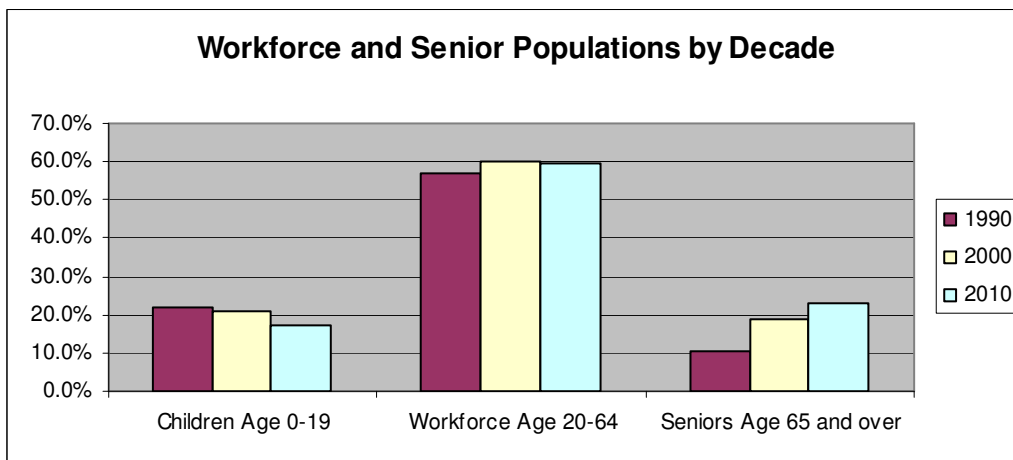


Demographics and Aging for San Juan County and Individual Islands

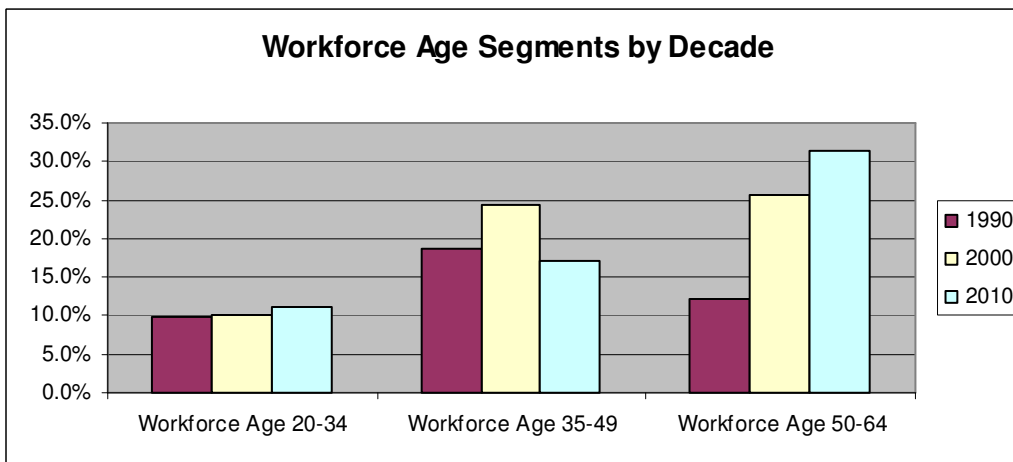
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The purpose of this paper is to update our reports on population and aging information for San Juan County and the individual islands. Much more information is available at the Census website¹ and other referenced sources.

An Aging Population – The population distribution for San Juan County continues to indicate a trend toward an aging population. The following chart shows population trends for the past three decennial censuses. While the population has grown from 10,035 in 1990 to 15,769 in 2010, a 57% increase in just 20 years, the workforce (age 20-64) has remained fairly constant at approximately 60% of the island population. The age 65 and over has increased as a percentage of the population from 10.2% in 1990 to 23.2% of the population in 2010.

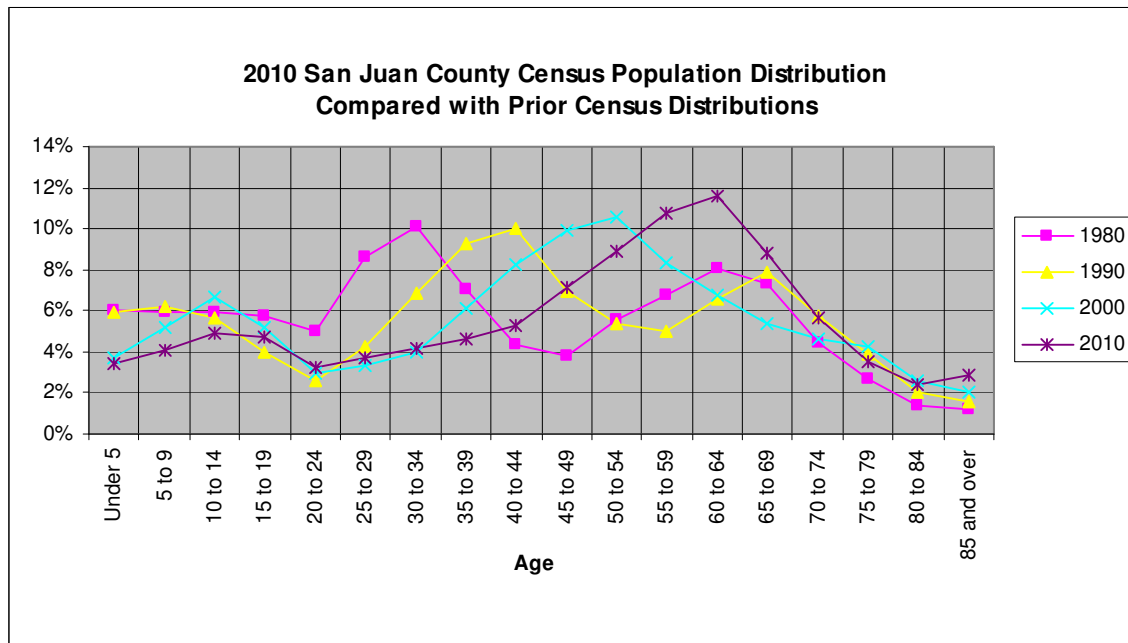


Workforce Shrinking – Further, if we expand the workforce aged 20-64, we can see below that over half of our workforce is approaching retirement age.

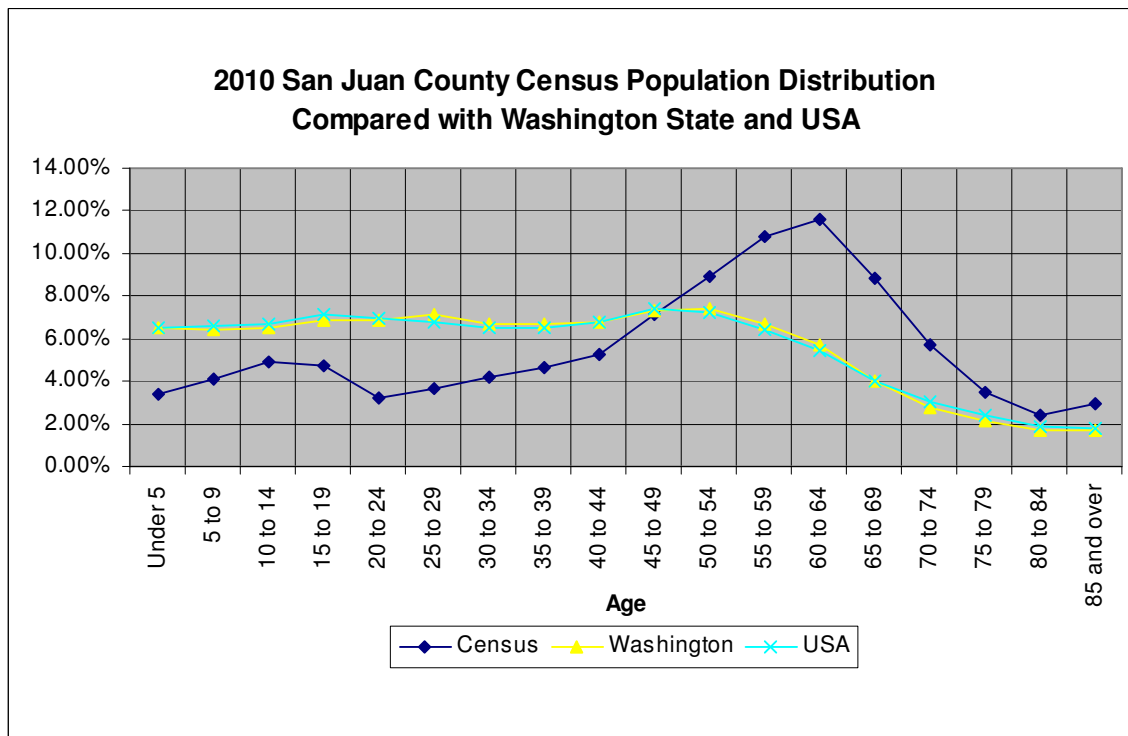


¹ American Factfinder, United States Census, 2010, <http://factfinder2.census.gov/>

Peak Population Trend – This trend toward an aging population is even more evident in the following graph of population distribution since 1980. Each successive census shows the peak population progressing from age 30-34 in 1980 to 60-64 in 2010. While the population is growing, the greatest percentage of growth is in the senior population.



Comparing San Juan County with Washington State and the USA, we can see the dramatic difference between a fairly flat younger (less than age 55) population compared to the population in San Juan County which is skewed toward a larger senior population.



Lopez Island	2,383 or 15.1% of the total SJC population 1,008 or 42.2% are seniors over age 60 685 or 28.7% are seniors over age 65
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Shaw Island	240 or 1.5% of the total SJC population 110 or 45.8% are seniors over age 60 73 or 30.4% are seniors over age 65
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Waldron Island	106 or 0.7% of the total SJC population 45 or 42.5% are seniors over age 60 30 or 28.3% are seniors over age 65
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Further challenging us, our senior population percentage is approximately double that on the mainland and seniors require more services than the general population.

Ability to Live Independently – While age demographics tell us a lot, it is much more important to consider how our abilities change as we age. We all know individuals in their 90s who are able to live alone while some of us need assistance at a much younger age. We will concentrate on three groups, defined as follows:

S1 – Independent Living. Fortunately for most of us, the golden years are an especially good time of life, especially here in San Juan County. We live scattered around the islands, but participate in a wide variety of activities. While we might feel age beginning to take its toll, we enjoy our independence. We estimate that this group comprises 30% to 60% of all seniors. By island, this amounts to:

San Juan Island	750 to 1,501 Seniors
Orcas Island	530 to 1,061 Seniors
Lopez Island	302 to 605 Seniors
Shaw Island	33 to 66 Seniors
Waldron Island	14 to 27 Seniors

S2 – Downsizing. As we begin to feel the effects of age, it simply becomes impossible to continue to do everything for ourselves. It is time to consider hiring help to assist in tasks that are too difficult or dangerous to do ourselves. Perhaps it is time to consider a smaller home, perhaps closer to essential services. We estimate that this group comprises 20% to 33% of all seniors. By island this amounts to:

San Juan Island	500 to 825 Seniors
Orcas Island	354 to 583 Seniors
Lopez Island	202 to 333 Seniors
Shaw Island	22 to 36 Seniors
Waldron Island	9 to 15 Seniors

S3 – Assisted Living. Every five years, the US Department of Health and Human Services surveys the number of seniors needing assistance with at least one Activity of Daily Living such

as bathing, dressing, toileting, mobility, continence, and eating. Their figures for 2011 indicate 7.3% of seniors over 65 require some level of assistance.² By island, this amounts to:

San Juan Island	121 Seniors
Orcas Island	86 Seniors
Lopez Island	50 Seniors
Shaw Island	5 Seniors
Waldron Island	2 Seniors

The aging of our population introduces a significant increase in these numbers. If demographic projections for San Juan County are correct, we can expect an increase of 50% to 70% for each of these categories!

Emergency Response and Vulnerability of Seniors

Each island has their own Fire and Rescue Service, generally supported by a local tax district. These are primarily volunteer organizations that are supplemented with permanent staff, especially paramedics. Orcas Island has four paramedics to assure 24/7 coverage, but they are based in Eastsound and may be as much as 30 minutes away from a call at either end of the island. EMT volunteers are spread across the island and respond more rapidly.

Emergency medical evacuation is available through an AirCare insurance program utilizing AirLift Northwest for emergency helicopter transport to mainland hospitals. The cost of this insurance is \$79 per household. Fixed wing medical transport is also available through Island Air Ambulance for an annual membership fee of \$45 for an individual and \$55 for a family. There is some question as to whether seniors on Medicare need the AirCare insurance. Medicare provides partial coverage up to a \$3,400 deductible (which may already be used to cover other expenses) and a supplemental insurance program may cover the rest. Individuals should research their insurance coverage carefully before deciding against purchasing this relatively low cost program.

Loss of electrical power and telephone service can also be a serious problem for seniors, especially those who depend upon life support equipment.

OPALCO provides a service to those who have a life-critical dependence on electrical power. These individuals can register with OPALCO and they will be notified in advance of a planned power outage. For unplanned outages, individuals are responsible for preparing ahead of time for emergency situations. Seniors are encouraged to have a telephone available which is not dependent upon electrical power.

CenturyLink provides only 8 hours backup on local telephone switches. Their emergency response plan is to supplement this with portable generators, provided that the roads are cleared.

Power and phone outages are frequent, but it is rare for them to last more than 8 hours. In 2012, for example, there was only one power outage that lasted longer than 8 hours.

² Health Systems Measurement Project, Department of Health and Human Services, 2011
<https://healthmeasures.aspe.hhs.gov/dataset/Measure-35-Percentage-of-People-with-at-least-One-/fvps-tp4j?>

Housing

Overall, San Juan Island has the largest percentage of year-round occupied houses while Lopez/Shaw has the largest percentage of housing that is not occupied year round.

San Juan County:

Total Housing Units	13,313
Occupied Housing Units	7,613 or 57.2%
For Seasonal, recreational or occasional use	4,748 or 35.7%
Average household size	2.05

San Juan Island:

Total Housing Units	5,549
Occupied Housing Units	3,564 or 64.2%
For Seasonal, recreational or occasional use	1,558 or 28.1%
Average household size	2.11

Orcas & Waldon Islands:

Total Housing Units	4,515
Occupied Housing Units	2,661 or 58.9%
For Seasonal, recreational or occasional use	1,519 or 33.6%
Average household size	2.00

Lopez & Shaw Islands:

Total Housing Units	3,249
Occupied Housing Units	1,388 or 42.7%
For Seasonal, recreational or occasional use	1,673 or 51.5%
Average household size	1.97

Comparing this to Washington State:

Occupied Housing Units	90.8%
For Seasonal, recreational or occasional use	3.1%
Average household size	2.51

These figures illustrate the unique challenge that faces San Juan County, requiring a workforce and infrastructure needed to serve a portion of its population that is largely absent most of the time. Over one third of the housing units are vacant except for seasonal, recreational or occasional use. At the same time, our workforce represents a smaller portion of the population than on the mainland.

Senior Housing

There are unique approaches to meeting the needs of seniors on each of the islands.

San Juan Island:

The most ambitious project on San Juan Island is the Village at the Harbor³ which is a privately run assisted living facility with 35 rental units consisting of 13 small one bedroom and 22 efficiency apartments. Amenities include a full service dining room, room cleaning and linen service and social activities. Assistance with Activities of Daily Living are available at additional cost.

The LifeCare Center of the San Juan Islands⁴ is a full service nursing home with accommodations for 60 residents.

There are two licensed Adult Family Homes on San Juan Island⁵, each with a capacity for 6 residents. Both provide care for dementia patients.

Orcas Island

The Longhouse⁶ is a non-profit low income apartment facility with 16 units in Eastsound.

Orcas Loving Care⁷ is the only licensed Adult Family Home on Orcas Island with a capacity for 5 residents.

Lopez Island

The Hamlet⁸ on Lopez Island is a non-profit offering 14 cottages and an Adult Family Home. A community room is provided for social events.

Economic Impact of Seniors

Poverty Among Seniors – While we have wealthy seniors, we also have seniors who are in the grips of poverty. The 2010 census reported that 4.8% of Orcas Island residents aged 65 or older live below the national poverty level (\$10,896 for a single individual and \$14,712 for a couple in 2008). This number is severely understated, however, since the cost of living on Orcas is substantially higher than the nation in general and Washington State in particular. Housing costs alone are nearly three times the Washington State level. At a minimum, there are at least 25 seniors over the age of 65 living in poverty on Orcas Island and more likely closer to 75.

Sources of Income for Seniors – Total annual personal income for all residents of San Juan County in 2012 was \$845M. 47% of this (\$397M) was investment income and another 16% of this (\$135M) was in transfer payments which consist primarily retirement programs⁹. The 2,906 households with Social Security income account for \$50.9M of these transfer payments. Other

³ Village at the Harbor Website <http://www.villageattheharbour.com/>

⁴ LifeCare Center of the San Juan Islands Website <http://www.lcca.com/93/>

⁵ Adult Family Home Locator, Social & Health Services, Washington State: <https://fortress.wa.gov/dshs/adsaapps/lookup/AFHAdvLookup.aspx>

⁶ Orcas Longhouse, Corporate registration in Washington State: http://www.sos.wa.gov/corps/search_detail.aspx?ubi=601138162

⁷ Ibid Adult Family Home Locator

⁸ The Hamlet website <http://www.lopezhamlet.com/>

⁹ US Bureau of Economic Analysis, Bearfacts, Contributions of personal income: <http://www.bea.gov/regional/bearfacts/action.cfm>

retirement programs account for \$57.3M. The remaining transfer payments (\$26.8M) are for various other public and private assistance programs such as Supplemental Security Income, Food Stamps (SNAP) and a variety of other public and private programs, only some of which apply to seniors. The majority of the investment income is in the 419 households with income over \$200K and many of these are seniors.

Narrowing focus to Orcas Island, 870 households with Social Security income account for \$13.6M in transfer payments. Other retirement programs account for \$9.8M. The majority of the investment income is by the 133 households with income over \$200K, and many of these are seniors.¹⁰

From a strictly economic point of view, seniors provide stable, year-round support of the local economy. For San Juan County as a whole, we receive more income from Social Security (\$50.9M) than we do in direct personal earnings from tourism (\$39.4M) as reported by Dean Runyan Associates for 2009.¹¹ Also, income in 2010 from just Social Security compares favorably with other economic sectors including the construction industry (\$24.9M), the real estate industry (\$2.1M) and retail trade (\$20.9M).¹²

Summary and Conclusions

The trend toward growth of our senior population has been well established for over twenty years. We also know that San Juan County is an attractive place for seniors to retire, a place of beauty, peace, and convivial friendships. Fortunately this remains true for approximately half our senior population. There are lots of things to do, plenty of clubs and non-profits to occupy one's time in a gratifying and productive way.

Unfortunately as we age, we also begin to lose our ability to live independently, starting with the small things as characterized in "Downsizing," the second of three groups of seniors defined in this paper. It is at this point that seniors begin to rely increasingly on services in both the public and private sectors. As a primarily rural community, the ability to drive ranks high in the list of unfulfilled needs, at present having few, if any viable solutions.

Fortunately, we are a relatively wealthy population that could benefit from a common effort to address common problems of aging. The alternative is to plan to leave our beloved islands and that is not acceptable to most of us until we are forced into that gut-wrenching decision.

This paper has attempted to provide some of the demographic information needed to plan for the future. Hopefully it will be useful to those who venture forward in preparing for how we will all ultimately face that future.

¹⁰ American Factfinder, United States Census, 2010, <http://factfinder2.census.gov/>

¹¹ Dean Runyan Associates, http://www.deanrunyan.com/doc_library/WACoImp.pdf

¹² Ibid: American Factfinder