

# Regional Economic Outlook - Fayette County

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# Overview of Presentation

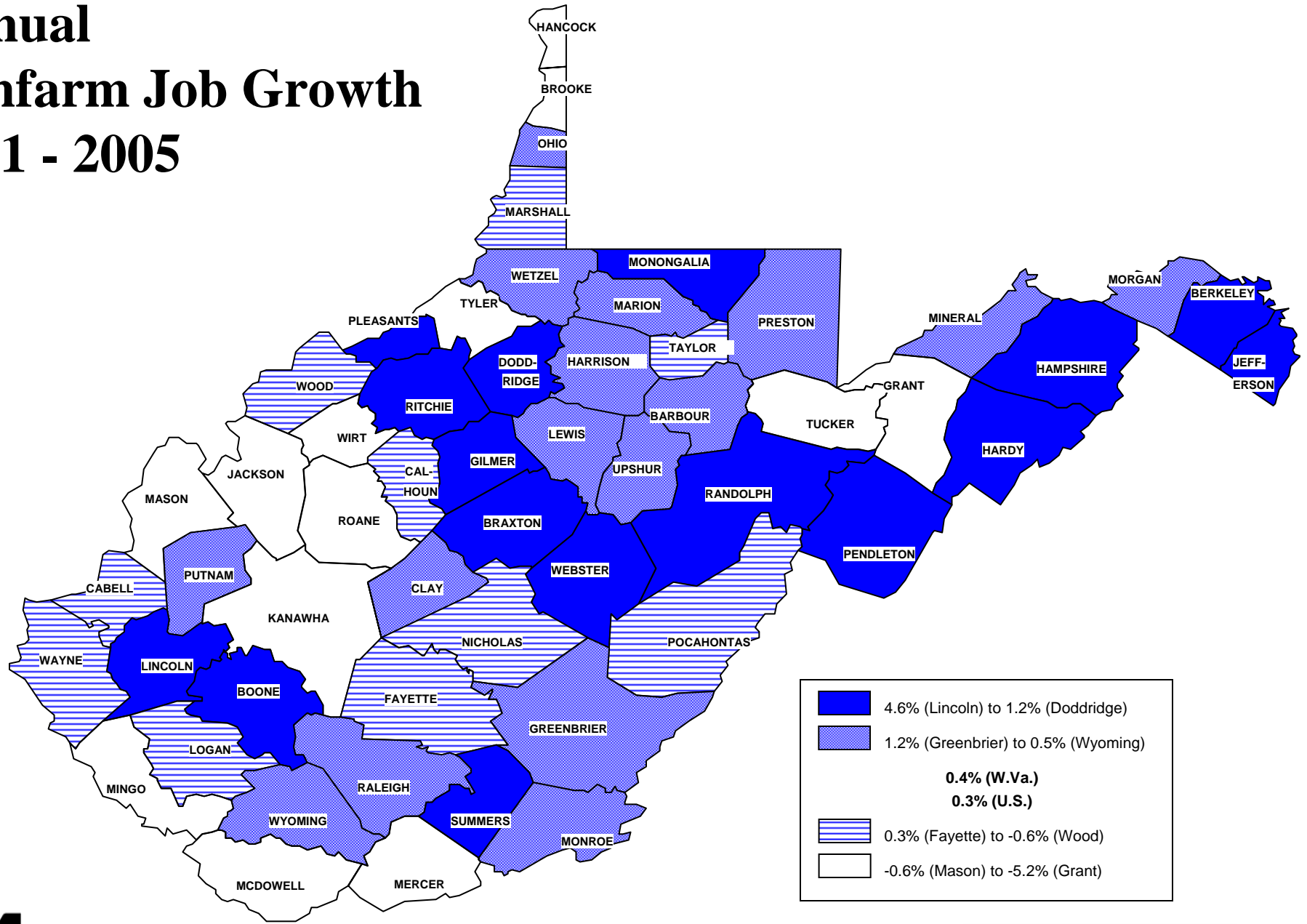
- Fayette County's economic performance compared to other WV counties, WV and US
- Economic outlook for Fayette County
- Role of tourism in regional economic development
- Trends in second home development
- Economic impact of the Roaring River development



# West Virginia County Comparison



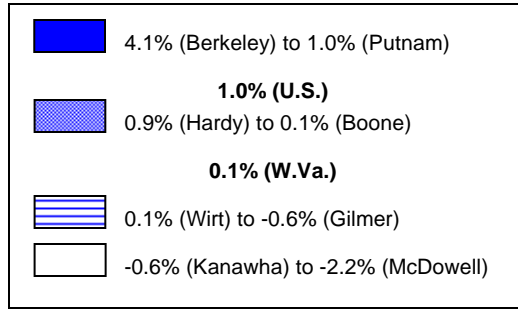
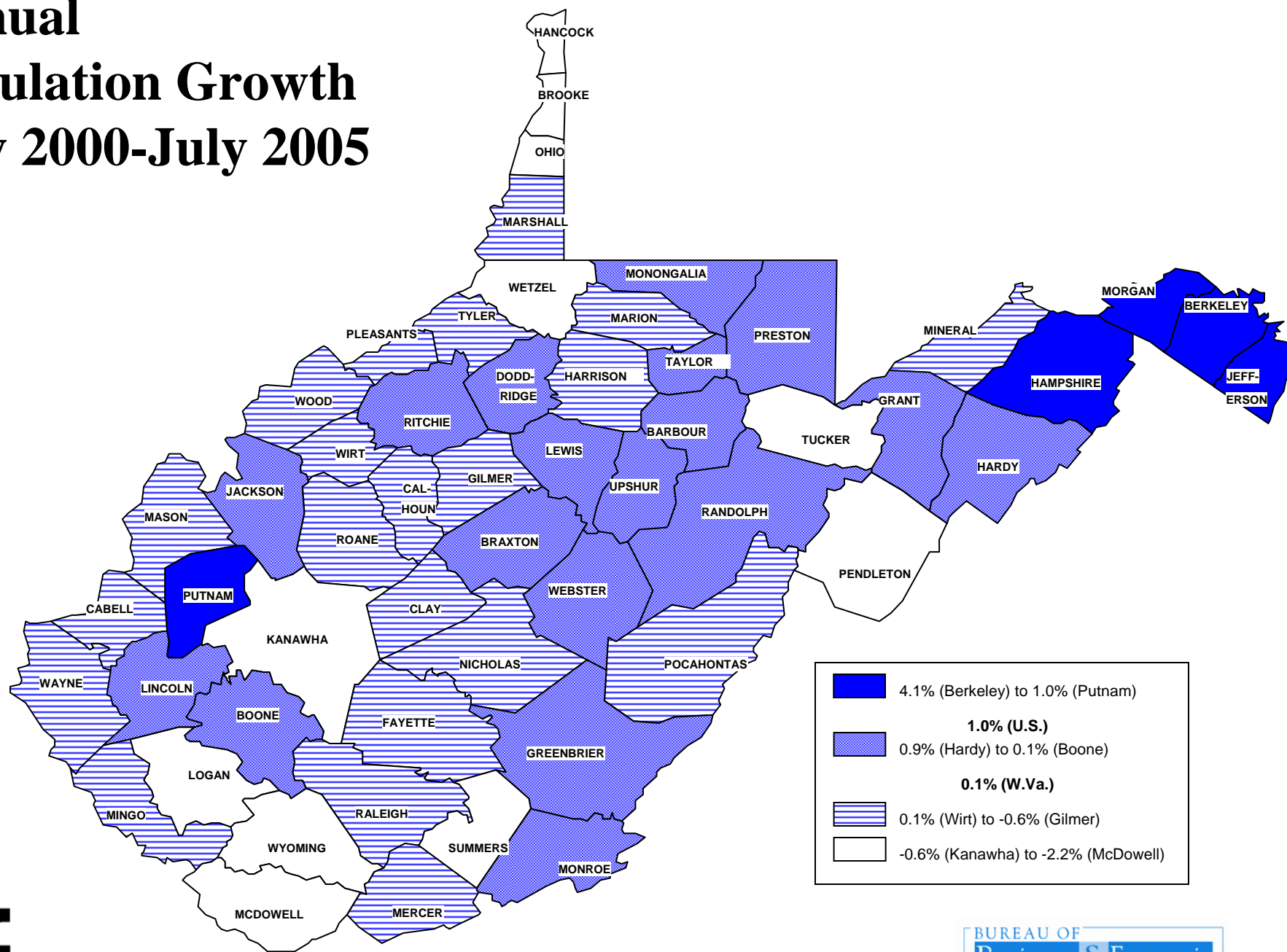
# Annual Nonfarm Job Growth 2001 - 2005



Since 2001, Fayette County has declined in Nonfarm Job growth

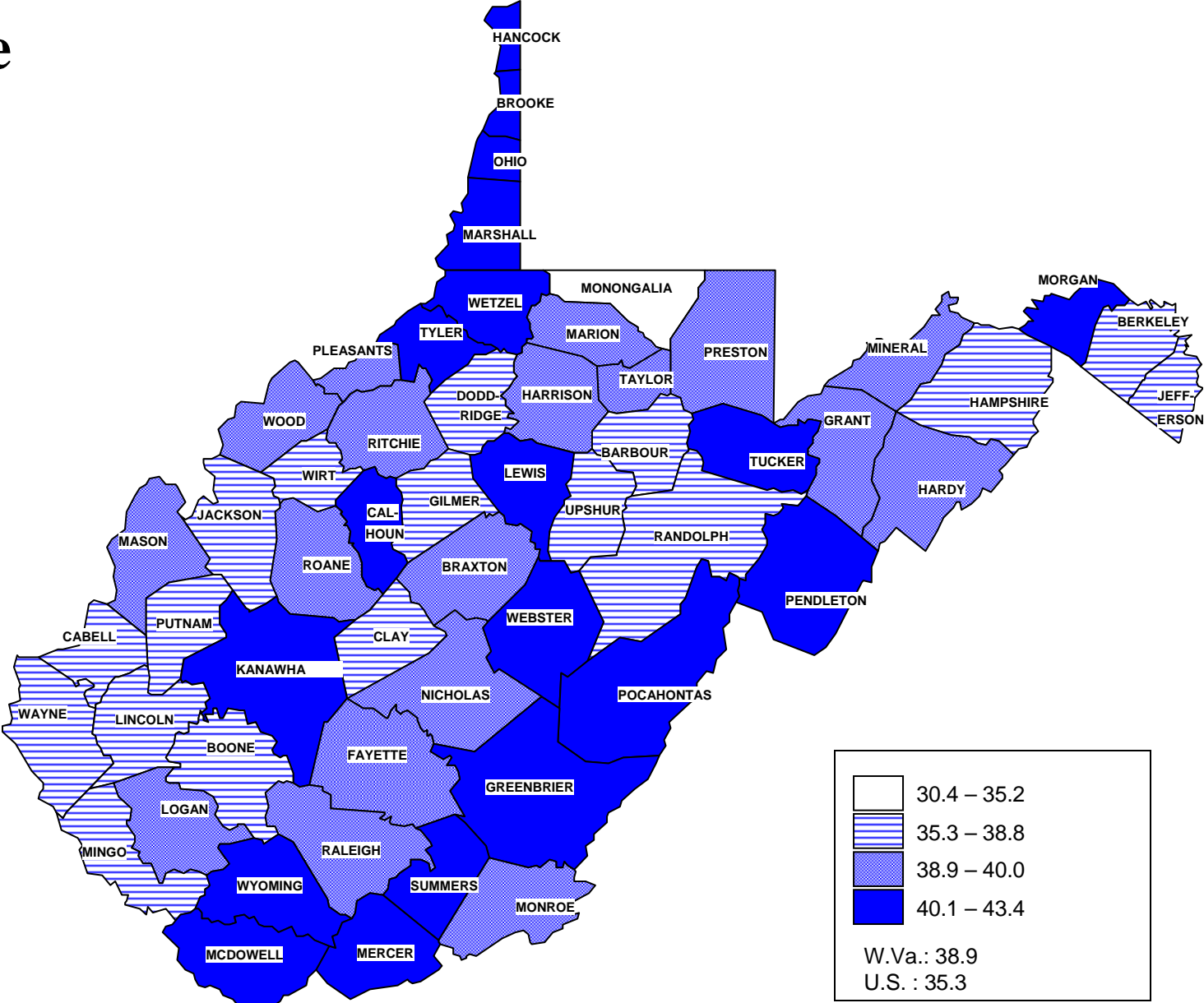


# Annual Population Growth July 2000-July 2005



Fayette County's annual population growth is slightly below the state average. The largest growth is in the Eastern Panhandle and Putnam County.

# Median Age 2000



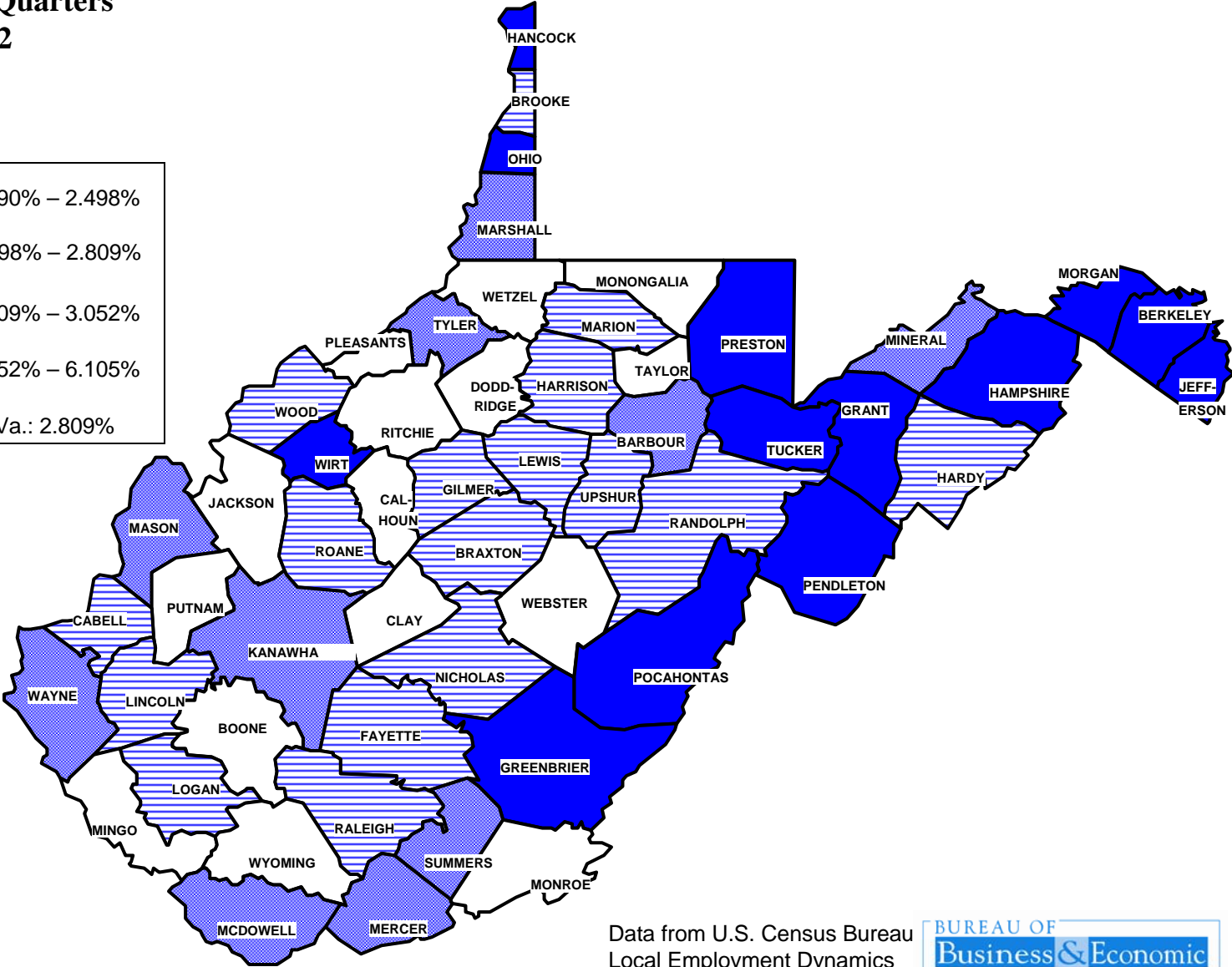
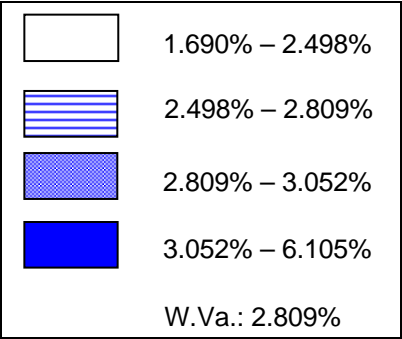
Source: U.S. Census Bureau



Fayette County's average age is slightly higher than the state average and the state has the highest average age in the U.S.

# Share Of County Workers Age 65 And Older

Average of Four Quarters  
2003Q2 to 2004Q2



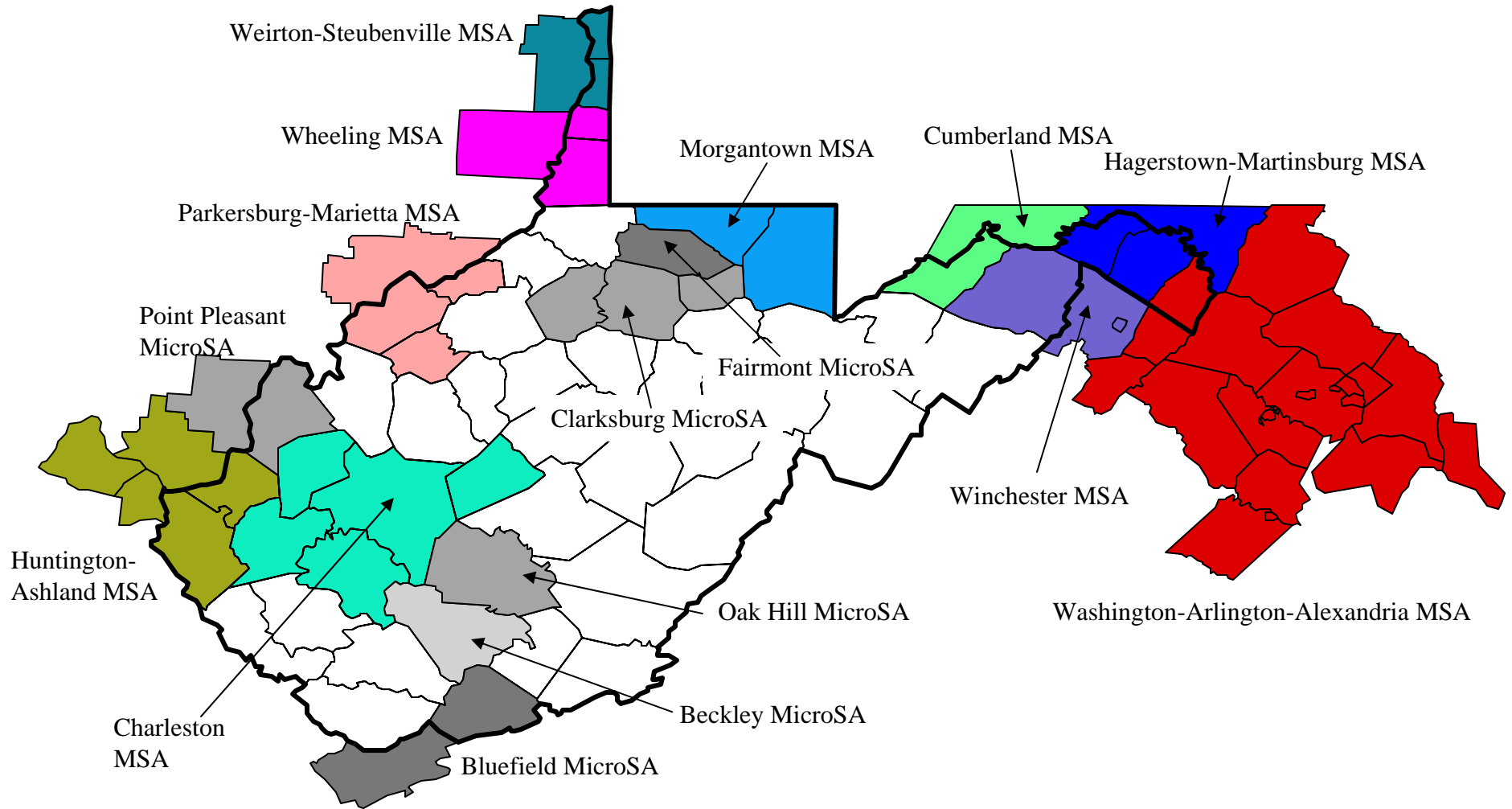
Data from U.S. Census Bureau  
Local Employment Dynamics  
2003Q2 to 2004Q2



The share of county workers age 65 and older is roughly the same as the WV state average.



# West Virginia's Statistical Areas Census 2000

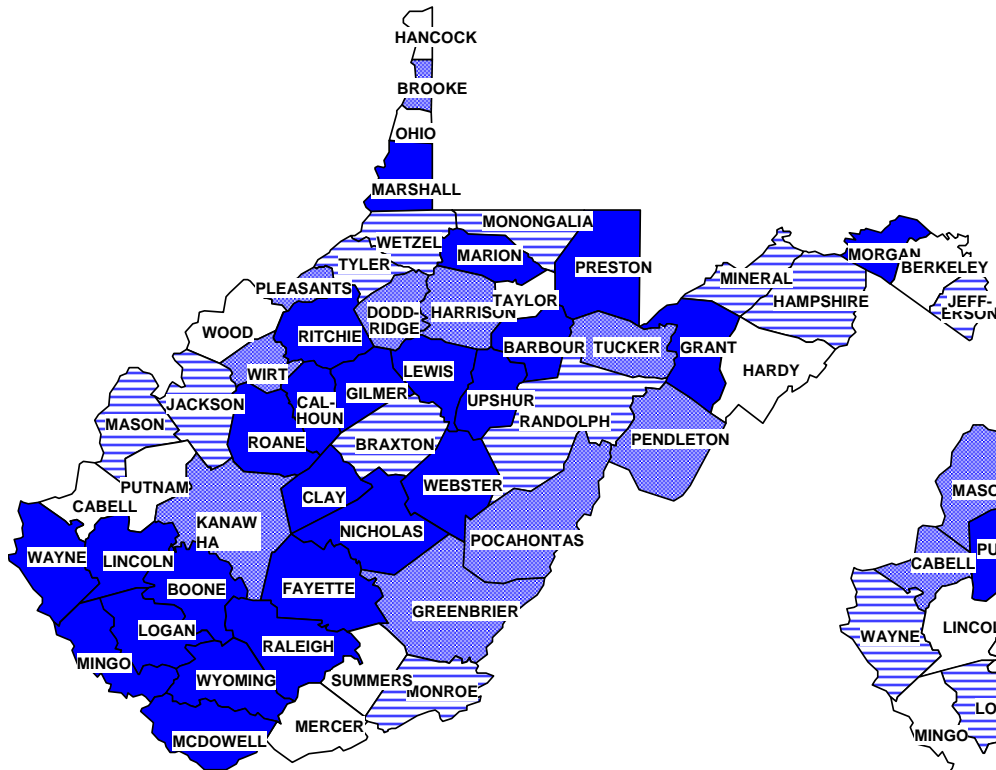
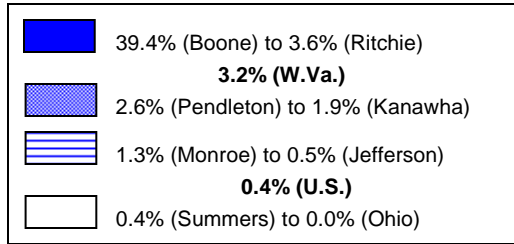


Source: Office of Management and Budget (OMB)



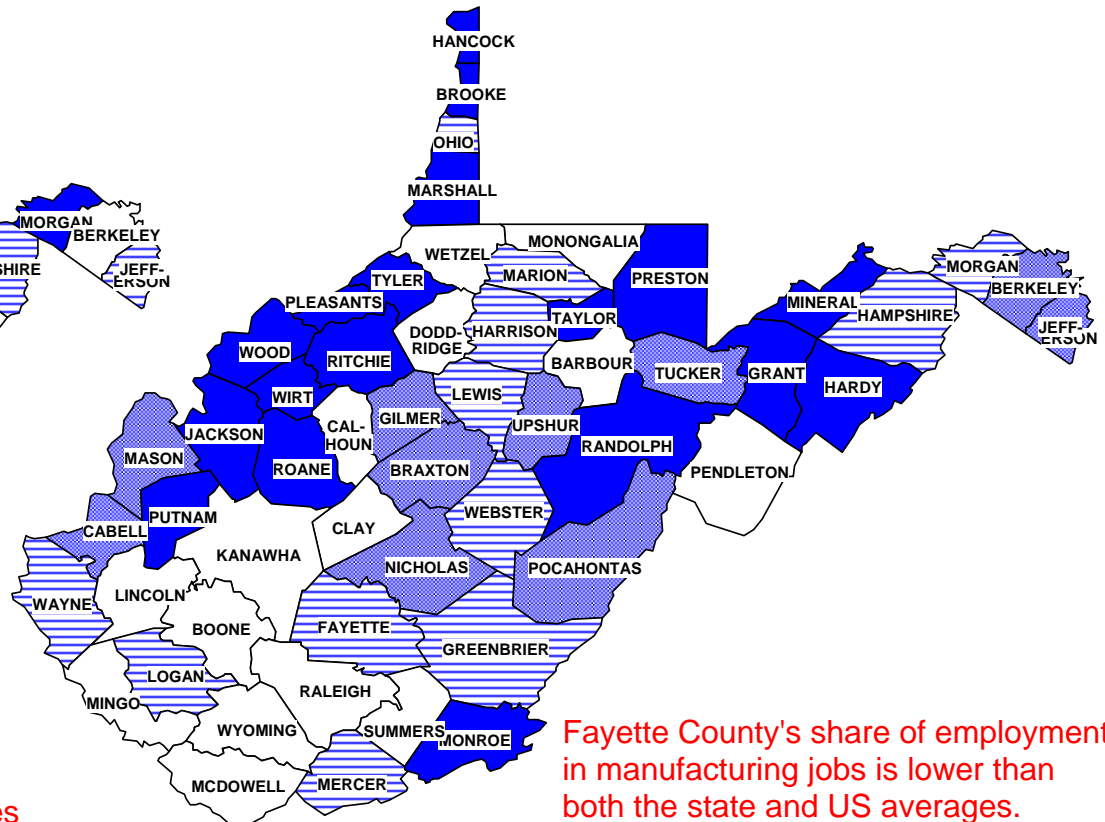
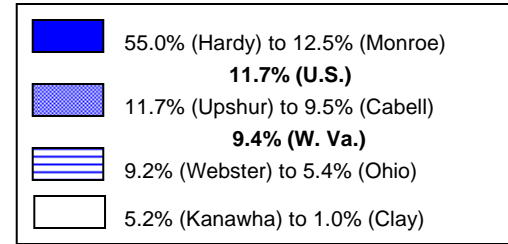
Oak Hill is considered a Micropolitan Statistical Area. Charleston is a Metropolitan Statistical Area. The different definitions are used for programs, policies and funding.

## W.Va. County Natural Resources and Mining Industry Share Of Total Employment 2002



Fayette County's share of employment in the natural resources and mining industries is higher than both the state and US averages.

## W.Va. County Manufacturing Industry Share Of Total Employment 2002



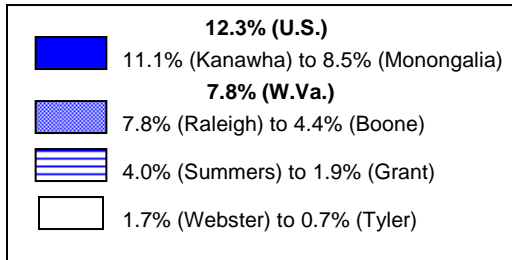
Fayette County's share of employment in manufacturing jobs is lower than both the state and US averages.



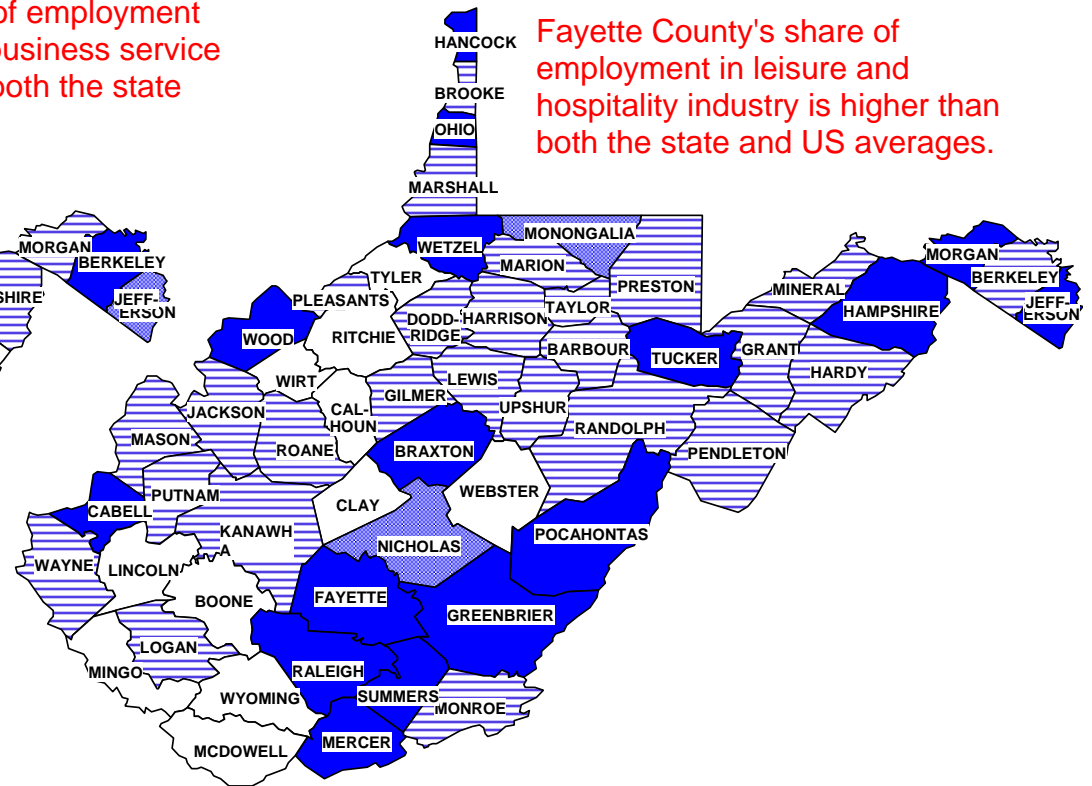
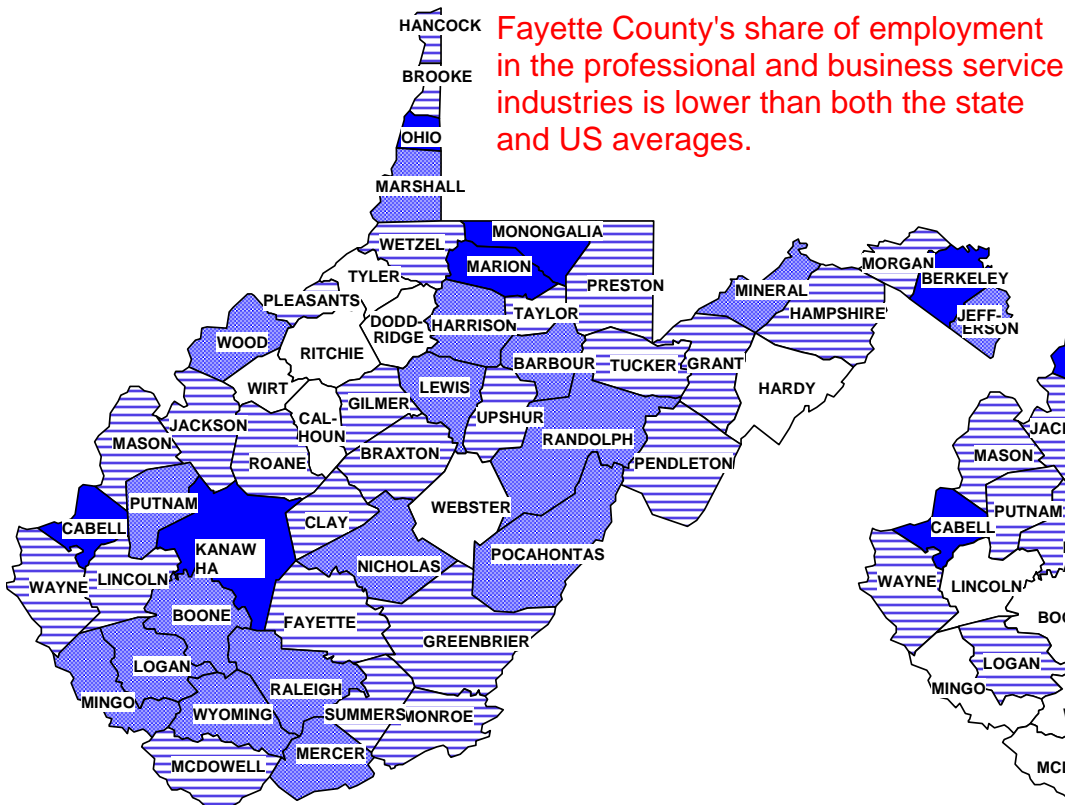
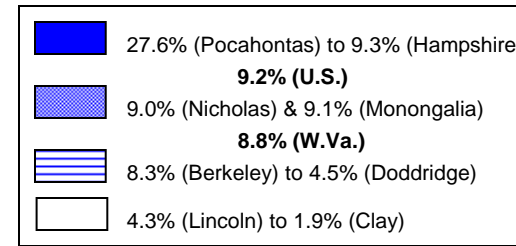
Source: Calculations based on data from W.Va. Bureau of Employment Programs, Research, Information and Analysis



## W.Va. County Professional and Business Services Industry Share Of Total Employment 2002



## W.Va. County Leisure and Hospitality Industry Share Of Total Employment 2002

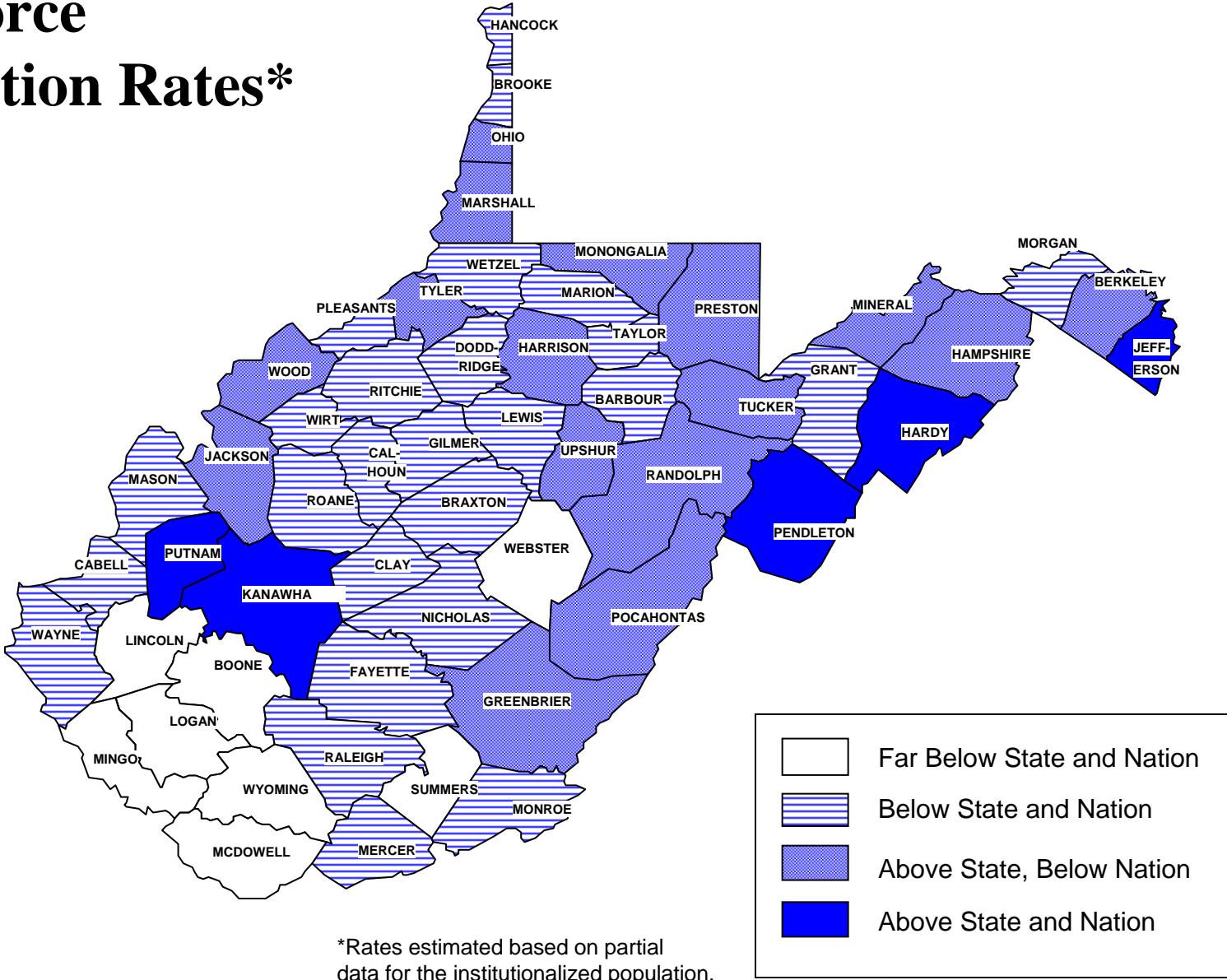


Source: Calculations based on data from W.Va. Bureau of Employment Programs, Research, Information and Analysis



Overall, Fayette County is higher than state and US averages for natural resources, mining, leisure and hospitality service industries; and lower than state and US averages for manufacturing, professional and business service industries.

# Labor Force Participation Rates\* 2000

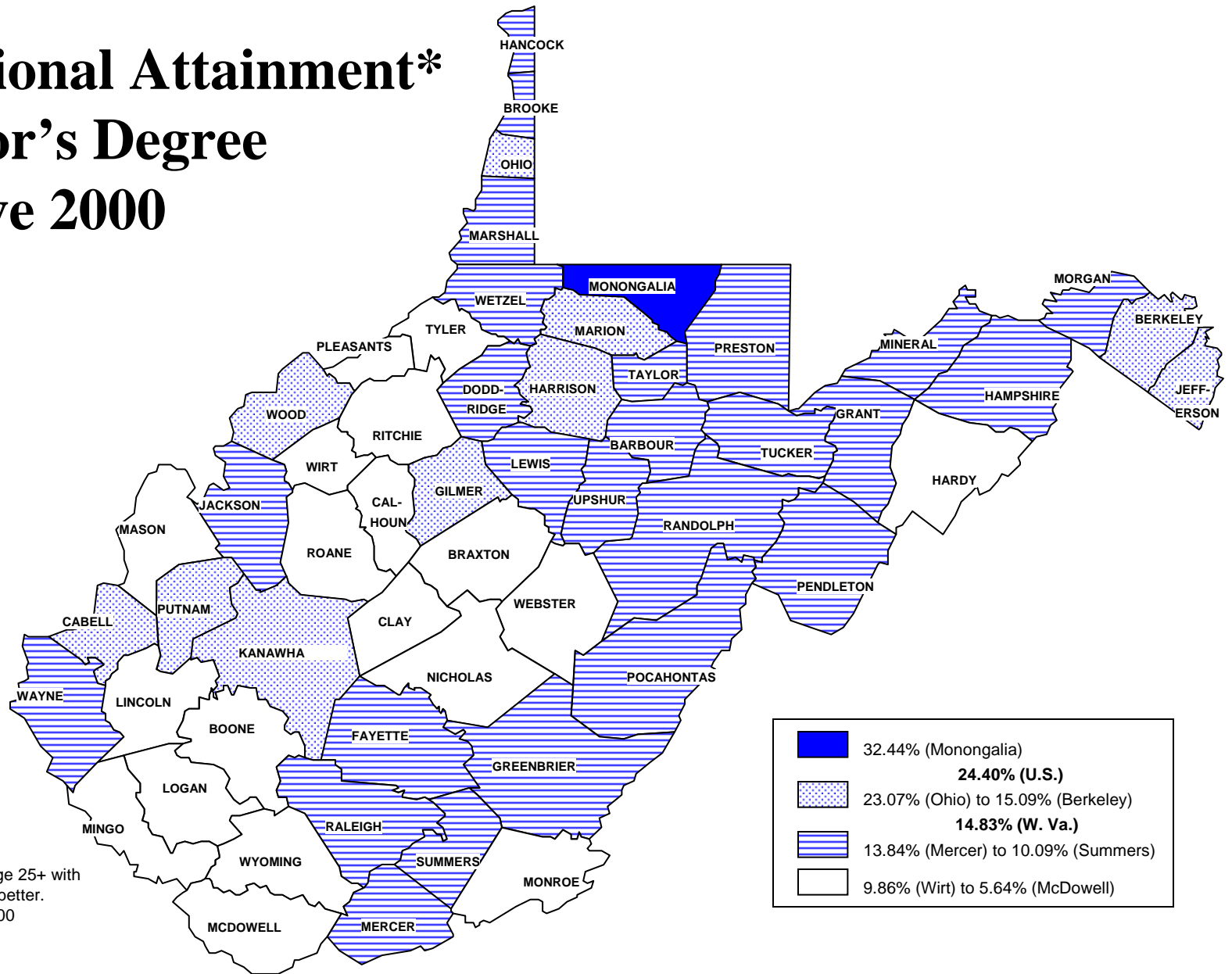


\*Rates estimated based on partial data for the institutionalized population. Population data from Census 2000. Labor Force data from W.Va. BEP



Fayette County's labor force participation rate is below the state and nation. Five of 55 counties are above the state and nation.

# Educational Attainment\* Bachelor's Degree & Above 2000



\*Share of residents age 25+ with Bachelor's degree or better. Data from Census 2000



Fayette County is below the state and US averages for educational attainment. This is the share of residents age 25+ with a bachelor degree or better.



# Fayette County Education Attainment Population 25 and Over, 2000

- Less than high school graduate-31.4%
- High School Graduate-39.8%
- Some college, no degree-14.6%
- Associate degree-3.4%
- Bachelor's degree-6.7%
- Advanced degree-4.0%
- Education attainment levels well below WV and U.S. levels

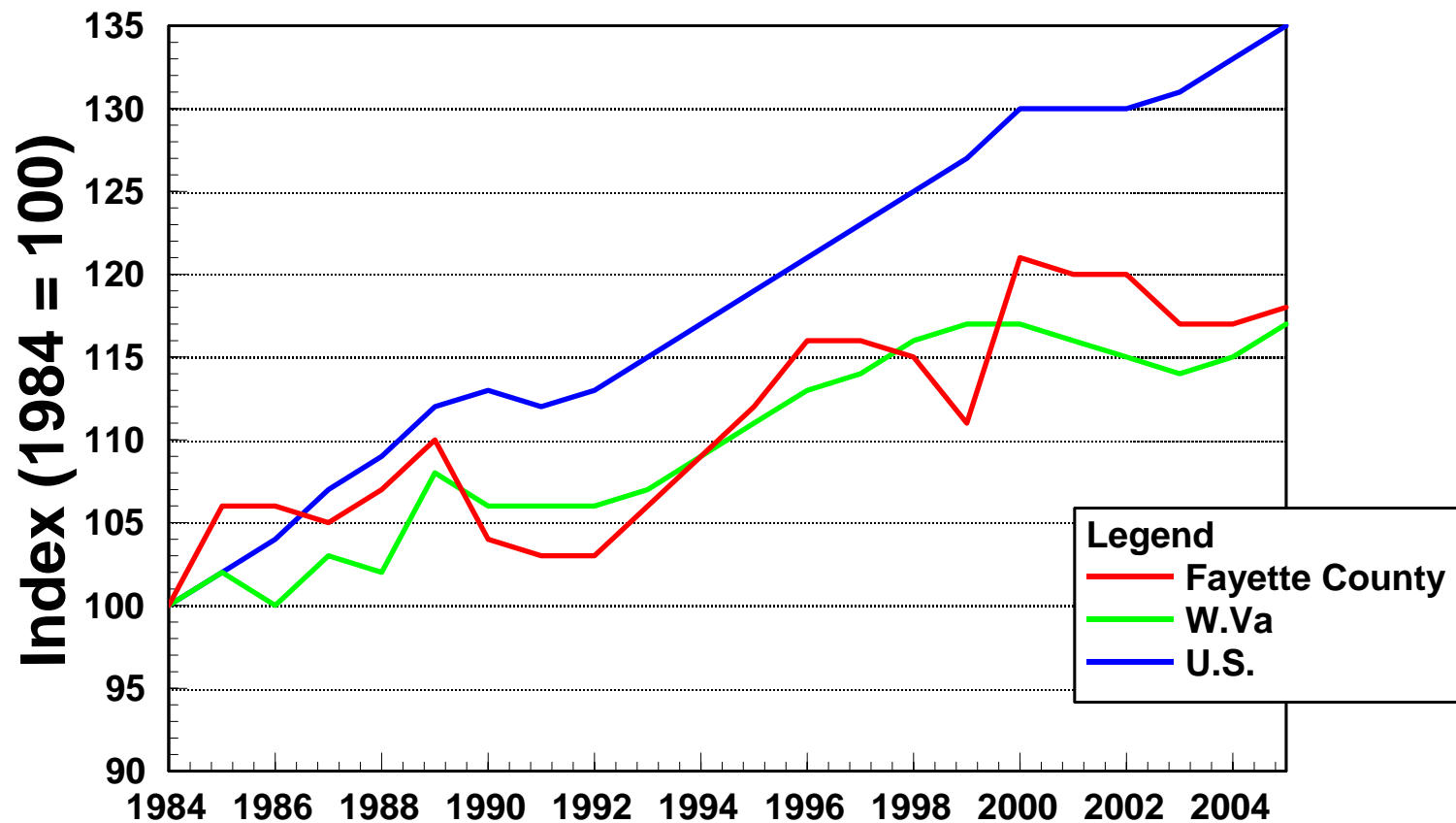


Fayette County's education attainment:  
about 30% didn't graduate from high school,  
about 40% graduated high school,  
about 20% have less than four-year post-secondary schooling and,  
about 10% have a four-year post-secondary degree or greater.

# A Short Economic History of Fayette County



# Total Employment (1984-2005)



\*Source: Bureau of Economic Analysis [www.bea.gov](http://www.bea.gov)  
Workforce West Virginia. [www.wvbep.org/bep/LMI](http://www.wvbep.org/bep/LMI)

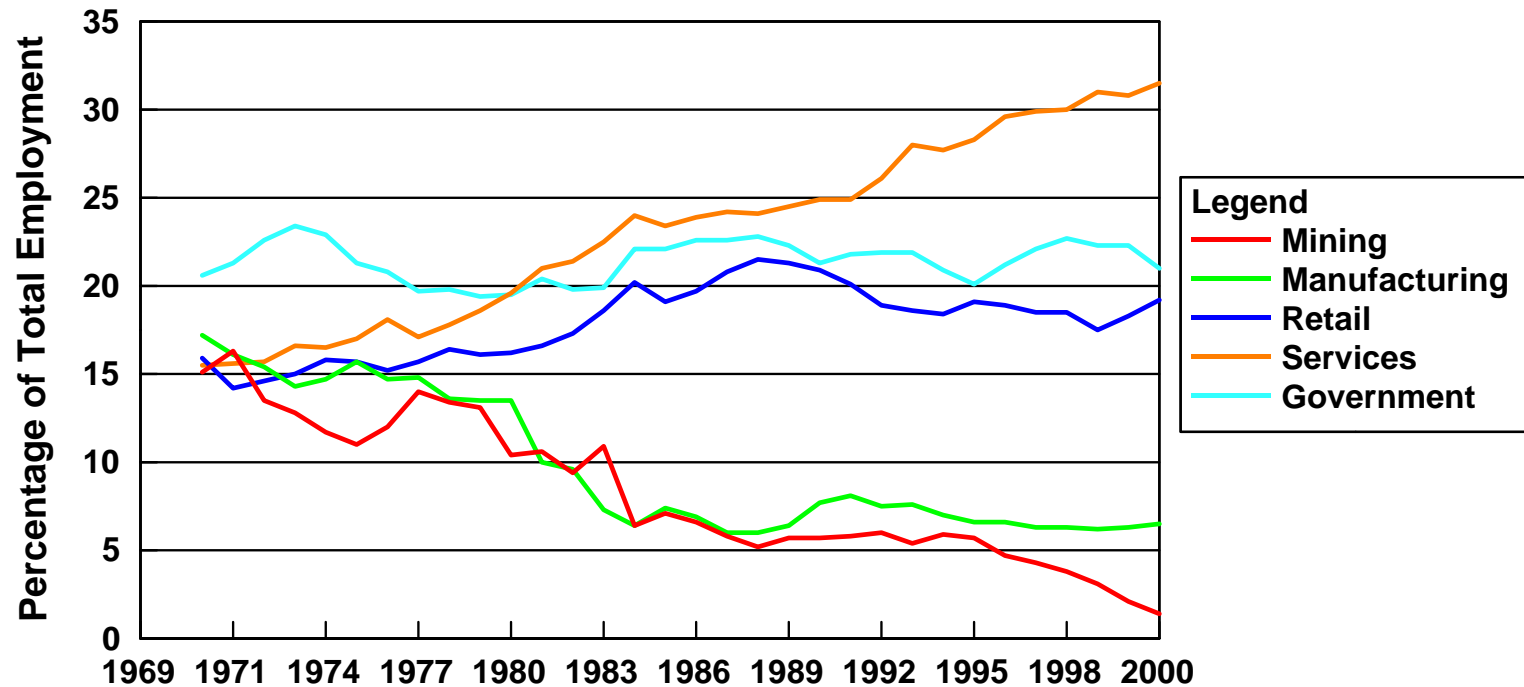


From 1984 to 2004, overall US employment shows a steady increase.  
Fayette County follows the same general growth pattern as WV.





## Employment Trends by Major Industries (1969-2000)

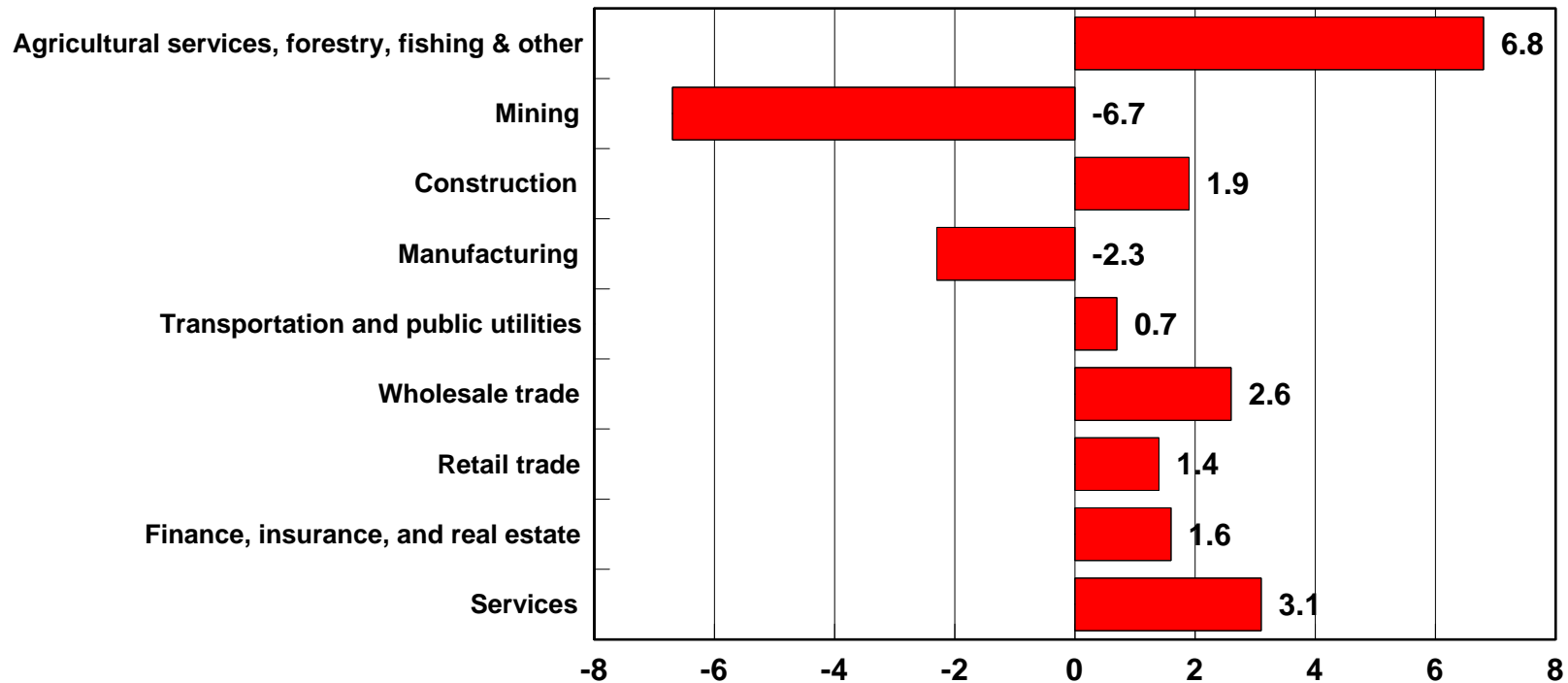


\* Source: Bureau of Economic Analysis [www.bea.gov](http://www.bea.gov)

From 1969 to 2000, the services industry has increased, government and retail services have stayed steady and manufacturing and mining have decreased.



## Average Annual Job Growth Rate (%) (1969-2004) Nonfarm/Private Jobs by Industry (SIC)



\* Source: Bureau of Economic Analysis  
Workforce West Virginia

[www.bea.gov](http://www.bea.gov)  
[www.wvbep.org/bep/LMI](http://www.wvbep.org/bep/LMI)



From 1969-2004, the top three areas of job growth are natural resources related, services and wholesale trade. During the same time period, mining and manufacturing showed the greatest decline in annual job growth rates.



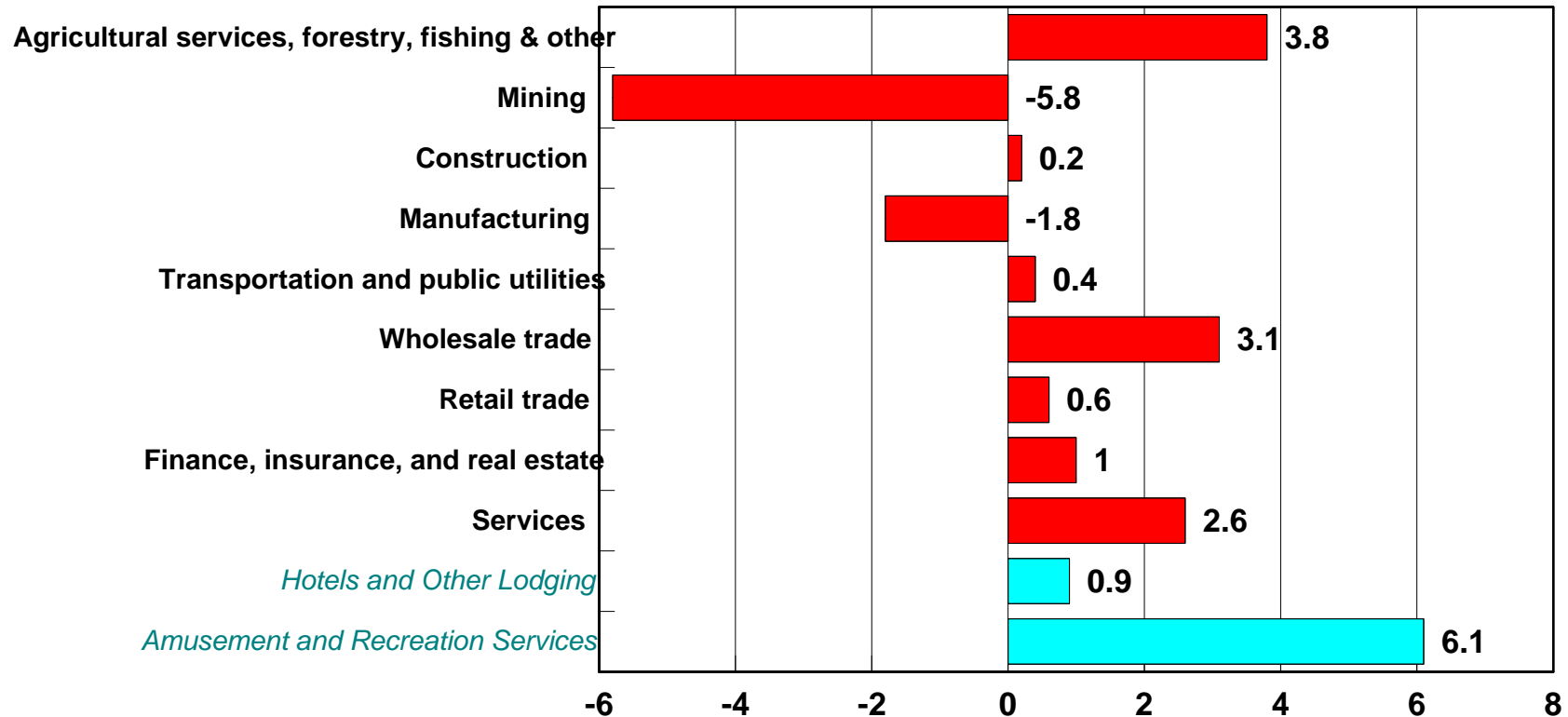
# Top 10 Employers March 2006

- Fayette County Board of Education
- WVU Institute of Technology
- *Global Contract Services, LLC*
- Mt. Olive Correctional Complex
- Montgomery General Hospital
- Plateau Medical Center, Inc.
- *WV Alloys, Inc.*
- Wal-Mart Stores, Inc.
- *Kingston Minings, Inc.*
- New River Health Assoc., Inc.



40% of the jobs are in government and retail (steady trend)  
30% of the jobs are in services (increasing trend)  
30% of the jobs are in manufacturing and mining  
(decreasing trend)

# Average Annual Growth in Real Earnings (2005 \$) SIC Industries (1969-2000)



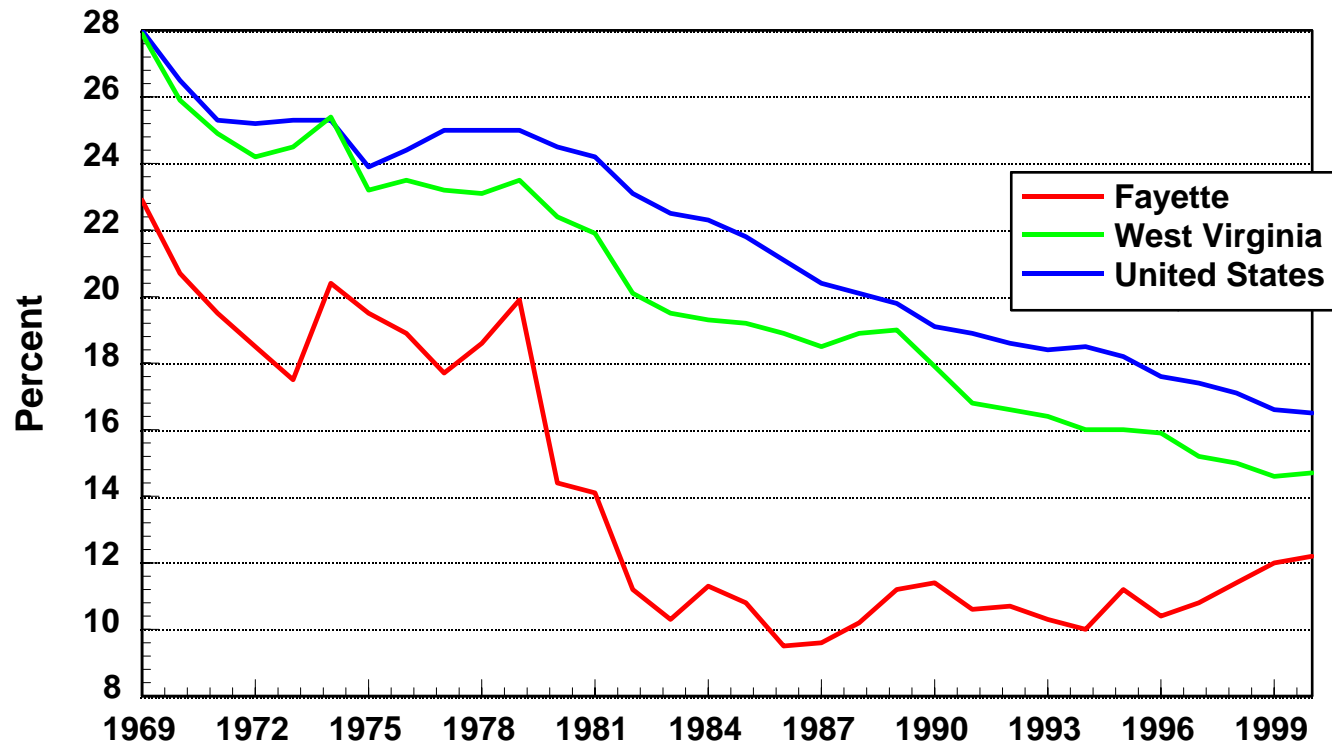
\* Source: Bureau of Economic Analysis [www.bea.gov](http://www.bea.gov)



In average annual real growth earnings from 1969 to 2000, amusement and recreation services showed the largest growth while mining showed the greatest loss.



## Manufacturing Share of Total Earnings (1969-2000)

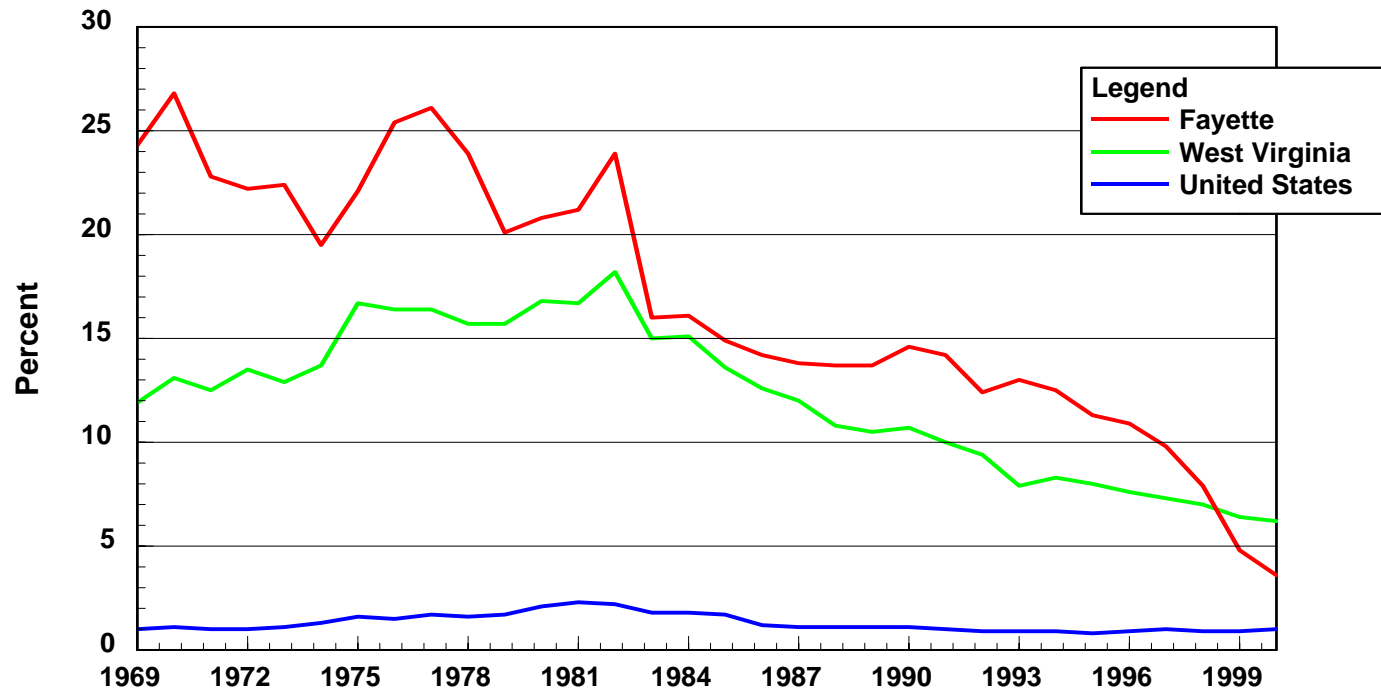


\*Source: Bureau of Economic Analysis. [www.bea.gov](http://www.bea.gov)

The manufacturing share of total earnings has dropped through the years. Fayette County shows a slight increase in comparison to state and US earnings.



## Mining Share of Total Earnings (1969-2000)

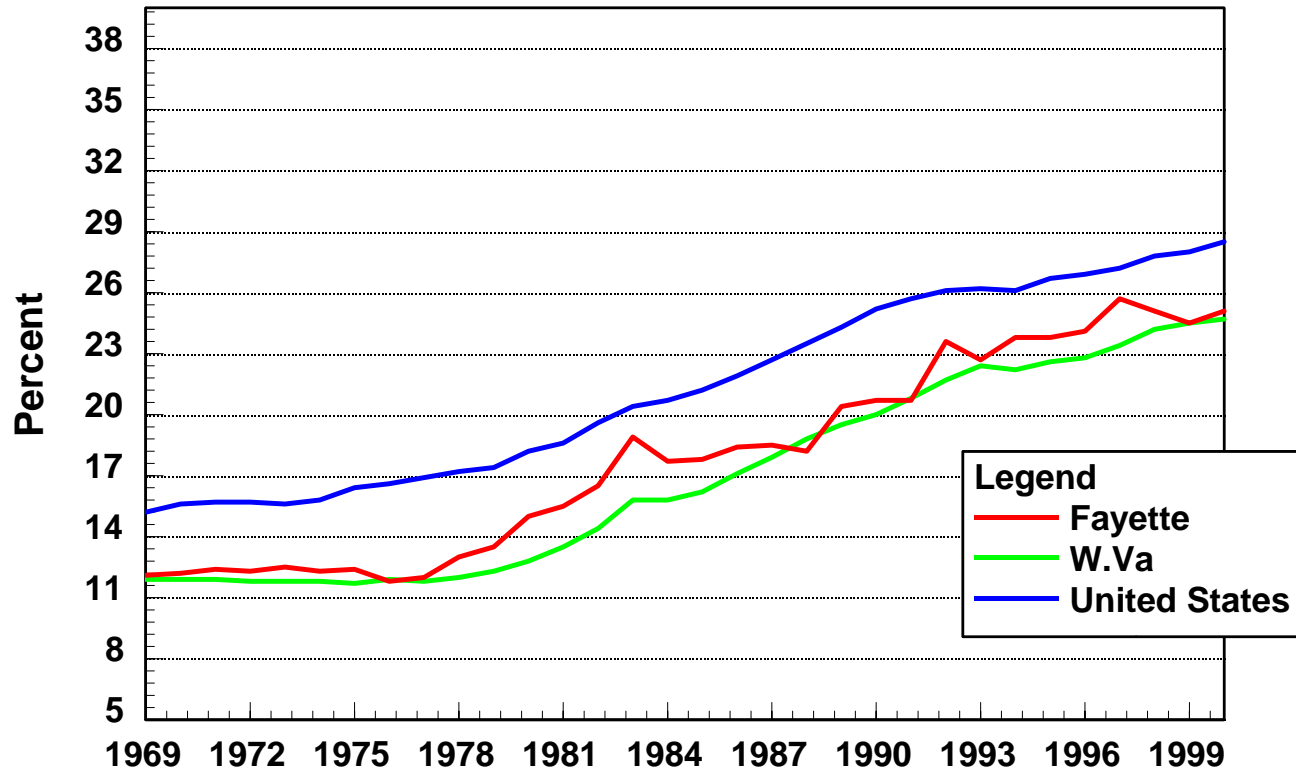


\*Source: Bureau of Economic Analysis. [www.bea.gov](http://www.bea.gov)

Through the years, mining in Fayette County shows a steady downward trend.



# Service Share of Total Earnings (1969-2000)

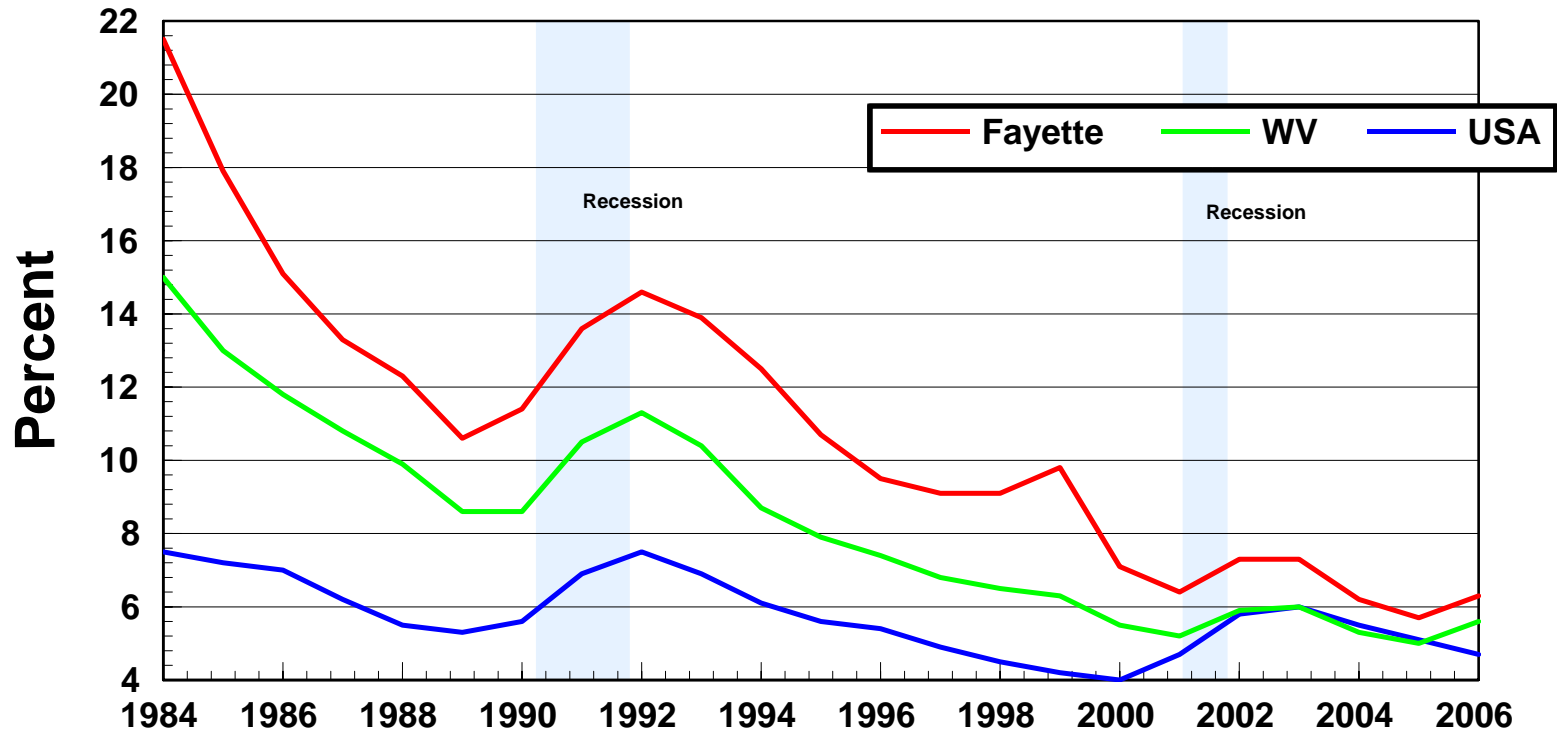


\*Source: Bureau of Economic Analysis. [www.bea.gov](http://www.bea.gov)



As with the state and US service share of earnings, Fayette County also shows a steady rise.

# Unemployment Rates (1984-2006)



\*Source: U.S Bureau of Labor Statistics  
Workforce West Virginia

[www.bls.gov](http://www.bls.gov)  
[www.wvbep.org](http://www.wvbep.org)

\* Data available until August 2006. Last Revised 9/18/06.

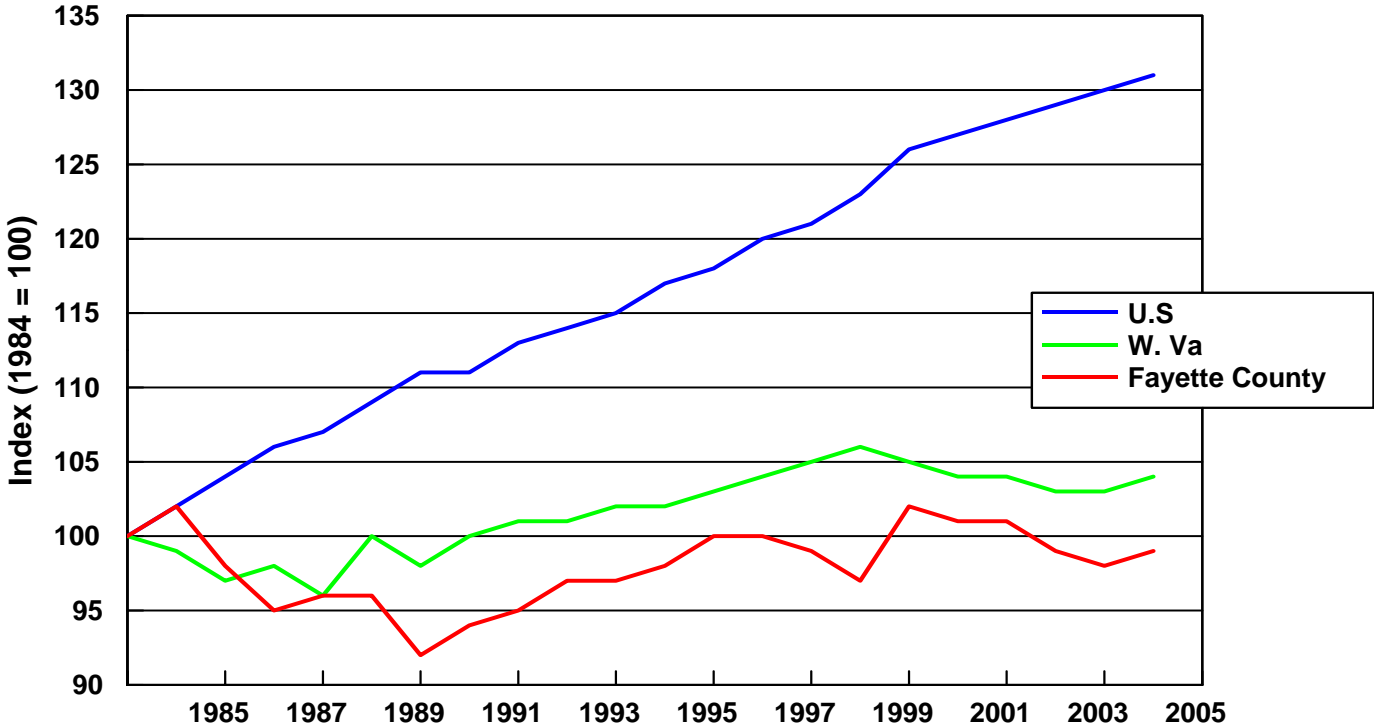


From 1984 to 2006 unemployment rates have dropped overall.





# Total Civilian Labor Force (1984-2005)



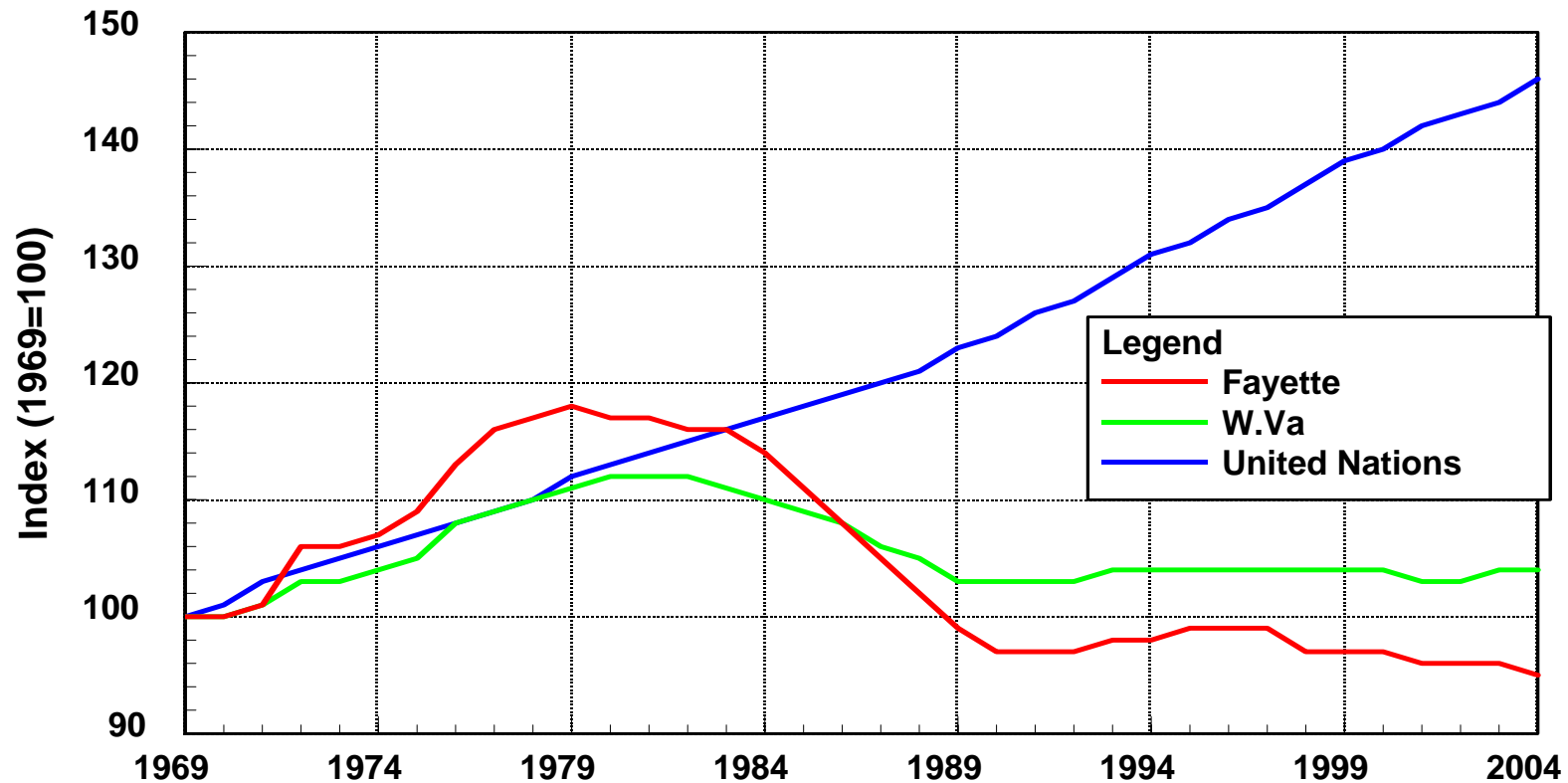
\*Source: Bureau of Labor Statistics [www.bls.gov](http://www.bls.gov)

Workforce West Virginia [www.wvbep.org/bep/LMI](http://www.wvbep.org/bep/LMI)

From 1984 to 2005, the civilian labor force in Fayette County and WV were relatively stable and showed no growth when compared to the US.



# Population (1969-2004)



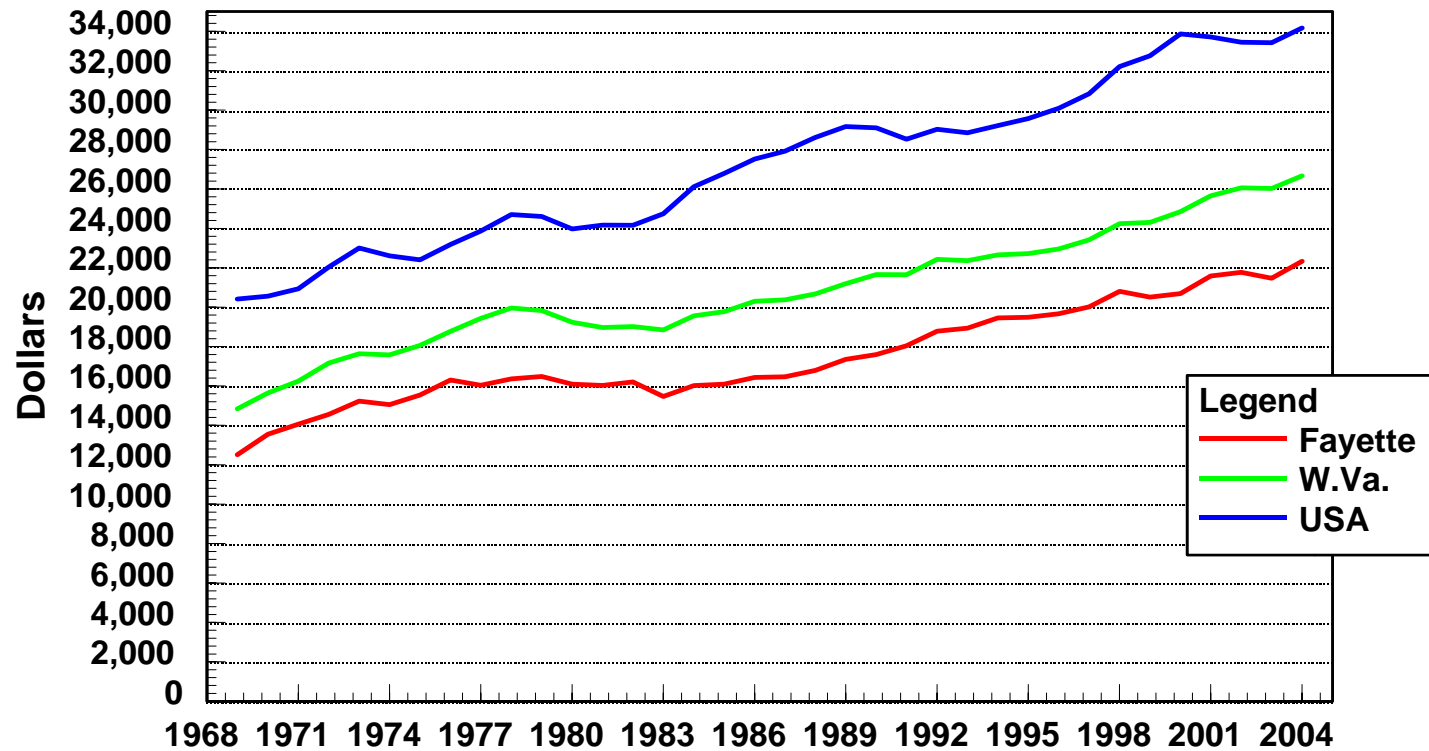
\*Source: Bureau of Economic Analysis.

[www.bea.gov](http://www.bea.gov)

The population from 1969 to 2004 has slowly declined in WV and Fayette County. Economic opportunities elsewhere decrease the population locally - the US shows a steady increase in population.



# Real Per Capita Income (2005 \$) 1969-2004



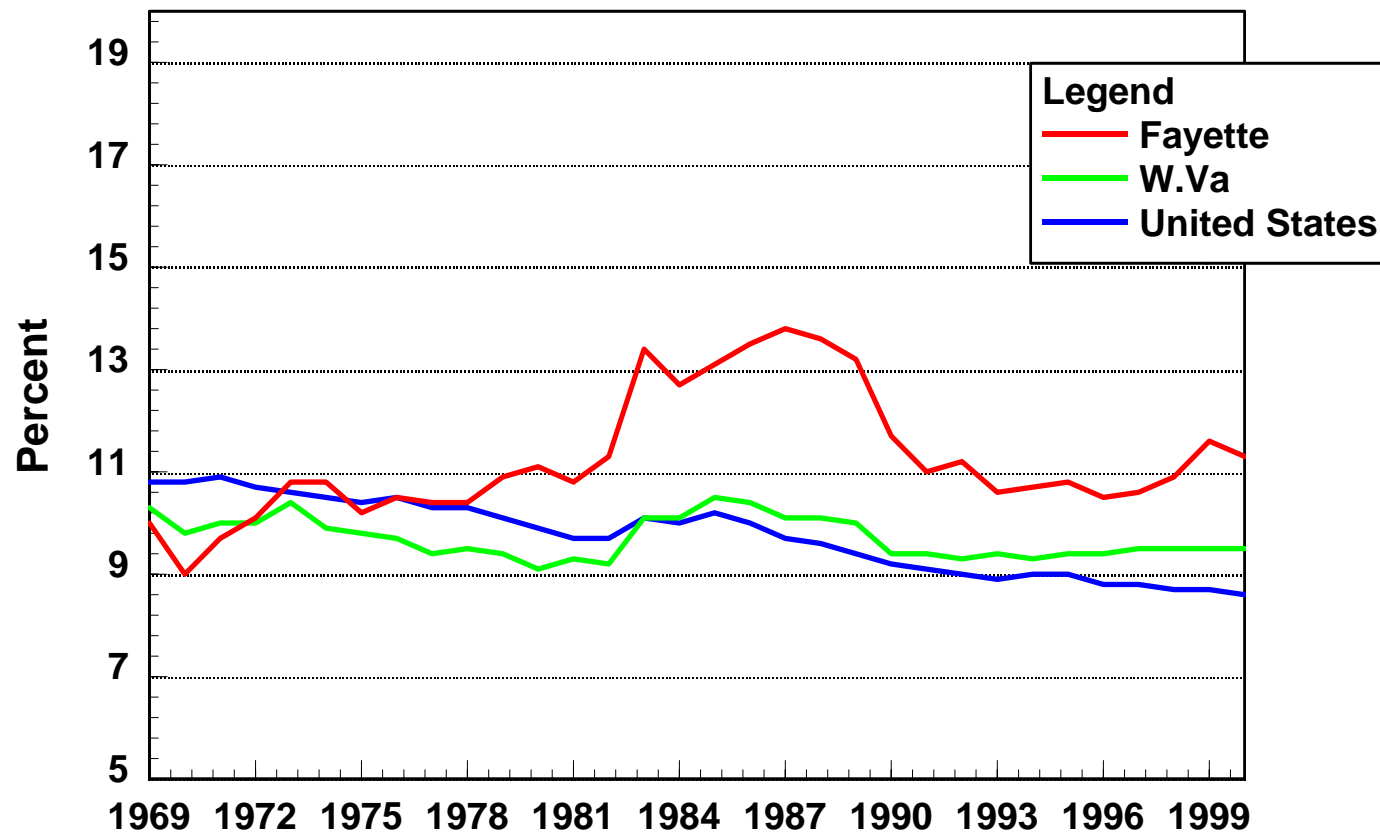
\*Source: Bureau of Economic Analysis

[www.bea.gov](http://www.bea.gov)



Slow and steady growth in real per capita income parallels the state and US, yet Fayette County is significantly below the state and US in this 25 year trend.

# Retail Trade Share of Total Earnings (1969-2000)



\*Source: Bureau of Economic Analysis. [www.bea.gov](http://www.bea.gov)



Fayette County's retail trade share of total earnings over the years is slightly above WV and the US.

# Worker Commuting Patterns-Fayette County 2000

Resides in County/Works in County	9,048
Resides in County/Works in another WV County	6,349
Resides in County/Works in another state	375
Resides in county/works in another Country	15
Resides in another WV County/Works in County	3,036
Net Commutation (in minus out)	-3,613

According to commuting patterns, about 9000 people live and work in Fayette County while about 6000 live here and work outside the county and about 3000 live outside the county and work here.

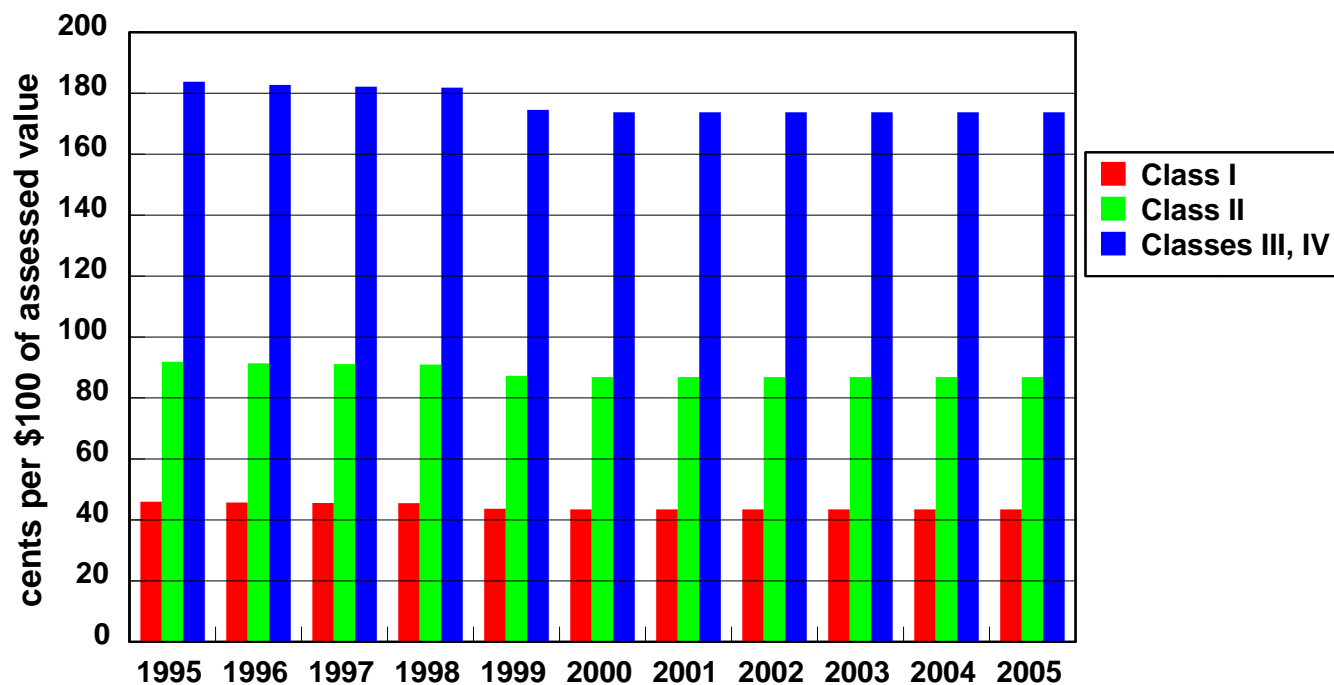


# A Brief Digression on Property Taxes

Foundation for provision of  
governmental services and education  
in West Virginia Counties



## Total School Rates of Levy- Fayette Co (1995-2005)



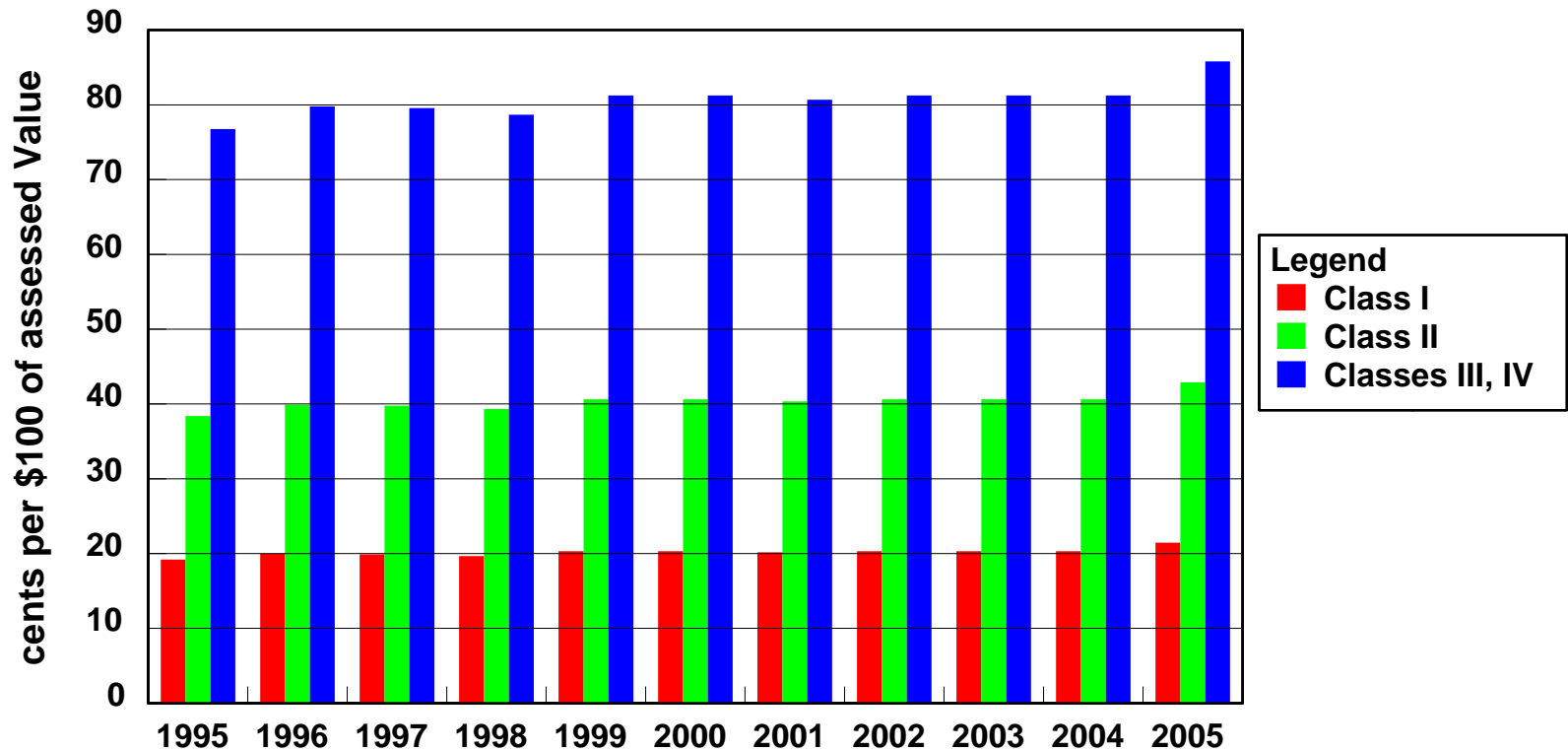
\*Source: West Virginia State Taxes  
[www.state.wv.us/taxdiv](http://www.state.wv.us/taxdiv)

- \*Class I: Property used in Agriculture
- \*Class II: Property used for Residence
- \*Class III: Real and State Property outside municipalities.
- \*Class IV: Real and Personal Property inside municipalities.

Rates reflects high home ownership.



# Total County Rates of Levy- Fayette Co (1995-2005)



\*Source: West Virginia State Taxes  
[www.state.wv.us/taxdiv](http://www.state.wv.us/taxdiv)

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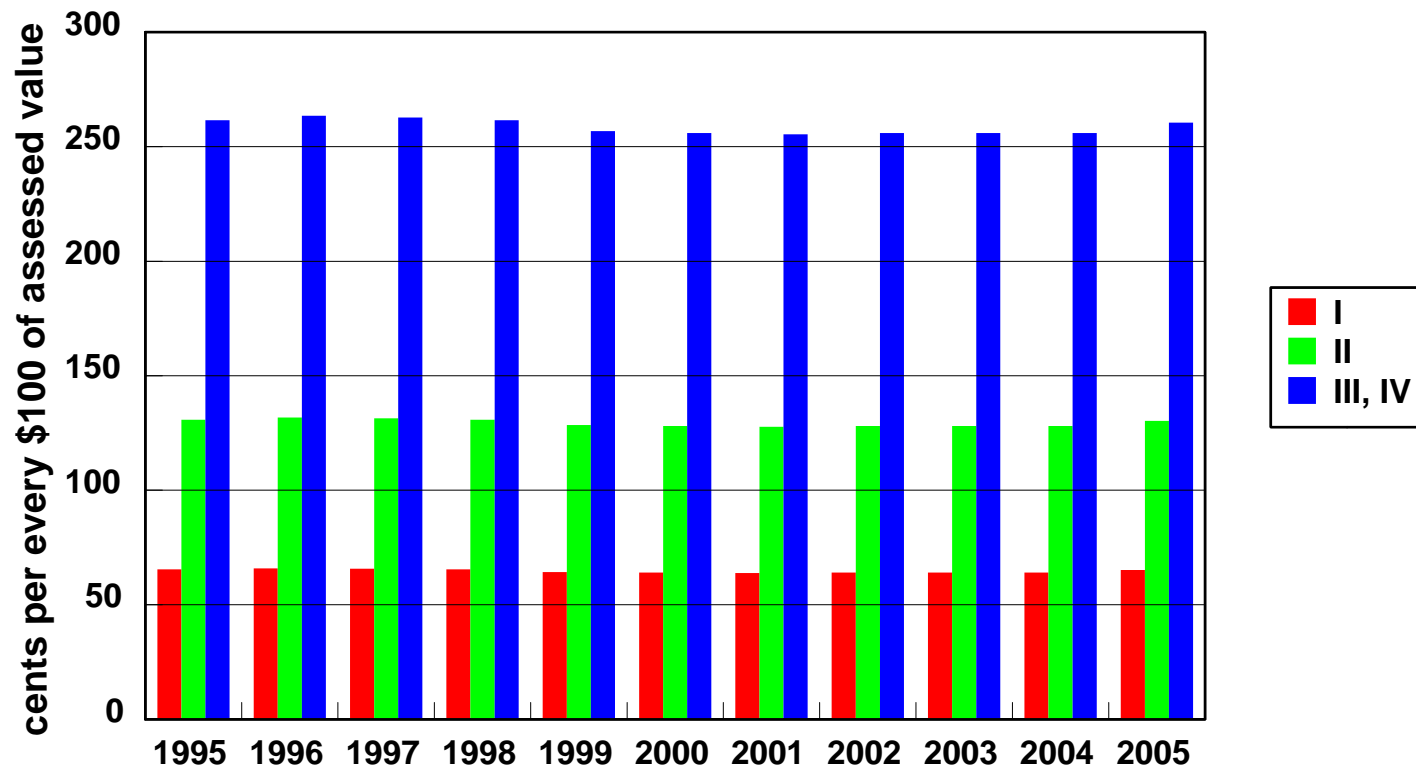


School and county rates of levy reflect a high level of home ownership.





## Total County and School Tax Rates of Levy (1995-2005)

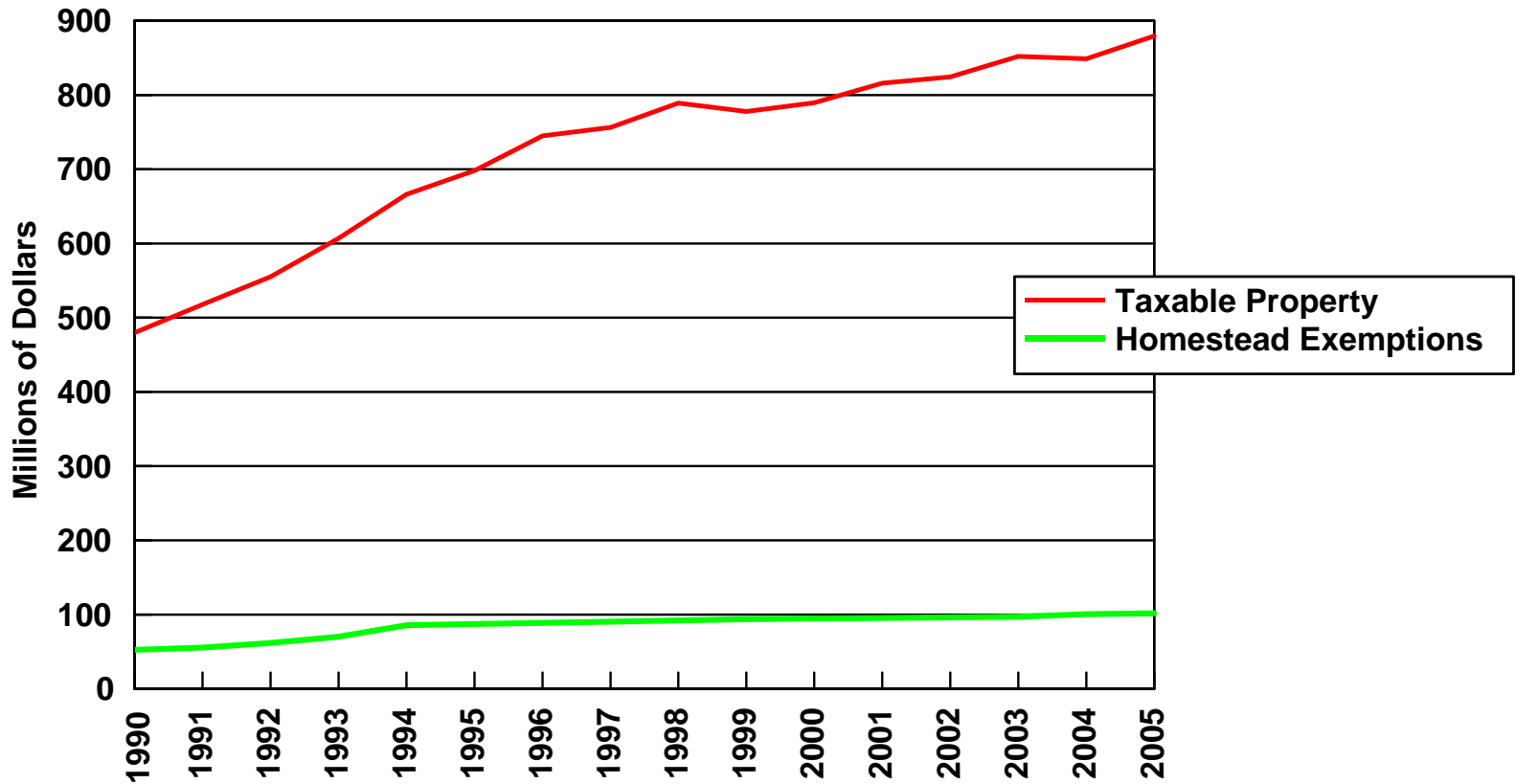


\*Source: West Virginia State Taxes  
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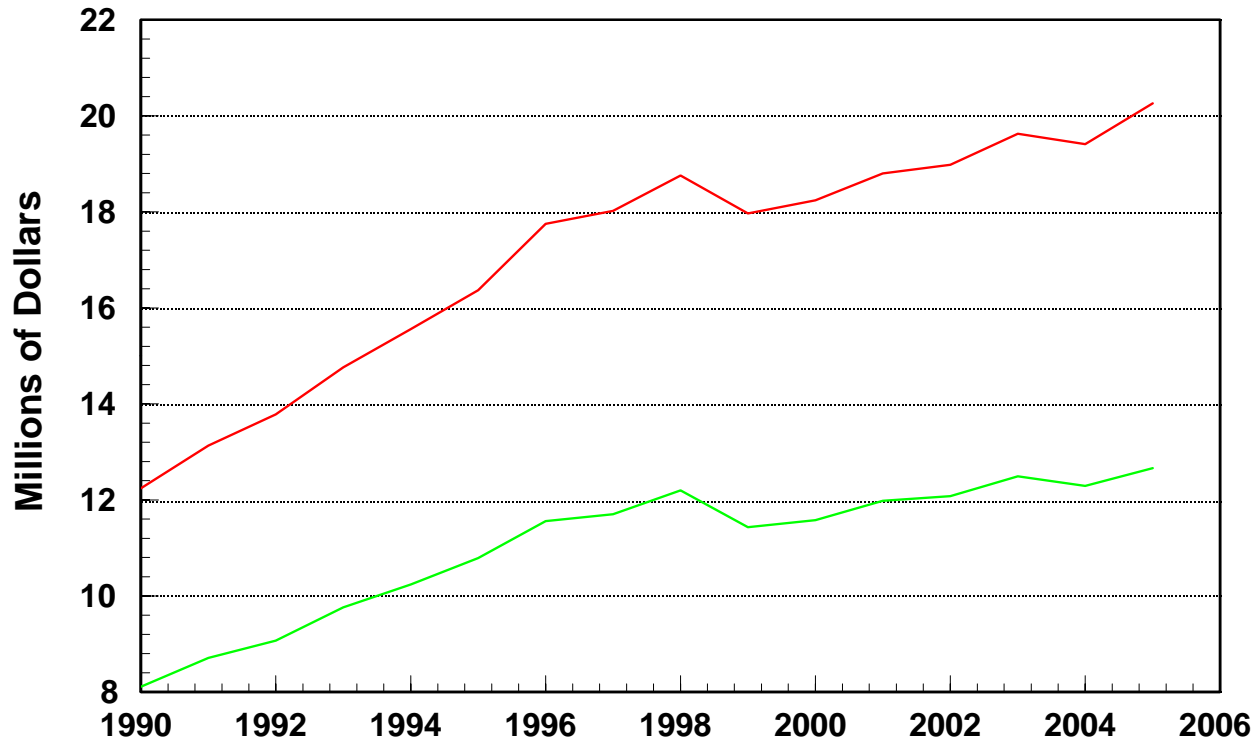
## Total Assessed Valuations- Fayette Co. (1990-2005)



\*Source: West Virginia State Taxes  
[www.state.wv.us/taxdiv](http://www.state.wv.us/taxdiv)



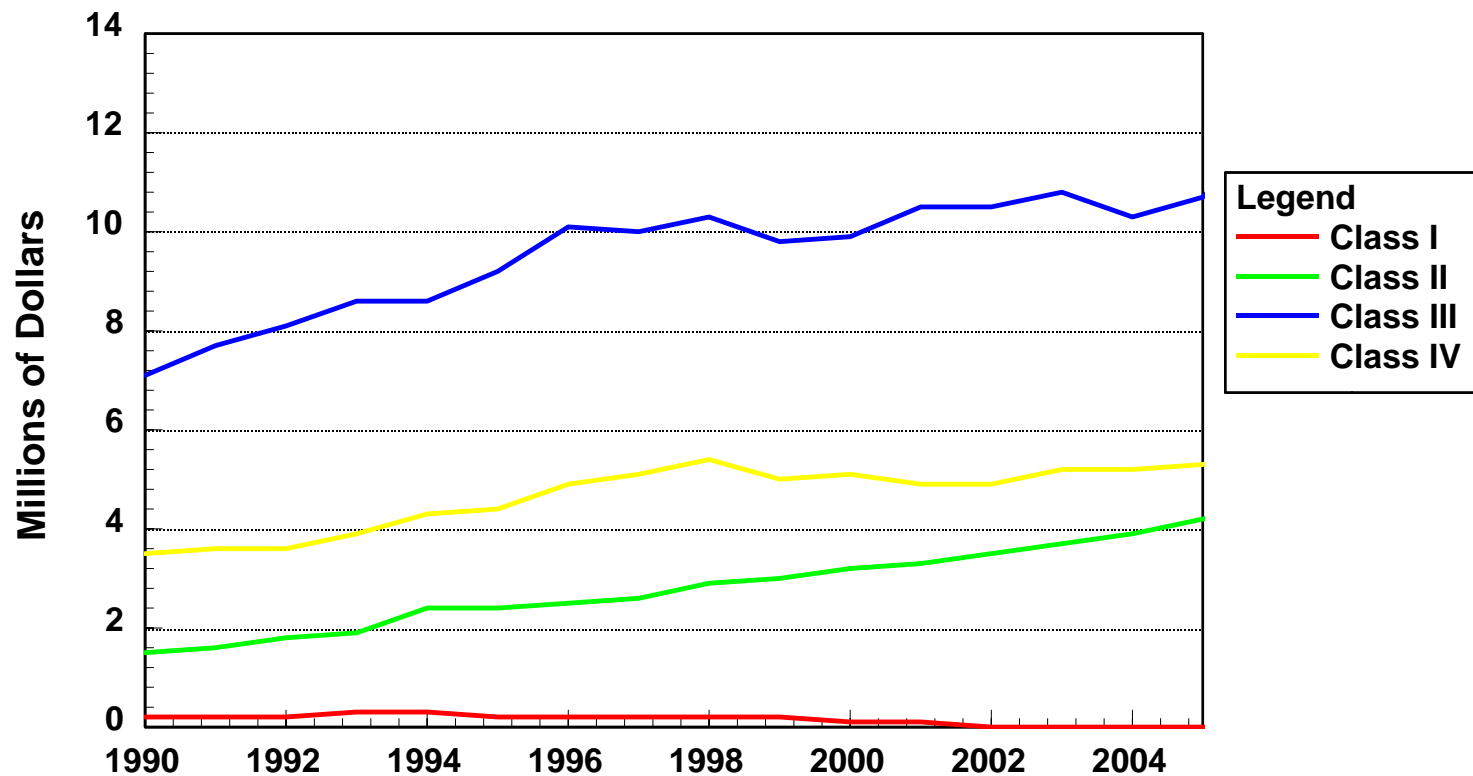
## Taxes Levied (1990-2005)



\*Source: West Virginia State Taxes  
[www.state.wv.us/taxdiv](http://www.state.wv.us/taxdiv)



## Taxes Levied by Class (1990-2005)



\*Source: West Virginia State Taxes  
[www.state.wv.us/taxdiv](http://www.state.wv.us/taxdiv)

- \*Class I: Property used in Agriculture
- \*Class II: Property used for Residence
- \*Class III: Real and State Property outside municipalities.
- \*Class IV: Real and Personal Property inside municipalities.



Through the years, the taxes levied follow the same pattern as real per capita income.

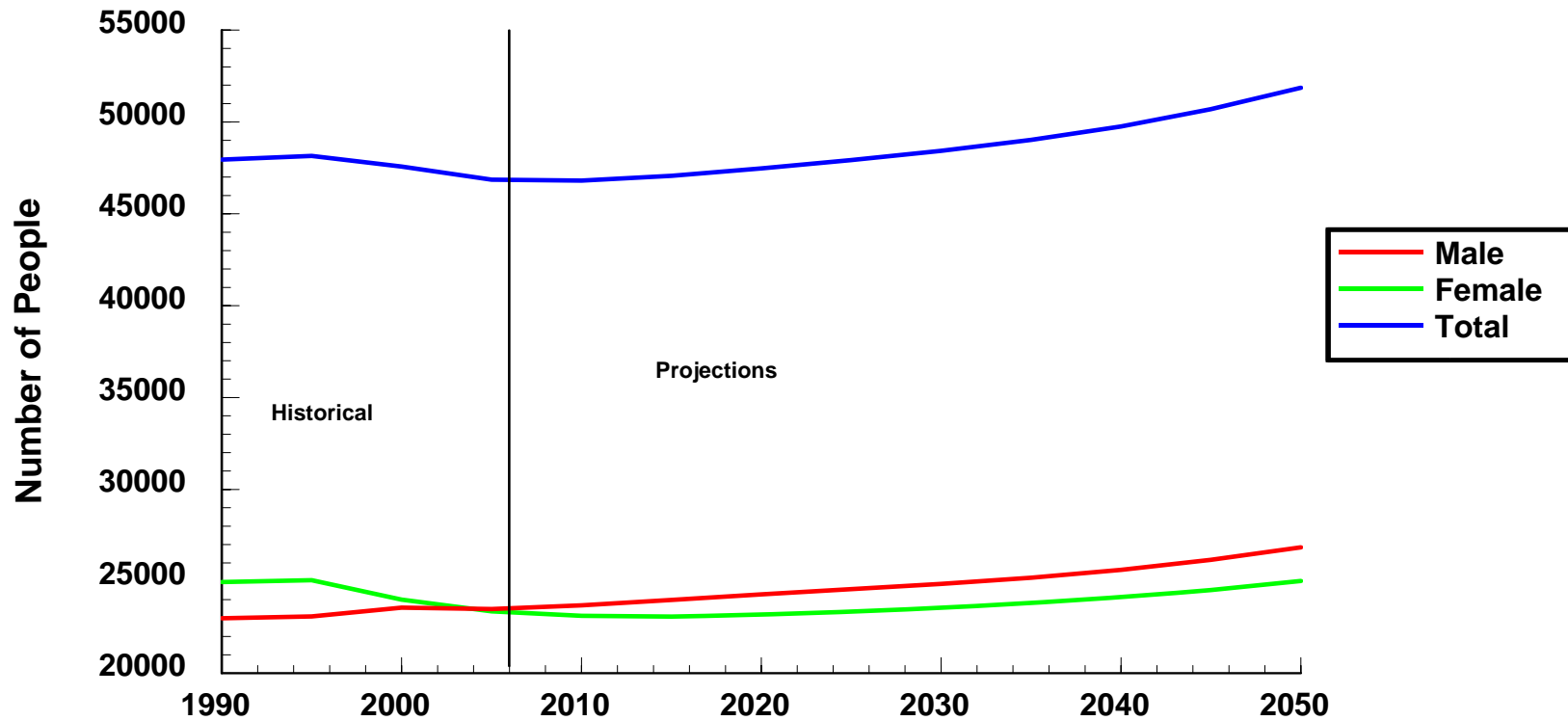


# Economic Outlook for Fayette County

- Continued aging of population, low human capital formation and slow population growth, and stable labor force
- Slow employment growth with the bulk focused on services, including medical care
- Mining and manufacturing will not provide much economic contribution
- Per capita income growth slows, reflecting increase share dependent upon transfer payments
- Absent significant growth in property valuations, growth in property tax revenues lags behind other counties, potentially affecting the delivery of public services



# Population Projections- Fayette Co.



\*Source: Regional Research Institute, West Virginia University. [www.rrri.wvu.edu](http://www.rrri.wvu.edu)

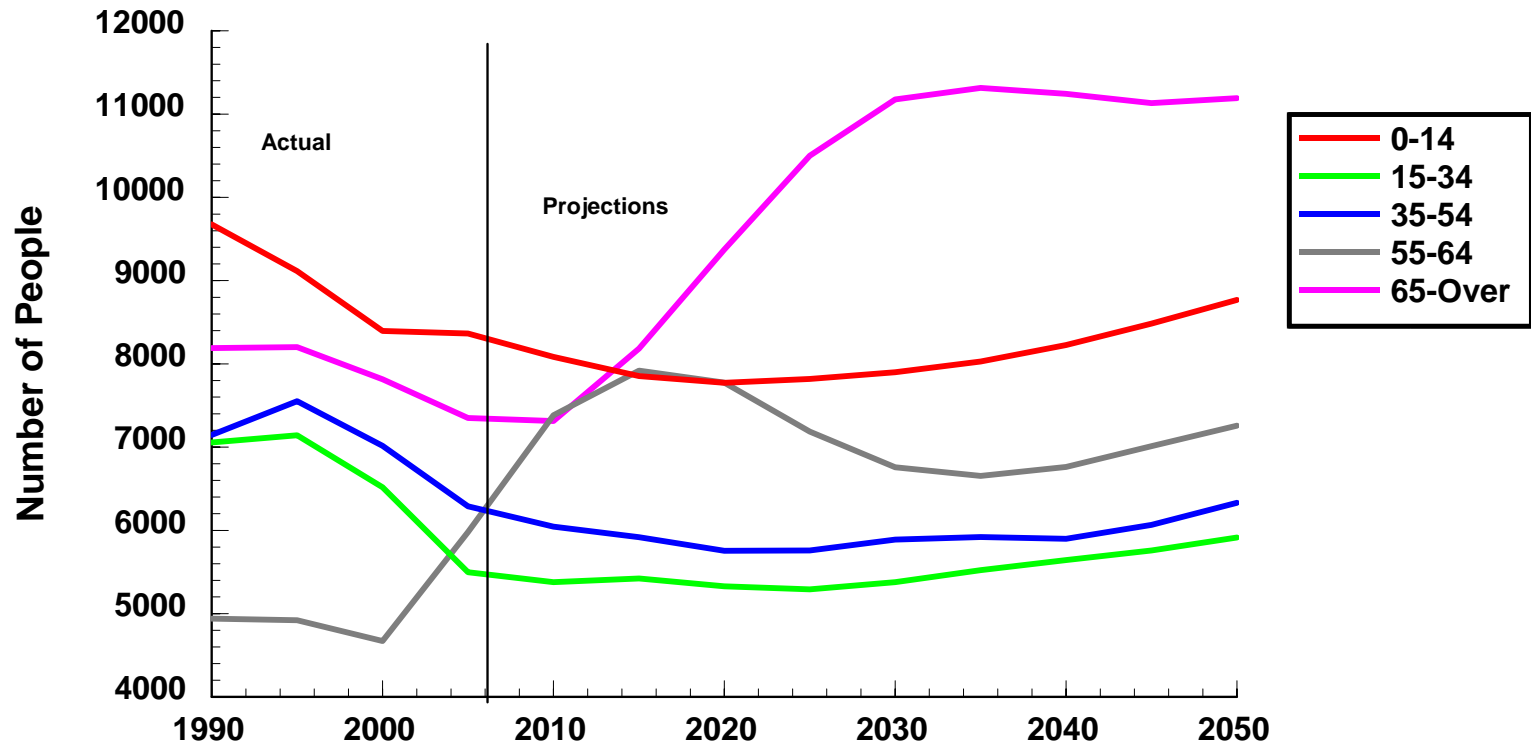
\*Projections based on Long-Term averages.



Over the next 50 years, a very slight increase in Fayette County's population is projected without any interventions



## Population Projections By Age Groups- Fayette Co.



\*Source: Regional Research Institute, West Virginia University [www.rri.wvu.edu](http://www.rri.wvu.edu)

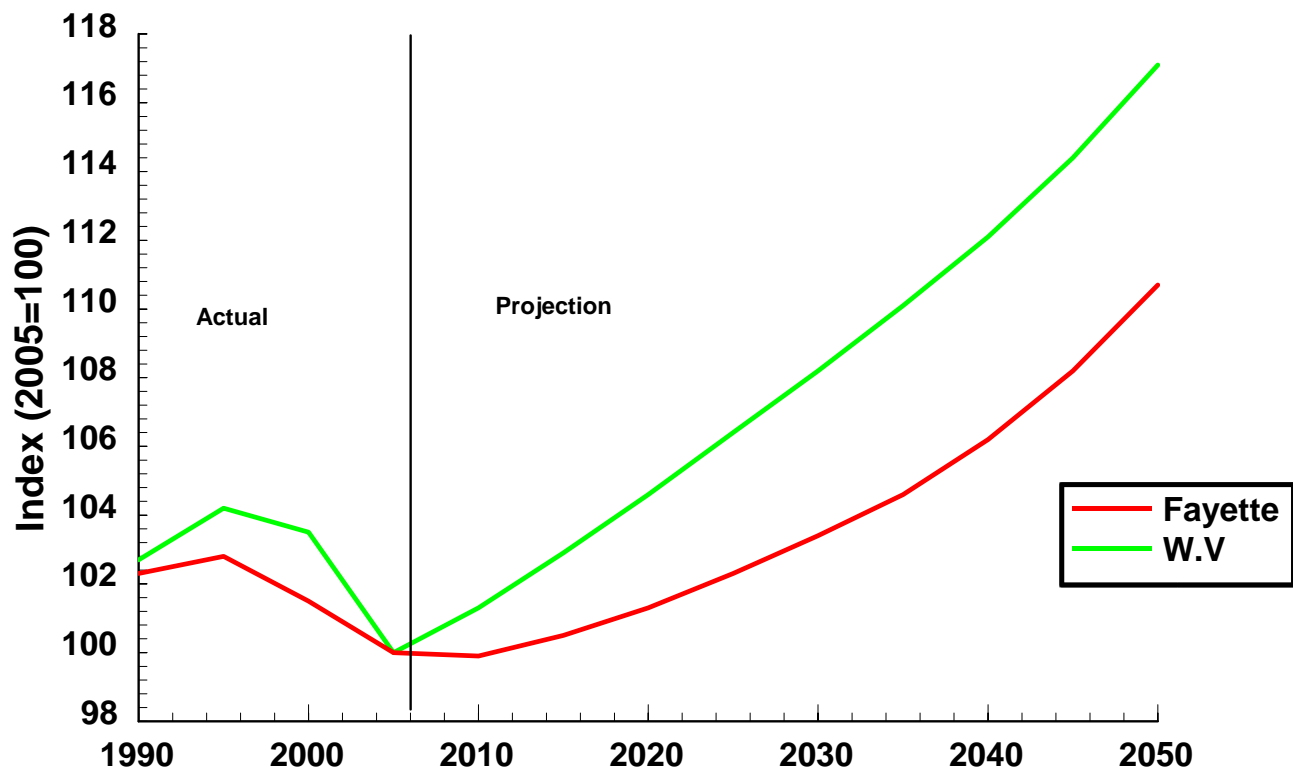
\*Projections based on Long-Term averages.



In the next 40 years, the 65+ age group will double in size in Fayette County. Other age groups are projected to increase slightly.



## Indexed Population Projections Fayette Co. vs. W.Va



\*Source: Regional Research Institute, West Virginia University [www.rri.wvu.edu](http://www.rri.wvu.edu)

\*Projections Based on Long-Term averages.



Fayette County is projected to have slightly less population growth than the state.



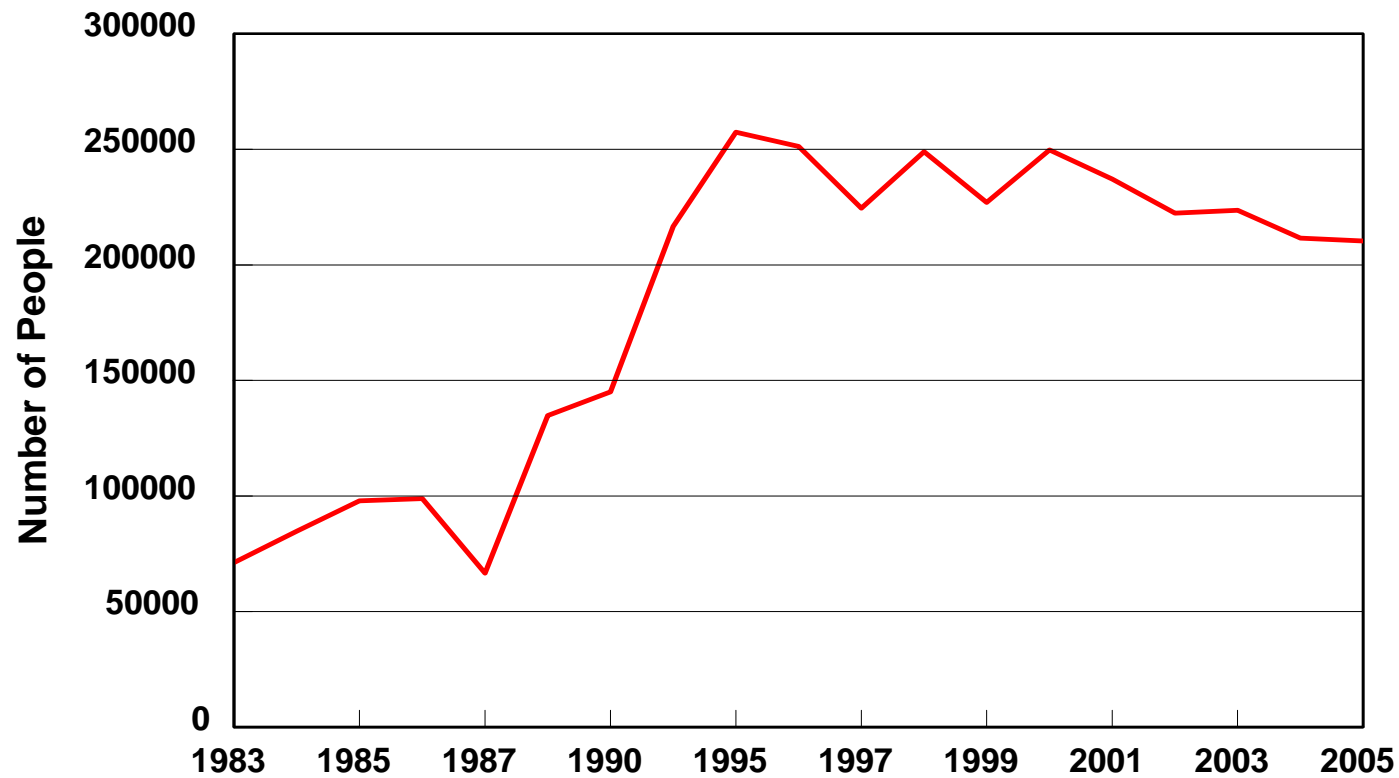
# Tourism and Economic Development

- Tourism has shown dramatic growth in West Virginia
- Where there are major destinations and attractions, significant economic growth has occurred
  - Greenbrier County
  - Pocahontas County
  - Fayette County
- But the changing nature of consumer market necessitates developing new products and services

While tourism has shown dramatic growth in WV and Fayette County, the per capita personal income (basis for economic performance of an area) has not shown the same dramatic growth.



## Whitewater Visitors (1983-2005)



Source: West Virginia DNR

Last Revised 3/8/06



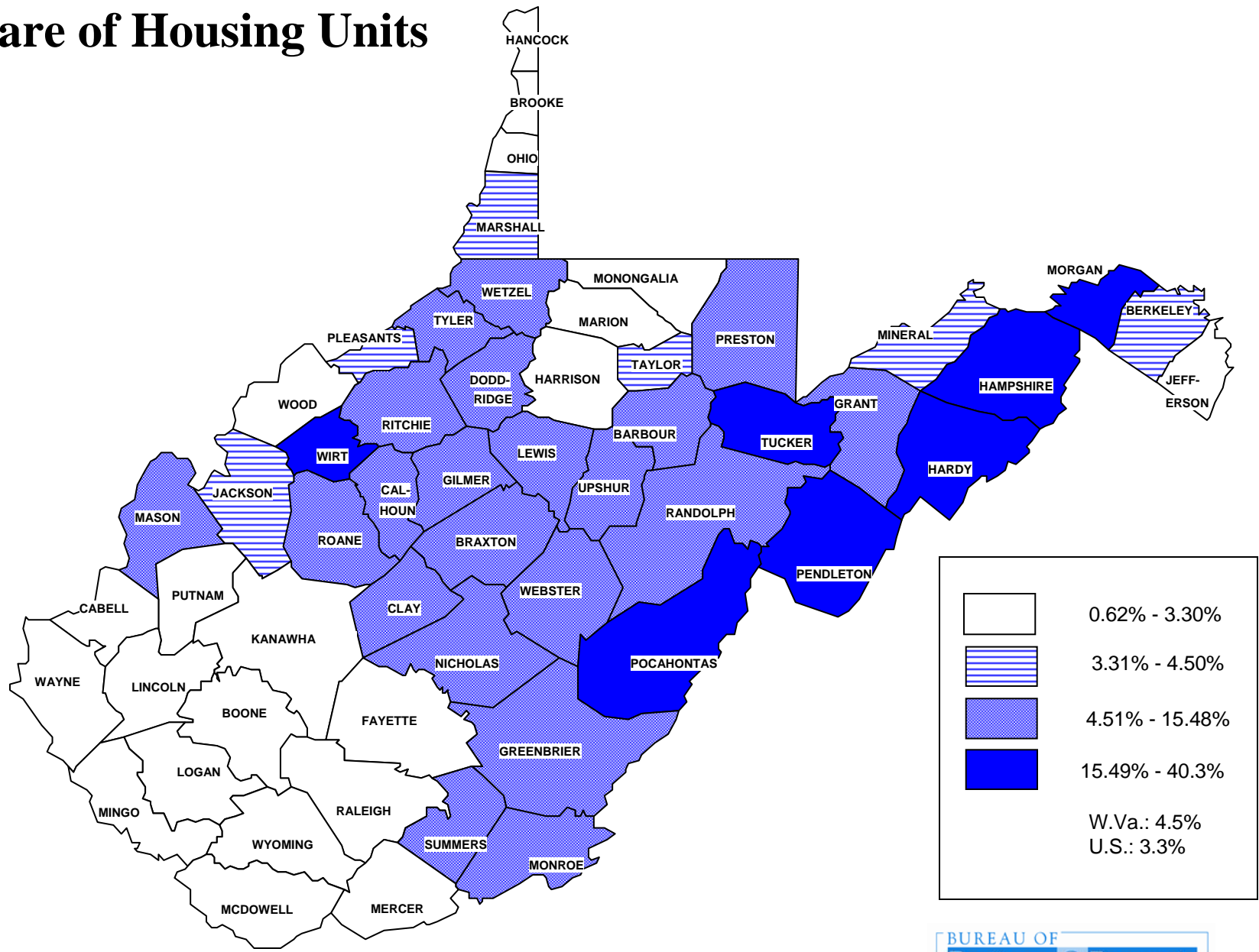
The number of whitewater visitors peaked in 1995 and has shown an overall steady decline.

# Trends in Second Home Development

- National trend-continued development for recreation, vacation and retirement
- West Virginia is attracting more development
  - Snowshoe
  - Greenbrier Sporting Club
- Key drivers
  - Proximity to markets
  - Aging of the population
  - Real estate costs and taxes



# Seasonal, Recreational, And Occasional-Use Homes As A Share of Housing Units



Data from Census 2000



In 2000, WV was the second fastest growing state in the US for seasonal, recreational and occasional use homes. The eastern counties showed the largest share of housing units.