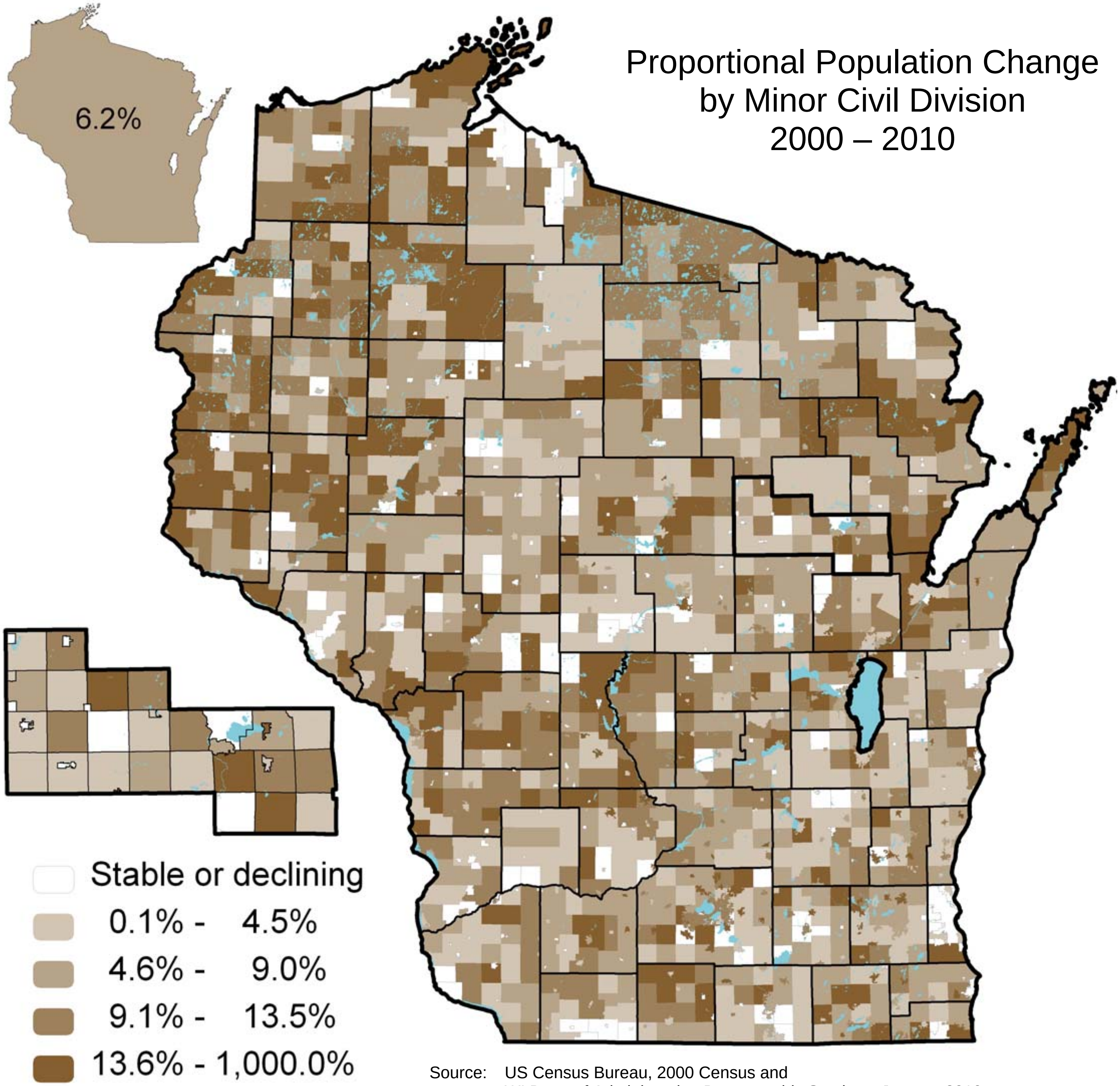
Shawano County Workforce Profile

2011



Source: US Census Bureau, 2000 Census and
WI Dept. of Administration Demographic Services, January 2010

WISCONSIN DWD Department of Workforce Development

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OEA

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Slowly It Grows

Note: All data appearing in this profile are subject to revision.

As this is written in November 2011, the economic recovery is officially more than two years old. The National Bureau of Economic Research, the organization that defines U.S. recessions, stated that the recession began in December 2007 and ended in June 2009. Mapping economic activity and employment changes through this business cycle has charted new territory.

This “Great Recession” has discovered new latitudes on a number of fronts. It is the first time since World War II that GDP registered declines four quarters in a row. GDP dropped 5.4 percent from the fourth quarter of 2007 peak, to the second quarter of 2009 trough. The previous worst post-war recession GDP decline was 3.7 percent in the 1957 recession. The severe recessions of 1973 and 1981 saw GDP fall by 2.8 percent and 2.9 percent respectively. In most recessions, the trough occurred in the second or third quarter following the peak. This recession’s trough occurred six quarters after the peak. Suffice it to say that the Great Recession set new records in depth and duration for post-war recessions.

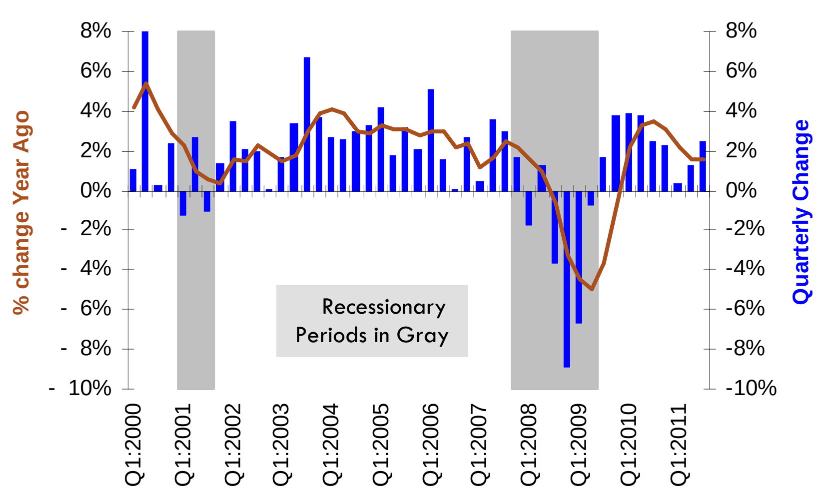
The recovery from this recession has been lethargic. Post-war economic recoveries usually reached new real GDP levels two or three quarters after the trough. The 1981 recovery took five quarters to reach new output levels. The current growth cycle is nine quarters old and GDP has only now reached pre-recession levels.

The primary drags on the recovery have been: 1) housing markets, 2) deleveraging, and 3) high unemployment. New home construction is running at about a quarter of the previous peak and about one million units per year below long-run demand rates of 1.5 million units per year. Consumers, companies, banks, and governments are all deleveraging — paying down debt and recalibrating cash flows. Companies are reluctant to hire new workers in this uncertain economic environment.

Concerning the housing market, relatively few new homes being built generate little demand for new carpet, doors, windows, appliances, etc. Also, and more importantly for economic demand, the trillions of dollars that evaporated from home equity balances have disappeared from the economy. With that loss, consumers now must pay for purchases out of cash flow, primarily earnings, instead of unrealized capital gains. The six trillion dollars of lost home and investment equity has revalued baby boomers’ retirement portfolios and induced higher savings. In addition, high unemployment is retarding aggregate earnings growth. It is difficult to increase consumption while paying down debt and increasing savings with stagnant income.

The exiguous demand growth offers no incentive to expand production. Non-residential investment has been increasing in equipment and software — labor saving investment. Structures investment — production expansion — has been flat. Limited demand coupled with productivity investments yields little need to increase payroll. The economic feedback loops follow that no new hiring leads to no new earnings leads to no new demand leads to no new production capacity leads to no new hiring; hence slow economic recovery.

Real GDP Change 2000 Q1 - 2011 Q3



Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, May 2011

Slowly It Grows (cont.)

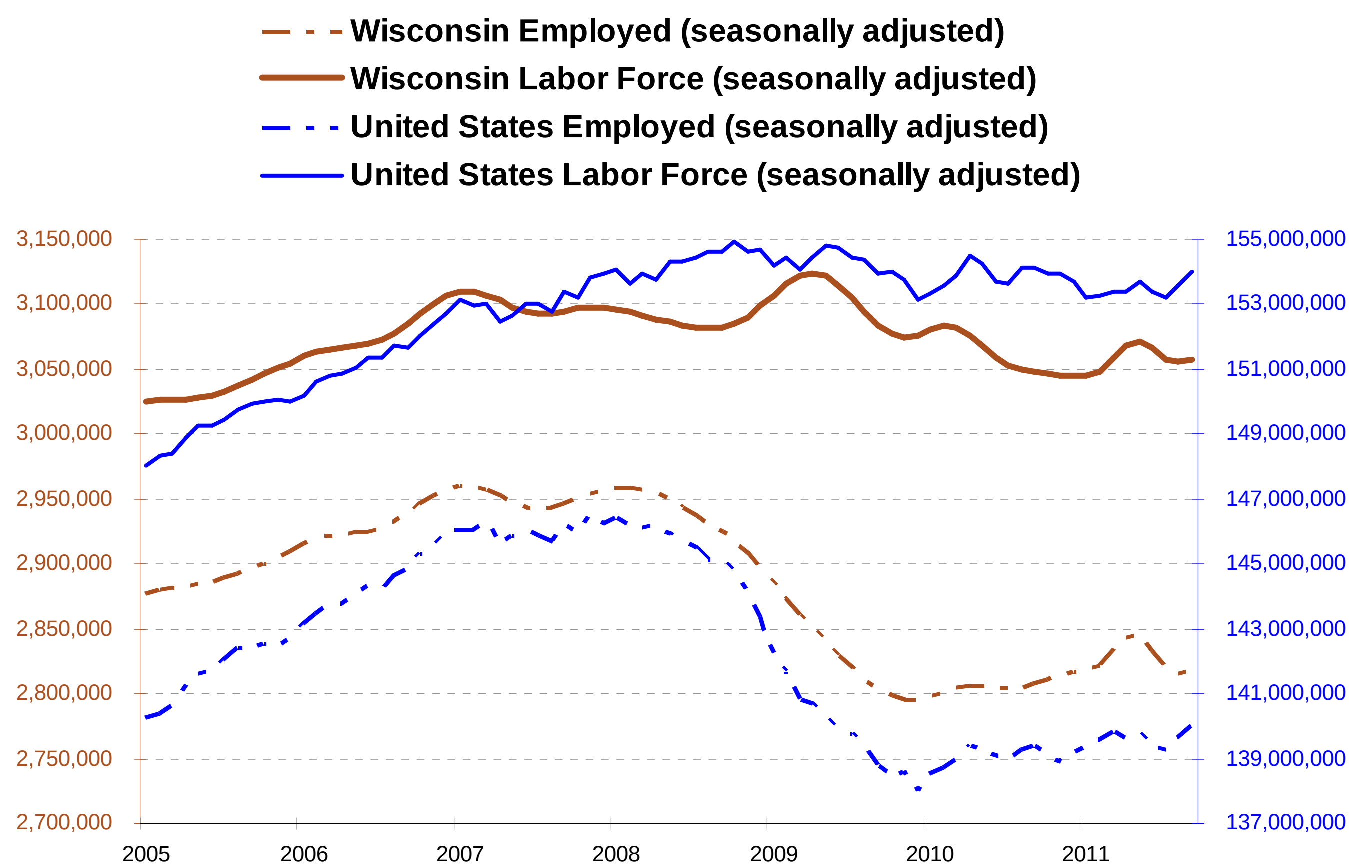
The employment situation mimics the economic path, with some lag. The U.S. unemployment rate peaked at 10.1 percent in October 2009 on a seasonally adjusted basis, after the recession was declared over. Wisconsin's unemployment rate peaked at 9.2 percent in June and July 2009, and matched it again in January 2010. The unemployment rate didn't get as elevated as it had in the past. The U.S. unemployment rate reached 10.8 percent in November and December of 1982. Wisconsin's unemployment rate peaked at 11.5 percent in January of 1983. Wisconsin's unemployment rate has remained below the nation through this business cycle. This is due to the fact that Wisconsin's residential construction sector didn't collapse to as great a degree as did some other states, such as Arizona, California, and Florida. Also, Wisconsin's diversified industry alleviates it from large impacts to a single industry, such as the automobile industry concentrations in Michigan, Ohio, and Indiana.

Job loss in the state was more severe than past recessions. Wisconsin displaced almost six percent of its job base during this recession. The state displaced just over five percent of its job base in the 1981 recession.

To a large extent, this has been a "jobless" recovery. Wisconsin's job level is still more than four percent below pre-recession levels twenty-three months after the employment bottom. Job recovery in the 1981 economic recovery was relatively rapid, reaching pre-recession job levels thirteen months after the bottom.

Illustrated below are the workforce and employment dynamics for the state and the nation through the last two business cycles. What is evident is the loss of employment during the recessions. What has changed over the period is that the workforce actually turned negative. Wisconsin's workforce declined 0.6 percent through the 2001 recession. The jobs recovery then took over four years to reach pre-recession levels. This time, Wisconsin's workforce decreased 1.7 percent at the lowest point, and the U.S. workforce turned lower for the first time.

Due to the way the unemployment rate is calculated, the state and national unemployment rates would be higher than the current (September 2011) 7.8 percent and 9.1 percent for Wisconsin and the U.S., respectively, if the workforce had remained steady or increased over the period.



Source: WI DWD, Bureau of Workforce Training, LAUS, 2011

Population

Over the past decade, Shawano County, along with the seventeen other counties of the New North, have faced the challenge of fostering collaboration and greater integration of a regional economy and labor market while maintaining the unique character of each of the respective counties. The county is uniquely positioned in this transition as it lies at the periphery of two economic regions — the Fox Cities and Green Bay. The economic restructuring of each of these areas affects Shawano County to some degree, even as the county faces its own challenges. As the regional labor market expands, dynamics that occur outside of the region are as significant, if not more so to the future of the county's economy.

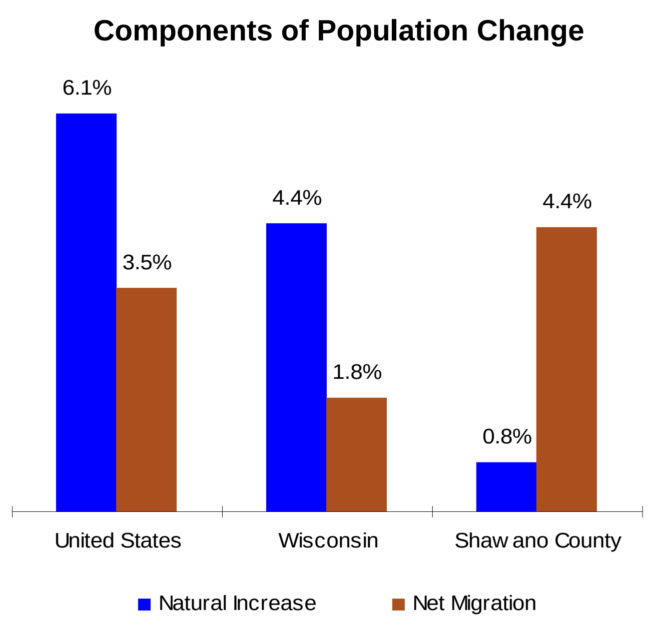
Shawano County's 10 Most Populous Municipalities

	Apr 1, 2000 Census	Jan 1, 2010 Estimate	Numeric Change	Proportional Change
United States	281,421,906	308,400,408	26,978,502	9.6%
Wisconsin	5,363,715	5,695,950	332,235	6.2%
Shawano County	40,664	42,752	2,088	5.1%
Shawano, City	8,298	8,947	649	7.8%
Wescott, Town	3,653	3,522	-131	-3.6%
Washington, Town	1,903	2,041	138	7.3%
Belle Plaine, Town	1,867	1,919	52	2.8%
Richmond, Town	1,719	1,885	166	9.7%
Angelica, Town	1,635	1,783	148	9.1%
Bonduel, Village	1,416	1,438	22	1.6%
Lessor, Town	1,112	1,265	153	13.8%
Wittenberg, Village	1,177	1,097	-80	-6.8%
Red Springs, Town	981	1,080	99	10.1%

Source: WI Dept. of Administration, Demographic Services, Population Est., 2011

Between 2000 and 2010, Shawano County's population increased by 5.1 percent, or roughly 2,000 residents. This growth rate is significantly lower than either the state or national average over the same period. The county's growth rate represents the 50th largest growth rate in the state, while the county ranks 36th in population size. This disparity is relatively common among the state's more rural counties with an established population where population growth in surrounding urban areas is higher given the presence of a younger, more mobile population.

In order to put this growth in context, it is useful to both look back and to consider prospects for future growth.



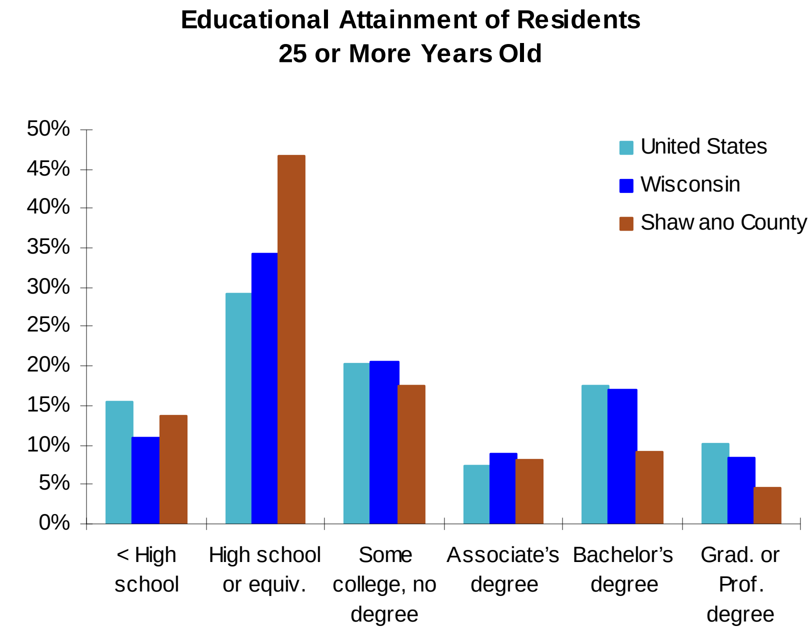
Source: WI DOA, Demographic Services, Population Est., 2011

We have a few tools at our disposal that will permit us to do both in a comparative fashion. If we compare Shawano County's population growth of the last decade to that of the 1990's, we see that the current population growth is significantly less than the 9.4 percent growth rate of the earlier period. This growth is also significantly less than that of neighboring counties, such as Oconto and Waupaca that have been able to benefit from spillover growth from adjacent metropolitan areas. This pattern is fairly common throughout the state's counties, as the aging of the Baby Boom generation and the economic and financial recession of the latter half of the decade has slowed population growth and mobility. At the same time, however, the county has significant potential for future growth, as demonstrated both in the experiences of many of the county's cities, villages, and townships presented above as well as the fact that the county's population density of 48 residents per square mile is rather low.

Municipal population growth in the county has been focused in the City of Shawano, which grew by 7.8 percent. A number of the county's townships also grew by an average of 10 percent, while the populations of Wescott and Wittenberg declined over the decade.

Population growth over a period of time can be decomposed into the two major parts — net increase, which is the balance of births and deaths, and net migration. Shawano County's population growth over the last decade has overwhelmingly occurred as a consequence of net migration, which dwarfs natural increase by a ratio of 4:1. This dynamic runs contrary to the patterns observed in the state and nation, as a whole, where population growth is both more balanced and driven by natural increase.

Demographics



Source: US Census Bureau, American Community Survey, Table B15002, 2005-2009

One characteristic of the population that is of particular interest to business leaders and policy makers in the state is the educational attainment of the workforce. Educational attainment is measured as the highest level of education completed and is generally reported for the population 25 and over in order to account for the completion of associate's and baccalaureate degree programs by so-called "traditional" students, or those students who pursue post-secondary education immediately following high school graduation. It is generally assumed that a region with a high degree of educational attainment is better able to capitalize on the opportunities present in a diversified economy.

The first, and most striking conclusion that we can draw from the chart above is that a significantly higher number of Shawano County's residents count a high school education (46.7 percent) as their highest level of attainment than either the state (34.3 percent) or the nation (29.3 percent). The county also counts a relatively higher percentage of residents who failed to finish high school than the state, but less than the national average. This suggests that many of the employment opportunities present in the regional labor market historically required a relatively low level of education in order to be successful. This dynamic has been changing rapidly over the last several years, thereby resulting in calls in greater levels of educational attainment among the region's workforce. The implications of this transition will be more fully explored in later discussions.

If we look at the distribution of residents at higher levels of attainment, we see that Shawano County has a relatively high share of residents who have either completed some college education or received an associate's or vocational degree. However, far fewer residents of the county possess either baccalaureate or graduate degrees. In fact, the percentage of residents with bachelor's degrees (9.2 percent) is roughly eight percent below the state and national averages, and the number of those with graduate or professional degrees (4.6 percent) is less than half of the state or national average. As the education demands of the region's employers increases, we would hope that attainment increases accordingly.

One other demographic factor that affects the composition of the Shawano County labor force is the commuting behavior of the working age population. A few basic facts about the county's commuting patterns are represented below. The most significant of these is that a greater share of the county's residents are employed inside of the county than are employed outside of it. As growth continues to occur throughout the region, we would expect this pattern to persist as workers become more mobile.

Where do Shawano County residents work?	Where do Shawano County workers live?
Shawano Co., WI	Shawano Co., WI
Brown Co., WI	Brown Co., WI
Waupaca Co., WI	Oconto Co., WI
Marathon Co., WI	Marathon Co., WI
Outagamie Co., WI	Waupaca Co., WI
Milwaukee Co., WI	Outagamie Co., WI

Source: US Census Bureau, Local Employer-Household Dynamics

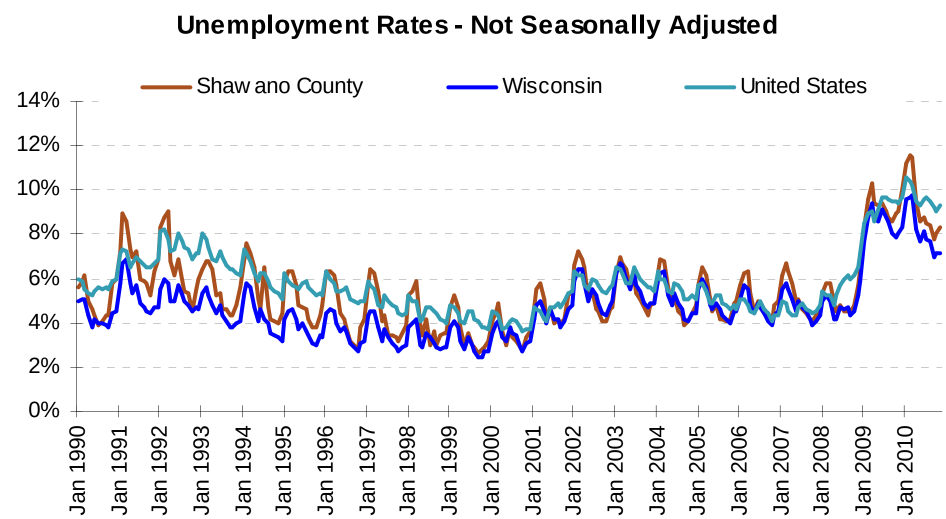
Commuting Patterns of Shawano County Residents

Work in Shawano County:	11,828	59.8%
Work in another Wisconsin County:	7,874	39.8%
Work outside Wisconsin:	86	0.4%
Total:	19,788	100.0%

Source: US Census Bureau, American Community Survey, Table B08007, 2005-2009

Workforce

The Shawano County labor force in in the midst of a number of structural changes related both to the economic restructuring of the employer base and several demographic transitions that will be discussed later in this profile. One catalyst for these transitions was the economic recession of 2007 to 2009. The effects of the recent recession can be viewed most succinctly by tracking the monthly unemployment rate over this period, as depicted in the graph at right.

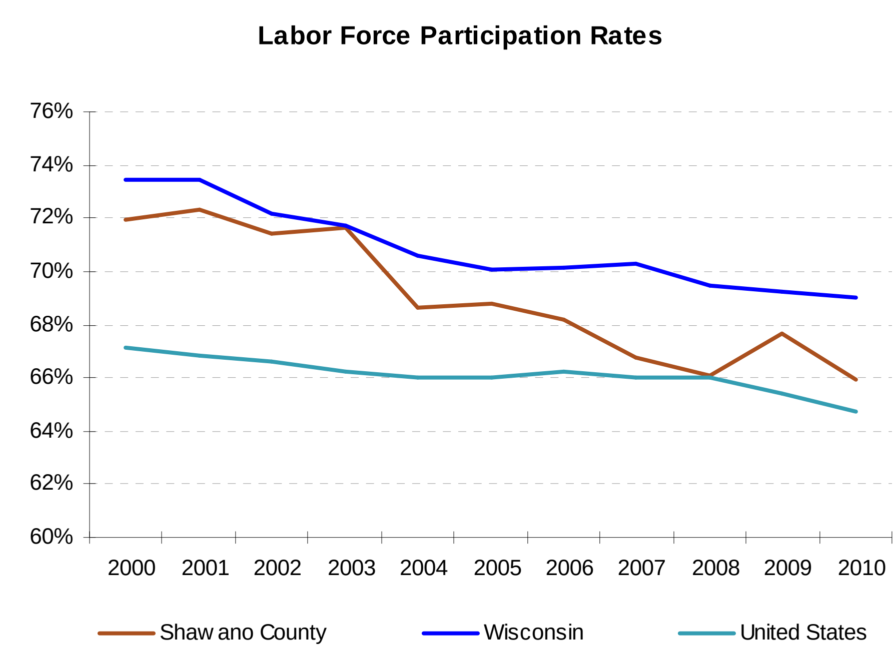


Source: U.S. Bureau of Labor Statistics, CPS, LAUS, 2011

As we trace the unemployment rate beginning in 1990, the first basic characteristic that we see is that there is a certain degree of seasonality in the unemployment rate of each of the reference areas. In Shawano County, as in Wisconsin, much of this seasonality can be accounted for by changes in employment in a few key industry sectors, such as construction, leisure and hospitality, and retail trade.

These seasonal fluctuations are more pronounced in Shawano County than in either the state or nation, with unemployment typically spiking in the first quarter of the year before moderating through the spring and summer. This seasonality is persistent, though the spread between each annual peak and trough moderated, to some extent during the mid-1990's through the period that pre-dates the most recent recession. The fact that the seasonal volatility in the unemployment rate observed in the last several years has returned to levels observed during the early 1990's again points to the magnitude of the losses incurred during the recession.

One final point must be made regarding the fluctuations in Shawano County's unemployment rate. The seasonal variability in this rate is largely an issue of scale, with small fluctuations in a small labor force having a greater relative effect than the same change in a larger market. Given the relatively modest size of the county's labor force, we would anticipate even the slightest variation to have a profound effect.



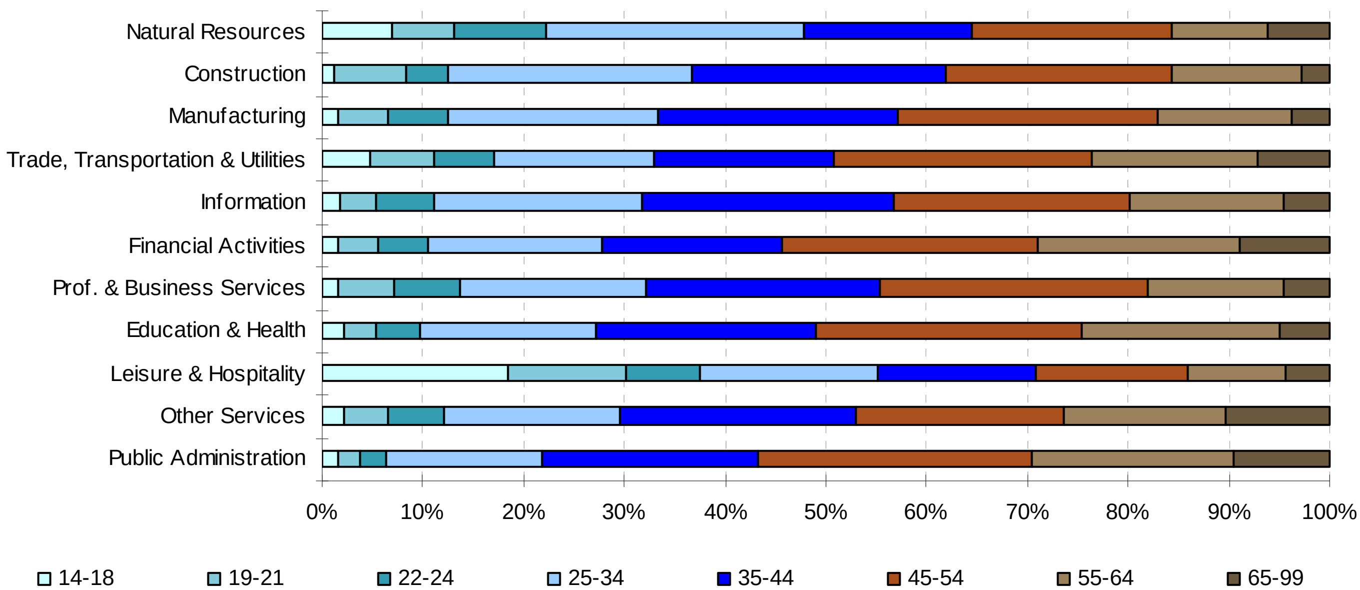
Source: WI DWD, OEA Special Tabulation

An alternative way of looking at the dynamics of the labor force is by reviewing changes in the labor force participation rate, or LFPR. The labor force participation rate is a measure of the percentage of non-institutional population age 16 and over that is either presently employed or is actively seeking employment and is considered a more robust measure than the unemployment rate. In 2010, the Shawano County LFPR stood at 66.0 percent, a figure that is roughly three percent below the state average but is slightly higher than the national average.

The county has historically had a lower

Workforce (cont.)

Shawano County's Age Distribution by Industry



Source: U.S. Dept. of Commerce, Census Bureau, Local Employment Dynamics, 2009 Annual

LFPR than the state, as a whole because of its relatively smaller size and more rural character. However, the county has tracked closely with the state over the last several decades as its industry composition resembled that of the state, as a whole. As we see in the chart presented on the previous page, that pattern diverged markedly over the course of the past decade.

Over the course of the 2000's, Oconto County's LFPR ranged from a high of 71.9 percent in 2000 to its current low point. While the principal cause of this erosion is the economic restructuring that has occurred over the last decade, more recent forces are also at play.

Another impact of the recession that bares note is that the long-term effects of unemployment have created a group of discouraged workers that is not considered to be part of the labor force unless actively seeking employment. As national economic conditions have improved, many of these individuals have returned to the labor force in recent months. At the same time, the county's population has aged significantly over the last decade.

The median age of Shawano County's population currently stands at 43.0 years. This ranks the county as the 27th oldest in the state by this measure. Over the course of the last decade, the county's median age has grown by roughly five years, from 38.5 in 2000. The effects of this gradual aging are profound and varied.

Turning our attention now to the age distribution of the county's major industry sectors, as depicted in the chart above, we see that several dominant industry sectors are predominately staffed by mature workers. This is especially true in the Manufacturing, Information, Education and Health, and Public Administration sectors. The age distribution of workers in any given industry sector is determined by the availability of entry-level positions within the sector, which are generally more attractive to younger workers, and the premium paid for long tenures in a particular firm or sector, which tends to result in a preponderance of older workers in those sectors with the highest wage premiums.

The tenure dividends provided among manufacturers and public sector employers in the form of such things as employer-provided health insurance and retirement pension benefits, coupled with wage schedules that are frequently tied to seniority account for the presence of a relatively higher percentage of mature workers (those aged 45 years and older) than average. Conversely, those industry sectors that are especially physically demanding, such as construction, and those sectors that offer a high number of entry-level positions or experience high rates of turnover, such as leisure and hospitality are dominated by younger workers.

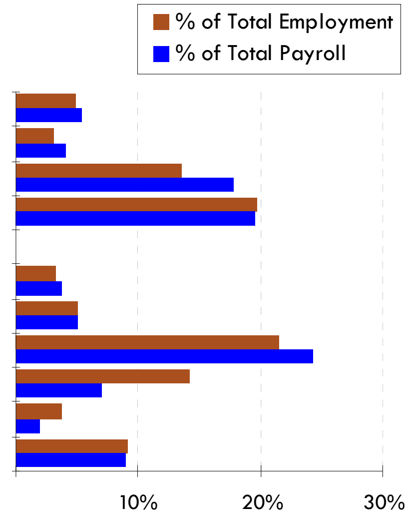
The challenge presented in this distribution is how young workers can effectively transition from high turnover to high wage industries.

Jobs & Wages

The chart at right depicts a decomposition of the Shawano County employer base by industry, employment, and payroll. This illustrates the relative importance of each industry sector to the vitality of the county's economy. Please note that data for all industry sectors may not be available due to confidentiality disclosure concerns.

2010 Employment and Wage Distribution by Industry in Shawano County

	Employment: Annual average	Employment: 1-year change	Total Payroll
Natural Resources	604	5	$ 18,448,644
Construction	375	-31	$ 13,587,999
Manufacturing	1,661	-146	$ 59,983,087
Trade, Transportation, Utilities	2,418	-79	$ 66,266,710
Information	suppressed	Not avail.	suppressed
Financial Activities	400	-13	$ 12,753,964
Professional & Business Services	609	59	$ 17,061,312
Education & Health	2,629	61	$ 82,241,430
Leisure & Hospitality	1,730	14	$ 23,881,342
Other services	469	25	$ 6,744,550
Public Administration	1,118	-35	$ 30,245,773
Not assigned	suppressed	Not avail.	suppressed
All industries	12,243	-146	$338,563,711



Source: WI DWD, Bureau of Workforce Training, Quarterly Census Employment and Wages, June 2011

The first interesting dynamic that can be gleamed from this data is noted in two of the county's largest industry sectors — education and health and manufacturing. Each of these sectors, along with several others, represents a greater relative share of total payroll than of total employment. This suggests, as we shall see, that these are industry sectors that pay, on average, higher relative wages. This being said, however, we see that the disparity between the employment and payroll shares attributed to education and health services in the county (21.5 percent and 24.3 percent, respectively) is relatively higher than that of education and health services. The prominence of these two industry sectors is fairly typical of counties in Northeast Wisconsin.

Conversely, the opposite dynamic can be observed in Shawano County's second largest industry sector — trade, transportation, and utilities, among others. In this instance the share of total employment is relatively higher than the share of total payroll. This dynamic is typical of relatively lower wage industries. This relates effectively to our previous discussion as the higher wage industries are also those that are staffed predominately by relatively older workers and low wage, high turnover industries are staffed largely by younger workers.

In aggregate terms, non-farm industry employment in Shawano County decreased by a net of 146 jobs in 2010. This would generally suggest a certain degree of stability in the county's employer base. However, speaking in the aggregate masks a number of notable trends. Construction employment, for example, decreased by nearly ten percent over the year, as the effects of the ongoing real estate crisis continue to be felt. Similar losses in the financial activities and trade, transportation, and utilities industry sectors point to continued weaknesses in consumer confidence and spending throughout the region. Similarly, losses in the manufacturing sector equal that of total non-farm employment. The education and health services industry sector continued to see modest growth

Shawano County's all industries average annual wage is significantly lower than the state mark but increased marginally over the past year. This is relatively consistent across all industry sectors and

Average Annual Wage by Industry Division in 2010

	Wisconsin Average Annual	Shawano County Average	Percent of Wisconsin	1-year % change
All industries	$ 39,985	$ 27,654	69.2%	1.1%
Natural Resources	$ 30,613	$ 30,544	99.8%	-1.5%
Construction	$ 49,135	$ 36,235	73.7%	3.6%
Manufacturing	$ 50,183	$ 36,113	72.0%	5.4%
Trade, Transportation & Utilities	$ 34,132	$ 27,406	80.3%	1.7%
Information	$ 51,764	suppressed	Not avail.	Not avail.
Financial Activities	$ 53,332	$ 31,885	59.8%	3.8%
Professional & Business Services	$ 46,516	$ 28,015	60.2%	-3.5%
Education & Health	$ 42,464	$ 31,282	73.7%	1.7%
Leisure & Hospitality	$ 14,597	$ 13,804	94.6%	2.5%
Other Services	$ 22,682	$ 14,381	63.4%	3.1%
Public Administration	$ 41,653	$ 27,053	64.9%	-3.5%

Source: WI DWD, Workforce Training, QCEW, June 2011

Jobs & Wages (cont.)

Prominent Industries in Shawano County

Industry Sub-sectors (3-digit NAICS)	Average Employment			Average Wages			
	2010 Avg.	5-year Percent Change		2010 Average		5-year Percent Change	
	Shawano County	Shawano County	Wisconsin	Shawano County	Wisconsin	Shawano County	Wisconsin
Educational services	1,066	3.2%	5.2%	$ 32,761	$ 42,666	10.0%	13.5%
Executive, legislative and general governme	952	-9.2%	-1.6%	$ 27,614	$ 38,155	11.5%	11.4%
Food services and drinking places	994	5.6%	-1.4%	$ 9,763	$ 11,693	16.4%	16.2%
Nursing and residential care facilities	596	10.4%	10.0%	$ 21,318	$ 24,057	18.3%	9.0%
Amusements, gambling, and recreation	588	-5.2%	0.9%	$ 21,731	$ 16,538	9.9%	8.4%
General merchandise stores	458	10.4%	-2.0%	$ 19,149	$ 18,740	14.7%	12.7%
Ambulatory health care services	458	18.3%	6.8%	$ 34,477	$ 62,533	15.8%	15.4%
Merchant wholesalers, nondurable goods	377	-7.1%	-4.6%	$ 40,235	$ 48,828	4.3%	9.7%
Hospitals	suppressed	not avail.	8.1%	suppressed	$ 47,726	not avail.	18.9%
Primary metal manufacturing	suppressed	not avail.	-24.4%	suppressed	$ 51,479	not avail.	13.6%

Note: * data suppressed for confidentiality and not available for calculations
Source: WI DWD, Bureau of Workforce Training, QCEW, OEA special request, 2011

is typical of small, rural counties. Only one industry sector — natural resources — has an annual average wage that approaches the state average, though leisure and hospitality wages also come close. Manufacturing and education and health services, two of the county's largest industry sectors have average annual wages that are roughly 25 percent below the state average. The relatively low wage rates paid by employers in the county are offset by a number of factors which will be further explored.

Turning our attention now to an examination of the prominent industry subsectors in the county, we see that the largest industry sector — education and health services — is well-represented. Educational services is the single largest subsector in the county, as represented by the Shawano and Wittenberg-Birnamwood School District. This sector has experienced relatively modest employment growth, but higher than average wage growth over the last five years. Nursing Homes and Hospitals are also prominent components of this sector, including Shawano Medical Center and Homme, Inc.

The role of the public sector and tribal governance, in particular are also emphasized here, both in the presence of government and gaming employment among the county's largest subsectors and the presence of Shawano County, the Stockbridge-Munsee Community, and the Mohican North Star Casino among the county's most prominent employers. The role of gaming revenue is an important source of tourism activity in the county and further explains the role of the leisure and hospitality industry sector.

The role of manufacturing, as represented by Arrowcast and KI is much less prominent in Shawano County than may be the case in other counties in the New North and speaks to a greater level of diversification.

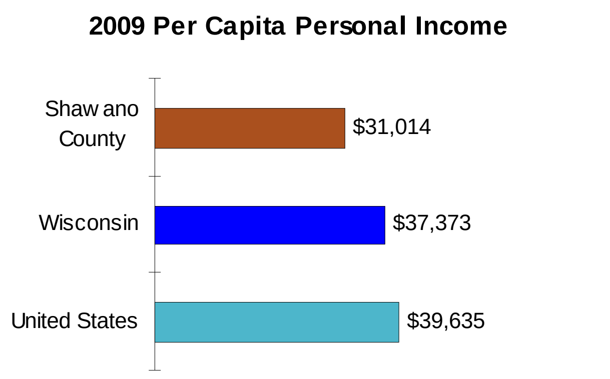
Prominent Employers in Shawano County

Establishment	Service or Product	Number of Employees (June 2010)
Shawano School District	Elementary & secondary schools	250-499 employees
Mohican North Star Casino	Casinos, except casino hotels	250-499 employees
Shawano County	Executive & legislative offices, combined	250-499 employees
Shawano Medical Center Inc	General medical & surgical hospitals	250-499 employees
Walmart	Discount department stores	250-499 employees
Aarrowcast Inc	Iron foundries	250-499 employees
Stockbridge-Munsee Community	Tribal governments	250-499 employees
Krueger Intl Inc	Institutional furniture manufacturing	100-249 employees
Wittenberg-Birnamwood School District	Elementary & secondary schools	100-249 employees
Homme Inc	Nursing care facilities	100-249 employees

Source: WI DWD, Bureau of Workforce Training, QCEW, OEA special request, Sept. 2011

Income

Total personal income (TPI) is the sum of employment earnings, rental property income, personal dividend income, personal interest income, and personal current transfer (government) receipts such as social security, Medicare/Medicaid, public assistance, veterans benefits, unemployment insurance and other government payments.



Source: US Dept. of Commerce, Bureau of Economic Analysis, 2011

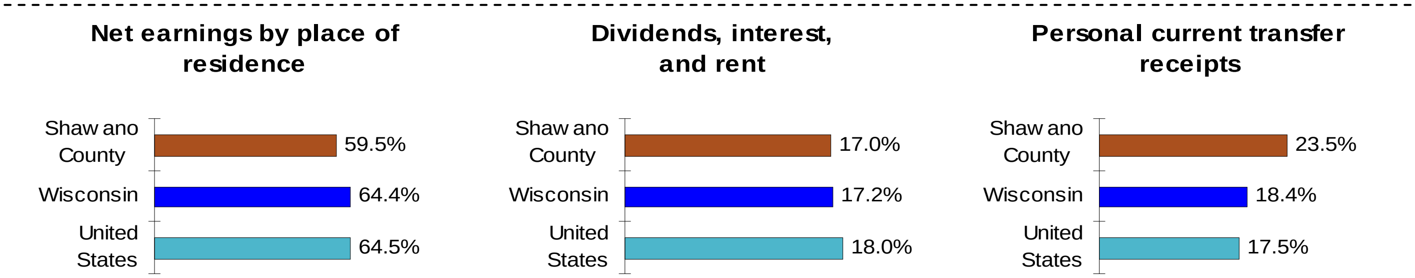
Shawano County's 2009 TPI was $1.14 billion, or roughly one-half of one percent of the state's TPI of $211 billion. Over the decade between 1999 and 2009, the county's TPI grew by 44.0 percent in nominal terms, a growth rate that is roughly in line with the state's growth rate but is well below national growth during the same period. After adjusting for the effects of inflation, we see that the county's "real" income growth rate is 11.8 percent. This is again close to the state's adjusted growth of 11.3 percent, but is almost eight percent below the national average. The significant income growth in the region can be attributed to a number of factors, including the in-migration of more relatively affluent residents, appreciation of real estate values, and the ability of workers to tap into the high wage opportunities of the regional labor market.

The effects of the county's population dynamics can be demonstrated more succinctly in an analysis of its per capita personal income. Per capita personal income (PCPI) is TPI divided by the total population. Shawano County's 2009 PCPI was $31,014, or roughly $6,300 below the state mark and over $8,600 below the national average. Shawano County's PCPI ranks 51st in the state, and is well below the $37,388 of Brown County, which ranks 11th. Over the course of the decade, the county's PCPI grew by 40.7 percent in nominal terms or 9.3 percent after adjusting for inflation. This growth is significantly higher than the state (5.0) or national (8.6 percent) growth rates over the same period. Much of this disparity can be accounted for by a dynamic first discussed at the beginning of this profile, namely the in-migration of wage-earning residents. As a great majority of the county's population growth has occurred through in-migration rather than natural increase, the total number of wage earners has also increased, thereby accelerating income growth. This again speaks to the further integration of Shawano County into the New North.

A few additional points regarding the significance of the county's income base can be illustrated in the three tables below. First, it is important to note that personal income, much like the labor force statistics presented on page five is based on one's place of residence. As such, it is possible for the county's income characteristics to closely mimic the state's even though the relative wages paid by employers in the county are significantly lower, on average. Second, it is important to note that the role of wage earnings is significantly less important in Shawano County than it is in either the state or the nation. The county ranks 40th in the state in reliance on this measure. As the county's population continues to change and migration patterns continue as expected, we would suspect that earnings growth will persist.

In the other two principal components of personal income — dividends, interest, and rent and transfer receipts — we see that the role of investment income is slightly less important in the county than in the state or nationally, but the role of transfer payments, such as unemployment insurance and social security is significantly more important. As the economy continues to improve, we would expect that the share of the latter component would decrease though an aging population leads to some uncertainty.

Income Components - 2009



Source: US Dept. of Commerce, Bureau of Economic Analysis, 2011