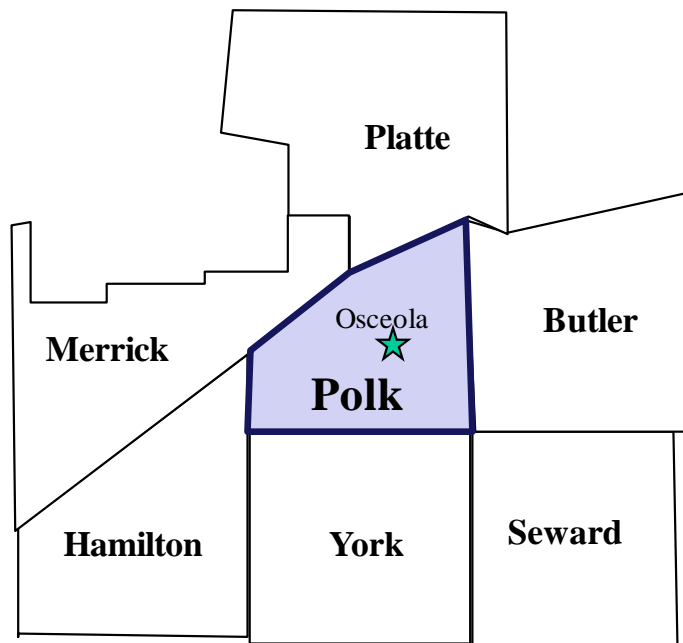


Economic and Demographic Trends

Osceola, Polk County, and the Surrounding Area



March 2009

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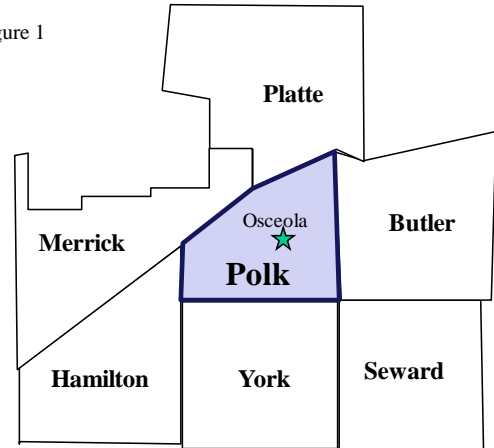
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Economic and Demographic Trends in Osceola, Polk County, and the Surrounding Area

The attached information provides data on labor force, employment, commuting patterns, population, migration, retail sales, and income for the city of Osceola and Polk 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 Polk County, other counties included in this area are Butler, Hamilton, Merrick, Platte, Seward, and York. The retail sales section also compares retail growth between Osceola 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 Polk County with the non-metropolitan distribution. Non-metropolitan Nebraska is defined as Nebraska minus the seven metropolitan counties of Cass, Douglas, Lancaster, Sarpy, Saunders, 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

Due to data being withheld in an attempt to avoid disclosure of individual reporting units, several sectors have been combined for the purpose of this study. The Combined Manufacturing sector consists of the Manufacturing, Trade, Transportation, Warehousing & Utilities, Information, Education & Health Services, and Other Services sectors. 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 Combined Manufacturing, Leisure & Hospitality, 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:

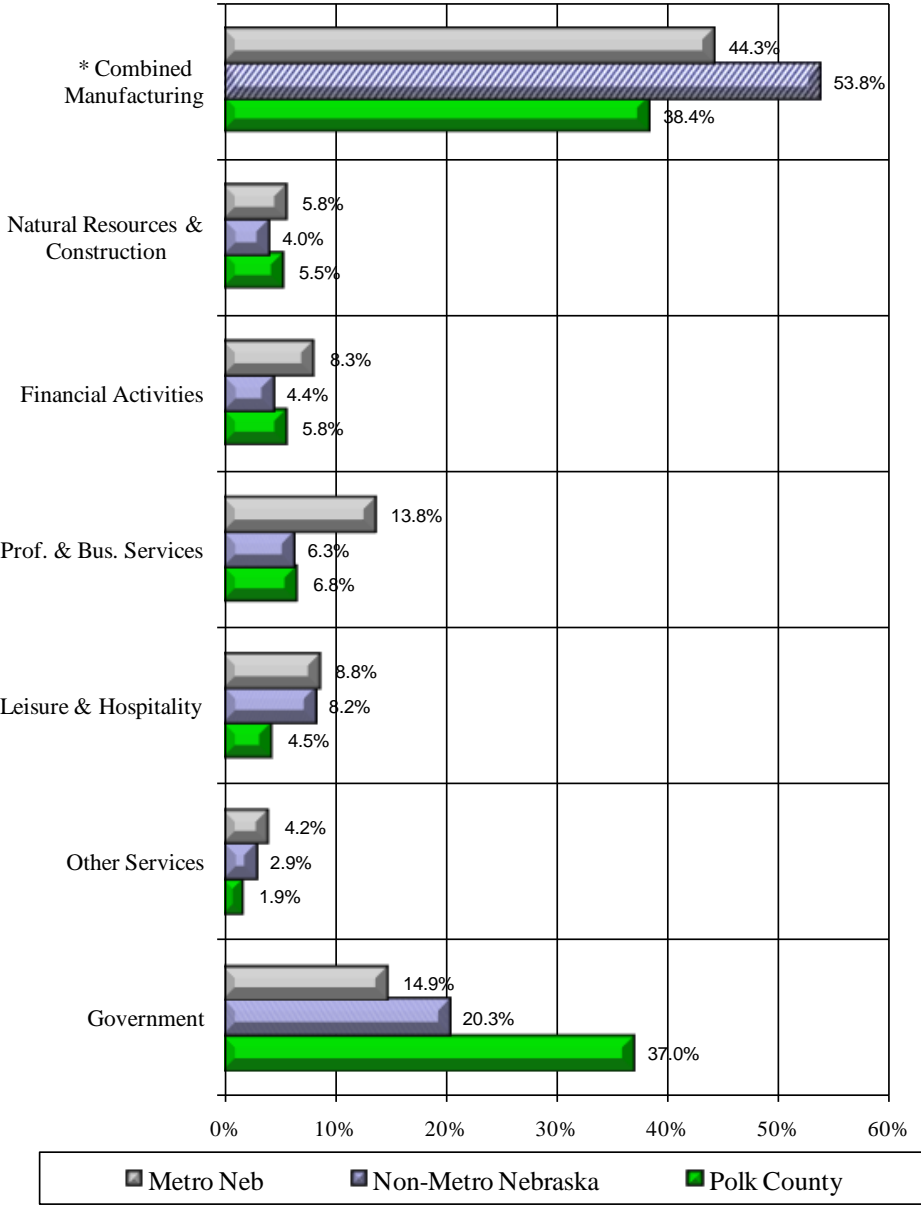
- Combined Manufacturing (38.4 percent Polk County vs. 53.8 percent non-metropolitan)
- Leisure & Hospitality (4.5 percent Polk County vs. 8.2 percent non-metropolitan)
- Government (37.0 percent Polk County vs. 20.3 percent non-metropolitan).

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

The largest deviation between Polk County and non-metropolitan Nebraska employment sectors falls in the Government sector having 37.0 percent employment (497 employees) compared to non-metropolitan Nebraska employment at 20.3 percent of the workforce. Comparing Polk County to the overall metropolitan distribution, we find the largest deviation is also in the Government sector (37.0 percent Polk County vs. 14.9 percent metropolitan Nebraska).

Chart 1

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



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

* Combined Manufacturing consists of the following sectors: Manufacturing; Trade; Transportation, Warehousing & Utilities; Information; Education & Health; and Other Services.

Table 1 and Chart 2 (next page) present non-farm wage and salary data for Polk County for the period 2001–2007. Non-farm employment is broken down into 11 sectors as defined by the Bureau of Labor Statistics 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 Polk County (regardless of their county of residence). These data indicate total non-farm wage and salary employment in Polk County decreased 1.9 percent (-26 jobs) between 2001 and 2007.

Table 1 also provides employment data for Polk County by major economic sector for years 2001–2007. The Professional & Business Services sector enjoyed the largest percentage increase reported during this time period (62.5 percent). The Professional & Business Services sector also reported the largest employment increase during this time period (35 jobs).

Table 1
Non-Farm Wage & Salary Employment Trends, Polk County, Nebraska
 Selected Years: 2001-2007

	2001	2002	2003	2004	2005	2006	2007	% Change 2001-2007
Non-farm Employment (W&S)	1,369	1,360	1,336	1,339	1,365	1,399	1,343	-1.9
Manufacturing	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(N/A)
Durable Goods	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(N/A)
Nondurable Goods	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(N/A)
Non-manufacturing								
Natural Resources, Construction & Mining	87	77	87	87	92	93	74	-14.9
Trade	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(N/A)
Wholesale Trade	149	(D)	(D)	144	(D)	(D)	(D)	(N/A)
Retail Trade	(D)	(D)	133	(D)	129	129	113	(N/A)
Transportation, Warehousing & Utilities	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(N/A)
Information	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(N/A)
Financial Activities	71	76	79	78	78	81	78	9.9
Professional & Business Services	56	56	55	59	85	101	91	62.5
Education & Health Services	(D)	286	274	278	(D)	(D)	(D)	(N/A)
Leisure and Hospitality	42	53	55	(D)	61	60	61	45.2
Other Services, except Public	(D)	(D)	(D)	(D)	27	26	26	(N/A)
Government	489	458	457	438	494	497	497	1.6
Federal	28	27	28	26	27	24	30	7.1
State	17	18	19	18	13	13	13	-23.5
Local	445	412	411	394	454	460	454	2.0

Labor Force & Work Force Summary, 2001-2007, Annually, Polk County, Nebraska

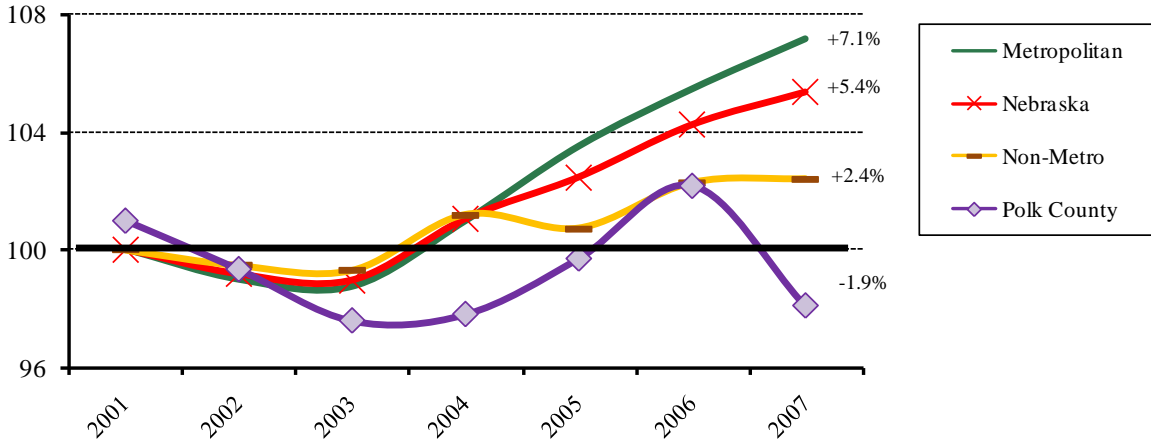
Source: Nebraska Department of Labor, Labor Market Information

(D) Data withheld to avoid disclosure

(N/A) Data not available

Chart 2 compares total non-farm wage and salary employment growth in Polk 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 Polk County decreased by 1.9 percent (-26 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.

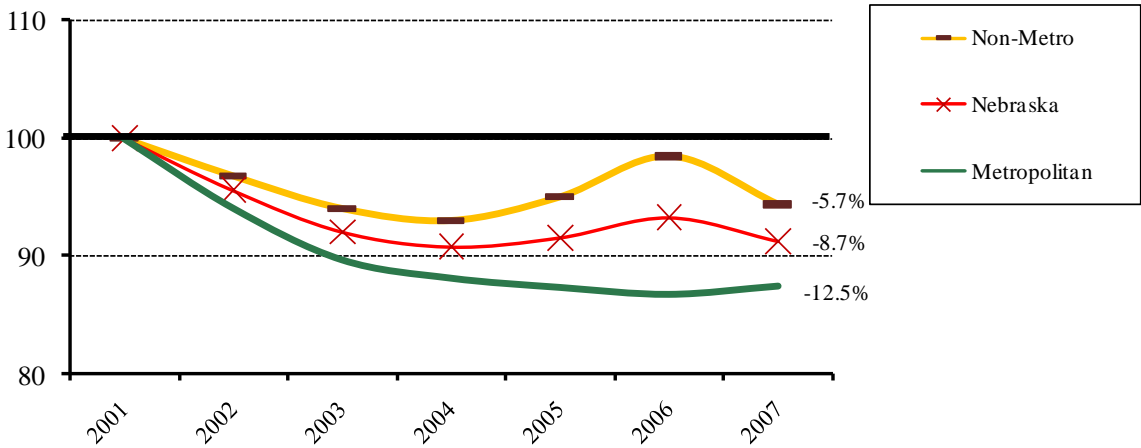
Chart 2
Non-Farm (W&S) Employment, Polk County, Nebraska, Metro, and Non-Metro Nebraska, 2001-2007
 (Index, 2001=100)



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 areas. Polk County is not included in this comparison due to non-disclosed data within this time frame. To see individual years, please refer to Table 1, Page 3. The Manufacturing sector for 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 Polk 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 Polk County residents participating in the labor force since 1997. Total persons available for employment living in Polk County increased from 2,343 in 1997 to 3,011 in 2007; an increase of 28.5 percent or 668 labor force participants. Labor force participants increased by 29.4 percent (684 people) between 2000 and 2007.

The percent of those unemployed in Polk County increased 114.6 percent (47 people) between 1997 and 2007. Those classified as unemployed increased 63 percent (34 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 Polk County unemployment rate was 2.9 percent in 2007; significantly below 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, Polk County, Nebraska									
Selected Years: 1997-2007									
	1997	1999	2000	2001	2003	2005	2007	% Change 1997-2007	% Change 2000-2007
Labor Force	2,343	2,328	2,327	3,073	3,102	3,118	3,011	28.5	29.4
Unemployment	41	48	54	81	110	99	88	114.6	63.0
Unemployment Rate	1.8	2.1	2.3	2.6	3.5	3.2	2.9	(N/A)	(N/A)
Employment	2,302	2,280	2,273	2,992	2,992	3,019	2,924	27.0	28.6

Labor Force & Work Force Summary, 1997-2007, Annually, Polk 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 Polk County. These data were compiled from Census 2000 responses to the long-form (sample) questions concerning where people worked. Table 3 data show 41.8 percent of the working population (1,151 people) living in Polk County leave the county to work. The most common place of employment outside of Polk County is Platte County (17.8 percent or 491 people) followed by York, Merrick, and Butler Counties. These data also show 10 out-of-state destinations represented by eight states.

Table 3

Commute Out			
Live in Polk County - Work Elsewhere (2000)			
Where Live	Where Work	Count	%
Polk Co. NE	Polk Co. NE	1,602	58.2%
Polk Co. NE	Platte Co. NE	491	17.8%
Polk Co. NE	York Co. NE	309	11.2%
Polk Co. NE	Merrick Co. NE	89	3.2%
Polk Co. NE	Butler Co. NE	42	1.5%
Polk Co. NE	Hamilton Co. NE	40	1.5%
Polk Co. NE	Lancaster Co. NE	38	1.4%
Polk Co. NE	Hall Co. NE	30	1.1%
Polk Co. NE	Douglas Co. NE	17	0.6%
Polk Co. NE	Seward Co. NE	11	0.4%
Polk Co. NE	Colfax Co. NE	10	0.4%
Polk Co. NE	Howard Co. NE	7	0.3%
Polk Co. NE	Jefferson Co. NE	7	0.3%
Polk Co. NE	Shawnee Co. KS	6	0.2%
Polk Co. NE	Adams Co. NE	5	0.2%
Polk Co. NE	Nance Co. NE	5	0.2%
Polk Co. NE	Jefferson Co. CO	4	0.1%
Polk Co. NE	Dodge Co. NE	4	0.1%
Polk Co. NE	Madison Co. NE	4	0.1%
Polk Co. NE	Polk Co. IA	3	0.1%
Polk Co. NE	Buffalo Co. NE	3	0.1%
Polk Co. NE	Other In-State	14	0.5%
Polk Co. NE	Other Out-of-State	12	0.4%
	Total:	2,753	
	Living inside county, but working outside:	1,151	41.8%

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

People also commute from other counties of residence to work in Polk County. Table 4 shows 17.4 percent or 338 workers employed in Polk County commute from outside counties. The most common county is York (4.9 percent or 95 people) followed by Merrick, Butler, and Platte Counties.

Table 4

Commute In			
Work in Polk County - Live Elsewhere (2000)			
Where Live	Where Work	Count	%
Polk Co. NE	Polk Co. NE	1,602	82.6%
York Co. NE	Polk Co. NE	95	4.9%
Merrick Co. NE	Polk Co. NE	62	3.2%
Butler Co. NE	Polk Co. NE	47	2.4%
Platte Co. NE	Polk Co. NE	44	2.3%
Hamilton Co. NE	Polk Co. NE	39	2.0%
Seward Co. NE	Polk Co. NE	19	1.0%
Fillmore Co. NE	Polk Co. NE	12	0.6%
Nance Co. NE	Polk Co. NE	10	0.5%
Adams Co. CO	Polk Co. NE	3	0.2%
Sarpy Co. NE	Polk Co. NE	3	0.2%
Saunders Co. NE	Polk Co. NE	2	0.1%
Thurston Co. NE	Polk Co. NE	2	0.1%
	Total:	1,940	
Working inside county, but living outside:		338	17.4%

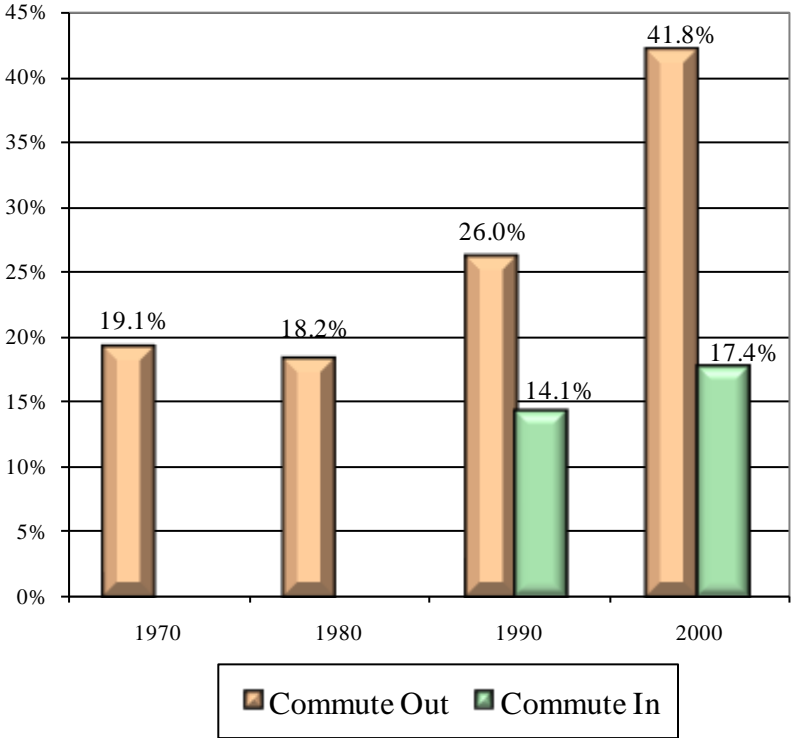
Source: U.S. Census Bureau, Journey to Work, 2000

Chart 4 depicts the historic pattern of Polk County residents commuting for employment opportunities for the Census years, 1970–2000. As this chart shows, the overall percentage of out-of-county commuters is greater than in 1970. The percentage of employees commuting out of Polk County increased from 19.1 percent in 1970 to 41.8 percent in 2000. The percentage of employees commuting in to Polk County also increased between 1990 and 2000 (14.1 percent to 17.4 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

**Percent of Polk County Commuting
1970-2000**



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 Osceola, Polk County, and the surrounding area. As Table 5 indicates, Polk County’s population decreased by 29.9 percent (-2,405 people) between 1950 and 2000. Polk County’s population decrease of 7.6 percent (-431 people) between 2000 and 2007 compares to a 3.7 percent increase for Nebraska as a whole.

Table 5

Population 1950-2007
 Polk 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
Polk County	8,044	7,210	6,468	6,320	5,668	5,639	5,208	-29.9	-7.6
Butler County	11,432	10,312	9,461	9,330	8,601	8,861	8,377	-22.5	-5.5
Hamilton County	8,778	8,714	8,867	9,301	8,862	9,403	9,298	7.1	-1.1
Merrick County	8,812	8,363	8,751	8,945	8,049	8,204	7,690	-6.9	-6.3
Platte County	19,910	23,992	26,544	28,852	29,820	31,568	31,849	58.6	0.9
Seward County	13,155	13,581	14,460	15,789	15,450	16,496	16,554	25.4	0.4
York County	14,346	13,724	13,685	14,798	14,428	14,598	14,370	1.8	-1.6

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

Table 6 data reveal each of the communities within Polk County suffered from significant population loss during the 1950–2000 time period. The city of Osceola reported an 11 percent decrease in population (-44 people) between 1950 and 2000. Osceola experienced a 4.8 percent decrease in population (-17 people) between 2000 and 2007. The rural areas outside of the selected communities experienced a 31.4 percent decrease (-2,031 people) during the 1950–2000 time period and a population decrease of 8.0 percent (-357 people) during the 2000 to 2007 time period.

Table 6

Population 1950-2007
 Polk County Communities / Rural Populations

	1950	1960	1970	1980	1990	2000	2003	2007	% Change 1950-2000 (50 years)	% Change 2000-2007 (7 years)
Polk County	8,044	7,210	6,468	6,320	5,668	5,639	5,417	5,208	-29.9	-7.6
Osceola	399	309	283	342	339	355	350	338	-11.0	-4.8
Polk	218	185	137	143	109	127	125	120	-41.7	-5.5
Shelby	738	754	672	856	672	642	621	596	-13.0	-7.2
Stromsburg	213	143	118	102	75	70	69	66	-67.1	-5.7
Total Rural Areas:	6,476	5,819	5,258	4,877	4,473	4,445	4,252	4,088	-31.4	-8.0

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

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. Polk County follows this pattern having 48.8 percent out-migration occurring in the ‘15–24’ year age group (-264 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			
NEBRASKA					
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
Total:	1,578,385	1,711,263	8.42	48,267	3.1

NON-METRO NEBRASKA					
0 - 14	179,510	169,176	-5.76	9,886	5.5
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
Total:	774,057	795,352	2.75	6,280	0.8

POLK COUNTY					
0 - 14	1,253	1,116	-10.93	122	9.7
15 - 24	542	639	17.90	-264	-48.8
25 - 44	1,443	1,374	-4.78	167	11.6
45 - 64	1,133	1,303	15.00	48	4.2
Over 65	1,304	1,207	-7.44	37	2.9
Total:	5,675	5,639	-0.63	110	1.9

Table 7 (continued)

Age Group	--- Population ---		% Change 1990-2000	Net Migration	% of 1990 Population
	1990	2000			
BUTLER COUNTY					
0 - 14	2,029	1,947	-4.04	287	14.2
15 - 24	900	1,072	19.11	-343	-38.1
25 - 44	2,233	2,222	-0.49	200	9.0
45 - 64	1,686	1,973	17.02	151	8.9
Over 65	1,753	1,553	-11.41	-104	-5.9
Total:	8,601	8,767	1.93	191	2.2

HAMILTON COUNTY					
0 - 14	2,187	2,200	0.59	353	16.1
15 - 24	923	1,091	18.20	-408	-44.2
25 - 44	2,603	2,494	-4.19	295	11.3
45 - 64	1,723	2,182	26.64	109	6.3
Over 65	1,426	1,436	0.70	-23	-1.6
Total:	8,862	9,403	6.10	326	3.7

MERRICK COUNTY					
0 - 14	1,850	1,831	-1.03	193	10.4
15 - 24	922	950	3.04	-316	-34.2
25 - 44	2,159	2,030	-5.97	20	0.9
45 - 64	1,681	1,956	16.36	120	7.1
Over 65	1,430	1,437	0.49	45	3.1
Total:	8,042	8,204	2.01	62	0.8

PLATTE COUNTY					
0 - 14	7,925	7,459	-5.88	294	3.7
15 - 24	3,677	4,293	16.75	-1,023	-27.8
25 - 44	8,967	8,707	-2.90	348	3.9
45 - 64	5,292	6,824	28.95	131	2.5
Over 65	3,959	4,379	10.61	-123	-3.1
Total:	29,820	31,662	6.18	-373	-1.3

SEWARD COUNTY					
0 - 14	3,514	3,262	-7.17	454	12.9
15 - 24	2,595	3,174	22.31	745	28.7
25 - 44	4,130	4,057	-1.77	-553	-13.4
45 - 64	2,755	3,501	27.08	158	5.7
Over 65	2,456	2,502	1.87	93	3.8
Total:	15,450	16,496	6.77	897	5.8

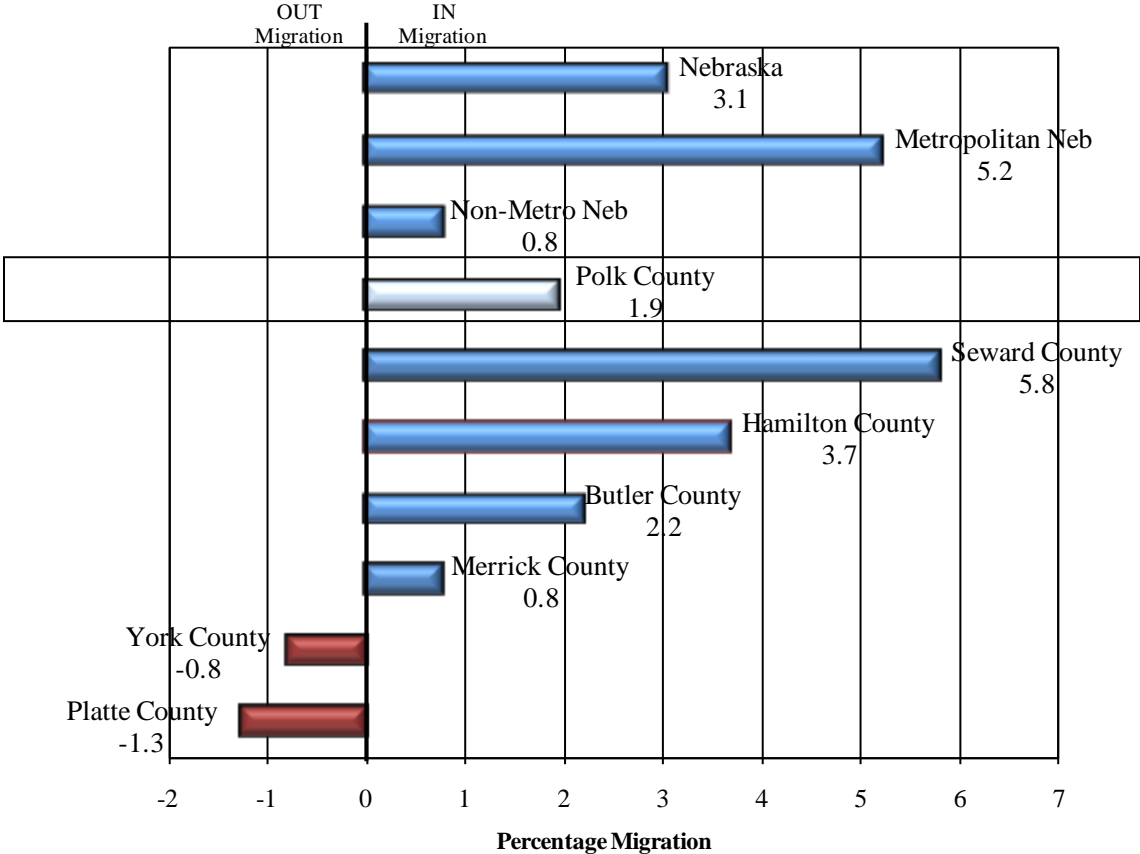
YORK COUNTY					
0 - 14	3,365	2,949	-12.36	7	0.2
15 - 24	1,798	2,058	14.46	-150	-8.4
25 - 44	4,108	3,707	-9.76	-149	-3.6
45 - 64	2,705	3,351	23.88	92	3.4
Over 65	2,452	2,533	3.30	86	3.5
Total:	14,428	14,598	1.18	-114	-0.8

Source: Nebraska Public Power District, 2002, using Bureau of Census, Census of Population data

Chart 5 graphically depicts the 1990–2000 migration patterns of Nebraska, Polk County, and the surrounding area as a percentage of the 1990 population. As these data indicate, Polk County experienced in-migration of 1.9 percent of the 1990 population (110 people) while Nebraska recorded net in-migration of 3.1 percent.

Chart 5

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

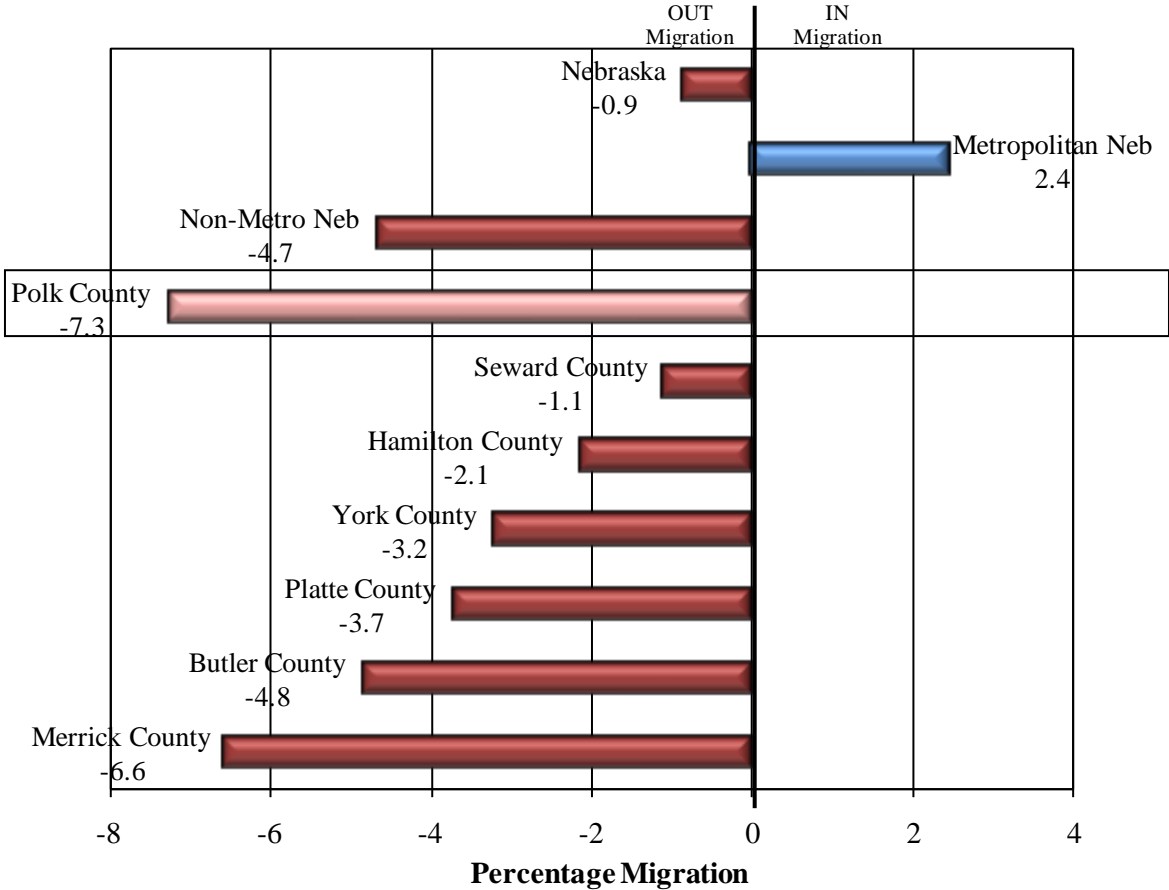


Source: U.S. Census Bureau, Population Estimates and Population Change, July 2005

Chart 6 shows the 2000–2007 migration pattern for the study area as a percentage of the 2000 population. Polk County’s 7.3 percent out-migration (-409 people) compares to a 0.9 percent out-migration for Nebraska as a whole, a 4.7 percent out-migration for non-metropolitan Nebraska, and a 2.4 percent in-migration for Metropolitan Nebraska during the 2000 to 2007 time period.

Chart 6

**2000-2007 Migration as Percent of 2000 Population
 Polk County and the Surrounding Area**



Source: U.S. Census Bureau, Population Estimates and Population Change, May 2008

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 80 percent of those moving in to Polk County between 1995 and 2000 moved from other Nebraska locations (77.8 percent or 810 people). People also migrated in from 24 other states. Table 9 shows in-state migration flows. Migration to Polk County from within Nebraska came primarily from Platte, York, and Merrick Counties.

Table 8

IN Migration - Polk County
 1995-2000

"From" Location	# People	Percent
Other Nebraska Counties	810	77.8%
California	35	3.4%
Iowa	28	2.7%
Colorado	25	2.4%
Kansas	18	1.7%
South Dakota	15	1.4%
New York	12	1.2%
Utah	12	1.2%
Oklahoma	10	1.0%
Wisconsin	10	1.0%
Wyoming	9	0.9%
Other States (14)	57	5.5%
Total:	1,041	100%

Table 9

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

In-State Movement:	# People	Percent
Platte County	243	30.0%
York County	87	10.7%
Merrick County	58	7.2%
Lancaster County	54	6.7%
Hall County	36	4.4%
Butler County	34	4.2%
Buffalo County	28	3.5%
Colfax County	25	3.1%
Cass County	21	2.6%
Hamilton County	20	2.5%

Source: US Census Bureau, July 2005

Table 10 data reveal the majority of people migrating out of Polk County between 1995 and 2000 remained in the state of Nebraska (73.9 percent or 726 people). Polk County residents also moved to 25 other states during this time period. Looking within Nebraska, Table 11 shows the majority of people leaving Polk County (but staying in Nebraska) went to Platte, York, and Butler 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 - Polk County
 1995-2000

"To" Location	# People	Percent
Other Nebraska Counties	726	73.9%
Iowa	64	6.5%
Arizona	29	3.0%
Florida	25	2.5%
Texas	20	2.0%
Kansas	19	1.9%
Missouri	18	1.8%
Nevada	18	1.8%
Oklahoma	17	1.7%
Michigan	12	1.2%
Minnesota	10	1.0%
Other States (15)	25	2.5%
Total:	983	100%

Table 11

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

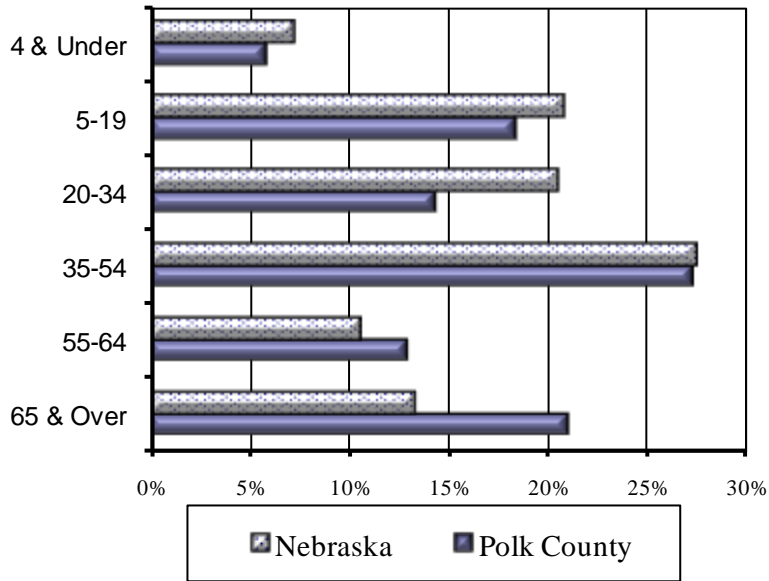
In-State Movement:	# People	Percent
Platte County	200	27.5%
York County	76	10.5%
Butler County	56	7.7%
Merrick County	38	5.2%
Saline County	37	5.1%
Lancaster County	32	4.4%
Cuming County	27	3.7%
Colfax County	24	3.3%
Hamilton County	24	3.3%
Buffalo County	23	3.2%

Source: US Census Bureau, July 2005

The following charts (Charts 7 and 8) compare the age distribution of population for Polk County and Nebraska as a whole. The population of Polk County is significantly older than Nebraska as a whole. The median age for Polk County residents in 2007 was 44.9 years of age compared to 36.1 years of age for residents of Nebraska as a whole.

Chart 7

**Age Distribution of the Population, 2007
 Polk County and Nebraska**



Source: U.S. Census Bureau, August 2008

Chart 8

	2007 Population		Percent	
	Nebraska	Polk County	Nebraska	Polk County
4 & Under	129,796	308	7.3%	5.9%
5-19	368,846	960	20.8%	18.4%
20-34	363,700	750	20.5%	14.4%
35-54	486,991	1,421	27.4%	27.3%
55-64	188,590	674	10.6%	12.9%
65 & Over	236,648	1,095	13.3%	21.0%
Total	1,774,571	5,208	100.0%	100.0%
Median Age	36.1	44.9		

Source: Age Group, Median Age, U.S. Census Bureau, August 2008

Retail Sales

Table 12 and Chart 9 show the retail sales (non-motor vehicle) pull factors for Polk County and the surrounding area for 2007. 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, Polk 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
Polk County	5,208	33,298	6,394	0.57
Butler County	8,377	35,115	4,192	0.37
Hamilton County	9,298	48,238	5,188	0.46
Merrick County	7,690	36,863	4,794	0.43
Platte County	31,849	357,605	11,228	1.00
Seward County	16,554	103,399	6,246	0.56
York County	14,370	186,549	12,982	1.16

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

Chart 9

Reviewing the pull factors at the county level indicates Polk County suffers from significant retail sales leakage. The 2007 pull factor of 0.57 indicates, on a per capita basis, retail sales in Polk County are approximately 43 percent below 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 Polk County (0.57) with the pull factor for the non-metropolitan area of Nebraska (0.84) indicates per capita retail sales in Polk County are approximately 32 percent lower than the average per capita retail sales in the non-metropolitan area of Nebraska.

**2007 Retail Sales (NMV) Pull Factors, Nebraska,
 Polk County & Surrounding Counties**

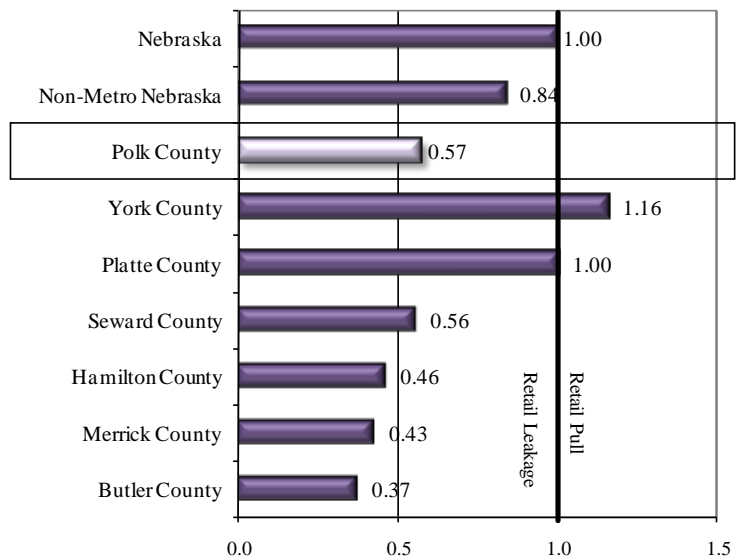


Table 13 and Chart 10 compare the 2007 pull factors for Osceola and selected area communities. The community of Osceola’s pull factor of 0.72 indicates that, on a per capita basis, non-motor vehicle retail sales in Osceola are approximately 28 percent lower than the state’s average per capita sales.

Table 13

**2007 Retail Sales (NMV) Pull Factors
 Nebraska, Osceola, and Selected Area Cities**

	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
Osceola (Polk)	866	7,009	8,093	0.72
David City (Butler)	2,485	26,735	10,759	0.96
Aurora (Hamilton)	4,184	40,857	9,765	0.87
Central City (Merrick)	2,757	25,675	9,313	0.83
Columbus (Platte)	21,399	334,003	15,608	1.39
Seward (Seward)	6,727	79,471	11,814	1.05
York (York)	7,904	166,708	21,092	1.88

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

Chart 10

**2007 Retail Sales (NMV) Pull Factors
 Nebraska, Osceola, and Selected Area Cities**

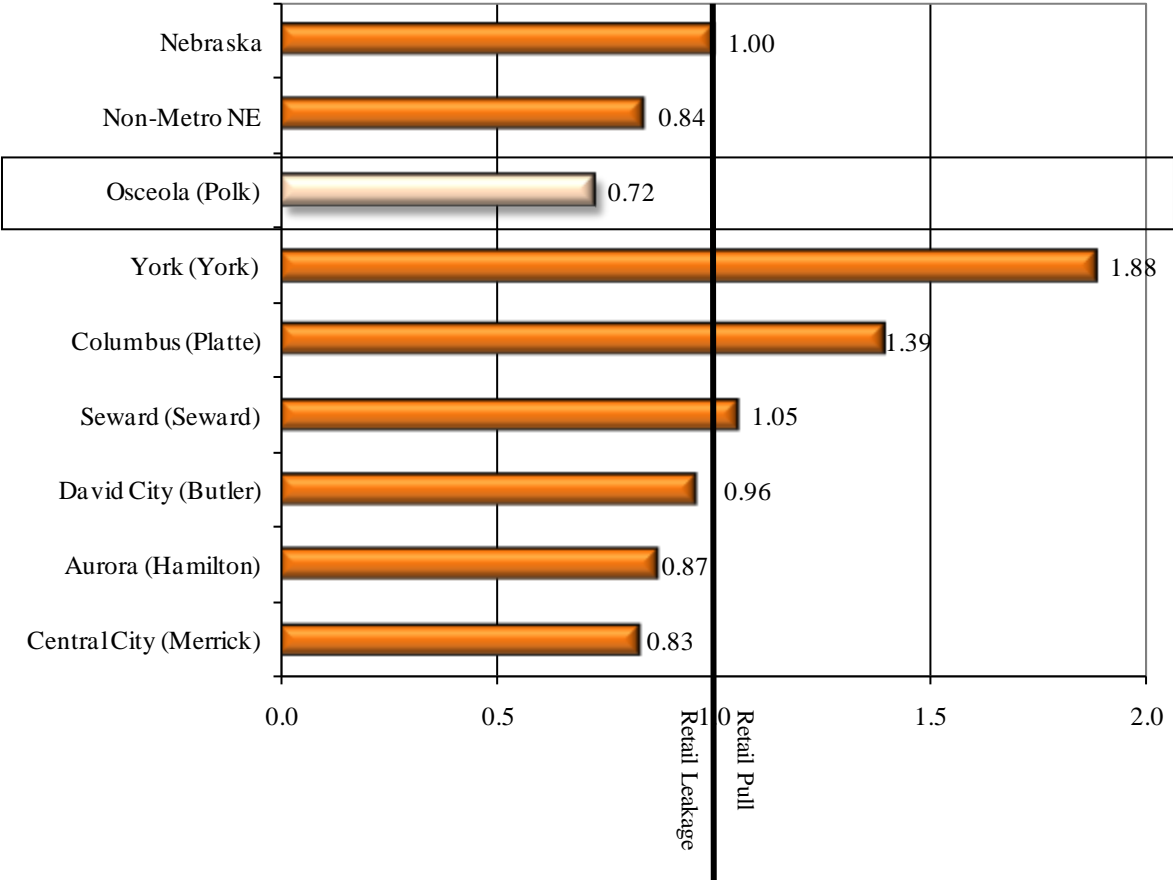


Table 14 and Chart 11 further breakdown the 2007 pull factors into the communities reporting retail sales figures within Polk County. As this table indicates, the community of Stromsburg had the strongest pull factor (1.54) compared to the other communities reporting in the county. Together, these communities contributed to an overall pull factor of 0.57 for Polk County in 2007.

Table 14

**2007 Retail Sales (NMV) Pull Factors
 Nebraska, Osceola, and Available Polk County Communities**

	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
Polk County	5,208	33,298	6,394	0.57
Osceola	866	7,009	8,093	0.72
Polk	291	1,825	6,271	0.56
Shelby	624	4,855	7,781	0.69
Stromsburg	1,128	19,472	17,262	1.54

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

Chart 11

**2007 Retail Sales (NMV) Pull Factors, Nebraska,
 Osceola, and Available Polk County Communities**

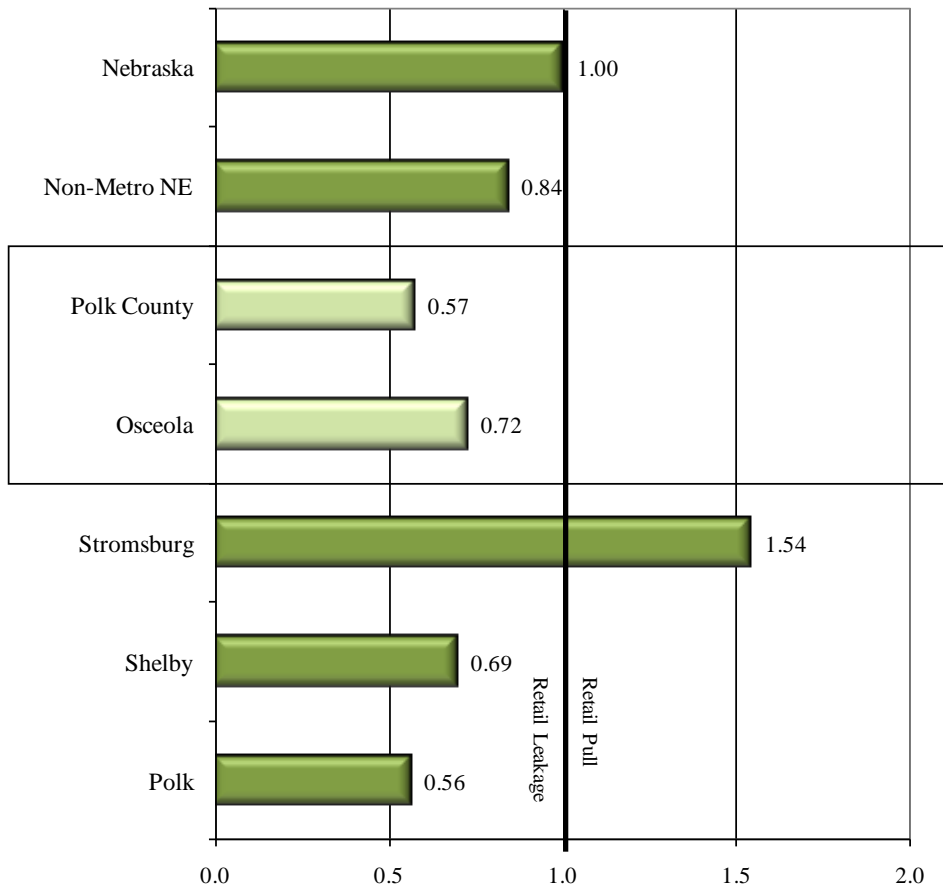


Table 15 (sorted by population) and Chart 12 (sorted by pull factor) show the 2007 pull factors for Nebraska, Osceola, and eight other similarly sized communities selected from around the state. Ceresco’s pull factor of 1.55 leads the group for 2007 thus indicating Ceresco has greater retail pull.

Table 15

**2007 Retail Sales (NMV) Pull Factors
 Osceola & Other Similarly Sized Nebraska Communities**

	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
Osceola (Polk)	866	7,009	8,093	0.72
Waterloo (Douglas)	824	9,218	11,187	1.00
Randolph (Cedar)	835	5,697	6,823	0.61
Genoa (Nance)	861	5,381	6,250	0.56
Lyons (Burt)	862	6,141	7,124	0.64
Rushville (Sheridan)	868	5,611	6,465	0.58
Ceresco (Saunders)	869	15,041	17,308	1.55
Benkelman (Dundy)	871	8,286	9,513	0.85
Walthill (Thurston)	874	1,424	1,630	0.15

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

Chart 12

**2007 Retail Sales (NMV) Pull Factors, Nebraska,
 Osceola & Other Similarly Sized Nebraska Communities**

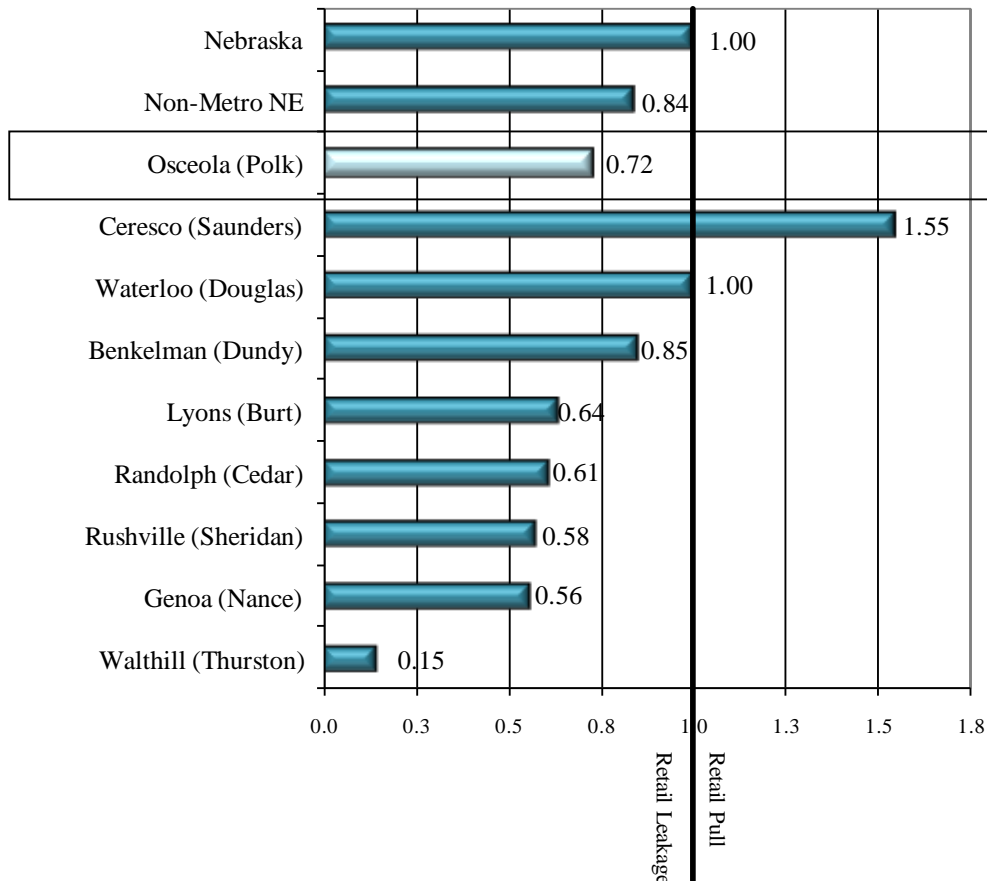
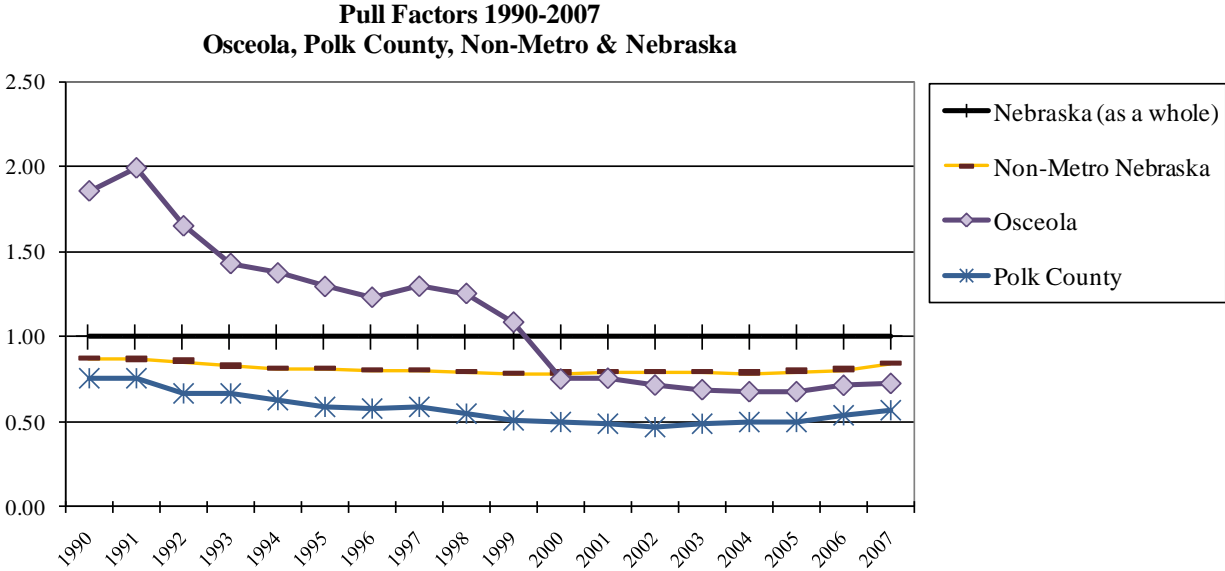


Chart 13 illustrates the pull factor trend for Osceola, Polk County, non-metropolitan Nebraska, and Nebraska as a whole from 1990 to 2007. In examining the time line, it is apparent the city of Osceola has experienced a significant drop in retail sales since the 1990s. Retail sales within Polk County (as a whole) have consistently been less than the non-metropolitan average throughout the time period.

Chart 13



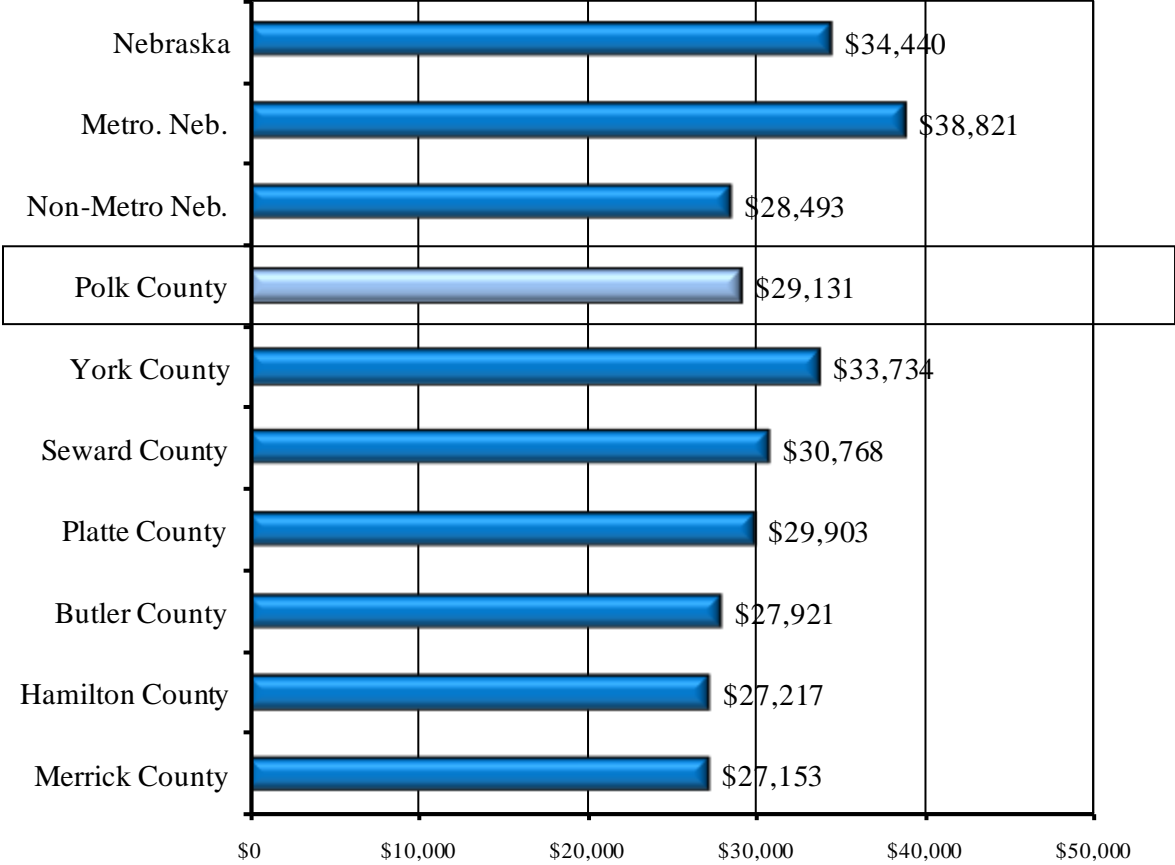
Source: U.S. Census Bureau and Nebraska Department of Revenue, 2008

Per Capita Personal Income

Per capita personal income in Polk County was \$29,131 in 2006 the last year in which such data are available. Polk County’s per capita income is \$5,309 or 15.4 percent lower than that for Nebraska as a whole (\$34,440); \$9,690 or 25.0 percent lower than metropolitan Nebraska (\$38,821); and \$638 or 2.2 percent greater than non-metropolitan Nebraska (\$28,493).

Chart 14

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



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

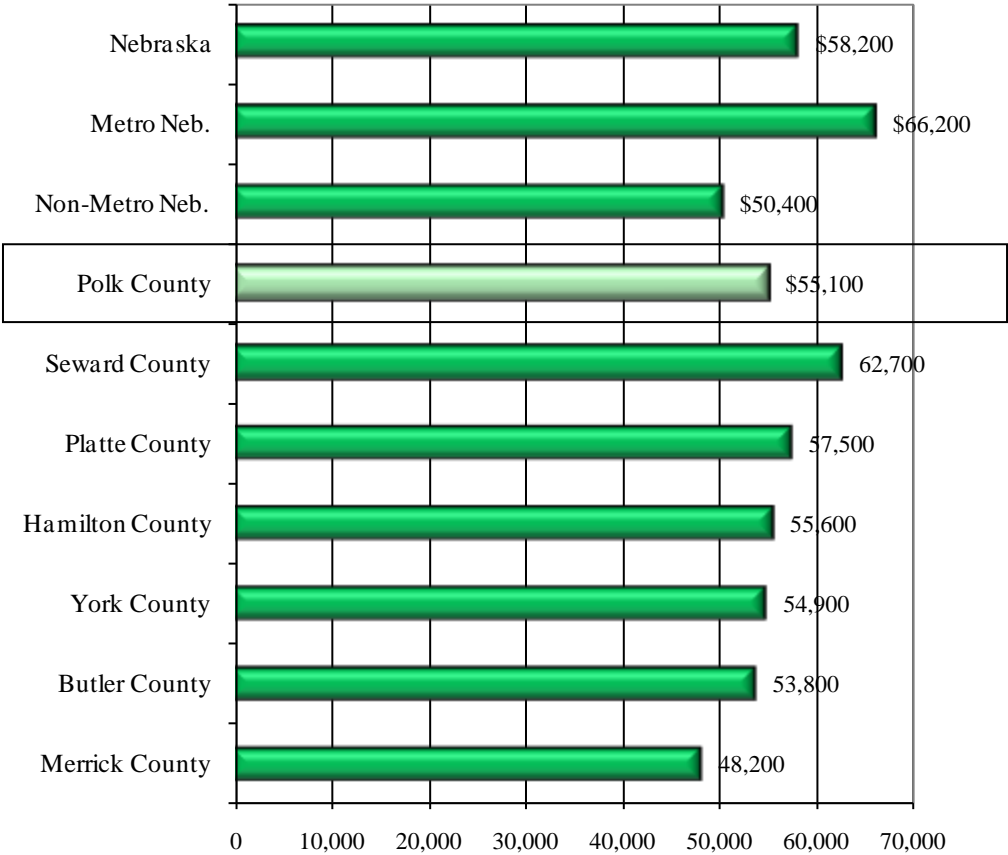
Median Family Income

Median family income provides a different perspective of income levels in Nebraska, Polk 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 Polk County is estimated to be \$55,100 in 2007. This amount is \$3,100 or 5.3 percent less than the median family income for Nebraska as a whole (\$58,200); \$11,100 or 16.8 percent less than metropolitan Nebraska (\$66,200); and \$4,700 or 9.3 percent greater than non-metro median family income (\$50,400) in 2007.

Chart 15

**Median Family Income 2007
 Nebraska, Polk County & Surrounding Counties**



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