The Office of Financial Management (OFM) released their updated county-level forecasts in late December 2017. TRPC staff coordinated with OFM as they developed their forecasts.

In the past TRPC has developed their own countywide population projections for Thurston County, Washington. Due to difficulties in obtaining statistically significant migration and commute data from the Census, TRPC staff and the Advisory Committee recommend using OFM’s Medium forecast for the Thurston County population forecast. TRPC will continue to develop the Thurston County employment forecasts, and the distributions of both population and employment to smaller areas within the county, such as cities and school districts.

Both OFM’s 2012 Medium and TRPC’s 2012 population projections have been tracking well with actual growth. TRPC’s 2012 projection is slightly higher than actual growth, and OFM’s 2012 Medium projection was slightly lower than actual growth. OFM’s updated 2017 Medium projection is very similar to TRPC’s 2012 projection through 2020.

Beyond 2020-2025, OFM’s Medium projection reflects a slower rate of growth compared to TRPC’s 2012 projections. This is in alignment with TRPC’s updated 2017 employment forecast, which projects a slower rate of growth beyond 2025 than the previous forecast.
Demographic trends

Thurston County’s growth is influenced by two primary factors: 1) natural increase, or the difference between births and deaths, and 2) migration, which is the difference between people moving to the region and people moving away from the region. Natural increase has been fairly steady, but migration is strongly dependent on the local economy. When unemployment is low, migration tends to be high, and vise versa. In addition to people and their families coming here for employment opportunities, people move here for college, they come to the region retire, and they move to Thurston County for jobs within a commuting distance.

![Thurston County Components of Population Change](image)

OFM develops countywide forecasts using five different forecast models:

1. Linear method
2. Shift Share Method
4. Domestic and international migration based on Census Bureau's 2010-2016 estimate and 2014 national projections
5. Total net migration based on historical net migration from 1980 to 2017

They develop the different models as the counties within Washington have very different growth trends. To develop the medium forecast, they average the results of the five models, unless one model is an outlier. For Thurston County, the shift share method was 12% higher than the other methods, and was therefore dropped from the average used to develop the forecast.
The forecast for Thurston County shows the following trends:

- The amount of births will continue to rise as the population grows, but at a slightly slower rate than in the past, as the fertility rate is expected to continue to decrease. This is a nationwide trend.
- The amount of deaths will increase as the population ages. This is offset slightly by the increase in life expectancy.
- Both of these trends will lead to an overall decline in natural increase. Thurston County is forecasted to continue to see some growth from natural increase, but at a much lower level than in the past (see yellow line on the graph).
- Migration will continue to be a strong component of Thurston County’s growth. The forecast cannot predict the cyclical nature of migration trends, and in low migration periods, there will be very little growth to our region.

**Age-Gender Cohorts**

Thurston County’s 2015 age-gender cohort is very similar to the state and other Puget Sound fast-growing counties. Neighboring slow-growing counties have a distinctly different age-gender cohorts – far less millennials, and far more baby boomers. King County has proportionally more millennials than neighboring counties. Small counties with large universities have very distinct age-gender cohorts.
Thurston County, with 1.97% growth in 2015 ... looks like the state as a whole

And like our high growth neighbors

Pierce, 1.73% growth  Snohomish, 2.01% growth

But unlike our lower growth neighbors

Grays Harbor, -0.40% growth  Lewis, 0.30% growth

Males  Females
Thurston has a more pronounced baby boomer ‘bump’ than King:

Comparing Thurston 2015 to the Thurston 2040 Forecast
### Forecast

**Thurston County**  
Countywide Population, Employment, and Commute Forecast

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Employment</td>
<td>128,758</td>
<td>140,775</td>
<td>155,700</td>
<td>167,000</td>
<td>176,300</td>
<td>184,500</td>
<td>193,500</td>
<td>200,900</td>
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<tr>
<td>Population</td>
<td>252,264</td>
<td>267,410</td>
<td>294,300</td>
<td>316,500</td>
<td>336,000</td>
<td>354,400</td>
<td>370,700</td>
<td>383,500</td>
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<tr>
<td>Out-bound commuters</td>
<td>34,208</td>
<td>35,276</td>
<td>39,600</td>
<td>42,900</td>
<td>46,200</td>
<td>49,100</td>
<td>51,800</td>
<td>54,100</td>
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<tr>
<td>In-bound commuters</td>
<td>19,049</td>
<td>20,943</td>
<td>24,200</td>
<td>26,700</td>
<td>28,700</td>
<td>30,700</td>
<td>32,500</td>
<td>34,300</td>
</tr>
<tr>
<td>Net out-bound commuters</td>
<td>15,159</td>
<td>14,333</td>
<td>15,500</td>
<td>16,300</td>
<td>17,400</td>
<td>18,400</td>
<td>19,200</td>
<td>19,900</td>
</tr>
</tbody>
</table>


2045 - TRPC's extrapolation of OFM's forecast.