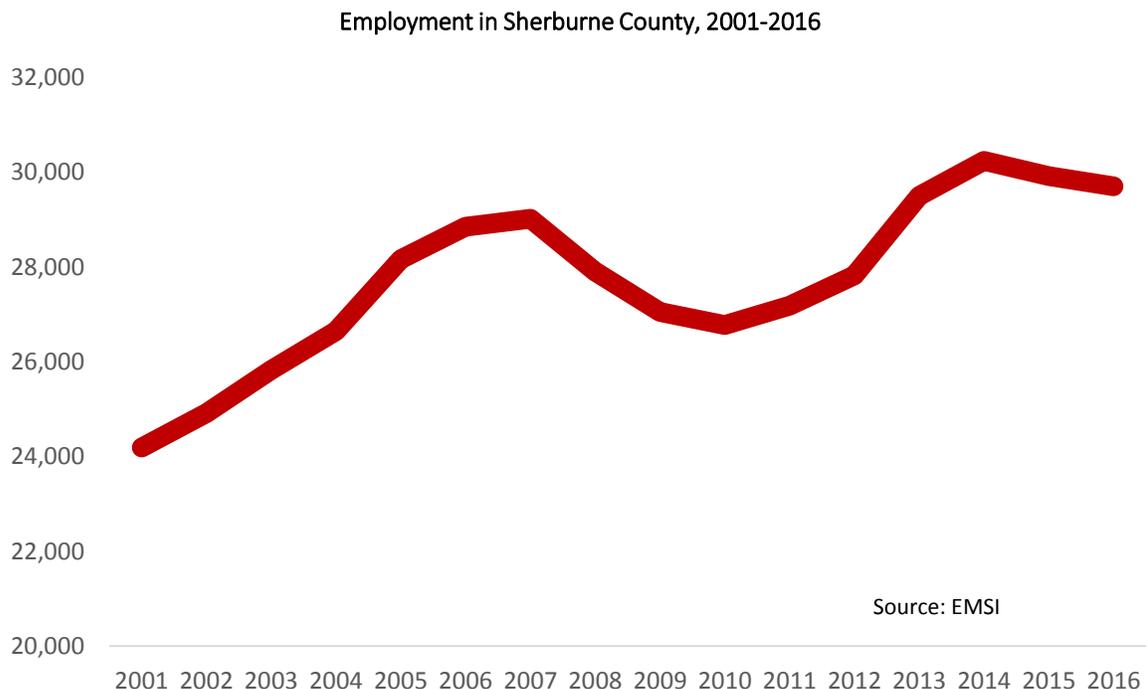


ECONOMIC OVERVIEW

Sherburne County

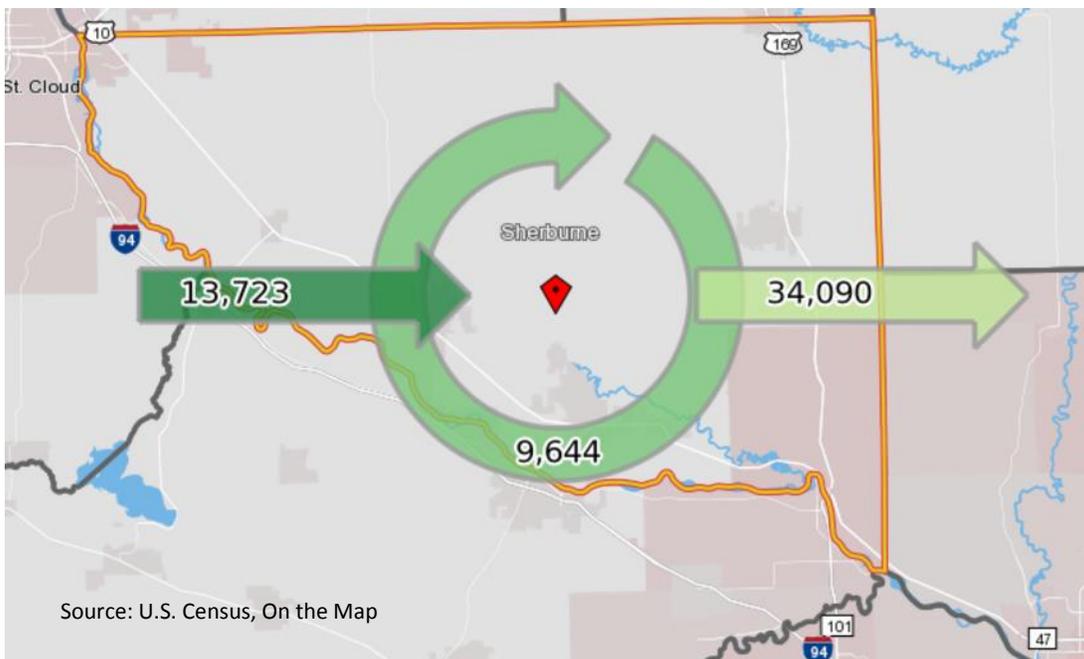
Sherburne County is a job-creating economy.

- Employment grew at a rate of 23 percent from 2001-2016 (5,510 new jobs).
- By 2012, Sherburne County had recovered from the Great Recessions (from an employment standpoint).
- Sherburne County's employment growth compared favorably with similar and neighboring counties. Wright County grew slightly faster (34 percent). Otherwise, Sherburne County grew faster than Anoka, Stearns, and Mille Lacs counties. It also outgrew the 7W regional average (18 percent).
- This growth may have been fueled in part by population growth. The number of residents in Sherburne County grew by 36 percent during the period. This is also faster than state and regional growth.



Sherburne County is an important source of workforce for the region.

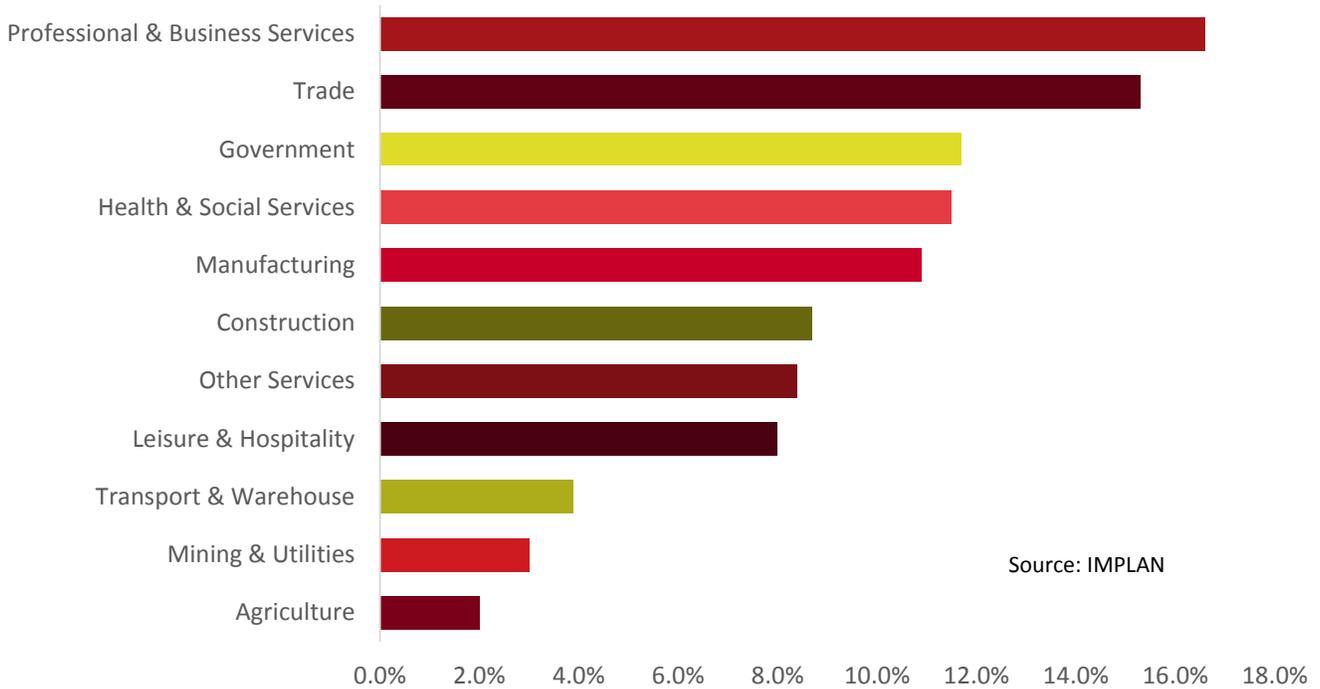
- On a daily basis, 34,000 people commute out of the county for work.
- At the same time, 13,700 people commute in for work.
- There are 9,600 people that live and work in Sherburne County.
- Major destinations for work outside the county include St. Cloud, Minneapolis, Rogers, and Monticello.
- Job flow patterns may become increasingly important as the state enters a tight labor force. In the fourth quarter of 2015, the number of job vacancies was nearly equal to the number of people seeking work.



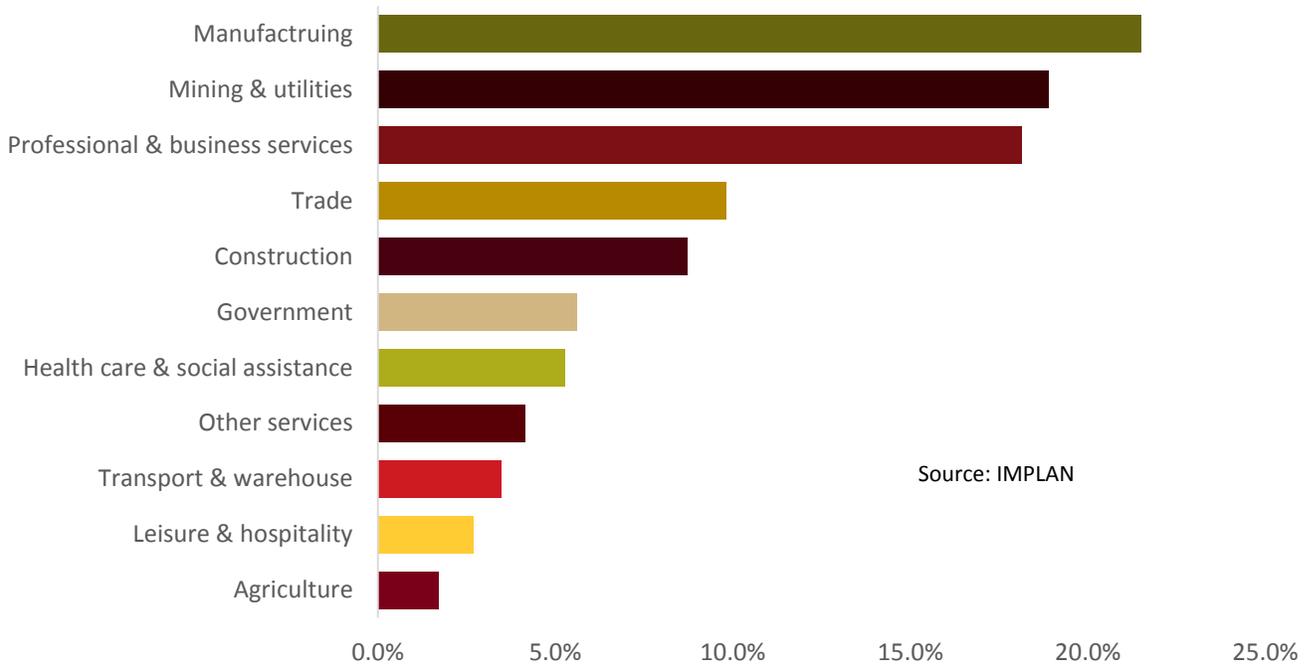
Sherburne County's economy is diverse.

- Professional and business services and trade account for 32 percent of all jobs.
- Manufacturing accounts for 10 percent of all jobs.

Employment by Industry, Sherburne County, 2015

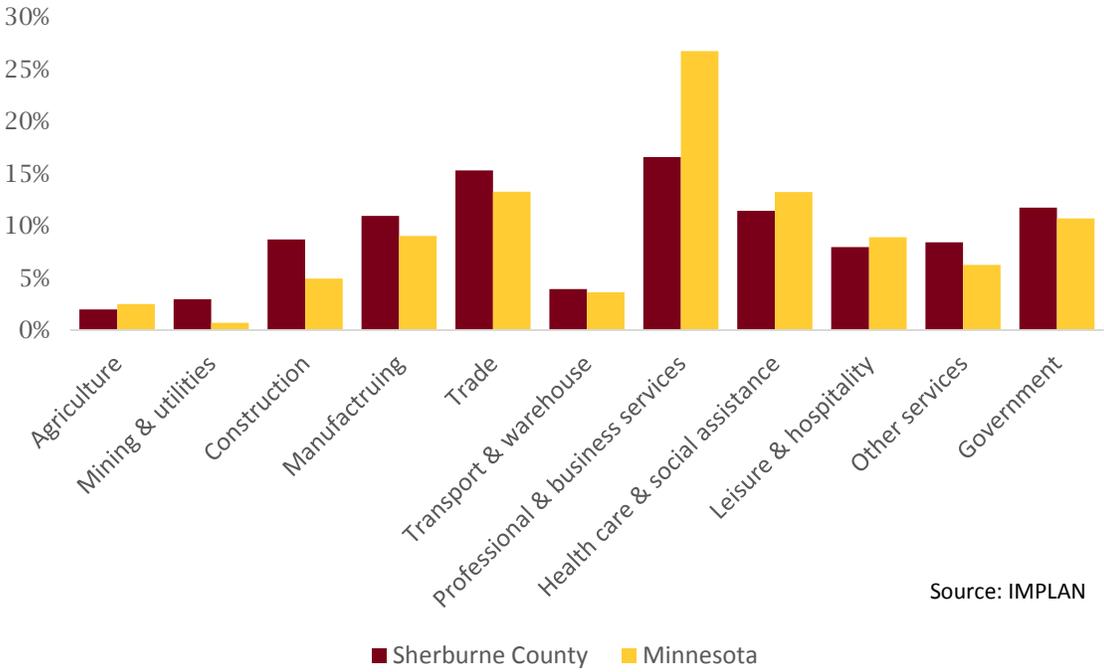


Output by Industry, Sherburne County, 2015



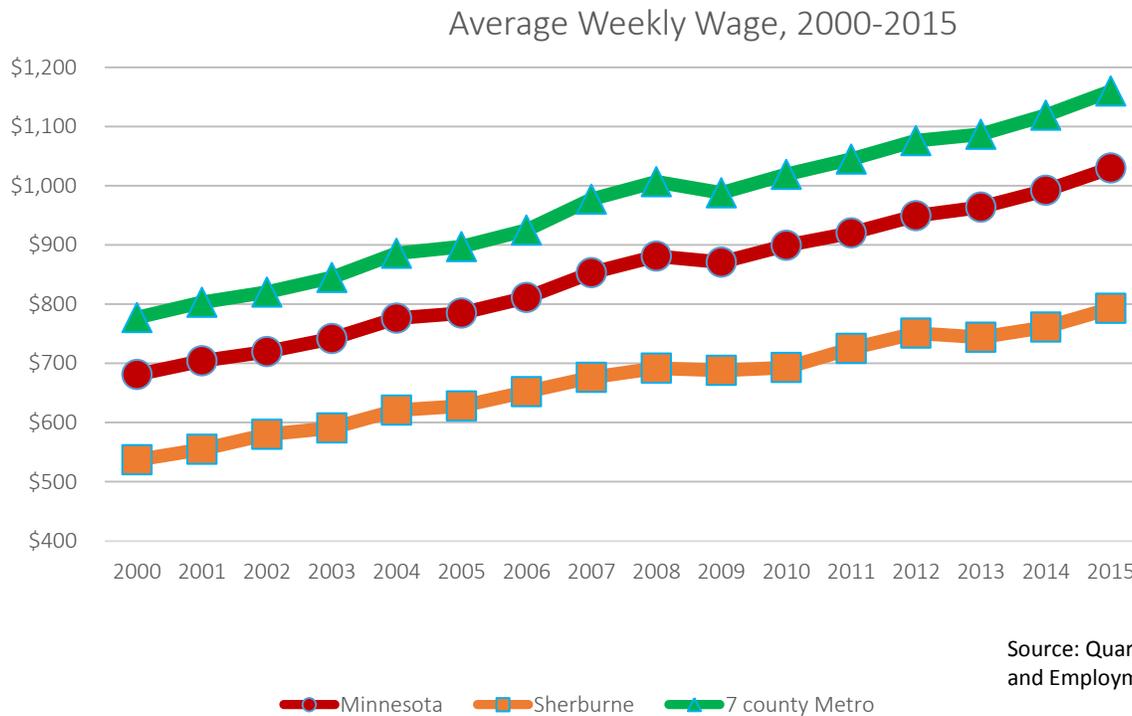
- Compared to the state, however, Sherburne County has a higher percentage of its employment in goods-producing sectors such as utilities, construction, and manufacturing.
- Sherburne County has a smaller share of its employment in professional and business services as compared to Minnesota.
- At a regional level, Sherburne County has similar top sources of employment.

Percent of Employment by Industry, Sherburne County versus Minnesota, 2015



Sherburne County wages are growing, but still below Minnesota's average.

- Jobs in Sherburne County pay relatively less overall compared to Minnesota and the 7-county metro area.
- However, wages in Sherburne County rose slightly in the last three years.



Sherburne County added health care and manufacturing jobs at rates higher than expected.

- Overall, Sherburne County added 4,000 more jobs between 2001 and 2016 than expected giving industry and national trends.
- Sherburne County's fastest growing industry was health care. It grew at rates that exceeded national and industry expectations.
- Sherburne County is one of the few places in Minnesota to add manufacturing jobs, and at a rate far exceeding industry averages.

Sector	Change 2001-2016	National Growth	Industrial Mix	Competitive Share
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Top Three Job Gaining Industries (source EMSI)

Health Care and Social Assistance	1,705	197	752	756
Manufacturing	661	259	-1,000	1,403
Administrative & Support & Waste Management	504	60	55	390

Sherburne County lost crop and animal production, utility, and information jobs.

- Job loss industries in Sherburne County included crop and animal production, utilities, and information.
- All three of these sectors also declined nationally.

Sector	Change 2001-2016	National Growth	Industrial Mix	Competitive Share
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Top Three Job Loss Industries (source EMSI)

Crop and Animal Production	-104	93	-84	-113
Utilities	-155	73	-129	-99
Information	-250	34	-115	-169

See end of document for an explanation of shift-share analysis.

UNDERSTANDING SHIFT-SHARE ANALYSIS

Shift-share analysis is a method for measuring the source of job growth (or decline) in a local economy.

- **National Growth:** National growth indicates how many jobs a local economy would have gained (or lost) as a result of the growth (or decline) of employment at the national level. For example, consider a local economy with 100,000 jobs at the beginning of the time period. If during the period under consideration, the number of jobs in the United States grew by a rate of 2 percent, then at the end of the time period under consideration, the local economy would be expected to have 102,000 jobs.
- **Industrial Mix:** Industrial mix indicates how many jobs a particular industry within the local economy would have gained (or lost) if the local industry grew (or declined) at a rate similar to the industry as a whole in the United States. For example, if 1,000 people were employed in the finance industry in the local economy at the beginning of the period, and the finance industry as a whole in the U.S. grew at a rate of 10 percent, then at the end of the time period under consideration, the local finance industry would be expected to have 1,100 jobs.
- **Competitive Share:** Competitive share is the remainder of the number of jobs observed. From our example, the local economy should have grown by 2,100 jobs. If the local economy actually grew by 3,100 jobs, then 1,000 jobs were because the local economy grew faster than expected, given national and industry trends.
- **Percent Competitive Share:** This is the percent of total jobs that are sourced from competitive share. A competitive share of 80 percent would indicate that 80 percent of the jobs during the period were derived from the competitive share.

DATA SOURCES

Extension accessed multiple data sources to prepare this summary.

Quarterly Census of Employment and Wages (QCEW)

The Minnesota Department of Employment and Economic Development (DEED) collects and publishes the QCEW data. All businesses covered under the unemployment insurance program are required to report employment and wages to DEED.

Pros: Data reported directly by companies (no estimates are made)

Cons: 1) Only covers 97 percent of workers (proprietors, self-employed, including farmers are excluded) and 2) if there are fewer than four establishments in the industry, the data is not published (non-disclosed).

Economic Modeling Specialists (EMSI)

EMSI is a private, subscription service. The main underlying data is from the QCEW. However, EMSI makes assumptions and estimations for the non-disclosed data. It also makes estimates of the number of proprietors and self-employed.

Pros: Fills in gaps in data

Cons: 1) Estimates occasionally appear to be off or not to fit with local knowledge and 2) still does not account fully for farm employment.

IMPLAN Model

IMPLAN is an input-output modeling system, used to calculate economic impact. It is also a private, fee-based model.

Pros: Uses national agricultural statistics data to adjust for farm employment

Cons: 1) There is usually a lag in the data and 2) also makes estimates that can appear off or not to fit with local knowledge.