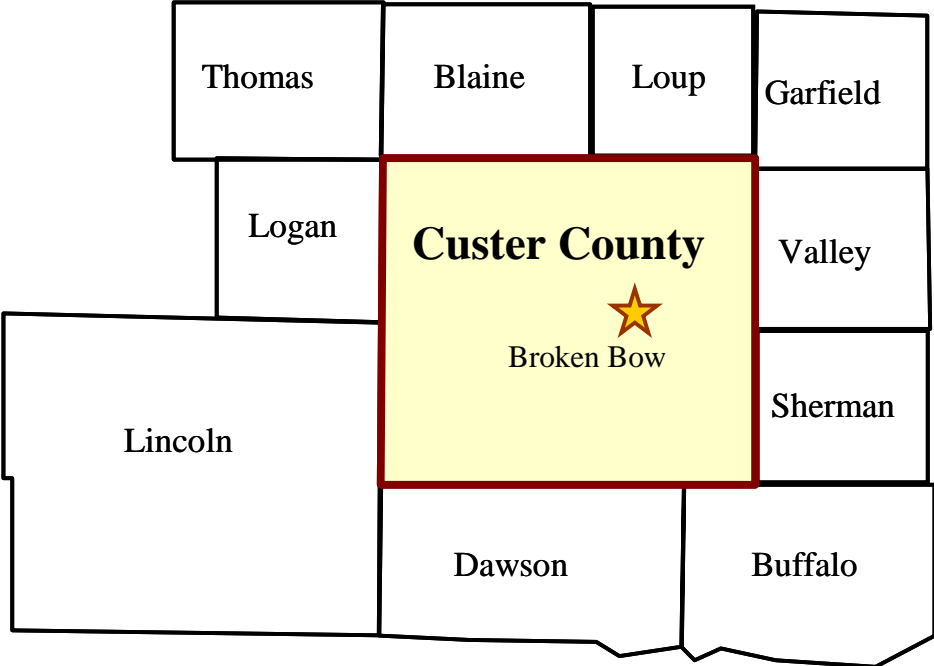


# Economic and Demographic Trends

## Custer County, and the Surrounding Area



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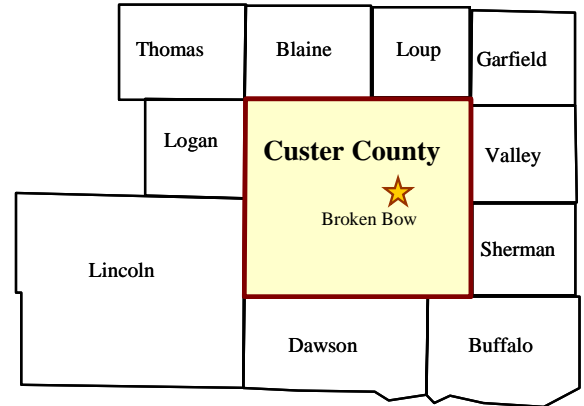


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## Economic and Demographic Trends in Custer County, and the Surrounding Area

The attached information provides data on labor force, employment, commuting patterns, population, migration, retail sales, and income for the city of Broken Bow and Custer County. For select measures, comparable data are provided for the surrounding area (selected counties and communities). Figure 1 (map) shows the general area for which selected comparable data are shown. In addition to Custer County, other counties included in this area are Blaine, Buffalo, Dawson, Garfield, Lincoln, Logan, Loup, Sherman, Thomas, and Valley. The retail sales section also compares retail growth between Broken Bow and eight other similarly sized Nebraska communities.

Figure 1



### **Labor Force and Employment**

The first chart (next page) compares the distribution of non-farm wage and salary (W&S) employment by major economic sector in Custer County with the non-metropolitan distribution. Non-metropolitan Nebraska is defined as Nebraska minus the seven metropolitan counties of Cass, Douglas, Lancaster, Sarpy, Custer, Seward, and Washington. Non-farm wage and salary employment consists of the following 11 sectors:

- Manufacturing
- Natural Resources, Construction & Mining
- Trade (Retail & Wholesale)
- Transportation, Warehousing & Utilities
- Information
- Financial Activities
- Professional & Business Services
- Education & Health Services
- Leisure & Hospitality
- Other Services (except Public)
- Government

When comparing non-farm wage and salary employment sectors to non-metropolitan Nebraska, there are significant differences between the distributions. The largest variances fall in the Manufacturing, Education & Health Services, and Government sectors. Deviations from the non-metro state distribution of employment are noted in Chart 1 (next page). The more significant deviations include the following:

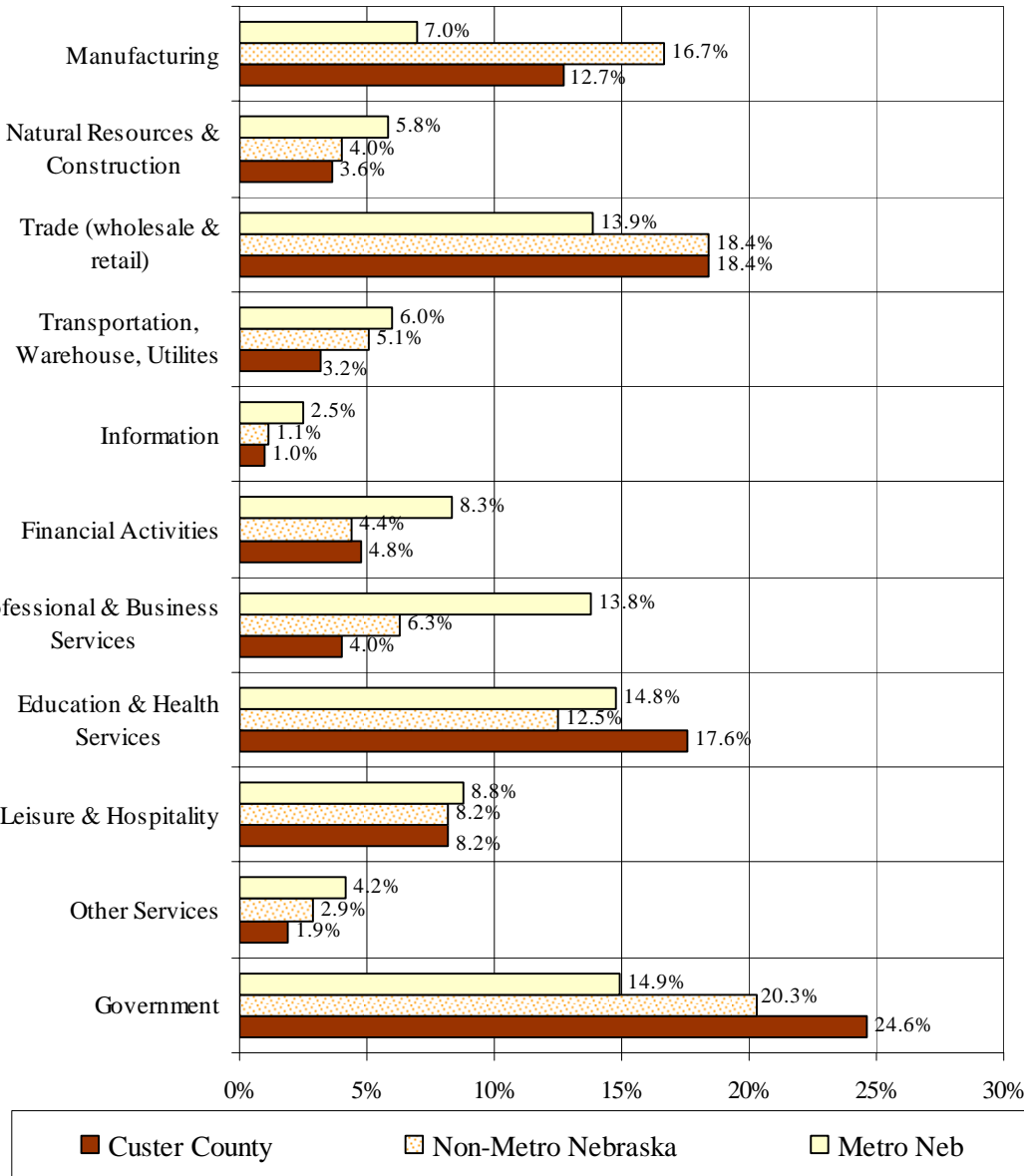
- Manufacturing (12.7 percent Custer County vs. 16.7 percent non-metropolitan)
- Education & Health Services (17.6 percent Custer County vs. 12.5 percent non-metropolitan)
- Government (24.6 percent Custer County vs. 20.3 percent non-metropolitan).

Chart 1 graphically displays the variances among employment by major economic sectors in Custer County, metropolitan Nebraska, and non-metro Nebraska. The Manufacturing sector consists of both durable and non-durable goods.

The largest deviation between Custer County and non-metropolitan Nebraska employment sectors falls in the Education & Health Services sector having 17.6 percent employment (635 employees) compared to non-metropolitan Nebraska employment at 12.5 percent of the workforce. Comparing Custer County to the metropolitan distribution, we find the largest deviation in the Government sector (24.6 percent Custer County vs. 14.9 percent metropolitan Nebraska).

Chart 1

**Non-Farm Wage & Salary Employment by Major Economic Sector  
 Custer County, Metro & Non-Metropolitan Nebraska, 2007**



Source: Nebraska Department of Labor, Labor Market Information, 2008

Table 1 and Chart 2 (next page) present non-farm wage and salary data for Custer County for the period 2001-2007. Non-farm employment is broken down into 11 sectors as defined by the Bureau of Labor Statistics and which are compliant with the North American Industrial Classification System (NAICS). The measure of employment reported in Table 1 is data on the number of people employed in the non-agriculture wage and salary sector in Custer County (regardless of their county of residence). These data indicate total non-farm wage and salary employment in Custer County decreased 5.1 percent (-194 jobs) between 2001 and 2007.

Table 1 also provides employment data for Custer County by major economic sector for years 2001-2007. The Financial Activities sector enjoyed the largest percentage and employment increase reported during this time period (26.5 percent or 36 jobs).

Table 1

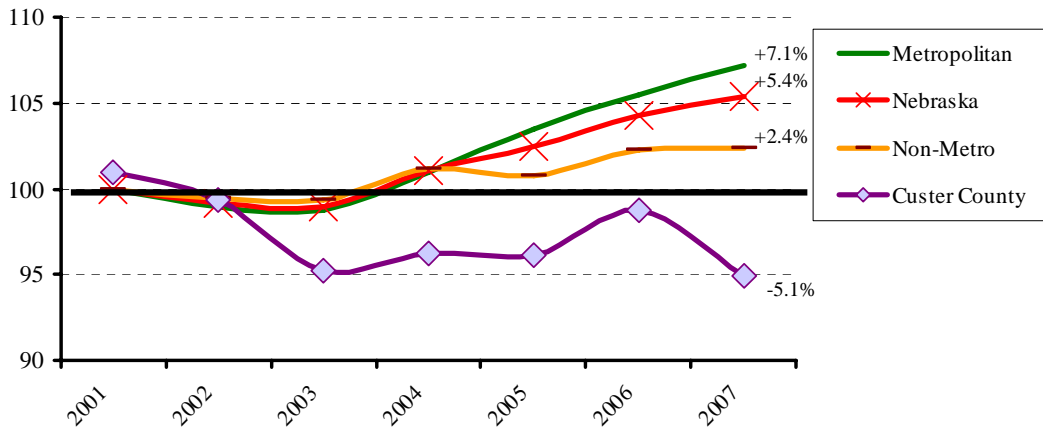
**Non-Farm Wage & Salary Employment Trends, Custer County, Nebraska**  
 Selected Years: 2001-2007

	2001	2002	2003	2004	2005	2006	2007	% Change 2001-2007
<b>Non-farm Employment (W&amp;S)</b>	<b>3,808</b>	<b>3,782</b>	<b>3,628</b>	<b>3,665</b>	<b>3,659</b>	<b>3,759</b>	<b>3,614</b>	<b>-5.1</b>
Manufacturing	(D)	(D)	(D)	474	489	507	460	(N/A)
Durable Goods	(D)	(D)	(D)	426	443	456	408	(N/A)
Nondurable Goods	74	64	49	48	46	51	52	-29.7
<b>Non-manufacturing</b>								
Natural Resources, Construction & Mining	121	126	143	163	163	157	131	8.3
Trade	682	681	643	649	631	639	665	-2.5
Wholesale Trade	200	216	208	210	189	195	205	2.5
Retail Trade	483	466	435	439	442	445	461	-4.6
Transportation, Warehousing & Utilities	116	119	121	123	120	131	116	0.0
Information	(D)	(D)	(D)	47	46	47	37	(N/A)
Financial Activities	136	136	144	157	171	182	172	26.5
Professional & Business Services	(D)	(D)	119	130	120	128	146	(N/A)
Education & Health Services	632	649	637	634	621	636	635	0.5
Leisure and Hospitality	276	271	278	274	299	311	296	7.2
Other Services, except Public	92	87	(D)	85	76	71	67	-27.2
<b>Government</b>	<b>969</b>	<b>954</b>	<b>933</b>	<b>929</b>	<b>923</b>	<b>950</b>	<b>889</b>	<b>-8.3</b>
Federal	64	66	64	67	58	59	60	-6.3
State	73	70	74	71	63	64	65	-11.0
Local	832	818	795	791	802	827	764	-8.2

Labor Force & Work Force Summary, 2001-2007, Annually, Custer County, Nebraska  
 Source: Nebraska Department of Labor, Labor Market Information  
 (D) Data withheld to avoid disclosure  
 (N/A) Data not available

Chart 2 compares total non-farm wage and salary employment growth in Custer County with metropolitan, non-metropolitan, and Nebraska as a whole for the review period 2001-2007. As this chart indicates, total non-farm wage and salary employment in Custer County decreased by 5.1 percent (-194 jobs) from 2001 to 2007, compared to a 5.4 percent increase for Nebraska as a whole, a 2.4 percent increase in non-metropolitan Nebraska, and a 7.1 percent increase in metropolitan Nebraska.

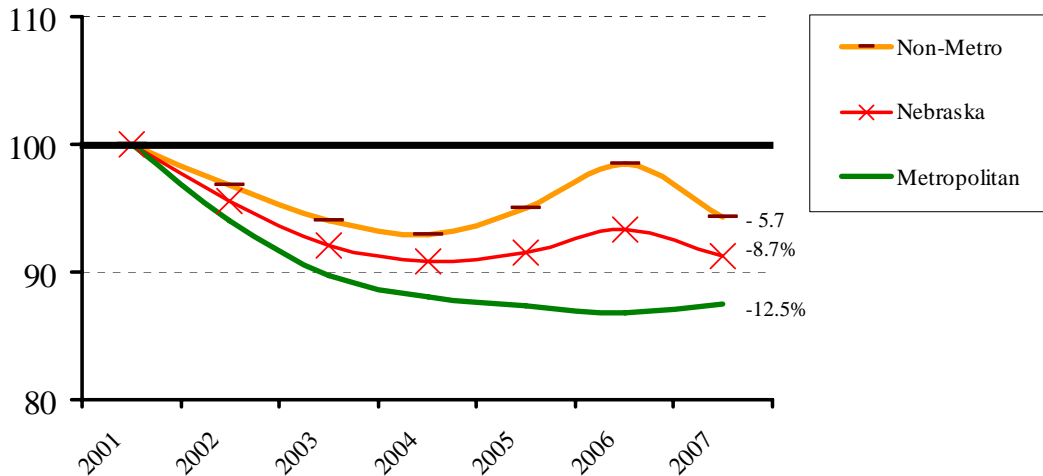
Chart 2  
**Non-Farm (W&S) Employment, Custer County,  
 Nebraska, Metro, and Non-Metro Nebraska, 2001-2007**  
 (Index, 2001=100)



Source: Labor Force & Work Force Summary, April 2008

Chart 3 presents data on manufacturing wage and salary employment growth for Nebraska, metropolitan, and non-metropolitan Nebraska for the review period 2001 to 2007. Due to some sector data being withheld to avoid the disclosure of individual reporting units, the Manufacturing sector for Custer County is not plotted on this graph. Nebraska as a whole experienced an 8.7 percent decrease compared to a 12.5 percent decrease for metropolitan Nebraska, and a 5.7 percent decrease for non-metropolitan Nebraska over the same period.

Chart 3  
**Manufacturing (W&S) Employment,  
 Nebraska, Metro, and Non-Metro Nebraska, 2001-2007**  
 (Index, 2001=100)



Source: Labor Force & Work Force Summary, April 2008

The next table (Table 2) shows labor force information for Custer County for the time period 1997-2007. In the case of the labor force information (labor force, unemployment, and total employment), these data are measured based on the county of residence of the labor force participants (regardless of where they work). As the labor force and total employment data indicate, there has been an increase in the number of Custer County residents participating in the labor force since 1997. Total persons available for employment living in Custer County increased from 5,482 in 1997 to 6,061 in 2007; an increase of 10.6 percent or 579 labor force participants. Labor force participants increased by 11.2 percent (611 people) between 2000 and 2007.

The percent of those unemployed in Custer County increased 15.0 percent (18 people) between 1997 and 2007. Those classified as unemployed increased 7.8 percent (10 people) during the 2000-2007 time period. Persons are classified as unemployed if they do not have a job, have actively looked for work in the prior four weeks, and are currently available for work. The Custer County unemployment rate was 2.3 percent in 2007; significantly lower than that for metropolitan Nebraska (3.2 percent), non-metropolitan Nebraska (2.9 percent), and Nebraska as a whole (3.0 percent).

Table 2

**Labor Force & Employment Trends, Custer County, Nebraska**

Selected Years: 1997-2007

	1997	1999	2000	2001	2003	2005	2007	% Change 1997-2007	% Change 2000-2007
<b>Labor Force</b>	<b>5,482</b>	<b>5,433</b>	<b>5,450</b>	<b>6,454</b>	<b>6,466</b>	<b>6,363</b>	<b>6,061</b>	<b>10.6</b>	<b>11.2</b>
Unemployment	120	124	128	150	183	180	138	15.0	7.8
Unemployment Rate	2.2	2.3	2.3	2.3	2.8	2.8	2.3	(N/A)	(N/A)
Employment	5,362	5,309	5,322	6,303	6,283	6,183	5,923	10.5	11.3

Labor Force & Work Force Summary, 1997-2007, Annually, Custer County, Nebraska

Source: Nebraska Department of Labor, Labor Market Information

(N/A) Data not available

**Residence and Work Flow Patterns**

The next series of tables and charts show residence and workflow patterns for Custer County. These data were compiled from Census 2000 responses to the long-form (sample) questions concerning where people worked. Table 3 data show approximately 11 percent of the working population (630 people) living in Custer County leave the county to work. The most common place of employment outside of Custer County is Dawson County (4.5 percent or 256 people) followed by Buffalo, Lincoln, and Valley counties. These data also show two out-of-state destinations represented by two states.

Table 3

<b>Commute Out</b>			
<b>Live in Custer County - Work Elsewhere (2000)</b>			
<b>Where Live</b>	<b>Where Work</b>	<b>Count</b>	<b>%</b>
Custer Co. NE	Custer Co. NE	5,049	88.9%
Custer Co. NE	Dawson Co. NE	256	4.5%
Custer Co. NE	Buffalo Co. NE	90	1.6%
Custer Co. NE	Lincoln Co. NE	64	1.1%
Custer Co. NE	Valley Co. NE	32	0.56%
Custer Co. NE	Sherman Co. NE	27	0.48%
Custer Co. NE	Blaine Co. NE	17	0.30%
Custer Co. NE	Hall Co. NE	17	0.30%
Custer Co. NE	Garfield Co. NE	16	0.28%
Custer Co. NE	Keith Co. NE	12	0.21%
Custer Co. NE	Merrick Co. NE	12	0.21%
Custer Co. NE	Lancaster Co. NE	9	0.16%
Custer Co. NE	Platte Co. NE	9	0.16%
Custer Co. NE	Pottawattamie Co. IA	8	0.14%
Custer Co. NE	Chase Co. NE	6	0.11%
Custer Co. NE	Thomas Co. NE	6	0.11%
Custer Co. NE	Logan Co. NE	5	0.09%
Custer Co. NE	Loup Co. NE	5	0.09%
Custer Co. NE	Boyd Co. NE	4	0.07%
Custer Co. NE	Brown Co. NE	4	0.07%
Custer Co. NE	Holt Co. NE	4	0.07%
Custer Co. NE	Other In-State	24	0.42%
Custer Co. NE	Other Out-of-State	3	0.05%
	<b>Total:</b>	<b>5,679</b>	
<b>Living inside county, but working outside:</b>		<b>630</b>	<b>11.1%</b>

Source: U.S. Census Bureau, Journey to Work, 2000

People also commute from other counties of residence to work in Custer County. Table 4 shows approximately 6 percent or 317 workers employed in Custer County commute from outside counties. The most common county is Valley County (1.4 percent or 76 people) followed by Dawson, Sherman, and Loup counties. There are five out of state locations represented by five states.

Table 4

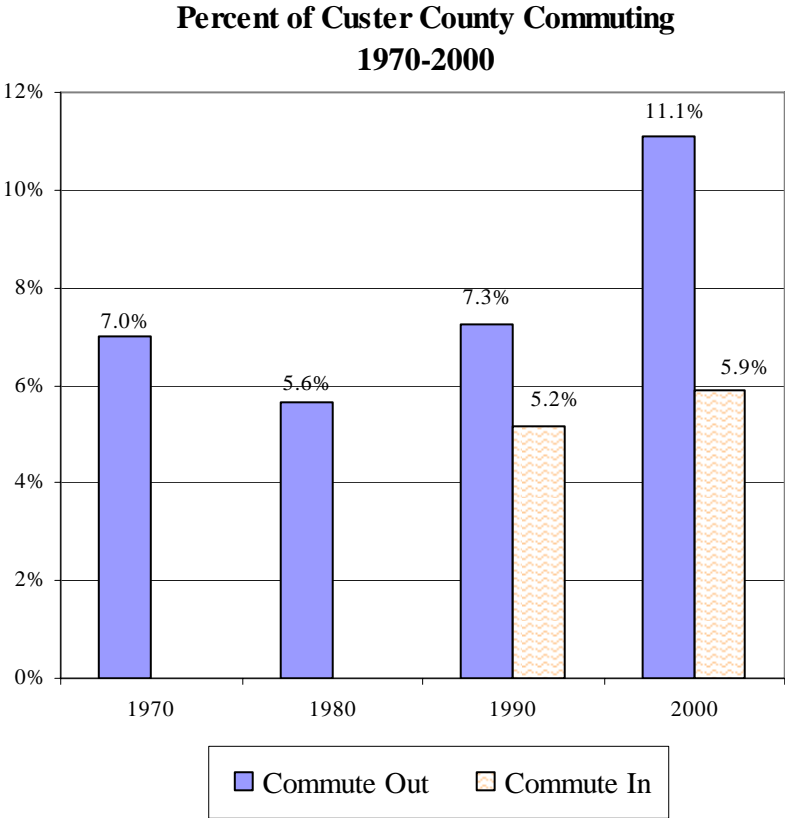
<b>Commute In Work in Custer County - Live Elsewhere (2000)</b>			
<b>Where Live</b>	<b>Where Work</b>	<b>Count</b>	<b>%</b>
Custer Co. NE	Custer Co. NE	5,049	94.1%
Valley Co. NE	Custer Co. NE	76	1.4%
Dawson Co. NE	Custer Co. NE	33	0.61%
Sherman Co. NE	Custer Co. NE	32	0.60%
Loup Co. NE	Custer Co. NE	28	0.52%
Blaine Co. NE	Custer Co. NE	23	0.43%
Buffalo Co. NE	Custer Co. NE	23	0.43%
Lincoln Co. NE	Custer Co. NE	22	0.41%
Hall Co. NE	Custer Co. NE	16	0.30%
Logan Co. NE	Custer Co. NE	13	0.24%
Garfield Co. NE	Custer Co. NE	8	0.15%
Thomas Co. NE	Custer Co. NE	7	0.13%
Gage Co. NE	Custer Co. NE	5	0.09%
Wichita Co. TX	Custer Co. NE	5	0.09%
Sheboygan Co. WI	Custer Co. NE	4	0.07%
Platte Co. WY	Custer Co. NE	4	0.07%
Rawlins Co. KS	Custer Co. NE	3	0.06%
Adams Co. NE	Custer Co. NE	3	0.06%
Brown Co. NE	Custer Co. NE	2	0.04%
Cass Co. NE	Custer Co. NE	2	0.04%
Hooker Co. NE	Custer Co. NE	2	0.04%
Other In-State	Custer Co. NE	5	0.09%
Other Out-of-State	Custer Co. NE	1	0.02%
	<b>Total:</b>	<b>5,366</b>	
<b>Working inside county, but living outside:</b>		<b>317</b>	<b>5.9%</b>

Source: U.S. Census Bureau, Journey to Work, 2000

Chart 4 depicts the historical pattern of Custer County residents commuting for employment opportunities for the Census years, 1970-2000. As this chart shows, the overall percentage of out-of-county commuters has increased since 1970. The percentage of employees commuting out of Custer County increased from 7.0 percent in 1970 to 11.1 percent in 2000. The percentage of employees commuting in to Custer County also increased between 1990 and 2000 (5.2 percent to 5.9 percent).

Often times the number and percentage of residents commuting can be attributed to a change in available employment within the study county or a significant change in the available employment in nearby counties. The quality of employment (pay, type of work, benefits, etc.) also impacts commuting patterns. Other factors may include the availability and affordability of transportation.

Chart 4



Source: U.S. Census Bureau, Journey to Work, 2000

## Population and Migration Trends

The following tables (Tables 5 and 6) present population trend data for Custer County, and the surrounding area. As Table 5 indicates, Custer County's population decreased by 38.5 percent (-7,377 people) between 1950 and 2000. Custer County's population decrease of 8.0 percent (-944 people) between 2000 and 2007 compares to a 3.7 percent increase for Nebraska as a whole.

Table 5

**Population 1950-2007**  
Custer County and the Surrounding Area

Location	1950	1960	1970	1980	1990	2000	2007	% Change 1950-2000 (50 years)	% Change 2000-2007 (7 years)
Nebraska	1,325,510	1,411,330	1,485,333	1,569,825	1,578,417	1,711,265	1,774,571	29.1	3.7
<b>Custer County</b>	<b>19,170</b>	<b>16,517</b>	<b>14,092</b>	<b>13,877</b>	<b>12,270</b>	<b>11,793</b>	<b>10,849</b>	<b>-38.5</b>	<b>-8.0</b>
Blaine County	1,203	1,016	847	867	675	583	448	-51.5	-23.2
Buffalo County	25,134	26,236	31,222	34,797	37,447	42,259	44,976	68.1	6.4
Dawson County	19,393	19,405	19,771	22,304	19,940	24,365	24,744	25.6	1.6
Garfield County	2,912	2,699	2,411	2,363	2,141	1,902	1,722	-34.7	-9.5
Lincoln County	27,380	28,491	29,538	36,455	32,508	34,632	35,500	26.5	2.5
Logan County	1,357	1,108	991	983	878	774	745	-43.0	-3.7
Loup County	1,348	1,097	854	859	683	712	644	-47.2	-9.6
Sherman County	6,421	5,382	4,725	4,226	3,718	3,318	3,013	-48.3	-9.2
Thomas County	1,206	1,078	954	973	851	729	600	-39.6	-17.7
Valley County	7,252	6,590	5,783	5,633	5,169	4,647	4,263	-35.9	-8.3

Source: U.S. Bureau of the Census, Census of Population, April 2008

Table 6 data show significant population decreases for most of the communities during the 1950-2000 time period. The city of Broken Bow reported a 2.8 percent increase in population (95 people) between 1950 and 2000. Broken Bow experienced a 6.5 percent decline in population (-226 people) between 2000 and 2006. The rural areas outside of the selected communities experienced a 52.7 percent decrease (-6,762 people) during the 1950-2000 time period and a population decrease of 8.1 percent (-493 people) during the 2000 to 2006 time period.

Table 6

**Population 1950-2006**  
Custer County Communities / Rural Populations

	1950	1960	1970	1980	1990	2000	2003	2006	% Change 1950-2000 (50 years)	% Change 2000-2006 (6 years)
<b>Custer County</b>	<b>19,170</b>	<b>16,517</b>	<b>14,092</b>	<b>13,877</b>	<b>12,270</b>	<b>11,793</b>	<b>11,316</b>	<b>10,967</b>	<b>-38.5</b>	<b>-7.0</b>
Berwyn	138	104	110	104	122	134	132	129	-2.9	-3.7
Broken Bow	3,396	3,482	3,734	3,979	3,781	3,491	3,358	3,265	2.8	-6.5
Callaway	744	603	523	579	582	637	627	616	-14.4	-3.3
Comstock	302	235	155	168	135	110	105	101	-63.6	-8.2
Mason City	305	277	196	196	160	178	175	171	-41.6	-3.9
Merna	385	349	322	389	377	391	385	378	1.6	-3.3
Oconto	258	219	155	176	147	141	138	136	-45.3	-3.5
Sargent	818	876	789	828	710	649	623	602	-20.7	-7.2
<b>Total Rural Areas:</b>	<b>12,824</b>	<b>10,372</b>	<b>8,108</b>	<b>7,458</b>	<b>6,256</b>	<b>6,062</b>	<b>5,773</b>	<b>5,569</b>	<b>-52.7</b>	<b>-8.1</b>

Source: U.S. Bureau of the Census, Census of Population, April 2007

The next table (Table 7) presents data on population migration by age group for the study area and for Nebraska for the 1990-2000 decade. This table provides further insights into the dynamics of population change. Net migration is the change in population after factoring the natural increase for an area (births minus deaths). The data showing migration patterns by age group indicate that for most counties and for non-metropolitan Nebraska, the most significant out-migration occurred in the '15-24' year age group. The lowest percentage of out-migration typically occurred in the '45-64' and 'Over 65' age groups. Custer County follows this pattern having 58.4 percent out-migration occurring in the '15-24' year age group (-692 people).

Table 7

**Nebraska Population and Migration,  
 by Age Group, 1990 and 2000**

Age Group	--- Population ---		% Change 1990-2000	Net Migration	% of 1990 Population
	1990	2000			
<b>NEBRASKA</b>					
0 - 14	363,390	369,427	1.66	15,750	4.3
15 - 24	221,509	255,240	15.23	13,009	5.9
25 - 44	486,020	487,107	0.22	12,644	2.6
45 - 64	284,398	367,294	29.15	6,387	2.2
Over 65	223,068	232,195	4.09	476	0.2
<b>Total:</b>	<b>1,578,385</b>	<b>1,711,263</b>	<b>8.42</b>	<b>48,267</b>	<b>3.1</b>

<b>NON-METRO NEBRASKA</b>					
0 - 14	56,364	50,873	-9.74	634	1.1
15 - 24	95,548	109,817	14.93	-12,543	-13.1
25 - 44	214,544	203,423	-5.18	-296	-0.1
45 - 64	147,243	176,709	20.01	6,828	4.6
Over 65	137,212	136,227	-0.72	2,405	1.8
<b>Total:</b>	<b>774,057</b>	<b>795,352</b>	<b>2.75</b>	<b>6,280</b>	<b>0.8</b>

<b>CUSTER COUNTY</b>					
0 - 14	2,771	2,521	-9.02	232	8.4
15 - 24	1,186	1,225	3.29	-692	-58.4
25 - 44	3,081	2,769	-10.13	110	3.6
45 - 64	2,537	2,793	10.09	129	5.1
Over 65	2,695	2,485	-7.79	15	0.5
<b>Total:</b>	<b>12,270</b>	<b>11,793</b>	<b>-3.89</b>	<b>-207</b>	<b>-1.7</b>

Table 7 (continued)

Age Group	--- Population ---		% Change 1990-2000	Net Migration	% of 1990 Population
	1990	2000			
<b>BLAINE COUNTY</b>					
0 - 14	150	118	-21.33	-16	-10.5
15 - 24	73	58	-20.55	-50	-69.1
25 - 44	176	155	-11.93	-12	-6.7
45 - 64	163	154	-5.52	-7	-4.5
Over 65	113	98	-13.27	-40	-35.0
<b>Total:</b>	<b>675</b>	<b>583</b>	<b>-13.63</b>	<b>-125</b>	<b>-18.5</b>

<b>BUFFALO COUNTY</b>					
0 - 14	8,095	8,591	6.13	395	4.88
15 - 24	8,661	9,516	9.87	4,160	48.03
25 - 44	10,633	11,251	5.81	-2,969	-27.93
45 - 64	5,514	8,021	45.47	523	9.48
Over 65	4,544	4,880	7.39	203	4.47
<b>Total:</b>	<b>37,447</b>	<b>42,259</b>	<b>12.85</b>	<b>2,312</b>	<b>6.17</b>

<b>DAWSON COUNTY</b>					
0 - 14	4,656	5,972	28.26	745	16.01
15 - 24	2,255	3,196	41.73	-32	-1.43
25 - 44	5,622	6,721	19.55	1,785	31.75
45 - 64	3,948	5,033	27.48	324	8.21
Over 65	3,459	3,443	-0.46	112	3.24
<b>Total:</b>	<b>19,940</b>	<b>24,365</b>	<b>22.19</b>	<b>2,934</b>	<b>14.71</b>

<b>GARFIELD COUNTY</b>					
0 - 14	436	360	-17.43	16	3.69
15 - 24	222	171	-22.97	-128	-57.67
25 - 44	503	390	-22.47	-69	-13.68
45 - 64	465	510	9.68	20	4.22
Over 65	515	471	-8.54	38	7.40
<b>Total:</b>	<b>2,141</b>	<b>1,902</b>	<b>-11.16</b>	<b>-123</b>	<b>-5.74</b>

<b>LINCOLN COUNTY</b>					
0 - 14	7,861	7,374	-6.20	568	7.22
15 - 24	3,975	4,589	15.45	-877	-22.05
25 - 44	9,457	9,196	-2.76	690	7.30
45 - 64	6,259	8,230	31.49	506	8.09
Over 65	4,956	5,243	5.79	89	1.81
<b>Total:</b>	<b>32,508</b>	<b>34,632</b>	<b>6.53</b>	<b>977</b>	<b>3.01</b>

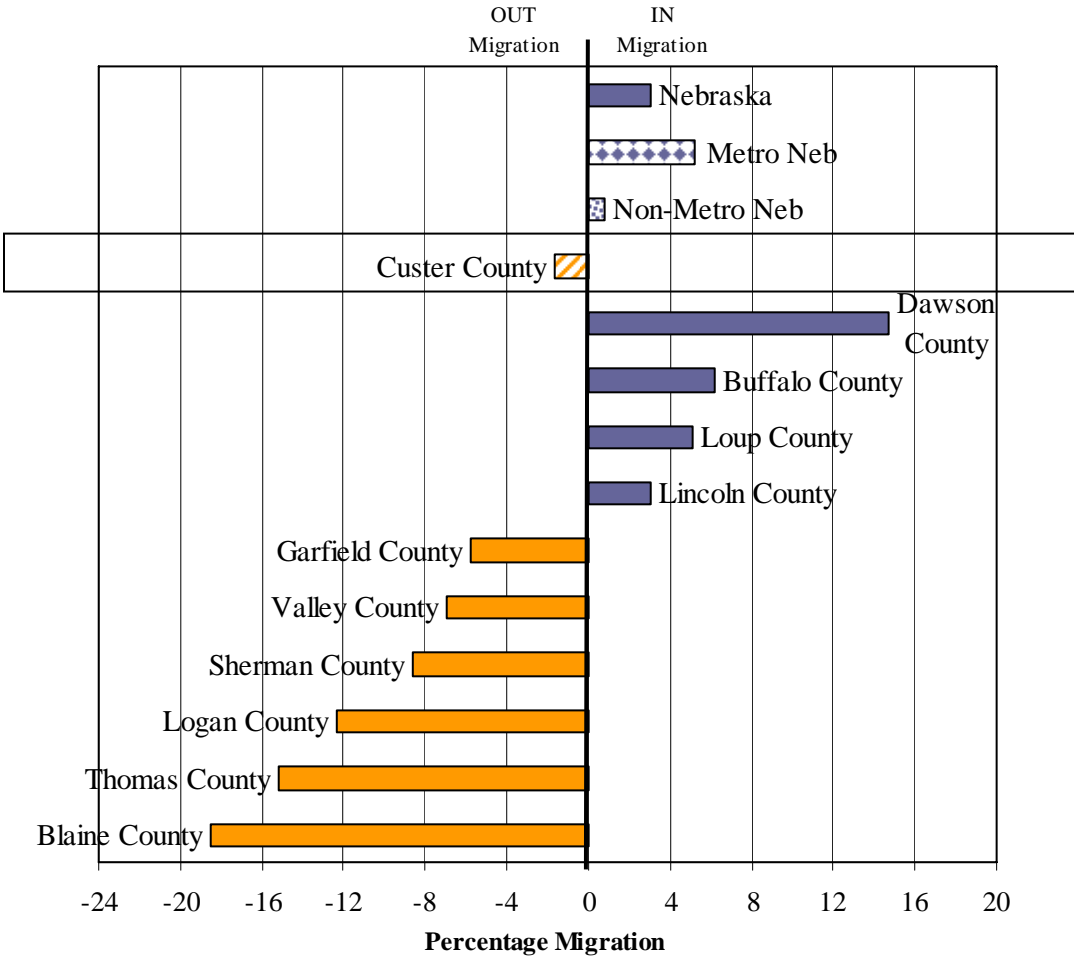
Table 7 (continued)

Age Group	--- Population ---		% Change	Net	% of 1990
	1990	2000	1990-2000	Migration	Population
<b>LOGAN COUNTY</b>					
0 - 14	252	150	-40.48	0	0.1
15 - 24	83	95	14.46	-85	-102.4
25 - 44	247	186	-24.70	-19	-7.9
45 - 64	162	207	27.78	23	14.2
Over 65	134	136	1.49	-27	-20.1
<b>Total:</b>	<b>878</b>	<b>774</b>	<b>-11.85</b>	<b>-108</b>	<b>-12.3</b>
<b>LOUP COUNTY</b>					
0 - 14	160	155	-3.13	46	28.9
15 - 24	53	67	26.42	-43	-81.9
25 - 44	185	159	-14.05	15	8.2
45 - 64	157	192	22.29	21	13.5
Over 65	128	139	8.59	-4	-3.2
<b>Total:</b>	<b>683</b>	<b>712</b>	<b>4.25</b>	<b>35</b>	<b>5.1</b>
<b>SHERMAN COUNTY</b>					
0 - 14	844	644	-23.70	10	1.16
15 - 24	436	320	-26.61	-278	-63.83
25 - 44	866	786	-9.24	-51	-5.88
45 - 64	780	800	2.56	10	1.31
Over 65	792	768	-3.03	-11	-1.37
<b>Total:</b>	<b>3,718</b>	<b>3,318</b>	<b>-10.76</b>	<b>-320</b>	<b>-8.61</b>
<b>THOMAS COUNTY</b>					
0 - 14	216	118	-45.37	-19	-8.62
15 - 24	95	86	-9.47	-77	-81.10
25 - 44	233	174	-25.32	-20	-8.76
45 - 64	181	203	12.15	-11	-5.82
Over 65	126	148	17.46	-2	-1.90
<b>Total:</b>	<b>851</b>	<b>729</b>	<b>-14.34</b>	<b>-129</b>	<b>-15.16</b>
<b>VALLEY COUNTY</b>					
0 - 14	1,110	915	-17.57	71	6.42
15 - 24	522	457	-12.45	-326	-62.52
25 - 44	1,289	1,051	-18.46	-79	-6.09
45 - 64	1,055	1,109	5.12	-21	-1.99
Over 65	1,193	1,115	-6.54	-6	-0.53
<b>Total:</b>	<b>5,169</b>	<b>4,647</b>	<b>-10.10</b>	<b>-361</b>	<b>-6.98</b>

Chart 5 graphically depicts the 1990-2000 migration patterns of Nebraska, Custer County, and the surrounding area as a percentage of the 1990 population. As these data indicate, Custer County experienced out-migration of 1.7 percent of the 1990 population (-207 people) while Nebraska recorded net in-migration of 3.1 percent.

Chart 5

**1990-2000 Migration as Percent of 1990 Population  
 Custer County and the Surrounding Area**

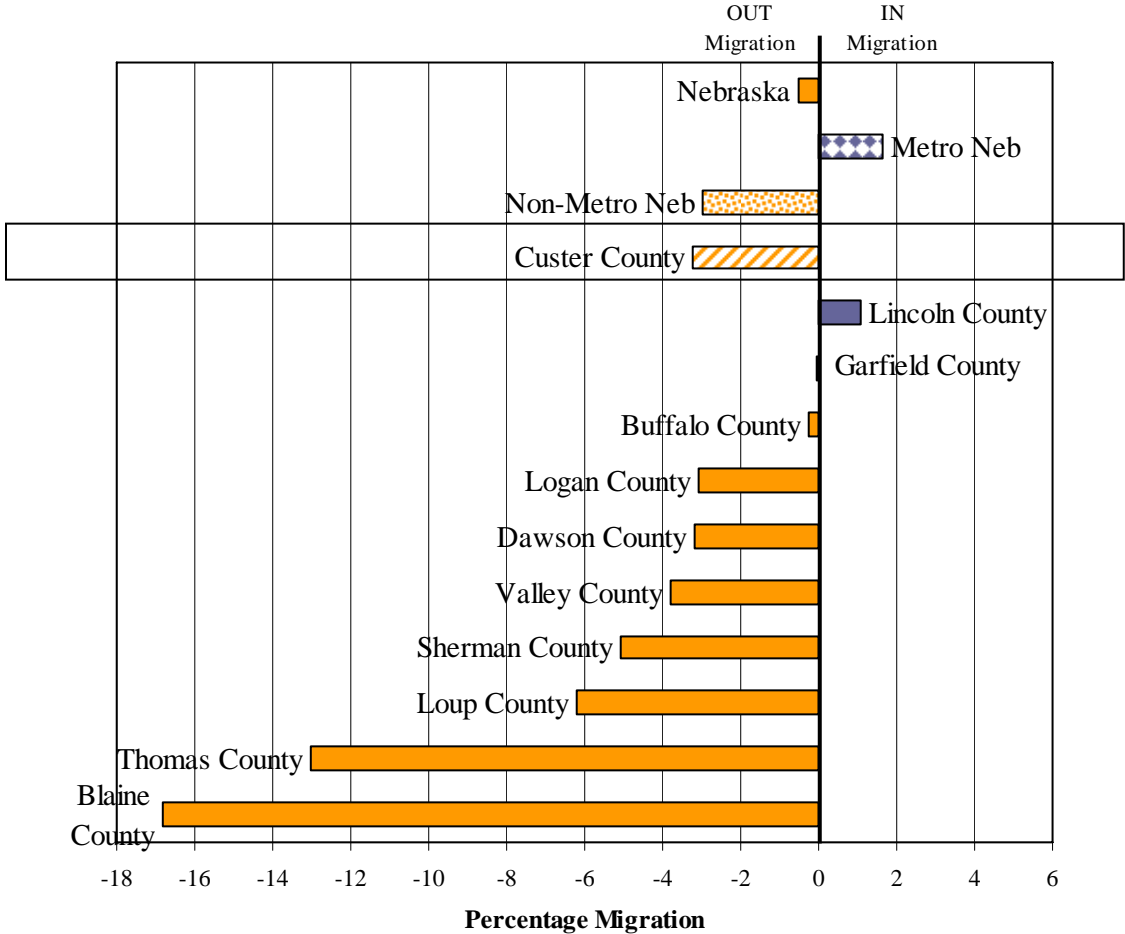


Source: U.S. Census Bureau, Population Estimates and Population Change, July 2005

Chart 6 shows the 2000-2006 migration pattern for the study area as a percentage of the 2000 population. Custer County's 3.2 percent out-migration (-381 people) compares to a 0.5 percent out-migration for Nebraska as a whole, a 3.0 percent out-migration for non-metropolitan Nebraska, and a 1.6 percent in-migration for Metropolitan Nebraska during the 2000 to 2006 time period.

Chart 6

**2000-2006 Migration as Percent of 2000 Population  
 Custer County and the Surrounding Area**



Source: U.S. Census Bureau, Population Estimates and Population Change, May 2007

The next series of tables (Tables 8-11) provides further detail on migration between 1995 and 2000. Migration patterns are influenced by employment opportunities, cost-of-living, and quality-of-life factors. While these data provide further insight to where counties are gaining and losing population due to migration, it is important to recognize these data do not reflect migration to or from foreign localities.

Table 8 data show nearly 70 percent of those moving in to Custer County between 1995 and 2000 moved from other Nebraska locations (67.1 percent or 1,219 people). People also migrated in from 29 other states. Table 9 shows in-state migration flows. Migration to Custer County from within Nebraska came primarily from Lincoln, Dawson, and Buffalo counties.

Table 8

**IN Migration - Custer County**  
 1995-2000

"From" Location	# People	Percent
Other Nebraska Counties	1,219	67.1%
Colorado	97	5.3%
South Dakota	43	2.4%
Utah	42	2.3%
Kansas	34	1.9%
Michigan	32	1.8%
Wyoming	32	1.8%
California	31	1.7%
Wisconsin	29	1.6%
Texas	28	1.5%
New Mexico	26	1.4%
Other States (19)	203	11.2%
<b>Total:</b>	<b>1,816</b>	<b>100%</b>

Table 9

**Top 10 Migration Origins to Custer County**  
 from Other Nebraska Locations, 1995-2000

In-State Movement:	# People	Percent
Lincoln County	195	16.0%
Dawson County	194	15.9%
Buffalo County	167	13.7%
Hall County	82	6.7%
Lancaster County	54	4.4%
Scotts Bluff County	45	3.7%
Valley County	34	2.8%
Webster County	32	2.6%
Platte County	31	2.5%
Cherry County	30	2.5%

Source: US Census Bureau, July 2005

Table 10 data reveal the majority of people migrating out of Custer County between 1995 and 2000 remained in the state of Nebraska (75.9 percent or 1,489 people). Custer County residents also moved to 25 other states during this time period. Looking within Nebraska, Table 11 shows the majority of people leaving Custer County (but staying in Nebraska) went to Buffalo, Dawson, and Lancaster counties during this time period. Employment, housing, and educational opportunities located in these counties play a major role in this migration pattern.

Table 10

**OUT Migration - Custer County**  
 1995-2000

"To" Location	# People	Percent
Other Nebraska Counties	1,489	75.9%
South Dakota	98	5.0%
Kansas	65	3.3%
Colorado	62	3.2%
Wisconsin	37	1.9%
Mississippi	27	1.4%
Missouri	25	1.3%
New Jersey	18	0.9%
Iowa	15	0.8%
New York	13	0.7%
California	12	0.6%
Other States (15)	100	5.1%
<b>Total:</b>	<b>1,961</b>	<b>100%</b>

Table 11

**Top 10 Migration Destinations from Custer County**  
 to Other Nebraska Locations, 1995-2000

In-State Movement:	# People	Percent
Buffalo County	215	14.4%
Dawson County	185	12.4%
Lancaster County	149	10.0%
Lincoln County	130	8.7%
Douglas County	104	7.0%
Adams County	60	4.0%
Kearney County	57	3.8%
Dakota County	49	3.3%
Valley County	47	3.2%
Dodge County	40	2.7%

Source: US Census Bureau, July 2005

The following charts (Charts 7 and 8) compare the age distribution of population for Custer County and Nebraska as a whole. The population of Custer County is significantly older than Nebraska as a whole. The median age for Custer County residents in 2006 was 44.0 years of age compared to 36.0 years of age for residents of Nebraska as a whole.

Chart 7

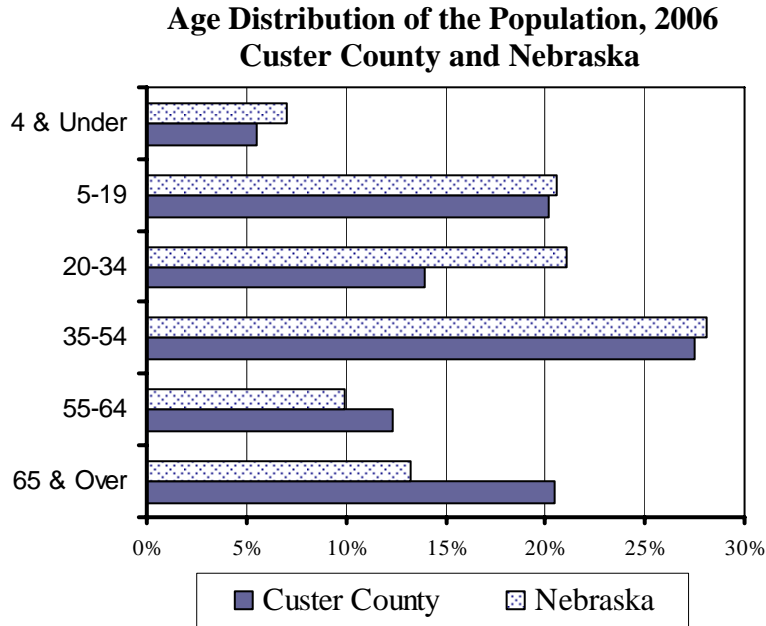


Chart 8

	2006 Population		Percent	
	Nebraska	Custer County	Nebraska	Custer County
<b>4 &amp; Under</b>	123,406	620	7.0%	5.5%
<b>5-19</b>	361,242	2,272	20.5%	20.2%
<b>20-34</b>	370,553	1,572	21.1%	14.0%
<b>35-54</b>	494,566	3,090	28.1%	27.5%
<b>55-64</b>	175,470	1,388	10.0%	12.3%
<b>65 &amp; Over</b>	233,550	2,300	13.3%	20.5%
<b>Total</b>	<b>1,758,787</b>	<b>11,242</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Median Age</b>	<b>36.0</b>	<b>44.0</b>		

Source: Age Group, Median Age, U.S. Census Bureau, August 2007

**Retail Sales**

Table 12 and Chart 9 show the retail sales (non-motor vehicle) pull factors for Custer County and the surrounding area for 2006. The pull factor is computed by dividing the per capita taxable, non-motor vehicle (NMV) retail sales by the state average per capita NMV retail sales. A pull factor of one indicates an area has per capita NMV retail sales equal to the state. A value greater than one indicates an area is drawing retail sales from other areas. Conversely, a pull factor with a value less than one indicates the subject area is losing potential retail activity to other places or, in other words, is experiencing retail sales leakage. This simple calculation does not factor in income levels or purchasing power within an area.

Table 12 **2007 Retail Sales (Non-Motor Vehicle) Pull Factors  
 Nebraska, Custer County, and Surrounding Counties**

	2007 Population	2007 Retail Sales (x \$1,000)	2007 Per Cap Sales (\$)	2007 Pull Factor
Nebraska	1,774,571	19,872,740	11,199	1.00
Non-Metro Nebraska	772,460	7,253,461	9,390	0.84
<b>Custer County</b>	<b>10,849</b>	<b>84,184</b>	<b>7,760</b>	<b>0.69</b>
Blaine County	448	1,268	2,831	0.25
Buffalo County	44,976	631,104	14,032	1.25
Dawson County	24,744	221,159	8,938	0.80
Garfield County	1,722	14,939	8,675	0.77
Lincoln County	35,500	450,037	12,677	1.13
Logan County	745	2,549	3,422	0.31
Loup County	644	773	1,200	0.11
Sherman County	3,013	9,044	3,002	0.27
Thomas County	600	3,811	6,351	0.57
Valley County	4,263	38,632	9,062	0.81

Source: U.S. Census Bureau and Nebraska Department of Revenue, April 2008

Reviewing the pull factors at the county level indicates Custer County has suffered from retail leakage. The 2007 pull factor of 0.69 indicates, on a per capita basis, retail sales in Custer County are approximately 31 percent less than the state’s per capita sales. Distance from other large trade centers plays a major role in this phenomenon. The comparison of the pull factor for Custer County (0.69) with the pull factor for the non-metropolitan area of Nebraska (0.84) indicates per capita retail sales in Custer County are approximately 17.4 percent less than the average per capita retail sales in the non-metropolitan area of Nebraska.

Chart 9 **2007 Retail Sales (NMV) Pull Factors, Nebraska,  
 Custer County & Surrounding Counties**

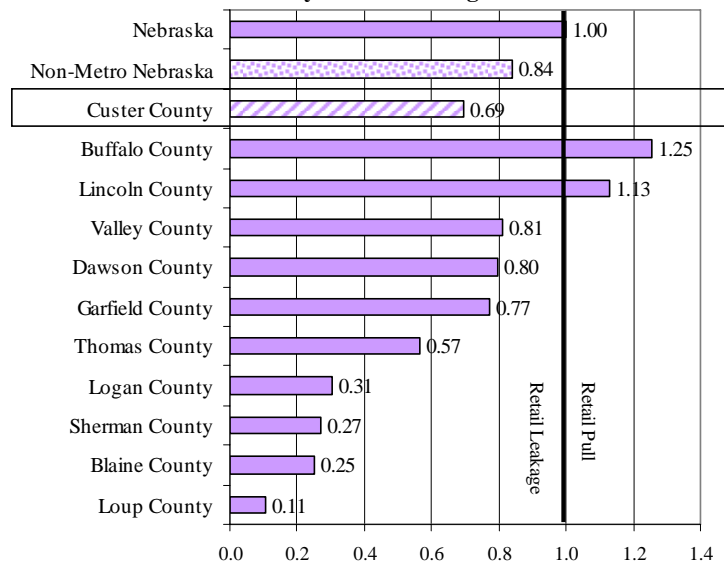


Table 13 and Chart 10 compare the 2006 pull factors for Broken Bow and selected area communities. The community of Broken Bow’s pull factor of 1.69 indicates that, on a per capita basis, non-motor vehicle retail sales in Broken Bow are approximately 69 percent greater than the state’s average per capita sales.

Table 13

**2006 Retail Sales (NMV) Pull Factors  
 Nebraska, Broken Bow, and Selected Area Cities**

	2006 Population	2006 Retail Sales (x \$1,000)	2006 Per Cap Sales (\$)	2006 Pull Factor
Nebraska	1,768,331	19,139,733	10,824	1.00
Non-Metro NE	783,370	6,839,002	8,730	0.81
<b>Broken Bow (Custer)</b>	<b>3,265</b>	<b>59,773</b>	<b>18,307</b>	<b>1.69</b>
Dunning (Blaine)	92	471	5,123	0.47
Kearney (Buffalo)	29,385	559,438	19,038	1.76
Lexington (Dawson)	10,251	120,988	11,803	1.09
Burwell (Garfield)	1,048	14,686	14,014	1.29
North Platte (Lincoln)	24,386	405,540	16,630	1.54
Stapleton (Logan)	291	2,477	8,513	0.79
Taylor (Loup)	186	384	2,066	0.19
Loup City (Sherman)	914	5,981	6,543	0.60
Theftford (Thomas)	182	3,964	21,780	2.01
Ord (Valley)	2,116	31,891	15,071	1.39

Source: U.S. Census Bureau and Nebraska Department of Revenue, July 2007

Chart 10

**2006 Retail Sales (NMV) Pull Factors  
 Nebraska, Broken Bow, and Selected Area Cities**

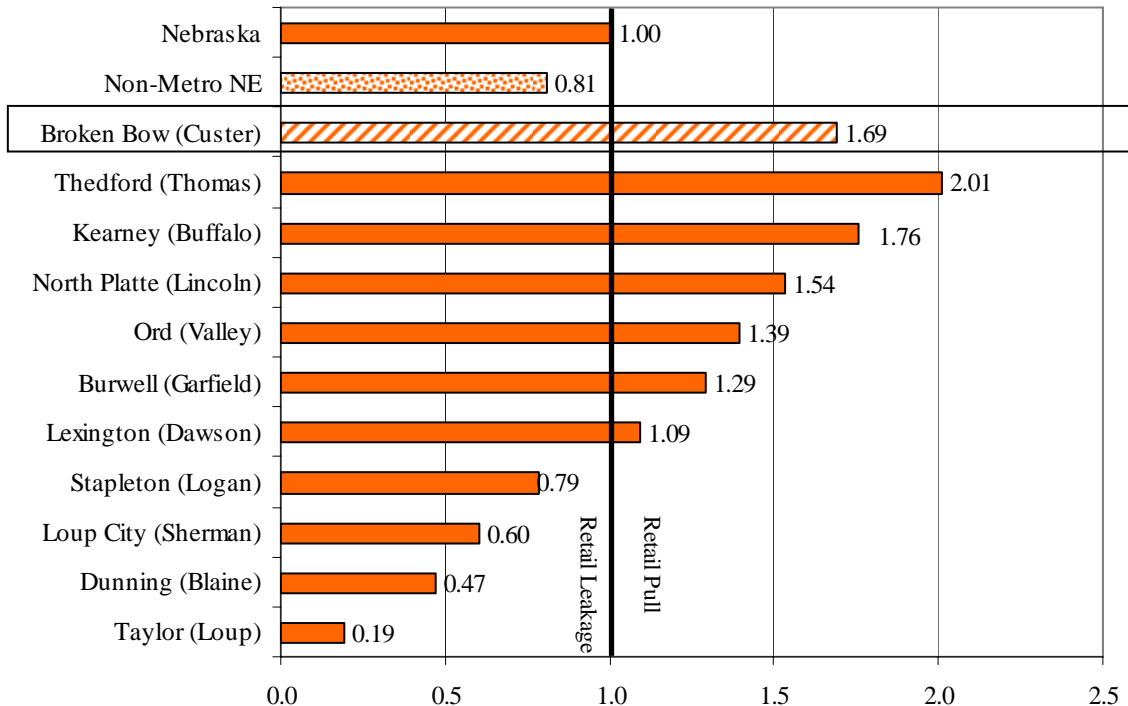


Table 14 and Chart 11 further breakdown the 2006 pull factors into the communities reporting retail sales figures within Custer County. As this table indicates, the community of Broken Bow had the strongest pull factor (1.69) compared to the other reporting communities in the county. Together, these communities contributed to an overall pull factor of 0.65 for Custer County in 2006.

Table 14  
**2006 Retail Sales (NMV) Pull Factors  
 Nebraska, Broken Bow, and Available Custer County Communities**

	2006 Population	2006 Retail Sales (x \$1,000)	2006 Per Cap Sales (\$)	2006 Pull Factor
Nebraska	1,768,331	19,139,733	10,824	1.00
Non-Metro NE	783,370	6,839,002	8,730	0.81
<b>Custer County</b>	<b>11,242</b>	<b>79,316</b>	<b>7,055</b>	<b>0.65</b>
Anselmo	149	652	4,377	0.40
Ansley	485	3,540	7,299	0.67
Arnold	609	3,832	6,292	0.58
Berwyn	129	414	3,211	0.30
Broken Bow	3,265	59,773	18,307	1.69
Callaway	616	2,732	4,434	0.41
Comstock	101	1,065	10,549	0.97
Mason City	171	444	2,596	0.24
Merna	378	2,053	5,431	0.50
Oconto	136	937	6,888	0.64
Sargent	602	3,153	5,237	0.48

Source: U.S. Census Bureau and Nebraska Department of Revenue, July 2007

Chart 11  
**2006 Retail Sales (NMV) Pull Factors, Nebraska,  
 and Available Custer County Communities**

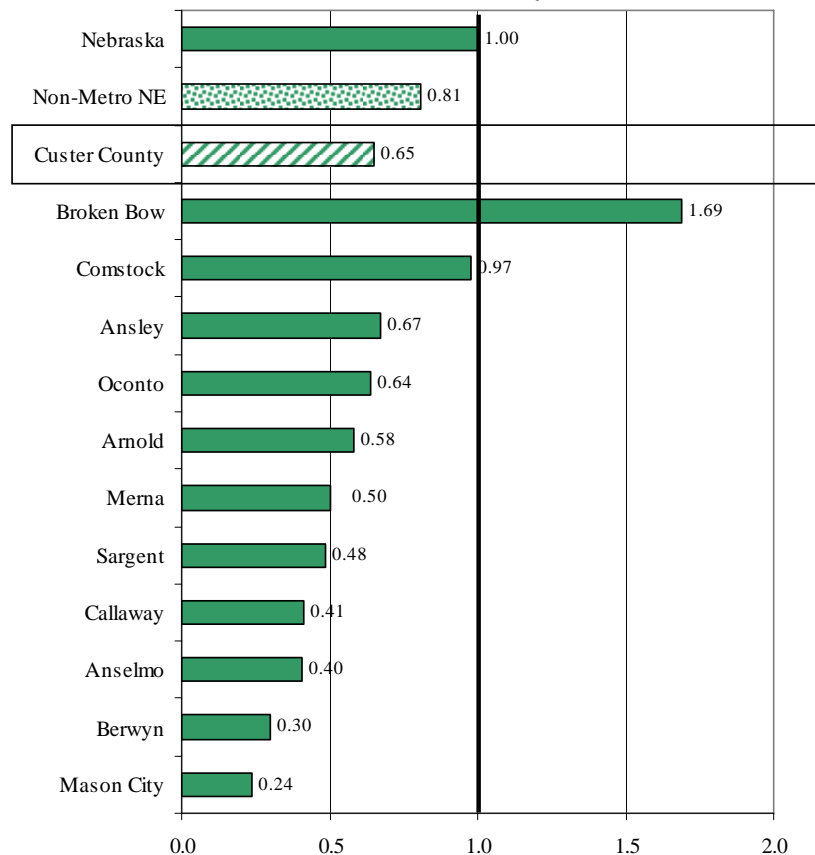


Table 15 (sorted by population) and Chart 12 (sorted by pull factor) show the 2006 pull factors for Nebraska, Broken Bow, and eight other similarly sized communities selected from around the state. Broken Bow's pull factor of 1.69 leads the group for 2006 thus indicating Broken Bow has greater retail pull.

Table 15

**2006 Retail Sales (NMV) Pull Factors  
 Broken Bow & Other Similarly Sized Nebraska Communities**

	2006 Population	2006 Retail Sales (x \$1,000)	2006 Per Cap Sales (\$)	2006 Pull Factor
Nebraska	1,768,331	19,139,733	10,824	1.00
Non-Metro NE	783,370	6,839,002	8,730	0.81
<b>Broken Bow (Custer)</b>	<b>3,265</b>	<b>59,773</b>	<b>18,307</b>	<b>1.69</b>
Waverly (Lancaster)	2,851	38,662	13,561	1.25
Central City (Merrick)	2,856	24,533	8,590	0.79
Minden (Kearney)	2,877	26,017	9,043	0.84
Auburn (Nemaha)	3,226	29,863	9,257	0.86
O'Neill (Holt)	3,429	60,484	17,639	1.63
West Point (Cuming)	3,472	53,614	15,442	1.43
Gothenburg (Dawson)	3,746	31,600	8,436	0.78
Fairbury (Jefferson)	4,010	41,415	10,328	0.95

Source: U.S. Census Bureau and Nebraska Department of Revenue, July 2007

Chart 12

**2006 Retail Sales (NMV) Pull Factors, Nebraska,  
 Broken Bow & Other Similarly Sized Nebraska Communities**

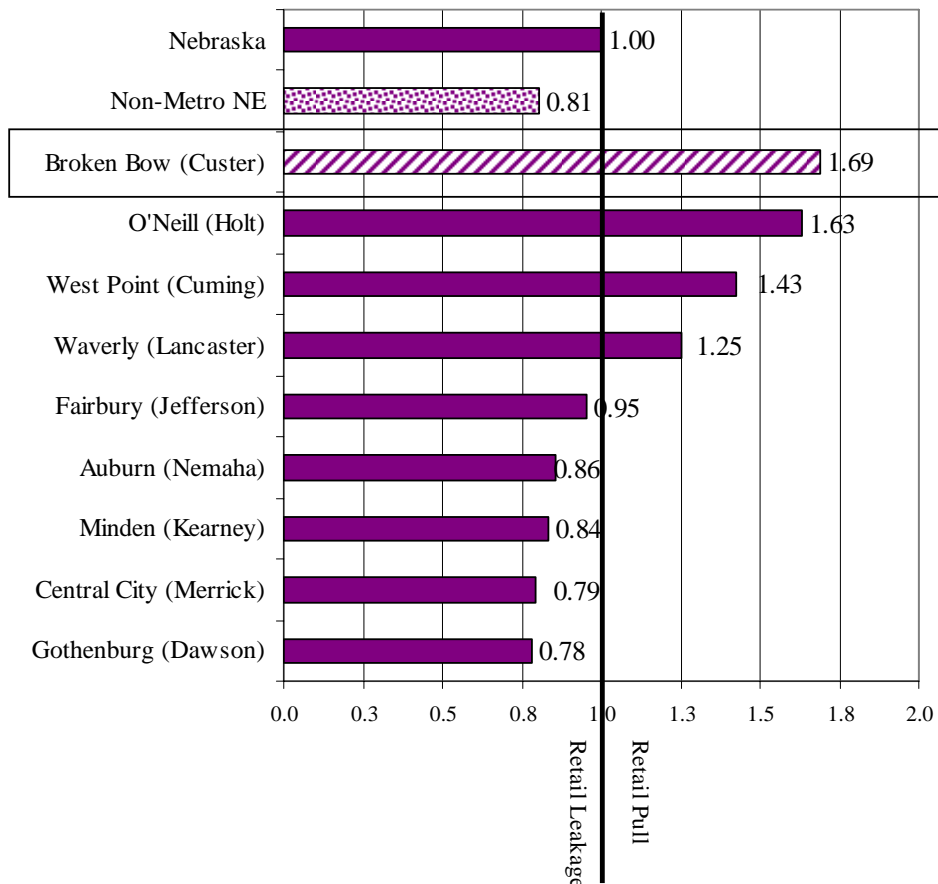
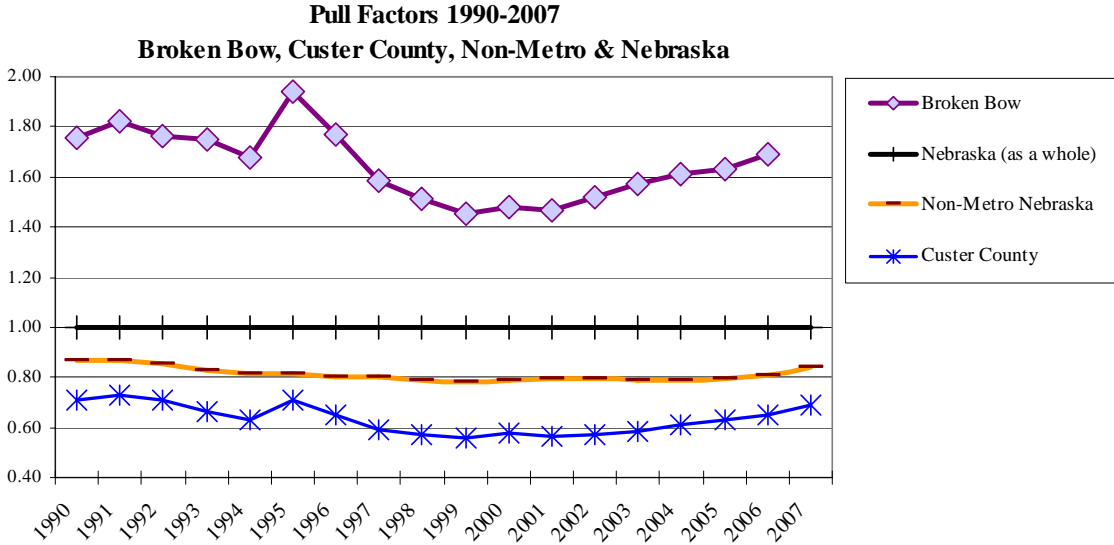


Chart 13 illustrates the pull factor trend for Custer County, and non-metropolitan Nebraska, from 1990 to 2007 (2006 for city pull factors). In examining the time line, it is apparent Broken Bow has enjoyed significant retail pull throughout the 1990 to 2007 study period. Custer County as a whole, on the other hand, has experienced significant retail leakage throughout the time period.

Chart 13



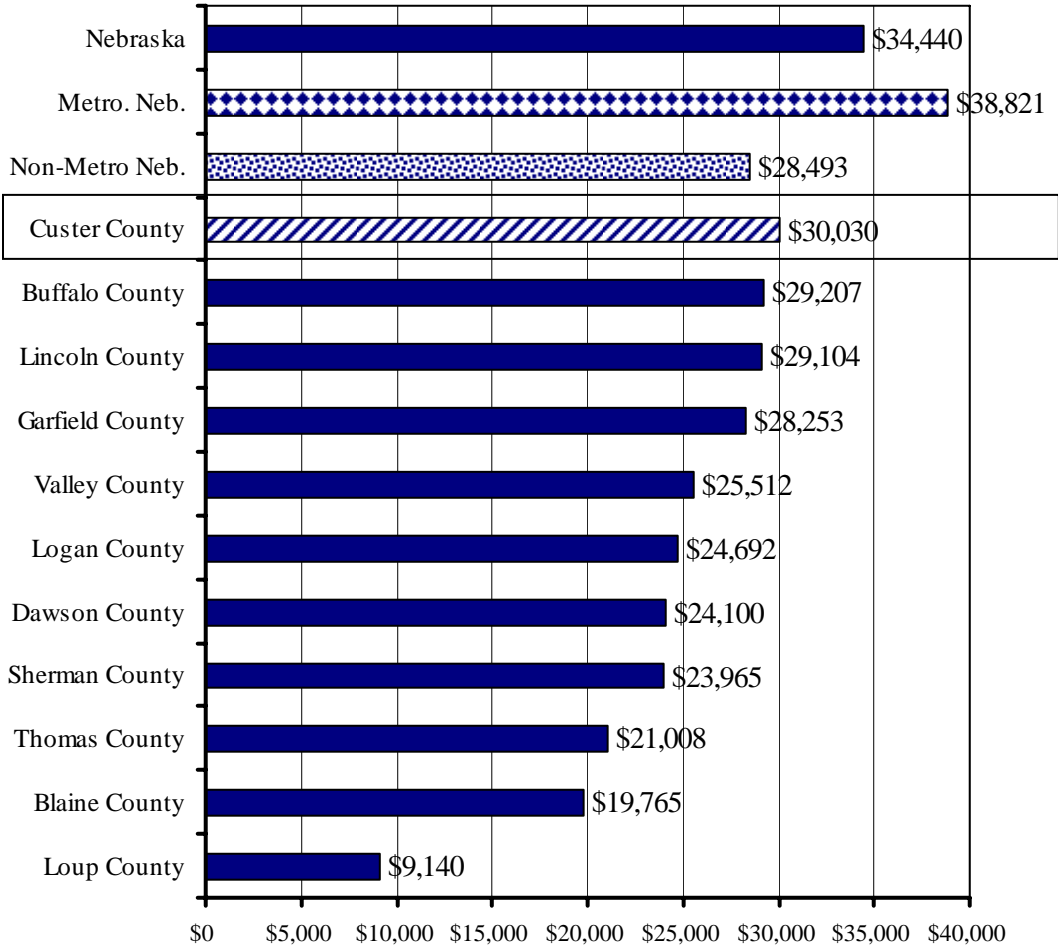
Source: U.S. Census Bureau and Nebraska Department of Revenue, 2007

**Per Capita Personal Income**

Per capita personal income in Custer County was \$30,030 in 2006 the last year in which such data are available. Custer County’s per capita income is \$4,410 or 12.8 percent lower than that for Nebraska as a whole (\$34,440); \$8,791 or 22.6 percent lower than metropolitan Nebraska (\$38,821); and \$1,537 or 5.4 percent greater than non-metropolitan Nebraska (\$28,493).

Chart 14

**Per Capita Personal Income, 2006  
 Nebraska, Custer County, and Surrounding Counties**



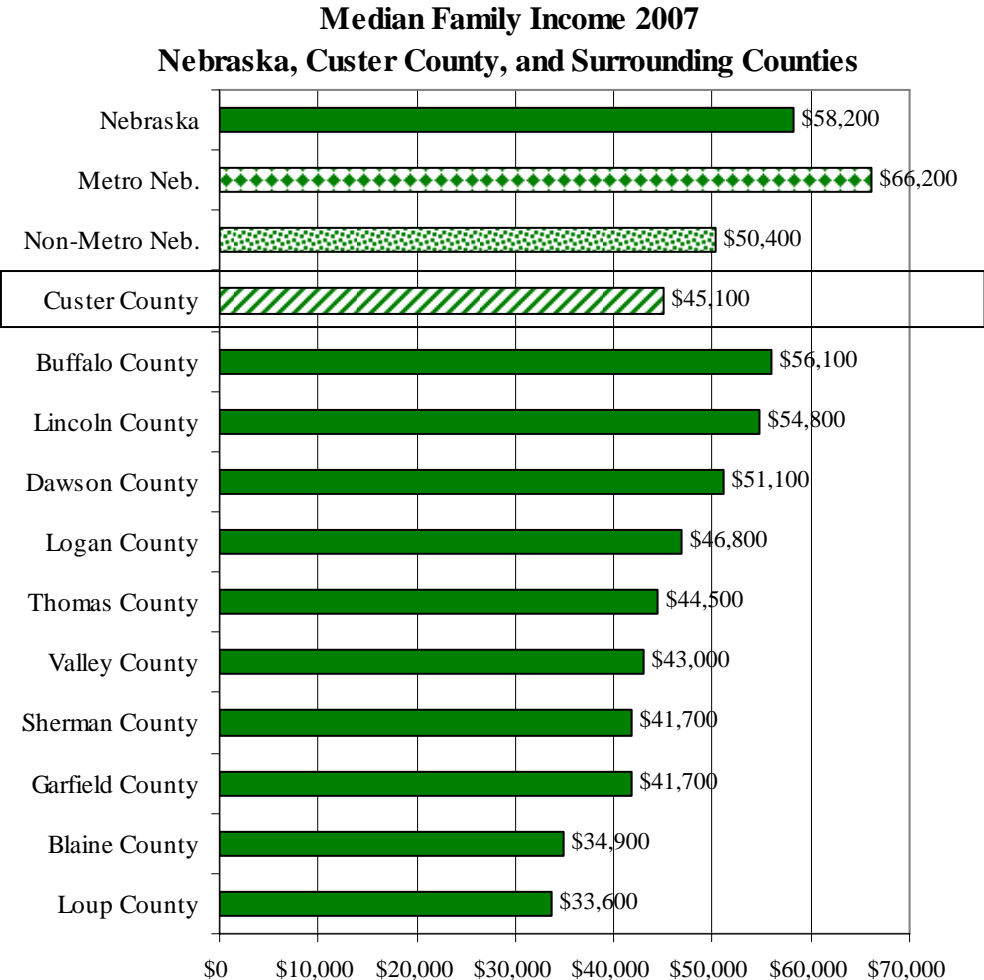
Source: Bureau of Economic Analysis, US Department of Commerce, May 2008

**Median Family Income**

Median family income provides a different perspective of income levels in Nebraska, Custer County, and the surrounding area. Median family income is the midpoint in the ranked distribution of the sum of income for all family members 15 years of age and older. The U.S. Department of Housing and Urban Development (HUD) estimates median family income based on 2000 Census data updated with a combination of Bureau of Labor Statistics and Census Divisional data.

Median family income in Custer County was estimated to be \$45,100 in 2007. This amount is \$13,100 or 22.5 percent lower than the median family income for Nebraska as a whole (\$58,200); \$21,100 or 31.9 percent less than metropolitan Nebraska (\$66,200); and \$5,300 or 10.5 percent less than non-metro median family income (\$50,400) in 2007.

Chart 14



Source: U.S. Department of Housing and Urban Development, est. 2007