

**Mountainland Regional Council**  
**April 23, 2009**  
**The Homestead**

**PRESENT:**

Bill Hulterstrom, United Way  
Britt Mathwich, The Homestead  
Clay Christensen, MATC  
Dave Cook, Clyde Companies  
Debbie Fotheringham, DWS  
Deborah Van Leeuwen, Wasatch Community  
Debra Shelly, DWS  
Diane Hicken, DWS  
Gary Ashby, GHA  
Gifford Briggs, Big D Construction  
Gina Olson, Intermountain Healthcare  
Jared Ferguson, Provo School District  
Jared Henricksen, DWS  
Jeff Lindstrom, Iggy's Sports Grill  
JoAnn Tuttle, Nebo School District CTE  
Julia Mohr, Childcare Resource & Referral  
Julie Lay, DWS  
Karen Larsen, DWS  
Kip Bromley, Alpine Adult Ed.  
Lacey Cherrington, Checknet  
Lisa Birch, Mountainland Pathways Coordinator  
Liz Lobato, DWS  
Marlene Pelham  
Myla Dutton, Community Action  
Ralph Clegg, Utah County Health Dept.  
Ranae Lee, Alpine Adult Ed.  
Shelly Ivie, DWS  
Susan Thackeray, Utah Valley University  
Tim Dahlin, Park City Christian Center  
Todd Herbert, Todd's CDL  
Wally Trotter, Mountainview Hospital

**EXCUSED:**

Brian Christensen  
Brent Platt  
Gerald White  
Jason Nielsen  
Karlyn Norton  
Kendall Crittenden  
Pam Niece  
Paul Kennard  
Rickie Bryan  
Todd Harris

**ABSENT:**

Commissioner Anderson  
Darren Johnson  
Sam Jarman

**WELCOME** – Jeff Lindstrom

Thank you all for attending today's retreat. It's a perfect day to be in Midway. Thank you to Britt Mathwich for hosting our meeting again, we appreciate your generosity.

Welcome Pam Perlich, University of Utah Sr. Research Economist presenting today.  
Welcome Susan Thackeray, Utah Valley University who has agreed to be part of council representing Higher Education. Welcome back Clay Christensen. Glad to see you again.

**State Council Update** - A lot of information covered will be rolled out again today in other people's presentation (economic update, stimulus update).

Review of our regional council accomplishments - we made many last year. Won't go over them now but they were included in your packet that Julie sent out.

Started health sciences partnership with school districts and healthcare industry similar to a partnership that's being done in Salt Lake, looking to take on different issues that occur in community, ie, IHC developing policies that limited youth age for internships and how to lower age limits. Worked with colleges to get more LPN candidates to have more qualified people work for them. Had people rotate on and off committee based on issues being worked on. Discussion started about 3 weeks ago. Committee chair will be Lisa Birch. Education and Healthcare will be bringing 4 –5 issues to start working on.

Regional Council will continue to work on healthcare and skill sets determined at state level.

**RECOGNITION – Jeff Lindstrom**

Wally Trotter will be resigning from council. We appreciate his service to our region and our council for the past several years.

Thank you all for the time you take out of your busy schedules to make our council work and be so successful.

**MEMBER SPOTLIGHT – Britt Mathwich**

The Homestead is America's Four Season resort – weddings, conferences, gift shop, indoor/ outdoor pool. Our 20<sup>th</sup> year anniversary this year with golf course – celebrate for this year and offer \$20 for 9 holes \$40 for 18 holes with cart, great golf rate to play. Thank everybody and appreciate what Workforce Services does.

**CHANGING OF THE GUARD – Julie Lay**

Jeff has been our chair for the past two years and has done an excellent job representing us at the state and regional levels. He has provided us insight on the needs in the restaurant industry and taken on assignments with the State Council. We have appreciated his willingness to serve and are glad he has agreed to remain on our council.

Jeff – was asked to be a part of this council approximately four years ago and it worked out well because his employer at the time wanted him to be part of the community. Shortly after that I was asked to be vice chair then chair. It's been a rewarding experience and I have learned a lot.

Todd Herbert has agreed to serve as chair. He has served many of our customers by training them in CDL and was very willing to become a member representing the automotive industry.

Todd – I own and operate Todd's CDL Service, which operates out of Spanish Fork and Salt Lake City. I take a truck to Logan, and Brigham City and St George to work with DWS offices there. Been a vendor with DWS and uses our services to get customers into his program. Excited to work with community and lead the council.

## **CHANGING WORKFORCE - Pam Perlich**

Asked for introductions from the group so she had a better understanding of who was being represented in the room. First and foremost I am a teacher at the U of U. Track long term trends from 1850-2050. Don't focus a lot on cycles, focus on trends. Teach research methods and modeling class in college of architecture and planning.

Daunting agenda of information to give -

Economic crossroad – very major structural changes in economy, most in probably a century. Equally demographic changes along dimensions of age that come together for nation that we've ever had, record number of immigrants coming to nation and state. Immigrants also tend to have higher fertility rates which impact school system. Permanent youth movement in community. Aging of baby boom population but large wave of births that occurred in post WWII era. 1946 - 1956- much less Vietnam consciousness and have other cultural markers. Moving into retirement age. People living longer. Much different in past, more diversity than in years past. What's happened now is economic growth region bring people in for employment. Bring characteristics of people outside of Utah for work, more diverse in age, socioeconomic, ethnicity and religion. Wave of diversity impacting youth more so than older generation.

Baby boomers born into unique period of history. After WWII is great acceleration of fertility rates of women in this country. Population growth in country was internally generated from people born here. Only period of time had internally generated population growth, singular experience of very homogenous population not experienced before, with immigrants coming in is more in line with historically what's happened in country.

Utah has highest fertility rate in nation – important to know that fertility rates are falling but still have youngest population in nation, median age increasing. Household sizes are largest in nation, but declining. Minority share of population but increasing, about 20-30 years behind national trends.

Young people marry at younger ages than any other state, having children younger than any other state. But increasing as in nationally.

Baby boom started in 1946 peaked in 1957. Nationally had big run up in 19 years old have bumper crop of kids graduating from school and heading to college or labor force. In 2008 number of births nationally had exceeded 1957 peak ,never expected this to happen. Since 1970 become net migration region, more than other parts of country, people moved out of Midwest and more into state, having more kids once here.

Declining to flat period of people graduating high school and going to college for next 10 years or so. Implications for Higher Ed. and workforce. School age population boom will run its course for 10-15 years, if continue to bring young people to state, makes it harder for other states who have youth moving out because there's not enough workforce there to keep jobs filled. Business will continue to move to Utah even during recession because of young workforce. When auto industry goes down takes down other

manufacturing firms that supply equipment to the auto industry. Utah will continue to bring in in-migration because we have a more steady workforce even in down times. People will continue to relocate based on Utah's employment history.

Recession will accelerate population movement to our state. Can we handle it? Water projects brought electricity and water available for many people to relocate to western areas, which accelerated growth in the west. Didn't hit million people until 1966, not yet 3 million people. Growth took off in 1970. Last recession after 9/11, two bubbles burst over last 10 years, high tech bubble burst and terrorist attacks, lost jobs in state, people didn't leave but kept coming, first time in state's history. Fewer jobs than had last year but people continue to move to state. A lot of people moving from outside country. A1 on USA Today declared us mini melting pot in 2006. Post 1980 came to Utah and parts west when traditionally went to eastern and Midwestern states. Utah designated as new gateway to immigrants. Immigrants are not really going back home because the economy is just as bad home because this is a global recession. Staying because they're waiting for some sort of regulation to happen soon.

Pewhispanic.org shows documented population in state and nation. Still coming but less than previously. Many live together because of economic necessity. Males come first then send income home, if work continues then send for family and start own family.

We've outsourced a lot of recession because outsourced manufacturing section and this is where things get cut down because they're durable goods. Other countries are in bigger trouble than the US.

At beginning of century had more immigrants than now, immigrants settled the west. In mid part of century few immigrants, but record levels now. Utah out-migrates college graduates, big cities in-migrate college graduates. Lost professional jobs in high tech bubble burst that left state and haven't returned. More mobility among highly educated people who tend to relocate for jobs than lower educated.

Immigrants are coming from all over world for many different reasons. LDS church is #1 reason people have migrated to Utah, and then to modern times is church is engaged in international conversions and is more global now than ever before. Railroads and mines have brought people to state, economic opportunity, universities that are established as major research institutions. Half of medical scientists in state are immigrants, changes in laws and political considerations will bring people to state and nation. Utah is a designated refugee location. Did a survey in fall to ask what language is spoken in their homes – result was 117 languages spoken in schools last year. People coming from all over the world, not just Hispanic.

In 2007 over 1/3 of the population is immigrants nationwide. 40% minority in 2020 projection. White in 1950 in Utah was different than white in Utah now. Census form indicates white for middle eastern and Bosnian, etc.

Minority age of population by age – 10% minority situation for baby boomers. ¼ of preschoolers in Utah are minorities, 1/3 of SL County are minorities.

By 2050 60% of population will be minority , a lot of diversity in this population. Aging of baby boomers and once out of age pyramid, nation becomes more diverse like beginning of 20<sup>th</sup> century. 1/3 of population growth in Utah are minority either in-migration or birth. 2/3 school enrollment growth is minority. 20% of population growth is through net migration of international people, 1/3 of population's growth in nation.

Between now and 2050 kids of immigrants is 80% of population growth. People always come to the US for opportunity. Fertility rate in Mexico is lower today than in Utah.

Top Occupations for Foreign Born – laborers, post-secondary teachers.

½ of non citizen males in state don't even have high school diplomas over 25 years old. Probably working multiple jobs. Won't be able to help with school work for their kids. High dropout rate with Hispanic students in state. Challenging times for educators.

Aging of population is that every age past 45 women outlive men. Many single old women. Intergenerational transfers, investing in young people means investing in old people's future.

In 2050 quarter of a million people will be 80 years and older. 2038 will be more 60 and older people in Utah than school aged kids. In nation that happened this year. Kids in school now need to be most educated ever. Need to make investment in these kids for our futures.

Most diverse than ever – internationalization of finance, production and labor markets. Not growth of same as in past 34 years, reversion of beginning of 20<sup>th</sup> century but people coming from all over world and living longer.

STATE OF THE REGION – Shelly Ivie

Interim Regional Director replacing John Talcott who has taken position in SLC. Eligibility Services Division (ESD) Update – took 5 regional structures and have shrunk, and number of employees have shrunk as well. Demand for financial services has skyrocketed and other services have also skyrocketed. Forced us to look at out of the box way to do services. ESD up and running on June 22nd, hiring supervisors this week, displacing middle management positions. Division will net saving of approx 97 FTEs then will move into employment division which has yet to be designed.

Stimulus money has been good for DWS and have been able to use funds to fill gaps. Hard hiring freeze currently. Hoping to be stable in September and not have to reduce workforce too much.

People needing services around employment counseling increased 36% in past year. People walking in our offices for unemployment insurance, employment, job seeking, increased 46% in past year. Huge need for additional services.

Some of managers have moved to ESD, some of our managers have taken on new assignments, Bryan Kessinger has moved to ESD as manager over approx 140 people. Karen Larsen now manages our Provo employment center. Shauna Mace is no longer over American Fork but is tied to the eRep computer program. Liz Lobato will cover Spanish Fork and American Fork employment side. Diane is maintaining Park City and Heber offices. Trying to see how to consolidate both regions but there will be additional changes as we move forward with employment side of department.

Stimulus money – other state agencies have received money, as well as other private entities to help bring money in to help stimulate economy. In Mountainland received \$190,000 for educational training, on the job training, adult population with WIA. Additional \$455,000 for dislocated worker programs. Focus on training, worksite learning, on the job training, etc. able to be flexible to try to meet needs of customers. Starting up some activities around reemployment for displaced workers. 60% of funds received need to be targeted on this population. How to get unemployed back into workforce? Almost 50% of those eligible for unemployment never collect in Utah. Will start workshops to help population move back into economy. Need to help unemployed repackage themselves to gain another job.

Another interesting activity summer stimulus internship program, huge program for population displaced more than any other from 18-24 year olds. Part of America Recovery Investment Act, planning to take money that we're receiving, have 114 slots to put young adults into internships. Have our agency pay their wage and see if they're a good fit to keep on permanently. Need to invest in youth. Program will run 10-27 weeks depending on employer needs, have \$6000 per intern to pay over that period of time. Have money if internships need special clothing or tools, transportation possible. Ask that employer supervise interns but will provide job coaches. Have applications out already in process of getting worksites together. Utah County Health has agreed to take interns as well as Parks and Recreation in the 3 counties. Expect to have in place by June 2<sup>nd</sup>. Any questions contact Debra whose contact information is on second page. Deadline for applications is approx the 22<sup>nd</sup> of May.

**VETERANS AWARD** -Debbie Fotheringham

Team works with Veteran's services in region to help veterans move back into workforce. Each year given various incentives to give to individuals who provide services to veterans. Want to present award to Julie Lay for her service to veterans in the region. She has done a great job attending to the needs of our service people.

Also, thank you for your willingness to serve and be part of our meetings. Without partners and industry reps we would be walking around clueless as to how to serve our populations. Appreciate service from Jeff as chair and to the entire body as whole.

Thanks to Britt for lunch.

**ECONOMIC UPDATE** – Mark Knold, DWS Chief Economist  
First message - Don't Shoot the Messenger!

In recession since 2007. Come in two phases – construction lost about 15,000 from Sep 07 to Sep 08, translated into manufacturing jobs. Late Sept 2008 credit panic in stock market which lost all its value. Largely bled out into greater economy.

Green shoots emerging – #1 initial unemployment claims still high but leveled off, harmfully so, around 3500/week. Same time period it was three times less. Went up to 5400 in 2<sup>nd</sup> week of January. Still high on national level but starting to back off a bit.

#2 Home sales are starting to get better – not nationwide but are in west. Almost 1/3 of all housing stocks value is in California and Florida.

#3 Stock Market, seems to have hit bottom early March. May have reached the end of the beginning, now move into the beginning of the end.

Do think by end of year will be feeling better about entire economic situation. More confidence that did hit bottom early in 2009.

Stock market lost 89.2% of its value. 1973 oil crisis – lost almost 50% decline in two years. Tech crash lost almost 50% in value, and current crash down 57% in 17 months, currently down 45.6% up 25% from low. Is this the low point?

Housing crisis – housing price index has come down 25% - feel like 10% more nationally around summertime, late fall of '09. Utah's housing market is about a year behind the national process. Not all states are affected by housing bust, but California and Florida hit hard which have the largest share.

Housing affordability – affordable in relation to two things: incomes, renting. Probably willing to pay more to own house than to rent. Utah been slow to peak and slow getting back to normal pricing. Two to three years to move prices back down in housing. Peaked in 2006 nationally and 2007 in Utah. Mortgage rates are very low right now, new activity is down, but refinancing is up.

Job market is weak with many unemployed or fearing unemployment so won't make large purchases.

Timeline to recovery – oil prices peak fall '08, dollar value rises, autumn '08, stock market bottoms early '09, home sales bottom '09, housing starts hit bottom early summer '09, major financial failures abate autumn '09, housing prices hit bottom not long after, foreclosures hit peak end of this year, employment finds bottom first quarter 2010.

Fed tightening interest rates spring 2010, when have economic recovery will be tepid because do it on, or fed won't let it happen because thrown so much money out because afraid of inflation – stimulus and inflation, etc. Once economy takes off then fear of huge amounts of money being out there. Extraordinary writedowns end summer 2010, house prices resume rising late 2010. Will go up a little bit but not as quick as in the past. Utah economy lines up with job information. Utah will be behind in recovery timeline. Does population growth help this? Yes, we will follow national timeframe but won't have depth of numbers because of demand in Utah.

Job gains during the wars with smaller job losses at conclusion of wars. 3.3% employment growth in terms of job growth hardly ever have job contractions. Will have the worst downturn since the great depression but won't be very big compared to other states. Hope unemployment will peak out at 8%. In 1980s unemployment rate was high because more people were coming into the workforce and there weren't enough jobs to sustain them. Utah has a higher number of 20-30 year old workers that will keep our unemployment rates lower.

Nonresidential construction lags housing construction by 2 years. Nonresidential construction is pulling back but not as labor intensive as residential construction.

Housing related employment collapsed as a result – lumber, building and loan, etc. Job losses are approaching 18%, job losses in Dec 2.1% but if took housing related out and looked at other down only .7%.

3% or greater job loss in 2009 probably more in 2010, estimation by Mark. If interested in any of the slides contact Mark by email.

Meeting adjourned.

**NEXT MEETING:** June 25, 12:00 – 2:00 NuSkin Enterprises, Provo