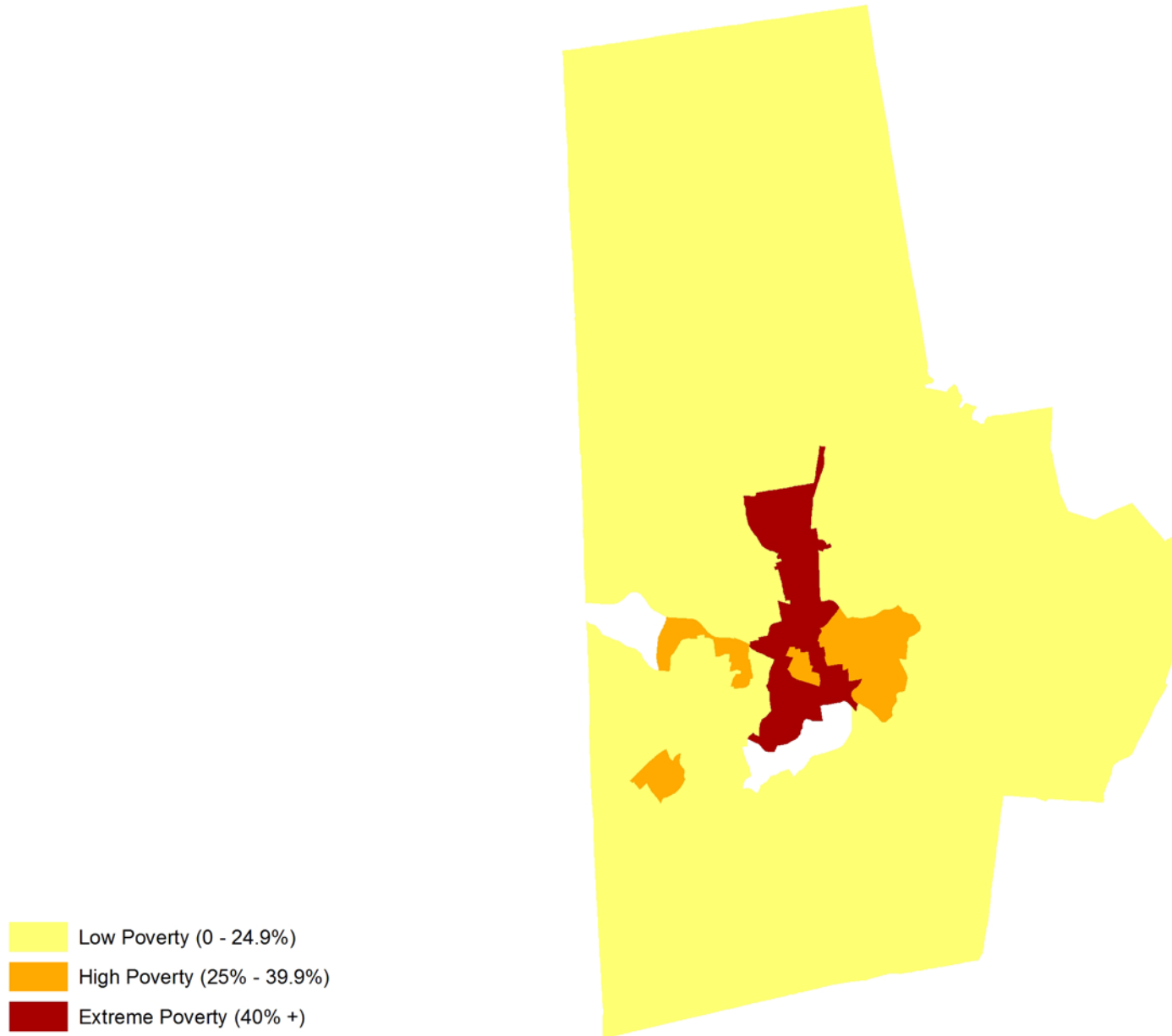
■ Extreme Poverty (40% +)

Source: U.S. Decennial Census, 2010

Durham County Poverty by Census Tract

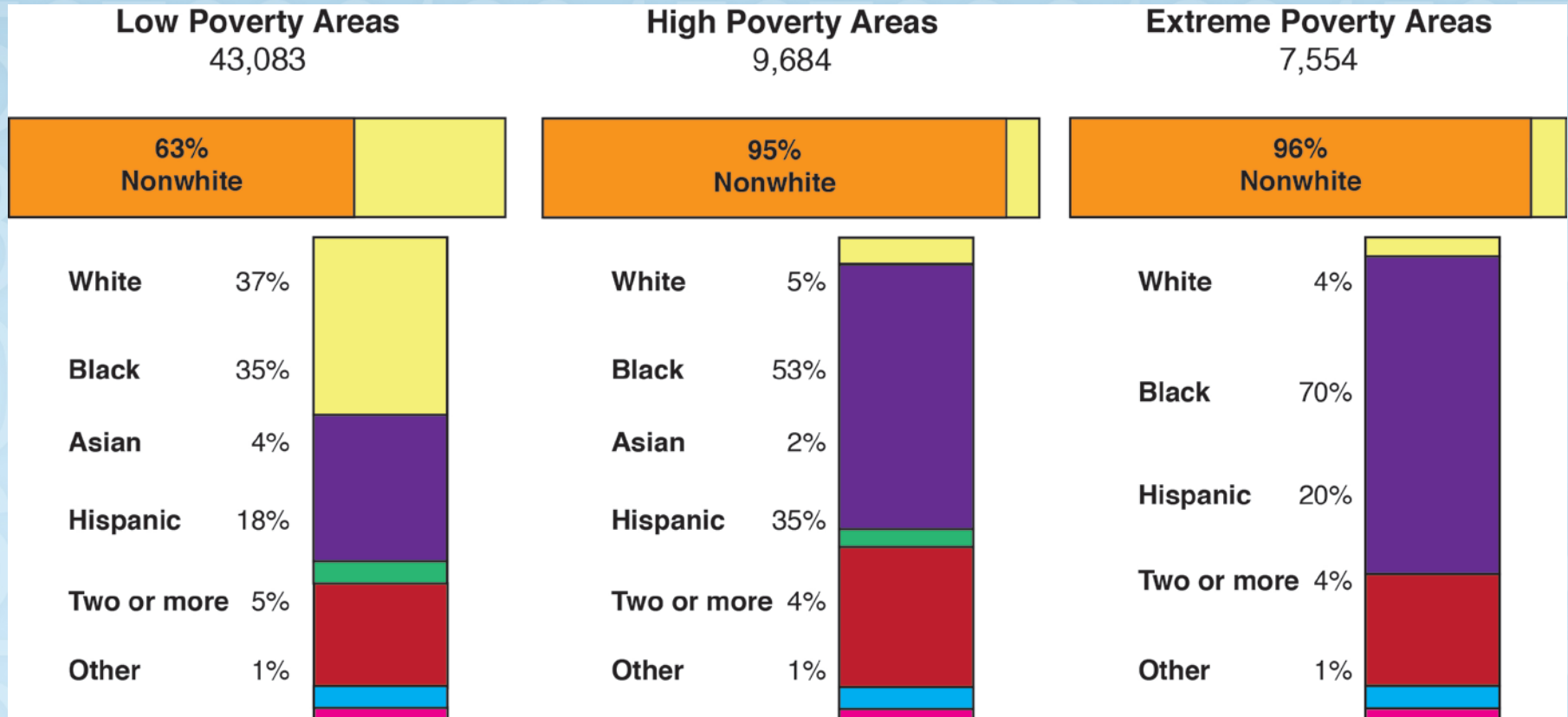


Durham County Poverty by Census Tract

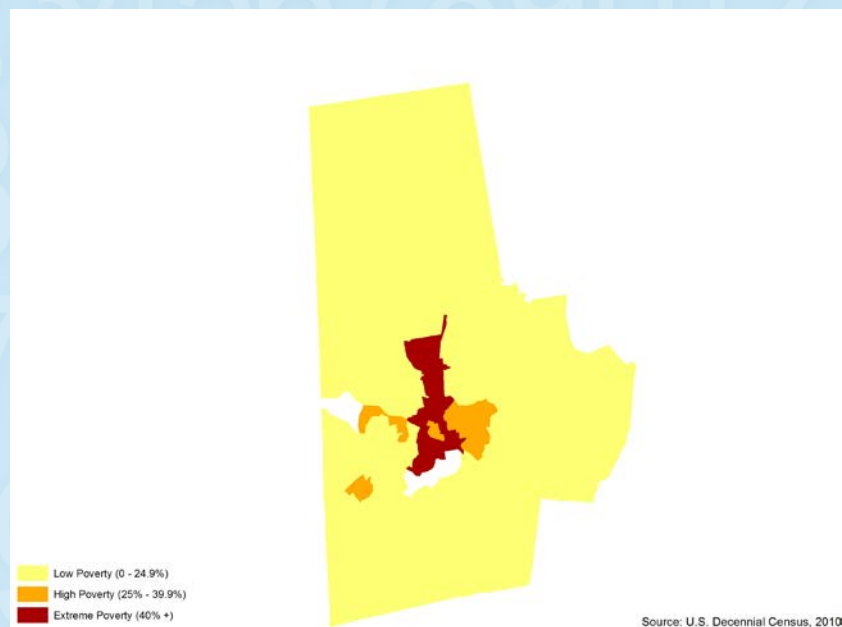
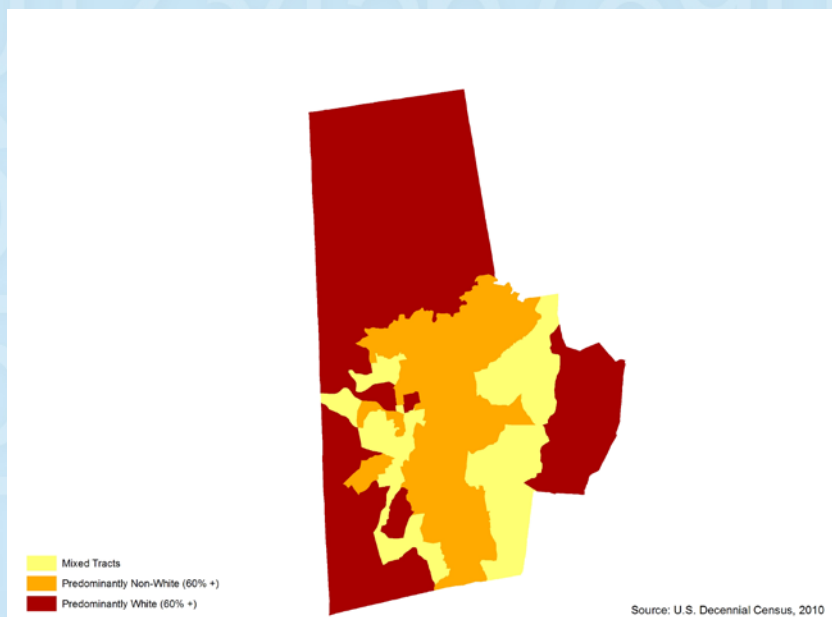
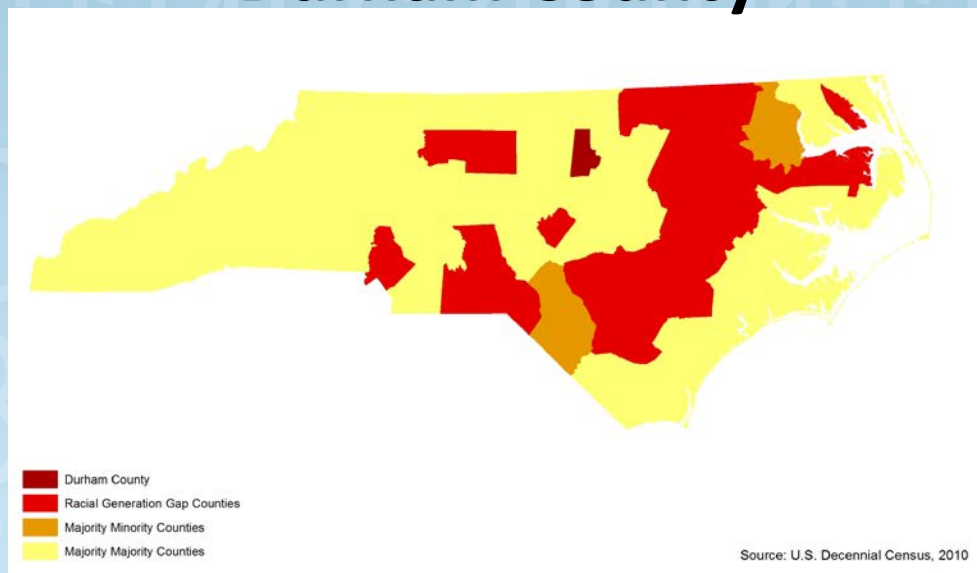


Source: U.S. Decennial Census, 2010

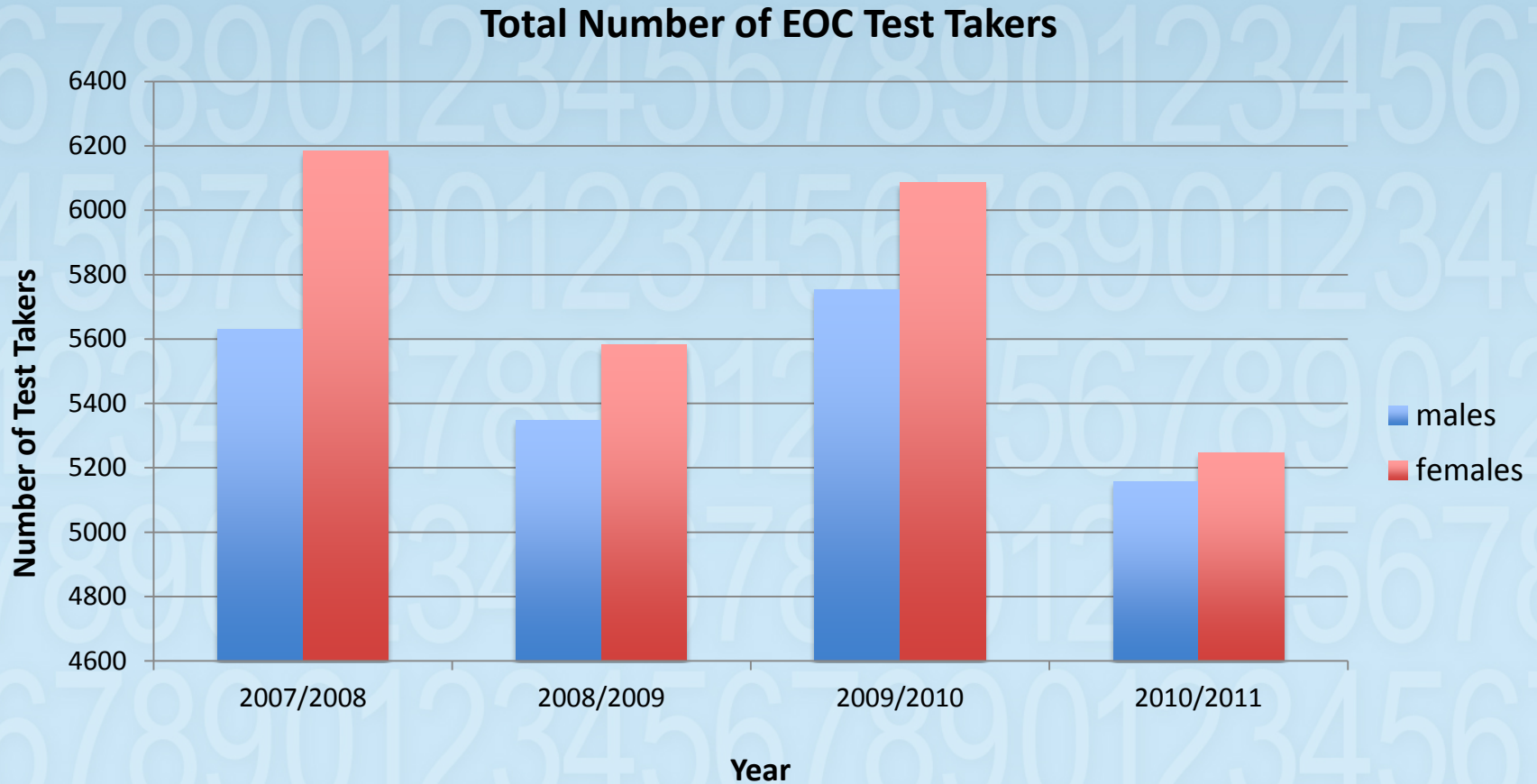
Distribution of School Age Population by Race and Level of Neighborhood Poverty



The Triple Whammy of Geographic Disadvantage Durham County

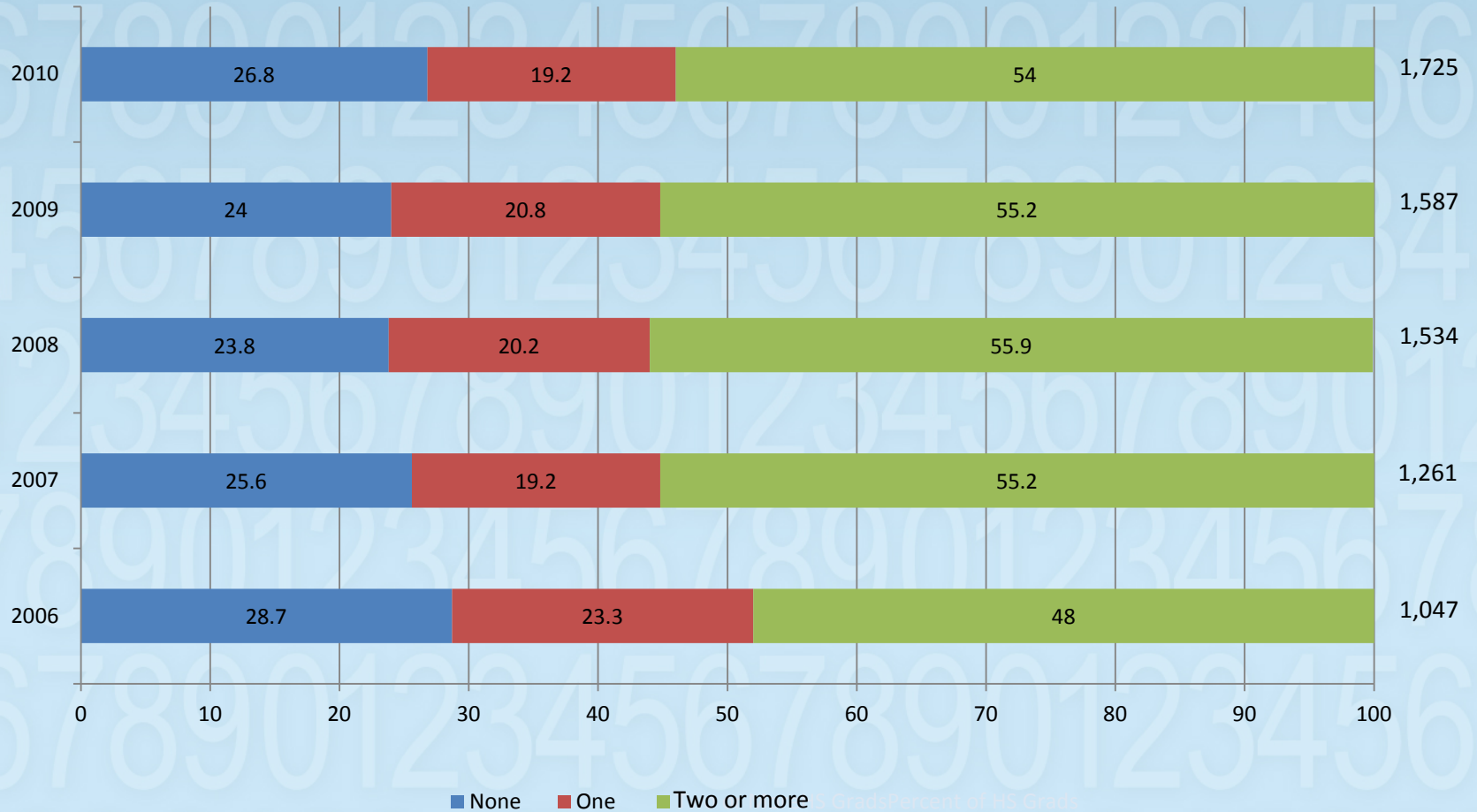


Male-Female Presence Disparity



Graph shows total number of male and female students tested of 6 LEAs (Bertie, Bladen, Duplin, Halifax, Northampton, and Pamlico)

Percent of High School Graduates Requiring Remedial Course Work



A group of diverse students in a science classroom, smiling and raising their hands. In the foreground, there are several Erlenmeyer flasks containing liquids of different colors: orange, green, blue, and yellow. The background is slightly blurred, showing a typical classroom setting with posters on the wall.

Education is Necessary

...but insufficient

BACHELOR'S DEGREE HOLDERS (UNDER AGE 25) WHO WERE JOBLESS OR UNDEREMPLOYED

| Year | Percent |
|------|---------|
| 2000 | 41.0 |
| 2011 | 53.6 |

CHANGE IN INCIDENCE OF POVERTY BY EDUCATIONAL ATTAINMENT IN NC, 2005-2007, 2008-2010

| Educational Attainment | 2005-2007 | 2008-2010 | Percent Change |
|--------------------------------|-----------|-----------|----------------|
| Less than High School | 253,304 | 276,757 | 9.3% |
| High School Graduate | 216,667 | 234,371 | 8.2% |
| Some College, Associate Degree | 136,185 | 186,834 | 37.2% |
| Bachelor's degree or higher | 49,082 | 57,919 | 18.0% |

Source: American Community Survey

The World of Working is Changing

The New World of Work

- Outsourcing
- Offshoring
- Robotic Outsourcing
- Freelancing & the “Gig” economy

THE COMPETITIVE TOOL KIT

- Analytical Reasoning
- Entrepreneurial Acumen
- Contextual Intelligence
- Soft Skills/Cultural Elasticity
- Agility and Flexibility

Maintaining & Enhancing Competitiveness

- Managing transition from the “graying” to the “browning” of America.
- Competition for talent will be fierce – and global.
- Embrace immigrants.
- Address the “wayward sons” problem
- Actively engage in K-12 Education to ensure a steady flow of talent into all sectors of the NC economy.
- Successful recruitment and retention will hinge on your ability to effectively manage the full nexus of “diversity” issues.

Business Implications

Aging as an Economic Driver

NC Total & Older Adult Population Change, 2000-2016

| North Carolina | 2015 Population | 2000 Population | Absolute Change | Percent Change |
|----------------|-----------------|-----------------|-----------------|----------------|
| Total | 10,042,802 | 8,049,313 | 1,993,489 | 24.7 |
| 65+ | 1,405,992 | 969,048 | 436,944 | 45.1 |

The Aging Boomer Market

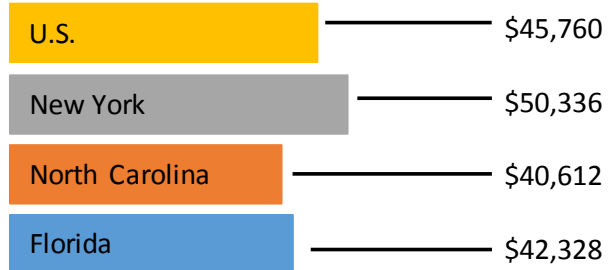
**A \$15 Trillion Prize
Globally**

Bloomberg BusinessWeek

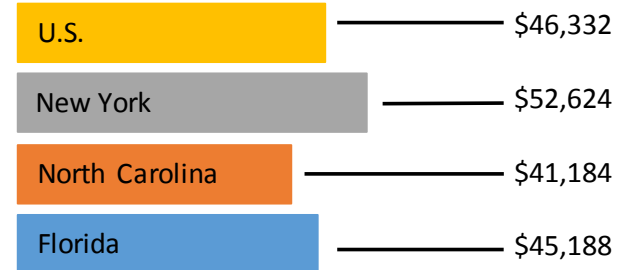
Annual Cost of Care, 2016

HOME HEALTH CARE

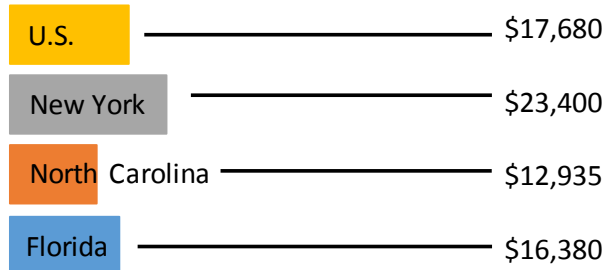
Homemaker Services



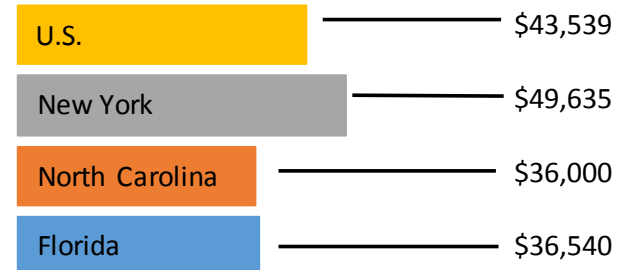
Home Health Aide



Adult Day Health Care

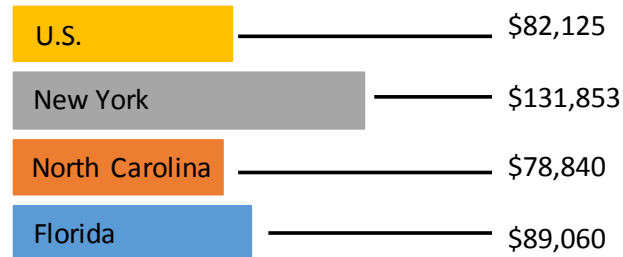


Assisted Living Facilities

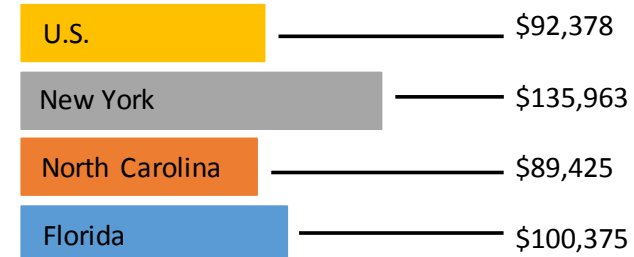


NURSING HOME CARE

Semi-Private



Private



Source: Genworth 2016 Cost of Care Survey

Encore Entrepreneurship

- Americans 55-64 start new business ventures at a higher rate than any other group, including 20 somethings.
- 23% of new entrepreneurs were age 55-64 in 2010, up from 14% in 1996.
- 50% of businesses started by 50+ entrepreneurs still operating 5 years later.
- Encore Entrepreneurs alleged to have: Double E-SP: Experience, Expertise, Seasoned Judgement & Proven Performance.

Think about Urban Design for Our Aging Population



Urban Design Principles

- Visitability of institutional settings
- Senior playgrounds & fitness parks
- Universally accessible transport systems
- Complete street ordinances
- Extended walk times at pedestrian crosswalks
- Senior friendly street signage

LABELING & PACKAGING

- Easy to Read
- Easy to Understand
- Easy to Carry
- Easy to Open
- Easy to Enjoy
- Safer to Use



ELDERLY



THE END

