WINNING MUNICIPALITIES OF TOMORROW:
HOW TO LEVERAGE THE FUTURE WE ALREADY KNOW

EQUIP LEADERS TODAY TO WIN TOMORROW

UNDERSTAND THE TRENDS THAT MATTER AND THE PEOPLE SHAPING THEM
IT’S A DIFFERENT WORLD

LARGEST MEDIA COMPANY IN THE WORLD DOESN’T CREATE ANY CONTENT

facebook

LARGEST TRANSPORTATION COMPANY IN THE WORLD DOESN’T OWN ANY VEHICLES

UBER

LARGEST LODGING COMPANY IN THE WORLD DOESN’T OWN ANY BEDS

airbnb

3rd LARGEST RETAIL COMPANY IN THE WORLD DOESN’T OWN ANY STORES

amazon

TODAY IS ALREADY VERY DIFFERENT FROM YESTERDAY

TODAY

CULTURAL TRENDS

DEMOGRAPHIC FACTORS

CATEGORY CHANGES

TOMORROW
The key is to understand the future we already know.

1. Demographic: Coming Age Shift
In the U.S., the population over age 65 will grow from 49 million today to 73 million by 2030.

By 2030 Maryland will be 20% over 65.

10,000 Boomers per day for the next 12 years.

Boomers 1946-64
54 to 72 years old.
BOOMERS:

Enjoying it now...

The Longevity Bonus
+20 years

“VIVA THE VITAL”

FINANCIAL
PHYSICAL
MENTAL
SOCIAL
SPIRITUAL

YOUR MUNICIPALITY’S FUTURE DEPENDS ON BOOMERS

AT THE SAME TIME:
BIRTH RATES HAVE DECLINED GLOBALLY

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The Changing Ratio

- **Under age 18:**
  - 1960: 3.9
  - Today: 1.7
  - 2030: 1.0

- **Age 65+:**
  - 1960: 1.0
  - Today: 1.0
  - 2030: 1.0

Source: U.S. Census Bureau
SHOW OF HANDS:
Right now, do you have ALL THE WORKERS you need?

IMPLICATION?

3.8%

U.S. UNEMPLOYMENT RATE

5.0% is considered "Full Employment"

Source: BLS
COMING OFF A DECADE OF DECLINE IN 25-54 WORKERS

Labor Participation (in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>16-24</th>
<th>25-54</th>
<th>55+</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>24.0</td>
<td>81.3</td>
<td>42.7</td>
</tr>
<tr>
<td>2016</td>
<td>24.0</td>
<td>79.0</td>
<td>56.2</td>
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% Change:
- 25-54: +6.8%
- 55+: +28.6%
- 16-24: -2.8%


PROJECTIONS TO 2026 SHOW LITTLE CHANGES AHEAD

Labor Participation (in millions)

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<td>2026</td>
<td>24.0</td>
<td>79.0</td>
<td>66.2</td>
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% Change:
- 25-54: +6.5%
- 55+: +17.8%
- 16-24: -3.8%


COMPETITION FOR YOUNGER WORKERS WILL INTENSIFY

Labor Participation (in millions)

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% Change:
- 25-54: +1.2%
- 55+: +17.8%
- 16-24: -3.8%


MEANWHILE, SUPPLY OF OLDER WORKERS WILL INCREASE

Labor Participation (in millions)

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THIS IS NOT NEWS

HOW DOES IT LOOK FOR MARYLAND?

<table>
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<tr>
<td>0-19</td>
<td>1,507,474</td>
<td>1,564,086</td>
<td>+56,612</td>
</tr>
<tr>
<td>20-64</td>
<td>3,643,430</td>
<td>3,644,278</td>
<td>+848</td>
</tr>
<tr>
<td>65+</td>
<td>837,496</td>
<td>1,310,434</td>
<td>+472,938</td>
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<td>5,988,400</td>
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http://planning.maryland.gov/MSDC/Pages/default.aspx

THE POPULATION CHANGE IS ALL 65+

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THERE WILL BE NO CHANGE IN 20-64

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The Fairfax County Fire and Rescue Department is on pace to exceed 100,000 emergency calls this year — 10,000 more than in 2014. **People age 65 or older represent 40 percent of the volume.** The agency’s budget has grown nearly 19 percent in the past four years.

WASHINGTON POST, October 23, 2017

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**THE AGE SHIFT IS IMPACTING LOCAL GOVERNMENT SERVICES**

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**IN WHAT WAYS WILL THE AGE SHIFT IMPACT YOUR MUNICIPALITY?**

1. **DEMOGRAPHIC:** Coming Age Shift
2. **SOCIETAL:** Rise of Millennials
MILLENNIALS will shape CULTURE & SOCIETY starting now…

IT’S BECOMING THEIR WORLD NOW...

TODAY:

- **MILLENNIALS**
  - Median age: 25
  - 84,000,000
- **GEN X**
  - Median age: 44
  - 74,000,000
- **BOOMERS**
  - Median age: 62
  - 74,000,000

MILLENNIALS

- Median age: 33
- 87,000,000

GEN X

- Median age: 52
- 69,000,000

BOOMERS

- Median age: 70
- 70,000,000

2025:

What is a Generation?

- Age cohort: 17-to-20 year span
- Born on the leading and trailing edge - “cuspers”
- Big events create the “bookends”
GENERATIONAL COHORT AFFECTS VIEWS

NOT “WHO YOU ARE,” BUT...
WHAT “IMPRINTED” YOU WHEN YOU CAME OF AGE

INFLUENCES THAT DEFINE MILLENNIALS

9/11 CLINTON/BUSH RECESSION WARS PARENTING
COLUMBINE TECH++ SOCIAL MEDIA DIVERSITY

CULTURE’S IMPACT

DEFINING EVENTS
WHO WE ARE
GENERATIONAL VALUES

MILLENNIALS:

GENERATIONAL VALUES:
- Confidence plus
- Civic duty
- Achievement
- Hyper connected
- Multi-tasking
- Fearless
ARCHETYPE:
- Co-dependent
- Purposeful
- Ambitious
HOW THEY WERE RAISED

67% of Millennials were born to Boomers who are determined to “do parenting right.”

Millennials grew up with a “LOOK AT ME” mindset

The constant praise Millennials got while growing up resulted in a generation where almost everyone thinks they are a “star”
They are DIGITAL NATIVES and are “WIRED” together.

EXPERIENCES MUST BE SHARED

THEY TRUST ANONYMOUS POSTS, REVIEWS, RECOMMENDATIONS. THE CROWD RULES.

The wisdom of MANY is better than the thoughts of FEW.
EVERYONE IS SPECIAL, EVERYONE HAS VALUE

Millennial Mindsets:

“I’M SPECIAL” is not comparative as in “I’M BETTER THAN YOU.” It’s an absolute statement:

“Yes, I’m special, but so are you. And you. And you...”

That means EVERYONE HAS VALUE, and NO ONE IS BEST.

MILLENNIALS SENSE OF “SELF” IS THE COLLECTIVE, IT’S “WE,” NOT “ME”

MILLENNIALS ARE ALREADY SHAPING SOCIETY

HYPER-COMMUNITY

88% say they want to live in an urban area
HYPER-CONNECTED
To each other, and anyone on the planet with a device

HYPER-COLLABORATIVE
Wisdom of the crowd tops the thoughts of the few

HYPER-SHARING
Why own when you can pay based on usage?

COLLABORATE + COMPROMISE

Millennials are more likely to TRUST the Federal Government

Trust in Federal government to do what’s right most/all of the time:

- 25% Millennials
- 19% Generation X
- 14% Boomers

Source: 2015 Pew Research
COLLABORATE + COMPROMISE

And MORE LIKELY to want “bigger government”

Percent Favoring Bigger Government, More Services

Source: 2015 Pew Research

IMPLICATION:

Develop strategies to ATTRACT MILLENNIALS to Maryland’s communities, and embrace their culture of COLLABORATION & COMMUNITY

DEMOGRAPHIC:
Coming Age Shift

SOCIAL:
Rise of Millennials

CULTURAL:
Growth of Purpose
Bigger than who you are, what you do, how you do it. It’s your “WHY.”

GO BEYOND “VALUES” AND “MISSION” TO HAVING A REAL “PURPOSE” MAKE IT ABOUT YOUR ROLE IN THE “COMMUNITY”

1. DEMOGRAPHIC: Coming Age Shift
2. SOCIETAL: Rise of Millennials
3. CULTURAL: Growth of Purpose
If this is tomorrow...
What ACTION STEPS do you need to take today?

INTERNAL:
Activate Boomers

1. TAP INTO THEIR QUEST FOR VITALITY

The Shift in Priorities

BECOME SOMEONE

BEING SOMEONE

40 50 60
BOOMER GOALS:

Legacy/Mentor

- Want projects with lasting impact, beyond immediate solutions
- Will help develop future generation of community/business leaders
- Looking for “significance” more so than “success”

SHOW AND TELL

BOOMERS YOU WANT THEM IN MARYLAND

SHOW & TELL:

Come Visit
Second Home
Retire
Permanent Resident
Start a Business

88%

Plan to continue to work after they are eligible for full retirement benefits

Source: Charles Schwab Study
INVEST IN 15-MINUTE LIVABLE COMMUNITIES WITH HEALTH CARE AT THE CENTER

Boomers are ushering in a new expression of SOCIAL VITALITY

Healthcare is the New Anchor

Heart of every community is HEALTH & WELLNESS
FOCUS ON BOOMER WOMEN

The future belongs to Boomer Women:
- There are more of them
- They will live 7 years longer

SUPPORT “SUPPORT” INITIATIVES

Naturally Occurring Retirement Community
- 25-900 members
- $675-$975 fee
- 340 nationwide
- 160 in development

VIRTUAL VILLAGES & VERTICAL VILLAGES

FORMAL CARING COLLABORATIVES

Transition Networks
- 50+ aging women
- 4,500 members
- 44 states
- Earn future care giving support credits for giving hours of help to total strangers
5
EQUIP BOOMERS TO BE CROSS-GENERATIONAL MENTORS

EXPERT ADVISORS FOR YOUNGER ENTREPRENEURS

The Future is in Swampscott

INTERNAL: Activate Boomers
EXTERNAL: Embrace Community
1. **TAP INTO THEIR AMBITION AND LOVE FOR COMMUNITY**

**Culture Shift**

**MILLENNIAL**

"WE" MENTALITY

**BOOMER**

"ME" MENTALITY

**MILLENNIALS:**

Collaborate/Compromise

- Eager to contribute and make an impact
- All about fairness, equality
- Believe anything is possible if we work together, not alone
INVEST IN PLACEMAKING

INFRASTRUCTURE, VENUES, TRAILS: PLACES TO GO
FESTIVALS, EVENTS: THINGS TO DO

“This is the future of our economic development. We have to create a sense of place that is authentic, and then monetize it and use it to attract like-minded people and companies. For a community our size, jobs follow people.”

Beth Doughty
Executive Director
Roanoke Regional Partnership
WHAT IS YOUR COMMUNITY’S STORY?

WINNING MUNICIPALITIES OF TOMORROW

1. Compelling, single-minded story
2. Well-articulated and understood by every stakeholder
3. Sharable
Disney Corporation

- Sophisticated social media strategy being deployed.
- Extensive communications training for every Disney employee, including Disney World cast members and crew.
- Employees share the story.
51% of Millennials want to start a business or plan to do so. (Source: SIR)

Create opportunities for younger adults to share ideas and start companies.
THE FUTURE OF AMERICA IS PLURALISTIC

There are IDENTITIES

WE ARE LESS MELTING POT AND MORE BENTO BOX
THERE ARE TOO MANY CATEGORIES TO BLEND

BINARY Choices are now MULTIPLE Choice
• Men/Women now is Gender Fluidity
• Old/Young now is 4 or more generations
• People now self-identify their race(s)
• Sexual orientation is fluid
• Even “movements” come in an increasing array of choices

ETHNICALLY ECONOMICALLY CULTURALLY

NO LONGER EITHER/OR NOW IT’S BOTH/AND

WINNING MUNICIPALITIES OF TOMORROW:
Places for everyone of every race, age, economic class, gender, and mindset
What does this mean for YOUR COMMUNITY?

CAN YOU BE A “BIG TENT” WHERE EVERYONE CAN BELONG?

MILLENNIAL MANTRA
“WE, US, TOGETHER!”

MILLENNIAL MANTRA
DEMOCRAT vs. REPUBLICAN
WOULD YOU VOTE FOR A SOCIALIST FOR PRESIDENT?

70% MILLENNIALS
33% BOOMERS

Source: Cato Institute in Washington Post

SEEING THE FUTURE FOR MUNICIPALITIES IN MARYLAND DEPENDS ON WHERE YOU LOOK

WINNING MUNICIPALITIES OF TOMORROW: HOW TO LEVERAGE THE FUTURE WE ALREADY KNOW

Matt Thornhill